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COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT VISALIA, CALIFORNIA

AUDIT REPORT

Fiscal Year Ended June 30, 2024

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
College of the Sequoias Community College District
Visalia, California

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the discretely presented component unit (College of the Sequoias Foundation), and the aggregate remaining fund information of College of the Sequoias Community College District (the District) as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component unit, and the aggregate remaining fund information of the District as of June 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 and the Required Supplementary Information section, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 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.

CWDL, Certified Public Accountants

San Diego, California
December 16, 2024

COLLEGE OF THE SEQUOIAS

Phone (559)730-3700
Fax (559)730-3894

MANGEMENT'S DISCUSSION AND ANALYSIS

In June 1999, the Government Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,* which established a new reporting format for annual financial statements of governmental entities. In November 1999, GASB issued Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities,* which applies these new reporting standards to public colleges and universities such as the College of the Sequoias Community College District (the "District"). The following discussion and analysis provides an overview of the District's financial activity. This report presents this information in a comparative format. Responsibility for the completeness and fairness of this information rests with the District.

USING THIS ANNUAL REPORT

As required by accounting principles, the annual report consists of three basic financial statements that provide information on the District's activities as a whole: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

The focus of the Statement of Net Position is designed to be similar to bottom line results for the District. This statement combines and consolidates current financial resources (net short-term spendable resources) with capital assets and long-term obligations. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the costs of the District's operational activities, which are supported mainly by property taxes and by State and other revenues. This approach is intended to summarize and simplify the user's analysis of the cost of various District services to students and the public. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

OVERVIEW OF THE FINANCIAL STATEMENTS

The College of the Sequoias Community College District's financial statements are presented in accordance with Governmental Accounting Standards Board 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 as a whole. 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 obligations. 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.

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FINANCIAL HIGHLIGHTS

College of the Sequoias Community College District had a strong financial year in 2023-24. The District ended the fiscal year with a healthy fund balance.

- The District's primary funding source is the new California Student Center Funding Formula (SCFF) implemented in Fiscal Year 2018-2019. SCFF is comprised of three components. Base Allocation 70% which is calculated using FTES and foundation grants for mid-size college, Tulare, and Hanford education centers, Supplemental Allocation 20% which is based on socioeconomic factors such as PELL, College Promise, and AB540 recipients, and Student Success Allocation 10% which is based on eight success factors such as Degree attainment. Funding is comprised of State apportionment, Education Protection Account, local property taxes, and student enrollment fees. The primary basis of this apportionment is the calculation of Full-Time Equivalent Students (FTES). Actual total FTES for 2023-24 were comprised of 10,422.92 credit, special admit and Career Development and College Preparation (CDCP) non-credit FTES and 58.25 non-credit FTES for a total of 10,481.17. Total funded FTES were 10,241.39 credit, special admit and Career Development and College Preparation (CDCP) non-credit FTES and 58.25 non-credit FTES for a total of 10,299.64.

- The Hanford Educational Center generated 1,043.08 FTES, which was part of the District's 10,481.17 total FTES for 2023-24.

- The Tulare College Center generated 3,751.70 FTES, which was part of the District's 10,481.17 total FTES for 2023-24.

- The District ended the year with an Unrestricted General Fund balance of $29.74 million and Restricted General Fund balance of $5.44 million. The State Chancellor's Office recommends reserve levels of two months average expense of General Fund expenditures be set aside for economic uncertainties. The District exceeded this requirement for the current year, closing the year with over 28.25 percent in General Fund reserve.

- The primary expenditure of the District is for the salaries and benefits of the Academic, Classified, and Administrative District employees. These costs amounted to 77.68 percent of the unrestricted general fund and 73.55 percent of the total general fund. In addition to the costs for current employees' insurance coverage, the District provides insurance benefits to retirees meeting plan eligibility requirements.

- The District provides student financial aid to qualifying students of the District in the amount of approximately $35.51 million. This aid is provided through grants, loans from the Federal government and State System's Office, and local funding.

Condensed financial information is as follows:

	2024	2023	Change
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	$ 133,466,225	$ 166,343,991	$ (32,877,766)
Non-current assets	231,042,095	204,405,036	26,637,059
Deferred outflows of resources	33,640,423	30,851,727	2,788,696
Total Assets and Deferred Outflows of Resources	398,148,743	401,600,754	(3,452,011)
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities	43,848,896	58,308,125	(14,459,229)
Non-current liabilities	201,259,515	200,473,096	786,419
Deferred inflows of resources	6,759,873	9,994,207	(3,234,334)
Total Liabilities and Deferred Inflows of Resources	251,868,284	268,775,428	(16,907,144)
NET POSITION			
Invested in capital assets, net of related debt	113,933,990	77,378,958	36,555,032
Restricted	56,279,232	80,827,722	(24,548,490)
Unrestricted	(23,932,763)	(25,381,354)	1,448,591
Total Net Position	$ 146,280,459	$ 132,825,326	$ 13,455,133

This schedule has been prepared from the District's Statement of Net Position (page 10), which is presented on an accrual basis of accounting whereby capital assets are capitalized and depreciated.

As of June 30, 2015, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* – and amendment of GASB No. 27, which required the district to recognize its proportionate share of the unfunded pension obligation for CalSTRS and CalPERS. As of June 30, 2024, the District reported deferred outflows from pension activities of $29.63 million, deferred inflows from pension activities of $3.07 million and a Net Pension Liability of $84.61 million. We present more detailed information regarding our net pension liability in the Notes to Financial Statements.

At June 30, 2018, the District implemented GASB Statement No. 75, *Accounting for Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of GASB Statements No. 45, *Accounting and Reporting for Employers Post-Employment Benefits Other than Pensions*, as amended, and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. This GASB required to District to restate the financial statements and include the District's net OPEB liability/(asset) as measured by the actuary. Total ending balance was a net OPEB asset of $0.64 million as of June 30, 2024.

Cash and short-term investments consist primarily of funds held in the Tulare County Treasury. The changes in the cash position are explained in the Statement of Cash Flows (pages 12 and 13).

Operating Results for the Years Ended June 30, 2024 and 2023:

	2024	2023	Change
OPERATING REVENUES			
Tuitition and fees, net	$ 5,806,901	$ 5,307,341	$ 499,560
Auxiliary enterprises	2,621,515	2,212,062	409,453
Total Operating Revenues	8,428,416	7,519,403	909,013
OPERATING EXPENSES			
Salaries and benefits	102,702,140	87,011,518	15,690,622
Supplies, materials, and other operating expenses	28,272,412	25,916,470	2,355,942
Student financial aid	38,443,231	34,439,611	4,003,620
Depreciation and amortization	8,133,950	7,546,964	586,986
Total Operating Expenses	177,551,733	154,914,563	22,637,170
Operating Loss	(169,123,317)	(147,395,160)	(21,728,157)
NON-OPERATING REVENUES/(EXPENSES)			
State apportionments	73,180,907	66,011,118	7,169,789
Property taxes	30,392,873	28,317,810	2,075,063
Federal grants and contracts	25,788,236	26,294,667	(506,431)
State grants and contracts	26,226,123	25,762,251	463,872
State taxes and other revenues	15,308,970	14,190,859	1,118,111
Investment income/(loss)	4,782,906	(3,033,873)	7,816,779
Interest expense, net	(1,761,229)	(8,271,942)	6,510,713
Transfer from agency fund	-	4,500	(4,500)
Transfer to agency fund	1,264,883	816,449	448,434
Other non-operating revenues	2,660,708	3,479,408	(818,700)
Total Non-Operating Revenues/(Expenses)	177,844,377	153,571,247	24,273,130
OTHER REVENUES/(EXPENSES)			
State and local capital income	3,839,807	12,771,023	(8,931,216)
Change in Net Position	12,560,867	18,947,110	(6,386,243)
NET POSITION, BEGINNING OF YEAR	132,825,326	113,584,979	19,240,347
PRIOR PERIOD ADJUSTMENT (SEE NOTE 19)	894,266	293,237	601,029
NET POSITION, END OF YEAR	$ 146,280,459	$ 132,825,326	$ 13,455,133

This schedule has been prepared from the Statement of Revenues, Expenses, and Changes in Net Position presented on page 11.

The operating revenue for the District is specifically defined as revenues from users of the colleges' facilities and programs. Excluded from the operating revenues are the components of the primary source of District funding - the State apportionment process. These components include the State apportionment and local property taxes. As these sources of revenue are from the general population of the State of California, and not from the direct users of the educational services, they are considered to be nonoperating. There was an overall increase in the District's net position of $13.46 million, including the prior period adjustment.

Operating Results for the Years Ended June 30, 2024 and 2023, continued:

Auxiliary revenue consists of Farm and Food Service revenues. The Food Service operation provides meals to the students and faculty of the college. The Farm operation provides farming revenue to supplement agriculture education costs and provide educational opportunities for students in agriculture.

Grant and contract revenues relate to student financial aid, as well as specific Federal and State grants received for programs serving the students of the District. These grant and program revenues are restricted as to the allowable expenses related to the programs.

The interest income is primarily the result of cash held at the Tulare County Treasurer. The interest expense relates to interest payments on the long-term obligations which are described in Note 13 of the financial statements; primarily General Obligation Bonds. The District has recorded the depreciation expense related to capital assets. The detail of the changes in capital assets for the year is included in the Notes to Financial Statements as Note 9.

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

June 30, 2024

	Salaries	Employee Benefits	Supplies Materials and Other Expenses and Services	Depreciation	Total
Instructional activities	$ 35,991,506	$ 12,219,673	$ 4,842,313	$ -	$ 53,053,492
Academic support	5,491,921	2,709,952	-	-	8,201,873
Student services	12,721,883	6,335,170	1,563,713	-	20,620,766
Plant operations and maintenance	3,065,505	1,984,226	10,875,617	-	15,925,348
Instructional support services	11,818,109	6,612,689	6,674,460	-	25,105,258
Community services and economic development	442,276	207,329	469,658	-	1,119,263
Ancillary services and auxiliary operations	2,170,734	931,167	3,562,311	-	6,664,212
Student aid	-	-	38,443,231	-	38,443,231
Physical property and related acquisitions	-	-	284,340	-	284,340
Depreciation and amortization expense	-	-	-	8,133,950	8,133,950
Total	$ 71,701,934	$ 31,000,206	$ 66,715,643	$ 8,133,950	$ 177,551,733

June 30, 2023

	Salaries	Employee Benefits	Supplies Materials and Other Expenses and Services	Depreciation and Amortization	Total
Instructional activities	$ 30,995,877	$ 9,773,586	$ 4,040,530	$ -	$ 44,809,993
Academic support	4,193,204	1,754,536	-	-	5,947,740
Student services	11,569,461	5,103,632	3,628,388	-	20,301,481
Plant operations and maintenance	2,688,351	1,591,793	4,119,694	-	8,399,838
Instructional support services	10,737,121	5,514,179	6,927,902	-	23,179,202
Community services and economic development	430,150	168,739	565,648	-	1,164,537
Ancillary services and auxiliary operations	1,811,769	679,120	2,918,960	-	5,409,849
Student aid	-	-	34,439,611	-	34,439,611
Physical property and related acquisitions	-	-	3,715,348	-	3,715,348
Depreciation expense	-	-	-	7,546,964	7,546,964
Total	$ 62,425,933	$ 24,585,585	$ 60,356,081	$ 7,546,964	$ 154,914,563

Statement of Cash Flows for the Year Ended June 30, 2023 and 2022:

Cash Provided by/(Used in)	2024	2023	Change
Operating activities	$ (167,010,982)	$ (128,807,738)	$ (38,203,244)
Noncapital financing activities	164,317,000	160,004,041	4,312,959
Capital financing activities	(31,577,711)	(10,116,937)	(21,460,774)
Investing activities	5,456,419	(2,524,472)	7,980,891
Net Increase/(Decrease) in Cash	$ (28,815,274)	$ 18,554,894	$ (47,370,168)

The Statement of Cash Flows provides information about cash receipts and payments during the year. This statement also assists users in assessing the District's ability to meet its obligations as they come due and its need for external financing.

The primary operating receipts are student tuition and fees and Federal, State, and local grants and contracts. The primary operating expense of the District is the payment of salaries and benefits to instructional and classified support staff, as well as District administrators.

While State apportionment and property taxes are the primary source of non-capital related revenue, the new GASB accounting standards require that this source of revenue is shown as nonoperating revenue as it come from the general resources of the State and not from the primary users of the colleges' programs and services (students). The District depends upon this funding as the primary source of funds to continue the current level of operations.

ECONOMIC FACTORS AFFECTING THE FUTURE OF COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT

Fiscal year 2023-2024 was a very strong financial year for College of the Sequoias. The District received 8.22% COLA. In addition, the District budgeted for additional PERS/STRS costs two years in advance: 2024/2025 costs of $83,071 and 2025/2026 costs of $474,207.

College of the Sequoias settled negotiations with CSEA, COSTA, and COSAFA in a very timely manner, implementing a COLA + 1% (9.22%) increase for all groups and an increase to benefits cap to cover 50 percent of the Health & Welfare annual increase for fiscal year 2023/24.

