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ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT
PUBLIC ENTITY INVESTMENT TRUST

AUDIT REPORT

JUNE 30, 2025

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PUBLIC ENTITY INVESTMENT TRUST
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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Antelope Valley Community College District
Lancaster, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of Antelope Valley Community College District Public Entity Investment Trust (the "Trust"), a fiduciary fund of Antelope Valley Community College District (the "District") as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the Trust's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Trust, a fiduciary fund of the District, as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1, the financial statements present only the District's Trust and do not purport to, and do not, present fairly the financial position and results of operations of the District in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Trust's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (MD&A) and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the financial statements. Such information is the responsibility of the management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025, on our consideration of the District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the Trust. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance for the Trust. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance for the Trust.

CWDL, Certified Public Accountants

San Diego, California
December 29, 2025

This section provides an overview and analysis of the financial activities of Antelope Valley Community College District Public Entity Investment Trust (the "Trust") for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

The net position of the Trust at the close of fiscal year 2024-25 is $10,786,863 (net assets held in trust for retiree medical benefits). The net position is available to meet the Trust's ongoing obligations to participants and beneficiaries.

The Trust's funding objective is to meet long-term benefit obligations through contributions and investment income.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following discussion and analysis are intended to serve as an introduction to the Trust's financial statements, which comprises these components:

1. Statement of Trust Net Position
2. Statement of Changes in Trust Net Position
3. Notes to Financial Statements

The Statement of Trust Net Position is a snapshot of account balances at year-end. It indicates the assets available for future payments to retirees and any current liabilities that are owed at this time.

The Statement of Changes in Trust Net Position, on the other hand, provides a view of current year additions to and deductions from the Trust. Both statements are in compliance with *Governmental Accounting Standards*. These Standards require certain disclosures and require the state and local governments to report using the full accrual method of accounting. The Trust complies with all material requirements of these pronouncements.

The Statement of Trust Net Position and the Statement of Changes in Trust Net Position report information about the Trust's activities. These statements include all assets and liabilities, using the full accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. All investment gains and losses are shown at trade date. In addition, both realized and unrealized gains and losses are shown on investments.

These two statements report the Trust's net position held in an irrevocable trust account for retirees' medical benefits. Net position, the difference between assets and liabilities, is one way to measure the Trust's financial position. Over time, increase and decrease in net position is one indicator of whether its financial health is improving or deteriorating. Other factors, such as market conditions, should also be considered in measuring the Trust's overall health.

Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report presents certain required supplementary information concerning the Trust's progress in funding its obligations to provide retiree medical benefits to members.

FINANCIAL ANALYSIS

As previously noted, net position may serve over time as a useful indication of the Trust's financial position. The assets of the Trust exceeded its liabilities at the end of the fiscal years ended June 30, 2025 and 2024.

	2025	2024
Investments in mutual funds	$10,786,863	$ 9,556,050
Net position	$10,786,863	$ 9,556,050

The $1,230,813 increase reflects net investment income and employer contributions of $1,740,378 and payments for retiree benefits $509,565.

The changes to Trust net position during the fiscal year ended June 30, 2025 and 2024 are as follows:

	2025	2024
Employer contributions	$ 1,074,084	$ 889,784
Net investment income	666,294	462,216
Retiree benefits	(509,565)	(502,671)
Beginning balance	9,556,050	8,706,721
Net position	$10,786,863	$ 9,556,050

For the year ended June 30, 2025, net investment income of $666,294 were recorded.

CONTACTING THE TRUST'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, investors and creditors with a general overview of the Trust's finances and to show the Trust's accountability for the money it receives. If you have any questions about this report or need any additional financial information, contact the District at: Antelope Valley Community College District, 3041 W Ave K, Lancaster, California 93536 or visit the District's website at http://www.avc.edu/.

