

# ***CWDL***

See what's possible.



## **West Valley - Mission**

Community College District

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### **ANNUAL FINANCIAL REPORT**

For the Years Ended June 30, 2022 and 2021

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
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**JUNE 30, 2022 AND 2021**

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## INDEPENDENT AUDITORS' REPORT

The Board of Trustees  
West Valley-Mission Community College District  
Saratoga, California

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

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units, Mission-West Valley Land Corporation and West Valley-Mission Community College Foundation of the West Valley-Mission Community College District (the District) as of and for the years ended June 30, 2022, and 2021 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the District as of June 30, 2022, and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Valley-Mission Community College District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter Regarding Change in Accounting Principle***

During the year ended June 30, 2022, the District adopted the provisions of Governmental Accounting Standards Board Statement (GASB) No. 87, *Leases*. Our opinion was not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of Contributions – OPEB, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of Contributions – Pensions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Other Information*

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2022, 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.

*CWDL, Certified Public Accountants*

San Diego, California  
October 21, 2022

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# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**INTRODUCTION**

The West Valley-Mission Community College District was established in 1963 and provides higher education in Santa Clara County and a portion of Santa Cruz County. The District operates two colleges. West Valley College, founded in 1964, is situated on a 143-acre campus in the foothills of the Santa Cruz Mountains in Saratoga, California. Mission College, which opened in 1975, is located on a 164-acre site in Santa Clara, California. The Colleges are each fully accredited by the Accrediting Commission for Community and Junior Colleges (ACCJC).

The governing body of the District is the Board of Trustees, which includes seven voting members elected by the voters of the District within the seven trustee areas. The Trustees serve four-year terms. Elections for trustee positions to the Board are held every two years, alternating between three and four positions. The management and policies of the District are administered by a Board-appointed Chancellor.

**USING THIS ANNUAL REPORT**

The purpose of this annual report is to provide readers with information about the activities, programs, and financial condition of the West Valley-Mission Community College District (the District) as of June 30, 2022 and June 30, 2021. This section of the annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended June 30, 2022. Please read it in conjunction with the District's financial statements, which immediately follow this section. Responsibility for the completeness and accuracy of this information rests with District Management.

**OBJECTIVES OF THE AUDIT**

The audit of the West Valley-Mission Community College District had the following objectives:

- To express an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with U. S. generally accepted accounting principles (GAAP).
- To evaluate the adequacy of the systems and procedures affecting compliance with *Government Auditing Standards*, guides, procedures, statutes, rules, and regulations which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- To review and report on the District's system of internal controls related to major federal programs.



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Annual report consists of three basic financial statements that provide information on the District as a whole:

- The Statements of Net Position – page 19
- Statements of Revenues, Expenses, and Changes in Net Position – page 20
- The Statements of Cash Flows – page 21

The focus of the Statements of Net Position is designed to be similar to the bottom line results of the District. These statements combine and consolidate current financial resources with capital assets and long-term obligations.

The Statements of Revenues, Expenses, and Changes in Net Position focus on the costs of the District's operational activities, which are supported primarily by local property taxes, enrollment fees and State categorical revenues. Activities are reported as either operating or non-operating. The District depends on local funding for operating expenses; however, the operating activity reflects a loss because the financial reporting model classifies certain revenues as non-operating.

The Statements of Cash Flows provide an analysis of the sources and uses of cash within the operations of the District. This statement helps measure the District's ability to meet financial obligations as they mature.

The California Community Colleges Chancellor's Office has recommended that all State community colleges follow the Business-Type Activity (BTA) model for financial reporting purposes.

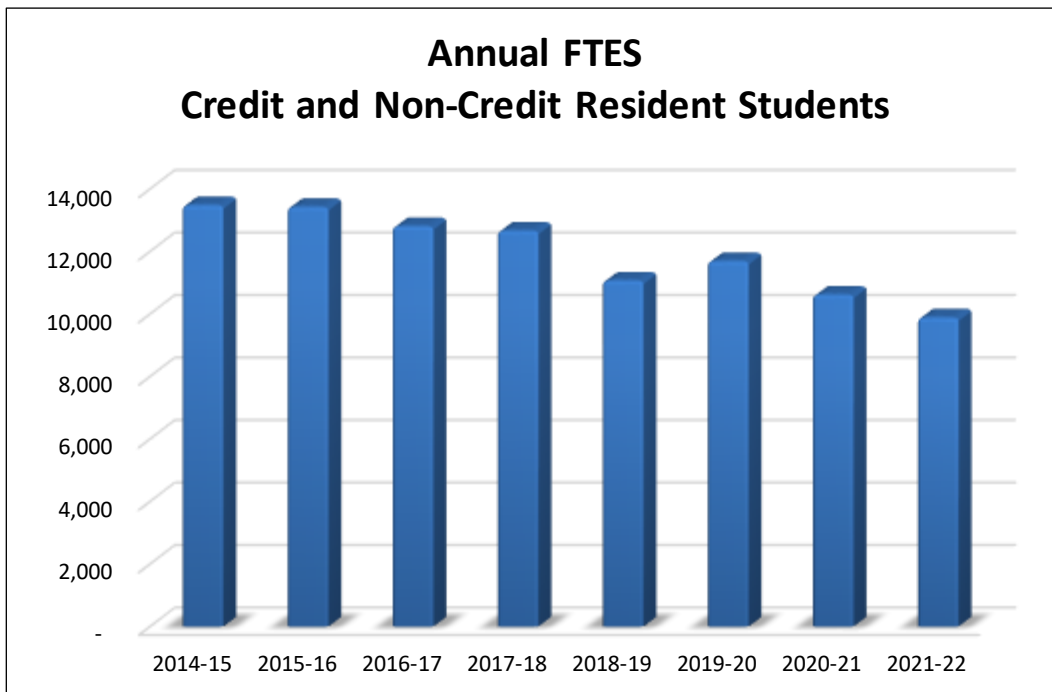
**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**STUDENT ATTENDANCE HIGHLIGHTS**

The District reported 9,895 FTES on the CCFS-320 Annual Student Attendance Report (P-3), a decrease from the previous year's P-3 report. The decrease of FTES was due to effects of the pandemic and a decline in enrollment.

Enrollment continues to be a major challenge and opportunity for the District. The colleges are aggressively pursuing additional enrollment with a combination of strategies that include marketing; targeted recruitment and outreach; program development; and additional class sections both on and off-site.



This chart illustrates total credit and noncredit FTES reported on the CCFS-320 Annual Student Attendance Report. Total FTES decreased by 730 or 6.87 percent, from FY 2020-21 to FY 2021-22.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**FINANCIAL HIGHLIGHTS**

- In fiscal year 2021-22, the District received sufficient revenues from local property taxes and student fees which exceeded the State's base revenue. This is the tenth consecutive year the District has been self-supporting or "community-supported." As a community-supported district, the District is not affected by State shortfalls or mid-year reductions.
- The District gave a 5.00% salary enhancement to employees represented by bargaining units who had settled their contracts with the District and "meet and confer" units. Actual revenues exceeded the Adopted Budget by approximately \$374,854 due to adjustments in State lottery revenues.
- During the fiscal year 2021-22, student enrollment fees were \$46 per unit, and the non-resident tuition fee was \$307 per unit. The District did not apply a foreign citizen capital outlay fee.
- The District ended fiscal year 2021-22 with an Unrestricted General Fund balance of \$84.3 million. The amount consists of a five percent reserve of \$8.3 million and a contingency reserve of \$5.0 million. The district has updated its Board Policy and Administrative Procedures to increase the reserve to be no more than 17% for the fiscal year 2022-23. The fund balance also includes \$41.5 million in community support funds reserved for future allocations, \$14.5 million for the Lease Revenue Bonds debt obligation, \$7.1 million for SERP contribution and fees, \$1.7 million for student fee support, and \$5.7 million set aside for banked leave liability. The remainder of the fund balance has been assigned to prepayments, student material fees, and other purposes.
- Employees of the District are eligible for medical, dental, and vision coverage. The District's maximum benefits contributions for the 2022 calendar year are limited to \$12,480 for single coverage, \$23,580 for two-party coverage, and \$30,240 for family coverage, annually.
- The District provides retirees hired before 1994 with lifetime medical benefits. The District has accounted for retiree benefits on a "pay-as-you-go" basis. An actuarial study determined the total Other Post Employment Benefit Plan (OPEB) Liability, as of June 30, 2022, was \$58.2 million. This amount represents the present value of all benefits to be paid for current and future retirees. The OPEB liability is fully funded.
- The District participates in the California Employer's Retirement Benefit Trust (CERBT) to fund increased costs of the retirees health benefits. The CERBT is a Section 115 Trust and is Internal Revenue Service compliant. The Board of Trustees approved a resolution in the fiscal year 2011-12 authorizing the District to "deposit all or a portion of the amounts received from the State of California in connection with the construction of capital projects into an irrevocable trust under the auspices of the CalPERS and invested therein in accordance with the investment criteria established by CalPERS." It is an irrevocable trust dedicated to the purposes of pre-funding OPEB. The balance in the trust account as of June 30, 2022, was \$78.6 million. The money from the trust fund has allowed the District to stabilize the cost of retiree benefits in the Unrestricted General Fund. The increase in cost can be covered by the OPEB Trust Fund.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**FINANCIAL HIGHLIGHTS, continued**

- In an effort to realign staffing levels with the decline in enrollment, the District offered a supplemental early retirement in late 2022 to eligible employees. Sixty-six (66) staff members enrolled in the plan and the District eliminated 74 vacant positions.
- In fiscal year 2017-18, the Board of Trustees approved a resolution to establish a new trust fund administered through Public Agency Retirement Services (PARS) to invest funds to cover future CalSTRS and CalPERS pension rate increases. The Pension Rate Stabilization Program is an IRS-approved irrevocable trust program that is designed to pre-fund pension obligations. The plan allows the District to securely set aside funds in a tax-exempt, IRS-compliant prefunding vehicle to mitigate long-term contribution rate growth. The balance in the Pension Stabilization Trust Fund as of June 30, 2022 was \$21.5 million.
- Student financial aid provided to qualifying students throughout the District was approximately \$13.9 million. This aid is provided through grants and loans from the Federal government, the State Chancellor's Office, and local funding.

**THE DISTRICT AS A WHOLE**

	2022	2021	Change	2020	Change
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Current assets	\$ 328,731,289	\$ 366,173,715	\$ (37,442,426)	\$ 410,639,632	\$ (44,465,917)
Noncurrent assets	679,493,678	616,342,616	63,151,062	549,222,202	67,120,414
Deferred outflows of resources	38,961,527	48,256,092	(9,294,565)	46,589,056	1,667,036
<b>Total Assets and Deferred Outflows of Resources</b>	<b>1,047,186,494</b>	<b>1,030,772,423</b>	<b>16,414,071</b>	<b>1,006,450,890</b>	<b>24,321,533</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
Current liabilities	159,196,988	79,244,039	79,952,949	75,171,257	4,072,782
Noncurrent liabilities	625,620,568	801,798,689	(176,178,121)	821,269,540	(19,470,851)
Deferred inflows of resources	70,363,944	6,281,048	64,082,896	11,762,937	(5,481,889)
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>855,181,500</b>	<b>887,323,776</b>	<b>(32,142,276)</b>	<b>908,203,734</b>	<b>(20,879,958)</b>
<b>NET POSITION</b>					
Invested in capital assets, net of related debt	142,064,203	119,410,643	22,653,560	96,141,023	23,269,620
Restricted	62,350,979	65,413,446	(3,062,467)	68,219,991	(2,806,545)
Unrestricted	(12,410,188)	(41,375,442)	28,965,254	(66,113,858)	24,738,416
<b>Total Net Position</b>	<b>\$ 192,004,994</b>	<b>\$ 143,448,647</b>	<b>\$ 48,556,347</b>	<b>\$ 98,247,156</b>	<b>\$ 45,201,491</b>

- Current assets consist of cash and cash equivalents, accounts receivable, and prepaid expenditures and other assets.
  - Cash and investments consist mainly of cash in the county treasury, local agency investment funds (LAIF), and investments from the Bond issuance.
  - The decrease of \$37.4 million is primarily due to increased expenditures in the capital project funds during the year.
- Non-current assets consist of the net OPEB asset, lease receivable, intangible right of use assets and capital assets.
  - The net OPEB asset increased by \$8.5 million due to a combination of an increase in investment earnings and the decrease in the total OPEB liability based on measurement of June 30, 2021.
  - Lease receivable and intangible right of use assets increased by \$1.2 million as a result of the implementation of GASB Statement No. 87, *Leases*.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**THE DISTRICT AS A WHOLE, continued**

- Capital assets (net of depreciation) are the historical value of land, buildings, construction in progress and equipment less depreciation.
- Net capital assets increased by \$53.4 million due to an increase to Construction in Progress for construction projects related to the General Obligation Bonds.
- Current liabilities consist of accounts payable, interest payable, unearned revenue, due to fiduciary funds, and long-term debt (current portion).
  - Accounts payable and accrued liabilities consist mainly of payables to vendors and accrued payroll benefits.
  - Unearned revenue relates to federal, state, and local program funds that were received, but not yet earned, as of the fiscal year end. Most grants are considered earned when spent up to the amount of the award.
  - The current portion of long-term obligations consists of the principal payment to be paid in the next fiscal year for the General Obligation Bonds, Revenue Bonds, and Compensated Absences.
  - The current liabilities increased by \$79.9 million primarily due to an increase in the current portion of long-term debt of \$72.4 million related the issuance of refunding debt in July 2022. In addition, unearned revenues increased by \$7.9 million, accounts payable increased by \$2.2 million, and interest payable decreased by \$1.9 million (reference page 19).
- Non-current liabilities consist of compensated absences, net pension liability, lease liability and long-term debt (non-current portion). It consists of all the long-term debt that is to be paid beyond the next fiscal year.
  - The non-current liabilities decreased by \$176.2 million due to the issuance of refunding bonds in July 2022 causing the refunded debt to become current. In addition, the net pension liability decreased by \$70.5 million and compensated absences increased by \$2.6 million (reference page 19).
- The net position increased by \$48.6 million due to the results of the changes in assets and liabilities noted above.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**OPERATING RESULTS FOR THE YEAR**

The results of this year's operations for the District as a whole are reported in the *Statement of Revenues, Expenses, and Changes in Net Position* on page 20.

	2022	2021	Change	2020	Change
<b>OPERATING REVENUES</b>					
Tuition and fees	\$ 9,968,520	\$ 11,136,377	\$ (1,167,857)	\$ 11,558,228	\$ (421,851)
Auxiliary enterprises	1,502,699	1,036,112	466,587	1,285,706	(249,594)
<b>Total Operating Revenues</b>	<b>11,471,219</b>	<b>12,172,489</b>	<b>(701,270)</b>	<b>12,843,934</b>	<b>(671,445)</b>
<b>OPERATING EXPENSES</b>					
Salaries and benefits	146,088,442	151,540,171	(5,451,729)	163,366,645	(11,826,474)
Supplies, materials, and other operating expenses	30,130,164	25,746,260	4,383,904	25,543,019	203,241
Student financial aid	13,888,482	11,990,439	1,898,043	12,276,958	(286,519)
Depreciation	21,104,729	18,630,849	2,473,880	18,346,777	284,072
<b>Total Operating Expenses</b>	<b>211,211,817</b>	<b>207,907,719</b>	<b>3,304,098</b>	<b>219,533,399</b>	<b>(11,625,680)</b>
<b>Operating Loss</b>	<b>(199,740,598)</b>	<b>(195,735,230)</b>	<b>(4,005,368)</b>	<b>(206,689,465)</b>	<b>10,954,235</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Property taxes	146,672,689	139,524,408	7,148,281	151,134,775	(11,610,367)
Education protection account	1,120,832	1,063,721	57,111	1,169,997	(106,276)
Federal revenues	22,649,437	21,844,113	805,324	16,975,055	4,869,058
State revenues	28,904,667	31,546,848	(2,642,181)	27,705,096	3,841,752
Interest expense, net	(21,246,372)	(22,888,369)	1,641,997	(31,020,229)	8,131,860
Transfers with fiduciary funds, net	-	(3,242,290)	3,242,290	(2,859,209)	(383,081)
Other non-operating revenues	10,211,470	10,221,153	(9,683)	18,038,066	(7,816,913)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>188,312,723</b>	<b>178,069,584</b>	<b>10,243,139</b>	<b>181,143,551</b>	<b>(3,073,967)</b>
<b>OTHER REVENUES (EXPENSES)</b>					
State and local capital income	59,984,222	62,009,698	(2,025,476)	48,359,337	13,650,361
<b>Change in Net Position</b>	<b>48,556,347</b>	<b>44,344,052</b>	<b>4,212,295</b>	<b>22,813,423</b>	<b>21,530,629</b>
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>143,448,647</b>	<b>98,247,156</b>	<b>45,201,491</b>	<b>75,433,733</b>	<b>22,813,423</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>-</b>	<b>857,439</b>	<b>(857,439)</b>	<b>-</b>	<b>857,439</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 192,004,994</b>	<b>\$ 143,448,647</b>	<b>\$ 48,556,347</b>	<b>\$ 98,247,156</b>	<b>\$ 45,201,491</b>