There are currently no other known facts, decisions, or conditions that will have a significant effect on the financial position (net assets) or results of operations (revenues, expenses, and changes in net assets) of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our 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 Ron Ballesteros-Perez, Vice President, Administration Services at the College of the Sequoias Community College District, 915 South Mooney Blvd., Visalia, California 93277, or e-mail at ronb@cos.edu.

FINANCIAL SECTION

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION – PRIMARY GOVERNMENT
JUNE 30, 2024

ASSETS		
Current Assets:		
Cash and investments	$	68,507,914
Restricted investments		46,300,766
Accounts receivable, net		17,724,879
Inventory		119,184
Prepaid expenses		813,482
Total Current Assets		133,466,225
Non-current Assets:		
Unamortized discounts		19,915
Lease receivable		1,379,317
Right-of-use assets, net		764,930
Net OPEB asset		644,144
Capital assets, net		228,233,789
Total Non-current Assets		231,042,095
TOTAL ASSETS		364,508,320
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to bond refundings		2,644,076
Deferred outflows related to OPEB		1,365,070
Deferred outflows related to pensions		29,631,277
TOTAL DEFERRED OUTFLOWS OF RESOURCES		33,640,423
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$	398,148,743
LIABILITIES		
Current Liabilities:		
Accounts payable	$	17,928,562
Unearned revenue		20,816,106
Long-term debt, current portion		5,104,228
Total Current Liabilities		43,848,896
Non-current Liabilities:		
Compensated absences		4,048,194
Net pension liability		84,606,744
Long-term debt, non-current portion		112,604,577
Total Non-current Liabilities		201,259,515
TOTAL LIABILITIES		245,108,411
DEFERRED INFLOWS OF RESOURCES		
Deferred charge on refunding		106,902
Deferred inflows related to leases		1,268,015
Deferred inflows related to OPEB		2,318,878
Deferred inflows related to pensions		3,066,078
TOTAL DEFERRED INFLOWS OF RESOURCES		6,759,873
NET POSITION		
Net investment in capital assets		113,933,990
Restricted for:		
Debt service		22,973,661
Capital projects		23,831,139
Other special purposes		9,474,432
Unrestricted		(23,932,763)
TOTAL NET POSITION		146,280,459
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$	398,148,743

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PRIMARY GOVERNMENT
FOR THE YEAR ENDED JUNE 30, 2024

OPERATING REVENUES	
Tuition and fees	$ 13,637,182
Less: Scholarship discounts and allowances	(7,830,281)
Tuition and fees, net	5,806,901
Auxiliary enterprise sales and charges	
Cafeteria	1,482,861
Farm	1,138,654
TOTAL OPERATING REVENUES	8,428,416
OPERATING EXPENSES	
Salaries	71,701,934
Employee benefits	31,000,206
Supplies, materials, and other operating expenses and services	28,272,412
Student aid	38,443,231
Depreciation and amortization	8,133,950
TOTAL OPERATING EXPENSES	177,551,733
OPERATING LOSS	(169,123,317)
NON-OPERATING REVENUES/(EXPENSES)	
State apportionments, non-capital	73,180,907
Local property taxes	22,559,728
Taxes levied for other specific purposes	7,833,145
State taxes and other revenues	15,308,970
Investment income, non-capital	4,782,906
Interest expense on capital asset-related debt	(1,761,229)
Grants and Contracts, non-capital:	
Federal	25,788,236
State	26,226,123
Other transfers	1,264,883
Local grants and other non-operating income	2,660,708
TOTAL NON-OPERATING REVENUES/(EXPENSES)	177,844,377
INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	8,721,060
State revenues, capital	3,169,503
Gain/(Loss) on disposal of fixed assets	(3,209)
Local revenues, capital	673,513
TOTAL OTHER REVENUES	3,839,807
CHANGE IN NET POSITION	12,560,867
NET POSITION, BEGINNING OF YEAR	132,825,326
PRIOR YEAR ADJUSTMENT (SEE NOTE 19)	894,266
NET POSITION, END OF YEAR	$ 146,280,459

The accompanying notes are an integral part of these financial statements.

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
STATEMENT OF CASH FLOWS – PRIMARY GOVERNMENT
FOR THE YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees, net	$ 5,806,901
Payments to students and vendors for financial aid, supplies and services	(74,160,095)
Payments to or on behalf of employees	(101,279,303)
Auxiliary enterprise sales and charges	2,621,515
Net Cash Provided by/(Used in) Operating Activities	(167,010,982)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
State apportionments	77,787,711
Grants and contracts	46,127,148
Property taxes - non debt related	22,559,728
State taxes and other apportionments	15,308,970
Local grants and other non-operating revenues	1,268,560
Transfers in/(out)	1,264,883
Net Cash Provided by/(Used in) Non-capital Financing Activities	164,317,000
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Purchase of capital assets	(34,713,310)
Proceeds from capital debt	(3,209)
State revenue, capital projects	3,169,503
Property taxes - related to capital debt	7,833,145
Principal paid on capital debt	(7,006,408)
Interest paid on capital debt	(857,432)
Net Cash Provided by/(Used in) Capital Financing Activities	(31,577,711)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received from investments	5,456,419
Net Cash Provided by/(Used in) Investing Activities	5,456,419
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(28,815,274)
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	143,623,954
CASH & CASH EQUIVALENTS, END OF YEAR	$ 114,808,680

RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	$ (169,123,317)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation and amortization expense	7,785,174
Changes in Assets and Liabilities:	
Accounts receivables, net	(425,767)
Inventory	(31,647)
Prepaid expenses	433,202
Accounts payable and accrued liabilities	(7,276,238)
Unearned revenue	485,858
Compensated absences	423,795
Lease liability	(5,118)
Deferred outflows of resources	(2,955,293)
Net pension liability	6,629,647
Net OPEB liability/(asset)	(254,846)
Deferred inflows of resources	(2,696,432)
Total Adjustments	2,112,335
Net Cash Used in Operating Activities	$ (167,010,982)

CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING :	
Cash in banks	$ 68,507,914
Cash equivalents, restricted	46,300,766
Total Cash and Cash Equivalents	$ 114,808,680

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
STATEMENT OF NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2024

	Agency Funds	Trust Funds	OPEB Trust Fund
ASSETS			
Cash and cash equivalents	$ 1,472,924	$ 81,939	$ -
Investments	-	-	14,002,269
Accounts receivable, net	312,941	15,564	-
Total Assets	1,785,865	97,503	14,002,269
LIABILITIES			
Accounts payable	87,693	120	-
Unearned revenue	155,665	-	-
Total Liabilities	243,358	120	-
NET POSITION			
Other restricted	1,542,507	97,383	-
Restricted for OPEB	-	-	14,002,269
Total Net Position	$ 1,542,507	$ 97,383	$ 14,002,269

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Agency Funds	Trust Funds	OPEB Trust Fund
OPERATING REVENUES			
Local revenue	$ 421,990	$ 882	$ -
Interest and investment income/(expense)	-	-	2,651,187
Total Operating Revenues	421,990	882	2,651,187
OPERATING EXPENSES			
Supplies and materials	27,669	-	-
Other operating expenses	233,761	-	1,216,405
Total Operating Expenses	261,430	-	1,216,405
OTHER FINANCING SOURCES/(USES)			
Operating transfers in	7,278	-	
Total Other Financing Sources/(Uses)	7,278	-	-
Net Changes in Net Position	167,838	882	1,434,782
Net Position - Beginning of Year	1,374,669	96,501	12,567,487
Net Position - End of Year	$ 1,542,507	$ 97,383	$ 14,002,269

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS		
Current Assets:		
Cash and cash equivalents	$	341,011
Investments		19,012,324
TOTAL ASSETS	$	19,353,335
LIABILITIES		
Accounts payable	$	1,716
Total Liabilities		1,716
NET ASSETS		
Net assets without donor restrictions		10,400,772
Net assets with donor restrictions		8,950,847
TOTAL NET ASSETS		19,351,619

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT - COLLEGE OF THE SEQUOIAS FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
SUPPORT AND REVENUES			
Contributions:			
General contributions	$ 695,330	$ 81,611	$ 776,941
Endowed scholarships	-	152,550	152,550
Outside scholarships	-	279,673	279,673
Inside scholarships	-	333,163	333,163
Revenues:			
Investment income (interest, dividends, and realized gains)	529,940	-	529,940
Fundraisers	326,935	-	326,935
Program fees	205,321	-	205,321
In-kind donations	1,950	-	1,950
Unrealized gain/(loss) on value of investments	1,512,059	-	1,512,059
Other income	63,531		63,531
Net assets released from restrictions	615,191	(615,191)	-
TOTAL SUPPORT AND REVENUES	$ 3,950,257	$ 231,806	$ 4,182,063
EXPENSES:			
Scholarships:			
Endowed scholarships	$ 223,541	$ -	$ 223,541
Outside scholarships	391,650	-	391,650
Inside scholarships	366,480	-	366,480
Scholarships	57,956	-	57,956
College enhancement	931,729	-	931,729
General administrative	176,055	-	176,055
TOTAL EXPENSES	2,147,411	-	2,147,411
CHANGE IN NET ASSETS	1,802,846	231,806	2,034,652
NET ASSETS, BEGINNING OF YEAR	12,065,091	5,251,876	17,316,967
RECLASSIFICATION	(3,467,165)	3,467,165	-
ADJUSTED NET ASSETS, BEGINNING OF YEAR	8,597,926	8,719,041	17,316,967

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	2,034,652
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Decrease in operating assets		
Other assets		1,716
Net cash provided by/(used in) operating activities:		2,036,368
CASH FLOWS FROM INVESTING ACTIVITIES		
Net change in investments		(2,105,502)
Net cash provided by/(used in) investing activities:		(2,105,502)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(69,134)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		410,145
CASH AND CASH EQUIVALENTS, END OF YEAR	$	341,011

The accompanying notes are an integral part of these financial statements.

NOTE 1 - ORGANIZATION

The College of the Sequoias Community College District (the "District") was established in 1926 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of Tulare and Kings Counties. The District operates under a locally elected five member-Board of Trustees form of government, which establishes the policies and procedures by which the District operates. Currently, the District operates one college with two educational centers located in the Counties of Tulare and Kings, State of California. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The District has adopted GASB Statement No. 61, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity,* to provide additional guidance 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. The three components used to determine the presentation are: providing a "direct benefit", the "environment and ability to access/influence reporting", and the "significance" criterion. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District, and the following component units:

- **College of the Sequoias Foundation**

  The College of the Sequoias Foundation (the "Foundation") is a legally separate, tax-exempt component unit of the District. The Foundation acts primarily as a fundraising organization to provide grants and scholarships to students and support to employees, programs, and departments of the District. The 38-member board of the Foundation consists of community members, alumni, and other supporters of the Foundation. Although the District does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests are restricted to the activities of the District by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the District, the Foundation is considered a component unit of the District with the inclusion of the statements as a discretely presented component unit. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

  The Foundation is a not-for-profit organization under Internal Revenue Code (IRC) Section 501(c)(3) that reports its financial results in accordance with Financial Accounting Standards Codifications. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Complete financial statements for the Foundation can be obtained from the Foundation's Business Office at 915 South Mooney Blvd., Visalia, CA 93277.

Retiree Health Benefit OPEB Trust

The Retiree Health Benefit OPEB Trust (the Trust) is an irrevocable governmental trust pursuant to Section 115 of the IRC for the purpose of funding certain postemployment benefits other than pensions. The Trust is administered by the Retiree Health Benefit Funding Program Joint Powers Agency (the JPA) as directed by the investment alternative choice selected by the District. The District retains the responsibility to oversee the management of the Trust, including the requirement that investments and assets held within the Trust continually adhere to the requirements of the *California Government Code* Section 53600.5 which specifies that the trustee's primary role is to preserve capital, to maintain investment liquidity, and to protect investment yield. As such, the District acts as the fiduciary of the Trust. The financial activity of the Trust has been discretely presented. Separate financial statements are not prepared for the Trust.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB Statements No. 34 and No. 35 as amended by GASB Statements No. 37, No. 38, and No. 39. This presentation provides a comprehensive entity-wide perspective of the District's assets, liabilities, activities, and cash flows and replaces the fund group perspective previously required. Fiduciary activities, with the exception of the Student Financial Aid Fund, are excluded from the basic financial statements. Accordingly, 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 prescribed 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.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are classified as operating revenues. These transactions are recorded on the accrual basis when the exchange takes place. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, operating revenues consist primarily of student fees and auxiliary activities through the bookstore and cafeteria.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain Federal and State grants, entitlements, and donations. Property tax revenue is recognized in the fiscal year received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges Chancellor's Office and includes reporting of full-time equivalent students (FTES) attendance. 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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Operating expenses are costs incurred to provide instructional services including support costs, auxiliary services, and depreciation of capital assets. All other expenses not meeting this definition are reported as nonoperating. Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,* and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities,* as amended by GASB Statements No. 37, No. 38, and No. 39. The business-type activities model followed by the District requires the following components of the District's financial statements:

- Management's Discussion and Analysis
- Basic Financial Statements for the District as a whole including:
    - Statement of Net Position
    - Statement of Revenues, Expenses, and Changes in Net Position
    - Statement of Cash Flows
- Notes to Financial Statements

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term unrestricted investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with county treasury balances for purposes of the statement of Cash Flows. Restricted cash and cash equivalents represented balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments held at June 30, 2024, are stated at fair value. Fair value is estimated based on quoted market prices at year-end. Short-term investments have an original maturity date greater than three months, but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

Restricted Assets

Restricted assets arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets represent investments required by debt covenants to be set aside by the District for the purpose of satisfying certain requirements of the bonded debt issuance.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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 majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. The allowance for the student related accounts receivable is $3,617,372 for the fiscal year ended June 30, 2024. This allowance is based upon management's estimates and analysis. Management has analyzed these accounts and believes the net amounts are fully collectible.