FINANCIAL STATEMENTS

ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT
PUBLIC ENTITY INVESTMENT TRUST
STATEMENT OF TRUST NET POSITION
JUNE 30, 2025

ASSETS	
Investments:	
Mutual funds – equity	$ 1,559,994
Mutual funds – fixed income	9,053,491
Mutual funds – real estate	173,378
Total assets	$ 10,786,863
NET POSITION	
Net position restricted for postemployment benefits other than pensions	$ 10,786,863

ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT
PUBLIC ENTITY INVESTMENT TRUST
STATEMENT OF CHANGES IN TRUST NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

ADDITIONS	
Employer contributions	$ 1,074,084
Net investment income:	
Realized and unrealized gains/(losses), net	287,363
Dividends and other income	465,269
Investment fees	(86,338)
Total additions	1,740,378
DEDUCTIONS	
Retiree benefits	509,565
EXCESS OF ADDITIONS OVER DEDUCTIONS	1,230,813
Net position restricted for postemployment benefits other than pensions:	
Net Position, July 1, 2024	9,556,050
Net Position, June 30, 2025	$ 10,786,863

NOTE 1 – DESCRIPTION OF PLAN

The following information of the Antelope Valley Community College District Public Entity Investment Trust (the "Trust"), a fiduciary fund of the Antelope Valley Community College District (the "District"), provides only general information of the Trust's provisions. Readers should refer to the Trust agreement for a more complete description. These financial statements include only the resources of the Trust and are not intended to present fairly the financial position and results of operations of the District in compliance with accounting principles generally accepted in the United States of America.

General: The District has established a trust to prefund other post-employment obligations for a single employer defined benefit healthcare plan through a third-party. Post employment benefits include medical, dental, vision, and prescription drugs for eligible retirees. Benefit provisions are established and amended through contract negotiations with labor unions and must be approved by the District's Board of Trustees. As of the June 30,2024 valuation date, membership consists of 34 retirees currently eligible to receive benefits, and 431 eligible active plan members.

Contributions: Contributions to the Trust are funded entirely by the employer. The Trust was established and may be amended by the Retirement Board of Authority. During the year ended June 30, 2025, the District made an employer contribution of $1,074,084 from unrestricted District funds. Contributions are not required and any additional contributions by the District would be discretionary. Retiree benefits and administrative expenses are funded from the contribution and investment earnings.

Funded Status and Funding Progress: Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the Trust and the annual required contributions of the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of changes in the net OPEB liability/(asset) and related ratios, presented as required supplementary information following the notes to financial statements, presents information about whether the plan fiduciary net position is increasing or decreasing over time relative to the total OPEB liability.

As of June 30, 2025, using the most recent actuarial valuation date, the District reported a net asset. The total OPEB liability was $10,028,362, the actuarial value of assets was $10,786,863, resulting in a net OPEB liability/(asset) of $(758,501). As of the last actuarial study, the covered payroll (annual payroll of active employees covered by the Plan) was $57,957,580 and the ratio of the net OPEB liability/(asset) to the covered payroll was -1 percent. This report reflects activity through the current period ended June 30, 2025, all differences from this report and the actuarial study relate to current year operations of the trust.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTE 1 – DESCRIPTION OF PLAN, continued

Actuarial Methods and Assumptions continued: In the June 30, 2024 actuarial valuation and rolling forward to June 30, 2025, the entry age actuarial cost method was used. The actuarial assumptions included a 5.20 percent investment rate of return (net of administrative expenses), based on the Plan being funded in an irrevocable employee benefit trust invested in a combined equity and fixed income portfolio.

Investment Options: As appointed by the Retirement Board of Authority, Benefit Trust Company, the Asset Custodian, maintains the Trust's investments in various mutual funds, and is the record keeper and Morgan Stanley is the investment advisor. Funds allocated to the Asset Custodian are invested as directed by the Retirement Board of Authority in a combination of equity and fixed income investments.

Plan Termination: In the event of Plan termination, the net position of the Trust would be allocated as prescribed in the Trust documents, generally to pay in the order indicated below:

- District's remaining retiree medical benefit liabilities.
- Reasonable expenses of administering the Trust.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The accompanying financial statements are presented on the accrual basis of accounting. Contributions are recognized in the period in which the contributions are due, pursuant to formal commitments as well as statutory or contractual commitments. Retiree benefits are recognized when due and payable.

