Financial Statements
June 30, 2025

Mt. San Antonio Community College District

Mt. San Antonio College

eidebailly.com

Independent Auditor's Report

To the 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, aggregate discretely presented component unit, and fiduciary activities of Mt. San Antonio Community College District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, aggregate discretely presented component unit, and fiduciary activities of Mt. San Antonio Community College District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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.

Adoption of New Accounting Standard

As discussed in Note 14 to the financial statements, the District has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences,* for the year ended June 30, 2025. Accordingly, a restatement has been made to the business-type activities net position as of July 1, 2024 to restate beginning net position. Our opinions are not modified with respect to this matter.

eidebailly.com
901 Via Piemonte, Ste. 450 • Ontario, CA 91764-8504 • T 909.466.4410 • F 909.466.4431 • EOE

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 5 through 24 and other required supplementary schedules as listed in the table of contents on pages 71 through 78, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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* 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 GAAS. In our opinion, the Schedule of Expenditures of Federal Awards and other supplementary information listed in the table of contents 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 information on page 115, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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

Ontario, California
January 9, 2026

Mt. San Antonio College

Office of Administrative Services
1100 N. Grand Ave., Walnut, CA 91789
www.mtsac.edu | (909) 274-7500

Introduction

The following discussion and analysis provide an overview of the financial position and activities of the Mt. San Antonio Community College District (the District) for the year ended June 30, 2025. This discussion is prepared by management and should be read in conjunction with the financial statements and notes that 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 in the San Gabriel Valley and the State of California. The District is the largest, single-campus community college district in the State. The District proudly celebrates over 78 years of educational excellence. The District will continue to offer access to quality programs and services and 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.

On June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this standard is to clarify and improve consistency in how governments recognize and measure liabilities for leave benefits and to update related disclosure requirements. The District implemented the provisions of this statement in its financial statements for the fiscal year ended June 30, 2025.

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 under a long-standing contractual agreement. 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 defined in *Education Code* Section 85266, which required adhering to statutory requirements with specific deadlines. As part of the approval process, the District was required to demonstrate to the Los Angeles County Superintendent of Schools that it had a financial management system in place, as it would no longer use the County's finance and payroll systems. A team of external auditors validated the integrity and security of the new Banner Finance and Human Resources/Payroll systems before the District obtained Fiscal Accountability Status. In addition, the auditors validated that the District had 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 requiring extensive interfaces with the County's systems. This transition has enabled departments to access accurate and timely information to monitor budgets and analyze current financial data to support sound financial decision-making.

- As a result of the Fiscal Accountability Status, the District assumed most 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 of the internal audit function related to the issuance of payroll and commercial warrants. With 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. The County's role was to ensure that the District's compliance 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 operating under the Fiscal Accountability Status, the District applied 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, primarily based on the recommendations from the Los Angeles County Superintendent of Schools and the Los Angeles County Auditor/Controller and supported by the results of an evaluation by an assigned independent Certified Public Accountant firm of Mt. San Antonio College's management and accounting controls. Obtaining Fiscal Independence Status allows the District 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 the Los Angeles County 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's 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 operated 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 audits 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. Initially, 17 construction projects were planned, but three of these projects were eliminated due to the increase in construction costs, which left 14 major projects to be undertaken. Groundbreaking began for some projects during 2001-2002 and continued through 2015-2016. The proceeds of these general obligation bond funds were expensed entirely on June 30, 2015, and the bonds have been paid off. The following bonds were issued:

    - $40 million Series A was issued in May 2002.
    - $75 million Series B was issued in February 2004.
    - $80 million Series C was issued in September 2006.
    - $26 million Series D was 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 was issued in September 2015.
    - $59.7 million Series D was issued in August 2020.
    - $56.0 million Series E was issued in August 2021.
    - On June 30, 2025, the principal balance outstanding from the Measure RR bonds was $434.0 million and unamortized premium received on the bonds was $9.8 million.

- On May 1, 2010, the District issued $65 million in bond anticipation notes. This resulted from 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 the 2008 Election (Measure RR) general obligation bonds Series A and B.

- On April 6, 2017, the District issued $90 million in bond anticipation notes under the Measure RR authorization. These bond anticipation notes were issued to finance the business project's remaining cost, the Athletics Complex's startup cost, the Campus Center's design, 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 Election general obligation bonds (Measure GO).

- On January 29, 2019, the District issued $25.7 million in bond anticipation notes under the Measure RR authorization. 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 was issued in April 2019.
    - $30.5 million Series 2020B was issued in August 2020.
    - $219.2 million Series 2021C was issued in August 2021.
    - $189.6 million Series 2024D was issued in September 2024.
    - On June 30, 2025, the principal balance outstanding was $686.0 million and unamortized premium received on the bonds was $49.4 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. A 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.
  - On June 30, 2025, the principal balance outstanding was $93.7 million.

- On November 5, 2024, the voters of the District approved a $750 million general obligation bonds (Measure V) under Proposition 39 to finance facilities to upgrade classrooms, labs and equipment for career and vocational educational programs in nursing, healthcare, public safety, manufacturing renewable energy, robotics and technology, and fund an endowment for technology improvements. The District did not issue bonds under Measure V during the fiscal year 2024-2025.

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 levels of achievement/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 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 the achievements of low-income students. Only the highest award (associate degrees, bachelor's degrees, and credit certificates) earned in the same year applies toward the counts, provided the student was enrolled in the district that year. 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 are the average count of three years, starting with the prior year and going back two more years.

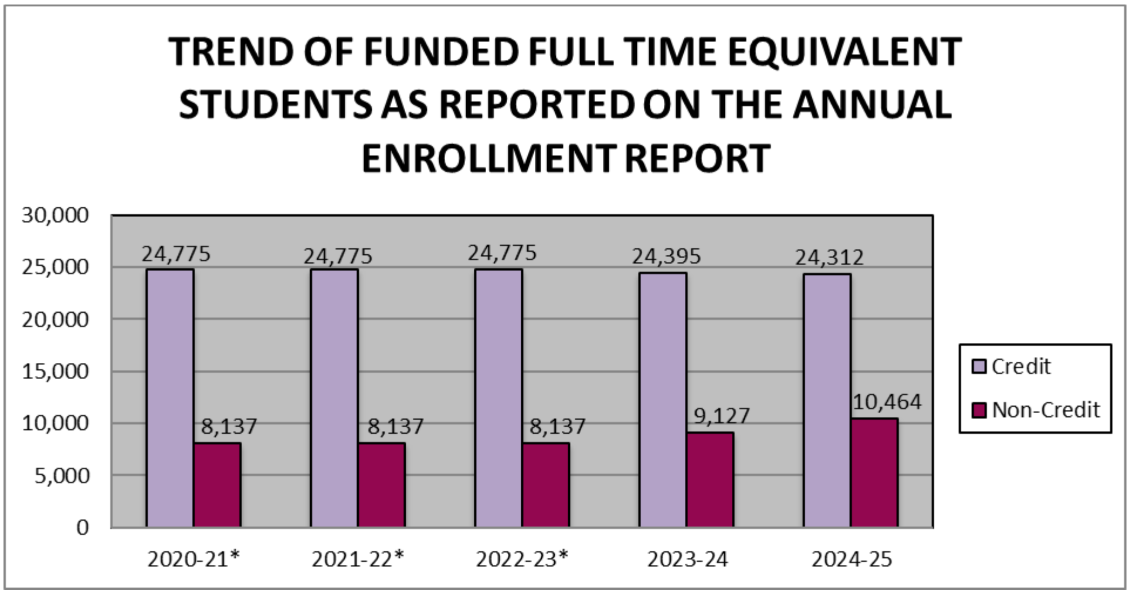
The established rates are set by statute. Combining the Base, Supplemental, and Student Success allocations results in the Total Computational Revenue or TCR.

- In the fiscal year 2024-2025, the Student-Centered Funding Formula (SCFF) rates incorporated a Cost-of-Living-Adjustment (COLA) of 1.07%. The most significant increases were in Special Admit credit and Enhanced Noncredit Career Development and College Preparation (CDCP) FTES, as well as in the supplemental allocation, primarily driven by higher counts of Pell Grant recipients and students receiving Promise Grant waivers.

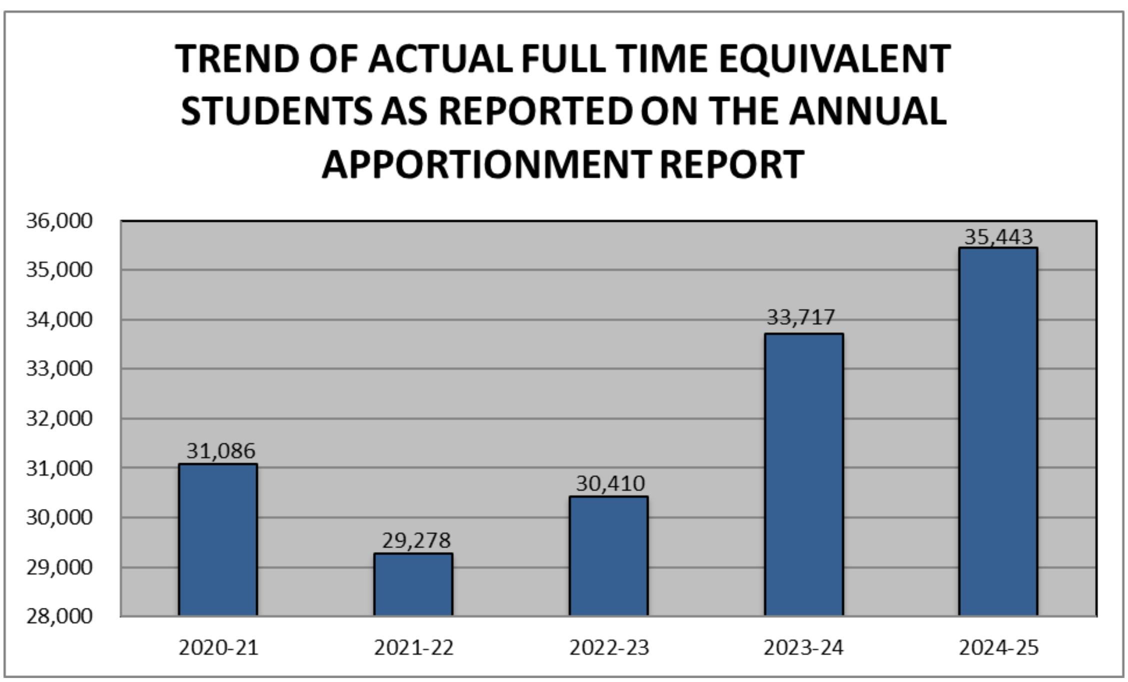
  As of June 2025, with the Second Principal Apportionment (P2), the College earned growth funding beyond its enrollment cap totaling $710,607. At that point, the College's estimated growth revenue for the fiscal year was $1,741,516. On June 27, 2025, the Governor approved an additional $100 million in statewide growth funding, retroactive to the 2024-25 fiscal year. As a result, Mt. SAC received an additional $10,027,064 in growth funding, which was released with the early recalculation on July 29, 2025.

  Combining the initial P2 growth estimate of $1,741,516 with the additional $10,027,064 results in an estimated total of $11,768,580 in one-time growth funding for the 2024-25 fiscal year. However, the final earned growth amount remains subject to change and will be confirmed with the recalculation in February 2026.

- Credit and noncredit FTES continue to be the basis for which the District receives the most sizable portion of State apportionment under the SCFF. The total funded FTES increased by 3.7%; while the credit FTES slightly decreased by 0.3%, the noncredit FTES increased by 14.6%. Similarly, total actual FTES increased from 33,717 in 2023-2024 to 35,443 in 2024-2025, a 5.1% increase for credit and noncredit students. Credit increased from 24,158 to 24,697 from 2023-2024 to 2024-2025, and noncredit increased from 9,559 to 10,746 from 2023-2024 to 2024-2025. The following graphs show 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 2024-2025 with a fund balance of $78.2 million in the Unrestricted General Fund, which represents 23.2% of the total expenditures, aligning to a total budget reserve at not less than 10% and at least 18.5% unassigned fund balance as required by 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 Changes 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 provide 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 district's operations. 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 its 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 and amortization 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 an 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.

	2025	2024*	Change
Assets			
Cash and investments	$ 450,300,524	$ 333,180,954	$ 117,119,570
Receivables, net	37,306,413	44,915,922	(7,609,509)
Capital assets, net	1,066,477,051	984,333,106	82,143,945
Total assets	1,554,083,988	1,362,429,982	191,654,006
Deferred Outflows of Resources			
Related to debt refunding	6,312,173	7,102,609	(790,436)
Related to OPEB	20,692,300	18,849,731	1,842,569
Related to pensions	104,986,709	94,682,934	10,303,775
Total deferred outflows of resources	131,991,182	120,635,274	11,355,908
Liabilities			
Accounts payable and accrued liabilities	44,487,301	66,888,823	(22,401,522)
Unearned revenue	46,258,154	58,291,290	(12,033,136)
Current portion of long-term liabilities	40,340,950	27,758,164	12,582,786
Noncurrent portion of long-term liabilities	1,601,563,243	1,368,031,360	233,531,883
Total liabilities	1,732,649,648	1,520,969,637	211,680,011
Deferred Inflows of Resources			
Related to OPEB	44,748,947	46,455,135	(1,706,188)
Related to pensions	24,471,599	15,935,884	8,535,715
Total deferred inflows of resources	69,220,546	62,391,019	6,829,527
Net Position (Deficit)			
Net investment in capital assets	163,534,957	146,960,879	16,574,078
Restricted	117,394,235	85,527,119	31,867,116
Unrestricted (deficit)	(396,724,216)	(332,783,398)	(63,940,818)
Total net position (deficit)	$ (115,795,024)	$ (100,295,400)	$ (15,499,624)

* Amounts have not been restated for the effects of the implementation of GASB Statement No. 101. See Note 14 for further information.

This schedule has been prepared from the District *Statement of Net Position* (page 25), which is presented on the accrual basis of accounting whereby capital assets are capitalized, depreciated and amortized 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 27-28).

- The total cash and investments balance increased by $117.1 million. The General Fund had a net cash decrease of $32.3 million. This decrease reflects several factors, including retroactive payments for a 4.11% salary increase for employee groups and a transfer to the Capital Outlay Fund to upgrade essential facilities and equipment because the District did not receive Physical Plant and Instructional Equipment funding for either 2023-2024 or 2024-2025, which significantly impacted the College's ability to maintain its facilities. In addition, the District reimbursed the State for the Learning-Aligned Employment Program (LAEP) because the grant was cancelled. Cash in the COVID-19 Recovery Block Grant also decreased because funds were received in a prior year while related expenditures are occurring in the current year.

  Capital Outlay and Bond Construction Funds had a net cash increase of $128.3 million. Cash increased primarily due to the $189.6 million issuance of Series 2024D bonds (Measure RR) and the transfer from the General Fund to upgrade essential facilities. However, cash decreased due to payments to contractors, primarily for the Roof Exterior Lighting Building 2, Student Center, Technical Education, Energy Project Central Plan Expansion Portable Building 16F, Building 26 Writing Center Renovation, and Instructional Offices.

  The Bond Interest and Redemption Fund had a net cash increase of $18.7 million, mainly due to property tax collections and associated interest payments related to Series 2024D 2018 Election general obligation bonds (Measure RR). Finally, cash and investments increased by $2.4 million in the STRS/PERS Pension Trust due to favorable stock market investment performance.

