Financial Statements
June 30, 2022

Mt. San Antonio Community College District

MT. SAC
Mt. San Antonio College

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Independent Auditor's Report

Board of Trustees
Mt. San Antonio Community College District
Walnut, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, the aggregate discretely presented component unit (Mt. San Antonio College Auxiliary Services), and the aggregate remaining fund information of Mt. San Antonio Community College District (the District) as of and for the year ended June 30, 2022, 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 aggregate discretely presented component unit, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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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 25 and other required supplementary schedules on pages 75 through 81 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.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the continuing disclosure on page 113. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Eide Bailly LLP

Rancho Cucamonga, California
December 5, 2022

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Introduction

Introduction

The following discussion and analysis provides an overview of the financial position and activities of the Mt. San Antonio Community College District (the District) for the year ended June 30, 2022. This discussion is prepared by management and should be read in conjunction with the financial statements and notes thereto which follow this section.

Mt. San Antonio Community College District is a public Community College District that offers a diversified program designed to develop qualities of general education essential for citizens in a democratic society. The mission of the College is to support and empower all students in achieving their educational goals in an environment of academic excellence. Specifically, the College is committed to providing quality education, services, and workforce training, empowering students to attain success in an ever-evolving diverse, sustainable, global society. The College pledges to serve students so that they may achieve their full educational potential for lifelong learning, for attaining certificates and associate and bachelor's degrees, for employment, and for the completion of career and transfer pathways. The College will carry out this commitment by providing an engaging and supportive teaching and learning environment for students of diverse origins, experiences, needs, abilities, and goals. The College is dedicated to serving our community through improving economic achievement, advancing civic engagement and environmental responsibility, enhancing personal and social well-being, developing information and technological literacy, communication, and critical thinking; and enriching aesthetic and cultural experiences.

Mt. San Antonio Community College District has emerged as a leader in education not only in the San Gabriel Valley, but in the State of California. The District is the largest, single-campus community college district in the State. The District proudly celebrates over 75 years of educational excellence. The District will continue to offer access to quality programs and services, as well as provide an environment for educational excellence throughout the 21st century.

Accounting Standards

In June 1999, the Governmental Accounting Standard's Board (GASB) released Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,* and in November 1999, GASB released Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, which have been amended by GASB Statements No. 37, No. 38, No. 39, and No. 61. These statements established that for financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities. The Fiscal Accountability and Standards Committee of the California Community Colleges Chancellor's Office recommended that all California community colleges follow the standards under the Business Type Activity (BTA) model. This presentation provides a comprehensive government-wide perspective of the District's assets, liabilities, activities, and cash flows; instead of the fund group perspective previously required. The District is reporting its financial statements according to these standards.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by State and local governments for pensions. It also improves information provided by State and local governmental employers about financial support for pensions that is provided by other entities. This Statement impacts the accounting and reporting (accrual basis) of pension expense and net pension liability by reflecting the amounts on the government-wide financial statements. The California Community Colleges Chancellor's Office recommended that all California community colleges follow these new standards to reflect the proportionate share of the CalSTRS and CalPERS pension expense and net pension liability. The District has implemented the provisions of this statement.

In June 2015, the GASB issued Statement No. 74, *Financial Reporting Postemployment Benefit Plans Other than pensions Plans.* The principal objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports (financial reports) of State and local governmental benefit plans for making decisions and assessing accountability. These benefits are referred to as other postemployment benefits (OPEB), and the plans through which the benefits are provided are referred to as OPEB plans. GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, establishes standards for governmental employer recognition, measurement, and presentation of information about OPEB. GASB Statement No. 75 also establishes requirements for reporting information about financial support provided by certain non-employer entities for OPEB that is provided to the employees of other entities. GASB Statements No. 74 and No. 75 are closely related in some areas, and certain provisions of this GASB Statement No. 74 refer to GASB Statement No. 75. The District has implemented the provisions of this Statement as of June 30, 2018.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* The principal objective of this Statement is to improve the usefulness of information for decisions made by the various users of the general purpose external financial reports (financial reports) of governments whose employees (both active employees and inactive employees) are provided with postemployment benefits other than pensions. These benefits are referred to as other postemployment benefits (OPEB). One aspect of that objective is to provide information about the effects of OPEB-related transactions and other events on the elements of the basic financial statements. This information will assist users in assessing accountability and the relationship between a government's inflows of resources and its total cost (including OPEB expense) of providing government services each period. Another aspect of that objective is to provide users with information about the government's OPEB obligations and the resources, if any, available to satisfy those obligations. An additional objective of this Statement, is to improve the information provided in government financial reports about OPEB-related financial support provided by certain non-employer entities for OPEB that is provided to the employees of other entities. Finally, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes standards of financial reporting for defined benefit OPEB plans and defined contribution OPEB plans. GASB Statements No. 74 and No. 75 are closely related in some areas, and certain provisions of this Statement refer to GASB Statement No. 74. The District has implemented the provisions of this Statement as of June 30, 2018.

FINANCIAL HIGHLIGHTS

This section is to provide an overview of the District's financial activities. A comparative analysis is included in the Management's Discussion and Analysis using prior year information.

Fiscal Accountability and Fiscal Independence

- Prior to July 2009, the Los Angeles County Superintendent of Schools provided the District with fiscal, budgetary, and financial management services through a contractual agreement for many years. On August 27, 2008, the Board of Trustees approved the District's application to the Los Angeles County Superintendent of Schools requesting Fiscal Accountability Status. The District began this process by following the steps as defined in *Education Code* Section 85266, which required adhering to statutory requirements with specific deadlines. Part of this approval process was to demonstrate to the Los Angeles County Superintendent of Schools that the District had a financial management system in place, as it would no longer be using the County's Finance and Payroll Systems. The integrity and security of the new Banner Finance and Human Resources/Payroll systems were validated by a team of external auditors prior to obtaining Fiscal Accountability Status. In addition, the auditors also validated that the District had a system of adequate internal controls, processes and procedures.

  Effective July 1, 2009 the District obtained Fiscal Accountability Status as approved by the Los Angeles County Superintendent of Schools. Achieving the Fiscal Accountability Status was necessary, because it allowed the District to implement an integrated management information system without the need for extensive interfaces with the County's systems. This transition has given departments the ability to obtain accurate and timely information that is required to monitor budgets and analyze current financial data in order to ensure sound financial decision making.

  As a result of the Fiscal Accountability Status, the District assumed the majority of the responsibilities previously performed by the Los Angeles County Superintendent of Schools for fiscal, budget, human resources/payroll, and financial management systems processing. In addition, the District assumed oversight for the internal audit function for the issuance of payroll and commercial warrants. With the Fiscal Accountability Status, the Los Angeles County Superintendent of Schools retained high-level oversight of the District, but was no longer involved in the day-to-day activities. Their role was to ensure that the District complied with the approved Fiscal Accountability Plan.

  This transfer of responsibilities from the Los Angeles County Superintendent of Schools to the District was an enormous undertaking. The time and effort required to obtain Fiscal Accountability Status was achieved by hard work, collaboration, and dedication by the District's staff.

- In August 2011, after two years of operation, under the Fiscal Accountability Status, the District submitted an application to the County Superintendent of Schools and the State Chancellor's Office to obtain Fiscal Independence Status.

  Under *Education Code* Section 85266.5, Fiscal Independence is granted upon the approval of the Board of Governors of the California Community College Systems Office, based largely on the recommendation from the Los Angeles County Superintendent of Schools and the Los Angeles County Auditor/Controller, supported by the results of an assigned independent Certified Public Accountant firm's survey of Mt. San Antonio College's accounting controls. Obtaining Fiscal Independence Status allows the District to have broad authority to issue warrants without the review or approval of the Los Angeles County Superintendent of Schools or the Los Angeles County Auditor/Controller.

  Based on the District's excellent reputation for fiscal management, validation of the internal controls by a team of external auditors, a recommendation from the Los Angeles County Superintendent of Schools, and a recommendation from the Los Angeles Auditor-Controller, the State Chancellor's Office submitted a request to the Board of Governors to grant Fiscal Independence Status to Mt. San Antonio Community College District. On November 7, 2011, the Board of Governors approved Mt. San Antonio College Fiscal Independence Status, effective July 1, 2012.

  In March 2017, the College received a commendation from the Accrediting Commission for Community and Junior Colleges for successfully completing the rigorous testing and implementation required to achieve fiscal independence status. The College has been operating under the fiscal independence status since the fiscal year 2012-2013, evidence of compliance is included in the Fiscal Independence oversight reports issued by the Los Angeles County Office of Education and Internal Controls Performance Audit issued by an independent auditor.

General Obligation Bonds

- On November 6, 2001, the voters of the District approved a $221 million general obligation bond (Measure R) under Proposition 39 to provide better facilities for the students, faculty, and the community. Originally, there were 17 construction projects planned, but due to the increase in construction costs, three of these projects were eliminated; which left 14 major projects to be undertaken. Ground breaking began, for some of the projects, during 2001-2002 and continued through 2015-2016. The proceeds of these general obligation bond funds were completely expensed in June 30, 2015, and the bonds have been paid off. The following bonds were issued:

  - $40 million Series A were issued in May 2002.
  - $75 million Series B were issued in February 2004.
  - $80 million Series C were issued in September 2006.
  - $26 million Series D were issued in July 2008.

- On November 4, 2008, the voters of the District approved a $353 million general obligation bond (Measure RR) under Proposition 39 to finance the repair, upgrade and acquisition of equipment and instructional facilities for the science and computer labs, library, fire academy training facility, classrooms for nursing, paramedics and police officers, classrooms for education and vocational job training, a new computer technology center, and the establishment of a 2008 lease revenue bonds escrow account. The following bonds were issued:

  - $205.6 million Series A and $11.7 million Series B were issued in August 2013.
  - $20 million Series C were issued in September 2015.
  - $59.7 million Series D were issued in August 2020.
  - $56.0 million Series E were issued in August 2021.
  - At June 30, 2022, the principal balance outstanding from the Measure RR bonds was $425.6 million and unamortized premium received on the bonds was $11.4 million.

- On May 1, 2010, the District issued $65 million in bond anticipation notes. This was the result of the District's inability to issue bonds from the 2008 election (Measure RR) due to the decreased property valuations and the need to continue with scheduled construction projects. These bond anticipation notes financed the repair, upgrade, acquisition, construction and equipment of certain District property and facilities, and an escrow account was established to retire the debt for the 2008 lease revenue bonds. The District retired this bond anticipation notes obligation in August 2013 with the issuance of Series A and B 2008 Election general obligation bonds (Measure RR).

- On April 6, 2017, the District issued $90 million, under the Measure RR authorization, in bond anticipation notes. These bond anticipation notes were issued to finance the remaining cost of the Business Project, the startup cost of the Athletics Complex, the design of the Campus Center, and other campus-wide improvements. The District retired this bond anticipation notes obligation in August 2020 with the issuance of Series D 2008 Election general obligation bonds (Measure RR) and Series B 2018 general obligation bonds (Measure GO).

- On January 29, 2019, the District issued $25.7 million, under the Measure RR authorization, in bond anticipation notes. These bond anticipation notes financed facility improvements. The District paid in full these bond anticipation notes on April 4, 2019 from the proceeds of Series 2019A 2018 Election general obligation bonds (Measure GO).

- On November 6, 2018, the voters of the District approved a $750 million general obligation bonds (Measure GO) under Proposition 39 to finance facilities to support more students, help local students transfer to four-year universities, train more workers, and improve safety. The following bonds were issued:

  - $310.7 million Series 2019A were issued in April 2019.
  - $30.5 million Series 2020B were issued in August 2020.
  - $219.2 million Series 2021C were issued in August 2021.
  - At June 30, 2022, the principal balance outstanding was $518.5 million and unamortized premium received on the bonds was $40.1 million.

- The following general obligation bonds have been issued to refund bonds for the election 2001 Election (Measure R) and 2008 Election (Measure RR):

  - $75.7 million refunding bonds were issued in September 2005. This issuance refunded certain Series A and B bonds.
  - $29.9 million refunding bonds were issued in June 2012. This issuance refunded certain 2005 refunding bonds.
  - $74.9 million Series A and $48.2 million Series B refunding bonds were issued in August 2013. These issuances refunded certain 2006 Series C bonds, 2005 refunding bonds, and 2012 refunding bonds.
  - $19.4 million 2015 refunding bonds were issued in September 2015. This issuance refunded certain 2008 Series D bonds.
  - $60.4 million 2020A refunding bonds were issued in February 2020. Portion of this issuance refunded certain 2013 Series A bonds.
  - $30.1 million crossover refunding bonds were issued in February 2020. This issuance advance refunded certain 2013 Series A bonds.
  - $14.3 million 2021 refunding bonds were issued in August 2021. This issuance refunded certain 2015 refunding bonds.
  - At June 30, 2022, the principal balance outstanding was $133.7 million and unamortized premium received on the bonds was $3.9 million.

Student Centered Funding Formula, Emergency Conditions Allowance, and FTEs

- Effective with the fiscal year 2018-19, Apportionment revenues are calculated based on the Student-Centered Funding Formula (SCFF). This formula includes performance measures to ensure community colleges are funded based on how well students are progressing. The SCFF provides funding by supporting student access through enrollment, student equity by serving low-income students, and student success by providing districts with additional resources when students reach specified level of achievements/outcomes. Districts receive additional funding when higher-needs students reach these achievements. The SCFF formula has three components: the Base allocation, the Supplemental allocation, and the Student Success allocation.

  The first component is the Base allocation measured by the enrollment in the form of FTE (Full-time equivalent) counts. This allocation primarily includes average counts of credit FTEs of the current budget year, prior year, and prior-prior year. The average counts of these FTEs are funded at an SCFF established rate, adjusted by cost-of-living (COLA) each year. The Base allocation also includes a basic allocation, noncredit, Enhanced Noncredit Career Development and College Preparation (CDCP), and Special Admit Credit FTEs. The current year counts of these FTEs are funded at rates established in the previous SB 361 community college funding formula, adjusted by COLA each year. The basic allocation is funded based on the number of colleges and comprehensive centers a District may have.

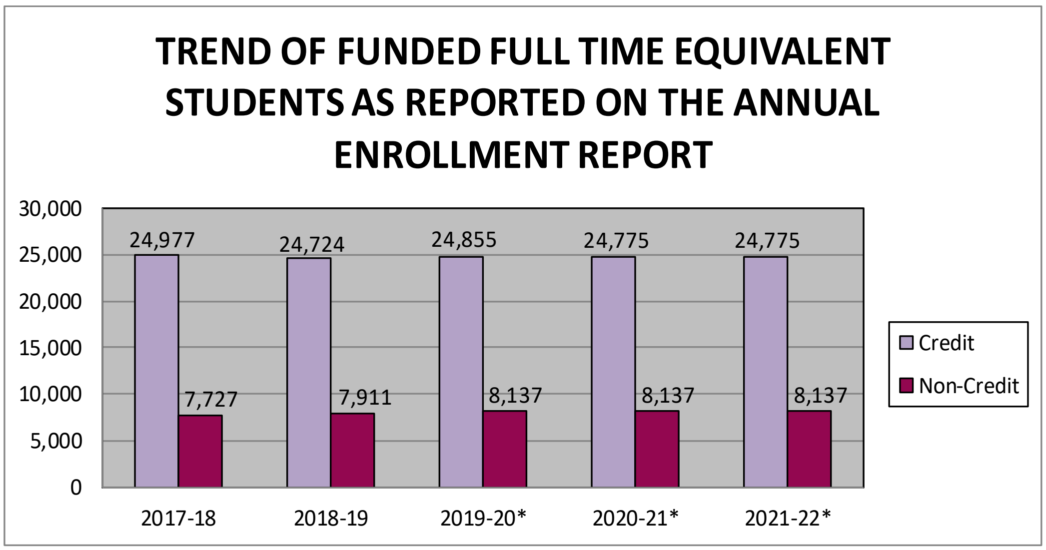
  The second component is the Supplemental allocation measured by counts of low-income students or students receiving Pell grants, College Promise grants, and counts of AB540 students. The prior year counts of each of these metrics are funded at the same SCFF established rate, adjusted by COLA each year.

The third component is the Student Success allocation measured by counts of outcomes in the form of the number of students earning associate degrees and credit certificates, the number of students transferring to four-year colleges and universities, the number of students who complete transfer-level Math and English within their first year, the number of students who complete nine or more career education units, and the number of students who have attained the regional living wage. Districts earn premiums for achievements of low-income students. Only the highest award (Associate degrees, Bachelor degrees, and credit certificates) earned in the same year, if the student was enrolled in the District that year, applies toward the counts. A student who transfers to a four-year university is included if the student completed 12 or more units in the District in the year prior to the transfer. Each metric is funded at SCFF established rates, adjusted by COLA each year. These rates have different weights or values. The counts used for funding is the average count of three years starting with the prior year going back two more years.

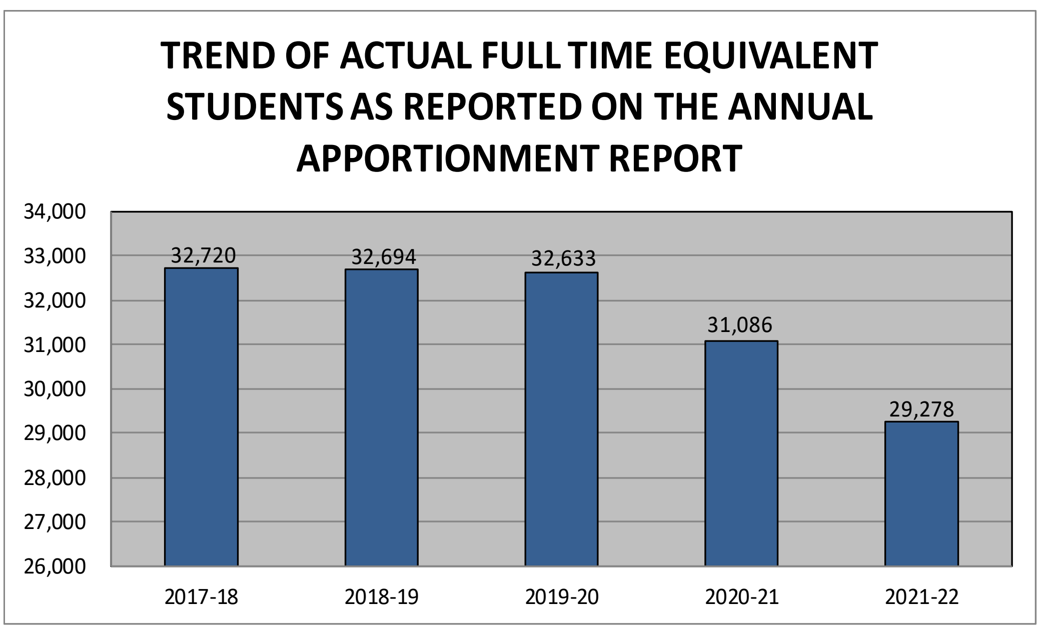
The established rates are set by statute. The combination of the Base allocation, Supplemental allocation, and Student Success allocation results in the Total Computational Revenue or TCR.

