



See what's possible.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**

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**AUDIT REPORT**

JUNE 30, 2025 AND 2024

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
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**JUNE 30, 2025 AND 2024**

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## INDEPENDENT AUDITORS' REPORT

The Board of Trustees  
Butte-Glenn Community College District  
Oroville, California

### **Report on Audit of Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities, fiduciary activities and the discretely presented component unit of Butte-Glenn Community College District (the "District") as of and for the years ended June 30, 2025 and 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 and the discretely presented component unit of the District as of June 30, 2025 and 2024, and the respective changes in financial position and, where applicable, its cash flows thereof for the years 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information section, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, 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 Information**

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



San Diego, California  
January 8, 2026

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

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The California Community Colleges system is comprised of 73 districts, 116 colleges. The Butte-Glenn Community College District (the "District") is located an hour and 10 minutes north of Sacramento on a 928 acre wildlife refuge and is a leader in sustainability efforts. The District serves students in both Butte and Glenn counties and consists of one community college located in Oroville, California, a State approved center located in Chico, California, and satellite campuses throughout the bi-county area. The District serves approximately 15,000 full and part-time, credit and non-credit students per semester.

The following discussion and analysis provides an overview of the financial position and activities of the District for the years ended June 30, 2025 and 2024. Please read it in conjunction with the financial statements and notes thereto which follow this section. Responsibility for the completeness and accuracy of this information rests with the District's management.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The District follows the reporting standards of Governmental Accounting Standards Board (GASB) Statement No. 34, as amended by GASB Statement No. 35. Rather than issuing fund-type financial statements, the District has adopted the Business Type Activity (BTA) model. This model requires the following components be included in the District's financial statements:

- Management's Discussion and Analysis
- Basic financial statements including Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows
- Notes to Financial Statements

Additionally, fund balance is referred to as Net Position, and the Statements of Cash Flows are presented using the direct method.

The basic financial statements are designed to provide readers with a broad overview of the District's finances using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the District's activities.

The Statements of Net Position present the assets, liabilities, and net position of the District for the fiscal years ended June 30, 2025 and 2024 and are prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private sector organizations. The difference between total assets and total liabilities (net position) is one indicator of the current financial condition of the District, and a way to measure the financial health of the District.

The net position is divided into three major categories. The first category, Net Investment in Capital Assets, represents the equity amount in property, plant, and equipment owned by the District. The second category is Restricted Net Position. This net position is available for expenditure by the District but must be spent for purposes as determined by external entities and/or donors that have placed time or purpose restrictions on the use of the assets. Restrictions can also be enforced through agreements, laws, regulations of creditors, other governmental agencies, imposed bylaws through constitutional provisions, or enabling legislation. The final category is Unrestricted Net Position that is available to the District for any lawful purpose. Although unrestricted, the District's Governing Board may place internal restrictions on this category of net position, but it retains the power to change, remove, or modify such restrictions.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

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**OVERVIEW OF THE FINANCIAL STATEMENTS, continued**

The Statements of Revenues, Expenses, and Changes in Net Position represent the operating results of the District. The purpose of the statements is to present the revenues received by the District, both operating and non-operating, the expenses paid by the District, operating and non-operating, and any other revenues, expenses, gains, and losses. Thus, these statements present the District's results of operations.

Changes in total net position are based on the activities presented in the Statements of Revenues, Expenses, and Changes in Net Position.

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

The Statements of Cash Flows provide information about cash receipts and cash payments, sources of cash, and major uses during the fiscal year. These statements also help users assess the District's ability to generate positive cash flows, meet obligations as they become due and evaluate the need for external financing.

The Statements of Cash Flows are divided into five parts. The first part reflects operating cash flows and shows the net cash provided by the operating activities of the District. The second part details cash received for non-operating, non-investing, and non-capital activities of the institution. The third section deals with the cash used for the acquisition and construction of capital and related financing activities. The fourth part provides information from investing activities. This section reflects the cash received and spent for short-term investments and any interest paid or received on those investments. The final section reconciles the net cash from operating activities to the operating loss reflected on the Statements of Revenues, Expenses, and Changes in Net Position. The net cash reconciliation is shown in the expanded version of the Statements of Cash Flows in the financial statements.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

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**OVERVIEW OF THE FINANCIAL STATEMENTS, continued**

The Statements of Net Position as of June 30, 2025 and 2024 are summarized below:

	<u>2025</u>	<u>2024</u>	<u>Change</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Current assets	\$ 223,313,768	\$ 258,284,020	\$ (34,970,252)
Non-current assets	366,903,051	326,922,754	39,980,297
Deferred outflows of resources	32,561,758	35,933,808	(3,372,050)
<b>Total Assets and Deferred Outflows of Resources</b>	<u>622,778,577</u>	<u>621,140,582</u>	<u>1,637,995</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
Current liabilities	101,069,106	107,196,569	(6,127,463)
Non-current liabilities	267,936,720	273,441,048	(5,504,328)
Deferred inflows of resources	16,479,042	16,893,150	(414,108)
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>385,484,868</u>	<u>397,530,767</u>	<u>(12,045,899)</u>
<b>NET POSITION</b>			
Net investment in capital assets	211,697,466	155,639,709	56,057,757
Restricted	47,459,991	89,276,820	(41,816,829)
Unrestricted	(21,863,748)	(21,306,714)	(557,034)
<b>Total Net Position</b>	<u>\$ 237,293,709</u>	<u>\$ 223,609,815</u>	<u>\$ 13,683,894</u>

The District's total assets and deferred outflows of resources increased by \$1.6 million or 0.3 percent over the prior year.

Total liabilities and deferred inflows of resources decreased \$12.0 million or 3.0 percent over the prior year.

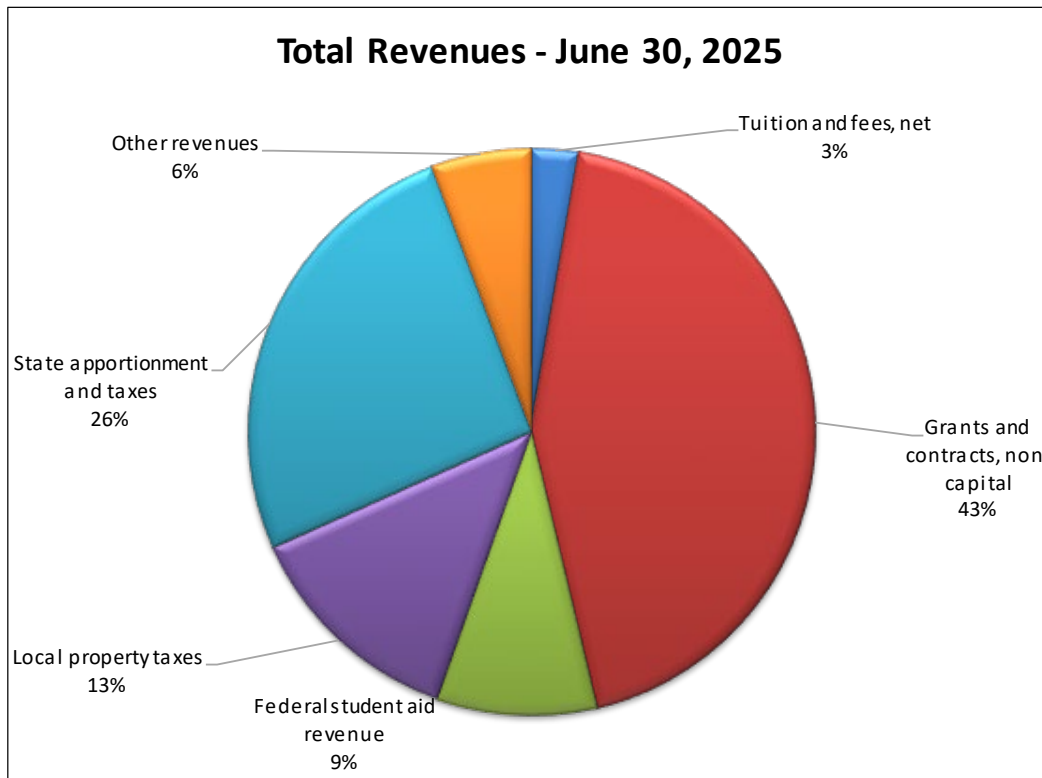
**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS, continued**

The Statements of Revenues, Expenses, and Changes in Net Position for the fiscal years ended June 30, 2025 and 2024 are summarized below:

	<b>2025</b>	<b>2024</b>	<b>Change</b>
<b>REVENUES</b>			
Tuition and fees, net	\$ 7,926,886	\$ 6,500,868	\$ 1,426,018
Grants and contracts, non-capital	128,590,610	123,941,381	4,649,229
Federal student aid revenue	26,967,045	21,376,045	5,591,000
Local property taxes	38,017,848	36,956,946	1,060,902
State apportionment and taxes	76,622,673	91,966,423	(15,343,750)
Other revenues	16,920,974	18,662,467	(1,741,493)
<b>Total Revenues</b>	<b>295,046,036</b>	<b>299,404,130</b>	<b>(4,358,094)</b>
<b>EXPENSES</b>			
Operating expenses	254,792,920	276,500,761	(21,707,841)
Interest expense on capital asset-related debt	17,270,712	16,331,769	938,943
Other expenses	45,651	4,673	40,978
<b>Total Expenses</b>	<b>272,109,283</b>	<b>292,837,203</b>	<b>(20,727,920)</b>
<b>Changes in Net Position</b>	<b>\$ 22,936,753</b>	<b>\$ 6,566,927</b>	<b>\$ 16,369,826</b>

Operating and non-operating revenues are reflected below:

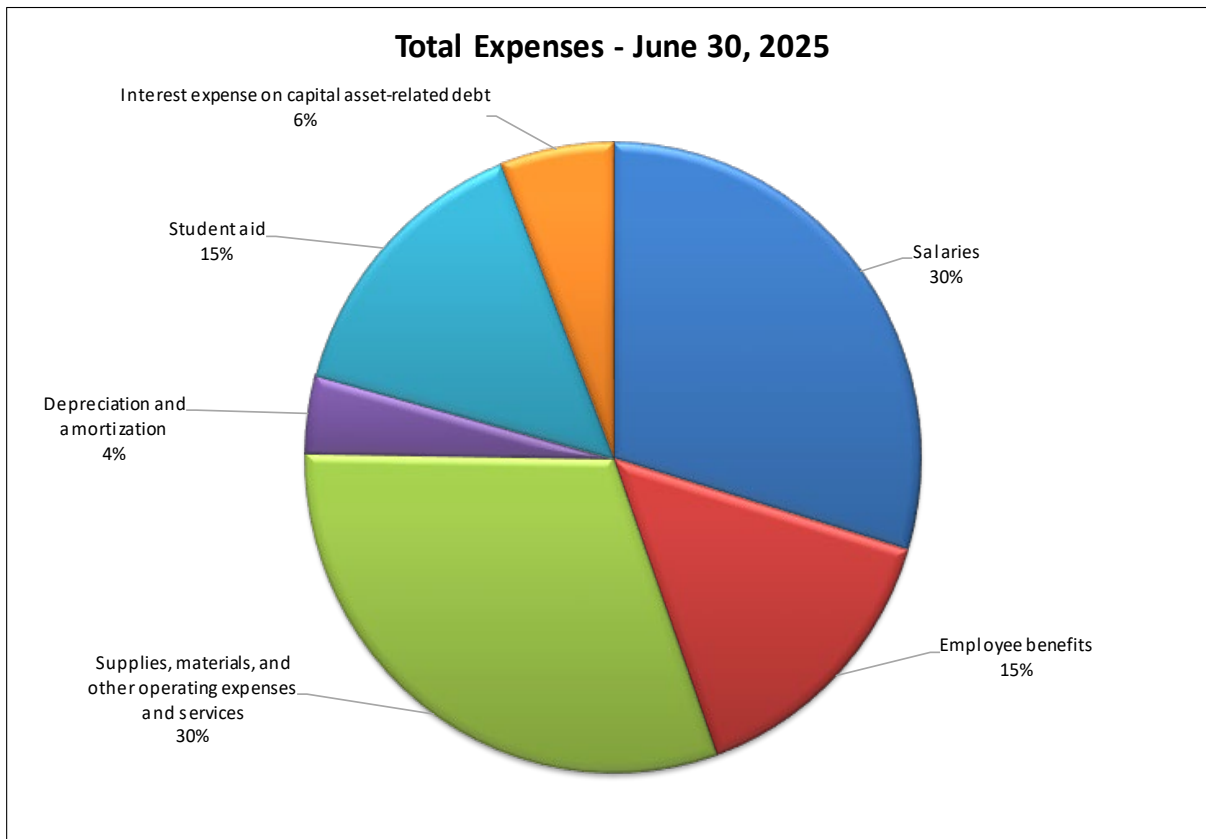


**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

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**OVERVIEW OF THE FINANCIAL STATEMENTS, continued**

Operating and non-operating expenses are reflected below:



**District Fiduciary Responsibility**

The District is the trustee, or fiduciary, for certain amounts held on behalf of students, clubs, and donors for student loans and scholarships. The District's fiduciary activities are reported separately in the Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. Net position of fiduciary activities is excluded from the District's net position because the District cannot use fiduciary assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

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**OVERVIEW OF THE FINANCIAL STATEMENTS, continued**

**Capital Assets**

As of June 30, 2025, the District had approximately \$461.6 million invested in capital assets prior to accumulated depreciation. Capital assets consist of land, site improvements, buildings and improvements, construction in progress, equipment and vehicles that met the capitalization threshold recommended by GASB Statement No. 35. These assets have accumulated depreciation of \$114.7 million, leaving a net capital asset amount of \$346.9 million.

Note 6 to the financial statements provides detailed information on capital assets. A summary of capital assets net of accumulated depreciation and changes therein is presented below:

	<b>2025</b>	<b>2024</b>	<b>Change</b>
Capital assets not being depreciated	\$ 109,226,006	\$ 71,781,200	\$ 37,444,806
Capital assets being depreciated	352,413,328	341,562,788	10,850,540
Accumulated depreciation	(114,708,294)	(107,084,070)	(7,624,224)
<b>Total Capital Assets, net</b>	<b>\$ 346,931,040</b>	<b>\$ 306,259,918</b>	<b>\$ 40,671,122</b>

**Long-Term liabilities**

As of June 30, 2025, the District had approximately \$168.6 million in bonded debt, \$6.0 million in lease liability, \$92.8 million net pension liability, and total other long-term liabilities of \$14.2 million. This was a total decrease of \$1.8 million from the prior year.

Notes 7, 8, and 9 to the financial statements provides detailed information on long-term liabilities. A summary of long-term liabilities and changes therein is presented below:

	<b>2025</b>	<b>2024</b>	<b>Change</b>
General obligation bonds	\$ 168,603,419	\$ 176,743,959	\$ (8,140,540)
Lease liabilities	5,982,684	7,439,941	(1,457,257)
Net pension liability	92,768,121	95,749,127	(2,981,006)
Other long-term liabilities	14,243,173	3,453,258	10,789,915
<b>Total Long-Term Liabilities</b>	<b>\$ 281,597,397</b>	<b>\$ 283,386,285</b>	<b>\$ (1,788,888)</b>

**FINANCIAL HIGHLIGHTS**

The District's total net position in 2025 increased \$13.7 million or 6.1 percent over 2024.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

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**ENROLLMENT GROWTH – FULL TIME EQUIVALENT STUDENTS (FTES)**

The District received Emergency Conditions Allowance (ECA) funding from the California Community Colleges Chancellor's Office since 2018, following the devastating Camp Fire. This funding held the District harmless by maintaining its apportionment at pre-disaster levels, equal to 10,383 full time equivalent students (FTES) regardless of enrollment losses. The ECA was originally granted for four years (2018–19 through 2021–22), with the potential for an extension based on enrollment recovery progress.

In response to continued enrollment challenges, compounded by the COVID-19 pandemic, the District successfully requested a three-year extension through 2024–25. Beginning in 2025–26, the ECA will enter a phase-out period:

- In 2025–26, Butte College will receive 50% of the prior year's ECA FTES funding.
- In 2026–27, the allowance will be fully eliminated, and funding will be based solely on actual FTES and performance metrics.

