Shasta College

BUDGET COMMITTEE
March 25, 2026, 1:30 – 2:30 p.m.
In Person – **Room 1101**

APPROVED MINUTES

X	Becky McCall (Chair)	X	Jackie Parker (Co-Chair)	X	Stacey Bartlett	X	Jennine Meier
X	Scott Gordon	X	Jim Harrell	X	Rob McCandless	X	Heidi Loftus
	Juanne Van Der Linde	X	Courtney Zimbardo	X	Student Rep Evelyn Degutis		

Guests: Heidi Diaz, Matt Gallmeister, Will Brietbach, Angela Simmons, Angela Nava, Destinee Ecklin

1. **CALL TO ORDER –** the meeting was called to order by Becky McCall at 2:30pm

2. **APPROVAL OF MINUTES –** March 11, 2026, Minutes
   It was moved by Scott Gordon and seconded by Courtney Zimbardo to approve the minutes of March 11, 2026, all approved, no abstentions.

3. **PUBLIC COMMENTS:** This portion of the meeting is reserved for persons wishing to address the Budget Committee on any matter not on the agenda. No action will be taken. Speakers are limited to three minutes.

4. **REPORTS/ANNOUNCEMENTS**

5. **DISCUSSION ITEMS**

   A) **2026-2027 Tentative Budget Second Review**
   The tentative budget was sent to the committee members via email. There has not been much change from the tentative presented at the March 11th meeting to the tentative presented today especially with respect to fund 11.

   Becky pointed out that the fund balance changed by 25,000. Jackie Parker explained they had been looking at the fund balance to compare it to the audit and there was a reserve amount of 25,000 that had been excluded for some reason. The amount has been added back, resulting in an increase of 25,000.

The total fund balance represents 2 months of total expenses for fund 11 and fund 12 as a reserve.

Angela Nava asked Becky where and if Prop 50 comes into play. Becky replied that Prop 50 feeds into Prop 98, she will do further research on the status of Prop 50 and the timeline and get back to everyone.

Becky went over the Tentative Budget spreadsheet explaining each fund on each tab. She mentioned that fund 35 would be closed out this year due to shifting the activity to Fund 34. Jackie explained that fund 35 was originally set up for replacement equipment for fund 34. The current balance in fund 35 is due to receiving credit for some equipment from last year. The plan is to use the funds towards new equipment this year.

There may be a slight change coming in fund 37 as we are waiting for some quotes to improve some of our parking lots.

Fund 41 corresponds with the bond activities. There are a lot of planned projects that will be coming out of this fund.

Becky highlighted fund 74, Financial Aid, to show the funds our students are receiving for their education.

Stacey asked if a department could pull from fund 36 (Auxiliary) and put that into the new program. Becky replied that we would need to research that and it could be looked into offline. Destinee said that she spoke with Taryn recently and believes the purchase would need to fall within the same activity code that the funds came from in the first place and this would also depend on if the activity still exists. Jackie mentioned to please consider the revenue source. Becky suggested Stacey email Destinee, and she will discuss this with Jackie and Taryn for more details and guidance.

B) Actuarial Study of Retiree Health Liabilities Under GASB 74/75
PowerPoint slides 2-8.
The Actuarial Study was sent to the committee members via email.
Foster and Foster prepared the report. They acquired Total Compensation who had completed the report in the past.
This report serves as a guide to help the District determine the total liability for retiree health benefits. Becky presented the ppt and highlighted the main portions of the actuarial study that included: The current total net liability,

current annual costs, projected annual costs and a summary of assumptions that were included in the report. This report is the most up to date report, as it used last years census data.

C) **Other Post Employment Benefits (OPEB) JPA Trust**
Becky Continued to present the ppt which then led into the OPEB trust overview on slides 9-14.
Rob asked if the numbers on slide 9 represent what we owe? Becky replied they represent what we have in the trust currently.

Will asked why it's a JPA if it is Shasta College employees?
Becky replied that the JPA is composed of 17 other colleges which was set up by the Community College League of California. The intent was to allow for colleges to come together and pool their assets for a bigger return of investments to help with this large liability. The JPA has a board, which each member of the JPA has a seat on. Becky mentioned that she is a board member for the JPA.
Will asked if the league manages the funds and Becky replied that the JPA board manages the funds with the assistance of Meketa as the investment manager.
Shasta College also has a Retiree Health Board that meets annually and reviews Shasta College's OPEB investments. This board makes recommendations for Shasta College which Becky then brings back to the OPEB Board.

D) **Public Agency Retirement Services (PARS) Trust GASB 68**
PowerPoint continued with slides 15-22 on PARS.
Becky explained the difference between PERS and STRS and the difference in the graphs on the slides. The PARS trust is doing what it is supposed to do to help us weather any short-term fiscal shortfalls.

E) **Review 50% Calc. –** There was not enough time to review this agenda item so it will be tabled.

6. **OTHER**

7. **ANNOUNCEMENTS**

8. **ADJOURNMENT –** Motion to adjourn Jim Harrell and seconded by Rob McCandless, meeting adjourned at 3:32 p.m.

GROUP REMINDERS:
Honest Communication
Transparency, No Hidden Agendas
Listen to Each Other
Do What We Say We Will Do

9. **NEXT MEETING:** April 15, 2026

ATTACHMENTS:

1. 2026-2027 Tentative Budget 03.16.26
2. Actuarial Study of Retiree Health Liabilities Under GASB 74/75
3. PowerPoint Presentation
4. General Funds Cheat Sheet

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Attachment 1

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget

Fund	Fund Title	Estimated Beginning Fund Balance	2026-2027 Budgeted Income	2026-2027 Budgeted Expenditures	Estimated Ending Fund Balance
Summary of All Funds					
General Funds					
11	General Fund - Unrestricted	$ 19,464,141	$ 77,115,361	$ 77,890,639	$ 18,688,862
12	General Fund - Restricted	-	31,391,909	31,391,909	-
Debt Service Funds					
23	2002 General Obligation Bond Interest & Redemption Fund	3,548,732	2,847,638	2,341,318	4,055,052
24	Lease Revenue Bond Interest & Redemption Fund	62,936	806,919	790,990	78,865
25	2016 General Obligation Bond Interest & Redemption Fund	5,713,136	6,657,583	6,358,984	6,011,735
Special Revenue Funds					
34	Revenue Fund	1,672,482	4,277,118	4,186,363	1,763,237
35	Repair and Replacement Reserve Fund	-	-	-	-
36	Auxiliary Fund	1,728,707	1,106,234	1,403,556	1,431,385
37	Parking Improvement Fund	2,013,333	41,484	43,550	2,011,267
Capital Projects Funds					
41	Capital Outlay Projects Fund	10,070,447	6,005,283	11,173,500	4,902,230
43	2016 General Obligation Bond Project Fund	43,521,002	2,311,242	14,994,182	30,838,062
Internal Service Funds					
61	Self Insurance Fund	304,261	750,000	903,929	150,332
Trust Funds					
71	Associated Students	303,437	24,265	23,500	304,202
72	Student Rep Fee	39,695	15,953	-	55,648
74	Student Financial Aid Fund	-	34,586,500	34,586,500	-
75	Scholarship and Loan Fund	174,389	950,000	900,000	224,389
77	Shasta College Trustees' Scholarship Fund	4,756,367	450,000	300,000	4,906,367
78	Student Clubs	219,205	85,000	85,000	219,205
79	PARS Trust	14,632,703	1,200,000	35,000	15,797,703
	Totals 2026-2027 Tentative Budget	**$ 108,224,973**	**$ 170,622,489**	**$ 187,408,920**	**$ 91,438,541**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Unrestricted

Fund 11

	2023-2024 Actuals	2024-2025 Actuals	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
Beginning Fund Balance-Undesignated	**$ 16,172,055**	**$ 18,341,617**	**$ 18,879,793**	**$ 18,879,793**	**$ 19,464,141**
Estimated Beginning Balance 7/1/26					
INCOME					
Federal Income					
Forest Reserve Fund	$ 45,090	$ 7,339	$ -	$ 70	$ -
Miscellaneous (Federal Projects)	-	-	-	-	-
Total Federal Income	$ 45,090	$ 7,339	$ -	$ 70	$ -
State Income					
State Apportionment	$ 32,155,489	$ 27,876,524	$ 29,481,033	$ 30,424,503	$ 31,683,817
PY Apportionment Adjustment	1,176,522	1,120,991	-	1,549,780	-
Educational Protection Act	5,608,415	11,410,533	9,000,000	8,647,411	9,000,000
Full time Faculty	996,646	996,646	996,646	996,646	996,646
Part-time Faculty	217,890	202,634	230,000	215,228	215,000
Part-time Faculty Office Hours	154,264	148,723	55,000	55,000	75,000
Home Owners Exemption - All Counties	208,799	197,670	232,821	206,861	215,594
Timber Tax Receipts	87,302	113,551	97,346	118,831	123,816
Lottery	1,704,173	934,526	1,300,000	1,653,272	1,400,000
Mandated Cost Block Grant	246,806	237,528	230,000	250,176	250,000
Miscellaneous (State Projects)	237,770	2,012,492	170,000	170,000	2,210,000
Total State Income	$ 42,794,076	$ 45,251,818	$ 41,792,846	$ 44,287,708	$ 46,169,873
Local Income					
Property Taxes	$ 22,755,497	$ 24,076,683	$ 25,373,427	$ 25,196,248	$ 26,259,500
Contract Education	94,465	226,679	337,875	242,003	605,000
Sales	27,326	23,632	20,000	23,570	21,000
Rentals and Leases (Facilities)	70,925	90,586	80,000	50,647	55,000
Interest	716,924	1,774,060	799,402	913,440	951,988
Community Education	158,855	260,159	170,000	153,341	260,000
Enrollment Fees	1,209,880	1,359,571	1,368,500	1,391,793	1,423,500
Non-Resident Tuition	683,045	732,291	740,000	743,026	755,000
Student Fees and Charges	343,188	353,395	381,160	455,953	560,700
Miscellaneous Local Income	124,261	7,573,674	83,800	65,814	48,800
Total Local Income	$ 26,184,366	$ 36,470,730	$ 29,354,164	$ 29,235,835	$ 30,940,488
Other Financing Sources					
Interfund Transfers In	$ -	$ -	$ -	$ -	$ -
Other Income	12,492	15,000	15,000	10,000	5,000
Total Other Financing Sources	$ 12,492	$ 15,000	$ 15,000	$ 10,000	$ 5,000
Total Income	**$ 69,036,024**	**$ 81,744,887**	**$ 71,162,010**	**$ 73,533,613**	**$ 77,115,361**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Unrestricted

Fund 11

	2023-2024 Actuals	2024-2025 Actuals	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
EXPENDITURES					
Academic Salaries					
Instructional Contract	$ 12,301,255	$ 12,883,150	$ 14,028,240	$ 13,570,070	$ 14,088,440
Non Instructional Contract	1,453,082	1,213,290	1,450,682	1,441,784	1,522,224
Academic Administrators	2,915,933	2,895,472	3,006,600	2,962,126	3,041,463
Instructional Hourly	6,234,438	6,857,648	6,500,000	7,500,000	7,500,000
Non Instructional Hourly	503,097	484,833	419,897	519,524	462,440
Total Academic Salaries	$ 23,407,805	$ 24,334,393	$ 25,405,419	$ 25,993,504	$ 26,614,567
Classified Salaries					
Non Instructional Contract	$ 7,842,375	$ 8,239,579	$ 9,330,593	$ 8,873,562	$ 9,378,832
Instructional Aides Contract	981,426	947,891	1,036,236	1,016,354	1,123,027
Classified Management/Supervisory/Confidential	4,358,805	4,472,857	4,753,696	4,645,450	4,925,988
Non Instructional Hourly	881,153	847,392	959,831	882,556	979,849
Instructional Aides Hourly	633,604	719,023	530,640	1,019,972	983,334
Students Hourly	494,636	555,766	735,195	410,944	725,465
Total Classified Salaries	$ 15,191,999	$ 15,782,508	$ 17,346,191	$ 16,848,838	$ 18,116,495
Employee Benefits					
STRS - State Teachers Retirement	$ 3,587,546	$ 5,510,901	$ 4,517,347	$ 3,904,644	$ 6,737,643
PERS - Public Employees Retirement	3,795,692	4,117,882	4,511,390	4,264,094	4,522,341
Social Security & Medicare	1,548,926	1,642,283	1,753,737	1,750,186	1,825,240
Medical/Dental/Vision/Life Insurance	3,333,719	4,202,133	4,866,994	4,363,612	4,870,853
Unemployment Insurance	37,991	38,505	42,093	42,084	44,006
Workers Compensation Insurance	652,263	708,541	770,476	781,492	792,570
Retirees Health Benefits	2,724,101	2,736,511	1,900,000	1,900,000	3,100,000
Total Employee Benefits	$ 15,680,238	$ 18,956,756	$ 18,362,037	$ 17,006,112	$ 21,892,653
Supplies					
Instructional	$ 222,868	$ 356,748	$ 545,448	$ 480,343	$ 553,837
Non-Instructional	1,061,896	1,167,588	1,449,915	1,115,855	1,481,678
Total Supplies	$ 1,284,764	$ 1,524,336	$ 1,995,363	$ 1,596,198	$ 2,035,515
Other Operating Expenses					
Dues and Memberships	$ 147,847	$ 157,050	$ 206,339	$ 184,811	$ 213,605
Insurance	150,575	153,946	179,715	179,715	192,808
Legal and Professional Services	301,045	260,644	415,000	372,085	365,700
Election	-	93,863	5,000	5,000	100,000
Postage	106,057	67,326	121,570	100,664	129,930
Staff Development, Travel, and Conference	270,103	316,520	496,844	322,470	496,294
Building and Equipment Rental/Leases	172,801	283,754	311,146	282,081	314,583
Personal/Consultant Services	238,376	461,999	456,900	403,737	443,304
Repairs	282,475	365,160	508,490	389,454	522,740
Utilities/Electricity/Gas/Water/Waste/Telephone	1,996,742	2,306,640	2,131,390	2,431,390	2,541,985
Service Fees/Other Charges	1,589,947	2,471,710	2,119,586	1,980,238	2,632,352

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Unrestricted

Fund 11

	2023-2024 Actuals	2024-2025 Actuals	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
Software Licenses	1,369,869	1,368,795	1,616,315	1,559,567	1,652,578
Advertising, Printing, and Misc. Operating	785,752	1,136,514	633,085	613,668	707,910
Field Trips (Classroom Related, Athletics)	468,354	466,083	484,097	366,440	536,610
Operating Backcharges	(386,836)	(431,438)	(475,000)	(435,000)	(445,000)
Total Other Operating Expenses	$ 7,493,107	$ 9,478,566	$ 9,210,477	$ 8,756,320	$ 10,405,399
Capital Outlay					
Site Development	$ -	$ -	$ -	$ -	$ -
Building Improvement	17,237	-	-	19,248	-
Library Books	-	4,329	-	-	-
Equipment	1,230,179	755,029	914,914	847,910	1,107,905
Total Capital Outlay	$ 1,247,416	$ 759,358	$ 914,914	$ 867,158	$ 1,107,905
Other Outgo					
Interfund Transfers (Debt Service)	$ 422,252	$ 427,725	$ 430,135	$ 430,135	$ 435,045
Interfund Transfers (Other Funds)	2,067,244	7,940,496	1,450,000	1,450,000	950,000
Transfer to PARS Trust	-	2,000,000	-	-	-
Student Aid	4,649	2,573	3,000	1,000	3,300
Debt Principal and Interest	66,988	-	-	-	-
Total Other Outgo	$ 2,561,133	$ 10,370,794	$ 1,883,135	$ 1,881,135	$ 1,388,345
Total Expenditures	**$ 66,866,462**	**$ 81,206,711**	**$ 75,117,536**	**$ 72,949,265**	**$ 81,560,879**
Discount Factor @ 4.5% (see Note below)	**$ -**	**$ -**	**$ (3,380,289)**	**$ -**	**$ (3,670,240)**
Projected Expenditures	**$ 66,866,462**	**$ 81,206,711**	**$ 71,737,247**	**$ 72,949,265**	**$ 77,890,639**
Net Income/(Loss)	**$ 2,169,562**	**$ 538,176**	**$ (575,237)**	**$ 584,348**	**$ (775,278)**
Ending Fund Balance	**$ 18,341,617**	**$ 18,879,793**	**$ 18,304,556**	**$ 19,464,141**	**$ 18,688,862**
	27.4%	23.2%	25.5%	26.7%	24.0%

Note

Budgets are created using conservative estimates which will tend to overestimate expenses. A "discount factor" using the past 5 year actual to budget is being used to provide a more realistic estimate for expenses and the ending fund balance.

