SIERRA JOINT COMMUNITY COLLEGE DISTRICT

FINANCIAL STATEMENTS
June 30, 2025

SIERRA JOINT COMMUNITY COLLEGE DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

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SIERRA JOINT COMMUNITY COLLEGE DISTRICT

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

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Crowe LLP
Independent Member Crowe Global

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, 2025, 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, 2025, 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Sierra Foundation were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. As a result, beginning net position of the governmental activities was restated, resulting in a decrease of $6,855,380. Our opinions are not modified with respect to this matter.

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.

(Continued)

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.

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 9 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 62 to 67 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 expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 expenditures 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 February 4, 2026 , 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
February 4, 2026

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, 2025. The discussion has been prepared by management and should be read in conjunction with the financial statements and notes that 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 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 & HIGHLIGHTS 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 Colleges and Universities*". The following discussion and analysis provide an overview of the District's financial activities for the fiscal year ended June 30, 2025. 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.

Significant highlights of the 2024-25 financial statement include:

- The District maintained its community supported status in fiscal year 2024-25, with local property taxes being the primary source of unrestricted general fund operating revenues. The District received approximately $115.4M in local property tax revenues in 2024-25, an increase of approximately $4.4M over the prior year, or 3.9%.
- The District's unrestricted fund balance, after commitments, leaves a 2024-25 ending fund balance of $26.0M or 15.1% of total general fund expenditures.
- The 2024-25 total general fund revenues, excluding the recording of State On-Behalf payments of $3.8M were $168.8M compared to $166.1M earned in 2023-24, an increase of $2.7M, or 1.6%.
- State On-behalf Pension contributions were calculated in the amount of $3.8M for 2024-25, comprised of $3.8M for CalSTRS and $0 for CalPERS, an increase of approximately $0.1M as compared to 2023-24. 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 on fund balance.
- Total general fund employee benefits expenses, for both employees and retirees, increased by approximately $1.8M 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 (NOL) as of June 30, 2025, is $17.5M when considering $16.8M of assets held in a GASB 74 qualifying OPEB Trust.
- 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 with this requirement, and in 2024-2025 expended 50.97% on classroom instructional compensation.

- Measure E is a $350M facilities bond to fund improvements on the Rocklin Campus. These monies, along with state facilities funding, other district funds, and proceeds from the development of surplus property, will support an extensive program of new construction and modernization projects covering the entire Rocklin campus. Since the 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
  - Completion of a $5.0M renovation of the Student Union and cafeteria kitchen
  - Completion of a $25.8M Infrastructure project to replace/upgrade all campus utilities
  - Completion of a $69.6M New Instructional Building that houses roughly three-quarters of lecture space on the Rocklin Campus
  - Completion of a $59M New Gymnasium addition and renovation (no Measure E funds used) in Spring 2025
  - Continued progress with the $107.4M Student Housing project (no Measure E funds used) with an expected completion date of Fall 2025
  - Awarded 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).
- The District paid down principal of $16.5M in capital debt. The District did not issue any new debt in the 2024-25 fiscal year.
- 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

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

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, 2025 and June 30, 2024 is shown below:

	2024-25	2023-24	Increase (Decrease)	Percent Change
ASSETS				
Current assets				
Cash and cash equivalents	$ 178,446,353	$ 202,187,651	$ (23,741,298)	-11.7%
Accounts receivable and other assets, net	3,523,883	6,052,594	(2,528,711)	-41.8%
Total Current Assets	**181,970,236**	**208,240,245**	**(26,270,009)**	**-12.6%**
Noncurrent assets				
Restricted cash and cash equivalents	66,655,466	134,697,396	(68,041,930)	-50.5%
Notes receivable	0	0	-	-
Capital assets (net of depreciation)	423,307,238	353,873,558	69,433,680	19.6%
Total Noncurrent Assets	**489,962,704**	**488,570,954**	**1,391,750**	**0.3%**
TOTAL ASSETS	**671,932,940**	**696,811,199**	**(24,878,259)**	**-3.6%**
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow of resources - loss on refunding	301,088	444,726	(143,638)	-32.3%
Deferred outflow of resources - OPEB	0	501,234	(501,234)	-100.0%
Deferred outflow of resources - pensions	34,869,089	35,606,178	(737,089)	-2.1%
TOTAL ASSETS AND DEFERRED OUTFLOWS	**$707,103,117**	**$ 733,363,337**	**$ (26,260,220)**	**-3.6%**
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	$ 19,367,715	$ 45,652,753	$ (26,285,038)	-57.6%
Unearned revenue	29,949,790	30,297,675	(347,885)	-1.1%
Current portion of long-term obligations	16,930,833	19,651,377	(2,720,544)	-13.8%
Total Current Liabilties	**66,248,338**	**95,601,805**	**(29,353,467)**	**-30.7%**
Noncurrent liabilities				
Non-current portion of long-term obligations	338,304,192	349,376,515	(11,072,323)	-3.2%
Other long-term obligations	19,290,404	18,628,915	661,489	3.6%
Total Noncurrent Liabilties	**357,594,596**	**368,005,430**	**(10,410,834)**	**-2.8%**
TOTAL LIABILITIES	**423,842,934**	**463,607,235**	**(39,764,301)**	**-8.6%**
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pensions	8,564,000	8,705,000	(141,000)	-1.6%
Deferred inflows of resources - OPEB	49,497	0	49,497	-
Total Outflow of Resources	**8,613,497**	**8,705,000**	**(91,503)**	**-1.1%**
NET POSITION				
Net investment in capital assets	189,509,487	135,942,137	53,567,350	39.4%
Restricted for:				
Scholarships and loans	2,756	2,756	0	0.0%
Capital projects	143,311,944	204,459,251	(61,147,307)	-29.9%
Debt service	27,274,428	30,473,334	(3,198,906)	-10.5%
Student Center, Clubs, Fee	2,359,622	2,262,260	97,362	4.3%
Unrestricted	(87,811,551)	(112,088,637)	24,277,086	-21.7%
TOTAL NET POSITION	**274,646,686**	**261,051,101**	**13,595,585**	**5.2%**
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	**$707,103,117**	**$ 733,363,336**	**$ (26,260,219)**	**-3.6%**

Significant variances in comparing fiscal year 2024-25 to 2023-24 include:

- A decrease of $2.5M, or 41.8%, in accounts receivable is primarily related to the state construction funding due to the college for the gym construction project, which was completed in spring 2025.
- A decrease in restricted cash and cash equivalents of $68.0M, or 50.5%, due to the spend down of restricted construction funding.
- An increase of $69.4M, or 19.6%, in capital assets, net of depreciation, which is principally related to the completion and capitalization of the new gymnasium facility on the Rocklin campus.
- A decrease in accounts payable of $26.3M, or 57.6%, related to a reduction of year-end construction invoices, primarily related to the completion of the gymnasium project during the 2024-25 fiscal year.
- An increase in net investment in capital assets of $53.6M, or 39.4%, due to the completion and capitalization of the gymnasium project, and continuing construction of the student housing project during the 2024-25 fiscal year.

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.

	2024-25	2023-24	Increase (Decrease)	Percent Change
OPERATING REVENUES				
Net tuition & fees	$ 11,859,131	$ 12,807,127	$ (947,996)	-7.4%
Grants & contracts	44,841,512	72,180,808	(27,339,296)	-37.9%
Auxiliary	270,210	230,732	39,478	17.1%
TOTAL OPERATING REVENUES	**56,970,853**	**85,218,667**	**(28,247,814)**	**-33.1%**
OPERATING EXPENSES				
Salaries	92,302,973	84,846,631	7,456,342	8.8%
Employee benefits	37,892,705	15,363,394	22,529,311	146.6%
Supplies, materials & other	19,816,615	28,254,450	(8,437,835)	-29.9%
Student financial aid & scholarships	43,668,030	39,266,706	4,401,324	11.2%
Utilities	4,206,356	3,843,564	362,792	9.4%
Depreciation	12,530,559	9,978,436	2,552,123	25.6%
TOTAL OPERATING EXPENSES	**210,417,238**	**181,553,181**	**28,864,057**	**15.9%**
NON-OPERATING & CAPITAL ACTIVITY				
State taxes & other revenues	12,443,004	9,455,820	2,987,184	31.6%
Local property taxes & revenues	135,015,785	132,846,321	2,169,464	1.6%
Federal grants and contracts, non-capital	-	-	-	100.0%
Pell grants	26,505,709	20,505,483	6,000,226	29.3%
Investment income	8,863,538	10,414,329	(1,550,791)	-14.9%
Interest expense	(8,435,454)	(8,236,557)	(198,897)	2.4%
Other Non-Operating Revenue	209,533	644,858	(435,325)	-67.5%
Loss on disposal of capital asset	(704,765)	(7,893)	(696,872)	8829.0%
TOTAL NON-OPERATING & CAPITAL ACTIVITY	**173,897,350**	**165,622,361**	**8,274,989**	**5.0%**
CHANGE IN NET POSITION	20,450,965	69,287,847	(48,836,882)	-70.5%
BEGINNING NET POSITION	261,051,101	191,763,254	69,287,847	36.1%
Cumulative effect of GASB No. 101 Implementation	(6,855,380)			
ENDING NET POSITION	**$ 274,646,686**	**$ 261,051,101**	**$ 20,450,965**	**5.2%**

Significant variances in comparing fiscal year 2024-25 to 2023-24 include:

- A decrease of $27.3M, or 37.9%, in grants and contract revenues related to the state construction funding for the gymnasium project during the 2023-24 fiscal year.
- An increase in employee benefits of $22.5M, or 146.6%, primarily related to GASB 68 and GASB 101 adjustment for compensated absences.
- A decrease of $8.4M, or 29.9%, in supplies, materials, and other expenses related to the significant equipment and furnishing purchases made in fiscal year 2023-24 for the gymnasium construction project.
- An increase of $4.4M, or 11.2%, in student financial aid and scholarships, driven by an increase of full-time equivalent students (FTES) of approximately 920 year-over-year.
- An increase in depreciation expense of $2.6M, or 25.6%, primarily related to the full year of depreciation accumulated for the new Instructional Building (Q) and completion and initial depreciation of the new gymnasium project.
- An increase in state taxes & other revenues of $3.0M, or 31.6%, related to the GASB 68 adjustment for future pension liability related to STRS On-Behalf.
- An increase in Pell Grant revenues of $6.0M, or 29.3%, is fundamentally related to the increase in year-over-year FTES and student financial aid eligible students.

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.

