Financial Statements
June 30, 2020

West Hills Community College District

Schedule of Findings and Questioned Costs

Unaudited Supplementary Information

Notes to Unaudited Supplementary Information

CPAs & BUSINESS ADVISORS

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, 2020, 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.

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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, 2020 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.

Other Matters
Required Supplementary Information

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis on pages 5 through 12, 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 listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the other supplementary information are 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 list 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
May 13, 2021

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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, 2020. 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.

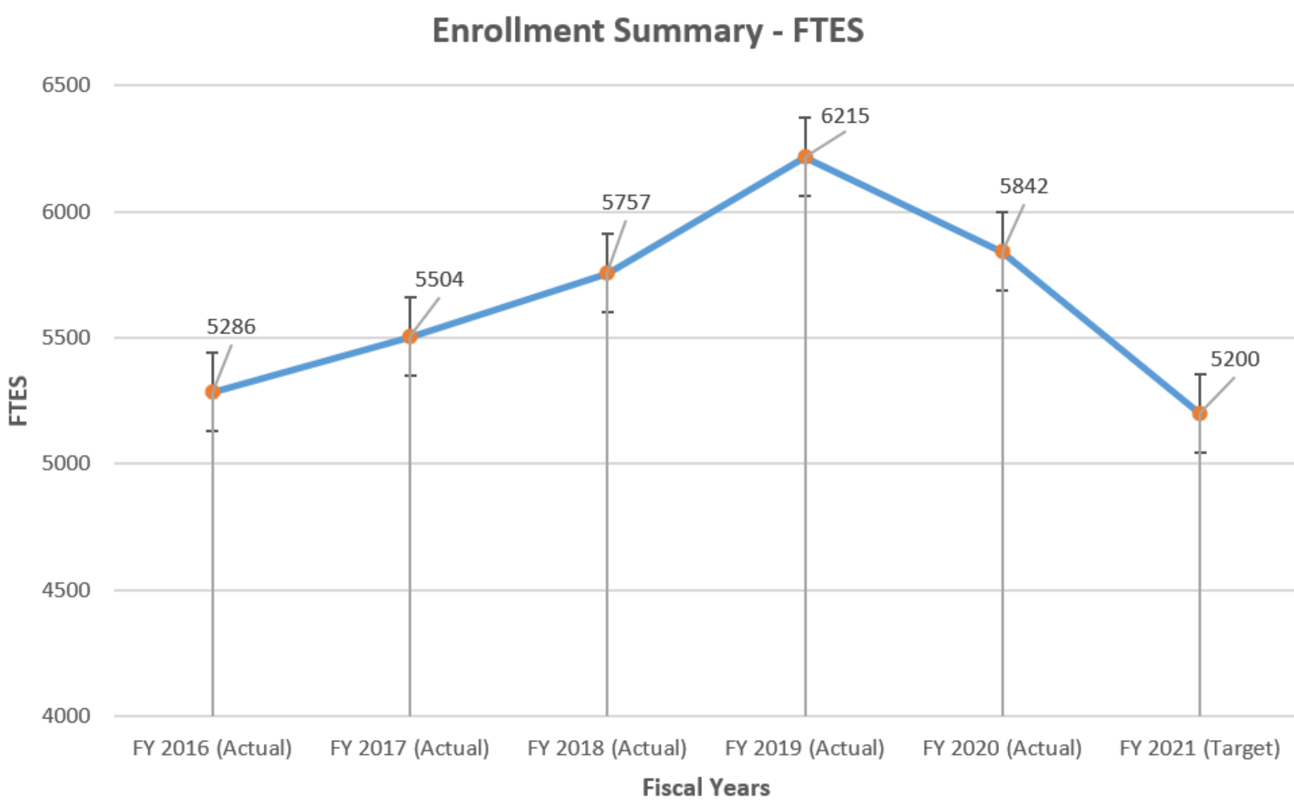
USING THIS ANNUAL REPORT

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 2019-2020 were 5,842. The target FTES for fiscal year 2020-2021 is 5,200. 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 $34.6 million. The Unrestricted General Fund balance was approximately $12.6 million. The State Chancellor's Office recommends reserve levels of five percent of unrestricted General Fund expenditures be set aside for economic uncertainties. The District met this recommended reserve level with approximately 34 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 $58.8 million during the 2018-2019 fiscal year to $58.6 million during the 2019-2020 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 $18.7 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 $42.1 million, while Tuition and Fees was approximately 1.6 million.