Prepaid Expenses

Prepaid expenditures (expenses) represent amounts paid in advance of receiving goods or services and that will benefit periods beyond June 30. The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditures when incurred.

Inventories

Inventories consist primarily of farm livestock and cafeteria food and supplies held for resale to the students and faculty of the colleges. Inventories are stated at cost, utilizing the weighted average method. The cost is recorded as an expense as the inventory is consumed.

Lease Receivable

The District’s lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee’s revenue. Any variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Right-of-Use Assets

The District has recorded right-of-use assets as a result of implementing GASB 87, *Leases*. The right-of-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-of-use assets are amortized on a straight-line basis over the life of the related lease.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Capital Assets and Depreciation

Capital assets are long-lived assets of the District as a whole and include land, construction in progress, buildings, leasehold improvements, and equipment. The District maintains an initial unit cost capitalization threshold of $5,000 and an estimated useful life greater than one year. Assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. The District does not possess any infrastructure. Donated capital assets are recorded at estimated fair market value at the date of donation. Improvements to buildings and land that significantly increase the value or extend the useful life of the asset are capitalized; the costs of routine maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged as an operating expense in the year in which the expense was incurred. Major outlays for capital improvements are capitalized as construction in progress as the projects are constructed.

Depreciation of capital assets is computed and recorded utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 25 to 50 years; improvements, 25 to 50 years; equipment, 5 to 10 years; vehicles 5 to 10 years.

Accounts Payable and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the entity-wide financial statements.

Debt Premiums and Discounts

Debt premiums and discounts, as well as issuance costs related to prepaid insurance costs, are amortized over the life of the bonds using the straight-line method.

Deferred Outflows/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 or expenditure until then. The District reports deferred outflows of resources for pension related items.

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 deferred charges on bond refunding, leases, OPEB and Pensions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Pensions

For purposes of measuring the net pension liability and 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.

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the entity-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 yearend 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 entity-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 school members who retire after January 1, 1999. At retirement, each member will receive .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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Unearned Revenue

Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized. Unearned revenue includes (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 certificates of participation, compensated absences, capital lease obligations, pensions, and lease revenue bonds with maturities greater than one year.

Net Position

GASB Statements No. 34 and No. 35 report equity as "Net Position" and represent the difference between assets and liabilities. The net position is classified according to imposed restrictions or availability of assets for satisfaction of District obligations according to the following net asset categories:

Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. To the extent debt has been incurred, but not yet expended for capital assets, such accounts are not included as a component invested in capital assets – net of related debt.

Restricted: Net position is reported as restricted when there are limitations imposed on their use, either through 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 resources are available.

Unrestricted: Net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first and the unrestricted resources when they are needed. The financial statements report $56,279,232 of restricted net position.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

State Apportionments

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

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. 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 Counties of Tulare, Kings, and Fresno bill and collect the taxes on behalf of the District. Local property tax revenues are recorded when received.

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

Scholarships, Discounts, and Allowances

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

Federal Financial Assistance Programs

The District participates in federally funded Pell Grants, SEOG Grants, and Federal Work-Study programs, as well as other programs funded by the Federal government. Financial aid to students is either reported as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition. These programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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.

Interfund Activity

Interfund transfers and interfund receivables and payables are eliminated during the consolidation process in the Primary Government and Fiduciary Funds' financial statements, respectively.

Foundation Financial Statement Presentation

The accompanying financial statements are presented in accordance with Financial Accounting Standards Board (FASB) ASC 958-210-50. Under ASC 958-210-50, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets, net assets with donor restriction and net assets without donor restriction. In addition, the Foundation is required to present a statement of cash flows. The Foundation does not use fund accounting. Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting.

The College of the Sequoias Foundation and the College of the Sequoias Community College District are financial interrelated organizations as defined by Transfers of Assets to a Nonprofit or Charitable Trust That Holds Contributions for Others. The Foundation reflects contributions received for the benefit of the District as revenue in its financial statements. The expenses related to these contributions are accounted for under program and supporting services.

The financial statements report amounts separately by class of net assets as follows:

- Net assets without donor restrictions are those resources that are currently available for operations.
- Net assets with donor restrictions are those resources which are stipulated by donors for various scholarships or other programmatic uses.

Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting. Revenues are reported as increases in the unrestricted net assets classification unless use of the related assets is limited by donor-imposed restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions for in-kind gifts from outside sources are recorded at their fair market value on the date of the donation.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Investments are reported at fair value in accordance with FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*.

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and related California Franchise Tax Codes.

New Accounting Pronouncements

The following are the GASB pronouncement adopted by the District and the upcoming GASB pronouncement that may have impact future financial presentations.

Adoption of New Accounting Standards

GASB Statement No. 100 – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for periods beginning after June 15, 2023.

Management has determined that the adoption of the foregoing accounting standard did not have a material effect on the District's financial statements.

Upcoming GASB Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the District.

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023.

GASB Statement No. 102 - In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. A government should disclose in notes to financial statements the information if the following criteria have been met; (a) a concentration or constraint is known to the government prior to the issuance of the financial statements and makes the reporting unit vulnerable to the risk of a substantial impact, (b) an event or events associated with the concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This statement is effective for periods beginning after June 15, 2024.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Upcoming GASB Pronouncements, continued

GASB Statement No. 103 – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This statement is effective for periods beginning after June 15, 2025.

NOTE 3 - CASH 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 - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section (ECS) 41001). The fair value of the District's investment in the pool is reported in the accounting 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.

Investment in the State Investment Pool - The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by *California Government Code* Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in the pool is reported in the accompanying financial statement at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on the amortized cost basis.

NOTE 3 - CASH AND INVESTMENTS, continued

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	40%	30%
Banker's Acceptance	180 days	25%	10%
Commercial Paper	270 days	30%	None
Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	20% of base	None
Reverse Repurchase Agreements	92 days	30%	None
Medium-Term Corporate Notes	5 years	20%	10%
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	None
Mortgage Pass-Through Securities	5 years	None	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

NOTE 3 - CASH AND INVESTMENTS, continued

Summary of Cash and Investments

Deposits and investments as of June 30, 2024, consist of the following:

Primary government	$	114,808,680
Fiduciary funds		15,557,132
Total Cash and Investments	$	130,365,812

Cash on hand and in banks	$	10,018,939
Cash in revolving		49,037
Cash with fiscal agent		22,395
Investments		120,275,441
Total Cash and Investments	$	130,365,812

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 County 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.

Segmented Time Distribution

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

Investment Type	Fair Value	12 Months or Less	13 - 24 Months	25 - 60 Months	More Than 60 Months
County Pool	$ 106,001,705	$ -	$ 106,001,705	$ -	$ -
State Investment Pool	271,467	-	271,467	-	-
GASB 75 Trust-Balanced Portfolio	14,002,269	14,002,269	-	-	-
	$ 120,275,441	$ 14,002,269	$ 106,273,172	$ -	$ -

NOTE 3 - CASH AND INVESTMENTS, continued

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government code. Investments in any one issuer that represent five percent or more of the total investments are as follows:

Issuer	Investment Type	Reported Amount
GASB 75 Trust-Balanced Portfolio	Balanced Portfolio	$ 14,002,269

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. 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 percent 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 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2024, approximately $9,340,371 of the District's bank balance was in excess of FDIC insured amounts, however, this amount was not exposed to custodial credit risk because of the pledged securities previously described.

Custodial Credit Risk - Investments

This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. 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 percent 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 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. Of the investment in the GASB 75 Trust-balanced portfolio of $12,567,487, the District has a custodial credit risk exposure of $12,567,487 because the related securities are uninsured, unregistered, and held by the brokerage firm which is also the counterparty for these securities.

NOTE 4 - FAIR VALUE MEASUREMENTS

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

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

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

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

Uncategorized - Investments in the Tulare County Treasury Investment Pool, State Investment Pool, and the GASB 75 Trust-Balanced Portfolio are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at $1.00 net asset value per share.

NOTE 5 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2024, consisted of intergovernmental grants, entitlements, interest, and other local sources and are as follows:

	Primary Government	Fiduciary
Federal Government		
Categorical aid	$ 611,009	$ -
State Government		
Categorical aid	(1,106,552)	-
Apportionment	5,266,544	-
Other state sources	5,108,632	-
Local Sources	941,711	15,564
Subtotal	10,821,344	15,564
Student loans and grants receivable, net	6,903,535	312,941
Total	$ 17,724,879	$ 328,505

NOTE 6 - PREPAID EXPENDITURES

Prepaid expenditures at June 30, 2024, consist of vendor payments totaling $813,482.

NOTE 7 – LEASE RECEIVABLE

The District's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. Any variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Future deferred inflows on noncancellable leases at June 30, 2024 are as follows:

Fiscal year	Principal	Interest	Total
2025	$ 256,314	$ 41,358	$ 297,672
2026	247,811	32,037	279,848
2027	179,775	24,075	203,850
2028	50,635	20,172	70,807
2029	54,329	18,603	72,932
2030-2034	333,508	65,315	398,823
2035-2037	256,945	12,225	269,170
Total	$ 1,379,317	$ 213,785	$ 1,593,102

The District leases space on its campuses to cellular companies, in addition to, office space to external parties. In accordance with GASB 87, the District records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective lease. The expected receipts are discounted using the District's incremental borrowing rate. Any variable payments are excluded unless fixed in substance. During the year ended June 30, 2024, the District recognized revenues related to these lease agreements totaling $357,853. During the year ended June 30, 2024, the District does not have any lease revenue related to variable receipts that were not previously included in the measurement of the lease receivable.

The general terms of the lease agreements are as follows:

Lessor Type	Number of Contracts	Average Rate	Lease Terms	Annual Lease Revenue
Cell Tower	1	3.00%	7/1/2021 - 6/30/2037	$ 61,228
Buildings	4	4.00%	6/15/2019 - 10/31/2024	$ 296,625

NOTE 8 – RIGHT-OF-USE LEASED ASSETS

The amount of lease assets by major class of underlying assets as of June 30, 2024, was as follows:

	Adjusted Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
Right-of-Use Leased Assets:				
Leased equipment	$ 827,946	$ -	$ -	$ 827,946
Leased buildings	1,026,812	331,867	-	1,358,679
Total Right-of-Use Leased Assets	1,854,758	331,867	-	2,186,625
Less Accumulated Amortization				
Leased equipment	510,567	165,589	-	676,156
Leased buildings	562,352	183,187	-	745,539
Total Accumulated Amortization	1,072,919	348,776	-	1,421,695
Right-of-Use leased Assets, net	$ 781,839	$ (16,909)	$ -	$ 764,930

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024, are as follows:

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
Capital Assets Not Being Depreciated				
Land	$ 15,963,042	$ 386,157	$ -	$ 16,349,199
Construction in progress	26,814,957	31,833,110	16,846,479	41,801,588
Total Capital Assets Not Being Depreciated	42,777,999	32,219,267	16,846,479	58,150,787
Capital Assets Being Depreciated				
Land improvements	20,926,641	-	-	20,926,641
Buildings and improvements	211,347,884	16,846,479	46,700	228,147,663
Furniture and equipment	19,312,278	2,528,899	45,570	21,795,607
Total Capital Assets Being Depreciated	251,586,803	19,375,378	92,270	270,869,911
Total Capital Assets	294,364,802	51,594,645	16,938,749	329,020,698
Less Accumulated Depreciation				
Land improvements	9,923,623	854,971	-	10,778,594
Buildings and improvements	71,042,644	5,382,200	46,700	76,378,144
Furniture and equipment	12,092,882	1,548,003	10,714	13,630,171
Total Accumulated Depreciation	93,059,149	7,785,174	57,414	100,786,909
Capital Assets, net	$ 201,305,653	$ 43,809,471	$ 16,881,335	$ 228,233,789

Depreciation expense for the year was $7,785,174.