FUND BALANCE					
17% of Fund 11 Expense - Minimum Requirement	11,367,299	13,805,141	12,195,332	12,401,375	13,241,409
17% of Fund 12 Expense - Minimum Requirement	5,562,889	5,816,906	5,993,608	5,539,290	5,336,625
Reserve for Economic Uncertainty	1,411,429	(742,254)	115,616	1,523,476	110,829
Unrestricted Fund Balance Total	**18,341,617**	**18,879,793**	**18,304,556**	**19,464,141**	**18,688,862**

	23/24 Actuals	24/25 Actuals	25/26 Budget	25/26 Estimated Actuals	26/27 Proposed Budget
SCFF	63,258,596	65,706,220	67,000,000	68,622,682	70,200,000
Deficit Factor 1.5%	(632,586)	0	(1,005,000)	(2,083,659)	(1,053,000)
Full Time Faculty Hiring	(453,837)	(458,692)	(469,243)	(469,243)	(469,243)
EPA	(5,779,403)	(11,538,752)	(9,000,000)	(8,647,411)	(9,000,000)
Prop Tax	(22,755,497)	(24,076,683)	(25,373,427)	(25,196,248)	(26,259,500)
HO & Timber Tax	(296,101)	(311,221)	(330,167)	(325,692)	(339,410)
Enrollment fees collected @ 98%	(1,185,682)	(1,444,348)	(1,341,130)	(1,475,926)	(1,395,030)
General Apportionment	32,155,490	27,876,524	29,481,033	30,424,503	31,683,817

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Unrestricted SUMMARY

Fund 11

	2023-2024 Actuals	2024-2025 Actuals	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
Beginning Fund Balance-Undesignated	**$ 16,172,055**	**$ 18,341,617**	**$ 18,879,793**	**$ 18,879,793**	**$ 19,464,141**
Estimated Beginning Balance 7/1/26					
Total Federal Income	$ 45,090	$ 7,339	$ -	$ 70	$ -
Total State Income	$ 42,794,076	$ 45,251,818	$ 41,792,846	$ 44,287,708	$ 46,169,873
Total Local Income	$ 26,184,366	$ 36,470,730	$ 29,354,164	$ 29,235,835	$ 30,940,488
Total Other Financing Sources	$ 12,492	$ 15,000	$ 15,000	$ 10,000	$ 5,000
Total Income	**$ 69,036,024**	**$ 81,744,887**	**$ 71,162,010**	**$ 73,533,613**	**$ 77,115,361**
Total Academic Salaries	$ 23,407,805	$ 24,334,393	$ 25,405,419	$ 25,993,504	$ 26,614,567
Total Classified Salaries	$ 15,191,999	$ 15,782,508	$ 17,346,191	$ 16,848,838	$ 18,116,495
Total Employee Benefits	$ 15,680,238	$ 18,956,756	$ 18,362,037	$ 17,006,112	$ 21,892,653
Total Supplies	$ 1,284,764	$ 1,524,336	$ 1,995,363	$ 1,596,198	$ 2,035,515
Total Other Operating Expenses	$ 7,493,107	$ 9,478,566	$ 9,210,477	$ 8,756,320	$ 10,405,399
Total Capital Outlay	$ 1,247,416	$ 759,358	$ 914,914	$ 867,158	$ 1,107,905
Total Other Outgo	$ 2,561,133	$ 10,370,794	$ 1,883,135	$ 1,881,135	$ 1,388,345
Total Expenditures	**$ 66,866,462**	**$ 81,206,711**	**$ 75,117,536**	**$ 72,949,265**	**$ 81,560,879**
Discount Factor @ 4.5% (see Note below)			**$ (3,380,289)**		**$ (3,670,240)**
Projected Expenditures	**$ 66,866,462**	**$ 81,206,711**	**$ 71,737,247**	**$ 72,949,265**	**$ 77,890,639**
Net Income/(Loss)	**$ 2,169,562**	**$ 538,176**	**$ (575,237)**	**$ 584,348**	**$ (775,278)**
Ending Fund Balance	**$ 18,341,617**	**$ 18,879,793**	**$ 18,304,556**	**$ 19,464,141**	**$ 18,688,862**
	27.4%	23.2%	25.5%	26.7%	24.0%

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Restricted

Fund 12	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
Beginning Fund Balance	**$ -**	**$ -**	**$ -**
INCOME			
Federal Income			
College To Career	$ 414,729	$ 377,382	$ 313,884
College Work Study Program	300,284	300,284	300,284
TANF	63,173	82,285	63,173
TRIO/SSS	338,991	297,392	383,873
TRIO/Talent Search	444,717	359,548	339,162
TRIO/Upward Bound	671,780	530,167	613,766
VTEA	404,002	461,673	461,673
Miscellaneous Federal Grants	1,515,370	1,505,425	911,781
Total Federal Income	$ 4,153,046	$ 3,914,156	$ 3,387,596
State Income			
California College Grants (BOG)	$ 96,372	$ 96,732	$ 98,145
California College Promise	178,975	178,975	182,271
Adult Ed Block Grant - AEBG	541,352	451,374	461,592
Board Financial Assistance	351,897	367,324	386,434
CalWORKs	469,692	458,339	737,801
CARE Program	251,370	161,325	283,704
Basic Needs	398,008	365,151	375,010
EOPS	1,568,528	1,247,118	1,429,170
EWD Grants	2,450,812	2,067,918	2,965,512
Foster Parent Training	173,058	158,314	186,651
Guided Pathways	70,811	67,115	44,323
Innovation Award	1,105,043	838,252	1,223,236
Lottery	733,021	627,874	593,556
NEXTUP, formerly CAFYES	571,716	673,985	648,581
Nursing Grants	160,023	140,891	396,897
PACE, formerly DSPS	1,258,879	1,039,182	1,295,943
Strong Workforce Program	3,442,189	3,602,005	3,065,883
Student Equity and Achievement Program	3,000,503	3,166,617	3,084,494
Mental Health Support	274,676	252,448	248,835
Technology Grants	430,000	363,168	444,122
K-16 Collaborative Grant	4,368,216	3,719,336	1,033,869
Veterans Resource	141,144	127,486	108,018
Miscellaneous State Grants	6,635,653	6,018,550	5,921,236
Total State Income	$ 28,671,938	$ 26,189,479	$ 25,215,283

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Restricted

Fund 12		2025-2026 Adopted Budget		2025-2026 Estimated Actuals		2026-2027 Tentative Budget
Local Income						
Health Services Fees	$	398,944	$	420,552	$	435,216
Parking Services Fees		250,000		153,421		160,500
Step-Up		220,368		220,368		297,646
Foundation		452,196		337,080		456,172
Miscellaneous Local Grants		240,000		447,111		537,605
Total Local Income	$	1,561,508	$	1,578,532	$	1,887,139
Other Financing Sources						
Adult Ed Consortium-Member	$	870,023	$	901,891	$	901,891
Total Other Financing Sources	$	870,023	$	901,891	$	901,891
Total Income	**$**	**35,256,515**	**$**	**32,584,058**	**$**	**31,391,909**
EXPENDITURES						
Academic Salaries						
Instructional Contract	$	797,713	$	802,436	$	980,786
Non Instructional Contract		2,316,470		2,616,720		2,387,161
Academic Administrators		1,382,270		1,417,738		1,578,993
Instructional Hourly		125,251		154,650		130,000
Non Instructional Hourly		856,394		944,972		1,137,323
Total Academic Salaries		5,478,098	$	5,936,516		6,214,263
Classified Salaries						
Non Instructional Contract	$	3,669,888	$	3,099,200	$	3,209,753
Instructional Contract		200,548		190,644		196,751
Classified Management		5,039,929		5,151,878		4,944,768
Non Instructional Hourly		440,619		483,722		560,440
Instructional Aides Hourly		122,820		50,044		91,520
Students Hourly		503,404		427,670		449,734
Total Classified Salaries	$	9,977,208	$	9,403,158	$	9,452,966
Employee Benefits						
STRS - State Teachers Retirement	$	910,383	$	872,688	$	1,047,133
PERS - Public Employees Retirement		2,540,651		2,488,708		2,372,068
Social Security & Medicare		906,044		810,268		902,805
Medical/Dental/Vision/Life Insurance		2,188,663		1,923,216		1,967,740
Unemployment Insurance		14,952		14,720		14,258
Workers Compensation Insurance		278,041		284,760		279,153
Retirees Health Benefits		250,113		235,310		237,717
Total Employee Benefits		7,088,847		6,629,670		6,820,874
Supplies						
Instructional	$	724,725	$	671,312	$	655,549
Non-Instructional		717,156		594,068		539,698
Total Supplies	$	1,441,881	$	1,265,380	$	1,195,247

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Restricted

Fund 12	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
Other Operating Expenses			
Building and Copier Leases	$ 351,810	$ 346,511	$ 351,560
Personal/Consultant Services	2,642,392	2,551,868	183,892
Service Fees/Other Charges	1,692,923	1,280,129	1,742,578
Software License	739,284	795,737	784,028
Travel	960,231	442,903	627,209
Advertising, Printing, and Miscellaneous Operating	423,675	252,255	333,986
Field Trips	251,618	169,299	178,781
Total Other Operating Expenses	$ 7,061,933	$ 5,838,702	$ 4,202,034
Capital Outlay			
Buildings/Site Improvements	$ -	$ 25,004	$ -
Library Books	103,000	90,670	104,000
Equipment	1,643,610	1,432,644	1,282,141
Total Capital Outlay	$ 1,746,610	$ 1,548,318	$ 1,386,141
Other Outgo			
Interfund Transfers	$ -	$ -	$ -
AEBG Fiscal Agent Transfers	870,023	901,891	901,891
Student Aid-Grant	-	30,106	5,000
Student Aid-Reimbursement, other	1,591,915	1,030,317	1,213,493
Total Other Outgo	$ 2,461,938	$ 1,962,314	$ 2,120,384
Total Expenditures, Capital Outlay & Other Outgo	**$ 35,256,515**	**$ 32,584,058**	**$ 31,391,909**
Net Income	**$ -**	**$ -**	**$ -**
Ending Fund Balance	**$ -**	**$ -**	**$ -**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
General Fund - Restricted SUMMARY

	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
Total Federal Income	$ 4,153,046	$ 3,914,156	$ 3,387,596
Total State Income	$ 28,671,938	$ 26,189,479	$ 25,215,283
Total Local Income	$ 1,561,508	$ 1,578,532	$ 1,887,139
Total Other Financing Sources	$ 870,023	$ 901,891	$ 901,891
Total Income	**$ 35,256,515**	**$ 32,584,058**	**$ 31,391,909**
Total Academic Salaries	$ 5,478,098	$ 5,936,516	$ 6,214,263
Total Classified Salaries	$ 9,977,208	$ 9,403,158	$ 9,452,966
Total Employee Benefits	$ 7,088,847	$ 6,629,670	$ 6,820,874
Total Supplies	$ 1,441,881	$ 1,265,380	$ 1,195,247
Total Other Operating Expenses	$ 7,061,933	$ 5,838,702	$ 4,202,034
Total Capital Outlay	$ 1,746,610	$ 1,548,318	$ 1,386,141
Total Other Outgo	$ 2,461,938	$ 1,962,314	$ 2,120,384
Total Expenditures	**$ 35,256,515**	**$ 32,584,058**	**$ 31,391,909**
Net Income/(Loss)	**$ -**	**$ -**	**$ -**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
2002 General Obligation Bond Interest and Redemption

Fund 23	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 3,071,676**	**$ 3,548,732**
INCOME		
Interest	$ 53,708	$ 57,112
Taxes	2,677,312	2,790,526
Bond Proceeds	-	-
Total Income	**$ 2,731,020**	**$ 2,847,638**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Debt Principal Reduction	$ 1,695,000	$ 1,850,000
Debt Interest Reduction	558,214	490,518
Held in Escrow	-	-
Bond Issuance Cost	750.00	800
Service Fees	-	-
Total Expenditures	**$ 2,253,964**	**$ 2,341,318**
Net Income/(Loss)	**$ 477,056**	**$ 506,320**
Ending Fund Balance	**$ 3,548,732**	**$ 4,055,052**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Lease Revenue Bond Interest and Redemption

Fund 24	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 47,654**	**$ 62,936**
INCOME		
Interest	$ 15,282	$ 15,928
Proceeds from Refinancing	-	-
Transfer from General Fund	430,135	435,045
Transfer from Revenue Fund	312,826	316,396
Transfer from Parking Fund	39,103	39,550
Total Income	**$ 797,346**	**$ 806,919**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Debt Principal Reduction	$ 705,000	$ 730,000
Debt Interest Reduction	77,064	60,990
Bond Issuance Cost	-	-
Total Expenditures	**$ 782,064**	**$ 790,990**
Net Income/(Loss)	**$ 15,282**	**$ 15,929**
Ending Fund Balance	**$ 62,936**	**$ 78,865**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
2016 General Obligation Bond Interest and Redemption

Fund 25	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 5,386,113**	**$ 5,713,136**
INCOME		
Interest	$ 101,407	$ 105,688
Taxes	6,286,556	6,551,895
Bond Proceeds	-	-
Bond Premium	-	-
Total Income	**$ 6,387,963**	**$ 6,657,583**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Debt Principal Reduction	$ 1,255,000	$ 1,610,000
Debt Interest Reduction	4,800,340	4,742,984
Debt Issuance Cost	5,600	6,000
Service Fees	-	-
Total Expenditures	**$ 6,060,940**	**$ 6,358,984**
Net Income/(Loss)	**$ 327,023**	**$ 298,599**
Ending Fund Balance	**$ 5,713,136**	**$ 6,011,735**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Revenue Fund

Fund 34		2025-2026 Estimated Actual		2026-2027 Tentative Budget
Beginning Fund Balance	**$**	**1,034,599**	**$**	**1,672,482**
INCOME				
Food Service	$	1,267,000	$	1,300,700
Use of Facilities		1,534,908		1,534,908
Starbucks		373,400		446,000
Dormitory Rentals/Other Fees		528,679		536,500
Campus Center Fees		310,000		323,000
Bookstore Commissions		75,000		75,000
Bistro		19,000		20,000
Interest		39,107		41,010
Total Income	**$**	**4,147,094**	**$**	**4,277,118**

		2025-2026 Estimated Actual		2026-2027 Tentative Budget
EXPENDITURES				
Salaries	$	1,252,443	$	1,519,089
Fringe Benefits		499,543		545,830
Supplies		597,916		826,500
Utilities		193,606		210,180
Other Operating Expenses		115,580		162,005
Building		-		6,000
Equipment		137,297		200,363
Transfer to Capital Outlay		400,000		400,000
Principal and Interest on Debt (Energy Loan)		-		-
Transfer to Interest and Redemption Fund		312,826		316,396
Total Expenditures	**$**	**3,509,211**	**$**	**4,186,363**
Net Income/(Loss)	**$**	**637,883**	**$**	**90,755**
Ending Fund Balance	**$**	**1,672,482**	**$**	**1,763,237**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Repair and Replacement Reserve Fund