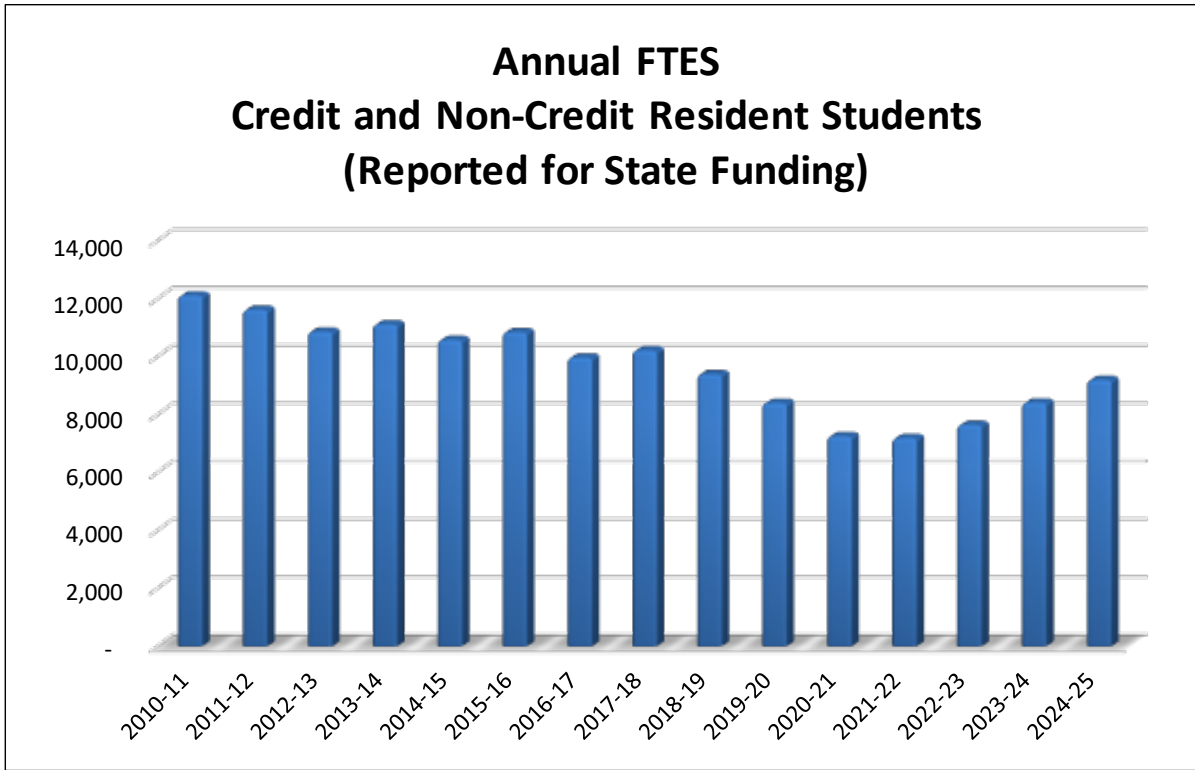
Enrollment growth is a key factor in maintaining the District's long-term financial health. To help replace the temporary funding we're losing, we must continue to invest in efforts that increase student enrollment. This means making sure our budget planning stays closely connected to enrollment trends and student success goals, as outlined in the Student Centered Funding Formula.

In 2025-26, the District will keep working to grow enrollment by:

- Expanding the summer course schedule
  - Strategically adding more classes in the Fall and Spring
  - Continuing to offer Winter session classes both online and in person
  - Growing dual enrollment with local high schools
  - Expanding distance education
- Advancing the Guided Pathways initiative

The District is also committed to investments in facilities that support these efforts, including a new Science building which will expand our course offerings beginning August 2025 as well as our relocation and expansion of the Licensed Vocational Nursing (LVN) program to the Glenn County Center.

**HISTORICAL FULL TIME EQUIVALENT STUDENTS (FTES) TRENDS, continued**



**FUTURE BUDGETS AND ACTIONS**

On June 27, 2025, Governor Newsom signed the 2025-26 California state budget. The final 2025-26 budget proposes a total state budget of \$321 billion, a 7.8% over the 2024-25 enacted budget and includes a projected budget deficit of \$12 billion. The state budget includes a General Fund increase of \$17.0 million/8.0% to \$228.4 billion. Lower tax revenue projections, stemming from economic uncertainties, are driving the projected budget deficit, with larger deficits anticipated in future years. 2025 has presented stagnant job growth and lower consumer spending, both contributing to declines in tax collections.

**Impact on California Community Colleges (CCC)**

The total budget for the California Community Colleges under the 2025-26 enacted budget is \$14.3 billion, compared to \$14.1 billion in the 2024-25 enacted budget. The General Fund contribution to CCCs remains consistent at \$8.9 billion. Overall, the budget proposal for the California Community Colleges remains stable and continues to focus on stability, supporting steps toward implementation of the Master Plan for Career Education.

Key elements affecting CCCs include:

- 2.30% cost-of-living adjustment (COLA) for community college apportionments and some categorical programs.
- 2.35% enrollment growth
- Proposed deferrals of apportionment payments, impacting cash flow for districts.
- Preservation of certain categorical programs, but no significant augmentations.
- Continued focus on student success, though without major new investments.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025 AND 2024**

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**Specific Impact on Butte-Glenn Community College**

Despite a stable budget for community colleges, the District remains forward-looking and prepared to address potential future challenges. With a continued focus on growing enrollment and expanding educational programs, we are well-positioned to support our community. While deferred apportionments and limited general fund growth present planning challenges, proactive financial strategies and a commitment to student success will help the District navigate these uncertainties and emerge stronger. In summary, the 2025-26 enacted budget reflects a constrained fiscal environment, requiring the District to operate conservatively, prioritize essential services, and prepare for tighter cash flow conditions.

**Ongoing Operating Budgets**

Core ongoing operating budgets represent the baseline funding necessary to sustain daily operations across all departments and programs. These budgets cover recurring expenses such as salaries, benefits, instructional supplies, and essential services. They are maintained each year and adjusted as needed for fixed cost increases, contractual obligations, and other structural budget changes. While separate from one-time or augmentation funding, these budgets ensure the continuity of core services that support student success and institutional stability. There were no reductions or targeted cuts requested or proposed to the 2025-26 final operating budget.

This year, the District successfully utilized the newly implemented AXIOM budget software to develop its core operating budget. The adoption of AXIOM streamlined the budgeting process by improving data accuracy, enhancing transparency, and enabling more efficient collaboration across departments. The District's executive leadership participated and engaged with over 130 departments across the district to establish their core budgets. By providing every department with the opportunity to actively participate and document their specific needs for the upcoming fiscal year, the college has fostered a more inclusive and data-driven approach to resource allocation. This collaborative system not only ensures that budget decisions are aligned with institutional priorities and departmental goals but also strengthens accountability and strategic planning across the campus. As a result, the District is better equipped to optimize its financial resources, support student success, and adapt to evolving fiscal conditions.

Together, the unit planning process and the development of core ongoing operating budgets provide the District's 2025–26 budget recommendation. Through a structured, participatory approach, unit planning allowed departments to identify and prioritize critical needs aligned with strategic goals, while the integration of AXIOM budget software brought new levels of accuracy, transparency, and collaboration to the operating budget process. Through a truly collaborative and organizational engagement at both the unit planning and operational budget development, and aligning financial decisions with established budget criteria, the District developed a thoughtful and balanced budget that addresses both immediate needs and long-term sustainability. These coordinated efforts reflect the District's commitment to responsible stewardship of resources, continuous improvement, and support for student success.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, you may contact the Vice President for Administrative Services, at Butte-Glenn Community College District, 3536 Butte Campus Drive, Oroville, CA 95965.

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## **FINANCIAL SECTION**

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**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**STATEMENTS OF NET POSITION**  
**JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 207,755,608	\$ 230,134,870
Accounts receivable, net	13,870,371	25,703,622
Inventory	22,425	23,284
Prepaid expenses and other assets	1,665,364	2,422,244
Total Current Assets	<u>223,313,768</u>	<u>258,284,020</u>
Non-current Assets:		
Net OPEB asset	11,320,187	11,542,056
Right-to-use assets, net	8,651,824	9,120,780
Capital assets, net	346,931,040	306,259,918
Total Non-current Assets	<u>366,903,051</u>	<u>326,922,754</u>
<b>TOTAL ASSETS</b>	<u>590,216,819</u>	<u>585,206,774</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	1,127,773	1,127,773
Deferred outflows - OPEB	1,640,700	3,728,051
Deferred outflows - pensions	29,793,285	31,077,984
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>32,561,758</u>	<u>35,933,808</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 622,778,577</u>	<u>\$ 621,140,582</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 19,508,908	\$ 24,686,068
Unearned revenue	67,899,128	72,563,161
Due to fiduciary funds, net	393	2,103
Compensated absences, current portion	2,125,092	1,415,836
Lease liabilities, current portion	2,437,154	-
Long-term liabilities, current portion	9,098,431	8,529,401
Total Current Liabilities	<u>101,069,106</u>	<u>107,196,569</u>
Non-current Liabilities:		
Compensated absences, non-current portion	12,118,081	2,037,422
Lease liabilities, non-current portion	3,545,530	7,439,941
Net pension liability	92,768,121	95,749,127
Long-term liabilities, non-current portion	159,504,988	168,214,558
Total Non-current Liabilities	<u>267,936,720</u>	<u>273,441,048</u>
<b>TOTAL LIABILITIES</b>	<u>369,005,826</u>	<u>380,637,617</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows - OPEB	4,128,271	7,578,399
Deferred inflows - pensions	12,350,771	9,314,751
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>16,479,042</u>	<u>16,893,150</u>
<b>NET POSITION</b>		
Net investment in capital assets	211,697,466	155,639,709
Restricted for:		
Debt service	32,974,787	31,090,882
Capital projects	10,572,544	56,380,686
Other special purposes	3,912,660	1,805,252
Unrestricted	<u>(21,863,748)</u>	<u>(21,306,714)</u>
<b>TOTAL NET POSITION</b>	<u>237,293,709</u>	<u>223,609,815</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 622,778,577</u>	<u>\$ 621,140,582</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b>OPERATING REVENUES</b>		
Tuition and fees	\$ 14,716,513	\$ 13,108,946
Less: Scholarship discounts and allowances	(6,789,627)	(6,608,078)
Tuition and fees, net	<u>7,926,886</u>	<u>6,500,868</u>
Grants and contracts, non-capital:		
Federal	4,913,467	6,283,087
State	119,116,252	114,763,569
Local	2,925,157	1,203,297
Auxiliary enterprise sales and charges	<u>1,635,734</u>	<u>1,691,428</u>
<b>TOTAL OPERATING REVENUES</b>	<u>136,517,496</u>	<u>130,442,249</u>
<b>OPERATING EXPENSES</b>		
Salaries	81,610,366	79,275,593
Employee benefits	39,579,469	34,869,012
Supplies, materials, and other operating expenses and services	83,694,215	118,603,392
Student aid	40,222,752	33,518,642
Depreciation and amortization	<u>9,686,118</u>	<u>10,234,122</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>254,792,920</u>	<u>276,500,761</u>
<b>OPERATING INCOME/(LOSS)</b>	<u>(118,275,424)</u>	<u>(146,058,512)</u>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>		
State apportionments, non-capital	52,568,065	62,279,735
Local property taxes	29,040,147	28,870,363
State taxes and other revenues	24,012,388	29,644,099
Federal student aid revenue	26,967,045	21,376,045
Investment income/(loss), non-capital	13,187,002	12,233,536
Interest expense on capital asset-related debt	(17,270,712)	(16,331,769)
Gain/(loss) on disposal of fixed assets	(45,651)	(4,673)
Other non-operating revenues/(expenses)	<u>3,733,972</u>	<u>6,428,931</u>
<b>TOTAL NON-OPERATING REVENUES/(EXPENSES)</b>	<u>132,192,256</u>	<u>144,496,267</u>
<b>INCOME/(LOSS) BEFORE OTHER REVENUES/(EXPENSES)</b>	<u>13,916,832</u>	<u>(1,562,245)</u>
<b>OTHER REVENUES/(EXPENSES)</b>		
State apportionments, capital	42,220	42,589
Local property taxes and revenues, capital	<u>8,977,701</u>	<u>8,086,583</u>
<b>TOTAL OTHER REVENUES/(EXPENSES)</b>	<u>9,019,921</u>	<u>8,129,172</u>
<b>INCREASE/(DECREASE) IN NET POSITION</b>	<u>22,936,753</u>	<u>6,566,927</u>
<b>NET POSITION -- BEGINNING OF YEAR</b>	223,609,815	217,042,888
<b>PRIOR YEAR ADJUSTMENT (SEE NOTE 13)</b>	(9,252,859)	-
<b>NET POSITION -- END OF YEAR</b>	<u>\$ 237,293,709</u>	<u>\$ 223,609,815</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees, net	\$ 7,926,886	\$ 6,500,868
Grants and contracts, non-capital	134,124,094	111,372,134
Payments to or on behalf of employees	(120,286,411)	(115,751,227)
Payments to vendors for supplies and services	(90,830,279)	(121,403,862)
Payments to students	(40,222,752)	(33,518,385)
Auxiliary enterprise sales and charges	1,635,734	1,691,428
Net Cash Provided by/(Used in) Operating Activities	<u>(107,652,728)</u>	<u>(151,109,044)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
State apportionments, non-capital	52,568,065	62,279,735
Local property taxes	29,040,147	28,870,363
State taxes and other revenues	24,012,388	29,644,099
Federal student aid revenue	26,967,045	21,376,045
Other non-operating revenues/(expenses)	3,733,972	6,428,931
Net Cash Provided by/(Used in) Non-capital Financing Activities	<u>136,321,617</u>	<u>148,599,173</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(49,189,858)	(13,356,114)
Local property taxes and revenues, capital	9,852,358	8,129,172
Proceeds from issuance of capital debt	(1,458,967)	1,735,487
Loss on disposal of capital assets	(45,651)	(4,673)
Principal paid on capital debt	(7,300,000)	(6,771,650)
Interest paid on capital debt	(16,093,035)	(17,356,814)
Net Cash Provided by/(Used in) Capital Financing Activities	<u>(64,235,153)</u>	<u>(27,624,592)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income	13,187,002	12,233,536
Net Cash Provided by/(Used in) Investing Activities	<u>13,187,002</u>	<u>12,233,536</u>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<u>(22,379,262)</u>	<u>(17,900,927)</u>
<b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>230,134,870</u>	<u>248,035,797</u>
<b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 207,755,608</u>	<u>\$ 230,134,870</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>		
Operating income/(loss)	\$ (118,275,424)	\$(146,058,512)
Adjustments to Reconcile Operating Loss to Net Cash Provided by/ (Used in) Operating Activities:		
Depreciation and amortization	9,686,118	10,234,122
Changes in Assets and Liabilities:		
Accounts receivables, net	11,833,251	(8,342,880)
Inventory	859	103,631
Prepaid expenses and other assets	756,880	(1,049,261)
Net OPEB liability/(asset)	221,869	(2,711,950)
Deferred outflows of resources	3,372,050	(1,043,982)
Accounts payable and accrued liabilities	(7,893,803)	(1,854,840)
Unearned revenue	(4,664,033)	(2,534,682)
Net pension liability	(2,981,006)	2,772,011
Compensated absences	704,619	(1,406,524)
Deferred inflows of resources	(414,108)	783,823
Total Adjustments	<u>10,622,696</u>	<u>(5,050,532)</u>
<b>Net Cash Flows From Operating Activities</b>	<u>\$ (107,652,728)</u>	<u>\$(151,109,044)</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**STATEMENTS OF FIDUCIARY NET POSITION**  
**JUNE 30, 2025 AND 2024**

June, 30 2025	Scholarship and Loan Fund	Other Trust and Agency Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 67,963	\$ 170,085	\$ 238,048
Accounts receivable, net	-	600	600
<b>Total Assets</b>	<b>\$ 67,963</b>	<b>\$ 170,685</b>	<b>\$ 238,648</b>
<b>LIABILITIES</b>			
Accounts payable	-	\$ 101,227	\$ 101,227
<b>Total Liabilities</b>	<b>-</b>	<b>101,227</b>	<b>101,227</b>
<b>NET POSITION</b>			
Unrestricted (deficit)	67,963	69,458	137,421
<b>Total Net Position</b>	<b>\$ 67,963</b>	<b>\$ 69,458</b>	<b>\$ 137,421</b>

June, 30 2024	Scholarship and Loan Fund	Other Trust and Agency Fund	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 67,813	\$ 161,642	\$ 229,455
Accounts receivable, net	-	600	600
<b>Total Assets</b>	<b>\$ 67,813</b>	<b>\$ 162,242</b>	<b>\$ 230,055</b>
<b>LIABILITIES</b>			
Accounts payable	-	\$ 80,843	\$ 80,843
Due to other funds	-	499	499
<b>Total Liabilities</b>	<b>-</b>	<b>81,342</b>	<b>81,342</b>
<b>NET POSITION</b>			
Unrestricted (deficit)	67,813	80,900	148,713
<b>Total Net Position</b>	<b>\$ 67,813</b>	<b>\$ 80,900</b>	<b>\$ 148,713</b>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

June, 30 2025	Scholarship and Loan Fund	Other Trust and Agency Fund	Total
<b>OPERATING REVENUES</b>			
Local revenue	\$ 1,925	\$ 22,885	\$ 24,810
<b>Total Operating Revenues</b>	<b>1,925</b>	<b>22,885</b>	<b>24,810</b>
<b>OPERATING EXPENSES</b>			
Supplies, materials, and other outgo	1,775	18,904	20,679
<b>Total Operating Expenses</b>	<b>1,775</b>	<b>18,904</b>	<b>20,679</b>
<b>Net Changes in Net Position</b>	150	3,981	4,131
<b>Net Position - Beginning of Year</b>	67,813	65,477 *	133,290
<b>Net Position - End of Year</b>	<b>\$ 67,963</b>	<b>\$ 69,458</b>	<b>\$ 137,421</b>

