Financial Statements
June 30, 2024

Mt. San Jacinto Community College District

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Mt. San Jacinto Community College District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Mt. San Jacinto Community College District, as of June 30, 2024, and the respective changes in financial position, and it's cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 opinion.

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13 and other required supplementary schedules on pages 55 through 61 as listed in the table of contents 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 an opinion 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, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Rancho Cucamonga, California
November 14, 2024

Using This Annual Report

The purpose of this annual report is to provide readers with information about the activities, programs and financial condition of Mt. San Jacinto Community College District (the District) as of June 30, 2024. The report consists of three basic financial statements: the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows and provides information about the District as a whole. This section of the annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2024. Please read it in conjunction with the District's financial statements, which immediately follow this section.

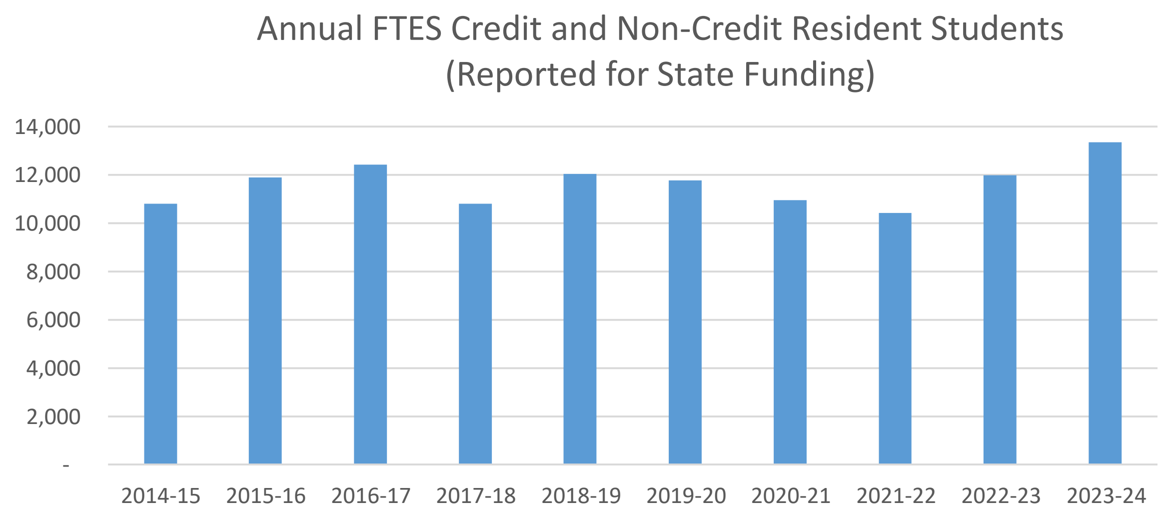
Overview of the Financial Statements

Mt. San Jacinto Community College District's financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 34*, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and No. 35, *Basic Financial Statements – and Management Discussion and Analysis - for Public College and Universities*. These statements allow for the presentation of financial activity and results of operations which focuses on the District’s Primary Government. The entity wide financial statements present the overall results of operations whereby all of the District's activities are consolidated into one total versus the traditional presentation by fund type. The focus of the Statement of Net Position is designed to be similar to the bottom line results of the District. This statement combines and consolidates current financial resources with capital assets and long-term liabilities. The Statement of Revenues, Expenses and Changes in Net Position focuses on the costs of the District's operational activities with revenues and expenses categorized as operating and nonoperating, and expenses are reported by natural classification. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

The California Community Colleges Chancellor's Office has recommended that all State community colleges follow the Business-Type Activity (BTA) model for financial statement reporting purposes.

Financial Highlights

The District's primary funding source is from apportionment received from the State of California. The primary basis of this apportionment is the calculation of Full-Time Equivalent Students (FTES). See the below chart for a historical perspective on the changes in FTES over the past 10 years.



During the 2023-2024 fiscal year, the District provided $44,875,726 in financial aid to students attending classes at its three campuses. This aid was provided in the form of grants, scholarships, and tuition reductions funded through the Federal government, State Chancellor's Office, and local resources as shown below.

Federal Pell Grants (PELL)	$ 28,703,494
Federal Supplemental Education Opportunity Grants (FSEOG)	856,800
Federal Work-Study Program (FWS)	414,872
State of California Cal Grant B and C (CALG-B and C)	3,415,418
California Community College Board of Governor's Fee Waiver	11,485,142
Total financial aid provided to students	$ 44,875,726

The District As A Whole

Net Position

The District's Net Position increased by $54.6 million for the year ending June 30, 2024.

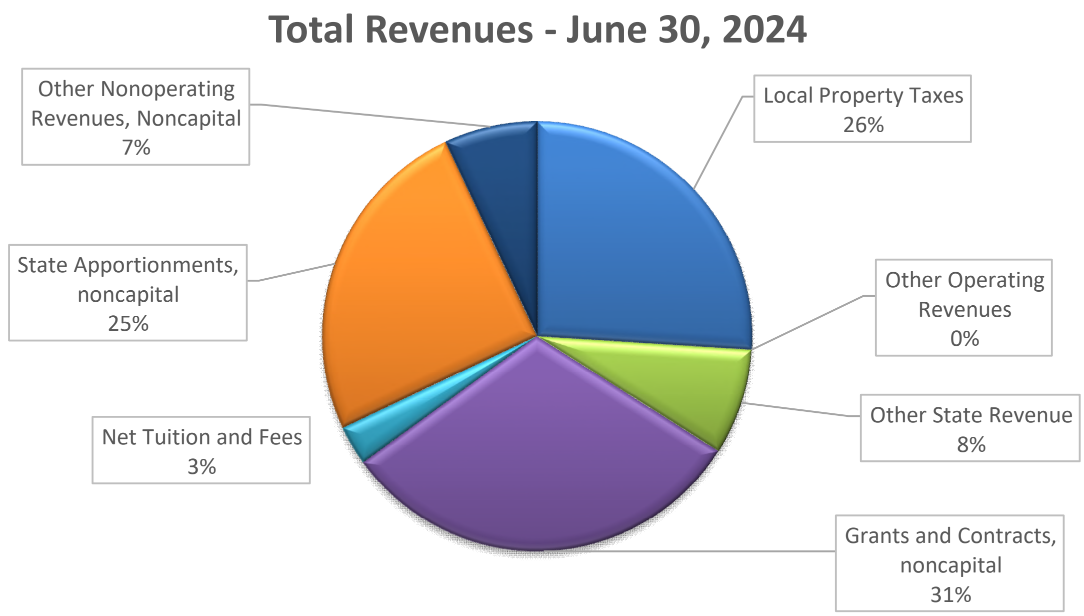
	2024	2023	Change
Assets			
Cash and investments	$ 209,352,964	$ 199,492,538	$ 9,860,426
Receivables	17,939,976	30,632,962	(12,692,986)
Other current assets	853,091	918,709	(65,618)
Capital assets, net	376,426,290	353,037,184	23,389,106
Total assets	604,572,321	584,081,393	20,490,928
Deferred Outflows of Resources	40,318,604	33,216,601	7,102,003
Liabilities			
Accounts payable and accrued liabilities	48,570,785	72,889,605	(24,318,820)
Current portion of long-term liabilities	6,070,021	7,560,059	(1,490,038)
Noncurrent portion of long-term liabilities	367,813,847	367,047,675	766,172
Total liabilities	422,454,653	447,497,339	(25,042,686)
Deferred Inflows of Resources	8,385,689	10,387,627	(2,001,938)
Net Position			
Net investment in capital assets	132,873,966	116,568,017	16,305,949
Restricted	70,875,229	53,238,520	17,636,709
Unrestricted (deficit)	10,301,388	(10,393,509)	20,694,897
Total net position	$ 214,050,583	$ 159,413,028	$ 54,637,555

Operating Results for the Year

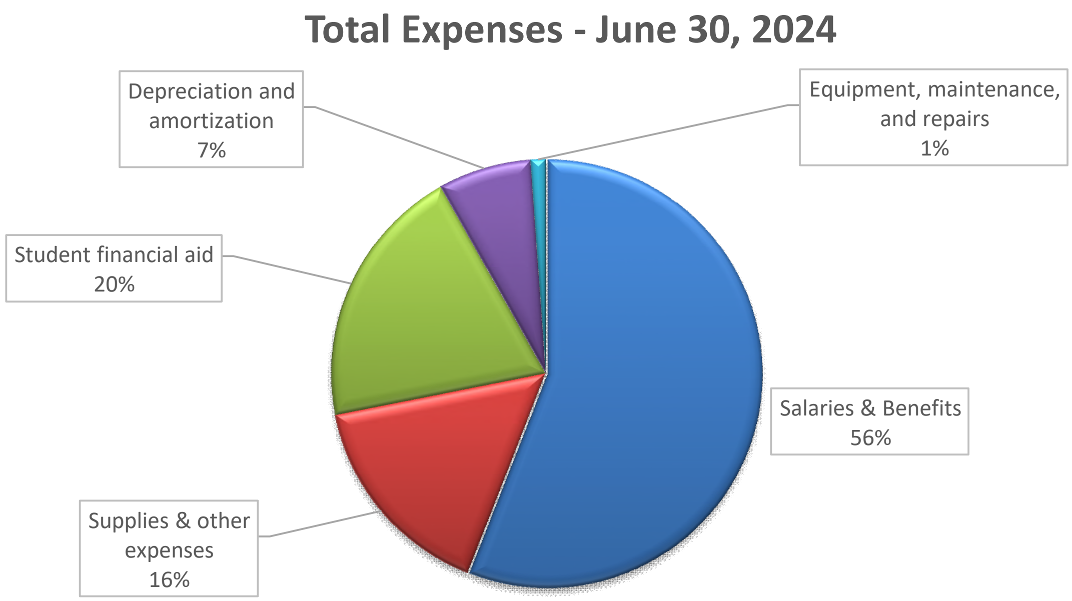
The results of this year's operations for the District as a whole are reported in the Statements of Revenues, Expenses and Changes in Net Position on page 15.