Fund 35	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 7,648**	**$ -**
INCOME		
Interest	$ -	$ -
Transfers from Revenue Fund-Dorm Loan	-	-
Transfers from Revenue Fund	-	-
Total Income	**$ -**	**$ -**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Supplies	$ -	$ -
Repairs	-	-
Service Fees	-	-
Site Improvements	-	-
Buildings	-	-
Equipment	7,648	-
Transfer to Revenue Fund	-	-
Total Expenditures	**$ 7,648**	**$ -**
Net Income/(Loss)	**$ (7,648)**	**$ -**
Ending Fund Balance	**$ -**	**$ -**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Auxiliary Fund

Fund 36	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 1,849,380**	**$ 1,728,707**
INCOME		
Local Income	$ 894,395	$ 906,234
Incoming Transfers	200,000	200,000
Total Income	**$ 1,094,395**	**$ 1,106,234**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Salaries	$ 431,738	$ 445,416
Benefits	100,733	104,953
Supplies	81,016	117,420
Other Operating Expenses	557,367	680,846
Equipment/Other Capital	44,214	54,921
Student Aid and Awards	-	-
Total Expenditures	**$ 1,215,068**	**$ 1,403,556**
Net Income/(Loss)	**$ (120,673)**	**$ (297,322)**
Ending Fund Balance	**$ 1,728,707**	**$ 1,431,385**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Parking Improvement Fund

Fund 37	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 1,516,631**	**$ 2,013,333**
INCOME		
Interest	$ 39,805	$ 41,484
Transfer from Unrestricted Fund	500,000	-
Transfer from Restricted Fund	-	-
Total Income	**$ 539,805**	**$ 41,484**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Repairs and Operating Expenses	$ 4,000	$ 4,000
Site Improvement	-	-
Transfer to Interest and Redemption Fund	39,103	39,550
Total Expenditures	**$ 43,103**	**$ 43,550**
Net Income/(Loss)	**$ 496,702**	**$ (2,066)**
Ending Fund Balance	**$ 2,013,333**	**$ 2,011,267**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Capital Outlay Projects Fund

Fund 41	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 12,384,935**	**$ 10,070,447**
INCOME		
Scheduled Maintenance	$ -	$ -
Redevelopment Agencies	372,843	388,577
Cal Fire Reimbursement	1,598,396	4,800,000
Miscellaneous Local Income	33,221	35,000
Interest	270,300	281,706
Transfer from Revenue Fund	400,000	500,000
Transfer from General	-	-
Total Income	**$ 2,674,760**	**$ 6,005,283**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Supplies	$ 106,500	$ 90,500
Operating Expenses	1,969,267	1,991,000
Site Improvement	824,000	1,950,000
Building Improvement	1,806,781	6,267,000
Equipment	282,700	875,000
Transfer to Bond Fund	-	-
Total Expenditures	**$ 4,989,248**	**$ 11,173,500**
Net Income/(Loss)	**$ (2,314,488)**	**$ (5,168,217)**
Ending Fund Balance	**$ 10,070,447**	**$ 4,902,230**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
2016 General Obligation Bond Project Fund

Fund 43	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 53,760,598**	**$ 43,521,002**
INCOME		
Interest	$ 1,211,242	$ 1,211,242
State Reimbursement-Bond Projects	3,956,771	1,100,000
Transfer from Capital Outlay	-	-
Bond Proceeds- Series D	-	-
Total Income	**$ 5,168,013**	**$ 2,311,242**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Salaries	$ 402,980	$ 410,345
Fringe Benefits	193,632	197,837
Supplies	-	-
Operating	226,875	186,000
Bond Issuance Cost	-	-
Bond Projects	14,584,122	14,200,000
Total Expenditures	**$ 15,407,609**	**$ 14,994,182**
Net Income/(Loss)	**$ (10,239,596)**	**$ (12,682,940)**
Ending Fund Balance	**$ 43,521,002**	**$ 30,838,062**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Self Insurance Fund

Fund 61	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 297,767**	**$ 304,261**
INCOME		
Claim Reimbursements	$ -	$ -
Incoming Transfers	750,000	750,000
Total Income	**$ 750,000**	**$ 750,000**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Salaries	$ 101,280	$ 105,281
Benefits	47,116	48,648
Insurance	595,110	750,000
Total Expenditures	**$ 743,506**	**$ 903,929**
Net Income/(Loss)	**$ 6,494**	**$ (153,929)**
Ending Fund Balance	**$ 304,261**	**$ 150,332**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Associated Students and Student Rep Fee Trusts

Fund 71	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 295,547**	**$ 303,437**
INCOME		
General	$ 1,270	$ 1,000
Activity Cards	12,450	15,000
Interest	7,930	8,265
Events	-	-
Total Income	**$ 21,650**	**$ 24,265**
EXPENDITURES		
Supplies	$ 6,722	$ 13,500
Operating Expenses	4,503	6,000
Equipment	2,035	2,000
Scholarships	500	2,000
Total Expenditures	**$ 13,760**	**$ 23,500**
Net Income/(Loss)	**$ 7,890**	**$ 765**
Ending Fund Balance	**$ 303,437**	**$ 304,202**

Fund 72	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 25,982**	**$ 39,695**
INCOME		
Student Rep Fee	$ 12,798	$ 15,000
Interest Income	915	953
Total Income	**$ 13,713**	**$ 15,953**
EXPENDITURES		
Operating Expenses	$ -	$ -
Total Expenditures	**$ -**	**$ -**
Net Income/(Loss)	**$ 13,713**	**$ 15,953**
Ending Fund Balance	**$ 39,695**	**$ 55,648**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Student Financial Aid Fund

Fund 74	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ -**	**$ -**
INCOME		
Federal		
PELL Grants	$ 18,294,141	$ 19,500,000
NSL-Federal/Local	2,449,266	2,500,000
SEOG Grants	500,000	500,000
TANF	25,310	24,500
National Service Award	65,000	70,000
Bureau of Indian Affairs	10,000	25,000
Trio Grants	21,000	-
State		
Cal Grants	$ 3,344,002	$ 3,590,000
Student Success Completion Grant	5,727,565	6,000,000
CAFYES Grant	155,250	200,000
EOPS/CARE	812,690	880,000
Other State Grants/Awards	1,004,358	1,297,000
Local		
Other Local Grants/Awards	$ -	$ -
Transfer from General Fund	-	-
Total Income	**$ 32,408,582**	**$ 34,586,500**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Federal		
PELL Grants	$ 18,294,141	$ 19,500,000
NSL-Federal/Local	2,449,266	2,500,000
SEOG Grants	500,000	500,000
TANF	25,310	24,500
National Service Award	65,000	70,000
Bureau of Indian Affairs	10,000	25,000
Trio Grants	21,000	-
State		
Cal Grants	$ 3,344,002	$ 3,590,000
Student Success Completion Grant	5,727,565	6,000,000
CAFYES Grant	155,250	200,000
EOPS/CARE	812,690	880,000
Other State Grants/Awards	1,004,358	1,297,000
Local		
Other Local Grants/Awards	$ -	$ -
Total Expenditures	**$ 32,408,582**	**$ 34,586,500**
Net Income/(Loss)	**$ -**	**$ -**
Ending Fund Balance	**$ -**	**$ -**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Scholarship and Loan Fund

Fund 75	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 136,253**	**$ 174,389**
INFLOW		
Inflow		
Donations	$ 687,412	$ 650,000
Transfer from Trustee Scholarship Fund	241,200	300,000
Total Inflow	**$ 928,612**	**$ 950,000**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
OUTGO		
Awards	$ 890,476	$ 900,000
Total Outgo	**$ 890,476**	**$ 900,000**
Net Inflow/Outgo	**$ 38,136**	**$ 50,000**
Ending Fund Balance	**$ 174,389**	**$ 224,389**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Shasta College Trustees' Scholarship Fund

Fund 77	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 4,602,550**	**$ 4,756,367**
REVENUES		
Investment Earnings	$ 339,190	$ 350,000
Contributions	55,827	100,000
Total Income	**$ 395,017**	**$ 450,000**

	2025-2026 Estimated Actual	2026-2027 Tentative Budget
EXPENDITURES		
Transfer to Scholarship/Loan Fund	$ 241,200	$ 300,000
Other Operating Expenses	-	-
Total Expenditures	**$ 241,200**	**$ 300,000**
Net Income/(Loss)	**$ 153,817**	**$ 150,000**
Ending Fund Balance	**$ 4,756,367**	**$ 4,906,367**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
Clubs - Funds Held in Trust

Fund 78	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 202,758**	**$ 219,205**
INFLOW		
Club Activities	$ 72,770	$ 85,000
Total Inflow	**$ 72,770**	**$ 85,000**
OUTGO		
Supplies	$ -	$ -
Operating Expenses	56,323	85,000
Scholarships	-	-
Total Outgo	**$ 56,323**	**$ 85,000**
Net Inflow/Outgo	**$ 16,447**	**$ -**
Ending Fund Balance	**$ 219,205**	**$ 219,205**

Shasta-Tehama-Trinity Joint Community College District
2026-2027
Tentative Budget
PARS Trust

Fund 79	2025-2026 Estimated Actual	2026-2027 Tentative Budget
Beginning Fund Balance	**$ 13,567,703**	**$ 14,632,703**
INFLOW		
Transfer from general	$ -	$ -
Invest - Gains/[Losses]	1,100,000	1,200,000
Total Inflow	**$ 1,100,000**	**$ 1,200,000**
OUTGO		
Service Fees	$ 35,000	$ 35,000
PERS expense	-	-
Total Outgo	**$ 35,000**	**$ 35,000**
Net Inflow/Outgo	**$ 1,065,000**	**$ 1,165,000**
Ending Fund Balance	**$ 14,632,703**	**$ 15,797,703**

Attachment 2

Shasta Tehama Trinity Joint Community College District

Actuarial Study of
Retiree Health Liabilities Under GASB 74/75

Valuation Date: June 30, 2025
Measurement Date: June 30, 2025
For Fiscal Year-End: June 30, 2026

Prepared by:
Foster & Foster Actuaries and Consultants
(Formerly Total Compensation Systems, Inc.)

Date: March 13, 2026

Table of Contents

Shasta Tehama Trinity Joint Community College District
Actuarial Study of Retiree Health Liabilities

PART I: EXECUTIVE SUMMARY

A. Introduction

This report was produced by Foster & Foster, Inc. for Shasta Tehama Trinity Joint Community College District to determine the liabilities associated with its current retiree health program as of a June 30, 2025 measurement date and to provide the necessary information to determine accounting entries for the fiscal year ending June 30, 2026. This report may not be suitable for other purposes such as determining employer contributions or assessing the potential impact of changes in plan design.

Different users of this report will likely be interested in different sections of information contained within. We anticipate that the following portions may be of most interest depending on the reader:

- A high level comparison of key results from the current year to the prior year is shown on this page.
- The values we anticipate will be disclosed in the June 30, 2026 year-end financials are shown on pages 2 and 3.
- Additional accounting information is shown on page 12 and Appendices C and D.
- Description and details of measured valuation liabilities can be found beginning on page 10.
- Guidance regarding the next actuarial valuation for the June 30, 2026 measurement date is provided on page 13.

B. Key Results

Shasta Tehama Trinity JCCD uses an Actuarial Measurement Date that is 12 months prior to its Fiscal Year-End. This means that these actuarial results measured as of June 30, 2025 will be used on a look back basis for the June 30, 2026 Fiscal Year-End.

Key Results	**Current Year** *June 30, 2025 Measurement Date* *for June 30, 2026 Fiscal Year-End*	**Prior Year** *June 30, 2024 Measurement Date* *for June 30, 2025 Fiscal Year-End*
Total OPEB Liability (TOL)	$34,532,588	$35,075,505
Fiduciary Net Position (FNP)	$29,296,052	$26,627,640
Net OPEB Liability (NOL)	$5,236,536	$8,447,865
Service Cost *(for year following)*	$149,181	$163,733
Estimated Pay-as-you-go Amount *(for year following)*	$3,254,920	$3,129,553
GASB 75 OPEB Expense *(for year ending)*	$871,565	$1,316,900

Refer to results section beginning on page 10 or the glossary on page 28 for descriptions of the above items.

Key Assumptions	**Current Year** *June 30, 2025 Measurement Date* *for June 30, 2026 Fiscal Year-End*	**Prior Year** *June 30, 2024 Measurement Date* *for June 30, 2025 Fiscal Year-End*
Valuation Interest Rate	6.00%	6.00%
Expected Rate of Return on Assets	6.00%	6.00%
Long-Term Medical Trend Rate	4.00%	4.00%
Projected Payroll Growth	2.75%	2.75%

The following table shows the “pay as you go” projection of annual payments for the employer share of retiree health costs. Although actual payments are certain to vary from those shown below, these projections can be useful for planning purposes. See page 11 for amounts below broken out by employee classification, if applicable.

Year Beginning July 1	*Projected Benefit Payments*
2025	$3,254,920
2026	$3,278,977
2027	$3,269,168
2028	$3,223,331
2029	$3,179,505
2030	$3,109,961
2031	$3,036,642
2032	$2,946,683
2033	$2,837,258
2034	$2,709,582

C. Summary of GASB 75 Accounting Results

1. Changes in Net OPEB Liability

The following table shows the reconciliation of the June 30, 2024 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2025 NOL. A more detailed version of this table can be found on page 12.

	TOL	*FNP*	*NOL*
Balance at June 30, 2024 Measurement Date	**$35,075,505**	**$26,627,640**	**$8,447,865**
Service Cost	$163,733	$0	$163,733
Interest on TOL / Return on FNP	$2,015,556	$2,711,070	($695,514)
Employer Contributions	$0	$3,129,553	($3,129,553)
Benefit Payments	($3,129,553)	($3,129,553)	$0
Administrative Expenses	$0	($42,658)	$42,658
Experience (Gains)/Losses	$710,231	$0	$710,231
Changes in Assumptions	($302,884)	$0	($302,884)
Other	$0	$0	$0
Net Change	($542,917)	$2,668,412	($3,211,329)
Actual Balance at June 30, 2025 Measurement Date	**$34,532,588**	**$29,296,052**	**$5,236,536**

2. Deferred Inflows and Outflows

Changes in the NOL arising from certain sources are recognized on a deferred basis. The following tables show the balance of each deferral item as of the measurement date and the scheduled future recognition. A reconciliation of these balances can be found on page 12 while the complete deferral history is shown beginning on page 25.

Balances at June 30, 2026 Fiscal Year-End	*Deferred Outflows*	*Deferred Inflows*
Differences between expected and actual experience	$1,329,124	($377,112)
Changes in assumptions	$647,928	($854,788)
Differences between projected and actual return on assets	$0	($802,789)
Total	$1,977,052	($2,034,689)

To be recognized fiscal year ending June 30:	*Deferred Outflows*	*Deferred Inflows*
2027	$712,128	$76,895
2028	$687,988	($659,871)
2029	$278,437	($629,242)
2030	$102,933	($419,170)
2031	$102,933	($196,235)
Thereafter	$92,633	($207,066)
Total	$1,977,052	($2,034,689)

3. OPEB Expense

Under GASB 74 and 75, OPEB expense includes service cost, interest cost, administrative expenses, and change in TOL due to plan changes, adjusted for deferred inflows and outflows. OPEB expense can also be derived as change in net position, adjusted for employer contributions, which can be found on page 12.

To be recognized fiscal year ending June 30, 2026	*Expense Component*
Service Cost	$163,733
Interest Cost	$2,015,556
Expected Return on Assets	($1,596,379)
Administrative Expenses	$42,658
Recognition of Experience (Gain)/Loss Deferrals	$216,568
Recognition of Assumption Change Deferrals	$210,132
Recognition of Investment (Gain)/Loss Deferrals	($180,703)
Employee Contributions	$0
Changes in Benefit Terms	$0
Net OPEB Expense for fiscal year ending June 30, 2026	$871,565

4. Adjustments

The above OPEB expense includes all deferred inflows and outflows except any contributions after the measurement date. Contributions from July 1, 2025 to June 30, 2026 minus prior contributions after the measurement date should also be reflected in OPEB expense. June 30, 2026 deferred outflows should include contributions from July 1, 2025 to June 30, 2026.