	2024-25	2023-24	Increase (Decrease)	Percent Change
NET CASH PROVIDED BY (USED IN)				
Operating activities	$ (172,372,602)	$ (123,946,667)	$ (48,425,935)	39.1%
Non-capital financing activities	154,405,067	141,413,517	12,991,550	9.2%
Capital and related financing activites	(78,694,501)	(45,209,120)	(33,485,381)	74.1%
Investing activities	4,878,808	5,722,639	(843,831)	-14.7%
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(91,783,228)**	**(22,019,631)**	**(69,763,597)**	**316.8%**
CASH BALANCE, BEGINNING OF YEAR	**336,885,047**	**358,904,678**	**(22,019,631)**	**-6.1%**
CASH BALANCE, END OF YEAR	**$ 245,101,819**	**$ 336,885,047**	**$ (91,783,228)**	**-27.2%**

Significant variances in comparing fiscal year 2024-25 to 2023-24 include:

- An increase in operating activities of $48.4M, or 39.1%, primarily related to increased payments to suppliers for construction, as well as increased wage and benefit expenses.
- An increase in non-capital financing activities of $13.0M, or 9.2%, principally related to increases in local property tax revenues and Pell Grant awards received from the U.S. Department of Education.
- An increase in capital and related financing activities of $33.5M, or 74.1%, primarily related to the completion of the new gymnasium project as well as significant cash use on the new student housing project, which passed its construction midpoint in fiscal year 2024-25.

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, 2025

ASSETS	
Current assets	
Cash and cash equivalents	$ 178,446,353
Receivables, net	3,206,915
Inventory	40,543
Prepaid expenses	276,425
Total current assets	181,970,236
Noncurrent assets	
Restricted cash, cash equivalents and investments	66,655,466
Non-depreciable capital assets	121,211,166
Depreciable capital assets, net	300,748,656
Leased assets, net	1,347,416
Total noncurrent assets	489,962,704
Total assets	671,932,940
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - loss on refunding	301,088
Deferred outflows of resources - pensions	34,869,089
Total deferred outflows of resources	35,170,177
Total assets and deferred outflows	$ 707,103,117
LIABILITIES	
Current liabilities	
Accounts payable	$ 9,638,789
Unearned revenue	29,949,790
Accrued payroll	6,299,856
Compensated absences payable	2,622,012
Long-term debt - current portion	14,116,764
Accrued interest on debt	3,429,070
Lease liabilities	192,057
Total current liabilities	66,248,338
Noncurrent liabilities	
Accreted interest on bonds	19,290,404
Long-term debt - noncurrent portion	338,304,192
Total noncurrent liabilities	357,594,596
Total liabilities	423,842,934
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - OPEB	49,497
Deferred inflows of resources - pensions	8,564,000
Total deferred inflows of resources	8,613,497
NET POSITION	
Net investment in capital assets	189,509,487
Restricted for	
Scholarships and loans	2,756
Capital projects	143,311,944
Debt services	27,274,428
Students	2,359,622
Unrestricted	(87,811,551)
Total net position	274,646,686
Total liabilities, deferred inflows and net position	$ 707,103,117

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 NET POSITION
June 30, 2025

ASSETS	
Cash and cash equivalents	$ 221,114
Investments	21,141,882
Prepaid expenses	15,900
Receivables	76,728
Total assets	$ 21,455,624
LIABILITIES	
Accounts payable and accrued expenses	$ 166,486
Grant advance liability	192,257
Total liabilities	358,743
NET ASSETS	
Net assets, without donor restriction	
Undesignated	4,060,244
Board designated endowment	1,744,703
Net assets without donor restrictions	5,804,947
Net assets, with donor restriction	15,291,934
Total net assets	21,096,881
Total liabilities and net assets	$ 21,455,624

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, 2025

ASSETS	
Cash and cash equivalents	$ 17,763,774
Total assets	$ 17,763,774
NET POSITION	
Unrestricted	17,763,774
Total net position	$ 17,763,774

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, 2025

Operating revenues	
Tuition and fees	$ 20,738,353
Less: fee waivers and allowances	(8,879,222)
Net tuition and fees	11,859,131
Grants and contracts, non-capital	
Federal	4,977,961
State	36,154,563
Local	3,708,988
Auxiliary enterprise sales and charges	270,210
Total operating revenues	56,970,853
Operating expenses	
Salaries	92,302,973
Employee benefits	37,892,705
Supplies, materials, and other operating expenses and services	19,816,615
Student financial aid and scholarships	43,668,030
Utilities	4,206,356
Depreciation and amortization	12,530,559
Total operating expenses	210,417,238
Loss from operations	(153,446,385)
Non-operating revenues (expenses)	
State apportionment, non-capital	1,554,567
Local property taxes	115,246,821
State taxes and other revenues	10,888,437
Pell grants	26,505,709
Investment income, noncapital	4,878,808
Other non-operating revenues	209,533
Loss on disposal of capital asset	(704,765)
Total non-operating revenues (expenses)	158,579,110
Gain before capital revenues	5,132,725
Capital revenues (expense)	
Local property taxes and revenues	19,768,964
Interest expense on capital asset-related debt	(8,435,454)
Investment income, capital	3,984,730
Total capital revenues (expense)	15,318,240
Change in net position	20,450,965
Net position, July 1, 2024	261,051,101
Cumulative effect of GASB No. 101 implementation	(6,855,380)
Net position, beginning of year, as restated	254,195,721
Net position, June 30, 2025	$ 274,646,686

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, 2025

	Without Donor Restriction	With Donor Restriction	Total
Revenues, gains and other support			
Contributions and grants	$ 95,340	$ 1,103,903	$ 1,199,243
Investment income	186,788	317,555	504,343
Realized gain on sale of investments	249,945	406,831	656,776
Net unrealized gain on investments	383,686	446,785	830,471
Donated from the College District - in-kind	196,461	-	196,461
Administrative service fee	145,000	-	145,000
Special events and other revenues	314,880	427,785	742,665
Total revenues, gains and other support before assets released from restrictions	1,572,100	2,702,859	4,274,959
Net assets released from restrictions	795,783	(795,783)	-
Total revenues, gains and other support	2,367,883	1,907,076	4,274,959
District support and Foundation expenses			
Scholarships	352,916	-	352,916
Academic program support	701,693	-	701,693
Administration	454,519	-	454,519
Fundraising	346,432	-	346,432
Total District support and Foundation expenses	1,855,560	-	1,855,560
Change in net assets	512,323	1,907,076	2,419,399
Net assets, July 1, 2024	5,292,624	13,384,858	18,677,482
Net assets, June 30, 2025	$ 5,804,947	$ 15,291,934	$ 21,096,881

See accompanying notes to the basic financial statements.

STATEMENT OF REVENUE, EXPENSES, AND CHANGE IN NET POSITION
For the Year Ended June 30, 2025

Non-operating revenues:	
Gain on sale of capital assets	$ 1,356,491
Investment income	718,397
Total non-operating revenues	2,074,888
Change in net position	2,074,888
Net position, July 1, 2024	15,688,886
Net position, June 30, 2025	$ 17,763,774

See accompanying notes to the basic financial statements.

Cash flows from operating activities	
Tuition and fees	$ 11,869,005
Federal, state and local grants and contracts	46,936,880
Payments to suppliers	(55,890,539)
Payments to/on behalf of employees	(131,892,076)
Payments to/on behalf of students	(43,666,082)
Auxiliary enterprises sales and charges	270,210
Net cash used in operating activities	(172,372,602)
Cash flows from noncapital financing activities	
State apportionments and receipts	1,554,567
Pell grants	26,505,709
Local property taxes	115,246,821
State taxes and other revenues	10,888,437
Gifts and grants for other than capital purposes	209,533
Net cash provided by noncapital financing activities	154,405,067
Cash flows from capital and related financing activities	
Local property taxes and other revenues for capital purposes	19,768,964
Purchase of capital assets	(78,130,266)
Principal paid on capital debt	(15,713,332)
Interest paid on capital debt, net	(8,604,597)
Interest on capital investments	3,984,730
Net cash used in capital and related financing activities	(78,694,501)
Cash flows provided by investing activities	
Interest income on investments	4,878,808
Net change in cash and cash equivalents	(91,783,228)
Cash and cash equivalents, beginning of year	336,885,047
Cash and cash equivalents, end of year	$ 245,101,819

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025

Reconciliation of loss from operations to net cash used in operating activities	
Loss from operations	$ (153,446,385)
Adjustments to reconcile loss from operations to net cash used in operating activities	
Depreciation expense	12,530,559
Changes in assets and liabilities	
Receivables, net	2,447,023
Inventory and prepaid expenses	81,686
Deferred outflows of resources - OPEB	501,234
Deferred outflows of resources - pensions	737,089
Accounts payable	(31,941,204)
Accrued payroll	894,252
Unearned revenue	(347,885)
Compensated absences	204,524
Net OPEB liability	1,307,008
Net pension liability	(5,249,000)
Deferred inflows of resources - pensions	(141,000)
Deferred inflows of resources - OPEB	49,497
Net cash used in operating activities	$ (172,372,602)
Supplementary disclosure of non-cash transactions	
Amortization of premiums on debt	$ 571,217
Amortization of deferred loss on refunding	143,638
Accretion of interest	1,666,417
Additions to capital assets in accounts payable	3,833,973

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT -
SIERRA COLLEGE FOUNDATION
(A Nonprofit Organization)
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025

Cash flows from operating activities	
Donations received from contributions and other revenues	$ 2,457,912
Contributions and other revenues with donor restrictions for long term investment	(897,761)
Payments to suppliers for goods and services	(841,173)
Payments to/on behalf of employees	(627,123)
Payments to/on behalf of students	(352,916)
Other receipts and payments	597,525
Net cash provided by operating activities	336,464
Cash flows from investing activities	
Purchase of investments	(6,949,474)
Investment management fees	(93,183)
Proceeds from sales of investments	5,330,333
Net cash used in investing activities	(1,712,324)
Cash flows provided by financing activities	
Contributions and other revenue restricted for long term investments	897,761
Net cash provided by financing activities	897,761
Net change in cash and cash equivalents	(478,099)
Cash and cash equivalents - beginning of year	699,213
Cash and cash equivalents - end of year	$ 221,114
Reconciliation of change in net assets to net cash provided by operating activities	
Change in net assets	$ 2,419,399
Realized gain on sales of investments	(656,776)
Investment management fees	93,183
Net change in the fair value of investments	(830,471)
Contributions and other revenue restricted for long term investments	(897,761)
Changes in assets and liabilities	
Receivables	(19,164)
Prepaid expenses	1,450
Accounts payable and accrued expenses	34,347
Grant advance liability	192,257
Net cash provided by operating activities	$ 336,464

See accompanying notes to the basic financial statements.

STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025

Cash flows from capital and related financing activities	
Proceeds from sales of capital assets	$ 1,356,491
Net cash provided by capital and related financing activities	1,356,491
Cash flows from investing activities	
Interest received	884,816
Net cash provided by investing activities	884,816
Net change in cash and cash equivalents	2,241,307
Cash and cash equivalents - beginning of year	15,522,467
Cash and cash equivalents - end of year	$ 17,763,774

See accompanying notes to the basic financial statements.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
TRUST FUND
June 30, 2025

		OPEB Trust
ASSETS		
Investments		
Mutual Fund - Equities	$	6,047,736
Mutual Fund - Fixed Income		10,079,560
Mutual Fund - Real Estate		671,971
Total assets		16,799,267
NET POSITION		
Net position restricted for OPEB	$	16,799,267

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, 2025

	OPEB Trust
Additions and return on investment	
Net investment return	
Net change in the fair value of plan investments	$ (551,282)
Net realized gains and losses on sale of investments	1,196,333
Interest and dividends	996,404
Total net investment return	1,641,455
Contributions	
Employer	2,873,594
Employer match	7,349
Plan member	7,349
Total additions and return on investment	4,529,747
Deductions	
Benefits paid - employer	2,873,594
Administrative expenses	113,659
Total deductions	2,987,253
Net increase in fiduciary net position	1,542,494
Net position restricted for OPEB, July 1, 2024	15,256,773
Net position restricted for OPEB, June 30, 2025	$ 16,799,267

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, 2025.

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 reports 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, 2025 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. Receivables 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, 2025 .

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 in the amount of $9,627,281 are recorded as a liability of the District. The liability represents earned but unused vacation and other leave balances which are more likely than not to be paid or used. In accordance with the provisions of both STRP and PERF B, when an employee retires, all unused sick leave is added to the creditable service period for the calculation of the employee's retirement benefits.

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.

(Continued)

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	$ 18,228,763	$ 16,640,326	$ 34,869,089
Deferred inflows of resources	$ 7,105,000	$ 1,459,000	$ 8,564,000
Net pension liability	$ 40,619,000	$ 53,226,000	$ 93,845,000
Pension expense	$ 7,139,634	$ 8,348,939	$ 15,488,573

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, 2025, there is no balance of nonexpendable restricted net position.

(Continued)

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.

<u>Net Assets</u>: 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.

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, 2025, 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, 2025, 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, 2025, the SCES did not incur any interest or penalties.

New Accounting Pronouncements: In June 2022, the GASB issued GASB Statement No. 101, Compensated Absences, and made effective for fiscal years beginning after December 15, 2023. GASB Statement No. 101 requires recognition of a liability for leave when earned if it is attributable to services already rendered and is expected to be paid. The liability includes vacation, sick leave, and other forms of paid time off that accumulate and vest or are expected to be used in future periods. Based on the implementation of GASB Statement No. 101, the District restated its beginning net position of governmental activities and beginning long-term liabilities for a total of $6,855,380.

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments at June 30, 2025, consisted of the following:

	District	Foundation	SCES	Trust Fund
Pooled funds				
Cash in County Treasury	$ 216,863,545	$ -	$ -	$ -
Deposits				
Cash on hand and in banks	1,040,690	221,114	17,763,774	-
Funds invested by Fiscal Agents	27,197,584	-	-	-
Investments	-	21,141,882	-	16,799,267
Total cash, cash equivalents and investments	245,101,819	21,362,996	17,763,774	16,799,267
Less: restricted cash, cash equivalents and investments	66,655,466	-	-	-
Net cash, cash equivalents and investments	$ 178,446,353	$ 21,362,996	$ 17,763,774	$ 16,799,267

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, 2025, the District earned $9,859,941 in investment income from its cash in the Placer County Treasury.

Cash and Investments with Fiscal Agents: Cash and investments with Fiscal Agents totaling $27,197,584 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, 2025, the Foundation's investments consisted of the following:

Cash and cash equivalents	$ 1,934,405
Mutual funds	17,269,521
Real estate investment trusts	618,101
Alternative investments	436,438
Investment in Foundation for California Community Colleges Scholarship Endowment (FCCC/Osher)	791,922
Equity security	91,495
Total investments	$ 21,141,882

(Continued)

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

Included in total investments at June 30, 2025 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. Funds invested in the endowment fund by the Foundation cannot be removed at any time. 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, 2025, the Foundation investment in pool consisted of 3% cash and short term investments, 30% fixed income securities, and 67% 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.

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, 2025, 36% of the Trust's investment value is held in equities, 60% is held in fixed income, and 4% 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, 2025 are as follows:

Mutual funds - equities	$ 6,047,736
Mutual funds - fixed income	10,079,560
Mutual funds - real estate	671,971
	$ 16,799,267

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, 2025, the carrying amount of the District's cash on hand and in banks for the primary governmental entity was $1,040,690 and the bank balance was $1,028,795. 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, 2025, the carrying amount of the Foundation's cash on hand and in banks and cash equivalents was $2,155,519 and the bank balance was $2,154,193. The bank balance amount insured by the Federal Deposit Insurance Corporation or Securities Investor Protection Corporation was $1,000,000.

(Continued)

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

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.

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	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, 2025, 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.

(Continued)

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	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.

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	1.81

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, 2025, 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, 2025, 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, 2025, 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.

(Continued)

NOTE 3 - FAIR VALUE MEASUREMENTS – INVESTMENTS (Continued)

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, 2025. There were no transfers of assets between the fair value levels for the year ended June 30, 2025.

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	$ 6,047,736	$ -	$ -	$ 6,047,736
Mutual fund - fixed income	10,079,560	-	-	10,079,560
Mutual fund - real estate	671,971	-	-	671,971
Total investment securities	$ 16,799,267	$ -	$ -	$ 16,799,267

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	$ 1,934,405	$ -	$ -	$ 1,934,405
Mutual funds - equities	11,113,879	-	-	11,113,879
Mutual funds - fixed income	6,155,642	-	-	6,155,642
Real estate investment trusts	618,101	-	-	618,101
Investment in FCCC/Osher	791,922	-	-	791,922
Total investment securities	20,613,949	-	-	20,613,949
Investments held at NAV				
Alternative investments				436,438
Equity security held at cost				91,495
Total investments	$ 20,613,949	$ -	$ -	$ 21,141,882

Included in total investments at June 30, 2025 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.

Investment in FCCC/Osher - 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.

(Continued)

NOTE 3 - FAIR VALUE MEASUREMENTS – INVESTMENTS (Continued)

Alternative Investments – The Foundation uses net asset value to determine the fair value of all the underlying investments which do not have a readily determinable fair value and prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following table lists investments in other investment companies and investment partnerships by major category as of June 30, 2025. There were no alternative investments as of June 30, 2024.

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, 2025, which were required to be disclosed using the fair value hierarchy.

NOTE 4 - RECEIVABLES

Receivables at June 30, 2025 are summarized as follows:

	District	Foundation
Federal	$ 538,167	$ -
State	1,233,428	-
Local and other	1,997,208	76,728
	3,768,803	76,728
Less allowance for doubtful accounts	(561,888)	-
	$ 3,206,915	$ 76,728

NOTE 5 - CAPITAL ASSETS AND LEASED ASSETS

Capital asset and leased asset activity consists of the following:

	Balance July 1, 2024	Additions	Deductions	Transfers	Balance June 30, 2025
Capital assets					
Non-depreciable					
Land	$ 8,595,603	$ -	$ -	$ -	$ 8,595,603
Construction in progress	86,630,191	63,962,947	704,765	(37,272,810)	112,615,563
Depreciable					
Buildings	244,577,063	-	-	-	244,577,063
Building & site improvements	97,529,330	15,324,164	-	37,272,810	150,126,304
Machinery and equipment	30,779,675	3,381,893	34,965	-	34,126,603
Total	468,111,862	82,669,004	739,730	-	550,041,136
Less accumulated depreciation					
Buildings	55,088,999	4,904,702	-	-	59,993,701
Building & site improvements	43,253,436	5,214,271	-	-	48,467,707
Machinery and equipment	17,645,723	2,009,148	34,965	-	19,619,906
Total	115,988,158	12,128,121	34,965	-	128,081,314
Capital assets, net	$ 352,123,704	$ 70,540,883	$ 704,765	$ -	$ 421,959,822
Leased assets					
Buildings	$ 1,930,362	-	-	-	$ 1,930,362
Site improvements	2,836,667	-	-	-	2,836,667
Total	4,767,029	-	-	-	4,767,029
Less amortization					
Buildings	1,669,759	260,603	-	-	$ 1,930,362
Site improvements	1,347,416	141,834	-	-	1,489,250
Total	3,017,175	402,437	-	-	3,419,612
Leased asset, net	$ 1,749,854	$ (402,437)	$ -	$ -	$ 1,347,417

(Continued)

NOTE 6 - UNEARNED REVENUE

Unearned revenue for the District consisted of the following:

Unearned tuition and other student fees	$ 2,822,635
Unearned local revenue	4,559,299
Unearned Federal and State revenue	22,567,856
Total unearned revenue	$ 29,949,790

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 $6,303,056 at June 30, 2025.

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
2026	$ -	$ -	$ -
2027	-	-	-
2028	537,566	902,434	1,440,000
2029	535,642	974,358	1,510,000
2030	535,830	1,054,170	1,590,000
2031-2032	2,926,934	6,683,067	9,610,001
Subtotals	4,535,973	9,614,028	14,150,001
Plus: Unamortized premium	81,996	-	81,996
Totals	$ 4,617,969	$ 9,614,028	$ 14,231,997

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 $13,160,570 at June 30, 2025.