NOTE 10 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2024, consist of the following:

	Primary Government	Fiduciary Fund	Total
Vendor invoices	$ 14,443,418	$ 87,813	$ 14,531,231
Payroll and benefits	378,189	-	378,189
Deferred payroll	1,548,584	-	1,548,584
Interest	1,284,664	-	1,284,664
Food services	273,707	-	273,707
Total	$ 17,928,562	$ 87,813	$ 18,016,375

NOTE 11 - UNEARNED REVENUE

Unearned revenue at June 30, 2024, consists of the following:

	Primary Government	Fiduciary Funds	Total
Federal financial assistance	$ 57,802	$ -	$ 57,802
State categorical aid	16,112,040	-	16,112,040
Student fees	3,930,569	155,665	4,086,234
Other local	715,695	-	715,695
Total	$ 20,816,106	$ 155,665	$ 20,971,771

NOTE 12 - INTERFUND TRANSACTIONS

Interfund Receivables and Payable (Due To/Due From)

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 governmental funds and fiduciary funds has been eliminated respectively in the consolidation process of the basic financial statements, except for the net amounts between them.

Interfund Operating Transfers

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 funds of the District have been eliminated in the consolidation process, except for the net amounts between them.

NOTE 13 - LONG-TERM OBLIGATIONS

The changes in the District's long-term obligations during the year consisted of the following:

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Due Within One Year
General Obligation Bonds					
2008 Series B, General obligation bonds (Hanford)					
Current interest	$ 570,000	$ -	$ 570,000	$ -	$ -
Capital appreciation	7,053,366	330,186	-	7,383,552	-
2008 Series C, General obligation bonds (Hanford)					
Current interest - refunding	11,310,000	-	590,000	10,720,000	680,000
2008 Series A, General obligation bonds (Tulare)					
Capital appreciation	4,490,975	-	2,018,379	2,472,596	1,270,000
2008 Series B, General obligation bonds (Tulare)					
Capital appreciation	9,070,438	48,547	-	9,118,985	-
2008 Series C, General obligation bonds (Tulare)					
Current interest	50,000	-	50,000	-	-
Capital appreciation	3,855,442	267,389	-	4,122,831	-
2008 Series D, General obligation bonds (Tulare)					
Current interest	3,280,000	-	85,000	3,195,000	95,000
2008 Series E, General obligation bonds (Tulare)					
Current interest - refunding	13,500,000	-	45,000	13,455,000	45,000
Current interest	22,215,000	-	600,000	21,615,000	400,000
2021 Series A, General obligation refunding bonds (Tulare)					
Current interest - refunding	2,205,000	-	80,000	2,125,000	110,000
2021 Series B, General obligation refunding bonds (Tulare)					
Current interest - refunding	8,380,000	-	195,000	8,185,000	240,000
2008 Series A, General obligation bonds (Visalia)					
Capital appreciation	3,222,692	-	2,018,595	1,204,097	1,215,000
2008 Series B, General obligation bonds (Visalia)					
Capital appreciation	1,521,325	164,423	-	1,685,748	-
2008 Series C, General obligation bonds (Visalia)					
Capital appreciation	1,658,493	-	152,056	1,506,437	145,000
2008 Series D, General obligation bonds (Visalia)					
Current interest - refunding	19,040,000	-	60,000	18,980,000	65,000
2020 General obligation refunding bonds (Visalia)					
Current interest - refunding	4,170,000	-	-	4,170,000	-
Unamortized premium	7,525,297	-	542,378	6,982,919	579,625
Total general obligation bonds	123,118,028	810,545	7,006,408	116,922,165	4,844,625
Other Long-Term Liabilities					
Lease liability	808,667	331,867	353,894	786,640	259,603
Compensated absences	3,624,399	423,795	-	4,048,194	-
Net OPEB liability (asset)	(389,298)	-	254,846	(644,144)	-
Net pension liability	77,977,097	6,629,647	-	84,606,744	-
Total Other Long-Term Liabilities	82,020,865	7,385,309	608,740	88,797,434	259,603
Total Long-Term Obligations	$ 205,138,893	$ 8,195,854	$ 7,615,148	$ 205,719,599	$ 5,104,228

Payments on the Certificates of Participation are paid by the General Fund and the Student Center Trust. Payments on the General Obligation Bonds are made by the Bond Interest and Redemption Fund with local property tax revenues. Payments on the Lease Revenue Bonds, Bond Anticipation Note, and capital leases are made by the General Fund. The accumulated vacation, banked leave, and the early retirement incentive will be paid by the fund for which the employee worked.

NOTE 13 - LONG-TERM OBLIGATIONS, continued

Bonded Debt

The District's bonded debt is summarized as follows:

Year Issued	Campus	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding July 1, 2023	Accreted/ Issued	Redeemed	Bonds Outstanding June 30, 2024
General obligation bonds								
2008	Hanford	2/1/2034	1.85-6.99	$ 6,995,778	$ 7,623,366	$ 330,186	$ 570,000	$ 7,383,552
2017	Hanford	8/1/2032	2.00-5.00	$ 12,175,000	11,310,000	-	590,000	10,720,000
2008	Tulare	8/1/2033	2.40-6.36	$ 19,998,219	4,490,975	-	2,018,379	2,472,596
2011	Tulare	8/1/2040	3.28-7.62	$ 10,004,927	9,070,438	48,547	-	9,118,985
2013	Tulare	8/1/2042	2.09-5.20	$ 3,401,460	3,905,442	267,389	50,000	4,122,831
2016	Tulare	8/1/2040	3.00-5.00	$ 3,710,000	3,280,000	-	85,000	3,195,000
2017	Tulare	8/1/2032	3.00-5.00	$ 14,015,000	13,500,000	-	45,000	13,455,000
2021	Tulare	8/1/2051	3.00-4.00	$ 22,885,000	22,215,000	-	600,000	21,615,000
2021	Tulare	8/1/2031	4.00	$ 2,245,000	2,205,000	-	80,000	2,125,000
2021	Tulare	8/1/2042	0.31-2.30	$ 8,575,000	8,380,000	-	195,000	8,185,000
2008	Visalia	8/1/2033	2.40-6.22	$ 17,997,404	3,222,692	-	2,018,595	1,204,097
2010	Visalia	8/1/2039	5.10-6.61	$ 4,999,652	1,521,325	164,423	-	1,685,748
2011	Visalia	8/1/2036	4.12-7.74	$ 4,995,439	1,658,493	-	152,056	1,506,437
2017	Visalia	8/1/2036	3.00-5.00	$ 19,695,000	19,040,000	-	60,000	18,980,000
2020	Visalia	8/1/1939	2.20-4.00	$ 4,260,000	4,170,000	-	-	4,170,000
					$ 115,592,731	$ 810,545	$ 6,464,030	$ 109,939,246

NOTE 13 - LONG-TERM OBLIGATIONS, continued

2008 Hanford Series B, General Obligation Bonds:

Fiscal Year	Principal	Interest	Accreted Interest	Total
2025	$ 217,890	$ -	$ 397,105	$ 614,995
2026	206,488	-	416,750	623,238
2027	196,354	-	437,402	633,756
2028	187,487	-	459,621	647,108
2029	177,352	-	477,239	654,591
2030-2034	1,039,188	-	4,558,290	5,597,478
2035	426,019	-	2,558,981	2,985,000
Accretion	4,932,774	-	(4,932,774)	-
Total	$ 7,383,552	$ -	$ 4,372,614	$ 11,756,166

2008 Hanford Series C, General Obligation Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ 680,000	$ 468,000	$ 1,148,000
2026	790,000	434,000	1,224,000
2027	905,000	394,500	1,299,500
2028	1,025,000	349,250	1,374,250
2029	1,160,000	298,000	1,458,000
2030-2033	6,160,000	570,250	6,730,250
Total	$ 10,720,000	$ 2,514,000	$ 13,234,000

2008 Tulare Series A, General Obligation Bonds:

Fiscal Year	Principal	Accreted Interest	Total
2025	$ 261,087	$ 1,008,913	$ 1,270,000
2026	251,488	1,103,512	1,355,000
Accretion	1,960,021	(1,960,021)	-
Total	$ 2,472,596	$ 152,404	$ 2,625,000

NOTE 13 - LONG-TERM OBLIGATIONS, continued

2008 Tulare Series B, General Obligation Bonds:

Fiscal Year	Principal	Accreted Interest	Total
2025	$ -	$ -	$ -
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030-2034	239,802	2,870,198	3,110,000
2035-2039	2,203,914	12,755,784	14,959,698
2040-2041	754,245	5,793,496	6,547,741
Accretion	5,921,024	(5,921,024)	-
Total	$ 9,118,985	$ 15,498,454	$ 24,617,439

2008 Tulare Series C, General Obligation Bonds:

Fiscal Year	Principal	Interest	Accreted Interest	Total
2025	$ -	$ -	$ -	$ -
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030-2034	154,753	480,795	196,914	832,462
2035-2039	600,608	2,095,838	1,328,272	4,024,718
2040-2042	1,221,100	1,105,932	3,548,353	5,875,385
Accretion	2,146,370	-	(2,146,370)	-
Total	$ 4,122,831	$ 3,682,565	$ 2,927,169	$ 10,732,565

2008 Tulare Series D, General Obligation Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ 95,000	$ 108,650	$ 203,650
2026	110,000	103,900	213,900
2027	115,000	98,400	213,400
2028	130,000	92,650	222,650
2029	145,000	86,150	231,150
2030-2034	855,000	342,850	1,197,850
2035-2039	1,145,000	202,350	1,347,350
2040-2041	600,000	28,438	628,438
Total	$ 3,195,000	$ 1,063,388	$ 4,258,388

NOTE 13 - LONG-TERM OBLIGATIONS, continued

2008 Tulare Series E, General Obligation Refunding Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ 45,000	$ 561,100	$ 606,100
2026	45,000	558,850	603,850
2027	1,490,000	556,600	2,046,600
2028	1,600,000	482,100	2,082,100
2029	1,730,000	402,100	2,132,100
2030-2033	8,545,000	738,200	9,283,200
Total	$ 13,455,000	$ 3,298,950	$ 16,753,950

2008 Tulane Series E, General Obligation Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ 400,000	$ 737,250	$ 1,137,250
2026	-	721,250	721,250
2027	-	721,250	721,250
2028	-	721,250	721,250
2029	165,000	721,250	886,250
2030-2034	830,000	3,512,450	4,342,450
2035-2039	-	3,407,250	3,407,250
2040-2044	1,695,000	3,407,250	5,102,250
2045-2049	10,415,000	2,318,050	12,733,050
2050-2052	8,110,000	496,500	8,606,500
Total	$ 21,615,000	$ 16,763,750	$ 38,378,750

2021 Tulare Series A, General Obligation Refunding Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ 110,000	$ 85,000	$ 195,000
2026	150,000	80,600	230,600
2027	185,000	74,600	259,600
2028	235,000	67,200	302,200
2029	280,000	57,800	337,800
2030-2032	1,165,000	98,000	1,263,000
Total	$ 2,125,000	$ 463,200	$ 2,588,200

NOTE 13 - LONG-TERM OBLIGATIONS, continued

2021 Tulare Series B, General Obligation Refunding Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ 240,000	$ 220,977	$ 460,977
2026	235,000	219,523	454,523
2027	235,000	216,985	451,985
2028	235,000	213,789	448,789
2029	225,000	210,095	435,095
2030-2034	1,095,000	982,211	2,077,211
2035-2039	725,000	870,618	1,595,618
2040-2043	5,195,000	478,431	5,673,431
Total	$ 8,185,000	$ 3,412,629	$ 11,597,629

2008 Visalia Series A, General Obligation Bonds:

Fiscal Year	Principal	Accreted Interest	Total
2025	$ 219,198	$ 995,802	$ 1,215,000
Accretion	984,899	(984,899)	-
Total	$ 1,204,097	$ 10,903	$ 1,215,000

2008 Visalia Series B, General Obligation Bonds:

Fiscal Year	Principal	Interest	Accreted Interest	Total
2025	$ -	$ -	$ -	$ -
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030-2034	150,520	-	1,969,480	2,120,000
2035-2037	199,132	-	3,500,868	3,700,000
Accretion	1,336,096	-	(1,336,096)	-
Total	$ 1,685,748	$ -	$ 4,134,252	$ 5,820,000

NOTE 13 - LONG-TERM OBLIGATIONS, continued

2008 Visalia Series C, Capital Appreciation General Obligation Bonds:

Fiscal Year	Principal	Accreted Interest	Total
2025	$ 30,518	$ 114,482	$ 145,000
2026	52,450	227,550	280,000
2027	50,847	254,153	305,000
2028	48,962	281,038	330,000
2029	47,538	312,462	360,000
2030-2031	89,769	720,231	810,000
Accretion	1,186,353	(1,186,353)	-
Total	$ 1,506,437	$ 723,563	$ 2,230,000

2008 Visalia Series D, Current Interest General Obligation Refunding Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ 65,000	$ 735,418	$ 800,418
2026	1,090,000	732,169	1,822,169
2027	1,215,000	677,669	1,892,669
2028	1,355,000	616,919	1,971,919
2029	1,505,000	549,169	2,054,169
2030-2034	9,135,000	1,620,644	10,755,644
2035-2037	4,615,000	306,332	4,921,332
Total	$ 18,980,000	$ 5,238,320	$ 24,218,320

2020 Visalia, Current Interest General Obligation Refunding Bonds:

Fiscal Year	Principal	Interest	Total
2025	$ -	$ 166,800	$ 166,800
2026	-	166,800	166,800
2027	-	166,800	166,800
2028	-	166,800	166,800
2029	-	166,800	166,800
2030-2034	-	834,000	834,000
2035-2039	1,940,000	834,000	2,774,000
2040	2,230,000	89,200	2,319,200
Total	$ 4,170,000	$ 2,591,200	$ 6,761,200

NOTE 13 - LONG-TERM OBLIGATIONS, continued

Premiums on Issuances

The following premiums on the District' bonds will be amortized over the life of the obligation:

Issuance	Campus	Unamortized Premium
2008 Series B	Hanford	$ 162,305
2008 Series C	Hanford	1,090,505
2008 Series A	Tulare	28,060
2008 Series B	Tulare	376,840
2008 Series D	Tulare	160,116
2008 Series E	Tulare	1,986,239
2021 Refunding	Tulare	332,661
2008 E Refunding	Tulare	1,065,337
2008 Series A	Visalia	23,486
2008 Series B	Visalia	52,377
2008 Series D	Visalia	1,168,603
2020 Refunding	Visalia	536,390
Total unamortized premium		$ 6,982,919

Accumulated Unpaid Employee Compensation

The long-term portion of accumulated unpaid employee compensation and banked leave for the District at June 30, 2024, amounted to $4,048,194.