*\*Restated*

June, 30 2024	Scholarship and Loan Fund	Other Trust and Agency Fund	Total
<b>OPERATING REVENUES</b>			
Local revenue	\$ 3,140	\$ 41,962	\$ 45,102
<b>Total Operating Revenues</b>	<b>3,140</b>	<b>41,962</b>	<b>45,102</b>
<b>OPERATING EXPENSES</b>			
Supplies, materials, and other outgo	\$ 958	\$ 25,281	\$ 26,239
<b>Total Operating Expenses</b>	<b>958</b>	<b>25,281</b>	<b>26,239</b>
<b>Net Changes in Net Position</b>	2,182	16,681	18,863
<b>Net Position - Beginning of Year</b>	65,631	64,219	129,850
<b>Net Position - End of Year</b>	<b>\$ 67,813</b>	<b>\$ 80,900</b>	<b>\$ 148,713</b>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
BUTTE COMMUNITY COLLEGE FOUNDATION  
STATEMENTS OF NET ASSETS  
JUNE 30, 2025 AND 2024**

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	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 533,176	\$ 282,266
Investments - current	1,278,105	1,176,167
Other Assets:		
Investments - non-current	8,478,668	7,737,946
Contributions receivable	84,416	75,000
Assets held by others	53,701	49,901
Prepaid expenses	58,195	11,408
<b>Total Assets</b>	<u>\$ 10,486,261</u>	<u>\$ 9,332,688</u>
<b>LIABILITIES</b>		
<b>Liabilities</b>		
Accounts payable	\$ 59,117	\$ 23,133
Amounts held for pass-through donors	115,718	97,085
Depository liability	790,385	671,018
<b>Total Liabilities</b>	<u>965,220</u>	<u>791,236</u>
<b>NET ASSETS</b>		
Without donor restriction	1,190,479	815,197
With donor restriction	8,330,562	7,726,255
<b>Total Net Assets</b>	<u>9,521,041</u>	<u>8,541,452</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 10,486,261</u>	<u>\$ 9,332,688</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
BUTTE COMMUNITY COLLEGE FOUNDATION  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total	2024 Total
<b>SUPPORT AND REVENUES</b>				
Contributions:				
Public support	\$ 755,981	\$ -	\$ 755,981	\$ 460,269
Endowment fund contributions	-	73,644	73,644	150,463
Special events revenue:				
Spring Gala	235,826	-	235,826	254,079
Other special event revenue	264,267	-	264,267	367,251
Other revenues, gains, and support:				
Investment return, net	961,167	837,537	1,798,704	2,128,660
Other revenues	194,572	-	194,572	193,699
Net assets released from restrictions	306,874	(306,874)	-	-
<b>Total Support and Revenues after Net Assets Released from Restrictions</b>	<b>2,718,687</b>	<b>604,307</b>	<b>3,322,994</b>	<b>3,608,527</b>
<b>OPERATING EXPENSES</b>				
Program services:				
Scholarships	688,723	-	688,723	458,331
Programs and grants	1,353,528	-	1,353,528	1,554,864
Transfers to related party	18,633	-	18,633	-
Supporting services:				
Management and general	150,432	-	150,432	378,132
Spring Gala expenses	132,089	-	132,089	40,408
<b>Total Operating Expenses</b>	<b>2,343,405</b>	<b>-</b>	<b>2,343,405</b>	<b>2,431,735</b>
<b>CHANGES IN NET ASSETS</b>	<b>375,282</b>	<b>604,307</b>	<b>979,589</b>	<b>1,176,792</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>815,197</b>	<b>7,726,255</b>	<b>8,541,452</b>	<b>7,364,660</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 1,190,479</b>	<b>\$ 8,330,562</b>	<b>\$ 9,521,041</b>	<b>\$ 8,541,452</b>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
BUTTE COMMUNITY COLLEGE FOUNDATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 979,589	\$ 1,176,792
Adjustments to reconcile change in net assets to net cash provided by/(used in) operating activities:		
Total investment return - net of investment fees	(1,083,138)	(2,458,840)
Changes in:		
Assets held by others	(3,800)	(3,394)
Contributions receivable	(9,416)	-
Accounts payable	35,984	10,244
Amounts held for pass-through donors	18,633	(54,106)
Prepaid expense	(46,787)	14,942
Depository liability	119,367	124,206
<b>Net Cash Provided by/(Used in) Operating Activities</b>	<u>10,432</u>	<u>(1,190,156)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(1,870,901)	2,081,722
Proceeds from the sale of investments	2,111,379	(1,296,227)
<b>Net Cash Provided by/(Used in) Investing Activities</b>	<u>240,478</u>	<u>785,495</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	250,910	(404,661)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	282,266	686,927
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 533,176</u>	<u>\$ 282,266</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 1 – ORGANIZATION**

The Butte-Glenn Community College District (the "District") is a political subdivision of the State of California and is governed by an elected eight-member Board of Trustees. The District provides educational services to the local residents of the surrounding area. The District consists of one community college located in Oroville, California, a state approved center located in Chico, California, and satellite campuses throughout the bi-county area.

**Financial Reporting Entity**

The District has adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity*, to provide additional guidance to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District.

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include potential component units in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America and GASB Cod. Sec. 2100. The three criteria for requiring a legally separate, tax-exempt organization to be presented as a component unit are the "direct benefit" criterion, the "entitlement/ability to access" criterion, and the "significance" criterion.

For financial reporting purposes, the District includes all funds, agencies, and authorities that are controlled by or are dependent on the District's executive and legislative branches. Control by or dependence on the District was determined on the basis of budget adoption, taxing, authority, outstanding debt secured by revenues or general obligations of the District, obligations of the District to finance any deficits that may occur, or receipt of significant subsidies from the District.

As a result, the financial statements of the District include the financial activities of the District and the combined totals of the trust and agency funds, which represent the various scholarships and student organizations within the District.

The District and the Butte Community College Foundation (the "Foundation") have financial and operational relationships that require analysis to determine whether the Foundation meets the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) for inclusion as a component unit of the District. After analysis, the Foundation was determined to have met these criteria. Accordingly, the financial activities of the Foundation have been included in the financial statements of the District. The separately audited financial statements of the Foundation may be obtained from the District.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 1 – ORGANIZATION, continued**

**Financial Reporting Entity, continued**

The following are those aspects of the relationship between the District and the component unit that satisfies the GASB:

*Scope of Public Service:* The Foundation is a nonprofit, public benefit corporation incorporated under the laws of the State of California, and the Foundation was formed to promote and assist the educational services of the District.

*Discrete Presentation:* For financial presentation purposes, the financial activities of the Foundation have been discretely presented with the financial activities of the District.

**Joint Powers Agencies and Public Entity Risk Pools**

The District is associated with five joint powers agencies (JPAs). These organizations do not meet the criteria for inclusion as component units of the District. The JPAs are the Northern California Community Colleges Self-Insurance Authority (NCCCSIA), the Statewide Association of Community Colleges (SWACC), the Schools Association for Excess Risk (SAFER), the Protected Insurance Program for Schools (PIPS), and the Butte Schools Self-funded Program (BSSP). See Note 10 for more information.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**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 and No. 38. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency and intra-fund transactions have been eliminated.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place and amounts are available. 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, available means expected to be received within 90 days of fiscal year end.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

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

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain grants, entitlements, and donations. Revenue from State apportionments is generally recognized in the fiscal year in which it is apportioned from the State. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to colleges and universities, as well as those prescribed by the California Community Colleges Chancellor's Office.

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, now codified in the FASB Accounting Standards Codification, unless those pronouncements conflict with or contradict GASB pronouncements. When applicable, certain prior year amounts have been reclassified to conform to current year presentation. The budgetary and financial accounts of the District are maintained in accordance with the State Chancellor's Office Budget and Accounting Manual.

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 and No. 38. 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
  - Statements of Revenues, Expenses, and Changes in Net Position
  - Statements of Cash Flows
- Notes to Financial Statements

**Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and all highly liquid investments with an original maturity of three months or less. Cash equivalents also include cash with county treasury balances.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair market value. Fair market value is estimated based on published market prices at year-end. Investments for which there are no quoted market prices are not material.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Accounts Receivable**

Accounts receivable consists 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. Accounts receivable also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursements of allowable expenditures made pursuant to the District's grants and contracts. The District utilizes the allowance method with respect to its accounts receivable. The allowance was \$8,469,484 and \$6,868,338 at June 30, 2025 and 2024, respectively.

**Prepaid Expenses and Other Assets**

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

**Inventory**

Inventory, primarily bookstore merchandise, is carried at the lower of cost or market using the first-in, first-out (FIFO) method.

**Capital Assets**

Capital assets are long-lived assets of the District as a whole and include land, construction in progress, site improvements, buildings and improvements, vehicles, and equipment. The District maintains an initial unit cost capitalization threshold of \$5,000. Assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Major outlays for capital improvements are capitalized as construction in progress as the projects are constructed. Routine repairs and maintenance that do not extend the life of the building or equipment are charged as operating expenses in the year the expense is incurred.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 50 years; improvements, 20 to 65 years; equipment, 5 to 20 years; library books, 5 years; technology equipment, 5 years. Land and construction in progress are considered nondepreciable capital assets; therefore, no depreciation is computed.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Leases**

The district is a lessee for leases of property and equipment. The District recognizes a lease liability and an intangible right-to-use leased asset (leased asset) in the government-wide financial statements. The District recognizes lease liabilities with an individual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the leased asset is amortized on a straight-line basis over its useful life.

Amortization is computed using the straight-line method over the estimated useful life or remaining lease term. Buildings are amortized over 5 years of which 4 years remain on the lease upon adoption of GASB Statement No. 87 on July 1, 2021.

**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 includes advances from grantors and advances from students. Advances from grantors include amounts received from grant and contract sponsors that have not yet been earned. Advances from students include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year that relate to the subsequent accounting period.

**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.

GASB Statement No. 101 requires that liabilities for compensated absences be recognized for [1] leave that has not been used and [2] leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if [a] the leave is attributable to services already rendered, [b] the leave accumulates, and [c] the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Compensated Absences, continued**

Flow Assumption: When determining the Amounts Due within One Year for sick leave, accumulated sick leave as of June 30, 2025 is assumed to be used before future sick leave accruals (i.e. First In, First Out). The Amount Due within One Year for vacation leave is based on the expected accumulated vacation leave to be cashed out upon the end of employment in the following year.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, retirement credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is applicable to all employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last school year, if employed full time.

**Long-Term Liabilities**

Bond premiums and discounts are amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of the applicable bond premium or discount.

**Deferred Insurance Costs, Premiums, and Discounts**

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. In accordance with GASB Statement No. 65, underwriters' discounts are expensed when incurred.

**Deferred Charge on Refunding**

The deferred loss on refunding is amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective-interest method. Amortization expense was \$161,110 for both the fiscal years ended June 30, 2025 and 2024, and was reported as part of interest expense in the statements of revenues, expenses, and changes in net position in accordance with GASB Statement No. 65.

**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, 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 attributable to the governmental activities will be paid primarily by the General Fund.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Net Pension Liability**

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 (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.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such, will not be recognized as an outflow of resources (expense/expenditures) until then. The District has two items that qualify for reporting in this category, which are the deferred loss on refunding and deferred pension contributions. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shortened life of the refunded or refunding debt. The deferred pension activity will be recognized as pension expense in subsequent periods.

In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The District has reported deferred inflows related to pensions including differences between projected and actual earnings on plan investments, differences between expected and actual experience, and changes in assumptions.

**Net Position**

Net position represents the difference between total assets and deferred outflows of resources, less liabilities. The District's net position is classified as follows:

**Net Investment in Capital Assets** – Represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

**Restricted Net Position** – Includes resources in which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Net Position, continued**

**Unrestricted Net Position** – Represents resources derived from student tuition and fees, state apportionments, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District’s policy is to first apply the expense toward restricted resources and then towards unrestricted resources.

**Classification of Revenues**

The District has classified its revenues as either operating or non-operating according to the following criteria:

**Operating revenues** – Operating revenues include activities that have the characteristics of exchange transactions, such as, (1) student tuition and fees, net of scholarship discounts and allowances, (2) internal service – self-insurance charges, (3) most federal, state, and local grants and contracts, and (4) interest on institutional student loans.

**Non-operating revenues** – Activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues, such as: (1) State apportionments; (2) investment income; and (3) federal and state financial aid, scholarship, and loan trust receipts, according to GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting*; and GASB Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*.

**Scholarship Discounts and Allowances**

Scholarship Discounts and Allowances Student tuition and fee revenues are reported net of scholarship discounts and allowances in the statements of revenues, expenses and changes in net position. The District offers Board of Governors’ Waivers (BOGW) to qualified students, and these tuition waivers are reported as scholarship discounts.

Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as nonoperating revenues (financial aid revenues) and nonoperating expenses in the District’s financial statements.

**Risk Management**

The District retains risk for liability and property damage on the first \$1,000 of each claim. The District retains no risk for liability or workers’ compensation claims, and coverage is provided by pooled insurance as a member of a joint powers authority.

Certain property damage coverage in excess of \$1,000 and up to \$500,250,000 and certain liability coverage in excess of \$1,000 and up to \$50,000,000 is provided by pooled insurance as a member of joint powers authorities of California community colleges and school districts.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Estimates Used in Financial Reporting**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements as well as revenues and expenses during the reporting period. Actual results could differ from those estimates. The District's largest sources of revenues are enrollment fees, grants and contracts from federal, state and local agencies, state revenues and property taxes. Each of these revenue types is subject to some estimation at the date of the financial statements.

**Budget and Budgetary Accounting**

By state law, the District's governing board must approve a tentative budget no later than July 1 and adopt a final budget no later than September 15th of each year. A hearing must be conducted for public comments prior to adoption. The District's governing board satisfied these requirements.

The budget is revised during the year to incorporate categorical funds that are awarded during the year and miscellaneous changes to the spending plans. The District's governing board approves revisions to the budget.

**State Apportionments**

Certain current-year apportionments from the State are based on various financial and statistical information of the previous year as well as State budgets and other factors outside the District's control. In February, subsequent to the year end, the State performs a recalculation based on actual financial and statistical information for the year just completed. The District's policy is to estimate the recalculation correction to apportionment, if any, based on factors it can reasonably determine such as local property tax revenue received and reductions in full-time equivalent students (FTES). Any additional corrections determined by the State are recorded in the year computed by the State.

**On-Behalf Payments**

GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditure by the employer government. The State of California makes direct on-behalf payments for retirement benefits to the State Teachers Retirement Systems (STRS) and Public Employees Retirement Systems (PERS) on behalf of all Community Colleges in California. This amount has been reflected in the basic financial statements as a component of other state revenue and employee benefit expense.

**Property Taxes**

Secured property taxes attach as an enforceable lien on property as of January 1st. Taxes are payable in two installments on November 1st and February 1st and become delinquent if paid after December 10th and April 10th. Unsecured property taxes are payable in one installment on or before August 31st. The respective counties bill and collect the taxes for the District.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Property Taxes, continued**

Secured property taxes are recorded as revenue when apportioned in the fiscal year of the levy. The counties apportion secured property tax revenue in accordance with the alternate method of distribution prescribed by Section 4705 of the California Revenue and Taxation Code. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1st of each year.

**Interfund Activity**

Exchange transactions between funds of the District are reported as revenues and expenses within the statement of Revenues, Expenses, and Changes in Net Position. Flows of cash or goods from one fund to another without a requirement for repayment are recognized as interfund transfers within the District's fund financial statements. Amounts owing between funds for both exchange and non-exchange transactions are recorded as interfund receivables and payables within the District's fund financial statements. Interfund transfers and interfund receivables and payables are eliminated during the consolidation process in the entity-wide financial statements.

**Adoption of New Accounting Standards**

The following Governmental Accounting Standards Board (GASB) Pronouncements were adopted by the District during the year ended June 30, 2025:

**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. The financial impact of this Statement is reflected in Notes 7 and 13.

**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.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Adoption of New Accounting Standards, continued**

**Upcoming GASB Pronouncements**

The 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. 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.

**GASB Statement No. 104** - In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34, Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments. This Statement also requires additional disclosures for capital assets held for sale. This statement is effective for periods beginning after June 15, 2025.

**DISCRETELY PRESENTED COMPONENT UNIT – FOUNDATION**

The Foundation is an auxiliary organization of the District. The purpose of the Foundation is to accumulate funds to award scholarships and loans to assist students within Butte and Glenn counties while attending the District, and for designated projects. A substantial portion of the Foundation's revenue is from community donations.