	2024	2023	Change
Operating Revenues			
Net Tuition and fees	$ 7,744,055	$ 5,123,395	$ 2,620,660
Grants and contracts, noncapital	45,007,546	43,306,651	1,700,895
Auxiliary sales and charges	192,019	423,321	(231,302)
Total operating revenues	52,943,620	48,853,367	4,090,253
Operating Expenses			
Salaries and benefits	112,735,755	97,518,850	15,216,905
Supplies, services, equipment, and maintenance	24,812,634	22,913,182	1,899,452
Student financial aid	41,134,788	36,825,230	4,309,558
Depreciation and amortization	14,428,555	12,882,060	1,546,495
Total operating expenses	193,111,732	170,139,322	22,972,410
Operating loss	(140,168,112)	(121,285,955)	(18,882,157)
Nonoperating Revenues (Expenses)			
State apportionments, noncapital	64,157,717	53,288,187	10,869,530
Property taxes	66,211,659	59,858,677	6,352,982
Student financial aid grants	35,566,624	27,944,479	7,622,145
State revenues	5,321,556	4,434,150	887,406
Net interest expense	2,468,247	(3,877,344)	6,345,591
Other nonoperating revenues	5,905,014	5,151,238	753,776
Total nonoperating revenue (expenses)	179,630,817	146,799,387	32,831,430
Other Revenues			
State and local capital income	15,174,850	24,492,105	(9,317,255)
Change in net position	$ 54,637,555	$ 50,005,537	$ 4,632,018

The District's primary revenue is from the State apportionment, local property taxes, student enrollment fees, and grants. Property taxes levied and received from property within the County increased in 2023-2024. State apportionments increased based on the Student Centered Funding Formula (SCFF) and system wide revenue and allocations. The composition of operating and nonoperating revenues for the year ended June 30, 2024 are reflected below:



The District's expenses consisted primarily of employee salaries, benefits, supplies and operating items, and payments to students for financial aid. Total salaries and benefits increased $15.2 million over the prior year, due to providing salary schedule equity and annual raises through labor negotiations with CWA, CSEA, and CTA.



In accordance with requirements set forth by the California Community Colleges Chancellor's Office, the District reports operating expenses by object code. Operating expenses by functional classification are as follows:

	Salaries and Employee Benefits	Supplies, Material, and Other Expenses and Services	Student Financial Aid	Depreciation and Amortization	Total
Instructional activities	$ 48,476,457	$ 1,068,241	$ -	$ -	$ 49,544,698
Academic support	12,082,636	671,042	-	-	12,753,678
Student services	16,564,745	604,340	459,217	-	17,628,302
Plant operations and maintenance	5,182,063	2,108,882	-	-	7,290,945
Instructional support services	20,695,185	3,283,324	-	-	23,978,509
Community services and economic development	2,350,243	286,490	-	-	2,636,733
Ancillary services and auxiliary operations	5,103,407	894,493	-	-	5,997,900
Student aid	-	-	40,675,571	-	40,675,571
Physical property and related acquisitions	2,281,019	15,895,822	-	-	18,176,841
Unallocated depreciation and amortization	-	-	-	14,428,555	14,428,555
Total	$ 112,735,755	$ 24,812,634	$ 41,134,788	$ 14,428,555	$ 193,111,732

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the 2023-2024 fiscal year, the District had $476.6 million in a broad range of capital assets, including land, buildings, and furniture, equipment, leased assets, and subscription IT assets. At June 30, 2024, the District's net capital assets were $376.4 million. Major capital improvement projects are ongoing throughout the college campuses. These projects are primarily funded through the General Obligation Bonds issued by the District. Projects will be accounted for within our Construction in Progress account until the project is completed at which time the cost will be recorded in the depreciable capital asset categories.

	2024	2023	Net Change
Capital Assets			
Land and construction in progress	$ 108,861,055	$ 79,006,770	$ 29,854,285
Buildings and improvements, net	247,917,668	253,873,971	(5,956,303)
Furniture, equipment and vehicles, net	16,164,764	13,735,959	2,428,805
Right-to-use leased assets, net	1,883,178	2,532,178	(649,000)
Right-to-use subscription IT assets, net	1,599,625	3,888,306	(2,288,681)
Total capital assets, net	$ 376,426,290	$ 353,037,184	$ 23,389,106

We present more detailed information about our capital assets in Note 5 to the financial statements.

Long-Term Liabilities other than OPEB and Pensions

At the end of the 2023-2024 fiscal year, the District had $260.8 million in General Obligation Bonds outstanding, including premium on bonds. These bonds are repaid semi-annually, utilizing Debt Service Funds, in accordance with the debt service schedules.

In addition to the General Obligation Bonds, leases, and subscription-based IT arrangements, the District is obligated to employees of the District for vacation, and load banking.

	2024	2023	Net Change
General obligation bonds	$ 260,790,576	$ 267,479,511	$ (6,688,935)
Leases	1,776,004	2,378,437	(602,433)
Subscription-based IT arrangements	926,687	1,932,123	(1,005,436)
Other liabilities	3,098,214	2,935,444	162,770
Total long-term liabilities	266,591,481	274,725,515	(8,134,034)
Amount due within one year	6,070,021	7,560,059	(1,490,038)
Total long-term portion	$ 260,521,460	$ 267,165,456	$ (6,643,996)

We present more detailed information about our long-term liabilities in Note 6 to the financial statements.

Aggregate Net OPEB Liability and Aggregate Net Pension Liability

At year-end, the District has an aggregate net other postemployment benefit (OPEB) liability of $7,103,258 versus $7,129,873 last year, a decrease of $26,615, or 0.3%.

At year-end, the District has an aggregate net pension liability of $100,189,129 versus $92,752,346 last year, an increase of $7,436,783, or 8%.

Budgetary Highlights

Over the course of the year, the District revises its budget to provide for unanticipated changes in revenues and expenditures. The Board of Trustees adopted the final amendment for the fiscal year 2023–2024 budget on September 12, 2024.

Economic Factors Affecting the Future of the Mt. San Jacinto Community College District

The State of California approved its budget on June 26, 2024. The Governor's budget of $298 billion includes a 4.2% decrease from the FY2023-2024 enacted budget. The Governor has incorporated a new two-year budget plan going forward to help offset the state's budget deficit.

The State budget includes 1.07% Cost of Living Adjustment (COLA), 0.5% growth funding, and $486.2 million one-time funds to the Student Center Funding Formula (SCFF).

The 2021 Budget Act extended the hold harmless provision until 2024-25, ensuring that districts will earn at least their 2017-18 total computational revenue, adjusted by COLA each year.

Districts will continue to be funded based on the higher of current year SCFF, prior year SCFF adjusted for COLA, or Hold Harmless based on 2017-18 Total Computational Revenue (TCR) plus COLA for each year thru 2024-25 at which time a district's 2024-25 funding will represent its new "floor," below which it cannot drop. Starting in 2025-26, districts will be funded at their SCFF generated amount that year or their "floor" (2024-25 funding amount), whichever is higher.

The State Budget provides funding for continuing construction projects. This includes funding for two high-priority science, technology, engineering, and math (STEM) building projects for our San Jacinto and Menifee Valley campuses. Approximately half of the cost of the STEM projects will be paid for out of Measure AA funds. The remainder will be funded from Prop. 51, approved by voters in November 2016.

District Facilities

On the San Jacinto Campus, a $39 million, 36,922 square-foot STEM building will include science labs and lecture rooms, general classrooms, math and general studies labs and faculty offices. The Menifee Valley Campus will be adding a $49.7 million, 41,865 square-foot state-of-the-art STEM building featuring laboratory and multi-use, computer-based instructional areas. These buildings have been in our plans for several years and this state funding will help us finally bring them to the communities we serve. The San Jacinto Campus Science and Technology Building and the Menifee Valley Campus Math and Science Building should be completed in 2024.

Our five story, 350,000 square-foot Temecula Valley Campus has been completed and students have been enrolling since Fall 2021. The renovation of the 700 building at the Menifee Valley Campus for our new Student Services Center has also been completed and provides our students with gathering spaces, café, and other student services. The refresh of the 1150 building at San Jacinto Campus for our updated Student Services Center has been completed and provides students with access to enrollment services, counseling services and Financial Aid. To improve safety for our students and community, we worked with the City of Menifee to construct a new traffic signal for the Menifee Valley Campus Antelope Road entrance.

The construction of a 5,000 seat Stadium at the Menifee Valley Campus has been completed. The Stadium provides the campus and the community with a venue for sporting and other events. Other renovation projects include: replacing heating, ventilation, and air conditioning (HVAC) units on San Jacinto and Menifee Valley Campuses and providing access controls to all our campuses.

Other Highlights

Mt. San Jacinto College has been providing food distributions on both the San Jacinto and Menifee Campuses in the last four years and throughout the pandemic. Both campuses now house permanent food pantries.

Mt. San Jacinto College is in the process of eliminating equity barriers by establishing a New Strategic Equity Plan. The following goals will initiate the work to eliminate equity issues and barriers for students, faculty, and staff.

Goal 1: Promote, encourage, and create a culture of racial equity, diversity, and inclusion to address and eliminate systemic racism, academic barriers, and educational injustice through implementation of culturally responsive and affirming practices.

Goal 2: Create structured educational experiences that support students from point of entry to timely and efficient attainment of educational goal in both on campus and distance education environments.

Goal 3: Implement, strengthen, and transform curriculum, classroom management, and academic and student support services to focus on the success and retention of our highest priority students in both on campus and distance education environments.

Goal 4: Foster an institutional climate that promotes inclusivity, is welcoming and engaging, and creates community and belonging for students, faculty, and staff.

Goal 5: Partner with local business, industry, cities, and communities to increase experiential opportunities for student to explore, transition-to, or promote within the regional workforce.

Goal 6: Strategic Enrollment, Planning, and Fiscal Responsibility: Support the optimization of strategic enrollment management, planning, and student success to ensure fiscal viability.

Goal 7: Facilities Planning and Improvement – Provide facilities at all locations that are inviting, accessible, and safe.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Mt. San Jacinto Community College District at 41888 Motor Car Parkway, Temecula, CA 92591.