Leases

The District has entered into agreements to lease certain equipment and office spaces. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The general terms are as follows:

Lease Type	Number of Contracts	Average Rate	Lease Terms	Annual Lease Payment
Equipment	1	3.00%	6/22/2020 - 6/21/2025	$ 178,080
Building	3	4.67%	7/6/2018 - 6/30/2032	$ 206,688

Future minimum lease payments on noncancellable leases at June 30, 2024 are as follows:

Fiscal year	Principal	Interest	Total
2025	$ 259,603	$ 29,685	$ 289,288
2026	103,028	23,020	126,048
2027	107,926	19,610	127,536
2028	113,091	14,445	127,536
2029	72,948	11,424	84,372
2030-2032	130,044	30,456	160,500
Total	$ 786,640	$ 128,640	$ 915,280

NOTE 14 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The District provides postemployment health care benefits for retired employees in accordance with negotiated contracts with the various bargaining units of the District.

For the fiscal year ended June 30, 2024, the District reported net OPEB liability/(asset), deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Net OPEB Liability/(asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ (644,144)	$ 1,365,070	$ 2,318,878	$ 1,855

Plan Description

The Retiree Health Benefits Joint Powers Agency administers the District's Postemployment Benefits Plan – a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees of the District. Financial information for the Retiree Health Benefits Joint Powers Agency can be obtained through the JPA at the Community College League of California at 2017 O Street, Sacramento, CA 95811.

The Retiree Health Benefits Funding Program Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the Retiree Health Benefits Joint Powers Agency. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses.

The following is a description of the current retiree benefit plan:

	Faculty	Classified	Management
Benefit types provided	Medical, dental, and vision	Medical, dental, and vision	Medical, dental, and vision
Duration of Benefits	To age 65*	To age 65	To age 65*
Required Service	10 years*	10 years	10 years*
Minimum Age	55	55	55
Dependent Coverage	Yes	Yes	Yes
College Contribution %	100% up to cap**	100% up to cap**	100% up to cap**
College Cap	Same as active*	Same as active	Same as active*

*Employees with at least 20 years of service received either $1,500 toward the cost of retiree coverage (if not Medicare eligible) or an annual incentive payment that increases by 2% per year. These cash benefits are outside the scope of this report.

**Cap amount is subject to negotiation

NOTE 14 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

Employees Covered by Benefit Term

The following is a table of plan participants at June 30, 2024, the most current actuarial study measurement date:

	Number of Participants
Inactive Employees/Dependents Receiving Benefits	62
Active Employees	440
Total number of participants	502

Contribution Information

The contribution requirements of plan members and the District are established and may be amended by the District and the District's bargaining units. The required contribution is based on projected pay-as-you-go financing requirements with an additional amount to prefund benefits as determined annually through agreements between the District and the bargaining units. For fiscal year 2022-2023, the District did not make any contributions to the irrevocable OPEB Trust. The District had a net OPEB asset of $644,144 as of June 30, 2023, the most current actuarial study measurement date.

OPEB Plan Investments

The plan discount rate of 5.75% was determined using the following asset allocation and assumed rate of return:

Asset Class	Target Allocation	Rate of Long-Term Expected Real Rate of Return
U.S. Large Cap	29%	7.55%
U.S. Small Cap	13%	7.55%
All foreign stock	9%	7.55%
Other fixed income	49%	3.00%
Total	100%	

Rolling periods of time for all asset classes in combination we used to appropriately reflect correlation between asset classes. This means that the average returns for any asset class do not necessarily reflect the averages over time individually but reflect the return for the asset class for the portfolio average.

NOTE 14 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

Actuarial Assumptions

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

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Fiscal year	July 1st to June 30th
Actuarial cost methods	Entry age normal cost method
Inflation rate	2.50%
Discount rate	5.75%
Health care cost trend rate	4.00%
Payroll increase	2.75%
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2017 CalPERS active mortality for miscellaneous and school employees were used.

Changes in the Net OPEB Liability/(Asset)

	Increase/(Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance July 1, 2022	$ 11,249,351	$ 11,638,649	$ (389,298)
Changes for the year:			
Service cost	749,058	-	749,058
Interest on TOL	647,480	-	647,480
Employer contributions	-	726,726	(726,726)
Expected investment income	-	668,754	(668,754)
Investment gains/losses	-	272,208	(272,208)
Administrative expense	-	(16,304)	16,304
Expected benefit payments	(726,726)	(726,726)	-
Net change	669,812	924,658	(254,846)
Balance June 30, 2023	$ 11,919,163	$ 12,563,307	$ (644,144)

NOTE 14 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the District recognized OPEB expense of $1,855. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	$ 599,508	$ -
Differences between expected and actual experience	490,346	1,741,238
Change in assumptions	275,216	577,640
Total	$ 1,365,070	$ 2,318,878

The deferred outflow of resources 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 inflows of resources resulting from a change in assumption will be amortized to OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ (8,430)
2026	(39,675)
2027	276,545
2028	(196,276)
2029	(141,836)
Thereafter	(844,136)
Total	$ (953,808)

Sensitivity of the OPEB Liability/(Asset) to Assumptions

The following presents the net OPEB liability/(asset) calculated using the discount rate of 5.75 percent. The schedule also shows what the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1 percent lower (4.75 percent) and 1 percent higher (6.75 percent):

	1% Decrease (4.75%)	Discount Rate (5.75%)	1% Increase (6.75%)
Net OPEB liability/(asset)	$ 240,626	$ (644,144)	$ (1,461,753)

NOTE 14 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

Sensitivity of the OPEB Liability/(Asset) to Assumptions, continued

The following table presents the net OPEB liability/(asset) calculated using the heath care cost trend rate of 4.0 percent. The schedule also shows what the net OPEB liability/(asset) would be if it were calculated using a health care cost trend rate that is 1 percent lower (3.0 percent) and 1 percent higher (5.0 percent):

	1% Decrease (3.00%)	Health Care Cost Trend Rate (4.00%)	1% Increase (5.00%)
Net OPEB liability/(asset)	$ (1,929,377)	$ (644,144)	$ 866,738

NOTE 15 - RISK MANAGEMENT

Health and Welfare

Employee health coverage benefits are covered by the Self-Insured Schools of California joint powers agency through contribution made by the District. The District provides health insurance benefits to District employees, their families, and retired employees of the District.

Property and Liability

During fiscal year ended June 30, 2024, the District contracted with the Statewide Association of Community Colleges joint powers agency 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

During fiscal year ended June 30, 2024, the District participated in the Tulare County Schools Insurance Group, 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 insures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

NOTE 16 - 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 net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	$ 39,132,970	$ 13,722,858	$ 2,171,931	$ 6,889,091
CalPERS	45,473,774	15,908,419	894,147	7,879,172
Total	$ 84,606,744	$ 29,631,277	$ 3,066,078	$ 14,768,263

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 the California State Teachers' Retirement System (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 can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

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

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

Benefits Provided, continued

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 provisions and benefits in effect at June 30, 2024, are summarized as follows:

	STRP Defined Benefit Plan	
	On or before	On or after
Hire date	December 31, 2012	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 contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent 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 $7,343,936.

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

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

District's proportionate share of the net pension liability	$ 39,132,970
State's proportionate share of the net pension liability associated with the District	18,750,045
Total	$ 57,883,015

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

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

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 school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2023 and June 30, 2022, respectively was 0.051 percent and 0.050 percent, resulting in an increase of 0.001 percent in the proportionate share.

For the year ended June 30, 2024, the District recognized pension expense of $6,889,091. In addition, the District recognized pension expense and revenue of ($272,286) for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ 165,553	$ -
Differences between expected and actual experience	3,075,426	2,093,298
Changes in assumptions	226,593	-
Net changes in proportionate share of net pension liability	2,911,350	78,633
District contributions subsequent to the measurement date	7,343,936	-
Total	$ 13,722,858	$ 2,171,931

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. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ (135,812)
2026	(1,230,303)
2027	4,005,748
2028	665,019
2029	389,768
Thereafter	512,571
	$ 4,206,991

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

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
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 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS investment staff and investment consultants as inputs to the process. 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 as of 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%
Real Estate	15%	4.05%
Private Equity	14%	6.75%
Fixed Income	14%	2.45%
Risk Mitigating Strategies	10%	2.25%
Inflation Sensitive	7%	3.65%
Cash/Liquidity	2%	0.05%
	100%	

*20-year average. Real rates of return of net of assumed 2.75% inflation.

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

Discount Rate

The discount rate used to measure the total pension liability was 7.10 percent. 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 percent) and assuming that contributions, benefit payments and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	$ 65,642,434	$ 39,132,970	$ 17,113,770

California Public Employees Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) under the California Public Employees' Retirement System (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 can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

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 55 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 55 (or 62 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 provisions and benefits in effect at June 30, 2023, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	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	7.000%	7.000%
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 the 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 contributions rates are expressed as 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 $6,703,106.

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

Pension Liabilities, Pension Expense, and 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 $45,473,774. 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 school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2023 and June 30, 2022, respectively was 0.126 percent and 0.127 percent, resulting in a net decrease in the proportionate share of 0.001 percent.

For the year ended June 30, 2024, the District recognized pension expense of $7,879,172. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	$ 4,857,248	$ -
Differences between expected and actual experience	1,659,467	698,411
Changes in assumptions	2,094,959	-
Net changes in proportionate share of net pension liability	593,639	195,736
District contributions subsequent to the measurement date	6,703,106	-
Total	$ 15,908,419	$ 894,147

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. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	$ 2,635,905
2026	1,817,570
2027	3,755,463
2028	102,228
	$ 8,311,166

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 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
Investment rate of return	6.90%
Consumer price inflation	2.30%
Wage growth	Varies by entry age and service

The mortality table 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	Real Return Years 1 - 10**
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%
	100%	

*An expected inflation of 2.30% used for this period.

**Figures are based on the 2021-22 Asset Liability Management study.

NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS, continued

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Plan's net pension liability	$ 65,743,323	$ 45,473,774	$ 28,721,453

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 $2,999,044. 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.

Accumulation Program for Part-Time and Limited-Service Employees Plan (APPLE) Plan Description

As established by Federal law, all public sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by social security or an alternative plan. The District has elected to use the Accumulation Program for Part-time and Limited-service Employees (APPLE) Plan as its alternative plan.

Active plan members are required to contribute 5.2 percent of their salary and the College of the Sequoias Community College District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the APPLE Board of Administration. The required employer contribution rate for fiscal year 2023-24 was 2.3 percent of annual payroll. The contribution requirements of the plan members are established by State statute.

NOTE 17 - PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES

The District is a member of the Tulare County Schools Insurance Group, Statewide Association of Community Colleges, and the Self-Insured Schools of California public entity risk pools. The District pays an annual premium to each entity for its health, property and liability and workers' compensation coverage. The relationships between the District and the pools are such that they are not component units of the District for financial reporting purposes.

These entities 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 entities and the District are included in these statements. Audited financial statements are available from the respective entities.

The District has appointed no Board members to the Governing Board of the Tulare County Schools Insurance Group or Self-Insured Schools of California. The Vice President of Administrative Services has been appointed to the Governing Board of the Statewide Association of Community Colleges.

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

During the year ended June 30, 2024, the District made payments of $1,333,988, $627,838, and $10,699,528, to the Tulare County Schools Insurance Group, Statewide Association of Community Colleges, and the Self-Insured Schools of California, respectively.

NOTE 18 - 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 not currently a party to any legal proceedings.

Operating Leases

The District has entered into various operating leases for equipment with lease terms in excess of one year. None of these agreements contain purchase options. All agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to the expiration date.

NOTE 19 – PRIOR PERIOD ADJUSTMENT

Beginning net position increased by $894,266 due to District’s identified adjustments in the fund financial statements.