**Basis of Presentation and Accounting**

These financial statements, which are presented on the accrual basis of accounting, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net position and transactions into the following categories:

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

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. 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 in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**DISCRETELY PRESENTED COMPONENT UNIT – FOUNDATION, continued**

**Income Taxes**

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. The Foundation has been classified as an organization that is not a private foundation under Section 509(a)(2). The Foundation has not entered into any activities that would jeopardize its tax-exempt status. Accordingly, no provision for income taxes is required.

The Foundation files exempt organization returns in the U.S. federal and California jurisdictions. The federal returns for tax years 2019 and beyond, and the California returns for tax years 2018 and beyond, remain subject to examination by the taxing authorities.

The Foundation accounts for income taxes in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, Income Taxes, which clarifies the accounting for uncertainty in income taxes and how an uncertain tax position is recognized in financial statements. The Foundation analyzes tax positions taken in previously filed returns and tax positions expected to be taken in future returns. Based on this analysis, a liability is recorded if uncertain tax benefits have been received. The Foundation's practice is to recognize interest and penalties, if any, related to uncertain tax positions as tax expense. There were no uncertain tax positions identified or related interest and penalties recorded as of June 30, 2024, and the Foundation does not expect this to change significantly over the next 12 months.

**Use of Estimates**

The preparation of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash in bank and short-term investments with a maturity, at date of purchase, of three months or less. At times, the account balances at a financial institution may exceed the Federal Deposit Insurance Corporation (FDIC) insurance coverage limit; and as a result, there is a concentration of credit risk related to amounts in excess of FDIC insurance coverage. Cash and short-term investments held in a bank money market account are reported as investments instead of cash because the Foundation holds those funds as an endowment.

**Investments**

The Foundation invests in bond and equity mutual funds and certificates of deposits. Investments are reported at fair value based on quoted market prices with realized and unrealized gains or losses reported in the statements of activities.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**DISCRETELY PRESENTED COMPONENT UNIT – FOUNDATION, continued**

**Receivables**

The Foundation utilizes the allowance method of accounting for uncollectible accounts receivable. No allowance was necessary at June 30, 2025 and 2024, respectively. There was no bad debt expense as of June 30, 2025 and 2024.

**Assets Held by Others**

The Foundation transfers funds to the Foundation for California Community Colleges (FCCC) in accordance with a partnership agreement dated March 2009 with the California Community Colleges Scholarship Endowment (the Endowment). The endowment began in May 2008 with an initial \$25 million gift from the Bernard Osher Foundation (Osher). Under the agreement, the California Community Colleges and FCCC had until June 2011 to raise \$50 million, for which Osher would provide a 50% match up to \$25 million. The Foundation estimates that it will receive an annual distribution of 5% to be used for scholarships in accordance with the agreement. The FCCC retains control over the distributions, and the Foundation has no control or access to the principal; therefore, the matching portion of the endowment is not recorded on the Foundation's financial statements. These funds are recorded as permanently restricted assets. At June 30, 2025 and 2024, the amount contributed to the FCCC and its investment earnings net of scholarship distributions totaled \$53,701 and \$49,901, respectively.

**Depository Liability**

The Foundation administers funds for the District and District sanctioned clubs as well as individuals and entities that desire to benefit the District. Depository liabilities represent the amount of these funds held.

**Fair Value Measurements**

The Foundation accounts for certain assets and liabilities in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures. FASB ASC 820 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles, and expands disclosures about fair value measurement.

The Foundation classifies its fair value assets and liabilities into a hierarchy of three levels based on the markets in which they are traded and the reliability of the assumptions used to determine fair value. The asset or liability measurement level within the hierarchy is based on the lowest level of any assumption that is significant to the measurement.

Valuations within the hierarchy levels are based upon the following:

**Level 1** - Quoted market prices for identical instruments traded in active exchange markets.

**Level 2** - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**DISCRETELY PRESENTED COMPONENT UNIT – FOUNDATION, continued**

**Fair Value Measurements, continued**

**Level 3** - Model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect the Foundation's estimates of assumptions that market participants would use on pricing the asset or liability. Valuation techniques include management's judgment and estimation which may be significant.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during the fiscal years ended June 30, 2025 and 2024.

**Mutual Funds** - Each investor in the mutual fund will typically receive units of participation in the mutual fund. These units are valued daily, based on the underlying securities owned by the mutual fund.

**Pooled Income Fund** - Each income beneficiary in the pooled income fund is assigned units based on the fair market value of the assets at the time they are transferred to the trustee. Shares in the fund are valued daily based on the underlying securities owned. The fund is primarily made up of fixed income funds and equity securities.

**Annuities** - Valued at contract value which included an adjustment for the time value of money, interest rate and future value.

**Endowment Investment and Spending Policy**

The Foundation's endowment consists of approximately 134 individual donor-restricted funds, the majority of which are established for scholarships, with approximately four established for other specified purposes benefiting the District. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as enacted by the State of California, as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result, the Foundation classifies as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**DISCRETELY PRESENTED COMPONENT UNIT – FOUNDATION, continued**

**Endowment Investment and Spending Policy, continued**

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

**Investment Return Objectives, Risk Parameters, and Strategies** - The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return, over time, of approximately 8% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

**Spending Policy** - The Foundation has a policy of appropriating for distribution the amount of funds needed to finance current-year scholarship distributions. In establishing this policy, the Foundation considers the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. The Foundation expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 2% annually, which is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

**Related Entity**

The District provides office space and administrative services for the Foundation. Certain services are not reflected in these statements since they are not susceptible to an objective measurement or valuation, per the current agreement between the Foundation and the District.

**Contributions**

The Foundation recognizes contributions from unconditional promises to give when such promises are made if the amounts can be reasonably determined. The contribution receivable of \$84,416 is a beneficial interest in an irrevocable family trust. The amount is estimated to be collected within ten years. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions are available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give that are to be received in future years are discounted at the Foundation's risk-free rate of return.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

**DISCRETELY PRESENTED COMPONENT UNIT – FOUNDATION, continued**

**Donated Assets**

Donated marketable securities and other noncash donations (gift annuities) are recorded as contributions at their estimated fair values at the date of donation.

**Donated Services**

Donated services are recognized as contributions in accordance with FASB ASC Subtopic 958-605, *Not-for-Profit Entities—Revenue Recognition*, if the services: (a) create or enhance nonfinancial assets; or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

Donated services are reflected in the financial statements as contributions in the accompanying statements at their estimated values at the date of the receipt. No amounts have been reflected in the statements for volunteer services as they do not meet the criteria for recognition. The Foundation pays for most services requiring specific expertise.

**Scholarships**

The Foundation recognizes unconditional scholarships awarded when such awards are made if the amounts can be reasonably determined. Conditional scholarships awarded are recognized when the conditions on which they depend are substantially met.

**Subsequent Events**

Management has evaluated subsequent events through January 8, 2026 the date on which the financial statements were available to be issued.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**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; medium term corporate notes; 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 the County Treasurer (*Education Code* Section 41001). The fair market 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 market value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**General Authorizations**

**Primary Institution – Credit Risk**

*California Government Code*, Section 53601, limits investments in commercial paper to "prime" quality of the highest ranking, or of the highest letter and numerical rating as provided by nationally recognized statistical rating organizations (NRSRO), and limits investments in medium-term notes to a rating of A or better. Individual securities must be backed by the federal government or rated AAA, AA, or A by Standard & Poor's or Aaa, Aa, or A by Moody's indices. The District's investment policy established safety of principal as of primary investment objective. The District's investments in the County investment pool is unrated.

**Component Unit – Credit Risk**

The Component Unit's investment policies allow for investment in equity securities and fixed income instruments. Any corporate obligations must be rated BBB or a better rating by Standard & Poor's or a similar rating agency. The Component Units' investments are rated at least BBB or better by Standard & Poor's as of June 30, 2025.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

**General Authorizations, continued**

**Component Unit – Credit Risk, continued**

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

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

**Authorized Under Debt Agreements**

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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

**Summary of Cash and Cash Equivalents**

Cash and cash equivalents as of June 30, 2025 and 2024, consist of the following:

<b>Governmental Funds:</b>	<b>2025</b>	<b>2024</b>
Cash in County Treasury	\$ 204,244,430	\$ 224,549,727
Cash on hand and in banks	3,511,178	5,585,143
Total cash and cash equivalents	\$ 207,755,608	\$ 230,134,870
<b>Fiduciary Funds:</b>		
Cash in County Treasury	\$ 167,951	\$ 107,102
Cash on hand and in banks	70,097	122,353
Total cash and cash equivalents	\$ 238,048	\$ 229,455
<b>Butte Community College Foundation:</b>		
Cash on hand and in banks	\$ 533,176	\$ 282,266
Total cash and cash equivalents	\$ 533,176	\$ 282,266

**Interest Rate Risk**

Interest rate risk is risk to the earnings or market value of a portfolio due to uncertain future interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair market value to changes in market interest rates. The District manages its exposure to interest rate risk by primarily investing in the County Investment Pool and in other investment agreements.

**Specific Identification**

Information about the sensitivity of the fair market values of the District’s investments to market interest rate fluctuations as of June 30, 2025 is indicated by the 566 day weighted average maturity for the District’s deposits of \$203,682,767 book value and \$204,244,430 fair value held with the County Treasurer.

**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 investment in the County pool is not required to be rated, nor has it been rated as of June 30, 2025 and 2024.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The 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 agencies. 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, 2025, \$3,092,133 of the District’s bank balance 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.

**NOTE 4 – ACCOUNTS RECEIVABLE**

Receivables for the District consisted primarily of intergovernmental grants, entitlements, interest, and other local sources. At June 30, 2025 the gross accounts receivable totaled \$22,339,484. The District anticipates the current accounts receivable to be approximately 62.1 percent collectible or \$8,469,484 allowance. This resulted to a net total of \$13,870,371.

At June 30, 2024, the gross accounts receivable totaled \$32,571,960. The District anticipates the current accounts receivable to be approximately 80.39 percent collectible or \$6,868,338 allowance. This resulted to a net total of \$25,703,622.

**NOTE 5 – RIGHT-TO-USE ASSETS**

The amount of lease assets by major class of underlying assets as of June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
Right-to-use Assets:				
Leased equipment	\$ 13,789,777	\$ -	\$ -	\$ 13,789,777
Leased buildings	2,886,072	-	-	2,886,072
Leased software	3,865,173	1,067,411	-	4,932,584
Total Right-to-use Assets	20,541,022	1,067,411	-	21,608,433
Less: Accumulated Amortization				
Leased equipment	8,542,715	878,775	-	9,421,490
Leased buildings	1,960,610	288,607	-	2,249,217
Leased software	916,917	368,985	-	1,285,902
Total Accumulated Amortization	11,420,242	1,536,367	-	12,956,609
Right-to-use Assets, Net	\$ 9,120,780	\$ (468,956)	\$ -	\$ 8,651,824

Amortization expense for the year was \$1,536,367.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 5 – RIGHT-TO-USE ASSETS, continued**

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

	Balance			Balance
	July 1, 2023	Additions	Deductions	June 30, 2024
Right-to-use Assets:				
Leased equipment	\$ 13,789,777	\$ -	\$ -	\$ 13,789,777
Leased buildings	2,886,072	-	-	2,886,072
Leased software	-	3,865,173	-	3,865,173
Total Right-to-use Assets	16,675,849	3,865,173	-	20,541,022
Less: Accumulated Amortization				
Leased equipment	7,663,940	878,775	-	8,542,715
Leased buildings	1,672,003	288,607	-	1,960,610
Leased software	-	916,917	-	916,917
Total Accumulated Amortization	9,335,943	2,084,299	-	11,420,242
Right-to-use Assets, Net	\$ 7,339,906	\$ 1,780,874	\$ -	\$ 9,120,780

Amortization expense for the year was \$2,084,299.

**NOTE 6 – CAPITAL ASSETS**

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

	Balance			Balance
	July 01, 2024	Additions	Deductions	June 30, 2025
Capital Assets Not Being Depreciated				
Land	\$ 4,477,420	\$ -	\$ -	\$ 4,477,420
Construction in progress	67,303,780	45,826,196	8,381,390	104,748,586
Total Capital Assets Not Being Depreciated	71,781,200	45,826,196	8,381,390	109,226,006
Capital Assets Being Depreciated				
Site improvements	1,560,195	-	-	1,560,195
Buildings and improvements	303,290,377	3,059,543	371,572	305,978,348
Equipment	31,286,703	7,353,339	140,807	38,499,235
Vehicles	5,425,513	1,008,836	58,799	6,375,550
Total Capital Assets Being Depreciated	341,562,788	11,421,718	571,178	352,413,328
Total Capital Assets	413,343,988	57,247,914	8,952,568	461,639,334
Less: Accumulated Depreciation	107,084,070	8,149,751	525,527	114,708,294
Capital Assets, Net	\$ 306,259,918	\$ 49,098,163	\$ 8,427,041	\$ 346,931,040

Depreciation expense for the year was \$8,149,751.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 6 – CAPITAL ASSETS, continued**

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

	Balance			Balance
	July 01, 2023	Additions	Deductions	June 30, 2024
Capital Assets Not Being Depreciated				
Land	\$ 4,477,420	\$ -	\$ -	\$ 4,477,420
Construction in progress	65,228,204	41,792,762	39,717,186	67,303,780
Total Capital Assets Not Being Depreciated	69,705,624	41,792,762	39,717,186	71,781,200
Capital Assets Being Depreciated				
Site improvements	1,560,195	-	-	1,560,195
Buildings and improvements	297,698,416	5,591,961	-	303,290,377
Equipment	27,053,272	4,360,913	127,482	31,286,703
Vehicles	5,021,465	415,420	11,372	5,425,513
Total Capital Assets Being Depreciated	331,333,348	10,368,294	138,854	341,562,788
Total Capital Assets	401,038,972	52,161,056	39,856,040	413,343,988
Less: Accumulated Depreciation	99,068,428	8,149,823	134,181	107,084,070
Capital Assets, Net	\$ 301,970,544	\$ 44,011,233	\$ 39,721,859	\$ 306,259,918

Depreciation expense for the year was \$8,149,823.

**NOTE 7 – LONG-TERM LIABILITIES**

**Summary**

The District's long-term liabilities for the fiscal year ended June 30, 2025 were as follows:

	Balance		Adjusted Balance			Balance		Due Within
	July 1, 2024	Adjustments	July 1, 2024	Additions	Deductions	June 30, 2025	One Year	
<b>Long-Term Liabilities</b>								
General obligation bonds	\$ 165,513,067	\$ -	\$ 165,513,067	\$ 384,871	\$ 7,300,000	\$ 158,597,938	\$ 7,585,000	
Premium on bonds	11,230,892	-	11,230,892	-	1,225,411	10,005,481	1,513,431	
Lease liability	4,457,291	-	4,457,291	-	1,288,734	3,168,557	1,297,535	
Leased software	2,982,650	-	2,982,650	1,067,411	1,235,934	2,814,127	1,139,619	
Compensated absences	3,453,258	10,085,296	13,538,554	704,619	-	14,243,173	2,125,092	
Totals	\$ 187,637,158	\$ 10,085,296	\$ 197,722,454	\$ 2,156,901	\$ 11,050,079	\$ 188,829,276	\$ 13,660,677	

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**NOTE 7 – LONG-TERM LIABILITIES, continued**

**Summary, continued**

The District’s long-term liabilities for the fiscal year ended June 30, 2024 was as follows:

Long-Term Liabilities	Balance	Additions	Deductions	Balance	Due Within
	July 1, 2023			June 30, 2024	One Year
General obligation bonds	\$ 171,896,088	\$ 331,979	\$ 6,715,000	\$ 165,513,067	\$ 7,300,000
Premium on bonds	12,456,303	-	1,225,411	11,230,892	1,229,401
Lease liability	5,706,557	-	1,249,266	4,457,291	-
Leased software	-	3,865,173	882,523	2,982,650	56,650
California Energy Conservation loan	56,650	-	56,650	-	-
Compensated absences	4,859,782	-	1,406,524	3,453,258	1,415,836
Totals	\$ 194,975,380	\$ 4,197,152	\$ 11,535,374	\$ 187,637,158	\$ 10,001,887

**Description of Debt**

Payments on the general obligation bonds are made by the bond interest and redemption fund with local property tax collections. The General Fund makes payments for the revenue bonds, compensated absences, other postemployment benefits and the supplemental employee retirement plan. Accrued vacation will be paid by the fund for which the employee worked.

Original issuance premiums and issuance costs are amortized over the life of the bonds as a component of interest expense on the bonds.

