Financial Statements
Retirement Futuris Public Entity Investment Trust
June 30, 2025

Chabot-Las Positas Community College District

Independent Auditor's Report

To the Board of Trustees and Retirement Board of Authority
Chabot-Las Positas Community College District
Dublin, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Retirement Futuris Public Entity Investment Trust (the Trust) of Chabot-Las Positas Community College District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Retirement Futuris Public Entity Investment Trust of Chabot-Las Positas Community College District, as of June 30, 2025, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Trust, and do not purport to, and do not, present fairly the financial position of the District, as of June 30, 2025, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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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 misstatement, whether due to fraud or error.

Auditor's 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 auditor's report that includes our opinion. 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.

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 required supplementary schedules as listed in the table of contents on pages 14 through 16 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

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

Eide Bailly LLP

Ontario, California
January 8, 2026

	Retiree OPEB Trust
Assets	
Investments	$ 17,769,772
Net Position	
Restricted for postemployment benefits other than pensions	$ 17,769,772

	Retiree OPEB Trust
Additions	
District contributions	$ 10,308,871
Interest and investment income	595,587
Net realized and unrealized gains	1,281,965
Total additions	12,186,423
Deductions	
Benefit payments	7,308,871
Administrative expenses	102,598
Total deductions	7,411,469
Change in Net Position	4,774,954
Net Position, Beginning of Year	12,994,818
Net Position, End of Year	$ 17,769,772

Note 1 - Summary of Significant Accounting Policies

The following information of the Chabot-Las Positas Community College District Retirement Futuris Public Entity Investment Trust (the Trust), a fiduciary fund of Chabot-Las Positas 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.

The Trust is an irrevocable governmental trust pursuant to Section 115 of the *Internal Revenue Code* (IRC) for the purpose of funding certain postemployment benefits other than pensions. The Trust is administered by the Chabot-Las Positas Community College District Retirement Board of Authority. The District retains the responsibility to oversee the management of the Trust, including the requirement that investments and assets held within the Trust continually adhere to the requirements of the California *Government Code* Section 53600.5 which specifies that the trustee's primary role is to preserve capital, to maintain investment liquidity, and to protect investment yield. As such, the District acts as the fiduciary of the Trust.

Financial Reporting

The financial statements include only the Retirement Futuris Public Entity Investment Trust. These financial statements are not intended to present fairly the financial position and changes in financial position of the District in accordance with accounting principles generally accepted in the United States of America.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting. Contributions are recognized as revenue in the period in which contributions are due, pursuant to formal commitments as well as statutory or contractual commitments. Benefits and refunds of contributions are recognized when due and payable under the provisions of the Trust.

The financial statements of the Trust have been prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America. The financial statements have been prepared consistent with Governmental Accounting Standards Board (GASB) Codification Section P50, *Postemployment Benefit Plans Other than Pension Plans.*

Investments

Investments are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value, including money market investments and participating interest-earning investment contracts with original maturities greater than one year, are stated at cost or amortized cost.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The financial statements report $17,769,772 of restricted net position.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates, and those differences could be material.

Funded Status and Funding Progress

Actuarial valuations of other postemployment benefit defined benefit plans 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 trends. 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.

Note 2 - Investments

Investments as of June 30, 2025, consisted of the following:

Investment Type	Fair Value	Weighted Average Maturity in Days	Credit Rating
Mutual funds - equities	$ 9,803,827	No maturity	Not rated
Mutual funds - fixed income	6,903,226	No maturity	Not rated
Mutual funds - real estate	1,062,719	No maturity	Not rated
Total	$ 17,769,772		

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Trust's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Trust manages its exposure to interest rate risk by investing in mutual funds.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The 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 Trust Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. The Trust's investments in mutual funds are not required to be rated, nor have they been rated as of June 30, 2025.

Custodial Credit Risk

This is the risk that, in the event of the failure of the counterparty, the Trust will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. As of June 30, 2025, the Trust's investment balance of approximately $17.3 million was exposed to custodial credit risk because it was uninsured, unregistered, and held by the brokerage firm which is also the counterparty for these securities. The Trust does not have a policy limiting the amount of securities that can be held by counterparties.

Note 3 - Fair Value Measurements

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

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

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

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

The Trust's fair value measurements at June 30, 2025, were as follows:

Investment Type	Fair Value	Fair Value Measurements Using Level 1 Inputs
Mutual funds	$ 17,769,772	$ 17,769,772

All assets have been valued using a market approach, which uses prices and other relevant information generated by market transactions involving identical or comparable assets or group of assets.