- As a result of the COVID-19 pandemic declared in March 2020, similar to the fiscal years 2019-2020 and 2020-2021, the College applied for Emergency Conditions for its FTEs funding for the fiscal year 2021-2022. This preserved the same level of funding for its 2021-2022 Base Allocation component at the same FTE level of the 2019-20 first principal apportionment. However, the 2021-2022 Supplemental and Student Success allocations decreased primarily due to lower counts in College Promise Grants; and as a result, the College received a one-time Stability protection of $3,015,353.

Credit and noncredit FTEs continue to be the basis for which the District receives the biggest portion of State apportionment under the new the SCFF. As mentioned above, funded FTEs as of June 30, 2022 were measured at the February 2020 level for the fiscal year 2021-2022 because the District once again applied for Emergency Conditions Allowance due to the COVID-19 pandemic. The total funded FTEs remain at the same level with credit FTEs at 24,775 and noncredit FTEs at 8,137. In contrast, the total actual FTEs decreased from 31,086 in 2020-2021 to 29,278 in 2021-2022, a 5.8% decrease for credit and noncredit students. While credit decreased from 24,175 to 21,306 from 2020-2021 to 2021-2022, noncredit increased from 6,911 to 7,972 from 2020-2021 to 2021-2022. The following graphs shows a five year trend for funded and actual FTES produced by the District:



*Measured as of February 2020 due to applying for Emergency Conditions Allowance.



Unrestricted General Fund Ending Balance

The District ended the fiscal year 2021-2022 with a fund balance of $60.4 million in the Unrestricted General Fund, which represents 24.2% of the total expenditures, well above the 10% unassigned fund balance board policy.

Financial Statement Presentation and Basis of Accounting

The District's financial report includes three financial statements: The Statement of Net Position; the Statement of Revenues, Expenses and Change in Net Position; and the Statement of Cash Flows. Additional information regarding these financial statements is provided on the following pages.

The financial statements noted above are prepared in accordance with GASB Statements No. 34 and No. 35 which provides an entity wide perspective. Therefore, the financial data presented in these financial statements is a combined total of all District funds including Student Financial Aid Programs.

Statement of Net Position

The Statement of Net Position presents the assets, liabilities and net position of the District as of the end of the fiscal year and is prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The Statement of Net Position is a point in time financial statement. The purpose of this statement is to present to the readers a fiscal snapshot of the District. The Statement of Net Position presents end-of-year data concerning assets (current and noncurrent), deferred outflows of resources, liabilities (current and noncurrent), deferred inflows of resources and net position (assets minus liabilities).

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the District. Readers are also able to determine how much the District owes vendors and employees. Finally, the Statement of Net Position provides a picture of the net position and their availability for expenditure by the District.

The difference between total assets and deferred outflows of resources, and total liabilities and deferred inflows of resources (net position) is one indicator of the current financial condition of the District as the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allocation for depreciation expense.

The Net Position is divided into three major categories. The first category, invested in capital assets, provides the equity amount in property, plant and equipment owned by the District. The second category is expendable restricted net position; this net position is available for expenditure by the District, but must be spent for purposes as determined by external entities and/or donors that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position that is available to the District for any lawful purpose of the District.

Our analysis below focuses on net position and change in net position of the District's business-type activities.

	2022	2021	Change
Assets			
Cash and investments	$ 514,085,654	$ 288,692,139	$ 225,393,515
Receivables	26,180,639	80,366,803	(54,186,164)
Prepaid expenses	1,727	-	1,727
Capital assets, net	828,183,124	709,566,486	118,616,638
Total assets	1,368,451,144	1,078,625,428	289,825,716
Deferred Outflows of Resources			
Related to debt refunding	8,683,481	9,624,348	(940,867)
Related to OPEB	38,471,856	42,834,326	(4,362,470)
Related to pensions	57,315,061	68,352,713	(11,037,652)
Total deferred outflows of resources	104,470,398	120,811,387	(16,340,989)
Liabilities			
Accounts payable and accrued liabilities	55,063,928	42,762,896	12,301,032
Unearned revenue	37,583,348	14,586,597	22,996,751
Current portion of long-term liabilities	38,937,070	46,936,250	(7,999,180)
Noncurrent portion of long-term liabilities	1,333,574,711	1,177,175,925	156,398,786
Total liabilities	1,465,159,057	1,281,461,668	183,697,389
Deferred Inflows of Resources			
Related to OPEB	27,418,916	41,351,145	(13,932,229)
Related to pensions	100,356,006	6,453,749	93,902,257
Total deferred inflows of resources	127,774,922	47,804,894	79,970,028
Net Position			
Net investment in capital assets	101,509,176	83,109,664	18,399,512
Restricted	118,460,975	124,203,255	(5,742,280)
Unrestricted deficit	(339,982,588)	(337,142,666)	(2,839,922)
Total net position (deficit)	$ (120,012,437)	$ (129,829,747)	$ 9,817,310

This schedule has been prepared from the District *Statement of Net Position* (page 26), which is presented on the accrual basis of accounting whereby capital assets are capitalized and depreciated and all liabilities of the District are recognized.

Cash and short-term investments consist primarily of funds held in the County Treasury. The changes in cash position are explained in the *Statement of Cash Flows* (pages 28-29).

- The total cash and investments balance increased by $225.4 million. The General Fund had a net cash increase of $65.3 million primarily as a result of not having SCFF apportionment deferrals, increase in Higher Education Emergency Relief Funds (HEERF) reimbursements of COVID-19 expenses, and increases in cash for certain categorical program allocations with an expenditure period larger than one year. Some of these categorical programs are Student Success and Achievement Program (SEAP), Strong Workforce Program, Mental Health Services Program, Basic Needs, Student Retention and Outreach, and Instructional Equipment Program. The Bond Interest Redemption Fund had a net cash decrease of $6.4 million, mainly due to property tax collections and associated payments of principal and interest from the Series 2019A and Series 2021C 2018 Election (Measure GO), 2021 Refunding, and Series 2020B Crossover Refunding. In August 2021, the District received cash proceeds of $274.7 million for the issuances of Series 2021E 2008 Election (Measure RR) and Series 2021C 2018 Election (Measure GO) general obligation bonds. The cash decreased in the Capital Outlay and Bond Construction Funds by $88.6 million for payments made to contractors mainly for the Student Center, the Aquatics Complex, Physical Education and Wellness Facility, and the Temple Avenue Bridge Green Corridor. Finally, the cash decreased by $19.6 million due to a fair market value adjustment made to the County pooled funds as of June 30, 2022. This adjustment is a point in time calculation mandated by GASB No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investments Pools* and GASB No. 72 *Fair Value Measurement*. The adjustment was reversed on July 1, 2022.

- Total account receivables and other assets had a net decrease of $54.2 million. The Unrestricted General Fund decreased by $31.8 million mostly due to accrual reductions of the 2021-2022 SCFF apportionment revenues and the Educational Revenue Augmentation Fund (ERAF) property taxes. The Restricted General Fund decreased by $15.9 million mainly for reduction of accruals of Perkins Title 1-C, Strong Workforce Program, HEERF, and SEAP. The Capital Outlay Fund decreased by $7.9 million for the Physical Education and Wellness Facility capital projects accruals. The Student Accounts Receivable increased by $1.0 million for student fees from fall 2021 to spring 2022. Lastly, Due from Fiduciary Funds increased by $0.4 million.

- Capital assets had a net increase of $118.6 million. The District had additions of $147.3 million related to equipment purchases, site and site improvement, and construction in progress. The District recognized a depreciation expense of $28.8 million during 2021-2022. The capital asset section of this discussion and analysis provides additional information.

- In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District accounted for deferred outflows and deferred inflows related to OPEB. The deferred outflows of resources related to OPEB decreased by $4.4 million and the deferred inflows of resources related to OPEB decreased by $13.9 million. The deferred outflows of resources decreased due to amortization of previous balances. The deferred inflows of resources decreased due to earnings on OPEB plan investments which were lower projections, which increased the net OPEB liability.

- Changes in net pension liability attributable to experience gain/losses, assumption changes, and differences between projected and actual earnings on investments not recognized as expenses during the 2021-2022 fiscal year are accounted for as deferred inflows and outflows of resources.

  The deferred outflows of resources related to pensions had a net decrease of $11.0 million. CalSTRS deferred outflows of resources decreased by $9.1 million, while CalPERS deferred outflows decreased by $1.9 million. The deferred outflows of resources related to pensions decreased due to amortization of the deferred outflows for the 2021-2022 fiscal year.

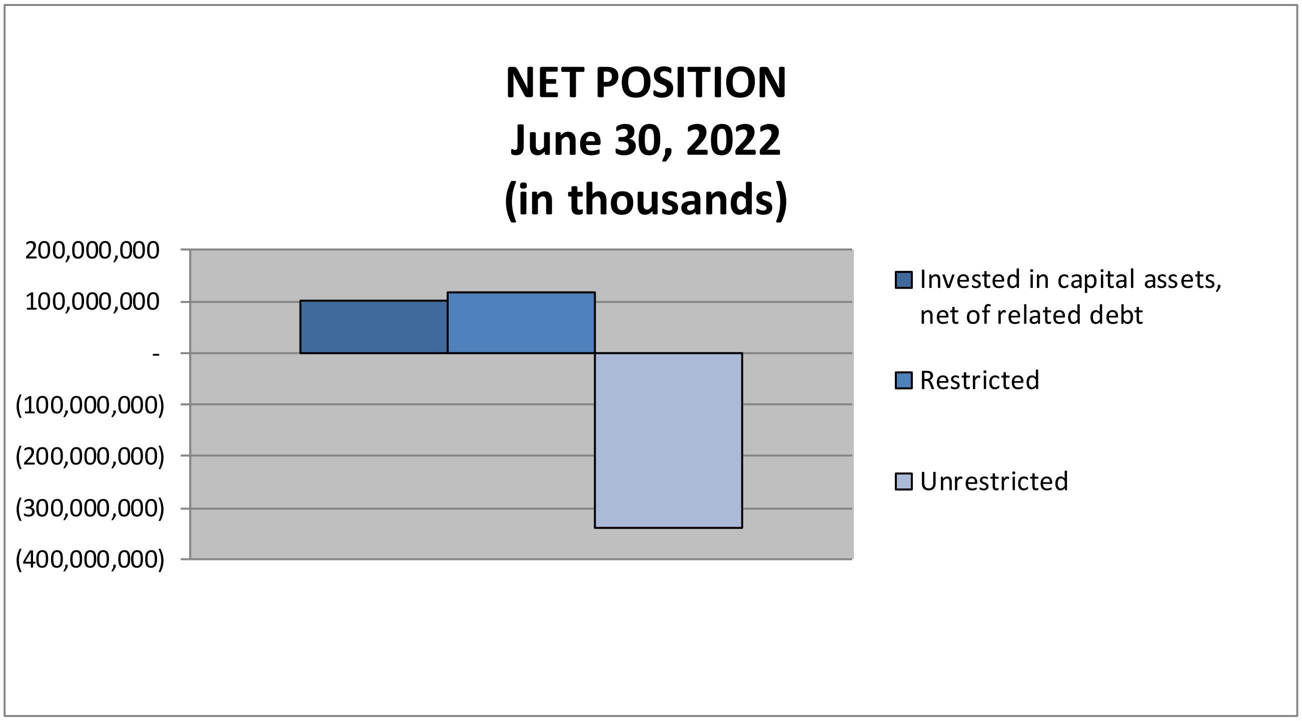
  The deferred inflows of resources related to pensions increased by $93.9 million. CalSTRS deferred inflows of resources increased by $61.1 million, while CalPERS deferred inflows increased by $32.8 due to earnings on pension plan investments exceeding projections. See Note 10 for detailed information related to the aggregate net pension liability and the associated deferred inflows and outflows of resources.

- Accounts payable and accrued liabilities had a net increase of $12.3 million. The Unrestricted General Fund accounts payable increased by $6.4 million mainly because the College received SCFF apportionment and property taxes higher than estimated in the fiscal year 2021-2022. The Capital Outlay Fund and the Bond Construction Funds increased by $3.0 million primarily due to work performed for the Physical Education/Wellness Facility and the Aquatics Complex. The Accounts Payable also increased by $ 0.5 million due to a large number of stale dated warrants. There was an increase of payroll employer and employee contributions of $0.6 million. Ultimately, accrued interest increased by $1.8 million primarily as a result of recording interest payable for the Series 2019A 2018 Election (Measure GO), Series 2020A Refunding, and Series 2021C 2018 Election (Measure GO).

- The long-term liabilities (current and noncurrent) had a net increase of $148.4 million. The main contributors of this increase were the issuance of the Series 2021E 2008 Election (Measure RR) and Series 2021C 2018 Election (Measure GO) general obligation bonds issued in August 2021, an increase of the net OPEB liability of $9.9 million, and the decrease of $120.5 million in the net pension liability

- The District's net position (deficit) was $(120.0) million for the fiscal year ended June 30, 2022. Of this amount, $(340.0) million was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Board's ability to use that net position for day-to-day operations.

The following is a graphic representation of the Net Position as of June 30, 2022:



Statement of Revenues, Expenses, and Change in Net Position

Change in net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Change in Net Position (page 27). The purpose of this statement is to present the operating and nonoperating revenues earned, whether received or not, by the District, the operating and nonoperating expenses incurred, whether paid or not, by the District, and any other revenues, expenses, gains and/or losses earned or incurred by the District. Thus, this Statement presents the District's results of operations.

Generally, operating revenues are earned for providing goods and services to the various customers and constituencies of the District. Operating expenses are those expenses incurred to acquire or produce the goods and services provided in return for the operating revenues and to fulfill the mission of the District. Nonoperating revenues are those received or pledged for which goods and services are not provided; for example, State appropriations are nonoperating because they are provided by the legislature to the District without the legislature directly receiving commensurate goods and services for those revenues.

A summarized comparison of the Statement of Revenues, Expenses, and Change in Net Position is presented below:

	2022	2021	Change
Operating Revenues			
Tuition and fees, net	$ 18,126,913	$ 14,771,076	$ 3,355,837
Grants and contracts, noncapital	94,542,929	73,185,938	21,356,991
Auxiliary sales and charges	172,356	105,473	66,883
Total operating revenues	112,842,198	88,062,487	24,779,711
Operating Expenses			
Salaries and benefits	252,472,227	268,782,003	(16,309,776)
Supplies, services, equipment, and maintenance	46,151,992	32,842,988	13,309,004
Student financial aid	80,068,490	62,209,591	17,858,899
Depreciation	28,799,196	21,498,699	7,300,497
Total operating expenses	407,491,905	385,333,281	22,158,624
Operating loss	(294,649,707)	(297,270,794)	2,621,087
Nonoperating Revenues (Expenses)			
State apportionments	140,311,632	129,671,643	10,639,989
Property taxes	108,848,538	107,051,634	1,796,904
Student financial aid grants	71,446,452	55,066,203	16,380,249
State revenues	10,135,164	9,637,721	497,443
Net interest expense	(60,307,687)	(32,459,755)	(27,847,932)
Other nonoperating revenues	4,262,236	3,791,791	470,445
Total nonoperating revenue (expenses)	274,696,335	272,759,237	1,937,098
Other Revenues and Losses			
State and local capital income, and loss on disposal of capital assets	29,770,682	19,195,734	10,574,948
Change in net position	$ 9,817,310	$ (5,315,823)	$ 15,133,133

The operating revenues for the District are specifically defined as revenues from users of the College's facilities and programs. Excluded from operating revenues are the components of the primary source of District funding: the State apportionment process which includes the State general apportionment and local property taxes. As these resources of revenues are from the general population of the State of California, and not from the direct users of the educational services, they are considered to be nonoperating. As a result, the operating loss of $294.6 million is balanced by other funding sources. Total District revenues exceeded expenses by $9.8 million for the year ended June 30, 2022.

Grants and contract revenues relate Federal and State grants received for programs serving students of the District. These grants and program revenues are restricted as to the allowable expenses related to the programs.

Interest income is primarily the result of cash held at the County Treasury. Interest expense relates to interest payments on the general obligation bonds as described in Note 7 of the financial statements.

- Net enrollment, tuition and fees increased by $3.4 million. Student fees increased by $4.2 million primarily attributed to students returning to campus with greater increases in Community Services classes and Parking fees. However, Nonresident Tuition Fees from international students decreased by $0.8 million.

- Grants and Contracts had a net increase of $21.4 million. This increase is primarily due to the increase in claim reimbursements from HEERF funds, SEAP allocation, and increases in Local revenues for instructional contracted services and facility rental contracts

- The net increase in operating expenses of $22.2 million is mainly due to the following items: 2.31% cost-of-living increase for all employee groups, payments to faculty for work assignments for additional instructional responsibilities due to the COVID-19 pandemic, one-time disaster service workers stipend for management and classified employees, payments to contact tracers to manage exposures to COVID-19 due to reopening the campus, $9.5 million OPEB contribution, decreases in CalSTRS and CalPERS pension costs due to actuarial valuations and favorable market conditions as of June 30, 2021 as established by GASB, payments for contracted services for COVID-19 vaccination verification and COVID-19 management services, increase in travel and conference, increase in HEERF emergency grants and Cal grants for students, and an increase in depreciation expense. As new buildings are completed, depreciation expense is recognized.

