Financial Statements
June 30, 2021

West Hills Community College District

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Schedule of Findings and Questioned Costs

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Independent Auditor's Report

Board of Trustees
West Hills Community College District
Coalinga, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, the aggregate discretely presented component unit (West Hills Community College Foundation), and the aggregate remaining fund information of West Hills Community College District (the District) as of and for the year ended June 30, 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.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component unit, and the aggregate remaining fund information of the District as of June 30, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Change in Accounting Principle
As discussed in Note 2 and Note 12 to the financial statements, the District adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, which resulted in a restatement of net position as of July 1, 2020. Our opinion is not modified with respect to this matter.

Emphasis of Matter – Reissuance
As more fully described in Note 2 to Supplementary Information, the District has re-issued the SEFA previously reported on as of April 29, 2022 due to restatement of the SEFA to update incorrect federal programs, federal expenditures, and pass-through entity identifying numbers. The previously issued auditor's report dated April 29, 2022, is not to be relied upon due to the restatement of the SEFA. Our audit opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11, and other required supplementary schedules 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.

Other 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, including the Schedule of Expenditures of Federal Awards, as required the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and other supplementary information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and the other supplementary information listed in the table of contents are the responsibility of management and were derived from and relate 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 statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and other supplementary information listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.
The accompanying unaudited supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Eide Bailly LLP

San Ramon, California
April 29, 2022
Except as to the Schedule of Expenditures of Federal Awards on pages 68 and 69, the Notes to the Supplementary Information on pages 78 and 79, and the Summary of Auditor’s Results on page 90 which are dated August 5, 2022.

Office of the Deputy Chancellor
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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis provides an overview of the financial position and activities of the West Hills Community College District (the District) for the year ended June 30, 2021. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes thereto which follow this section.

In June 1999, the Government Accounting Standards Board (GASB) issued Statement No. 34, *"Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,"* which established a new reporting format for annual financial statements of governmental entities. In November 1999, GASB issued Statement No. 35, *"Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities,"* which applies these new reporting standards to public colleges and universities such as the District. The following discussion and analysis provides an overview of the District's financial activity. This report presents this information in a comparative format. Responsibility for the completeness and fairness of this information rests with the District.

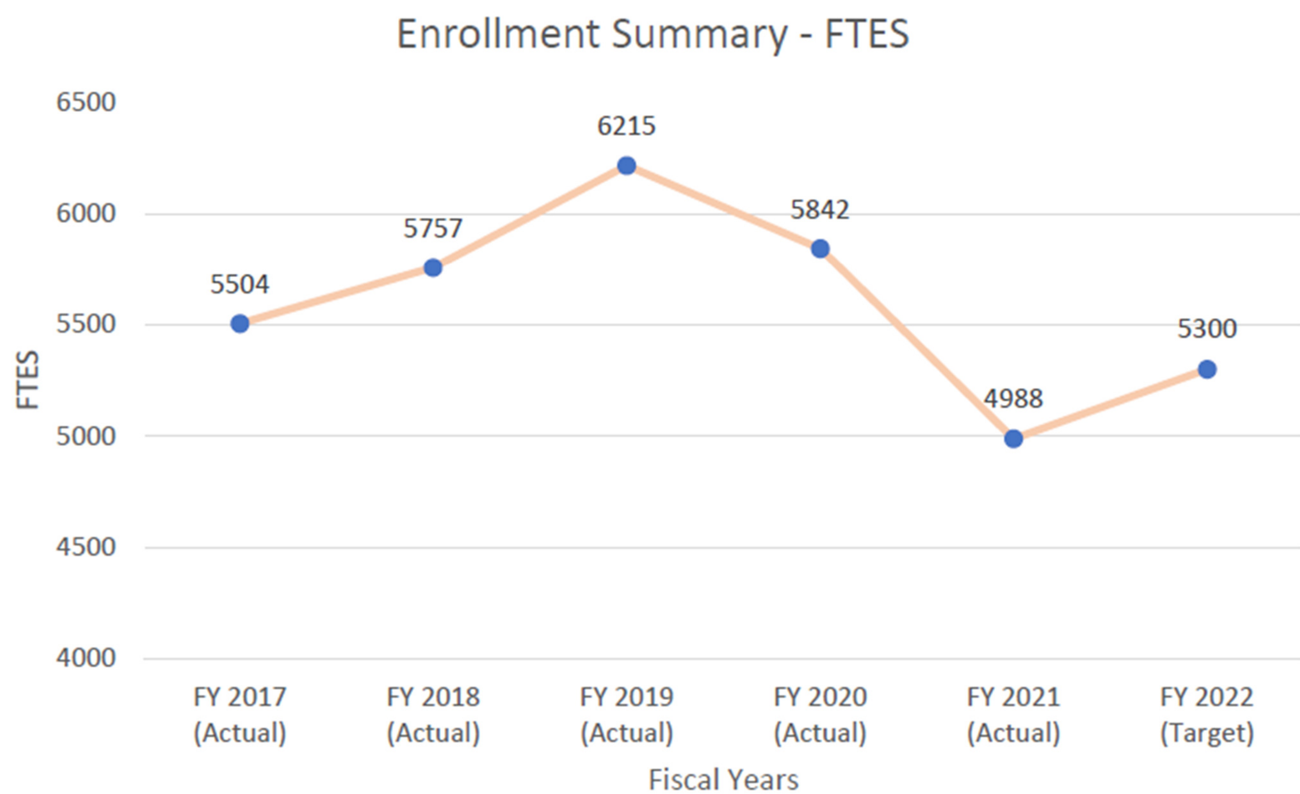
USING THIS ANNUAL REPORT

As required by accounting principles, the annual report consists of three basic financial statements that provide information on the District's activities as a whole: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

The focus of the Statement of Net Position is designed to be similar to bottom line results for the District. This statement combines and consolidates current financial resources (net short-term spendable resources) with capital assets and long-term liabilities. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the costs of the District's operational activities, which are supported mainly by property taxes and by State and other revenues. This approach is intended to summarize and simplify the user's analysis of the cost of various District services to students and the public. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

FINANCIAL HIGHLIGHTS ATTENDANCE

- State apportionments, noncapital, local property taxes, and tuition and fees are all components of the community college apportionment funding model. The model is comprised of a base allocation, an amount per credit Full-Time Equivalent Students (FTES), noncredit FTES, and an enhanced amount per qualifying noncredit FTES for career development and college preparation courses. An important aspect of the community college apportionment funding model is the inverse relationship between State apportionment and local property taxes. Thus, our funding essentially comes from enrollment fees and local property taxes with the difference made up by State apportionment. Actual FTES in fiscal year 2020-2021 were 4,988. The target FTES for fiscal year 2021-2022 is 5,300. FTES are generated at the District's Coalinga and Lemoore Colleges, the North District Center in Firebaugh, and various satellite locations.



FINANCIAL HIGHLIGHTS

- The District ended the year with a Net Position of $51.8 million. The Unrestricted General Fund balance was approximately $21.9 million. The State Chancellor's Office recommends reserve levels of two months of cash in reserve, or 16.67% of unrestricted General Fund expenditures be set aside for economic uncertainties. The District met this recommended reserve level with approximately 42 percent in reserves.
- The primary expenditure of the District is for the salaries and benefits of the Academic, Classified, and Administrative salaries of District employees. These costs decreased from $56.8 million during the 2019-2020 fiscal year, to $54.5 million during the 2020-2021 fiscal year. In addition to the costs for current employees' insurance coverage, the District provides insurance benefits to retirees meeting plan eligibility requirements.
- The District continues several construction and modernization projects throughout the District. These projects will be funded through various financial vehicles, including various maintenance and construction projects funded through the State Chancellor's Office.
- The District provides student financial aid to qualifying students of the District in the amount of approximately $16.2 million. This aid is provided through grants, and loans from the Federal government, State Chancellor's Office, and local funding.
- Property taxes was approximately $6.5 million and Grants & Contracts, Noncapital was approximately $38.7 million, while Tuition and Fees was approximately $0.7 million.

Condensed financial information (in thousands) is as follows:

NET POSITION - As of June 30, 2021 and 2020

	2021	2020	Change
Assets			
Cash and investments	$ 45,290	$ 37,427	$ 7,863
Receivables, net	21,186	10,299	10,887
Other current assets	9	-	9
Capital assets, net	154,879	145,451	9,428
Total assets	221,363	193,177	28,186
Deferred Outflows of Resources	12,336	14,817	(2,481)
Liabilities			
Accounts payable and accrued liabilities	22,573	16,341	6,232
Current portion of long-term liabilities	3,348	2,419	929
Noncurrent portion of long-term liabilities	149,324	148,914	410
Total liabilities	175,246	167,674	7,572
Deferred Inflows of Resources	6,701	3,914	2,787
Net Position			
Net investment in capital assets	78,679	66,079	12,600
Restricted	9,219	13,983	(4,764)
Unrestricted	(36,146)	(43,656)	7,510
Total net position	$ 51,752	$ 36,406	$ 15,346

This schedule has been prepared from the District's Statement of Net Position (page 12), which is presented on an accrual basis of accounting whereby capital assets are capitalized and depreciated.

Operating Results for the Years Ended June 30, 2021 and 2020

	2021	2020	Change
Operating Revenues			
Tuition and fees	$ 755	$ 2,186	$ (1,431)
Grants and contracts, noncapital	38,691	42,106	(3,415)
Auxiliary sales and charges	199	-	199
Total operating revenues	39,646	44,292	(4,646)
Operating Expenses			
Salaries and benefits	54,534	56,797	(2,263)
Supplies, services, equipment, and maintenance	15,914	28,974	(13,060)
Student financial aid	16,210	-	16,210
Depreciation	5,855	5,445	410
Total operating expenses	92,514	91,216	1,298
Loss on operations	(52,868)	(46,924)	(5,944)
Nonoperating Revenues			
State apportionments	43,588	40,418	3,170
Property taxes	6,573	6,544	29
Net interest expense	(3,881)	(3,918)	37
Other nonoperating revenues	2,786	1,902	884
Total nonoperating revenue	49,066	44,946	4,120
Other Revenues			
State and local capital income	19,009	10,544	8,465
Change in net position	$ 15,207	$ 8,566	$ 6,641

This schedule has been prepared from the Statement of Revenues, Expenses and Changes in Net Position presented on page 13.

The operating revenue for the District is specifically defined as revenues from users of the colleges' facilities and programs. Excluded from the operating revenues are the components of the primary source of District funding - the State apportionment process. These components include the State apportionment and local property taxes. As these sources of revenue are from the general population of the State of California, and not from the direct users of the educational services, they are considered to be non-operating. As a result, the operating loss of $52.9 million is mostly balanced by the other state general apportionment sources resulting in an increase in the District's Net Position of $15.2 million.

Auxiliary revenue consists of Food Service and Farm revenues.

Grant and contract revenues relate to student financial aid, as well as specific Federal and State grants received for programs serving the students of the District. These grant and program revenues are restricted as to the allowable expenses related to the programs.

The interest income is primarily the result of cash held at the Fresno County Treasurer. The interest expense relates to interest payments on the long-term liabilities which are described in Note 6 of the financial statements.

The District is recording the depreciation expense related to capital assets. The detail of the changes in capital assets for the year is included in the notes to the financial statements as Note 5.

Statement of Cash Flows for the Years Ended June 30, 2021 and 2020

The Statement of Cash Flows provides information about 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.

	2021	2020	Change
Net Cash Flows from			
Operating activities	$ (39,993)	$ (35,436)	$ (4,557)
Noncapital financing activities	49,975	47,962	2,013
Capital financing activities	(2,716)	(12,586)	9,870
Investing activities	598	541	57
Net Increase (Decrease) in Cash	7,863	481	7,382
Cash, Beginning of Year	37,427	36,946	481
Cash, End of Year	$ 45,290	$ 37,427	$ 7,863

The primary operating receipts are student tuition and fees and Federal, State, and local grants and contracts. The primary operating expense of the District is the payment of salaries and benefits to instructional and classified support staff, as well as District administrators.