5. Trend and Interest Rate Sensitivities

The following presents what the Net OPEB Liability would be if it were calculated using a discount rate assumption or a healthcare trend rate assumption one percent higher or lower than the current assumption.

Net OPEB Liability at June 30, 2025 Measurement Date	*Discount Rate*	*Healthcare Trend Rate*
1% Decrease in Assumption	$7,712,501	$4,226,311
Current Assumption	$5,236,536	$5,236,536
1% Increase in Assumption	$3,051,485	$6,356,252

D. Description of Retiree Benefits

Following is a description of the current retiree benefit plan. These benefits apply to employees hired after July 1, 2001. Employees hired prior to this date are eligible for benefits under prior, grandfathered plans.

	Faculty	Classified	Management*
Benefit types provided	Medical, only	Medical, only	Medical, only
Duration of Benefits	Until Medicare Eligible	Until Medicare Eligible	Equal to length of service, but not beyond age 65
Required Service	15 years	15 years	5 years
Minimum Age	55	55	55
Dependent Coverage	No	No	No
College Contribution %	100%	100%	100%
College Cap	$500 per month	$500 per month	$847 per month

*Management employees hired on or after 1/1/2014 are ineligible for retiree health benefits

E. Summary of Valuation Data

This report is based on census data provided to us as of October, 2025. Distributions of participants by age and service can be found on page 18. For non-lifetime benefits, the active count below excludes employees for whom it is not possible to receive retiree benefits (e.g. employees who are already older than the maximum age to which benefits are payable or who will not accrue the required service prior to reaching the maximum age).

	Current Year *June 30, 2025 Valuation Date* *June 30, 2025 Measurement Date*	**Prior Year** *June 30, 2023 Valuation Date* *June 30, 2024 Measurement Date*
Active Employees eligible for future benefits		
Count	346	342
Average Age	44.8	44.4
Average Years of Service	9.5	8.9
Retirees currently receiving benefits		
Count	269	270
Average Age	77.4	76.2

We were not provided with information about any terminated, vested employees.

F. Certification

The actuarial information in this report is intended solely to assist Shasta Tehama Trinity JCCD in complying with Governmental Accounting Standards Board Accounting Statement 74 and 75 and, unless otherwise stated, fully and fairly discloses actuarial information required for compliance. Nothing in this report should be construed as an accounting opinion, accounting advice or legal advice. Foster & Foster recommends that third parties retain their own actuary or other qualified professionals when reviewing this report. Foster & Foster's work is prepared solely for the use and benefit of Shasta Tehama Trinity JCCD. Release of this report may be subject to provisions of the Agreement between Shasta Tehama Trinity JCCD and Foster & Foster. No third party recipient of this report product should rely on the report for any purpose other than accounting compliance. Any other use of this report is unauthorized without first consulting with Foster & Foster.

This report is for fiscal year July 1, 2025 to June 30, 2026, using a measurement date of June 30, 2025. The calculations in this report have been made based on our understanding of plan provisions and actual practice at the time we were provided the required information. We relied on information provided by Shasta Tehama Trinity JCCD. Much or all of this information was unaudited at the time of our evaluation. We reviewed the information provided for reasonableness, but this review should not be viewed as fulfilling any audit requirements. We relied on the following materials to complete this study:

- We used paper reports and digital files containing participant demographic data from the District personnel records.

- We used relevant sections of collective bargaining agreements provided by the District.

All costs, liabilities, and other estimates are based on actuarial assumptions and methods that comply with all applicable Actuarial Standards of Practice (ASOPs). Each assumption is deemed to be reasonable by itself, taking into account plan experience and reasonable future expectations and in combination represent our estimate of anticipated experience of the Plan.

This report contains estimates of the Plan's financial condition and future results only as of a single date. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. This valuation cannot predict the Plan's future condition nor guarantee its future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. Determining results using alternative assumptions (except for the alternate discount and trend rates shown in this report) is outside the scope of our engagement.

Future actuarial measurements may differ significantly from those presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the measurement methodology (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We were not asked to perform analyses to estimate the potential range of such future measurements.

The signing actuary is independent of Shasta Tehama Trinity JCCD and any plan sponsor. Foster & Foster does not intend to benefit from and assumes no duty or liability to other parties who receive this report. Foster & Foster is not aware of any relationship that would impair the objectivity of the opinion.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, this report is complete and has been prepared in accordance with generally accepted actuarial principles and practices and all applicable Actuarial Standards of Practice. I meet the Qualifications Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,

Will Kane, FSA, EA, MAAA
Senior Consulting Actuary
Foster & Foster, Inc.

PART II: LIABILITIES AND COSTS FOR RETIREE BENEFITS

A. Introduction.

We calculated the actuarial present value of projected benefit payments (APVPBP) separately for each participant. We determined eligibility for retiree benefits based on information supplied by Shasta Tehama Trinity JCCD. We then selected assumptions that, based on plan provisions and our training and experience, represent our best prediction of future plan experience. For each participant, we applied the appropriate assumption factors based on the participant's age, sex, length of service, and employee classification.

The actuarial assumptions used for this study are summarized beginning on page 14.

B. Liability for Retiree Benefits.

For each participant, we projected future premium costs using an assumed trend rate (see Appendix C). To the extent Shasta Tehama Trinity JCCD uses contribution caps, the influence of the trend factor is further reduced. We multiplied each future year's benefit payments by the probability that benefits will be paid; i.e. based on the probability that the participant is living, has not terminated employment, has retired and remains eligible. The probability that benefit will be paid in any future year is zero if the participant will not be eligible. The participant will not be eligible if s/he will not have met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's benefit payments and the probability the benefit will be paid equals the expected cost for that year. We multiplied the above expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan. Finally, we discounted the expected cost for each year to the measurement date June 30, 2025 at 6.00% interest.

For any ***current retirees***, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 100%).

The value generated from the process described above is called the actuarial present value of projected benefit payments (APVPBP). We added APVPBP for each participant to get the total APVPBP for all participants which is the estimated present value of all future retiree health benefits for all **current** participants. The APVPBP is the amount on June 30, 2025 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last participant dies or reaches the maximum eligibility age. However, for most actuarial and accounting purposes, the APVPBP is not used directly but is instead apportioned over the lifetime of each participant as described in the following sections.

C. Actuarial Accrual

Accounting principles provide that the cost of retiree benefits should be “accrued” over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in June of 2015 Accounting Standards 74 and 75 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees), whether they pay directly or indirectly (via an “implicit rate subsidy”).

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an “actuarial cost method” and uses the APVPBP to develop expense and liability figures. Furthermore, the APVPBP should be accrued over the working lifetime of employees.

In order to accrue the APVPBP over the working lifetime of employees, actuarial cost methods apportion the APVPBP into two parts: the portions attributable to service rendered prior to the measurement date (the past service liability or Total OPEB Liability (TOL) under GASB 74 and 75) and to service after the measurement date but prior to retirement (the future service liability or present value of future service costs). Of the future service liability, the portion attributable to the single year immediately following the measurement date is known as the normal cost or Service Cost under GASB 74 and 75.

The service cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. The actuarial cost method mandated by GASB 75 is the “entry age actuarial cost method”. Under the entry age actuarial cost method, the actuary determines the service cost as the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. Under GASB 75, the service cost is calculated to be a level percentage of each employee’s projected pay.

D. Actuarial Assumptions

The APVPBP and service cost are determined using several key assumptions:

- The current ***cost of retiree health benefits*** (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the service cost.

- The ***“trend” rate*** at which retiree health benefits are expected to increase over time. A higher trend rate increases the service cost. A “cap” on District contributions can reduce trend to zero once the cap is reached thereby dramatically reducing service costs.

- ***Mortality rates*** varying by age and sex (and sometimes retirement or disability status). If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

- ***Employment termination rates*** have the same effect as mortality inasmuch as higher termination rates reduce service costs. Employment termination can vary considerably between public agencies.

- The ***service requirement*** reflects years of service required to earn full or partial retiree benefits. While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

- ***Retirement rates*** determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase service costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.

- ***Participation rates*** indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.

- The ***discount rate*** estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the **real** rate of return expected for plan assets plus the long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20 year General Obligation municipal bonds rated AA or higher. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

E. Total OPEB Liability

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. If all actuarial assumptions are exactly met and an employer expensed the service cost every year for all past and current employees and retirees, a sizeable liability would have accumulated (after adding interest and subtracting retiree benefit costs). The liability that would have accumulated is called the Total OPEB Liability (TOL). The excess of TOL over the value of plan assets is called the Net OPEB Liability (NOL). Under GASB 74 and 75, in order for assets to count toward offsetting the TOL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

Changes in the TOL can arise in several ways - e.g., as a result of plan changes or changes in actuarial assumptions. Change in the TOL can also arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience. GASB 75 allows certain changes in the TOL to be deferred (i.e. deferred inflows and outflows of resources).

Under GASB 74 and 75, a portion of actuarial gains and losses can be deferred as follows:

- Investment gains and losses are deferred five years.

- Experience gains and losses are deferred over the Expected Average Remaining Service Lives (EARSL) of plan participants. In calculating the EARSL, terminated employees (primarily retirees) are considered to have a working lifetime of zero. This often makes the EARSL quite short.

- Liability changes resulting from changes in economic and demographic assumptions are also deferred based on the EARSL.

- Liability changes resulting from plan changes, for example, cannot be deferred.

F. Valuation Results

This section details the measured values of the concepts described on the previous pages.

1. Actuarial Present Value of Projected Benefit Payments (APVPBP)

Actuarial Present Value of Projected Benefit Payments as of June 30, 2025 Valuation Date

	Total	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
Active: Pre-65 Benefit	$1,634,226	$55,115	$695,494	$605,687	$249,065	$28,865
Post-65 Benefit	$3,092,994	$90,863	$2,347,524	$406,741	$247,866	$0
Subtotal	$4,727,220	$145,978	$3,043,018	$1,012,428	$496,931	$28,865
Retiree: Pre-65 Benefit	$470,730	$88,124	$83,333	$224,429	$74,844	$0
Post-65 Benefit	$30,129,369	$589,260	$16,248,705	$9,292,415	$3,998,989	$0
Subtotal	$30,600,099	$677,384	$16,332,038	$9,516,844	$4,073,833	$0
Grand Total	$35,327,319	$823,362	$19,375,056	$10,529,272	$4,570,764	$28,865
Subtotal Pre-65 Benefit	$2,104,956	$143,239	$778,827	$830,116	$323,909	$28,865
Subtotal Post-65 Benefit	$33,222,363	$680,123	$18,596,229	$9,699,156	$4,246,855	$0

2. Service Cost

The service cost represents the value of the benefit earned during a single year of employment. It is the APVPBP spread over the expected working lifetime of the employee and divided into annual segments. We applied an "entry age" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated service cost.

Service Cost Valuation Year Beginning July 1, 2025

	Total	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
# of Eligible Employees	346	6	124	184	21	11
First Year Service Cost						
Pre-65 Benefit	$82,561	$3,354	$34,844	$31,648	$11,340	$1,375
Post-65 Benefit	$66,620	$1,638	$49,104	$13,064	$2,814	$0
Total	$149,181	$4,992	$83,948	$44,712	$14,154	$1,375

Accruing retiree health benefit costs using service costs levels out the cost of retiree health benefits over time and more fairly reflects the value of benefits "earned" each year by employees. While the service cost for each employee is targeted to remain level as a percentage of covered payroll, the service cost as a dollar amount would increase each year based on covered payroll. Additionally, the overall service cost may grow or shrink based on changes in the demographic makeup of the employees from year to year.

3. Total OPEB Liability and Net OPEB Liability

If actuarial assumptions are borne out by experience, the District will fully accrue retiree benefits by expensing an amount each year that equals the service cost. If no accruals had taken place in the past, there would be a shortfall of many years' accruals, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the Total OPEB Liability. We calculated the Total OPEB Liability (TOL) as the APVPBP minus the present value of future service costs. To the extent that benefits are funded through a GASB 74 qualifying trust, the trust's Fiduciary Net Position (FNP) is subtracted to get the NOL. The FNP is the value of assets adjusted for any applicable payables and receivables as shown in the table on page 15.

Total OPEB Liability and Net OPEB Liability as of June 30, 2025 Valuation Date

	Total	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
Active: Pre-65 Benefit	1,012,004	$40,327	$456,637	$316,633	$185,136	$13,271
Active: Post-65 Benefit	$2,920,485	$85,791	$2,229,368	$367,946	$237,380	$0
Subtotal	$3,932,489	$126,118	$2,686,005	$684,579	$422,516	$13,271
Retiree: Pre-65 Benefit	$470,730	$88,124	$83,333	$224,429	$74,844	$0
Retiree: Post-65 Benefit	$30,129,369	$589,260	$16,248,705	$9,292,415	$3,998,989	$0
Subtotal	$30,600,099	$677,384	$16,332,038	$9,516,844	$4,073,833	$0
Subtotal: Pre-65 Benefit	$1,482,734	$128,451	$539,970	$541,062	$259,980	$13,271
Subtotal: Post-65 Benefit	$33,049,854	$675,051	$18,478,073	$9,660,361	$4,236,369	$0
Total OPEB Liability (TOL)	$34,532,588	$803,502	$19,018,043	$10,201,423	$4,496,349	$13,271
Fiduciary Net Position as of June 30, 2025	$29,296,052					
Net OPEB Liability (NOL)	$5,236,536					

4. "Pay As You Go" Projection of Retiree Benefit Payments

We used the actuarial assumptions shown in Appendix C to project the District's ten year retiree benefit outlay. Because these cost estimates reflect average assumptions applied to a relatively small number of participants, estimates for individual years are **certain** to be ***in***accurate. However, these estimates show the size of cash outflow.

The following table shows a projection of annual amounts needed to pay the District's share of retiree health costs.

Year Beginning July 1	*Total*	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
2025	$3,254,920	$60,984	$1,680,776	$1,064,528	$448,632	$0
2026	$3,278,977	$62,074	$1,723,664	$1,045,315	$447,924	$0
2027	$3,269,168	$64,735	$1,744,162	$1,018,165	$442,106	$0
2028	$3,223,331	$65,579	$1,735,440	$989,907	$432,405	$0
2029	$3,179,505	$66,252	$1,729,781	$960,415	$423,057	$0
2030	$3,109,961	$66,960	$1,705,199	$928,537	$409,265	$0
2031	$3,036,642	$67,224	$1,673,581	$895,746	$400,091	$0
2032	$2,946,683	$67,246	$1,633,251	$856,406	$389,780	$0
2033	$2,837,258	$67,451	$1,592,665	$821,827	$355,061	$254
2034	$2,709,582	$62,850	$1,536,749	$768,764	$340,814	$405

G. Additional Reconciliation of GASB 75 Results

The following table shows the reconciliation of the June 30, 2024 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2025 NOL. For some plans, it will provide additional detail and transparency beyond that shown in the table on Page 2.

	TOL	*FNP*	*NOL*
Balance at June 30, 2024	**$35,075,505**	**$26,627,640**	**$8,447,865**
Service Cost	$163,733	$0	$163,733
Interest on Total OPEB Liability	$2,015,556	$0	$2,015,556
Expected Investment Income	$0	$1,596,379	($1,596,379)
Administrative Expenses	$0	($42,658)	$42,658
Employee Contributions	$0	$0	$0
Employer Contributions to Trust	$0	$0	$0
Employer Contributions as Benefit Payments	$0	$3,129,553	($3,129,553)
Benefit Payments from Trust	$0	$0)	$0
Expected Benefit Payments from Employer	($3,129,553)	($3,129,553)	$0
Expected Balance at June 30, 2025	**$34,125,241**	**$28,181,361**	**$5,943,880**
Experience (Gains)/Losses	$710,231	$0	$710,231
Changes in Assumptions	($302,884)	$0	($302,884)
Changes in Benefit Terms	$0	$0	$0
Investment Gains/(Losses)	$0	$1,114,691	($1,114,691)
Other	$0	$0	$0
Net Change during 2025	($542,917)	$2,668,412	($3,211,329)
Actual Balance at June 30, 2025*	**$34,532,588**	**$29,296,052**	**$5,236,536**

* May include a slight rounding error.