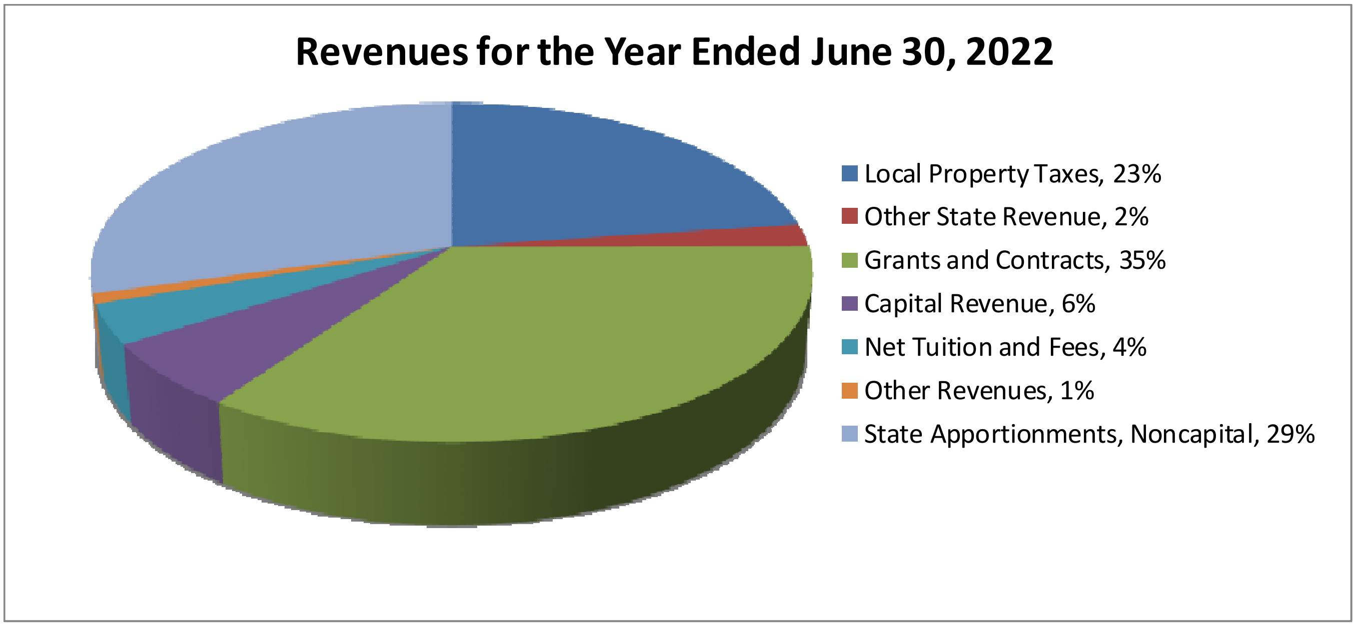
- Since the fiscal year 2012-2013, the District's base apportionment sources of funding include property taxes, enrollment fees, State apportionment, and the Education Protection Account (EPA). Districts' State Aid is reduced by one dollar for each dollar received from EPA, local property taxes, and enrollment fees. The EPA was created in November 2012 by Proposition 30 and was amended with Proposition 55 in November 2016. Proposition 55 extends the temporary personal income tax increases enacted in 2012 until December 2030. The State apportionment noncapital increased by $10.6 million. Although the overall apportionment was higher in the fiscal year 2021-2022, the State apportionment share decreased and the EPA share increased when compared to the fiscal year 2020-2021.

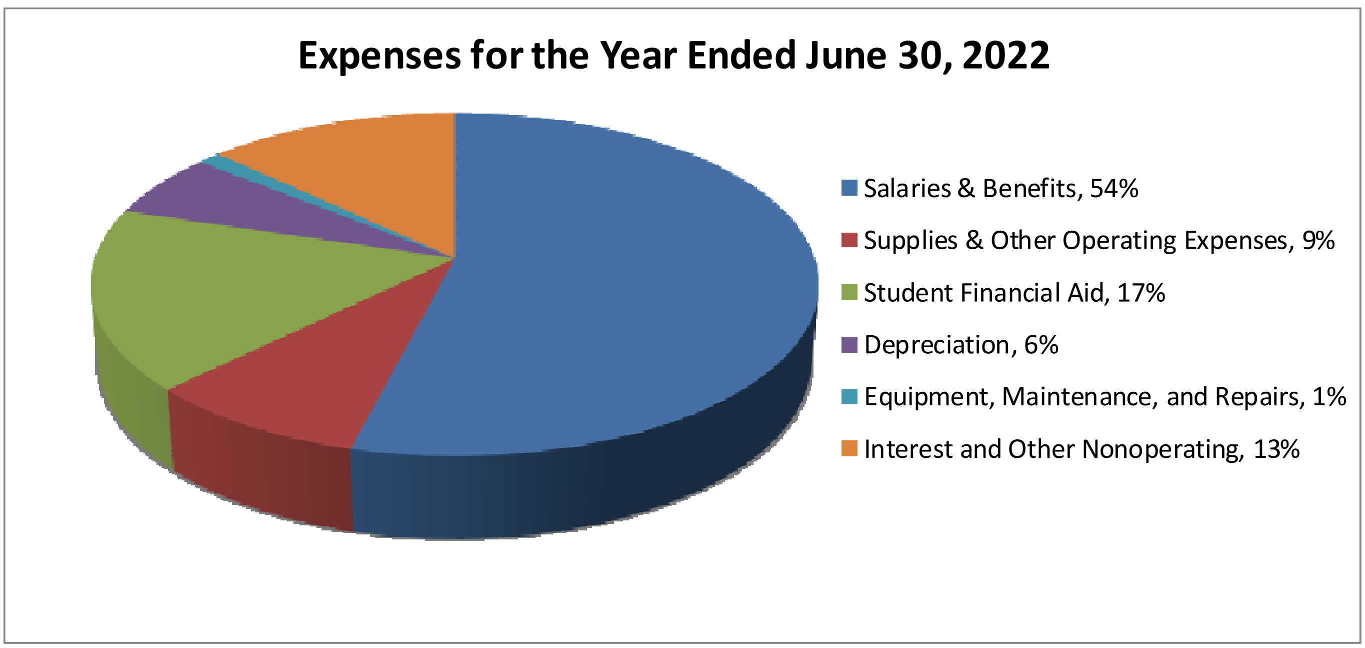
- Property taxes levied for general purposes and for other specific purposes had a net increase of $1.8 million. The property taxes levied for general purposes decreased by $0.7 million as a result of lower collections of the Education Revenue Augmentation Fund (ERAF) and Property Taxes from Redevelopment funds. Property Taxes for other specific purposes increased by $2.5 million primarily due to the higher collections of the Series 2020D 2008 Election (Measure RR), Series 2021E 2008 Election (Measure RR), and Series 2019A 2018 Election (Measure GO) general obligation bond repayments.

  - Federal and State financial aid grants increased by $16.4 million. The increase is mainly due to HEERF student emergency grants.

  - Net interest expenses increased by $27.8 million essentially as a result of the recognition of the interest expense of the Series 2020D and Series 2013A 2008 Election (Measure RR) general obligation bonds, and a fair market value adjustment of the County pooled funds as of June 30, 2022.

  - State and local capital income and losses on disposal of capital assets had a net increase of $10.6 million. This increase is primarily attributed to increases in the capital projects for the Physical Education/Wellness Facility, Technology and Health Building Replacement, and small projects funded with 2021-2022 Physical Plant funds.


Revenues for the Year Ended June 30, 2022
Local Property Taxes, 23%
Other State Revenue, 2%
Grants and Contracts, 35%
Capital Revenue, 6%
Net Tuition and Fees, 4%
Other Revenues, 1%
State Apportionments, Noncapital, 29%


Expenses for the Year Ended June 30, 2022
Salaries & Benefits, 54%
Supplies & Other Operating Expenses, 9%
Student Financial Aid, 17%
Depreciation, 6%
Equipment, Maintenance, and Repairs, 1%
Interest and Other Nonoperating, 13%

Functional expenses are detailed in the following schedule:

	Salaries and Employee Benefits	Supplies, Material, and Other Expenses and Services	Student Financial Aid	Depreciation	Total
Instructional activities	$ 135,267,861	$ 2,497,347	$ -	$ -	$ 137,765,208
Academic support	12,106,734	121,465	-	-	12,228,199
Student services	38,829,965	3,009,324	-	-	41,839,289
Plant operations and maintenance	12,315,835	1,649,913	-	-	13,965,748
Instructional support services	39,456,845	2,476,903	-	-	41,933,748
Community services and economic development	2,521,973	290,847	-	-	2,812,820
Ancillary services and auxiliary operations	8,112,068	830,729	-	-	8,942,797
Student aid	-	-	80,068,490	-	80,068,490
Physical property and related acquisitions	3,860,946	33,788,616	-	-	37,649,562
Other outgo	-	1,486,848	-	-	1,486,848
Unallocated depreciation	-	-	-	28,799,196	28,799,196
Total	$ 252,472,227	$ 46,151,992	$ 80,068,490	$ 28,799,196	$ 407,491,905

Statement of Cash Flows

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

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash used by the operating activities of the District. The second part details cash received for nonoperating, noninvesting and noncapital financing purposes. The third part shows cash flows from capital and related financing activities, disclosing the cash used for the acquisition and construction of capital and related items. The fourth part provides information from investing activities and the amount of interest received. The last section reconciles the net cash used by operating activities to the operating loss reflected on the Statement of Revenues, Expenses and Change in Net Position.

	2022	2021	Change
Net Cash Flows from			
Operating activities	$ (257,379,460)	$ (271,766,168)	$ 14,386,708
Noncapital financing activities	326,830,015	243,954,930	82,875,085
Capital financing activities	175,627,164	(111,808,997)	287,436,161
Investing activities	(16,720,660)	2,923,842	(19,644,502)
Net Change in Cash	228,357,059	(136,696,393)	365,053,452
Cash and Cash Equivalents, Beginning of Year	244,552,062	381,248,455	(136,696,393)
Cash and Cash Equivalents, End of Year	$ 472,909,121	$ 244,552,062	$ 228,357,059

The primary operating receipts are student tuition and fees and enterprise sales and charges. The primary operating expense of the District is the payment of salaries and benefits to instructional and classified support staff, as well as District administrators.

- Cash receipts from “operating activities” are from student enrollment, tuition and other fees. Uses of cash include payments to employees, vendors and students related to the instructional programs. The net decrease in cash used by operating activities is primarily due to the timing of when revenue is received and payments are paid.

- Cash received from “noncapital financing activities” had a net increase of $82.9 million. The main contributor to this increase were higher cash collections of the SCFF District’s State apportionment and Property Taxes.

- The cash from “capital financing activities” had a net increase of $287.4 million. Cash primarily increased due to the issuance of the Series 2021E 2008 Election (Measure RR) and Series 2021C 2018 Election (Measure GO) general obligation bonds sold in August 2021.

- Cash provided by “investing activities” decreased by $19.6 million mainly due to decreases in the fair value of County Treasury balances at June 30, 2022.

District’s Fiduciary Responsibility

The District includes Mt. San Antonio Auxiliary Services as a component unit. The Auxiliary is a separate not-for-profit corporation formed to promote and assist the educational programs of the District. Separate financial statements for the Auxiliary can be obtained through the District.

The Mt. San Antonio Community College District OPEB Trust was established in 2008-2009. The Trust is an irrevocable government trust for the purpose of funding post-employment health benefits. The District acts as the fiduciary of the Trust and the financial activity of the Trust has been discretely presented in the financial statements.

The District has the responsibility of accounting for the Student Clubs. These fiduciary activities are reported in separate Statements of Fiduciary Net Position and Change in Fiduciary Net Position.

Capital Assets

As of June 30, 2022, the District had $828.2 million invested in depreciable capital assets. The total cost of capital assets of $1.1 billion are comprised of land, buildings and building improvements, construction in progress, vehicles, data processing equipment and other office equipment. These assets have accumulated depreciation of $242.2 million. During 2021-2022, net capital asset additions and deletions were $118.6 million. This consists of a net increase in construction in progress totaling $52.4 million, a net increase in equipment totaling $2.7 million, and an increase in buildings and site improvements totaling $92.3 million. Depreciation expense of $28.8 million was recorded for the fiscal year.

During 2021-2022, the following projects were capitalized:

- Heritage Hall
- Athletics Complex Phase 2
- Parking Structure Lot R
- Parking Structure Lot S
- Irrigation Controls Upgrade
- Building 66 Renovation
- Utility Infrastructure South East Quad Water Line
- Parking Lot F Extension
- Portable Building 46B
- West Counseling Modulars
- Continuing Education Computer Lab
- Physics Lab Relocation
- Modular Health Career SIM Lab
- Building 7 Mental Health Upgrade

Construction in progress during 2021-2022 includes the following projects:

- Student Center
- Sand Volleyball Courts
- Aquatics Complex
- Technology and Health Building Replacement
- Temple Avenue Bridge Green Corridor
- Utility Infrastructure Central Campus
- Portable Building 16F
- Relocation of Portable Buildings 18C and 18D
- STEM Center
- Student Services Remodel Phase II
- Bookstore
- Adult Basic Education Classrooms
- Physical Education and Wellness Facility

Note 6 in the financial statements provides additional information on capital assets. A summary of capital assets is presented below:

	Balance, Beginning of Year	Additions	Deletions	Balance, End of Year
Land, collections, and construction in progress	$ 163,528,687	$ 144,890,094	$ (92,512,695)	$ 215,906,086
Buildings and improvements	700,072,955	92,327,215	-	792,400,170
Furniture and equipment	59,479,607	2,718,716	(161,293)	62,037,030
Subtotal	923,081,249	239,936,025	(92,673,988)	1,070,343,286
Accumulated depreciation	(213,514,763)	(28,799,196)	153,797	(242,160,162)
Total	$ 709,566,486	$ 211,136,829	$ (92,520,191)	$ 828,183,124

Long-term Liabilities

On June 30, 2022, the District had $1.4 billion in long-term liabilities. The balance includes the remaining principal debt for the 2008 Election (Measure RR) bonded debt, the 2018 Election (Measure GO) bonded debt, the compensated absences and load banking, the aggregate net OPEB liability, and the aggregate net pension liability for CalSTRS and CalPERS. The outstanding bond debt of 2008 Election (Measure RR) consists of $297.4 million Series A general obligation bonds and $1.6 million Series B general obligation bonds issued in August 2013, $3.7 million Series C general obligation bonds issued in September 2015, $66.1 million Series D general obligation bonds issued in August 2020, and $56.7 million Series E general obligation bonds issued in August 2021. The outstanding bond debt of 2018 Election (Measure GO) consists of $265.1 million Series A general obligation bonds issued in April 2019, $34.2 million Series B general obligation bonds issued in August 2020, and $219.2 million Series C general obligation bonds issued in August 2021. The outstanding refunding bond debt consists of $12.3 million Series 2013A general obligation refunding bonds issued August 2013, $14.6 million Series 2013B general obligation refunding bonds issued August 2013, $3.3 million Series 2015 general obligation refunding bonds issued September 2015, $59.1 million Series 2020A general obligation refunding bonds issued in February 2020, $30.1 million Series 2020B general obligation crossover refunding bonds issued February 2020, and $14.3 million Series 2021 general obligation refunding bonds issued August 2021. The general obligation bonds were issued to finance the repair, upgrade, acquisition, construction and equipment of certain District property and facilities. The general obligation bonds and net pension liability comprise approximately 94% of the District's total long-term liabilities. Debt payments on the bonds will be funded through property tax receipts collected over the term of the bonds.

Notes 7, 8, and 10 in the financial statements provide additional information on long-term liabilities. A summary of long-term liabilities is presented below:

	2022	2021
General obligation bonds	$ 1,133,235,996	$ 873,678,960
Compensated absences and load banking	14,681,197	15,221,570
Aggregate net OPEB liability	65,363,674	55,476,765
Aggregate net pension liability	159,230,914	279,734,880
Total long-term liabilities	$ 1,372,511,781	$ 1,224,112,175

Economic Factors that May Affect the Future

As of June 30, 2022, the District's overall financial position is strong due to ongoing prudent fiscal management, which resulted in a healthy balance of $60.4 million in the Unrestricted General Fund for the 2021-2022 fiscal year.

The enacted 2022-2023 State budget includes the largest upward revision since the adoption of Proposition 98. This budget provides direct tax refunds for 23 million Californians to assist with the rising cost of goods, addresses the state's most pressing needs, builds state reserves, and invests in infrastructure to assure California success for generations to come.

For California Community Colleges, the budget includes an increase of $1.9 billion in ongoing funds and an increase of $2.1 billion in one-time funds. The budget is built on multi-year frameworks and partnerships with other segments that are designed to expand access, close equity gaps, and promote student success. The "roadmap" for the California Community Colleges includes a set of metrics and goals focused on equity and student success, building on the *Vision for Success* goals. Key goals and expectations in the roadmap include increased collaboration across segments and sectors to enhance timely transfer; improved completion rates reduction in excess units; closure of equity gaps; and better alignment of the system with K-12 and workforce needs.

Although the 2022-2023 budget for community colleges is robust, there are new challenges as a consequence of the elevated global inflation and the lingering supply chain disruption. Colleges continue to have major increases in operating expenses primarily due to increases in rates for the Public Employee Retirement System (PERS) and State Teacher's Retirement System (STRS) pension obligations in the coming years and possible shortfalls in State revenues that heavily rely on highly volatile State income tax collections from capital gains. After two years dominated by COVID-19, which contributed greatly to the enrollment decrease, colleges are working on growing the enrollment back.