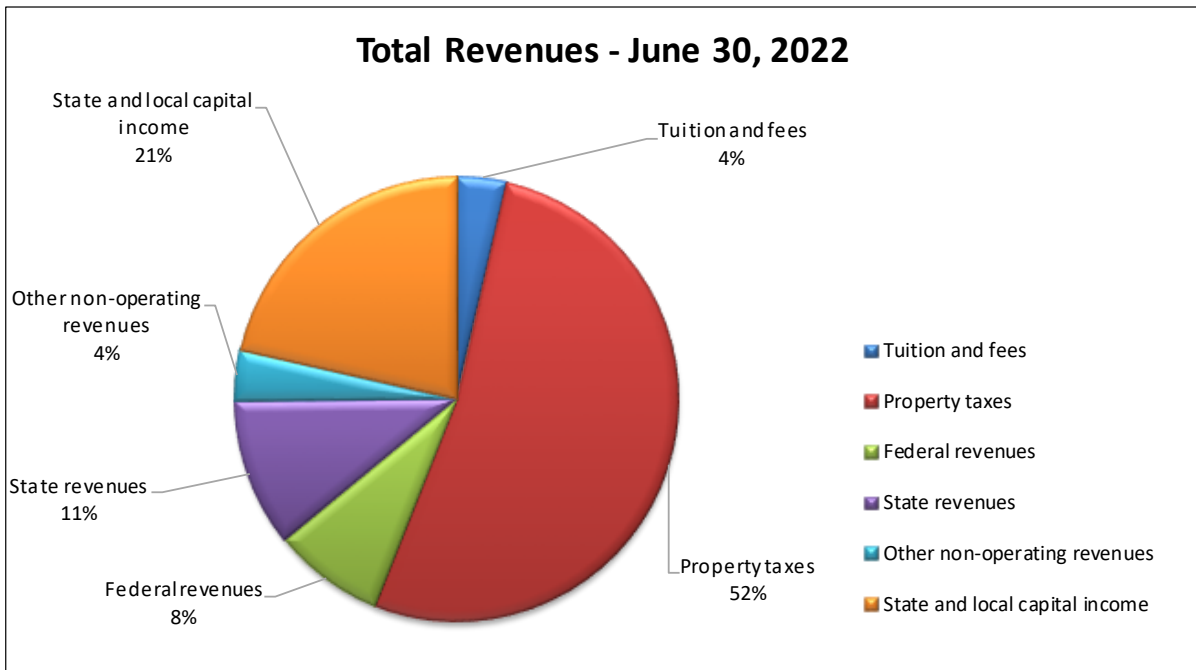
- Operating revenues consist of revenues from student tuition/fees and auxiliary enterprises.
  - The decrease of approximately \$0.7 million is due to the decline in tuition and fees.
  - Auxiliary revenue consists of community education funds and contract education revenues. The operation is self-supporting and contributes to the student programs on the campus. The amounts increased from the prior year by \$0.5 million.
  
- Operating expenses consist of salaries/benefits, supplies, materials, other operating expenses, student financial aid disbursements, and depreciation.
  - Salaries increased by \$5.4 million and benefits decreased due to pension adjustments of \$10.9 million resulting in a net effect of \$5.5 million.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**OPERATING RESULTS FOR THE YEAR, continued**

- Non-operating revenues (expenses) primarily consist of property taxes, State and Federal revenues, and interest.
  - Property taxes increased by \$7.1 million due to secure property tax along with residual RDA.
  - Grants and contract revenues relate primarily to student financial aid as well as to specific Federal and State grants received for programs serving the students and programs of the District. The revenues are restricted and can only be expensed based on program guidelines. (Net change is a decrease of \$1.8 million.)
  - Other non-operating revenues consist primarily of local grants and Land Corporation commitments. Other non-operating revenues remained consistent with prior year.
  - Interest expense increased \$1.6 million due to bond debt payments.

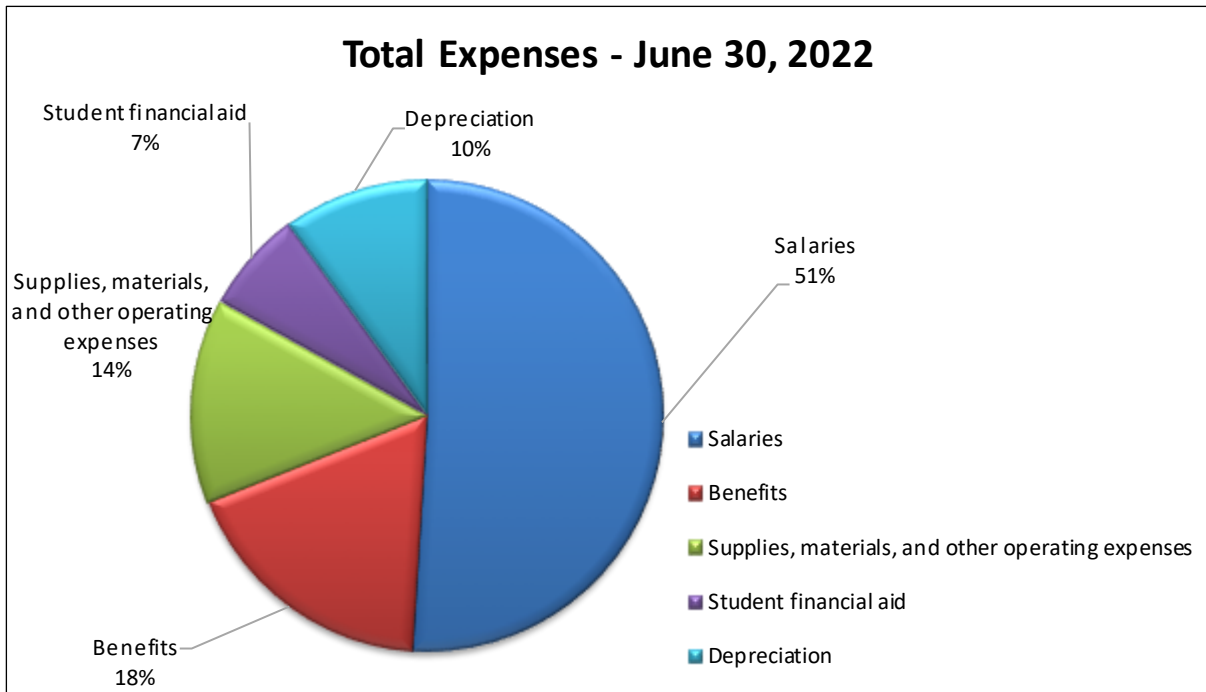


**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**OPERATING RESULTS FOR THE YEAR, continued**

The following chart represents the District’s operating expenses. The total cost of salaries and benefits accounts for 69% of the total expenditures. The other operating expenses comprise 31% of the District expenditures, such as financial aid, instructional contracts, advertising, property insurance, legal services, and many other expenses that are necessary to the operation of a college.

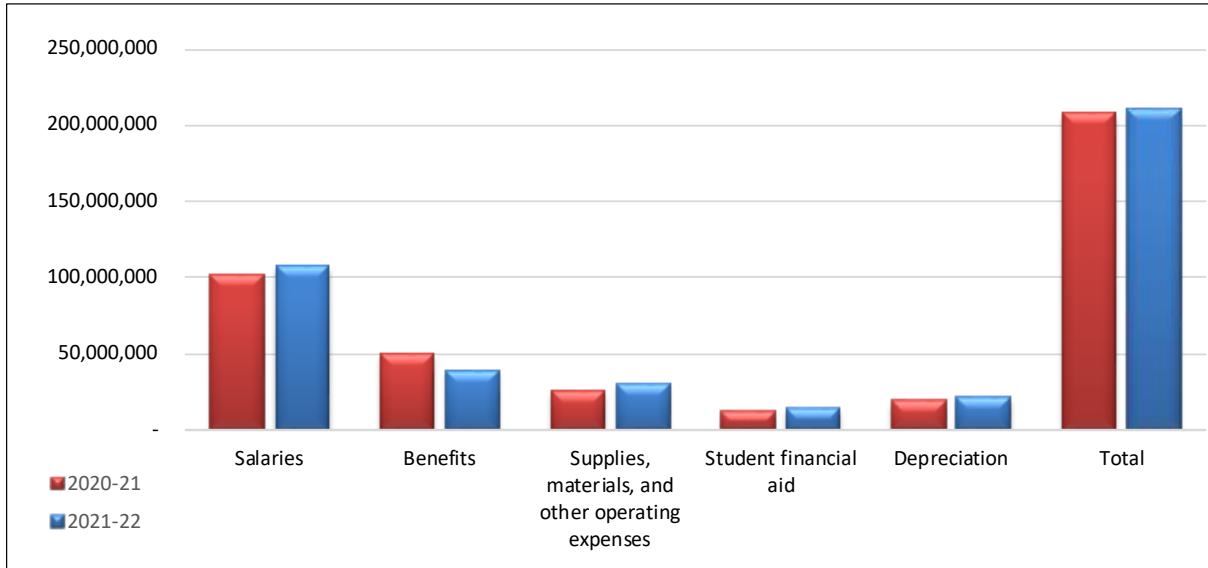




**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**OPERATING RESULTS FOR THE YEAR, continued**



- The overall operating expenses for the District increased by 1.59% from the previous fiscal year end.
- Salaries and benefits have decreased by 3.60%, due primarily to an overall decline in the net pension liability.
- Student financial aid increased by 15.83% from the previous fiscal year end.
- The change in depreciation expense is due to changes in capital assets from bond projects.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**OPERATING RESULTS FOR THE YEAR, continued**

In accordance with requirements set forth by the California Community Colleges Chancellor's Office, the District reports operating expenses by object code. Functional expenses for the year ended June 30, 2022 for all Funds except Trust and Agency Funds are as follows:

<b>2022</b>	Salaries and Benefits	Operating Costs and Supplies	Student Financial Aid	Depreciation	Total
Instructional activities	\$ 66,998,933	\$ 1,646,436	\$ -	\$ -	\$ 68,645,369
Academic support	16,489,383	2,320,788	-	-	18,810,171
Student services	23,585,939	1,498,250	-	-	25,084,189
Plant operations and maintenance	7,559,953	7,591,098	-	-	15,151,051
Instructional support services	23,865,222	8,941,974	-	-	32,807,196
Community services and economic development	4,130,079	2,751,484	-	-	6,881,563
Auxiliary services and auxiliary operations	3,458,933	952,004	-	-	4,410,937
Student aid	-	4,428,130	13,888,482	-	18,316,612
Unallocated depreciation	-	-	-	21,104,729	21,104,729
<b>Total</b>	<b>\$ 146,088,442</b>	<b>\$ 30,130,164</b>	<b>\$ 13,888,482</b>	<b>\$ 21,104,729</b>	<b>\$ 211,211,817</b>

Functional expenses for the year ended June 30, 2021 for all Funds except Trust and Agency Funds are as follows:

<b>2021</b>	Salaries and Benefits	Operating Costs and Supplies	Student Financial Aid	Depreciation	Total
Instructional activities	\$ 69,589,337	\$ 788,879	\$ -	\$ -	\$ 70,378,216
Academic support	17,143,483	1,808,855	-	-	18,952,338
Student services	25,297,951	2,000,691	-	-	27,298,642
Plant operations and maintenance	7,957,589	6,662,915	-	-	14,620,504
Instructional support services	24,149,337	7,075,739	-	-	31,225,076
Community services and economic development	4,245,334	2,144,952	-	-	6,390,286
Auxiliary services and auxiliary operations	3,157,140	1,240,300	-	-	4,397,440
Student aid	-	4,023,929	11,990,439	-	16,014,368
Unallocated depreciation	-	-	-	18,630,849	18,630,849
<b>Total</b>	<b>\$ 151,540,171</b>	<b>\$ 25,746,260</b>	<b>\$ 11,990,439</b>	<b>\$ 18,630,849</b>	<b>\$ 207,907,719</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**CHANGES IN CASH POSITION**

The Statements of Cash Flows on pages 21 and 22 provides information about the cash receipts and payments during the year. This statement also assists users in assessing the District's ability to meet its obligations as they come due and its need for external financing. The primary operating receipts are student tuition and fees. The primary operating expense of the District is the payment of salaries and benefits to staff.

While federal, state and local grants, property taxes, and enrollment fees are the primary source of non-capital related revenue, the GASB accounting standards require that this source of revenue is shown as non-operating revenue as it comes from the general resources of the State and not the primary users of the college's programs and services – the students.

Cash Provided by (Used in)	2022	2021	Change	2020	Change
Operating activities	\$ (174,812,547)	\$ (167,321,345)	\$ (7,491,202)	\$ (164,550,468)	\$ (2,770,877)
Noncapital financing activities	215,752,642	188,041,341	27,711,301	201,377,459	(13,336,118)
Capital financing activities	(70,873,610)	(67,505,779)	(3,367,831)	(49,345,641)	(18,160,138)
Investing activities	817,617	790,226	27,391	1,550,842	(760,616)
Net Increase (Decrease) in Cash	(29,115,898)	(45,995,557)	16,879,659	(10,967,808)	(35,027,749)
Cash, Beginning of Year	349,896,197	395,891,754	(45,995,557)	406,859,562	(10,967,808)
Cash, End of Year	\$ 320,780,299	\$ 349,896,197	\$ (29,115,898)	\$ 395,891,754	\$ (45,995,557)

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

At June 30, 2022, the District had \$648.3 million of capital assets, including land, buildings, and furniture and equipment. At June 30, 2021, the District's capital assets were \$594.9 million. The District is currently in the middle of a major capital improvement program with construction on-going throughout the college campuses. These projects are primarily funded through the general obligation bonds. These projects are accounted for within the Construction in Progress account until the project is completed, at which time the cost of the buildings and/or improvements will be brought into the depreciable Buildings and Improvement category.

Capital projects are continuing through the 2022-23 fiscal year and beyond with primary funding through the general obligation bonds.

	<b>2022</b>	<b>2021</b>	<b>Change</b>	<b>2020</b>	<b>Change</b>
Capital Assets not being depreciated	\$ 152,217,083	\$ 126,283,678	\$ 25,933,405	\$ 55,139,870	\$ 71,143,808
Capital Assets being depreciated	681,876,961	637,667,853	44,209,108	632,250,414	5,417,439
Accumulated depreciation	(185,763,282)	(169,002,996)	(16,760,286)	(150,372,147)	(18,630,849)
<b>Total Capital Assets</b>	<b>\$ 648,330,762</b>	<b>\$ 594,948,535</b>	<b>\$ 53,382,227</b>	<b>\$ 537,018,137</b>	<b>\$ 57,930,398</b>

Debt Obligations

At the end of the 2021-22 fiscal year, the District had \$557.5 million of principal and accreted interest on general obligation bonds outstanding. These bonds are repaid annually in accordance with the obligation requirements through an increase in the assessed property taxes on property within the West Valley-Mission Community College District boundaries. In addition to the above obligations, the District is obligated to pay lease revenue bonds, vacation payout and faculty banked leave.

	<b>2022</b>	<b>2021</b>	<b>Change</b>	<b>2020</b>	<b>Change</b>
General obligation bonds	\$ 557,500,000	\$ 589,080,000	\$ (31,580,000)	\$ 617,330,000	\$ (28,250,000)
Lease revenue bonds	12,000,000	13,140,000	(1,140,000)	14,070,000	(930,000)
Premiums, net	50,074,336	54,399,887	(4,325,551)	58,441,248	(4,041,361)
Compensated absences	23,670,657	20,544,226	3,126,431	21,471,855	(927,629)
Lease liability	31,972	-	31,972	-	-
Net pension liability	91,775,767	162,312,594	(70,536,827)	144,817,727	17,494,867
<b>Total Long-term Liabilities</b>	<b>\$ 735,052,732</b>	<b>\$ 839,476,707</b>	<b>\$ (104,423,975)</b>	<b>\$ 856,130,830</b>	<b>\$ (16,654,123)</b>
Amount due within one-year	\$ 109,432,164	\$ 37,678,018	\$ 71,754,146	\$ 34,861,290	\$ 2,816,728

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised its budget as it deals with unexpected changes in revenues and expenditures. The Board of Trustees adopted the final budget for FY 2021-22 on September 7, 2021.

The Administration is directed to consider the following in developing the budget:

1. Maintain effective instructional and student support programs and services to foster a learning-centered environment.
2. Seek growth in Full-time Equivalent Students (FTES) to efficiently manage enrollment and class sections.
3. Improve administrative systems and organizational structures to enhance efficiency and effectiveness.
4. Control the rising cost of health care benefits through plan design, aggressive negotiations with providers, hard audits of participants and collective bargaining.
5. Effectively manage cash to meet anticipated obligations.
6. Allocate resources to address accreditation recommendations.
7. Examine all possible assets of the District to determine how such assets can generate additional revenues and aggressively pursue community and business partnerships.

The 2021-22 budget was balanced with local funds. The District continues to maintain a prudent unrestricted general fund reserve of 5 percent and a board contingency reserve of no more than 3 percent.

**ECONOMIC FACTORS AFFECTING THE FUTURE OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**

The economic position of the District is dependent on the collection of property taxes and student enrollment fees. In fiscal 2021-22, the District continued to achieve community support status. The District did not have a cash flow constraint during fiscal year 2021-22. The District will continue to monitor cash on a monthly basis to ensure there is sufficient cash to support on-going operations.