Condensed financial information (in thousands) is as follows:

NET POSITION - As of June 30, 2020 and 2019

	2020	2019	Change
Assets			
Current Assets			
Cash and investments	$ 37,427	$ 36,946	$ 481
Accounts receivable, net	10,299	11,653	(1,354)
Due from fiduciary	-	60	(60)
Prepaid	-	64	(64)
Total current assets	47,726	48,723	(997)
Non-Current Assets			
Capital assets, net of depreciation	145,451	138,349	7,102
Total assets	193,177	187,072	6,105
Deferred Outflows of Resources			
Deferred outflows related to pensions and OPEB	15,122	15,910	(788)
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	7,186	7,684	(498)
Due to fiduciary funds	163	132	31
Unearned revenue	8,993	10,090	(1,097)
Long-term liabilites	2,419	3,730	(1,311)
Total current liabilites	18,761	21,636	(2,875)
Non-Current Liabilities			
Long-term liabilities	152,841	152,220	621
Total liabilities	171,601	173,856	(2,255)
Deferred Inflows of Resources			
Deferrred inflows related to pensions and OPEB	2,123	1,287	836
Net Position			
Net investment in capital assets	66,079	65,783	296
Restricted for debt service	4,237	5,449	(1,212)
Restricted for capital projects	9,658	12,841	(3,183)
Other activities	88	-	88
Unrestricted deficit	(45,487)	(56,234)	10,747
Total net position	$ 34,575	$ 27,839	$ 6,736

This schedule has been prepared from the District's Statement of Net Position (page 13), which is presented on an accrual basis of accounting whereby capital assets are capitalized and depreciated.

Operating Results for the Years Ended June 30, 2020 and 2019

	2020	2019	Difference
Operating Revenues			
Tuition and fees	$ 1,590	$ 2,090	$ (500)
Auxiliary sales and charges	595	720	(125)
Total operating revenues	2,186	2,810	(624)
Operating Expenses			
Salaries and benefits	58,628	58,800	(172)
Other expenses	28,974	36,789	(7,815)
Depreciation	5,445	5,597	(152)
Total operating expenses	93,047	101,186	(8,139)
Operating loss	(90,861)	(98,376)	7,515
Nonoperating Revenues and (Expenses)			
Grants and contracts	42,106	42,258	(152)
State apportionments	40,418	33,042	7,376
Property taxes	6,544	5,994	550
State revenues	96	2,528	(2,432)
Interest income	522	795	(273)
Interest expense	(4,440)	(4,199)	(241)
Net transfers to fiduciary funds	(774)	(505)	(269)
Other non-operating revenues	2,580	2,077	503
Total nonoperating revenues	44,947	39,732	5,063
Other Revenues			
State revenues, capital	4,656	2,128	2,528
Local revenues, capital	5,888	5,386	502
Total Other Revenues	10,544	7,514	3,030
Net Increase (Decrease) in Net Position	$ (35,370)	$ (51,130)	$ 15,608

This schedule has been prepared from the Statement of Revenues, Expenses and Changes in Net Position presented on page 14.

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 $46.9 million is mostly balanced by the other state general apportionment sources resulting in an increase in the District's Net Position of $8.9 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 9 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, 2020 and 2019

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.