The financial statements of the Trust have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). In the U.S. the Governmental Accounting Standards Board (GASB) is the established and recognized standard-setting body for governmental accounting and financial reporting. The financial statements have been prepared consistent with GASB Codification No. 50, *Postemployment Benefit Plans Other than Pension Plans,* and new standards set forth in GASB Statement No. 74 *Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans.*

Investment Valuation: Investments are reported at fair value based upon market prices, when available, or estimates of fair value, and unrealized and realized gains and losses are included in the Statement of Changes in Trust Net Position.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Trust to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 3 – INVESTMENTS

The Trust has adopted an internally developed investment policy that authorizes the use of a broad range of investment choices that have distinctly different risks and return characteristics. In general, investments held in the Trust Fund are for the primary purpose of meeting present and future OPEB liability obligations and may be invested in accordance with *California Government Code* Sections 53600 through 53622 that, subject to applicable legal requirements, may provide greater latitude to increase purchasing power and capital growth potential if deemed prudent to do so.

As stated in the Investment Policy, the Trust will invest predominantly in open-end mutual funds. The fair value of the Trust's individual investments is established at net asset value (NAV) and at June 30, 2025 are as follows:

Mutual funds:		
Equities	$	1,559,994
Fixed income		9,053,491
Real estate		173,378
Total investments	$	10,786,863

During the fiscal year ended June 30, 2025, the Trust's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated as follows:

Realized and unrealized gains/(losses), net	$	287,363
Dividends and other income		465,269
Investment fees		(86,338)
Net investment income	$	666,294

Custodial Credit Risk: The *California Government Code* requires California banks and savings and loan associations to secure the Trust's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the Trust. All cash held by financial institutions is entirely insured or collateralized.

Credit Risk: The Trust's investment policy requires all fixed income investments to be of investment grade quality or higher at purchase; that is, at the time of purchases, rated no lower than "BBB" by Standard and Poor's. The Retirement Board of Authority, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. At June 30, 2025, the Trust investments consisted of open-end mutual funds, therefore there are no credit ratings to disclose.

Interest Rate Risk: The Trust does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2025, the Trust had no significant interest rate risk related to investments held.

NOTE 3 – INVESTMENTS, continued

Concentration: As required under provisions of GASB Statement No. 74 *Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans*, the plan is required to disclose investments (other than those issued or explicitly guaranteed by the U.S. government) in any one organization that represent 5 percent or more of the plan's fiduciary net position. At June 30, 2025, the following mutual fund holdings exceeded 5 percent of the plan's fiduciary net position:

Description	Market Value	Percentage of Fiduciary Net Position
Community Capital Management Impact Bond Fund Inst	$ 1,355,075	12.56%
Northern Funds Bond Index	2,710,848	25.13%
Target Portfolio Trust TR PIGM Cose BD R6	2,493,996	23.12%
Allspring TR Code Bond R6	2,493,572	23.12%

Rate of return: For the year ended June 30, 2025, the annual money-weighted rate of return on investments was 7.88%.

NOTE 4 – NET OPEB LIABILITY/(ASSET)

The components of the Net OPEB liability/(asset) of the plan at June 30, 2025 were as follows:

Total OPEB Liability	$ 10,028,362
Plan Fiduciary Net Position	10,786,863
Net OPEB Liability/(Asset)	$ (758,501)

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2024
Measurement date	June 30, 2025
Fiscal year	July 1st to June 30th
Actuarial cost methods	Entry age normal cost method
Inflation rate	2.50%
Investment rate of return	5.20%
Salary Increase	2.75%
Healthcare cost trend rate	4.00%
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2021 CalPERS active mortality for miscellaneous employees were used.

NOTE 4 – NET OPEB LIABILITY/(ASSET), continued

The long-term expected rate of return on the OPEB trust investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges were determined based on past investment history and are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class as of June 30, 2025, are summarized in the following table:

Asset Class	Allocation	of Return
All Fixed Income	84%	4.25%
All Domestic Equities	7%	7.25%
Real Estate Investment Trusts	1%	7.25%
All International Equities	8%	7.25%
Total	100%	

Discount Rate: The discount rate of 5.20% is based on the rate of return at 4,75%. The projection of cash flows used to determine the discount rate assumed that ongoing contributions will be made at the actuarially determined contribution rate. Based on that assumption, the OPEB plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members in all future years. Based on earnings on assets of 4.75%, expected future assets are projected to be sufficient to pay out projected District payments for retiree health benefits.