Despite the challenges with the pandemic and uncertainties with the economy, the District is in a strong fiscal position. The District has set aside funds to fully cover the long-term OPEB liability. The District also set aside funds in an irrevocable trust to fund future rate increases for CalSTRS and CalPERS employer pension cost. The fund balance in the unrestricted general fund for fiscal year 2021-22 is approximately 53% when compared to total expenditures. The District is well-positioned to withstand future economic challenges that may be presented by the pandemic.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

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**ECONOMIC FACTORS AFFECTING THE FUTURE OF THE WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT, continued**

There are some economic factors that may impact the future of the District. As a community supported district, sudden changes to property values may impact property tax revenues. The impacts from the pandemic may be long term which will impact the way the District delivers instruction and services through remote learning and telecommuting. The District needs to maintain sufficient fund balance to ensure it can cover ongoing expenditures. Slow economic recovery may cause further reductions in enrollment. In fiscal year 2021-22, the District was able to transition at least of 50 percent of its course offerings from remote to in-person. The District continues to find ways to remove financial barriers from students by exploring options to reduce student fees.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, students, and investors/creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the West Valley-Mission Community College District:

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Director, Accounting  
susan.hutton@wvm.edu

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**STATEMENTS OF NET POSITION – PRIMARY GOVERNMENT**  
**JUNE 30, 2022 AND 2021**

<b>ASSETS</b>	<b>2022</b>	<b>2021</b>
Current Assets:		
Cash and cash equivalents	\$ 113,668,607	\$ 96,784,120
Restricted cash and cash equivalents	207,111,692	253,112,077
Accounts receivable, net	7,671,157	14,986,689
Lease receivable	152,160	-
Prepaid expenditures and other assets	127,673	1,290,829
Total Current Assets	<u>328,731,289</u>	<u>366,173,715</u>
Noncurrent Assets:		
Net OPEB asset	29,924,755	21,394,081
Lease receivable	1,207,682	-
Intangible right of use assets, net	30,479	-
Capital assets, net	648,330,762	594,948,535
Total Noncurrent Assets	<u>679,493,678</u>	<u>616,342,616</u>
<b>TOTAL ASSETS</b>	<u>1,008,224,967</u>	<u>982,516,331</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to bond refundings	5,598,295	6,459,571
Deferred outflows related to pensions	33,363,232	41,796,521
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>38,961,527</u>	<u>48,256,092</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 1,047,186,494</u>	<u>\$ 1,030,772,423</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	\$ 18,724,597	\$ 16,482,423
Interest payable	8,634,950	10,539,940
Unearned revenue	22,405,277	14,543,658
Long-term debt, current portion	109,432,164	37,678,018
Total Current Liabilities	<u>159,196,988</u>	<u>79,244,039</u>
Noncurrent Liabilities:		
Compensated absences	22,234,018	19,627,569
Net pension liability	91,775,767	162,312,594
Long-term debt, non-current portion	511,610,783	619,858,526
Total Noncurrent Liabilities	<u>625,620,568</u>	<u>801,798,689</u>
<b>TOTAL LIABILITIES</b>	<u>784,817,556</u>	<u>881,042,728</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred charges on refunding	1,906,336	2,451,002
Deferred inflows related to leases	1,334,950	-
Deferred inflows related to OPEB	10,106,285	1,033,804
Deferred inflows related to pensions	57,016,373	2,796,242
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>70,363,944</u>	<u>6,281,048</u>
<b>NET POSITION</b>		
Net investment in capital assets	142,064,203	119,410,643
Restricted for:		
Debt service	56,595,883	59,291,974
Capital projects	2,242,119	2,841,968
Educational programs	2,312,760	2,978,537
Other special purposes	1,200,217	300,967
Unrestricted	(12,410,188)	(41,375,442)
<b>TOTAL NET POSITION</b>	<u>192,004,994</u>	<u>143,448,647</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 1,047,186,494</u>	<u>\$ 1,030,772,423</u>

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PRIMARY**  
**GOVERNMENT**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>OPERATING REVENUES</b>		
Tuition and fees	\$ 13,371,715	\$ 15,188,425
Less: Scholarship discounts and allowances	(3,403,195)	(4,052,048)
Net tuition and fees	9,968,520	11,136,377
Auxiliary enterprise sales and charges	1,502,699	1,036,112
<b>TOTAL OPERATING REVENUES</b>	<b>11,471,219</b>	<b>12,172,489</b>
<b>OPERATING EXPENSES</b>		
Salaries	107,409,307	102,006,834
Employee benefits	38,679,135	49,533,337
Supplies, materials, and other operating expenses and services	30,130,164	25,746,260
Student aid	13,888,482	11,990,439
Depreciation and amortization	21,104,729	18,630,849
<b>TOTAL OPERATING EXPENSES</b>	<b>211,211,817</b>	<b>207,907,719</b>
<b>OPERATING LOSS</b>	<b>(199,740,598)</b>	<b>(195,735,230)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Local property taxes	146,672,689	139,524,408
Education protection account	1,120,832	1,063,721
Federal revenues	22,649,437	21,844,113
State taxes and other revenues	28,904,667	31,546,848
Investment income, noncapital	817,617	790,226
Interest expense on capital asset-related debt	(23,597,124)	(26,283,012)
Investment income, capital	1,533,135	2,604,417
Transfer to agency funds	-	(3,242,290)
Local grants and other non-operating income	10,211,470	10,221,153
<b>TOTAL NON-OPERATING REVENUES</b>	<b>188,312,723</b>	<b>178,069,584</b>
<b>INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES</b>	<b>(11,427,875)</b>	<b>(17,665,646)</b>
State revenues, capital	4,944,702	7,994,295
Gain (loss) on disposal of fixed assets	(4,068)	-
Local property taxes and revenues, capital	55,043,588	54,015,403
<b>CHANGE IN NET POSITION</b>	<b>48,556,347</b>	<b>44,344,052</b>
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>143,448,647</b>	<b>98,247,156</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>-</b>	<b>857,439</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 192,004,994</b>	<b>\$ 143,448,647</b>

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



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
STATEMENTS OF CASH FLOWS – PRIMARY GOVERNMENT  
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	\$ 9,616,565	\$ 12,095,001
Payments to or on behalf of employees	(143,411,683)	(145,177,035)
Payments to vendors for supplies and services	(28,516,013)	(23,788,752)
Payments to students	(14,004,115)	(11,486,671)
Auxiliary enterprise sales and charges	1,502,699	1,036,112
Net Cash Used by Operating Activities	<u>(174,812,547)</u>	<u>(167,321,345)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Property taxes, non-capital	146,672,689	139,524,408
Federal grants and contracts	24,310,154	21,843,737
State grants and contracts	34,767,048	19,324,319
Local grants and other non-operating	10,002,751	10,591,167
Contributions to trusts	-	(3,242,290)
Net Cash Provided by Non-capital Financing Activities	<u>215,752,642</u>	<u>188,041,341</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Acquisition of property, plant, and equipment	(74,489,531)	(76,561,247)
State revenue, capital projects	4,944,702	7,994,295
Property taxes, related to capital debt	55,043,588	54,015,403
Principal paid on capital debt	(32,720,000)	(29,180,000)
Interest paid on capital debt	(25,185,504)	(26,378,647)
Interest received on capital asset-related debt	1,533,135	2,604,417
Net Cash Provided (Used) by Capital Financing Activities	<u>(70,873,610)</u>	<u>(67,505,779)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income	817,617	790,226
Net Cash Provided by Investing Activities	<u>817,617</u>	<u>790,226</u>
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(29,115,898)	(45,995,557)
<b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>349,896,197</u>	<u>395,891,754</u>
<b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 320,780,299</u>	<u>\$ 349,896,197</u>

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**STATEMENTS OF CASH FLOWS – PRIMARY GOVERNMENT, Continued**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	<b>2021</b>	<b>2020</b>
Operating loss	\$ (199,740,598)	\$ (195,735,230)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and amortization expense	21,104,729	18,630,849
On-behalf contributions	5,256,079	6,674,057
Changes in Assets and Liabilities:		
Accounts receivables, net	(351,955)	958,624
Prepaid expenses	1,163,156	771,206
Net OPEB asset	541,807	(9,362,681)
Accounts payable and accrued liabilities	2,086,844	963,694
Unearned revenue	(115,633)	503,768
Compensated absences	3,126,431	(927,629)
Change in deferred outflows	8,433,289	(2,528,312)
Change in deferred inflows	54,220,131	(4,764,558)
Net pension liability	(70,536,827)	17,494,867
Total Adjustments	24,928,051	28,413,885
<b>Net Cash Flows From Operating Activities</b>	<b>\$ (174,812,547)</b>	<b>\$ (167,321,345)</b>
 <b>CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING :</b>		
Cash in banks	\$ 113,668,607	\$ 96,784,120
Cash equivalents, restricted	207,111,692	253,112,077
<b>Total Cash and Cash Equivalents</b>	<b>\$ 320,780,299</b>	<b>\$ 349,896,197</b>
 <b>NON CASH TRANSACTIONS</b>		
On-behalf payments for benefits	\$ 5,256,079	\$ 6,674,057

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**STATEMENTS OF NET POSITION – FIDUCIARY FUNDS**  
**JUNE 30, 2022 AND 2021**

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	<b>Trust</b>	
	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and investments	\$ 100,229,412	\$ 112,705,472
<b>Total Assets</b>	<b>100,229,412</b>	<b>112,705,472</b>
<b>NET POSITION</b>		
Reserved for net pension liability	21,471,330	24,414,202
Reserved for net OPEB liability	78,586,367	88,100,149
Unreserved	171,715	191,121
<b>Total Net Position</b>	<b>100,229,412</b>	<b>112,705,472</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 100,229,412</b>	<b>\$ 112,705,472</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
 STATEMENTS OF CHANGES IN NET POSITION – FIDUCIARY FUNDS  
 FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

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	<b>Trust</b>	
	<b>2022</b>	<b>2021</b>
<b>OPERATING REVENUES:</b>		
Local revenue	\$ 654,205	\$ 663,332
Interest and investment income (loss)	(12,321,020)	13,038,178
<b>Total Operating Revenues</b>	<b>(11,666,815)</b>	<b>13,701,510</b>
<b>OPERATING EXPENSES:</b>		
Other operating expenses	809,245	784,196
<b>Total Operating Expenses</b>	<b>809,245</b>	<b>784,196</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers in	-	3,242,290
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>3,242,290</b>
<b>Net Change in Net Position</b>	<b>(12,476,060)</b>	<b>16,159,604</b>
<b>Beginning of Year</b>	<b>112,705,472</b>	<b>19,782,209</b>
<b>Prior Year Adjustment</b>	<b>-</b>	<b>76,763,659</b>
<b>End of Year</b>	<b>\$ 100,229,412</b>	<b>\$ 112,705,472</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
MISSION-WEST VALLEY LAND CORPORATION  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 12,073,346	\$ 8,246,009
Investments	10,681,324	10,721,058
Rent receivable	20,816	-
Interest receivable	60,568	45,536
Land	16,702	16,702
Lease commissions - net	472,963	487,940
<b>Total Assets</b>	<b>23,325,719</b>	<b>19,517,245</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	581,364	464,540
Deferred rental income	354,108	232,644
Refundable rent overpayment	18,000	-
Refundable security deposits	550,000	550,000
<b>Total Liabilities</b>	<b>1,503,472</b>	<b>1,247,184</b>
<b>NET ASSETS</b>		
Without donor restrictions	21,822,247	18,270,061
<b>Total Net Assets</b>	<b>21,822,247</b>	<b>18,270,061</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 23,325,719</b>	<b>\$ 19,517,245</b>

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
MISSION-WEST VALLEY LAND CORPORATION  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

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	<b>2022</b>	<b>2021</b>
	<b>Without Donor Restrictions</b>	<b>Without Donor Restrictions</b>
<b>UNRESTRICTED REVENUES</b>		
Rental Income	\$ 8,665,543	\$ 6,800,856
Interest Income	(128,054)	425,768
<b>Total Revenues</b>	<b>8,537,489</b>	<b>7,226,624</b>
<b>EXPENSES</b>		
Grants for special projects	2,565,256	3,398,590
Grants to Advancement Foundation	-	330,305
Rent	2,166,386	1,700,214
Legal	145,306	14,197
Contracted services	71,077	78,632
Amortization of commissions	14,977	14,977
Audit fees	17,250	16,500
Financial services	4,025	4,125
Taxes and licenses	581	573
Bank service charges	445	258
<b>Total Expenses</b>	<b>4,985,303</b>	<b>5,558,371</b>
<b>CHANGE IN NET ASSETS</b>	<b>3,552,186</b>	<b>1,668,253</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>18,270,061</b>	<b>16,601,808</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 21,822,247</b>	<b>\$ 18,270,061</b>

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
MISSION-WEST VALLEY LAND CORPORATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 3,552,186	\$ 1,668,253
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized and unrealized loss on investments	499,404	(117,899)
Reinvested dividends	(109,422)	(93,113)
Amortization of commissions	14,977	14,977
Changes in:		
Rents receivable	(20,816)	-
Interest receivable	(15,032)	23,341
Accounts payable and accrued expenses	116,824	(1,061,793)
Deferred rental income	121,464	232,644
Refundable rent overpayment	18,000	-
Net Cash Provided by Operating Activities	<u>4,177,585</u>	<u>666,410</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from refundable security deposits	4,616,205	3,652,971
Purchase of investments	(4,966,453)	(6,976,901)
Net Cash Provided (Used) by Investing Activities	<u>(350,248)</u>	<u>(3,323,930)</u>
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	3,827,337	(2,657,520)
<b>CASH &amp; CASH EQUIVALENTS - BEGINNING OF YEAR</b>	8,246,009	10,903,529
<b>CASH &amp; CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 12,073,346</u>	<u>\$ 8,246,009</u>

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2022 AND 2021**

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	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 897,429	\$ 1,148,835
Investments	24,260,301	23,852,601
Promises to give	408,925	420,000
Charitable remainder trust	1,110,554	1,321,669
Other assets	344,173	414,150
<b>Total Assets</b>	<u>27,021,382</u>	<u>27,157,255</u>
<b>LIABILITIES</b>		
Accrued liabilities	5,976	2,797
<b>Total Liabilities</b>	<u>5,976</u>	<u>2,797</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	25,088	23,842
Net assets with donor restrictions	26,990,318	27,130,616
<b>Total Net Assets</b>	<u>27,015,406</u>	<u>27,154,458</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 27,021,382</u>	<u>\$ 27,157,255</u>



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2022 Total</b>	<b>2021 Total</b>
<b>SUPPORT AND REVENUE</b>				
Donations	\$ 4,360	\$ 1,168,994	\$ 1,173,354	\$ 1,708,161
In-kind contributions	5,556	-	5,556	16,000
Interest Income	1,670	614,850	616,520	549,378
Investment Income	-	(873,305)	(873,305)	3,797,550
Other Income	88	160,131	160,219	8,592
Donated services	536,338	-	536,338	342,272
Satisfaction of programs restrictions/transfers	1,210,968	(1,210,968)	-	-
<b>Total Support and Revenue</b>	<b>1,758,980</b>	<b>(140,298)</b>	<b>1,618,682</b>	<b>6,421,953</b>
<b>EXPENSES</b>				
Program services	1,216,522	-	1,216,522	926,244
Management and general	541,212	-	541,212	344,951
<b>Total Expenses</b>	<b>1,757,734</b>	<b>-</b>	<b>1,757,734</b>	<b>1,271,195</b>
<b>Change in Net Assets</b>	<b>1,246</b>	<b>(140,298)</b>	<b>(139,052)</b>	<b>5,150,758</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>23,842</b>	<b>27,130,616</b>	<b>27,154,458</b>	<b>22,003,700</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 25,088</b>	<b>\$ 26,990,318</b>	<b>\$ 27,015,406</b>	<b>\$ 27,154,458</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
DISCRETELY PRESENTED COMPONENT UNIT  
WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

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	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (139,052)	\$ 5,150,758
Change in fair value of investments	(407,700)	(4,358,643)
Contributions restricted for endowment	(941,657)	(1,236,847)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in:		
Accounts receivable	11,075	20,000
Other assets	69,977	(73,460)
Charitable trust	211,115	(259,189)
Accrued liabilities	3,179	(7,203)
<b>Net Cash Used by Operating Activities</b>	<b>(1,193,063)</b>	<b>(764,584)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from contribution restricted for investment in endowment	941,657	1,236,847
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(251,406)</b>	<b>472,263</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>1,148,835</b>	<b>676,572</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 897,429</b>	<b>\$ 1,148,835</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 1 – ORGANIZATION**

The West Valley-Mission Community College District (the District) was established in 1963 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering post-secondary educational services to residents of Santa Clara and Santa Cruz County. The District operates under a locally elected seven-member Board of Trustees form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, Special Revenue Funds, and Capital Project Funds, but these budgets are managed at the department level. Currently, the District operates two community colleges located within Santa Clara County, California. While the District is a political subdivision of the State of California, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61. The District is classified as a Public Educational Institution under Internal Revenue Code Section 115 and is, therefore, exempt from Federal taxes.