- Total account receivables had a net decrease of $7.6 million. The Unrestricted General Fund decreased by $3.3 million. Although student accounts receivable, primarily related to enrollment, nonresident tuition, and miscellaneous student fees, increased by $1.5 million, accounts receivable from the Student-Centered Funding Formula (SCFF) general apportionment decreased by $4.8 million. This decrease was primarily due to the reduction of the 2023-2024 apportionment deficit, which was paid during 2024-2025. The Capital Outlay Fund accounts receivable decreased by $4.3 million, primarily attributable to the Technology and Health Building and the Water Intrusion projects for Buildings 66, 67, and 9E.

- Capital assets had a net increase of $82.1 million. The District had additions and deletions of $125.4 million related to equipment purchases, right-to-use subscription IT assets, site and site improvement, and construction in progress. The District recognized a depreciation and amortization expense of $44.7 million during 2024-2025. 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 increased by $1.8 million, and the deferred inflows of resources related to OPEB decreased by $1.7 million. The deferred outflows of resources increased due to changes in total OPEB liability for differences between expected and actual experience. The deferred inflows of resources decreased due to amortization of the balances for differences between expected and actual experience and changes in assumptions.

- 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 2024-2025 fiscal year are accounted for as deferred inflows and outflows of resources.

  The deferred outflows of resources related to pensions had an increased of $10.3 million. CalSTRS deferred outflows of resources increased by $18.7 million, while CalPERS deferred outflows decreased by $8.4 million. The deferred outflows of resources related to pensions increased due to differences between expected and actual experience in the measurement of the aggregate net pension liability and changes in proportionate share of the net pension liability for CalSTRS.

  The deferred inflows of resources related to pensions increased by $8.5 million. CalSTRS deferred inflows of resources increased by $6.0 million, and CalPERS deferred inflows also increased by $2.5 million. The deferred inflows of resources increased due to changes of assumptions for the CalSTRS plan and changes in proportionate share of the net pension liability for CalPERS. See Note 10 for detailed information related to the aggregate net pension liability and the associated deferred inflows and outflows of resources.

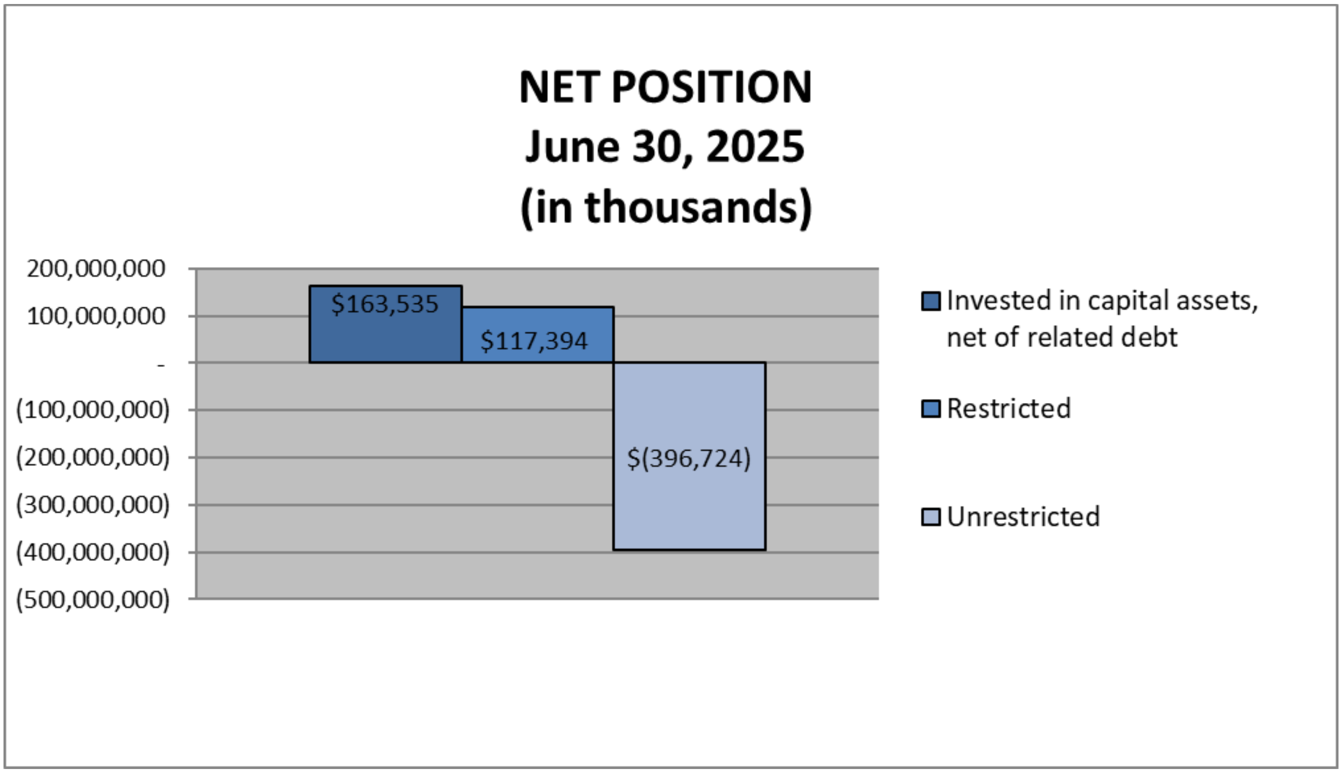
- Accounts payable and accrued liabilities had a net decrease of $22.4 million. Within the Unrestricted General Fund, accounts payable decreased by $17.2 million, primarily due to a reduction related to the Education Protection Account (EPA). The Department of Finance reduced the EPA allocation as of June 30, 2024; because the cash had already been received, the District recorded a year-end accounts payable accrual, and the repayment to the State was recorded during 2024-2025. The Restricted Fund had a net decrease of $7.0 million, primarily related to reimbursement to the State for the Learning-Aligned Employment Program (LAEP). The Capital Outlay Fund and Bond Construction Funds decreased by $2.2 million, primarily due to vendor payments for the Student Center and Instructional Offices. Accrued interest payable in the Bond Interest and Redemption Fund increased by $3.9 million, attributable to interest on Bond Series 2024D (Measure RR).

- Unearned revenue had a decrease of $12.0 million. The most notable decreases are in the COVID-19 Recovery Block Grant, Student Success Completion Grant, and Deferred Maintenance Block Grants.

- The long-term liabilities (current and noncurrent) had a net increase of $246.1 million. The main contributors to this increase were the issuance of the Series 2024D bonds (Measure GO) in the amount of $189.6 million, associated bond premiums of $14.4 million, and the implementation of GASB Statement No. 101, which increased the compensated absences liability by $49.4 million.

- The District's net position (deficit) was $(115.8) million for the fiscal year ended June 30, 2025. Of this amount, $(396.7) 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, 2025:



Statement of Revenues, Expenses, and Change in Net Position

Change in net position as presented in the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Change in Net Position (page 26). 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 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 the legislature provides them 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:

	2025	2024*	Change
Operating Revenues			
Tuition and fees, net	$ 23,230,456	$ 21,638,363	$ 1,592,093
Grants and contracts, noncapital	89,819,711	86,883,628	2,936,083
Auxiliary sales and charges	133,788	160,880	(27,092)
Total operating revenues	113,183,955	108,682,871	4,501,084
Operating Expenses			
Salaries and benefits	333,644,792	313,620,542	20,024,250
Supplies, services, equipment, and maintenance	50,970,712	44,569,088	6,401,624
Student financial aid	91,774,723	79,809,251	11,965,472
Depreciation and amortization	44,708,504	40,750,827	3,957,677
Total operating expenses	521,098,731	478,749,708	42,349,023
Operating loss	(407,914,776)	(370,066,837)	(37,847,939)
Nonoperating Revenues (Expenses)			
State apportionments, non capital	195,150,722	186,662,904	8,487,818
Property taxes	128,938,167	119,439,943	9,498,224
Student financial aid grants	69,348,076	62,351,412	6,996,664
State revenues	11,789,978	13,236,788	(1,446,810)
Net interest income	18,866,896	26,837,359	(7,970,463)
Interest expense	(46,942,450)	(40,330,001)	(6,612,449)
Other nonoperating revenues	7,330,281	10,128,049	(2,797,768)
Total nonoperating revenues (expenses)	384,481,670	378,326,454	6,155,216
Other Revenues (Losses)			
State and local capital revenue, and loss on disposal of capital assets	52,520,520	18,307,462	34,213,058
Change in net position	$ 29,087,414	$ 26,567,079	$ 2,520,335

* Expenses for the year ended June 30, 2024, were not restated for the effects of the implementation of GASB Statement No. 101. See Note 14 for further information.

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 nonoperating. As a result, the operating loss of $407.9 million is balanced by other funding sources. Total District revenues exceeded expenses by $29.1 million for the year ended June 30, 2025.

Grants and contract revenues relate to Federal and State grants received for programs serving students of the District. These grants and program revenues are restricted 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 $1.6 million. The increases in this category are primarily attributed to enrollment fees from resident and nonresident students, community services classes, and miscellaneous student fees.

- Grants and Contracts had a net increase of $2.9 million. These increases are centered in the English Language Learner Healthcare Pathways, Center of Excellence, Mathematics, Engineering, Science Achievement (MESA), and General Child Care and Development Program.

- The net increase in operating expenses of $42.3 million This increase reflects higher expenditures for salaries, benefits, supplies, services, equipment, student aid, and depreciation and amortization. Salary costs include the ongoing impact of 8.22% and 1.07% cost-of-living increases for CSEA Chapter 262, CSEA Chapter 651, Management, and Confidential, attributable to fiscal year 2024–2025. Salary and benefit costs for the Faculty group also reflect the ongoing impact of 8.22% and 0.77% cost-of-living increases, the 15-year service increment, and increases in health and welfare rates, attributable to fiscal year 2024-2025. Operating expenses also include the expense impact of GASB Statement No. 101, *Compensated Absences*, including vacation, load banking, and sick leave. In addition, decreases in CalSTRS and CalPERS pension costs resulting from actuarial valuations are reflected in operating expenses. Other contributing factors include increases in utility costs, property and liability insurance, and election expenses associated with the passage of Measure V. Student aid expenditures increased, including EOPS, NextUp, Pell Grants, and Cal Grants. Finally, depreciation and amortization increased as newly completed buildings were placed into service and depreciation expense began to be 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 fifty-five extends the temporary personal income tax increases enacted in 2012 until December 2030. The State apportionment noncapital increased by $8.5 million due to the 1.07% COLA increase to the SCFF metrics funding rates, Growth, and apportionment deficit prior year adjustments.

- Property taxes levied for general purposes and for debt service increased by $9.5 million. The property taxes levied for general purposes increased by $4.0 million, primarily due to higher collections from the Education Revenue Augmentation Fund (ERAF) and secured roll property taxes. Property taxes levied for debt service increased by a net $5.5 million, largely driven by higher collections associated with the Series 2024D bonds.

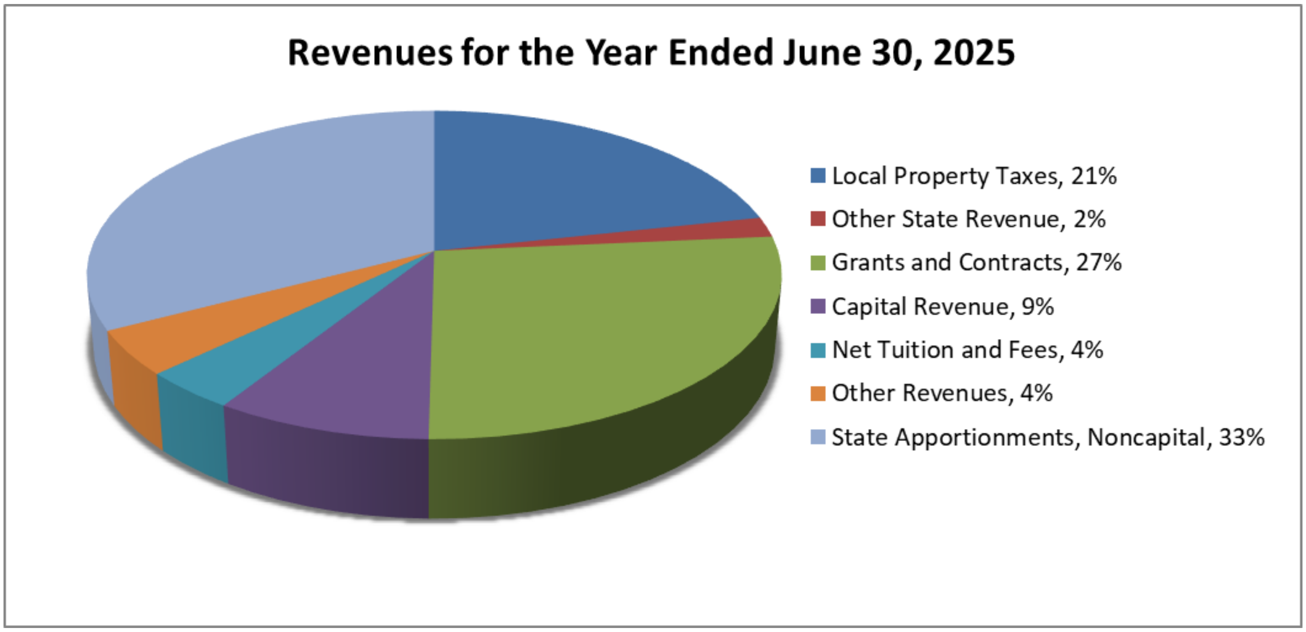
- Federal and State financial aid grants increased by $7.0 million, primarily for Pell Grants and Cal Grants.

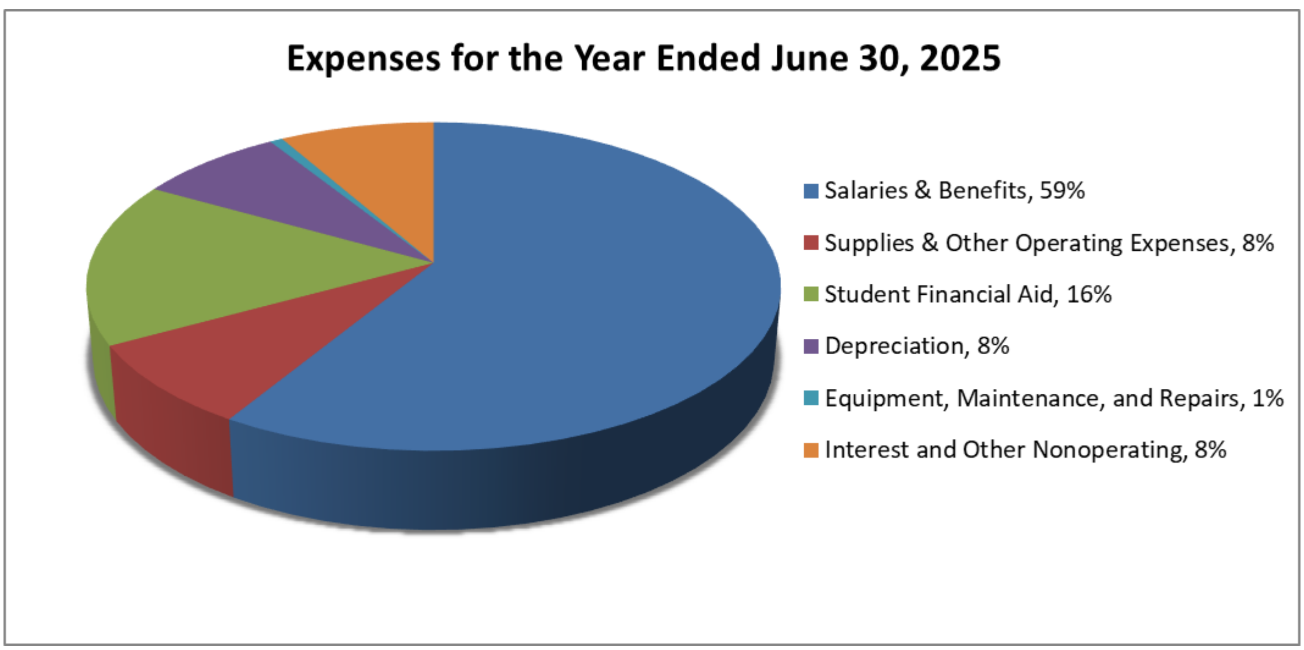
- Net interest income decreased by $8.0 million due to an interest rate averaging 3.8% during the fiscal year and the County pooled funds' fair market value adjustment as of June 30, 2025.

