



See what's possible.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
SOUTH LAKE TAHOE, CALIFORNIA**

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**AUDIT REPORT**  
JUNE 30, 2024

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT**  
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**JUNE 30, 2024**

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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Lake Tahoe Community College District  
South Lake Tahoe, California

### Report on Audit of Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the business-type activities, fiduciary activities, the aggregate discretely presented component unit (Lake Tahoe Community College Foundation), and the aggregate remaining fund information of Lake Tahoe 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, fiduciary 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, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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 (GAAP); 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

GAAP 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, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information 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 GAAS. 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 Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 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.



San Diego, California  
December 10, 2024

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

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The discussion and analysis of Lake Tahoe Community College District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2024, including comparative information for the year ended June 30, 2023. The intent of the "Management's Discussion and Analysis" is to look at the District's financial performance as a whole. To provide a complete understanding of the District's financial standing, this analysis should be read in conjunction with the entire Independent Auditors' Report, particularly the District's financial statements beginning on page 13, and the notes to the basic financial statements beginning on page 22.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. Statement No. 35 was subsequently released, defining financial reporting for public colleges and universities. The financial statements in this report have been prepared in accordance with these standards.

The California Community College Chancellor's Office, through its Fiscal and Accountability Standards Committee, has recommended the Business Type Activity (BTA) model for financial reporting. Lake Tahoe Community College District has adopted the BTA reporting model for these financial statements.

To provide a more meaningful analysis of the District's financial information, certain comparative information is required to be presented in the MD&A. The reader will find comparative information relative to Full Time Equivalent Student enrollment (FTES) as well as key highlights of the audited financial statements.

As required, the annual report consists of three basic financial statements that provide information on the District as a whole:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows

**Financial Highlights**

- The 2023-24 State Budget Act was signed on July 10, 2023. This state budget was shaped by a statewide budget deficit due to revenue shortfalls and a downturn in the stock market. This was reflected in a less than 1% increase in state expenditures over the 2022-23 enacted budget. The funding for community colleges focused on stability and increases to student retention rates and enrollment. The COLA for FY23-24 was 8.22%.
- The Board of Trustees' contingency reserve was designated in the Adopted Budget at 18.81% of budgeted unrestricted appropriations (\$4,764,792). As of June 30, 2024, the ending unrestricted fund balance was \$4,901,882 or 19.03% of FY23-24 unrestricted appropriations. Board policy 6305 was updated to create a ceiling of 20% reserves target to ensure sufficient cash flow to cover salaries and minimal other expenditures in times of emergencies. In addition to the General Fund Reserves, LTCCD held reserves in other funds for the following purposes.

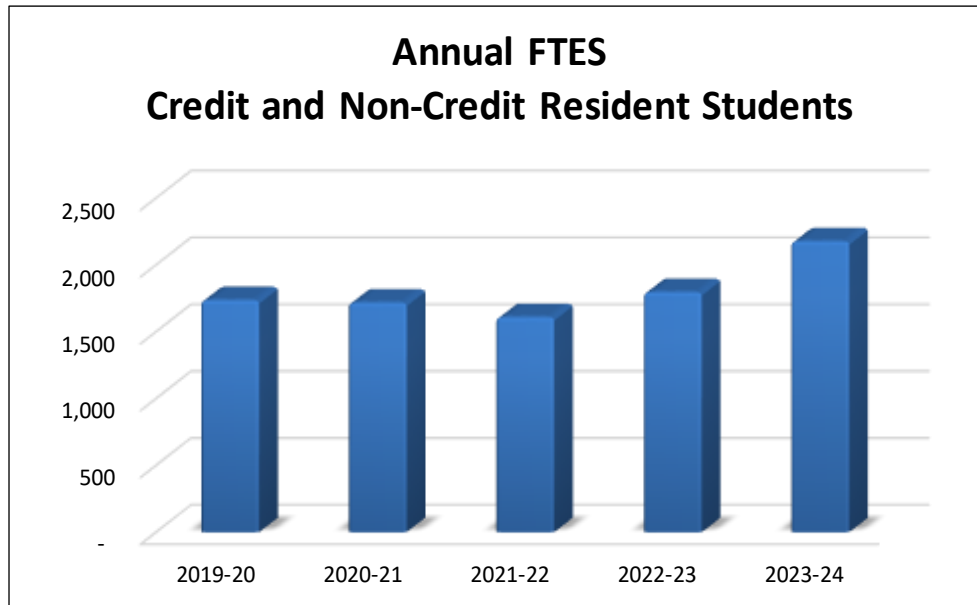


**Financial Highlights, continued**

- Capital Projects Fund (Fund 41) - \$636,915 was assigned to reserves for capital projects.
- Capital Project Fund for University Center (Fund 44) - \$200,000 was assigned to reserves for deferred maintenance as required by the donation as well as an additional \$183,927 for equipment replacement.
- Community Play Consortium, a JPA between Lake Tahoe Community College and the City of South Lake Tahoe (Fund 59) - \$525,000 was assigned to reserves to include \$51,000 for equipment replacement, \$462,000 for synthetic field maintenance, and \$12,000 for sod replacement.
- Self-Insurance Fund (Fund 61) - \$80,000 was assigned to fund the District share of property/liability claims.
- Retiree Health Benefits Fund (Fund 69) – \$250,000 was assigned at June 30, 2016 with the additional reserve of \$350,000 for the STRS/PERS reserve transferred from Fund 11.
- Other Post-Employment Benefits (Fund 79) - \$2,994,303 was assigned to this reserve for retiree benefits.
- LTCC has obtained a number of grants to support student enrollment and instruction of which many are state based. The FY23-24 restricted general fund budget continues to increase as LTCC receives money to be used for specific purposes. Throughout fiscal years 19-20, 20-21, 21-22, 22-23, and 23-24 the District was authorized to receive \$4,104,480 in funding through the HEERF grant for higher education institutions (also known as the CARES act). In FY23-24, the District received and distributed the final \$361,042 in funding directly to students. The District received approximately \$3 million over the course of five years as part of the Developing Hispanic Serving Institutions (D-HSI) grant, to expand educational opportunities for Hispanic students. Between the District's two TRiO programs, \$380,037 was received to provide opportunities for academic development, assist students with basic requirements, and motivate students toward the completion of a postsecondary education. The District also received \$1.3 million for the CCAMPIS grant over four years.
- Fiscal Year 2023-24 saw an increase in full-time equivalent students (FTES). The FY23-24 adopted budget was based on an emergency conditions allowance (ECA) funding level at 1,943 FTES; however, actual FTES were 2,191 at year-end, and the District has elected to be removed from emergency conditions and will be funded based on actual FTES. While the ECA issued by the Chancellor's Office due to COVID-19 expired in 21-22, the District was provided a separate ECA due to the effects of the Caldor fire. The 2022 Budget Act extended the revenue protections in a modified form beginning in 2025-26, with a district's 2024-25 funding will represent its new "floor." Starting in 2025-26, districts will be funded at their SCFF generated amount that year or their "floor" (2024-25 funding amount), whichever is higher. This revised hold harmless provision will no longer include adjustments to reflect cumulative COLAs over time, as is the case with the provision in effect through 2024-25, so a district's hold harmless amount would not grow.

**Financial Highlights, continued**

The following chart illustrates total credit and noncredit FTES reported on the CCFS-320 Annual Student Attendance Report. Total actual FTES increased by 381 or 21 percent, from FY 2022-23 to FY 2023-24.



**Ancillary Programs**

- The Child Development Center (CDC) was designed with the idea of service for the child, the child's family, LTCC and the community. The CDC also provides training for students interested in becoming teachers of children through observation and on-site participation. The operating deficit in fiscal year 2023-24 was \$41,793, which was the result of a \$150,000 subsidy from the general fund.
- A Community Education program was launched in 2011-12 to meet the needs of community members affected by the new repeatability regulations and those desiring enrichment courses. These courses are not subsidized by State apportionment and are instead funded solely by enrollment fees. In 2023-24, this program generated \$552,633 in revenue and provided over 148 workshops to approximately 1,334 participants.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

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**Statement of Net Position**

The Statement of Net Position includes all assets and liabilities using the modified-accrual basis of accounting, which is different than the methods of accounting used by most private-sector institutions. Net position, defined as the difference between assets and liabilities, is one way to measure the financial health of the District.

	<b>2024</b>	<b>2023</b>	<b>Change</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Current assets	\$ 48,916,285	\$ 68,083,282	\$ (19,166,997)
Non-current assets	89,309,011	74,772,746	14,536,265
Deferred outflows of resources	8,060,649	7,034,370	1,026,279
<b>Total Assets and Deferred Outflows of Resources</b>	<b>146,285,945</b>	<b>149,890,398</b>	<b>(3,604,453)</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
Current liabilities	10,113,428	10,194,021	(80,593)
Non-current liabilities	63,142,970	61,984,670	1,158,300
Deferred inflows of resources	3,084,832	3,404,679	(319,847)
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>76,341,230</b>	<b>75,583,370</b>	<b>757,860</b>
<b>NET POSITION</b>			
Investment in capital assets, net	47,596,591	31,823,347	15,773,244
Restricted	31,732,455	51,240,281	(19,507,826)
Unrestricted	(9,384,331)	(8,756,600)	(627,731)
<b>Total Net Position</b>	<b>\$ 69,944,715</b>	<b>\$ 74,307,028</b>	<b>\$ (4,362,313)</b>

- Total assets and deferred outflows of resources for the District decreased by 2.40 percent in fiscal year 2023-24 from the previous fiscal year.
- Cash and cash equivalents decreased by 30.63 percent in fiscal year 2023-24 from the previous fiscal year, mostly due to the use of housing grant funds that were received in fiscal year 2022-23 and expended in fiscal year 2023-24.
- Receivables increased by 31.86 percent in the fiscal year 2023-24 due to apportionments and grants.
- Included in capital assets are the net values of buildings, building improvements, land, land improvements, construction in progress, collections and equipment. The capitalization threshold is \$5,000 or higher based upon original acquisition cost and capital assets by nature must have a life of longer than one year. Capital assets increased by 20.11 percent due to construction in process for the new student housing facility, and completed projects offset by annual depreciation expense.
- Deferred outflows include items related to the implementation of GASB 68 and GASB 75 Accounting and Financial Reporting for Pensions and Other Postemployment Benefit Plans, and deferred charges on refunded bonds.