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

**Financial Reporting Entity**

The District follows GASB Statement No. 61, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity*, to provide additional guidance to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District. The District has determined that the West Valley-Mission Community College Foundation does not meet the criteria for inclusion under GASB 61. The three components used to determine the presentation are: providing a "direct benefit", the "environment and ability to access/influence reporting", and the "significance" criterion. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District, and the following component units:

- West Valley-Mission College District Financing Corporation
- Mission-West Valley Land Corporation
- West Valley-Mission Community College Foundation
- Mission College Center for Innovation and Technology

The *West Valley-Mission College District Financing Corporation* (the Corporation) is a legally separate organization component unit of the District. The Corporation was formed to provide financing assistance to the District for construction and acquisition of major capital facilities. The District appoints the Corporation's governing board. All accounting and administrative functions are performed by the District. The Corporation meets the criteria of the governing authority's ability to significantly influence operations and accountability for fiscal matters and the criteria for inclusion in the District's reporting entity and is reported as a blended component unit. The financial activities of the Corporation have been included in these financial statements in the Revenue Bond Debt Service Fund and the Capital Outlay Projects Fund. Individually-prepared financial statements are not prepared for the Corporation.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

The *Mission-West Valley Land Corporation* (MWVLC) is a non-profit organization under IRS Code Section 501(c)(3). The board of the MWVLC is the same as the District's. The MWVLC meets the criteria of the governing authority's ability to significantly influence operations and accountability for fiscal matters and the criteria for inclusion in the District's reporting entity. Its purpose is to provide programs that enhance and enrich the community life of the District both educationally and culturally. The financial activity of the MWVLC is reported as a separate discretely presented component unit. Individually-prepared financial statements can be obtained from District Finance Office.

The *West Valley-Mission Community Colleges Foundation* (the Foundation) is a non-profit organization under IRS Code Section 501(c)(3). The Foundation meets the criteria of the governing authority's ability to significantly influence operations and accountability for fiscal matters and the criteria for inclusion in the Districts reporting entity. It is dedicated to providing assistance to the students, teachers, and programs of the West Valley and Mission Colleges. The financial activity of the Foundation is reported as a separate discretely presented component unit. Individually-prepared financial statements can be obtained from District Finance Office.

The *Mission College Center for Innovation and Technology* (the Center) is a non-profit organization under IRS Code Section 501(c)(3). The Center does not meet the criteria of the governing authority's ability to significantly influence operations and accountability for fiscal matters and the criteria for inclusion in the Districts reporting entity. It is dedicated to providing assistance to the students, teachers, and programs of the West Valley and Mission Colleges. The financial activity of the Center is not included in this report. Individually-prepared financial statements can be obtained from District Finance Office.

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

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB statements No. 34 and No. 35, as amended by GASB Statements No. 37, No. 38, and No. 39. This presentation provides a comprehensive entity-wide perspective of the District's assets, liabilities, activities, and cash flows and replaces the fund group perspective previously required. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency and intra-fund transactions have been eliminated.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are classified as operating revenues. These transactions are recorded on the accrual basis when the exchange takes place. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 60 days of fiscal year-end. For the District, operating revenues consist primarily of student fees and auxiliary through the bookstore and cafeteria.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain Federal and State grants, entitlements, and donations. Property tax revenue is recognized in the fiscal year received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges Chancellor's Office and includes reporting of full-time equivalent student (FTES) attendance. The corresponding apportionment revenue is recognized in the period the FTES are generated. Revenue from Federal and State grants and entitlements are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements may include time and/or purpose requirements.

Operating expenses are costs incurred to provide instructional services including support costs, auxiliary services, and depreciation of capital assets. All other expenses not meeting this definition are reported as nonoperating. Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

The District reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements, as well as applicable Financial Accounting Standards Board (FASB) pronouncements. The District has elected not to apply FASB pronouncements issued after November 30, 1989.

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34, *Basic Financial Statements and Management's Discussions and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussions and Analysis for Public Colleges and Universities*, as amended by GASB Statements No. 37, No. 38, and No. 39. The business-type activities model followed by the District requires the following components of the District's financial statements:

- Management's Discussion and Analysis
- Basic Financial Statements for the District as a whole including:
  - Statements of Net Position – Primary Government
  - Statements of Revenues, Expenses and Changes in Net Position – Primary Government
  - Statements of Cash Flows – Primary Government
  - Financial Statements of Fiduciary Funds including:
    - Statements of Net Position – Fiduciary Funds
    - Statements of Changes in Net Position – Fiduciary Funds
- Notes to Financial Statements

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**The following is a summary of the more significant policies:**

**Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be unrestricted cash on hand, demand deposits, and short-term unrestricted investments with original maturities three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with county treasury balances for purposes of the statement of cash flows. Restricted cash and cash equivalents represent balances restricted to external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

**Investments**

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, investments held at June 30, 2022 and 2021, are stated at fair value. Fair value is estimated based on quoted market prices at year-end. Short-term investments have an original maturity date greater than three months, but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at a time of purchase.

**Restricted Assets**

Restricted assets arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. Restricted assets represent investments required by debt covenants to be set aside by the District for the purpose of satisfying certain requirements of the bonded debt.

**Accounts Receivable**

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance for potentially uncollectible student fees is based upon management's estimates and analysis. The allowance was estimated at \$765,101 and \$666,715, respectively, as of June 30, 2022 and 2021.

**Prepaid Expenses**

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**Lease Receivable**

The District's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. Any variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

**Intangible Right of Use Assets**

The District has recorded intangible right of use assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

**Capital Assets and Depreciation**

Capital assets are long-lived assets of the District as a whole and include land, construction-in-progress, buildings, land improvements, and equipment. The District maintains an initial unit cost capitalization threshold of \$100,000 for land and buildings, \$50,000 for land improvements and building improvements and \$5,000 for equipment and an estimated useful life greater than one year. Assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. The District does not possess any infrastructure assets (as defined by the GASB). Donated capital assets are recorded at estimated fair market value at the date of donation. Improvements are capitalized; the costs of routine maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged as an operating expense in the year in which the expense was incurred. Major outlays for capital improvements are capitalized as construction-in-progress as the projects are constructed.

Depreciation of capital assets is computed and recorded utilizing the straight-line method. Estimated useful life of the various classes of depreciable capital assets are as follows: buildings, 50 years; building improvements, 25 years, land improvements, 20 years; and equipment, 5 to 10 years.

**Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the entity-wide financial statements.

**Debt Issuance Costs, Premiums, and Discounts**

Bond premiums and discounts, as well as issuance costs related to prepaid issuance cost, are amortized over the life of the bonds using the straight - line method.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District reports deferred outflows of resources for the pension contributions made after the measurement date of the Net Pension Obligation.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The District reports deferred inflows of resources for deferred charges on bond refunding, leases, OPEB and Pensions.

**Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) plan for schools (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

**Compensated Absences**

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the entity-wide financial statements. The current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignation and retirements that occur prior to year-end that have not yet been paid within the fund from which the employees who have accumulated the leave are paid. The District also participates in "load banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period. The liability for this benefit is reported on the entity-wide financial statements.

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



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**Compensated Absences, continued**

The District also established policy to accrue faculty banked leave. The rates to accrue banked leave are as follows:

<u>Banked Load Limit</u>	<u>Basis of Accrual</u>
Less than 1.0	Prevailing associate / part-time faculty rate
1.0	Full-time faculty rate
1.01 but less than 2.0	First 1.0 at full-time faculty rate, the excess at part-time faculty rate
2.0	Full-time faculty rate
2.01 and more	First 2.0 at full-time faculty rate, the excess at part-time faculty rate

A full-time faculty member cannot earn greater than 2.0 banked loads in addition to the 2.0 of pre-retirement banked load. The absolute accumulative total of banked load at any time is 4.0. The full liability for this benefit is reported on the entity-wide financial statements.

**Unearned Revenue**

Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized. Unearned revenue includes (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met are recorded as deferred revenue.

**Noncurrent Liabilities**

Noncurrent liabilities include bonds and notes payable, compensated absences, capital lease obligation and OPEB obligations with maturities greater than one year.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**Net Position**

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

**Net Investment in Capital Assets:** Consists of capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. To the extent debt has been incurred, but not yet expended for capital assets, such accounts are not included as a component invested in capital assets – net of related debts.

Net position is reported as restricted when there are limitations on their use, either through enabling legislation adopted by the District, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**Unrestricted:** Net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for educational and general operations of the District.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first and the unrestricted resources when they are needed.

**State Apportionments**

Apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year. When known and measurable, these reclassifications and corrections are accrued in the year in which the FTES are generated. In a year when a community college district receives sufficient revenue from local property taxes and fees to fully fund or exceed their base revenue amount, the District will not receive any apportionment revenue from the state, therefore, the District will be self-supporting or community supported.

**Property Tax**

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**Property Tax, continued**

The voters of the District passed a General Obligation Bond Measure H in 2004, Measure C in 2012, and Measure W in 2018 for the acquisition, construction and remodeling of certain District property. As a result of the passage of the Bonds, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are billed and collected as noted above and remitted to the District when collected.

**Scholarships, Discounts, and Allowances**

Student tuition and fee revenue is reported net of scholarships, discounts, and allowances. Fee waivers approved by the Board of Governors are included within the scholarships, discounts, and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances represent the difference between stated charges for enrollment fees and the amount that is paid by students or third parties making payments on the students' behalf.

**Federal Financial Assistance Programs**

The District participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, as well as other programs funded by the Federal government agencies. Financial aid to students is either reported as operating expense or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition. These programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. During the years ended June 30, 2022 and 2021, the District distributed \$269,244 and \$274,902, respectively, in direct lending through the U.S. Department of Education. These amounts have been included as revenues or expenses within the accompanying financial statements as the amounts were passed directly to qualifying students, the amounts are also included on the Schedule of Federal Financial Assistance.

**On-Behalf Payments**

GASB Statement No. 24 requires direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another legally separate entity be recognized as revenue and expenditures by the employer entity. The State of California makes direct on-behalf payments to CalSTRS and CalPERS on behalf of all community colleges in California. The amount of the on-behalf payments made for the District for the year ended June 30, 2022, was \$5,256,079 for CalSTRS. Refer to Note 13 for additional information regarding the CalSTRS and CalPERS on behalf payments. These amounts are reflected in the District's audited financial statements.

**Estimates**

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**Interfund Activity**

Interfund transfers and interfund receivables and payables between governmental funds are eliminated during the consolidation process in the Primary Government and Fiduciary Funds' financial statements, respectively.

**Component Units – Mission-West Valley Land Corporation and West Valley-Mission Community Colleges Foundation Presentation**

The Mission-West Valley Land Corporation (Land Corporation) and the West Valley-Mission Community College Foundation (Foundation) present their financial statements in accordance with Financial Accounting Codifications. Under these reporting requirements, the component units are required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As permitted by the codification, the component units do not use fund accounting.

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

Revenues and expense are recorded when incurred in accordance with the accrual basis of accounting. Revenues are reported as increases in the net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions for in-kind gifts from outside sources are recorded at their fair market value on the date of donation.

Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donor stipulation or by law.

Investments are reported at fair value in accordance with FASB Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures.

The component units are not-for-profit organizations that are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and related California Franchise Tax Codes.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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

**New Accounting Pronouncements**

GASB issued Statement No. 87 – *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for the reporting periods beginning after June 15, 2022. The District has implemented GASB Statement No. 87 for the year ending June 30, 2022. Changes adopted conform to the provisions of this Statement and are effective from July 1, 2021 forward. A restatement of the financial statements for all prior periods presented was not practicable and the cumulative effect of applying this Statement retroactively was not calculated to warrant a restatement of beginning net position.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription based information technology arrangements (SBITAs) for government end users (governments). Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The statement is effective for fiscal year 2022-23.

**Comparative Financial Information**

Comparative financial information for the prior year has been presented for additional analysis; certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 3 - DEPOSITS AND INVESTMENTS**

**Policies and Practices**

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

**Investment in County Treasury** - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section (ECS) 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**General Authorizations**

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

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 3 - DEPOSITS AND INVESTMENTS, continued**

**Summary of District deposits and investments**

Deposits and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

Total Business-Type Activities	\$ 320,780,299
Component Unit - Mission-West Valley Land Corporation	22,754,670
Component Unit - West Valley-Mission Community College Foundation	25,501,903
Fiduciary	100,229,412
Total Deposits and Investments	<u>\$ 469,266,284</u>

Deposits and investments as of June 30, 2022, consists of the following:

Cash on hand and in banks	\$ 2,597,695
Investments	466,668,589
Total Deposits and Investments	<u>\$ 469,266,284</u>

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County pool and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**Weighted Average Maturity**

Information about the sensitivity of the fair value of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investments by maturity:

Investment Type	Fair Value	Weighted Average Maturity
U.S. Treasury Cash Reserves	\$ 2,369,980	54 Days
Mutual funds - equities	98,793,386	Not applicable
Mutual funds - fixed income	25,731,817	Not applicable
Other investments	8,448,312	Not applicable
State Pool	11,706,533	311 Days
County Pool	319,618,561	738 Days
	<u>\$ 466,668,589</u>	

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 3 - DEPOSITS AND INVESTMENTS, continued**

**Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County pool are not required to be rated, nor have they been rated as of June 30, 2022.

Investment Type	Fair Value	Rating as of Year-End	
		Aaa	Unrated
U.S. Treasury Cash Reserves	\$ 2,369,980	\$ 2,369,980	\$ -
Mutual funds - equities	98,793,386	98,793,386	-
Mutual funds - fixed income	25,731,817	25,731,817	-
Other investments	8,448,312	-	8,448,312
State Pool	11,706,533	-	11,706,533
County Pool	319,618,561	-	319,618,561
	<u>\$ 466,668,589</u>	<u>\$ 126,895,183</u>	<u>\$ 339,773,406</u>

**Custodial Credit Risk – Deposits**

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit.) The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2022, approximately \$911,738 of the District's bank balance was in excess of FDIC insured amounts, however, this amount was not exposed to custodial credit risk because of the pledged securities previously described.

**Custodial Credit Risk - Investments**

This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The California government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments.



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 4 - FAIR VALUE MEASUREMENTS**

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

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

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

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

Uncategorized - Investments in the Santa Clara County Treasury Investment Pool and/or Local Agency Investment Funds/State Investment Pools are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements are as follows at June 30, 2022:

Investment Type	Fair Value	Fair Value Measurements Using			Uncategorized
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
U.S. Treasury Cash Reserves	\$ 2,369,980	\$ -	\$ 2,369,980	\$ -	\$ -
Mutual funds - equities	98,793,386	98,793,386	-	-	-
Mutual funds - fixed income	25,731,817	-	25,731,817	-	-
Other investments	8,448,312	-	-	-	8,448,312
State Pool	11,706,533	-	-	11,706,533	-
County Pool	319,618,561	-	-	-	319,618,561
	<u>\$ 466,668,589</u>	<u>\$ 98,793,386</u>	<u>\$ 28,101,797</u>	<u>\$ 11,706,533</u>	<u>\$ 328,066,873</u>

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 5 - ACCOUNTS RECEIVABLE**

Accounts receivable for the District consisted primarily of intergovernmental grants, entitlements, interest, student receivables, and other local sources.

	2022	2021
Federal Government		
Categorical aid	\$ 722,986	\$ 2,449,340
State Government		
Categorical aid	322,232	4,149,008
Lottery	332,805	799,762
Other state sources	455,576	1,540,460
Local Government		
Interest	-	595,182
Student receivables, net	2,633,786	2,281,831
Other local sources	3,203,772	3,171,106
Total	<u>\$ 7,671,157</u>	<u>\$ 14,986,689</u>
Student receivables	\$ 3,398,887	\$ 2,894,340
Less: Allowance for bad debt	(765,101)	(666,715)
Student receivables, net	<u>\$ 2,633,786</u>	<u>\$ 2,227,625</u>

**Discretely Presented Component Units**

The Mission-West Valley Land Corporation's accounts receivable consist primarily of interest receivable.

**NOTE 6 – LEASE RECEIVABLE AND ARRANGEMENTS**

The District's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. Any variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 6 – LEASE RECEIVABLE AND ARRANGEMENTS, continued**

Future deferred inflows on noncancellable leases at June 30, 2022 are as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2023	\$ 152,160	\$ 29,628	\$ 181,788
2024	95,474	25,353	120,827
2025	115,486	29,875	145,361
2026	120,191	30,984	151,175
2027	125,088	32,134	157,222
2028-2032	409,462	124,926	534,388
2033-2037	196,005	98,027	294,032
2038-2041	145,976	70,252	216,228
Total	\$ 1,359,842	\$ 441,179	\$ 1,801,021

The District leases space on its campuses to cellular companies, in addition to, office space to external parties. In accordance with GASB 87, the District records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective lease. The expected receipts are discounted using the District’s incremental borrowing rate. Any variable payments are excluded unless fixed in substance. During the year ended June 30, 2022, the District recognized revenues related to these lease agreements totaling \$175,899. During the year ended June 30, 2022, the District does not have any lease revenue related to variable receipts that were not previously included in the measurement of the lease receivable.