- Net interest expense increased by $6.6 million due to scheduled debt service payments on the general obligation bonds, primarily for series 2013A and 2024D .

- Other nonoperating revenues decreased by $2.8 million, primarily because in the fiscal year 2023-24, the District received insurance reimbursements for the Water Intrusion building 66, 67, 77, and 79 claim .

- State capital revenue and losses on disposal of capital assets had a net increase of $34.2 million. This increase is primarily attributed to increases in the Technology Education project.





Functional expenses are detailed in the following schedule:

	Salaries and Employee Benefits	Supplies, Material, and Other Expenses and Services	Student Financial Aid	Depreciation and Amortization	Total
Instructional activities	$ 177,146,374	$ 3,353,193	$ -	$ -	$ 180,499,567
Academic support	18,640,782	193,273	-	-	18,834,055
Student services	55,520,367	2,348,389	-	-	57,868,756
Plant operations and maintenance	15,713,994	3,201,862	-	-	18,915,856
Instructional support services	45,359,400	4,145,925	-	-	49,505,325
Community services and economic development	4,718,185	373,524	-	-	5,091,709
Ancillary services and auxiliary operations	11,237,866	1,394,784	-	-	12,632,650
Student aid	-	-	91,774,723	-	91,774,723
Physical property and related acquisitions	5,307,824	35,959,762	-	-	41,267,586
Unallocated depreciation and amortization	-	-	-	44,708,504	44,708,504
Total	$ 333,644,792	$ 50,970,712	$ 91,774,723	$ 44,708,504	$ 521,098,731

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 on 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.

	2025	2024*	Change
Net Cash Flows from			
Operating activities	$ (376,942,985)	$ (332,949,186)	$ (43,993,799)
Noncapital financing activities	347,772,801	342,038,182	5,734,619
Capital financing activities	128,314,898	(166,615,496)	294,930,394
Investing activities	15,515,198	51,275,657	(35,760,459)
Change in Cash and Cash Equivalents	114,659,912	(106,250,843)	220,910,755
Cash and Cash Equivalents, Beginning of Year	317,590,528	423,841,371	(106,250,843)
Cash and Cash Equivalents, End of Year	$ 432,250,440	$ 317,590,528	$ 114,659,912

* Cash flows from operating activities for the year ended June 30, 2024, were not restated for the effects of the implementation of GASB Statement No. 101. See Note 14 for further information.

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 staff and 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 flows for operating activities of $44.0 million is primarily due to the timing of when revenue is received, and payments are made.

- Cash received from "noncapital financing activities" had a net increase of $5.7 million. The main contributor to this increase is higher cash collections of the SCFF District's State apportionment and Growth as well as Federal and State financial aid grants.

- The cash from "capital financing activities" had a net increase of $294.9 million. Cash primarily increased due to the issuance of the Series 2024D bonds (Measure GO), as well as significant payments to contractors for ongoing construction projects and collections and payments of the 2008 Election general obligation bonds Series 2013A (Measure RR), 2018 Election general obligation bonds Series 2019 A and 2021C (Measure GO), and Bond Refunding Series 2020A.

- Cash provided by "investing activities" decreased by $35.8 million due to averaging County interest rate at four percent, the fair market value adjustment, as well as the maturity for the 2020 General Obligation Refunding Bond, Series B, for the year ending June 30, 2025.

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 District's educational programs. 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 to fund 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 is responsible for 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, 2025, the District had $1.1 billion invested in capital assets. The total cost of capital assets of $1.4 billion comprises land, buildings and building improvements, construction in progress, vehicles, data processing equipment, other office equipment, and the right-to-use subscription IT assets. These assets have accumulated depreciation and amortization of $354.8 million. During 2024-2025, net capital asset additions and deletions were $125.4 million. This consists of a net increase in construction in progress totaling $118.7 million, a net increase in equipment totaling $3.4 million, an increase to the right-to-use subscription IT assets of $44.1 thousand and an increase in buildings and site improvements totaling $3.3 million. Depreciation and amortization expense of $44.7 million was recorded for the fiscal year.

During 2024-2025, the following projects were capitalized:

- KW (Kilowatt) Generator
- Humanities and Social Sciences Division Building 26 Space Utilization Phase 1
- Communication Tower Project
- Elevator Addition Building 61
- Building 60 Phoenix Actuator Control Upgrades
- Building 23 Air Conditioning Replacement
- Block House Relay
- Emergency Communications Infrastructure Phase II
- Building 31B Modular Upgrades

Construction in progress during 2024-2025 includes the following projects:

- Hydronic Piping System
- Roof Exterior Lighting Building 2
- Student Center
- Library and Learning Resources
- Technical Education
- Portable Building 16F
- Portable Building Student Services Program
- Instructional Offices
- School of Continuing Education, Instructional Village

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

	Balance, July 1, 2024	Additions	Deletions	Balance, June 30, 2025
Land, collections, and construction in progress	$ 104,265,449	$ 121,999,337	$ (3,348,985)	$ 222,915,801
Buildings and improvements	1,108,689,569	3,313,093	-	1,112,002,662
Furniture and equipment	77,928,904	3,772,979	(379,224)	81,322,659
Subtotal	1,290,883,922	129,085,409	(3,728,209)	1,416,241,122
Accumulated depreciation	(309,662,676)	(43,399,170)	374,659	(352,687,187)
Subtotal capital assets, net	981,221,246	85,686,239	(3,353,550)	1,063,553,935
Right-to-use subscription IT assets	5,000,019	1,120,590	(1,076,514)	5,044,095
Accumulated amortization	(1,888,159)	(1,309,334)	1,076,514	(2,120,979)
Subtotal right-to-use subscription IT assets, net	3,111,860	(188,744)	-	2,923,116
Total	$ 984,333,106	$ 85,497,495	$ (3,353,550)	$ 1,066,477,051

Long-term Liabilities

On June 30, 2025, the District had $1.6 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, compensated absences, subscription-based IT arrangements, the aggregate net OPEB liability, and the aggregate net pension liability for CalSTRS and CalPERS. The outstanding bond debt of the 2008 Election (Measure RR) consists of $306.8 million Series 2013A general obligation bonds issued in August 2013, $66.5 million Series 2020D general obligation bonds issued in August 2020, and $60.7 million Series 2021E general obligation bonds issued in August 2021. The outstanding bond debt of the 2018 Election (Measure GO) consists of $251.1 million Series 2019A general obligation bonds issued in April 2019, $34.2 million Series 2020B general obligation bonds issued in August 2020, $211.1 million Series 2021C general obligation bonds issued in August 2021, and $189.6 million Series 2024D general obligation bonds issued in September 2024. The outstanding refunding bond debt consists of $50.3 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 $13.2 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:

	2025	2024*
General obligation bonds	$ 1,272,927,309	$ 1,074,716,703
Compensated absences	66,779,075	17,404,886
Subscription-based IT arrangements	2,658,190	2,813,682
Aggregate net OPEB liability	33,590,004	29,431,328
Aggregate net pension liability	265,949,615	271,422,925
Total long-term liabilities	$ 1,641,904,193	$ 1,395,789,524

* Amounts have not been restated for the effects of the implementation of GASB Statement No. 101. See Note 14 for further information.

Economic Factors that May Affect the Future

As of June 30, 2025, the District's overall financial position remains strong due to continued prudent fiscal management. For fiscal year 2024-2025, the Unrestricted General Fund reported a healthy fund balance of $78.2 million. This total includes a $12.3 million prior-period adjustment related to GASB Statement No. 101, *Compensated Absences*, reflecting updated compliance requirements. Under GASB 101, certain compensated-absence liabilities must be recognized in the full-accrual financial statements (audit report) rather than in the governmental fund statements (Unrestricted General Fund), ensuring continued alignment with current accounting standards.

For California Community Colleges, the enacted State budget emphasizes stability amid a challenging fiscal environment. It enables colleges to continue advancing the goals outlined in the system's strategic framework, Vision 2030, and preserves critical funding by prioritizing investments that support enrollment growth and student access. Importantly, the budget does not include ongoing reductions to core programs or services and provides more than $763 million in additional resources for California Community Colleges.

The enacted budget also defers $408.4 million from 2025-2026 to 2026-2027. For the College, this deferral is estimated at approximately $11.8 million, which is manageable without incurring debt.

Although the enacted budget maintains core funding, the fiscal environment remains challenging. The College has made strategic investments to support enrollment growth and address rising operational costs. As a result, the College continues to experience significant increases in personnel expenses, pension obligations, operating costs, and infrastructure needs.

At the same time, the potential for revenue shortfalls remains a concern due to the volatility of State revenues, particularly the State's reliance on capital gains, and broader economic pressures, including elevated inflation, sustained interest rates, and a softening job market. In this environment, careful planning remains essential. Our collective efforts to sustain and grow enrollment while improving institutional efficiency are critical to preserving Mt. SAC's fiscal health and long-term stability.

Mt. SAC's history of maintaining prudent fund balances and using resources efficiently has enabled the College to serve students and the community at a high level while thoughtfully developing budget plans for 2025-2026 and beyond. The College's financial position remains strong and provides the capacity to effectively manage the 2025-2026 allocation from the State budget.

Subsequent Events

Effective July 1, 2025, the Board of Trustees approved a 3.00% salary increase for Faculty, CSEA Chapter 262, and CSEA Chapter 651 employee groups.

On September 25, 2025, the District issued $230.0 million of election 2024 General Obligation Bonds, Series 2025A (Measure V), and $20.0 million, Series 2025B (Measure V). Bond proceeds will be used to finance facility improvements, including upgrades to classrooms, laboratories and equipment supporting career and vocational education programs in nursing, healthcare, public safety, manufacturing renewable energy, robotics and technology, and to fund an endowment for technology improvements.

Assets	
Cash and cash equivalents	$ 3,324,474
Investments	446,976,050
Accounts receivable	33,274,397
Student receivables, net	3,511,145
Due from Auxiliary	16,034
Due from fiduciary funds	504,837
Capital assets not being depreciated or amortized	222,915,801
Capital assets, net of accumulated depreciation and amortization	843,561,250
Total assets	1,554,083,988
Deferred Outflows of Resources	
Deferred outflows of resources related to debt refunding	6,312,173
Deferred outflows of resources related to OPEB	20,692,300
Deferred outflows of resources related to pensions	104,986,709
Total deferred outflows of resources	131,991,182
Liabilities	
Accounts payable	31,398,114
Accrued interest payable	13,089,187
Unearned revenue	46,258,154
Long-term liabilities	
Long-term liabilities other than OPEB and pensions, due within one year	40,340,950
Long-term liabilities other than OPEB and pensions, due in more than one year	1,302,023,624
Aggregate net other postemployment benefits (OPEB) liability	33,590,004
Aggregate net pension liability	265,949,615
Total liabilities	1,732,649,648
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	44,748,947
Deferred inflows of resources related to pensions	24,471,599
Total deferred inflows of resources	69,220,546
Net Position (Deficit)	
Net investment in capital assets	163,534,957
Restricted for	
Debt service	40,538,353
Capital projects	40,457,031
Educational programs	12,960,656
Other activities	23,438,195
Unrestricted deficit	(396,724,216)
Total net position (deficit)	$ (115,795,024)

Operating Revenues	
Tuition and fees	$ 41,257,764
Less: Scholarship discounts and allowances	(18,027,308)
Net tuition and fees	23,230,456
Grants and contracts, noncapital	
Federal	7,043,607
State	80,866,732
Local	1,909,372
Total grants and contracts, noncapital	89,819,711
Auxiliary enterprise sales and charges	
Farm operations	133,788
Total operating revenues	113,183,955
Operating Expenses	
Salaries	251,072,452
Employee benefits	82,572,340
Supplies, materials, and other operating expenses and services	47,066,987
Student financial aid	91,774,723
Equipment, maintenance, and repairs	3,903,725
Depreciation and amortization	44,708,504
Total operating expenses	521,098,731
Operating Loss	(407,914,776)
Nonoperating Revenues (Expenses)	
State apportionments, noncapital	195,150,722
Local property taxes, levied for general purposes	78,101,604
Taxes levied for debt service	50,836,563
Federal and State financial aid grants	69,348,076
State taxes and other revenues	11,789,978
Investment income, net	17,756,783
Interest expense on capital related debt	(46,942,450)
Investment income on capital asset-related debt, net	1,110,113
Other nonoperating revenues	7,330,281
Total nonoperating revenues (expenses)	384,481,670
Income Before Other Revenues (Losses)	(23,433,106)
Other Revenues (Losses)	
State revenues, capital	52,525,085
Loss on disposal of capital assets	(4,565)
Total other revenues (losses)	52,520,520
Change In Net Position	29,087,414
Net Position, Beginning of Year, as previously reported	(100,295,400)
Adjustment (Note 14)	(44,587,038)
Net Position (Deficit), Beginning of Year, as restated	(144,882,438)
Net Position (Deficit), End of Year	$ (115,795,024)

Operating Activities	
Tuition and fees	$ 21,379,921
Federal, state, and local grants and contracts, noncapital	71,722,977
Enterprise sales and charges	133,788
Payments to or on behalf of employees	(334,488,043)
Payments to vendors for supplies and services	(43,916,905)
Payments to students for scholarships and grants	(91,774,723)
Net cash flows from operating activities	(376,942,985)
Noncapital Financing Activities	
State apportionments	181,851,602
Federal and state financial aid grants	69,348,076
Property taxes - nondebt related	78,101,604
State taxes and other apportionments	11,423,077
Other nonoperating	7,048,442
Net cash flows from noncapital financing activities	347,772,801
Capital Financing Activities	
Purchase of capital assets	(135,229,027)
State revenue, capital	56,703,961
Property taxes - related to capital debt	50,836,563
Proceeds from capital debt	203,956,280
Principal paid on capital debt	(22,704,186)
Interest paid on capital debt	(26,358,806)
Interest received on capital asset-related debt	1,110,113
Net cash flows from capital financing activities	128,314,898
Investing Activities	
Purchase of investments	(2,459,658)
Change in fair market value of cash in County treasury	(3,709,246)
Interest received from investments	21,684,102
Net cash flows from investing activities	15,515,198
Change In Cash and Cash Equivalents	114,659,912
Cash and Cash Equivalents, Beginning of Year	317,590,528
Cash and Cash Equivalents, End of Year	$ 432,250,440