While State apportionment and property taxes are the primary source of non-capital related revenue, GASB accounting standards require that this source of revenue is shown as nonoperating revenue as it come from the general resources of the State and not from the primary users of the colleges' programs and services (students). The District depends upon this funding as the primary source of funds to continue the current level of operations.

Functional Expenditures

In accordance with requirements set forth by the California State Chancellor's Office, the District reports operating expenses by object code. Operating expenses by functional classification are as follows:

Year ended June 30, 2021:

	Salaries	Employee Benefits	Supplies Material and Other Expenses and Services	Other Outgo	Depreciation	Total
Instructional activities	$ 12,139,061	$ 7,950,135	$ 1,936,263	$ -	$ -	$ 22,025,459
Academic support	2,589,452	1,915,266	930,348	-	-	5,435,066
Student services	7,300,342	5,824,259	1,203,017	16,209,882	-	30,537,500
Plant operations and maintenance	1,403,488	1,339,990	1,723,292	-	-	4,466,770
Instructional support services	3,492,114	3,600,800	4,934,265	-	-	12,027,179
Community services and economic development	603,912	431,867	173,127	-	-	1,208,906
Ancillary services and auxiliary operations	-	-	8,432	-	-	8,432
CDC, Farm, Cafeteria, Parking, Athletics, RH	3,001,145	2,405,006	4,891,372	-	-	10,297,523
Contract Education	263,378	157,084	38,390	-	-	458,852
Other outgo	2,868	114,006	75,850	-	5,855,168	6,047,892
Total	$ 30,795,760	$ 23,738,413	$ 15,914,356	$ 16,209,882	$ 5,855,168	$ 92,513,579

Year ended June 30, 2020:

	Salaries	Employee Benefits	Supplies Material and Other Expenses and Services	Other Outgo	Depreciation	Total
Instructional activities	$ 13,058,960	$ 7,442,248	$ 1,536,249	$ -	$ -	$ 22,037,457
Academic support	4,041,343	1,535,056	806,750	-	-	6,383,149
Student services	7,825,304	4,891,850	1,609,858	20,347,650	-	34,674,662
Plant operations and maintenance	1,563,133	1,287,856	2,084,078	-	-	4,935,067
Instructional support services	3,826,363	2,986,175	547,847	-	-	7,360,385
Community services and economic development	659,282	365,984	241,402	-	-	1,266,668
CDC, Farm, Cafeteria, Parking, Athletics, RH	5,316,154	3,195,029	1,712,329	-	-	10,223,512
Contract Education	290,713	103,858	19,001	-	-	413,572
Other Auxillary Operations	146,889	91,336	69,305	-	-	307,530
Depreciation expense - unallocated	-	-	-	-	5,444,794	5,444,794
Total	$ 36,728,141	$ 21,899,392	$ 8,626,819	$ 20,347,650	$ 5,444,794	$ 93,046,796

ECONOMIC FACTORS AFFECTING THE FUTURE OF WEST HILLS COMMUNITY COLLEGE DISTRICT

Fiscal year 2020-2021 continued with recovery of the COVID-19 pandemic. As a result, enrollment has declined beyond predictions. In response, the District has instituted multi-year budget projections and scenario planning tools to assist in strategic planning. The District will continue to exercise caution as the Student Centered Funding Formula solidifies and hold harmless is addressed. The District is planning on emergency conditions allowance to not be automatically renewed in the 2022-2023 fiscal year. Consistent with its long history, West Hills maintained a strong commitment to the relentless pursuit of student success.

Budgeting will be conservative as there are several factors that will affect the future funding of the District. Pension rates are expected to increase significantly in 2022-2023. Even though the State is in a much better position that it has been for several years, funding has not been allocated as of the January 2022 proposal for pension buy-down.

With the passage of Proposition 55, the income tax increase on high-income taxpayers generating and is scheduled to end on 2030. These taxes represent a funding source of several billion dollars. The economic engine for California will be the creation of jobs that will generate tax revenue from both income and sales taxes. West Hills Community College District is well positioned to provide the necessary training and re-training required the workforce to meet the demands of the private sector. West Hills College will continue to watch all expenses and consider every position that is vacated before replacing them.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If there any questions about this report or need any additional financial information, contact Christine Alcaraz, Director of Fiscal Services, at West Hills Community College District, 9800 Cody Street, Coalinga, California 93210, or e-mail at christinealcaraz@whccd.edu.

Assets	
Cash and cash equivalents	$ 5,125,835
Investments	40,163,715
Accounts receivable, net	20,535,162
Student receivables, net	244,620
Due from fiduciary funds	405,902
Prepaid expenses	8,947
Capital assets	
Nondepreciable capital assets	29,461,671
Depreciable capital assets, net of depreciation	125,417,109
Total capital assets	154,878,780
Total assets	221,362,961
Deferred Outflows of Resources	
Deferred outflows of resources related to OPEB	891,161
Deferred outflows of resources related to pensions	11,445,240
Total deferred outflows of resources	12,336,401
Liabilities	
Accounts payable	9,117,516
Tax and revenue anticipation notes payable	4,977,500
Accrued interest payable	921,627
Due to fiduciary funds	370,189
Unearned revenue	7,186,599
Long-term liabilities	
Long-term liabilities other than OPEB and pensions, due within one year	3,348,025
Long-term liabilities other than OPEB and pensions, due in more than one year	87,965,372
Aggregate net other postemployment benefits (OPEB) liability	2,394,006
Aggregate net pension liability	58,964,678
Total liabilities	175,245,512
Deferred Inflows of Resources	
Deferred inflows of resources related to OPEB	2,983,758
Deferred inflows of resources related to pensions	3,717,732
Total deferred inflows of resources	6,701,490
Net Position	
Net investment in capital assets	78,678,600
Restricted for	
Debt service	5,245,247
Educational programs	3,339,014
Other activities	635,041
Unrestricted	(36,145,542)
Total Net Position	$ 51,752,360

Operating Revenues	
Tuition and fees	$ 4,886,576
Less: Scholarship discounts and allowances	(4,131,257)
Net tuition and fees	755,319
Grants and contracts, noncapital	
Federal	16,507,955
State	22,183,125
Total grants and contracts, noncapital	38,691,080
Auxiliary enterprise sales and charges	
Cafeteria	18,398
Farm	180,834
Total operating revenues	39,645,631
Operating Expenses	
Salaries	30,795,760
Employee benefits	23,738,413
Supplies, materials, and other operating expenses and services	1,418,219
Student financial aid	16,209,882
Equipment, maintenance, and repairs	14,496,137
Depreciation	5,855,168
Total operating expenses	92,513,579
Operating Loss	(52,867,948)
Nonoperating Revenues (Expenses)	
State apportionments, noncapital	43,587,944
Local property taxes, levied for general purposes	6,573,270
State taxes and other revenues	75,464
Investment income	734,591
Interest expense on capital related debt	(4,615,895)
Transfer to fiduciary fund	(432,965)
Other nonoperating revenue	3,143,792
Total nonoperating revenues (expenses)	49,066,201
Income Before Other Revenues, Expenses, Gains, and Losses	(3,801,747)
Other Revenues	
State revenues, capital	13,563,879
Local revenues, capital	5,445,029
Total other revenues, expenses, gains, and losses	19,008,908
Change In Net Position	15,207,161
Net Position, Beginning of Year, as Restated	36,545,199
Net Position, End of Year	$ 51,752,360

Cash Flows from Operating Activities	
Tuition and fees	$ 577,233
Federal, state, and local grants and contracts, noncapital	33,696,488
Auxiliary sales	199,232
Payments to or on behalf of employees	(51,201,782)
Payments to vendors for supplies and services	(24,038,923)
Other operating receipts (payments)	774,856
Net cash flows from operating activities	(39,992,896)
Cash Flows from Noncapital Financing Activities	
State apportionments	35,110,532
Federal and state financial aid grants	4,080,129
Property taxes - nondebt related	6,573,270
State taxes and other apportionments	(766,923)
Proceeds from noncapital debt	4,977,500
Net cash flows from noncapital financing activities	49,974,508
Cash Flows from Capital Financing Activities	
Purchase of capital assets	(15,282,925)
Proceeds from capital debt	676,672
State revenue, capital	19,008,908
Principal paid on capital debt	(2,488,213)
Interest paid on capital debt	(4,630,728)
Net cash flows from capital financing activities	(2,716,286)
Cash Flows from Investing Activities	
Interest received from investments	597,528
Net cash flows from investing activities	597,528
Change In Cash and Cash Equivalents	7,862,854
Cash and Cash Equivalents, Beginning of Year	37,426,696
Cash and Cash Equivalents, End of Year	$ 45,289,550

Reconciliation of Net Operating Loss to Net Cash Flows from Operating Activities	
Operating Loss	$ (52,867,948)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation expense	5,855,168
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
Accounts receivable, net	519,981
Prepaid expenses	(8,947)
Deferred outflows of resources related to pensions	2,480,692
Accounts payable	6,495,008
Unearned revenue	(4,478,524)
Compensated absences	(55,243)
Aggregate net OPEB liability	(1,106,871)
Aggregate net pension liability	385,930
Deferred inflows of resources related to pensions	2,787,858
Total adjustments	12,875,052
Net cash flows from operating activities	$ (39,992,896)
Cash and Cash Equivalents Consist of the Following:	
Cash on hand and in banks	$ 5,125,835
Cash in county treasury	40,163,715
Total cash and cash equivalents	$ 45,289,550
Noncash Transactions	
Amortization of debt premiums	$ 3,934
Accretion of interest on capital appreciation bonds	$ 676,672

	Trust Funds
Assets	
Cash and cash equivalents	$ 147,577
Investments	14,129,600
Due from other funds	370,189
Total assets	14,647,366
Liabilities	
Accounts payable	30,912
Due to primary government	405,902
Total liabilities	436,814
Net Position	
Restricted	14,210,552
Total net position	$ 14,210,552

	Trust Funds
Additions	
Local revenues	$ 2,829,548
Operating transfers in	432,965
Total additions	3,262,513
Deductions	
Academic salaries	87,553
Classified salaries	205,156
Employee benefits	135,783
Services and operating expenditures	505,397
Total deductions	933,889
Change in Net Position	2,328,624
Net Position - Beginning of Year, as Restated	11,881,928
Net Position - End of Year	$ 14,210,552

Assets	
Current assets	
Cash and cash equivalents	$ 10,563,176
Accounts receivable	11,405
Total current assets	10,574,581
Liabilities and Net Assets	
Current liabilities	
Accounts payable	8,653
Total current liabilities	8,653
Net assets	
Without donor restrictions	7,116,518
With donor restrictions	3,449,410
Total net assets	10,565,928
Total liabilities and net assets	$ 10,574,581

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
Revenues			
Donations	$ 5,462,782	$ 335,920	$ 5,798,702
Program fees and contracts	92,663	-	92,663
Fundraisers	17,050	-	17,050
Investment income, net of expenses	553,331	437,987	991,318
Other income	107,630	69,520	177,150
Assets released from restrictions	(192,246)	192,246	-
Total revenues	6,041,210	1,035,673	7,076,883
Expenses			
Program services:			
Scholarships	463,056	-	463,056
College Enhancement	153,633	-	153,633
Athletic Programs	74,853	-	74,853
Educational Programs	71,885	-	71,885
Support services:			
General Administrative	203,886	-	203,886
Fundraisers	126,269	-	126,269
Total expenses	1,093,582	-	1,093,582
Change in Net Assets	4,947,628	1,035,673	5,983,301
Net Assets, Beginning of Year	2,168,890	2,413,737	4,582,627
Net Assets, End of Year	$ 7,116,518	$ 3,449,410	$ 10,565,928

Cash Flows from Operating Activities	
Change in Net Position	$ 5,983,301
Adjustments to Reconcile Change in Net Position to Net Cash Used by Operating Activities	
Changes in Assets and Liabilities	
Decrease in accounts receivable	(8,081)
Decrease in accounts payable	5,843
Net Cash Flows from Operating Activities	5,981,063
Net Change In Cash and Cash Equivalents	5,981,063
Cash and Cash Equivalents, Beginning of Year	4,582,113
Cash and Cash Equivalents, End of Year	$ 10,563,176

Note 1 - Organization

The West Hills Community College District (District) is a political subdivision of the State of California and is a comprehensive, public, two-year institution offering postsecondary education to the students of Coalinga-Huron Unified School District, Lemoore Union High School District, Riverdale Joint Unified School District, Golden Plains Unified School District, Firebaugh-Las Deltas Unified School District, Reef-Sunset Unified School District, and Mendota Unified School District. The District maintains a Coalinga Campus, a Lemoore Campus, and the North District Center in Firebaugh. While the District is a political subdivision of the State, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14. The District operates under a locally elected seven-member Board of Trustees form of government and provides higher education in the County of Fresno. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and 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.