**Statement of Net Position, continued**

- Accounts payable amounts increased by 2.37 percent. As with every year end it is our intent to request, receive and process invoices prior to year-end deadlines; however, this heavily relies on the vendors used. The decrease in FY23-24 is the result of our efforts to get all invoices paid prior to year-end deadlines.
- Accrued payroll increased 9.06% due to variations in scheduling that shift the number of sections and days of wages earned in June but not paid until July 2024.
- Unearned revenue increased 5.04% over last year. The largest deferrals were COVID-19 California State Recovery Block Grant of \$817,799, Retention and Enroll Outreach (SB85) of \$300,003, Strong Workforce Regional of \$325,659, Technology and Data Security of \$957,096, Student Transfer Achievement Reform of \$565,217, and Juvenile Justice Grant of \$497,191. Compensated absences represent the dollar value of accrued vacation leave, compensatory time and banked faculty load. They are classified as a "non-current" liability as we cannot predict the amount that will be paid out in the subsequent year.
- Long-term debt consists of retiree health benefits payable and the principal portion of financing capital projects from the bond funds. Banked faculty load remained about the same as the previous year. Long-term debt is reported both under current and non-current liabilities. The total long-term debt, including current and non-current portion, decreased by 1.52 percent. These changes are primarily due to decreases in the general obligation bonds for 2023-24.
- Deferred inflows are a category of items related to the implementation of GASB 68 Accounting and Financial Reporting for Pensions and GASB 75 net OPEB liability. This amount consists of the difference between projected and actual earnings on pension plan and OPEB investments as used in the actuarial studies.
- Net position invested in capital assets includes the net value of all capital assets net of accumulated depreciation, and related outstanding debt used to purchase the capital assets.
- Restricted amounts include reserves for encumbrances, capital projects, stores, and prepaid items.
- Unrestricted net assets reflect the remaining balance of unrestricted assets in all funds and includes the results of the aggregate net pension liability related to the District's share of unfunded PERS and STRS pension plan liabilities due to GASB 68 Accounting and Financial Reporting for Pensions and Unfunded Other Postemployment Benefit Plan liabilities and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**Statement of Revenues, Expenses, and Changes in Net Position**

The Statement of Revenues, Expenses, and Changes in Net Position presents the operating results of the District, as well as the non-operating revenues and expenses. State general apportionment, while budgeted for in operations, is considered non-operating revenue according to Generally Accepted Accounting Principles.

	<b>2024</b>	<b>2023</b>	<b>Change</b>
<b>OPERATING REVENUES</b>			
Tuition and fees, net	\$ 3,166,799	\$ 2,634,699	\$ 532,100
Grants and contracts, non-capital	15,970,692	13,458,097	2,512,595
<b>Total Operating Revenues</b>	<b>19,137,491</b>	<b>16,092,796</b>	<b>3,044,695</b>
<b>OPERATING EXPENSES</b>			
Salaries and employee benefits	24,840,673	21,241,111	3,599,562
Supplies, materials, and other operating expenses and services	11,018,851	8,874,933	2,143,918
Student financial aid	4,766,884	2,880,332	1,886,552
Depreciation	3,357,629	3,019,825	337,804
<b>Total Operating Expenses</b>	<b>43,984,037</b>	<b>36,016,201</b>	<b>7,967,836</b>
<b>Operating Income/(Loss)</b>	<b>(24,846,546)</b>	<b>(19,923,405)</b>	<b>(4,923,141)</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>			
State apportionments, non-capital	16,138,913	15,175,252	963,661
Local property taxes	6,237,155	5,903,849	333,306
State taxes and other revenues	45,537	47,433	(1,896)
Investment income, non-capital	408,139	183,410	224,729
Investment income, capital	1,325,483	575,928	749,555
Interest expense on capital asset-related debt	(1,550,836)	(1,573,754)	22,918
Transfers to fiduciary funds	(263,354)	(231,775)	(31,579)
<b>Total Non-Operating Revenues/(Expenses)</b>	<b>22,341,037</b>	<b>20,080,343</b>	<b>2,260,694</b>
<b>OTHER REVENUES/(EXPENSES)</b>			
State revenues, capital	34,358	49,328,374	(49,294,016)
Local property taxes and other revenues, capital	1,663,384	2,183,936	(520,552)
<b>Total Other Revenues/(Expenses)</b>	<b>1,697,742</b>	<b>51,512,310</b>	<b>(49,814,568)</b>
<b>Changes in Net Position</b>	<b>(807,767)</b>	<b>51,669,248</b>	<b>(52,477,015)</b>
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>74,307,028</b>	<b>22,637,780</b>	<b>51,669,248</b>
<b>PRIOR PERIOD ADJUSTMENT (SEE NOTE 17)</b>	<b>(3,554,546)</b>	<b>-</b>	<b>(3,554,546)</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 69,944,715</b>	<b>\$ 74,307,028</b>	<b>\$ (4,362,313)</b>

- As reported in the statement of revenues, expenses, and changes in net position on page 14 of this report, the cost of all the District's governmental activities this year was \$43,984,037. The amount funded through local taxpayers by means of property taxes and other revenue was \$7,900,539; a decrease of 2.32 percent from the previous fiscal year. Unrestricted state apportionment totaled \$16,205,235, an increase of 6.79 percent from prior year.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

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**Statement of Revenues, Expenses, and Changes in Net Position, continued**

- Net tuition and fees increased 20.20 percent in fiscal year 2023-24 due to a combination of factors. The District saw an increase in FTES of 21.20 percent (from 1,797 to 2,178), including continued increases to out of state tuition, resulting in increased fees collected.
- Total operating expenses increased approximately 22.35 percent from the previous fiscal year with the largest increases occurring in salaries and benefits primarily due to OPEB reporting and in STRS and PERS liabilities associated with pension plans. The non-operating interest expense reflects the interest cost of the general obligation bonds.

**Statement of Cash Flows**

The Statement of Cash Flows provides information about cash receipts and cash payments during the fiscal year. This statement also helps readers assess the District's ability to generate net cash flows, its ability to meet its obligations and its need for external financing.

Cash Provided by/(Used in)	<b>2024</b>	<b>2023</b>	<b>Change</b>
Operating activities	\$ (25,960,629)	\$ (12,115,464)	\$ (13,845,165)
Non-capital financing activities	21,926,476	21,145,742	780,734
Capital financing activities	(16,493,546)	37,253,150	(53,746,696)
Investing activities	408,139	183,410	224,729
Net Increase/(Decrease) in Cash	<u>\$ (20,119,560)</u>	<u>\$ 46,466,838</u>	<u>\$ (66,586,398)</u>

- Operating activities include tuition and fees revenues, revenues from grants, operating expenditures, and payments on behalf of the auxiliary enterprises.
- Investing activities include interest and capital gains on District investments.

### **Factors That May Affect the Future**

The State of California adopted its 2024-25 budget as per statutory law on time for the fourteenth consecutive year. The 24-25 state budget increased funding for community colleges through a combination of ongoing and one-time funds. This includes a COLA increase of 1.07% to the student centered funding formula and various categorical programs, as well as a one-time investment to support the system's Vision 2030 priorities. The effects of the State budget were as follows:

- Of utmost importance is the new funding formula, which was implemented beginning in July 2018. It has 3 main components: a base allocation, a supplemental allocation, and a student success allocation. The state included a three-year average on the FTES portion of the allocation to provide a sense of stability. Beginning 2020-21, the Student Success allocation is now calculated on a three year average. This will provide stability in calculating the allocation.
- The District has recently been approved for several federal grants, due to the addition of a Director of Government Relations and Grant Development. This position is dedicated to finding, applying for, and advocating for grants that will allow the District to continue to support our students. Federal grants recently approved include:
  - \$3 million for the Developing Hispanic Serving Institutions grant, to be spent over 5 years
  - \$1.4 million via Congressionally Directed Spending for a fire training tower
- While health and welfare costs have increased for most of the country, the District has managed to keep costs mostly flat for the past seven years, and only has a modest increase of 7.7% in Health and Welfare for 2024-25. The District has negotiated options to add benefits while still controlling the employer cost of the health plans, including having employees cover the cost differential of any plan that exceeds the Health and Welfare cap of \$21,030.
- The District established a separate Retiree Benefit Fund, Fund 69, in 2012-13 and will continue to prefund the costs of retiree benefits into 2024-25. In addition, the District established an Other Post Retirement Benefits Trust Fund (OPEB), Fund 79. The transfer to Fund 79 for 2023-24 was \$230,851, and the District anticipates a similar transfer for 2024-25. The funds transferred to the OPEB trust will be invested and are permanently restricted for the purpose of providing future post-retirement benefits.
- Projected increases to Public Employees Retirement System (PERS) and State Teachers Retirement System (STRS) will impact the District's budget in future years. The PERS employer contribution rate has increased yearly from 20.70% in FY20-21, to 22.91% in FY21-22, to 25.37% in FY22-23, to 26.68% in FY23-24, to 27.05% in FY24-25. The STRS employer contribution rate increased yearly from 16.15% in FY20-21, to 16.92% in FY21-22, to 19.10% in FY 22-23, but remained flat at 19.10% for FY23-24 and FY24-25. STRS rates are expected to increase in the coming years. This large increase in retirement contributions will continue to present challenges for community colleges.

**Factors That May Affect the Future, continued**

- The college has strategically reviewed the ending fund balance along with reserves to ensure a stable future for the college. Through additional funding and conservative spending, the FY23-24 EFB was 19.03% followed by a slightly lower projected EFB of 18.01%, for FY24-25. The Board of Trustees' contingency reserve was designated in the Adopted Budget at 18.92% of budgeted unrestricted appropriations (\$4,792,843). As of June 30, 2024, the ending unrestricted fund balance was \$4,901,882 or 19.03% of FY23-24 unrestricted appropriations. Board policy 6305 was updated to create a ceiling of 20% reserves target to ensure sufficient cash flow to cover salaries and minimal other expenditures in times of emergencies. In addition to the General Fund Reserves, LTCCD held reserves in other funds to cover significant STRS and PERS increases, replacement and repair of equipment needed to operate the campus.
- Full-time equivalent students (FTES) has been one of the college's biggest challenges. The district saw a dramatic decrease in enrollment at the start of the COVID-19 pandemic, with slight increases through 22-23 to levels still below pre-pandemic. Enrollment levels significantly increased in 23-24 to surpass pre-pandemic levels, and continue to show strong positive enrollment growth trends for 24-25. Although the district takes a conservative approach when anticipating FTES, enrollment is expected to remain above pre-pandemic levels and increase into the future. Reviewing and anticipating FTES will still be required in the future, as it makes up the majority of the apportionment from the state, but now there are two additional areas for the district to monitor and plan related to equity and student success. The college needs to remain diversified in the FTES from face-to-face, online, in-service contracts and incarcerated programs.
- The passage of Measure F, a \$55 million dollar Proposition 39 general obligation bond, will provide funding for maintenance and repair and modernization of existing facilities as well as the construction of new facilities. In August 2015, the district executed the first bond issuance, Series A, for \$19,000,000. A second issuance, Series B, was executed in February 2018 for \$15,000,000 and will fund projects approved by the board of trustees to take place through the 2021-22 academic year. Series C bonds funds were received in the amount of \$14,000,000 and will be primarily used for the modernization of the existing facilities. A future Series D issuance in the amount of \$7M is currently budgeted predominantly for contribution funding toward the Tahoe Basin Public Safety Training Complex.

**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 Lake Tahoe Community College District, Russi Egan, Vice President of Administrative Services of Lake Tahoe Community College [egan@ltcc.edu](mailto:egan@ltcc.edu) or (530)541-4660.