Assets	
Cash and cash equivalents	$ 1,755,836
Investments	207,597,128
Accounts receivable	17,939,976
Prepaid expenses	851,425
Inventories	1,666
Capital assets not depreciated or amortized	108,861,055
Capital assets, net of accumulated depreciation and amortization	267,565,235
Total assets	604,572,321
Deferred Outflows of Resources	
Deferred outflows of resources related to OPEB	3,792,872
Deferred outflows of resources related to pensions	36,525,732
Total deferred outflows of resources	40,318,604
Liabilities	
Accounts payable	18,582,809
Accrued interest payable	3,734,026
Unearned revenue	26,253,950
Long-term liabilities	
Long-term liabilities other than OPEB and pensions, due within one year	6,070,021
Long-term liabilities other than OPEB and pensions, due in more than one year	260,521,460
Aggregate net other postemployment benefits (OPEB) liability	7,103,258
Aggregate net pension liability	100,189,129
Total liabilities	422,454,653
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	347,487
Deferred inflows of resources related to pensions	8,038,202
Total deferred inflows of resources	8,385,689
Net Position	
Net investment in capital assets	132,873,966
Restricted for	
Debt service	36,956,917
Capital projects	29,693,813
Educational programs	1,567,725
Other activities	2,656,774
Unrestricted	10,301,388
Total Net Position	$ 214,050,583

Operating Revenues	
Tuition and fees	$ 19,229,197
Less: Scholarship discounts and allowances	(11,485,142)
Net tuition and fees	7,744,055
Grants and contracts, noncapital	
Federal	9,249,217
State	35,461,155
Local	297,174
Total grants and contracts, noncapital	45,007,546
Other operating revenues	192,019
Total operating revenues	52,943,620
Operating Expenses	
Salaries	82,978,138
Employee benefits	29,757,617
Supplies, materials, and other operating expenses and services	22,623,211
Student financial aid	41,134,788
Equipment, maintenance, and repairs	2,189,423
Depreciation and amortization	14,428,555
Total operating expenses	193,111,732
Operating Loss	(140,168,112)
Nonoperating Revenues (Expenses)	
State apportionments, noncapital	64,157,717
Local property taxes, levied for general purposes	47,701,172
Taxes levied for other specific purposes	18,510,487
Federal and State financial aid grants	35,566,624
State taxes and other revenues	5,321,556
Investment income	8,621,997
Interest expense on capital related debt	(7,934,982)
Investment income on capital asset-related debt, net	1,781,232
Other nonoperating revenue	5,905,014
Total nonoperating revenues (expenses)	179,630,817
Income Before Other Revenues	39,462,705
Other Revenues	
State revenues, capital	13,592,462
Local revenues, capital	1,582,388
Total other revenues	15,174,850
Change In Net Position	54,637,555
Net Position, Beginning of Year	159,413,028
Net Position, End of Year	$ 214,050,583

Operating Activities	
Tuition and fees	$ 7,440,365
Federal, state, and local grants and contracts, noncapital	39,834,799
Payments to or on behalf of employees	(114,762,966)
Payments to vendors for supplies and services	(29,350,530)
Payments to students for scholarships and grants	(41,134,788)
Other operating receipts (payments)	192,019
Net cash flows from operating activities	(137,781,101)
Noncapital Financing Activities	
State apportionments	61,535,469
Federal and state financial aid grants	35,566,624
Property taxes - nondebt related	47,963,372
State taxes and other apportionments	5,290,687
Other nonoperating	5,711,444
Net cash flows from noncapital financing activities	156,067,596
Capital Financing Activities	
Purchase of capital assets	(45,080,033)
State revenue, capital	22,085,367
Local revenue, capital	1,582,388
Property taxes - related to capital debt	18,510,487
Principal paid on capital debt	(7,722,023)
Interest paid on capital debt	(9,081,688)
Interest received on capital asset-related debt	1,477,898
Net cash flows from capital financing activities	(18,227,604)
Investing Activities	
Change in fair market value of cash in county treasury	2,257,127
Interest received from investments	7,544,408
Net cash flows from investing activities	9,801,535
Change In Cash and Cash Equivalents	9,860,426
Cash and Cash Equivalents, Beginning of Year	199,492,538
Cash and Cash Equivalents, End of Year	$ 209,352,964

Reconciliation of Net Operating Loss to Net Cash Flows from Operating Activities	
Operating Loss	$ (140,168,112)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation and amortization	14,428,555
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Accounts receivable	3,364,224
Inventories	103
Prepaid expenses	65,515
Deferred outflows of resources related to OPEB	(376,259)
Deferred outflows of resources related to pensions	(6,725,744)
Accounts payable	(5,099,722)
Unearned revenue	(8,840,661)
Compensated absences	108,785
Load banking	53,985
Aggregate net OPEB liability	(26,615)
Aggregate net pension liability	7,436,783
Deferred inflows of resources related to OPEB	(48,732)
Deferred inflows of resources related to pensions	(1,953,206)
Total adjustments	2,387,011
Net cash flows from operating activities	$ (137,781,101)
Cash and Cash Equivalents Consist of the Following:	
Cash in banks	$ 1,755,836
Cash in county treasury	207,597,128
Total cash and cash equivalents	$ 209,352,964
Noncash Transactions	
Amortization of debt premiums	$ 1,048,935
Recognition of subscription based IT arrangement liabilities arising from obtaining right-to-use subscription IT assets	$ 474,154

Note 1 - Organization

The Mt. San Jacinto Community College District (the District) was established in 1962 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of the surrounding area. The District operates under a locally elected five-member Board of Trustees form of government, which establish the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, capital project funds, and proprietary funds, but these budgets are managed at the department level. Currently, the District consists of a single college with one center and two other offsite locations located within Riverside County. 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 has considered all potential component units in determining how to define the reporting entity using criteria set forth in accounting principles generally accepted in the United States of America. The basic criteria for including a component unit are (1) the economic resources held or received by the other entity are entirely or almost entirely for the direct benefit of the District, (2) the District is entitled to, or has the ability to otherwise access, a majority of the economic resources held or received by the other entity, and (3) the other entity's resources to which the District is entitled or has the ability to otherwise access are significant to the District. If any of these criteria are not met, the final criterion for including a component unit is whether the other entity is closely related to, or financially integrated with, the District. The District identified no component units.

Note 2 - Summary of Significant Accounting Policies

Financial Reporting Entity

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).

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. The District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as promulgated by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

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

Expenses are recorded on an 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 auxiliary enterprise services provided to students, faculty, and staff. The District does not record an allowance for uncollectible accounts because collectability of the receivables from such sources is probable.

Prepaid Expenses

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

Inventories

Inventories consist primarily of paper and office supplies for daily operational needs. Inventories are stated at cost, utilizing the average cost method. The cost is recorded as an expense as the inventory is consumed rather than when purchased.

Capital Assets, Depreciation, and Amortization

Capital assets are stated at cost at the date of acquisition. 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 $5,000, significantly increase the value, or extend the useful life of the structure, are capitalized. Routine repair and maintenance costs are charged to operating expenses in the year in which the expense is incurred.

Depreciation of equipment and vehicles, facilities, and other physical properties is provided using the straight-line method over the estimated useful lives of the respective assets, or in the case of assets acquired under capital leases, the shorter of the lease term or useful life. Costs for construction in progress are capitalized when incurred.

The following estimated useful lives are used to compute depreciation:

Land improvements	10-50 years
Buildings and improvements	10-50 years
Machinery and equipment	3-7 years

The District records the value of intangible right-to-use assets based on the underlying leased asset in accordance with GASB Statement No. 87, *Leases*. The right-to-use intangible asset is amortized each year for the term of the contract or useful life of the underlying asset.

The District records the value of right-to-use subscription IT assets based on the underlying subscription asset in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The right-to-use subscription IT asset is amortized each year for the term of the contract or useful life of the underlying asset.

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, 2024.

Compensated Absences and Load Banking

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. The current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignation and retirements that occur prior to year-end that have not yet been paid within the fund from which the employees who have accumulated the leave are paid. The District also participates in "load banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period. The liability for this benefit is reported on the government-wide financial statements.

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 never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, retirement credit for unused sick leave is applicable to all classified members who retire after January 1, 1999. At retirement, each member will receive a 0.004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is applicable to all academic employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full time.

Debt Premiums

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District reports deferred outflows of resources related to OPEB and pension related items. The deferred amounts related to OPEB and pension related items are associated with differences between expected and actual earnings on plan investments, changes of assumptions, and other OPEB and pension related changes.

In addition to liabilities, the Statement of Net Position reports a separate section for 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.

Leases

The District recognizes a lease liability and an intangible right-to-use leased asset in the government-wide financial statements. The District measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The right-to-use leased asset is initially measured as the initial amount of the lease liability, plus certain initial direct costs. Subsequently, the right-to-use leased asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription-based IT Arrangements

The District recognizes a subscription-based IT arrangement liability and an intangible right-to-use subscription IT asset (subscription IT asset) in the government-wide financial statements. The District measures the subscription-based IT arrangement liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription-based IT arrangement liability is reduced by the principal portion of subscription payments made. The right-to-use subscription IT asset is initially measured as the initial amount of the subscription-based IT arrangement liability, plus certain initial direct costs. Subsequently, the right-to-use subscription IT asset is amortized on a straight-line basis over the subscription term or useful life of the underlying asset.

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the District Plan and 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 MPP. For this purpose, the District Plan and 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 total OPEB liability will be paid primarily by the General Fund.

Unearned Revenue

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

Noncurrent Liabilities

Noncurrent liabilities include bonds and leases payable, subscription-based IT arrangements, compensated absences, load banking, the aggregate net 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. 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 $70,875,229 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** - Operating revenues include activities that have the characteristics of exchange transactions such as tuition and fees, net of scholarship discounts and allowances, Federal, State, and local grants and contracts, and sales and services of auxiliary enterprises.

- **Nonoperating Revenues** - 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** - 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** - 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 and are recorded in the District's financial records when received. When known and measurable, these recalculations and corrections are accrued in the year in which the FTES are generated.

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 Riverside bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when the County notifies the District of the availability of the revenues.

The voters of the District passed General Obligation Bonds in November 2014 for the acquisition, construction, and rehabilitation of facilities. 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 Riverside and remitted to the District.

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 scholarships discounts and allowances in the Statement of Revenues, Expenses and Change 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, 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 an operating expense 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 difference 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 has been eliminated in the consolidation process of the basic financial statements.

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 has been eliminated in the consolidation process of the basic financial statements.