A reporting entity is comprised of the primary government, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For West Hills Community College District, this includes general operations, food services, bookstores, and student related activities of the District.

Note 2 - Summary of Significant Accounting Policies

Financial Reporting Entity

The District has adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units.* This statement amends GASB Statement No. 14, *The Financial Reporting Entity,* to provide additional guidance accounting policies 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 as defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board (GASB). The financial reporting entity consists of the primary government, the District, and the following component units:

- **West Hills Community College District Foundation**

The West Hills Community College District Foundation (the Foundation) is a legally separate, tax-exempt component unit of the District. The Foundation acts primarily as a fundraising organization to provide grants and scholarships to students and support to employees, programs, and departments of the District. The ten-member board of the Foundation consists of community members, alumni, and other supporters of the Foundation. Although the District does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests are restricted to the activities of the District by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the District, the Foundation is considered a component unit of the District with the inclusion of the statements as a discretely presented component unit. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a not-for-profit organization under Internal Revenue Code (IRC) Section 501(c)(3) that reports its financial results in accordance with Financial Accounting Standards Codifications. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences.

Complete financial statements for the Foundation can be obtained from the Foundation's Business Office at 275 Phelps Ave, Coalinga, CA 93210.

- **West Hills Financing Corporation**

The West Hills Financing Corporation (the Corporation) is a legally separate organization and a component unit of the District. The Corporation was formed to obtain new market tax credits and financing instruments specifically for the acquisition and construction of capital assets for the District. The Board of Trustees of the Corporation is the same as the Board of Trustees of the District. The financial activity has been "blended" or consolidated within the financial statements of the District as if the activity was the District's. Individually prepared financial statements are not prepared for the Corporation.

Basis of Accounting

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB. This presentation provides a comprehensive government-wide perspective of the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, activities, and cash flows and replaces the fund group perspective previously required. Fiduciary activities are excluded from the primary government financial statements. 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 promulgated 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 material intra-agency and intra-fund transactions have been eliminated.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. The District considers revenues to be available if they are collected within one year after year-end, except for property taxes which are considered available if collected within 60 days.

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 students (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.

Expenses are recorded on the accrual basis as they are incurred, when goods are received, or services are rendered.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include cash with county treasury balances for purposes of the Statement of Cash Flows.

Investments

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

The District’s investment in the County treasury is measured at fair value on a recurring basis, which is determined by the fair value per share of the underlying portfolio determined by the program sponsor. Positions in this investment pool is not required to be categorized within the fair value hierarchy.

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 District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated a of $2,329,234 for the year ended June 30, 2021.

Capital Assets and Depreciation

Capital assets are long-lived assets of the District as a whole and include land, construction in progress, buildings, building and land improvements, furniture and equipment. The District maintains an initial unit cost capitalization threshold of $5,000 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. Donated capital assets are recorded at acquisition value at the date of donation. Improvements to buildings and land that significantly increase the value or extend the useful life of the asset 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 lives of the various classes of depreciable capital assets are as follows: buildings, 25 to 50 years; improvements, 25 to 50 years; furniture and equipment, 5 to 10 years; vehicles, 5 to 10 years.

The District records impairments of capital assets when it becomes probable that the carrying value of the assets will not be fully recovered over their estimated useful life. Impairments are recorded to reduce the carrying value of the assets to their net realizable value based on facts and circumstances in existence at the time of the determination. No impairments were recorded during the year ended June 30, 2021.
Accrued Liabilities and Long-Term Liabilities

Compensated Absences and Load Banking

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-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 government-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 members who retire after January 1, 1999. At retirement, each member will receive 0.004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is applicable to all academic employees and is determined by dividing the number of unused sick days by the number of base service days required to complete the last fiscal year, if employed full time.

Administrative/Classified Management/Confidential Staff

- Entitled to twenty-one (21) days of sick leave per year to be posted at the rate of 1.75 days per month.

Certificated

- Members shall accrue twenty (20) days of sick leave with pay for each school year, such leave to be made available on the first day of each school year.

Classified

- Members shall accrue, on a monthly basis, twenty-one (21) days of sick leave with pay for each school year. The amount of days posted will be 1.75 days, or fourteen (14) hours per month for full-time employees and shall be prorated for part-time employees.

Debt Premiums and Discounts

Debt premiums are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. All other bond issuance costs are expensed when incurred.

Deferred Outflows of Resource and Deferred 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 until then. The District reports deferred outflows of resources for OPEB related items and for pension related items. The deferred outflows of resources related to debt refunding resulted from the difference between the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to OPEB and pension related items are associated with differences between expected and actual earnings on plan investments, changes of assumptions, and other OPEB and pension related changes.

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 OPEB and pension related items.

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District Plan and CalSTRS Medicare Premium Payment (MPP) Program and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the District Plan and MPP. For this purpose, the District Plan and MPP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The aggregate net OPEB liability attributable to the governmental activities will be paid primarily by the General Fund.

Unearned Revenue

Unearned revenue arises when resources are received by the District before it has a legal claim to them, such as when certain grants are received prior to the occurrence of the qualifying expenditures. In subsequent periods, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized. Unearned revenue is primarily composed of (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.

Noncurrent Liabilities

Noncurrent liabilities include bonds, compensated absences, the aggregate net OPEB liability and the net aggregate pension liability, capital lease payables with maturities greater than one year.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position related to net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

The government-wide financial statements report $9,219,302 of restricted net position, and the fiduciary funds financial statements report $14,210,552 of restricted net position.

Operating and Nonoperating Revenues and Expenses

Classification of Revenues - The District has classified its revenues as either operating or nonoperating. Certain significant revenue streams relied upon for operation are classified as nonoperating as defined by GASB. Classifications are as follows:

Operating revenues - Operating revenues include activities that have the characteristics of exchange transactions such as tuition and fees, net of scholarship discounts and allowances, Federal, State, and local grants and contracts, and sales and services of auxiliary enterprises.

Nonoperating revenues - Nonoperating revenues include activities that have the characteristics of nonexchange transactions such as State apportionments, property taxes, investment income, and other revenue sources defined by GASB.

Classification of Expenses - Nearly all of the District's expenses are from exchange transactions and are classified as either operating or nonoperating according to the following criteria:

Operating expenses - Operating expenses are necessary costs to provide the services of the District and include employee salaries and benefits, supplies, operating expenses, and student financial aid.

Nonoperating expenses - Nonoperating expenses include interest expense and other expenses not directly related to the services of the District.

State Apportionments

Certain current year 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 recalculations and corrections are accrued in the year in which the FTES are generated.

Property Taxes

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. Various counties bill and collect taxes on behalf of the District. Local property tax revenues are recorded when received.

The voters of the District passed various General Obligation Bonds for the acquisition, construction, and remodeling of certain District property. As a result of the passage of the Bond, 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

Tuition and fee revenue is reported net of scholarships, discounts, and allowances. Fee waivers approved by the California Community College 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, Supplemental Educational Opportunity Grants (SEOG), and Federal Work-Study programs, as well as other programs funded by the Federal government and State of California. Financial aid provided to the student in the form of cash is reported as an operating expense in the Statement of Revenues, Expenses, and Changes in Net Position. Federal financial assistance 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*.

Estimates

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

Interfund Activity

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund activity within the primary government and fiduciary funds has been eliminated respectively in the consolidation process of the basic financial statements. Balances owing between the primary government and the fiduciary funds are not eliminated in the consolidation process.

Operating transfers between funds of the District 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 restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Operating transfers within the primary government and fiduciary funds has been eliminated respectively in the consolidation process of the basic financial statements. Balances transferred between the primary government and the fiduciary funds are not eliminated in the consolidation process.

Foundation Financial Statement Presentation

The West Hills Community College Foundation presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-210-50. Under ASC 958-210-50, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. In addition, the Foundation is required to present a statement of cash flows. The Foundation does not use fund accounting. Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting.

The Foundation and the College (the District) are financially interrelated organizations as defined by Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others. The Foundation reflects contributions received for the benefit of the College as revenue in its financial statements. The expenses related to these contributions are accounted for under program and supporting services.

Net Asset Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of net asset accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset types established according to their nature and purpose. Separate accounts are maintained for each net asset type; however, in the accompanying financial statements, net asset types that have similar characteristics have been combined into groups as follows:

- *Net Assets Without Donor Restrictions* - Net assets not subject to donor-imposed restrictions.

Net assets available for general use and not subject to donor restrictions. Net assets without donor restrictions represents all resources over which the Board of Directors has discretionary control for use in operating the Foundation.

- *Net Assets With Donor Restrictions* - Net assets subject to donor-imposed stipulations that will be met by actions of the Foundation and/or the passage of time or net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes. Net assets that are contributions and endowment investment earnings subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity.

The Foundation reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions are measured at their fair value at the date of contribution and are reported as an increase in net assets. The Foundation reports gifts of cash or other assets in the category designated by the donor. The Foundation reports gifts of goods and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulation about where the contributions are to be spent, the Foundation reports these contributions as net assets without donor restrictions.

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Investment income (interest and dividends) is included in the change in net assets from operations unless the income or loss is restricted by donor or law. The Foundation followed established policies in directing and monitoring the investment management of the Foundation's investments during the year.

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and related California Franchise Tax Codes.

Change in Accounting Principles

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all State and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The provisions of this Statement have been implemented as of June 30, 2021.

New Accounting Pronouncements

In June 2017, the 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 for this Statement are effective for the reporting periods beginning after June 15, 2021. Early implementation is encouraged. The effects of this change on the District’s financial statements have not yet been determined.

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 deposits substantially all receipts and collections of monies with their County Treasurer. The fair value of the District's investment in the pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair 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	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Summary of Deposits and Investments

Deposits and investments as of June 30, 2021, consist of the following:

	Primary Government	Fiduciary Funds
Cash on hand and in banks	$ 5,125,442	$ 147,577
Cash in revolving	393	-
Investments	40,163,715	14,129,600
Total deposits and investments	$ 45,289,550	$ 14,277,177

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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the County Pool which purchases a combination of shorter term and longer-term investments and which also times 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.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the County pool is not required to be rated, nor has it been rated as of June 30, 2021.

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% of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 % of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 % of the secured deposits. As of June 30, 2021, approximately $10,700,000 of the District's bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

Note 4 - Accounts Receivable

Accounts receivable as June 30, 2021, consisted of the following:

	Primary Government
Federal Government	
Categorical aid	$ 1,991,485
State Government	
Apportionment	8,477,412
Categorical aid	1,947,350
Lottery	395,744
Other state sources	5,648,423
Local Sources	
Interest	211,807
Other local sources	1,862,942
Total	$ 20,535,162
Student receivables	$ 2,573,854
Less: allowance for bad debt	(2,329,234)
Student receivables, net	$ 244,620

Discretely Presented Component Unit

The Foundation's accounts receivable consists primarily of short-term donations. In the opinion of management, all amounts have been deemed to be fully collectable.