Sensitivity of the net OPEB liability/(asset) to changes in the discount rate:

	Discount Rate 1% Lower (4.20%)	Current Discount Rate (5.20%)	Discount Rate 1% Higher (6.20%)
Net OPEB liability/(asset)	$ (1,990)	$ (758,501)	$ (1,409,097)

Trend Rate: The trend rates grade down from current market trends to an ultimate rate sensitivity of the net OPEB liability/(asset) to changes in the trend rate:

	Trend Rate 1% Lower (3.00%)	Current Trend Rate (4.00%)	Trend Rate 1% Higher (5.00%)
Net OPEB liability/(asset)	$ (1,858,308)	$ (758,501)	$ 494,476

NOTE 5 – RELATED PARTY TRANSACTIONS

Retiree benefit costs of the Trust are paid by the District. The District pay-as-you-go contribution amount was $509,565 during the 2024-25 fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT
PUBLIC ENTITY INVESTMENT TRUST
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2025

	Fiscal Year (Measurement Date)				
	June 30, 2025 (June 30, 2025)	June 30, 2024 (June 30, 2024)	June 30, 2023* (June 30, 2023)	June 30, 2023* (June 30, 2022)	June 30, 2022 (June 30, 2021)
Total OPEB liability					
Service cost	$ 616,856	$ 591,749	$ 600,544	$ 584,471	$ 517,314
Interest	466,555	465,829	449,069	424,743	496,121
Assumption changes	(349,146)	(555,807)	(65,385)	-	(222,574)
Experience gains/(losses)	-	(502,671)	(152,384)	-	1,014,453
Benefit payments	(509,565)	-	(502,596)	(507,668)	(551,448)
Expected minus actual benefit payments	70,206	-	-	-	-
Net change in total OPEB liability	294,906	(900)	329,248	501,546	1,253,866
Total OPEB liability, beginning of year	9,733,456	9,734,356	9,405,108	8,903,562	7,649,696
Total OPEB liability, end of year (a)	$ 10,028,362	$ 9,733,456	$ 9,734,356	$ 9,405,108	$ 8,903,562
Plan fiduciary net position					
Employer contributions	$ 1,074,084	$ 889,784	$ 915,222	$ 5,940,799	$ 982,770
Expected investment income	465,269	420,862	393,330	311,012	186,153
Investment gains/(losses)	287,363	121,399	(123,396)	(1,424,254)	630,726
Administrative expense	(86,338)	(80,045)	(74,803)	(52,956)	(33,580)
Expected benefit payments	(509,565)	(502,671)	(528,109)	(507,668)	(595,657)
Change in plan fiduciary net position	1,230,813	849,329	582,244	4,266,933	1,170,412
Fiduciary trust net position, beginning of year	9,556,050	8,706,721	8,124,477	3,857,544	2,687,132
Fiduciary trust net position, end of year (b)	$ 10,786,863	$ 9,556,050	$ 8,706,721	$ 8,124,477	$ 3,857,544
Net OPEB liability/(asset), ending (a) - (b)	$ (758,501)	$ 177,406	$ 1,027,635	$ 1,280,631	$ 5,046,018
Covered payroll	$ 57,957,580	$ 55,272,132	$ 50,560,266	$ 50,560,266	$ 45,516,169
Plan fiduciary net position as a percentage of the total OPEB liability	108%	98%	89%	86%	43%
Net OPEB liability/(asset) as a percentage of covered payroll	-1%	0%	2%	3%	11%

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

**For fiscal year 2022-23, the District had two valuations completed to align the measurement date to match the District's GASB 74 OPEB Trust report. This change aligns the measurement date with the District's fiscal year end.*

ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT
PUBLIC ENTITY INVESTMENT TRUST
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2025