Note 4 - Other Postemployment Benefits Plan

Plan Administration

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

During the year ended June 30, 2021 the District signed an irrevocable trust agreement. The District appointed a Retirement Board of Authority with authority to make decisions on behalf of the District with respect to the Futuris Public Entity Investment Trust Program. The Retirement Board of Authority is composed of members who are appointed by resolution of the governing board of the District.

Management of the Plan is vested in the District management. Management of the trustee assets is vested with the Retirement Board of Authority.

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 expenses in the order indicated below:

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

Plan Membership

At June 30, 2024, the Plan valuation date, Plan membership in the retiree benefit plan consisted of the following:

Inactive employees or beneficiaries currently receiving benefits payments	485
Active employees	236
Total	721

Benefits Provided

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

The following summarizes the benefits provided under the current retiree benefit plan:

	Faculty, Classified, and Management**
Benefit Types Provided	Medical only (including Part B Medicare)
Duration of Benefits	Lifetime
Required Service	10 Years
Minimum Age	55
Dependent Coverage	Yes
District Contribution %*	100% for age + service at least equal to 85. For each reduction of one point in age + service, the percent paid by the District reduces 5% to a minimum of 25% at age +service equal to 70.
District Cap	Highest Medicare Risk Plan

*Post-65 benefits are paid at 100% as long as the minimum age and length of service is met
**Employees hired on or after 01/01/2013 are no longer eligible for District-paid retiree health benefits.

Contributions

The contribution requirements of Plan members and the District are established and may be amended by the District and the bargaining units. Voluntary contributions are based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined feasible by District management and the District's Governing Board. For the measurement period ending June 30, 2025, the District contributed $10,308,871 to the Plan, of which $7,078,339 was used for current premiums, $230,532 represents the effect of the implicit rate subsidy, and $3,000,000 was used to fund the OPEB trust.

Investment

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the governing board by a majority vote of its members. It is the policy of the District to pursue an investment strategy that reduces risks through the prudent diversification for the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocation over short time spans. The following was the governing board's adopted asset allocation policy as of June 30, 2025:

Asset Class	Target Allocation
Domestic equity	30.0%
Fixed income	39.0%
International equity	25.5%
Real estate	5.5%

Rate of Return

For the year ended June 30, 2025, the annual money-weighed rate of return on investments, net of investment expense, was 13.89%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The net OPEB liability of $114,198,587 was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024. The components of the net OPEB liability at June 30, 2025, were as follows:

Total OPEB liability	$ 131,968,359
Plan fiduciary net position	(17,769,772)
Net OPEB liability	$ 114,198,587
Plan fiduciary net position as a percentage of the total OPEB liability	13.47%

Actuarial Assumptions

The total OPEB liability as of June 30, 2025 was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2024 and rolling forward the total OPEB liability to June 30, 2025. The following assumptions were applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	2.75%
Investment rate of return	6.05%
Healthcare cost trend rate	4.00%

The discount rate was based on the assumed long-term expected rate of return on plan assets.

Mortality rates were based on the 2020 CalSTRS Mortality Table for certificated employees and the 2021 CalPERS Active Mortality for Miscellaneous and School Employees Table for classified and miscellaneous employees. Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actual experience study as of June 2024.

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

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	7.25%
Fixed income	4.25%
International equity	7.25%
Real estate	7.25%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.05%. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Trust net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

Discount Rate	Net OPEB Liability
1% decrease (5.05%)	$ 128,604,289
Current discount rate (6.05%)	114,198,587
1% increase (7.05%)	102,048,579

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

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

Healthcare Cost Trend Rate	Net OPEB Liability
1% decrease (3.00%)	$ 99,567,567
Current healthcare cost trend rate (4.00%)	114,198,587
1% increase (5.00%)	131,734,698

Required Supplementary Information
Retirement Futuris Public Entity Investment Trust
June 30, 2025

Chabot-Las Positas Community College District

Chabot-Las Positas Community College District
Retirement Futuris Public Entity Investment Trust
Schedule of Changes in Net OPEB Liability and Related Ratios
Year Ended June 30, 2025