**General Obligation Bonds**

The outstanding general obligation bonded debt as of June 30, 2025 is as follows:

Series	Issue Date	Yield	Maturity Date	Amount of Original Issue	Bonds			Bonds Outstanding June 30, 2025	Due Within One Year
					Outstanding July 1, 2024	Additions	Redeemed		
2002 Series A	5/23/2002	1.60-5.80%	2027	\$ 29,999,445	\$ 2,519,727	\$ 208,877	\$ -	\$ 2,728,604	\$ -
2002 Series B	6/22/2005	2.52-5.00%	2030	36,998,634	3,483,340	175,994	-	3,659,334	-
2015 Refunding	1/21/2015	1.49-2.16%	2028	25,540,000	13,195,000	-	2,760,000	10,435,000	3,110,000
2016 Series A	4/16/2017	0.92-3.90%	2047	42,000,000	33,390,000	-	160,000	33,230,000	230,000
2017 Refunding	12/20/2017	2.08-2.28%	2031	15,800,000	15,800,000	-	-	15,800,000	-
2016 Series B	7/11/2019	1.11-3.28%	2049	49,500,000	42,675,000	-	100,000	42,575,000	265,000
2016 Series C	6/16/2022	1.44-3.80%	2048	50,000,000	47,900,000	-	2,250,000	45,650,000	1,800,000
2022 Refunding	6/16/2022	1.29-1.93%	2027	8,550,000	6,550,000	-	2,030,000	4,520,000	2,180,000
Total					\$ 165,513,067	\$ 384,871	\$ 7,300,000	\$ 158,597,938	\$ 7,585,000

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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**NOTE 7 – LONG-TERM LIABILITIES, continued**

**General Obligation Bonds, continued**

**Election of 2002 General Obligation Bonds, Series A**

During May 2002, the District issued the Election of 2002 General Obligation Bonds, Series A in the amount of \$29,999,445. The bonds issued consisted of \$21,680,000 of current interest serial bonds, \$7,885,000 of current interest term bonds and \$434,445 in capital appreciation bonds. The bonds mature beginning on August 1, 2003 through February 1, 2027, with interest yields ranging from 1.60 percent to 5.80 percent. At June 30, 2025, the principal balance outstanding (including accreted interest to date) was \$2,728,604.

Fiscal Year	Principal	Accreted Interest	Total
2026	\$ -	\$ -	\$ -
2027	434,445	2,660,555	3,095,000
Accretion	2,294,159	(2,294,159)	-
<b>Total</b>	<b>\$ 2,728,604</b>	<b>\$ 366,396</b>	<b>\$ 3,095,000</b>

**Election of 2002 General Obligation Bonds, Series B**

During June 2005, the District issued the Election of 2002 General Obligation Bonds, Series B in the amount of \$36,998,634. The bonds issued consisted of \$27,210,000 of current interest serial bonds, \$8,420,000 of current interest term bonds and \$1,368,634 in capital appreciation bonds. The bonds mature beginning on August 1, 2006 through August 1, 2029, with interest yields ranging from 2.52 percent to 5.00 percent. At June 30, 2025, the principal balance outstanding (including accreted interest to date) was \$3,659,334.

Fiscal Year	Principal	Accreted Interest	Total
2026	\$ -	\$ -	\$ -
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030	1,368,634	3,106,366	4,475,000
Accretion	2,290,700	(2,290,700)	-
<b>Total</b>	<b>\$ 3,659,334</b>	<b>\$ 815,666</b>	<b>\$ 4,475,000</b>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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**NOTE 7 – LONG-TERM LIABILITIES, continued**

**General Obligation Bonds, continued**

**2015 General Obligation Refunding Bonds**

Proceeds from the 2015 General Obligation Refunding Bonds, issued in January 2015, were used to advance refund a portion of the outstanding Election of 2002 General Obligation Bonds, Series B. Investments backed by the U.S. government were purchased and placed in an irrevocable trust with an escrow agent. The investments and fixed earnings on the investments are sufficient to fully provide for all future debt service on the refunded bonds, and accordingly the refunding transaction met the criteria for an in-substance defeasance. The liabilities related to the refunded bonds were removed from the District’s financial statements for the fiscal year ended June 30, 2015. The bonds issued consisted entirely of current interest serial bonds. The bonds mature beginning on August 1, 2015 through August 1, 2027, with interest yields ranging from 1.49 percent to 2.16 percent. At June 30, 2025, the principal balance outstanding was \$10,435,000.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 3,110,000	\$ 444,000	\$ 3,554,000
2027	3,495,000	278,875	3,773,875
2028	3,830,000	95,750	3,925,750
Total	<u>\$ 10,435,000</u>	<u>\$ 818,625</u>	<u>\$ 11,253,625</u>

**Election of 2016 General Obligation Bonds, Series A**

During April 2017, the District issued the Election of 2016 General Obligation Bonds, Series A in the amount of \$42,000,000. The bonds issued consisted entirely of current interest serial bonds. The bonds mature beginning on August 1, 2018 through August 1, 2046, with interest yields ranging from 0.92 percent to 3.90 percent. At June 30, 2025, the principal balance outstanding was \$33,230,000.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 230,000	\$ 1,570,225	\$ 1,800,225
2027	305,000	1,558,725	1,863,725
2028	385,000	1,543,475	1,928,475
2029	470,000	1,524,225	1,994,225
2030	565,000	1,500,725	2,065,725
2031-2035	4,360,000	7,083,575	11,443,575
2036-2040	7,705,000	5,883,825	13,588,825
2041-2045	12,485,000	3,658,212	16,143,212
2046-2047	6,725,000	537,076	7,262,076
Total	<u>\$ 33,230,000</u>	<u>\$ 24,860,063</u>	<u>\$ 58,090,063</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 7 – LONG-TERM LIABILITIES, continued**

**General Obligation Bonds, continued**

**2017 General Obligation Refunding Bonds**

2017 General Obligation Refunding Bonds proceeds, issued in December 2017, were used to advance refund the outstanding Election of 2002 General Obligation Bonds, Series C. Investments backed by the U.S. government were purchased and placed in an irrevocable trust with an escrow agent. The investments and fixed earnings on the investments are sufficient to fully provide for all future debt service on the refunded bonds, and accordingly the refunding transaction met the criteria for an in-substance defeasance. The liabilities related to the refunded bonds were removed from the District's financial statements for the fiscal year ended June 30, 2019. The bonds issued consisted entirely of current interest serial bonds. The bonds mature beginning on August 1, 2018 through August 1, 2030, with interest yields ranging from 2.08 percent to 2.28 percent. At June 30, 2025, the principal balance outstanding was \$15,800,000.

Fiscal Year	Principal	Interest	Total
2026	\$ -	\$ 779,050	\$ 779,050
2027	-	779,050	779,050
2028	-	779,050	779,050
2029	3,580,000	779,050	4,359,050
2030	3,770,000	600,050	4,370,050
2031	8,450,000	411,550	8,861,550
Total	\$ 15,800,000	\$ 4,127,800	\$ 19,927,800

**Election of 2016 General Obligation Bonds, Series B**

In July 2019, the District issued the Measure J General Obligation Bonds, Series B in the amount of \$49,500,000. The bonds mature beginning on August 1, 2020 through August 1, 2048, with interest yields ranging from 1.11 percent to 3.28 percent. At June 30, 2025, the principal balance outstanding was \$42,575,000.

The general long-term liabilities maturity schedules for the Measure J General Obligation Bonds Series B are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 265,000	\$ 1,488,219	\$ 1,753,219
2027	335,000	1,477,619	1,812,619
2028	415,000	1,464,219	1,879,219
2029	495,000	1,447,619	1,942,619
2030	580,000	1,427,819	2,007,819
2031-2035	4,450,000	6,711,295	11,161,295
2036-2040	7,670,000	5,578,893	13,248,893
2041-2045	11,770,000	3,945,692	15,715,692
2046-2049	16,595,000	1,546,987	18,141,987
Total	\$ 42,575,000	\$ 25,088,362	\$ 67,663,362

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 7 – LONG-TERM LIABILITIES, continued**

**General Obligation Bonds, continued**

**Election of 2016 General Obligation Bonds, Series C**

In June 2022, the District issued the Measure J General Obligation Bonds, Series C in the amount of \$50,000,000. The bonds mature beginning on August 1, 2022 through August 1, 2047, with interest yields ranging from 1.44 percent to 3.80 percent. At June 30, 2025, the principal balance outstanding was \$45,650,000.

The general long-term liabilities maturity schedules for the Measure J General Obligation Bonds Series C are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 1,800,000	\$ 1,898,700	\$ 3,698,700
2027	350,000	1,826,700	2,176,700
2028	445,000	1,812,700	2,257,700
2029	540,000	1,794,900	2,334,900
2030	640,000	1,773,300	2,413,300
2031-2035	5,015,000	8,378,600	13,393,600
2036-2040	9,070,000	6,823,050	15,893,050
2041-2045	14,330,000	4,507,200	18,837,200
2046-2048	13,460,000	1,150,000	14,610,000
Total	\$ 45,650,000	\$ 29,965,150	\$ 75,615,150

**2022 General Obligation Refunding Bonds**

2022 General Obligation Refunding Bonds proceeds, issued in June 2022, were used to advance refund the outstanding Election of 2002 General Obligation Bonds, Series A. Investments backed by the U.S. government were purchased and placed in an irrevocable trust with an escrow agent. The investments and fixed earnings on the investments are sufficient to fully provide for all future debt service on the refunded bonds, and accordingly the refunding transaction met the criteria for an in-substance defeasance. The liabilities related to the refunded bonds were removed from the District's financial statements for the fiscal year ended June 30, 2022. The bonds issued consisted entirely of current interest serial bonds. The bonds mature beginning on August 1, 2022 through August 1, 2026, with interest yields ranging from 1.29 percent to 1.93 percent. At June 30, 2025, the principal balance outstanding was \$4,520,000.

Fiscal Year	Principal	Interest	Total
2026	\$ 2,180,000	\$ 180,800	\$ 2,360,800
2027	2,340,000	93,600	2,433,600
Total	\$ 4,520,000	\$ 274,400	\$ 4,794,400

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 7 – LONG-TERM LIABILITIES, continued**

**Leases**

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

Lease Type	Number of Contracts	Average Rate	Lease Terms	Average Annual Lease Payment
Equipment	3	4.00%	7/10/2017 - 7/10/2027	\$ 60,459
Buildings	2	4.00%	11/1/2021 - 11/1/2026	\$ 1,150,580
Software	16	2.36% - 7.00%	1/7/2023 - 27/9/2029	\$ 119,938

Future minimum lease payments on equipment and building at June 30, 2025 are as follows:

Fiscal year	Principal	Interest	Total
2026	\$ 1,297,535	\$ 164,617	\$ 1,462,152
2027	1,307,720	88,862	1,396,582
2028	563,302	16,427	579,729
Total	\$ 3,168,557	\$ 269,906	\$ 3,438,463

Future minimum lease payments on leased software are as follows:

Fiscal year	Principal	Interest	Total
2026	\$ 1,139,619	\$ 52,656	\$ 1,192,275
2027	901,931	28,317	930,248
2028	732,924	8,447	741,371
2029	31,597	713	32,310
2030	8,056	21	8,077
Total	\$ 2,814,127	\$ 90,154	\$ 2,904,281

**Compensated Absences**

The liability for compensated absences consists of unused vacation and sick leave that is expected to be used in future periods or paid upon termination, in accordance with employee collective bargaining agreements and District policy.

At June 30, 2025 and 2024, the liability recorded for compensated absences was \$14,243,173 and \$3,453,258, respectively.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

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

For the fiscal years ended June 30, 2025 and 2024, the District reported net OPEB liability/(asset), deferred outflows of resources, deferred inflows of resources, and OPEB expense/(benefit) for the following plans:

June 30, 2025				
OPEB Plan	Net OPEB Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense/(Benefit)
District Plan	\$ (11,320,187)	\$ 1,640,700	\$ 4,128,271	\$ (756,211)

June 30, 2024				
OPEB Plan	Net OPEB Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense/(Benefit)
District Plan	\$ (11,542,056)	\$ 3,728,051	\$ 7,578,399	\$ (37,814)

In addition to the pension benefits described above, the District provides certain health care benefits for eligible employees, and their dependents, who have retired from service with the District. Classified employees hired before July 1, 1987, and management and academic employees hired before July 1, 1988, receive lifetime benefits. Classified employees hired after July 1, 1987, and management and academic employees hired after July 1, 1988, can receive retiree health benefits until age 65. To be eligible for benefits, the employees must have been employed by the District for at least 10 continuous years and be at least 55 years of age. Academic, classified, and management employees hired after July 1, 2018 can receive retiree health benefits until age 65 if they have been employed by the District for at least 15 years and be at least 55 years of age.

The District provides benefits through the Butte-Glenn Community College District Health Plan (the "Plan"), a single-employer defined benefit healthcare plan administered by the District. The Plan does not issue a publicly available report.

**Funding Policy**

The District's agreement with employees is for monthly contributions for members who meet the eligibility criteria of their collective bargaining agreement and who retire during the term of the contract. The contribution requirements of plan members and the District are established and may be amended by the District's Board of Trustees through the collective bargaining process. The members receiving benefit contributions vary depending on the level of coverage selected.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2025 AND 2024**

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**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**Funding Policy, continued**

The following is a summary of the current employee retiree benefit plan:

	Certificated	Classified	Management
Benefit Types Provided	Medical only	Medical only	Medical only
Duration of Benefits	To age 65*	To age 65*	To age 65*
Required Service	10 years	10 years	10 years
Minimum Age	55	55	55
Dependent Coverage	Yes	Yes	Yes
College Contribution %	100%	100%	100%
College Cap	None	None	None

\*Classified employees hired before July 1, 1987 and non-classified employees hired before July 1, 1988 receive lifetime benefits

**Employees Covered by Benefit Term**

The following is a table of plan participants as of the June 30, 2025 measurement date:

	Number of Participants
Inactive Employees Receiving Benefits	182
Participating Active Employees	539
Total	721

**Contribution Information**

The contribution requirements of plan members and the District are established and may be amended by the District and the District's bargaining units. The required contribution is based on projected pay-as-you-go financing requirements with an additional amount to prefund benefits as determined annually through agreements between the District and the bargaining units. The District had a net OPEB asset of \$11,320,187 and \$11,542,056 for the years ended June 30, 2025 and 2024, respectively.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2025 AND 2024**

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**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**OPEB Plan Investments Butte**

The plan discount rate of 6.25% was determined using the following asset allocation and assumed rate of return:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
All Equities	34%	7.250%
All Fixed Income	41%	4.250%
Real Estate Investment Trusts	17%	7.250%
All Commodities	3%	7.250%
Treasury Inflation Protected Securities (TIPS)	5%	3.000%
Total	100%	

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

**Actuarial Assumptions**

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

Valuation date	June 30, 2025
Measurement date	June 30, 2025
Census data	The census was provided by the District
Actuarial cost methods	Entry age normal level percent of salary
Inflation rate	2.50%
Investment rate of return	6.25%
Discount rate	6.25%
Healthcare cost trend rate	4.00%
Payroll increase	2.75%
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2017 CalPERS active mortality for miscellaneous and school employees were used.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

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

	Increase/(Decrease)		
	Total OPEB Liability	Total Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance July 1, 2024	\$ 23,974,875	\$ 36,400,369	\$ (12,425,494)
Changes for the year:			
Service cost	792,876	-	792,876
Interest on TOL	1,469,278	-	1,469,278
Expected investment income	-	2,208,481	(2,208,481)
Experience (gains)/losses	2,286,176	-	2,286,176
Administrative expense	-	(28,202)	28,202
Investment gains/(losses)	-	1,638,153	(1,638,153)
Actual benefit payments from trust	(2,101,153)	(2,101,153)	-
Expected benefit payments	375,409	-	375,409
Net changes	2,822,586	1,717,279	1,105,307
Balance June 30, 2025	\$ 26,797,461	\$ 38,117,648	\$ (11,320,187)

**OPEB Expense/(Benefit) and Deferred Outflows/Inflows of Resources Related to OPEB**

For the year ended June 30, 2025, the District recognized OPEB expense/(benefit) of \$(756,211). At June 30, 2025, the District reported \$1,640,700 deferred outflows of resources and reported \$4,128,271 of deferred inflows of resources related to investment gains and losses.

The deferred outflows/(inflows) of resources related to pensions will be recognized as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	\$ 1,068,613	\$ -
Differences between expected and actual experience	-	4,128,271
Change in assumptions	572,087	-
Total	\$ 1,640,700	\$ 4,128,271

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2025 AND 2024**

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**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued**

**OPEB Expense/(Benefit) and Deferred Outflows/Inflows of Resources Related to OPEB, continued**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense/(benefit) as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2026	\$ (579,853)
2027	748,072
2028	(827,619)
2029	(1,012,843)
2030	(421,213)
Thereafter	(394,115)
Total	<u>\$ (2,487,571)</u>

**Sensitivity of the District's Proportionate Share of the Net OPEB Liability/(Asset) to Changes in the Discount Rate**

The following presents the net OPEB liability/(asset) calculated using the discount rate of 6.25 percent. The schedule also shows what the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1 percent lower (5.25 percent) and 1 percent higher (7.25 percent):

	Discount Rate 1% Lower (5.25%)	Current Discount Rate (6.25%)	Discount Rate 1% Higher (7.25%)
Net OPEB liability/(asset)	\$ (9,431,110)	\$ (11,320,187)	\$ (13,027,675)

**Sensitivity of the District's Proportionate Share of the Net OPEB Liability/(Asset) to Changes in the Healthcare Costs Trend Rate**

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

	Trend Rate 1% Lower (3.00%)	Current Trend Rate (4.00%)	Trend Rate 1% Higher (5.00%)
Net OPEB liability/(asset)	\$ (13,451,710)	\$ (11,320,187)	\$ (8,889,817)

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY**

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers’ Retirement System (CalSTRS), and Classified employees are members of the California Public Employees’ Retirement System (CalPERS).