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## **FINANCIAL SECTION**

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**LAKE TAHOE COMMUNITY COLLEGE DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

**ASSETS**

Current Assets:

Cash and cash equivalents	\$ 45,564,297
Accounts receivable, net	2,804,764
Due from other funds	85
Prepaid expenses	298,727
Other current assets	215,380
Lease receivable, current	33,032
Total Current Assets	48,916,285

Non-current Assets:

Lease receivable, non-current portion	2,105,105
Capital assets, net	87,203,906
Total Non-current Assets	89,309,011

**TOTAL ASSETS**

138,225,296

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows related to bond refundings	102,232
Deferred outflows related to OPEB	769,810
Deferred outflows related to pensions	7,188,607

**TOAL DEFERRED OUTFLOWS OF RESOURCES**

8,060,649

**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

\$ 146,285,945

**LIABILITIES**

Current Liabilities:

Accounts payable	\$ 2,240,460
Unearned revenue	6,997,898
Long-term debt, current portion	875,070
Total Current Liabilities	10,113,428

Non-current Liabilities:

Compensated absences	668,235
Net OPEB liability	351,745
Net pension liability	20,459,219
Long-term debt, non-current portion	41,663,771
Total Non-current Liabilities	63,142,970

**TOTAL LIABILITIES**

73,256,398

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows related to leases	2,005,661
Deferred inflows related to OPEB	232,065
Deferred inflows related to pensions	847,106

**TOTAL DEFERRED INFLOWS OF RESOURCES**

3,084,832

**NET POSITION**

Investment in capital assets, net	47,596,591
Restricted for:	
Debt service	1,055,265
Capital projects	29,846,682
Other special purposes	830,508
Unrestricted	(9,384,331)
Total Net Position	69,944,715

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

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024**

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<b>OPERATING REVENUES</b>	
Tuition and fees, gross	\$ 4,258,478
Less: Scholarship discounts and allowances	(1,091,679)
Tuition and fees, net	3,166,799
Grants and contracts, non-capital	
Federal	5,508,195
State	10,080,502
Local	381,995
<b>TOTAL OPERATING REVENUES</b>	19,137,491
<b>OPERATING EXPENSES</b>	
Salaries	17,380,728
Employee benefits	7,459,945
Supplies, materials, and other operating expenses and services	11,018,851
Student financial aid	4,766,884
Depreciation	3,357,629
<b>TOTAL OPERATING EXPENSES</b>	43,984,037
<b>OPERATING INCOME/(LOSS)</b>	(24,846,546)
<b>NON-OPERATING REVENUES/(EXPENSES)</b>	
State apportionments, non-capital	16,138,913
Local property taxes	6,237,155
State taxes and other revenues	45,537
Investment income, non-capital	408,139
Investment income, capital	1,325,483
Interest expense on capital asset-related debt	(1,550,836)
Transfers to fiduciary funds	(263,354)
<b>TOTAL NON-OPERATING REVENUES/(EXPENSES)</b>	22,341,037
<b>LOSS BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES</b>	(2,505,509)
State revenues, capital	34,358
Local property taxes and other revenues, capital	1,663,384
<b>TOTAL OTHER REVENUES, EXPENSES, GAINS, OR LOSSES</b>	1,697,742
<b>CHANGES IN NET POSITION</b>	(807,767)
<b>NET POSITION, BEGINNING OF YEAR</b>	74,307,028
<b>PRIOR YEAR ADJUSTMENT (SEE NOTE 17)</b>	(3,554,546)
<b>NET POSITION, END OF YEAR</b>	\$ 69,944,715

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

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Tuition and fees	\$ 3,004,923
Grants and contracts	15,668,993
Payments to students	(4,766,969)
Payments to vendors	(15,666,562)
Payments to employees	(24,539,314)
Other operating receipts/(payments)	338,300
Net Cash Provided by/(Used in) Operating Activities	<u>(25,960,629)</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

State apportionments	16,138,913
Local property taxes	6,237,155
State taxes and other apportionments	45,537
Contributions to trusts	(495,129)
Net Cash Provided by/(Used in) Non-capital Financing Activities	<u>21,926,476</u>

**CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES**

State apportionment for capital purpose	34,358
Purchase of capital assets	(17,957,515)
Local property taxes for capital purposes	1,663,384
Principal paid on capital debt	(580,000)
Interest received on capital debt	1,325,483
Interest paid on capital debt	(979,256)
Net Cash Provided by/(Used in) Capital Financing Activities	<u>(16,493,546)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received from investments	<u>408,139</u>
Net Cash Provided by/(Used in) Investing Activities	<u>408,139</u>

**NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS** (20,119,560)

<b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>65,683,857</u>
<b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 45,564,297</u>

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH  
PROVIDED BY/(USED IN) OPERATING ACTIVITIES**

Operating income/(loss)	\$ (24,846,546)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/ (Used in) Operating Activities:	
Depreciation	3,357,629
Changes in Assets and Liabilities:	
Accounts receivables, net	(677,676)
Prepaid expenses	(235,482)
Other current assets	(6,288)
Lease receivable	30,589
Deferred outflows of resources	(1,030,925)
Accounts payable	(4,145,850)
Unearned revenue	336,005
Compensated absences	212,712
Net pension liability	1,441,176
Net OPEB liability	(76,041)
Due from fiduciary funds, net	(85)
Deferred inflows of resources	(319,847)
Total Adjustments	<u>(1,114,083)</u>
<b>Net Cash Flows From Operating Activities</b>	<b><u>\$ (25,960,629)</u></b>

**SUPPLEMENTAL DISCLOSURES OF NON-CASH TRANSACTIONS**

Amortization of premiums on debt	\$ 76,214
On-behalf payments for benefits	\$ 478,301
Board of Governors fee waivers	\$ 1,091,679

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2024**

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	Retiree OPEB Trust	Trust Funds	Community Play Consortium
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,994,383	\$ 11,321	\$ 585,935
Accounts receivable, net	-	3,500	60,061
<b>Total Assets</b>	<b>2,994,383</b>	<b>14,821</b>	<b>645,996</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	1,091
<b>NET POSITION</b>			
Restricted	2,994,383	14,821	644,905
<b>Total Net Position and Liabilities</b>	<b>\$ 2,994,383</b>	<b>\$ 14,821</b>	<b>\$ 645,996</b>

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

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2024**

	Retiree OPEB Trust	Trust Funds	Community Play Consortium
<b>OPERATING REVENUES</b>			
Student fees	\$ -	\$ 45,364	\$ -
Interest and investment income	303,552	-	2,774
Contributions			95,711
Rentals and leases			39,657
<b>Total Operating Revenues</b>	<b>303,552</b>	<b>45,364</b>	<b>138,142</b>
<b>OPERATING EXPENSES</b>			
Other operating expenses	3,384	42,528	83,147
<b>Total Operating Expenses</b>	<b>3,384</b>	<b>42,528</b>	<b>83,147</b>
<b>OTHER FINANCING SOURCES/(USES)</b>			
Operating transfers in	230,851	-	45,711
Operating transfers out	-	-	(13,206)
<b>Total Other Financing Sources/(Uses)</b>	<b>230,851</b>	<b>-</b>	<b>32,505</b>
<b>Net Changes in Net Position</b>	<b>531,019</b>	<b>2,836</b>	<b>87,500</b>
<b>Net Position - Beginning of Year</b>	<b>2,463,364</b>	<b>11,985</b>	<b>557,405</b>
<b>Net Position - End of Year</b>	<b>\$ 2,994,383</b>	<b>\$ 14,821</b>	<b>\$ 644,905</b>

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

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
LAKE TAHOE COMMUNITY COLLEGE FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2024**

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<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 1,731,244
Accounts receivable	24,340
Other current assets	24,871
Total Current Assets	<u>1,780,455</u>
<b>Non-current Assets</b>	
Investments	<u>3,876,990</u>
Total Non-current Assets	<u>3,876,990</u>
<b>TOTAL ASSETS</b>	<u>\$ 5,657,445</u>
 <b>LIABILITIES AND NET ASSETS</b>	
<b>Current liabilities</b>	
Accounts payable	\$ 89,705
Unearned revenue	<u>120,753</u>
Total Current Liabilities	<u>210,458</u>
<b>TOTAL LIABILITIES</b>	<u>210,458</u>
<b>NET ASSETS</b>	
Without donor restrictions	1,587,883
With donor restrictions	<u>3,859,104</u>
<b>TOTAL NET ASSETS</b>	<u>5,446,987</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 5,657,445</u>

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



**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
LAKE TAHOE COMMUNITY COLLEGE FOUNDATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<b>REVENUES</b>			
Donations	\$ 62,282	\$ 597,378	\$ 659,660
Special events, net	125,686	3,500	129,186
Interest and dividends, net	385,984	85,351	471,335
Unrealized gains/(loss)	-	-	-
In-kind donations	6,275	-	6,275
Assets released from restrictions	275,872	(275,872)	-
<b>Total Revenues</b>	<b>856,099</b>	<b>410,357</b>	<b>1,266,456</b>
<b>EXPENSES</b>			
Operating expenses	21,198	-	21,198
Program expenses	483,564	-	483,564
Fundraising expenses	60,209	-	60,209
<b>Total Expenses</b>	<b>564,971</b>	<b>-</b>	<b>564,971</b>
<b>CHANGES IN NET ASSETS</b>	<b>291,128</b>	<b>410,357</b>	<b>701,485</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>1,296,755</b>	<b>3,448,747</b>	<b>4,745,502</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 1,587,883</b>	<b>\$ 3,859,104</b>	<b>\$ 5,497,886</b>

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

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
LAKE TAHOE COMMUNITY COLLEGE FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2024**

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<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Changes in Net Assets	\$ 701,485
Adjustments to Reconcile Changes in Net Assets	
To Net Cash Provided by/(Used in) Operating Activities	
Changes in Assets and Liabilities	
Accounts receivable	3,121
Other current assets	192
Accounts payable	35,868
Unearned revenue	35,235
<b>Net Cash Flows From Operating Activities</b>	<u>775,901</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Net changes from sales and maturities of investments	<u>(428,243)</u>
<b>Net Cash Flows From Investing Activities</b>	<u>(428,243)</u>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	347,658
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>1,383,586</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,731,244</u>

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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**NOTE 1 – ORGANIZATION**

Lake Tahoe Community College District (the "District") was established in 1974 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of the surrounding area. The District operates under a locally elected six-member Board of Trustees form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the general fund, special revenue funds, and capital project funds, but these budgets are managed at the department level. Currently, the District operates one college located within El Dorado County, 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**

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

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:

- Lake Tahoe Community College Foundation

The Lake Tahoe Community College 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 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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Financial Reporting Entity, continued**

- Lake Tahoe Community College Foundation, continued

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; however, significant note disclosures to the Foundation's financial statements have been incorporated into the District's notes to the financial statements.

Complete financial statements for the Foundation can be obtained from the Foundation's Business Office at One College Drive, South Lake Tahoe, CA 96150.

**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. 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.

Non-exchange 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 student (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 non-operating. Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

The District reports are based on all applicable GASB pronouncements, as well as applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. The District has not elected to apply FASB pronouncements after that date.

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:
  - Statements of Net Position - Primary Government
  - Statements of Revenues, Expenses, and Changes in Net Position - Primary Government
  - Statements of Cash Flows - Primary Government
  - Financial Statements for the Fiduciary Funds including:
    - Statements of Fiduciary Net Position
    - Statements of Changes in Fiduciary Net Position
- 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 represent 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.

**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 allowance was estimated at \$300,171 for the year ended June 30, 2024.

**Prepaid Expenses**

Prepaid expenses represent payments made to vendors and others for services that will benefit periods beyond June 30.

**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.

**Capital Assets**

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, 50 years; improvements, 10 years; vehicles and most equipment, 8 years, and technology equipment 3 years.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Accounts Payable and Accrued Liabilities**

In general, accounts payables and accrued liabilities once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

**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 revenues include (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.

**Long-Term Debt**

Long-term debt include general obligation bonds, compensated absences, banked faculty load, pension and OPEB obligations with maturities greater than one year.

**Debt Issuance Costs, 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 the current year pension and OPEB contributions. The district reports deferred outflows of resources for deferred charges on refunding of debt, for pension related items, and for OPEB 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 the difference between projected and earnings on pension plan investments specific to the net pension liability. The District reports deferred inflows of resources for pension related items and for OPEB related items.