(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
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	1,004,260	1,975,740	2,980,000
2031-2032	4,432,455	11,577,545	16,010,000
Subtotals	9,505,316	20,124,684	29,630,000
Plus: Unamortized premium	131,331	-	131,331
Totals	$ 9,636,647	$ 20,124,684	$ 29,761,331

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:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,105,000	$ 89,125	$ 1,194,125
2027	1,230,000	30,750	1,260,750
Subtotals	2,335,000	119,875	2,454,875
Plus: Unamortized premium	163,068	-	163,068
Totals	$ 2,498,068	$ 119,875	$ 2,617,943

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:

Year Ending June 30,	Principal	Interest	Total
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	-	2,460,400	2,460,400
2031-2035	3,105,000	12,125,700	15,230,700
2036-2040	7,990,000	10,944,000	18,934,000
2041-2045	12,430,000	8,920,400	21,350,400
2046-2050	18,185,000	5,882,500	24,067,500
2051-2054	19,800,000	1,649,000	21,449,000
Subtotals	61,510,000	51,823,600	113,333,600
Plus: Unamortized premium	2,654,977	-	2,654,977
Totals	$ 64,164,977	$ 51,823,600	$ 115,988,577

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:

Year Ending June 30,	Principal	Interest	Total
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	1,730,000	1,606,419	3,336,419
2031-2035	9,005,000	6,954,819	15,959,819
2036-2040	10,625,000	5,720,597	16,345,597
2041-2045	13,975,000	4,495,594	18,470,594
2046-2050	18,000,000	2,881,872	20,881,872
2051-2054	17,850,000	780,938	18,630,938
Subtotals	76,180,000	29,440,213	105,620,213
Plus: Unamortized premium	3,642,332	-	3,642,332
Totals	$ 79,822,332	$ 29,440,213	$ 109,262,545

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
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
Totals	$ 9,205,000	$ 300,565	$ 9,505,565

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
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
Totals	$ 7,405,000	$ 245,957	$ 7,650,957

(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
2026	$ 7,350,000	$ 2,229,500	$ 9,579,500
2027	455,000	2,034,375	2,489,375
2028	580,000	2,008,500	2,588,500
2029	670,000	1,977,250	2,647,250
2030	765,000	1,941,375	2,706,375
2031-2035	4,790,000	9,047,000	13,837,000
2036-2040	6,690,000	7,619,500	14,309,500
2041-2045	9,045,000	5,672,475	14,717,475
2046-2050	11,610,000	3,462,000	15,072,000
2051-2054	11,295,000	927,300	12,222,300
Subtotals	53,250,000	36,919,275	90,169,275
Plus: Unamortized premium	2,909,437	-	2,909,437
Totals	$ 56,159,437	$ 36,919,275	$ 93,078,712

Lease liability: The District leases equipment and a building under long-term, material lease agreements which are scheduled to mature through 2028.

The annual requirements to amortize the leases outstanding as of June 30, 2025, are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 192,057	$ 13,439	$ 205,496
2027	196,436	9,060	205,496
2028	200,917	4,581	205,498
Totals	$ 589,410	$ 27,080	$ 616,490

(Continued)

NOTE 7 - LONG-TERM LIABILITIES (Continued)

Changes in Long-Term Debt: A schedule of changes in long-term debt for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Restatement due to GASB 101 Implementation	Additions	Deductions	Balance June 30, 2025	Amounts Due Within One Year
Debt						
General Obligation Bonds	$ 239,233,620	-	$ -	$ 15,307,332	$ 223,926,288	$ 13,362,670
Accreted interest	19,129,877	-	1,666,417	1,332,668	19,463,626	173,222
Unamortized Bond Premium	10,154,357	-	-	571,216	9,583,141	580,872
Other long-term liabilities						
Certificates of Participation	406,000	-	-	406,000	-	-
Lease liability	1,037,790	-	-	448,380	589,410	192,057
Compensated absences	2,417,488	6,855,380	354,413	-	9,627,281	2,622,012
Net pension liability	99,094,000	-	-	5,249,000	93,845,000	-
Net OPEB Liability	16,183,675	-	1,307,008	-	17,490,683	-
	$ 387,656,807	$ 6,855,380	$ 3,327,838	$ 23,314,596	$ 374,525,429	$ 16,930,833

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

General Information about the State Teachers' Retirement Plan

Plan Description: Employees of the District performing creditable services 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). Teachers' Retirement Law (California Education Code Section 22000 et seq.), as enacted and amended by the California Legislature, established this plan with 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 CalSTRS' website.

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.

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.

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

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 a factor of 2.0% of final compensation multiplied by the number of years 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 a maximum of 2.4% at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of 0.2% to the age factor, up to the 2.4% maximum.

CalSTRS calculates retirement benefits based on one-year final compensation for members with 25 or more years of credited service, or for classroom teachers with fewer than 25 years of credited service if the employer entered into, extended, renewed or amended an agreement prior to January 1, 2014, to elect to pay the additional benefit cost for all of its classroom teachers. One-year final compensation is the member's highest average annual compensation earnable for 12 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis. For most members with fewer than 25 years of credited service, final compensation is the highest average annual compensation earnable for any 36 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis.

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% of final compensation multiplied by the number of years 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% at age 65 or older.

All CalSTRS 2% at 62 members' final compensation is based on their highest average annual compensation earnable for 36 consecutive months based on the creditable compensation that the member could earn in a school year while employed on a full-time basis.

<u>Contributions</u>: Required member, employer and State contribution rates are set by the California Legislature and the 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.

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

Members - Under CalSTRS 2% at 60, the member contribution rate was 10.250% of applicable member earnings for fiscal year 2023-24.

Under CalSTRS 2% at 62, members pay 9% toward the normal cost and an additional 1.205% as per the CalSTRS Funding Plan for a total member contribution rate of 10.205%. The contribution rate for CalSTRS 2% at 62 members is adjusted if the normal cost increases or decreases by more than 1% annually. Based on the June 30, 2023, actuarial valuation adopted by the CalSTRS Board in May 2024, the increase in normal cost was less than 1%. Therefore, the contribution rate for CalSTRS 2% at 62 members did not change effective July 1, 2024.

(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% annually for a total rate of no higher than 20.25% and no lower than 8.25%. In May 2024, the CalSTRS Board voted to keep the employer supplemental contribution rate at 10.85% for fiscal year June 30, 2025 for a total employer contribution rate of 19.10%.

The total State contribution rate also includes a portion to fund the Supplemental Benefit Maintenance Account (SBMA), which provides inflation protection to CalSTRS members whose current purchasing power has fallen below 85% of the purchasing power of their initial benefit. The SBMA is funded through a continuous appropriation from the State's General Fund in an amount equal to 2.5% of the total creditable compensation of the fiscal year ended in the immediately preceding calendar year, reduced by $72.0 million, pursuant to Education Code section 22954.

The CalSTRS employer contribution rates effective for fiscal year 2024-25 through fiscal year 2046-47 are summarized in the table below:

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	Total
July 1, 2024	8.250%	10.850%	19.100%
July 1, 2025 to June 30, 2046	8.250%	(1)	(1)
July 1, 2046	8.250%	AB1469 rate increase ends for 2046-47 and beyond	

(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 $9,169,763 to the plan for the fiscal year ended June 30, 2025.

State – The State is required to contribute 10.828% of the members' creditable compensation from the 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 no more than 0.5% each fiscal year to help eliminate the State's share of the CalSTRS unfunded actuarial obligation by 2046. In May 2024, the CalSTRS Board voted to keep the State supplemental contribution rate at 6.311% for fiscal year 2024–25.

The CalSTRS State contribution rates effective for fiscal year 2024-25 and beyond are summarized in the table below:

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

Effective Date	Base Rate	Supplemental Rate Per CalSTRS Funding Plan	SBMA Funding[1]	Total
July 01, 2024	2.017%	6.311%	2.50%	10.828%
July 01, 2025 to June 30, 2046	2.017%	[1]	2.50%	[1]
July 01, 2046	2.017%	[2]	2.50%	[2]

(1) The CalSTRS Board has limited authority to adjust the State contribution rate annually through June 2046 to eliminate the remaining unfunded actuarial obligation. The CalSTRS 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%.

(2) 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, 2025, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	$ 40,619,000
State's proportionate share of the net pension liability associated with the District	18,636,000
Total	$ 59,255,000

The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, updated and rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to the STRP relative to the contributions of all participating contributing employers and the State. At June 30, 2025, the District's proportion was 0.060 percent, which did not change from its proportion as of June 30, 2024.

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

For the year ended June 30, 2025, the District recognized pension expense of $7,139,634 and revenue of $6,285,790 for support provided by the State. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,594,000	$ 1,776,000
Changes of assumptions	178,000	2,774,000
Net differences between projected and actual earnings on investments	-	164,000
Changes in proportion and differences between District contributions and proportionate share of contributions	4,287,000	2,391,000
Contributions made subsequent to measurement date	9,169,763	-
Total	$ 18,228,763	$ 7,105,000

$9,169,763 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	$ (2,902,367)
2027	3,368,633
2028	(210,367)
2029	656,300
2030	1,230,300
2031	(188,499)

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, 2024 measurement date. Deferred outflows and deferred 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, 2023, and rolling forward the total pension liability to June 30, 2024. The actuarial valuation as of June 30, 2023 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2023
Experience Study	July 1, 2007 through June 30, 2022
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%, 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 increases per the CalSTRS Funding Plan. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return of 7.10% and assume 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.

The long-term expected rate of return on pension plan investments was calculated using a building-block approach. This method involves developing best-estimate ranges of 20- to 30-year geometrically linked expected future real rates of return for each major asset class. These expected returns are net of pension plan investment expenses and inflation. The best estimate ranges were created using capital market assumptions provided by CalSTRS investment staff and investment consultants.

The actuarial investment rate of return assumption was adopted by the CalSTRS Board in January 2024 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS independent consulting actuary reviews the return assumption for reasonableness based on the most current capital market assumptions. The assumed asset allocation and best estimates of the expected rates of return for each major asset class/strategy as of June 30, 2024, are summarized in the following table:

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

Asset Class	Assumed Asset Allocation	Long-Term* Expected Real Rate of Return
Public Equity	38.0%	5.25%
Real Estate	15.0	4.05
Private Equity	14.0	6.75
Fixed Income	14.0	2.45
Risk Mitigating Strategies	10.0	2.25
Inflation Sensitive	7.0	3.65
Cash / Liquidity	2.0	0.05

* 20- to 30-year geometric average

Mortality: CalSTRS uses a generational mortality assumption, which is based off generational mortality tables that reflect expected future improvements in mortality and includes a base table and a projection table. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection table reflects the expected annual reduction in mortality rates at each age. The current mortality assumption uses a base year of 2023, and projected improvement is based on the MP–2021 Ultimate Projection Scale issued by the Society of Actuaries.

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%, 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%) or 1-percentage-point higher (8.10%) 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	$ 72,247,000	$ 40,619,000	$ 14,207,000

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

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 CalPERS' website.