For the fiscal year ended June 30, 2025, the District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow 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/(Benefit)
CalSTRS	\$ 31,585,348	\$ 10,808,875	\$ 5,012,823	\$ 489,631
CalPERS	61,182,773	18,984,410	7,337,948	16,191,271
Total	\$ 92,768,121	\$ 29,793,285	\$ 12,350,771	\$ 16,680,902

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

**Plan Description**

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

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2023 annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publically 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.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**Benefits Provided, continued**

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the state is the sponsor of the STRP and obligor of the trust. In addition, the state is both an employer and 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 provision and benefits in effect as June 30, 2025 are summarized as follows:

	<u>STRP Defined Benefit Plan</u>	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	19.10%	19.10%
Required state contribution rate	10.828%	10.828%

**Contributions**

Required member, District and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2025, are presented above and the District's total contributions were \$5,916,090.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

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

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

District's proportionate share of the net pension liability	\$ 31,585,348
State's proportionate share of the net pension liability associated with the District	<u>14,491,689</u>
Total	<u>\$ 46,077,037</u>

The net pension liability was measured as of June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. The District's proportionate share for the measurement period June 30, 2024 and June 30, 2023, respectively, was 0.0470 percent and 0.0445 percent, resulting in a net decrease in the proportionate share of 0.0025 percent.

For the year ended June 30, 2025, the District recognized pension expense of \$489,631. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ -	\$ 129,044
Differences between expected and actual experience	3,573,111	1,382,083
Changes in assumptions	138,262	2,156,970
Net changes in proportionate share of net pension liability	1,181,412	1,344,726
District contributions subsequent to the measurement date	5,916,090	-
Total	<u>\$ 10,808,875</u>	<u>\$ 5,012,823</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to 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
2026	\$ (2,415,576)
2027	2,376,782
2028	(385,557)
2029	145,024
2030	314,213
Thereafter	(154,924)
Total	<u>\$ (120,038)</u>

**Actuarial Assumptions**

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

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Experience study	July 1, 2007, through June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return / discount rate	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%
Payroll growth	3.25%
Postretirement benefit increases	2.00%

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-2021) table, issued by the Society of Actuaries.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**Actuarial 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. Based on the model for CalSTRS consulting actuary’s investment practice, a best estimate range was determined by assuming the portfolio is re-balanced annually and that the annual returns are lognormally distributed and independent from year to year to develop expected percentiles for the long-term distribution of annualized returns. The assumed asset allocation is based on Teachers’ Retirement Board of the California State Teachers’ Retirement System (board) policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of 20 to 30 year geometric rates of return, real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-term Expected Rate of Return*	Long-term Expected Real Rate of Return**
Public Equity	38%	8.00%	5.25%
Real Estate	15%	6.80%	4.05%
Private Equity	14%	9.50%	6.75%
Fixed Income	14%	5.20%	2.45%
Risk Mitigating Strategies	10%	5.00%	2.25%
Inflation Sensitive	7%	6.40%	3.65%
Cash/Liquidity	2%	2.80%	0.05%
	100%		

*\*20 to 30 year geometric average.*

*\*\*Real rates of return are 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 that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increase per Assembly Bill 1469. 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 occur midyear. Based on those 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 the total pension liability.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate**

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan’s net pension liability	\$ 56,179,999	\$ 31,585,348	\$ 11,047,794

**On-Behalf Payments**

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for community college education. These payments consist of state general fund contributions of approximately \$2,926,132 to CalSTRS.

**Pension plan fiduciary net position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalSTRS CAFR at <http://www.calstrs.com/comprehensive-annual-financial-report>.

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

**Plan Description**

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

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2023 annual actuarial valuation report, Schools Pool Actuarial Valuation, 2024. 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>.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member’s final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 55 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 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 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, 2025, are summarized as follows:

	<u>School Employer Pool (CalPERS)</u>	
	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%

**Contributions**

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2025, are presented above and the total District contributions were \$9,425,099.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

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

As of June 30, 2025, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$61,182,773. The net pension liability was measured as of June 30, 2024. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. The District's proportionate share for the measurement period June 30, 2024 and June 30, 2023 was 0.1710 percent for both periods, reflecting no change in the proportionate share.

For the year ended June 30, 2025, the District recognized a pension expense of \$16,191,271. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 2,376,596	\$ -
Differences between expected and actual experience	5,129,281	437,883
Changes in assumptions	1,352,346	-
Net changes in proportionate share of net pension liability	701,088	6,900,065
District contributions subsequent to the measurement date	9,425,099	-
Total	<u>\$ 18,984,410</u>	<u>\$ 7,337,948</u>

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,	Outflows/(Inflows) of Resources
2026	\$ 813,390
2027	3,454,298
2028	(1,340,310)
2029	(706,015)
Total	<u>\$ 2,221,363</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**Actuarial Assumptions**

For the measurement period ended June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023 total pension liability. The June 30, 2023 and the June 30, 2024 total pension liabilities were based on the following actuarial methods and assumptions:

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

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries. 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 (11-60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**Actuarial Assumptions, continued**

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses:

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%
Total	100%	

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

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

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS’ website.

**Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate**

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is in the following table:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Plan's net pension liability	\$ 90,887,521	\$ 61,182,773	\$ 36,644,288

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

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**NOTE 9 – NET PENSION LIABILITY, continued**

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

**On-Behalf Payments**

The District was the recipient of on-behalf payments made by the State of California to CalPERS for community college education. Contributions are no longer appropriated in the annual Budget Act for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS.

**Pension plan fiduciary net position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS CAFR at <https://www.calpers.ca.gov>.

**NOTE 10 – RISK MANAGEMENT**

The District is a member of the Northern California Community Colleges Self-Insurance Authority (NCCCSIA), a joint powers authority (JPA), for the purpose of establishing, operating and maintaining programs for risk pooling, insurance, and risk management for liability, property and workers’ compensation. NCCCSIA self-insures its liability and property exposures through the Statewide Association of Community Colleges Joint Powers Authority (SWACC) and Schools Association for Excess Risk (SAFER) and its workers’ compensation exposures through the Protected Insurance Program for Schools and Community Colleges Joint Power Authority (PIPS).

The District participates in a health insurance benefits program organized by the Butte Schools Self-Funded Program (BSSP), a joint powers authority, created to provide self-insurance programs for school districts. BSSP limits health benefit costs by contracting with Self-Insured Schools of California (SISC), which is the largest school-focused purchasing pool in California.

The JPA’s are independently accountable for their fiscal matters, and as such, are not component units of the District for financial reporting purposes.

Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the programs. There has been no significant reduction in any of the insurance coverages from the prior year. Settled claims resulting from these programs have not exceeded insurance coverage in each of the past three fiscal years.

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

**Grants**

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District as of June 30, 2025 and 2024.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

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**NOTE 11 – COMMITMENTS AND CONTINGENCIES, continued**

**Litigation**

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

The District has filed a lawsuit against PG&E seeking to recover damages related to the November 2018 Camp Wildfires. The District is seeking compensation for costs incurred related to repair or replacement of damaged or destroyed property and loss of wages. Due to ongoing investigations and the utility company's bankruptcy filing, any recoverable amounts are unknown at this time.

**NOTE 12 – RELATED PARTY TRANSACTIONS**

As described in Note 1, the Foundation is a supporting organization of the District and the College; therefore, transactions between the Foundation and the District, District personnel, students at the College, and programs of the College, are expected. Per the Foundation's Bylaws, the College President is responsible for Foundation operations and District and College personnel serve in ex-officio and voting capacities on the Foundation's Board.

During the year ended June 30, 2025, the Foundation indirectly supported the District by providing grants to students of the College, paying programmatic expenditures, and/or reimbursing District personnel and departments for programmatic costs.

The Foundation was further supported by the involvement of College and District personnel in the Foundation's events and programs. The total amount of these contributions has not been segregated from the non-District affiliated contributions.

**NOTE 13 – PRIOR YEAR ADJUSTMENTS**

During fiscal year 2024–25, the District implemented GASB Statement No. 101, *Compensated Absences*. This Statement establishes a new accounting model for compensated absences, requiring governments to recognize a liability when (1) the leave is attributable to services already rendered and (2) it is more likely than not that the leave will be used for time off or otherwise paid/settled.

Implementation of GASB 101 required the District to remove previously recognized liabilities calculated under the vesting method (GASB 16) and replace them with liabilities determined under the new standard. As a result, the District's beginning net position for governmental activities as of July 1, 2024 was restated by \$(10,085,296).

Further restatement was for the identified adjustment in the fund financial statements which increased the beginning net position by \$832,437.

**NOTE 14 – SUBSEQUENT EVENTS**

The District evaluated subsequent events from June 30, 2025 through January 8, 2026, the date the financial statements were issued. The District concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	2025*	2025*	2024	2023	2022
Total OPEB liability					
Service cost	792,876	771,655	752,668	\$ 682,993	\$ 966,652
Interest	1,469,278	1,437,794	1,616,693	1,645,883	1,990,737
Actual benefit payments from employer	-	-	-	-	-
Actual benefit payments from Trust	185,023	(1,475,367)	(1,467,088)	(1,816,387)	(1,948,832)
Experience gains/(losses)	-	-	(2,986,735)	-	(4,484,190)
Expected benefit payments	375,409	(231,525)	(411,219)	-	-
Changes in assumption	-	-	(461,913)	967,273	470,016
Net change in total OPEB liability	2,822,586	502,557	(2,957,594)	1,479,762	(3,005,617)
Total OPEB liability, beginning of year	23,974,875	23,472,318	26,429,912	24,950,150	27,955,767
Total OPEB liability, end of year (a)	\$ 26,797,461	\$ 23,974,875	\$ 23,472,318	\$ 26,429,912	\$ 24,950,150
Plan fiduciary net position					
Employer contributions	\$ -	\$ -	\$ -	\$ 1,025,438	\$ 1,295,586
Experience gains/(losses)	-	-	-	-	-
Assumption changes	2,208,481	2,141,941	-	-	-
Investment income	1,638,153	730,697	2,157,592	2,695,625	8,806,409
Investment gains/(losses)	(28,202)	(11,276)	(926,134)	(7,878,458)	-
Administrative expense	(2,101,153)	(1,475,367)	(10,014)	(10,112)	(12,135)
Expected benefit payments	-	-	-	1,816,387	-
Actual benefit payments from Trust	-	-	(1,467,088)	(1,816,387)	(1,948,832)
Changes in plan fiduciary net position	1,717,279	1,385,995	(245,644)	(4,167,507)	8,141,028
Fiduciary trust net position, beginning of year	36,400,369	35,014,374	35,260,018	39,427,525	31,286,497
Fiduciary trust net position, end of year (b)	\$ 38,117,648	\$ 36,400,369	\$ 35,014,374	\$ 35,260,018	\$ 39,427,525
Net OPEB liability/(asset), ending (a) - (b)	\$ (11,320,187)	\$ (12,425,494)	\$ (11,542,056)	\$ (8,830,106)	\$ (14,477,375)
Covered payroll	\$ 63,334,117	\$ 63,334,117	\$ 54,845,653	\$ 51,659,566	\$ 46,536,454
Plan fiduciary net position as a percentage of the total OPEB liability	142%	152%	149%	133%	158%
Net OPEB liability/(asset) as a percentage of covered payroll	-18%	-20%	-21%	-17%	-31%

\*For fiscal year 2024-25, the District had two valuations completed to align the measurement date to match the District's GASB 74 OPEB Trust report.  
Note: In the future, as data becomes available, ten years of information will be presented.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 940,781	\$ 923,917	\$ 899,189	\$ 804,135
Interest	1,868,576	1,993,887	1,951,138	1,937,161
Actual benefit payments from employer	-	(1,009,450)	-	-
Actual benefit payments from Trust	-	(1,108,575)	-	-
Experience gains/(losses)	(1,999,201)	(2,520,540)	-	-
Expected benefit payments		(119,415)	(2,266,528)	(2,933,900)
Changes in assumption	(155,075)	-	-	-
Net change in total OPEB liability	655,081	(1,840,176)	583,799	(192,604)
Total OPEB liability, beginning of year	27,300,686	29,140,862	28,557,063	28,749,667
Total OPEB liability, end of year (a)	\$ 27,955,767	\$ 27,300,686	\$ 29,140,862	\$ 28,557,063
Plan fiduciary net position				
Employer contributions	\$ 444,328	\$ 1,849,721	\$ 5,043,731	\$ 7,199,445
Experience gains/(losses)	(1,999,201)	-	-	-
Assumption changes	-	-	-	-
Investment income	2,176,824	2,106,313	1,875,574	2,211,375
Investment gains/(losses)	(1,202,550)	(176,329)	193,513	-
Administrative expense	(15,649)	(6,549)	(47,966)	(11,393)
Expected benefit payments	(1,999,201)	(2,118,025)	(2,266,528)	(2,933,900)
Actual benefit payments from Trust	1,999,201	-	-	-
Changes in plan fiduciary net position	(596,248)	1,655,131	4,798,324	6,465,527
Fiduciary trust net position, beginning of year	31,882,745	30,227,614	25,429,290	18,963,763
Fiduciary trust net position, end of year (b)	\$ 31,286,497	\$ 31,882,745	\$ 30,227,614	\$ 25,429,290
Net OPEB liability/(asset), ending (a) - (b)	\$ (3,330,730)	\$ (4,582,059)	\$ (1,086,752)	\$ 3,127,773
Covered payroll	\$ 42,615,055	\$ 40,321,536	\$ 28,900,000	\$ 28,900,000
Plan fiduciary net position as a percentage of the total OPEB liability	112%	117%	104%	89%
Net OPEB liability/(asset) as a percentage of covered payroll	-8%	-11%	-4%	11%

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

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS - OPEB  
FOR THE YEAR ENDED JUNE 30, 2025**

	2025*	2025*	2024	2023	2022
Actuarially determined contribution	\$ 2,067,116	\$ 1,725,744	\$ 1,849,721	\$ 1,025,438	\$ 1,816,387
Contributions in relations to the actuarially determined contribution	-	-	-	-	1,025,438
Contribution deficiency/(excess)	\$ 2,067,116	\$ 1,725,744	\$ 1,849,721	\$ 1,025,438	\$ 790,949
Covered-employee payroll	\$ 63,334,117	\$ 63,334,117	\$ 54,845,653	\$ 51,659,566	\$ 46,536,454
Contribution as a percentage of covered-employee payroll	3%	3%	3%	2%	2%
	2021	2020	2019	2018	
Actuarially determined contribution	\$ 2,160,877	\$ 2,154,276	\$ 2,237,440	\$ 2,266,528	
Contributions in relations to the actuarially determined contribution	1,295,586	444,328	3,092,035	5,198,262	
Contribution deficiency/(excess)	\$ 865,291	\$ 1,709,948	\$ (854,595)	\$ (2,931,734)	
Covered-employee payroll	\$ 40,321,536	\$ 40,321,536	\$ 37,318,424	\$ 34,377,883	
Contribution as a percentage of covered-employee payroll	2%	4%	-2%	-9%	

*\*For fiscal year 2024-25, the District had two valuations completed to align the measurement date to match the District's GASB 74 OPEB Trust report.  
Note: In the future, as data becomes available, ten years of information will be presented.*

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2025**

	Reporting Fiscal Year (Measurement Date)				
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)
CalSTRS					
District's proportion of the net pension liability	0.0470%	0.0445%	0.0447%	0.0520%	0.0490%
District's proportionate share of the net pension liability	\$ 31,585,348	\$ 33,906,281	\$ 31,040,431	\$ 23,759,344	\$ 47,037,387
State's proportionate share of the net pension liability associated with the District	14,491,689	16,245,747	15,545,138	11,955,030	24,247,583
Total	\$ 46,077,037	\$ 50,152,028	\$ 46,585,569	\$ 35,714,374	\$ 71,284,970
District's covered-employee payroll	\$ 28,977,586	\$ 27,813,310	\$ 27,813,310	\$ 25,037,512	\$ 24,166,508
District's proportionate share of the net pension liability as percentage of covered-employee payroll	109%	122%	112%	95%	195%
Plan fiduciary net position as a percentage of the total pension liability	84%	81%	87%	72%	73%

	Reporting Fiscal Year (Measurement Date)				
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)
CalPERS					
District's proportion of the net pension liability	0.1710%	0.1710%	0.1800%	0.1760%	0.1720%
District's proportionate share of the net pension liability	\$ 61,182,773	\$ 61,842,846	\$ 61,936,685	\$ 35,707,695	\$ 52,797,104
District's covered-employee payroll	\$ 34,232,665	\$ 34,232,665	\$ 32,944,330	\$ 27,936,408	\$ 25,413,667
District's proportionate share of the net pension liability as percentage of covered-employee payroll	179%	181%	188%	128%	208%
Plan fiduciary net position as a percentage of the total pension liability	72%	70%	70%	81%	70%