Changes in the NOL arising from certain sources are recognized on a deferred basis. The deferral history for Shasta Tehama Trinity JCCD is shown beginning on page 25. The following table summarizes the beginning and ending balances for each deferral item. The current year expense reflects the change in deferral balances for the measurement year.

Deferred Inflow/Outflow Balances Fiscal Year Ending June 30, 2026

	Beginning Balance	*Change Due to New Deferrals*	*Change Due to Recognition*	*Ending Balance*
Experience (Gains)/Losses	$458,349	$710,231	($216,568)	$952,012
Assumption Changes	$306,156	($302,884)	($210,132)	($206,860)
Investment (Gains)/Losses	$131,199	($1,114,691)	$180,703	($802,789)
Deferred Balances	$895,704	($707,344)	($245,997)	($57,637)

The following table shows the reconciliation of Net Position (NOL less the balance of any deferred inflows or outflows). When adjusted for contributions, the change in Net Position is equal to the OPEB expense shown previously on page 3.

Preliminary OPEB Expense Fiscal Year Ending June 30, 2026

	Beginning Net Position	*Ending Net Position*	*Change*
Net OPEB Liability (NOL)	$8,447,865	$5,236,536	($3,211,329)
Deferred Balances	$895,704	($57,637)	($953,341)
Net Position	$7,552,161	$5,294,173	($2,257,988)
Adjust Out Employer Contributions			$3,129,553
OPEB Expense			$871,565

H. Procedures for Future Valuations

GASB 74/75 require annual measurements of liability with a full actuarial valuation required every two years. This means that for the measurement date one year following a full actuarial valuation, a streamlined "roll-forward" valuation may be performed in place of a full valuation. The following outlines the key differences between full and roll-forward valuations.

	Full Actuarial Valuation	Roll-Forward Valuation
Collect New Census Data	Yes	No
Reflect Updates to Plan Design	Yes	No
Update Actuarial Assumptions	Yes	Typically Not
Update Valuation Interest Rate	Yes	Yes
Actual Assets as of Measurement Date	Yes	Yes
Timing	4-6 weeks after information is received	1-2 weeks after information is received
Fees	Full	Reduced
Information Needed from Employer	Moderate	Minimal
Required Frequency	At least every two years	Each year, unless a full valuation is performed

The majority of employers use an alternating cycle of a full valuation one year followed by a roll-forward valuation the next year. However, a full valuation may be required or preferred under certain circumstances. Following are examples of actions that could cause the employer to consider a full valuation instead of a roll-forward valuation.

- The employer adds or terminates a group of participants that constitutes a significant part of the covered group.
- The employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- The employer considers or puts in place an early retirement incentive program.
- The employer desires the measured liability to incorporate more recent census data or assumptions.

We anticipate that the next valuation we perform for Shasta Tehama Trinity JCCD will be a roll-forward valuation with a measurement date of June 30, 2026 which will be used for the fiscal year ending June 30, 2027. Please let us know if Shasta Tehama Trinity JCCD would like to discuss whether another full valuation would be preferable based on any of the examples listed above.

PART III: ACTUARIAL ASSUMPTIONS AND METHODS

Following is a summary of actuarial assumptions and methods used in this study. The District should carefully review these assumptions and methods to make sure they reflect the District's assessment of its underlying experience. It is important for Shasta Tehama Trinity JCCD to understand that the appropriateness of all selected actuarial assumptions and methods are Shasta Tehama Trinity JCCD's responsibility. Unless otherwise disclosed in this report, Foster & Foster believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 74 and 75, applicable actuarial standards of practice, Shasta Tehama Trinity JCCD's actual historical experience, and Foster & Foster's judgment based on experience and training.

A. ACTUARIAL METHODS AND ASSUMPTIONS:

ACTUARIAL COST METHOD: GASB 74 and 75 require use of the entry age actuarial cost method.

Entry age is based on the age at hire for eligible employees. The attribution period is determined as the difference between the expected retirement age and the age at hire. The APVPBP and present value of future service costs are determined on a participant by participant basis and then aggregated.

SUBSTANTIVE PLAN: As required under GASB 74 and 75, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by Shasta Tehama Trinity JCCD regarding practices with respect to employer and employee contributions and other relevant factors.

B. ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 2.50% per year used for pension purposes. Actuarial standards require using the same rate for OPEB that is used for pension.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 6.00% per year net of expenses. This is based on assumed long-term return on employer assets. We used the "Building Block Method". (See Appendix C, Paragraph 53 for more information). Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 4.00% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 2.75% per year. Since benefits do not depend on salary (as they do for pensions), this assumption is only used to determine the accrual pattern of the Actuarial Present Value of Projected Benefit Payments.

FIDUCIARY NET POSITION (FNP): The following table shows the beginning and ending FNP numbers that were provided by Shasta Tehama Trinity JCCD.

Fiduciary Net Position as of June 30, 2025

	06/30/2024	*06/30/2025*
Cash and Equivalents	$0	$0
Contributions Receivable	$0	$0
Total Investments	$26,627,640	$29,296,052
Capital Assets	$0	$0
Total Assets	$26,627,640	$29,296,052
Benefits Payable	$0	$0
Fiduciary Net Position	$26,627,640	$29,296,052

C. NON-ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35). See Appendix C, Paragraph 52 for more information.

MORTALITY

Participant Type	*Mortality Tables*
Certificated	2024 CalSTRS Mortality
Classified	2025 CalPERS Mortality for Miscellaneous and Schools Employees

RETIREMENT RATES

Employee Type	*Retirement Rate Tables*
Certificated Management	Hired 2012 and earlier: 2024 CalSTRS 2.0%@60 Rates Hired 2013 and later: 2024 CalSTRS 2.0%@62 Rates
Certificated	Hired 2012 and earlier: 2024 CalSTRS 2.0%@60 Rates Hired 2013 and later: 2024 CalSTRS 2.0%@62 Rates
Classified	Hired 2012 and earlier: 2025 CalPERS 2.0%@55 Rates for Schools Employees Hired 2013 and later: 2025 CalPERS 2.0%@62 Rates for School Employees
Classified Management	Hired 2012 and earlier: 2025 CalPERS 2.0%@55 Rates for Schools Employees Hired 2013 and later: 2025 CalPERS 2.0%@62 Rates for School Employees
Confidential	2025 CalPERS 2.0%@62 Rates for School Employees

COSTS FOR RETIREE COVERAGE

Actuarial Standard of Practice 6 (ASOP 6) Section 3.7.7(c)(3) provides that unadjusted premium may be used as the basis for retiree liabilities if retiree premium rates are not subsidized by active premium rates. We evaluated active and retiree rates and determined that there is not likely to be a subsidy between active and retiree rates. Therefore, retiree liabilities are based on actual employer contributions. Liabilities for active participants are based on the first year costs shown below. Subsequent years' costs are based on first year costs adjusted for trend and limited by any District contribution caps.

Participant Type	*Future Retirees Pre-65*	*Future Retirees Post-65*
Certificated	Employees with $500 monthly cap: $6,000 Employees with $847 monthly cap: $10,164 Employees with no cap: $15,780	Employees with $500 monthly cap: N/A Employees with $847 monthly cap: $10,164 Employees with no cap: $15,571
Certificated Management	$10,164	$10,164
Classified	Employees with $500 monthly cap: $6,000 Employees with $847 monthly cap: $10,164	Employees with $500 monthly cap: N/A Employees with $847 monthly cap: $10,164
Classified Management	$10,164	$10,164
Confidential	$6,000	

PARTICIPATION RATES

Employee Type	*<65 Non-Medicare Participation %*	*65+ Medicare Participation %*
Certificated Management	Employees with $500 monthly cap: 90% Employees with $847 monthly cap: 95% Employees with no cap: 100%	 Employees with $847 monthly cap: 95% Employees with no cap: 100%
Certificated	Employees with $500 monthly cap: 90% Employees with $847 monthly cap: 95%	 Employees with $847 monthly cap: 95%
Classified	Employees with $500 monthly cap: 90% Employees with $847 monthly cap: 95%	 Employees with $847 monthly cap: 95%
Classified Management	Employees with $500 monthly cap: 90% Employees with $847 monthly cap: 95% Employees with no cap: 100%	 Employees with $847 monthly cap: 95% Employees with no cap: 100%
Confidential	Employees with $500 monthly cap: 90%	

TURNOVER

Employee Type	***Turnover Rate Tables***
Certificated	2024 CalSTRS Termination Rates
Classified	2025 CalPERS Turnover for School Employees

SPOUSE PREVALENCE

To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

SPOUSE AGES

To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

PART IV: APPENDICES

APPENDIX A: DEMOGRAPHIC DATA BY AGE

ELIGIBLE ACTIVE EMPLOYEES BY AGE AND EMPLOYEE CLASS

Age	*Total*	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
Under 25	8	0	0	8	0	0
25 – 29	29	0	4	21	0	4
30 – 34	45	0	9	33	0	3
35 – 39	42	0	10	30	0	2
40 – 44	50	1	23	22	3	1
45 – 49	49	0	13	31	4	1
50 – 54	43	1	23	15	4	0
55 – 59	41	2	19	15	5	0
60 – 64	31	2	17	7	5	0
65 and older	8	0	6	2	0	0
Total	346	6	124	184	21	11

ELIGIBLE ACTIVE EMPLOYEES BY AGE AND SERVICE

	Total	*Under 5 Years of Service*	*5 – 9 Years of Service*	*10 – 14 Years of Service*	*15 –19 Years of Service*	*20 – 24 Years of Service*	*25 – 29 Years of Service*	*30 – 34 Years of Service*	*Over 34 Years of Service*
Under 25	8	8							
25 – 29	29	24	4	1					
30 – 34	45	30	14	1					
35 – 39	42	31	9	2					
40 – 44	50	20	23	4	3				
45 – 49	49	16	14	10	5	4			
50 – 54	43	7	14	7	9	4	2		
55 – 59	41		12	12	4	8	5		
60 – 64	31			6	7	6	7	3	2
65 and older	8					2	2	1	3
Total	346	136	90	43	28	24	16	4	5

ELIGIBLE RETIREES BY AGE AND EMPLOYEE CLASS

Age	*Total*	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
Under 50	0	0	0	0	0	0
50 – 54	1	0	1	0	0	0
55 – 59	5	1	0	3	1	0
60 – 64	12	1	4	5	2	0
65 – 69	28	0	15	11	2	0
70 – 74	61	1	21	30	9	0
75 – 79	65	3	30	28	4	0
80 – 84	52	0	29	17	6	0
85 – 89	30	0	15	7	8	0
90 and older	15	0	7	6	2	0
Total	269	6	122	107	34	0

APPENDIX B: ADMINISTRATIVE BEST PRACTICES

It is outside the scope of this report to make specific recommendations of actions Shasta Tehama Trinity JCCD should take to manage the liability created by the current retiree health program. The following items are intended only to allow the District to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of Shasta Tehama Trinity JCCD's practices, it is possible that Shasta Tehama Trinity JCCD is already complying with some or all of these suggestions.

- We suggest that Shasta Tehama Trinity JCCD maintain an inventory of all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, Shasta Tehama Trinity JCCD should determine whether the benefit is material and subject to GASB 74 and/or 75.

- Under GASB 75, it is important to isolate the cost of retiree health benefits. Shasta Tehama Trinity JCCD should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – ***even on a retiree-pay-all basis*** – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, Shasta Tehama Trinity JCCD should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.

- Shasta Tehama Trinity JCCD should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for District-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.

- Several assumptions were made in estimating costs and liabilities under Shasta Tehama Trinity JCCD's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Part III of this report for a summary of assumptions.) For example, Shasta Tehama Trinity JCCD should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for Shasta Tehama Trinity JCCD to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.

APPENDIX C: GASB 74/75 ACCOUNTING ENTRIES AND DISCLOSURES

This report does not necessarily include the entire accounting values. As mentioned earlier, there are certain deferred items that are employer-specific. The District should consult with its auditor if there are any questions about what, if any, adjustments may be appropriate.

GASB 74/75 include a large number of items that should be included in the Note Disclosures and Required Supplementary Information (RSI) Schedules. Many of these items are outside the scope of the actuarial valuation. However, following is information to assist the District in complying with GASB 74/75 disclosure requirements:

Paragraph 50: **Information about the OPEB Plan**

Most of the information about the OPEB plan should be supplied by Shasta Tehama Trinity JCCD. Following is information to help fulfill Paragraph 50 reporting requirements.

50.c: Following is a table of plan participants

	Number of Participants
Inactive Employees Currently Receiving Benefit Payments	269
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments*	0
Participating Active Employees	346
Total Number of participants	615

*We were not provided with information about any terminated, vested employees

Paragraph 51: **Significant Assumptions and Other Inputs**

Shown in Part III.

Paragraph 52: **Information Related to Assumptions and Other Inputs**

The following information is intended to assist Shasta Tehama Trinity JCCD in complying with the requirements of Paragraph 52.

52.b: Mortality Assumptions Following are the tables the mortality assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Mortality Table	2025 CalPERS Mortality for Miscellaneous and Schools Employees
Disclosure	The mortality assumptions are based on the 2025 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

Mortality Table	2025 CalPERS Retiree Mortality for Miscellaneous and Schools Employees
Disclosure	The mortality assumptions are based on the 2025 CalPERS Retiree Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

Mortality Table	2024 CalSTRS Mortality
Disclosure	The mortality assumptions are based on the 2024 CalSTRS Mortality table created by CalSTRS. CalSTRS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalSTRS analysis.

52.c: <u>Experience Studies</u> Following are the tables the retirement and turnover assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Retirement Tables

Retirement Table	2025 CalPERS 2.0%@55 Rates for Schools Employees
Disclosure	The retirement assumptions are based on the 2025 CalPERS 2.0%@55 Rates for Schools Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2025 CalPERS 2.0%@62 Rates for School Employees
Disclosure	The retirement assumptions are based on the 2025 CalPERS 2.0%@62 Rates for School Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2024 CalSTRS 2.0%@60 Rates
Disclosure	The retirement assumptions are based on the 2024 CalSTRS 2.0%@60 Rates table created by CalSTRS. CalSTRS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2024 CalSTRS 2.0%@62 Rates
Disclosure	The retirement assumptions are based on the 2024 CalSTRS 2.0%@62 Rates table created by CalSTRS. CalSTRS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Turnover Tables

Turnover Table	2025 CalPERS Turnover for School Employees
Disclosure	The turnover assumptions are based on the 2025 CalPERS Turnover for School Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Turnover Table	2024 CalSTRS Termination Rates
Disclosure	The turnover assumptions are based on the 2024 CalSTRS Termination Rates table created by CalSTRS. CalSTRS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

For other assumptions, we use actual plan provisions and plan data.

52.d: The alternative measurement method was not used in this valuation.

52.e: NOL using alternative trend assumptions The following table shows the Net OPEB Liability with a healthcare cost trend rate 1% higher and 1% lower than assumed in the valuation.

	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB Liability	$4,226,311	$5,236,536	$6,356,252

Paragraph 53: **Discount Rate**

The following information is intended to assist Shasta Tehama Trinity JCCD to comply with Paragraph 53 requirements.

53.a: A discount rate of 6.00% was used in the valuation. The interest rate used in the prior valuation was 6.00%.

53.b: We assumed that all contributions are from the employer.

53.c: We used historic 12 year real rates of return for each asset class along with our assumed long-term inflation assumption to set the discount rate. We offset the expected investment return by investment expenses of 25 basis points.