The general terms of the lease agreements are as follows:

Lease Type	Number of Contracts	Average Rate	Lease Terms	Average Annual Lease Payment
Cell Towers	4	4.00%	4/28/1996 - 8/24/2040	\$ 75,547
Building	1	4.00%	7/1/2020 - 6/31/2024	\$ 12,000

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 7 – INTANGIBLE RIGHT OF USE ASSETS**

The amount of lease assets by major class of underlying assets as of June 30, 2022, was as follows:

	Balance				Balance	
	July 01, 2021	Additions	Deductions		June 30, 2022	
Intangible Right to Use Assets:						
Leased equipment	\$ -	\$ 40,498	\$ -		\$ 40,498	
Total Right to Use Assets	-	40,498	-		40,498	
Less Accumulated Amortization						
Leased equipment	-	10,019	-		10,019	
Total Accumulated Amortization	-	10,019	-		10,019	
Right to Use Assets, net	\$ -	\$ 30,479	\$ -		\$ 30,479	

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the District for the fiscal year ended June 30, 2022, was as follows:

	Balance				Balance	
	July 1, 2021	Additions	Deductions		June 30, 2022	
Capital Assets Not being Depreciated						
Land	\$ 2,050,827	\$ -	\$ -		\$ 2,050,827	
Construction in progress	124,232,851	71,100,918	45,167,513		150,166,256	
Total Capital Assets Not Being Depreciated	126,283,678	71,100,918	45,167,513		152,217,083	
Capital Assets Being Depreciated						
Land improvements	49,059,657	44,814,494	-		93,874,151	
Buildings and improvements	551,771,443	353,019	1,975,002		550,149,460	
Furniture and equipment	34,520,920	3,145,213	2,363,490		35,302,643	
Vehicles	2,315,833	234,874	-		2,550,707	
Total Capital Assets Being Depreciated	637,667,853	48,547,600	4,338,492		681,876,961	
Total Capital Assets	763,951,531	119,648,518	49,506,005		834,094,044	
Less Accumulated Depreciation						
Land improvements	20,321,647	4,681,810	-		25,003,457	
Buildings and improvements	126,794,525	13,759,989	1,975,002		138,579,512	
Furniture and equipment	20,011,998	2,490,002	2,359,422		20,142,578	
Vehicles	1,874,826	162,909	-		2,037,735	
Total Accumulated Depreciation	169,002,996	21,094,710	4,334,424		185,763,282	
Net Capital Assets	\$ 594,948,535	\$ 98,553,808	\$ 45,171,581		\$ 648,330,762	

Depreciation expense for the year was \$21,094,710.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 8 - CAPITAL ASSETS, continued**

Capital asset activity for the District for the fiscal year ended June 30, 2021, was as follows:

	Beginning Balance		Beginning Balance	
	July 1, 2020	Additions	Deductions	June 30, 2021
Capital Assets not being Depreciated				
Land	\$ 2,050,827	\$ -	\$ -	\$ 2,050,827
Construction in progress	53,089,043	74,554,201	3,410,393	124,232,851
Total Capital Assets Not Being Depreciated	55,139,870	74,554,201	3,410,393	126,283,678
Capital Assets Being Depreciated				
Land improvements	47,664,194	1,395,463	-	49,059,657
Buildings and improvements	549,677,262	2,094,181	-	551,771,443
Furniture and equipment	32,745,854	1,775,066	-	34,520,920
Vehicles	2,163,104	152,729	-	2,315,833
Total Capital Assets Being Depreciated	632,250,414	5,417,439	-	637,667,853
Total Capital Assets	687,390,284	79,971,640	3,410,393	763,951,531
Less Accumulated Depreciation				
Land improvements	17,872,250	2,449,397	-	20,321,647
Buildings and improvements	113,052,202	13,742,323	-	126,794,525
Furniture and equipment	17,801,166	2,210,832	-	20,011,998
Vehicles	1,646,529	228,297	-	1,874,826
Total Accumulated Depreciation	150,372,147	18,630,849	-	169,002,996
Net Capital Assets	\$ 537,018,137	\$ 61,340,791	\$ 3,410,393	\$ 594,948,535

Depreciation expense for the year was \$18,630,849.

**Discretely Presented Component Unit**

As of June 30, 2022, and 2021, the Mission-West Valley Land Corporation owned land with a historical cost of \$16,702.

**NOTE 9 - INTERFUND TRANSACTIONS**

**Operating Transfers**

Operating transfers between District governmental funds are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. These operating transfers within governmental funds have been eliminated through consolidation within the entity-wide financial statements. During the 2021-22 fiscal year, there were no amounts transferred to fiduciary funds from the primary government funds.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 10 – ACCOUNTS PAYABLE**

Accounts payable for the District consisted of the following:

	2022	2021
Accrued payroll benefits	\$ 5,800,514	\$ 4,164,665
Federal categoricals	327,025	369,124
State categoricals	582,441	385,012
Construction project related vendors	10,056,042	8,418,912
Vendors	1,958,575	3,144,710
Total	<u>\$ 18,724,597</u>	<u>\$ 16,482,423</u>

**Discretely Presented Component Units**

The accounts payable of Mission-West Valley Land Corporation and the West Valley-Mission Community College District Foundation consisted primarily of amounts owed to vendors for supplies and services.

**NOTE 11 – UNEARNED REVENUE**

Unearned Revenue consisted of the following:

	2022	2021
Federal financial assistance	\$ 264,118	\$ 287,656
State categorical aid	11,235,678	6,814,096
Student fees	4,120,339	4,235,972
Capital projects	3,171,244	32,750
Other local	3,613,898	3,173,184
Total	<u>\$ 22,405,277</u>	<u>\$ 14,543,658</u>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 12 - LONG-TERM OBLIGATIONS**

**Long-term Obligations Summary**

The changes in the District's long-term obligations during the 2022 fiscal year consisted of the following:

	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022	Due Within One Year
<b>Bonds and Notes Payable</b>					
General obligation bonds	\$ 589,080,000	\$ -	\$ 31,580,000	\$ 557,500,000	\$ 99,820,000
Revenue bonds	13,140,000	-	1,140,000	12,000,000	3,840,000
Premiums, net	54,399,887	-	4,325,551	50,074,336	4,325,551
<b>Total Bonds and Notes Payable</b>	<b>656,619,887</b>	<b>-</b>	<b>37,045,551</b>	<b>619,574,336</b>	<b>107,985,551</b>
<b>Other Long-Term Liabilities</b>					
Compensated absences	20,544,226	3,126,431	-	23,670,657	1,436,639
Lease liability	-	41,415	9,443	31,972	9,974
Net pension liability	162,312,594	-	70,536,827	91,775,767	-
<b>Total Other Long-Term Liabilities</b>	<b>182,856,820</b>	<b>3,167,846</b>	<b>70,546,270</b>	<b>115,478,396</b>	<b>1,446,613</b>
<b>Total Long-Term Obligations</b>	<b>\$ 839,476,707</b>	<b>\$ 3,167,846</b>	<b>\$ 107,591,821</b>	<b>\$ 735,052,732</b>	<b>\$ 109,432,164</b>

The changes in the District's long-term obligations during the 2021 fiscal year consisted of the following:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Due Within One Year
<b>Bonds and Notes Payable</b>					
General obligation bonds	\$ 617,330,000	\$ -	\$ 28,250,000	\$ 589,080,000	\$ 31,580,000
Revenue bonds	14,070,000	-	930,000	13,140,000	1,140,000
Premiums, net	58,441,248	-	4,041,361	54,399,887	4,041,361
<b>Total Bonds and Notes Payable</b>	<b>689,841,248</b>	<b>-</b>	<b>33,221,361</b>	<b>656,619,887</b>	<b>36,761,361</b>
<b>Other Long-Term Liabilities</b>					
Compensated absences	21,471,855	-	927,629	20,544,226	916,657
Net pension liability	144,817,727	17,494,867	-	162,312,594	-
<b>Total Other Long-Term Liabilities</b>	<b>166,289,582</b>	<b>17,494,867</b>	<b>927,629</b>	<b>182,856,820</b>	<b>916,657</b>
<b>Total Long-Term Obligations</b>	<b>\$ 856,130,830</b>	<b>\$ 17,494,867</b>	<b>\$ 34,148,990</b>	<b>\$ 839,476,707</b>	<b>\$ 37,678,018</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 12 - LONG-TERM OBLIGATIONS, continued**

**Debt Maturity**

**General Obligation Bonds**

Issue Date	Maturity Date	Yield	Original Issue	Bonds			Bonds Outstanding June 30, 2022	
				Bonds Outstanding July 1, 2021	Additions	Accretion		Redeemed
9/13/2012	8/1/2037	3.375-5.00%	\$ 100,000,000	\$ 62,495,000	\$ -	\$ -	\$ 2,460,000	\$ 60,035,000
9/13/2012	8/1/2025	2.00-5.00%	28,345,000	18,910,000	-	-	2,990,000	15,920,000
2/25/2015	8/1/2030	2.00-5.00%	28,100,000	27,920,000	-	-	-	27,920,000
2/25/2015	8/1/2040	3.00-5.00%	150,000,000	133,170,000	-	-	665,000	132,505,000
3/8/2017	8/1/2030	2.00-5.00%	10,340,000	8,815,000	-	-	525,000	8,290,000
3/8/2017	8/1/2035	3.00-5.00%	115,395,000	112,810,000	-	-	2,770,000	110,040,000
10/4/2017	8/1/2036	3.00-4.00%	100,000,000	89,830,000	-	-	2,260,000	87,570,000
4/11/2019	8/1/2044	3.00-5.00%	150,000,000	135,130,000	-	-	19,910,000	115,220,000
				<u>\$ 589,080,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,580,000</u>	<u>\$ 557,500,000</u>

The general obligation bonds mature through fiscal year 2044-45 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2023	\$ 29,810,000	\$ 23,192,406	\$ 53,002,406
2024	14,885,000	22,205,831	37,090,831
2025	16,755,000	21,470,856	38,225,856
2026	18,760,000	20,631,881	39,391,881
2027	20,320,000	19,700,031	40,020,031
2028-2032	139,855,000	81,079,153	220,934,153
2033-2037	186,140,000	43,171,213	229,311,213
2038-2042	100,025,000	15,276,625	115,301,625
2043-2045	30,950,000	1,932,000	32,882,000
Subtotal	<u>\$ 557,500,000</u>	<u>\$ 248,659,996</u>	<u>\$ 806,159,996</u>

**Revenue Bonds**

Issue Date	Maturity Date	Yield	Original Issue	Outstanding July 1, 2021	Additions	Redeemed	Outstanding June 30, 2022
8/3/2011	6/1/2036	3.00-6.25%	\$ 9,905,000	\$ 2,520,000	\$ -	\$ -	\$ 2,520,000
12/1/2016	8/1/2028	3.00-5.00%	45,405,000	10,620,000	-	1,140,000	9,480,000
				<u>\$ 13,140,000</u>	<u>\$ -</u>	<u>\$ 1,140,000</u>	<u>\$ 12,000,000</u>



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 12 - LONG-TERM OBLIGATIONS, continued**

The revenue bonds mature through fiscal year 2028-29 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2023	\$ 3,840,000	\$ 627,644	\$ 4,467,644
2024	5,640,000	435,644	6,075,644
2025	-	153,644	153,644
2026	-	153,644	153,644
2027	-	153,644	153,644
2028-2029	2,520,000	153,644	2,673,644
Subtotal	\$ 12,000,000	\$ 1,677,864	\$ 13,677,864

**Compensated Absences and Faculty Banked Leave Liability**

The District calculated its compensated absences as of June 30, 2022 at \$23,670,657. Of this amount, \$19,431,575 was calculated for the unfunded faculty banked leave, \$4,239,082 for accrued vacation and compensatory time.

**Leases**

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

Lease Type	Number of Contracts	Average Rate	Lease Terms	Average Annual Lease Payment
Equipment	4	5.51%	10/14/2019 - 5/18/2026	\$ 7,993

Future minimum lease payments on noncancellable leases at June 30, 2022 are as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2023	\$ 9,974	\$ 1,506	\$ 11,480
2024	10,536	944	11,480
2025	7,524	398	7,922
2026	3,938	103	4,041
Total	\$ 31,972	\$ 2,951	\$ 34,923

**Aggregate Net Pension Obligation**

At June 30, 2022, the liability for the aggregate net pension obligation amounted to \$91,775,767. See Note 13 for additional information.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 13 - POSTEMPLOYMENT BENEFITS**

For the fiscal year ended June 30, 2022, the District reported net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Net OPEB Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Benefit)
District Plan	\$ (29,924,755)	\$ -	\$ 10,106,285	\$ 541,807

**Plan Description**

The Postemployment Benefit Plan (the "Plan") is a single-employer defined benefit healthcare plan administered by West Valley-Mission Community College District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses.

	LIFETIME PLAN Employees Hired Prior to 7/1/1994	BRIDGE PLAN Employees Hire on or after 7/1/1994 and retiring prior to 6/30/2033
Benefit types provided	Medical and Dental	Medical and Dental
Duration of benefits	Lifetime	When eligible for Medicare
Required services	10 years	10 years
Minimum age	55 for faculty 50 for all other employees	55
Dependent coverage	Yes	Yes
District contribution	50-100%*	100%

\*Retirees receive 50% benefits after 10 years of service plus 10% for additional years of service to 100% after 15 years of service.

**Contribution Information**

The contribution requirements of plan members and the District are established and may be amended by the District, the District's bargaining units and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually through the agreements between the District, the District's bargaining units and the unrepresented groups. For fiscal year 2021-22, the District did not contribute to the plan. The District recognizes the costs of providing those benefits and related costs when paid.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 13 - POSTEMPLOYMENT BENEFITS, continued**

**Employees Covered by Benefit Term**

The following is a table of plan participants as of the June 30, 2021 measurement date:

	Number of Participants
Inactive Employees Receiving Benefits	462
Active Employees	382
	<u>844</u>

**Contributions to Trust**

Eligible employees are not permitted to make contributions to the Trust. The Plan administrator (CalPERS) shall, on behalf of the employer (District), make all contributions to the Trustee. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of the trust agreement. The District does not have contractually required contribution rates, but contributes in an amount sufficient to fully fund the total OPEB obligation over a period not to exceed 30 years. The District has a net OPEB asset of \$29,924,755 as of June 30, 2022.

**OPEB Plan Investments**

The plan discount rate of 5.75% was determined using the following asset allocation and assumed rate of return:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
All Equities	22%	7.55%
All Fixed Income	49%	4.25%
Real Estate Investment Trusts	8%	7.25%
All Commodities	5%	7.55%
Treasury Inflation Protected Securities (TIPS)	16%	3.00%
Total	<u>100%</u>	

Rolling periods of time for all asset classes in combination were used to appropriately reflect correlation between asset classes. This means that the average returns for any asset class do not necessarily reflect the averages over time individually, but reflect the return for the asset class for the portfolio average. Additionally, the historic 30-year real rates of return for each asset class along with the assumed long-term inflation assumption was used to set the discount rate. The investment return was offset by assumed investment expenses of 25 basis points. It was further assumed that contributions to the plan would be sufficient to fully fund the obligation over a period not to exceed 30 years.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 13 - POSTEMPLOYMENT BENEFITS, continued**

**Actuarial Assumptions**

The total OPEB liability in the June 30, 2021 actuarial report reflects the June 30, 2021 actuarial valuation that was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2021
Measurement date	June 30, 2021
Census data	The census was provided by the District
Actuarial cost methods	Entry age normal level percent of salary
Inflation rate	2.50%
Investment rate of return	5.75%
Discount rate	5.75%
Health care cost trend rate	4.50%
Payroll increase	2.75%
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2017 CalPERS active mortality for miscellaneous and school employees were used.

**Changes in the Net OPEB Liability**

	Increase/(Decrease)		
	Total OPEB Liability (a)	Total Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance July 1, 2020	\$ 56,197,288	\$ 77,591,369	\$ (21,394,081)
Changes for the year:			
Service cost	136,881	-	136,881
Interest	3,228,835	-	3,228,835
Employer contributions	-	4,903,618	(4,903,618)
Difference between expected and actual experience	(4,651,628)	-	(4,651,628)
Assumption changes	(2,103,259)	-	(2,103,259)
Investment income	-	10,517,319	(10,517,319)
Administrative expense	-	(27,372)	27,372
Expected benefit payments	(4,903,618)	(4,903,618)	-
Other	10,252,062	-	10,252,062
Net change	1,959,273	10,489,947	(8,530,674)
Balance June 30, 2021	\$ 58,156,561	\$ 88,081,316	\$ (29,924,755)

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 13 - POSTEMPLOYMENT BENEFITS, continued**

**Changes in the Net OPEB Liability, continued**

Fiduciary Net Position as a % of the Total OPEB Liability/(Asset), at June 30, 2022 was 151%.