Note 5 - Capital Assets

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

	Balance, Beginning of Year	Additions	Deductions	Balance, End of Year
Capital Assets Not Being Depreciated				
Land	$ 7,765,959	$ -	$ -	$ 7,765,959
Construction in progress	7,109,199	15,181,180	594,667	21,695,712
Total capital assets not being depreciated	14,875,158	15,181,180	594,667	29,461,671
Capital Assets Being Depreciated				
Land improvements	38,625,071	-	-	38,625,071
Buildings and improvements	165,228,387	195,433	-	165,423,820
Furniture and equipment	7,802,194	500,979	-	8,303,173
Total capital assets being depreciated	211,655,652	696,412	-	212,352,064
Total capital assets	226,530,810	15,877,592	594,667	241,813,735
Less Accumulated Depreciation				
Land improvements	16,141,659	1,201,208	-	17,342,867
Buildings and improvements	59,467,247	4,258,879	-	63,726,126
Furniture and equipment	5,470,881	395,081	-	5,865,962
Total accumulated depreciation	81,079,787	5,855,168	-	86,934,955
Net capital assets	$ 145,451,023	$ (5,158,756)	$ -	$ 154,878,780

Note 6 - Long-Term Liabilities Other Than OPEB and Pensions

The changes in the District's long-term liabilities other than OPEB and pensions during the year ended June 30, 2021 consisted of the following:

	Balance June 30, 2020	Additions	Deductions	Balance June 30, 2021	Due in One Year
General obligation refunding bonds - 2012	$ 1,975,000	$ -	$ (170,000)	$ 1,805,000	$ 175,000
Bond premium (18 year amortization)	39,344	-	(3,934)	35,410	3,934
General obligation bonds - 2008 (Northern)					
Current interest	355,000	-	(165,000)	190,000	190,000
Capital appreciation	1,066,199	66,407	-	1,132,606	-
Bond premium (25 year amortization)	204,596	-	(14,614)	189,982	14,614
General obligation bonds - 2008, B (Northern)					
Current interest	7,230,000	-	-	7,230,000	-
Capital appreciation	284,870	15,778	(150,000)	150,648	155,000
Bond premium (25 year amortization)	197,860	-	(11,639)	186,221	11,639
General obligation bonds - 2015 Refunding (Northern), Series A	2,270,000	-	-	2,270,000	-
General obligation bonds - 2015 Refunding (Northern), Series A Premium (14 year amortization)	139,672	-	(15,519)	124,153	15,519
General obligation bonds - 2008 (Coalinga)					
Current interest	305,000	-	(100,000)	205,000	100,000
Capital appreciation	63,490	63,800		127,290	-
Bond premium (25 year amortization)	177,954	-	(12,711)	165,243	12,711
General obligation bonds - 2008 (Coalinga) B					
Current interest	6,420,000	-		6,420,000	-
Capital appreciation	2,593,046	105,881	(220,000)	2,478,927	250,000
Bond premium (25 year amortization)	248,519	-	(14,619)	233,900	14,619
General obligaion bonds - 2008 (Lemoore)					
Current interest	705,000	-	(205,000)	500,000	215,000
Capital appreciation	182,552	11,550	-	194,102	-
Bond premium (25 year amortization)	247,884	-	(17,706)	230,178	17,706
General obligation bonds - 2008 A, (Lemoore) Reauthorized, Issued 2016					
Current interest	12,485,000	-	(85,000)	12,400,000	105,000
Bond premium (30 year amortization)	722,598	-	(27,792)	694,806	27,792
General obligation bonds - 2008, B (Lemoore)					
Current interest	1,675,000	-		1,675,000	-
Capital appreciation	5,019,343	413,256	(170,000)	5,262,599	205,000
Bond premium (30 year amortization)	517,440	-	(24,640)	492,800	24,640
General obligation bonds - 201 Refunding, Series C	8,325,000	-	(595,000)	7,730,000	620,000
General obligation bonds - 2015 Refunding Series C Premium (16 year amortization)	578,630	-	(52,603)	526,027	97,500
General obligation bonds - 2017 Refunding, Series A	2,140,000	-		2,140,000	-
General obligation bonds - 2017 Refunding, Series B Premium (25 year amortization)	157,882	-	(12,145)	145,737	12,145
General obligation bonds - 2017 Refunding, Series B	13,850,000	-	(120,000)	13,730,000	125,000
General obligation bonds - 2017 Refunding, Series B Premium (25 year amortization)	424,112	-	(20,196)	403,916	20,196
General obligation bonds - 2014, Series B Ed Tech	4,200,000	-	-	4,200,000	-
Capital leases payable	16,198,016	-	(280,095)	15,917,921	935,010
Compensated absences	2,181,174	-	(55,243)	2,125,931	-
Total	$ 93,180,181	$ 676,672	$ (2,543,456)	$ 91,313,397	$ 3,348,025

Description of Debt

Payments on the general obligation bonds are made by the Revenue Bond Interest and Redemption Fund with local property tax revenues. The compensated absences will be paid by the fund for which the employee worked.

The District has utilized capital lease agreements to purchase land, buildings, and equipment. The current lease purchase agreements in the amount of $15,917,921 will be paid through the General and the Other Special Revenue Funds.

Debt Maturity

The District is empowered and obligated to cause to be levied ad valorem taxes, for the payment of interest on, and principal and accreted value of the bonds, upon all property subject to taxation by the District (except certain personal property which is taxable at limited rates) without limitation of rate or amount.

The outstanding general obligation bonded debt is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding Beginning of Year	Accreted Interest	Redeemed	Bonds Outstanding End of Year
2012	2030	2.0-3.5%	$ 3,080,000	$ 1,975,000	$ -	$ (170,000)	$ 1,805,000
2015	2031	.59-3.72%	10,395,000	8,325,000	-	(595,000)	7,730,000
2015	2020	1.4%	4,015,000	-	-	-	-
2015	2024	2.7%	4,200,000	4,200,000	-	-	4,200,000
Northern							
2008	2034	3.41-4.95%	3,839,677	1,421,199	66,407	(165,000)	1,322,606
2012	2038	2.0-4.23%	7,957,059	7,514,870	15,778	(150,000)	7,380,648
2015	2029	2.42-3.56%	2,270,000	2,270,000	-	-	2,270,000
Coalinga							
2009	2033	2.62-5.08%	2,998,815	368,490	63,800	(100,000)	332,290
2012	2039	2.0-4.21%	4,498,812	9,013,046	105,881	(220,000)	8,898,927
2017	2034	1.0-3.84%	2,195,000	2,140,000	-	-	2,140,000
Lemoore							
2009	2034	2.62-5.42%	5,999,837	887,552	11,550	(205,000)	694,102
2011	2042	2.56-7.40%	12,343,909	6,694,343	413,256	(170,000)	6,937,599
2016	2046	2.00-5.50%	12,655,000	12,485,000	-	(85,000)	12,400,000
2017	2042	1.04-3.84%	14,455,000	13,850,000	-	(120,000)	13,730,000
				$ 71,144,500	$ 676,672	$ (1,980,000)	$ 69,841,172

Debt Service Requirements to Maturity

Fiscal Year		Current Bonds Principal	Accreted Bonds	Current Interest to Maturity	Total
2022		$ 1,530,000	$ 610,000	$ 3,437,064	$ 5,577,064
2023		1,840,000	525,000	3,231,783	5,596,783
2024		6,350,000	290,000	2,964,770	9,604,770
2025		2,515,000	120,000	2,576,205	5,211,205
2026		2,865,000	-	2,456,155	5,321,155
2027-2031		13,145,000	904,971	12,345,969	26,395,940
2032-2036		8,920,000	6,916,090	9,909,104	25,745,194
2037-2041		16,490,000	3,860,000	4,333,034	24,683,034
2042-2046		7,045,000	-	581,194	7,626,194
	Total	$ 60,700,000	$ 13,226,061	$ 41,835,278	$ 115,761,339
	Accreted interest	9,141,172			
		$ 69,841,172			

Capital Leases

The District's liability on lease agreements with options to purchase are summarized below:

Balance, July 1, 2020	16,198,016
Addition	-
Payments	(280,095)
Balance, June 30, 2021	15,917,921

The capital leases have minimum lease payments as follows:

Year Ending June 30,	Lease Payment
2022	$ 935,010
2023	935,010
2024	935,010
2025	935,010
2026	935,010
2027-2031	4,177,964
2032-2036	3,964,928
2037-2041	19,228,874
Total	32,046,816
Less: Amount representing interest	16,128,895
Present value of minimum lease payments	$ 15,917,921

Buildings	$ 12,559,591
Equipment	4,202,600
Less: Accumulated depreciation	(994,095)
Total	$ 15,768,096

Compensated Absences

At June 30, 2021, the liability for compensated absences was $2,125,931.

Note 7 - Aggregate Net Other Postemployment Benefit (OPEB) Liability

For the year ended June 30, 2021, the District reported an aggregate net OPEB liability and OPEB expense for the following plans:

OPEB Plan	Aggregate Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	$ 2,203,731	$ 891,161	$ (2,983,758)	$ 451,541
Medicare Premium Payment (MPP) Program	190,275	-	-	13,077
Total	$ 2,394,006	$ 891,161	$ (2,983,758)	$ 464,618

The details of each plan are as follows:

District Plan

Plan Administration

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

Management of the Plan is vested in the District management. Management of the trustee assets is vested with the Retiree Health Benefit Program Joint Powers Agency (RHBP).

The RHBP administers the West Hills Community College District's Postemployment Benefits Plan (the Plan). The Plan is a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for eligible retirees and their spouses.

Financial information for RHBP can be requested from them at 2017 O Street, Sacramento, CA 95811.

Plan Membership

At June 30, 2021, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefit payments	71
Active employees	276
Total	347

Retiree Health Benefit OPEB Trust

The Retiree Health Benefit OPEB Trust (the Trust) is an irrevocable governmental trust pursuant to Section 115 of the IRC for the purpose of funding certain postemployment benefits other than pensions. The Trust is administered by the Retiree Health Benefit Funding Program Joint Powers Agency (the JPA) as directed by the investment alternative choice selected by the District. The District retains the responsibility to oversee the management of the Trust, including the requirement that investments and assets held within the Trust continually adhere to the requirements of the California *Government Code* Section 53600.5 which specifies that the trustee's primary role is to preserve capital, to maintain investment liquidity, and to protect investment yield. As such, the District acts as the fiduciary of the Trust. The financial activity of the Trust has been discretely presented. Separate financial statements are not prepared for the Trust.

Benefits Provided

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

Contributions

The contribution requirements of Plan members and the District are established and may be amended by the District, the Unions, 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 by District administration. For fiscal year 2019-2020, the District contributed $501,224 to the Plan, all of which was used for current premiums.

Net OPEB Liability of the District

The District's net OPEB liability of $2,203,731 was measured as of June 30, 2021, by an actuarial valuation as of that date. The components of the net OPEB liability of the District at June 30, 2021, were as follows:

Total OPEB liability	$ 16,333,331
Plan fiduciary net position	(14,129,600)
Net OPEB liability	$ 2,203,731
Plan fiduciary net position as a percentage of the total OPEB liability	86.51%

Actuarial Assumptions

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

Inflation	2.50 percent
Salary increases	2.75 percent, average, including inflation
Investment rate of return	5.75 percent, net of OPEB plan investment expense, including inflatioı
Healthcare cost trend rates	4.00 percent for 2018 and thereafter

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Mortality rates were based on the 2009 CalSTRS Mortality Table for certificated employees and the 2014 CalPERS Active Mortality for Miscellaneous Employees Table for classified employees. Mortality rates vary by age and sex. (Unisex mortality rates are not often used as individual OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.