**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.

**Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability/(asset), deferred outflows/inflows of resources related to OPEB, and OPEB expense/(benefit), information about the fiduciary net position of the District OPEB Plan and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the District OPEB Plan. For this purpose, the District OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The total OPEB liability/(asset) attributable to the governmental activities will be paid primarily by the General Fund.

**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 year-end that have not yet been paid within the fund from which the employees who have accumulated the leave are paid. The District also participates in "load-banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period. The liability for this benefit is reported on the 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.



**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Net Position**

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

**Investment in Capital Assets, net:** 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.

**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 resourced when an expense is incurred for purposed 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 entity-wide financial statements report \$31,732,455 of restricted net position.

**Operating Revenues and Expenses**

**Classification of Revenues** - The District has classified its revenues as either operating or non-operating. Certain significant revenue streams relied upon for operation are classified as nonoperating as defined by GASB Statements No. 34 and No. 35. Classifications are as follows:

**Operating revenues** - Operating revenues include activities that have the characteristics of exchange transactions such as student tuition and fees, net of scholarship discounts and allowances, Federal, State, and local grants and contracts, and sales and services of auxiliary enterprises.

**Non-operating revenues** – Non-operating revenues include activities that have the characteristics of nonexchange transactions such as State apportionments, property taxes, investment income, gifts and contributions, and other revenue sources defined in GASB Statements No. 34 and No. 35.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Operating Revenues and Expenses, continued**

**Classification of Expenses** - Nearly all of the District's expenses are from exchange transactions and are classified as either operating or non-operating according to the following criteria:

**Operating expenses** - Operating expenses are necessary costs to provide the services of the District and include employee salaries and benefits, supplies, operating expenses, and student financial aid.

**Non-operating expenses** – Non-operating expenses include interest expense and other expenses not directly related to the services of the District.

**State Apportionments**

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

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

**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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**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. 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.

**On Behalf Payments**

GASB Statement No. 24 requires direct on behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees for another legally separate entity be recognized as revenues and expenditures by the employer entity. The State of California makes direct on behalf payments to CalSTRS and CalPERS on behalf of all community colleges in California. The California Department of Education has issued a fiscal advisory instructing districts not to record the revenue and expenditures for the on-behalf payments within the funds and accounts of a district. The amount of the on-behalf payments made for the District for the year ended June 30, 2024, was \$478,301 for CalSTRS. There were no contributions during 2023-24 for CalPERS. These amounts are reflected in the District's audited financial statements.

**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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Foundation Financial Statement Presentation**

The Lake Tahoe Community College Foundation (the "Foundation") presents its financial statements in accordance with Statement of Financial Accounting Codifications. Under these reporting requirements, the Foundation is required to report information regarding its financial position and activities according to two classes of Net Assets: Net Assets Without Donor Restrictions and Net Assets With Donor Restrictions. As permitted by the codification, the Foundation does not use fund accounting.

**Net Assets Without Donor Restrictions:** Net assets available for use in general operations and not subject to donor (or specific) restrictions.

**Net Assets With Donor Restrictions:** Net assets subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting. Revenues are reported as increases in the net asset without donor restrictions 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 net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases to net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

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.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**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**

The following GASB Pronouncements were adopted by the District during the year ended June 30, 2024:

**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. The District did not determine a material impact on the 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.

**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 CASH EQUIVALENTS**

**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 accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**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 statements 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.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 3 - CASH AND CASH EQUIVALENTS, 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
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**Summary of Cash and Cash Equivalents**

Cash and cash equivalents of the Primary Government as of June 30, 2024, consist of the following:

**Primary Government**

Cash on hand and in banks	\$ 469,095
Cash in revolving	10,600
Investments	45,084,602
Total Cash and Cash Equivalents	\$ 45,564,297

Cash and cash equivalents of the Fiduciary Funds as of June 30, 2024, consist of the following:

**Fiduciary Funds**

Cash on hand and in banks	\$ 466,768
Investments	3,124,871
Total Cash and Cash Equivalents	\$ 3,591,639

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2024**

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**NOTE 3 - CASH AND CASH EQUIVALENTS, continued**

**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 LAIF.

The District monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. Information about the weighted average maturity of the District's portfolio is presented in the following schedule:

Investment Type	Fair Value	Weighted Average Days to Maturity
Money Market Master Trust	\$ 2,759,851	Not applicable
County Investment Pool	45,306,464	689 days
State Investment Pool	143,158	260 days
Total	\$ 48,209,473	

**Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County pool and LAIF are not required to be rated, nor have they been rated as of June 30, 2024.

**Custodial Credit Risk**

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 \$410,707 of the District's bank balance of \$910,707 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.



**LAKE TAHOE COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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**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 El Dorado County Treasury Investment Pool and the Local Agency Investment Funds/State Investment Pools 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.

The District's fair value measurements are as follows at June 30, 2024:

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Uncategorized
Money Market Master Trust	\$ 2,759,851	\$ -	\$ 2,759,851	\$ -	\$ -
County Investment Pool	45,306,464	-	-	-	45,306,464
State Investment Pool	143,158	-	-	-	143,158
Total	<u>\$ 48,209,473</u>	<u>\$ -</u>	<u>\$ 2,759,851</u>	<u>\$ -</u>	<u>\$ 45,449,622</u>

All assets have been valued using a market approach, with quoted market prices.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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**NOTE 5 - ACCOUNTS RECEIVABLE**

**Primary Government**

Accounts receivable for the District consisted primarily of intergovernmental grants, entitlements, interest, and other local sources. The accounts receivable are as follows:

	Primary Government
Federal Government	
Categorical Aid	\$ 246,750
State Government	
Categorical Aid	238,769
Lottery	147,826
Local Sources	
Student Receivables	1,039,299
Other Local Sources	1,132,120
Total Accounts Receivable	<u>\$ 2,804,764</u>

Bad debt allowance is booked quarterly and based on Student Payment Plan balances at the end of each respective quarter. A table is provided below for actual calculation percentages and methodologies.

**Allowance calculation parameters:**

- 10% allowance for balances 3 – 5 Quarters old
- 30% allowance for balances 6 – 8 Quarters old
- 70% allowance for balances 9 – 11 Quarters old
- 100% allowance for balances 12 Quarters old

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 6 – LEASE RECEIVABLE AND ARRANGEMENTS**

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 the noncancellable lease at June 30, 2024 are as follows:

Fiscal year	Principal	Interest	Total
2025	\$ 33,032	\$ 63,694	\$ 96,726
2026	35,572	62,668	98,240
2027	38,213	61,565	99,778
2028	40,959	60,381	101,340
2029	43,813	59,113	102,926
2030-2034	265,934	273,379	539,313
2035-2039	355,798	227,071	582,869
2040-2044	463,973	165,970	629,943
2045-2049	593,723	87,096	680,819
2050-2051	267,120	8,118	275,238
Total	\$ 2,138,137	\$ 1,069,055	\$ 3,207,192

The District owns land leased to the U.S. Forest Service on a long-term 50-year lease. The agreement contains a termination clause providing for cancellation after a specified number of days written notice by the lesser or lessee but is not anticipated that the lease will be canceled prior to its expiration date. The land was originally purchased for \$779,241 and a portion of that land is leased to the U.S. Forest Service and on which the U.S. Forest Service has built an office building. Annual lease payments are adjusted each year based upon a percentage of change in the cost of living index.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 7 - CAPITAL ASSETS**

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

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 1,120,983	\$ -	\$ 3,383	\$ 1,117,600
Collections	145,000	-	-	145,000
Construction in progress	24,575,354	17,966,060	1,569,956	40,971,458
Total Capital Assets Not Being Depreciated	25,841,337	17,966,060	1,573,339	42,234,058
<b>Capital Assets Being Depreciated</b>				
Land improvements	14,277,238	-	2,852	14,274,386
Building improvements	9,834,628	676,428	7,121	10,503,935
Buildings	51,440,213	-	-	51,440,213
Equipment	5,835,599	888,366	313	6,723,652
Total Capital Assets Being Depreciated	81,387,678	1,564,794	10,286	82,942,186
Total Capital Assets	107,229,015	19,530,854	1,583,625	125,176,244
<b>Less Accumulated Depreciation</b>				
Land improvements	5,599,981	1,192,779	2,852	6,789,908
Building improvements	4,431,470	995,568	7,121	5,419,917
Buildings	19,942,588	964,716	-	20,907,304
Equipment	4,650,956	204,566	313	4,855,209
Total Accumulated Depreciation	34,624,995	3,357,629	10,286	37,972,338
Capital Assets, net	\$ 72,604,020	\$ 16,173,225	\$ 1,573,339	\$ 87,203,906

**NOTE 8 - ACCOUNTS PAYABLE**

Accounts payable for the District consisted of the following:

	Primary Government
Construction	\$ 36,463
Interest payable	643,148
Accrued payroll and related liabilities	695,818
Other	865,031
Total	\$ 2,240,460

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2024**

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**NOTE 9 - UNEARNED REVENUE**

Unearned revenue consisted of the following:

	Primary Government
State Categorical Aid	\$ 6,029,370
Enrollment Fees	538,989
Other Local	429,539
Total Unearned Revenue	<u>\$ 6,997,898</u>

**NOTE 10 - INTERFUND TRANSACTIONS**

**Interfund Receivables and Payables (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. Balances owing between the primary government and the fiduciary funds are not eliminated in the consolidation process. As of June 30, 2024, there was no amount owed between the primary government and the fiduciary funds.

**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. Transfers between the primary government and the fiduciary funds are not eliminated in the consolidation process. During the 2024 fiscal year, the amount transferred to the primary government from the fiduciary funds amounted to \$85.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 11 - LONG-TERM DEBT**

**Summary**

The changes in the District's long-term obligations during the 2024 fiscal year consisted of the following:

	Balance			Balance	
	July 1, 2023	Additions	Deductions	June 30, 2024	Due Within One Year
Bonds Payable					
General obligation bonds	\$ 41,340,000	\$ -	\$ 580,000	\$ 40,760,000	\$ 125,000
Premiums, net	1,839,608	-	76,214	1,763,394	76,214
Total Bonds Payable	43,179,608	-	656,214	42,523,394	201,214
Other Long-Term Liabilities					
Compensated absences	455,523	218,333	-	673,856	673,856
Banked Faculty Load	15,447	-	5,621	9,826	-
Total Other Long-Term Liabilities	470,970	218,333	5,621	683,682	673,856
Total Long-Term Obligations	\$ 43,650,578	\$ 218,333	\$ 661,835	\$ 43,207,076	\$ 875,070

**Description of Debt**

Payments on the general obligation bonds are paid by the Bond Interest and Redemption Fund. The capital leases are paid by the General Fund. The compensated absences, banked faculty load, other post-employment benefits and pension liabilities will be paid by the fund for which the employee worked.

**General Obligation Bonds**

**2014 General Obligation Bonds, Series A**

The 2014 Series A general obligation bonds lease revenue bonds were issued on August 5, 2016 in the amount of \$19,000,000 to finance the capital outlay projects. At June 30, 2024, \$15,275,000 of the bonds were outstanding. The general obligations bonds mature through August 2045. Interest rates range from 2.00 - 5.00 percent.