**Sensitivity of the net pension liability to assumptions**

The following presents the net OPEB liability/(asset) calculated using the discount rate of 5.75 percent. The schedule also shows what the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1 percent lower (4.75 percent) and 1 percent higher (6.75 percent):

	Discount Rate 1% Lower (4.75%)	Current Discount Rate (5.75%)	Discount Rate 1% Higher (6.75%)
Net OPEB liability (Asset)	\$ (25,174,310)	\$ (29,924,755)	\$ (34,075,484)

The following table presents the net OPEB liability/(asset) calculated using the health care cost trend rate of 6.5 percent decreasing to 4.5 percent. The schedule also shows what the net OPEB liability/(asset) would be if it were calculated using a health care cost trend rate that is 1 percent lower and 1 percent higher:

	Trend Rate 1% Lower (3.50%)	Healthcare Cost Trend Rate (4.50%)	Trend Rate 1% Higher (5.50%)
Net OPEB liability (Asset)	\$ (34,537,444)	\$ (29,924,755)	\$ (24,683,308)

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 13 - POSTEMPLOYMENT BENEFITS, continued**

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

For the year ended June 30, 2022, the District recognized OPEB expense of \$541,807. At June 30, 2022, the District reported deferred outflows and a deferred inflow of resources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	\$ -	\$ 5,338,130
Differences between expected and actual experience	-	3,283,502
Change in assumptions	-	1,484,653
	\$ -	\$ 10,106,285

The deferred inflows of resources resulting from a change in assumption will be amortized to OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (3,545,063)
2024	(3,378,842)
2025	(2,009,850)
2026	(1,172,530)
	\$ (10,106,285)

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2022 AND 2021**

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**NOTE 14 - RISK MANAGEMENT**

**Property and Liability Insurance Coverages**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year ending June 30, 2022, the District contracted with the Bay Area Community College District JPA for property and general insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

**Workers' Compensation**

For fiscal year 2021-22, the District participated in the Northern California Community College Pool ("NCCCP") for workers' compensation insurance coverage. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS**

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of CalSTRS and classified employees are members of CalPERS.

For the fiscal year ended June 30, 2022, the District reported its proportionate share of the net pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	\$ 40,188,068	\$ 18,868,595	\$ 36,933,547	\$ 2,348,241
CalPERS	51,587,699	14,494,637	20,082,826	7,905,372
Total	\$ 91,775,767	\$ 33,363,232	\$ 57,016,373	\$ 10,253,613

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

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

**Plan Description**

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826 or [www.calstrs.com](http://www.calstrs.com).

**Benefits Provided**

The State Teachers' Retirement Program (STRP) provides retirement, disability, and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age, and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program, and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP. The District contributes exclusively to the STRP Defined Benefit Program; thus disclosures are not included for the other plans.

The STRP provisions and benefits in effect at June 30, 2022, are summarized as follows:

	STRP Defined Benefit Plan	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	16.92%	16.92%
Required state contribution rate	10.828%	10.828%

\*The rate imposed on CalSTRS 2% at 62 members assuming no change in the normal cost of benefits.



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

**Contributions**

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2022, are presented above, and the District's total contributions were \$8,973,020.

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

At June 30, 2022, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	40,188,068
State's proportionate share of the net pension liability associated with the District		<u>20,221,498</u>
Total	<u>\$</u>	<u>60,409,566</u>

The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts and the State, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2021 and June 30, 2020, was 0.088 percent and 0.090 percent, respectively, resulting in a net decrease in the proportionate share of 0.002 percent.

For the year ended June 30, 2022, the District recognized pension expense of \$2,348,241. In addition, the District recognized pension expense and revenue of \$3,524,587 for support provided by the State. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ -	\$ 31,792,091
Differences between expected and actual experience	100,674	4,277,732
Changes in assumptions	5,692,332	-
Net changes in proportionate share of net pension liability	4,102,569	863,724
District contributions subsequent to the measurement date	8,973,020	-
Total	<u>\$ 18,868,595</u>	<u>\$ 36,933,547</u>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (4,796,280)
2024	(4,589,892)
2025	(7,394,203)
2026	(9,415,878)
2027	(416,696)
Thereafter	(425,023)
	<u>\$ (27,037,972)</u>

**Actuarial Methods and Assumptions**

Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2020 and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 2015, through June 30, 2018
Actuarial cost method	Entry Age Normal
Discount rate	7.10%
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant. Based on the model for CalSTRS consulting actuary investment practice, a best estimate range was determined assuming the portfolio is re-balanced annually and that the annual returns are lognormally distributed and independent from year to year to develop expected percentile for the long-term distribution of annualized returns.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

The assumed asset allocation is based on board policy for target asset allocation in effect on February 2, 2012, the date the current experience study was approved by the board. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

<b>Asset Class</b>	<b>Assumed Asset Allocation</b>	<b>Long-term Expected Real Rate of Return*</b>
Public Equity	42%	4.80%
Real Estate	15%	3.60%
Private Equity	13%	6.30%
Fixed Income	12%	1.30%
Risk Mitigating Strategies	10%	1.80%
Inflation Sensitive	6%	3.30%
Cash/Liquidity	2%	-0.40%
	100%	

\*20-year geometric average

**Discount Rate**

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occurred midyear. Based on these assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	\$ 81,808,523	\$ 40,188,068	\$ 5,643,886

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

**California Public Employees' Retirement**

**System (CalPERS) Plan Description**

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811 or [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or age 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS provisions and benefits in effect at June 30, 2022, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	7.000%
Required employer contribution rate	22.91%	22.91%

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
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**JUNE 30, 2022 AND 2021**

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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2022, are presented above, and the total District contributions were \$9,164,000.

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

As of June 30, 2022, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$51,587,699. The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating college districts, actuarially determined. The District's proportionate share for the measurement periods of June 30, 2021 and June 30, 2020, was 0.254 percent and 0.245 percent, respectively, resulting in a net increase in the proportionate share of 0.009 percent.

For the year ended June 30, 2022, the District recognized pension expense of \$7,905,372. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ -	\$ 19,797,822
Differences between expected and actual experience	1,540,025	121,614
Changes in assumptions	-	-
Net changes in proportionate share of net pension liability	3,790,612	163,390
District contributions subsequent to the measurement date	9,164,000	-
Total	\$ 14,494,637	\$ 20,082,826

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (2,306,216)
2024	(3,203,467)
2025	(3,736,347)
2026	(5,506,159)
	\$ (14,752,189)

**Actuarial Methods and Assumptions**

Total pension liability for the Special Enrollment Period (SEP) was determined by applying updated procedures to a financial reporting actuarial valuation as of June 30, 2020, and rolling forward the total pension liability to June 30, 2021. The financial reporting actuarial valuation as of June 30, 2020, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Experience study	July 1, 1997, through June 30, 2015
Actuarial cost method	Entry Age Normal
Discount rate	7.15%
Investment rate of return	7.15%
Consumer price inflation	2.50%
Wage growth	Varies by entry age and service

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include five years of projected ongoing mortality improvement using Scale AA published by the Society of Actuaries.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations, as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns.

The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class*</b>	<b>Assumed Asset Allocation</b>	<b>Real Return Years 1 - 10**</b>	<b>Real Return Years 11+***</b>
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
	100%		

\*In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

\*\*An expected inflation of 2.0% used for this period

\*\*\*An expected inflation of 2.92% used for this period

**Discount Rate**

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

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

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Plan's net pension liability	\$ 86,984,104	\$ 51,587,699	\$ 22,201,089

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

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**NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued**

**Social Security**

As established by Federal law, all public-sector employees who are not members of their employer's existing retirement system (CalSTRS or CalPERS) must be covered by Social Security or an alternative plan. The District has elected to use Social Security as its alternative plan for full time employees. Contributions made by the District and an employee vest immediately. The District contributes 6.2 percent of an employee's gross earnings. An employee is required to contribute 6.2 percent of his or her gross earnings to the pension plan.

**Alternative Plan**

The District offers Accumulation Program for Part-Time and Limited Service Employees (Apple Plan) approved in 1991 for part-time employees who are not members of CalSTRS or CalPERS. The District contributes 4 percent of an employee's salary on behalf of the employee, and employees are required to contribute 3.5 percent of their salary to the APPLE plan.

**On-Behalf Payments**

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for community college education. These payments consist of state general fund contributions of approximately \$5,256,079 to CalSTRS.

**NOTE 16 - COMMITMENTS AND CONTINGENCIES**

**Grants**

The District receives financial assistance from Federal, State and Local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies.

**Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2022.



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

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

**Construction Commitments**

As of June 30, 2022, the District had the following commitments with respect to the unfinished capital projects:

<b>CAPITAL PROJECT</b>	Remaining Construction Commitments	Expected Date of Completion
<b>West Valley College</b>		
Fine Arts Replacement Building	\$ 495,573	11/30/2022
Planetarium New Building	23,091	7/30/2023
Fine Arts and Music New Building	2,663,631	12/18/2023
Theater Renovation and Expansion	2,411,025	4/29/2025
Outdoor PE Facilities Upgrades	12,369,383	7/20/2024
Planetarium New Building	4,124,663	12/16/2024
Landscape and Gateway Additions	2,258,742	3/31/2031
Modular Removal Site Restoration	3,375	3/31/2031
Signage and Wayfinding Master Plan	20,000	4/1/2031
Fine Arts Replacement Building	6,820,170	9/20/2023
Swing Space for Building Project	108,229	3/28/2031
<b>Mission College</b>		
Childcare Dev Center Renovation	4,398,618	12/19/2022
Library Renovation	2,377,145	11/1/2024
Swing Space Renovation Projects	400,847	4/1/2031
Landscaping and Gateway Additions	3,128,615	4/1/2031
MT Replacement Building	5,988,321	12/9/2022
Performing Arts Building	3,832,563	12/1/2025
<b>Districtwide</b>		
Program Contingency DW	32,818	4/1/2031
Program Management	655,200	4/1/2031
Alternative Energy Project MC & WV	11,536,955	4/13/2023
Police Building and Yard at WV	1,258,622	9/3/2024
ADA Barrier Removal at MC & WV	37,591	5/2/2027
Vasona Creek Improvements at WV	1,280,812	6/4/2024
Security, Safety and Monitoring at MC & WV	262,569	5/2/2027
IS Server and Infrastructure Upgrade DS	595,200	2/5/2030
Utility and Electrical Building Upgrade at MC & WV	455,066	5/22/2027
Underground Water and Sewer Upgrade at MC & WV	404,309	5/22/2027
Storm Water MP and Implement at MC & WV	265,293	5/22/2027
HVAC and Lighting Energy Retrofit at MC & WV	4,073	4/1/2031
Parking Lot, Road, Sidewalk Replacement at MC & WV	552,692	4/17/2031
	<u>\$ 68,765,191</u>	

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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**NOTE 17 - PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES**

The District is a member of the Northern California Community College Pool ("NCCCP") and the Bay Area Community College District (BACCD) Joint Powers Authority JPAs. The District pays annual premiums for its property and general liability and workers' compensation coverage. The relationship between the District and the JPA is such that it is not a component unit of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, transactions between the JPAs and the District are included in these statements. Audited financial statements are available from the respective entities. The District's share of year-end assets, liabilities, or fund equity has not been calculated. During the year ended June 30, 2022, the District made payments of \$1,170,177 and \$784,148 to NCCCP and BACCD, respectively.

**NOTE 18 – SUBSEQUENT EVENTS**

In July 2022, the District issued \$63,035,000 of 2022 General Obligation Refunding Bonds. The bonds will be used to refund a portion of the District's outstanding Election of 2012 General Obligation Bonds, Series 2012A and 2012 General Obligation Refunding Bonds. The bonds have yield interest at a rate of 5% and mature on August 1, 2037.

In July 2022, the District issued \$175,000,000 of Election 2018 General Obligation Bonds, Series 2022B. The bonds are issued to finance the acquisition, construction, modernization and equipping of District sites and facilities and pay the costs of issuance. The bonds yield interest between 3.875% and 5.000% and mature on August 1, 2043.

In August 2022, the District entered into a Supplementary Retirement Plan (SRP) with the Public Agency Investment Services (PARS). 66 employees entered into the plan with an effective date of August 1, 2022. Total payments of \$6,887,575, will be paid out over 5 years, annually, beginning July 10, 2022.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 136,881	\$ 132,894	\$ 93,763	\$ 246,894	\$ 240,286
Interest	3,228,835	3,521,043	3,049,607	3,193,452	3,314,416
Changes of benefit terms	-	-	1,298,612	-	-
Difference between expected and actual experience	(4,651,628)	(3,729,520)	372,665	-	-
Assumption changes	(2,103,259)	-	7,585,302	-	-
Benefit payments	(4,903,618)	(4,556,574)	(4,607,055)	(7,009,091)	(4,145,664)
Other	10,252,062	-	-	-	-
Net change in total OPEB liability	1,959,273	(4,632,157)	7,792,894	(3,568,745)	(590,962)
Total OPEB liability, beginning of year	56,197,288	60,829,445	53,036,551	56,605,296	57,196,258
Total OPEB liability, end of year (a)	\$ 58,156,561	\$ 56,197,288	\$ 60,829,445	\$ 53,036,551	\$ 56,605,296
Plan fiduciary net position					
Employer contributions	\$ 4,903,618	\$ 4,556,574	\$ 4,607,055	\$ 7,009,091	\$ 19,952,498
Investment income	10,517,319	4,594,075	4,970,291	3,812,227	5,349,830
Investment gains/losses	-	-	-	831,119	-
Administrative expense	(27,372)	(36,216)	(58,370)	(73,833)	(43,646)
Expected benefit payments	(4,903,618)	(4,556,574)	(4,607,055)	(7,009,091)	(4,145,664)
Change in plan fiduciary net position	10,489,947	4,557,859	4,911,921	4,569,513	21,113,018
Fiduciary trust net position, beginning of year	77,591,369	73,033,510	68,121,589	63,552,076	42,439,058
Fiduciary trust net position, end of year (b)	\$ 88,081,316	\$ 77,591,369	\$ 73,033,510	\$ 68,121,589	\$ 63,552,076
Net OPEB liability/(asset), ending (a) - (b)	\$ (29,924,755)	\$ (21,394,081)	\$ (12,204,065)	\$ (15,085,038)	\$ (6,946,780)
Covered payroll	\$ 3,338,594	\$ 4,048,300	\$ 3,373,439	\$ 3,612,127	\$ 4,868,772
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	151%	138%	120%	128%	112%
Net OPEB asset as a percentage of covered payroll	-896%	-528%	-362%	-418%	-143%

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS – OPEB**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 3,715,897	\$ 4,720,562	\$ 4,611,710	\$ 4,318,952	\$ 7,009,091
Contributions in relations to the actuarially determined contribution	-	-	-	-	19,952,498
Contribution deficiency (excess)	\$ 3,715,897	\$ 4,611,710	\$ 4,611,710	\$ 4,318,952	\$ (12,943,407)
Covered-employee payroll	\$ 3,338,594	\$ 4,048,300	\$ 3,373,439	\$ 3,612,127	\$ 4,868,772
Contribution as a percentage of covered-employee payroll	111.30%	116.61%	136.71%	119.57%	143.96%

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2022**

	Reporting Fiscal Year (Measurement Date)			
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
<b>CaSTRS</b>				
District's proportion of the net pension liability	0.0883%	0.0899%	0.0835%	0.0804%
District's proportionate share of the net pension liability	\$ 40,188,068	\$ 87,145,766	\$ 75,449,446	\$ 73,873,279
State's proportionate share of the net pension liability associated with the District	20,221,498	44,923,289	41,163,042	42,295,906
Total	\$ 60,409,566	\$ 132,069,055	\$ 116,612,488	\$ 116,169,185
District's covered - employee payroll	\$ 50,748,345	\$ 50,200,551	\$ 50,748,345	\$ 48,313,016
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	79.2%	173.6%	148.7%	152.9%
Plan fiduciary net position as a percentage of the total pension liability	87.2%	71.8%	72.6%	71.0%
	Reporting Fiscal Year (Measurement Date)			
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
<b>CaPERS</b>				
District's proportion of the net pension liability	0.254%	0.245%	0.238%	0.234%
District's proportionate share of the net pension liability	\$ 51,587,699	\$ 75,166,828	\$ 69,368,281	\$ 62,479,452
District's covered - employee payroll	\$ 37,504,315	\$ 38,647,034	\$ 37,504,315	\$ 34,841,561
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	137.6%	194.5%	185.0%	179.3%
Plan fiduciary net position as a percentage of the total pension liability	81.0%	70.0%	70.0%	70.8%

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2022**

	Reporting Fiscal Year (Measurement Date)			
	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
<b>CalSTRS</b>				
District's proportion of the net pension liability	0.075%	0.076%	0.074%	0.077%
District's proportionate share of the net pension liability	\$ 69,615,249	\$ 61,116,464	\$ 49,594,453	\$ 44,819,057
State's proportionate share of the net pension liability associated with the District	41,184,129	34,792,513	26,229,999	27,063,682
Total	<u>\$ 110,799,378</u>	<u>\$ 95,908,977</u>	<u>\$ 75,824,452</u>	<u>\$ 71,882,739</u>
District's covered - employee payroll	\$ 44,605,842	\$ 41,111,669	\$ 36,540,969	\$ 37,592,038
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	156.1%	148.7%	135.7%	119.2%
Plan fiduciary net position as a percentage of the total pension liability	69.0%	70.0%	74.0%	77.0%

	Reporting Fiscal Year (Measurement Date)			
	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
<b>CalPERS</b>				
District's proportion of the net pension liability	0.214%	0.204%	0.211%	0.229%
District's proportionate share of the net pension liability	\$ 51,165,618	\$ 40,277,100	\$ 31,094,903	\$ 26,012,297
District's covered - employee payroll	\$ 37,300,936	\$ 27,151,548	\$ 24,418,785	\$ 26,116,643
District's proportionate Share of the net pension liability as percentage of covered-employee payroll	137.2%	148.3%	127.3%	99.6%
Plan fiduciary net position as a percentage of the total pension liability	72.0%	74.0%	79.0%	83.0%

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS – PENSIONS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Reporting Fiscal Year			
	2022	2021	2020	2019
CalSTRS				
Statutorily required contribution	\$ 8,973,020	\$ 8,107,389	\$ 8,677,967	\$ 7,865,359
District's contributions in relation to the statutorily required contribution	8,973,020	8,107,389	8,677,967	7,865,359
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 53,032,033	\$ 50,200,551	\$ 50,748,345	\$ 48,313,016
District's contributions as a percentage of covered-employee payroll	16.92%	16.15%	17.10%	16.28%
CalPERS				
Statutorily required contribution	\$ 9,164,000	\$ 7,999,936	\$ 7,395,851	\$ 6,292,386
District's contributions in relation to the statutorily required contribution	9,164,000	7,999,936	7,395,851	6,292,386
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 40,000,000	\$ 38,647,034	\$ 37,504,315	\$ 34,841,561
District's contributions as a percentage of covered-employee payroll	22.91%	20.70%	19.72%	18.06%

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



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF CONTRIBUTIONS – PENSIONS  
FOR THE YEAR ENDED JUNE 30, 2022**

CaISTRS	Reporting Fiscal Year			
	2018	2017	2016	2015
Statutorily required contribution	\$ 6,436,623	\$ 5,171,848	\$ 3,920,846	\$ 3,338,173
District's contributions in relation to the statutorily required contribution	6,436,623	5,171,848	3,920,846	3,338,173
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 44,605,842	\$ 41,111,669	\$ 36,540,969	\$ 37,592,038
District's contributions as a percentage of covered-employee payroll	14.43%	12.58%	10.73%	8.88%

CaIPERS	Reporting Fiscal Year			
	2018	2017	2016	2015
Statutorily required contribution	\$ 5,181,100	\$ 3,771,350	\$ 2,893,626	\$ 2,987,744
District's contributions in relation to the statutorily required contribution	5,181,100	3,771,350	2,893,626	2,987,744
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 37,300,936	\$ 27,151,548	\$ 24,418,785	\$ 26,116,643
District's contributions as a percentage of covered-employee payroll	13.89%	13.89%	11.85%	11.44%

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

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**NOTE 1 - PURPOSE OF SCHEDULES**

**Schedule of Changes in Net OPEB Liability and Related Ratios**

The Schedule of Changes in Net OPEB liability is presented to illustrate the elements of the District's Net OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**Schedule of Contributions – OPEB**

This schedule presents information on the District's actuarially determined contribution, contributions in relation to the actuarially determined contribution, and any excess or deficiency related to the actuarially determined contribution. In the future, as data becomes available, 10 years of information will be presented.