The actual assumptions used in the June 30, 2021, valuation were based on the results of an actual experience study for the period July 1, 2020 to June 30, 2021.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance, June 30, 2020	$ 14,997,124	$ 11,673,445	$ 3,323,679
Service cost	606,702	-	606,702
Interest on Total OPEB Liability	900,245	-	900,245
Employer contributions to Trust	-	683,983	(683,983)
Investment Gains/(Losses)	-	2,381,983	(2,381,983)
Expected benefit payments from employer	(592,775)	-	(592,775)
Changes of assumptions	422,035	-	422,035
Benefit payments	-	(592,775)	592,775
Administrative expense	-	(17,033)	17,033
Net change in total OPEB liability	1,336,207	2,456,158	(1,119,951)
Balance, June 30, 2021	$ 16,333,331	$ 14,129,603	$ 2,203,728

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

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

Discount Rate	Net OPEB Liability
1% decrease (4.75%)	$ 3,972,845
Current discount rate (5.75%)	2,203,731
1% increase (6.75%)	639,809

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

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

Healthcare Cost Trend Rates	Net OPEB Liability
1% decrease (3%)	$ 1,197,864
Current healthcare cost trend rate (4%)	2,203,731
1% increase (5%)	3,465,624

Medicare Premium Payment (MPP) Program

Plan Description

The Medicare Premium Payment (MPP) Program is administered by the California State Teachers' Retirement System (CalSTRS). The MPP Program is a cost-sharing multiple-employer other postemployment benefit plan (OPEB) established pursuant to Chapter 1032, Statutes 2000 (SB 1435). CalSTRS administers the MPP Program through the Teachers' Health Benefits Fund (THBF).

A full description of the MPP Program regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2019 annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

The MPP Program pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the State Teachers Retirement Plan (STRP) Defined Benefit (DB)Program who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (CMS) on a monthly basis.

The MPP Program is closed to new entrants as members who retire after July 1, 2012, are not eligible for coverage under the MPP Program.

The MPP Program is funded on a pay-as-you go basis from a portion of monthly District benefit payments. In accordance with California *Education Code* Section 25930, benefit payments that would otherwise be credited to the DB Program each month are instead credited to the MPP Program to fund monthly program and administrative costs. Total redirections to the MPP Program are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the OPEB

At June 30, 2021, the District reported a liability of $190,275 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The District's proportion of the net OPEB liability was based on a projection of the District's long-term share of contributions to the OPEB Plan relative to the projected contributions of all participating entities, actuarially determined. The District's proportionate share for the measurement period June 30, 2020 and June 30, 2019, respectively, was 0.0478 percent, and 0.0476 percent, resulting in a net increase in the proportionate share of 0.0002 percent.

For the year ended June 30, 2021, the District recognized OPEB expense of $13,077.

Actuarial Methods and Assumptions

The June 30, 2019 total OPEB liability was determined by applying updated procedures to the financial reporting actuarial valuation as of June 30, 2018, and rolling forward the total OPEB liability to June 30, 2019, using the assumptions listed in the following table:

Measurement Date	June 30, 2020
Valuation Date	June 30, 2019
Experience Study	July 1, 2015 through June 30, 2018
Actuarial Cost Method	Entry age normal
Investment Rate of Return	2.21%
Medicare Part A Premium Cost Trend Rate	4.50%
Medicare Part B Premium Cost Trend Rate	5.40%

For the valuation as of June 30, 2019, CalSTRS uses a generational mortality assumption which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in incases in life expectances each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale as set equal to 110 % of the ultimate improvement factor from the Mortality Improvement Scale, (MP-2019) table, issued by the Society of Actuaries.

Assumptions were made about future participation (enrollment) into the MPP Program because CalSTRS is unable to determine which members not currently participating meet all eligibility criteria for enrollment in the future. Assumed enrollment rates were derived based on past experience and are stratified by age with the probability of enrollment diminishing as the members' age increases. This estimated enrollment rate was then applied to the population of members who may meet criteria necessary for eligibility and are not currently enrolled in the MPP Program. Based on this, the estimated number of future enrollments used in the financial reporting valuation was 294 or an average of 0.18 percent of the potentially eligible population (159,339).

The MPP Program is funded on a pay-as-you-go basis with contributions generally being made at the same time and in the same amount as benefit payments and expenses coming due. Any funds within the MPP Program as of June 30, 2020 and 2019, were to manage differences between estimated and actual amounts to be paid and were invested in the Surplus Money Investment Fund, which is a pooled investment program administered by the State Treasurer.

Discount Rate

The discount rate used to measure the total OPEB liability as of June 30, 2020 is 2.21 percent. The MPP Program is funded on a pay-as-you-go basis as previously noted. The OPEB Plan's fiduciary net position was not projected to be sufficient to make projected future benefit payments. Therefore, a discount rate of 2.21 percent, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2020, was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate decreased 1.29 percent from 3.50 percent as of June 30, 2019.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

Discount Rate	Net OPEB Liability
1% decrease (1.21%)	$ 210,402
Current discount rate (2.21%)	190,275
1% increase (3.21%)	173,148

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Medicare Costs Trend Rates

The following presents the District's proportionate share of the net OPEB liability calculated using the current Medicare costs trend rates, as well as what the net OPEB liability would be if it were calculated using Medicare costs trend rates that are one percent lower or higher than the current rates:

Medicare Costs Trend Rate	Net OPEB Liability
1% decrease (3.5% Part A and 4.4% Part B)	$ 172,529
Current Medicare costs trend rate (4.5% Part A and 5.4% Part B)	190,275
1% increase (5.5% Part A and 6.4% Part B)	210,704

Note 8 - Risk Management

Joint Powers Authority Risk Pools

During fiscal year ended June 30, 2021, the District contracted with the Statewide Association of Community Colleges (SWACC) Joint Powers Authority for property and liability 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 2020-2021, the District participated in the Protected Insurance Program for Schools (PIPS) Joint Powers Authority, an insurance purchasing pool. The intent of PIPS is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in PIPS. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in PIPS. 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 PIPS. Participation in PIPS is limited to community college districts that can meet PIPS's selection criteria.

Note 9 - 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 California State Teachers' Retirement System (CalSTRS) and classified employees are members of California Public Employees' Retirement System(CalPERS).

For the fiscal year ended June 30, 2021, the District reported its proportionate share of net pension liabilities, deferred outflows of resources, deferred inflows of resources and pension expense for each of the above plans as follows:

Pension Plan	Aggregate Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalSTRS	$ 24,971,152	$ 5,959,726	$ 1,497,381	$ 3,312,384
CalPERS	33,993,526	5,485,514	2,220,351	6,427,824
Total	$ 58,964,678	$ 11,445,240	$ 3,717,732	$ 9,740,208

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

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

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2019, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: http://www.calstrs.com/member-publications.

Benefits Provided

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

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 Defined Benefit Program provisions and benefits in effect at June 30, 2021, are summarized as follows:

Hire date	On or before December 31, 2012	On or after 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	16.15%	16.15%
Required State contribution rate	10.328%	10.328%

Contributions

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and are 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 California Assembly Bill 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 % of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2021, are presented above, and the District's total contributions were $2,250,911.

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

At June 30, 2021, 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:

Total net pension liability, including State share:

District's proportionate share of net pension liability	$ 24,971,152
State's proportionate share of net pension liability associated with the District	12,872,632
Total	$ 37,843,784

The net pension liability was measured as of June 30, 2020. 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, 2020 and June 30, 2019, was 0.0258 percent and 0.0269 percent, resulting in a net decrease in the proportionate share of 0.0011 percent.

For the year ended June 30, 2021, the District recognized pension expense of $3,312,384. In addition, the District recognized pension expense and revenue of $1,803,329 for support provided by the State. At June 30, 2021, 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
Pension contributions subsequent to measurement date	$ 2,250,911	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	636,540	793,152
Differences between projected and actual earnings on pension plan investments	593,171	-
Differences between expected and actual experience in the measurement of the total pension liability	44,063	704,229
Changes of assumptions	2,435,041	-
Total	$ 5,959,726	$ 1,497,381

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 inflows of resources related to the difference between projected and actual earning on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2022	$ (361,949)
2023	202,105
2024	403,221
2025	349,794
Total	$ 593,171

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is seven years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2022	$ 597,427
2023	646,386
2024	690,704
2025	(59,904)
2026	(126,610)
Thereafter	(129,740)
Total	$ 1,618,263

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying updated procedures to a financial reporting actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020. The financial reporting actuarial valuation as of June 30, 2019, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
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 a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table, issued by the Society of Actuaries.

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 (Pension Consulting Alliance-PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in February 2017 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometrically-linked real rates of return and the assumed asset allocation for each major asset class for the year ended June 30, 2020, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Public equity	42.0%	4.8%
Private equity	13.0%	6.3%
Real estate	15.0%	3.6%
Inflation sensitive	6.0%	3.3%
Fixed income	12.0%	1.3%
Risk mitigating strategies	10.0%	1.8%
Cash/liquidity	2.0%	-0.4%

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:

Discount Rate	Net Pension Liability
1% decrease (6.10%)	$ 37,727,933
Current discount rate (7.10%)	24,971,152
1% increase (8.10%)	14,438,634

California Public Employees' Retirement System (CalPERS)

Plan Description

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

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2019, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: https://www.calpers.ca.gov/page/forms-publications.

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 School Employer Pool provisions and benefits in effect at June 30, 2021, are summarized as follows:

Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	20.70%	20.70%

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, 2021, are presented above, and the total District contributions were $2,722,326.

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

As of June 30, 2021, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $33,993,526. The net pension liability was measured as of June 30, 2020. 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, 2020 and June 30, 2019, was 0.1108 percent and 0.1176 percent, resulting in a net decrease in the proportionate share of 0.0068 percent.

For the year ended June 30, 2021, the District recognized pension expense of $6,427,824. At June 30, 2021, 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
Pension contributions subsequent to measurement date	$ 2,722,326	$ -
Change in proportion and differences between contributions made and District's proportionate share of contributions	244,920	2,220,351
Differences between projected and actual earnings on pension plan investments	707,637	-
Differences between expected and actual experience in the measurement of the total pension liability	1,685,975	-
Changes of assumptions	124,656	-
Total	$ 5,485,514	$ 2,220,351

The deferred outflow 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 of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2022	$ (264,813)
2023	236,203
2024	410,561
2025	325,686
Total	$ 707,637

The deferred outflows/(inflows) of resources related to the change in proportion and differences between contributions made and District's proportionate share of contributions, differences between expected and actual experience in the measurement of the total pension liability, and changes of assumptions will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 4.1 years and will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2022	$ 647,579
2023	(235,201)
2024	(521,810)
2025	(55,368)
Total	$ (164,800)

Actuarial Methods and Assumptions

Total pension liability for the SEP was determined by applying update procedures to the financial reporting actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020. The financial reporting actuarial valuation as of June 30, 2019, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
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

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries percent of Scale MP-2016.

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+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	50%	5.98%
Fixed income	28%	2.62%
Inflation assets	0%	1.81%
Private equity	8%	7.23%
Real assets	13%	4.93%
Liquidity	1%	-0.92%

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:

Discount Rate	Net Pension Liability
1% decrease (6.15%)	$ 48,871,892
Current discount rate (7.15%)	33,993,526
1% increase (8.15%)	21,645,228

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS for the fiscal year ended June 30, 2021, which amounted to $1,803,329 (10.328 %) of salaries subject to CalSTRS. Contributions are no longer appropriated in the annual *Budget Act* for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. No contributions were made for CalPERS for the year ended June 30, 2021. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

APPLE

Plan Description

The District contributes to the APPLE plan for employees not covered under CalPERS or CalSTRS plans. The plan provides benefits in a lump sum distribution of the employees' vested balance as of their retirement date.

Funding Policy

Active plan members and the District are each required to contribute 3.75 percent of an individual's salary to the plan, for a total of 7.5 percent of an individual's salary. Individuals enrolled in the plan are 100 % vested in the contributions made to it. The District's contribution to the plan for the fiscal year ending June 30, 2021, was $63,558.

Note 10 - Participation in Public Entity Risk Pools and Joint Powers Authorities

The District is a member of the Central Valley Trust (CVT), the Self Insured Schools of California (SISC), the State Wide Association of Community Colleges (SWACC), and the Protected Insurance Program for Schools (PIPS) Joint Powers Authorities (JPAs). The District pays annual premiums for its health, property liability, and worker's compensation coverage. The relationship between the District and the JPAs 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, 2021, the District made payments of $2,238,251, $5,382,638, $655,189, and $367,407, to CVT, SISC, PIPS, and SWACC, respectively for health, worker's compensation, and property liability coverage.

Note 11 - Commitments and Contingencies

Grants

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2021.