	2020	2019	Difference
Cash Provided by (used in)			
Operating activities	$ (35,436)	$ (39,186)	$ 4,774
Noncapital financing activities	47,962	31,291	(7,680)
Capital financing activities	(12,586)	(5,692)	(14,686)
Investing activities	541	715	(30)
Net change in Cash and Cash Equivalents	$ 481	$ (12,872)	$ (17,622)

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, 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	-	-	7,360,384
Community services and economic development	659,282	365,984	241,402	-	-	1,266,669
CDC, Farm, Cafeteria, Parking, Athletics, RH	5,316,154	3,195,029	1,712,329	-	-	10,223,511
Contract Education	290,713	103,858	19,001	-	-	413,573
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	$ 8,626,820	$ 20,347,650	$ 5,444,794	$ 93,046,796

Year ended June 30, 2019:

	Salaries	Employee Benefits	Supplies Material and Other Expenses and Services	Other Outgo	Depreciation	Total
Instructional activities	$ 16,567,868	$ 9,784,447	$ 2,287,930	$ -	$ -	$ 28,640,245
Academic support	4,004,444	2,878,590	1,028,037	-	-	7,911,071
Student services	7,564,700	3,365,873	1,772,739	18,679,743	-	31,383,055
Plant operations and maintenance	1,561,943	904,628	1,777,170	996,257	-	5,239,998
Instructional support services	1,873,986	639,196	157,370	4,507,378	-	7,177,930
Community services and economic development	736,912	457,333	359,122	-	-	1,553,367
CDC, Farm, Cafeteria, Parking, Athletics, RH	5,283,897	2,514,765	4,820,664	-	-	12,619,326
Contract Education	304,547	171,104	226,678	-	-	702,329
Other Auxillary Operations	129,560	56,634	175,354	-	-	361,548
Depreciation expense-unallocated	-	-	-	-	5,597,150	5,597,150
Total	$ 38,027,857	$ 20,772,570	$ 12,605,064	$ 24,183,378	$ 5,597,150	$ 101,186,019

ECONOMIC FACTORS AFFECTING THE FUTURE OF WEST HILLS COMMUNITY COLLEGE DISTRICT

Fiscal year 2019-20 was an unprecedented year as a result of the COVID-19 pandemic. There were large swings in national and state economic performance. As a result of the economic volatility and high level of uncertainty related to funding, the District demonstrated caution through strategic planning designed to provide high quality programs and services to students within projected funding constraints. Consistent with its long history, West Hills maintained a strong commitment to the relentless pursuit of student success.

The District will continue to be very cautious and conservative in our budget planning going forward until such time as the economic indicators provide reason to change our approach. The District has never relied on Sacramento to solve problems at the local level and will not do so in the future.

The State is in a much better position that it has been for several years. 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.

There are currently no other known facts, decisions, or conditions that will have a significant effect on the financial position (net position) or results of operations (revenues, expenses, and changes in net position) of the District.

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 Richard Storti, Deputy Chancellor, at West Hills Community College District, 9800 Cody Street, Coalinga, California 93210, or e-mail at richardstorti@whccd.edu.

Assets	
Current Assets	
Cash and investments	$ 20,538,030
Restricted cash and investments	16,888,666
Accounts receivable	8,891,395
Student receivable, net	1,407,737
Total current assets	47,725,828
Noncurrent Assets	
Nondepreciable capital assets	14,875,158
Depreciable capital assets	211,655,652
Less: Accumulated depreciation	(81,079,787)
Total noncurrent assets	145,451,023
Total assets	193,176,851
Deferred Outflows of Resources	
Deferred outflows of resources related to pensions	14,536,738
Deferred outflows of resources related to OPEB	585,675
Total deferred outflows of resources	15,122,413
Liabilities	
Current Liabilities	
Accounts payable and accrued liabilities	6,249,429
Interest payable	936,460
Due to fiduciary funds	162,887
Unearned revenue	8,992,731
Lease payable	210,878
Long-term liabilities other than OPEB and pensions due within one year	2,208,118
Total current liabilities	18,760,503
Noncurrent Liabilities	
Compensated absences payable	2,181,174
Lease payable	15,987,137
Aggregate net other postemployment benefits liability	3,500,877
Aggregate net pension liability	58,578,748
Long-term liabilities other than OPEB and pensions due in more than one year	72,592,874
Total noncurrent liabilities	152,840,810
Total liabilities	171,601,313
Deferred Inflows of Resources	
Deferred inflows of resources related to pensions	2,122,869
Net Position	
Net investment in capital assets	66,079,105
Restricted for:	
Debt service	4,237,324
Capital projects	9,657,699
Other activities	87,512
Unrestricted deficit	(45,486,558)
Total net position	$ 34,575,082