Reconciliation of Net Operating Loss to Net Cash Flows from Operating Activities	
Operating Loss	$ (407,914,776)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation and amortization expense	44,708,504
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Accounts receivable	829,485
Student receivables, net	(1,509,094)
Deferred outflows of resources related to OPEB	(1,842,569)
Deferred outflows of resources related to pensions	(10,303,775)
Accounts payable	8,054,856
Unearned revenue	(19,267,660)
Compensated absences	4,787,151
Aggregate net OPEB liability	4,158,676
Aggregate net pension liability	(5,473,310)
Deferred inflows of resources related to OPEB	(1,706,188)
Deferred inflows of resources related to pensions	8,535,715
Total adjustments	30,971,791
Net cash flows from operating activities	$ (376,942,985)
Cash and Cash Equivalents Consist of the Following:	
Cash in banks	$ 796,605
Cash in County treasury	431,453,835
Total cash and cash equivalents	$ 432,250,440
Noncash Transactions	
Amortization of deferred outflows of resources related to debt refunding	$ 790,436
Amortization of debt premiums	$ 3,128,003
Accretion of interest on capital appreciation bonds	$ 18,982,329
Recognition of subscription-based IT arrangement liabilities arising from obtaining right-to-use subscription IT assets	$ 948,694

	Retiree OPEB Trust	Custodial Funds	Component Unit Retiree OPEB Trust
Assets			
Cash and cash equivalents	$ 10,478,300	$ 2,459	$ 733,450
Investments	120,741,788	121,158	5,113,154
Total assets	131,220,088	123,617	5,846,604
Liabilities			
Accounts payable	-	1,195	-
Due to primary government	504,837	-	-
Total liabilities	504,837	1,195	-
Net Position			
Restricted for postemployment benefits other than pensions	130,715,251	-	5,846,604
Unrestricted	-	122,422	-
Total net position	$ 130,715,251	$ 122,422	$ 5,846,604

	Retiree OPEB Trust	Custodial Funds	Component Unit Retiree OPEB Trust
Additions			
District contributions	$ 3,014,080	$ -	$ 254,144
Interest and investment income	3,472,647	-	134,513
Net realized and unrealized gains	14,270,842	-	887,589
Local revenues	-	36,272	-
Total additions	20,757,569	36,272	1,276,246
Deductions			
Books and supplies	-	37,074	-
Benefit payments	6,606,319	-	324,899
Administrative expenses	216,759	-	11,897
Total deductions	6,823,078	37,074	336,796
Change in Net Position	13,934,491	(802)	939,450
Net Position, Beginning of Year	116,780,760	123,224	4,907,154
Net Position, End of Year	$ 130,715,251	$ 122,422	$ 5,846,604

Assets	
Cash and cash equivalents	$ 220,584
Investments	1,886,912
Accounts receivable	154,599
Depreciable capital assets, net of accumulated depreciation	130,058
Net other postemployment benefits (OPEB) asset	2,091,694
Total assets	4,483,847
Deferred Outflows of Resources	
Deferred outflows of resources related to pensions	1,499,580
Liabilities	
Accounts payable	35,176
Due to District	16,034
Long-term liabilities	
Net pension liability	5,119,558
Total liabilities	5,170,768
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	980,629
Deferred inflows of resources related to pensions	17,271
Total deferred inflows of resources	997,900
Net Position (Deficit)	
Net investment in capital assets	130,058
Restricted for other postemployment benefits (OPEB)	2,091,694
Unrestricted deficit	(2,406,993)
Total net position (deficit)	$ (185,241)

Operating Revenues	
Bookstore commissions	$ 165,681
District contributions	398,151
Food service commissions	187,538
Sponsorships	95,508
Vending commissions	127,624
Total operating revenues	974,502
Operating Expenses	
Employee benefits	256,065
Supplies and materials	225,006
Other operating expenses and services	314,529
Financial aid	31,500
Depreciation	24,661
Total operating expenses	851,761
Operating Income	122,741
Nonoperating Income	
Investment income	106,375
Change in Net Position	229,116
Net Position (Deficit), Beginning of Year	(414,357)
Net Position (Deficit), End of Year	$ (185,241)

Operating Activities	
Auxiliary enterprise sales and charges	$ 1,060,461
Payments to vendors for supplies and services	(553,295)
Payments to or on behalf of employees	(618,144)
Payments to students for aid	(31,500)
Net Cash Flows from Operating Activities	(142,478)
Investing Activities	
Change in fair market value of cash in County treasury	29,417
Interest received from investments	76,360
Net Cash from Investing Activities	105,777
Net Change in Cash and Cash Equivalents	(36,701)
Cash and Cash Equivalents, Beginning of Year	2,144,197
Cash and Cash Equivalents, End of Year	$ 2,107,496
Reconciliation of net operating income to net cash from operating activities	
Operating income	$ 122,741
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	24,661
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Accounts receivable	15,972
Due from fiduciary funds	69,987
Net other postemployment benefits (OPEB) asset	(1,205,631)
Deferred outflows of resources related to pensions	576,550
Accounts payable	(7,608)
Due to District	(6,152)
Net pension liability	(75,408)
Deferred inflows of resources related to OPEB	366,307
Deferred inflows of resources related to pensions	(23,897)
Net Cash from Operating Activities	$ (142,478)
Cash and cash equivalents consist of the following:	
Cash in banks	$ 220,584
Cash in County treasury	1,886,912
	$ 2,107,496

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 discreetly 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 held by the Foundation are not significant to the District. 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. For the District, operating revenues consist primarily of student fees, noncapital grants and contracts, and auxiliary activities through the farm operations.

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 are 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 estimates and analysis. The allowance for doubtful accounts was estimated at $448,257 at June 30, 2025.

Capital Assets, Depreciation, and Amortization

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. 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

Right-to-use subscription IT assets are recognized at the subscription commencement date and represent the District's right to use the underlying IT asset for the subscription term. Right-to-use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the effective interest method.

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, 2025.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned for leave balances that are more likely than not to be used for compensated leave or settled through cash or noncash means. The entire compensated absence liability is reported on the government-wide Statement of Net Position. Compensated absences include vacation leave, load banking leave, and sick leave. The District offers load banking leave to eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are not paid for any sick leave balance at termination of employment or any other time. Therefore, only the portion of accumulated sick leave that is more likely than not to be used by the employee for paid leave is recognized as a liability in the District's financial statements. 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. The portion of sick leave that is more likely than not to be settled through conversion to service credit for employee retirement plans is not included in the District's liability for compensated absences.

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 for 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.

Subscription-based IT Arrangements (SBITA) Liabilities

SBITA liabilities represent the District's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of the subscription payments is discounted based on a borrowing rate determined by the District.

Pensions

For purposes of measuring the aggregate 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 the 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 the MPP. For this purpose, the District Plan and the MPP recognize 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 aggregate net 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 expenses. In the subsequent periods, when the District has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements 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, subscription-based IT arrangements, 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 and amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The District has related debt outstanding as of June 30, 2025. 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 $117,394,235 of restricted net position, and the fiduciary fund financial statements report $130,715,251 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, noncapital 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 by the County of Los Angeles and remitted to the District when collected.

Scholarship Discounts and Allowances

Tuition and fee revenue is reported net of scholarship 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* 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.

Adoption of New Accounting Standard

Implementation of GASB Statement No. 101

As of June 30, 2025, the District adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provide guidance for a consistent recognition and measurement of the compensated absence liability. The effect of the implementation of this standard on beginning net position is disclosed in Note 14.

Implementation of GASB Statement No. 102

As of June 30, 2025, the District adopted GASB Statement No. 102, *Certain Risk Disclosures*, which requires management to evaluate whether there are risks related to a government's vulnerabilities due to certain concentrations or constraints that require disclosure. There was not a significant effect on the District's financial statements as a result of the implementation of the standard.

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, 2025, consist of the following:

	Primary Government	Fiduciary Funds
Cash on hand and in banks	$ 696,605	$ 2,459
Cash in revolving	100,000	-
Cash with fiscal agent	2,527,869	10,478,300
Investments	446,976,050	120,862,946
Total deposits and investments	$ 450,300,524	$ 131,343,705

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	Credit Rating
Mutual funds	$ 56,479,311	No maturity	Not rated
Equities	56,830,635	No maturity	Not rated
Fixed income	22,954,057	1,780	BBB+
Los Angeles County investment pool	431,574,993	556	Not rated
Total	$ 567,838,996		

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, 2025, the District's bank balance of approximately $492.5 thousand 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, 2025, the District's investment balance of approximately $135.8 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, 2025:

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Mutual funds	$ 56,479,311	$ 56,479,311	$ -	$ -
Equities	56,830,635	56,830,635	-	-
Fixed income	22,954,057	-	22,954,057	-
Total	$ 136,264,003	$ 113,309,946	$ 22,954,057	$ -

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, 2025, consisted of the following:

	Primary Government
Federal Government	
Categorical aid	$ 2,267,383
State Government	
Apportionment	18,866,245
Categorical aid	578,870
Lottery	2,560,782
Capital projects	7,484,537
Local Sources	
Interest	725,339
Other local sources	791,241
Total	$ 33,274,397
Student receivables	$ 3,959,402
Less: allowance for bad debt	(448,257)
Total student receivables, net	$ 3,511,145

Note 6 - Capital Assets

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

	Balance, July 1, 2024	Additions	Deductions	Balance, June 30, 2025
Capital Assets Not Being Depreciated or Amortized				
Land	$ 1,824,654	$ -	$ -	$ 1,824,654
Collections - art	180,988	-	-	180,988
Construction in progress	102,259,807	121,999,337	(3,348,985)	220,910,159
Total capital assets not being depreciated or amortized	104,265,449	121,999,337	(3,348,985)	222,915,801
Capital Assets Being Depreciated and Amortized				
Buildings and improvements	1,108,689,569	3,313,093	-	1,112,002,662
Furniture and equipment	77,928,904	3,772,979	(379,224)	81,322,659
Right-to-use subscription IT assets	5,000,019	1,120,590	(1,076,514)	5,044,095
Total capital assets being depreciated or amortized	1,191,618,492	8,206,662	(1,455,738)	1,198,369,416
Total capital assets	1,295,883,941	130,205,999	(4,804,723)	1,421,285,217
Less Accumulated Depreciation and Amortization				
Buildings and improvements	(249,017,938)	(38,080,772)	-	(287,098,710)
Furniture and equipment	(60,644,738)	(5,318,398)	374,659	(65,588,477)
Right-to-use subscription IT assets	(1,888,159)	(1,309,334)	1,076,514	(2,120,979)
Total accumulated depreciation and amortization	(311,550,835)	(44,708,504)	1,451,173	(354,808,166)
Total capital assets, net	$ 984,333,106	$ 85,497,495	$ (3,353,550)	$ 1,066,477,051

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, 2025 consisted of the following:

	Balance, July 1, 2024, as Restated	Additions	Deductions	Balance, June 30, 2025	Due in One Year
General obligation bonds	$ 1,026,705,426	$ 208,582,329	$ (21,600,000)	$ 1,213,687,755	$ 28,970,000
Unamortized premium	48,011,277	14,356,280	(3,128,003)	59,239,554	-
Subscription-based IT arrangements	2,813,682	948,694	(1,104,186)	2,658,190	931,433
Compensated absences	61,991,924	4,787,151	-	66,779,075	10,439,517
Total	$ 1,139,522,309	$ 228,674,454	$ (25,832,189)	$ 1,342,364,574	$ 40,340,950

The change in compensated absences is presented as a net change.

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. Payments for subscription-based IT arrangements will be made by the fund for which the software was intended.

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, 2025, the principal balance outstanding for Series A was $306,790,052. Unamortized premium received on issuance of the bonds amounted to $6,909,737 as of June 30, 2025. As of June 30, 2025, Series B was paid in full.

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, 2025, the principal balance outstanding was $66,486,434. Unamortized premium received on issuance of the bonds amounted to $2,893,782 as of June 30, 2025.

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, 2025, the principal balance outstanding was $60,746,277.

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, 2025, the principal balance outstanding was $251,070,000. Unamortized premium received on issuance of the bonds amounted to $26,830,766 as of June 30, 2025.

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, 2025, the principal balance outstanding was $34,184,992. Unamortized premium received on issuance of the bonds amounted to $1,467,107 as of June 30, 2025.

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, 2025, the principal balance outstanding was $211,115,000. Unamortized premium received on issuance of the bonds amounted to $7,356,133 as of June 30, 2025.

In September 2024, the District issued Election of 2018 Series 2024D General Obligation Bonds in the amount of $189,600,000. The bonds were issued as current interest bonds in the aggregate principal amount of $111,990,000 and current interest term bonds in the aggregate principal amount of $77,610,000. The bonds were issued to finance the acquisition, construction, modernization, and renovation of District facilities. The bonds bear interest rates of 4.00 to 5.00%. Principal and interest payments are due each August 1 and February 1 through August 1, 2049. At June 30, 2025, the principal balance outstanding was $189,600,000. Unamortized premium received on issuance of the bonds amounted to $13,782,029 as of June 30, 2025.

General Obligation Refunding Bonds

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, 2025, the principal balance outstanding was paid in full.

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, 2025, the principal balance outstanding was $50,325,000.

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, 2025, 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 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, 2025, the principal balance outstanding was $13,240,000.

Debt Maturity

General Obligation Bonds

Issue Date	Series	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2024	Issued	Accreted Interest	Redeemed	Bonds Outstanding June 30, 2025
8/1/13	2013A	8/1/43	2.00-4.00%	$ 205,586,691	$ 300,567,123	$ -	$ 15,777,929	$ (9,555,000)	$ 306,790,052
8/18/20	2020D	8/1/45	0.81-3.12%	59,728,759*	66,602,639	-	1,148,795	(1,265,000)	66,486,434
8/24/21	2021E	8/1/46	2.41-4.00%	55,968,893*	59,300,650	-	1,445,627	-	60,746,277
				Subtotal Measure RR	426,470,412	-	18,372,351	(10,820,000)	434,022,763
4/4/19	2019A	8/1/49	3.00-5.00%	310,700,000	251,215,000	-	-	(145,000)	251,070,000
8/18/20	2020B	8/1/45	2.59-3.12%	30,499,915*	34,535,014	-	609,978	(960,000)	34,184,992
8/24/21	2021C	8/1/51	2.00-4.00%	219,200,000	211,615,000	-	-	(500,000)	211,115,000
9/18/24	2024D	8/1/49	4.00-5.00%	189,600,000	-	189,600,000		-	189,600,000
				Subtotal Measure GO	497,365,014	189,600,000	609,978	(1,605,000)	685,969,992
9/11/15	2015	6/1/33	2.00-5.00%	19,440,000	1,150,000	-	-	(1,150,000)	-
2/4/20	2020A	8/1/35	1.66-2.92%	60,415,000	58,000,000	-	-	(7,675,000)	50,325,000
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	13,590,000	-	-	(350,000)	13,240,000
				Subtotal Refunding Bonds	102,870,000	-	-	(9,175,000)	93,695,000
					$ 1,026,705,426	$ 189,600,000	$ 18,982,329	$ (21,600,000)	$ 1,213,687,755

* 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
2026	$ 28,597,811	$ 372,189	$ 31,110,061	$ 60,080,061
2027	32,645,000	-	30,101,944	62,746,944
2028	29,495,000	-	28,762,961	58,257,961
2029	32,955,000	-	36,857,308	69,812,308
2030	17,785,000	-	45,291,629	63,076,629
2031-2035	137,395,706	464,294	214,242,088	352,102,088
2036-2040	216,785,162	31,999,838	173,056,430	421,841,430
2041-2045	379,254,920	91,555,080	92,938,182	563,748,182
2046-2050	281,539,156	19,250,844	31,022,919	331,812,919
2051-2052	57,235,000	-	1,381,005	58,616,005
Total	$ 1,213,687,755	$ 143,642,245	$ 684,764,527	$ 2,042,094,527

Subscriptions-Based IT Arrangements (SBITAs)

The District entered into SBITAs for the use of various software. At June 30, 2025, the District has recognized a right-to-use subscriptions IT asset, net of accumulated amortization of $2,923,116 and a SBITA liability of $2,658,190 related to these agreements. Under the terms of the SBITAs, the District makes payments ranging from $3,031 to $534,480 annually, which amounted to total principal and interest costs of $1,220,794 for the year ending June 30, 2025. During the year ended June 30, 2025, the District recorded $1,309,334 in amortization expense and $116,608 in interest expense for the SBITAs. The District used discount rates of 3% to 5% based on the estimated incremental borrowing rate for financing over a similar time period.