NOTE 20 – SUBSEQUENT EVENTS

The District evaluated subsequent events from June 30, 2024 through December 16, 2024, the date the financial statements were issued. The District concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021
Total OPEB liability				
Service cost	$ 749,058	$ 690,812	$ 646,270	$ 817,204
Interest	647,480	637,129	613,889	731,696
Experience gains/losses	-	(495,235)	-	(1,916,617)
Assumption changes	-	-	203,487	(831,552)
Change in benefit terms	-	33,491	-	-
Benefit payments	(726,726)	(703,886)	(569,924)	(787,474)
Net change in total OPEB liability	669,812	162,311	893,722	(1,986,743)
Total OPEB liability, beginning of year	11,249,351	11,087,040	10,193,318	12,180,061
Total OPEB liability, end of year (a)	$ 11,919,163	$ 11,249,351	$ 11,087,040	$ 10,193,318
Plan fiduciary net position				
Employer contributions	$ 726,726	$ 703,886	$ 569,924	$ 787,474
Expected investment income	668,754	761,841	661,425	633,803
Investment gains/losses	272,208	(2,364,115)	1,581,108	(156,251)
Administrative expense	(16,304)	(16,986)	(16,736)	(17,642)
Expected benefit payments	(726,726)	(703,886)	(569,924)	(787,474)
Other	-	-	-	-
Change in plan fiduciary net position	924,658	(1,619,260)	2,225,797	459,910
Fiduciary trust net position, beginning of year	11,638,649	13,257,909	11,032,112	10,572,202
Fiduciary trust net position, end of year (b)	$ 12,563,307	$ 11,638,649	$ 13,257,909	$ 11,032,112
Net OPEB liability/(asset), ending (a) - (b)	$ (644,144)	$ (389,298)	$ (2,170,869)	$ (838,794)
Covered payroll	$ 54,000,000	$ 46,000,000	$ 42,000,000	$ 38,000,000
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	105%	103%	120%	108%
Net OPEB liability/(asset) as a percentage of covered payroll	-1%	-1%	-5%	-2%

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

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2024

	2020	2019	2018
Total OPEB liability			
Service cost	$ 795,332	$ 564,631	$ 549,519
Interest	691,061	619,786	596,811
Experience gains/losses	-	950,054	-
Assumption changes	-	229,271	-
Change in benefit terms	-	-	-
Benefit payments	(852,710)	(745,835)	(832,595)
Net change in total OPEB liability	633,683	1,617,907	313,735
Total OPEB liability, beginning of year	11,546,378	9,928,471	9,614,736
Total OPEB liability, end of year (a)	$ 12,180,061	$ 11,546,378	$ 9,928,471
Plan fiduciary net position			
Employer contributions	$ 1,192,710	$ 1,778,888	$ 1,385,595
Expected investment income	587,196	538,869	634,458
Investment gains/losses	35,421	24,440	-
Administrative expense	(14,039)	(487)	(500)
Expected benefit payments	(852,710)	(745,835)	(832,595)
Other	-	(9,445)	-
Change in plan fiduciary net position	948,578	1,586,430	1,186,958
Fiduciary trust net position, beginning of year	9,623,624	8,037,194	6,850,236
Fiduciary trust net position, end of year (b)	$ 10,572,202	$ 9,623,624	$ 8,037,194
Net OPEB liability/(asset), ending (a) - (b)	$ 1,607,859	$ 1,922,754	$ 1,891,277
Covered payroll	$ 41,000,000	$ 37,000,000	$ 36,000,000
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	87%	83%	81%
Net OPEB liability/(asset) as a percentage of covered payroll	4%	5%	5%

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

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - OPEB
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021
Actuarially determined contribution	$ 744,131	$ 726,726	$ 703,886	$ 569,924
Contributions in relations to the actuarially determined contribution	744,131	726,726	703,886	569,924
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 54,000,000	$ 46,000,000	$ 42,000,000	$ 38,000,000
Contribution as a percentage of covered-employee payroll	1.38%	1.58%	1.68%	1.50%

	2020	2019	2018
Actuarially determined contribution	$ 787,474	$ 852,710	$ 832,595
Contributions in relations to the actuarially determined contribution	592,700	1,778,888	1,385,595
Contribution deficiency (excess)	$ -	$ (926,178)	$ (553,000)
Covered-employee payroll	$ 41,000,000	$ 37,000,000	$ 36,000,000
Contribution as a percentage of covered-employee payroll	1.45%	4.81%	3.85%

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

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024

	Reporting Fiscal Year (Measurement Date)				
CalSTRS	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
District's proportion of the net pension liability	0.051%	0.0496%	0.0470%	0.0480%	0.0460%
District's proportionate share of the net pension liability	$ 39,132,970	$ 34,464,014	$ 21,485,271	$ 46,712,132	$ 41,347,775
State's proportionate share of the net pension liability associated with the District	18,750,045	17,259,679	10,810,780	24,079,915	22,558,153
Total	$ 57,883,015	$ 51,723,693	$ 32,296,051	$ 70,792,047	$ 63,905,928
District's covered - employee payroll	$ 33,498,969	$ 37,815,030	$ 30,768,132	$ 29,855,189	$ 27,049,807
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	117%	91%	70%	156%	153%
Plan fiduciary net position as a percentage of the total pension liability	81%	81%	87%	72%	73%

	Reporting Fiscal Year (Measurement Date)				
CalPERS	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
District's proportion of the net pension liability	0.126%	0.1265%	0.1250%	0.1240%	0.1180%
District's proportionate share of the net pension liability	$ 45,473,774	$ 43,513,083	$ 25,463,933	$ 38,002,876	$ 34,457,145
District's covered - employee payroll	$ 21,721,707	$ 24,054,112	$ 19,447,333	$ 18,238,647	$ 17,841,504
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	209%	181%	131%	208%	193%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	81%	70%	70%

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024

	Reporting Fiscal Year (Measurement Date)				
CalSTRS	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	0.043%	0.041%	0.039%	0.042%	0.042%
District's proportionate share of the net pension liability	$ 39,840,555	$ 37,888,080	$ 31,812,928	$ 28,201,515	$ 24,273,400
State's proportionate share of the net pension liability associated with the District	22,811,678	22,414,450	18,110,532	14,915,493	14,657,327
Total	$ 62,652,233	$ 60,302,530	$ 49,923,460	$ 43,117,008	$ 38,930,727
District's covered - employee payroll	$ 26,580,627	$ 24,630,970	$ 20,511,705	$ 19,211,633	$ 18,895,418
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	150%	154%	155%	147%	128%
Plan fiduciary net position as a percentage of the total pension liability	71%	69%	70%	74%	77%

	Reporting Fiscal Year (Measurement Date)				
CalPERS	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	0.114%	0.111%	0.100%	0.102%	0.100%
District's proportionate share of the net pension liability	$ 30,295,642	$ 26,460,479	$ 19,815,017	$ 15,021,316	$ 11,321,616
District's covered - employee payroll	$ 16,376,055	$ 16,757,883	$ 9,706,431	$ 9,687,325	$ 9,094,691
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	185%	158%	204%	155%	124%
Plan fiduciary net position as a percentage of the total pension liability	71%	72%	74%	79%	84%

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSIONS
FOR THE YEAR ENDED JUNE 30, 2024

	Reporting Fiscal Year				
CalSTRS	2024	2023	2022	2021	2020
Statutorily required contribution	$ 7,343,936	$ 6,398,303	$ 5,205,968	$ 4,821,613	$ 4,904,130
District's contributions in relation to the statutorily required contribution	7,343,936	6,398,303	5,205,968	4,821,613	4,904,130
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 38,449,927	$ 33,498,969	$ 30,768,132	$ 29,855,189	$ 27,049,807
District's contributions as a percentage of covered-employee payroll	19.10%	19.10%	16.92%	16.15%	18.13%

	Reporting Fiscal Year				
CalPERS	2024	2023	2022	2021	2020
Statutorily required contribution	$ 6,703,106	$ 5,510,797	$ 4,455,384	$ 3,775,400	$ 3,518,523
District's contributions in relation to the statutorily required contribution	6,703,106	5,510,797	4,455,384	3,775,400	3,518,523
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 25,124,085	$ 21,721,707	$ 19,447,333	$ 18,238,647	$ 17,841,504
District's contributions as a percentage of covered-employee payroll	26.68%	25.37%	22.91%	20.70%	19.72%

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSIONS
FOR THE YEAR ENDED JUNE 30, 2024

	Reporting Fiscal Year				
CalSTRS	2019	2018	2017	2016	2015
Statutorily required contribution	$ 4,327,326	$ 3,554,249	$ 2,858,226	$ 2,200,906	$ 1,705,993
District's contributions in relation to the statutorily required contribution	4,327,326	3,554,249	2,858,226	2,200,906	1,705,993
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 26,580,627	$ 24,630,970	$ 22,720,397	$ 20,511,705	$ 19,211,633
District's contributions as a percentage of covered-employee payroll	16.28%	14.43%	12.58%	10.73%	8.88%

	Reporting Fiscal Year				
CalPERS	2019	2018	2017	2016	2015
Statutorily required contribution	$ 2,957,843	$ 2,327,670	$ 1,962,936	$ 1,149,921	$ 1,140,295
District's contributions in relation to the statutorily required contribution	2,957,843	2,327,670	1,962,936	1,149,921	1,140,295
District's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 16,376,055	$ 16,757,883	$ 14,134,044	$ 9,706,431	$ 9,687,325
District's contributions as a percentage of covered-employee payroll	18.06%	13.89%	13.89%	11.85%	11.77%

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Changes in the Net OPEB Liability/(Asset) and Related Ratios

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

***Changes in Benefit Terms* –** There were no changes in benefit terms since the previous valuations.

***Changes of Assumptions* –** There were no changes in benefit terms since the previous valuations.

Schedule of Contributions – OPEB

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, ten years of information will be presented.

Schedule of 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 since the previous valuations for both CalSTRS and CalPERS.

***Changes in Assumptions* –** There were no changes in assumptions since the previous valuations for CalSTRS. The consumer price inflation for CalPERS as of the June 30, 2023 measurement date was 2.30%, while as of the June 30, 2022 measurement date it was 2.5%.

Schedule of Contributions - 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

The College of the Sequoias Community College District is located in Visalia, California. The College was established in 1926 and serves communities in Tulare and Kings Counties. There have been no changes to the District boundaries during the year. The District's main campus, Hanford Education Center and Tulare College Center are accredited by the Accrediting Commission for Community and Junior Colleges as part of the Sequoias Community College District.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Mr. Raymond Macareno	President	2024
Mr. Ken Nunes	Vice President	2026
Ms. Lori Cardoza	Clerk	2024
Mr. John Lehn	Trustee	2026
Mr. Greg Sherman	Trustee	2026
Mekhi Sanchez	Student Trustee	2024-2025

DISTRICT ADMINISTRATION

Mr. Brent Calvin, Ed. D.
Superintendent/President

Mrs. Jennifer Vega-LaSerna, Ph. D.
Vice President, Academic Services

Mrs. Jessica Morrison
Vice President, Student Services

Mr. Ron Ballesteros-Perez
Vice President, Administrative Services

AUXILIARY ORGANIZATIONS IN GOOD STANDING

AUXILIARY NAME	DIRECTOR'S NAME	ESTABLISHMENT AND MASTER AGREEMENT DATE
College of the Sequoias Foundation	Tim Foster, Foundation Director and Ron Ballesteros-Perez, Vice President of Administration	Organized as an auxiliary organization in 2018 and has a signed master agreement dated June 15, 2018.

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Program Name	Federal Assistance Listing Number	Total Program Expenditures
U.S. DEPARTMENT OF EDUCATION		
Student Financial Assistance Cluster		
Federal Work Study	84.033	$ 367,345
Federal Work Study Administration	84.033	14,318
Supplemental Educational Opportunity Grants	84.007	476,191
Supplemental Educational Opportunity Grants Administration	84.007	14,318
Pell Grant	84.063	23,417,685
Pell Grant Administration	84.063	61,408
Total Student Financial Assistance Cluster		24,351,265
TRIO Cluster		
TRIO Upward Bound Math/Science	84.047M	271,104
Total TRIO Cluster		271,104
Vocational & Applied Technology Education Act (VATEA)		
Title II, Part C Student Support	84.048	525,047
Subtotal U.S. Department of Education		25,147,416
U.S. DEPARTMENT OF VETERAN AFFAIRS		
Veteran's Education	64.112	1,057
Subtotal U.S. Department of Veteran Affairs		1,057
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed Through the California Department of Education:		
TANF 50% Federal-CalWORKs	93.558	75,293
Foster Care Education	93.658	75,859
Medical Administration Activities	93.778	980
Subtotal U.S. Department of Health and Human Services		152,132
U.S. DEPARTMENT OF LABOR		
Workforce Investment Act - Tulare	17.258	44,209
Workforce Investment Act - Kings	17.258	1,070
Subtotal U.S. Department of Labor		45,279
U.S. DEPARTMENT OF TREASURY		
Passed through California Community Colleges Chancellor's Office:		
Emergency Financial Aid Grant	21.027	271,933
Subtotal U.S. Department of Treasury		271,933
U.S. DEPARTMENT OF AGRICULTURE		
Schools and Roads Programs:		
Flood Control	10.665	882
Forest Reserve	10.665	11,432
USDA FSMA Training Central Valley	10.328	22,429
Subtotal U.S. Department of Agriculture		34,743
U.S. DEPARTMENT OF THE INTERIOR		
Wildlife and Fish	15.611	336
ECONOMIC ADJUSTMENT ASSISTANCE		
USDC F3 Agrifood Tech	11.307	136,320
		136,320
Total		$ 25,789,216

See accompanying note to supplementary information.