Operating Revenues	
Tuition and Fees	$ 6,804,985
Less: Scholarship discount and allowance	(5,214,515)
Net tuition and fees	1,590,470
Auxiliary Sales and Charges	
Cafeteria	372,919
Farm	222,422
Total auxiliary sales and charges	595,341
Total operating revenues	2,185,811
Operating Expenses	
Salaries	36,728,141
Employee benefits	21,899,392
Supplies, materials, and other operating expenses and services	28,974,469
Depreciation	5,444,794
Total operating expenses	93,046,796
Operating Loss	(90,860,985)
Non-Operating Revenues (Expenses)	
Grants and Contracts, Noncapital	
Federal	20,796,714
State	21,309,561
State apportionments, noncapital	40,418,341
Local property taxes, levied for general purposes	6,544,011
State taxes and other revenues	95,998
Investment income, net	522,112
Interest and other expenses on debt	(4,439,746)
Net transfers to fiduciary funds	(774,020)
Other non-operating revenues	2,580,355
Total non-operating revenues (expenses)	87,053,326
Loss Before Other Revenues	(3,807,659)
Other Revenues	
State revenues, capital	4,655,510
Local revenues, capital	5,888,438
Total other revenues	10,543,948
Change in Net Position	6,736,289
Net Position, Beginning of Year	27,838,793
Net Position, End of Year	$ 34,575,082

Cash Flows from Operating Activities	
Tuition and fees	$ 3,855,173
Noncapital grants and contracts	41,073,669
Payments to or on behalf of employees	(51,183,252)
Auxiliary sales	595,341
Payments to vendors for supplies and services	(29,776,760)
Net cash flows used by operating activities	(35,435,829)
Cash Flows from Noncapital Financing Activities	
State apportionments	40,418,341
Property taxes - nondebt related	6,544,011
Other nonoperating	999,589
Net cash flows from noncapital financing activities	47,961,941
Cash Flows from Capital Financing Activities	
Purchase of capital assets	(12,546,973)
State revenue, capital projects	4,655,510
Local revenue, capital projects	5,888,438
Principal paid on capital debt	(7,745,190)
Interest paid on capital debt	(2,837,936)
Net cash flows used by capital financing activities	(12,586,151)
Cash Flows from Investing Activities	
Interest received from investments	540,806
Net Cash Flows From Investing Activities	540,806
Net Change in Cash and Cash Equivalents	480,767
Cash and Cash Equivalents, Beginning of Year	36,945,929
Cash and Cash Equivalents, End of Year	$ 37,426,696

Reconciliation of Net Operating Loss to Net Cash Used from Operating Activities

Operating Loss	$ (90,860,985)
Adjustments to Reconcile Operating Loss to Net Cash Flows From Operating Activities:	
Depreciation expense	5,444,794
Miscellaneous nonoperating income	42,106,275
Changes in Assets, Deferred Outlfows, Liabilities and Deferred Inflows:	
Receivables, net	3,069,671
Prepaid expenses	63,617
GASB 45, Net Plan Asset	
Deferred outflows of resources related to pensions and OPEB	787,810
Accounts payable and accrued liabilities	(2,174,573)
Unearned revenue	(1,097,097)
Deferred inflows of resources related to pensions and OPEB	2,626,547
Aggregate net OPEB liability	(1,026,948)
Aggregate net pension liability	4,762,030
Compensated absences	863,030
Total adjustments	55,425,156
Net cash flows used by operating activities	$ (35,435,829)