The remaining principal and interest payment requirements for the SBITA obligation debt as of June 30, 2025, are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 931,433	$ 102,558	$ 1,033,991
2027	930,441	56,744	987,185
2028	739,000	16,456	755,456
2029	57,316	999	58,315
Total	$ 2,658,190	$ 176,757	$ 2,834,947

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

For the year ended June 30, 2025, 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	$ 32,928,086	$ 20,692,300	$ 44,748,947	$ 605,649
Medicare Premium Payment (MPP) Program	661,918	-	-	4,270
Total	$ 33,590,004	$ 20,692,300	$ 44,748,947	$ 609,919

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, 2025, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	703
Active employees	1,217
Total	1,920

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 voluntary 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 the measurement period ended June 30, 2025, the District contributed $3,014,080 to the Plan, of which $4,919 was used for current premiums, $2,500,000 was used to fund the Trust, and $509,161 represents the effect of the implicit rate subsidy. The remaining $6,092,239 in premiums paid during the measurement period ended June 30, 2025, were paid from the Trust.

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, 2025:

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

Rate of Return

For the year ended June 30, 2025, the annual money-weighed rate of return on investments, net of investment expense, was 17.41%. 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 $32,928,086 was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The components of the net OPEB liability of the District at June 30, 2025, were as follows:

Total OPEB liability	$ 163,643,337
Plan fiduciary net position	(130,715,251)
Net OPEB liability	$ 32,928,086
Plan fiduciary net position as a percentage of the total OPEB liability	79.88%

Actuarial Assumptions

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement unless otherwise specified:

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

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 2021 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, 2025 valuation were based on the results of an actual experience study as of September 2025.

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, 2025, (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	7.25%
Long-term bonded instruments	4.25%

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, 2024	$ 145,554,440	$ 116,780,760	$ 28,773,680
Service cost	5,682,959	-	5,682,959
Interest	8,346,322	-	8,346,322
Difference between expected and actual experience	10,665,935	-	10,665,935
Contributions - employer	-	3,014,080	(3,014,080)
Expected investment income	-	6,561,445	(6,561,445)
Differences between projected and actual earnings on OPEB plan investments	-	11,182,044	(11,182,044)
Benefit payments	(6,606,319)	(6,606,319)	-
Administrative expense	-	(216,759)	216,759
Net change in total OPEB liability	18,088,897	13,934,491	4,154,406
Balance, June 30, 2025	$ 163,643,337	$ 130,715,251	$ 32,928,086

There were no changes in economic assumptions 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%)	$ 54,772,690
Current discount rate (5.75%)	32,928,086
1% increase (6.75%)	14,021,066

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend 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 healthcare cost trend rate that is one percent lower or higher than the current healthcare cost trend rate:

Healthcare Cost Trend Rate	Net OPEB Liability
1% decrease (3.00%)	$ 10,730,694
Current healthcare cost trend rate (4.00%)	32,928,086
1% increase (5.00%)	59,576,284

Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2025, 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	$ 20,155,181	$ 16,749,464
Changes of assumptions	537,119	9,751,510
Net difference between projected and actual earnings on OPEB plan investments	-	18,247,973
Total	$ 20,692,300	$ 44,748,947

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
2026	$ (3,705,549)
2027	(6,366,253)
2028	(5,436,597)
2029	(2,739,574)
Total	$ (18,247,973)

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 7.9 years and will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ (1,355,002)
2027	(2,301,304)
2028	(790,128)
2029	(1,832,214)
2030	(1,782,029)
Thereafter	2,252,003
Total	$ (5,808,674)

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, 2023 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/forms-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, 2025, the District reported a liability of $661,918 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. 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 ending of June 30, 2024 and June 30, 2023 was 0.2483% and 0.2167%, respectively, resulting in a net increase in the proportionate share of 0.0316%.

For the year ended June 30, 2025, the District recognized OPEB expense of $4,270.

Actuarial Methods and Assumptions

The June 30, 2024 total OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2023 and rolling forward the total OPEB liability to June 30, 2024, using the assumptions listed in the following table:

Measurement Date	June 30, 2024
Valuation Date	June 30, 2023
Experience Study	July 1, 2007 through June 30, 2022
Actuarial Cost Method	Entry age normal
Investment Rate of Return	3.93%
Medicare Part A Premium Cost Trend Rate	5.00%
Medicare Part B Premium Cost Trend Rate	6.50%

For the valuation as of June 30, 2023, CalSTRS uses a generational mortality assumption, which is based off generational mortality tables that reflect expected future improvements in mortality and includes a base table and a projection table. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among members. The projection table reflects the expected annual reduction in mortality rates at each age. The current mortality assumption uses a base year of 2023, and projected improvement is based on the MP-2021 Ultimate Projection Scale.

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 154 or an average of 0.12% of the potentially eligible population (132,333).

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, 2024, 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

As the MPP Program is funded on a pay-as-you-go basis, the OPEB plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, the MPP Program used the Bond Buyer's 20-Bond GO Index from Bondbuyer.com as of June 30, 2024, as the discount rate, which was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate as of June 30, 2024, was 3.93%, which is an increase of 0.28% from 3.65% as of June 30, 2023.

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 (2.93%)	$ 714,192
Current discount rate (3.93%)	661,918
1% increase (4.93%)	615,950

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 rates, as well as what the net OPEB liability would be if it were calculated using the Medicare costs trend rates that are one percent lower or higher than the current rates:

Medicare Costs Trend Rates	Net OPEB Liability
1% decrease (4.00% Part A and 5.50% Part B)	$ 613,196
Current Medicare costs trend rates (5.00% Part A and 6.50% Part B)	661,918
1% increase (6.00% Part A and 7.50% Part B)	716,313

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 the year ending June 30, 2025, 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. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For the year ended June 30, 2025, 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 year ended June 30, 2025, the District reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense 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	$ 114,330,288	$ 56,248,571	$ 19,430,710	$ 13,759,948
CalPERS	151,619,327	48,738,138	5,040,889	27,239,454
Total	$ 265,949,615	$ 104,986,709	$ 24,471,599	$ 40,999,402

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, 2023, 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/forms-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, 2025, 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	19.10%	19.10%
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, 2025, are presented above, and the District's total contributions were $23,754,594.

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

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

Total net pension liability, including State share:	
District's proportionate share of net pension liability	$ 114,330,288
State's proportionate share of net pension liability associated with the District	52,455,130
Total	$ 166,785,418

The net pension liability was measured as of June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating member districts and the State, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2024 and June 30, 2023, was 0.1702% and 0.1465%, respectively, resulting in a net increase in the proportionate share of 0.0237%.

For the year ended June 30, 2025, the District recognized pension expense of $13,759,948. In addition, the District recognized pension expense and revenue of $4,775,426 for support provided by the State. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 23,754,594	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	19,061,278	6,161,431
Differences between projected and actual earnings on pension plan investments	-	461,318
Differences between expected and actual experience in the measurement of the total pension liability	12,932,228	4,999,599
Changes of assumptions	500,471	7,808,362
Total	$ 56,248,571	$ 19,430,710

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
2026	$ (7,664,378)
2027	9,230,759
2028	(753,117)
2029	(1,274,582)
Total	$ (461,318)

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
2026	$ 2,514,283
2027	2,504,170
2028	1,295,736
2029	2,148,667
2030	2,918,907
Thereafter	2,142,822
Total	$ 13,524,585

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024. The financial reporting actuarial valuation as of June 30, 2023, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Experience study	July 1, 2007 through June 30, 2022
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 is based off generational mortality tables that reflect expected future improvements in mortality and includes a base table and a projection table. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among our members. The projection table reflects the expected annual reduction in mortality rates at each age. The current mortality assumption uses a base year of 2023, and projected improvement is based on the MP-2021 Ultimate Projection Scale.

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 independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. The assumed asset allocation and best estimates of the expected rates of return for each major asset class for the year ended June 30, 2024, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	38%	5.25%
Real estate	15%	4.05%
Private equity	14%	6.75%
Fixed income	14%	2.45%
Risk mitigating strategies	10%	2.25%
Inflation sensitive	7%	3.65%
Cash/liquidity	2%	0.05%

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%)	$ 203,356,172
Current discount rate (7.10%)	114,330,288
1% increase (8.10%)	39,989,982

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, 2023, annual actuarial valuation report, and the Schools Pool Actuarial Valuation. These reports 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, 2025, 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%	8.00%
Required employer contribution rate	27.05%	27.05%

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, 2025, are presented above, and the total District contributions were $24,486,178.

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

As of June 30, 2025, the District reported a net pension liability for its proportionate share of the CalPERS net pension liability totaling $151,619,327. The net pension liability was measured as of June 30, 2024. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating districts, actuarially determined. The District’s proportionate share for the measurement periods of June 30, 2024 and June 30, 2023, was 0.4242% and 0.4415%, respectively, resulting in a net decrease in the proportionate share of 0.0173%.

For the year ended June 30, 2025, the District recognized pension expense of $27,239,454. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 24,486,178	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	2,300,062	3,955,755
Differences between projected and actual earnings on pension plan investments	5,889,535	-
Differences between expected and actual experience in the measurement of the total pension liability	12,711,064	1,085,134
Changes of assumptions	3,351,299	-
Total	$ 48,738,138	$ 5,040,889

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
2026	$ (50,772)
2027	9,156,888
2028	(1,353,043)
2029	(1,863,538)
Total	$ 5,889,535

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 3.9 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	$ 7,454,323
2027	4,258,796
2028	1,608,417
Total	$ 13,321,536

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2023 and rolling forward the total pension liability to June 30, 2024. The financial reporting actuarial valuation as of June 30, 2023, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Experience study	July 1, 1997 through June 30, 2015
Actuarial cost method	Entry age normal
Discount rate	6.90%
Investment rate of return	6.90%
Consumer price inflation	2.30%
Wage growth	Varies by entry age and service

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. 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 - cap-weighted	30%	4.54%
Global equity - non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed securities	5%	0.50%
Investment grade corporates	10%	1.56%
High yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	-5%	-0.59%

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the SEP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on the SEP investments 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 (5.90%)	$ 225,231,776
Current discount rate (6.90%)	151,619,327
1% increase (7.90%)	90,809,585

CalSTRS/CalPERS Irrevocable Trust

During the year ended June 30, 2016, 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, 2025, the balance of the trust was $17,855,381.

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 in the amount of $10,591,795 (10.828% of annual payroll). 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. 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, 2025, the District made contributions of $544,508.

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, 2025, the District made payments of $1,912,595 and $3,190,857 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, 2025.

Litigation

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

Construction Commitments

As of June 30, 2025, the District had committed under various capital expenditure purchase agreements for various projects totaling approximately $172.3 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 $61,006 for the year ending June 30, 2025. 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 $434,660 for the year ending June 30, 2025.

Note 14 - Restatement

Change in Accounting Principle

As of June 30, 2025, the District adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provide guidance for a consistent recognition and measurement of the compensated absence liability. Therefore, the current and noncurrent portions of compensated absences were increased by $4,638,652 and $39,948,386, respectively, as of July 1, 2024. The effect of this change in accounting principle is described in the following table.

Primary Government	
Net Position - Beginning, as previously reported on July 1, 2024	$ (100,295,400)
Change in accounting principle - adoption of GASB Statement No. 101	(44,587,038)
Net Position - Beginning, as restated on July 1, 2024	$ (144,882,438)

Note 15 - Subsequent Events

On September 25, 2025 the District issued $230,000,000 of Election of 2024 General Obligation Bonds, Series 2025A with a final maturity August 1, 2055. The bonds bear interest rates of ranging from 5.00% to 5.25%, depending on the maturity of the related bonds. Interest is payable semi-annually on February 1 and August 1 of each year.

On September 25, 2025 the District issued $20,000,000 of Election of 2024 General Obligation Bonds, Series 2025B with a final maturity August 1, 2026. The bonds bear an interest rate of 3.77%. Interest is payable semi-annually on February 1 and August 1 of each year.