	Fiscal Year (Measurement Date)			
	June 30, 2021 (June 30, 2020)	June 30, 2020 (June 30, 2019)	June 30, 2019 (June 30, 2018)	June 30, 2018 (June 30, 2017)
Total OPEB liability				
Service cost	$ 718,967	$ 734,818	$ 633,392	$ 599,942
Interest	564,394	499,172	485,046	448,398
Assumption changes	(1,103,802)	-	(95,983)	-
Experience gains/(losses)	(591,719)	(212,029)	186,897	-
Benefit payments	(523,296)	(531,957)	(519,493)	(499,512)
Net change in total OPEB liability	(935,456)	490,004	689,859	548,828
Total OPEB liability, beginning of year	8,585,152	8,095,148	7,405,289	6,856,461
Total OPEB liability, end of year (a)	$ 7,649,696	$ 8,585,152	$ 8,095,148	$ 7,405,289
Plan fiduciary net position				
Employer contributions	$ 910,409	$ 919,070	$ 906,606	$ 886,626
Expected investment income	156,282	125,302	94,293	-
Investment gains/(losses)	(67,043)	(25,090)	14,916	125,965
Administrative expense	-	(21,429)	(17,100)	(11,322)
Expected benefit payments	(523,296)	(531,957)	(519,493)	(499,512)
Change in plan fiduciary net position	476,352	465,896	479,222	501,757
Fiduciary trust net position, beginning of year	2,210,780	1,744,884	1,265,662	763,905
Fiduciary trust net position, end of year (b)	$ 2,687,132	$ 2,210,780	$ 1,744,884	$ 1,265,662
Net OPEB liability/(asset), ending (a) - (b)	$ 4,962,564	$ 6,374,372	$ 6,350,264	$ 6,139,627
Covered payroll	$ 45,508,781	$ 38,990,890	$ 30,618,236	$ 28,900,000
Plan fiduciary net position as a percentage of the total OPEB liability	35%	26%	22%	17%
Net OPEB liability/(asset) as a percentage of covered payroll	11%	16%	21%	21%

Note: In the future, as data becomes available, ten years of information will be presented.
**For fiscal year 2022-23, the District had two valuations completed to align the measurement date to match the District's GASB 74 OPEB Trust report. This change aligns the measurement date with the District's fiscal year end.*

ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT
PUBLIC ENTITY INVESTMENT TRUST
SCHEDULE OF CONTRIBUTIONS - OPEB
FOR THE YEAR ENDED JUNE 30, 2025

	Reporting Fiscal Year				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Actuarially determined contribution	$ 439,359	$ 571,917	$ 502,596	$ 507,668	$ 551,448
Contributions in relations to the actuarially determined contribution	1,074,084	889,784	915,222	5,940,799	982,770
Contribution deficiency/(excess)	$ (634,725)	$ (317,867)	$ (412,626)	$ (5,433,131)	$ (431,322)
Covered-employee payroll	$ 57,957,580	$ 55,272,132	$ 50,560,266	$ 45,516,169	$ 45,508,781
Contribution as a percentage of covered-employee payroll	1.85%	1.61%	1.81%	13.05%	2.16%

	Reporting Fiscal Year			
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Actuarially determined contribution	$ 523,296	$ 531,957	$ 519,493	$ 519,493
Contributions in relations to the actuarially determined contribution	910,409	919,070	906,606	886,626
Contribution deficiency/(excess)	$ (387,113)	$ (387,113)	$ (387,113)	$ (367,133)
Covered-employee payroll	$ 45,508,781	$ 38,990,890	$ 30,618,236	$ 28,900,000
Contribution as a percentage of covered-employee payroll	2.00%	2.36%	2.96%	3.07%

ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT
PUBLIC ENTITY INVESTMENT TRUST
SCHEDULE OF INVESTMENT RETURNS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	7.88%	6.23%	3.32%	-28.86%	30.40%	5.20%	5.74%	8.63%	16.49%	-0.70%

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

OTHER REPORTS

CWDL

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Antelope Valley Community College District
Lancaster, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of Antelope Valley Community College District Public Entity Investment Trust (the "Trust"), a fiduciary fund of Antelope Valley Community College District (the "District") as of and for the year ended June 30, 2025, and the related notes to financial statements, and have issued our report thereon dated December 29, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

<u>Report on Compliance and Other Matters</u>

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

Purpose of this Report

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

CWDL, Certified Public Accountants

San Diego, California
December 29, 2025