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2025**

	Reporting Fiscal Year (Measurement Date)				
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
CalSTRS					
District's proportion of the net pension liability	0.0460%	0.043%	0.043%	0.044%	0.049%
District's proportionate share of the net pension liability	\$ 41,333,191	\$ 39,502,758	\$ 39,558,965	\$ 35,933,488	\$ 32,726,520
State's proportionate share of the net pension liability associated with the District	22,550,197	22,618,264	23,402,940	20,459,305	17,308,674
Total	\$ 63,883,388	\$ 62,121,022	\$ 62,961,905	\$ 56,392,793	\$ 50,035,194
District's covered-employee payroll	\$ 23,124,363	\$ 24,129,091	\$ 23,214,359	\$ 22,783,029	\$ 26,985,380
District's proportionate share of the net pension liability as percentage of covered-employee payroll	179%	164%	170%	158%	121%
Plan fiduciary net position as a percentage of the total pension liability	73%	71%	69%	70%	74%

	Reporting Fiscal Year (Measurement Date)				
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
CalPERS					
District's proportion of the net pension liability	0.168%	0.159%	0.153%	0.147%	0.151%
District's proportionate share of the net pension liability	\$ 48,823,739	\$ 42,435,448	\$ 36,527,650	\$ 29,065,674	\$ 22,328,567
District's covered-employee payroll	\$ 25,025,070	\$ 23,536,375	\$ 23,781,224	\$ 19,821,037	\$ 18,052,908
District's proportionate share of the net pension liability as percentage of covered-employee payroll	195%	180%	154%	147%	124%
Plan fiduciary net position as a percentage of the total pension liability	70%	71%	72%	74%	79%

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS - PENSIONS  
FOR THE YEAR ENDED JUNE 30, 2025**

CaSTRS	Reporting Fiscal Year				
	2025	2024	2023	2022	2021
Statutorily required contribution	\$ 5,916,090	\$ 5,534,719	\$ 4,706,012	\$ 4,236,347	\$ 3,902,891
District's contributions in relation to the statutorily required contribution	5,916,090	5,534,719	4,706,012	4,236,347	3,902,891
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 30,974,293	\$ 28,977,586	\$ 27,813,310	\$ 25,037,512	\$ 24,166,508
District's contributions as a percentage of covered-employee payroll	19%	19%	17%	17%	16%

CaPERS	Reporting Fiscal Year				
	2025	2024	2023	2022	2021
Statutorily required contribution	\$ 9,425,099	\$ 9,133,275	\$ 7,547,546	\$ 6,400,231	\$ 5,260,629
District's contributions in relation to the statutorily required contribution	9,425,099	9,133,275	7,547,546	6,400,231	5,260,629
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 34,843,250	\$ 34,232,665	\$ 32,944,330	\$ 27,936,408	\$ 25,413,667
District's contributions as a percentage of covered-employee payroll	27%	27%	23%	23%	21%

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS - PENSIONS  
FOR THE YEAR ENDED JUNE 30, 2025**

CaISTRS	Reporting Fiscal Year				
	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 4,192,447	\$ 3,928,216	\$ 3,349,832	\$ 2,866,105	\$ 2,417,462
District's contributions in relation to the statutorily required contribution	4,192,447	3,928,216	3,349,832	2,866,105	2,417,462
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 23,124,363	\$ 24,129,091	\$ 23,214,359	\$ 22,783,029	\$ 22,529,935
District's contributions as a percentage of covered-employee payroll	18%	16%	14%	13%	11%

CaIPERS	Reporting Fiscal Year				
	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 4,935,194	\$ 4,251,140	\$ 3,303,212	\$ 2,753,142	\$ 2,138,728
District's contributions in relation to the statutorily required contribution	4,935,194	4,251,140	3,303,212	2,753,142	2,138,728
District's contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 25,025,070	\$ 23,536,375	\$ 23,781,224	\$ 19,821,037	\$ 18,052,908
District's contributions as a percentage of covered-employee payroll	20%	18%	14%	14%	12%

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2025**

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**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 asset, including beginning and ending balances, the plan's fiduciary net position, and the net OPEB asset. In the future, as data becomes available, ten years of information will be presented.

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

**Changes in Assumptions** – There were no changes in assumptions since the previous valuations.

**Schedule of Contributions – OPEB**

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

**Schedule of Proportionate Share of the Net Pension Liability**

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with the District

**Changes in Benefit Terms** – There were no changes in benefit terms since the previous valuations for both CalSTRS and CalPERS.

**Changes of Assumptions** – Additional factors were considered in the actuarial valuation for CalSTRS namely the payroll growth rate, rate of postretirement benefit increases and long-term expected rate of return based on 20 to 30 years geometric average. There were no changes in economic assumptions for CalPERS from the previous valuations.

**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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**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
DISTRICT ORGANIZATIONAL STRUCTURE  
JUNE 30, 2025**

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The Butte-Glenn Community College District (the District) is a political subdivision of the State of California and is governed by an elected seven-member Board of Trustees. The District provides educational services to the local residents of the surrounding area. The District consists of one community college located in Oroville, California, a state approved center located in Chico, California, and satellite campuses throughout the bi-county area.

**GOVERNING BOARD**

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<b>MEMBER</b>	<b>OFFICE</b>	<b>TERM EXPIRES</b>
Mr. William McGinnis	President	2028
Mr. John Blacklock	Vice President	2026
Mr. John Nock	Clerk	2026
Mr. Mike Boeger	Member	2026
Mr. John Dahlmeier	Member	2028
Mr. Rick Krepelka	Member	2028
Mr. Eugene Massa	Member	2028
Mr. Liam Eller	Student Member - (Non voting)	2025

**DISTRICT ADMINISTRATION**

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Ms. Virginia Guleff  
*Superintendent/President*

Ms. Jessica Snelling  
*Vice President, Administrative Services/CBO*

Mr. Erik Shearer  
*Vice President, Instruction*

Mr. Imelda Simos-Valdez  
*Vice President, Student Services*

**AUXILIARY ORGANIZATIONS IN GOOD STANDING**

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<b>AUXILIARY NAME</b>	<b>DIRECTOR'S NAME/TITLE</b>	<b>ESTABLISHMENT AND MASTER AGREEMENT DATE</b>
Butte Community College Foundation	Suzanne Watroba/ Executive Director	Organized as an auxiliary organization in 1992, and has a signed master agreement dated May 6, 2021.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2025**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<b>U.S. Department of Education</b>			
Direct			
Student Financial Assistance Cluster			
Federal Supplemental Education Opportunity Grants (FSEOG)	84.007	N/A	\$ 375,969
Federal Work Study Program	84.033	N/A	319,661
Federal Direct Student Loans	84.268	N/A	2,866,975
Federal Pell Grant Program	84.063	N/A	23,724,101
Total Student Financial Assistance Cluster			<u>27,286,706</u>
Childcare Access Means Parents in School	84.335A	N/A	134,539
Higher Education Institutional Aid (Hispanic-Serving Institutions - DHSI - Center for Access, Support and Achievement)	84.031	P031S220084	551,867
TRIO - Student Support Services	84.042A	P042A201126/42	592,434
Passed Through Chancellor's Office			
Career and Technical Education-Basic Grants to States (Perkins V) (Vocational and Applied Technology Education Act - Basic Grants to States)	84.048	N/A	<u>927,242</u>
Total U.S. Department of Education			<u>29,492,788</u>
<b>U.S. Department of Agriculture</b>			
Schools and Roads - Grants to States (Forest Reserve)	10.665	N/A	19,028
Child and Adult Care Food Program (CACFP)	10.558	N/A	22,562
Passed through Chico State Enterprises			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	A22-0055-S009	<u>124,011</u>
Total U.S. Department of Agriculture			<u>165,601</u>
<b>Corporation for National and Community Service</b>			
Passed Through Chancellor's Office			
Americorps State and National	94.006	N/A	<u>45,381</u>
Total Corporation of National and Community Service			<u>45,381</u>
<b>U.S. Department of the Interior</b>			
Passed Through Various Indian Tribes			
Bureau of Indian Affairs	15.124	N/A	<u>19,900</u>
Total U.S. Department of the Interior			<u>19,900</u>
<b>U.S. Department of Commerce</b>			
Passed Through California Manufacturing Technology Consulting			
Hollings Manufacturing Extension Partnership (National Institute of Standards and Technology)	11.611	N/A	<u>337,574</u>
Total U.S. Department of Commerce			<u>337,574</u>
<b>Small-Business Administration</b>			
Passed through Humboldt State University Sponsored Programs Foundation			
Small Business Development Centers	59.037	SBAOEDSB240069/ SBAOEDSB250132	<u>171,921</u>
Total Small-Business Administration			<u>171,921</u>
<b>U.S. Department of Health and Human Services</b>			
Passed Through Chancellor's Office			
Foster Care Title IV-E	93.658	N/A	11,879
Passed Through Foundation for California Community Colleges			
Chafee Foster Care Independence Program	93.674	N/A	<u>19,500</u>
Total U.S. Department of Health and Human Services			<u>31,379</u>
<b>U.S. Economic Development Administration</b>			
Passed Through Foundation for California Community Colleges			
Economic Adjustment Assistance (Good Jobs Challenge)	11.307	N/A	<u>1,523,679</u>
Total U.S. Economic Development Administration			<u>1,523,679</u>
<b>NATIONAL SCIENCE FOUNDATION</b>			
STEM Education (formerly Education and Human Resources)	47.076	2400478	<u>92,290</u>
Total National Science Foundation			<u>92,290</u>
<b>Total Federal Programs</b>			<u>\$ 31,880,513</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

Program Title	Total Entitlement	Program Revenues					Total Program Expenditures
		Prior balance	Cash Received	Accounts Receivable	Grantor Advances	Total Revenue	
Adult Education Block Grant	\$ 2,823,897	\$ (109,541)	\$ 2,714,355	\$ (80,455)	\$ (80,455)	\$ 2,743,441	\$ 2,743,441
All Other State Programs	40,783,074	(15,368,241)	22,956,290	(10,883,531)	(10,883,531)	27,441,001	27,441,001
Board Financial Assistance Program	468,268	1	468,268	1	1	468,268	468,268
Cal Works	325,336	(47,641)	300,163	(47,169)	(47,169)	300,635	300,635
CAP	-	(110,008)	-	(110,008)	(110,008)	-	-
Data Services Program	4,663,597	(165,406)	4,443,704	(1,416,153)	(1,416,153)	3,192,957	3,192,957
Disabled Students Programs and Services	1,821,956	(747,664)	1,074,292	(893,663)	(893,663)	928,293	928,293
DSN	60	(409,697)	60	(409,756)	(409,756)	-	-
Extended Opportunity Programs and Services	3,181,650	(736,389)	1,590,825	(632,903)	(632,903)	1,694,310	1,694,310
Financial Aid Technology	75,356	(27,041)	48,315	(11,100)	(11,100)	64,256	64,256
Instructional Equipment	120,586	(120,586)	-	-	-	120,586	120,586
Restricted Lottery	974,549	-	974,549	(193,978)	(193,978)	780,571	780,571
SEAP	3,444,305	-	3,444,305	-	-	3,444,305	3,444,305
SIP	3,404,170	(7,004,170)	(3,600,000)	-	-	3,404,170	3,404,170
Strongwork Force	1,144,053	39,091	(132,073)	251,884	251,884	80,720	80,720
Student Equity	4,658,457	(3,444,304)	1,214,152	(2,640,549)	(2,640,549)	2,017,908	2,017,908
Student Success Completion	6,191,055	-	6,191,055	-	-	6,191,055	6,191,055
SWP K12	57,970,028	(22,769,690)	40,141,960	(26,811,853)	(26,811,853)	36,099,796	36,099,796
Systemwide Infrastructure	10,000,000	-	9,000,000	(2,279,041)	(2,279,041)	6,720,959	6,720,959
TTIP/CENIC	23,500,000	(1)	23,500,000	(6,814,712)	(6,814,712)	16,685,290	16,685,290
Vetereans Resource Center	342,234	(243,020)	99,214	(151,220)	(151,220)	191,015	191,015
<b>Total State District Funding</b>	<b>\$ 165,892,631</b>	<b>\$ (51,264,307)</b>	<b>\$ 114,429,434</b>	<b>\$ (53,124,206)</b>	<b>\$ (53,124,206)</b>	<b>\$ 112,569,536</b>	<b>\$ 112,569,536</b>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT -  
ANNUAL/ACTUAL ATTENDANCE  
FOR THE YEAR ENDED JUNE 30, 2025**

<b>CATEGORIES</b>	Reported Data	Audit Adjustments	Audited Data
<b>A. Summer Intersession (Summer 2024 only)</b>			
1. Noncredit	4.79	-	4.79
2. Credit	158.06	-	158.06
<b>B. Summer Intersession (Summer 2025 - Prior to July 1, 2025)</b>			
1. Noncredit	-	-	-
2. Credit	638.85	-	638.85
<b>C. Primary Terms (Exclusive of Summer Intersession)</b>			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	3,214.45	-	3,214.45
(b) Daily Census Contact Hours	428.56	-	428.56
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	346.97	-	346.97
(b) Credit	744.53	-	744.53
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	3,002.90	-	3,002.90
(b) Daily Census Contact Hours	674.17	-	674.17
(c) Noncredit Independent Study/Distance Education Courses	-	-	-
<b>D. Total FTES</b>	9,213.28	-	9,213.28
<b>Supplemental Information (subset of above information)</b>			
<b>E. In-service Training Courses</b>	376.40	-	376.40
<b>F. Basic Skills Courses and Immigrant Education</b>			
1. Credit	1.60	-	1.60
2. Noncredit	106.82	-	106.82
Total Basic Skills FTES	108.42	-	108.42

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2025**

	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	\$ 19,283,976	\$ -	\$ 19,283,976	\$ 19,283,976		\$ 19,283,976
Other	1300	10,831,371	-	10,831,371	10,831,537		10,831,537
Total Instructional Salaries		30,115,347	-	30,115,347	30,115,513	-	30,115,513
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	6,674,729	-	6,674,729
Other	1400	-	-	-	1,301,686	-	1,301,686
Total Non-Instructional Salaries		-	-	-	7,976,415	-	7,976,415
Total Academic Salaries		30,115,347	-	30,115,347	38,091,928	-	38,091,928
<u>Classified Salaries</u>							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	16,541,851	-	16,541,851
Other	2300	-	-	-	893,952	-	893,952
Total Non-Instructional Salaries		-	-	-	17,435,803	-	17,435,803
Instructional Aides							
Regular Status	2200	1,485,341	-	1,485,341	1,485,341	-	1,485,341
Other	2400	425,302	-	425,302	425,302	-	425,302
Total Instructional Aides		1,910,643	-	1,910,643	1,910,643	-	1,910,643
Total Classified Salaries		1,910,643	-	1,910,643	19,346,446	-	19,346,446
Employee Benefits	3000	14,271,743	-	14,271,743	26,333,077	-	26,333,077
Supplies and Materials	4000	-	-	-	902,615	-	902,615
Other Operating Expenses	5000	-	-	-	7,783,935	-	7,783,935
Total Expenditures Prior to Exclusions		46,297,733	-	46,297,733	92,458,001	-	92,458,001
<u>Exclusions</u>							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	907,760	-	907,760	907,760	-	907,760
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	1,193,393	-	1,193,393
Object to Exclude							
Rents and Leases	5060	-	-	-	332,638	-	332,638
Lottery Expenditures							
Instructional Supplies & Materials	4300	-	-	-	6,988	-	6,988
Total Supplies and Materials		-	-	-	6,988	-	6,988
Other Operating Expenses and Services	5000	-	-	-	209,287	-	209,287
Library Books	6300	-	-	-	211,621	-	211,621
Equipment	6400	-	-	-			
Equipment - Additional	6410	-	-	-	5,379	-	5,379
Total Equipment		-	-	-	5,379	-	5,379
Total Capital Outlay		-	-	-	217,000	-	217,000
Total Exclusions		\$ 907,760	\$ -	\$ 907,760	\$ 2,867,066	\$ -	\$ 2,867,066
Total for ECS 84362, 50% Law		\$ 45,389,973	\$ -	\$ 45,389,973	\$ 89,590,935	\$ -	\$ 89,590,935
Percent of CEE (Instructional Salary Cost/Total CEE)		50.66%	0.00%	50.66%	100.00%	0.00%	100.00%
50% of Current Expense of Education		\$ -	\$ -	\$ -	\$ 44,795,468	\$ -	\$ 44,795,468

See accompanying note to the supplementary information.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
 DETAILS OF THE EDUCATION PROTECTION ACCOUNT  
 FOR THE YEAR ENDED JUNE 30, 2025**

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EPA Revenue	\$ 17,450,029
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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	\$ 17,450,029	\$ -	\$ -	\$ 17,450,029
Total		\$ 17,450,029	\$ -	\$ -	\$ 17,450,029