	Trust Funds	Agency Funds
Assets		
Deposits and investments	$ 58,607	$ 147,575
Receivables	510	-
Due from primary government	175,007	41,222
Total assets	234,124	$ 188,797
Liabilities		
Accounts payable	7,877	$ 347
Due to primary government	9,590	43,752
Due to student groups	-	144,698
Unearned revenue	12,790	-
Total liabilities	30,257	$ 188,797
Net Position		
Restricted	203,867	
Total net position	$ 203,867	

	Trust Funds
Additions	
Local sources	$ 38,701
Transfers from primary government	774,020
Total additions	812,721
Deductions	
Salaries	288,468
Employee benefits	132,156
Other expenditures	300,833
Total deductions	721,457
Change in Net Position	91,264
Net Position - Beginning of Year	112,603
Net Position - Ending of Year	$ 203,867

Assets	
Current Assets	
Cash and cash equivalents	$ 300,176
Investments	3,933,982
Accounts receivable	3,324
Other current assets	323,184
Total assets	$ 4,560,666
Liabilities and net assets	
Current liabilities	
Accounts payable	$ 2,810
Net Assets	
Without donor restrictions	2,144,119
With donor restrictions	2,413,737
Total net assets	4,557,856
Total liabilities and net assets	$ 4,560,666

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Donations and special events	$ 138,127	$ 160,235	$ 298,362
Federal revenue	45,633	-	45,633
Program fees	88,287	-	88,287
Program contracts	3,304	-	3,304
Fundraisers	154,188	-	154,188
Investment income	143,818	16,341	160,159
Other	132,240	99,459	231,699
Transfers	(28,704)	32,025	3,321
Net assets released from restrictions	336,247	(336,247)	-
Total revenues	1,013,140	(28,187)	984,953
Expenses			
Program services:			
Scholarship	160,531	-	160,531
College Enhancement	269,671	-	269,671
Athletic Programs	53,644	-	53,644
Educational Programs	40,467	-	40,467
Support services:			
General Administrative	188,227	-	188,227
Fundraisers	70,951	-	70,951
Total Expenses	783,491	-	783,491
Change in Net Assets	229,649	(28,187)	201,462
Net Assets, Beginning of Year	1,914,470	2,441,924	4,356,394
Net Assets, End of Year	$ 2,144,119	$ 2,413,737	$ 4,557,856

Cash Flows from Operating Activities	
Change in net assets	$ 201,462
Adjustments to Reconcile Change in Net Assets to Net	
Cash Provided By Operating Activities	
Decrease in accounts receivable	28,187
Decrease in prepaid assets	5,435
Decrease in accounts payable	(15,341)
Net Cash Flows Provided by Operating Activities	219,743
Cash Flows from Investing Activities	
Purchase of investments	(335,961)
Net Change in Cash and Cash Equivalents	(116,218)
Cash and Cash Equivalents, Beginning of Year	416,394
Cash and Cash Equivalents, End of Year	$ 300,176

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. The three components used to determine the presentation are: providing a "direct benefit"; the "environment and ability to access/influence reporting," and the "significance" criterion. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District, and the following component units:

- **West 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 9900 Cody Street, 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 - Measurement Focus and Financial Statement Presentation

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB Statements No. 34 and No. 35 as amended by GASB Statements No. 37, No. 38, No. 39, and No. 61. This presentation provides a comprehensive entity-wide perspective of the District's assets, liabilities, activities, and cash flows and replaces the fund group perspective previously required. Fiduciary activities, with the exception of the Student Financial Aid Fund, are excluded from the basic financial statements. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

Revenues 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. 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. For the District, operating revenues consist primarily of student fees and auxiliary activities through the bookstore and farm.