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

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net positions and, when applicable, the State's proportionate share of the NPL associated with the District. In the future, as data becomes available, ten years of information will be presented.

**Schedule of Contributions – Pensions**

This schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. 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 for either CalSTRS or CalPERS.

**Changes in Assumptions**

There were no change in discount rates from the previous valuation for either CalSTRS or CalPERS.

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## **SUPPLEMENTARY INFORMATION**

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**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
DISTRICT ORGANIZATION  
JUNE 30, 2022**

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The West Valley-Mission Community College District was established in 1963 and provides higher education in Santa Clara County and a portion of Santa Cruz County. The District operates two colleges. West Valley College, founded in 1964, is situated on a 143-acre campus in the foothills of the Santa Cruz Mountains in Saratoga, California. Mission College, which opened in 1975, is located on a 164-acre site in Santa Clara, California. The Colleges are each fully accredited by the Accrediting Commission for Community and Junior Colleges (ACCJC).

**GOVERNING BOARD**

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<b>MEMBER</b>	<b>OFFICE</b>	<b>TERM EXPIRES</b>
Anne Kepner	President	2022
Adrienne Grey	Vice President	2024
Susan Fish	Member	2022
Randi Kinman	Member	2024
Jack Lucas	Member	2022
Robert Owens	Member	2024
Karl Watanabe	Member	2024
Casey Chang	Student Trustee MC	2022
Kimmie Moomau	Student Trustee WVC	2022

**DISTRICT ADMINISTRATION**

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Bradley J. Davis  
*Chancellor*

Stephanie Kashima  
*President, West Valley College*

Dr. Seher Awan  
*President, Mission College*

Dan Borges  
*Associate Vice Chancellor, Information and Education  
Technology*

Manny Cappello  
*Associate Vice Chancellor, Governmental Relations and Public  
Communications*

Pat Fenton  
*Interim Associate Vice Chancellor, Facilities Development  
and Operations*

Ngoc Chim  
*Associate Vice Chancellor, Finance and Administration*

Eric Ramones  
*Associate Vice Chancellor, Human Resources*

Chris Rolan  
*Associate Vice Chancellor, Health and Public Safety*

**AUXILIARY ORGANIZATIONS IN GOOD STANDING**

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<b>AUXILIARY NAME</b>	<b>DIRECTOR'S NAME</b>	<b>ESTABLISHMENT AND MASTER AGREEMENT DATE</b>
West Valley-Mission Community College Foundation	Bradley J. Davis, Director, Chancellor WVMCCD	Organized as an auxiliary organization in 1995 and has a signed master agreement dated September 7, 2018.
Mission-West Valley Land Corporation	Board of Trustees	Organized as an auxiliary organization in 1985.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Number	Program Revenues				Total Program Expenditures
			Cash Received	Accounts Receivable	Deferred Revenue	Total Revenue	
<b>U.S. DEPARTMENT OF EDUCATION</b>							
Student Financial Aid Cluster							
Pell Grant	84.063	[1]	\$ 7,002,260	\$ 2,222	\$ -	\$ 7,004,482	\$ 7,004,482
Supplemental Educational Opportunity Grant (SEOG)	84.007	[1]	307,016	-	-	307,016	307,016
Federal Work Study Program	84.033	[1]	184,558	16,625	-	201,183	201,183
Federal Direct Student Loans	84.268	[1]	269,244	-	-	269,244	269,244
Student Financial Aid Administration Allowance	85.063	[1]	44,096	-	35,704	8,392	8,392
Student Financial Aid Veteran Admin	85.063	[1]	8,739	-	8,184	555	555
TRIO Project - ACCESS	84.042A	[1]	879,282	15,440	-	894,722	894,722
Higher Education - Institutional Aid (AANAPISI) - STEMlink	84.031L	[1]	246,888	4,677	3,072	248,493	248,493
Higher Education - Institutional Aid (HSI) - STEMlink	84.031C	[1]	627,917	75,885	-	703,802	703,802
Child Development - CCAMPIS	84.335A	[2]	2,015	-	2,015	-	-
Higher Education Emergency Relief Funds (HEERF)							
COVID-19 HEERF III ARP - Student Aid	84.425E	[2]	4,951,059	-	-	4,951,059	4,951,059
COVID-19 HEERF I CARES Act - Institutional	84.425F	[2]	1,890	-	-	1,890	1,890
COVID-19 HEERF II CRRSA Act - Institutional	84.425F	[2]	3,417,811	113,885	13,646	3,518,050	3,518,050
COVID-19 HEERF III ARP - Institutional	84.425F	[2]	2,502,426	11,255	-	2,513,681	2,513,681
COVID-19 HEERF CARES Act - Minority Serving Institutions	84.425L	[2]	698,080	114,934	-	813,014	813,014
Pass-Through California State Chancellor's Office							
Perkins, Title I-C	84.048	[1]	27,111	245,371	-	272,482	272,482
			21,170,392	600,294	62,621	21,708,065	21,708,065
<b>U.S. DEPARTMENT OF LABOR</b>							
American Apprenticeship							
	17.268	[1]	466,058	-	-	466,058	466,058
<b>U.S. DEPARTMENT OF AGRICULTURE</b>							
Pass-Through California Department of Education							
Child and Adult Care Food Program	10.558	[2]	20,142	-	-	20,142	20,142
<b>U.S. DEPARTMENT OF DEFENSE</b>							
CADENCE Grant							
	12.600	[2]	-	7,999	-	7,999	7,999
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>							
Pass-Through California State Chancellor's Office							
Temporary Assistance to Needy Families (TANF)	93.558	[2]	32,121	29,651	-	61,772	61,772
Pass-Through California Department of Education							
Child Dev. Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act- One-time Stipend	93.575	15555	4,410	-	2,205	2,205	2,205
Pass-Through Santa Clara County							
CaWORKS	93.558	[2]	149,279	8,616	-	157,895	157,895
Title IV-E	93.658	[2]	263,666	-	199,292	64,374	64,374
Title IV-E - Foster and Kinship Care Education	93.658	[2]	22,934	-	22,934	-	-
			472,410	38,267	224,431	286,246	286,246
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>							
Federal Emergency Management Agency (FEMA)							
Total	97.036	[2]	-	76,426	-	76,426	76,426
			\$ 22,129,002	\$ 722,986	\$ 287,052	\$ 22,564,936	\$ 22,564,936

[1] Not applicable

[2] Not available

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

Program	Program Revenues				Total Program Expenditures
	Cash Received	Accounts Receivable	Deferred Revenue	Total Revenue	
Lottery - Restricted	\$ 1,439,103	\$ 332,805	\$ 833,558	\$ 938,350	\$ 849,561
State Financial Aid 2%	199,649	-	17,095	182,554	182,554
Human Resources Staff Diversity	95,524	-	79,889	15,635	15,635
Library Service Platform	11,550	-	11,550	-	-
EWD CA Apprenticeship Initiative	12,654	13,240	-	25,894	25,894
Adult Education Block Grant (AEBG)	687,737	-	163,954	523,783	523,783
Instructional Block Grant	2,068,256	-	1,153,397	914,859	914,859
Basic Needs Centers	387,834	-	372,510	15,324	15,324
Student Food/Housing Support	408,298	-	408,298	-	-
Apprenticeship RSI	1,748,227	-	1,677,418	70,809	70,809
Veteran's Resource Center	177,724	-	85,091	92,633	92,633
Veteran's Resource Center - One Time	33,679	49,689	15,555	67,813	67,813
Guided Pathways	747,125	-	297,903	449,222	449,222
Financial Aid Technology (on-going)	127,072	-	116,763	10,309	10,309
CA College Promise (AB19)	2,095,548	-	575,186	1,520,362	1,520,362
Middle College Highschool Program	199,500	-	189,877	9,623	9,623
Extended Opportunity Programs and Services (EOPS)	1,658,566	-	161,555	1,497,011	1,497,011
Cooperative Agencies Resources for Education (CARE)	183,541	-	45,602	137,939	137,939
Disabled Students Programs and Services (DSPS)	1,628,728	-	64,237	1,564,491	1,564,491
CalWORKS	300,458	-	5,127	295,331	295,331
Student Equity and Achievement Program (SEAP)	5,647,126	-	595,092	5,052,034	5,052,034
Strong Workforce Program	5,011,208	237,398	1,846,691	3,401,915	3,401,915
CTE Nursing	140,247	-	-	140,247	140,247
Math, Engineering & Science Achievement (MESA) FSS Grant	154,107	-	131,008	23,099	23,099
Board of Financial Assistance Program (BFAP)	385,143	-	-	385,143	385,143
Child Development Center - First 5 grant	14,946	-	-	14,946	14,946
Child Development Center - State grant (Tax Bailout)	56,960	-	-	56,960	56,960
Child Development Center - State grant - General	565,726	-	-	565,726	565,726
STEM-CORE	10,000	-	-	10,000	10,000
Puente Project	9,413	-	9,114	299	299
LGBTQ+ Support	135,873	-	135,873	-	-
Innovation and Effectiveness Grant	400,000	-	400,000	-	-
CTE Data Unlocked Fund	49,505	-	49,505	-	-
Student Success Completion Grant	966,237	-	33,000	933,237	933,237
Financial Aid Technology - One Time	5,203	-	-	5,203	5,203
Mental Health Support	401,541	-	350,212	51,329	51,329
Umoja Program	10,000	-	-	10,000	10,000
Classified Professional Development	57,796	-	57,796	-	-
East Side UHSD	10,000	-	-	10,000	10,000
Mental Health Services	375,532	-	127,819	247,713	247,713
COVID-19 State Block Grant	441,797	-	-	441,797	441,797
Dreamer Resource Liaison Support	238,601	-	191,973	46,628	46,628
CalFresh Outreach	32,822	-	5,291	27,531	27,531
Student Retention and Outreach	1,094,420	-	702,534	391,886	391,886
CalVax Grant	20,000	-	16,002	3,998	3,998
EEO Best Practices	208,333	-	208,333	-	-
Culturally Competent Faculty PD	100,870	-	100,870	-	-
California Apprenticeship Initiative (CAI) High Road Training	-	21,905	-	21,905	21,905
Cal Grant A, B, C	1,280,085	-	-	1,280,085	1,280,085
Emergency Financial Assistance	87,767	-	-	87,767	87,767
Subtotal	\$ 32,122,031	\$ 655,037	\$ 11,235,678	\$ 21,541,390	\$ 21,452,601

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT –  
ANNUAL/ACTUAL ATTENDANCE  
FOR THE YEAR ENDED JUNE 30, 2022**

<b>CATEGORIES</b>	Reported Data	Audit Adjustments	Audited Data
<b>A. Summer Intersession (Summer 2021 only)</b>			
1. Noncredit	67.94	-	67.94
2. Credit	1,252.08	-	1,252.08
<b>B. Summer Intersession (Summer 2022 - Prior to July 1, 2022)</b>			
1. Noncredit	2.28	-	2.28
2. Credit	31.83	-	31.83
<b>C. Primary Terms (Exclusive of Summer Intersession)</b>			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	3,501.21	-	3,501.21
(b) Daily Census Contact Hours	188.88	-	188.88
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	376.10	-	376.10
(b) Credit	50.75	-	50.75
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	3,154.22	-	3,154.22
(b) Daily Census Contact Hours	1,210.58	-	1,210.58
(c) Noncredit Independent Study/Distance Education Courses	59.26	-	59.26
<b>D. Total FTES</b>	<b>9,895.13</b>	<b>-</b>	<b>9,895.13</b>
<b>Supplemental Information (subset of above information)</b>			
<b>E. In-service Training Courses</b>	-	-	-
<b>F. Basic Skills Courses and Immigrant Education</b>			
1. Credit	222.84	-	222.84
2. Noncredit	33.43	-	33.43
Total Basic Skills FTES	256.27	-	256.27

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF THE EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2022**

	Object/ TOP Codes	Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	30,179,070	-	30,179,070	30,179,070	-	30,179,070
Other	1300	18,596,565	-	18,596,565	18,596,565	-	18,596,565
Total Instructional Salaries		48,775,635	-	48,775,635	48,775,635	-	48,775,635
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	12,977,946	-	12,977,946
Other	1400	-	-	-	355,579	-	355,579
Total Non-Instructional Salaries		-	-	-	13,333,525	-	13,333,525
Total Academic Salaries		48,775,635	-	48,775,635	62,109,160	-	62,109,160
<u>Classified Salaries</u>							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	24,362,415	-	24,362,415
Other	2300	-	-	-	1,056,338	-	1,056,338
Total Non-Instructional Salaries		-	-	-	25,418,753	-	25,418,753
Instructional Aides							
Regular Status	2200	1,339,164	-	1,339,164	1,339,164	-	1,339,164
Other	2400	323,977	-	323,977	323,977	-	323,977
Total Instructional Aides		1,663,141	-	1,663,141	1,663,141	-	1,663,141
Total Classified Salaries		1,663,141	-	1,663,141	27,081,894	-	27,081,894
Employee Benefits	3000	17,760,071	-	17,760,071	37,328,359	-	37,328,359
Supplies and Materials	4000	-	-	-	653,012	-	653,012
Other Operating Expenses	5000	-	-	-	10,215,476	-	10,215,476
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		68,198,847	-	68,198,847	137,387,901	-	137,387,901



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF THE EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION, CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2022**

<u>Exclusions</u>							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	-	-	-	-	-	-
Std. Health Svcs. Above Amount Collected	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	248,189	-	248,189
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	-	-	-
Object to Exclude							
Rents and Leases	5060	-	-	-	23,858	-	23,858
Lottery Expenditures		-	-	-	-	-	-
Academic Salaries	1000	-	-	-	1,355,769	-	1,355,769
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	505,248	-	505,248
Supplies and Materials	4000						
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	-	-	-
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400						
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		\$ -	\$ -	\$ -	\$ 2,133,064	\$ -	\$ 2,133,064
Total for ECS 84362, 50% Law		\$ 68,198,847	\$ -	\$ 68,198,847	\$ 135,254,837	\$ -	\$ 135,254,837
Percent of CEE (Instructional Salary Cost/Total CEE)		50.42%	0.00%	50.42%	100.00%	0.00%	100.00%
50% of Current Expense of Education		\$ -	\$ -	\$ -	\$ 67,627,419	\$ -	\$ 67,627,419

See accompanying note to supplementary information.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
 PROPOSITION 30 EDUCATION PROTECTION ACCOUNT EXPENDITURE REPORT  
 FOR THE YEAR ENDED JUNE 30, 2022**

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EPA Revenue	\$ 1,085,314
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Activity Classification	Activity Code	Salaries and Benefits	Operating Expenses	Capital Outlay	Total
		(Obj 1000-3000)	(Obj 4000-5000)	(Obj 6000)	
Instructional Activities	0100-5900	\$ 1,085,314	\$ -	\$ -	\$ 1,085,314
Total		\$ 1,085,314	\$ -	\$ -	\$ 1,085,314

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF FUND EQUITY TO NET POSITION  
JUNE 30, 2022**

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

General Fund	\$	86,636,888	
Capital Projects Fund		134,559,802	
Special Revenue Funds		1,200,217	
Debt Service Funds		56,595,883	
Enterprise Funds		5,362,525	
Student Trust Funds		1,623,750	
Student Financial Aid Fund		33,551	\$ 286,012,616
		<u>                    </u>	

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

Nondepreciable capital assets	\$	152,217,083	
Depreciable capital assets		681,876,961	
Accumulated depreciation		(185,763,282)	
Lease receivable		1,359,842	
Intangible right of use assets		40,498	
Accumulated amortization		(10,019)	649,721,083
		<u>                    </u>	

Net OPEB Asset 29,924,755

Unmatured Interest (8,634,950)

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

Deferred outflows related to bond refundings			5,598,295
Deferred outflows related to pensions			33,363,232

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

General obligation bonds	\$	557,500,000	
Lease revenue bonds		12,000,000	
Premiums, net		50,074,336	
Compensated absences		22,234,018	
Lease liability		31,972	
Net pension liability		91,775,767	(733,616,093)
		<u>                    </u>	

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

Deferred charge on refunding			(1,906,336)
Deferred inflows related to leases			(1,334,950)
Deferred inflows related to OPEB			(10,106,285)
Deferred inflows related to pensions			(57,016,373)
			<u>                    </u>

**Net Position Reported Within the  
Statements of Net Position**

\$ 192,004,994

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT**  
**NOTE TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2022**

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**NOTE 1 - PURPOSE OF SCHEDULES**

**District Organization**

This schedule provides information about the District’s governing board members and administration members.