The 2014 Series A General Obligation Bonds mature as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 125,000	\$ 652,713	\$ 777,713
2026	160,000	647,013	807,013
2027	195,000	639,913	834,913
2028	230,000	632,563	862,563
2029	270,000	625,063	895,063
2030-2034	2,025,000	2,902,206	4,927,206
2035-2039	3,600,000	2,228,500	5,828,500
2040-2044	5,690,000	1,212,800	6,902,800
2045-2046	2,980,000	121,400	3,101,400
Total	\$ 15,275,000	\$ 9,662,171	\$ 24,937,171

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 11 - LONG-TERM DEBT, continued**

**General Obligation Bonds, continued**

**2014 General Obligation Bonds, Series B**

The 2014 Series B general obligation bonds lease revenue bonds were issued on February 13, 2018 in the amount of \$15,000,000 to finance the capital outlay projects. At June 30, 2024, \$13,995,000 of the bonds were outstanding. The general obligations bonds mature through August 2048. Interest rates range from 4.00 - 5.00 percent.

The 2014 Series B General Obligation Bonds mature as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ -	\$ 549,331	\$ 549,331
2026	-	549,331	549,331
2027	-	549,331	549,331
2028	-	549,331	549,331
2029	45,000	548,206	593,206
2030-2034	615,000	2,672,281	3,287,281
2035-2039	1,455,000	2,431,203	3,886,203
2040-2044	2,540,000	2,072,569	4,612,569
2045-2049	9,340,000	1,178,900	10,518,900
Total	\$ 13,995,000	\$ 11,100,483	\$ 25,095,483

**2014 General Obligation Bonds, Series C**

The 2014 Series C general obligation bonds lease revenue bonds were issued on September 1, 2021 in the amount of \$14,000,000 to finance the capital outlay projects. At June 30, 2024, \$11,490,000 of the bonds were outstanding. The general obligations bonds mature through August 2046. Interest rates range from 4.00 - 5.00 percent.

The 2014 Series C General Obligation Bonds mature as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ -	\$ 339,013	\$ 339,013
2026	-	339,013	339,013
2027	-	339,013	339,013
2028	165,000	335,713	500,713
2029	180,000	328,813	508,813
2030-2034	1,435,000	1,497,763	2,932,763
2035-2039	2,550,000	1,116,138	3,666,138
2040-2044	3,975,000	621,713	4,596,713
2045-2047	3,185,000	110,756	3,295,756
Total	\$ 11,490,000	\$ 5,027,935	\$ 16,517,935

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 11 - LONG-TERM DEBT, continued**

**Compensated Absences**

At June 30, 2024, the liability for compensated absences was \$673,856.

**Banked Faculty Load**

The District calculated the total long-term portion of banked faculty load as of June 30, 2024 at \$9,826. The unfunded faculty banked leave is included in the entity-wide statements.

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**Other Postemployment Benefit Plan Liability**

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/(benefit) for the following plans:

OPEB Plan	Net OPEB Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense/(Benefit)
District Plan	\$ 351,745	\$ 769,810	\$ 232,065	\$ (328,083)

**District Plan**

*Plan Administration*

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

Management of the plan is vested in the District management. Management of the trustee assets is vested with the U.S. Bank.

*Plan Membership*

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

	Number of Participants
Inactive Employees Receiving Benefits	6
Active Employees	128
	<u>134</u>



**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**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.

*Benefits Provided*

The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the Plan. The District's governing board has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements.

The eligibility requirements and benefits provided by the Plan are described below.

	Certificated Management	Certificated	Classified	Classified Management
Benefit types provided	Medical only	Medical only	Medical only	Medical only
Duration of Benefits	5 years, but not beyond Medicare age	5 years, but not beyond Medicare age	5 years, but not beyond Medicare age	5 years, but not beyond Medicare age
Required Service	10 years	10 years	10 years	10 years
Minimum Age	55	55	55	55
Dependent Coverage	Yes	Yes	Yes	Yes
District Contribution %	100%	100%	100%	100%
District Cap	Active Cap	Active Cap	Active Cap	Active Cap

*Contributions*

The contribution requirements of Plan members and the District are established and may be amended by the District, the Faculty and Classified bargaining unions (CCA/CTA/NEA), and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually through the agreements with the District and its bargaining units. For fiscal year 2023-24, the District contributed \$405,778 to the Plan.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**Investment**

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the governing board by a majority vote of its members. It is the policy of the District to pursue an investment strategy that reduces risks through the prudent diversification for the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocation over short time spans. The following was the governing board's adopted asset allocation policy as of June 30, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large Cap	29%	7.545%
US Small Cap	13%	7.545%
All Foreign Stock	9%	7.545%
Other Fixed Income	49%	3.000%
Total	100%	

*Concentration*

The investment policy of the Plan contains no limitations on the amount that can be invested in any one issuer. As of June 30, 2024, investments in a master trust represents 100 percent of the total investment.

*Rate of Return*

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 7.92 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Receivable*

The OPEB Plan reported receivables from long-term contracts with the District for contributions. The contribution receivable as of June 30, 2024 was \$230,851.

**Net OPEB Liability/(Asset) of the District**

The District's net OPEB liability/(asset) of \$351,745 was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of that date. The components of the net OPEB liability/(asset) of the District at June 30, 2024, were as follows:

Total OPEB liability	\$ 2,406,719
Plan fiduciary net position	2,054,974
District's net OPEB liability/(asset)	\$ 351,745
Plan fiduciary net position as a percentage of the total OPEB liability	85%

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**Net OPEB Liability/(Asset) of the District, continued**

*Actuarial Assumptions*

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2023
Measurement date	June 30, 2023
Fiscal year	July 1st to June 30th
Actuarial cost methods	Entry age normal cost method
Inflation rate	2.50%
Investment rate of return	5.75%
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 2021 CalPERS active mortality for miscellaneous and schools employees were used.

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

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

The actual assumptions used in the June 30, 2023 valuation were based on the results of an actual experience study for the period July 1, 2022 to June 30, 2023.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**Net OPEB Liability/(Asset) of the District, continued**

*Discount Rate*

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

**Changes in the Net OPEB Liability/(Asset)**

	Increase/(Decrease)		
	Total OPEB Liability/(Asset)	Total Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance July 1, 2023	\$ 2,331,944	\$ 1,904,158	\$ 427,786
Changes for the year:			
Service cost	168,289	-	168,289
Interest	134,522	-	134,522
Employer contributions	-	153,156	(153,156)
Experience gains/losses	(172,363)	-	(172,363)
Changes of assumptions	97,483	-	97,483
Expected Investment income	-	109,412	(109,412)
Investment gains/losses	-	44,072	(44,072)
Administrative expense	-	(2,668)	2,668
Expected benefit payments	(153,156)	(153,156)	-
Net changes	74,775	150,816	(76,041)
Balance June 30, 2024	\$ 2,406,719	\$ 2,054,974	\$ 351,745

*Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate*

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

	Discount Rate 1% Lower (4.75%)	Current Discount Rate (5.75%)	Discount Rate 1% Higher (6.75%)
Net OPEB liability/(asset)	\$ 528,151	\$ 351,745	\$ 188,664

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

*Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Health Care Cost Trend Rates*

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

	Trend Rate 1% Lower (3.00%)	Current Trend Rate (4.00%)	Trend Rate 1% Higher (5.00%)
Net OPEB liability/(asset)	\$ 113,110	\$ 351,745	\$ 629,865

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

For the year ended June 30, 2024, the District recognized OPEB expense/(benefit) of \$(328,083). At June 30, 2024, the District reported deferred outflows of resources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	\$ 92,458	\$ -
Differences between expected and actual experience	79,825	232,065
Change in assumptions	191,749	-
District contributions subsequent to the measurement date	405,778	-
	<u>\$ 769,810</u>	<u>\$ 232,065</u>

The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/(asset) in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to OPEB will be recognized as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 34,717
2026	30,654
2027	72,616
2028	3,427
2029	12,239
Thereafter	(21,686)
	<u>\$ 131,967</u>

**NOTE 13 – RISK MANAGEMENT**

**Property and Liability Insurance Coverages**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Joint Powers Authority Risk Pools**

During the fiscal year ended June 30, 2024, the District contracted with the Statewide Association of Community Colleges Joint Powers Authority for property and liability insurance and with Protected Insurance Program for Schools and Community Colleges for workers compensation coverage. Settled claims have not exceeded this coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

**Workers' Compensation**

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

Insurance Program / Company Name	Type of Coverage	Limits
Protected Insurance Program for Schools & Community Colleges	Workers' Compensation	\$ 1,000,000
Statewide Associate of Community Colleges	Property and Liability	\$ 250,000,000

**Employee Medical Benefits**

The District has contracted with Tri-County School Insurance Group Joint Powers Agency to provide employee medical benefits. Rates are set through an annual calculation process.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 14 – 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 CalSTRS and classified employees are members of CalPERS.

For the fiscal year ended June 30, 2024, the District reported the net pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources 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	\$ 6,241,099	\$ 2,118,082	\$ 499,777	\$ 977,621
CalPERS	14,218,120	5,070,525	347,329	2,583,295
Total	\$ 20,459,219	\$ 7,188,607	\$ 847,106	\$ 3,560,916

The details of each plan are as follows:

**California State Teachers' Retirement System (CalSTRS)**

**Plan Description**

The District contributes to the State Teachers' Retirement Plan (STRP) administered by CalSTRS. STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2022, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that 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.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California State Teachers' Retirement System (CalSTRS), 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 nonemployer contributing entity to the STRP.

The District contributes exclusively to the STRP Defined Benefit Program, thus disclosures are not included for the other plans. The STRP 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 contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with 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 \$1,114,360.



**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California State Teachers' Retirement System (CalSTRS), continued**

**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	\$ 6,241,099
State's proportionate share of the net pension liability associated with the District	2,990,340
Total	<u>\$ 9,231,439</u>

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 0.0082 percent and 0.0076 percent, resulting in a increase of 0.0006 percent in the proportionate share.

For the year ended June 30, 2024, the District recognized pension expense of \$977,621. In addition, the District recognized pension expense and revenue of (\$43,425) 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	\$ 26,404	\$ -
Differences between expected and actual experience	490,482	333,849
Changes in assumptions	36,138	-
Net changes in proportionate share of net pension liability	450,698	165,928
District contributions subsequent to the measurement date	1,114,360	-
Total	<u>\$ 2,118,082</u>	<u>\$ 499,777</u>

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California State Teachers' Retirement System (CalSTRS), continued**

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

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ (96,894)
2026	(258,471)
2027	576,597
2028	138,804
2029	62,162
Thereafter	81,747
Total	<u>\$ 503,945</u>

**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.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California State Teachers' Retirement System (CalSTRS), continued**

**Actuarial Methods and Assumptions, continued**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance-PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in February 2017 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2024, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Public Equity	38%	5.25%
Real Estate	15%	4.05%
Private Equity	14%	6.75%
Fixed Income	14%	2.45%
Risk Mitigating Strategies	10%	2.25%
Inflation Sensitive	7%	3.65%
Cash/Liquidity	2%	0.05%
	100%	

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

**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	\$ 10,468,946	\$ 6,241,099	\$ 2,729,380

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California Public Employees' Retirement System (CalPERS)**

**Plan Description**

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

A full description of the pension plan regarding benefit, Safety] 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>.

**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 62 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 age 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, 2024, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before December 31, 2012	On or after January 1, 2013
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	7.00%	7.00%
Required employer contribution rate	26.68%	26.68%

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California Public Employees' Retirement System (CalPERS), continued**

**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024, are presented above, and the total District contributions were \$2,029,826.

**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 \$14,218,120. The net pension liability was measured as of June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2023 and June 30, 2022 was 0.0393 percent and 0.0399 percent, respectively, resulting in a net decrease in the proportionate share of 0.0006 percent.