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.

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

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34, *Basic Financial Statements and Management's Discussions and Analysis for State and Local Governments,* and GASB Statement No. 35, *Basic Financial Statements and Management's Discussions and Analysis for Public Colleges and Universities,* as amended by GASB Statements No. 37, No. 38, No. 39, and No. 61. The business-type activities model followed by the District requires the following components of the District's financial statements:

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

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.

Restricted Assets

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

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated a of $1,234,235 for the year ended June 30, 2020

Capital Assets and Depreciation

Capital assets are long-lived assets of the District as a whole and include land, construction in progress, buildings, leasehold improvements, 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; equipment, 5 to 10 years; vehicles, 5 to 10 years.

Accrued Liabilities and Long-Term Liabilities

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

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government 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 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 .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

Debt premiums are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District reports deferred outflows of resources for pension and OPEB related items.

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 pension and OPEB 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 includes (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met.

Noncurrent Liabilities

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

Net Position

Net positions 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 their 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 financial statements report $13,982,535 of restricted net position.

Operating 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 Statements No. 34 and No. 35. Classifications are as follows:

> **Operating revenues** - Operating revenues include activities that have the characteristics of exchange transactions such as student 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, gifts and contributions, and other revenue sources defined in GASB Statements No. 34 and No. 35.

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

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

Federal Financial Assistance Programs

The District participates in federally funded Pell Grants, SEOG Grants, and Federal Work-Study programs, as well as other programs funded by the Federal government. Financial aid to students is either reported as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition. These programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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.

Interfund Activity

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

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 May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1*, Implementation Guidance update—2018*
- Implementation Guide No. 2019-1*, Implementation Guidance update—2019*
- Implementation Guide No. 2019-2*, fiduciary Activities*

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3*, Leases*

The provisions of this Statement have been implemented as of June 30, 2020, with the exception of Statement No. 89, Accounting for Interest Cost Incurred before the End of a construction Period. The district has already implemented this standard ad of June 30, 2020.

New Accounting Pronouncements

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.

As a result of the implementation of GASB No. 95, the requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged. The effects of this change on the District's financial statements have not been determined.

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.

As a result of the implementation of GASB No. 95, the requirements of 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.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 60*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

As a result of the implementation of GASB No. 95, the requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively. The effects of this change on the District's financial statements have not yet been determined.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having all of the following characteristics:

- There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

As a result of the implementation of GASB No. 95, the requirements of this Statement are effective for the reporting periods beginning after December 15, 2021. Early implementation is encouraged. The effects of this change on the District’s financial statements have not yet been determined.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reporting.
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits

- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments

As a result of the implementation of GASB No. 95, the requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and hose related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in 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.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR (Interbank Offered Rate). This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

As a result of the implementation of GASB No. 95, the removal of LIBOR as an appropriate benchmark interest rate (paragraph 11) is effective for reporting periods ending after December 31, 2021. Paragraph 13 and 14 related to lease modifications is effective for reporting periods beginning after June15, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Early implementation is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.
The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The effects of this change on the District's financial statements have not yet been determined.

In June 2020, the GASB issued Statement No. 97*, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately.

The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement.

The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. 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

In accordance with the *Budget and Accounting Manual*, the District maintains substantially all of its cash in the County Treasury as part of the common investment pool. The District is considered to be an involuntary participant in an external investment pool. The District deposits all receipts and collections of monied with their County Treasurer. The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

General Authorizations

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

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	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, 2020, are classified in the accompanying financial statements as follows:

Primary government	$ 5,956,905
Fiduciary funds	206,182
Total deposits and investments	$ 6,163,087

Deposits and investments as of June 30, 2020, consist of the following:

Cash on hand and in banks	$ (26,245,945)
Cash in revolving	393
Cash with fiscal agent	938,454
Investments	31,470,185
Total deposits and investments	$ 6,163,087

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.