**Schedule of Expenditures of Federal Awards**

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (Part 200), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has not elected to use the ten percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance.

The following schedule provides reconciliation between revenues reported on the Statement of Revenues, Expenses, and Changes in Net Assets-Primary Government and the related expenditures reported on the Schedule of Federal Awards. The reconciliation amounts consist primarily of funds that in the previous period were recorded as revenues but were unspent. These unspent balances have been expended in the current period. These unspent balances are reported as legally restricted ending balances within the Statement of Net Position-Primary Government.

	CFDA Number	Amount
Total Federal Revenues From the Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 22,649,437
Lease Revenue Bonds	N/A	(64,831)
Fund Balance	N/A	(19,670)
Total Schedule of Expenditures of Federal Awards		<u>\$ 22,564,936</u>

**Schedule of Expenditures of State Awards**

The accompanying schedule of expenditures of State awards includes the State grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State System’s Office.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
NOTE TO SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

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

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

Full-Time Equivalent Students (FTES) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds, including restricted categorical funding, are made to community college districts. These schedules provide information regarding the annual attendance measurements of students throughout the District.

**Reconciliation of the Education Code Section 84362 (50 Percent Law) Calculation**

ECS 84362 requires the District to expend a minimum of 50 percent of the unrestricted General fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

**Proposition 30 Education Protection Account Expenditure Report**

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

**Reconciliation of Fund Equity to Net Position**

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

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## **OTHER INDEPENDENT AUDITORS' REPORTS**

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

The Board of Trustees  
West Valley-Mission Community College District  
Saratoga, 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 the financial statements of the business-type activities, the aggregate discretely presented component units, and the aggregate remaining fund information of West Valley-Mission Community College District (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 21, 2022.

**Report on Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

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

*CWDL, Certified Public Accountants*

San Diego, California  
October 21, 2022





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

The Board of Trustees  
West Valley-Mission Community College District  
Saratoga, California

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

We have audited West Valley-Mission Community College District's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2022. The District's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2022.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of West Valley-Mission Community College District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of West Valley-Mission Community College District's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to West Valley-Mission Community College District's federal programs.

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on West Valley-Mission Community College District's compliance based on our audit

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

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

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

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*CWDL, Certified Public Accountants*

San Diego, California  
October 21, 2022



## INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

The Board of Trustees  
West Valley-Mission Community College District  
Saratoga, California

### **Report on State Compliance**

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

We have audited West Valley-Mission Community College District's (the District) compliance with the types of compliance requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2021-22*, issued by the California Community Colleges Chancellor's Office for the year ended June 30, 2022.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2022.

#### ***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the compliance requirements described in the *California Community Colleges Contracted District Audit Manual (CDAM) 2021-22*, issued by the California Community Colleges Chancellor's Office. Our responsibilities under those standards and the compliance requirements are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of West Valley-Mission Community College District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for program. Our audit does not provide a legal determination of West Valley-Mission Community College District's compliance with the compliance requirements referred to above.

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

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

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

Our responsibility is to express an opinion on West Valley-Mission Community College District's compliance with the requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *California Community Colleges Contracted District Audit Manual (CDAM) 2021-22*, issued by the California Community Colleges Chancellor's Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state programs noted below. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

### **Procedures Performed**

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

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

### **Purpose of this Report**

The purpose of this report on state compliance is solely to describe the results of testing based on the requirements of the *California Community Colleges Contracted District Audit Manual (CDAM) 2021-22*. Accordingly, this report is not suitable for any other purpose.



San Diego, California  
October 21, 2022

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## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2022**

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

**FINANCIAL STATEMENTS**

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None Noted</u>
Non-compliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

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

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.007, 84.268, 84.033 84.063</u>	<u>Student Financial Aid Cluster</u>
<u>84.042A</u>	<u>TRIO Cluster</u>
<u>84.425E, 84.425F, 84.425L</u>	<u>Higher Education Emergency Relief Funds (HEERF)</u>

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

**STATE AWARDS**

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**Section II – Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

**There were no financial statement findings or recommendations identified during 2021-22.**



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**Section III – Federal Award Findings and Questioned Costs**

This section identifies the audit findings required to be reported by the Uniform Guidance (e.g., deficiencies, significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs).

**There were no federal award findings or questioned costs identified during 2021-22.**

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
STATE AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**Section IV – State Award Findings and Questioned Costs**

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

**There were no state award findings or questioned costs identified during 2021-22.**

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2022**

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**There were no findings or questioned costs identified during the year ending 2020-21.**

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**UNAUDITED SUPPLEMENTARY INFORMATION**

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**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEETS  
JUNE 30, 2022**

	General Fund Unrestricted	General Fund Restricted	General Obligation Bonds Debt Service Fund	Retiree Health Benefits Fund	Lease Revenue Bond Debt Service Fund	Child Development Fund	Capital Outlay Projects Fund	General Obligation Bond Fund
<b>ASSETS</b>								
Cash and equivalents	\$ 94,032,669	\$ 15,258,232	\$ 44,512,220	\$ 11,235,051	\$ 814,075	\$ 1,300,047	\$ 29,039,190	\$ 117,487,975
Accounts receivable, net	3,463,881	2,611,977	61,775	25,000	-	36,885	925,409	335,783
Prepaid assets	123,090	4,583	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 97,619,640</b>	<b>\$ 17,874,792</b>	<b>\$ 44,573,995</b>	<b>\$ 11,260,051</b>	<b>\$ 814,075</b>	<b>\$ 1,336,932</b>	<b>\$ 29,964,599</b>	<b>\$ 117,823,758</b>
<b>LIABILITIES</b>								
Accounts payable and accrued expenses	\$ 6,945,747	\$ 1,326,326	\$ -	\$ 52,238	\$ -	\$ 136,715	\$ 278,818	\$ 9,778,493
Deferred revenue	4,913,126	14,235,706	-	-	-	-	3,171,244	-
Compensated absences	1,436,639	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>13,295,512</b>	<b>15,562,032</b>	<b>-</b>	<b>52,238</b>	<b>-</b>	<b>136,715</b>	<b>3,450,062</b>	<b>9,778,493</b>
<b>FUND EQUITY</b>								
Restricted	-	2,312,760	44,573,995	11,207,813	814,075	1,200,217	26,514,537	108,045,265
Unrestricted	84,324,128	-	-	-	-	-	-	-
<b>Total Fund Equity</b>	<b>84,324,128</b>	<b>2,312,760</b>	<b>44,573,995</b>	<b>11,207,813</b>	<b>814,075</b>	<b>1,200,217</b>	<b>26,514,537</b>	<b>108,045,265</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 97,619,640</b>	<b>\$ 17,874,792</b>	<b>\$ 44,573,995</b>	<b>\$ 11,260,051</b>	<b>\$ 814,075</b>	<b>\$ 1,336,932</b>	<b>\$ 29,964,599</b>	<b>\$ 117,823,758</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEETS  
JUNE 30, 2022**

	Community Education Workforce and Economic Development Fund	Entrepreneurial Funds	Student Financial Aid Fund	Associated Students Trust Funds	Student Rep Fee Trust Fund	Student Body Center Fee Trust Fund	Total
<b>ASSETS</b>							
Cash and equivalents	\$ 2,580,156	\$ 2,828,811	\$ 17,393	\$ 770,961	\$ 82,566	\$ 820,953	\$ 320,780,299
Accounts receivable, net	122,316	8,829	18,847	-	9,540	50,915	7,671,157
Prepaid assets	-	-	-	-	-	-	127,673
<b>Total Assets</b>	<b>\$ 2,702,472</b>	<b>\$ 2,837,640</b>	<b>\$ 36,240</b>	<b>\$ 770,961</b>	<b>\$ 92,106</b>	<b>\$ 871,868</b>	<b>\$ 328,579,129</b>
<b>LIABILITIES</b>							
Accounts payable and accrued expenses	\$ 145,405	\$ 29,882	\$ 2,689	\$ 5,811	\$ 20,749	\$ 1,724	\$ 18,724,597
Deferred revenue	2,300	-	-	-	15,262	67,639	22,405,277
Compensated absences	-	-	-	-	-	-	1,436,639
<b>Total Liabilities</b>	<b>147,705</b>	<b>29,882</b>	<b>2,689</b>	<b>5,811</b>	<b>36,011</b>	<b>69,363</b>	<b>42,566,513</b>
<b>FUND EQUITY</b>							
Restricted	-	-	-	-	-	-	194,668,662
Unrestricted	2,554,767	2,807,758	33,551	765,150	56,095	802,505	91,343,954
<b>Total Fund Equity</b>	<b>2,554,767</b>	<b>2,807,758</b>	<b>33,551</b>	<b>765,150</b>	<b>56,095</b>	<b>802,505</b>	<b>286,012,616</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 2,702,472</b>	<b>\$ 2,837,640</b>	<b>\$ 36,240</b>	<b>\$ 770,961</b>	<b>\$ 92,106</b>	<b>\$ 871,868</b>	<b>\$ 328,579,129</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2022**

	General Fund Unrestricted	General Fund Restricted	General Obligation Bonds Debt Service Fund	Retiree Health Benefits Fund	Lease Revenue Bond Debt Service Fund	Child Development Fund	Capital Outlay Projects Fund	General Obligation Bond Fund
<b>REVENUES</b>								
Federal	\$ 4,988	\$ 9,811,810	\$ -	\$ -	\$ 79,513	\$ 20,142	\$ -	\$ -
State	12,097,483	19,519,025	130,204	-	-	565,726	4,814,498	-
Local	156,862,761	4,179,180	52,949,935	80,325	643	318,569	2,545,230	1,228,953
<b>Total Revenues</b>	<b>168,965,232</b>	<b>33,510,015</b>	<b>53,080,139</b>	<b>80,325</b>	<b>80,156</b>	<b>904,437</b>	<b>7,359,728</b>	<b>1,228,953</b>
<b>EXPENDITURES</b>								
Academic salaries	62,711,734	4,804,572	-	-	-	-	-	-
Classified salaries	28,683,817	7,583,549	-	-	-	380,577	124,691	1,670,621
Employee benefits	38,134,361	3,785,835	-	3,925,001	-	279,889	63,635	643,442
Supplies and materials	702,207	1,805,223	-	-	-	13,300	60,381	-
Other operating expenses	11,567,472	7,601,303	-	57,768	-	613	1,150,065	13,608
Capital outlay	336,539	3,697,469	-	-	-	2,544	6,958,226	65,863,907
Debt Service - Principal	-	-	31,580,000	-	1,140,000	-	-	-
Debt Service - Interest and other issuance costs	9,575	-	24,497,184	-	673,245	-	-	5,500
<b>Total Expenditures</b>	<b>142,145,705</b>	<b>29,277,951</b>	<b>56,077,184</b>	<b>3,982,769</b>	<b>1,813,245</b>	<b>676,923</b>	<b>8,356,998</b>	<b>68,197,078</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>26,819,527</b>	<b>4,232,064</b>	<b>(2,997,045)</b>	<b>(3,902,444)</b>	<b>(1,733,089)</b>	<b>227,514</b>	<b>(997,270)</b>	<b>(66,968,125)</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating transfer in	-	126,753	-	3,982,769	1,953,718	671,736	10,000,000	-
Operating transfer out	(15,941,375)	(1,064,329)	-	-	-	-	-	-
Other sources	15,869	-	-	-	-	-	-	-
Other uses	(94,821)	(3,960,265)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(16,020,327)</b>	<b>(4,897,841)</b>	<b>-</b>	<b>3,982,769</b>	<b>1,953,718</b>	<b>671,736</b>	<b>10,000,000</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>10,799,200</b>	<b>(665,777)</b>	<b>(2,997,045)</b>	<b>80,325</b>	<b>220,629</b>	<b>899,250</b>	<b>9,002,730</b>	<b>(66,968,125)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>73,524,928</b>	<b>2,978,537</b>	<b>47,571,040</b>	<b>11,127,488</b>	<b>593,446</b>	<b>300,967</b>	<b>17,511,807</b>	<b>175,013,390</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 84,324,128</b>	<b>\$ 2,312,760</b>	<b>\$ 44,573,995</b>	<b>\$ 11,207,813</b>	<b>\$ 814,075</b>	<b>\$ 1,200,217</b>	<b>\$ 26,514,537</b>	<b>\$ 108,045,265</b>

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2022**

	Community Education Workforce and Economic Development Fund	Entrepreneurial Funds	Student Financial Aid Fund	Associated Students Trust Funds	Student Rep Fee Trust Fund	Student Body Center Fee Trust Fund	Total
<b>REVENUES</b>							
Federal	\$ -	\$ -	\$ 12,732,984	\$ -	\$ -	\$ -	22,649,437
State	-	-	1,367,852	-	-	-	38,494,788
Local	1,911,412	780,458	-	255,394	41,488	229,505	221,383,853
<b>Total Revenues</b>	<b>1,911,412</b>	<b>780,458</b>	<b>14,100,836</b>	<b>255,394</b>	<b>41,488</b>	<b>229,505</b>	<b>282,528,078</b>
<b>EXPENDITURES</b>							
Academic salaries	-	13,184	-	-	-	-	67,529,490
Classified salaries	842,196	318,640	176,969	-	-	98,757	39,879,817
Employee benefits	125,377	81,035	1,050	-	-	59,560	47,099,185
Supplies and materials	28,439	7,804	-	26,066	-	921	2,644,341
Other operating expenses	195,405	263,789	-	150,574	8,651	21,045	21,030,293
Capital outlay	5,509	2,758	-	1,892	-	-	76,868,844
Debt Service - Principal	-	-	-	-	-	-	32,720,000
Debt Service - Interest and other issuance costs	-	-	-	-	-	-	25,185,504
<b>Total Expenditures</b>	<b>1,196,926</b>	<b>687,210</b>	<b>178,019</b>	<b>178,532</b>	<b>8,651</b>	<b>180,283</b>	<b>312,957,474</b>
<b>EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>714,486</b>	<b>93,248</b>	<b>13,922,817</b>	<b>76,862</b>	<b>32,837</b>	<b>49,222</b>	<b>(30,429,396)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfer in	300,000	125,963	-	25,000	-	-	17,185,939
Operating transfer out	(900)	(120,000)	(34,335)	(25,000)	-	-	(17,185,939)
Other sources	-	-	-	-	-	-	15,869
Other uses	(829)	-	(13,888,482)	-	(20,749)	-	(17,965,146)
<b>Total Other Financing Sources (Uses)</b>	<b>298,271</b>	<b>5,963</b>	<b>(13,922,817)</b>	<b>-</b>	<b>(20,749)</b>	<b>-</b>	<b>(17,949,277)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,012,757</b>	<b>99,211</b>	<b>-</b>	<b>76,862</b>	<b>12,088</b>	<b>49,222</b>	<b>(48,378,673)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>1,542,010</b>	<b>2,708,547</b>	<b>33,551</b>	<b>688,288</b>	<b>44,007</b>	<b>753,283</b>	<b>334,391,289</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 2,554,767</b>	<b>\$ 2,807,758</b>	<b>\$ 33,551</b>	<b>\$ 765,150</b>	<b>\$ 56,095</b>	<b>\$ 802,505</b>	<b>\$ 286,012,616</b>



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT  
NOTE TO UNAUDITED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2022**

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**NOTE 1 - PURPOSE OF SCHEDULES**

**Fund Financial Statements**

The accompanying financial statements report the governmental fund activities of the District and are presented on the modified accrual basis of accounting. Therefore, some amounts presented in these financial statements may differ from amounts presented in, or used in, the preparation of the basic financial statements. The information is not a required component of the financial statements in accordance with GASB Statements No. 34 and No. 35 and is presented at the request of the District management.