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

	Program Revenues					Total
Program	Cash Received	Prior Year Carryforward	Accounts Receivable (Payable)	Deferred Revenue	Total Revenue	Total Program Expenditures
GENERAL FUND						
2% ENRL	$ 138,258	$ -	$ -	$ -	$ 138,258	$ 138,258
Part Time Faculty Office Hours	37,338	-	-	-	37,338	37,338
Part Time Faculty Parity	245,491	-	-	-	245,491	245,491
Mandate cost	363,877	-	-	-	363,877	363,877
Faculty Hiring	1,501,433	-	-	-	1,501,433	1,501,433
Independent Living	2,934	-	19,566	-	22,500	22,500
Foster Care Education	148,680	-	-	9,842	138,838	138,838
Veterans Resource Center	70,304	121,063	-	161,695	29,672	29,672
Veterans Resource Center One-time	-	25,542	-	1,710	23,832	23,832
GSETGP AA	175	300	-	475	-	-
Recovery Block Grant	-	2,883,430	-	413,111	2,470,319	2,470,319
Guided Pathways	-	1,122,568	-	1,008,660	113,908	113,908
Learning Aligned Employment LAEP	-	3,800,996	(3,798,880)	-	2,116	2,116
LAEP AA	-	200,052	(200,052)	-	-	-
Cal Works	526,844	221,659	-	232,693	515,810	515,810
Library Svc Platform	-	9,408	-	9,408	-	-
Mental Health Support	302,902	369,494	-	396,803	275,593	275,593
Basic Needs Ctr	450,376	270,021	-	213,790	506,607	506,607
Basic Needs Ctr one time	404,148	-	-	378,498	25,650	25,650
CCAP	-	7,719	-	7,719	-	-
Nursing Program Support	364,800	-	-	116,697	248,103	248,103
Healthcare Sector Project	-	14,800	-	14,800	-	-
Pathway to Law	-	90,675	-	-	90,675	90,675
RERP	35,816	56,907	30,287	-	123,010	123,010
CRC	100,000	-	-	10,836	89,164	89,164
CRC	-	-	7,411	-	7,411	7,411
Extended Opportunity Program and Services	2,426,974	31,502	-	66,657	2,391,819	2,391,819
CARE	568,811	-	-	-	568,811	568,811
NextUP	542,979	33,714	-	-	576,693	576,693
Disabled Students Programs and Services	2,298,310	539,025	-	1,142,244	1,695,091	1,713,671
Matriculation SSSP	3,528,658	214,993	-	468,308	3,275,343	3,275,343
Student Equity SEP	1,504,538	-	-	44,710	1,459,828	1,459,828
Dream Liaison	95,289	53,328	-	80,756	67,861	67,861
LGBTQ+	94,024	75,433	-	160,098	9,359	9,359
Student Retention	454,025	899,102	-	481,374	871,753	871,753
Amend	38,238	-	-	10,238	28,000	28,000
Equitable Placement	593,951	-	-	519,131	74,820	74,820
Seamless Transfer	48,695	-	-	5,299	43,396	43,396
Student Transfer Achievement	565,217	-	-	275,200	290,017	290,017
AB86 Adult Ed Block Grant	235,987	35,148	-	1,778	269,357	269,357
Staff Development - Classified	-	25,607	-	20,113	5,494	5,494
Staff Development - certificated	-	50,347	-	-	50,347	50,347
MESA	433,219	360,996	-	399,638	394,577	459,449
CalFresh	-	13,191	-	13,191	-	-
Info Tech & Security	475,000	336,592	-	628,771	182,821	182,821
Staff Diversity	138,888	288,661	-	344,380	83,169	83,169
Zero Cost Textbook	25,000	185,394	-	209,591	803	803
CAI Paramedic	64,000	-	13,622	-	77,622	77,622
CAI Nursing	56,000	-	-	31,922	24,078	24,078
CAI Pharmacy tech	-	-	39,747	-	39,747	39,747
CAI Nursing #2	-	-	95,375	-	95,375	95,375
CAI LVN to RN	-	-	95,387	-	95,387	95,387
CAI Industrial maint	-	-	354	-	354	354
Strong Workforce Local #7	-	1,790,104	-	-	1,790,104	1,790,104
Strong Workforce Local #6	-	893,618	-	-	893,618	893,618
Strong Workforce Regional #6	-	-	219,713	-	219,713	219,713
Strong Workforce Regional #7	-	-	995,175	-	995,175	995,175
CRC CTE Marketing	50,000	-	-	-	50,000	50,000
CRC CTE Competency Based Ed	-	-	50,000	-	50,000	50,000
Song Brown RNC	202,500	-	149,952	-	352,452	352,452
OSHPD nursing capitation Song Brown	160,000	17,280	40,000	-	217,280	217,280
Strong Workforce Local #8	1,829,317	-	-	1,829,317	-	-
Strong Workforce Regional #8	-	-	1,384	-	1,384	1,384
Block Grant Instructional Materials	-	503,185	-	389,869	113,316	113,316
Basic Skills	321,638	289,125	-	226,204	384,559	384,559
Lottery Prop 20	868,734	-	338,092	-	1,206,826	222,841
BFAP Administration Allowance	569,544	49,138	-	56,342	562,340	562,340
Financial Aid Technology	51,312	145,982	-	118,443	78,851	78,851
College Promise	841,914	677,561	-	817,563	701,912	701,912
Valley CAN Air	-	22,685	-	22,685	-	-
Community college construction act	566,398	-	780,897	-	1,347,295	1,347,295
Scheduled Maintenance and Repair FY22	-	687,292	-	40,025	647,267	647,267
Scheduled Maintenance and Repair FY23	-	1,112,766	-	-	1,112,766	2,654,488
Scheduled Maintenance and Repair FY24	62,176	-	-	-	62,176	62,176
Chaffee	295,000	-	-	-	295,000	295,000
Cal Grant	3,883,207	-	15,418	-	3,898,625	3,898,625
Student Success Completion Grant	5,573,373	4,398,694	-	4,731,456	5,240,611	5,240,611
Emergency financial assistance	-	99,790	-	-	99,790	99,790
Subtotal	$ 34,156,292	$ 23,024,887	$ (1,106,552)	$ 16,112,040	$ 39,962,587	$ 40,603,776

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT
FOR THE YEAR ENDED JUNE 30, 2024

CATEGORIES	Reported Data	Audit Adjustment	Audited Data
A. Summer Intersession (Summer 2023 only)			
1. Noncredit	0.07	-	0.07
2. Credit	645.54	-	645.54
B. Summer Intersession (Summer 2024 - Prior to July 1, 2024)			
1. Noncredit	0.15	-	0.15
2. Credit	182.73	-	182.73
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	6,225.11	-	6,225.11
(b) Daily Census Contact Hours	193.03	-	193.03
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	197.11	-	197.11
(b) Credit	315.61	-	315.61
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	2,232.15	-	2,232.15
(b) Daily Census Contact Hours	489.67	-	489.67
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
D. Total FTES	10,481.17	-	10,481.17
Supplemental Information (subset of above information)			
E. In-service Training Courses	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Credit	171.98	-	171.98
2. Noncredit	184.91	-	184.91
Total Basic Skills FTES	356.89	-	356.89

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2024

		Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/ TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	$ 20,709,031	$ -	$ 20,709,031	$ 20,709,031	$ -	$ 20,709,031
Other	1300	10,675,516	-	10,675,516	10,675,516	-	10,675,516
Total Instructional Salaries		31,384,547	-	31,384,547	31,384,547	-	31,384,547
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	7,658,723	-	7,658,723
Other	1400	-	-	-	552,389	-	552,389
Total Non-Instructional Salaries		-	-	-	8,211,112	-	8,211,112
Total Academic Salaries		31,384,547	-	31,384,547	39,595,659	-	39,595,659
Classified Salaries							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	15,936,149	-	15,936,149
Other	2300	-	-	-	697,147	-	697,147
Total Non-Instructional Salaries		-	-	-	16,633,296	-	16,633,296
Instructional Aides							
Regular Status	2200	1,126,401	-	1,126,401	1,126,401	-	1,126,401
Other	2400	731,206	-	731,206	731,206	-	731,206
Total Instructional Aides		1,857,607	-	1,857,607	1,857,607	-	1,857,607
Total Classified Salaries		1,857,607	-	1,857,607	18,490,903	-	18,490,903
Employee Benefits	3000	10,585,909	-	10,585,909	21,954,078	-	21,954,078
Supplies and Materials	4000	-	-	-	1,140,359	-	1,140,359
Other Operating Expenses	5000	372,563	-	372,563	8,905,826	-	8,905,826
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		44,200,626	-	44,200,626	90,086,825	-	90,086,825
Exclusions							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	603,208	-	603,208	603,208	-	603,208
Std. Health Srvcs. Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	31,855	-	31,855
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	692,955	-	692,955
Object to Exclude							
Rents and Leases	5060	-	-	-	1,249,239	-	1,249,239
Lottery Expenditures		-	-	-	-	-	-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000						
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	2,319,992	-	2,319,992
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400						
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		$ 603,208	$ -	$ 603,208	$ 4,897,249	$ -	$ 4,897,249
Total for ECS 84362, 50% Law		$ 43,597,418	$ -	$ 43,597,418	$ 85,189,576	$ -	$ 85,189,576
Percent of CEE (Instructional Salary Cost/Total CEE)		51.18%	0.00%	51.18%	100.00%	0.00%	100.00%
50% of Current Expense of Education		$ -	$ -	$ -	$ 42,594,788	$ -	$ 42,594,788

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
PROPOSITION 30 EDUCATION PROTECTION ACCOUNT (EPA) EXPENDITURE REPORT
FOR THE YEAR ENDED JUNE 30, 2024

EPA Revenue	$ 8,732,984

Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	0100-5900	$ 8,732,984	$ -	$ -	$ 8,732,984
Total		$ 8,732,984	$ -	$ -	$ 8,732,984

See accompanying note to supplementary information.

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF FUND EQUITY TO NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

Total Fund Equity - District Funds Included in the Reporting Entity		
General Fund	$ 35,175,290	
Debt Service Fund	22,973,661	
Special Revenue Funds	9,481,044	
Capital Project Funds	23,831,139	
Enterprise Funds	2,895,116	
Internal Service Funds	1,587	
Student Financial Aid Fund	(6,612)	
Other Funds	484,454	$ 94,835,679
Assets recorded within the statements of net position not included in the fund financial statements:		
Capital assets	$ 326,560,510	
Right-of-use assets	2,186,625	
Accumulated depreciation	(99,289,963)	
Accumulated amortization	(1,421,695)	228,035,477
Lease receivable		1,379,317
Net OPEB Asset		644,144
FMV Adjustment to Cash and Equivalents		(1,914,410)
Unmatured Interest		(1,284,664)
Unamortized Bond Discount		19,915
Deferred outflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred outflows related to bond refundings		2,644,076
Deferred outflows related to OPEB		1,365,070
Deferred outflows related to pensions		29,631,277
Liabilities recorded within the statements of net position not recorded in the District fund financial statements:		
General obligation bonds	$ 109,939,246	
Premiums, net	6,982,919	
Lease liability	786,640	
Net pension liability	84,606,744	(202,315,549)
Deferred inflows recorded within the statement of net position not included in the District fund financial statements:		
Deferred charge on refunding		(106,902)
Deferred inflows related to leases		(1,268,015)
Deferred inflows related to OPEB		(2,318,878)
Deferred inflows related to pensions		(3,066,078)
Net Assets Reported Within the Statement of Net Position		$ 146,280,459

NOTE 1 - PURPOSE OF SCHEDULES

District Organization

This schedule provides information about the District's governing board members and administration members.

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (Part 200), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has not elected to use the ten percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance.

The following schedule provides reconciliation between revenues reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances (Governmental Funds and Fiduciary Funds Statements), and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciling amount consists of Medi-Cal Administrative Assistance program prior year revenues spent in the current year.

	Assitance Listing Number	Amount
Total Federal Revenues From the Statement of Revenues, Expenditures and Changes in Fund Balance		$ 25,788,236
Medi-cal Administration Activities	93.778	980
Total Schedule of Expenditures of Federal Awards		$ 25,789,216

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

FTES is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds, including restricted categorical funding, are made to community college districts. This schedule provides information regarding the annual attendance measurements of students throughout the District.

NOTE 1 - PURPOSE OF SCHEDULES, continued

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

ECS 84362 requires the District to expend a minimum of 50 percent 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 Act (EPA) Expenditure Report

This schedule provides the District's summary of receipts and uses of the monies received through the EPA.