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, 2021.

The District has the following construction commitments at June 30, 2021:

Capital Project	Remaining Construction Commitment	Expected Date of Completion
Modernization at various sites		
NDC Expansion	$ 16,211,155	07/31/22

Note 12 - Restatement of Prior Year Net Position

The District adopted GASB Statement No. 84, *Fiduciary Activities*, in the current year. As a result, the effect on the current fiscal year is as follows:

Primary Government	
Net Position - Beginning	$ 36,405,748
Inclusion of assets and liabilities of funds previously identified as fiduciary in nature from the adoption of GASB Statement No. 84	139,451
Net Position - Beginning, as Restated	$ 36,545,199

Fiduciary Funds	
Net Position - Beginning	$ 12,021,379
Exclusion of assets and liabilities of funds previously identified as fiduciary in nature from the adoption of GASB Statement No. 84	(139,451)
Net Position - Beginning, as Restated	$ 11,881,928

Required Supplementary Information
June 30, 2021

West Hills Community College District

	2021	2020	2019	2018
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability				
Service cost	$ 606,702	$ 581,099	$ 565,546	$ 550,410
Interest	900,245	1,005,740	940,250	879,524
Difference between expected and actual experience	-	(1,941,248)	-	-
Changes of assumptions	422,035	419,765	-	-
Benefit payments	(592,775)	(501,224)	(510,828)	(510,828)
Net change in total OPEB liability	1,336,207	(435,868)	994,968	919,106
Total OPEB Liability - Beginning	14,997,124	15,432,992	14,438,024	13,518,918
Total OPEB Liability - Ending (a)	$ 16,333,331	$ 14,997,124	$ 15,432,992	$ 14,438,024
Plan Fiduciary Net Position				
Contributions - employer	$ 683,983	$ 603,644	$ 1,134,278	$ 1,010,828
Contributions - employee	-	-	-	120,650
Net investment income	2,381,980	500,551	626,378	618,848
Benefit payments	(592,775)	(501,224)	(510,828)	(510,828)
Administrative expense	(17,033)	(16,118)	(9,344)	(500)
Net change in plan fiduciary net position	2,456,155	586,853	1,240,484	1,238,998
Plan Fiduciary Net Position - Beginning	11,673,445	11,086,592	9,846,108	8,607,110
Plan Fiduciary Net Position - Ending (b)	$ 14,129,600	$ 11,673,445	$ 11,086,592	$ 9,846,108
Net OPEB Liability - Ending (a) - (b)	$ 2,203,731	$ 3,323,679	$ 4,346,400	$ 4,591,916
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	86.51%	77.84%	71.84%	68.20%
Covered Employee Payroll	$ 36,023,719	$ 32,001,682	$ 31,145,190	$ 30,311,620
Net OPEB Liability as a Percentage of Covered Employee Payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]

[1] The District's OPEB Plan is administered through a trust, however, contributions are not made based on a measure of pay. Therefore, no measure of payroll is presented.

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

Year ended June 30,	2021	2020	2019	2018
Proportion of the net OPEB liability	0.0476%	0.0449%	0.0474%	0.0467%
Proportionate share of the net OPEB liability	$ 190,275	$ 177,198	$ 181,425	$ 196,397
Covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Proportionate share of the net OPEB liability as a percentage of it's covered payroll	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Plan fiduciary net position as a percentage of the total OPEB liability	0.01%	0.01%	-0.40%	0.01%
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

[1] As of June 30, 2012, active members are no longer eligible for future enrollment in the MPP Program; therefore, the covered payroll disclosure is not applicable.

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

	2021	2020	2019	2018
CalSTRS				
Proportion of the net pension liability (asset)	2.5800%	0.0269%	0.0264%	0.0258%
Proportionate share of the net pension liability (asset)	$ 24,971,152	$ 24,293,362	$ 24,270,026	$ 23,846,314
State's proportionate share of the net pension liability (asset) associated with the District	12,872,632	13,253,651	13,895,725	14,107,278
Total	$ 37,843,784	$ 37,547,013	$ 38,165,751	$ 37,953,592
Covered payroll	$ 14,939,006	$ 16,963,472	$ 14,378,351	$ 14,051,486
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	167.15%	143.21%	169%	169.71%
Plan fiduciary net position as a percentage of the total pension liability	72%	73%	71%	69%
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
CalPERS				
Proportion of the net pension liability (asset)	0.1108%	0.1176%	0.1188%	0.1137%
Proportionate share of the net pension liability (asset)	$ 33,993,526	$ 34,285,386	$ 31,682,678	$ 27,134,981
Covered payroll	$ 15,983,096	$ 19,060,247	$ 16,170,987	$ 14,665,013
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	2.126842384	179.88%	195.92%	185.03%
Plan fiduciary net position as a percentage of the total pension liability	70%	70%	72%	74%
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

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

	2017	2016	2015
CalSTRS			
Proportion of the net pension liability (asset)	0.0251%	0.0258%	0.0289%
Proportionate share of the net pension liability (asset)	$ 20,326,089	$ 17,367,732	$ 16,872,365
State's proportionate share of the net pension liability (asset) associated with the District	11,571,280	9,185,616	10,188,262
Total	$ 31,897,369	$ 26,553,348	$ 27,060,627
Covered payroll	$ 12,908,248	$ 12,056,059	$ 13,313,333
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	157.47%	144.06%	126.73%
Plan fiduciary net position as a percentage of the total pension liability	70%	74%	77%
Measurement Date	June 30, 2016	June 30, 2015	June 30, 2014
CalPERS			
Proportion of the net pension liability (asset)	0.1093%	0.1069%	0.1113%
Proportionate share of the net pension liability (asset)	$ 21,582,587	$ 15,752,845	$ 12,629,704
Covered payroll	$ 13,189,533	$ 11,780,715	$ 11,462,620
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	163.63%	133.72%	110.18%
Plan fiduciary net position as a percentage of the total pension liability	74%	79%	83%
Measurement Date	June 30, 2016	June 30, 2015	June 30, 2014

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

	2021	2020	2019	2018
CalSTRS				
Contractually required contribution	$ 2,250,911	$ 2,554,570	$ 2,447,829	$ 2,074,796
Contributions in relation to the contractually required contribution	(2,250,911)	(2,554,570)	(2,447,829)	(2,074,796)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 13,937,529	$ 14,939,006	$ 16,963,472	$ 14,378,351
Contributions as a percentage of covered payroll	16.15%	17.10%	16.28%	14.43%
CalPERS				
Contractually required contribution	$ 2,722,326	$ 3,152,618	$ 2,960,472	$ 2,511,516
Contributions in relation to the contractually required contribution	(2,722,326)	(3,152,618)	(2,960,472)	(2,511,516)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 13,151,333	$ 15,983,096	$ 19,060,247	$ 16,170,987
Contributions as a percentage of covered payroll	20.700%	19.721%	18.062%	15.531%

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

	2017	2016	2015
CalSTRS			
Contractually required contribution	$ 1,767,677	$ 1,385,055	$ 1,070,578
Contributions in relation to the contractually required contribution	(1,767,677)	(1,385,055)	(1,070,578)
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 14,051,486	$ 12,908,248	$ 1,256,059
Contributions as a percentage of covered payroll	12.58%	10.73%	8.88%
CalPERS			
Contractually required contribution	$ 2,036,677	$ 1,562,564	$ 1,386,708
Contributions in relation to the contractually required contribution	(2,036,677)	(1,562,564)	(1,386,708)
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 14,665,013	$ 13,189,533	$ 11,780,715
Contributions as a percentage of covered payroll	13.888%	11.847%	11.771%

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

Note 1 - Purpose of Schedules

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

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

- Changes in Benefit Terms - There were no changes in the benefit terms since the previous valuation.
- Changes of Assumptions – There were no changes in assumption since the previous valuation.

Schedule of the District's Proportionate Share of the Net OPEB Liability - MPP Program

This schedule presents information on the District's proportionate share of the net OPEB Liability - MPP Program and the plans' fiduciary net position. In the future, as data becomes available, ten years of information will be presented.

- Changes in Benefit Terms - There were no changes in the benefit terms since the previous valuation.
- Changes of Assumptions - The plan rate of investment return assumption was changed from 3.50 percent to 2.21 percent since the previous valuation.

Schedule of the District's Proportionate Share of the Net Pension Liability

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

- Changes in Benefit Terms **-** There were no changes in benefit terms since the previous valuations for either CalSTRS or CalPERS.
- Changes of Assumptions **-** There were no changes in economic assumptions since previous valuations for either CalSTRS or CalPERS.

Schedule of District Contributions for 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.

Supplementary Information
June 30, 2021

West Hills Community College District

The West Hills Community College District was established in September 1932. The West Hills Community College District provides postsecondary education to the students of Coalinga-Huron Unified School District, Lemoore Union High School District, Riverdale Joint Unified School District, Golden Plains Unified School District, Firebaugh-Las Deltas Unified School District, Reef-Sunset Unified School District, and Mendota Unified School District. The West Hills Community College District maintains a District Office, a Coalinga College, a Lemoore College, the North District Center in Firebaugh, and a center at NAS Lemoore. There were no changes in the boundaries of the District during the fiscal year.

Board of Trustees as of June 30, 2021

Member	Office	Term Expires
Mark McKean	President	2024
Jeff Levinson	Vice President	2022
Nina Oxborrow	Clerk/Secretary	2022
Salvador Raygoza	Member	2022
Marin Maldonado	Member	2024
Crystal Jackson	Member	2024
Steve Cantu	Member	2024

Administration as of June 30, 2021

Dr. Kristin Clark	Chancellor
Dr. Richard Storti	Deputy Chancellor
Kelly Cooper	Vice Chancellor of Education and Technology
Carla Tweed	President, West Hills College Coalinga
James Preston	President, West Hills College Lemmore
Sam Aunai	Vice President of Educational Services West Hills College, Coalinga
James Preston	Vice President, Educational Services, West Hills College Lemoore
Angela Tos	Vice President of Student Services, West Hills College Coalinga
Val Garcia	Vice President, Student Services, West Hills College Lemoore

Auxiliary Organizations in Good Standing

West Hills Community College District Foundation, established in 1983
Master Agreement date: October 23, 2007
Alexis Perez, Executive Director

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financia Assistance Listing/Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed through to Subrecipients
U.S. Department of Education				
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		$ 435,167	$ -
Federal Direct Student Loans	84.268		534,231	-
Federal Work-Study Program	84.033		62,681	-
Federal Pell Grant Program	84.063		9,500,358	-
Subtotal Student Financial Assistance Cluster			10,532,437	-
TRIO Cluster				
Upward Bound	84.047A		766,213	-
Upward Bound - Math and Science	84.047M		287,055	-
Upward Bound - Veterans	84.047V		370,577	-
Student Support Services	84.042A		203,399	-
Subtotal TRIO Cluster			1,627,244	-
COVID-19: Higher Education Emergency Relief Funds, Student Aid Portion	84.425E		1,148,639	-
COVID-19: Higher Education Emergency Relief Funds, Institutional Portion	84.425F		452,040	-
COVID-19: Higher Education Emergency Relief Funds, Minority Serving Institutions	84.425L		1,050	-
Subtotal			1,601,729	-
CAMP Services	84.149A		392,194	-
High School Equivalency Program	84.141A		372,345	-
Title V - Increasing Access and Success	84.031S		282,781	-
California Consortium for Equitable Change in HSI OER	84.116T		81,815	24,624
Passed through California Community Colleges Chancellor's Office				
VTEA Special Populations Collaborative	84.048A	20-150-580	100,000	-
Total U.S. Department of Education			14,990,545	24,624
U.S. Department of Agriculture				
NIFA Westside Works Apprenticeship in Agriculture	10.310		18,170	-
Passed through California Department of Education				
Child and Adult Care Food Program	10.558	13666	42,159	-
Total U.S. Department of Agriculture			60,329	-
U.S. Department of the Labor				
Workforce Innovation and Opportunity Act (WIOA) Cluster				
Passed through Fresno Regional Workforce Development Board				
WIOA Adult Program	17.258	250	276,987	-
WIOA Youth Activities	17.259	390-301	289,012	-
WIOA Dislocated Worker Formula Grants	17.278	250	179,901	-
Subtotal WIOA Cluster			745,900	-
PMS - National Farm Worker	17.264		70,832	-
Total U.S. Department of Labor			816,732	-

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financia Assistance Listing/Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed through to Subrecipients
U.S. Department of the Treasury				
Passed through California Community Colleges Chancellor's Office				
COVID-19: Coronavirus Relief Fund	21.019	[1]	$ 305,086	$ -
National Science Foundation				
Research and Development Cluster				
Welding Education Long-Distance Community Outreach	47.076		86,028	-
Improving Undergraduate STEM Education - HSI Program	47.076		19,557	-
Scholarships in STEM CORES	47.076		46,788	-
Total Research and Development Cluster			152,373	-
U.S. Department of Veterans Affairs				
Veterans Services	64.117		175	-
U.S. Department of Health and Human Services				
Passed through California Department of Education				
Child Care and Development Fund (CCDF) Cluster				
Child Care and Development Block Grant	93.596	13609	187,117	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.575	15549	86,015	-
Subtotal CCDF Cluster			273,132	-
Passed through California Community Colleges Chancellor's Office				
Temporary Assistance for Needy Families (TANF)	93.558	[1]	76,213	-
Total U.S. Department of Health and Human Services			349,345	-
Total Federal Program Expenditures			$ 16,674,585	$ 24,624

[1] Pass-Through Entity Identifying Number not available.