Benefits Provided: The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier members) of credited service. All non-state Second Tier members are eligible to receive cost-of-living adjustments (COLA) up to a maximum of 2% compounded annually (up to 5% maximum as a contract option for retired members of local agencies). State Second Tier members are eligible for a COLA of 3 percent fixed compounded annually.

Contributions: The benefits for the defined benefit pension plan are funded by contributions from members, employers, non-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. In some circumstances, contributions are made by the employer to satisfy member contribution requirements. Member and 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. Non-employer contributions are not expected each year, but when provided they are accrued for.

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.

The Public Employees' Pension Reform Act of 2013 (PEPRA) became effective in January 2013, and changed how benefits are applied as well as placed compensation limits on certain members as listed below. Members which do not fall into the definitions below, are generally be considered "classic" members in PERF B:

- Members joining on or after January 1, 2013, with no prior membership in another California public retirement system.
- Members joining before January 1, 2013, who are hired by a different CalPERS employer after January 1, 2013, and have a break in service greater than six months.
- Members joining on or after January 1, 2013, who are ineligible for reciprocity with another California public retirement system.

Required contribution rates for active plan members and employers as a percentage of payroll for the year ended June 30, 2025 were as follows:

Members - The classic member contribution rate was 7.0% of applicable member earnings for fiscal year 2024-25. The PEPRA member contribution rate was 8.0% of applicable member earnings for fiscal year 2024-25.

Employers - The employer contribution rate was 27.05% of applicable member earnings for fiscal year 2024-25.

The District contributed $8,439,326 to the plan for the fiscal year ended June 30, 2025.

(Continued)

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

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

At June 30, 2025, the District reported a liability of $53,226,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, updated and rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the District's share of contributions to the PERF B plan relative to the contributions of all participating school districts. At June 30, 2025 the District's proportion was 0.149 percent, which was an increase of 0.002 percent from its proportion as of June 30, 2024.

For the year ended June 30, 2025, the District recognized pension expense of $8,348,000. At June 30, 2025, 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	$ 4,462,000	$ 381,000
Changes of assumptions	1,176,000	-
Net differences between projected and actual earnings on investments	2,068,000	-
Changes in proportion and differences between District contributions and proportionate share of contributions	495,000	1,078,000
Contributions made subsequent to measurement date	8,439,326	-
Total	$ 16,640,326	$ 1,459,000

$8,439,326 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2026	$ 1,908,417
2027	4,739,417
2028	748,417
2029	(654,251)

(Continued)

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

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 3.9 years in the June 30, 2024 measurement. 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.

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, 2023 and rolling forward the total pension liability to June 30, 2024. The actuarial valuation as of June 30, 2023 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2023
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, 2023 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 rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

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%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

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

(Continued)

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 considered 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%, 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%) or 1-percentage-point higher (7.90%) 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	$ 79,068,000	$ 53,226,000	$ 31,879,000

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.

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, 2025:

	Number of Participants
Inactive employees/dependents receiving benefits	262
Inactive employees/dependents entitled to but not yet receiving benefits	-
Active employees	6
	268

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, 2025, employer contributions consist of $2,880,943 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 6.3 percent was determined using the following asset allocation and assumed rate of return:

Asset Class	Percentage of Portfolio	Rate of Return*
Equities	36%	4.0%
Fixed income	60%	3.1%
Alternatives	4%	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	10.79%

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, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Census data	The census was provided by the District as of July 1, 2025
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	6.30%
Discount rate	6.30%; assuming contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years.
Healthcare cost trend rate	7.00%
Payroll increase	3.25%

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.

(Continued)

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, 2024	$ 31,440,448	$ 15,256,773	$ 16,183,675
Changes for the year			
Service cost	18,768	-	18,768
Interest	2,240,340	-	2,240,340
Plan member contributions	-	7,349	(7,349)
Employer contributions	-	2,880,943	(2,880,943)
Expected interest income	-	-	-
Investment gains	-	1,641,455	(1,641,455)
Administrative expense	-	(113,659)	113,659
Estimated benefit payments	(3,234,513)	(2,873,594)	(360,919)
Change in assumptions	3,013,507	-	3,013,507
Experience Gains/Losses	811,400	-	811,400
Net change	2,849,502	1,542,494	1,307,008
Balance, June 30, 2025	$ 34,289,950	$ 16,799,267	$ 17,490,683

Fiduciary Net Position as a % of the Total OPEB Liability, at June 30, 2025: 48.99%

Sensitivity of the Net Pension Liability to Assumptions: The following presents the net OPEB liability calculated using the discount rate of 6.3 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 (5.3 percent) and 1 percent higher (7.3 percent):

	Discount Rate 1% Lower (5.30%)	Valuation Discount Rate (6.30%)	Discount Rate 1% Higher (7.30%)
Net OPEB liability	$ 20,425,672	$ 17,490,683	$ 14,946,044

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	$ 15,187,695	$ 17,490,683	$ 20,102,546

(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, 2025, the District recognized OPEB expense of $4,993,291. At June 30, 2025, 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	$ -	$ 49,497

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:

Year Ending June 30,	
2026	$ 470,549
2027	(240,701)
2028	(180,015)
2029	(99,330)
	$ (49,497)

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, 2025 measurement date. At June 30, 2025, the District recognized an increase to the net OPEB liability in the amount of $3,013,507 related to changes in assumptions and an increase to the net OPEB liability in the amount of $811,400 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, 2025, are as follows:

Year Ending June 30,	
2026	$ 192,057
2027	196,436
2028	200,916
	$ 589,409

At June 30, 2025, the District's operating lease expenses totaled $448,830.

Construction Commitments: As of June 30, 2025, the District had approximately $60,642,000 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, 2024	SISC III September 30, 2024	SELF June 30, 2024
Total assets	$ 550,695,288	$ 976,662,978	$ 374,570,694
Deferred outflows of resources	2,545,556	-	636,320
Total liabilities	370,006,514	361,954,138	263,508,895
Deferred inflows of resources	29,912	-	57,023
Net position	183,204,418	614,708,840	111,641,096
Total revenues	372,822,767	3,639,250,578	218,911,380
Total expenses	363,615,619	3,724,250,523	145,846,362
Change in net position	9,207,148	(84,999,945)	73,065,018

(Continued)

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, 2025.

Functional Classifications	Salaries	Employee Benefits	Supplies Materials and Other Operating Expenses and Services	Student Aid	Utilities	Depreciation	Total
Instruction	$ 46,486,936	$ 17,050,547	$ 4,441,385	$ 154	$ 66,433	$ -	$ 68,045,455
Academic support	6,795,319	2,701,516	886,821	-	-	-	10,383,656
Student services	17,390,214	7,099,640	1,899,301	-	-	-	26,389,155
Operations and maintenance of plant	3,371,148	1,570,773	1,921,993	-	4,139,813	-	11,003,727
Institution support	12,623,816	2,859,552	8,914,523	-	-	-	24,397,891
Community services & economic developmen	936,493	4,688,047	1,857,367	-	110	-	7,482,017
Ancillary services & auxiliary operations	3,258,041	1,284,203	3,039,727	-	-	-	7,581,971
Physical property and related acquisitions	1,441,006	638,427	(3,346,739)	-	-	12,530,559	11,263,253
Long-term debt and other financing	-	-	202,237	-	-	-	202,237
Student aid	-	-	-	43,667,876	-	-	43,667,876
	$ 92,302,973	$ 37,892,705	$ 19,816,615	$ 43,668,030	$ 4,206,356	$ 12,530,559	$ 210,417,238

(Continued)

NOTE 14 – RELATED PARTY TRANSACTIONS

Administrative Service Fee: The Foundation earned revenues of $145,000 during the year ended June 30, 2025, 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 $196,461 for the year ended June 30, 2025. 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, 2025. A breakdown of the amounts is as follows:

Salaries and benefits	$ 169,691
Audit and professional fees	11,000
Office space	15,770
	$ 196,461

NOTE 15 - ENDOWMENT NET ASSETS - FOUNDATION

Changes in endowment net assets for the fiscal year ended June 30, 2025, consisted of the following:

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total
Endowment net assets, beginning of year	$ 1,640,906	$ 11,569,494	$ 13,210,400
Change in fair value of investment and investment income	143,677	1,017,833	1,161,510
Contributions	-	897,761	897,761
Other transfers	-	258,323	258,323
Appropriation of endowment assets for expenditure	(39,880)	(285,133)	(325,013)
Endowment net assets, end of year	$ 1,744,703	$ 13,458,278	$ 15,202,981

(Continued)

NOTE 15 - ENDOWMENT NET ASSETS - FOUNDATION (Continued)

Endowment net asset composition by type of fund for the fiscal year ended June 30, 2025, consisted of the following:

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total
Donor-restricted endowment funds	$ -	$ 13,458,278	$ 13,458,278
Board-designated endowment funds	1,744,703	-	1,744,703
Total	$ 1,744,703	$ 13,458,278	$ 15,202,981

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, 2025, there were no donor-restricted funds with deficiencies.

REQUIRED SUPPLEMENTARY INFORMATION

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY
For the Year Ended June 30, 2025

Last 10 Fiscal Years

	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB liability									
Service Cost	$ 171,433	$ 176,146	$ 164,087	$ 91,218	$ 87,460	$ 79,825	$ 67,277	$ 20,201	$ 18,768
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	2,240,340
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)	(3,234,513)
Change in assumptions	-	3,787,175	850,956	985,955	6,487,721	(1,221,881)	(9,672,115)	(182,259)	3,013,507
Experience Gains/Losses	-	(451,989)	(2,830,654)	(7,436)	(3,057,058)	108,243	(951,953)	(50,205)	811,400
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)	2,849,502
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	31,440,448
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	$ 34,289,950
Plan fiduciary net position									
Plan member contributions	34,991	31,878	25,583	22,176	22,815	12,708	8,323	10,301	7,349
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	2,880,943
Investment gains (losses)	1,055,157	647,858	648,655	732,407	2,781,597	(2,835,399)	892,538	1,459,353	1,641,455
Administrative expense	(88,860)	(94,651)	(95,706)	(99,783)	(110,321)	(114,985)	(102,362)	(108,216)	(113,659)
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)	(2,873,594)
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	1,542,494
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	15,256,773
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	$ 16,799,267
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	$ 17,490,683
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	$ 734,930
Plan fiduciary net position as a percentage of the of the total OPEB liability	26%	26%	29%	30%	34%	29%	43%	49%	49%
Net OPEB liability as a percentage of covered-employee payroll	829%	1086%	1197%	1314%	1962%	2423%	2107%	2228%	2380%