Reconciliation of Fund Equity to 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 entity-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

OTHER INDEPENDENT AUDITORS' REPORTS

CWDL

INDEPENDENT AUDITORS' 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*

The Board of Trustees
College of the Sequoias Community College District
Visalia, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the aggregate discretely presented component units, and the aggregate remaining fund information of College of the Sequoias Community College District (the District) as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 16, 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

CWDL, Certified Public Accountants

San Diego, California
December 16, 2024

CWDL

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Trustees
College of the Sequoias Community College District
Visalia, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited College of the Sequoias Community College District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2024. The District's major Federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

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

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

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

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit

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

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

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

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

Report on Internal Control Over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

CWDL, Certified Public Accountants

San Diego, California
December 16, 2024

CWDL

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

The Board of Trustees
College of the Sequoias Community College District
Visalia, California

Report on State Compliance

Opinion on State Compliance
We have audited College of the Sequoias Community College District's (the District) compliance with the types of compliance requirements as identified in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual* for the year ended June 30, 2024. The applicable state compliance requirements are identified in the table below.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the compliance requirements described in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our responsibilities under those standards and the compliance requirements are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on state compliance with the compliance requirements subject to audit in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

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

Auditors' 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 2023-24 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 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed. We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance with the requirements listed in the table below that we identified during the audit.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance with the requirements listed in the table below that we identified during the audit.

Compliance Requirements Tested

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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.

CWDL, Certified Public Accountants

San Diego, California
December 16, 2024

FINDINGS AND QUESTIONED COSTS SECTION

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

Section I – Summary of Auditors' Results

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Is a going concern emphasis-of-matter paragraph included in the auditors' report?	No
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Non-compliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*	No
Identification of major programs:	

Assistance Listing Numbers	Name of Federal Program of Cluster
84.007, 84.033, 84.063	Student Financial Aid Cluster
21.027	Emergency Financial Aid Grants

Dollar threshold used to distinguish between Type A and Type B programs:	$ 773,676
Auditee qualified as low-risk auditee?	Yes

STATE AWARDS

Internal control over State programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Noted
Type of auditors' report issued on compliance for State programs:	Unmodified

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

There were no financial statement audit findings or questioned costs identified during 2023-24.

Section III – Federal Award Findings and Questioned Costs

This section identifies the audit findings required to be reported by the Uniform Guidance (e.g., deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

There were no federal award findings or questioned costs identified during 2023-24.

Section IV – State Award Findings and Questioned Costs

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

There were no state award findings or questioned costs identified during 2023-24.

Section V – Prior Year Audit Findings Summary

There were no findings or questioned costs identified during 2022-23.

UNAUDITED SUPPLEMENTARY INFORMATION

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEETS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Bond Interest and Redemption Fund	Other Special Revenue Fund	Capital Outlay Projects Fund	Farm Construction Fund	General Obligation Bond Fund	Associated Students Fund	Student Representation Trust Fund	Student Body Center Fee Fund	Student Financial Aid Fund	Total
ASSETS											
Cash and equivalents	$ 53,072,899	$ 22,973,661	$ 5,235,273	$ 24,163,305	$ 1,060,837	$ 704,132	$ 681,833	$ 64,375	$ 93,130	$ 5,057,933	$ 113,107,378
Accounts receivable, net	16,845,186	-	50,809	780,897	-	-	1,131	37	(118)	15,824	17,693,766
Prepaid expenses	807,550	-	2,500	-	-	-	-	3,432	-	-	813,482
Due from other funds	117,622	-	4,500,000	-	135,926	-	-	-	-	-	4,753,548
Total Assets	$ 70,843,257	$ 22,973,661	$ 9,788,582	$ 24,944,202	$ 1,196,763	$ 704,132	$ 682,964	$ 67,844	$ 93,012	$ 5,073,757	$ 136,368,174
LIABILITIES											
Accounts payable	$ 12,571,860	$ -	$ 307,538	$ 2,955,783	$ -	$ 18,150	$ 36,185	$ 26,881	$ 29,447	$ 348,913	$ 16,294,757
Unearnedd revenue	15,822,141	-	-	40,025	-	-	138,360	32,032	52,092	4,731,456	20,816,106
Compensated absences	2,773,966	-	-	-	-	-	-	-	-	-	2,773,966
Due to other funds	4,500,000	-	-	-	-	-	44,369	-	-	-	4,544,369
Total Liabilities	35,667,967	-	307,538	2,995,808	-	18,150	218,914	58,913	81,539	5,080,369	44,429,198
FUND EQUITY											
Restricted	-	22,973,661	9,481,044	21,948,394	1,196,763	685,982	464,050	8,931	11,473	(6,612)	56,763,686
Unassigned	35,175,290	-	-	-	-	-	-	-	-	-	35,175,290
Total Fund Equity	35,175,290	22,973,661	9,481,044	21,948,394	1,196,763	685,982	464,050	8,931	11,473	(6,612)	91,938,976
Total Liabilities and Fund Equity	$ 70,843,257	$ 22,973,661	$ 9,788,582	$ 24,944,202	$ 1,196,763	$ 704,132	$ 682,964	$ 67,844	$ 93,012	$ 5,073,757	$ 136,368,174

See accompanying note to unaudited supplementary information.

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Bond Interest and Redemption Fund	Other Special Revenue Fund	Capital Outlay Projects Fund	Farm Construction Fund	General Obligation Bond Fund	Associated Students Fund	Student Representation Trust Fund	Student Body Center Fee Fund	Student Financial Aid Fund	Total
REVENUES											
Federal	$ 1,622,427	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,165,809	$ 25,788,236
State	102,464,216	-	-	3,169,503	-	-	-	-	-	9,534,026	115,167,745
Local	29,995,590	8,090,320	1,441,524	1,300,626	27,095	254,108	331,273	53,762	105,013	-	41,599,311
Total Revenues	134,082,233	8,090,320	1,441,524	4,470,129	27,095	254,108	331,273	53,762	105,013	33,699,835	182,555,292
EXPENDITURES											
Academic salaries	43,864,267	-	93,935	-	-	-	-	-	-	-	43,958,202
Classified salaries	26,514,188	-	348,341	-	-	-	114,053	-	84,505	-	27,061,087
Employee benefits	27,211,162	-	184,317	-	-	-	45,627	-	38,752	-	27,479,858
Supplies and materials	2,549,149	-	89,923	-	-	-	133,487	6,265	1,365	-	2,780,189
Other operating expenses	11,965,712	-	382,985	7,191,108	-	-	44,463	48,894	-	-	19,633,162
Capital outlay	3,080,113	-	1,471,433	17,416,698	-	16,386,909	2,244	-	-	-	38,357,397
Debt Service - Principal	-	2,806,419	-	-	-	-	-	-	-	-	2,806,419
Debt Service - Interest and other issuance costs	-	5,057,421	-	-	-	-	-	-	-	-	5,057,421
Total Expenditures	115,184,591	7,863,840	2,570,934	24,607,806	-	16,386,909	339,874	55,159	124,622	-	167,133,735
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	18,897,642	226,480	(1,129,410)	(20,137,677)	27,095	(16,132,801)	(8,601)	(1,397)	(19,609)	33,699,835	15,421,557
OTHER FINANCING SOURCES (USES)											
Operating transfer in	144,119	-	4,500,000	8,097,823	-	-	154,883	-	-	1,808,688	14,705,513
Operating transfer out	(14,571,205)	-	-	-	-	-	(150,536)	-	-	-	(14,721,741)
Other uses	(2,934,708)	-	-	-	-	-	-	-	-	(35,508,523)	(38,443,231)
Total Other Financing Sources (Uses)	(17,361,794)	-	4,500,000	8,097,823	-	-	4,347	-	-	(33,699,835)	(38,459,459)
NET CHANGE IN FUND BALANCE	1,535,848	226,480	3,370,590	(12,039,854)	27,095	(16,132,801)	(4,254)	(1,397)	(19,609)	-	(23,037,902)
FUND BALANCE - BEGINNING	32,740,374	22,747,181	6,110,454	33,988,248	1,169,668	16,818,783	468,304	10,328	31,082	(6,612)	114,077,810
FUND BALANCE ADJUSTMENTS	899,068	-	-	-	-	-	-	-	-	-	899,068
FUND BALANCE - ENDING	$ 35,175,290	$ 22,973,661	$ 9,481,044	$ 21,948,394	$ 1,196,763	$ 685,982	$ 464,050	$ 8,931	$ 11,473	$ (6,612)	$ 91,938,976

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
PROPRIETARY FUNDS
BALANCE SHEETS
JUNE 30, 2024

	Proprietary Funds		
	Cafeteria	Farm	Total
ASSETS			
Cash and equivalents	$ 1,102,371	$ 1,237,526	$ 2,339,897
Accounts receivable, net	31,044	69	31,113
Inventory	14,676	104,508	119,184
Fixed assets	749,758	1,710,412	2,460,170
Total Assets	$ 1,897,849	$ 3,052,515	$ 4,950,364
LIABILITIES			
Accounts payable	$ 273,707	$ 75,434	$ 349,141
Accumulated depreciation	550,624	946,304	1,496,928
Due to other funds	73,253	135,926	209,179
Total Liabilities	897,584	1,157,664	2,055,248
FUND EQUITY			
Retained earnings	1,000,265	1,894,851	2,895,116
Total Liabilities and Fund Equity	$ 1,897,849	$ 3,052,515	$ 4,950,364

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
PROPRIETARY FUNDS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2024

	Proprietary Funds		
	Cafeteria	Farm	Total
OPERATING REVENUES			
Sales revenues	$ 1,482,861	$ 1,107,007	$ 2,589,868
OPERATING EXPENSES			
Salaries	566,480	56,899	623,379
Employee benefits	78,336	1,178	79,514
Supplies and materials	73,938	248,246	322,184
Other operating expenses	1,716,717	647,228	2,363,945
Total Expenditures	2,435,471	953,551	3,389,022
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(952,610)	153,456	(799,154)
OTHER FINANCING SOURCES/(USES)			
Operating transfer in	1,260,536	-	1,260,536
Other sources	-	31,647	31,647
Total Other Financing Sources/(Uses)	1,260,536	31,647	1,292,183
NET CHANGES IN FUND BALANCE	307,926	185,103	493,029
RETAINED EARNINGS - BEGINNING	689,630	1,709,748	2,399,378
RETAINED EARNINGS - ENDING	$ 1,000,265	$ 1,894,851	$ 2,895,116

See accompanying note to unaudited supplementary information.

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
FIDUCIARY FUNDS
BALANCE SHEETS
JUNE 30, 2024

	Scholarship and Loan Fund	Other Trust Fund	OPEB Trust Fund	Total Fiduciary Funds
ASSETS				
Cash and equivalents	$ 81,939	$ 1,472,924	$ -	$ 1,554,863
Investments	-	-	14,002,269	14,002,269
Accounts receivable, net	15,564	312,941	-	328,505
Total Assets	$ 97,503	$ 1,785,865	$ 14,002,269	$ 15,885,637
LIABILITIES				
Accounts payable	$ 120	$ 87,693	$ -	$ 87,813
Unearned revenue	-	155,665	-	155,665
Total Liabilities	120	243,358	-	243,478
FUND EQUITY				
Restricted	97,383	1,542,507	14,002,269	15,642,159
Total Liabilities and Fund Equity	$ 97,503	$ 1,785,865	$ 14,002,269	$ 15,885,637

See accompanying note to unaudited supplementary information.

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
FIDUCIARY FUNDS
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024

	Scholarship and Loan Fund	Other Trust Fund	OPEB Trust Fund	Total Fiduciary Funds
REVENUES				
Local revenues	$ 882	$ 421,990	$ -	$ 422,872
Interest and investment income/(expense)	-	-	2,651,187	2,651,187
Total Operating Revenues	882	421,990	2,651,187	3,074,059
EXPENDITURES				
Supplies and materials	-	27,669	-	27,669
Other operating expenses	-	233,011	1,216,405	1,449,416
Total Expenditures	-	261,430	1,216,405	1,477,835
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	882	160,560	1,434,782	1,596,224
OTHER FINANCING SOURCES/(USES)				
Operating transfer in	-	7,278	-	7,278
Total Other Financing Sources/(Uses)	-	7,278	-	7,278
NET CHANGE IN FUND BALANCE	882	167,838	1,434,782	1,603,502
FUND BALANCE - BEGINNING	96,501	1,374,669	12,567,487	14,038,657
FUND BALANCE - ENDING	$ 97,383	$ 1,542,507	$ 14,002,269	$ 15,642,159

See accompanying note to unaudited supplementary information.

NOTE 1 - PURPOSE OF SCHEDULES

Fund Financial Statements

The accompanying financial statements report the governmental, proprietary, and fiduciary fund activities of the District and are presented on the modified accrual basis of accounting. Therefore, some amounts presented in these financial statements may differ from amounts presented in, or used in, the preparation of the basic financial statements. The information is not a required component of the financial statements in accordance with GASB Statements No. 34 and No. 35 and is presented at the request of the District management.