Program	Program Revenues: Cash Received	Accounts Receivable	Unearned Revenue	Total Revenue	Program Expenditures
State					
BFAP - Financial Aid Administration	$ 373,121	$ -	$ -	$ 373,121	$ 320,968
CA Promise Grant	339,573	-	-	339,573	264,555
Cal Works	478,694	-	-	478,694	385,525
Campus Safety	5,347	-	-	5,347	5,347
CARE Grant	187,718	-	-	187,718	164,615
CCAP STEM Pathway	577,602	-	229,075	348,527	348,527
CCC Guided Pathways	682,582	-	477,938	204,644	204,644
CCCCO Undocumented Resource Liaisons	67,284	-	-	67,284	-
CCCCO Calfresh Outreach	33,952	-	-	33,952	-
CCCCO Retention & Enrollment Outreach	122,686	-	-	122,686	-
CCCCO/CAI Child Development	183,551	74,980	-	258,531	121,507
CCCCO/CAI Ag	143,175	-	75,955	67,220	67,220
CCCCO/CTE Unlocked/RSC	100,000	-	71,009	28,991	28,991
CCCCO/FSS MESA	-	24,341	-	24,341	24,341
CCCCO/Nursing Education	142,067	-	-	142,067	142,067
CCCCO/CAN Expansion	37,028	-	-	37,028	37,028
CEC/PowWow IEE	-	24,702	-	24,702	-
Child Care & Development Center Based	1,330,319	119,766	-	1,450,085	1,450,085
Child Care-Food	22,725	10,752	-	33,477	33,477
Child Care-State Preschool	2,995,076	-	25,355	2,969,721	2,969,721
CSPP QRIS Block Grant	374,497		180,298	194,199	194,199
CSU/AB 798 Textbook	23,649	5,850	-	29,499	24,572
CV Promise Pipe	-	187	-	187	187
Disability Support Programs and Services	773,682	-	-	773,682	660,313
ECE Consortium Grant	7,025	-	853	6,172	6,172
Extended Opportunity Program and Service	927,251	-	-	927,251	860,104
Financial Aid Technology	138,962	-	-	138,962	13,304
First Five Prop 10 - Avenal	44,058	6,224	-	50,282	50,282
Hunger Free	21,218	-	-	21,218	21,218
Lottery - Restricted	1,127,684		802,169	325,515	276,291
Mental Health	15,339	-	-	15,339	15,339
Physical Plant and Instructional Support	338,581	-	81,259	257,322	257,322
Pre-Kindergarten Supplemental	2,500	7,385	-	9,885	9,885
Prop 39 - KCCD	-	55,012	-	55,012	55,012
Song Brown	50,000	-	21,685	28,315	28,315
Song Brown Capitation	15,815	-	-	15,815	15,815
Staff Diversity	164,413	-	-	164,413	15,800
Strong Workforce 20-21 Locals	672,453	672,453	585,711	759,195	86,742
Strong Workforce 20-21 Regional	-	635,210	-	635,210	635,210
Student Equity and Achievement (SEA)	3,434,337	-	-	3,434,337	2,389,444
Veterans Resource Center	128,363	-	47,813	80,550	80,550
Total State Programs	$ 16,082,327	$ 1,636,862	$ 2,599,120	$ 15,120,069	$ 12,264,694

CATEGORIES	**(Revised)/ Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2020 only)			
1. Noncredit*	1.31	-	1.31
2. Credit	639.92	-	639.92
B. Summer Intersession (Summer 2021 - Prior to July 1, 2021)			
1. Noncredit*	0.00	-	-
2. Credit	3.65	-	3.65
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	379.40	-	379.40
(b) Daily Census Contact Hours	104.43	-	104.43
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit*	170.43	-	170.43
(b) Credit	41.99	-	41.99
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	1359.20	-	1,359.20
(b) Daily Census Contact Hours	2278.53	-	2,278.53
(c) Noncredit Independent Study/Distance Education Courses	8.71	-	8.71
D. Total FTES	4,988	-	4,988
SUPPLEMENTAL INFORMATION (Subset of Above Information)			
E. In-Service Training Courses (FTES)	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Noncredit*	179.10	-	179.10
2. Credit	22.83	-	22.83

	Object/TOP	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110 Reported	Audit	Revised	ECS 84362 B Total CEE AC 0100 - 6799 Reported	Audit	Revised
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	$ 6,586,471	$ -	$ 6,586,471	$ 6,586,471	$ -	$ 6,586,471
Other	1300	4,331,074	-	4,331,074	4,331,074	-	4,331,074
Total Instructional Salaries		10,917,545	-	10,917,545	10,917,545	-	10,917,545
Noninstructional Salaries							
Contract or Regular	1200	-	-	-	2,827,633	-	2,827,633
Other	1400	-	-	-	344,532	-	344,532
Total Noninstructional Salaries		-	-	-	3,172,165	-	3,172,165
Total Academic Salaries		10,917,545	-	10,917,545	14,089,710	-	14,089,710
Classified Salaries							
Noninstructional Salaries							
Regular Status	2100	-	-	-	5,558,809	-	5,558,809
Other	2300	-	-	-	102,929	-	102,929
Total Noninstructional Salaries		-	-	-	5,661,738	-	5,661,738
Instructional Aides							
Regular Status	2200	143,983	-	143,983	144,163	-	144,163
Other	2400	168,166	-	168,166	168,166	-	168,166
Total Instructional Aides		312,149	-	312,149	312,329	-	312,329
Total Classified Salaries		312,149	-	312,149	5,974,067	-	5,974,067
Employee Benefits	3000	3,596,543	-	3,596,543	8,750,944	-	
Supplies and Material	4000	-	-	-	386,107	-	386,107
Other Operating Expenses	5000	-	-	-	670,918	-	670,918
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures		14,826,237	-	14,826,237	29,871,746	-	21,120,802

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP	Reported	Audit	Revised	Reported	Audit	Revised
Exclusions							
Activities to Exclude							
Instructional Staff - Retirees' Benefits and	5900	$ -	$ -	$ -	$ 342,468	$ -	$ 342,468
Student Health Services Above Amount	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	-	-	-
Noninstructional Staff - Retirees' Benefits	6740	-	-	-	616,846	-	616,846
Objects to Exclude							
Rents and Leases	5060	-	-	-	165,646	-	165,646
Lottery Expenditures							-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines, and Periodicals	4200	-	-	-	-	-	-
Instructional Supplies and Materials	4300	-	-	-	-	-	-
Noninstructional Supplies and Materials	4400	-	-	-	383,598	-	383,598
Total Supplies and Materials		-	-	-	383,598	-	383,598

See Note to Supplementary Information

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP	Reported	Audit	Revised	Reported	Audit	Revised
Other Operating Expenses and Services	5000	$ -	$ -	$ -	$ 506,907	$ -	$ 506,907
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay							
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		-	-	-	2,015,465	-	1,508,558
Total for ECS 84362,		$14,826,237	$ -	$14,826,237	$27,856,281	$ -	$19,612,244
Percent of CEE (Instructional Salary		53.22%		75.60%	100.00%		100.00%
50% of Current Expense of Education					$13,928,141		$ 9,806,122

See Note to Supplementary Information

Activity Classification	Object Code				Unrestricted
EPA Proceeds:	8630				$ 7,517,240
Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	1000-5900	$ 7,517,240	$ -	$ -	$ 7,517,240
					-
Total Expenditures for EPA		$ 7,517,240	$ -	$ -	$ 7,517,240
Revenues Less Expenditures					$ -

There were no adjustments to the Annual Financial and Budget Report (CCFS-311) which required reconciliation to the audited financial statements at June 30, 2021.

Amounts reported for governmental activities in the Statement of Net Position are different because		
Total fund balance		
General Funds	$ 25,299,840	
Special Revenue Funds	1,405,539	
Capital Project Funds	13,244,347	
Debt Service Funds	6,339,676	
Fiduciary Funds	14,210,552	
Total fund balance - all District funds		$ 60,499,954
Amounts held in trust on behalf of others (OPEB Trust)		(14,210,552)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	241,813,735	
Accumulated depreciation is	(86,934,955)	
Total capital assets, net		154,878,780
Deferred outflows of resources represent a consumption of net position in a future period and is not reported in the District's funds. Deferred outflows of resources at year-end consist of:		
Deferred outflows of resources related to OPEB	891,161	
Deferred outflows of resources related to pensions	11,445,240	
Total deferred outflows of resources		12,336,401
Amounts eliminated for interfund activity for government-wide reporting		(1,457,025)
In governmental funds, unmatured interest on long-term liabilities is recognized in the period when it is due. On the government-wide statements, unmatured interest on long-term liabilities is recognized when it is incurred.		(921,627)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
General obligation bonds	(73,269,546)	
Capital leases	(15,917,920)	
Compensated absences	(2,125,931)	
Aggregate net other postemployment benefits (OPEB) liability	(2,394,006)	
Aggregate net pension liability	(58,964,678)	
Total long-term liabilities		(152,672,081)
Deferred inflows of resources represent an acquisition of net position in a future period and is not reported in the District's funds. Deferred inflows of resources amount to and related to		
Deferred inflows of resources related to OPEB	(2,983,758)	
Deferred inflows of resources related to pensions	(3,717,732)	
Total deferred inflows of resources		(6,701,490)
Total net position		$ 51,752,360

Note 1 - Purpose of Schedules

District Organization

This schedule provides information about the District's governing board members, administration members, and auxiliary organizations in good standing.

Schedule of Expenditures of Federal Awards

Basis of Presentation
The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2021. The information 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

Summary of Significant Accounting Policies
Expenditures reported in the Schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost Rate
The Organization has not elected to use the 10% de minimis cost rate.

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 Chancellor's Office.

Schedule of Workload Measures for State General Apportionment Annual (Actual) Attendance

FTES is a measurement of the number of students attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis for making apportionments of State funds to community college districts. This schedule provides information regarding the attendance of students based on various methods of accumulating attendance data.

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

ECS 84362 requires the District to expend a minimum of 50% 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 (EPA) Expenditure Report

This schedule provides information about the District's EPA proceeds and summarizes the expenditures of EPA proceeds.

Reconciliation of Annual Financial and Budget Report (CCFS-311) With Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Form CCFS-311 to the District's internal fund financial statements.