The College's financial position to continue recovery is strong, setting up to effectively manage the 2022-2023 allocation from the State budget. Mt. SAC began a multiyear strategy in 2021-2022 consisting of maintaining capacity for enrollment and support, continuing return and recovery efforts, controlling spending, strategically using one-time funds, and maintaining prudent reserves. The plan for 2022-2023 is 1) utilizing one-time funds obtained from the SCFF Emergency Conditions Allowance in stabilizing the Unrestricted General Fund with both revenue and expenditure solutions, 2) reducing future operating expenses with integrated sustainable and technology based solutions, 3) investing in diversified enrollment growth and retention strategies, 4) emphasizing equity and basic needs integration into academic support, 5) restructuring to meet program staffing needs, and 6) bridging Measure GO and State funds to meet facility needs and transition to the next local bond. The plan for the 2023-24 is to 1) aggressively pursue improvement in the SCFF metric outcomes, 2) recruit and retain diverse and non-traditional student populations, 3) reach equilibrium in an online/on campus mix course offerings that meets student needs, 4) improve student wrap around support to increase retention and equity, and 5) update the Educational and Facility Master Plan with the goal of passing a new facility bond measure. Those needs include solar to reduce operating expenses and reduce carbon footprint, new facilities including a Library, a School of Continuing Education village, Sciences labs, Arts facility, Student Services North complex, and campus wide Deferred Maintenance. Ultimately, the plan for 2024-25 is to continue efforts on equitable and sustainable growth and student performance.

The College 2022-2023 budget is built under Emergency Conditions to preserve the same level of FTES funding as that earned at P1 in 2020 just as the pandemic was beginning. This has allowed the College to maintain the same level of FTES funding in the Student Centered Funding Formula (SCFF) since the fiscal year 2019-20. However, different from previous years, where colleges completed a simple application, the College submitted an application with an enrollment recovery plan that required Chancellor's Office review and approval. This application was approved on October 14, 2022.

Subsequent Events

Effective July 1, 2021, the Board of Trustees approved a 2.31% ongoing salary increase for Faculty, Management, Confidential, CSEA 262, and CSEA 651 employee groups. On August 10 and October 12, 2022, the Board of Trustees approved a 2.76% ongoing salary increase non-compounding, retroactive to July 1, 2021 for Faculty, Management, Confidential, CSEA 262, and CSEA 651 employee groups. Consequently, these two increases become a 5.07% salary increase for all employee groups, effective July 1, 2021.

On November 22, 2022, the Board of Trustees approved the preparation, sale, and delivery of Certificates of Participation under a Lease/Purchase Agreement between the Public Financing Corporation of California for a maximum amount of $254.5 million. The purpose of the Lease is to fund the construction of a School of Continuing Education and a new Library.

Assets	
Cash and cash equivalents	$ 626,151
Investments	513,459,503
Accounts receivable	24,037,907
Student receivables	1,254,872
Due from Auxiliary	25,363
Due from fiduciary funds	862,497
Prepaid expenses	1,727
Capital assets	
Nondepreciable capital assets	215,906,086
Depreciable capital assets, net of depreciation	612,277,038
Total capital assets	828,183,124
Total assets	1,368,451,144
Deferred Outflows of Resources	
Deferred outflows of resources related to debt refunding	8,683,481
Deferred outflows of resources related to OPEB	38,471,856
Deferred outflows of resources related to pensions	57,315,061
Total deferred outflows of resources	104,470,398
Liabilities	
Accounts payable	45,684,522
Accrued interest payable	9,379,406
Unearned revenue	37,583,348
Long-term liabilities	
Long-term liabilities other than OPEB and pensions, due within one year	38,937,070
Long-term liabilities other than OPEB and pensions, due in more than one year	1,108,980,123
Aggregate net other postemployment benefits (OPEB) liability	65,363,674
Aggregate net pension liability	159,230,914
Total liabilities	1,465,159,057
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	27,418,916
Deferred inflows of resources related to pensions	100,356,006
Total deferred inflows of resources	127,774,922
Net Position	
Net investment in capital assets	101,509,176
Restricted for	
Debt service	65,503,460
Capital projects	26,207,481
Educational programs	8,956,321
Other activities	17,793,713
Unrestricted deficit	(339,982,588)
Total net position (deficit)	$ (120,012,437)

Operating Revenues	
Tuition and fees	$ 33,431,389
Less: Scholarship discounts and allowances	(15,304,476)
Net tuition and fees	18,126,913
Grants and contracts, noncapital	
Federal	47,446,406
State	46,191,110
Local	905,413
Total grants and contracts, noncapital	94,542,929
Auxiliary enterprise sales and charges	
Farm operations	172,356
Total operating revenues	112,842,198
Operating Expenses	
Salaries	194,762,611
Employee benefits	57,709,616
Supplies, materials, and other operating expenses and services	40,577,084
Student financial aid	80,068,490
Equipment, maintenance, and repairs	5,574,908
Depreciation	28,799,196
Total operating expenses	407,491,905
Operating Loss	(294,649,707)
Nonoperating Revenues (Expenses)	
State apportionments, noncapital	140,311,632
Local property taxes, levied for general purposes	61,881,929
Taxes levied for other specific purposes	46,966,609
Federal and State financial aid grants	71,446,452
State taxes and other revenues	10,135,164
Investment income (loss)	(16,835,765)
Interest expense on capital related debt	(41,186,221)
Investment income (loss) on capital asset-related debt, net	(2,285,701)
Other nonoperating revenue	4,262,236
Total nonoperating revenues (expenses)	274,696,335
Loss Before Other Revenues and Losses	(19,953,372)
Other Revenues and Losses	
State revenues, capital	28,382,831
Local revenues, capital	1,395,347
Loss on disposal of capital assets	(7,496)
Total other revenues and losses	29,770,682
Change In Net Position	9,817,310
Net Position (Deficit), Beginning of Year	(129,829,747)
Net Position (Deficit), End of Year	$ (120,012,437)

Cash Flows from Operating Activities	
Tuition and fees	$ 17,028,716
Federal, state, and local grants and contracts, noncapital	119,826,377
Enterprise sales and charges	172,356
Payments to or on behalf of employees	(267,108,303)
Payments to vendors for supplies and services	(47,230,116)
Payments to students for scholarships and grants	(80,068,490)
Net cash flows from operating activities	(257,379,460)
Cash Flows from Noncapital Financing Activities	
State apportionments	164,779,066
Federal and state financial aid grants	73,104,807
Property taxes - nondebt related	75,266,644
State taxes and other apportionments	10,412,680
Other nonoperating	3,266,818
Net cash flows from noncapital financing activities	326,830,015
Cash Flows from Capital Financing Activities	
Purchase of capital assets	(142,870,242)
State revenue, capital	36,348,155
Local revenue, capital	1,395,347
Property taxes - related to capital debt	59,126,837
Proceeds from capital debt	298,194,001
Principal paid on capital debt	(54,645,000)
Interest paid on capital debt	(22,452,613)
Interest received on capital asset-related debt	530,679
Net cash flows from capital financing activities	175,627,164
Cash Flows from Investing Activities	
Change in fair market value of cash in County treasury	(21,745,415)
Interest received from investments	5,024,755
Net cash flows from investing activities	(16,720,660)
Change In Cash and Cash Equivalents	228,357,059
Cash and Cash Equivalents, Beginning of Year	244,552,062
Cash and Cash Equivalents, End of Year	$ 472,909,121

Reconciliation of Net Operating Loss to Net Cash Flows from Operating Activities	
Operating Loss	$ (294,649,707)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation expense	28,799,196
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Accounts receivable	16,052,261
Student receivables	(1,045,178)
Prepaid expenses	(1,727)
Deferred outflows of resources related to OPEB	4,362,470
Deferred outflows of resources related to pensions	11,037,652
Accounts payable	74,807
Unearned revenue	9,178,168
Compensated absences	(1,032,771)
Load banking	492,398
Aggregate net OPEB liability	9,886,909
Aggregate net pension liability	(120,503,966)
Deferred inflows of resources related to OPEB	(13,932,229)
Deferred inflows of resources related to pensions	93,902,257
Total adjustments	37,270,247
Net cash flows from operating activities	$ (257,379,460)
Cash and Cash Equivalents Consist of the Following:	
Cash in banks	$ 276,730
Cash in County treasury	472,632,391
Total cash and cash equivalents	$ 472,909,121
Noncash Transactions	
Recognition of deferred outflows of resources related to debt refunding	$ 2,101,972
Amortization of deferred outflows of resources related to debt refunding	$ 3,042,839
Amortization of debt premiums	$ 3,906,450
Accretion of interest on capital appreciation bonds	$ 19,914,485

	Retiree OPEB Trust	Custodial Funds	Component Unit Retiree OPEB Trust
Assets			
Cash and cash equivalents	$ 10,663,644	$ 179	$ 157,333
Investments	80,701,497	123,650	3,915,630
Accounts receivable	-	1,750	-
Total assets	$ 91,365,141	$ 125,579	$ 4,072,963
Liabilities			
Accounts payable	$ -	$ 2,568	$ -
Due to primary government	862,497	-	-
Due to Auxiliary	-	-	71,226
Total liabilities	862,497	2,568	71,226
Net Position			
Restricted for postemployment benefits other than pensions	90,502,644	-	4,001,737
Unrestricted	-	123,011	-
Total net position	$ 90,502,644	$ 123,011	$ 4,001,737

	Retiree OPEB Trust	Custodial Funds	Component Unit Retiree OPEB Trust
Additions			
District contributions	$ 11,887,894	$ -	$ 29,642
Interest and investment income, net of fees	2,552,380	-	128,310
Net realized and unrealized losses	(10,607,132)	-	(614,986)
Local revenues	-	18,753	-
Total additions	3,833,142	18,753	(457,034)
Deductions			
Books and supplies	-	8,203	-
Benefit payments	5,372,611	-	317,641
Administrative expenses	174,332	-	11,742
Total deductions	5,546,943	17,656	329,383
Change in Net Position	(1,713,801)	1,097	(786,417)
Net Position, Beginning of Year	92,216,445	121,914	4,788,154
Net Position, End of Year	$ 90,502,644	$ 123,011	$ 4,001,737

Assets	
Cash and cash equivalents	$ 283,133
Investments	1,932,693
Accounts receivable	136,555
Due from fiduciary funds	71,226
Depreciable capital assets, net of depreciation	219,065
Total assets	2,642,672
Deferred Outflows of Resources	
Deferred outflows of resources related to OPEB	161,848
Deferred outflows of resources related to pensions	829,343
Total deferred outflows of resources	991,191
Liabilities	
Accounts payable	73,135
Due to District	25,363
Long-term liabilities	
Compensated absences payable	36,684
Net other postemployment benefits (OPEB) liability	182,572
Net pension liability	2,884,534
Total liabilities	3,202,288
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	24,949
Deferred inflows of resources related to pensions	2,536,198
Total deferred inflows of resources	2,561,147
Net Position	
Net investment in capital assets	219,065
Unrestricted deficit	(2,348,637)
Total net position (deficit)	$ (2,129,572)

Operating Revenues	
Bookstore commissions	$ 283,882
Reimbursement of Bookstore salaries	240,000
District contributions	333,869
Food service commissions	80,558
Sponsorships	92,459
Vending commissions	42,847
Miscellaneous revenues	3,743
Total operating revenues	1,077,358
Operating Expenses	
Salaries	367,812
Employee benefits	1,318,915
Supplies and materials	163,971
Other operating expenses and services	275,868
Financial aid	30,031
Depreciation	33,484
Total operating expenses	2,190,081
Net Operating Loss	(1,112,723)
Nonoperating Loss	
Investment loss	(58,604)
Change in Net Position	(1,171,327)
Net Position (Deficit), Beginning of Year	(958,245)
Net Position (Deficit), End of Year	$ (2,129,572)

Operating Activities	
Auxiliary enterprise sales and charges	$ 1,079,733
Payments to vendors for supplies and services	(417,744)
Payments to or on behalf of employees	(892,806)
Payments to students for aid	(30,031)
Net Cash Flows from Operating Activities	(260,848)
Investing Activities	
Notes receivable collections	3,530
Purchase of investments	(69,576)
Interest received from investments	13,439
Net Cash from Investing Activities	(52,607)
Net Change in Cash and Cash Equivalents	(313,455)
Cash and Cash Equivalents, Beginning of Year	2,529,281
Cash and Cash Equivalents, End of Year	$ 2,215,826
Reconciliation of net operating loss to net cash from operating activities	
Operating loss	$ (1,112,723)
Adjustments to reconcile operating loss to net cash from operating activities	
Depreciation	33,484
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Accounts receivable	73,601
Due from fiduciary funds	(71,226)
Net other postemployment benefits (OPEB) asset	547,930
Deferred outflows of resources related to OPEB	(108,988)
Deferred outflows of resources related to pensions	(95,403)
Accounts payable	7,898
Due to District	6,917
Compensated absences	(24,355)
Net other postemployment benefits (OPEB) liability	182,572
Net pension liability	(1,498,979)
Deferred inflows of resources related to OPEB	(656,238)
Deferred inflows of resources related to pensions	2,454,662
Net Cash from Operating Activities	$ (260,848)
Cash and cash equivalents consist of the following:	
Cash in banks	$ 283,133
Cash in County treasury	1,932,693
	$ 2,215,826

Note 1 - Organization

Mt. San Antonio Community College District (the District) is a comprehensive, public, two-year institution offering higher education in the County of Los Angeles (the County), in the State of California (the State). The District is governed by a locally elected seven-member Board of Trustees, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, and capital project funds, as well as all other funds. These budgets are the responsibility of management. The District consists of one community college located in Walnut, California. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

Note 2 - Summary of Significant Accounting Policies

Financial Reporting Entity

The District is the level of government primarily accountable for activities related to public education. The governing authority consists of elected officials who, together, constitute the Board of Trustees.

The District has adopted accounting policies to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board (GASB).

Based on the application of the criteria listed above, the following component unit has been discretely presented in this report:

Mt. San Antonio College Auxiliary Services

The Auxiliary is a separate not-for-profit corporation formed to promote and assist the educational programs of the District. The Board of Directors is comprised of the Vice President of Administrative Services and Vice President of Student Services of the District, along with the Associated Students President and two other members appointed by the Vice President of Administrative Services. In addition, the Auxiliary may not carry on any activities not approved by the Vice President of Administrative Services of the District. Upon dissolution of the Auxiliary, net position, other than trust funds, will be distributed to the District. The financial activities of the Auxiliary have been discretely presented. Separate financial information for the Auxiliary can be obtained through the District.

Based upon the application of the criteria listed above, the following component unit has been excluded from the District's reporting entity:

Mt. San Antonio College Foundation

The Mt. San Antonio College Foundation (the Foundation) is a legally separate, not-for-profit corporation. The Foundation provides financial support for various college-related programs including student scholarships and awards and general department and program support. The Board of the Foundation consists of community members, alumni, and other supporters of the Foundation. The Foundation is not included as a component unit because the economic resources received and held by the Foundation are not significant to the District and because the District does not control the timing or amount of receipts from the Foundation. Separate financial statements for the Foundation can be obtained from the District.

Basis of Accounting

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. This presentation provides a comprehensive government-wide perspective of the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, activities, and cash flows and replaces the fund group perspective previously required. Fiduciary activities are excluded from the primary government financial statements. The District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as promulgated by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain Federal and State grants, entitlements, and donations. Property tax revenue is recognized in the fiscal year received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges Chancellor's Office and includes reporting of full-time equivalent students (FTES) attendance, low-income student counts, and student success metrics. Revenue from Federal and State grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements may include time and/or purpose restrictions.

Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

Cash and Cash Equivalents

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

Investments

Investments are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value, including money market investments and participating interest-earning investment contracts with original maturities greater than one year, are stated at cost or amortized cost.

The District's investment in the County treasury is measured at fair value on a recurring basis, which is determined by the fair value per share of the underlying portfolio determined by the program sponsor. Positions in this investment pool is not required to be categorized within the fair value hierarchy.

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and ancillary enterprise services provided to students, faculty, and staff. The District has historically recorded an allowance for uncollectible accounts related to student receivables. The allowance is based on management's estimate and analysis. When receivables are determined to be uncollectible, a direct write-off is recorded. There was no allowance for doubtful accounts recorded at June 30, 2022.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The cost of prepaid items is recorded as an expense when consumed rather than when purchased.

Capital Assets and Depreciation

Capital assets are stated at cost at the date of acquisition or fair value at the date of gift. The District's capitalization policy includes all items with a unit cost of $5,000 (for equipment) and an estimated useful life of greater than one year. Buildings, renovations to buildings, infrastructure, and land improvements that cost more than $150,000, significantly increase the value, or extend the useful life of the structure, are capitalized. Routine repair and maintenance costs are charged to operating expenses in the year in which the expense is incurred. Depreciation of equipment and vehicles, facilities, and other physical properties is provided using the straight-line method over the estimated useful lives of the respective assets, or in the case of assets acquired under capital leases, the shorter of the lease term or useful life. Costs for construction in progress are capitalized when incurred. The cost of capital assets includes ancillary charges necessary to place an asset in its intended location and condition for use.

The following estimated useful lives are used to compute depreciation:

Land improvements	10 years
Buildings and improvements	50 years
Equipment and vehicles	8 years
Technology	3 years

The District records impairments of capital assets when it becomes probable that the carrying value of the assets will not be fully recovered over their estimated useful life. Impairments are recorded to reduce the carrying value of the assets to their net realizable value based on facts and circumstances in existence at the time of the determination. No impairments were recorded during the year ended June 30, 2022.

Compensated Absences and Load Banking

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. The District also participates in “load-banking” with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period. The liability for this benefit is reported on the government-wide financial statements. At year end, there were balances of $7,809,728 and $6,871,469 outstanding for accrued vacation and load banking liabilities, respectively.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. Sick leave with pay is provided when employees are absent for health or personal reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District’s financial statements. However, retirement credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive 0.004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is applicable to all academic employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full time.

Debt Premiums

Debt premiums are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. All other bond issuance costs are expensed when incurred.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District reports deferred outflows of resources related to debt refunding of general obligation bonds, for OPEB related items, and for pension related items. Deferred outflows of resources related to debt refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price, and are amortized using the straight-line method over the remaining life of the new or old debt, whichever is shorter.