Adoption of New Accounting Standard

Implementation of GASB Statement No. 100

As of July 1, 2023, the District adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The implementation of this standard requires additional presentation and disclosure requirements for accounting changes and error corrections. 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, 2024, consisted of the following:

	Primary Government
Cash on hand and in banks	$ 1,293,408
Cash in revolving	26,000
Cash with fiscal agent	436,428
Investments	207,597,128
Total deposits and investments	$ 209,352,964

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. 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. The District manages its exposure to interest rate risk by investing in the Riverside County Investment Pool and having the pool purchase a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The District maintains an investment of $207,597,128 with the Riverside County Investment Pool with an average weighted maturity of 462 days.

Credit Risk

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. The Riverside County Investment Pool was rated AAAf/S1 by Fitch Rating as of the year end.

Custodial Credit Risk

Deposits

This 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 for deposits. 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, 2024, the District's bank balance was fully insured and/or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

Note 4 - Accounts Receivable

Accounts receivable as of June 30, 2024 consisted of the following:

	Primary Government
Federal Government	
Categorical aid	$ 3,701,738
State Government	
Apportionment	5,737,248
Categorical aid	1,107,284
Lottery	794,955
Other state sources	2,818,399
Local Sources	
Interest	1,871,684
Property taxes	1,367,845
Other local sources	540,823
Total	$ 17,939,976

Note 5 - Capital Assets

Capital asset activity for the District for the year ended June 30, 2024, was as follows:

	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024
Capital Assets Not Being Depreciated or Amortized				
Land	$ 10,162,506	$ -	$ -	$ 10,162,506
Construction in progress	68,844,264	29,854,285	-	98,698,549
Total capital assets not being depreciated or amortized	79,006,770	29,854,285	-	108,861,055
Capital Assets Being Depreciated and Amortized				
Land improvements	22,630,393	311,620	-	22,942,013
Buildings and improvements	294,310,106	2,649,463	-	296,959,569
Furniture and equipment	32,938,576	4,466,039	-	37,404,615
Right-to-use leased furniture and equipment	3,470,845	-	-	3,470,845
Right-to-use subscription IT assets	6,396,122	536,254	-	6,932,376
Total capital assets being depreciated and amortized	359,746,042	7,963,376	-	367,709,418
Less Accumulated Depreciation and Amortization				
Land improvements	(9,196,419)	(730,093)	-	(9,926,512)
Buildings and improvements	(53,870,109)	(8,187,293)	-	(62,057,402)
Furniture and equipment	(19,202,617)	(2,037,234)	-	(21,239,851)
Right-to-use leased furniture and equipment	(938,667)	(649,000)	-	(1,587,667)
Right-to-use subscription IT assets	(2,507,816)	(2,824,935)	-	(5,332,751)
Total accumulated depreciation and amortization	(85,715,628)	(14,428,555)	-	(100,144,183)
Total capital assets, net	$ 353,037,184	$ 23,389,106	$ -	$ 376,426,290

Note 6 - 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, 2024, consisted of the following:

	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024	Due in One Year
General obligation bonds	$ 247,850,000	$ -	$ (5,640,000)	$ 242,210,000	$ 4,880,000
Bond premium	19,629,511	-	(1,048,935)	18,580,576	-
Leases	2,378,437	-	(602,433)	1,776,004	587,489
Subscription-based IT arrangements	1,932,123	474,154	(1,479,590)	926,687	602,532
Compensated absences	2,641,388	108,785	-	2,750,173	-
Load banking	294,056	53,985	-	348,041	-
Total	$ 274,725,515	$ 636,924	$ (8,770,958)	$ 266,591,481	$ 6,070,021

Description of Long-Term Liabilities

Payments on the general obligation bonds are made by the bond interest and redemption fund with local property tax revenues. The leases will be paid by the General Fund. The subscription-based IT arrangements will be paid by the General Fund and Restricted General Fund. The compensated absences and load banking liability will be paid by the fund for which the employee worked.

General Obligation Bonds

The outstanding general obligation bonded debt at June 30, 2024 was as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding Beginning of Year	Issued	Redeemed	Bonds Outstanding End of Year
5/21/2015	8/1/2040	2.00-5.00%	$ 70,000,000	$ 50,365,000	$ -	$ (905,000)	$ 49,460,000
2/14/2018	8/1/2043	3.00-5.00%	120,000,000	101,605,000	-	(645,000)	100,960,000
1/20/2021	8/1/2043	2.00-4.00%	105,000,000	95,880,000	-	(4,090,000)	91,790,000
				$ 247,850,000	$ -	$ (5,640,000)	$ 242,210,000

In November 2014, voters authorized a total of $295,000,000 in general obligation bonds. In May 2015, the District issued Election of 2014 General Obligation Bonds Series A in the amount of $70,000,000. The bonds were used to finance the acquisition, construction, and modernization of property and school facilities, to refund outstanding lease revenue bonds, and to pay certain costs of issuing the bonds. The bonds were issued as current interest bonds. The bonds bear interest rates of 2.00 to 5.00%. At June 30, 2024, the principal balance outstanding was $49,460,000. Unamortized premium received on issuance of the bonds amounted to $3,667,932 as of June 30, 2024.

In February 2018, the District issued Election of 2014 General Obligation Bonds Series B in the amount of $120,000,000. The bonds were used to finance the acquisition, construction, modernization and renovation of District sites and facilities and pay the costs of issuing the bonds. The bonds were issued as current interest bonds. The bonds bear interest rates of 3.00 to 5.00%. At June 30, 2024, the principal balance outstanding was $100,960,000. Unamortized premium received on issuance of the bonds amounted to $7,570,662.

In January 2021, the District issued Election of 2014 General Obligation Bonds Series C in the amount of $105,000,000. The bonds were used to finance the acquisition, construction, modernization and renovation of District sites and facilities and pay the costs of issuing the bonds. The bonds were issued as current interest bonds. The bonds bear interest rates of 2.00 to 4.00%. At June 30, 2024, the principal balance outstanding was $91,790,000. Unamortized premium received on issuance of the bonds amounted to $7,341,982.

The Series A General Obligation Bonds matures through 2041 as follows:

Fiscal Year	Principal	Current Interest to Maturity	Total
2025	$ 1,060,000	$ 2,118,863	$ 3,178,863
2026	1,220,000	2,061,863	3,281,863
2027	1,400,000	1,996,362	3,396,362
2028	1,590,000	1,921,612	3,511,612
2029	1,795,000	1,836,988	3,631,988
2030-2034	12,515,000	7,618,143	20,133,143
2035-2039	19,585,000	4,221,000	23,806,000
2040-2041	10,295,000	419,500	10,714,500
Total	$ 49,460,000	$ 22,194,331	$ 71,654,331

The Series B General Obligation Bonds matures through 2044 as follows:

Fiscal Year	Principal	Current Interest to Maturity	Total
2025	$ 845,000	$ 4,251,650	$ 5,096,650
2026	1,060,000	4,208,250	5,268,250
2027	1,295,000	4,149,375	5,444,375
2028	1,550,000	4,078,250	5,628,250
2029	1,825,000	3,993,875	5,818,875
2030-2034	14,050,000	18,162,250	32,212,250
2035-2039	24,285,000	13,884,525	38,169,525
2040-2044	56,050,000	6,624,200	62,674,200
Total	$ 100,960,000	$ 59,352,375	$ 160,312,375

The Series C General Obligation Bonds matures through 2044 as follows:

Fiscal Year	Principal	Current Interest to Maturity	Total
2025	$ 2,975,000	$ 2,488,250	$ 5,463,250
2026	1,950,000	2,389,750	4,339,750
2027	2,185,000	2,307,050	4,492,050
2028	2,430,000	2,214,750	4,644,750
2029	2,695,000	2,112,250	4,807,250
2030-2034	17,770,000	8,913,400	26,683,400
2035-2039	25,985,000	5,640,025	31,625,025
2040-2044	35,800,000	1,870,100	37,670,100
Total	$ 91,790,000	$ 27,935,575	$ 119,725,575

Leases

The District has entered into agreements to lease various equipment. The District's liability for lease agreements is summarized below:

Leases	Balance, July 1, 2023	Additions	Deductions	Balance, June 30, 2024
Copiers	$ 2,355,082	$ -	$ (582,544)	$ 1,772,538
Postage Machines	23,355	-	(19,889)	3,466
Total	$ 2,378,437	$ -	$ (602,433)	$ 1,776,004

The remaining principal and interest payment requirements for the lease obligation debt as of June 30, 2024 are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 587,489	$ 3,465	$ 590,954
2026	585,509	1,978	587,487
2027	493,286	517	493,803
2028	109,720	8	109,728
Total	$ 1,776,004	$ 5,968	$ 1,781,972

Copiers

The District entered into multiple agreements to lease copiers for five to six years, with the earliest beginning July 1, 2021. Under the terms of the lease, the District currently pays monthly payments of $48,957, which amounted to total principal and interest costs of $587,486. The annual interest rate charged on the leases ranges from 0.03% and 0.46%. At June 30, 2024, the District has recognized a right to use leased asset of $1,859,654 net of accumulated amortization and a lease liability of $1,772,538 related to this agreement. During the fiscal year, the District recorded $636,073 in amortization expense and $4,942 in interest expense for the right to use of the copiers.

Postage Machines

The District entered into multiple agreements to lease postage machines for three to four years, with the earliest beginning August 1, 2019. Under the terms of the lease, the District pays monthly payments of $1,672, which amounted to total principal and interest costs of $20,061. The annual interest rate charged on the leases ranges from 0.00% and 1.61%. At June 30, 2024, the District has recognized a right to use leased asset of $23,524 net of accumulated amortization and a lease liability of $3,466 related to this agreement. During the fiscal year, the District recorded $12,927 in amortization expense and $172 in interest expense for the right to use of the copiers.

Subscriptions-Based IT Arrangements (SBITAs)

The District entered into multiple SBITAs for the use of various software. At June 30, 2024, the District has recognized a right-to-use subscriptions IT asset of $1,599,625 net of accumulated amortization and a SBITA liability of $926,687 related to these agreements. During the fiscal year, the District recorded $2,824,935 in amortization expense. The District is required to make annual principal and interest payments of $947,392 through June 2027. The subscriptions have interest rates that range from 2.40% to 2.63%.