Reconciliation of Government Funds to the Statement of Net Position

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

Note 2 - Reissuance

District Organization

It was determined that the District did not correctly include all federal programs, the correct amount of federal expenditures, and the correct pass-through entity identifying number on the June 30, 2021 SEFA. To ensure the correct amount was reported to the Federal Audit Clearinghouse, the SEFA was restated to correct these errors. The following table represents the corrections made to these programs on the SEFA:

Previous ALN	Previous Program Name	Previous Amount Reported	Restated ALN	Restated Program Name	Restated Amount Reported
84.033	TANF 50%/Calworks	76,213	93.558	Temporary Assistance for Needy Families (TANF)	76,213
84.007	Supplemental Educational Opportunity	437,633	84.007	Federal Supplemental Educational Opportunity Grants (FSEOG)	435,167
84.033	SFA Administration	151,600	N/A	N/A	N/A
	Student Financial Assistance Cluster	10,762,715		Student Financial Assistance Cluster	10,532,437
84.047A	Upward Bound	1,101,380	84.047A	Upward Bound	766,213
	TRIO Cluster	1,962,411		TRIO Cluster	1,627,244
84.116T	California Consortium for Equitable Change in HSI OER	146,507	84.116T	California Consortium for Equitable Change in HSI OER	81,815
N/A	N/A	N/A	84.048A	VTEA Special Populations	100,000
N/A	N/A	N/A	10.558	Child and Adult Care Food Program	42,159
17.264	PMS - National Farm Worker	70,832	17.264	PMS - National Farm Worker	70,832
	WIA Cluster	816,732		WIOA Cluster	745,900
N/A	N/A	N/A	21.019	COVID-19: Coronavirus Relief Fund	305,086
N/A	N/A	N/A	47.076	Improving Undergraduate STEM Education - HSI Program	19,557
47.076	Scholarships in STEM CORES	66,344		Scholarships in STEM CORES	46,788
N/A	N/A	N/A		Research and Development Cluster	152,373
N/A	N/A	N/A	64.117	Veterans Services	175
N/A	N/A	N/A	93.596	Child Care and Development Block	187,117
N/A	N/A	N/A	93.575	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	86,015
N/A	N/A	N/A		CCDF Cluster	273,132
		-		Amounts Passed Through to Subrecipeints	24,624
	Total Federal Program Expenditures	16,507,955		Total Federal Program Expenditures	16,674,585

Independent Auditor's Reports
June 30, 2021

West Hills Community College District

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Trustees
West Hills Community College District
Coalinga, 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 unit, and the aggregate remaining fund information of West Hills Community College District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated August 5, 2022.

Emphasis of Matter – Change in Accounting Principle
As discussed in Note 2 and Note 12 to the financial statements, the District adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, which resulted in a restatement of net position as of July 1, 2020. Our opinion is not modified with respect to this matter.

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

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

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

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

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

Eide Bailly LLP

San Ramon, California
August 5, 2022

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance Required by the Uniform Guidance

Board of Trustees
West Hills Community College District
Coalinga, California

Report on Compliance for Each Major Federal Program
We have audited West Hills 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, 2021. 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.

Management's Responsibility
Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility
Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance 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 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). Those standards and the Uniform Guidance 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 a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program
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, 2021.

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Other Matters
This report is replacing a previously issued report dated April 29, 2022 which did not reflect a material weakness and an instance of non-compliance in the Student Financial Assistance Cluster. The material weakness and instance of non-compliance is further described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion is not modified with respect to this matter.

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-001. Our opinion on each major federal program is not modified with respect to these matters.

The District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance
Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. However, as discussed below we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a material weakness.

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 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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Eide Bailly LLP

San Ramon, California
August 5, 2022

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on State Compliance

Board of Trustees
West Hills Community College District
Coalinga, California

Report on State Compliance
We have audited West Hills Community College District's (the District) compliance with the types of compliance requirements as described in the 2020-2021 California Community Colleges Chancellor's Office *District Audit Manual* applicable to the state laws and regulations listed in the table below for the ended June 30, 2021.

Management's Responsibility
Management is responsible for compliance with state laws and regulations as identified in the table below.

Auditor's Responsibility
Our responsibility is to express an opinion on compliance of each of the District's State programs based on our audit of the types of compliance requirements referred to in the table below. We conducted our audit 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 standards and procedures identified in the 2020-2021 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements listed in the table below has occurred. 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 on state compliance. However, our audit does not provide a legal determination of the District's compliance.

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Compliance Requirements Tested
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	State General Apportionment Funding System
Section 425	Residency Determination for Credit Courses
Section 426	Students Actively Enrolled
Section 427	Dual Enrollment (CCAP and Non-CCAP)
Section 430	Schedule Maintenance Program
Section 431	Gann Limit Calculation
Section 435	Open Enrollment
Section 444	Apprenticeship Related and Supplemental Instruction (RSI) Funds
Section 475	Disabled Student Programs and Services (DSPS)
Section 479	To Be Arranged Hours (TBA)
Section 490	Proposition 1D and 51 State Bond Funded Projects
Section 491	Education Protection Account Funds
Section 499	COVID-19 Response Block Grant Expenditures

The District reports no Apprenticeship Related and Supplemental Instruction (RSI) Funds; therefore, the compliance tests within this section were not applicable.

The District reports no Proposition 1D and 51 State Bond Funds, therefore, the compliance tests within these sections were not applicable.

Basis for Qualified Opinion on Section 423 – Apportionment for Activities Funded from Other Sources and Section 475 – Disabled Student Programs and Services (DSPS)
As described in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding Section 423 – Apportionment for Activities Funded from Other Sources and Section 475 – Disabled Student Programs and Services (DSPS), as identified in findings 2021-002 and 2021-003. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to those programs.

Qualified Opinion on Section 423 – Apportionment for Activities Funded From Other Sources and Section 475 – Disabled Student Programs and Services (DSPS)
In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the District complied, in all material respects, with the compliance requirements referred to above for the year ended June 30, 2021.

Unmodified Opinion on Each of the Other Programs
In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the State programs noted in the table above that were audited for the year ended June 30, 2021, except as described in the State awards findings and questioned costs section of the accompanying schedule of findings and questioned costs.

Other Matter – Reissuance
This report is replacing a previously issued report dated April 29, 2022 which did not identify the Section 423 – Apportionment for Activities Funded from Other Sources Program as having a Qualified Opinion. The Section 423 – Apportionment for Activities Funded from Other Sources program was erroneously reported as having an Unmodified Opinion.

West Hills Community College District's Responses to Findings
The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on the responses.

The purpose of the report on state compliance is solely to describe the results of our testing based on the requirements of the 2020-2021 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suited for any other purpose.

Eide Bailly LLP

San Ramon, California
August 5, 2022

Schedule of Findings and Questioned Costs
June 30, 2021

West Hills Community College District

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a):	Yes

Identification of major programs

Name of Federal Program or Cluster	Assistance Listing Number
Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268
COVID-19: Higher Education Emergency Relief Funds, Student Aid Portion	84.425E
COVID-19: Higher Education Emergency Relief Funds, Institutional Portion	84.425F
COVID-19: Higher Education Emergency Relief Funds, Minority Serving Institutions	84.425L

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	No

State Compliance

Type of auditor's report issued on compliance for programs:	Qualified

Unmodified for all programs except for the following programs which were qualified:

Name of Program
Section 423 - Apportionment for Activities Funded From Other Sources
Section 475 - Disabled Student Programs and Services (DSPS)

None reported.

The following finding represents a material weakness and instance of noncompliance including questioned costs that is required to be reported by the Uniform Guidance.

2021-001 Special Tests and Provisions – Return to Title IV

Program Name: Student Financial Assistance Cluster
Assistance Listing Number: 84.063, 84.033, 84.007, 84.268
Federal Agency: U.S. Department of Education (ED)
Direct funded by the U.S. Department of Education (ED)

Criteria or Specific Requirement
34 CFR 668.22(a) "When a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of title IV grant or loan assistance that the student earned as of the student's withdrawal date in accordance with 34 CFR 668.22(e)."

Condition
Material Weakness in Internal Control over Compliance - For the Spring 2021 term, Coalinga College did not perform any return to Title IV calculations.

Questioned Costs
The likely questioned costs are estimated to be approximately $26 thousand based on the students who were disbursed Title IV grant or loan assistance and withdrew during the term.

Effect
Without proper monitoring of student withdrawals, the District did not comply with federal regulation described in the above referenced criteria.

Cause
The District's internal controls associated with the return to Title IV procedures failed to ensure that calculations were performed.

Repeat Finding (Yes or No)
No

Recommendation
The District should perform a review of each student that withdrew during the Spring 2021 term and perform a return to Title IV calculation to determine if funds disbursed to the student need to be returned to ED. In addition, the District should implement policies and procedures to ensure that the return to Title IV calculations are performed with prescribed timeframes.

Corrective Action Plan and Views of Responsible Officials

Based on the review and assessment of findings, the Financial Aid Office at West Hills College Coalinga will implement the following actions:

1) Work with ITS to develop better queries and reporting tools (Informer) to identify students that are subject to Return to Title IV calculations, 2) Work with Admissions & Records to establish a system of identifying students that completely withdraw during the academic year, 3) Document our report query processes and provide cross-training in case of turnover to ensure that knowledge does not get lost, and 4) Establish policies and procedures including instructions on completing R2T4 calculations, timelines, develop R2T4 Informer based reports, establish student notification timelines for reporting of R2T4 calculations.

The following findings represent instances of noncompliance and/or questioned costs relating of compliance with state laws and regulations.

2021-002 – Disabled Student Programs and Services (DSPS)

Criteria or Specific Requirement
Community College students with disabilities are those who have applied to or enrolled at a community college who, because of a verified disability, cannot benefit from general education classes, activities, and services without additional DSPS program support services to mitigate the effects of the educational limitations due to the disability. The purpose of academic adjustments, auxiliary aids, services and/or instruction is to allow the student with a disability to fully participate in the general college program; provide educational accommodations leading to vocational preparation, transfer, or general education; and increase independence or referral of the students to community resources most appropriate to their needs. Examples of services that may be provided by DSPS that are over and above those regularly offered by the college would be test-proctoring, assessment for learning disabilities, specialized counseling, interpreter or captioning services for hearing-impaired or deaf students, mobility assistance, note-taker services, reader services, transcription services, specialized tutoring, access to adaptive equipment, job development/placement, registration assistance, special parking and specialized instruction.

Condition
The District spent DSPS funds on services that aren't in line with the allowable costs as indicated in the Criteria above.

Questioned Costs
The unallowable expenditure totaled $252.88.

Context
The DSPS funds were spent for staff meals and not part of the services indicated above.

Effect
Funds were spent on nonqualified expenditures.

Cause
Not understanding compliance requirements for DSPS funds.

Repeat Finding
No

Recommendation
The District should review all program expenditures for compliance with Title 5 and *Education Code* requirements.

Corrective Action Plan and Views of Responsible Officials
In the future, food for staff will only be provided during staff meetings that require a working breakfast, lunch, or dinner. If food is provided during such meetings, agendas and sign in sheets will be collected and provided to our business office.

2021-003 – Apportionment for Activities Funded From Other Sources

Criteria or Specific Requirement
The contracting entity is required to certify that the direct education costs of the activity are not now, and are not going to be, funded through other sources.

Condition
We noted one 2021 Memorandum of Understanding (MOU) with a contracting entity that did not include a statement to the effect of not being funded by other sources. We did note that this statement was included in the next year's agreement.

Questioned Costs
None

Context
The agreement with one contracting entity was missing a required statement about not having another funding source.

Effect
It was unclear if the course was funded from multiple sources.

Cause
Not understanding compliance requirements for these funds.

Repeat Finding
No

Recommendation
We recommend that the District review all MOUs and agreements regarding instructional service agreements with outside agencies regarding instructional service agreements to ensure that they are in compliance with Title 5 requirements.

Corrective Action Plan and Views of Responsible Officials
The Kings Rehabilitation Center MOU has been updated to include language that the District requires the contracting entity to certify that the direct education costs of the activity are not now and are not going to be funded through other sources. This language will remain in all future MOUs with Kings Rehabilitation Center.

MOU for ISA
Program Director: Maria Gonzalez
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559-925-3244

None reported.