53.d: The interest assumption does not reflect a municipal bond rate.

53.e: Not applicable.

53.f: Following is the assumed asset allocation and assumed rate of return for each.
CCLC - CCLC

Asset Class	Percentage of Portfolio	Assumed Gross Return
US Large Cap	29.0000	7.2500
US Small Cap	13.0000	7.2500
All Foreign Stock	9.0000	7.2500
Other Fixed Income	49.0000	3.0000

We looked at rolling periods of time for all asset classes in combination to appropriately reflect correlation between asset classes. That means that the average returns for any asset class don't necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. We used geometric means.

53.g: The following table shows the Net OPEB liability with a discount rate 1% higher and 1% lower than assumed in the valuation.

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability	$7,712,501	$5,236,536	$3,051,485

Paragraph 55: **Changes in the Net OPEB Liability**

Please see reconciliation on pages 2 or 12.

Paragraph 56: **Additional Net OPEB Liability Information**

The following information is intended to assist Shasta Tehama Trinity JCCD to comply with Paragraph 56 requirements.

56.a: The valuation date is June 30, 2025.
The measurement date is June 30, 2025.
56.b: We are not aware of a special funding arrangement.
56.c: Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems.
56.d: There were no changes in benefit terms since the prior measurement date.
56.e: Not applicable
56.f: To be determined by the employer
56.g: To be determined by the employer
56.h: Other than contributions after the measurement, all deferred inflow and outflow balances are shown on page 12 and in Appendix D
56.i: Future recognition of deferred inflows and outflows is shown in Appendix D

Paragraph 57: **Required Supplementary Information**

57.a: Please see reconciliation on pages 2 or 12. Please see the notes for Paragraph 244 below for more information.
57.b: These items are provided on pages 2 and 12 for the current valuation, except for covered payroll, which should be determined based on appropriate methods.
57.c: We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 12 years.
57.d: We are not aware that there are any statutorily or contractually established contribution requirements.

Paragraph 58: **Actuarially Determined Contributions**

We have not been asked to calculate an actuarially determined contribution amount. We assume the District contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 12 years.

Paragraph 244: **Transition Option**

Prior periods were not restated due to the fact that prior valuations were not rerun in accordance with GASB 75. It was determined that the time and expense necessary to rerun prior valuations and to restate prior financial statements was not justified.

APPENDIX D: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

EXPERIENCE GAINS AND LOSSES

			Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Experience Gains and Losses (Measurement Periods)								
Measurement Period	Experience (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2024	2025	Amounts to be Recognized in OPEB Expense after 2025	2026	2027	2028	2029	2030	Thereafter
2018-19	($1,062,439)	7.3	($873,240)	($145,540)	($43,659)	($43,659)					
2020-21	$2,291,026	7.3	$1,255,360	$313,840	$721,826	$313,840	$313,840	$94,146			
2022-23	($497,448)	9.1	($109,330)	($54,665)	($333,453)	($54,665)	($54,665)	($54,665)	($54,665)	($54,665)	($60,128)
2023-24	$0	0	$0	$0	$0						
2024-25	$710,231	6.9	$0	$102,933	$607,298	$102,933	$102,933	$102,933	$102,933	$102,933	$92,633
Net Increase (Decrease) in OPEB Expense			**$272,790**	**$216,568**	**$952,012**	**$318,449**	**$362,108**	**$142,414**	**$48,268**	**$48,268**	**$32,505**

CHANGES OF ASSUMPTIONS

			Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Changes of Assumptions (Measurement Periods)								
Measurement Period	Changes of Assumptions	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2024	2025	Amounts to be Recognized in OPEB Expense after 2025	2026	2027	2028	2029	2030	Thereafter
2018-19	$587,549	7.3	$482,922	$80,487	$24,140	$24,140					
2020-21	$1,979,863	7.3	$1,084,860	$271,215	$623,788	$271,215	$271,215	$81,358			
2022-23	($888,820)	9.1	($195,346)	($97,673)	($595,801)	($97,673)	($97,673)	($97,673)	($97,673)	($97,673)	($107,436)
2023-24	$0	0	$0	$0	$0						
2024-25	($302,884)	6.9	$0	($43,897)	($258,987)	($43,897)	($43,897)	($43,897)	($43,897)	($43,897)	($39,502)
Net Increase (Decrease) in OPEB Expense			**$1,372,436**	**$210,132**	**($206,860)**	**$153,785**	**$129,645**	**($60,212)**	**($141,570)**	**($141,570)**	**($146,938)**

INVESTMENT GAINS AND LOSSES

Measurement Period	Investment (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2024	2025	Amounts to be Recognized in OPEB Expense after 2025	2026	2027	2028	2029	2030	Thereafter
			Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Investment Gains and Losses (Measurement Periods)								
2019-20	$311,710	5	$311,710	$0	$0						
2020-21	($2,487,468)	5	($1,989,976)	($497,492)	$0						
2021-22	$3,902,145	5	$2,341,287	$780,429	$780,429	$780,429					
2022-23	($153,156)	5	($61,264)	($30,632)	($61,260)	($30,632)	($30,628)				
2023-24	($1,050,344)	5	($210,069)	($210,069)	($630,206)	($210,069)	($210,069)	($210,068)			
2024-25	($1,114,691)	5	$0	($222,939)	($891,752)	($222,939)	($222,939)	($222,939)	($222,935)		
Net Increase (Decrease) in OPEB Expense			**$391,688**	**($180,703)**	**($802,789)**	**$316,789**	**($463,636)**	**($433,007)**	**($222,935)**	**$0**	**$0**

APPENDIX E: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non*-actuary understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

Actuarial Cost Method:	A mathematical model for allocating OPEB costs by year of service. The only actuarial cost method allowed under GASB 74/75 is the entry age actuarial cost method.
Actuarial Present Value of Projected Benefit Payments:	The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation or measurement date.
Deferred Inflows/Outflows of Resources:	A portion of certain items that can be deferred to future periods or that weren't reflected in the valuation. The former includes investment gains/losses, actuarial gains/losses, and gains/losses due to changes in actuarial assumptions or methods. The latter includes contributions made to a trust subsequent to the measurement date but before the statement date.
Discount Rate:	Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower service costs and total OPEB liability.
Fiduciary Net Position:	Net assets (liability) of a qualifying OPEB "plan" (i.e. qualifying irrevocable trust or equivalent arrangement).
Implicit Rate Subsidy:	The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees and the employer is expected, in the long run, to pay the underlying cost of retiree benefits.
Measurement Date:	The date at which assets and liabilities are determined in order to estimate TOL and NOL.
Mortality Rate:	Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.
Net OPEB Liability (NOL):	The Total OPEB Liability minus the Fiduciary Net Position.
OPEB Benefits:	Other Post Employment Benefits. Generally, medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.
OPEB Expense:	This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Service Cost plus interest on the Total OPEB Liability (TOL) plus change in TOL due to plan changes minus projected investment income; all adjusted to reflect deferred inflows and outflows of resources.
Participation Rate:	The proportion of retirees who elect to receive retiree benefits. A lower participation rate results in lower service cost and a TOL. The participation rate often is related to retiree contributions.

Pay As You Go Cost:	The projected benefit payments to retirees in a given year as estimated by the actuarial valuation. Actual benefit payments are likely to differ from these estimated amounts. For OPEB plans that do not pre-fund through an irrevocable trust, the Pay As You Go Cost serves as an estimated amount to budget for annual OPEB payments.
Retirement Rate:	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with the service requirement to reflect both age and length of service). The more likely employees are to retire early, the higher service costs and actuarial accrued liability will be.
Service Cost:	The annual dollar value of the "earned" portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.
Service Requirement:	The proportion of retiree benefits payable under the OPEB plan, based on length of service and, sometimes, age. A shorter service requirement increases service costs and TOL.
Total OPEB Liability (TOL):	The amount of the actuarial present value of projected benefit payments attributable to participants' past service based on the actuarial cost method used.
Trend Rate:	The rate at which the employer's share of the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher service costs and TOL.
Turnover Rate:	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce service costs and TOL.
Valuation Date:	The date as of which the OPEB obligation is determined by means of an actuarial valuation. Under GASB 74 and 75, the valuation date does not have to coincide with the statement date, but can't be more than 30 months prior.

Attachment 3

Shasta College
Budget Committee
March 25, 2026

Presented by: Becky McCall, Vice President of Administrative Services

Shasta College
Actuarial Study of Retiree Health Benefits
Under GASB 74/75

As of March 2026

KEY RESULTS

B. Key Results

Shasta Tehama Trinity JCCD uses an Actuarial Measurement Date that is 12 months prior to its Fiscal Year-End. This means that these actuarial results measured as of June 30, 2025 will be used on a look back basis for the June 30, 2026 Fiscal Year-End.

Key Results	**Current Year** *June 30, 2025 Measurement Date* *for June 30, 2026 Fiscal Year-End*	**Prior Year** *June 30, 2024 Measurement Date* *for June 30, 2025 Fiscal Year-End*
Total OPEB Liability (TOL)	$34,532,588	$35,075,505
Fiduciary Net Position (FNP)	$29,296,052	$26,627,640
Net OPEB Liability (NOL)	$5,236,536	$8,447,865
Service Cost *(for year following)*	$149,181	$163,733
Estimated Pay-as-you-go Amount *(for year following)*	$3,254,920	$3,129,553
GASB 75 OPEB Expense *(for year ending)*	$871,565	$1,316,900

Present Value of Future Benefits

Total OPEB Liability and Net OPEB Liability as of June 30, 2025 Valuation Date

	Total	Certificated Management	Certificated	Classified	Classified Management	Confidential
Active: Pre-65 Benefit	1,012,004	$40,327	$456,637	$316,633	$185,136	$13,271
Active: Post-65 Benefit	$2,920,485	$85,791	$2,229,368	$367,946	$237,380	$0
Subtotal	$3,932,489	$126,118	$2,686,005	$684,579	$422,516	$13,271
Retiree: Pre-65 Benefit	$470,730	$88,124	$83,333	$224,429	$74,844	$0
Retiree: Post-65 Benefit	$30,129,369	$589,260	$16,248,705	$9,292,415	$3,998,989	$0
Subtotal	$30,600,099	$677,384	$16,332,038	$9,516,844	$4,073,833	$0
Subtotal: Pre-65 Benefit	$1,482,734	$128,451	$539,970	$541,062	$259,980	$13,271
Subtotal: Post-65 Benefit	$33,049,854	$675,051	$18,478,073	$9,660,361	$4,236,369	$0
Total OPEB Liability (TOL)	$34,532,588	$803,502	$19,018,043	$10,201,423	$4,496,349	$13,271
Fiduciary Net Position as of June 30, 2025	$29,296,052					
Net OPEB Liability (NOL)	$5,236,536					

OPEB Eligible Employees

	Current Year *June 30, 2025 Valuation Date* *June 30, 2025 Measurement Date*	Prior Year *June 30, 2023 Valuation Date* *June 30, 2024 Measurement Date*
Active Employees eligible for future benefits		
Count	346	342
Average Age	44.8	44.4
Average Years of Service	9.5	8.9
Retirees currently receiving benefits		
Count	269	270
Average Age	77.4	76.2

	Total	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
# of Eligible Employees	346	6	124	184	21	11

Projected Annual Cost

Year Beginning July 1	*Total*	*Certificated Management*	*Certificated*	*Classified*	*Classified Management*	*Confidential*
2025	$3,254,920	$60,984	$1,680,776	$1,064,528	$448,632	$0
2026	$3,278,977	$62,074	$1,723,664	$1,045,315	$447,924	$0
2027	$3,269,168	$64,735	$1,744,162	$1,018,165	$442,106	$0
2028	$3,223,331	$65,579	$1,735,440	$989,907	$432,405	$0
2029	$3,179,505	$66,252	$1,729,781	$960,415	$423,057	$0
2030	$3,109,961	$66,960	$1,705,199	$928,537	$409,265	$0
2031	$3,036,642	$67,224	$1,673,581	$895,746	$400,091	$0
2032	$2,946,683	$67,246	$1,633,251	$856,406	$389,780	$0
2033	$2,837,258	$67,451	$1,592,665	$821,827	$355,061	$254
2034	$2,709,582	$62,850	$1,536,749	$768,764	$340,814	$405

Economic Assumptions

B. ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 2.50% per year used for pension purposes. Actuarial standards require using the same rate for OPEB that is used for pension.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 6.00% per year net of expenses. This is based on assumed long-term return on employer assets. We used the "Building Block Method". (See Appendix C, Paragraph 53 for more information). Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 4.00% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

Disclaimer

- *These numbers are certain to be inaccurate.*

Other Post-Employment Benefits (OPEB) Obligation Funding Plan

- Retiree Health Benefits Joint Powers Authority (JPA)
  - Trust created in 2005 by the Community College League of California in response to GASB 74/75 (formerly GASB 45), that allows districts to invest in both long-term and short-term portfolios designed to reduce the annual cost of retiree health benefits.
    - The League works in conjunction with US Bank and Meketa Investment group under the direction of the JPA board of directors.
  - 17 member Districts with $300M in assets
    - Pooled trust creates economies of scale/lower fees with audit, legal and accounting costs all included

Districts	Assets
AHC	11,220,173
Coast	118,939,424
Gavilan	8,048,707
Kern	2,607,898
Lake Tahoe	3,186,235
Merced	6,865,785
Mira Costa	40,930,097
MPCCD	12,149,728
Palomar	18,665,080
Peralta Trust II	1,663,884
San Diego	14,198,114
Sequoias	16,167,944
Shasta	30,532,375
Siskiyous	2,968,680
Solano	7,757,682
Southwestern	11,500,007
West Hills	26,584,534

Other Post-Employment Benefits (OPEB) Obligation Funding Plan

JPA Investment Options:

	Liquidity Plus (%)	Core Bonds (%)	Enhanced Bonds (%)	Bonds Plus (%)	Balanced (%)	Equity Plus (%)	Mostly Equity (%)
Total Equity	0	0	25	40	50	60	75
Global Equity	0	0	25	40	47	57	70
Natural Resources	0	0	0	0	3	3	5
Total Fixed Income	100	100	75	60	50	40	25
High Yield Bonds	3	8	10	5	5	3	2
Bank Loans	2	5	5	4	3	2	1
Investment Grade Bonds	10	80	50	41	34	26	14
TIPS	5	7	10	10	8	9	8
Short-term Gov't Bonds	80	0	0	0	0	0	0
Expected Return (2025)	4.6	5.6	6.6	7.0	7.3	7.6	8.0
Standard Deviation (2025)	1.5	4.2	6.28	8.4	9.9	11.2	13.4