The deferred amounts related to OPEB and pension related items are associated with differences between expected and actual earnings on plan investments, changes of assumptions, and other OPEB and pension related changes.

In addition to liabilities, the Statement of Net Position also reports deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for OPEB and pension related items.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value. The aggregate net pension liability attributable to the governmental activities will be paid by the fund in which the employee worked.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District Plan and CalSTRS Medicare Premium Payment (MPP) Program and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the District Plan and MPP. For this purpose, the District Plan and MPP 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 participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The total OPEB liability attributable to the governmental activities will be paid by the General Fund and the irrevocable trust.

Unearned Revenue

Unearned revenues arise when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of qualifying expenditures. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized. Unearned revenue is primarily composed of (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met.

Noncurrent Liabilities

Noncurrent liabilities include general obligation bonds payable, compensated absences, load banking, aggregate net other postemployment benefits (OPEB) liability, and the aggregate net pension liability with maturities greater than one year.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position related to net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The government-wide financial statements report $118,460,975 of restricted net position, and the fiduciary fund financial statements report $90,502,644 of restricted net position.

Operating and Nonoperating Revenues and Expenses

Classification of Revenues

The District has classified its revenues as either operating or nonoperating. Certain significant revenue streams relied upon for operation are classified as nonoperating as defined by GASB. Classifications are as follows:

- **Operating revenues** include activities that have the characteristics of exchange transactions such as tuition and fees, net of scholarship discounts and allowances, Federal, State, and local grants and contracts, and sales and services of auxiliary enterprises.
- **Nonoperating revenues** include activities that have the characteristics of nonexchange transactions such as State apportionments, property taxes, investment income, and other revenue sources defined by GASB.

Classification of Expenses

Nearly all of the District's expenses are from exchange transactions and are classified as either operating or nonoperating according to the following criteria:

- **Operating expenses** are necessary costs to provide the services of the District and include employee salaries and benefits, supplies, operating expenses, and student financial aid.
- **Nonoperating expenses** include interest expense and other expenses not directly related to the services of the District.

State Apportionments

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year. When known and measurable, these recalculations and corrections are accrued in the current year as of June 30.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. The County Assessor is responsible for assessment of all taxable real property. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Los Angeles bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

The voters of the District passed General Obligation bonds in 2001, 2008, and 2018 for the acquisition, construction, and remodeling of certain District property. As a result of the passage of the Bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are assessed, billed, and collected as noted above and remitted to the District when collected.

Scholarship Discounts and Allowances

Tuition and fee revenue is reported net of scholarships, discounts, and allowances. Fee waivers approved by the California Community College Board of Governors are included within the scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances represent the difference between stated charges for enrollment fees and the amount that is paid by students or third parties making payments on the students' behalf.

Financial Assistance Programs

The District participates in federally funded Pell Grants, Direct Student Loans, Supplemental Educational Opportunity Grants (SEOG), and Federal Work-Study programs, as well as other programs funded by the Federal government and State of California. Financial aid provided to the student in the form of cash is reported as operating expenses in the Statement of Revenues, Expenses, and Changes in Net Position. Federal financial assistance programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates, and those differences could be material.

Interfund Activity

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund activity within the primary government and fiduciary funds has been eliminated respectively in the consolidation process of the basic financial statements. Balances owing between the primary government and the fiduciary funds are not eliminated in the consolidation process.

Operating transfers between funds of the District are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Operating transfers within the primary government and fiduciary funds has been eliminated respectively in the consolidation process of the basic financial statements. Balances transferred between the primary government and the fiduciary funds are not eliminated in the consolidation process.

Change in Accounting Principles

As of July 1, 2021, the District adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

The provisions of this Statement have been implemented as of June 30, 2022.

Implementation of GASB Statement No. 92

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*, for interim financial reporting
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

The provisions of this Statement have been implemented as of June 30, 2022.

Implementation of GASB Statement No. 93

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR (Interbank Offered Rate). This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

The provisions of this Statement have been implemented as of June 30, 2022.

Note 3 - Deposits and Investments

Policies and Practices

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

Investment in County Treasury - In accordance with the *Budget and Accounting Manual*, the District maintains substantially all of its cash in the County Treasury as part of the common investment pool. 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 accompanying 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). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

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

Authorized Under Debt Agreements

Investments 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. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

Summary of Deposits and Investments

Deposits and investments as of June 30, 2022, consist of the following:

	Primary Government	Fiduciary Funds
Cash on hand and in banks	$ 176,730	$ 179
Cash in revolving	100,000	-
Cash with fiscal agent	349,421	10,663,644
Investments	513,459,503	80,825,147
Total deposits and investments	$ 514,085,654	$ 91,488,970

Interest Rate Risk and Credit Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. 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.

Investment Type	Fair Value	Weighted Average Maturity in Days	Average Credit Rating
U.S. Treasury notes	$ 28,888,632	392	AA+
Mutual funds	18,703,592	No maturity	Not rated
Certificates of deposit	967,420	335	Not rated
Equities	60,465,571	No maturity	Not rated
Fixed income	12,503,394	4,878	BBB+
Los Angeles County investment pool	472,756,041	933	Not rated
Total	$ 594,284,650		

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. However, the California *Government Code* requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. As of June 30, 2022, the District's bank balance of approximately $41,000 was fully insured or collateralized with securities, held by the pledging financial institutions trust department in the District's name.

Investments

This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of June 30, 2022, the District's investment balance of approximately $121 million was exposed to custodial credit risk because it was uninsured, unregistered and held by the brokerage firm which is also the counterparty for these securities. The District does not have a policy limiting the amount of securities that can be held by counterparties.

Note 4 - Fair Value Measurements

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

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs, other than Level 1 prices, such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

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

The District categorizes the fair value measurements of its investments as follows at June 30, 2022:

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U.S. Treasury notes	$ 28,888,632	$ 28,888,632	$ -	$ -
Mutual funds	18,703,592	18,703,592	-	-
Certificates of deposit	967,420	-	967,420	-
Equities	60,465,571	60,465,571	-	-
Fixed income	12,503,394	12,503,394	-	-
Total	$ 121,528,609	$ 120,561,189	$ 967,420	$ -

All assets have been valued using a market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets or group of assets.

Note 5 - Accounts Receivable

Accounts receivable at June 30, 2022, consisted of the following:

	Primary Government	Fiduciary Funds
Federal Government		
Categorical aid	$ 4,562,888	$ -
State Government		
Apportionment	683,950	-
Categorical aid	1,208,136	-
Lottery	1,852,977	-
Capital projects	6,478,830	-
Local Sources		
ERAF property taxes	7,608,705	-
Interest	526,492	-
Other local sources	1,115,929	1,750
Total	$ 24,037,907	$ 1,750
Student receivables	$ 1,254,872	$ -

Note 6 - Capital Assets

Capital asset activity for the District for the fiscal year ended June 30, 2022, was as follows:

	Balance, July 1, 2021	Additions	Deductions	Balance, June 30, 2022
Capital Assets Not Being Depreciated				
Land	$ 619,480	$ -	$ -	$ 619,480
Collections - art	161,488	-	-	161,488
Construction in progress	162,747,719	144,890,094	(92,512,695)	215,125,118
Total capital assets not being depreciated	163,528,687	144,890,094	(92,512,695)	215,906,086
Capital Assets Being Depreciated				
Buildings and improvements	700,072,955	92,327,215	-	792,400,170
Furniture and equipment	59,479,607	2,718,716	(161,293)	62,037,030
Total capital assets being depreciated	759,552,562	95,045,931	(161,293)	854,437,200
Total capital assets	923,081,249	239,936,025	(92,673,988)	1,070,343,286
Less Accumulated Depreciation				
Buildings and improvements	(164,939,462)	(25,150,110)	-	(190,089,572)
Furniture and equipment	(48,575,301)	(3,649,086)	153,797	(52,070,590)
Total accumulated depreciation	(213,514,763)	(28,799,196)	153,797	(242,160,162)
Net capital assets	$ 709,566,486	$ 211,136,829	$ (92,520,191)	$ 828,183,124

Note 7 - Long-Term Liabilities other than OPEB and Pensions

Summary

The changes in the District's long-term liabilities other than OPEB and pensions during the year ended June 30, 2022 consisted of the following:

	Balance, July 1, 2021	Additions	Deductions	Balance, June 30, 2022	Due in One Year
General obligation bonds	$ 822,868,394	$ 309,611,955	$ (54,645,000)	$ 1,077,835,349	$ 34,410,000
Unamortized premium	50,810,566	8,496,531	(3,906,450)	55,400,647	-
Compensated absences and load banking	15,221,570	492,398	(1,032,771)	14,681,197	4,527,070
Total	$ 888,900,530	$ 318,600,884	$ (59,584,221)	$ 1,147,917,193	$ 38,937,070

Description of Long-Term Liabilities

Payments on the general obligation bonds are made by the bond interest and redemption fund with local property tax revenues. The compensated absences and load banking liability will be paid by the fund for which the employee worked.

General Obligation Bonds

Measure RR General Obligation Bonds

In November 2008, voters authorized a total of $353,000,000 in general obligation bonds. In August 2013, the District issued Election of 2008 Series 2013A and 2013B General Obligation Bonds in the amounts of $205,586,691 and $11,715,000, respectively. The Series 2013A bonds were issued as current interest bonds in the aggregate principal amount of $5,280,000, current interest term bonds in the principal amount of $22,520,000, capital appreciation bonds in the aggregate principal amount of $28,534,146, and convertible capital appreciation term bonds in the aggregate principal amount of $149,252,545. The Series 2013B bonds were issued as current interest bonds in the aggregate principal amount of $11,715,000. The bonds were issued to liquidate bond anticipation notes held by the District and to pay for certain capital improvements. The bonds bear interest rates of 0.72 to 4.10%. Principal and interest payments are due each August 1 and February 1 through August 1, 2043. At June 30, 2022, the principal balance outstanding for Series A and Series B was $297,428,132 and $1,620,000, respectively. Unamortized premium received on issuance of the bonds amounted to $8,061,359 as of June 30, 2022.

In September 2015, the District issued Election of 2008 Series 2015C General Obligation Bonds in the amount of $20,000,000. The bonds were issued as current interest bonds. The bonds were issued to finance the acquisition, construction, modernization, and renovation of District facilities. The bonds bear interest rates of 2.00 to 4.00%. Principal and interest payments are due each August 1 and February 1 through August 1, 2022. At June 30, 2022, the principal balance outstanding was $3,700,000.

In August 2020, the District issued Election of 2008 Series 2020D General Obligation Bonds in the amount of $59,728,759, with an additional amount of $4,822,640 in bond premium associated with capital appreciation bonds added to the bond principal value at issuance. The bonds were issued as current interest bonds in the aggregate principal amount of $30,465,000, serial capital appreciation bonds in the aggregate principal amount of $1,103,242, and term capital appreciation term bonds in the aggregate principal amount of $32,983,157. The bonds were issued to liquidate bond anticipation notes held by the District. The bonds bear interest rates of 0.81 to 3.12%. Principal and interest payments are due each August 1 and February 1 through August 1, 2045. At June 30, 2022, the principal balance outstanding was $66,074,967. Unamortized premium received on issuance of the bonds amounted to $3,327,849 as of June 30, 2022.

In August 2021, the District issued Election of 2008 Series 2021E General Obligation Bonds in the amount of $55,968,893, with an additional amount of $188,577 in bond premium associated with capital appreciation bonds added to the bond principal value at issuance. The bonds were issued as current interest bonds in the aggregate principal amount of $235,000 and serial capital appreciation bonds in the aggregate principal amount of $55,733,893. The bonds were issued to finance the acquisition, construction, modernization, and renovation of District facilities. The bonds bear interest rates of 2.41 to 4.00%. Principal and interest payments are due each August 1 and February 1 through August 1, 2046. At June 30, 2022, the principal balance outstanding was $56,747,933.

Measure GO General Obligation Bonds

In November 2018, voters authorized a total of $750,000,000 in general obligation bonds. In April 2019, the District issued Election of 2018 Series 2019A General Obligation Bonds in the amount of $310,700,000. The bonds were issued as current interest bonds. The bonds were issued to finance the acquisition, construction, modernization, and renovation of District facilities, as well as to liquidate bond anticipation notes held by the District. The bonds bear interest rates of 3.00 to 5.00%. Principal and interest payments are due each August 1 and February 1 through August 1, 2049. At June 30, 2022, the principal balance outstanding was $265,125,000. Unamortized premium received on issuance of the bonds amounted to $30,184,610 as of June 30, 2022.

In August 2020, the District issued Election of 2018 Series 2020B General Obligation Bonds in the amount of $30,499,915, with an additional amount of $2,920,147 in bond premium associated with capital appreciation bonds added to the bond principal value at issuance. The bonds were issued as current interest bonds in the aggregate principal amount of $15,215,000, serial capital appreciation bonds in the aggregate principal amount of $2,993,887, and term capital appreciation term bonds in the aggregate principal amount of $15,211,175. The bonds were issued to liquidate bond anticipation notes held by the District. The bonds bear interest rates of 2.59 to 3.12%. Principal and interest payments are due each August 1 and February 1 through August 1, 2045. At June 30, 2022, the principal balance outstanding was $34,224,317. Unamortized premium received on issuance of the bonds amounted to $1,687,172 as of June 30, 2022.

In August 2021, the District issued Election of 2018 Series 2021C General Obligation Bonds in the amount of $219,200,000. The bonds were issued as current interest bonds in the aggregate principal amount of $67,675,000 and current interest term bonds in the aggregate principal amount of $151,525,000. The bonds were issued to finance the acquisition, construction, modernization, and renovation of District facilities. The bonds bear interest rates of 2.00 to 4.00%. Principal and interest payments are due each August 1 and February 1 through August 1, 2051. At June 30, 2022, the principal balance outstanding was $219,200,000. Unamortized premium received on issuance of the bonds amounted to $8,204,914 as of June 30, 2022.

General Obligation Refunding Bonds

In November 2001, voters authorized a total of $221,000,000 in general obligation bonds. In August 2013, the District issued 2013 General Obligation Refunding Bonds, Series A and Series B, in the amount of $74,910,000 and $48,190,000, respectively. The bonds were issued to refund certain general obligation refunding bonds (2005 Refunding, Series C, and 2012 Refunding). The bonds bear interest rates of 0.72 to 5.00%. Principal and interest payments for Series A are due each September 1 and March 1 through September 1, 2028. Principal and interest payments for Series B are due each August 1 and February 1 through August 1, 2023. At June 30, 2022, the principal balance outstanding for Series A and Series B was $12,320,000 and $14,560,000, respectively. Unamortized premium received on issuance of the bonds amounted to $2,281,868 as of June 30, 2022.

In September 2015, the District issued 2015 General Obligation Refunding Bonds in the amount of $19,440,000. The proceeds of $22,700,512 (representing the principal amount of $19,440,000 plus premium on issuance of $3,260,512) from the issuance were used to advance refund a portion of the District's outstanding 2001 General Obligation Bonds, Series 2008D and to pay the cost of the issuance associated with the refunding bonds. The bonds bear interest rates of 2.00 to 5.00%. Principal and interest payments are due each June 1 and December 1 through June 1, 2033. In August 2021, these bonds were partially defeased with the issuance of the 2021 General Obligation Refunding Bonds. At June 30, 2022, the principal balance outstanding was $3,290,000. Unamortized premium received on issuance of the bonds amounted to $1,652,872 as of June 30, 2022.

In February 2020, the District issued Series 2020A General Obligation Refunding Bonds in the amount of $60,415,000. The proceeds from the issuance were used to advance refund portions of the District's outstanding Measure R Series 2013A General Obligation Refunding bonds, Measure RR 2013A General Obligation bonds, Measure RR 2013B General Obligation bonds, and to pay the cost of the issuance associated with the refunding bonds. The bonds bear interest rates of 1.66 to 2.92%. Principal and interest payments are due each February 1 and August 1 through August 1, 2035. At June 30, 2022, the principal balance outstanding was $59,075,000.

In February 2020, the District issued Series 2020B Crossover Refunding Bonds in the amount of $30,130,000. The bonds were issued to affect an advance refunding of a portion of the District's Measure RR Series 2013A General Obligation Bonds on the crossover date of August 1, 2023. The bonds bear interest rates of 2.57 to 2.87%. Principal and interest payments are due each February 1 and August 1 through August 1, 2034. At June 30, 2022, the principal balance outstanding was $30,130,000.

In August 2021, the District issued 2021 General Obligation Refunding Bonds in the amount of $14,340,000. The proceeds from the issuance were used to advance refund a portion of the District's outstanding 2015 General Obligation Refunding Bonds and to pay the cost of the issuance associated with the refunding bonds. The refunding resulted in an economic gain of $1,080,948 based on the difference between the present value of the existing debt service requirements and the new debt service requirements discounted at 1.54%. The bonds bear interest rates of 0.17 to 1.98%. Principal and interest payments are due each February 1 and August 1 through August 1, 2033. At June 30, 2022, the principal balance outstanding was $14,340,000.