Required Supplementary Information
June 30, 2025

Mt. San Antonio Community College District

	2025	2024	2023	2022
Total OPEB Liability				
Service cost	$ 5,682,959	$ 5,494,640	$ 5,227,331	$ 5,826,444
Interest	8,346,322	7,928,295	8,898,519	8,423,487
Difference between expected and actual experience	10,665,935	-	(26,223,478)	(489,323)
Changes of assumptions	-	-	853,076	-
Benefit payments	(6,606,319)	(6,009,127)	(5,515,992)	(5,372,611)
Net change in total OPEB liability	18,088,897	7,413,808	(16,760,544)	8,387,997
Total OPEB Liability - Beginning	145,554,440	138,140,632	154,901,176	146,513,179
Total OPEB Liability - Ending (a)	$ 163,643,337	$ 145,554,440	$ 138,140,632	$ 154,901,176
Plan Fiduciary Net Position				
Contributions - employer	$ 3,014,080	$ 3,434,203	$ 5,907,610	$ 11,887,894
Expected investment income	6,561,445	5,716,619	4,974,319	5,248,804
Differences between projected and actual earnings on OPEB plan investments	11,182,044	13,485,115	4,648,296	(13,303,556)
Benefit payments	(6,606,319)	(6,009,127)	(5,515,992)	(5,372,611)
Administrative expense	(216,759)	(199,387)	(163,540)	(174,332)
Net change in plan fiduciary net position	13,934,491	16,427,423	9,850,693	(1,713,801)
Plan Fiduciary Net Position - Beginning	116,780,760	100,353,337	90,502,644	92,216,445
Plan Fiduciary Net Position - Ending (b)	$ 130,715,251	$ 116,780,760	$ 100,353,337	$ 90,502,644
Net OPEB Liability - Ending (a) - (b)	$ 32,928,086	$ 28,773,680	$ 37,787,295	$ 64,398,532
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	79.88%	80.23%	72.65%	58.43%
Covered Employee Payroll	$ 214,891,517	$ 202,827,804	$ 177,233,693	$ 165,106,116
Net OPEB Liability as a Percentage of Covered Employee Payroll	15.32%	14.19%	21.32%	39.00%
Measurement Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022

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

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	$ 4,393,243	$ 4,421,064	$ 3,822,261	$ 3,205,326
Interest	6,506,852	7,057,582	5,142,996	4,448,610
Difference between expected and actual experience	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	(5,509,113)	(4,551,156)	(3,901,899)	(3,455,981)
Net change in total OPEB liability	15,673,675	(10,377,181)	18,616,006	16,297,973
Total OPEB Liability - Beginning	130,839,504	141,216,685	122,600,679	106,302,706
Total OPEB Liability - Ending (a)	$ 146,513,179	$ 130,839,504	$ 141,216,685	$ 122,600,679
Plan Fiduciary Net Position				
Contributions - employer	$ 8,366,313	$ 2,835,764	$ 2,500,000	$ 2,500,000
Expected investment income	3,700,336	3,691,005	2,980,113	3,022,658
Differences between projected and actual earnings on OPEB plan investments	13,371,579	(3,958,750)	1,784,292	(2,176,600)
Benefit payments	(5,509,113)	(4,551,156)	(4,119,042)	(3,972,152)
Administrative expense	(151,041)	(107,437)	(29,554)	(25,076)
Net change in plan fiduciary net position	19,778,074	(2,090,574)	3,115,809	(651,170)
Plan Fiduciary Net Position - Beginning	72,438,371	74,528,945	71,413,136	72,064,306
Plan Fiduciary Net Position - Ending (b)	$ 92,216,445	$ 72,438,371	$ 74,528,945	$ 71,413,136
Net OPEB Liability - Ending (a) - (b)	$ 54,296,734	$ 58,401,133	$ 66,687,740	$ 51,187,543
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	62.94%	55.36%	52.78%	58.25%
Covered Employee Payroll	$ 154,617,312	$ 147,121,558	$ 140,540,263	$ 130,855,132
Net OPEB Liability as a Percentage of Covered Employee Payroll	35.12%	39.70%	47.45%	39.12%
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.

	2025	2024	2023	2022	2021
Annual money-weighted rate of return, net of investment expense	17.41%	19.52%	10.46%	-8.98%	20.29%

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

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

	2025	2024	2023	2022
Year ended June 30,				
Proportion of the net OPEB liability	0.2483%	0.2167%	0.2377%	0.2420%
Proportionate share of the net OPEB liability	$ 661,918	$ 657,648	$ 783,132	$ 965,142
Covered payroll	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]
Plan fiduciary net position as a percentage of the total OPEB liability	-1.02%	-0.96%	-0.94%	-0.80%
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021

	2021	2020	2019	2018
Year ended June 30,				
Proportion of the net OPEB liability	0.2785%	0.2655%	0.2645%	0.1495%
Proportionate share of the net OPEB liability	$ 1,180,031	$ 988,718	$ 1,012,450	$ 628,750
Covered payroll	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]
Plan fiduciary net position as a percentage of the total OPEB liability	-0.71%	-0.81%	-0.40%	0.01%
Measurement Date	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.

	2025	2024	2023	2022	2021
CalSTRS					
Proportion of the net pension liability	0.1702%	0.1465%	0.1584%	0.1610%	0.1598%
Proportionate share of the net pension liability	$ 114,330,288	$ 111,596,761	$ 110,070,786	$ 73,256,848	$ 154,863,789
State's proportionate share of the net pension liability associated with the District	52,455,130	53,469,146	55,123,805	36,860,005	79,832,302
Total	$ 166,785,418	$ 165,065,907	$ 165,194,591	$ 110,116,853	$ 234,696,091
Covered payroll	$ 119,725,832	$ 100,709,874	$ 100,784,043	$ 94,453,950	$ 92,085,292
Proportionate share of the net pension liability as a percentage of its covered payroll	95.49%	110.81%	109.21%	77.56%	168.17%
Plan fiduciary net position as a percentage of the total pension liability	84%	81%	81%	87%	72%
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
CalPERS					
Proportion of the net pension liability	0.4242%	0.4415%	0.4269%	0.4228%	0.4070%
Proportionate share of the net pension liability	$ 151,619,327	$ 159,826,164	$ 146,883,169	$ 85,974,066	$ 124,871,091
Covered payroll	$ 83,101,972	$ 76,523,819	$ 64,322,073	$ 60,163,362	$ 55,036,266
Proportionate share of the net pension liability as a percentage of its covered payroll	182.45%	208.86%	228.36%	142.90%	226.89%
Plan fiduciary net position as a percentage of the total pension liability	72%	70%	70%	81%	70%
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020

	2020	2019	2018	2017	2016
CalSTRS					
Proportion of the net pension liability	0.1501%	0.1474%	0.1448%	0.1429%	0.1472%
Proportionate share of the net pension liability	$ 135,550,158	$ 135,439,720	$ 133,895,447	$ 115,568,294	$ 99,092,060
State's proportionate share of the net pension liability associated with the District	73,951,660	77,545,574	79,211,415	65,790,968	52,408,776
Total	$ 209,501,818	$ 212,985,294	$ 213,106,862	$ 181,359,262	$ 151,500,836
Covered payroll	$ 86,628,299	$ 82,708,857	$ 77,192,552	$ 71,864,548	$ 68,809,122
Proportionate share of the net pension liability as a percentage of its covered payroll	156.47%	163.75%	173.46%	160.81%	144.01%
Plan fiduciary net position as a percentage of the total pension liability	73%	71%	69%	70%	74%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
CalPERS					
Proportion of the net pension liability	0.3949%	0.3963%	0.3775%	0.3681%	0.3592%
Proportionate share of the net pension liability	$ 115,085,961	$ 105,659,179	$ 90,112,838	$ 72,708,922	$ 52,940,449
Covered payroll	$ 53,911,964	$ 48,146,275	$ 47,147,285	$ 43,907,285	$ 39,968,541
Proportionate share of the net pension liability as a percentage of its covered payroll	213.47%	219.45%	191.13%	165.60%	132.46%
Plan fiduciary net position as a percentage of the total pension liability	70%	71%	72%	74%	79%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015

	2025	2024	2023	2022	2021
CalSTRS					
Contractually required contribution	$ 23,754,594	$ 22,867,634	$ 19,235,586	$ 17,052,660	$ 15,254,313
Contributions in relation to the contractually required contribution	(23,754,594)	(22,867,634)	(19,235,586)	(17,052,660)	(15,254,313)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 124,369,602	$ 119,725,832	$ 100,709,874	$ 100,784,043	$ 94,453,950
Contributions as a percentage of covered payroll	19.10%	19.10%	19.10%	16.92%	16.15%
CalPERS					
Contractually required contribution	$ 24,486,178	$ 22,171,606	$ 19,414,093	$ 14,736,187	$ 12,453,816
Contributions in relation to the contractually required contribution	(24,486,178)	(22,171,606)	(19,414,093)	(14,736,187)	(12,453,816)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 90,521,915	$ 83,101,972	$ 76,523,819	$ 64,322,073	$ 60,163,362
Contributions as a percentage of covered payroll	27.050%	26.680%	25.370%	22.910%	20.700%

	2020	2019	2018	2017	2016
CalSTRS					
Contractually required contribution	$ 15,746,585	$ 14,103,087	$ 11,934,888	$ 9,710,823	$ 7,711,066
Contributions in relation to the contractually required contribution	(15,746,585)	(14,103,087)	(11,934,888)	(9,710,823)	(7,711,066)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 92,085,292	$ 86,628,299	$ 82,708,857	$ 77,192,552	$ 71,864,548
Contributions as a percentage of covered payroll	17.10%	16.28%	14.43%	12.58%	10.73%
CalPERS					
Contractually required contribution	$ 10,853,702	$ 9,737,579	$ 7,477,598	$ 6,547,815	$ 5,201,696
Contributions in relation to the contractually required contribution	(10,853,702)	(9,737,579)	(7,477,598)	(6,547,815)	(5,201,696)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 55,036,266	$ 53,911,964	$ 48,146,275	$ 47,147,285	$ 43,907,285
Contributions as a percentage of covered payroll	19.721%	18.062%	15.531%	13.888%	11.847%

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 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 economic 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 Plan 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 3.65% to 3.93% since the previous valuation. The Medicare Part A premium cost trend rate assumption was changed from 4.50% to 5.00%, while the Medicare Part B premium cost trend rate assumption was changed from 5.40% to 6.50% 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.

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

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.

Supplementary Information
June 30, 2025

Mt. San Antonio Community College District

Board of Trustees as of June 30, 2025

Member	Office	Term Expires
Peter Hidalgo	President	2028
Robert Hidalgo	Vice President	2026
Laura Santos	Clerk	2026
Dr. Manuel Baca	Member	2028
Gary Chow	Member	2026
Jay Chen	Member	2028
Judy Chen Haggerty, Esq.	Member	2026
Michelle Obasi	Student Trustee	2026

Administration as of June 30, 2025

Dr. Martha Garcia	President/CEO
Dr. Kelly Fowler	Vice President, Instruction
Shannon Carter	Acting Vice President, Administrative Services
Dr. Sokha Song	Vice President, Human Resources
Dr. Melba Castro	Vice President, Student Services
Dr. Madelyn Arballo	Vice President, Continuing Education

Auxiliary Organizations in Good Standing

Mt. San Antonio College Auxiliary Services, established 1982
Master Agreement revised July 1, 2022
Shannon Carter, Board President

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

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Student Financial Assistance Cluster			
Federal Pell Grant Program	84.063		$ 56,933,895
Federal Pell Grant Program Administrative Allowance	84.063		68,905
Federal Direct Student Loans	84.268		2,698,498
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		754,000
FSEOG Administrative Allowance	84.007		37,710
Federal Work-Study Program	84.033		841,587
Federal Work-Study Program Administrative Allowance	84.033		42,079
Subtotal Student Financial Assistance Cluster			61,376,674
TRIO Cluster			
Achieving in College, Ensuring Success (ACES)	84.042A		264,559
Upward Bond	84.047A		311,637
Subtotal TRIO Cluster			576,196
Health Careers Pre-apprenticeship and Apprenticeship Development	84.116Z		139,105
Wildland Fire Training Program	84.116Z		116,732
Subtotal			255,837
Creating an Equity-minded Campus Culture to Improve Student Outcomes	84.031S		193,895
Passed through Cal Poly Pomona Foundation, Inc.			
STARS: Student Success Transfer Articulation Research Supports Services	84.031C	P031C210068	98,459
Subtotal			292,354
Creating Japanese Cultural Exchanges and Study Abroad Opportunities	84.016A		44,311
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	1,434,418
Passed through California Community Colleges Chancellor's Office			
Career and Technical Education Act (CTEA), Title I, Part C	84.048A	24-C01-850	1,542,671
Total U.S. Department of Education			65,522,461

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	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	24-3022 A22-0055-S028	$ 74,860
Passed through California Department of Social Services			
Nutrition Assistance Program (Fresh Success)	10.561	3979-19-3041	389
Subtotal SNAP Cluster			75,249
Passed through California Department of Social Services			
Child and Adult Care Food Program	10.558	13666	138,222
Total U.S. Department of Agriculture			213,471
National Endowment for the Humanities			
Promoting Equity by Examining College History through Digital Photos	45.162		25,375
National Science Foundation			
Research and Development Cluster			
Applying a Digital Tool to Support Self-regulated Learning Strategies in Introductory Geoscience Courses	47.076		33,326
Inspiring Innovation: Two-year College Geoscience Faculty as Agents of Change	47.076		42,670
Preparing a Skilled Technical Workforce through Utilization and Assessment of Undergraduate Research	47.076		228,803
Developing Pathways to Engineering Technology Careers	47.076		35,495
Virtual Workshop to Develop NSF Grant Proposals	47.076		120,046
Structuralizing a Growth Mindset Assessment Strategy in an Undergraduate General Chemistry Curriculum	47.076		17,657
Passed through Cal Poly Pomona Foundation, Inc.			
Bridging Institutions to Decrease Gaps in Engineering Education (BRIDGE)	47.076	DUE-2225128	33,308
Passed through WESTED			
Scaling Up through Networked Improvement (SUNI)	47.076	DUE-1820830	12,084
Subtotal Research and Development Cluster			523,389
U.S. Department of Veterans Affairs			
Veterans Services	64.027		9,792

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
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]	$ 106,601
Passed through Los Angeles County Department			
of Public Social Services			
Temporary Assistance for Needy Families (TANF)	93.558	CCCP21008	129,550
Subtotal			236,151
Child Care and Development Fund (CCDF) Cluster			
Passed through California Department of Education			
COVID-19: Child Care and Development Block Grant	93.575	15641	12,015
Passed through California Department of Social Services			
Child Care and Development Block Grant	93.575	CCTR-4133	706,959
Child Care Mandatory and Matching Funds of the			
Child Care and Development Fund	93.596	CCTR-4133	35,421
Passed through Yosemite Community College District			
Child Development Training Consortium	93.575	CN100053	13,800
Subtotal CCDF Cluster			768,195
Passed through Baldwin Park Unified School District			
Head Start Cluster			
Head Start	93.600	64287	112,622
Subtotal Head Start Cluster			112,622
Total U.S. Department of Health and Human Services			1,116,968
Total Federal Financial Assistance			$ 67,411,456

[1] Pass-Through Identifying Number not available.