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, 2025

Last 10 Fiscal Years

	2017	2018	2019	2020	2021	2022	2023	2024	2025
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%	10.79%

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, 2025

State Teacher's Retirement Plan
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension's liability	0.067%	0.065%	0.060%	0.059%	0.058%	0.059%	0.053%	0.053%	0.060%	0.060%
District's proportionate share of the net pension liability	$ 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	$ 40,619,000
State's proportionate share of the net pension liability associated with the District	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	18,636,000
Total net pension liability	$ 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	$ 59,255,000
District's covered payroll	$ 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	$ 39,727,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	145.05%	162.29%	165.31%	160.77%	168.03%	161.58%	84.73%	108.98%	126.67%	102.25%
Plan fiduciary net position as a percentage of the total pension liability	74.02%	70.04%	69.46%	70.99%	72.56%	71.82%	87.21%	81.20%	80.62%	83.55%

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, 2025

Public Employers Retirement Fund B
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension liability	0.165%	0.165%	0.161%	0.159%	0.158%	0.161%	0.157%	0.152%	0.147%	0.149%
District's proportionate share of the net pension liability	$ 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	$ 53,226,000
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	$ 29,375,000
District's proportionate share of the net pension liability as a percentage of its covered payroll	133.14%	164.62%	187.20%	201.32%	210.42%	212.32%	141.74%	224.48%	209.12%	181.19%
Plan fiduciary net position as a percentage of the total pension liability	79.43%	73.89%	71.87%	70.85%	70.05%	70.00%	80.97%	69.76%	69.96%	72.29%

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

See Note to Required Supplementary Information.

State Teachers' Retirement Plan
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
NET POSITION	$ 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	$ 9,169,763
Contributions in relation to the contractually required contribution	(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)	(9,169,763)
District's covered payroll	$ 32,387,000	$ 33,520,000	$ 33,906,000	$ 33,993,000	$ 35,136,000	$ 28,207,000	$ 33,615,000	$ 36,300,000	$ 39,727,000	$ 48,009,000
Contributions as a percentage of covered payroll	10.73%	12.58%	14.43%	16.28%	17.10%*	20.85%**	16.92%***	19.10%***	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, 2025

Public Employers Retirement Fund B
Last 10 Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2023	2025
Contractually required contribution	$ 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	$ 8,439,326
Contributions in relation to the contractually required contribution	(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)	(8,439,326)
District's covered payroll	$ 19,788,000	$ 20,590,000	$ 20,997,000	$ 21,937,000	$ 23,310,000	$ 22,561,000	$ 23,226,000	$ 25,398,000	$ 29,375,000	$ 31,199,000
Contributions as a percentage of covered payroll	11.85%	13.89%	15.53%	18.06%	19.72%	20.70%	22.91%	25.37%	26.68%	27.05%

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. The District has accumulated assets in a qualified trust for the purpose of paying the benefits related to the District's total OPEB Liability.

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. 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 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, 7.50, and 6.30 percent in the June 30, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 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, 2024	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%	2.30%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Discount rate	6.90%	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, 2024	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%	2.75%	3.00%	3.00%
Investment rate of return	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.10%	7.60%	7.60%
Wage growth	3.50%	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, 2025

	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	$ 62,491,921	$ -	$ 10,051,890	$ 3,804,840	$ 13,340,853	$ 83,071,254
Receivables, net	2,589,888	-	31,825	12,185	32,835	264,649
Inventory	40,543	-	-	-	-	-
Prepaid expenses	276,425	-	-	-	-	-
Total current assets	65,398,777	-	10,083,715	3,817,025	13,373,688	83,335,903
Noncurrent assets						
Restricted cash, cash equivalents and investments	-	-	-	-	-	-
Non-depreciable capital assets	-	-	-	-	-	-
Depreciable capital assets, net	-	-	-	-	-	-
Leased assets, net	-	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-	-
Total assets	65,398,777	-	10,083,715	3,817,025	13,373,688	83,335,903
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources - loss on refunding	-	-	-	-	-	-
Deferred outflows of resources - pensions	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	$ 65,398,777	$ -	$ 10,083,715	$ 3,817,025	$ 13,373,688	$ 83,335,903
LIABILITIES						
Current liabilities						
Accounts payable	$ 2,746,984	$ -	$ -	$ -	$ -	$ 2,069,037
Unearned revenue	29,689,398	-	-	-	-	-
Accrued payroll	6,299,856	-	-	-	-	-
Compensated absences payable	-	-	-	-	-	-
Long-term debt - current portion	-	-	-	-	-	-
Accrued interest on debt	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Total current liabilities	38,736,238	-	-	-	-	2,069,037
Noncurrent liabilities						
Accreted interest on bonds	-	-	-	-	-	-
Long-term debt - noncurrent portion	-	-	-	-	-	-
Total noncurrent liabilities	-	-	-	-	-	-
Total liabilities	38,736,238	-	-	-	-	2,069,037
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources - OPEB	-	-	-	-	-	-
Deferred inflows of resources - pension	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
NET POSITION						
Net investment in capital assets	-	-	-	-	-	-
Restricted for						
Scholarships and loans	-	-	-	-	-	-
Capital projects	-	-	-	-	-	81,266,866
Debt service	-	-	10,083,715	3,817,025	13,373,688	-
Students	-	-	-	-	-	-
Unrestricted	26,662,539	-	-	-	-	-
Total net position	26,662,539	-	10,083,715	3,817,025	13,373,688	81,266,866
Total liabilities, deferred inflows of resources and net position	$ 65,398,777	$ -	$ 10,083,715	$ 3,817,025	$ 13,373,688	$ 83,335,903

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
COMBINING STATEMENT OF NET POSITION BY FUND
(Unaudited)
June 30, 2025

	Capital Projects	Dormitory	Student Funds	Financial Aid	Totals	Reconciling Adjustments/ Eliminations	Statement of Net Position
ASSETS							
Current assets							
Cash and cash equivalents	$ -	$ 3,197,321	$ 2,488,274	$ 76,745	$ 178,523,098	$ (76,745)	$ 178,446,353
Receivables, net	220,920	33,339	18,325	9,415	3,213,381	(6,466)	3,206,915
Inventory	-	-	-	-	40,543	-	40,543
Prepaid expenses	-	-	-	-	276,425	-	276,425
Total current assets	220,920	3,230,660	2,506,599	86,160	182,053,447	(83,211)	181,970,236
Noncurrent assets							
Restricted cash, cash equivalents and investments	66,578,721	-	-	-	66,578,721	76,745	66,655,466
Non-depreciable capital assets	-	-	-	-	-	121,211,166	121,211,166
Depreciable capital assets, net	-	-	-	-	-	300,748,656	300,748,656
Leased assets, net	-	-	-	-	-	1,347,416	1,347,416
Total noncurrent assets	66,578,721	-	-	-	66,578,721	423,383,983	489,962,704
Total assets	66,799,641	3,230,660	2,506,599	86,160	248,632,168	423,300,772	671,932,940
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows of resources - loss on refunding	-	-	-	-	-	301,088	301,088
Deferred outflows of resources - pensions	-	-	-	-	-	34,869,089	34,869,089
Total deferred outflows of resources	-	-	-	-	-	35,170,177	35,170,177
Total assets and deferred outflows of resources	$ 66,799,641	$ 3,230,660	$ 2,506,599	$ 86,160	$ 248,632,168	$ 458,470,949	$ 707,103,117
LIABILITIES							
Current liabilities							
Accounts payable	$ 4,739,438	$ 44,562	$ 34,813	$ 10,420	$ 9,645,254	$ (6,465)	$ 9,638,789
Unearned revenue	15,125	60,119	112,164	72,984	29,949,790	-	29,949,790
Accrued payroll	-	-	-	-	6,299,856	-	6,299,856
Compensated absences payable	-	-	-	-	-	2,622,012	2,622,012
Long-term debt - current portion	-	-	-	-	-	14,116,764	14,116,764
Accrued interest on debt	-	-	-	-	-	3,429,070	3,429,070
Lease liabilities	-	-	-	-	-	192,057	192,057
Total current liabilities	4,754,563	104,681	146,977	83,404	45,894,900	20,353,438	66,248,338
Noncurrent liabilities							
Accreted interest on bonds	-	-	-	-	-	19,290,404	19,290,404
Long-term debt - noncurrent portion	-	-	-	-	-	338,304,192	338,304,192
Total noncurrent liabilities	-	-	-	-	-	357,594,596	357,594,596
Total liabilities	4,754,563	104,681	146,977	83,404	45,894,900	377,948,034	423,842,934
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of resources - OPEB	-	-	-	-	-	49,497	49,497
Deferred inflows of resources - pension	-	-	-	-	-	8,564,000	8,564,000
Total deferred inflows of resources	-	-	-	-	-	8,613,497	8,613,497
NET POSITION							
Net investment in capital assets	-	-	-	-	-	189,509,487	189,509,487
Restricted for							
Scholarships and loans	-	-	-	2,756	2,756	-	2,756
Capital projects	62,045,078	-	-	-	143,311,944		143,311,944
Debt service	-	-	-	-	27,274,428	-	27,274,428
Students	-	-	2,359,622	-	2,359,622	-	2,359,622
Unrestricted	-	3,125,979	-	-	29,788,518	(117,600,069)	(87,811,551)
Total net position	62,045,078	3,125,979	2,359,622	2,756	202,737,268	71,909,418	274,646,686
Total liabilities, deferred inflows of resources and net position	$ 66,799,641	$ 3,230,660	$ 2,506,599	$ 86,160	$ 248,632,168	$ 458,470,949	$ 707,103,117