	2025	2024	2023	2022
Total OPEB Liability				
Service cost	$ 1,554,065	$ 1,988,272	$ 1,935,058	$ 2,504,290
Interest	7,692,757	8,866,169	8,657,187	9,332,529
Difference between expected and actual experience	-	(19,015,928)	-	-
Changes of assumptions	-	3,326,561	-	(14,753,674)
Benefit payments	(7,308,871)	(7,530,468)	(7,125,150)	(7,742,506)
Net change in total OPEB liability	1,937,951	(12,365,394)	3,467,095	(10,659,361)
Total OPEB Liability - Beginning	130,030,408	142,395,802	138,928,707	149,588,068
Total OPEB Liability - Ending (a)	$ 131,968,359	$ 130,030,408	$ 142,395,802	$ 138,928,707
Plan Fiduciary Net Position				
Contributions - employer	$ 10,308,871	$ 10,530,468	$ 11,125,150	$ 11,742,506
Expected investment income	873,833	1,222,116	951,266	(991,722)
Differences between projected and actual earnings on OPEB plan investments	1,003,719	-	-	-
Benefit payments	(7,308,871)	(7,530,468)	(7,125,150)	(7,742,506)
Administrative expense	(102,598)	(84,098)	(62,909)	(39,835)
Net change in plan fiduciary net position	4,774,954	4,138,018	4,888,357	2,968,443
Plan Fiduciary Net Position - Beginning	12,994,818	8,856,800	3,968,443	1,000,000
Plan Fiduciary Net Position - Ending (b)	$ 17,769,772	$ 12,994,818	$ 8,856,800	$ 3,968,443
Net OPEB Liability - Ending (a) - (b)	$ 114,198,587	$ 117,035,590	$ 133,539,002	$ 134,960,264
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	13.47%	9.99%	6.22%	2.86%
Covered Employee Payroll	$ 36,147,082	$ 37,601,377	$ 37,467,105	$ 35,220,791
Net OPEB Liability as a Percentage of Covered Employee Payroll	315.93%	311.25%	356.42%	383.18%
Measurement Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022

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

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	$ 7,226,236	$ 7,015,022	$ 6,302,595	$ 6,133,912
Interest	5,533,260	7,003,476	6,679,330	7,014,048
Difference between expected and actual experience	-	(9,564,601)	-	-
Changes of assumptions	(107,392,262)	54,219,712	3,210,649	-
Benefit payments	(7,355,717)	(7,377,725)	(7,197,243)	(6,920,426)
Net change in total OPEB liability	(101,988,483)	51,295,884	8,995,331	6,227,534
Total OPEB Liability - Beginning	251,576,551	200,280,667	191,285,336	185,057,802
Total OPEB Liability - Ending (a)	$ 149,588,068	$ 251,576,551	$ 200,280,667	$ 191,285,336
Plan Fiduciary Net Position				
Contributions - employer	$ 1,000,000	$ -	$ -	$ -
Expected investment income	-	-	-	-
Differences between projected and actual earnings on OPEB plan investments	-	-	-	-
Benefit payments	-	-	-	-
Administrative expense	-	-	-	-
Net change in plan fiduciary net position	1,000,000	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	$ 1,000,000	$ -	$ -	$ -
Net OPEB Liability - Ending (a) - (b)	$ 148,588,068	$ 251,576,551	$ 200,280,667	$ 191,285,336
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.67%	0.00%	0.00%	0.00%
Covered Employee Payroll	$ 36,660,167	N/A[1]	N/A[1]	N/A[1]
Net OPEB Liability as a Percentage of Covered Employee Payroll	405.31%	N/A[1]	N/A[1]	N/A[1]
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

[1] Prior to June 30, 2021, the District's OPEB plan was not administered through a trust and contributions were not made based on a measure of pay; therefore, the covered payroll disclosure is not applicable.

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

Schedule of OPEB Investment Returns
Year Ended June 30, 2025

	2025	2024	2023	2022	2021
Annual money-weighted rate of return, net of investment expense	13.89%	12.04%	18.71%	(49.70%)	0.00%
Measurement Date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021

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

Note 1 - Purpose of Schedules

Schedule of Changes in Net OPEB Liability and Related Ratios

This schedule presents information on changes in the net OPEB liability, including beginning and ending balances, the Trust net position, and the net OPEB liability. In the future, as data becomes available, ten years of information will be presented.

- *Changes in Benefit Terms* - There were no changes in benefit terms since the previous valuation.
- *Changes of Assumptions* - There were no changes in economic assumptions since the previous valuation.

Schedule of OPEB Investment Returns

This schedule presents information on the annual money-weighted rate of return on OPEB plan investments. In future years, as data becomes available, ten years of information will be presented.

Independent Auditor's Report
Retirement Futuris Public Entity Investment Trust
June 30, 2025

Chabot-Las Positas Community College District

Independent Auditor's 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 and Retirement Board of Authority
Chabot-Las Positas Community College District
Dublin, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Retirement Futuris Public Entity Investment Trust (the Trust) of Chabot-Las Positas Community College District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated January 8, 2026.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Trust, and do not purport to, and do not, present fairly the financial position of the District, as of June 30, 2025, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Trust'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.

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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. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Eide Bailly LLP

Ontario, California
January 8, 2026