Program	Program Revenues Cash Received	Accounts Receivable	Unearned Revenue	Accounts Payable	Total Revenue	Program Expenditures
African American Male Education Network Development (A2MEND)	$ 48,008	$ -	$ 29,833	$ -	$ 18,175	$ 18,175
Apprenticeship Innovation Funding Support	17,778	-	17,778	-	-	-
Asian American, Native Hawaiian and Pacific Islander (AANHPI) Student Achievement Program	350,413	-	202,327	-	148,086	148,086
Basic Needs Services Support	822,801	-	-	-	822,801	822,801
Basic Needs Centers and Staffing Support	1,445,830	-	860,911	-	584,919	584,919
Behavioral Health Mentored Internship Program (BHMIP)	14,733	-	4,426	-	10,307	10,307
Board Financial Assistance Program (BFAP)	1,602,425	-	504,774	-	1,097,651	1,097,651
Board Financial Assistance Program (BFAP) - Student Success Completion Grant (SSCG)	18,047,529	-	3,059,781	-	14,987,748	14,987,748
Board Financial Assistance Program (BFAP) - SFAA One-Time	492,044	-	-	-	492,044	492,044
California Adult Education Program (CAEP) - Regional Consortium	1,820,910	-	893,178	-	927,732	927,732
California Apprenticeship Initiative (CAI) - Healthcare, Pharmacy Tech and Medical Assistant	240,000	16,928	-	-	256,928	256,928
California Apprenticeship Initiative (CAI) Vocational Nursing Planning Project	5,697	-	-	-	5,697	5,697
California College Promise	1,807,785	-	17,233	-	1,790,552	1,790,552
California Conservation Corps (CCC) Partnership Initiative	17,000	-	-	-	17,000	17,000
California State Preschool Program (CSPP)	1,347,288	-	-	-	1,347,288	1,347,288
California State Preschool Program (CSPP) Cost of Care Plus Rate	200,754	-	190,592	-	10,162	10,162
California State Preschool Program (CSPP) Early Education	378,251	-	378,251	-	-	-
California Youth Leadership Corps, Environmental Justice Career Pathw	106,000	-	83,800	-	22,200	22,200
CalWORKS	1,001,093	-	166,921	-	834,172	834,172
CARE	729,591	-	198,015	-	531,576	531,576
Child 360 CSPP Block Grant	31,198	-	19,311	-	11,887	11,887
Child Care Federal and State Food Program	5,489	1,275	-	-	6,764	6,764
Child Care Providers United (CCPU)	197,712	-	197,712	-	-	-
Center of Excellence - Economic Development	1,426,511	-	418,101	-	1,008,410	1,008,410
Child Care, General Child Care and Development Programs	1,804,869	-	45,677	-	1,759,192	1,759,192
Child Care Tax Bailout	125,325	-	-	-	125,325	125,325
Classified Professional Development	32,041	-	20,261	-	11,780	11,780
Classified School Employee Summer Assistance Program	4,400	18,411	-	-	22,811	22,811

Program	Program Revenues: Cash Received	Accounts Receivable	Unearned Revenue	Accounts Payable	Total Revenue	Program Expenditures
College and Career Bridge Program	$ 302,242	$ 43,110	$ 135,699	$ -	$ 209,653	$ 209,653
Common Course Numbering (CCN) System	913,043	-	787,329	-	125,714	125,714
Covid-19 Recovery Block Grant	13,227,527	-	8,545,138	-	4,682,389	4,682,389
Culturally Responsive Pedagogy and Practices (CRPP) Innovative Best Practices	253,310	-	106,463	-	146,847	146,847
Direct Assessment CBE Collaborative	111,909	14,999	-	-	126,908	126,908
Disabled Student Programs & Services (DSPS)	6,207,551	-	1,247,694	-	4,959,857	4,959,857
Dream Resource Liaison	283,361	-	84,322	-	199,039	199,039
English Language Learner Healthcare Pathways	1,292,629	-	374,325	-	918,304	918,304
Equal Employment Opportunity (EEO)	316,441	-	167,044	-	149,397	149,397
Equal Employment Opportunity (EEO) Best Practices	240,490	-	63,591	-	176,899	176,899
Equitable Placement and Completion Grant Program	1,113,731	-	869,543	-	244,188	244,188
Ethnic Studies	46,695	-	3,898	-	42,797	42,797
Extended Opportunity Programs & Services (EOPS)	3,444,043	-	421,516	-	3,022,527	3,022,527
Financial Aid Technology Grant	111,973	-	42,673	-	69,300	69,300
Foster Youth College Access (FYCA) Demonstration Grant	90,000	-	90,000	-	-	-
Guided Pathways	914,303	-	602,143	-	312,160	312,160
Health Career Exploration Program	9,600	1,822	-	-	11,422	11,422
Instructional Equipment - COVID-19 Recovery Block Grant	2,001,228	-	1,286,596	-	714,632	714,632
Instructional Equipment and Library Materials	1,292,122	-	359,363	-	932,759	932,759
Institutional Effectiveness Partnership Initiative (IEPI) - Partnership Resource Team (PRT)	197,215	-	107,227	-	89,988	89,988
Justice System-Involved Youth Program	438,792	-	438,792	-	-	-
LGBTQ+	647,937	-	564,047	-	83,890	83,890
Local and Systemwide Technology and Data Security	352,866	-	204,444	-	148,422	148,422
Mathematics, Engineering, Science Achievement (MESA) Program	1,346,339	-	986,869	-	359,470	359,470
Mental Health Services Support	1,350,753	-	744,934	-	605,819	605,819
Native American Student Support and Success Program (NASSSP)	1,375,367	-	1,105,129	-	270,238	270,238
Next Up	3,439,907	-	1,073,550	-	2,366,357	2,366,357

Program	Program Revenues					
	Cash Received	Accounts Receivable	Unearned Revenue	Accounts Payable	Total Revenue	Program Expenditures
Nursing Program Support	$ 238,202	$ -	$ -	$ -	$ 238,202	$ 238,202
Pathways Mapper	30,000	-	30,000	-	-	-
Restoration of Library Services Platform	928	-	928	-	-	-
Rising Scholars Network	1,229,820	-	913,352	-	316,468	316,468
Song-Brown Registered Nurse Program	337,501	10,525	49,964	-	298,062	298,062
Strong Workforce Program (Local)	4,804,251	-	2,107,832	-	2,696,419	2,696,419
Strong Workforce Program (Regional)	679,232	462,871	-	-	1,142,103	1,142,103
Student Equity and Achievement Program (SEAP)	17,629,475	-	3,593,641	-	14,035,834	14,035,834
Student Transfer Achievement Reform Act of 2021	565,217	-	274,012	-	291,205	291,205
Student Retention and Outreach	1,344,629	-	-	211,337	1,133,292	1,133,292
Systemwide Tech Data Security	600,846	-	286,323	-	314,523	314,523
UMOJA Campus Programs	300,109	-	86,348	-	213,761	213,761
Veteran Resource Center	392,842	-	172,602	-	220,240	220,240
Youth Empowerment Strategies for Success-Independent Living Program (YESS-ILP)	11,460	8,929	-	-	20,389	20,389
Zero Textbook Cost Program	877,456	-	707,505	-	169,951	169,951
Total state programs	$ 104,486,817	$ 578,870	$ 35,943,718	$ 211,337	$ 68,910,632	$ 68,910,632

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2024 only)			
1. Noncredit*	4,808.34	-	4,808.34
2. Credit	2,393.81	-	2,393.81
B. Summer Intersession (Summer 2025 - Prior to July 1, 2025)			
1. Noncredit*	405.46	-	405.46
2. Credit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	11,217.06	-	11,217.06
(b) Daily Census Contact Hours	1,668.68	-	1,668.68
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit*	3,735.85	-	3,735.85
(b) Credit	652.82	-	652.82
3. Alternative Attendance Accounting Procedure Courses			
(a) Weekly Census Procedure Courses	5,270.92	-	5,270.92
(b) Daily Census Procedure Courses	3,494.08	-	3,494.08
(c) Noncredit Independent Study/Distance Education Courses	1,796.43	-	1,796.43
D. Total FTES	35,443.45	-	35,443.45
SUPPLEMENTAL INFORMATION (Subset of Above Information)			
E. In-Service Training Courses (FTES)	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Noncredit*	5,454.15	-	5,454.15
2. Credit	118.27	-	118.27
CCFS-320 Addendum			
CDCP Noncredit FTES	9,377.81	-	9,377.81

*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	$ 54,737,289	$ -	$ 54,737,289	$ 54,737,289	$ -	$ 54,737,289
Other	1300	55,327,375	-	55,327,375	55,327,375	-	55,327,375
Total Instructional Salaries		110,064,664	-	110,064,664	110,064,664	-	110,064,664
Noninstructional Salaries							
Contract or Regular	1200	-	-	-	19,840,567	-	19,840,567
Other	1400	-	-	-	2,989,967	-	2,989,967
Total Noninstructional Salaries		-	-	-	22,830,534	-	22,830,534
Total Academic Salaries		110,064,664	-	110,064,664	132,895,198	-	132,895,198
Classified Salaries							
Noninstructional Salaries							
Regular Status	2100	-	-	-	56,272,382	-	56,272,382
Other	2300	-	-	-	5,777,153	-	5,777,153
Total Noninstructional Salaries		-	-	-	62,049,535	-	62,049,535
Instructional Aides							
Regular Status	2200	3,302,507	-	3,302,507	3,302,507	-	3,302,507
Other	2400	2,105,304	-	2,105,304	2,105,304	-	2,105,304
Total Instructional Aides		5,407,811	-	5,407,811	5,407,811	-	5,407,811
Total Classified Salaries		5,407,811	-	5,407,811	67,457,346	-	67,457,346
Employee Benefits	3000	38,540,213	-	38,540,213	78,633,277	-	78,633,277
Supplies and Material	4000	-	-	-	2,668,535	-	2,668,535
Other Operating Expenses	5000	1,045,475	-	1,045,475	26,652,191	-	26,652,191
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		155,058,163	-	155,058,163	308,306,547	-	308,306,547

See Note to Supplementary Information

		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
<u>Exclusions</u>							
Activities to Exclude							
Instructional Staff - Retirees' Benefits and Retirement Incentives	5900	$ 911,078	$ -	$ 911,078	$ 911,078	$ -	$ 911,078
Student Health Services Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	478,171	-	478,171
Noninstructional Staff - Retirees' Benefits and Retirement Incentives	6740	-	-	-	1,595,803	-	1,595,803
Objects to Exclude							
Rents and Leases	5060	-	-	-	342,215	-	342,215
Lottery Expenditures							-
Academic Salaries	1000	-	-	-	915,752	-	915,752
Classified Salaries	2000	-	-	-	3,709,552	-	3,709,552
Employee Benefits	3000	-	-	-	2,295,793	-	2,295,793
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	$ -	$ -	$ -	$ -	$ -	$ -
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay							
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		911,078	-	911,078	10,248,364	-	10,248,364
Total for ECS 84362, 50% Law		$ 154,147,085	$ -	$ 154,147,085	$ 298,058,183	$ -	$ 298,058,183
Percent of CEE (Instructional Salary Cost/Total CEE)		51.72%		51.72%	100.00%		100.00%
50% of Current Expense of Education					$ 149,029,092		$ 149,029,092

See Note to Supplementary Information

Activity Classification	Object Code			Unrestricted
EPA Revenue:	8630			$ 58,309,395
Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	1000-5900	$ 58,309,395	$ -	$ -	$ 58,309,395
Total Expenditures for EPA		$ 58,309,395	$ -	$ -	$ 58,309,395
Revenues Less Expenditures					$ -

Amounts reported for governmental activities in the Statement of Net Position are different because		
Total fund balance		
Unrestricted general fund	$ 78,225,997	
Restricted general fund	12,960,656	
Child development	1,362,955	
Health services	1,247,397	
Debt service	54,992,593	
Capital outlay	40,457,031	
Bond construction	200,843,066	
Farm operations	325,923	
Other special revenue funds	3,252,637	
Total fund balance per CCFS-311 report	393,668,255	
Funds not included in the CCFS-311 report	147,120,087	
Total fund balance - all District funds		$ 540,788,342
Amounts held in trust on behalf of others (Retiree OPEB Trust and Custodial Funds)		(130,837,673)
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	1,421,285,217	
Accumulated depreciation and amortization	(354,808,166)	
Total capital assets, net		1,066,477,051
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	6,312,173	
Deferred outflows of resources related to OPEB	20,692,300	
Deferred outflows of resources related to pensions	104,986,709	
Total deferred outflows of resources		131,991,182
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.		(13,089,187)

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	$ (1,107,952,430)	
Subscription-based IT arrangements	(2,658,190)	
Compensated absences	(66,779,075)	
Aggregate net other postemployment benefits (OPEB) liability	(33,590,004)	
Aggregate net pension liability	(265,949,615)	
In addition, the District has issued 'capital appreciation' general obligation bonds. The accretion of interest unmatured on the general obligation bonds to date is	(164,974,879)	
Total long-term liabilities		$ (1,641,904,193)
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	(44,748,947)	
Deferred inflows of resources related to pensions	(24,471,599)	
Total deferred inflows of resources		(69,220,546)
Total net position (deficit)		$ (115,795,024)

	(Budget*) 2026		2025		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
General Fund								
Revenues								
Federal	$ 7,501,389	1.7	$ 6,038,368	1.5	$ 6,440,587	1.7	$ 9,907,161	2.9
State	312,901,621	70.0	289,808,185	70.6	275,466,441	74.5	234,482,235	68.8
Local	108,569,872	24.3	111,629,613	27.2	105,968,017	28.7	90,975,750	26.7
Total revenues	428,972,882	96.0	407,476,166	99.3	387,875,045	104.9	335,365,146	98.4
Expenditures								
Academic salaries	144,396,083	32.2	143,662,225	35.0	131,561,939	35.5	121,217,552	35.6
Classified salaries	99,601,030	22.3	92,952,261	22.6	87,809,832	23.7	80,825,310	23.7
Employee benefits	89,711,021	20.1	91,311,310	22.2	86,020,977	23.3	82,430,312	24.2
Supplies and materials	14,680,733	3.3	6,008,895	1.5	5,753,338	1.6	5,817,833	1.7
Other operating expenses	65,035,770	14.6	38,283,705	9.3	33,151,566	9.0	31,477,437	9.2
Capital outlay	9,022,468	2.0	5,850,200	1.4	8,750,419	2.4	5,449,764	1.6
Other sources and uses, net	24,442,307	5.5	32,687,445	8.0	16,619,317	4.5	13,539,895	4.0
Total expenditures and other uses	446,889,412	100.0	410,756,041	100.0	369,667,388	100.0	340,758,103	100.0
Increase (Decrease) in Fund Balance	$ (17,916,530)	(4.0)	$ (3,279,875)	(0.8)	$ 18,207,657	4.9	$ (5,392,957)	(1.6)
Assigned Fund Balance	9,424,937	2.1	17,972,654	4.4	31,838,881	8.6	24,787,490	7.3
Unassigned Fund Balance	62,472,784	14.0	60,253,343	14.7	39,807,409	10.8	28,328,421	8.3
Restricted Fund Balance	1,372,402	0.3	12,960,656	3.2	10,520,222	2.8	10,842,944	3.2
Total Ending Fund Balance	$ 73,270,123	16.4	$ 91,186,653	22.2	$ 82,166,512	22.2	$ 63,958,855	18.8
Full-Time Equivalent Students	35,009		35,443		33,717		30,410	
Total Long-Term Liabilities, Including Retiree Benefit Liability	N/A		$ 1,582,664,639		$ 1,347,778,247		$ 1,380,388,601	

IMPORTANT NOTES:

The California Community College Chancellor's Office has recommended that districts adopt formal policies to maintain sufficient unrestricted reserves with a suggested minimum of two months of total general fund operating expenditures. As such, the District's Board Policy requires to budget a total reserve at not less than 10% of total unrestricted general fund expenditures and a total unrestricted general fund ending balance of at least 18.5% of total unrestricted general fund expenditures.

* Unrestricted General Fund expenditures for 2025-2026 budget year are projected to be $330,115,710. Therefore, $33,011,571 has been set aside to meet the District's policy of Unrestricted General Fund Reserves at not less than 10% of total expenditures. In the fiscal year 2024-2025, total expenditures accounted for $336,527,850 with a 10% Board Policy Reserves at $33,652,785 and a 23.25% ending balance of $78,225,997. The ending balance of 23.25% exceeded the 18.5% board policy requirement.

All percentages are of total unrestricted and restricted expenditures combined.

* The 2025-2026 budget presents the budget adopted by the Board of Trustees on September 10, 2025. The budget has been included for analytical purposes and has not been subjected to audit.

Long-term liabilities are reported for the District as a whole and includes debt related to all funds. Long-term liabilities reported above excludes unamortized premium. Long-term liabilities for the years ended June 30, 2024 and 2023, have not been restated for the implementation of GASB Statement No. 101. See Note 14 for further information.