For the year ended June 30, 2024, the District recognized pension expense of \$2,583,295. 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	\$ 1,518,698	\$ -
Differences between expected and actual experience	518,859	218,369
Changes in assumptions	655,023	-
Net changes in proportionate share of net pension liability	348,119	128,960
District contributions subsequent to the measurement date	2,029,826	-
Total	\$ 5,070,525	\$ 347,329

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California Public Employees' Retirement System (CalPERS), continued**

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

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

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 955,827
2026	558,303
2027	1,164,217
2028	15,023
2029	-
Thereafter	-
Total	<u>\$ 2,693,370</u>

**Actuarial Methods and Assumptions**

Total pension liability for the SEP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2022. 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

**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California Public Employees' Retirement System (CalPERS), continued**

**Actuarial Methods and Assumptions, continued**

The mortality table used was developed based on CalPERS-specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

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

Asset Class*	Assumed Asset Allocation	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.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2024**

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**NOTE 14 – EMPLOYEE RETIREMENT SYSTEMS, continued**

**California Public Employees' Retirement System (CalPERS), 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	\$ 20,555,727	\$ 14,218,120	\$ 8,980,233

**Tax Deferred Annuity**

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 APPLE as its alternative plan. Contributions made by the District and an employee vest immediately. The District contributes 6.2 percent of an employee's gross earnings. An employee is required to contribute 6.2 percent of his or her gross earnings to the pension plan.

**On Behalf Payments**

The State of California makes contributions to CalSTRS and CalPERS on behalf of the District. These payments consist of State General Fund contributions, in addition to contributions from Senate Bill 90, to CalSTRS for the fiscal years ended June 30, 2024, 2023, and 2022, which amounted to \$478,301, \$426,203, and \$504,398, respectively. There were no contributions for CalPERS for the year ended June 30, 2024, 2023 and 2022. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. These amounts have been reflected in the basic financial statements as a component of operating revenue and employee benefit expense.



**NOTE 15 – PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES**

The District is a member of the Statewide Association of Community Colleges, the Tri-County School Insurance Group Joint Powers Authority, Protected Insurance Program for Schools and Community Colleges, and the South Bay Regional Public Safety JPAs. The District pays annual premiums for its property liability, health, and workers' compensation coverage and for providing public safety training. The relationship between the District and the JPAs is such that it they are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, transactions between the JPAs and the District are included in these statements. Audited financial statements are available from the respective entities.

The District's share of year-end assets, liabilities, or fund equity has not been calculated. During the year ended June 30, 2024, the District made payments of \$191,318 to the Statewide Association of Community Colleges, \$2,421,126 to the Tri-County School Insurance Group, \$289,798 to Protected Insurance Program for Schools and Community Colleges, and \$1,979,652 to South Bay Regional Public Safety.

**NOTE 16 – COMMITMENTS AND CONTINGENCIES**

**Grants**

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2024.

**Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2024.

**Accreditation**

The District maintains its accreditation by fulfilling criteria that is determined by the Accrediting Commission of Community and Junior Colleges (ACCJC). Throughout its continuous six-year review cycle, the College conducts and publishes several review instruments, including an annual report, annual fiscal report, midterm report, comprehensive institutional self-study, and an evaluation review by a team of peers. The District underwent a comprehensive review and site visit through ACCJC in October 2017. Based on the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, review of LTCC's Institutional Self Evaluation Report (ISER) and the External Evaluation Team Report prepared by the peer review team, LTCC's accreditation was reaffirmed for seven years.

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**NOTE 16 – COMMITMENTS AND CONTINGENCIES, continued**

**Financial Condition**

The District receives funding based on full-time equivalent students (FTES). District wide there were slightly fewer FTES in fiscal year 2023-24, however, it did grow in a few areas that will affect future funding. Restoration of FTES has changed with the implementation of the new Student Centered Funding Formula (SCFF) as the new formula uses a rolling three year average with a hold harmless clause that protects districts from the uncertainty of enrollments. A rolling three-year average ensures reductions in enrollments are less impactful to the funding of a District and the hold harmless ensures a District receives no less than the prior’s funding.

**Construction Commitments**

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

CAPITAL PROJECT	Remaining Construction Commitment
Equipment Storage Facility	\$ 233,534
Remodeling for Efficiency and Science Modernization	1,258,716
Gymnasium Interior Paint	29,900
Student Housing	21,297,197
Total	<u>\$ 22,819,347</u>

**NOTE 17 – PRIOR PERIOD ADJUSTMENT**

During fiscal year 2023-24, beginning balance of net position was decreased by approximately \$3.6 million. \$3.0 million relates to the Physical Property and Instructional Support allocated and paid out during fiscal year 2022-23 and revised and pulled back due to state budget cuts. Additionally, an adjustment of \$557 thousand was made to move the Community Play Consortium from the governmental funds to the fiduciary funds for financial statement presentation.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**LAKE TAHOE 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	\$ 168,289	\$ 163,785	\$ 146,555	\$ 142,633
Interest	134,522	128,011	132,045	125,868
Experience gains/(losses)	(172,363)	-	(95,273)	-
Changes of assumptions	97,483	-	37,054	-
Benefit payments	(153,156)	(208,483)	(198,446)	(136,587)
Net changes in total OPEB liability	74,775	83,313	21,935	131,914
Total OPEB liability, beginning of year	2,331,944	2,248,631	2,226,696	2,094,782
Total OPEB liability, end of year (a)	\$ 2,406,719	\$ 2,331,944	\$ 2,248,631	\$ 2,226,696
Plan fiduciary net position				
Employer contributions	\$ 153,156	\$ 602,907	\$ 198,446	\$ 312,461
Investment income	109,412	111,685	87,030	78,397
Investment gains/losses	44,072	(345,960)	209,810	(20,327)
Administrative expense	(2,668)	(2,237)	(2,202)	(2,035)
Expected benefit payments	(153,156)	(208,483)	(198,446)	(136,587)
Other	-	-	-	-
Changes in plan fiduciary net position	150,816	157,912	294,638	231,909
Fiduciary trust net position, beginning of year	1,904,158	1,746,246	1,451,608	1,219,699
Fiduciary trust net position, end of year (b)	\$ 2,054,974	\$ 1,904,158	\$ 1,746,246	\$ 1,451,608
Net OPEB liability/(asset), ending (a) - (b)	\$ 351,745	\$ 427,786	\$ 502,385	\$ 775,088
Covered payroll	\$ 9,710,540	\$ 4,989,840	\$ 4,989,840	\$ 5,148,804
Plan fiduciary net position as a percentage of the total OPEB liability	85%	82%	78%	65%
Net OPEB liability/(asset) as a percentage of covered payroll	4%	9%	10%	15%

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

**LAKE TAHOE 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	\$ 117,224	\$ 114,087	\$ 111,034
Interest	104,201	100,666	97,908
Experience gains/(losses)	139,400	-	-
Changes of assumptions	128,659	-	-
Benefit payments	(145,537)	(169,288)	(162,777)
Net changes in total OPEB liability	343,947	45,465	46,165
Total OPEB liability, beginning of year	1,750,835	1,705,370	1,659,205
Total OPEB liability, end of year (a)	\$ 2,094,782	\$ 1,750,835	\$ 1,705,370
Plan fiduciary net position			
Employer contributions	\$ 533,055	\$ 346,285	\$ 339,774
Investment income	58,123	38,745	44,374
Investment gains/losses	(328)	3,161	-
Administrative expense	(1,131)	(499)	(500)
Expected benefit payments	(145,537)	(169,288)	(162,777)
Other	-	(385)	-
Changes in plan fiduciary net position	444,182	218,019	220,871
Fiduciary trust net position, beginning of year	775,517	557,498	336,627
Fiduciary trust net position, end of year (b)	\$ 1,219,699	\$ 775,517	\$ 557,498
Net OPEB liability/(asset), ending (a) - (b)	\$ 875,083	\$ 975,318	\$ 1,147,872
Covered payroll	\$ 7,127,368	\$ 6,734,675	\$ 6,734,675
Plan fiduciary net position as a percentage of the total OPEB liability	58%	44%	33%
Net OPEB liability/(asset) as a percentage of covered payroll	12%	14%	17%

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

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS – OPEB  
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021
Actuarially determined contribution	\$ 143,360	\$ 153,156	\$ 208,483	\$ 198,446
Contributions in relations to the actuarially determined contribution	405,778	57,874	394,424	220,550
Contribution deficiency/(excess)	<u>\$ (262,418)</u>	<u>\$ 95,282</u>	<u>\$ (185,941)</u>	<u>\$ (22,104)</u>
Covered-employee payroll	\$ 9,710,540	\$ 4,989,840	\$ 4,989,840	\$ 5,148,804
Contribution as a percentage of covered-employee payroll	4.18%	1.16%	7.90%	4.28%

	2020	2019	2018
Actuarially determined contribution	\$ 136,587	\$ 145,537	\$ 169,288
Contributions in relations to the actuarially determined contribution	175,874	387,518	712,898
Contribution deficiency/(excess)	<u>\$ (39,287)</u>	<u>\$ (241,981)</u>	<u>\$ (543,610)</u>
Covered-employee payroll	\$ 7,127,368	\$ 6,734,675	\$ -
Contribution as a percentage of covered-employee payroll	2.47%	5.75%	10.59%

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

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

	Reporting Fiscal Year (Measurement Date)				
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
CaSTRS					
District's proportion of the net pension liability	0.0082%	0.0076%	0.0078%	0.0080%	0.0075%
District's proportionate share of the net pension liability	\$ 6,241,099	\$ 5,305,113	\$ 3,569,052	\$ 7,712,753	\$ 6,743,258
State's proportionate share of the net pension liability associated with the District	2,990,340	2,656,817	1,795,845	3,975,892	3,678,928
Total	\$ 9,231,439	\$ 7,961,930	\$ 5,364,897	\$ 11,688,645	\$ 10,422,186
District's covered - employee payroll	\$ 5,124,194	\$ 4,694,557	\$ 4,519,771	\$ 4,482,333	\$ 4,283,415
District's proportionate share of the net pension liability as percentage of covered-employee payroll	122%	113%	79%	172%	157%
Plan fiduciary net position as a percentage of the total pension liability	81%	81%	87%	72%	73%

	Reporting Fiscal Year (Measurement Date)				
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
CalPERS					
District's proportion of the net pension liability	0.0393%	0.0399%	0.0393%	0.0369%	0.0346%
District's proportionate share of the net pension liability	\$ 14,218,120	\$ 13,712,930	\$ 7,999,394	\$ 11,336,418	\$ 10,074,143
District's covered - employee payroll	\$ 6,809,921	\$ 6,125,967	\$ 5,664,295	\$ 5,336,357	\$ 4,798,710
District's proportionate share of the net pension liability as percentage of covered-employee payroll	209%	224%	141%	212%	210%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	81%	70%	70%

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

	Reporting Fiscal Year (Measurement Date)				
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
CalSTRS					
District's proportion of the net pension liability	0.0073%	0.0077%	0.0084%	0.0097%	0.0100%
District's proportionate share of the net pension liability	\$ 6,753,681	\$ 7,116,278	\$ 6,816,412	\$ 6,551,557	\$ 5,839,258
State's proportionate share of the net pension liability associated with the District	3,866,984	4,209,930	3,880,462	3,465,051	3,525,996
Total	\$ 10,620,665	\$ 11,326,208	\$ 10,696,874	\$ 10,016,608	\$ 9,365,254
District's covered - employee payroll	\$ 4,175,990	\$ 4,082,194	\$ 4,183,057	\$ 4,073,148	\$ 4,199,918
District's proportionate share of the net pension liability as percentage of covered-employee payroll	162%	174%	163%	161%	139%
Plan fiduciary net position as a percentage of the total pension liability	71%	69%	70%	74%	77%