Debt Maturity

General Obligation Bonds

Issue Date	Series	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding Beginning of Year	Issued	Accreted Interest	Redeemed	Bonds Outstanding End of Year
8/1/13	2013A	8/1/43	2.00-4.00%	$205,586,691	$ 280,642,262	$ -	$17,710,870	$ (925,000)	$ 297,428,132
8/1/13	2013B	8/1/23	0.72-4.10%	11,715,000	2,610,000	-	-	(990,000)	1,620,000
9/11/15	2015C	8/1/22	2.00-4.00%	20,000,000	7,315,000	-	-	(3,615,000)	3,700,000
8/18/20	2020D	8/1/45	0.81-3.12%	59,728,759**	65,019,126	-	1,055,841	-	66,074,967
8/24/21	2021E	8/1/46	2.41-4.00%	55,968,893**	-	56,157,470	590,463	-	56,747,933
				Subtotal Measure RR	355,586,388	56,157,470	19,357,174	(5,530,000)	425,571,032
4/4/19	2019A	8/1/49	3.00-5.00%	310,700,000	288,690,000	-	-	(23,565,000)	265,125,000
8/18/20	2020B	8/1/45	2.59-3.12%	30,499,915**	33,667,006	-	557,311	-	34,224,317
8/24/21	2021C	8/1/51	2.00-4.00%	219,200,000	-	219,200,000	-	-	219,200,000
				Subtotal Measure GO	322,357,006	219,200,000	557,311	(23,565,000)	518,549,317
8/1/13	2013A	9/1/28	2.00-5.00%	74,910,000	18,045,000	-	-	(5,725,000)	12,320,000
8/1/13	2013B	8/1/23	0.72-4.10%	48,190,000	21,260,000	-	-	(6,700,000)	14,560,000
9/11/15	2015	6/1/33	2.00-5.00%	19,440,000	16,415,000	-	-	(13,125,000)	3,290,000
2/4/20	2020A	8/1/35	1.66-2.92%	60,415,000	59,075,000	-	-	-	59,075,000
2/4/20	2020B*	8/1/34	2.57-2.87%	30,130,000	30,130,000	-	-	-	30,130,000
8/24/21	2021	8/1/33	0.17-1.98%	14,340,000	-	14,340,000	-	-	14,340,000
				Subtotal Refunding Bonds	144,925,000	14,340,000	-	(25,550,000)	133,715,000
					$ 822,868,394	$ 289,697,470	$19,914,485	$ (54,645,000)	$ 1,077,835,349

*General Obligation Crossover Refunding Bonds
**The 2008 Series 2020D General Obligation Bonds include $4,822,640 in bond premium associated with capital appreciation bonds added to the bond principal value at issuance. The 2018 Series 2020B General Obligation Bonds include $2,920,147 in bond premium associated with capital appreciation bonds added to the bond principal value at issuance. The 2008 Series E General Obligation Bonds include $188,577 in bond premium associated with capital appreciation bonds added to the bond principal value at issuance.

Debt Service Requirements to Maturity

The general obligation bonds mature through 2052 as follows:

Fiscal Year	Principal (Including accreted interest to date)	Accreted Interest	Current Interest to Maturity	Total
2023	$ 34,353,013	$ 56,987	$ 21,672,901	$ 56,082,901
2024	30,099,507	275,493	22,362,685	52,737,685
2025	20,090,023	1,509,977	23,106,632	44,706,632
2026	19,814,820	2,355,180	22,792,811	44,962,811
2027	24,236,200	1,008,800	22,139,694	47,384,694
2028-2032	127,582,252	13,542,748	161,642,615	302,767,615
2033-2037	149,105,825	26,554,175	167,033,439	342,693,439
2038-2042	207,730,205	63,994,796	118,684,594	390,409,595
2043-2047	292,953,504	115,281,495	45,280,889	453,515,888
2048-2052	171,870,000	-	11,458,960	183,328,960
Total	$ 1,077,835,349	$ 224,579,651	$ 616,175,220	$ 1,918,590,220

Note 8 - Aggregate Net Other Postemployment Benefits (OPEB) Liability

For the year ended June 30, 2022, the District reported an aggregate net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Aggregate Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 64,398,532	$ 38,471,856	$ 27,418,916	$ 532,039
Medicare Premium Payment (MPP) Program	965,142	-	-	(214,889)
Total	$ 65,363,674	$ 38,471,856	$ 27,418,916	$ 317,150

The details of each plan are as follows:

District Plan

Plan Administration

The District's governing board administers the Postemployment Benefits Plan (the Plan). The Plan is a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees.

Management of the plan is vested in the District management. Management of the trustee assets is vested with the Mt. San Antonio College Other Postemployment Benefits (OPEB) Trust Investment Committee, which is comprised of three appointed plan members.

Plan Membership

At June 30, 2022, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	639
Active employees	1,155
Total	1,794

Mt. San Antonio College Other Postemployment Benefits (OPEB) Trust

The Trust is an irrevocable governmental trust pursuant to Section 115 of the Internal Revenue Code for the purpose of funding certain postemployment benefits. The Trust Investment Committee, comprised of the Vice President of Administrative Services, Chief Compliance and College Budget Officer, and a Manager appointed by the President/CEO provide oversight over Trust investments. The Trust Administrative Committee comprised of the Vice President of Administrative Services and a representative from the Faculty Association, CSEA 651, and CSEA 262 provide oversight over the plan administration. As such, the District acts as the fiduciary of the Trust. The financial activity of the Trust has been included in the fiduciary funds of the District. Separate financial statements are not prepared for the Trust.

Benefits Provided

The Plan provides medical insurance benefits to eligible retirees, with spouse coverage only for those hired prior to January 1, 1996. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

Contributions

The contribution requirements of Plan members and the District are established and may be amended by the District, the Mt. San Antonio College Faculty Association (MSACFA), the local California Service Employees Association (CSEA), and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the District governing board and management. For fiscal year ended June 30, 2022, the District contributed $11,887,894 to the Plan, of which $1,995,061 was used for current premiums, $9,500,000 was used to fund the OPEB Trust, and $392,833 represents the effect of the implicit rate subsidy.

Investment

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the governing board by a majority vote of its members. It is the policy of the District to pursue an investment strategy that reduces risks through the prudent diversification for the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, expect for liquidity purposes, and aims to refrain from dramatically shifting asset class allocation over short time spans. The following was the governing board's adopted asset allocation policy as of June 30, 2022:

Asset Class	Target Allocation
Equity instruments	35%
Long-term bonded instruments	65%

Rate of Return

For the year ended June 30, 2022, the annual money-weighed rate of return on investments, net of investment expense, was -8.98%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the District

The District's net OPEB liability of $64,398,532 was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The components of the net OPEB liability of the District at June 30, 2022, were as follows:

Total OPEB liability	$ 154,901,176
Plan fiduciary net position	(90,502,644)
Net OPEB liability	$ 64,398,532
Plan fiduciary net position as a percentage of the total OPEB liability	58.43%

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	2.75 percent
Investment rate of return	5.75 percent
Healthcare cost trend rates	4.00 percent

The discount rate was based on the assumed long-term return on employer assets.

Mortality rates were based on the 2020 CalSTRS Mortality Table for certificated employees and the 2017 CalPERS Active Mortality for Miscellaneous Employees Table for classified employees. Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actual experience study as of June 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2022, (see the discussion of the Plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Equity instruments	7.545%
Long-term bonded instruments	5.045%

Discount Rate

The discount rate used to measure the total OPEB liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance, June 30, 2021	$ 146,513,179	$ 92,216,445	$ 54,296,734
Service cost	5,826,444	-	5,826,444
Interest	8,423,487	-	8,423,487
Difference between expected and actual experience	(489,323)	-	(489,323)
Contributions - employer	-	11,887,894	(11,887,894)
Expected investment income	-	5,248,804	(5,248,804)
Differences between projected and actual earnings on OPEB plan investments	-	(13,303,556)	13,303,556
Benefit payments	(5,372,611)	(5,372,611)	-
Administrative expense	-	(174,332)	174,332
Net change in total OPEB liability	8,387,997	(1,713,801)	10,101,798
Balance, June 30, 2022	$ 154,901,176	$ 90,502,644	$ 64,398,532

There were no changes in economic assumption since the previous valuation. There were no changes in benefit terms since the previous valuation.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

Discount Rate	Net OPEB Liability
1% decrease (4.75%)	$ 94,837,795
Current discount rate (5.75%)	64,398,532
1% increase (6.75%)	55,153,623

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percent lower or higher than the current healthcare costs trend rates:

Healthcare Cost Trend Rates	Net OPEB Liability
1% decrease (3.00%)	$ 50,871,569
Current healthcare cost trend rate (4.00%)	64,398,532
1% increase (5.00%)	100,923,771

Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 30,419,921	$ 598,645
Changes of assumptions	4,205,394	26,820,271
Net difference between projected and actual earnings on OPEB plan investments	3,846,541	-
Total	$ 38,471,856	$ 27,418,916

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period and will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 421,290
2024	778,146
2025	(13,603)
2026	2,660,708
Total	$ 3,846,541

The deferred outflows/(inflows) of resources related to differences between expected and actual experience in the measurement of the total OPEB liability and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits as of the beginning of the measurement period. The EARSL for the measurement period is 7.8 years and will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 2,387,867
2024	2,387,867
2025	1,581,197
2026	427,027
2027	(519,275)
Thereafter	941,716
Total	$ 7,206,399

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Statutes 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

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

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

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District contributions. In accordance with California *Education Code* Section 25930, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

Net OPEB Liability and OPEB Expense

At June 30, 2022, the District reported a liability of $965,142 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating entities, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2021 and June 30, 2020 was 0.2420% and 0.2785%, respectively, resulting in a net decrease in the proportionate share of 0.0365%.

For the year ended June 30, 2022, the District recognized OPEB expense of $(214,889).

Actuarial Methods and Assumptions

The June 30, 2021 total OPEB liability was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2020 and rolling forward the total OPEB liability to June 30, 2021, using the assumptions listed in the following table:

Measurement Date	June 30, 2021
Valuation Date	June 30, 2020
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	2.16%
Medicare Part A Premium Cost Trend Rate	4.50%
Medicare Part B Premium Cost Trend Rate	5.40%

For the valuation as of June 30, 2020, CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP 2019) table, issued by the Society of Actuaries.

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

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

Discount Rate

The discount rate used to measure the total OPEB liability as of June 30, 2022, is 2.16%. As the MPP Program is funded on a pay-as-you-go basis as previously noted, the OPEB Plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 2.16%, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2021, was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate decreased 0.05% from 2.21% as of June 30, 2020.

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

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

Discount Rate	Net OPEB Liability
1% decrease (1.16%)	$ 1,063,851
Current discount rate (2.16%)	965,142
1% increase (3.16%)	880,804

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

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

Medicare Costs Trend Rate	Net OPEB Liability
1% decrease (3.5% Part A and 4.4% Part B)	$ 877,683
Current Medicare costs trend rate (4.5% Part A and 5.4% Part B)	965,142
1% increase (5.5% Part A and 6.4% Part B)	1,065,409

Note 9 - Risk Management

Property and Liability Insurance Coverages

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for the first $25,000 of each general liability or property damage claim. During fiscal year ending June 30, 2022, the District contracted with Statewide Association of Community Colleges (SWACC) and Schools Association of Excess Risk (SAFER) for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. These have not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year 2021-2022, the District participated in the Southern California Community College District Joint Powers Authority (SCCCD-JPA), an insurance purchasing pool. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund". This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

Note 10 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

For the fiscal year ended June 30, 2022, the District reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expenses for each of the above plans as follows:

Pension Plan	Aggregate Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 73,256,848	$ 36,689,461	$ 66,396,308	$ 5,632,752
CalPERS	85,974,066	20,625,600	33,959,698	10,592,038
Total	$ 159,230,914	$ 57,315,061	$ 100,356,006	$ 16,224,790

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the State Teachers' Retirement Plan (STRP) administered by CalSTRS. STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The STRP provides retirement, disability, and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans.

The STRP Defined Benefit Program provisions and benefits in effect at June 30, 2022, are summarized as follows:

Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	16.92%	16.92%
Required State contribution rate	10.828%	10.828%

Contributions

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and are detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with California Assembly Bill 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2022, are presented above, and the District's total contributions were $17,052,660.

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

At June 30, 2022, 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:

Total net pension liability, including State share:	
District's proportionate share of net pension liability	$ 73,256,848
State's proportionate share of net pension liability associated with the District	36,860,005
Total	$ 110,116,853

The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts and the State, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2021 and June 30, 2020, was 0.1610% and 0.1598%, respectively, resulting in a net increase in the proportionate share of 0.0012%.

For the year ended June 30, 2022, the District recognized pension expense of $5,632,752. In addition, the District recognized pension expense and revenue of $1,261,120 for support provided by the State. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 17,052,660	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	9,073,572	652,198
Differences between projected and actual earnings on pension plan investments	-	57,948,054
Differences between expected and actual experience in the measurement of the total pension liability	183,512	7,796,056
Changes of assumptions	10,379,717	-
Total	$ 36,689,461	$ 66,396,308

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (14,715,331)
2024	(13,459,721)
2025	(13,793,744)
2026	(15,979,258)
Total	$ (57,948,054)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 4,868,316
2024	5,597,769
2025	700,685
2026	431,423
2027	398,188
Thereafter	(807,834)
Total	$ 11,188,547

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 2015 through June 30, 2018
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2021, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	42%	4.8%
Real estate	15%	3.6%
Private equity	13%	6.3%
Fixed income	12%	1.3%
Risk mitigating strategies	10%	1.8%
Inflation sensitive	6%	3.3%
Cash/liquidity	2%	-0.4%

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10%) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these 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 total pension liability.

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

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 149,124,723
Current discount rate (7.10%)	73,256,848
1% increase (8.10%)	10,287,961

California Public Employees' Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that may be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or age 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS School Employer Pool provisions and benefits in effect at June 30, 2022, are summarized as follows:

Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	22.91%	22.91%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2022, are presented above, and the total District contributions were $14,736,187.

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

As of June 30, 2022, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $85,974,066. The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating districts, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2021 and June 30, 2020, was 0.4228% and 0.4070%, respectively, resulting in a net increase in the proportionate share of 0.0158%.

For the year ended June 30, 2022, the District recognized pension expense of $10,592,038. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 14,736,187	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	3,322,867	762,735
Differences between projected and actual earnings on pension plan investments	-	32,994,287
Differences between expected and actual experience in the measurement of the total pension liability	2,566,546	202,676
Total	$ 20,625,600	$ 33,959,698

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ (8,274,938)
2024	(7,609,547)
2025	(7,933,449)
2026	(9,176,353)
Total	$ (32,994,287)

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 4.1 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	$ 2,500,346
2024	1,300,433
2025	1,022,571
2026	100,652
Total	$ 4,924,002

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2020 and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries 90% of scale MP-2016.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations, as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	50%	5.98%
Fixed income	28%	2.62%
Inflation assets	0%	1.81%
Private equity	8%	7.23%
Real assets	13%	4.93%
Liquidity	1%	-0.92%

Discount Rate

The discount rate used to measure the total pension liability was 7.15% The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool 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 total pension liability.

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

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 144,964,347
Current discount rate (7.15%)	85,974,066
1% increase (8.15%)	36,999,475

CalSTRS/CalPERS Irrevocable Trust

During the 2015-2016 fiscal year, the District established an irrevocable trust for the purpose of funding future employer contributions associated with the CalSTRS and CalPERS pension plans. Funds deposited into this trust are not considered "plan assets" for GASB Statement No. 68 reporting; therefore, the balance of the irrevocable trust is not netted against the net pension liability shown on the Statement of Net Position. The balance and activity of the trust is recorded in the Statement of Net Position of the District. As of June 30, 2022, the balance of the trust was $12,059,838.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS for the fiscal year ended June 30, 2022, which amounted to $10,352,751 (10.828%) of salaries subject to CalSTRS. Contributions are no longer appropriated in the annual *Budget Act* for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. No contributions were made for CalPERS for the year ended June 30, 2022. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Deferred Compensation

The District offers its employees a National Benefit Services defined contribution plan qualifying under Sections 401 of the Internal Revenue Code that is administered by National Benefit Services. The plan covers part-time, seasonal, and temporary employees, as well as employees not covered by Section 3121(b)(7)(F) of the Internal Revenue Code. The District contributes 3.0% of covered compensation for eligible employees, and employees contribute 4.5%. During the year ended June 30, 2022, the District made contributions of $473,754.

Note 11 - Participation in Public Entity Risk Pools and Joint Powers Authorities

The District is a member of the SWACC, SAFER, SCCCD-JPA. The District pays annual premiums for its property liability, health, and workers' compensation coverage. 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 have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, transactions between the JPAs and the District are included in these statements. Audited financial statements are available from the respective entities.

The District's share of year-end assets, liabilities, or fund equity has not been calculated.

During the year ended June 30, 2022, the District made payments of $1,311,965 and $2,834,836 to SWACC and SCCCD-JPA, respectively.

Note 12 - Commitments and Contingencies

Grants

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2022.

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2022.

Construction Commitments

As of June 30, 2022, the District had committed under various capital expenditure purchase agreements for various projects totaling approximately $99.0 million to be funded through a combination of general obligation bonds and capital project apportionments from the California State Chancellor's Office.

Note 13 - Related Party Transactions

Office space and other expenses were provided by the District on behalf of the Mt. San Antonio College Foundation (the Foundation). This donated facilities usage and expense were valued at $81,693 for the year ending June 30, 2022.

The District also provides donated services as part of its master agreement with the Foundation, including employee salaries and benefits, supplies, and other services. The services were valued at $485,624 for the year ending June 30, 2022.

Required Supplementary Information
June 30, 2022

Mt. San Antonio Community College District

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 5,826,444	$ 4,393,243	$ 4,421,064	$ 3,822,261	$ 3,205,326
Interest	8,423,487	6,506,852	7,057,582	5,142,996	4,448,610
Difference between expected and actual experience	(489,323)	21,909,795	-	28,999,636	(516,171)
Changes of assumptions	-	(11,627,102)	(17,304,671)	(15,446,988)	12,616,189
Benefit payments	(5,372,611)	(5,509,113)	(4,551,156)	(3,901,899)	(3,455,981)
Net change in total OPEB liability	8,387,997	15,673,675	(10,377,181)	18,616,006	16,297,973
Total OPEB Liability - Beginning	146,513,179	130,839,504	141,216,685	122,600,679	106,302,706
Total OPEB Liability - Ending (a)	$154,901,176	$146,513,179	$130,839,504	$141,216,685	$122,600,679
Plan Fiduciary Net Position					
Contributions - employer	$ 11,887,894	$ 8,366,313	$ 2,835,764	$ 2,500,000	$ 2,500,000
Expected investment income	5,248,804	3,700,336	3,691,005	2,980,113	3,022,658
Differences between projected and actual earnings on OPEB plan investments	(13,303,556)	13,371,579	(3,958,750)	1,784,292	(2,176,600)
Difference between expected and actual experience	-	-	-	(217,143)	(516,171)
Benefit payments	(5,372,611)	(5,509,113)	(4,551,156)	(3,901,899)	(3,455,981)
Administrative expense	(174,332)	(151,041)	(107,437)	(29,554)	(25,076)
Net change in plan fiduciary net position	(1,713,801)	19,778,074	(2,090,574)	3,115,809	(651,170)
Plan Fiduciary Net Position - Beginning	92,216,445	72,438,371	74,528,945	71,413,136	72,064,306
Plan Fiduciary Net Position - Ending (b)	$ 90,502,644	$ 92,216,445	$ 72,438,371	$ 74,528,945	$ 71,413,136
Net OPEB Liability - Ending (a) - (b)	$ 64,398,532	$ 54,296,734	$ 58,401,133	$ 66,687,740	$ 51,187,543
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	58.43%	62.94%	55.36%	52.78%	58.25%
Covered Employee Payroll	$165,106,116	$154,617,312	$147,121,558	$140,540,263	$130,855,132
Net OPEB Liability as a Percentage of Covered Employee Payroll	39.00%	35.12%	39.70%	47.45%	39.12%
Measurement Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

Note: In the future, as data becomes available, ten years of information will be presented.