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, 2025

	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	$ 19,573,739	$ -	$ -	$ -	$ -	$ -
Less: fee waivers and allowance	(8,878,648)	-	-	-	-	-
Net tuition and fees	10,695,091	-	-	-	-	-
Grants and contracts, non-capital						
Federal	1,621,573	-	-	-	-	-
State	32,416,318	-	-	-	-	-
Local	1,442,964	-	-	-	-	-
Auxiliary enterprise sales and charges	270,210	-	-	-	-	-
Total operating revenues	46,446,156	-	-	-	-	-
Operating expenses						
Salaries	90,888,146	-	-	-	-	335,304
Employee benefits	37,666,131	-	-	-	-	166,788
Supplies, materials and other operating expenses and services	27,569,674	-	-	-	-	9,231,459
Student financial aid and scholarships	9,382,453	-	-	-	-	-
Utilities	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Total operating expenses	165,506,404	-	-	-	-	9,733,551
Operating (loss) income	(119,060,248)	-	-	-	-	(9,733,551)
Non-operating revenues (expenses)						
State apportionment, non-capital	1,348,967	-	-	-	-	-
Local property taxes	114,829,726	-	55,115	-	361,980	-
Federal grants and contracts, non-capital	-	-	-	-	-	-
State taxes and other revenues	8,286,321	-	1,549	-	68,172	-
Pell grants	-	-	-	-	-	-
Investment income - non-capital	891,993	-	309,423	69,421	222,361	3,291,104
Other non-operating revenues	559,613	-	-	-	-	-
Debt reduction	-	(593,776)	(2,515,000)	(2,247,331)	(10,545,000)	-
Loss on disposal of capital asset	-	-	-	-	-	-
Interfund transfers out	(10,545,299)	-	-	-	-	(9,733,553)
Interfund transfers in	181,352	616,652	-	-	-	9,733,553
Total non-operating revenues (expenses)	115,552,673	22,876	(2,148,913)	(2,177,910)	(9,892,487)	3,291,104
Income (loss) before capital revenues	(3,507,575)	22,876	(2,148,913)	(2,177,910)	(9,892,487)	(6,442,447)
Capital revenues (expense)						
Local property taxes and other revenues	23,190	-	3,401,034	3,572,812	12,680,978	-
Interest expense	-	(22,876)	(244,224)	(1,416,076)	(6,974,119)	-
Investment income - capital	-	-	-	-	-	-
Total capital revenues (expense)	23,190	(22,876)	3,156,810	2,156,736	5,706,859	-
Change in net position	(3,484,385)	-	1,007,897	(21,174)	(4,185,628)	(6,442,447)
Net position, July 1, 2024	30,146,924	-	9,075,818	3,838,199	17,559,316	87,709,313
Cumulative effect of GASB No. 101 implementation	-	-	-	-	-	-
Net position, beginning of year, as restated	30,146,924	-	9,075,818	3,838,199	17,559,316	87,709,313
Net position, June 30, 2025	$ 26,662,539	$ -	$ 10,083,715	$ 3,817,025	$ 13,373,688	$ 81,266,866

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION BY FUND
(Unaudited)
Year Ended June 30, 2025

	Capital Projects	Dormitory	Student Funds	Financial Aid	Totals	Statement of Revenues, Expenses and Adjustments/ Eliminations	Change in Net Position
Operating revenues							
Tuition and fees	$ (8,226)	$ 972,171	$ 200,669	$ -	$ 20,738,353	$ -	$ 20,738,353
Less: fee waivers and allowance	-	-	(574)	-	(8,879,222)	-	(8,879,222)
Net tuition and fees	(8,226)	972,171	200,095	-	11,859,131	-	11,859,131
Grants and contracts, non-capital							
Federal	-	-	-	3,356,388	4,977,961	-	4,977,961
State	(1,800)	-	-	3,945,645	36,360,163	(205,600)	36,154,563
Local	1,624,910	7,326	264,986	368,802	3,708,988	-	3,708,988
Auxiliary enterprise sales and charges	-	-	-	-	270,210	-	270,210
Total operating revenues	1,614,884	979,497	465,081	7,670,835	57,176,453	(205,600)	56,970,853
Operating expenses							
Salaries	274,340	317,435	133,334	-	91,948,559	354,414	92,302,973
Employee benefits	136,464	142,366	43,733	-	38,155,482	(262,777)	37,892,705
Supplies, materials and other operating expenses and services	69,506,612	360,599	328,377	-	106,996,721	(87,180,106)	19,816,615
Student financial aid and scholarships	-	-	2,030	34,283,547	43,668,030	-	43,668,030
Utilities	-	-	-	-	-	4,206,356	4,206,356
Depreciation	-	-	-	-	-	12,530,559	12,530,559
Total operating expenses	69,917,416	820,400	507,474	34,283,547	280,768,792	(70,351,554)	210,417,238
Operating (loss) income	(68,302,532)	159,097	(42,393)	(26,612,712)	(223,592,339)	70,145,954	(153,446,385)
Non-operating revenues (expenses)							
State apportionment, non-capital	-	-	-	-	1,348,967	205,600	1,554,567
Local property taxes	-	-	-	-	115,246,821	-	115,246,821
State taxes and other revenues	-	-	-	-	8,356,042	2,532,395	10,888,437
Pell grants	-	-	-	26,505,710	26,505,710	(1)	26,505,709
Investment income - non-capital	3,866,429	118,301	94,505	-	8,863,537	(3,984,729)	4,878,808
Other non-operating revenues	-	-	45,250	-	604,863	(395,330)	209,533
Debt reduction	-	-	-	-	(15,901,107)	15,901,107	-
Loss on disposal of capital asset	-	-	-	-	-	(704,765)	(704,765)
Interfund transfers out	(2,005,375)	-	(44,775)	(32,847)	(22,361,849)	22,430,602	68,753
Interfund transfers in	11,645,668	-	44,775	139,849	22,361,849	(22,430,602)	(68,753)
Total non-operating revenues (expenses)	13,506,722	118,301	139,755	26,612,712	145,024,833	13,554,277	158,579,110
Income (loss) before capital revenues	(54,795,810)	277,398	97,362	-	(78,567,506)	83,700,231	5,132,725
Capital revenues (expense)							
Local property taxes and other revenues	90,950	-	-	-	19,768,964	-	19,768,964
Interest expense	-	-	-	-	(8,657,295)	221,841	(8,435,454)
Investment income - capital	-	-	-	-	-	3,984,730	3,984,730
Total capital revenues (expense)	90,950	-	-	-	11,111,669	4,206,571	15,318,240
Change in net position	(54,704,860)	277,398	97,362	-	(67,455,837)	87,906,802	20,450,965
Net position, July 1, 2024	116,749,938	2,848,581	2,262,260	2,756	270,193,105	(9,142,004)	261,051,101
Cumulative effect of GASB No. 101 implementation	-	-	-	-	-	(6,855,380)	(6,855,380)
Net position, beginning of year, as restated	116,749,938	2,848,581	2,262,260	2,756	270,193,105	(15,997,384)	254,195,721
Net position, June 30, 2025	$ 62,045,078	$ 3,125,979	$ 2,359,622	$ 2,756	$ 202,737,268	$ 71,909,418	$ 274,646,686

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	$ 26,505,709
Administrative Allowance	84.063	P063Q221180	5,581
Federal Direct Student Loans	84.268	P268K231180	2,897,852
College Work Study Program	84.033	P033A220600	408,438
Federal Supplemental Educational Opportunity Grants	84.007	P007A220600	419,550
Subtotal Student Financial Assistance Cluster			30,237,130
TRIO Cluster			
Student Support Services (SSS) Program	84.042A	P042A100546	296,901
Career Technical Education Program:			
Title I - Part C - Basic Grant VTEA	84.048	21-C01-270	714,557
Perkins Marketing	84.048	-	295
Subtotal Career Technical Education Program			714,852
AANAPISI Collaborative Grant	84.031	-	29,195
Total U.S. Department of Education			31,278,078

(Continued)

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	$ 6,139
Total U.S. Department of Treasury			6,139
U.S. Department of Agriculture			
Passed through El Dorado and Nevada Counties:			
Forest Reserve - Forest Service Schools and Roads Cluster	10.665	None	23,862
Additional Supplemental Appropriations for Disaster Relief Act 2019	10.923	None	25
Total U.S. Department of Agriculture			23,887
U.S. Department of Veterans Affairs			
Direct Program:			
Veterans Reserve Funds	64.115	None	7,008
Total U.S. Department of Veterans Affairs			7,008
U.S. Department of Health and Human Services			
Passed through California Department of Education:			
Foster Parent Training	93.658	1262100	140,656
Passed through California Community College Chancellor's Office:			
Temporary Assistance for Needy Families - TANF Cluster	93.558	None	27,903
Total U.S. Department of Health and Human Services			168,559
Total Federal Programs			$ 31,483,671

See accompanying note to supplemental information.

	Program Revenues				Total
	Cash Received	Accounts Receivable	Unearned Income/ Accounts Payable	Total	Program Expenditures
AB540 Dreamer Funding	$ 6,453	$ -	$ 6,453	$ -	$ -
African American Male Education Network Development	10,000	-	2,318	7,682	7,682
AWS Pilot Skills	89,487	-	84,287	5,200	5,200
Life Project DDS Employment	113,479	-	-	113,479	29,000
Adult Education Block Grant	41,319	-	917	40,402	40,402
BFAP	865,421	-	190,718	674,703	674,703
CA College Promise AB19	2,241,949	-	1,000,339	1,241,610	1,241,610
CA Early Childhood Mentor	644	-	-	644	-
Cal Grant A	130,500	-	-	130,500	130,500
Cal Grant B	3,433,599	-	30,808	3,402,791	3,402,791
Cal Grant C	54,254	-	-	54,254	54,254
CalWORKS	706,891	-	209,987	496,904	496,904
CARE	444,468	-	15,676	428,792	428,792
CCC Equitable Placement Support Completion	514,429	-	413,226	101,203	101,202
Chafee Grant	155,000	-	2,500	152,500	152,500
Classified Professional Development	38,966	-	33,165	5,801	5,801
Common Course Numbering System	913,043	-	799,881	113,162	113,162
COVID 19 Response Block Grant COAS	6,762	-	-	6,762	6,762
Critical Care Specialized Nursing	13,654	-	13,654	-	-
Culturally Responsive Pedagogy & Practices	249,181	-	90,242	158,939	158,939
Dream Resource Liason Support	216,753	-	66,388	150,365	150,365
DSPS (includes DHH and ATP)	3,070,443	-	1,415,083	1,655,360	1,655,359
Early Action Emergency Fin Aid	205,600	-	-	205,600	205,600
EOPS	1,771,681	-	14,609	1,757,072	1,757,072
Equal Employment Opportunity	368,696	-	268,531	100,165	100,165
LGBTQ+ Support	296,044	-	249,036	47,008	47,008
Basic Needs Center	1,516,535	-	1,501,016	15,519	15,519
Financial Aid Technology	62,998	-	12,841	50,157	50,157
Guided Pathway	209,636	-	-	209,636	209,636
GSETGP Admin Allowance	900	-	900	-	-
CCAP Instrctional Materials For Dual Enrollment	41,337	-	41,337	-	-
Strong Workforce Local 24-25	1,815,661	-	1,777,889	37,772	37,772
SW Regional 23-24	1,155,519	-	-	1,155,519	1,155,519
SW Regional 24-25	950,818	-	950,818	-	-
Hunger Free Campus	1,504	-	-	1,504	1,504
Innovation in Higher Education	1,148,359	-	1,073,165	75,194	75,194
Invention and Innovation	62,765	-	38,825	23,940	23,940
LIFE Program	348,420	22,409	344,983	25,846	24,862
Manufacturing Apprenticeship Grant	300,000	-	212,760	87,240	87,240
Math PRT Innovation Effectiveness	192,225	-	104,929	87,296	97,296
Mental Health Support	705,545	-	335,964	369,581	369,581
Modernize CCC Technology	571,066	-	191,636	379,430	379,431
Native American Student Support and Success Program	1,426,513	-	1,219,544	206,969	206,969
NextUp (CAFYES)	506,495	-	12,349	494,146	494,146
Nursing Enrollment Growth	137,586	-	98,678	38,908	38,908
Physical Plant Instructional Support	1,377,275	-	425,453	951,822	951,822