The remaining principal and interest payment requirements for the SBITA obligation debt as of June 30, 2024, are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 602,532	$ 13,823	$ 616,355
2026	160,493	5,024	165,517
2027	104,336	1,759	106,095
2028	59,326	99	59,425
Total	$ 926,687	$ 20,705	$ 947,392

Note 7 - Aggregate Net Other Postemployment Benefits (OPEB) Liability

For the fiscal year ended June 30, 2024, 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	$ 6,840,538	$ 3,792,872	$ 347,487	$ (451,487)
Medicare Premium Payment (MPP) Program	262,720	-	-	(119)
Total	$ 7,103,258	$ 3,792,872	$ 347,487	$ (451,606)

The details of each plan are as follows:

District Plan

Plan Administration

The District has established a Postemployment Benefits Plan (the Plan) and participates in an agent multiple-employer defined retiree healthcare plan administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. CalPERS issues a publicly available financial report that can be found on the CalPERS website at: https://calpers.ca.gov/pages/forms-publications.

Plan Membership

At June 30, 2023, the valuation date, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	130
Active employees	533
Total	663

Benefits Provided

The Plan provides medical, dental, and vision insurance benefits to eligible retirees and their spouses. 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 and the District's bargaining units. Voluntary contributions based on projected pay-as-you-go financing requirements, and any additional amounts to prefund benefits with the District, Teacher Education Association, California Service Employee Association, and the unrepresented groups are based on availability of funds. For the measurement period of June 30, 2023, the District contributed $2,175,379 to the Plan, of which $1,040,634 was used for current premiums, $1,000,000 was used to fund the OPEB Trust, and $134,745 represents the effect of the implicit rate subsidy.

Investment

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the governing board by a majority vote of its members. It is the policy of the District to pursue an investment strategy that reduces risks through the prudent diversification for the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocation over short time spans. The following was the Plan's adopted asset allocation policy as of June 30, 2023:

Asset Class	Target Allocation
All Equities	59%
All Fixed Income	25%
Real Estate Investment Trusts	8%
All Commodities	3%
Treasury Inflation Protected Securities	5%

Net OPEB Liability of the District

The District's net OPEB liability of $6,840,538 was measured as of June 30, 2023, 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, 2023, were as follows:

Total OPEB liability	$ 18,099,198
Plan fiduciary net position	11,258,660
Net OPEB liability	$ 6,840,538
Plan fiduciary net position as a percentage of the total OPEB liability	62.21%

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 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%
Discount rate	6.75%
Healthcare cost trend rates	4.00%

The discount rate was based on the assumed long-term expected rate of return on plan 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, 2023, valuation were based on the results of an actual experience study as of June 2023.

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, 2023, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
All Equities	7.5%
All Fixed Income	4.3%
Real Estate Investment Trusts	7.3%
All Commodities	7.5%
Treasury Inflation Protected Securities	3.0%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. 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, 2022	$ 16,481,176	$ 9,614,142	$ 6,867,034
Service cost	766,467	-	766,467
Interest	1,103,173	-	1,103,173
Difference between expected and actual experience	583,627	-	583,627
Contributions - employer	-	2,175,379	(2,175,379)
Expected investment income	-	682,609	(682,609)
Differences between projected and actual earnings on OPEB plan investments	-	(35,247)	35,247
Changes of assumptions	340,134	-	340,134
Benefit payments	(1,175,379)	(1,175,379)	-
Administrative expense	-	(2,844)	2,844
Net change in total OPEB liability	1,618,022	1,644,518	(26,496)
Balance, June 30, 2023	$ 18,099,198	$ 11,258,660	$ 6,840,538

There were no changes in the benefit terms since the previous valuation. There were no changes in assumptions 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 (5.75%)	$ 8,353,013
Current discount rate (6.75%)	6,840,538
1% increase (7.75%)	5,496,136

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 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%)	$ 5,254,126
Current healthcare cost trend rate (4.00%)	6,840,538
1% increase (5.00%)	8,752,550

Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB for the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 790,746	$ -
Differences between expected and actual experience	601,860	347,487
Changes of assumptions	1,645,413	-
Net difference between projected and actual earnings on OPEB plan investments	754,853	-
Total	$ 3,792,872	$ 347,487

The deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent fiscal year.

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 183,873
2026	139,374
2027	424,559
2028	7,047
Total	$ 754,853

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 Services Life (EARSL) of all members that are provided benefits as of the beginning of the measurement period. The EARSL for the measurement period is 10.4 years and will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 236,812
2026	236,812
2027	236,812
2028	236,812
2029	236,812
Thereafter	715,726
Total	$ 1,899,786

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, 2022 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

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

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

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. 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, 2024, the District reported a liability of $262,720 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. 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 college districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2023 and June 30, 2022, respectively, was 0.0866%, and 0.0798%, resulting in a net increase in the proportionate share of 0.0068%.

For the year ended June 30, 2024, the District recognized OPEB expense of ($119).

Actuarial Methods and Assumptions

The June 30, 2023 total OPEB liability was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2022, and rolling forward the total OPEB liability to June 30, 2023, using the assumptions listed in the following table:

Measurement Date	June 30, 2023
Valuation Date	June 30, 2022
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	3.65%
Medicare Part A Premium Cost Trend Rate	4.50%
Medicare Part B Premium Cost Trend Rate	5.40%

For the valuation as of June 30, 2022, CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among members. The projection scale was set equal to 110% of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 179 or an average of 0.13% of the potentially eligible population (138,780).

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, 2023, 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, 2023, 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, 2023, was 3.65%, which is an increase of 0.11% from 3.54% as of June 30, 2022.

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 (2.65%)	$ 285,523
Current discount rate (3.65%)	262,720
1% increase (4.65%)	242,893

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

Medicare Costs Trend Rates	Net OPEB Liability
1% decrease (3.50% Part A and 4.40% Part B)	$ 241,729
Current Medicare costs trend rate (4.50% Part A and 5.40% Part B)	262,720
1% increase (5.50% Part A and 6.40% Part B)	286,419

Note 8 - Risk Management

Property and Liability Insurance Coverages

The District is exposed to various risks of loss related to torts and liability; theft of, damage to and destruction of assets; errors and omissions and injuries to employees. The District obtains coverage for these risks as a member of various joint powers authorities or through the purchase of coverage from a risk retention group. The District uses Schools Association for Excess Risk (SAFER) for excess property limits of $250,000,000 per occurrence, with no aggregate and a $5,000 member retained limit. Then, their excess liability has the first $1,000,000 worth of coverage through the Statewide Association of Community Colleges (SWACC) and $24,000,000 excess coverage of $1,000,000 is in SAFER with a $10,000 Member Retained Limit.

Joint Powers Authority Risk Pools

During fiscal year ended June 30, 2024, the District contracted with SWACC Joint Powers Authority (JPA) 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 fiscal year 2023-2024, the District participated in the Riverside Schools Risk Management Authority (RSRMA) 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.

Insurance Program / Company Name	Type of Coverage	Limits
Riverside Schools Risk Management Authority (RSRMA)	Workers' Compensation	$ 155,000,000
Schools Association for Excess Risk (SAFER)	Excess Liability	$ 250,000,000
Statewide Association of Community Colleges (SWACC)	Property (per occurance)	$ 24,000,000
Statewide Association of Community Colleges (SWACC)	Liability (per occurance)	$ 25,000,000

Employee Medical Benefits

The District has contracted with Riverside County Employer/Employee Partnership (REEP) for Benefits JPA through Keenan & Associates, Kaiser Permanente, Anthem Blue Cross, United Health, and Pacific Care plans to provide employee medical benefits. The District provides health and welfare benefits to all full-time and permanent part-time employees (20 hours or more). Those employees working less than full-time will receive a pro-rata share of the benefit package. Employees in positions less than 20 hours per week do not receive any fringe benefits.

If the employee elects not to enroll for health insurance coverage from one of the carriers provided by the District, such employee must provide evidence of other health insurance coverage.

- Medical - The employee has a choice of Kaiser Permanente, Anthem Blue Cross, United Health, and Pacific Care plans. The employee may elect to change carriers once per year during open enrollment. Normally, such election shall be effective July 1 of each year.
- Dental - Delta, MetLife, and MetLife/Safeguard carried insurance coverage for employees and is provided by the District. All employees shall participate in the program.
- Life Insurance - The District provides a $20,000 group term life insurance policy by a carrier designated by REEP. All employees participate in this life insurance program.

Rates are set by the REEP for Benefits JPA. The District pays monthly premiums which are placed in a common fund with REEP from which claim payments are made for all participating districts. Claims are paid for all participants regardless of the claim's expense. The REEP Board of Directors has the right to return monies to a district subsequent to the settlement of all expenses and claims if a district withdraws from the pool.

Note 9 - Employee Retirement Systems

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

For the fiscal year ended June 30, 2024, the District reported its proportionate share of the aggregate 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	$ 44,581,163	$ 18,263,520	$ 4,780,467	$ 6,951,556
CalPERS	55,607,966	18,262,212	3,257,735	7,796,294
Total	$ 100,189,129	$ 36,525,732	$ 8,038,202	$ 14,747,850

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, 2022, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that may be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

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

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and non-employer 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, 2024, 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 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, 2024, are presented above, and the District's total contributions were $8,258,660.

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

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

Total net pension liability, including State share:	
District's proportionate share of net pension liability	$ 44,581,163
State's proportionate share of net pension liability associated with the District	21,360,089
Total	$ 65,941,252

The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts and the State, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2023 and June 30, 2022, was 0.0585% and 0.0532%, respectively, resulting in a net increase in the proportionate share of 0.0053%.

For the year ended June 30, 2024, the District recognized pension expense of $6,951,556. In addition, the District recognized pension expense and revenue of $2,905,562 for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 8,258,660	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	6,052,549	2,395,148
Differences between projected and actual earnings on pension plan investments	190,825	-
Differences between expected and actual experience in the measurement of the total pension liability	3,503,345	2,385,319
Changes of assumptions	258,141	-
Total	$ 18,263,520	$ 4,780,467

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
2025	$ (1,402,558)
2026	(2,198,054)
2027	3,612,173
2028	179,264
Total	$ 190,825

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
2025	$ 784,607
2026	832,170
2027	886,570
2028	367,483
2029	859,985
Thereafter	1,302,753
Total	$ 5,033,568

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, 2022, and rolling forward the total pension liability to June 30, 2023. The financial reporting actuarial valuation as of June 30, 2022, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Experience study	July 1, 2015 through June 30, 2018
Actuarial cost method	Entry age normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of expected 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2023, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	38%	5.25%
Private equity	14%	6.75%
Real estate	15%	4.05%
Inflation sensitive	7%	3.65%
Fixed income	14%	2.45%
Risk mitigating strategies	10%	2.25%
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 mid-year. 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%)	$ 74,781,344
Current discount rate (7.10%)	44,581,163
1% increase (8.10%)	19,496,393

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, 2022, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that may be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

Benefits Provided

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

The CalPERS School Employee Pool provisions and benefits in effect at June 30, 2024, 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	26.68%	26.68%

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, 2024, are presented above, and the total District contributions were $7,731,357.