	2022	2021	2020	2019	2018
Annual money-weighted rate of return, net of investment expense	-8.98%	20.29%	-0.07%	6.68%	1.15%

Note: In the future, as data becomes available, ten years of information will be presented.

Year ended June 30,	2022	2021	2020	2019	2018
Proportion of the net OPEB liability	0.2420%	0.2785%	0.2655%	0.2645%	0.1495%
Proportionate share of the net OPEB liability	$ 965,142	$ 1,180,031	$ 988,718	$ 1,012,450	$ 628,750
Covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	-0.80%	-0.71%	-0.81%	-0.40%	0.01%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

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

Note : In the future, as data becomes available, ten years of information will be presented.

	2022	2021	2020	2019
CalSTRS				
Proportion of the net pension liability	0.1610%	0.1598%	0.1501%	0.1474%
Proportionate share of the net pension liability	$ 73,256,848	$ 154,863,789	$ 135,550,158	$ 135,439,720
State's proportionate share of the net pension liability associated with the District	36,860,005	79,832,302	73,951,660	77,545,574
Total	$ 110,116,853	$ 234,696,091	$ 209,501,818	$ 212,985,294
Covered payroll	$ 94,453,950	$ 92,085,292	$ 86,628,299	$ 82,708,857
Proportionate share of the net pension liability as a percentage of its covered payroll	77.56%	168.17%	156.47%	163.75%
Plan fiduciary net position as a percentage of the total pension liability	87%	72%	73%	71%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
CalPERS				
Proportion of the net pension liability	0.4228%	0.4070%	0.3949%	0.3963%
Proportionate share of the net pension liability	$ 85,974,066	$ 124,871,091	$ 115,085,961	$ 105,659,179
Covered payroll	$ 60,163,362	$ 55,036,266	$ 53,911,964	$ 48,146,275
Proportionate share of the net pension liability as a percentage of its covered payroll	142.90%	226.89%	213.47%	219.45%
Plan fiduciary net position as a percentage of the total pension liability	81%	70%	70%	71%
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

Note: In the future, as data becomes available, ten years of information will be presented.

	2018	2017	2016	2015
CalSTRS				
Proportion of the net pension liability	0.1448%	0.1429%	0.1472%	0.1448%
Proportionate share of the net pension liability	$ 133,895,447	$ 115,568,294	$ 99,092,060	$ 84,733,650
State's proportionate share of the net pension liability associated with the District	79,211,415	65,790,968	52,408,776	51,166,350
Total	$ 213,106,862	$ 181,359,262	$ 151,500,836	$ 135,900,000
Covered payroll	$ 77,192,552	$ 71,864,548	$ 68,809,122	$ 66,400,000
Proportionate share of the net pension liability as a percentage of its covered payroll	173.46%	160.81%	144.01%	127.61%
Plan fiduciary net position as a percentage of the total pension liability	69%	70%	74%	77%
Measurement Date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS				
Proportion of the net pension liability	0.3775%	0.3681%	0.3592%	0.3587%
Proportionate share of the net pension liability	$ 90,112,838	$ 72,708,922	$ 52,940,449	$ 40,721,184
Covered payroll	$ 47,147,285	$ 43,907,285	$ 39,968,541	$ 38,100,000
Proportionate share of the net pension liability as a percentage of its covered payroll	191.13%	165.60%	132.46%	106.88%
Plan fiduciary net position as a percentage of the total pension liability	72%	74%	79%	83%
Measurement Date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note: In the future, as data becomes available, ten years of information will be presented.

	2022	2021	2020	2019
CalSTRS				
Contractually required contribution	$ 17,052,660	$ 15,254,313	$ 15,746,585	$ 14,103,087
Contributions in relation to the contractually required contribution	(17,052,660)	(15,254,313)	(15,746,585)	(14,103,087)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 100,784,043	$ 94,453,950	$ 92,085,292	$ 86,628,299
Contributions as a percentage of covered payroll	16.92%	16.15%	17.10%	16.28%
CalPERS				
Contractually required contribution	$ 14,736,187	$ 12,453,816	$ 10,853,702	$ 9,737,579
Contributions in relation to the contractually required contribution	(14,736,187)	(12,453,816)	(10,853,702)	(9,737,579)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 64,322,073	$ 60,163,362	$ 55,036,266	$ 53,911,964
Contributions as a percentage of covered payroll	22.910%	20.700%	19.721%	18.062%

Note : In the future, as data becomes available, ten years of information will be presented.

	2018	2017	2016	2015
CalSTRS				
Contractually required contribution	$ 11,934,888	$ 9,710,823	$ 7,711,066	$ 6,110,250
Contributions in relation to the contractually required contribution	(11,934,888)	(9,710,823)	(7,711,066)	(6,110,250)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 82,708,857	$ 77,192,552	$ 71,864,548	$ 68,809,122
Contributions as a percentage of covered payroll	14.43%	12.58%	10.73%	8.88%
CalPERS				
Contractually required contribution	$ 7,477,598	$ 6,547,815	$ 5,201,696	$ 4,704,697
Contributions in relation to the contractually required contribution	(7,477,598)	(6,547,815)	(5,201,696)	(4,704,697)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 48,146,275	$ 47,147,285	$ 43,907,285	$ 39,968,541
Contributions as a percentage of covered payroll	15.531%	13.888%	11.847%	11.771%

Note : In the future, as data becomes available, ten years of information will be presented.

Note 1 - Purpose of Schedules

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

This schedule presents information on the District's changes in the net OPEB liability, including beginning and ending balances, the Plan's fiduciary net position, and the net OPEB liability. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* - There were no changes in benefit terms since the previous valuation.
- *Changes of Assumptions* - There were no changes in assumptions since the previous valuation.

Schedule of OPEB Investment Returns

This schedule presents information on the annual money-weighted rate of return on OPEB plan investments. In future years, as data becomes available, ten years of information will be presented.

Schedule of the District's Proportionate Share of the Net OPEB Liability - MPP Program

This schedule presents information on the District's proportionate share of the net OPEB liability - MPP program and the Plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* - There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* - The plan rate of investment return assumption was changed from 2.21% to 2.16% since the previous valuation.

Schedule of the District's Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the Plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* - There were no changes in benefit terms since the previous valuations for either CalSTRS or CalPERS.
- *Changes of Assumptions* - There were no changes in economic assumptions since the previous valuations for either CalSTRS or CalPERS.

Schedule of District Contributions for Pensions

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

Supplementary Information
June 30, 2022

Mt. San Antonio Community College District

Board of Trustees as of June 30, 2022

Member	Office	Term Expires
Judy Chen Haggerty, Esq.	President	2022
Gary Chow	Vice President	2022
Dr. Manuel Baca	Clerk	2024
Laura Santos	Member	2022
Peter Hidalgo	Member	2024
Robert Hidalgo	Member	2022
Jay Chen	Member	2024
Juan Mendoza	Student Trustee	2022

Administration as of June 30, 2022

Dr. William Scroggins	President/CEO
Kelly Fowler	Vice President, Instruction
Morris Rodrigue	Vice President, Administrative Services
Dr. Sokha Song	Vice President, Human Resources
Dr. Audrey Yamagata-Noji	Vice President, Student Services

Auxiliary Organizations in Good Standing

Mt. San Antonio College Auxiliary Services, established 1982
Master Agreement revised April 21, 2016
Morris Rodrigue, Board President

Mt. San Antonio College Foundation, established 1967
Master Agreement revised September 9, 2016
William Lambert, Executive Director

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Student Financial Assistance Cluster			
Federal Pell Grant Program	84.063		$ 36,583,856
Federal Pell Grant Program Administrative Allowance	84.063		53,770
Federal Direct Student Loans	84.268		1,209,492
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		1,713,314
FSEOG Administrative Allowance	84.007		85,786
Federal Work-Study Program	84.033		120,444
Federal Work-Study Program Administrative Allowance	84.033		6,022
Subtotal Student Financial Assistance Cluster			39,772,684
TRIO Cluster			
Achieving in College, Ensuring Success (ACES)	84.042A		274,780
Upward Bond	84.047A		366,716
Subtotal TRIO Cluster			641,496
Asian American Native American Pacific Islander Serving Institutions (AANAPISI)	84.382B		254,208
Child Care Access Means Parents in School (CCAMPIS)	84.335A		318,643
Equity-minded Campus Culture to Improve Student Outcomes	84.031S		722,921
Passed through CSU Fullerton Auxiliary Services Corporation			
Project RAISE: Regional Alliance in STEM Education	84.031C	P031C160152	12,712
Passed through Cal Poly Pomona Foundation, Inc.			
STARS: Student Success Transfer Articulation Research Supports Service	84.031C	P031C210068	3,094
Subtotal			738,727
Passed through California Department of Education			
WIOA, Title II: Adult Education and Family Literacy Act, Section 225, Section 231, and Section 243	84.002A	14508, 13978, 14109	1,328,477
Passed through California Community Colleges Chancellor's Office			
Career and Technical Education Act (CTEA), Title I, Part C	84.048A	21-C01-850	1,137,851
COVID-19: Higher Education Emergency Relief Funds, Student Aid Portion	84.425E		25,737,908
COVID-19: Higher Education Emergency Relief Funds, Institutional Portion	84.425F		38,322,966
COVID-19: Higher Education Emergency Relief Funds, Minority Serving Institutions	84.425L		3,406,902
Subtotal			67,467,776
Total U.S. Department of Education			111,659,862

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Supplemental Nutrition Assistance Program (SNAP) Cluster			
Passed through CSU Chico Research Foundation			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	SUB18-040	$ 85,172
Passed through California Department of Social Services			
Nutrition Assistance Program (Fresh Success)	10.561	19-3041	3,543
Subtotal SNAP Cluster			88,715
Passed through California Department of Education			
Child and Adult Care Food Program	10.558	13666	47,483
Total U.S. Department of Agriculture			136,198
National Science Foundation			
Research and Development Cluster			
Applying a Digital Tool to Support Self-regulated Learning Strategies in Introductory Geoscience Courses	47.076		4,256
Collaborative Research: Geodesy Curriculum	47.076		26,287
Preparing a Skilled Technical Workforce through Utilization and Assessment of Undergraduate Research	47.076		111,561
Developing Pathways to Engineering Technology Careers	47.076		64,440
Subtotal Research and Development Cluster			206,544
U.S. Department of Veterans Affairs			
Veterans Services	64.027		8,432
U.S. Department of Health and Human Services			
Passed through California Community Colleges Chancellor's Office			
Temporary Assistance for Needy Families (TANF)	93.558	[1]	110,384
Passed through Los Angeles County Department of Public Social Services			
Temporary Assistance for Needy Families (TANF)	93.558	CCCP21008	119,376
Subtotal			229,760
Child Care and Development Fund (CCDF) Cluster			
Passed through California Department of Education			
Child Care and Development Block Grant	93.575	15136	80,881
Child Care and Development Block Grant	93.575	14551	74,818
Child Care and Development Block Grant	93.575	15557	13,163
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	13609	175,946
Passed through Yosemite Community College District			
Child Development Training Consortium	93.575	CN100053	13,800
Subtotal CCDF Cluster			358,608

[1] Pass-Through Identifying Number not available.

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Passed through Baldwin Park Unified School District			
Head Start Cluster			
Head Start	93.600	CCTR-5172	$ 92,920
Subtotal Head Start Cluster			92,920
Total U.S. Department of Health and Human Services			681,288
Total Federal Financial Assistance			$ 112,692,324

	Program Revenues				
Program	Cash Received	Accounts Receivable	Unearned Revenue	Total Revenue	Program Expenditures
Basic Needs Services Support	$510,505	$ -	$458,401	$ 52,104	$52,104
Basic Needs Centers and Staffing Support	555,537	-	523,094	32,443	32,443
Board Financial Assistance Program (BFAP)	1,267,789	-	186,993	1,080,796	1,080,796
Board Financial Assistance Program (BFAP) - Student Success Completion Grant (SSCG)	3,855,298	-	3,247	3,852,051	3,852,051
CA Adult Education Program (CAEP) - Regional Consortium	1,218,106	-	423,478	794,628	794,628
CalFresh Outreach	57,548	-	-	57,548	57,548
California College Promise	2,533,339	-	403,290	2,130,049	2,130,049
California State Preschool Program (CSPP)	716,234	-	-	716,234	716,234
CalSTRS On-behalf Payments	1,246,079	-	-	1,246,079	1,246,079
CalWORKS	695,848	-	44,123	651,725	651,725
Campus Safety and Sexual Assault	18,468	-	16,987	1,481	1,481
CARE	269,417	-	99,713	169,704	169,704
Child Care Federal and State Food Program	1,958	658	-	2,616	2,616
Center of Excellence - Economic Development	320,000	59,275	-	379,275	379,275
Certified Nursing Assistant Program	7,063	-	-	7,063	7,063
Child Care, General Child Care & Development Programs	843,525	-	-	843,525	843,525
Child Care Tax Bailout	102,841	-	-	102,841	102,841
Classified Professional Development	109,945	-	36,202	73,743	73,743
College and Career Bridge Program	412,441	-	158,005	254,436	254,436
COVID-19 Response Block Grant	1,260,874	-	-	1,260,874	1,260,874
Culturally Competent Faculty Professional Development	50,435	-	50,435	-	-
Deputy Sector Navigator Health	90,679	-	-	90,679	90,679
Direct Assessment CBE Collaborative	-	39,755	-	39,755	39,755
Disabled Student Programs & Services (DSPS)	3,769,147	-	392,470	3,376,677	3,376,677
Dream Resource Liaison	332,199	-	161,101	171,098	171,098
Equal Employment Opportunity (EEO)	88,517	-	49,450	39,067	39,067
Equal Employment Opportunity (EEO) Best Practices	208,333	-	208,333	-	-
Extended Opportunity Programs & Services (EOPS)	1,749,775	-	92,329	1,657,446	1,657,446

Program	Program Revenues Cash Received	Accounts Receivable	Unearned Revenue	Total Revenue	Program Expenditures
Financial Aid Technology Grant	$ 133,584	$ -	$ 57,984	$ 75,600	$ 75,600
Guided Pathways	1,477,464	-	516,160	961,304	961,304
Instructional Equipment and Library Materials	2,407,440	-	1,278,126	1,129,314	1,129,314
Invention and Inclusive Innovation (i3) Initiative	-	9,037	-	9,037	9,037
Improving Learning Outcomes-Chemistry	861,502	-	601,721	259,781	259,781
Improving Learning Outcomes-Engineering	12,455	16,215	-	28,670	28,670
Los Angeles Universal Preschool/QRIS	24,397	-	24,397	-	-
LGBTQ+	214,871	-	214,871	-	-
Mental Health Services Support	578,146	-	511,688	66,458	66,458
Nursing Program Support	262,448	-	-	262,448	262,448
Restoration of Library Services Platform	94,384	-	34,929	59,455	59,455
Song-Brown Registered Nurse Program	85,555	-	22,733	62,822	62,822
Strong Workforce Program (Local)	5,095,104	-	2,759,422	2,335,682	2,335,682
Strong Workforce Program (Regional)	238,889	1,083,196	-	1,322,085	1,322,085
Student Equity and Achievement Program (SEAP)	20,682,823	-	6,681,960	14,000,863	14,000,863
Student Retention and Outreach	2,803,890	-	2,433,586	370,304	370,304
Technical Assistance Provider - Contract Education (TAP)	235,327	-	38,678	196,649	196,649
Veteran Resource Center	466,906	-	336,942	129,964	129,964
Total state programs	$57,967,085	$1,208,136	$18,820,848	$40,354,373	$40,354,373

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2021 only)			
1. Noncredit*	4,518.54	-	4,518.54
2. Credit	2,120.07	-	2,120.07
B. Summer Intersession (Summer 2022 - Prior to July 1, 2022)			
1. Noncredit*	-	-	-
2. Credit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	9,385.51	-	9,385.51
(b) Daily Census Contact Hours	1,328.84	-	1,328.84
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit*	1,683.38	-	1,683.38
(b) Credit	557.95	-	557.95
3. Alternative Attendance Accounting Procedure Courses			
(a) Weekly Census Procedure Courses	4,963.09	-	4,963.09
(b) Daily Census Procedure Courses	2,950.98	-	2,950.98
(c) Noncredit Independent Study/Distance Education Courses	1,769.98	-	1,769.98
D. Total FTES	29,278.34	-	29,278.34
SUPPLEMENTAL INFORMATION (Subset of Above Information)			
E. In-Service Training Courses (FTES)	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Noncredit*	1,751.15	-	1,751.15
2. Credit	441.25	-	441.25
CCFS-320 Addendum			
CDCP Noncredit FTES	6,925.98	-	6,925.98

*Including Career Development and College Preparation (CDCP) FTES.