	Reporting Fiscal Year (Measurement Date)				
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
CalPERS					
District's proportion of the net pension liability	0.0334%	0.0323%	0.0306%	0.0298%	0.0303%
District's proportionate share of the net pension liability	\$ 8,907,061	\$ 7,719,597	\$ 6,050,143	\$ 4,397,275	\$ 3,443,400
District's covered - employee payroll	\$ 4,477,884	\$ 4,129,676	\$ 3,660,685	\$ 3,265,298	\$ 3,183,160
District's proportionate share of the net pension liability as percentage of covered-employee payroll	199%	187%	165%	135%	108%
Plan fiduciary net position as a percentage of the total pension liability	71%	72%	74%	79%	83%



**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS – PENSIONS  
FOR THE YEAR ENDED JUNE 30, 2024**

CaSTRS	Reporting Fiscal Year				
	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 1,114,360	\$ 978,721	\$ 794,319	\$ 729,943	\$ 766,479
District's contributions in relation to the statutorily required contribution	1,114,360	978,721	794,319	729,943	766,479
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,834,346	\$ 5,124,194	\$ 4,694,557	\$ 4,519,771	\$ 4,482,333
District's contributions as a percentage of covered-employee payroll	19.10%	19.10%	17.00%	16.00%	17.00%

CaPERS	Reporting Fiscal Year				
	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 2,029,826	\$ 1,727,677	\$ 1,403,459	\$ 1,172,509	\$ 1,052,383
District's contributions in relation to the statutorily required contribution	2,029,826	1,727,677	1,403,459	1,172,509	1,052,383
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 7,608,043	\$ 6,809,921	\$ 6,125,967	\$ 5,664,295	\$ 5,336,357
District's contributions as a percentage of covered-employee payroll	26.68%	25.37%	23.00%	21.00%	20.00%

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS – PENSIONS  
FOR THE YEAR ENDED JUNE 30, 2024**

CaSTRS	Reporting Fiscal Year				
	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 697,340	\$ 613,742	\$ 538,502	\$ 422,035	\$ 367,178
District's contributions in relation to the statutorily required contribution	697,340	613,742	538,502	422,035	367,178
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,283,415	\$ 4,175,990	\$ 4,082,194	\$ 4,183,057	\$ 4,073,148
District's contributions as a percentage of covered-employee payroll	16.00%	15.00%	13.00%	10.00%	9.00%

CaPERS	Reporting Fiscal Year				
	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 866,743	\$ 705,000	\$ 557,038	\$ 426,730	\$ 364,323
District's contributions in relation to the statutorily required contribution	866,743	705,000	557,038	426,730	364,323
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,798,710	\$ 4,477,884	\$ 4,129,676	\$ 3,660,685	\$ 3,265,298
District's contributions as a percentage of covered-employee payroll	18.00%	16.00%	13.00%	12.00%	11.00%

**NOTE 1 - PURPOSE OF SCHEDULES**

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

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

**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 positions and, when applicable, the State's proportionate share of the NPL associated with the District.

***Changes in Benefit Terms*** - The required state contribution rate changes from 25.37% to 10.83% from previous valuation for CalSTRS. There were no changes in benefit terms since the previous valuations for CalPERS.

***Changes in Assumptions*** - There were no changes in assumptions since the previous valuations for CalSTRS. The consumer price inflation rate changes from 2.50% to 2.30% from previous valuations for CalPERS.

**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.

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## **SUPPLEMENTARY INFORMATION**

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**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
DISTRICT ORGANIZATION  
FOR THE YEAR ENDED JUNE 30, 2024**

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Lake Tahoe Community College District was established by the voters on March 5, 1974, opened its doors on September 18, 1975; and serves an area of approximately 196 square miles located in El Dorado County. There were no changes in the boundaries of the District during the current year. The District's college is accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, which is one of six regional associations that accredit public and private schools, colleges, and universities in the United States.

**GOVERNING BOARD**

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<b>MEMBER</b>	<b>OFFICE</b>	<b>TERM EXPIRES</b>
Jeff Cowen	President	December 2026
Nancy Dalton	Clerk	December 2024
Kerry David	Member	December 2026
Tony Sears	Member	December 2026
Dr. Karen Borgess	Member	December 2024
Daniella Valdivia-Guzman	Student Trustee	June 2024

**DISTRICT ADMINISTRATION**

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Jeff DeFranco  
*President/Superintendent*

Russi Egan  
*Vice President of Administrative Services*

Brad Deeds  
*Acting Vice President of Academic Affairs*

Ali Bissonnette  
*Chief of Staff for Strategic Initiatives*

Keely Carroll  
*Dean Instruction*

Brad Deeds  
*Dean of Workforce Development and Instruction*

Michelle Batista  
*Vice President of Student Services*

**AUXILIARY ORGANIZATIONS IN GOOD STANDING**

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<b>AUXILIARY NAME</b>	<b>DIRECTOR'S NAME</b>	<b>ESTABLISHMENT AND MASTER AGREEMENT DATE</b>
Lake Tahoe Community College Foundation	Nancy Harrison, CFRE, Executive Director	Organized as an auxiliary organization in 1955 and has a signed master agreement dated May 10, 1995.

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

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Total Program Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>		
<i>Direct Programs:</i>		
Student Financial Aid Programs		
Federal Supplemental Educational Opportunity Grant (FSEOG)	84.007	\$ 45,825
Federal Work Study (FWS)	84.033	39,462
Federal Pell Grants (PELL)	84.063	2,413,056
Subtotal Student Financial Aid Programs		<u>2,498,343</u>
TRIO Cluster		
TRIO - Talent Search Program	84.044	289,442
TRIO - Upward Bound Program	84.047	259,538
Subtotal TRIO Cluster		<u>548,980</u>
Higher Education Emergency Relief Funds		
COVID-19 HEERF - Student Aid	84.425E	361,042
COVID-19 HEERF - IREPO	84.425P	490,749
Total Higher Education Emergency Relief Funds		<u>851,791</u>
Hispanic-Serving Institutions - STEM	84.031C	856,042
Developing Hispanic-Serving Institutions	84.031S	43,746
Child Development - CCAMPIS	84.335A	102,572
Fund for the Improvement of Postsecondary Education	84.116Z	269,000
<i>Passed through the California Community Colleges Chancellor's Office:</i>		
<i>Perkins IV Programs:</i>		
Carl D. Perkins Career and Technical Education (CTE) Act		
CTE - Title I, Part C (Perkins IV)	84.048A	78,209
<b>Total U.S. Department of Education</b>		<u>5,248,683</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
<i>Passed through the California Community Colleges Chancellor's Office:</i>		
Temporary Assistance for Needy Families (TANF)	93.558	27,582
<b>Total U.S. Department of Health and Human Services</b>		<u>27,582</u>
<b>U.S. DEPARTMENT OF NATIONAL AND COMMUNITY SERVICE</b>		
<i>Direct Programs:</i>		
AmeriCorps	94.006	38,336
<b>Total U.S. Department of National and Community Service</b>		<u>38,336</u>
<b>U.S. DEPARTMENT OF COMMERCE</b>		
<i>Passed through the Foundation for California Community Colleges</i>		
Good Jobs Challenge	11.307	128,636
<b>Total U.S. Department of Commerce</b>		<u>128,636</u>
<b>U.S. DEPARTMENT OF VETERAN AFFAIRS</b>		
<i>Direct Programs:</i>		
Vocational and Educational Counseling for Servicemembers and Veterans	64.125	5,836
<b>Total U.S. Department of Veteran Affairs</b>		<u>5,836</u>
<b>Total Federal Programs</b>		<u>\$ 5,449,073</u>

See accompanying note to supplementary information.