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2025**

	General Fund	Bond Interest and Redemption Fund	Child Development Fund	Other Special Revenue Fund	Capital Outlay Projects Fund	Bond Construction Fund	Farm Operations Fund	Bookstore Fund	Balance Forward
<b>ASSETS</b>									
Cash and equivalents	\$ 121,757,875	\$ 32,974,787	\$ 338,412	\$ 3,332,264	\$ 32,242,072	\$ 10,587,617	\$ 92,973	\$ 77,849	\$ 201,403,849
Accounts receivable, net	13,126,782	-	-	-	30,000	150,770	336	87,153	13,395,041
Inventory	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	1,667,260	-	-	-	-	-	-	(1,896)	1,665,364
Due from other funds	664,285	-	-	-	-	-	-	-	664,285
<b>Total Assets</b>	<b>\$ 137,216,202</b>	<b>\$ 32,974,787</b>	<b>\$ 338,412</b>	<b>\$ 3,332,264</b>	<b>\$ 32,272,072</b>	<b>\$ 10,738,387</b>	<b>\$ 93,309</b>	<b>\$ 163,106</b>	<b>\$ 217,128,539</b>
<b>LIABILITIES</b>									
Accounts payable and accrued liabilities	\$ 16,557,551	\$ -	\$ -	\$ -	\$ 14,969	\$ 180,874	\$ -	\$ -	\$ 16,753,394
Unearned revenue	66,471,960	-	-	-	-	-	348	74,903	66,547,211
Compensated absences	3,453,258	-	-	-	-	-	-	-	3,453,258
Due to other funds	7,335	-	20,770	-	-	-	-	-	28,105
<b>Total Liabilities</b>	<b>86,490,104</b>	<b>-</b>	<b>20,770</b>	<b>-</b>	<b>14,969</b>	<b>180,874</b>	<b>348</b>	<b>74,903</b>	<b>86,781,968</b>
<b>FUND EQUITY</b>									
Retained earnings	-	-	-	-	-	-	92,961	88,203	181,164
Fund balance:									
Restricted	-	32,974,787	-	-	-	10,557,513	-	-	43,532,300
Committed	-	-	-	-	32,257,103	-	-	-	32,257,103
Assigned	-	-	-	-	-	-	-	-	-
Uncommitted	50,726,098	-	317,642	3,332,264	-	-	-	-	54,376,004
<b>Total Fund Equity</b>	<b>50,726,098</b>	<b>32,974,787</b>	<b>317,642</b>	<b>3,332,264</b>	<b>32,257,103</b>	<b>10,557,513</b>	<b>92,961</b>	<b>88,203</b>	<b>130,346,571</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 137,216,202</b>	<b>\$ 32,974,787</b>	<b>\$ 338,412</b>	<b>\$ 3,332,264</b>	<b>\$ 32,272,072</b>	<b>\$ 10,738,387</b>	<b>\$ 93,309</b>	<b>\$ 163,106</b>	<b>\$ 217,128,539</b>

See accompanying note to the supplementary information.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2025**

	Balance Brought Forward	Cafeteria Fund	Self Insurance Fund	Retiree Benefit Fund	Associated Student Body	Student Rep Fee Trust	Financial Aid Fund	Total
<b>ASSETS</b>								
Cash and equivalents	\$ 201,403,849	\$ 140,697	\$ 3,537,014	\$ 56	\$ 595,343	\$ 86,191	\$ 1,430,795	\$ 207,193,945
Accounts receivable, net	13,395,041	13,699	-	-	-	-	461,631	13,870,371
Inventory	-	22,425	-	-	-	-	-	22,425
Prepaid expenses and other assets	1,665,364	-	-	-	-	-	-	1,665,364
Due from other funds	664,285	1,189	-	-	-	-	7,055	672,529
<b>Total Assets</b>	<b>\$ 217,128,539</b>	<b>\$ 178,010</b>	<b>\$ 3,537,014</b>	<b>\$ 56</b>	<b>\$ 595,343</b>	<b>\$ 86,191</b>	<b>\$ 1,899,481</b>	<b>\$ 223,424,634</b>
<b>LIABILITIES</b>								
Accounts payable and accrued liabilities	\$ 16,753,394	\$ 1,579	\$ -	\$ -	\$ 4,798	\$ 20,919	\$ 11,575	\$ 16,792,265
Unearned revenue	66,547,211	94,843	-	-	-	-	1,257,074	67,899,128
Compensated absences	3,453,258	-	-	-	-	-	-	3,453,258
Due to other funds	28,105	-	-	-	12,311	1,674	630,832	672,922
<b>Total Liabilities</b>	<b>86,781,968</b>	<b>96,422</b>	<b>-</b>	<b>-</b>	<b>17,109</b>	<b>22,593</b>	<b>1,899,481</b>	<b>88,817,573</b>
<b>FUND EQUITY</b>								
Retained earnings	181,164	81,588	-	56	578,234	63,598	-	904,640
Fund balance:								
Restricted	43,532,300	-	-	-	-	-	-	43,532,300
Committed	32,257,103	-	-	-	-	-	-	32,257,103
Assigned	-	-	3,537,014	-	-	-	-	3,537,014
Uncommitted	54,376,004	-	-	-	-	-	-	54,376,004
<b>Total Fund Equity</b>	<b>130,346,571</b>	<b>81,588</b>	<b>3,537,014</b>	<b>56</b>	<b>578,234</b>	<b>63,598</b>	<b>-</b>	<b>134,607,061</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 217,128,539</b>	<b>\$ 178,010</b>	<b>\$ 3,537,014</b>	<b>\$ 56</b>	<b>\$ 595,343</b>	<b>\$ 86,191</b>	<b>\$ 1,899,481</b>	<b>\$ 223,424,634</b>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY  
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Bond Interest and Redemption Fund	Child Development Fund	Other Special Revenue Fund	Capital Outlay Projects Fund	Bond Construction Fund	Farm Operations Fund	Bookstore Fund	Balance Forward
<b>REVENUES</b>									
Federal	\$ 4,871,537	\$ -	\$ 22,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,894,099
State	180,948,352	64,219	533,175	-	-	-	-	-	181,545,746
Local	37,192,670	15,719,026	53,061	2,014,699	1,230,420	1,207,154	41,100	129,584	57,587,714
Cost of sales	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>223,012,559</b>	<b>15,783,245</b>	<b>608,798</b>	<b>2,014,699</b>	<b>1,230,420</b>	<b>1,207,154</b>	<b>41,100</b>	<b>129,584</b>	<b>244,027,559</b>
<b>EXPENDITURES</b>									
Academic salaries	43,564,174	-	-	-	-	-	-	-	43,564,174
Classified salaries	36,833,041	-	356,205	-	-	-	8,082	31,368	37,228,696
Employee benefits	36,735,685	-	261,103	-	-	-	219	10,812	37,007,819
Supplies and materials	2,567,997	-	26,828	-	209,191	82,072	6,298	-	2,892,386
Other operating expenses	80,771,183	-	60,860	-	126,307	71,945	6,470	(799)	81,035,966
Capital outlay	2,915,551	-	-	-	10,871,300	34,623,347	917	-	48,411,115
<b>Total Expenditures</b>	<b>203,387,631</b>	<b>-</b>	<b>704,996</b>	<b>-</b>	<b>11,206,798</b>	<b>34,777,364</b>	<b>21,986</b>	<b>41,381</b>	<b>250,140,156</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>19,624,928</b>	<b>15,783,245</b>	<b>(96,198)</b>	<b>2,014,699</b>	<b>(9,976,378)</b>	<b>(33,570,210)</b>	<b>19,114</b>	<b>88,203</b>	<b>(6,112,597)</b>
<b>OTHER FINANCING SOURCES</b>	<b>2,101,153</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,984,541</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,085,694</b>
<b>OTHER OUTGO</b>	<b>(17,303,597)</b>	<b>(13,899,340)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(31,202,937)</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>4,422,484</b>	<b>1,883,905</b>	<b>(96,198)</b>	<b>2,014,699</b>	<b>(4,991,837)</b>	<b>(33,570,210)</b>	<b>19,114</b>	<b>88,203</b>	<b>(30,229,840)</b>
<b>BEGINNING FUND BALANCE</b>	<b>46,303,614</b>	<b>31,090,882</b>	<b>413,840</b>	<b>1,317,565</b>	<b>37,248,940</b>	<b>44,127,723</b>	<b>73,847</b>	<b>-</b>	<b>160,576,411</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 50,726,098</b>	<b>\$ 32,974,787</b>	<b>\$ 317,642</b>	<b>\$ 3,332,264</b>	<b>\$ 32,257,103</b>	<b>\$ 10,557,513</b>	<b>\$ 92,961</b>	<b>\$ 88,203</b>	<b>\$ 130,346,571</b>

See accompanying note to the supplementary information.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY  
FOR THE YEAR ENDED JUNE 30, 2025**

	Balance Brought Forward	Cafeteria Fund	Self Insurance Fund	Retiree Benefit Fund	Associated Student Body	Student Rep Fee Trust	Financial Aid Fund	Total
<b>REVENUES</b>								
Federal	\$ 4,894,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,986,413	\$ 31,880,512
State	181,545,746	-	-	-	-	-	12,870,612	194,416,358
Local	57,587,714	1,512,766	346,977	2	334,697	45,629	365,727	60,193,512
Cost of sales	-	(870,473)	-	-	-	-	-	(870,473)
<b>Total Revenues</b>	<b>244,027,559</b>	<b>642,293</b>	<b>346,977</b>	<b>2</b>	<b>334,697</b>	<b>45,629</b>	<b>40,222,752</b>	<b>285,619,909</b>
<b>EXPENDITURES</b>								
Academic salaries	43,564,174	-	-	-	-	-	-	43,564,174
Classified salaries	37,228,696	681,793	-	-	135,703	-	-	38,046,192
Employee benefits	37,007,819	296,267	-	-	49,392	-	-	37,353,478
Supplies and materials	2,892,386	(18,977)	1,736	-	39,352	-	-	2,914,497
Other operating expenses	81,035,966	115,110	106,419	-	110,658	36,415	-	81,404,568
Capital outlay	48,411,115	1,433	194,587	-	-	-	-	48,607,135
<b>Total Expenditures</b>	<b>250,140,156</b>	<b>1,075,626</b>	<b>302,742</b>	<b>-</b>	<b>335,105</b>	<b>36,415</b>	<b>-</b>	<b>251,890,044</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(6,112,597)</b>	<b>(433,333)</b>	<b>44,235</b>	<b>2</b>	<b>(408)</b>	<b>9,214</b>	<b>40,222,752</b>	<b>33,729,865</b>
<b>OTHER FINANCING SOURCES</b>	<b>7,085,694</b>	<b>514,921</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,600,615</b>
<b>OTHER OUTGO</b>	<b>(31,202,937)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,490)</b>	<b>-</b>	<b>(40,222,752)</b>	<b>(71,428,179)</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>(30,229,840)</b>	<b>81,588</b>	<b>44,235</b>	<b>2</b>	<b>(2,898)</b>	<b>9,214</b>	<b>-</b>	<b>(30,097,699)</b>
<b>BEGINNING FUND BALANCE</b>	<b>160,576,411</b>	<b>-</b>	<b>3,492,779</b>	<b>54</b>	<b>581,132</b>	<b>54,384</b>	<b>-</b>	<b>164,704,760</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 130,346,571</b>	<b>\$ 81,588</b>	<b>\$ 3,537,014</b>	<b>\$ 56</b>	<b>\$ 578,234</b>	<b>\$ 63,598</b>	<b>\$ -</b>	<b>\$ 134,607,061</b>

See accompanying note to the supplementary information.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF FUND EQUITY TO NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2025**

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

General Fund	\$ 50,726,098	
Debt Service Fund	32,974,787	
Capital Project Funds	42,814,616	
Other Funds	7,449,728	
Associated Student Body	578,234	
Student Rep Fee Trust	63,598	\$ 134,607,061
	<u>63,598</u>	

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

Capital assets not being depreciated	\$ 109,226,006	
Capital assets being depreciated	352,413,328	
Right-to-use assets, net	8,651,824	
Accumulated depreciation	(114,708,294)	
Fair Market Value - Cash in County Investments	561,663	356,144,527
	<u>561,663</u>	

Net OPEB Asset 11,320,187

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

Deferred charge on refunding		1,127,773
Deferred outflows - OPEB		1,640,700
Deferred outflows - pensions		29,793,285

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

Net pension liability		(92,768,121)
Long-term liabilities, net		(185,376,018)
Unmatured Interest		(2,716,643)

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

Deferred inflows - OPEB		(4,128,271)
Deferred inflows - pensions		(12,350,771)

**Net Position Reported Within the Statements of Net Position** \$ 237,293,709

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF CHANGES IN FUND EQUITY TO CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2025**

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<b>Changes in Fund Equity - District Funds Included in the Reporting Entity</b>	\$ (30,097,699)
Depreciation expense	(8,149,751)
Amortization of lease expense	(1,536,367)
Accretion of general obligation bonds	(384,871)
Accrued interest reported	100,000
Amortization of bond premiums	1,225,411
Fair market value adjustment to cash in county	4,037,913
Capital outlay expense	50,102,458
Pension related activity	(1,339,713)
Other postemployment benefits	1,140,908
Principal Payments on debt	8,588,734
Compensated absences	(704,619)
Loss on disposal of fixed assets	(45,651)
<b>Changes in Net Position Reported Within the Statements of Revenues, Expenses, and Changes in Net Position</b>	<u>\$ 22,936,753</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT**  
**NOTE TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2025**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**A. District Organizational Structure**

This schedule provides information about the District's boundaries and schools operated members of the governing board, and members of the administration.

**B. 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. 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 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**C. Schedule of Revenues and 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.

**D. Schedule of Workload Measures for State General Apportionment – Annual/Actual Attendance**

Full-Time Equivalent Students (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 are made to community college districts. This schedule provides information regarding the attendance of students throughout the District.

**E. Reconciliation of the ECS 84362 (50 Percent Law) Calculation**

This schedule reports any audit adjustments made to the reported data to ensure that a minimum of 50 percent of the District's current expense of education is expended for salaries of classroom instructors.

**F. Details of the Education Protection Account**

This schedule reports the District revenue and expenditure classification of the Proposition 30 Education Protection Account funds.

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2025**

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

**G. Combining Balance Sheet**

This schedule provides a balance sheet detail of all District funds included in the government-wide financial reporting entity.

**H. Combining Statement of Revenues, Expenditures, and Changes in Fund Equity**

This schedule provides revenues, expenditures, and changes in fund equity detail for all District funds included in the government-wide financial reporting entity.

**I. Reconciliation of Fund Equity to Net Position**

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

**J. Reconciliation of Changes in Fund Equity to Changes in Net Position**

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

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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**

The Board of Trustees  
Butte-Glenn Community College District  
Oroville, California

We have audited, in accordance with the 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, the financial statements of the business-type activities, fiduciary activities and the discretely presented component unit of Butte-Glenn Community College District (the "District") as of and for the years ended June 30, 2025 and 2024, and the related notes to financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 8, 2026.

**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) to determine the 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. 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

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

*CWDL, Certified Public Accountants*

San Diego, California  
January 8, 2026



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

The Board of Trustees  
Butte-Glenn Community College District  
Oroville, California

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

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

We have audited Butte-Glenn 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 years ended June 30, 2025 and 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 years ended June 30, 2025 and 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 (GAAS); 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 the District's compliance based on our audit

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

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

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

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

### ***Report on Internal Control Over Compliance***

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, 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  
January 8, 2026



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

The Board of Trustees  
Butte-Glenn Community College District  
Oroville, California

### Report on State Compliance

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

We have audited Butte-Glenn Community College District's (the "District") compliance with the types of compliance requirements as identified in the 2024-25 California Community Colleges Chancellor's Office *Contracted District Audit Manual*, for the year ended June 30, 2025. 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, 2025.

#### **Basis for Opinion**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the compliance requirements described in the 2024-25 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 2024-25 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

#### **Responsibilities of Management for Compliance**

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

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the 2024-25 California Community Colleges Chancellor's Office *Contracted District Audit Manual* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2024-25 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.

## **Procedures Performed**

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

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in the 2024-25 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  
January 8, 2026

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**SCHEDULE OF FINDINGS AND  
QUESTIONED COSTS**

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**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**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 reported</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, 84.268, 84.033 84.063</u>	<u>Student Financial Assistance Cluster</u>
<u>11.307</u>	<u>Economic Adjustment Assistance (Good Jobs Challenge)</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 956,415</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 reported</u>
Type of auditors' report issued on compliance for State programs:	<u>Unmodified</u>

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED JUNE 30, 2025**

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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 2024-25.***

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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This section identifies the audit findings required to be reported by Uniform Guidance.

***There were no federal award findings or questioned costs identified during 2024-25.***

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
STATE AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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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 2024-25.***

**BUTTE-GLENN COMMUNITY COLLEGE DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2025**

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*There were no prior findings or questioned costs identified during 2023-24.*