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

As of June 30, 2024, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $55,607,966. The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts, actuarially determined. The District's proportionate share for the measurement period of June 30, 2023, and June 30, 2022, was 0.1536% and 0.1622%, respectively, resulting in a net decrease in the proportionate share of 0.0086%.

For the year ended June 30, 2024, the District recognized pension expense of $7,796,294. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 7,731,357	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	-	2,403,679
Differences between projected and actual earnings on pension plan investments	5,939,726	-
Differences between expected and actual experience in the measurement of the total pension liability	2,029,292	854,056
Changes of assumptions	2,561,837	-
Total	$ 18,262,212	$ 3,257,735

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
2025	$ 1,107,991
2026	656,402
2027	3,990,484
2028	184,849
Total	$ 5,939,726

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 625,935
2026	642,469
2027	64,990
Total	$ 1,333,394

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023. The financial reporting actuarial valuation as of June 30, 2022, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
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 School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on the School Employer Pool 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%)	$ 80,394,744
Current discount rate (6.90%)	55,607,966
1% increase (7.90%)	35,122,257

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 $3,416,564 (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.

Note 10 - Participation in Public Entity Risk Pools and Joint Powers Authorities

The District is a member of the Riverside Schools Risk Management Authority (RSRMA), the Schools Association for Excess Risk (SAFER), the Statewide Association of Community Colleges (SWACC), and Riverside County Employer/Employee Partnership (REEP) for Benefits Joint Powers Authority JPAs. The District pays annual premiums for its property liability, health, and workers' compensation coverage. The relationship between the District and the JPA is such that it is not a component unit 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.

Note 11 - 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 are 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, 2024.

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, 2024.

Construction Commitments

As of June 30, 2024, the District had the following commitments with respect to the unfinished capital projects:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
MVC Stadium	$ 2,067,537	December 2024
STEM Building - MVC	2,534,696	December 2024
STEM Building - SJC	236,837	December 2024
Total	$ 4,839,070	

Required Supplementary Information
June 30, 2024

Mt. San Jacinto Community College District

	2024	2023	2022	2021
Total OPEB Liability				
Service cost	$ 766,467	$ 823,440	$ 835,041	$ 735,046
Interest	1,103,173	1,050,442	985,108	922,894
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	583,627	-	(232,486)	-
Changes of assumptions	340,134	-	935,649	-
Benefit payments	(1,175,379)	(1,086,178)	(923,423)	(762,064)
Net change in total OPEB liability	1,618,022	787,704	1,599,889	895,876
Total OPEB Liability - Beginning	16,481,176	15,693,472	14,093,583	13,197,707
Total OPEB Liability - Ending (a)	$ 18,099,198	$ 16,481,176	$ 15,693,472	$ 14,093,583
Plan Fiduciary Net Position				
Contributions - employer	$ 2,175,379	$ 2,086,178	$ 1,923,423	$ 1,262,064
Expected investment income	682,609	708,385	525,783	459,533
Differences between projected and actual earnings on OPEB plan investments	(35,247)	(2,087,557)	1,425,944	(222,500)
Benefit payments	(1,175,379)	(1,086,178)	(923,423)	(762,064)
Administrative expense	(2,844)	(2,557)	(2,697)	(3,161)
Net change in plan fiduciary net position	1,644,518	(381,729)	2,949,030	733,872
Plan Fiduciary Net Position - Beginning	9,614,142	9,995,871	7,046,841	6,312,969
Plan Fiduciary Net Position - Ending (b)	$ 11,258,660	$ 9,614,142	$ 9,995,871	$ 7,046,841
Net OPEB Liability - Ending (a) - (b)	$ 6,840,538	$ 6,867,034	$ 5,697,601	$ 7,046,742
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	62.21%	58.33%	63.69%	50.00%
Covered Employee Payroll	$ 72,848,839	$ 66,861,643	$ 58,212,849	$ 56,618,422
Net OPEB Liability as a Percentage of Covered Employee Payroll	9.39%	10.27%	9.79%	12.45%
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020

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

	2020	2019	2018
Total OPEB Liability			
Service cost	$ 594,311	$ 683,856	$ 665,553
Interest	874,904	813,012	715,885
Changes of benefit terms	(1,073,077)	-	-
Difference between expected and actual experience	(316,771)	-	-
Changes of assumptions	1,167,110	-	-
Benefit payments	(500,480)	(635,370)	(610,933)
Net change in total OPEB liability	745,997	861,498	770,505
Total OPEB Liability - Beginning	12,451,710	11,590,212	10,819,707
Total OPEB Liability - Ending (a)	$ 13,197,707	$ 12,451,710	$ 11,590,212
Plan Fiduciary Net Position			
Contributions - employer	$ 1,000,480	$ 1,135,370	$ 1,110,933
Expected investment income	405,988	339,975	394,469
Differences between projected and actual earnings on OPEB plan investments	(61,233)	27,328	-
Benefit payments	(500,480)	(635,370)	(610,933)
Administrative expense	(4,670)	(5,491)	(3,308)
Net change in plan fiduciary net position	840,085	861,812	891,161
Plan Fiduciary Net Position - Beginning	5,472,884	4,611,072	3,719,911
Plan Fiduciary Net Position - Ending (b)	$ 6,312,969	$ 5,472,884	$ 4,611,072
Net OPEB Liability - Ending (a) - (b)	$ 6,884,738	$ 6,978,826	$ 6,979,140
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.83%	43.95%	39.78%
Covered Employee Payroll	$ 57,563,811	$ 53,967,962	$ 53,808,269
Net OPEB Liability as a Percentage of Covered Employee Payroll	11.96%	12.93%	12.97%
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017

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

Year ended June 30,	2024	2023	2022	2021
Proportion of the net OPEB liability	0.0866%	0.0798%	0.0835%	0.0989%
Proportionate share of the net OPEB liability	$ 262,720	$ 262,839	$ 333,064	$ 418,986
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 its 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	(0.96%)	(0.94%)	(0.80%)	(0.71%)
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020

Year ended June 30,	2020	2019	2018
Proportion of the net OPEB liability	0.0932%	0.0920%	0.0918%
Proportionate share of the net OPEB liability	$ 347,123	$ 308,435	$ 71,899
Covered payroll	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of its covered payroll	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	(0.81%)	(0.40%)	0.01%
Measurement Date	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 discolosure is not applicable.

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

	2024	2023	2022	2021	2020
CalSTRS					
Proportion of the net pension liability	0.0585%	0.0532%	0.0556%	0.0567%	0.0527%
Proportionate share of the net pension liability	$ 44,581,163	$ 36,942,506	$ 25,280,439	$ 54,986,526	$ 47,589,427
State's proportionate share of the net pension liability associated with the District	21,360,089	18,500,663	12,720,136	28,345,560	25,963,209
Total	$ 65,941,252	$ 55,443,169	$ 38,000,575	$ 83,332,086	$ 73,552,636
Covered payroll	$ 40,568,157	$ 33,528,570	$ 32,612,904	$ 33,442,520	$ 25,300,147
Proportionate share of the net pension liability as a percentage of its covered payroll	109.89%	110.18%	77.52%	164.42%	188.10%
Plan fiduciary net position as a percentage of the total pension liability	81%	81%	87%	72%	73%
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
CalPERS					
Proportion of the net pension liability	0.1536%	0.1622%	0.1658%	0.1669%	0.1628%
Proportionate share of the net pension liability	$ 55,607,966	$ 55,809,840	$ 33,723,434	$ 51,210,371	$ 47,460,089
Covered payroll	$ 26,681,151	$ 24,604,989	$ 23,795,449	$ 24,077,876	$ 18,554,440
Proportionate share of the net pension liability as a percentage of its covered payroll	208.42%	226.82%	141.72%	212.69%	255.79%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	81%	70%	70%
Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019

	2019	2018	2017	2016	2015
CalSTRS					
Proportion of the net pension liability	0.0512%	0.0507%	0.0496%	0.0452%	0.0454%
Proportionate share of the net pension liability	$ 47,097,210	$ 46,914,359	$ 40,114,200	$ 30,455,197	$ 26,482,179
State's proportionate share of the net pension liability associated with the District	26,966,653	27,754,365	22,839,660	16,107,399	16,049,771
Total	$ 74,063,863	$ 74,668,724	$ 62,953,860	$ 46,562,596	$ 42,531,950
Covered payroll	$ 27,965,364	$ 28,247,933	$ 25,497,698	$ 21,422,962	$ 20,575,455
Proportionate share of the net pension liability as a percentage of its covered payroll	168.41%	166.08%	157.32%	142.16%	128.71%
Plan fiduciary net position as a percentage of the total pension liability	71%	69%	70%	74%	77%
Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS					
Proportion of the net pension liability	0.1573%	0.1482%	0.1435%	0.1402%	0.1377%
Proportionate share of the net pension liability	$ 41,948,139	$ 35,389,443	$ 28,333,305	$ 20,660,881	$ 15,625,838
Covered payroll	$ 20,809,478	$ 18,692,382	$ 17,024,859	$ 15,231,697	$ 14,778,614
Proportionate share of the net pension liability as a percentage of its covered payroll	201.58%	189.33%	166.42%	135.64%	105.73%
Plan fiduciary net position as a percentage of the total pension liability	71%	72%	74%	79%	83%
Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