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

	Program Entitlements			Program Revenues				Program Expenditures
	Current Year	Prior Year Adjustments	Total Entitlements	Cash Received	Accounts Receivable/(Payable)	Unearned Revenue	Total Revenues	
ACG	\$ -	\$ -	\$ -	\$ 8,622	\$ -	\$ -	\$ 8,622	\$ 7,210
Adult Education Block Grant	1,098,988	223,986	1,322,974	1,322,974	-	130,302	1,192,672	1,192,672
Aquatic Center Grant	-	-	-	(11,536)	30,460	-	18,924	18,924
Basic Needs Centers	191,403	43,889	235,292	235,292	-	97,574	137,718	137,718
BFAP (SFAA)	145,747	-	145,747	145,747	-	1	145,746	145,746
CA Promise	77,541	-	77,541	77,541	-	11,220	66,321	66,321
CA Tahoe Conserve Forestry Ed	-	125,306	125,306	(1)	53,075	-	53,074	53,074
Cal Fresh Outreach (SB 85)	-	6,811	6,811	6,811	-	70	6,741	6,741
Cal Grant	-	-	-	401,390	-	-	401,390	395,169
CalFire Grant	-	84,350	84,350	(38,495)	52,996	-	14,501	14,501
California State Pre-School Program	124,346	-	124,346	70,723	-	-	70,723	70,723
CalWORKs	132,893	47,356	180,249	180,249	-	6,565	173,684	173,684
CARE	90,732	63,134	153,866	153,866	-	40,904	112,962	112,962
CCC Equitable Placement & Completion Grant	236,637	-	236,637	236,637	-	236,637	-	-
CCC Foundation Tax Prep	-	3,800	3,800	3,800	-	3,800	-	-
CCFPD1T	150,000	-	150,000	150,000	-	110,541	39,459	39,459
CDSS Stipend	-	-	-	4,062	-	-	4,062	4,062
COVID-19 Recovery Block Grant	-	1,197,000	1,197,000	1,197,000	-	817,799	379,201	379,201
CSPB Block Grant	-	-	-	9,455	-	-	9,455	7,680
Cultural Competent Faculty PD	-	163,870	163,870	163,870	-	-	163,870	163,870
CVC-OEI Grant	-	10,443	10,443	10,443	-	10,443	-	-
DHH	8,313	4,149	12,462	12,462	-	12,462	-	-
DOE State Block Grant - CCTR	154,490	-	154,490	79,742	-	-	79,742	79,742
DOE State Child Care Food Program	-	-	-	-	-	-	-	-
Dreamer Resources Liaison	69,169	47,914	117,083	117,083	-	52,635	64,448	64,448
Dreamer Resources Liaison	-	-	-	-	-	-	-	1,750
DSP&S	354,847	60,064	414,911	414,911	-	68,433	346,478	346,478
Dual Enrollment Inst Mat'ls	-	15,347	15,347	15,347	-	15,347	-	-
Early Childhood Ed	-	1,000	1,000	1,000	-	1,000	-	-
EEO Best Practices (One-Time)	-	207,850	207,850	207,850	-	199,245	8,605	8,605
EEOBP1T	100,000	-	100,000	-	69,376	-	69,376	69,376
Emergency Financial Assistance Supplemental	-	-	-	-	-	-	-	211,926
Enrollment Fee Waiver Admin	19,240	-	19,240	19,240	-	-	19,240	19,240
EOP&S	423,585	85,443	509,028	509,028	-	21,546	487,482	487,482
Equal Employment Opportunity (AB1725)	138,888	60,392	199,280	199,280	-	54,538	144,742	144,742
Ethnic Studies / Transfer Ed and Articulation-Seamle	48,695	-	48,695	48,695	-	48,695	-	-
Financial Aid Basic Needs COP Grant	50,000	-	50,000	-	16,510	-	16,510	16,510
Financial Aid Technology	43,071	18,244	61,315	61,315	-	8,607	52,708	52,708
Foster and Kinship Care	100,955	14,880	115,835	99,483	16,352	-	115,835	115,835
Full Time Faculty Hiring	273,172	133,640	406,812	273,172	-	-	273,172	600,630
Guided Pathways	-	79,379	79,379	79,379	-	-	79,379	79,379
Juvenile Justice Grant (RSN)	288,888	-	288,888	607,954	-	497,191	110,763	110,763
Learning Aligned Employ. Prog.	-	341,745	341,745	341,745	(333,331)	-	8,414	8,414
LGBTQ+	41,125	15,375	56,500	56,500	-	18,701	37,799	37,799
Lottery (Restricted)	205,256	242,497	447,753	374,069	72,172	209,057	237,184	237,184
Lottery (Unrestricted)	415,941	23,393	439,334	370,507	75,654	-	446,161	446,161
Mental Health	132,437	108,903	241,340	241,340	-	117,699	123,641	123,641
NextUp	131,525	118,131	249,656	249,656	-	130,518	119,138	119,138
NFN Deputy Sector Navigator	-	52,148	52,148	52,148	-	52,148	-	-
Part-Time Faculty Compensation	94,505	(631)	93,874	93,874	-	-	93,874	93,874
Physical Plant & INST'L Support	-	314,110	314,110	314,110	-	264,801	49,309	49,309
Physical Plant & INST'L Support	34,358	(2,997,141)	(2,962,783)	34,358	-	-	34,358	307,620
Promise Scholars Program Replication	-	68,765	68,765	68,765	-	57,081	11,684	11,684
P-T Faculty Office Hours	8,756	2,246	11,002	11,002	-	-	11,002	11,002
Retention and Enroll Outreach (SB85)	73,384	344,106	417,490	417,490	-	300,003	117,487	117,487
Rising Scholars Grant	160,000	143,732	303,732	303,732	-	181,116	122,616	122,616
Strong Workforce (Local)	325,401	308,366	633,767	633,767	-	25,717	608,050	608,050
Strong Workforce Projects in Common	117,820	44,948	162,768	162,768	-	40,000	122,768	122,768
Strong Workforce Regional	302,155	325,659	627,814	627,814	-	74,837	552,977	552,977
Student Equity & Achievement	1,099,960	198,136	1,298,096	1,298,096	-	259,186	1,038,910	1,038,910
Student Food & Housing (One-Time)	198,710	127,701	326,411	326,411	-	168,541	157,870	157,870
Student Housing (Construction)	-	-	-	-	-	-	-	11,937,288
Student Success Completion	509,263	-	509,263	509,263	-	-	509,263	666,367
Student Transfer Achievement Reform	565,217	-	565,217	565,217	-	565,217	-	-
Subsidized Federal Loan	-	-	-	211,906	-	-	211,906	211,616
Technology and Data Security	775,000	320,033	1,095,033	1,095,033	-	957,096	137,937	137,937
Trustee Fellowship Grant	-	16,194	16,194	16,194	-	16,194	-	-
Unsubsidized Federal Loan	-	-	-	320,600	-	-	320,600	318,528
Veteran Resource Center	24,704	5,635	30,339	30,339	-	2,645	27,694	27,694
Zero Textbook Cost Implementation	-	179,347	179,347	179,347	-	134,747	44,600	44,600
Zero Textbook Cost Planning	-	8,511	8,511	8,511	-	8,511	-	-
Subtotal	\$ 9,537,117	\$ 3,010,156	\$ 12,547,273	\$ 15,988,953	\$ 53,264	\$ 6,029,370	\$ 10,012,847	\$ 22,909,865

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

<b>CATEGORIES</b>	Reported Data	Audit Adjustments	Audited Data
<b>A. Summer Intersession (Summer 2023 only)</b>			
1. Noncredit	8.87	-	8.87
2. Credit	263.99	-	263.99
<b>B. Summer Intersession (Summer 2024 - Prior to July 1, 2024)</b>			
1. Noncredit	-	-	-
2. Credit	-	-	-
<b>C. Primary Terms (Exclusive of Summer Intersession)</b>			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	338.62	-	338.62
(b) Daily Census Contact Hours	106.65	-	106.65
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	104.19	-	104.19
(b) Credit	570.60	-	570.60
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	436.37	-	436.37
(b) Daily Census Contact Hours	349.08	-	349.08
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
<b>D. Total FTES</b>	<b>2,178.37</b>	<b>-</b>	<b>2,178.37</b>
<b>Supplemental Information (subset of above information)</b>			
<b>E. In-service Training Courses</b>	265.87	-	265.87
<b>F. Basic Skills Courses and Immigrant Education</b>			
1. Credit	-	-	-
2. Noncredit	31.23	-	31.23
Total Basic Skills FTES	31.23	-	31.23



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

	Object/ TOP Codes	Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	\$ 2,828,930	\$ -	\$ 2,828,930	\$ 2,830,408	\$ -	\$ 2,830,408
Other	1300	2,405,513	-	2,405,513	2,405,513	-	2,405,513
Total Instructional Salaries		5,234,443	-	5,234,443	5,235,921	-	5,235,921
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	586,904	-	586,904
Other	1400	-	-	-	205,289	-	205,289
Total Non-Instructional Salaries		-	-	-	792,193	-	792,193
Total Academic Salaries		5,234,443	-	5,234,443	6,028,114	-	6,028,114
<u>Classified Salaries</u>							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	3,180,451	-	3,180,451
Other	2300	-	-	-	586,568	-	586,568
Total Non-Instructional Salaries		-	-	-	3,767,019	-	3,767,019
Instructional Aides							
Regular Status	2200	8,794	-	8,794	8,794	-	8,794
Other	2400	396,867	-	396,867	403,138	-	403,138
Total Instructional Aides		405,661	-	405,661	411,932	-	411,932
Total Classified Salaries		405,661	-	405,661	4,178,951	-	4,178,951
Employee Benefits	3000	1,896,471	-	1,896,471	4,316,783	-	4,316,783
Supplies and Materials	4000	-	-	-	209,965	-	209,965
Other Operating Expenses	5000	2,250,215	-	2,250,215	5,029,367	-	5,029,367
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		9,786,790	-	9,786,790	19,763,180	-	19,763,180
<u>Exclusions</u>							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	-	-	-	-	-	-
Std. Health Svcs. Above Amount Collected	6441	-	-	-	7,412	-	7,412
Student Transportation	6491	-	-	-	-	-	-
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	-	-	-
Object to Exclude							
Rents and Leases	5060	-	-	-	457,589	-	457,589
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	-	-	-	446,161	-	446,161
Capital Outlay	6000	-	-	-	-	-	-
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		\$ -	\$ -	\$ -	\$ 911,162	\$ -	\$ 911,162
Total for ECS 84362, 50% Law		\$ 9,786,790	\$ -	\$ 9,786,790	\$ 18,852,018	\$ -	\$ 18,852,018
Percent of CEE (Instructional Salary Cost/Total CEE)		51.91%	0.00%	51.91%	100.00%	0.00%	100.00%
50% of Current Expense of Education		\$ -	\$ -	\$ -	\$ 9,426,009	\$ -	\$ 9,426,009

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

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EPA Revenue	\$ 1,643,405
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Activity Classification	Activity Code	Salaries and Benefits	Operating Expenses	Capital Outlay	Total
		(Obj 1000-3000)	(Obj 4000-5000)	(Obj 6000)	
Instructional Activities	0100-5900	\$ 1,643,405	\$ -	\$ -	\$ 1,643,405
Total		\$ 1,643,405	\$ -	\$ -	\$ 1,643,405

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

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**Total Fund Equity - District Funds Included in the Reporting Entity**

General fund		\$	4,951,863
Debt service fund			1,055,265
Special revenue funds			(41,789)
Capital project funds			32,661,570
Student housing			10,802
Enterprise funds			31,641
Internal service funds			757,361
Other agency funds			-
Student activity funds			28,394
Student financial aid fund			832,936
Total fund balances as reported in the CCFS-311		\$	<u>40,288,043</u>

Assets recorded within the statement of net position not included in the fund financial statements:

Capital assets	\$	125,176,244	
Accumulated depreciation		<u>(37,972,338)</u>	87,203,906

Lease receivable			2,138,137
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Unmatured interest			(643,148)
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Deferred outflows recorded within the statement of net position not included in the District fund financial statements:

Deferred outflows related to bond refundings			102,232
Deferred outflows related to OPEB			769,810
Deferred outflows related to pensions			7,188,607

Liabilities recorded within the statement of net position not recorded in the District fund financial statements:

General obligation bonds	\$	40,760,000	
Bond premiums		1,763,394	
Compensated absences		673,856	
Banked Faculty Load		9,826	
Net OPEB liability		351,745	
Net pension liability		<u>20,459,219</u>	(64,018,040)

Deferred inflows recorded within the statement of net position not included in the District fund financial statements:

Deferred inflows related to leases			(2,005,661)
Deferred inflows related to OPEB			(232,065)
Deferred inflows related to pensions			<u>(847,106)</u>

<b>Net Position Reported Within the Statement of Net Position</b>		\$	<u>69,944,715</u>
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**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.

**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.

**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.

**NOTE 1 - PURPOSE OF SCHEDULES, continued**

**Proposition 30 Education Protection Account (EPA) Expenditure Report**

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

**Reconciliation of Annual Financial and Budget Report (CCFS-311) With Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Form CCFS-311 to the District's internal fund financial statements.

**Reconciliation of Fund Equity to Net Position**

The 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.

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**OTHER INDEPENDENT AUDITORS' REPORTS**

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**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**

Board of Trustees  
Lake Tahoe Community College District  
South Lake Tahoe, 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 Lake Tahoe Community College District (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 10, 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 or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

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



San Diego, California  
December 10, 2024





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

Board of Trustees  
Lake Tahoe Community College District  
South Lake Tahoe, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Lake Tahoe 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 Auditors' 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 Lake Tahoe Community College 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 10, 2024



## INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAMS

Board of Trustees  
Lake Tahoe Community College District  
South Lake Tahoe, California

### **Report on State Compliance**

#### ***Opinion on State Compliance***

We have audited Lake Tahoe 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 Auditors' 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 described in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*.

### ***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 494 – State Fiscal Recovery Fund  
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 10, 2024

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## **FINDINGS AND QUESTIONED COSTS SECTION**

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**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2024**

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**Section I – Schedule of Audit Findings and Questioned Costs**

**FINANCIAL STATEMENTS**

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

**FEDERAL AWARDS**

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

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program of Cluster</u>
<u>84.007, 84.033, 84.063</u>	<u>Student Financial Aid Cluster</u>
<u>84.031C, 84.031S</u>	<u>Hispanic-Serving Institutions - STEM</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

**STATE AWARDS**

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



**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**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 findings or questioned costs identified during 2023-24.**

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**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.**

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
STATE AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**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.**

**LAKE TAHOE COMMUNITY COLLEGE DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**Section V – Summary Schedule of Prior Year Audit Findings**

This section identifies the audit findings and questioned related to the basic financial statements, federal awards or state awards for prior year.

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