Other Post-Employment Benefits (OPEB) Obligation Funding Plan

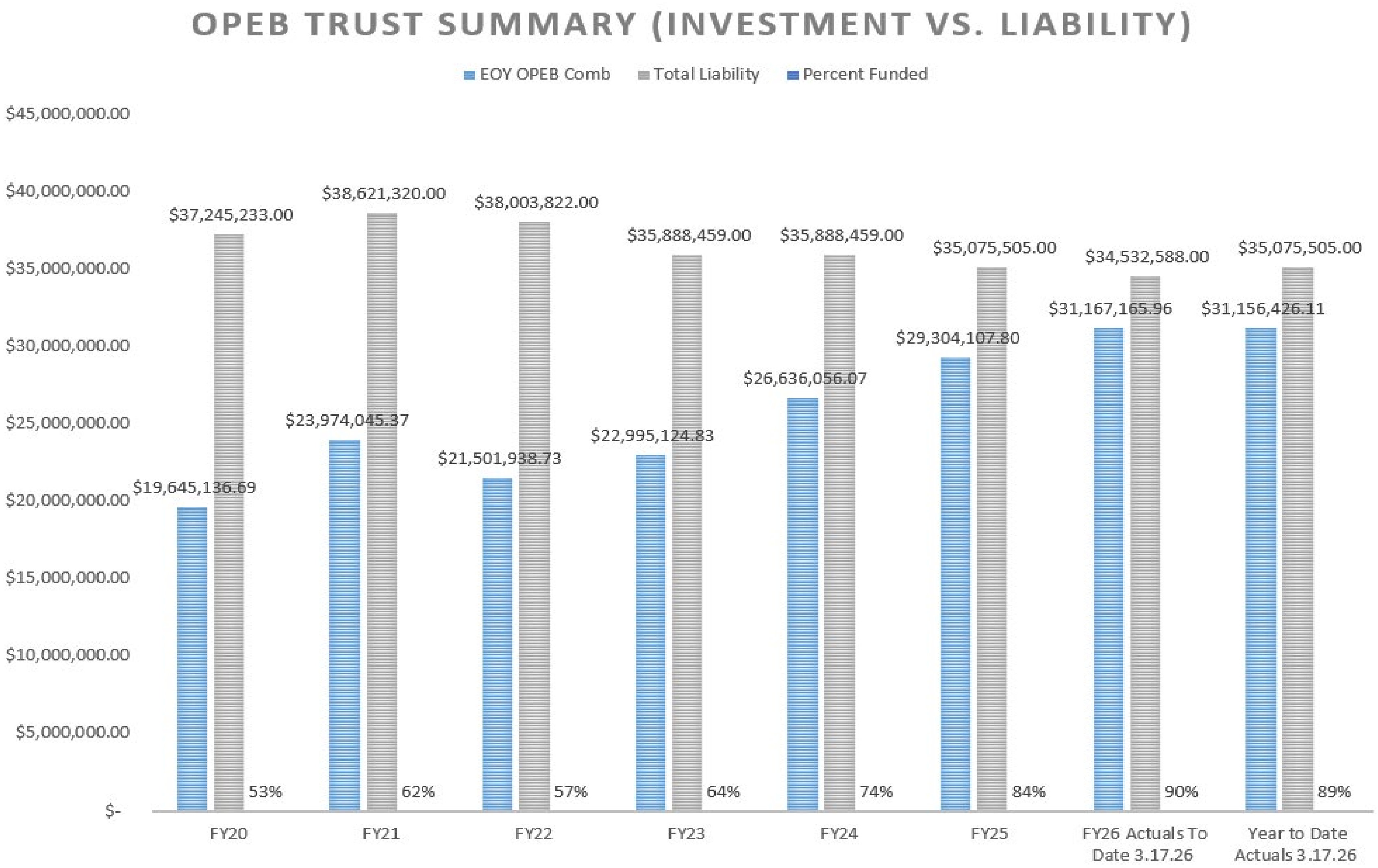
Balanced:

Asset Allocation on September 30, 2025	Market Value $	Allocation (%)	Target (%)
Global Equity	152,641,775.7	48.0	47.0
Natural Resources	9,923,101.0	3.1	3.0
Cash & Short-Term Bonds	2,437.9	0.0	0.0
Investment Grade Bonds	105,587,429.2	33.2	34.0
TIPS	24,832,830.2	7.8	8.0
High Yield Bonds	15,670,913.9	4.9	5.0
Bank Loans	9,337,619.0	2.9	3.0
Total Fund	317,996,107.0	100.0	100.0

Liquidity

Asset Allocation on September 30, 2025	Market Value $	Allocation (%)	Target (%)
Cash & Short-Term Bonds	2,492,532.3	80.0	80.0
Investment Grade Bonds	414,362.4	13.3	10.0
TIPS	51,903.0	1.7	5.0
High Yield Bonds	95,236.4	3.1	3.0
Bank Loans	61,717.7	2.0	2.0
Total Fund	3,115,751.9	100.0	100.0

Other Post-Employment Benefits (OPEB) Obligation Funding Plan



Other Post-Employment Benefits (OPEB) Obligation Funding Plan

	2023-2024 Actuals	2024-2025 Actuals	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
Retirees Health Benefits	2,724,101	2,736,511	1,900,000	1,900,000	3,100,000

The following table shows the "pay as you go" projection of annual payments for the employer share of retiree health costs. Although actual payments are certain to vary from those shown below, these projections can be useful for planning purposes. See page 11 for amounts below broken out by employee classification, if applicable.

Year Beginning July 1	*Projected Benefit Payments*
2025	$3,254,920
2026	$3,278,977
2027	$3,269,168
2028	$3,223,331
2029	$3,179,505
2030	$3,109,961
2031	$3,036,642
2032	$2,946,683
2033	$2,837,258
2034	$2,709,582

Other Post-Employment Benefits (OPEB) Obligation Funding Plan

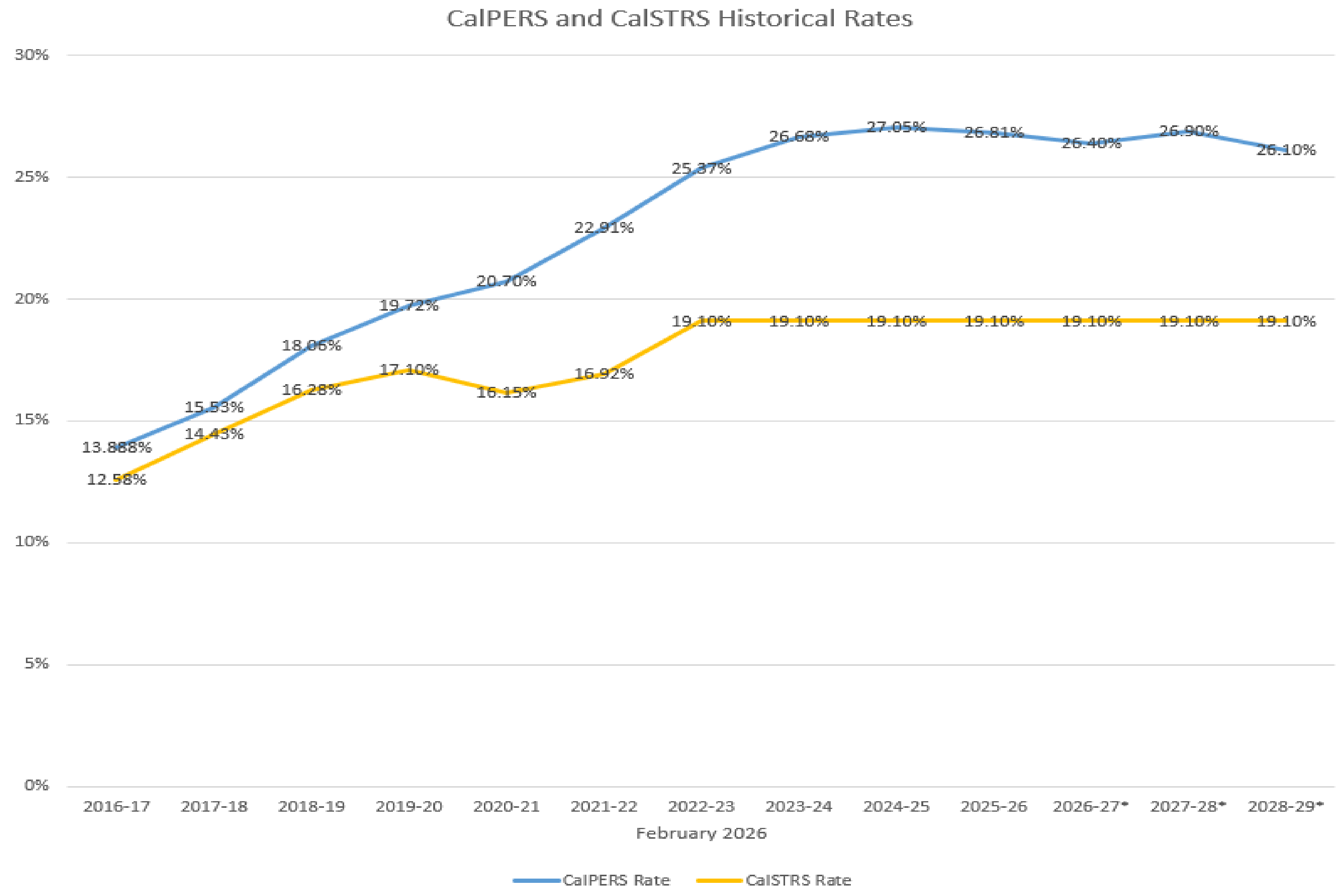
Shasta College Retirement Board:

- Review Districts investment portfolio as established by the JPA Agreement
- Makes recommendations to the District Board and Designated JPA Board Member
- Retirement Board | Shasta College

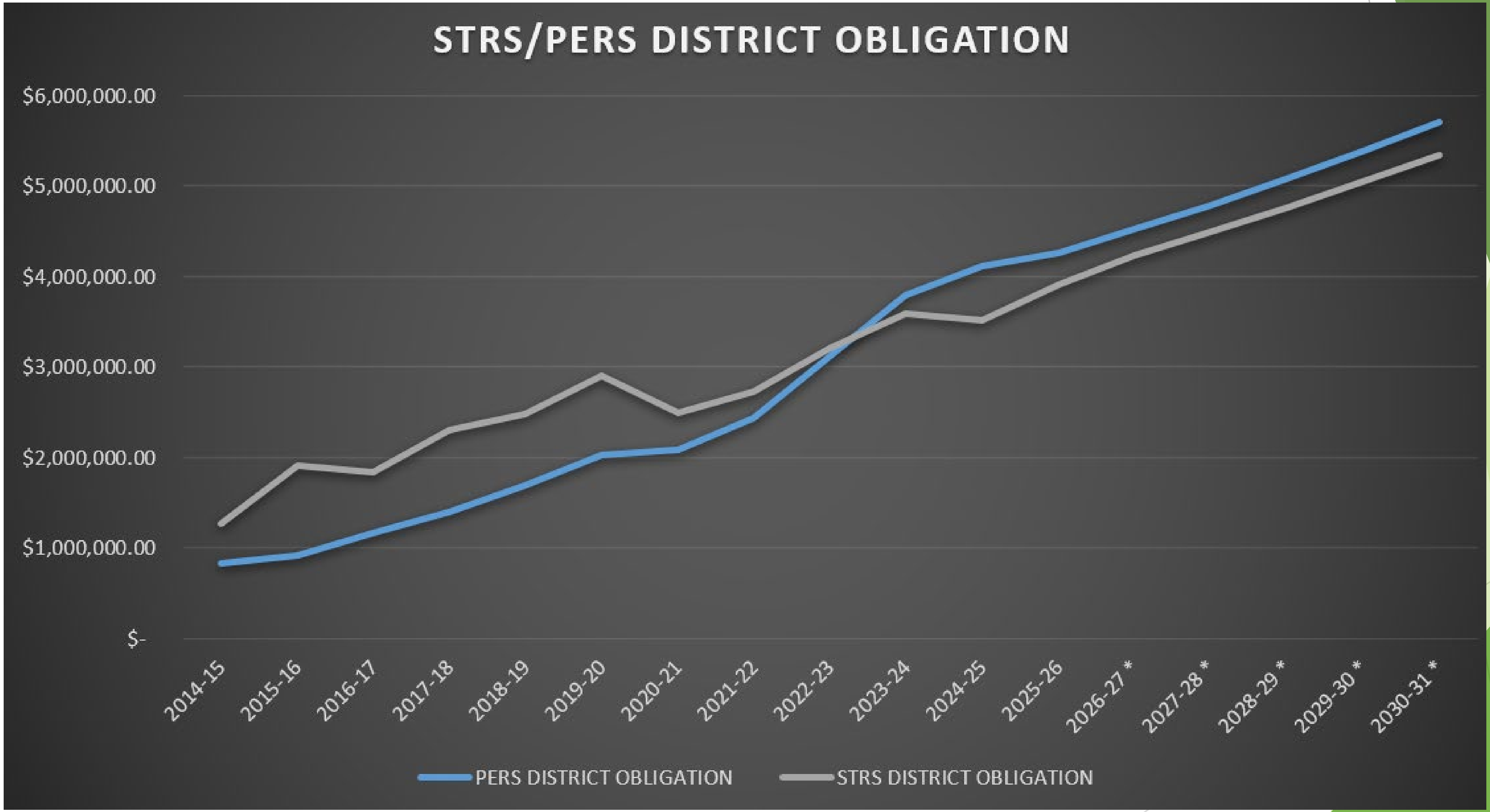
The Retirement Board consists of five members, as follows:

- JPA Designated Member (Shasta College Assistant Superintendent/VP of Administrative Services)
- JPA Alternate Member (Shasta College Director of Business Services)
- District Superintendent/President
- Two Representatives of the District's Board of Trustees

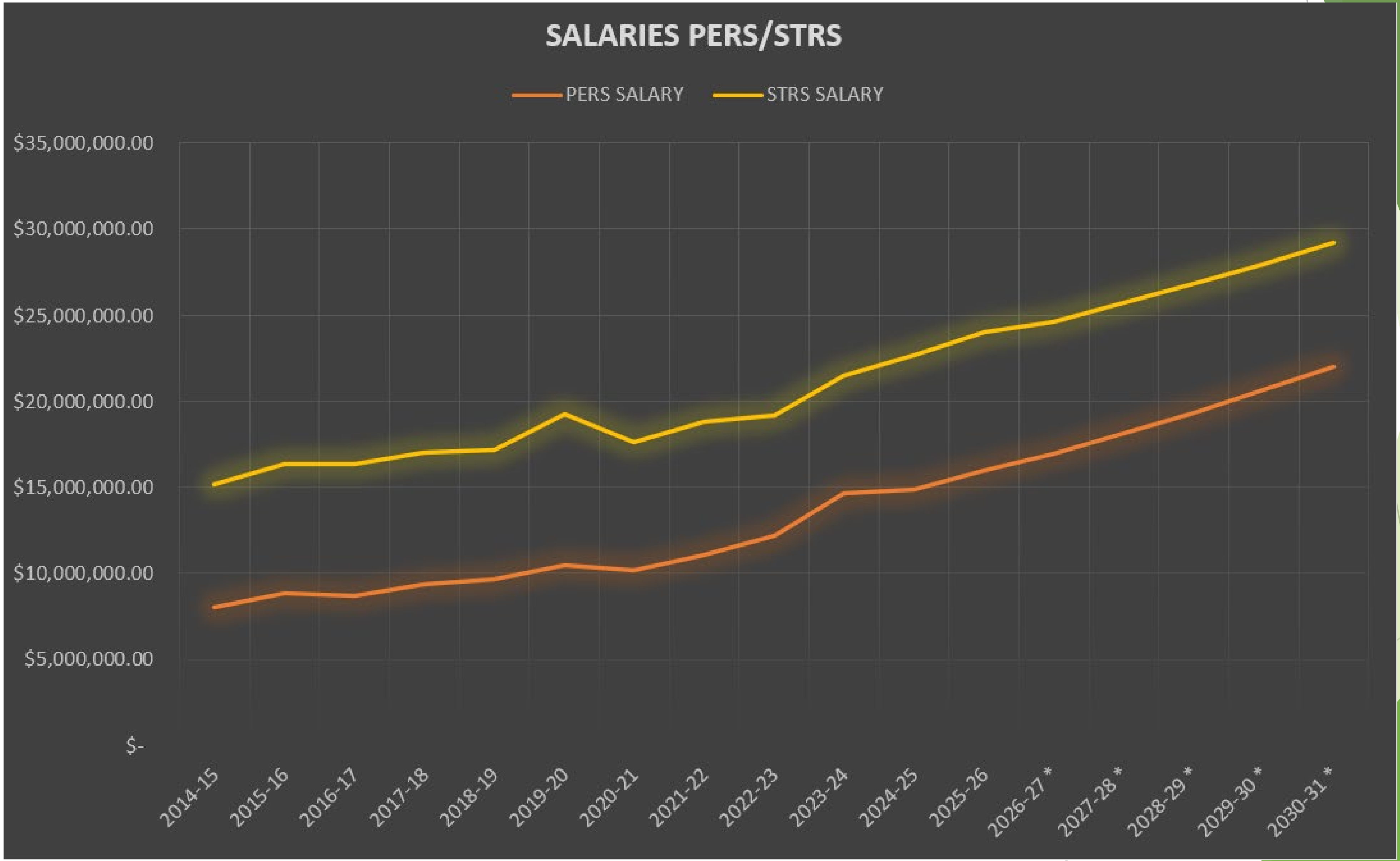
PENSION OBLIGATIONS: CALPERS & CALSTRS



Public Agency Retirement Services (PARS)