	2024	2023	2022	2021	2020
CalSTRS					
Contractually required contribution	$ 8,258,660	$ 7,748,518	$ 5,673,034	$ 5,266,984	$ 5,718,671
Contributions in relation to the contractually required contribution	(8,258,660)	(7,748,518)	(5,673,034)	(5,266,984)	(5,718,671)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 43,239,058	$ 40,568,157	$ 33,528,570	$ 32,612,904	$ 33,442,520
Contributions as a percentage of covered payroll	19.10%	19.10%	16.92%	16.15%	17.10%
CalPERS					
Contractually required contribution	$ 7,731,357	$ 6,769,008	$ 5,637,003	$ 4,925,658	$ 4,748,398
Contributions in relation to the contractually required contribution	(7,731,357)	(6,769,008)	(5,637,003)	(4,925,658)	(4,748,398)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 28,978,100	$ 26,681,151	$ 24,604,989	$ 23,795,449	$ 24,077,876
Contributions as a percentage of covered payroll	26.680%	25.370%	22.910%	20.700%	19.721%

	2019	2018	2017	2016	2015
CalSTRS					
Contractually required contribution	$ 4,118,864	$ 4,035,402	$ 3,553,590	$ 2,735,903	$ 1,902,359
Contributions in relation to the contractually required contribution	(4,118,864)	(4,035,402)	(3,553,590)	(2,735,903)	(1,902,359)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 25,300,147	$ 27,965,364	$ 28,247,933	$ 25,497,698	$ 21,422,962
Contributions as a percentage of covered payroll	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS					
Contractually required contribution	$ 3,351,303	$ 3,231,920	$ 2,595,998	$ 2,016,935	$ 1,792,923
Contributions in relation to the contractually required contribution	(3,351,303)	(3,231,920)	(2,595,998)	(2,016,935)	(1,792,923)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 18,554,440	$ 20,809,478	$ 18,692,382	$ 17,024,859	$ 15,231,697
Contributions as a percentage of covered payroll	18.062%	15.531%	13.888%	11.847%	11.771%

Note 1 - Purpose of Schedules

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

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

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

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

This schedule presents information on the District's proportionate share of the net OPEB Liability – MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* – There were no changes in the benefit terms since the previous valuation.
- *Changes of Assumptions* – The plan rate of investment return assumption was changed from 3.54% to 3.65% 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 valuations.
- *Changes of Assumptions* – There were no changes in economic assumptions for the CalSTRS or CalPERS plans since the previous valuations.

Schedule of the District's 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, 2024

Mt. San Jacinto Community College District

The Mt. San Jacinto Community College District was established in 1962 and is comprised of an area of approximately 1,700 square miles located in Riverside County. There were no changes in the boundaries of the District during the current year. The District's College is accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, which is one of six regional associations that accredit public and private schools, colleges, and universities in the United States.

Board of Trustees as of June 30, 2024

Member	Office	Term Expires
Brian Sylva	President	2024
Tom Ashley	Clerk	2024
Vicki Carpenter	Member	2026
Jhalister Corona	Member	2026
Calvin Smith	Member	2024

Administration as of June 30, 2024

Dr. Roger Schultz	Superintendent/President
Ms. Jeannine Stokes	Vice President, Human Resources
Dr. Jeremy Brown	Vice President, Instruction
Ms. Rebecca Teague	Vice President, Student Services
Mr. Brandon Moore	Vice President, Institutional Effectiveness and Enrollment Management
Mr. Michael Beckham	Interim Vice President, Business Services
Ms. Joyce Johnson	Vice President, Career Education, Counseling, Nursing & Allied Health

Auxiliary Organizations in Good Standing

Mt. San Jacinto College Foundation
Master Agreement revised October 13, 2022
Rebecca Orlauski, Director of Foundation and Donor Initiatives

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		$ 28,703,494
Federal Pell Grant Program Administrative Allowance	84.063		41,880
Federal Direct Student Loans	84.268		1,445,293
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		856,800
FSEOG Administrative Allowance	84.007		29,204
Federal Work-Study Program	84.033		414,872
Federal Work-Study Program Administrative Allowance	84.033		20,744
Subtotal Student Financial Assistance Cluster			31,512,287
TRIO Cluster			
TRIO Upward Bound Program	84.047A		285,911
TRIO Talent Search Program	84.044A		306,541
Subtotal TRIO Cluster			592,452
COVID-19: Higher Education Emergency Relief Funds, Institutional Portion	84.425F		5,828,487
Strengthening Institutional Success (Title V)	84.031S		579,059
Passed through California Community Colleges Chancellor's Office			
Career and Technical Education Act (CTEA), Title I, Part C	84.048A	[1]	591,027
Passed through California Department of Education			
Adult Education: Adult Basic Education & ELA (Section 231)	84.002A	14508	611,287
Adult Education: Adult Secondary Education (Section 231)	84.002A	13978	65,802
Adult Education: English Literacy & Civics Education (Section 243)	84.002A	14109	240,539
Subtotal			917,628
Total U.S. Department of Education			40,020,940
U.S. Department of the Treasury			
Passed through California Community Colleges Chancellor's Office			
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	[1]	564,187
Total U.S. Department of the Treasury			564,187
U.S. Department of Agriculture			
Passed through California Department of Social Services			
Child and Adult Care Food Program	10.558	04371-CACFP-33-CC-1C	46,058
Total U.S. Department of Agriculture			46,058

[1] Pass-Through Entity Identifying Number not available.

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Veterans Affairs			
Veterans Education	64.000		$ 41,043
Chapter 33 - Veterans Post 911 GI Bill	64.028		220,708
Total U.S. Department of Veterans Affairs			261,751
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]	98,043
Child Care and Development Fund (CCDF) Cluster			
Passed through California Department of Education			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	13609	58,480
Child Care Development Block Grant	93.575	15136	26,883
Child Care Development Block Grant	93.575	CCTR-3209	4,400
Subtotal Child Care and Development Fund (CCDF) Cluster			89,763
Total U.S. Department of Health and Human Services			187,806
Total Federal Financial Assistance			$ 41,080,742

[1] Pass-Through Entity Identifying Number not available.

Program	Program Revenues					
	Cash Received	Accounts Receivable	Accounts Payable	Unearned Revenue	Total Revenue	Program Expenditures
Board Financial Assistance Program	$ 1,220,176	$ -	$ -	$ 701,672	$ 518,504	$ 518,504
Veterans Resource Center Restricted Funds	815,458	-	-	486,013	329,445	329,445
Student Success and Completion Grant	4,167,732	-	-	-	4,167,732	4,167,732
Financial Aid Technology	169,530	-	-	90,174	79,356	79,356
Mental Health Support	875,032	-	-	651,189	223,843	223,843
College Promise	2,943,951	-	-	2,071,625	872,326	872,326
COVID Block Grant Prop 98	5,001,520	-	-	-	5,001,520	5,001,520
Extended Opportunity Program & Services	1,071,028	-	-	239,684	831,344	831,344
Cooperative Agencies Resources for Education	397,319	-	-	-	397,319	397,319
Undocumented Resource Liaison	120,556	-	-	35,446	85,110	85,110
Immediate Action - Retention and Enrollment Outreach	1,425,705	-	-	759,321	666,384	666,384
Basic Needs Center	1,566,356	-	-	726,969	839,387	839,387
LGBTQ+	191,569	-	-	178,494	13,075	13,075
Emergency Financial Aid Assistance	48,794	-	-	-	48,794	48,794
NextUp	522,767	-	-	343,869	178,898	178,898
Disabled Students Program	2,959,571	-	-	1,918,892	1,040,679	1,040,679
Library Services Platform	11,751	-	-	-	11,751	11,751
Zero Cost Textbook	250,000	-	-	177,158	72,842	72,842
Information Technology and Security	782,623	-	-	393,898	388,725	388,725
Seamless Transfer of Ethnic Studies	48,695	-	-	48,695	-	-
Student Transfer Achievement Reform	565,217	-	-	548,838	16,379	16,379
CalWORKS	981,556	-	-	250,022	731,534	731,534
Student Equity and Achievement	7,875,188	-	-	2,249,055	5,626,133	5,626,133
Guided Pathways Initiative	475,172	-	-	313,693	161,479	161,479
Native American Student Support & Success	1,500,000	-	-	1,415,237	84,763	84,763
Staff Diversity	510,348	-	-	427,454	82,894	82,894
Classified Professional Development	48,673	-	-	28,691	19,982	19,982
Culturally Competent Faculty Professional Development	199,020	-	-	199,020	-	-
Equitable Placement, Support and Competion	789,814	-	-	724,096	65,718	65,718
Instructional Improvement Block Grant	2,063,356	-	-	1,980,980	82,376	82,376
Enrollment Growth & Retention	99,716	-	-	8,115	91,601	91,601

Program	Program Revenues: Cash Received	Accounts Receivable	Accounts Payable	Unearned Revenue	Total Revenue	Program Expenditures
California Adult Education Program	$ 2,722,692	$ -	$ -	$ 889,986	$ 1,832,706	$ 1,832,706
Strong Workforce Program SWP Local Apportionment	5,399,967	-	-	2,580,188	2,819,779	2,819,779
Prekindergarten & Family Literacy	5,000	-	-	-	5,000	5,000
Inland Empire/Desert Region Strong Workforce Program	396,299	363,246	-	-	759,545	759,545
Puente Program - Regents of UC	90,000	150,000	-	150,000	90,000	90,000
SCCCD Innovation and Effectiveness	112,092	-	-	-	112,092	112,092
Inland Empire/Desert Region Employment Engagement Manager	143,871	51,907	-	-	195,778	195,778
California Apprenticeship Initiative: New and Innovative	226,178	173,006	-	90,515	308,669	308,669
Invention and Inclusive Innovation	19,371	-	-	9,695	9,676	9,676
Learning -Aligned Employment Program	3,959,739	-	3,959,739	-	-	-
A2MEND	32,160	-	-	12,521	19,639	19,639
Regional Equity and Recovery Partnerships	35,816	5,969	-	41,785	-	-
High Road Training Partnership	11,418	66,370	-	-	77,788	77,788
Culturally Responsive Pedagogy & Practices Innovation Best Practices	148,585	-	-	41,793	106,792	106,792
High Road Construction Careers	292,002	-	-	271,233	20,769	20,769
Restricted State Lottery Prop 20	1,435,743	388,115	-	-	1,823,858	1,823,858
UMOJA	145,000	-	-	98,371	46,629	46,629
General Child Care and Development Program	248,244	95,340	-	-	343,584	343,584
California State Preschool	734,491	201,108	-	-	935,599	935,599
Child and Adult Care Food Program - State subsidies	1,666	338	-	-	2,004	2,004
Childcare State Tax Bailout	17,066	-	-	-	17,066	17,066
Childcare Stipends	48,418	-	-	48,418	-	-
Childcare Exceptional Needs Set Aside	131,424	-	-	131,424	-	-
Childcare Cost of Care Non-Contract Increases	175,591	-	-	175,591	-	-
Cal Grant A	213,000	-	-	-	213,000	213,000
Cal Grant B	3,451,788	-	44,199	-	3,407,589	3,407,589
Cal Grant C	7,829	-	-	-	7,829	7,829
Total state programs	$ 59,903,643	$ 1,495,399	$ 4,003,938	$ 21,509,820	$ 35,885,284	$ 35,885,284