(Continued)

	Program Revenues				Total
	Cash Received	Accounts Receivable	Unearned Income/ Accounts Payable	Total	Program Expenditures
Puente Project	$ 250,778	$ -	$ 177,791	$ 72,987	$ 72,987
RCCG Project	17,230	-	-	17,230	17,230
Retention Enrollment Outreach	1,016,443	-	605,785	410,658	410,658
Regional Equity and Recovery Partnerships	41,050	19,102	-	60,152	60,152
Rising Scholars Juvenile Justice	920,454	-	792,058	128,396	128,396
Seamless Transfer of Ethinc Studies	41,805	-	-	41,805	41,805
SJCCD Y2 CCC Maker Implementation	1,475	-	-	1,475	1,475
Student Food and Housing Support	392,080	-	44,504	347,576	347,576
Library Services Platform	3,031	-	-	3,031	3,031
Student Success Completion Grant	6,335,530	-	87,340	6,248,190	6,248,190
Student Transfer Achievement Reform	565,217	-	468,228	96,989	96,989
EEO Best Practices	72,200	-	39,638	32,562	32,562
EEO Innovative Best Practices	267,195	-	-	267,195	267,195
Strong Workforce Local 23-24	2,273,683	-	-	2,273,683	2,273,683
Student Equity & Achievmment (SEA)	9,288,820	-	3,128,750	6,160,070	6,160,070
SW Regional PIC Career Outreach	43,805	17,994	-	61,799	61,799
SWI Regional Marketing	40,000	-	-	40,000	40,000
Zero Textbook Cost Program	731,614	-	622,981	108,633	108,633
Veteran Resource Center	360,370	-	100,099	260,271	260,271
Total	$ 51,152,653	$ 59,505	$ 19,318,079	$ 31,894,079	$ 31,817,971

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, 2025

Categories	Reported Data	Audit Adjustments	Revised Data
A. Summer Intersession (Summer 2024 only)			
1. Noncredit	30	-	30
2. Credit	1,552	-	1,552
B. Summer Intersession (Summer 2025 - Prior to July 1, 2025)			
1. Noncredit	1	-	1
2. Credit	5	-	5
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
a. Weekly Census Contact Hours	3,284	-	3,284
b. Daily Census Contact Hours	870	-	870
2. Actual Hours of Attendance Procedure Courses			
a. Noncredit	243	-	243
b. Credit	568	-	568
3. Alternative Attendance Accounting Procedure Courses			
a. Weekly Census Contact Hours	4,778	-	4,778
b. Daily Census Contact Hours	2,924	-	2,924
c. Noncredit Independent Study/Distance Education Courses	83	-	83
D. Total FTES	14,338	-	14,338
Supplementary Information:			
E. In-Service Training Courses (FTES)	-	-	-
F. Basic Skills Courses and Immigrant Education			
a. Noncredit	228	-	228
b. Credit	50	-	50
CCFS 320 Addendum			
CDCP	169	-	169
Centers FTES			
a. Noncredit	43	-	43
b. Credit	781	-	781

See accompanying note to supplemental information.

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

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2025

General fund	$ 26,662,539	
Bond interest and redemption funds	27,274,428	
Capital projects funds	143,311,944	
Financial aid fund	2,756	
Dormitory fund	3,125,979	
Student funds	2,359,622	
Total fund balances - business-type activity funds		202,737,268
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.		421,959,822
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.		1,347,416
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.		301,088
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 inflows of resources relating to OPEB	(49,497)	
Deferred outflows of resources relating to pensions	34,869,089	
Deferred inflows of resources relating to pensions	(8,564,000)	
		26,255,592
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.		(3,429,070)
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, 2025 consisted of		
General Obligation Bonds	(223,926,288)	
Accreted interest	(19,463,626)	
Bond premiums	(9,583,141)	
Lease liabilities	(589,410)	
Compensated absences	(9,627,281)	
Net pension liability	(93,845,000)	
OPEB liability	(17,490,683)	
		(374,525,429)
Rounding		(1)
Total net position - business-type activities		$ 274,646,686

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, 2025

		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	$ 20,735,194	$ -	$ 20,735,194	$ 20,838,271	$ -	$ 20,838,271
Other	1300	19,329,201	-	19,329,201	20,413,861	-	20,413,861
Total instructional salaries		40,064,395	-	40,064,395	41,252,132	-	41,252,132
Non-instructional salaries							
Contract or regular	1200	-	-	-	8,602,988	-	8,602,988
Other	1400	-	-	-	2,016,004	-	2,016,004
Total non-instructional salaries		-	-	-	10,618,992	-	10,618,992
Total academic salaries		40,064,395	-	40,064,395	51,871,124	-	51,871,124
Classified Salaries							
Non-instructional salaries							
Regular status	2100	-	-	-	18,934,291	-	18,934,291
Other	2300	-	-	-	2,283,904	-	2,283,904
Total non-instructional salaries		-	-	-	21,218,195	-	21,218,195
Instructional aides							
Regular status	2200	2,522,064	-	2,522,064	2,522,064	-	2,522,064
Other	2400	114,232	-	114,232	114,232	-	114,232
Total instructional aides		2,636,296	-	2,636,296	2,636,296	-	2,636,296
Total classified salaries		2,636,296	-	2,636,296	23,854,491	-	23,854,491
Employee benefits	3000	16,440,211	-	16,440,211	31,804,716	-	31,804,716
Supplies and materials	4000	-	-	-	1,174,634	-	1,174,634
Other operating expenses	5000	796,500	-	796,500	12,618,179	-	12,618,179
Equipment replacement	6420	-	-	-	-	-	-
Total expenditures prior to exclusions		$ 59,937,402	$ -	$ 59,937,402	$ 121,323,144	$ -	$ 121,323,144

(Continued)

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF ECS 84362 (50 PERCENT LAW) CALCULATION
For the Year Ended June 30, 2025

		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	$ 1,366,370	$ -	$ 1,366,370	$ 1,366,370	$ -	$ 1,366,370
Net position	6441	-	-	-	-	-	-
Student transportation	6491	-	-	-	-	-	-
Noninstructional staff-retirees' benefits and retirement incentives	6740	-	-	-	1,507,224	-	1,507,224
Objects to exclude							
Rents and leases	5060	-	-	-	669,851	-	669,851
Lottery expenditures		-	-	-	-	-	-
Academic salaries	1000	-	-	-	-	-	-
Classified salaries	2000	-	-	-	-	-	-
Employee benefits	3000	-	-	-	-	-	-
Supplies and materials	4000						
Software	4100	-	-	-	-	-	-
Books, magazines and periodicals	4200	-	-	-	3,758	-	3,758
Instructional supplies and materials	4300	-	-	-	177,945	-	177,945
Noninstructional supplies and materials	4400	-	-	-	221,070	-	221,070
Total supplies and materials		-	-	-	402,773	-	402,773
Other operating expenses and services	5000	-	-	-	2,464,115	-	2,464,115
Capital outlay	6000	-	-	-	-	-	-
Library books	6300	-	-	-	-	-	-
Equipment							
Equipment - additional	6410	-	-	-	-	-	-
Equipment - replacement	6420	-	-	-	-	-	-
Total equipment		-	-	-	-	-	-
Total capital outlay		-	-	-	-	-	-
Other outgo	7000	-	-	-	-	-	-
Total exclusions		1,366,370	-	1,366,370	6,410,333	-	6,410,333
Total for ECS 84362, 50% Law		$ 58,571,032	$ -	$ 58,571,032	$ 114,912,811	$ -	$ 114,912,811
Percent of CEE (Instructional salary cost / Total CEE)		50.97%	0.00%	50.97%	100.00%	0.00%	100.00%
50% of current expense of education		$ -	$ -	$ -	$ 57,456,406	$ -	$ 57,456,406

See accompanying note to supplemental information.

SIERRA JOINT COMMUNITY COLLEGE DISTRICT
PROP 55 EPA EXPENDITURE REPORT
For the Year Ended June 30, 2025

Activity Classification	Activity Code (0100-5900)	Salaries and Benefits (1000-3000)	Operating Expenses (4000-5000)	Capital Outlay (6000)	Total
Instructional Activities	$ -	$ 1,348,967	$ -	$ -	$ 1,348,967

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 Expenditures of Federal Awards: The Schedule of Expenditures 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, 2025, were composed of the following members:

BOARD OF TRUSTEES

Members	Office	Term Expires
Bob Sinclair	President	December 2028
Scott Leslie	Vice President/Clerk	December 2028
Cari Dawson Bartley	Trustee	December 2026
Paul Bancroft	Trustee	December 2026
Carol Garcia	Trustee	December 2028
Rachel Rosenthal	Trustee	December 2026
Bob Romness	Trustee	December 2026

BOARD AUDIT COMMITTEE MEMBERS

Scott Leslie	Bob Romness	Bob Sinclair

DISTRICT ADMINISTRATION

William H. Duncan, IV
Superintendent/President

David Martin
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, 2025:

<u>Description</u>

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 Fund
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, 2025.

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
February 4, 2026

Crowe LLP
Independent Member Crowe Global

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 units of Sierra Joint Community College District (the "District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 4, 2026. 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
February 4, 2026

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

Board of Trustees
Sierra Joint Community College District
Rocklin, California

Report on Compliance for Major Federal Program

Opinion on 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, 2025. 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, 2025.

Basis for Opinion on 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 the 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 the 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
February 4, 2026

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 program:		
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 program:	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 program:

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.063, 84.268, 84.033, 84.007	Student Financial Assistance Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$ 944,510	
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.