Segmented Time Distribution

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations as of June 30, 2020, is provided by the following schedules that show the distribution of the District's investments by maturity:

Investment Type	Fair Value	12 Months or Less	13 - 24 Months	25 - 60 Months	More Than 60 Months
Fresno County Investment Pool	$ 31,470,185	$ -	$ 31,470,185	$ -	$ -

Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. However, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2020, approximately $6,500,000 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 at June 30, 2020, consist of intergovernmental grants, entitlements, interest, and other local sources.

	Primary Government	Fiduciary Funds	Total
Federal Government			
Categorical aid	$ 1,456,213	$ -	$ 1,456,213
State Government			
Categorical aid	1,158,027	-	1,158,027
Other state sources	4,806,036	-	4,806,036
Local Sources			
Categorical aid	506,204	-	506,204
Interest	74,744	-	74,744
Taxes	125,570	-	125,570
Other local sources	764,601	510	765,111
Total	$ 8,891,395	$ 510	$ 8,891,905
Student receivables	$ 3,744,443	$ -	$ 3,744,443
Less Allowance for doubtful accounts	2,336,706	-	2,336,706
Student receivables, net	$ 1,407,737	$ -	$ 1,407,737

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 fiscal year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Capital Assets Not Being Depreciated				
Land	$ 7,765,959	$ -	$ -	$ 7,765,959
Construction in progress	14,712,035	11,212,732	(18,815,568)	7,109,199
Total capital assets not being depreciated	22,477,994	11,212,732	(18,815,568)	14,875,158
Capital Assets Being Depreciated				
Land improvements	38,522,034	103,037	-	38,625,071
Buildings and improvements	146,412,819	18,815,568	-	165,228,387
Furniture and equipment	6,570,990	1,231,204	-	7,802,194
Total capital assets being depreciated	191,505,843	20,149,809	-	211,655,652
Total capital assets	213,983,837	31,362,541	(18,815,568)	226,530,810
Less Accumulated Depreciation				
Land improvements	14,940,450	1,201,209	-	16,141,659
Buildings and improvements	55,564,777	3,902,470	-	59,467,247
Furniture and equipment	5,129,765	341,116	-	5,470,881
Total accumulated depreciation	75,634,992	5,444,795	-	81,079,787
Net capital assests	$138,348,845	$ 25,917,746	$(18,815,568)	$145,451,023

Depreciation expense for the year was $5,444,795.

Note 6 - Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at June 30, 2020, consisted of the following:

	Primary Government	Fiduciary Funds	Total
Vendor invoices	$ 4,515,275	$ 1,195	$ 4,516,470
Salaries and wages payable	1,159,975	7,029	1,167,004
Payable to students	574,179	-	574,179
Total	$ 6,249,429	$ 8,224	$ 6,257,653

Discretely Presented Component Unit

The accounts payable of Foundation consist primarily of amounts owed to vendors for supplies and services.

Note 7 - Unearned Revenue

Unearned revenue at June 30, 2020, consists of the following:

	Primary Government	Fiduciary Funds	Total
Federal categorical aid	$ 5,033	$ -	$ 5,033
State categorical aid	6,014,988	-	6,014,988
Enrollment fees	2,972,710	-	2,972,710
Other local	-	12,790	12,790
Total	$ 8,992,731	$ 12,790	$ 9,005,521

Note 8 - Interfund Transactions

Interfund Receivables and Payable (Due To/Due From)

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 has been eliminated in the consolidation process of the basic financial statements. Interfund receivables and payables between fiduciary and governmental funds are related to operating costs charged to funds for their share of agency overhead.

Interfund Operating Transfers

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 have been eliminated in the consolidation process.