	General Fund		
	Adopted Budget*	Actual	Variance
Revenues			
Federal revenues			
Higher Education Act	$ 214,649	$ 1,814,800	$ 1,600,151
Temporary Assistance for Needy Families	225,977	236,151	10,174
Student Financial Aid	1,553,000	106,615	(1,446,385)
Veterans Education	-	9,792	9,792
Vocational and Technical Education Act	1,542,671	1,542,671	-
Other federal revenues	3,593,062	2,328,339	(1,264,723)
State revenues			
General apportionments	187,154,030	195,150,722	7,996,692
Categorical apportionments	102,100,217	63,551,547	(38,548,670)
Other state revenues	14,929,895	31,105,916	16,176,021
Local revenues			
Property taxes	74,133,213	78,101,604	3,968,391
Interest and investment income	9,692,694	7,868,611	(1,824,083)
Student fees and charges	17,752,506	20,594,929	2,842,423
Contributions	-	781,264	781,264
Other local revenues	3,449,081	4,283,205	834,124
Total revenues	416,340,995	407,476,166	(8,864,829)
Expenditures			
Academic salaries	131,768,737	143,662,225	(11,893,488)
Classified salaries	102,880,453	92,952,261	9,928,192
Employee benefits	84,122,303	91,311,310	(7,189,007)
Supplies and materials	14,580,064	6,008,895	8,571,169
Other operating expenses	71,569,420	38,283,705	33,285,715
Capital outlay	10,010,426	5,850,200	4,160,226
Total expenditures	414,931,403	378,068,596	36,862,807
Excess (Deficiency) of Revenues over Expenditures	1,409,592	29,407,570	(27,997,978)
Other Financing Sources (Uses)			
Proceeds from sale of capitalized equipment	14,000	45,660	31,660
Interfund transfers in	1,212,930	4,057,852	2,844,922
Interfund transfers out	(18,869,822)	(30,691,543)	(11,821,721)
Student financial aid	(6,167,777)	(6,099,414)	68,363
Total other financing sources (uses)	(23,810,669)	(32,687,445)	(8,876,776)
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources (Uses)	(22,401,077)	(3,279,875)	19,121,202
Fund Balance, Beginning of Year	82,166,512	94,466,528	(12,300,016)
Fund Balance, End of Year	$ 59,765,435	$ 91,186,653	$ 31,421,218

* The 2024-2025 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 as of June 30, 2025.

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, 2025. 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

California *Education Code* section 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 revenues and summarizes the expenditures of EPA revenues.

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, 2025

Mt. San Antonio Community College District

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*

To the 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 (*Government Auditing Standards*), the financial statements of the business-type activities, aggregate discretely presented component unit, and fiduciary activities of Mt. San Antonio Community College District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 9, 2026.

Adoption of New Accounting Standard

As discussed in Note 14 to the financial statements, the District has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences,* for the year ended June 30, 2025. Accordingly, a restatement has been made to the business-type activities net position as of July 1, 2024 to restate beginning net position. Our opinions are not modified with respect to this matter.

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.

eidebailly.com
901 Via Piemonte, Ste. 450 • Ontario, CA 91764-8504 • T 909.466.4410 • F 909.466.4431 • EOE

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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

Ontario, California
January 9, 2026

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

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

Report on Compliance for the Major Federal Program

Opinion on the 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 the District's major federal program for the year ended June 30, 2025. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Mt. San Antonio Community College District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

eidebailly.com
901 Via Piemonte, Ste. 450 • Ontario, CA 91764-8504 • T 909.466.4410 • F 909.466.4431 • EOE

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002. Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

Ontario, California
January 9, 2026

Independent Auditor's Report on State Compliance

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

Report on State Compliance

Opinion 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 2024-2025 California Community Colleges Chancellor's Office *Contracted District Audit Manual* applicable to the state laws and regulations identified below for the year ended June 30, 2025.

In our opinion, Mt. San Antonio Community College District complied, in all material respects, with the compliance requirements referred to above that are applicable to the state laws and regulations identified below that were audited for the year ended June 30, 2025.

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 2024-2025 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our responsibilities under those standards 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 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 opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

eidebailly.com
901 Via Piemonte, Ste. 450 • Ontario, CA 91764-8504 • T 909.466.4410 • F 909.466.4431 • EOE

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 2024-2025 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 2024-2025 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, we express no such opinion.

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 that we identify 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 Proposition 1D and 51 State Bond Funded Projects
Section 491 Education Protection Account Funds
Section 492 Student Representation Fee
Section 494 State Fiscal Recovery Fund
Section 498 COVID-19 Recovery 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 2024-2025 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Ontario, California
January 9, 2026

Schedule of Findings and Questioned Costs
June 30, 2025

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 program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a):	Yes

Identification of major program:

Name of Federal Program or Cluster	Federal Financial Assistance Listing
Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268

Dollar threshold used to distinguish between type A and type B programs:	$2,022,344
Auditee qualified as low-risk auditee?	Yes

STATE COMPLIANCE

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

None reported.

The following findings represent significant deficiencies in internal control over compliance and instances of noncompliance including questioned costs that are required to be reported by the Uniform Guidance.

2025-001 Special Test and Provisions – Enrollment Reporting

Federal Agency: U.S. Department of Education (ED)
Pass-Through Entity: Direct Funded
Program Name: Student Financial Assistance Cluster
Assistance Listing Numbers: 84.007, 84.033, 84.063, 84.268
Award Identification Numbers: P007A240491, P033A240491, P063P241158, P268K251158
Award Year: 2024-2025

Criteria

OMB *Compliance Supplement*, OMB No. 1845-0035 – Institutions are required to report enrollment information under the Pell grant and the Direct and FFEL loan programs via the National Student Loan Data System (NSLDS).

Institutions must review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website which the financial aid administrator can access for the auditor. The data on the institutions' Enrollment Reporting Roster, or Enrollment Maintenance page, is what NSLDS has as the most recently certified enrollment information. There are two categories of enrollment information: "Campus Level" and "Program Level," both of which need to be reported accurately and have separate record types. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS Enrollment Reporting Process.

Condition

Significant Deficiency in Internal Control over Compliance and Instance of Noncompliance – During testing over the NSLDS reporting requirements, five of sixty students' effective dates were not accurately reported in NSLDS (date of change does not agree to effective dates).

Questioned Costs

There are no questioned costs associated with the noncompliance.

Context

We tested a non-statistical sample of sixty students NSLDS reporting records. The District disbursed financial aid to approximately 12,657 students that required student enrollment and program enrollment reporting to NSLDS.

Effect

The District is not in compliance with the federal enrollment reporting requirements described in the OMB Compliance Supplement.

Cause
The District did not report enrollment information for students under the Pell Grant and Direct Loan Programs via NSLDS accurately. The District identified a technical issue related to extracting the correct enrollment effective date and, instead, reported the run date of the enrollment statuses.

Repeat Finding (Yes or No)
Yes. See prior year finding 2024-001.

Recommendation
The District should implement a process to review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website.

Views of Responsible Officials and Corrective Action Plan
The discrepancies noted during the 2024–2025 Financial Aid Audit were found to be attributable to a separate system configuration issue, distinct from the discrepant records identified in the 2023–2024 annual audit, which involved incorrect reporting of effective enrollment status dates.

To resolve this matter and prevent recurrence, the District has implemented the following corrective actions:

1. Root-Cause Analysis: Conducted a comprehensive review with IT, Admissions & Records, Financial Aid, and third-party consultants to isolate and correct the specific system errors.

2. Update Systems Settings: Updating systems settings to accurately select records for reporting along with the perspective effective date and accurately report the three-quarter time enrollment level.

3. Manual Verification: Financial Aid staff responsible for Return to Title IV (R2T4) processing will manually review all student enrollment records in NSLDS (approximately 2,400 annually) to ensure accuracy.

4. Ongoing Compliance Monitoring: Established quarterly joint compliance reviews with IT, Admissions and Financial Aid leadership to verify continued accuracy of NSC/NSLDS reporting and to ensure timely detection of anomalies.

2025-002 **Special Test and Provisions – Return to Title IV**

Federal Agency: U.S. Department of Education (ED)
Pass-Through Entity: Direct Funded
Program Name: Student Financial Assistance Cluster
Assistance Listing Number: 84.007, 84.033, 84.063, 84.268
Award Identification Numbers: P007A240491, P033A240491, P063P241158, P268K251158
Award Year: 2024-2025

Criteria
34 CFR section 668.173(b)

Returns of Title IV funds are required to be deposited or transferred into the SFA account or electronic fund transfers initiated to ED as soon as possible, but no later than 45 days after the date the institution determines that the student withdrew. Returns by check are late if the check is issued more than 45 days after the institution determined the student withdrew or the date on the canceled check shows the check was endorsed more than 60 days after the date the institution determined that the student withdrew.

Condition
Significant Deficiency in Internal Control over Compliance and Instance of Noncompliance – Nine of the sixty Return to Title IV calculations were returned later than 45 days after the institution determined the student withdrew.

Questioned Costs
There are no questioned costs associated with this finding. All funds were returned, however, not within the 45-day requirement.

Context
We tested a non-statistical sample of sixty Return to Title IV calculations of a total of 683 calculations performed by the District during the year ended June 30, 2025.

Effect
Without proper monitoring of the timing of student withdrawals and calculations of Return to Title IV, the District risks noncompliance with the above referenced criteria.

Cause
The District's internal controls did not have adequate internal controls and monitoring procedures in place to ensure timely identification and processing of Return of Title IV funds. This resulted in instances in which the return of funds was not completed within the required time frame.

Repeat Finding (Yes or No)
No.

Recommendation
The District should implement procedures and improve controls over the review of the calculations to ensure funds are returned in a timely manner.

Views of Responsible Officials and Corrective Action Plan
During Fall 2024, the Financial Aid Office experienced the departure of two key senior staff members who were primarily responsible for Return to Title IV (R2T4) processing and the reversal of federal funds. As a result, new staff were temporarily assigned to manage these responsibilities during the transition period, which contributed to delays in returning funds within the required regulatory timeframe.

A comprehensive review of all R2T4 calculations completed during the 2024–2025 aid year determined that records processed prior to mid-November 2024 had over awarded funds returned within the applicable 45- and 30-day regulatory timeframes. This timeframe aligns with the period when the responsible staff members announced their retirements.

To resolve this matter and prevent recurrence, the District has implemented the following corrective measures.

Targeted R2T4 Training: Staff responsible for Return to Title IV (R2T4) processing and disbursement reversals are in the process of completing the National Association of Student Financial Aid Administrators (NASFAA) R2T4 credential training. This certification will ensure staff possess consistent, up-to-date knowledge of federal requirements around the R2T4 process to include the timelines required to return over-awarded funds to the department.

Automated Monitoring Report: A recurring monitoring report has been established to identify students with pending Returns of Title IV (R2T4) funds. The report automatically flags cases exceeding 30 days and, for students who withdrew prior to the start of the term, those exceeding 20 days. Department managers will generate and review this report on a weekly basis to ensure timely compliance with federal return requirements. In instances where pending returns are identified as being past the alert threshold, Financial Aid management will promptly coordinate with Fiscal Services to expedite the return of funds and document resolution actions.

Cross-Training for Continuity of Operations: Ongoing cross-training has been implemented among Financial Aid staff to ensure sufficient coverage during vacations, extended leaves, or unexpected absences. At least two designated staff members will be fully trained and authorized to perform R2T4 calculations and return processing to prevent delays in compliance during personnel transitions.

These measures strengthen accountability, monitoring, and collaboration between the Financial Aid and Fiscal Services departments to ensure full compliance with federal cash management and return regulations.

None reported.

Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

Financial Statement Findings

None reported.

Federal Awards Findings

2024-001 Special Test and Provisions – Enrollment Reporting

Program Name: Student Financial Assistance Cluster
Assistance Listing Number: 84.063, 84.268, 84.007, and 84.033
Federal Agency: U.S. Department of Education (ED)
Direct funded by the U.S. Department of Education (ED)
Significant deficiency in Internal Controls and Noncompliance

Criteria or Specific Requirements
OMB Compliance Supplement, OMB No. 1845-0035 – Institutions are required to report enrollment information under the Pell grant and the Direct and FFEL loan programs via the National Student Loan Data System (NSLDS).

Institutions must review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website which the financial aid administrator can access for the auditor. The data on the institutions' Enrollment Reporting Roster, or Enrollment Maintenance page, is what NSLDS has as the most recently certified enrollment information. There are two categories of enrollment information: "Campus Level" and "Program Level", both of which need to be reported accurately and have separate record types. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS Enrollment Reporting Process.

Condition
Significant Deficiency in Internal Control over Compliance – During testing over the NSLDS reporting requirements, 29 of 60 students' effective dates were not accurately reported in NSLDS (date of change do not agree to effective dates).

Questioned Costs
There are no questioned costs associated with the noncompliance.

Context
The District disbursed financial aid to approximately 1,449 students that required student enrollment and program enrollment reporting to NSLDS.

Effect
The District is not in compliance with the federal enrollment reporting requirements described in the OMB compliance supplement.

Cause
The District did not report enrollment information for students under the Pell Grant and Direct Loan Programs via NSLDS accurately. The District identified a technical issue related to extracting the correct enrollment effective date and, instead, reported the run date of the enrollment statuses.

Recommendation
The District should implement a process to review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website.

Current Status
Not implemented. See current year finding 2025-001.

State Compliance Findings

None reported.

Assessed valuation for fiscal year 2024-25	$ 117,778,647,787	(2)
Assessed valuation for fiscal year 2025-26	$ 124,623,279,890	(2)
Secured tax levies for fiscal year 2024-25	$ 28,261,342	(1)
Secured tax delinquencies for fiscal year 2024-25	$ 1,413,714	(1)
Secured tax collections for fiscal year 2024-25	$ 26,847,628	(1)

	Property Owner	Land Use	2024-2025 Assessed Valuation (2)	% of Total (3)
1.	Rexford Industrial	Industrial	$ 516,690,920	0.44%
2.	Majestic Realty Co.	Industrial	445,758,595	0.38%
3.	Prologis	Industrial	375,090,229	0.32%
4.	Gilead Sciences Inc.	Industrial	365,950,162	0.31%
5.	Plaza West Covina LLC	Shopping Center	294,580,696	0.25%
6.	Industry East Land LLC - Lessee	Industrial	235,285,021	0.20%
7.	GREF Eastland Center LP	Shopping Center	202,023,184	0.17%
8.	Colony At The Lakes LLC	Retail/Apartments	188,939,712	0.16%
9.	Kaiser Foundation Health Plan	Medical Offices	178,711,630	0.15%
10.	San Gabriel Valley Water Company	Water Company	164,838,210	0.14%
11.	Newage PHM LLC	Shopping Center	152,800,524	0.13%
12.	Tropicana Manufacturing Company	Industrial	135,512,996	0.12%
13.	1301 East Gladstone Street	Shopping Center	134,704,796	0.11%
14.	JCC California Properties LLC	Commercial	132,972,160	0.11%
15.	Crow Family Holdings Industrial LP	Industrial	123,083,495	0.10%
16.	Scout Cold Storage	Industrial	121,726,800	0.10%
17.	Valley Industrial LLC	Industrial	112,987,432	0.10%
18.	Ecobat California Real	Industrial	112,637,969	0.10%
19.	BPP Pacific Industrial CA REIT	Industrial	106,496,267	0.09%
20.	Walnut Ridge Apartments LP	Apartments	106,338,785	0.09%
			$ 4,207,129,583	3.57%

(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 2024-2025 of $117,778,647,787.