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110 Reported Data	Audit Adjustments	Revised Data	ECS 84362 B Total CEE AC 0100 - 6799 Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	$ 42,162,573	$ -	$ 42,162,573	$ 42,162,573	$ -	$ 42,162,573
Other	1300	39,572,170	-	39,572,170	39,572,170	-	39,572,170
Total Instructional Salaries		81,734,743	-	81,734,743	81,734,743	-	81,734,743
Noninstructional Salaries							
Contract or Regular	1200	-	-	-	15,608,064	-	15,608,064
Other	1400	-	-	-	2,327,288	-	2,327,288
Total Noninstructional Salaries		-	-	-	17,935,352	-	17,935,352
Total Academic Salaries		81,734,743	-	81,734,743	99,670,095	-	99,670,095
Classified Salaries							
Noninstructional Salaries							
Regular Status	2100	-	-	-	41,665,466	-	41,665,466
Other	2300	-	-	-	4,249,767	-	4,249,767
Total Noninstructional Salaries		-	-	-	45,915,233	-	45,915,233
Instructional Aides							
Regular Status	2200	2,166,292	-	2,166,292	2,166,292	-	2,166,292
Other	2400	1,046,168	-	1,046,168	1,046,168	-	1,046,168
Total Instructional Aides		3,212,460	-	3,212,460	3,212,460	-	3,212,460
Total Classified Salaries		3,212,460	-	3,212,460	49,127,693	-	49,127,693
Employee Benefits	3000	32,687,036	-	32,687,036	67,190,825	-	67,190,825
Supplies and Material	4000	-	-	-	2,248,758	-	2,248,758
Other Operating Expenses	5000	1,673,449	-	1,673,449	17,585,842	-	17,585,842
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		119,307,688	-	119,307,688	235,823,213	-	235,823,213

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			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	$ 4,284,945	$ -	$ 4,284,945	$ 4,284,945	$ -	$ 4,284,945
Student Health Services Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	350,462	-	350,462
Noninstructional Staff - Retirees' Benefits and Retirement Incentives	6740	-	-	-	7,212,078	-	7,212,078
Objects to Exclude							
Rents and Leases	5060	-	-	-	242,209	-	242,209
Lottery Expenditures							-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines, and Periodicals	4200	-	-	-	-	-	-
Instructional Supplies and Materials	4300	-	-	-	-	-	-
Noninstructional Supplies and Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Other Operating Expenses and Services	5000	$ -	$ -	$ -	$ 5,958,608	$ -	$ 5,958,608
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay							
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		4,284,945	-	4,284,945	18,048,302	-	18,048,302
Total for ECS 84362, 50% Law		$115,022,743	$ -	$115,022,743	$217,774,911	$ -	$ 217,774,911
Percent of CEE (Instructional Salary Cost/Total CEE)		52.82%		52.82%	100.00%		100.00%
50% of Current Expense of Education					$108,887,456		$ 108,887,456

Activity Classification	Object Code				Unrestricted
EPA Revenue:	8630				$ 65,504,709
Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	1000-5900	$ 65,504,709	$ -	$ -	$ 65,504,709
Total Expenditures for EPA		$ 65,504,709	$ -	$ -	$ 65,504,709
Revenues Less Expenditures					$ -

Amounts reported for governmental activities in the Statement of Net Position are different because		
Total fund balance		
Unrestricted general fund	$ 60,395,491	
Restricted general fund	8,956,321	
Child development	1,353,927	
Health services	1,388,880	
Debt service	44,713,907	
Capital outlay	26,207,481	
Bond construction	257,036,325	
Farm operations	212,198	
Other special revenue funds	3,387,110	
Total fund balance per CCFS-311 report	403,651,640	
Funds not included in the CCFS-311 report	132,575,626	
Total fund balance - all District funds		$ 536,227,266
Amounts held in trust on behalf of others (OPEB Trust and Custodial Funds)		(90,625,655)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	1,070,343,286	
Accumulated depreciation is	(242,160,162)	
Total capital assets, net		828,183,124
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the District's funds. Deferred outflows of resources at year-end consist of:		
Deferred outflows of resources related to debt refunding	8,683,481	
Deferred outflows of resources related to OPEB	38,471,856	
Deferred outflows of resources related to pensions	57,315,061	
Total deferred outflows of resources		104,470,398
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(9,379,406)

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
General obligation bonds	$ (1,020,563,167)	
Compensated absences	(3,282,658)	
Aggregate net other postemployment benefits (OPEB) liability	(65,363,674)	
Aggregate net pension liability	(159,230,914)	
In addition, the District has issued 'capital appreciation' general obligation bonds. The accretion of interest unmatured on the general obligation bonds to date is	(112,672,829)	
Total long-term liabilities		$ (1,361,113,242)
Deferred inflows of resources represent an acquisition of net position in a future period and is not reported in the District's funds. Deferred inflows of resources amount to and related to		
Deferred inflows of resources related to OPEB	(27,418,916)	
Deferred inflows of resources related to pensions	(100,356,006)	
Total deferred inflows of resources		(127,774,922)
Total net position		$ (120,012,437)

	(Budget*) 2023		2022		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
General Fund								
Revenues								
Federal	$ 11,485,175	2.9	$ 46,643,900	14.2	$ 28,762,205	10.3	$ 6,645,049	2.5
State	284,273,534	71.5	203,715,938	62.0	178,727,543	64.2	182,793,503	69.4
Local	86,576,136	21.8	76,083,945	23.2	77,118,515	27.7	79,279,110	30.1
Total revenues	382,334,845	96.2	326,443,783	99.3	284,608,263	102.2	268,717,662	102.0
Expenditures								
Academic salaries	112,597,797	28.3	115,869,591	35.1	103,780,816	37.2	104,497,788	39.6
Classified salaries	77,239,619	19.4	74,151,151	22.6	65,196,417	23.4	62,145,496	23.6
Employee benefits	74,493,708	18.7	79,746,663	24.3	67,824,741	24.4	61,799,346	23.5
Supplies and materials	13,176,662	3.3	5,656,971	1.7	4,909,537	1.8	4,492,241	1.7
Other operating expenses	86,701,351	21.8	30,849,339	9.4	23,189,803	8.3	21,393,761	8.1
Capital outlay	17,428,621	4.4	8,405,880	2.6	5,757,391	2.1	4,627,120	1.8
Other sources and uses, net	15,960,803	4.0	13,968,835	4.3	7,717,717	2.8	4,596,238	1.7
Total expenditures and other uses	397,598,561	100.0	328,648,430	100.0	278,376,422	100.0	263,551,990	100.0
Increase (Decrease) in Fund Balance	$ (15,263,716)	(3.8)	$ (2,204,647)	(0.7)	$ 6,231,841	2.2	$ 5,165,672	2.0
Assigned Fund Balance	17,056,646	4.3	32,517,166	9.9	24,511,392	8.8	20,700,020	7.8
Unassigned Fund Balance	37,011,263	9.3	27,878,325	8.5	40,669,275	14.6	41,260,196	15.7
Restricted Fund Balance	20,187	0	8,956,321	2.7	6,375,792	2.3	3,364,402	1.3
Total Ending Fund Balance	$ 54,088,096	13.5	$ 69,351,812	21.1	$ 71,556,459	25.7	$ 65,324,618	24.8
Full-Time Equivalent Students	32,912		29,278		31,086		32,633	
Total Long-Term Liabilities, Including Retiree Benefit Liability	N/A		$ 1,317,111,134		$ 1,173,301,609		$ 1,168,300,268	

IMPORTANT NOTES:

The California Community College Chancellor's Office has provided guidelines that recommend a minimum prudent ending fund balance of 5 percent of unrestricted expenditures. In addition, the District's Board policy requires a 10 percent unrestricted ending fund balance. As such, the unassigned balance is 10 percent Board Policy reserve and any other remaining unassigned amounts in the unrestricted General Fund.

* Unrestricted General Fund expenditures for 2022-2023 budget year are projected to be $271,917,656. Therefore, $27,191,766 has been set aside to meet the District's policy of Unrestricted General Fund balance (reserves) at not less than 10% of total expenditures.

All percentages are of total unrestricted and restricted expenditures combined.

* The 2022-2023 budget presents the budget adopted by the Board of Trustees on September 14, 2022. The budget has been included for analytical purposes and has not been subjected to audit.

Long-term liabilities is reported for the District as a whole and includes debt related to all funds. Long-term liabilities reported above excludes unamortized premium.

	General Fund		
	Adopted Budget*	Actual	Variance
Revenues			
Federal revenues			
Higher Education Act	$ 1,338,041	$ 1,356,557	$ 18,516
Temporary Assistance for Needy Families	229,760	229,760	-
Student Financial Aid	1,022,490	266,022	(756,468)
Veterans Education	-	8,432	8,432
Vocational and Technical Education Act	1,200,536	1,137,851	(62,685)
Other federal revenues	49,751,936	43,645,278	(6,106,658)
State revenues			
General apportionments	139,553,875	144,896,689	5,342,814
Categorical apportionments	47,436,831	36,481,773	(10,955,058)
Other state revenues	11,681,337	22,337,476	10,656,139
Local revenues			
Property taxes	62,627,249	61,881,929	(745,320)
Interest and investment income	700,000	(3,926,915)	(4,626,915)
Student fees and charges	14,884,298	15,966,942	1,082,644
Contributions	-	345,096	345,096
Other local revenues	2,221,176	1,816,893	(404,283)
Total revenues	332,647,529	326,443,783	(6,203,746)
Expenditures			
Academic salaries	113,600,764	115,869,591	(2,268,827)
Classified salaries	72,127,892	74,151,151	(2,023,259)
Employee benefits	65,891,203	79,746,663	(13,855,460)
Supplies and materials	11,364,228	5,656,971	5,707,257
Other operating expenses	76,583,067	30,849,339	45,733,728
Capital outlay	6,207,182	8,405,880	(2,198,698)
Total expenditures	345,774,336	314,679,595	31,094,741
Excess (Deficiency) of Revenues over Expenditures	(13,126,807)	11,764,188	(24,890,995)
Other Financing Sources (Uses)			
Proceeds from sale of capitalized equipment	2,500	23,149	20,649
Interfund transfers in	2,959,679	9,561,960	6,602,281
Interfund transfers out	(7,217,855)	(18,936,960)	(11,719,105)
Student financial aid	(2,782,339)	(4,616,984)	(1,834,645)
Total other financing sources (uses)	(7,038,015)	(13,968,835)	(6,930,820)
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	(20,164,822)	(2,204,647)	17,960,175
Fund Balance, Beginning of Year	71,556,459	71,556,459	-
Fund Balance, End of Year	$ 51,391,637	$ 69,351,812	$ 17,960,175

* The 2021-2022 budget has been included for analytical purposes and has not been subjected to audit.

Note 1 - Purpose of Schedules

District Organization

This schedule provides information about the District's governing board members, administration members, and auxiliary organizations in good standing.

Schedule of Expenditures of Federal Awards

<u>Basis of Presentation</u>
The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2022. The information 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

<u>Summary of Significant Accounting Policies</u>
Expenditures reported in the Schedule are reported on the modified accrual basis of accounting. When applicable, such 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. No federal financial assistance has been provided to a subrecipient.

<u>Indirect Cost Rate</u>
The District has not elected to use the 10% de minimis cost rate.

Schedule of Expenditures of State Awards

The accompanying Schedule of Expenditures of State Awards includes the state grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State Chancellor's Office.

Schedule of Workload Measures for State General Apportionment Annual (Actual) Attendance

FTES 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 for making apportionments of State funds to community college districts. This schedule provides information regarding the attendance of students based on various methods of accumulating attendance data.

Reconciliation of *Education Code* Section 84362 (50 Percent Law) Calculation

ECS 84362 requires the District to expend a minimum of 50% of the unrestricted General Fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

Proposition 30 Education Protection Account (EPA) Expenditure Report

This schedule provides information about the District's EPA proceeds and summarizes the expenditures of EPA proceeds.

Reconciliation of Governmental Funds to the Statement of Net Position

This schedule provides a reconciliation of the adjustments necessary to bring the District's internal fund financial statements, prepared on a modified accrual basis, to the government-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

Schedule of Financial Trends and Analysis of the Combined General Fund

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

Schedule of Budgetary Comparison for the Combined General Fund

This schedule presents the final General Fund budget as of the fiscal year end, actual amounts at fiscal year-end, and the variance between the final budget and actual amounts.

Independent Auditor's Reports
June 30, 2022

Mt. San Antonio Community College District

CPAs & BUSINESS ADVISORS

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
Mt. San Antonio Community College District
Walnut, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, the aggregate discretely presented component unit, and the aggregate remaining fund information of Mt. San Antonio Community College District (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2022.

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.

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.

Eide Bailly LLP

Rancho Cucamonga, California
December 5, 2022

Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control over Compliance Required by the Uniform Guidance

Board of Trustees
Mt. San Antonio Community College District
Walnut, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mt. San Antonio 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 each of the District's major federal programs for the year ended June 30, 2022. The 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, the 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, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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 each major federal program as a whole.

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

- Exercise professional 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.

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.

Eide Bailly LLP

Rancho Cucamonga, California
December 5, 2022

Independent Auditor's Report on State Compliance

Board of Trustees
Mt. San Antonio Community College District
Walnut, California

Report on State Compliance

We have audited Mt. San Antonio Community College District's (the District) compliance with the types of compliance requirements described in the 2021-2022 California Community Colleges Chancellor's Office *Contracted District Audit Manual* applicable to the state laws and regulations listed in the table below for the year ended June 30, 2022.

Opinion

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the State programs noted in the table below that were audited for the year ended June 30, 2022.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the standards and procedures identified in the 2021-2022 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our responsibilities under those standards and the 2021-2022 California Community Colleges Chancellor's Office *Contracted District Audit Manual* 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 state compliance with the compliance requirements subject to audit in the 2021-2022 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. 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 compliance with the requirements listed in the table below.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has 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 2021-2022 California Community Colleges Chancellor's Office *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 listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2021-2022 California Community Colleges Chancellor's Office *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, 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 material noncompliance with the requirements listed in the table below that we identified during the audit.

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with state laws and regulations applicable to the following:

Section 411	SCFF Data Management Control Environment
Section 412	SCFF Supplemental Allocation Metrics
Section 413	SCFF Success Allocation Metrics
Section 421	Salaries of Classroom Instructors (50 Percent Law)
Section 423	Apportionment for Activities Funded From Other Sources
Section 424	Student Centered Funding Formula Base Allocation: FTES
Section 425	Residency Determination for Credit Courses
Section 426	Students Actively Enrolled
Section 427	Dual Enrollment (CCAP)
Section 430	Scheduled Maintenance Program
Section 431	Gann Limit Calculation
Section 444	Apprenticeship Related and Supplemental Instruction (RSI) Funds
Section 475	Disabled Student Programs and Services (DSPS)
Section 490	Propositions 1D and 51 State Bond Funded Projects
Section 491	Education Protection Account Funds
Section 492	Student Representation Fee
Section 499	COVID-19 Response Block Grant Expenditures

The District reports no Apportionment for Activities Funded From Other Sources; therefore, the compliance tests within this section were not applicable.

The District reports no Apprenticeship Related and Supplemental Instruction (RSI) Funds; therefore, the compliance tests within this section were not applicable.

The purpose of this report on state compliance is solely to describe the results of our testing based on the requirements of the 2021-2022 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
December 5, 2022

Schedule of Findings and Questioned Costs
June 30, 2022

Mt. San Antonio Community College District

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major Federal programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a):	No

Identification of major programs:

Name of Federal Program or Cluster	Federal Financial Assistance Listing/ Federal CFDA Number
COVID-19: Higher Education Emergency Relief Funds, Student Aid Portion	84.425E
COVID-19: Higher Education Emergency Relief Funds, Institutional Portion	84.425F
COVID-19: Higher Education Emergency Relief Funds, Minority Serving Institutions	84.425L

Dollar threshold used to distinguish between type A and type B programs:	$3,000,000
Auditee qualified as low-risk auditee?	Yes

STATE COMPLIANCE

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

None reported.

None reported.

None reported.

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

Assessed valuation for fiscal year 2021-22	$100,657,877,844 (2)
Assessed valuation for fiscal year 2022-23	$107,092,298,750 (2)
Secured tax levies for fiscal year 2021-22	$ 23,334,016 (1)
Secured tax delinquencies for fiscal year 2021-22	$ 909,176 (1)
Secured tax collections for fiscal year 2021-22	$ 21,424,840 (1)

	Property Owner	Land Use	2021-2022 Assessed Valuation (2)	% of Total (3)
1.	Gilead Sciences Inc.	Industrial	$ 490,785,045	0.49%
2.	Majestic Realty Company	Industrial	420,048,372	0.42%
3.	Plaza West Covina LLC	Shopping Center	279,285,708	0.28%
4.	Industry East Land LLC - Lessee	Industrial	242,215,920	0.24%
5.	Colony At The Lakes LLC	Retail/Apartments	178,491,501	0.18%
6.	GREF Eastland Center LP	Shopping Center	168,357,119	0.17%
7.	Kaiser Foundation Health Plan	Medical Offices	161,373,820	0.16%
8.	1301 East Gladstone Street	Shopping Center	126,935,368	0.13%
9.	Newage PHM LLC	Shopping Center	126,454,995	0.13%
10.	JCC California Properties LLC	Commercial	125,302,670	0.12%
11.	Crow Family Holdings Industrial LP	Industrial	115,984,355	0.12%
12.	San Gabriel Valley Water Company	Water Company	114,679,979	0.11%
13.	Wal Mart Real Estate Business Trust	Shopping Center	102,243,322	0.10%
14.	Tropicana Manufacturing Company	Industrial	100,866,089	0.10%
15.	Quemetco West LLC	Industrial	99,900,459	0.10%
16.	CLPF 624 South Glendora Ave LP	Residential Properties	97,059,647	0.10%
17.	Target Corporation	Commercial	91,553,309	0.09%
18.	1271 W Sunset LLC	Apartments	91,276,078	0.09%
19.	Hacienda Heights CA LLC	Apartments	90,074,649	0.09%
20.	Rexford Industrial 1601 Mission	Industrial	88,689,400	0.09%
			$ 3,311,577,805	3.29%

(1) Source: Los Angeles County Auditor-Controller's Office
(2) Source: California Municipal Statistics, Inc.
(3) Percentage of total assessed valuation for the fiscal year 2021-2022 of $100,657,877,844.