SALARY HISTORY AND PROJECTIONS



Public Agency Retirement Services (PARS)

- PARS=
  - Prefund Pension (GASB 68) Irrevocable Pension Section 115 Trust
    - Pension Rate Stabilization Program that helps mitigate the rising costs of CalPERS and CalSTRS.
- Benefits of PARS:

Public Agency Retirement Services (PARS)

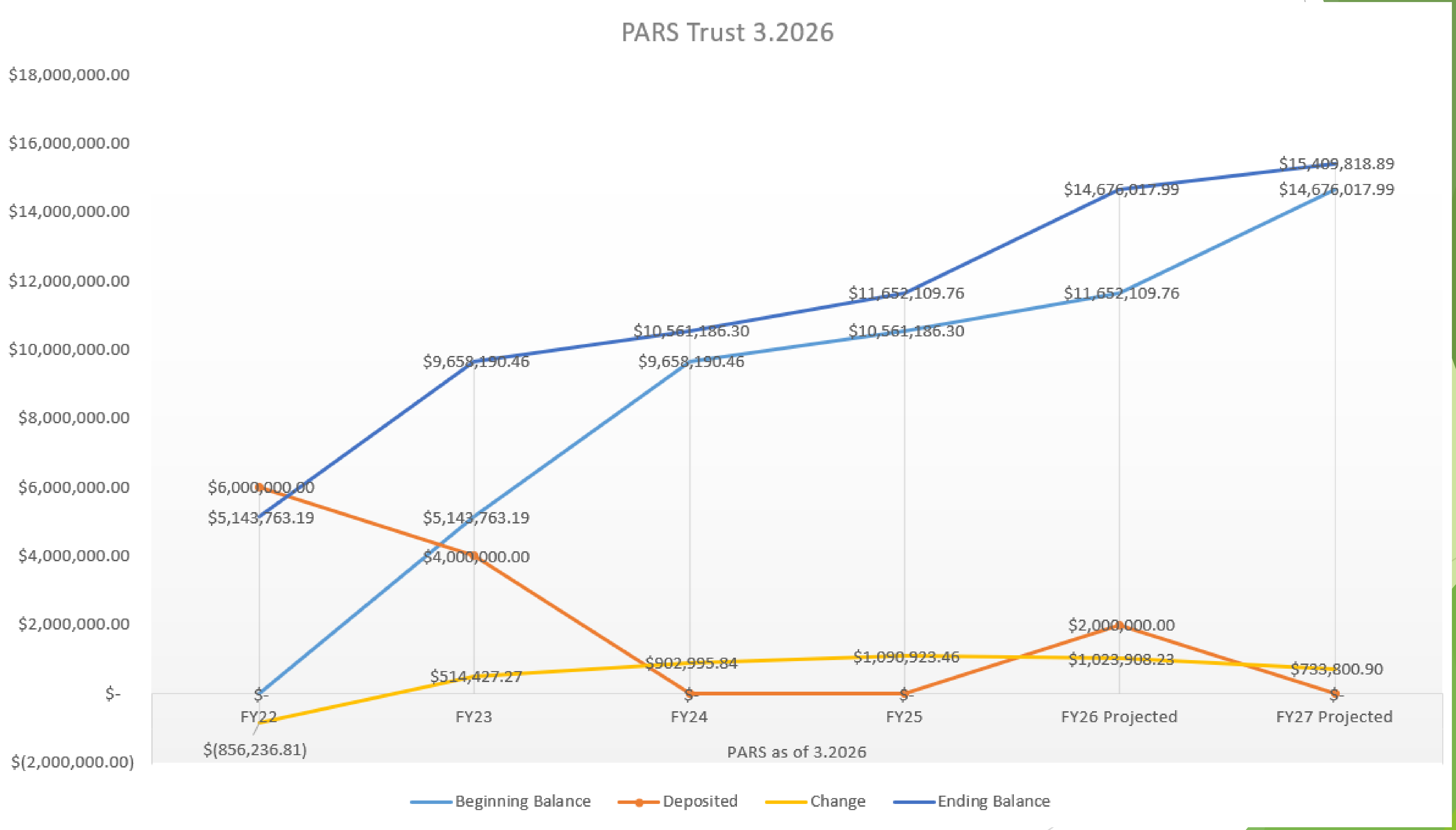
Historic Investment Returns

As of December 31, 2025

Strategy	Equity (%)	1 Year	3 Years	5 Years
Growth	75%	17.54%	15.89%	8.16%
Balanced	60%	15.47%	13.79%	6.60%
Conservative	40%	12.71%	11.23%	4.59%
Fixed Income	0%	7.37%	5.75%	--

*Returns are calculated by U.S. Bank for the PARS 115/PRHCP Target Index portfolios as of December 31, 2025. The returns provided are gross of investment advisory fees and net of embedded fund fees. All performance data, while deemed obtained from reliable sources, is not guaranteed for accuracy. Please see important additional disclosures to the PARS portfolios included in the individual strategy fact sheets.

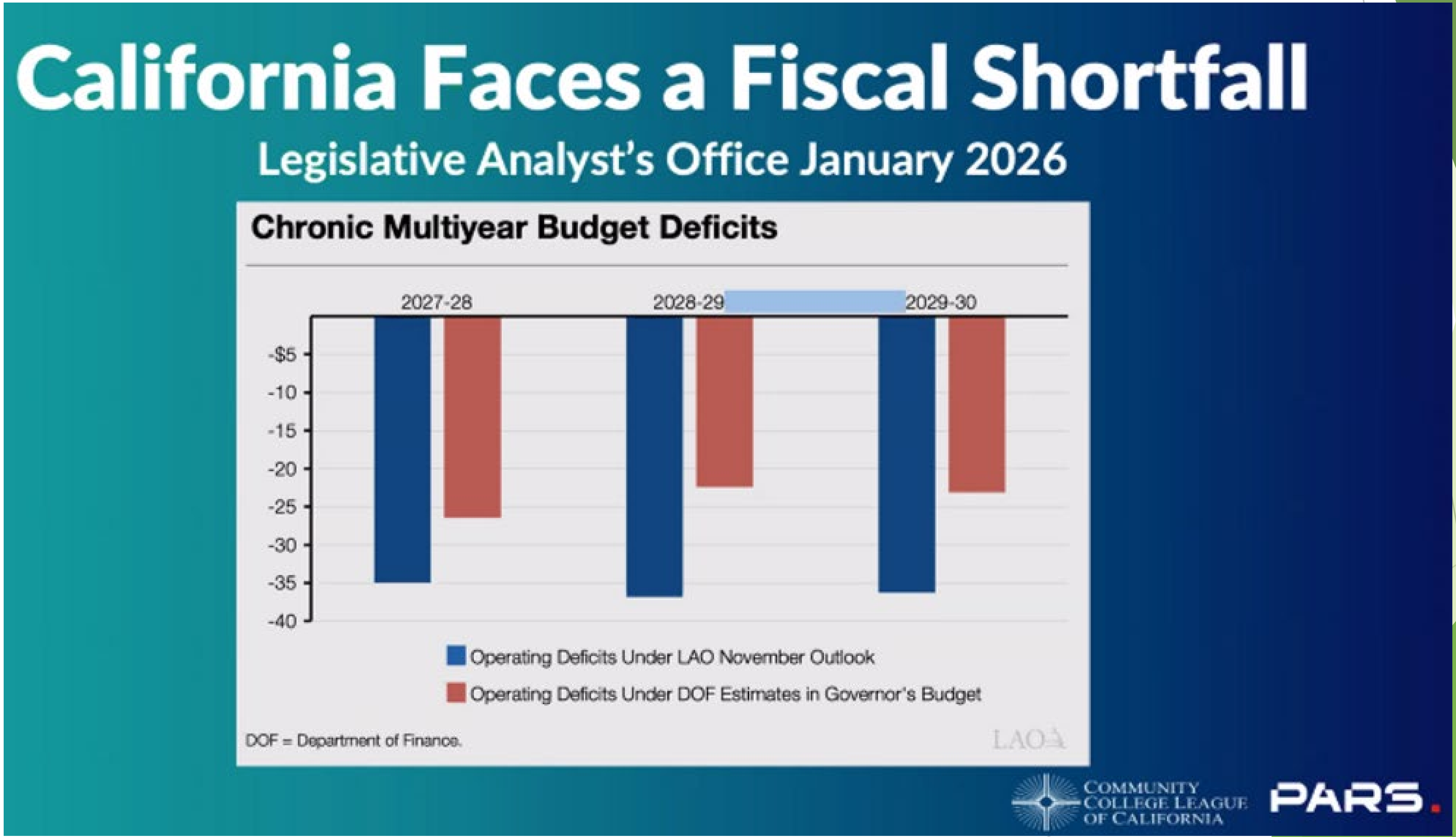
Public Agency Retirement Services (PARS)



Public Agency Retirement Services (PARS)

	2023-2024 Actuals	2024-2025 Actuals	2025-2026 Adopted Budget	2025-2026 Estimated Actuals	2026-2027 Tentative Budget
State Income					
Miscellaneous (State Projects)	237,770	2,012,492	170,000	170,000	2,210,000
Employee Benefits					
STRS - State Teachers Retirement	$ 3,587,546	$ 5,510,901	$ 4,517,347	$ 3,904,644	$ 6,737,643
PERS - Public Employees Retirement	3,795,692	4,117,882	4,511,390	4,264,094	4,522,341

Public Agency Retirement Services (PARS)



Questions?

Attachment 4

General Funds			
The General Fund is the primary operating fund of the district. It is used to account for those transactions that, in general, cover the full scope of operations of the district (instruction, administration, student services, maintenance and operations, etc.).			
Fund Number	**Fund Title**	**Funding Source**	**Funding Purpose/Restrictions on Spending**
11	**Unrestricted General Fund**	State: Apportionment, EPA, Full time Faculty, Partitime Faculty, Timber Tax, Lottery, Block Grant. Local: Property Taxes, Contract Education, Sales, Rentals/Leases, Community Education, Enrollment Fees, Interest income.	General district operations and support of educational programs. Ex: All employee groups salaries/benefits, supplies/materials, travel, professional development, utilities, professional services/consulting, software, technology, other outgo, etc..
12	**Restricted General Fund**	Federal Grants: College to Career, Work Study , TANF, TRIO/SSS, TRIO/Talent Search, TRIO/Upward Bound, VTEA, & other Misc. State Grants: California Promise Grant, Adult Ed Block Grant, Board Financial Assistance, CalWORKS, CARE Program, Basic Needs, EOPS, EWD Grants, Foster Parent Training, Guided Pathways, Innovation Award, Lottery, NEXTUP, Nursing Grant, PACE, Strong Workforce Program, Student Equity and Achievement Program, Mental Health Support, Technology Grants, K-16 Collaborative Grant, Veterans Resource Grant, other Misc. Local: Health Services Fees, Parking Services Fee, Step-Up, Foundation, Other Misc. Other Misc: Adult Ed Consortium-Member	Restricted funds that are from an external source that require funds to be used for specific purposes. Fiscal Resources for operation and suppot of the educaitonal programs that are specifically restricted by laws, regulations, donors and other outside agencies regarding their expenditures.

Debt Service Funds			
Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Revenues to these funds are from special property tax levies for General Obligation (GO) Bonds and operational income for Lease Revenue (LR) Bonds.			
Fund Number	**Fund Title**	**Funding Source**	**Funding Purpose/Restrictions on Spending**
23	**2002 GO Bond**	Property taxes approved by voters.	Long-term debt principal and interest payments from property taxes collected.
24	**Lease Revenue Bond**	Transfers in from Funds that benefited from the projects	Principal and Interest payments
25	**2016 General Obligation (GO) Bond**	Property taxes approved by voters.	Principal and Interest payments

Special Revenue Funds			
Special Revenue Funds are used to account for the proceeds of specific revenue sources whose expenditures are legally restricted. In general, these funds encompass support services that are not directly related to the educational programs of the District.			
Fund Number	**Fund Title**	**Funding Source**	**Funding Purpose/Restrictions on Spending**
34	**Revenue Fund**	Bookstore, Campus Center Fee, Dorms, Food Services, Bistro, Starbucks, and Cal Fire.	These activities are supported through current and accumulated income generated within this fund.
35	**Revenue Repair/Replacement**	Interfund Transfer from General Fund 11	Repair/Replace district infrastructure

36	**Auxiliary Fund**	Various revenue generated from fundraising, activities and events: Harvest Fest, Gateway to College, Fine Arts, Choir, Symphony, Band, Theatre Concessions, Summer Festival, Athletics, Library Printing, Surplus Sales, Early Childhood Education, Jazz, Business Education, Library Fines, Nursery Sales, Farm/Livestock Sales, Cal Fire Dozer, Timber Sales, Automotive, Grape Sales, Culinary Arts (Bistro), Dental Facility, & QAULIC-B (Block 7).	To be used for specific expenses related to the activity that generated the funds.
37	**Parking Improvement Fund**	Interfund Transfer from General Fund 11	Parking Lot Improvements

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and other capital outlay projects. Resources accumulated for future acquisition or construction of capital projects are recorded in this fund.

Fund Number	Fund Title	Funding Source	Funding Purpose/Restrictions on Spending
41	**Capital Outlay Fund**	Property tax allocation, Deferred Maintenance from State, transfers in from Fund 11	Used to accumulate funds for larger and irregular capital projects, purchases such as: construction (new/remodels), transportation, technology, cybersecurity, network infrastructure, physical infrastructure, security, etc…
43	**2026 General Obligation Bond Fund**	Sale of 2016 General Obligation Bonds, approved by voters	Used to account for the deposit of GO Bond sales/expenses used for acquisition and construction of facilities/equipment.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or organization unit to other units on a cost-reimbursement basis.

Fund Number	Fund Title	Funding Source	Funding Purpose/Restrictions on Spending
61	**Self Insurance Fund**	Transfers in from Fund 11 for self insured insurance programs.	Designated by Ed Code 81602 to account for income and expenditures of self insurance programs. Property and liability insurance, and other funds set aside that insurance will not cover (ex: underground water piping).

Trust Funds

Trust Funds are part of the Fiduciary Fund Group. They account for assets held by the District in a trustee or agency capacity. No District activities are reported in this fund type.

Fund Number	Fund Title	Funding Source	Funding Purpose/Restrictions on Spending
71	**Associated Students Body Fund**	Student Activity Card Sales	Student Senate approved activities
72	**Student Representation Fee Fund**	Student Rep Fee, from students	Student Senate approved activities- specifically for student advocacy
74	**Student Financial Aid Fund**	Federal, State and Local grants, specific for Student Financial Aid	Direct aid to students, specified by funding source

75	**Scholarship and Loan Fund**	Transfers in from Fund 77.	Scholarships to students based on criteria of donor. This account is used to disburse the scholarship and loans to the students.
77	**Trustee Scholarship Fund**	Endowed gifts from donors with specific use of student scholarships & investment income from accumulated balances.	Scholarships to students based on criteria of donor. This account is used to protect and grow the scholarship fund balance in a trust. When needed, funds are transferred to fund 75 to disburse to students.
78	**Student Clubs Fund**	Student Club activities	Club approved activities
79	**PARS Trust**	Trust set up from Fund 11 surplus generated from Federal Stimulus Funds (HEERF), investment earnings from deposit, as well as ERTC Funds.	Reimburse district for PERS and STRS employer contributions.
89	**Phi Theta Kappa**	Honory Society	Students PTK