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2023 only)			
1. Noncredit*	-	-	-
2. Credit	1,626.83	-	1,626.83
B. Summer Intersession (Summer 2024 - Prior to July 1, 2024)			
1. Noncredit*	-	-	-
2. Credit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	2,030.79	-	2,030.79
(b) Daily Census Contact Hours	128.79	-	128.79
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit*	390.38	-	390.38
(b) Credit	224.36	-	224.36
3. Alternative Attendance Accounting Procedure Courses			
(a) Weekly Census Procedure Courses	7,385.98	-	7,385.98
(b) Daily Census Procedure Courses	1,560.48	-	1,560.48
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
D. Total FTES	13,347.61	-	13,347.61
SUPPLEMENTAL INFORMATION (Subset of Above Information)			
E. In-Service Training Courses (FTES)	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Noncredit*	346.47	-	346.47
2. Credit	5.03	-	5.03
CCFS-320 Addendum			
CDCP Noncredit FTES	303.13	-	303.13
Centers FTES			
1. Noncredit	86.70	-	86.70
2. Credit	2,306.64	-	2,306.64

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

		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>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	$ 18,055,702	$ -	$ 18,055,702	$ 18,055,702	$ -	$ 18,055,702
Other	1300	15,106,632	-	15,106,632	15,106,632	-	15,106,632
Total Instructional Salaries		33,162,334	-	33,162,334	33,162,334	-	33,162,334
Noninstructional Salaries							
Contract or Regular	1200	-	-	-	7,891,531	-	7,891,531
Other	1400	-	-	-	1,341,151	-	1,341,151
Total Noninstructional Salaries		-	-	-	9,232,682	-	9,232,682
Total Academic Salaries		33,162,334	-	33,162,334	42,395,016	-	42,395,016
<u>Classified Salaries</u>							
Noninstructional Salaries							
Regular Status	2100	-	-	-	17,422,242	-	17,422,242
Other	2300	-	-	-	1,027,197	-	1,027,197
Total Noninstructional Salaries		-	-	-	18,449,439	-	18,449,439
Instructional Aides							
Regular Status	2200	2,286,227	-	2,286,227	2,286,227	-	2,286,227
Other	2400	483,363	-	483,363	483,363	-	483,363
Total Instructional Aides		2,769,590	-	2,769,590	2,769,590	-	2,769,590
Total Classified Salaries		2,769,590	-	2,769,590	21,219,029	-	21,219,029
Employee Benefits	3000	11,867,408	-	11,867,408	25,142,902	-	25,142,902
Supplies and Material	4000	-	-	-	540,370	-	540,370
Other Operating Expenses	5000	-	-	-	9,970,166	-	9,970,166
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		47,799,332	-	47,799,332	99,267,483	-	99,267,483

Exclusions	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
Activities to Exclude							
Instructional Staff - Retirees' Benefits and Retirement Incentives	5900	$ 385,910	$ -	$ 385,910	$ 385,910	$ -	$ 385,910
Student Health Services Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	-	-	-
Noninstructional Staff - Retirees' Benefits and Retirement Incentives	6740	-	-	-	1,659,134	-	1,659,134
Objects to Exclude							
Rents and Leases	5060	-	-	-	108,349	-	108,349
Lottery Expenditures							-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines, and Periodicals	4200	-	-	-	-	-	-
Instructional Supplies and Materials	4300	-	-	-	-	-	-
Noninstructional Supplies and Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Other Operating Expenses and Services	5000	$ -	$ -	$ -	$ 2,651,189	$ -	$ 2,651,189
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay							
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		385,910	-	385,910	4,804,582	-	4,804,582
Total for ECS 84362, 50% Law		$47,413,422	$ -	$47,413,422	$94,462,901	$ -	$94,462,901
% of CEE (Instructional Salary Cost/Total CEE)		50.19%		50.19%	100.00%		100.00%
50% of Current Expense of Education					$47,231,450		$47,231,450

Activity Classification	Object Code			Unrestricted
EPA Revenues:	8630			$ 10,727,588
Activity Classification	**Activity Code**	**Salaries and Benefits (Obj 1000-3000)**	**Operating Expenses (Obj 4000-5000)**	**Capital Outlay (Obj 6000)**	**Total**

Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	1000-5900	$ 10,727,588	$ -	$ -	$ 10,727,588
Total Expenditures for EPA		$ 10,727,588	$ -	$ -	$ 10,727,588
Revenues Less Expenditures					$ -

Amounts reported for governmental activities in the Statement of Net Position are different because		
Total fund balance		
General Funds	$ 87,340,199	
Special Revenue Funds	4,143,941	
Capital Project Funds	49,634,756	
Debt Service Funds	40,690,943	
Internal Service Funds	1,561,533	
Total fund balance - all District funds		$ 183,371,372
Prepaid expenses are reported in District's CCFS-311 report, however are reported as right-to-use subscription IT assets in the Statement of Net Position.		(62,100)
Capital assets used in governmental activities are are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	476,570,473	
Accumulated depreciation and amortization is	(100,144,183)	
Total capital assets, net		376,426,290
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 OPEB	3,792,872	
Deferred outflows of resources related to pensions	36,525,732	
Total deferred outflows of resources		40,318,604
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.		(3,734,026)
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	(260,790,576)	
Leases	(1,776,004)	
Subscription-based IT arrangements	(926,687)	
Compensated absences	(2,750,173)	
Load banking	(348,041)	
Aggregate net other postemployment benefits (OPEB) liability	(7,103,258)	
Aggregate net pension liability	(100,189,129)	
Total long-term liabilities		(373,883,868)
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	(347,487)	
Deferred inflows of resources related to pensions	(8,038,202)	
Total deferred inflows of resources		(8,385,689)
Total net position		$ 214,050,583

Note 1 - Purpose of Schedules

District Organization

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

Schedule of Expenditures of Federal Awards

Basis of Presentation
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, 2024. 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.

Summary of Significant Accounting Policies
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.

Indirect Cost Rate
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

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 proceeds and summarizes the expenditures of EPA proceeds.

Reconciliation of the 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.

Independent Auditor's Reports
June 30, 2024

Mt. San Jacinto 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 Jacinto Community College District
San Jacinto, 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 of the Mt. San Jacinto Community College District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 14, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Rancho Cucamonga, California
November 14, 2024

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 Jacinto Community College District
San Jacinto, California

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Mt. San Jacinto 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, 2024. 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, the Mt. San Jacinto 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, 2024.

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.

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 an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on the major federal program is not modified with respect to this matter.

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

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 a deficiency in internal control over compliance that we consider to be a significant deficiency.

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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a significant deficiency.

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 response to the internal control over compliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
November 14, 2024

Independent Auditor's Report on State Compliance

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

Report on State Compliance

Opinion on State Compliance

We have audited Mt. San Jacinto Community College District's (the District) compliance with the types of compliance requirements described in the 2023-2024 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, 2024.

In our opinion, Mt. San Jacinto 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, 2024.

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 2023-2024 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.

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 2023-2024 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 2023-2024 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	Propositions 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 499	COVID-19 Response Block Grant Expenditures

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

The District has not entered into CCAP agreements; 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 District submitted their final COVID-19 Response Block Grant Expenditures report in the 2022-2023 fiscal year; 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 2023-2024 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
November 14, 2024

Schedule of Findings and Questioned Costs
June 30, 2024

Mt. San Jacinto 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 program	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for the 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	$1,232,422
Auditee qualified as low-risk auditee?	Yes

State Compliance

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

None reported.

The following finding represents a significant deficiency and an instance of noncompliance including questioned cost that is required to be reported by the Uniform Guidance.

2024-001 Special Tests and Provisions -Return to Title IV

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

Criteria or Specific Requirements
34 CFR 668.22(f)(1)(i) For purpose of paragraph (e)(2)(i) of this section, the percentage of the payment period or period of enrollment completed is determined in the case of a program that is measured in credit hours, by dividing the total number of calendar days in the payment period or period of enrollment into the number of calendar days completed in that period as of the student's withdrawal date.

34 CFR 668.22(l)(9) A student in a program offered in modules is scheduled to complete the days in a module if the student's coursework in that module was used to determine the amount of the student's eligibility for Title IV, Higher Education Act funds for the payment period or period of enrollment.

Condition
Significant Deficiency in Internal Control over Compliance – We noted the following noncompliance for Return to Title IV calculations:

1. One out of sixty Return to Title IV (R2T4) calculations did not calculate the correct number of days completed based on the module courses the student withdrew from.
2. One out of sixty R2T4 calculations did not calculate the correct number of days in the period of enrollment related to the module course.

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

Context
We tested a non-statistical sample of 60 R2T4 calculations of a total 661 calculations performed by the District during the 2024 fiscal year.

Effect
Without proper monitoring of calculations performed over students enrolled in module courses, the District is at risk of noncompliance with the above referenced criteria.

Cause
The District's internal controls associated with the Return to Title IV procedures failed to ensure that all calculations are done accurately.

Repeat Finding (Yes or No)
No.

Recommendation
The District should strengthen procedures to ensure that the calculations are accurately calculated.

View of Responsible Officials and Corrective Action Plan
The District is reviewing its policy and procedures to explore various options for enhancements to our current enrollment management business practices. The District is currently working on building targeted, automated email messages that would go out before and after the grade deadline to reduce the number of RD grades. The District has contracted with consulting services to further evaluate our financial aid policies and procedures, enhance our system reports and provide best practices to ensure compliancy in accurate withdrawal calculations.

None reported.

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