Note 9 - Long-Term Liabilities Other than OPEB and Pensions

The changes in the District's long-term liabilities other than OPEB and pensions during the 2020 fiscal year consisted of the following:

	Balance July , 2019	Additions	Deductions	Balance June 30, 2020	Due in One Year
General obligation refunding bonds - 2012	$ 2,135,000	$ -	$ 160,000	$ 1,975,000	$ 170,000
Bond premium (18 year amortization)	43,278	-	3,934	39,344	3,934
General obligation bonds - 2008 (Northern)					
Current interest	505,000	-	150,000	355,000	165,000
Capital appreciation	1,003,714	62,485	-	1,066,199	-
Bond premium (25 year amortization)	219,210	-	14,614	204,596	14,614
General obligation bonds - 2008, B (Northern)					
Current interest	7,360,000	-	130,000	7,230,000	-
Capital appreciation	262,368	22,502	-	284,870	150,000
Bond premium (25 year amortization)	209,499	-	11,639	197,860	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)	155,191	-	15,519	139,672	15,519
General obligation bonds - 2008 (Coalinga)					
Current interest	305,000	-	-	305,000	100,000
Capital appreciation	94,966	68,524	100,000	63,490	-
Bond premium (25 year amortization)	190,665	-	12,711	177,954	12,711
General obligation bonds - 2008, B (Coalinga)					
Current interest	6,420,000	-	-	6,420,000	-
Capital appreciation	2,692,350	100,696	200,000	2,593,046	220,000
Bond premium (25 year amortization)	263,138	-	14,619	248,519	14,619
General obligation bonds - 2008 (Lemoore)					
Current interest	705,000	-	-	705,000	-
Capital appreciation	356,280	21,272	195,000	182,552	205,000
Bond premium (25 year amortization)	265,590	-	17,706	247,884	17,706
General obligation bonds - 2008 A,(Lemoore) Reauthorized, Issued 2016					
Current interest	12,555,000	-	70,000	12,485,000	85,000
Bond premium (30 year amortization)	750,390	-	27,792	722,598	27,792
General obligation bonds - 2008, B (Lemoore)					
Current interest	1,675,000	-	-	1,675,000	-
Capital appreciation	4,759,472	389,871	130,000	5,019,343	170,000
Bond premium (30 year amortization)	542,080	-	24,640	517,440	24,640
General obligation bonds - 2015 Refunding, Series C	8,895,000	-	570,000	8,325,000	595,000
General obligation bonds - 2015 Refunding Series C Premium (16 year amortization)	631,233	-	52,603	578,630	52,603
General obligation bonds - 2017 Refunding, Series A	2,140,000	-	-	2,140,000	-
General obligation bonds - 2017 Refunding Series A Premium (17 year amortization)	170,027	-	12,145	157,882	12,145
General obligation bonds - 2017 Refunding, Series B	13,970,000	-	120,000	13,850,000	120,000
General obligation bonds - 2017 Refunding, Series B Premium (25 year amortization)	444,308	-	20,196	424,112	20,196
General obligation bonds - 2014, Series A Ed Tech	1,105,000	-	1,105,000	-	-
General obligation bonds - 2014, Series B Ed Tech	4,200,000	-	-	4,200,000	-
Capital leases payable	16,858,338	-	660,322	16,198,016	210,878
Compensated absences	1,318,144	863,030	-	2,181,174	-
Total long-term obligations	$ 95,470,241	$ 1,528,380	$ 3,818,440	$ 93,180,181	$ 2,418,996

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 $16,198,015 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 Year	Maturity Year	Interest Rate	Original Issue	Bonds Outstanding July 1, 2019	Accreted/ Issued	Defeased/ Redeemed	Bonds Outstanding June 30, 2020
2012	2030	2.0-3.5%	$ 3,080,000	$ 2,135,000	$ -	$ 160,000	$ 1,975,000
2015	2031	0.59-3.72%	10,395,000	8,895,000	-	570,000	8,325,000
2015	2020	1.4%	4,015,000	1,105,000	-	1,105,000	-
2015	2024	2.7%	4,200,000	4,200,000	-	-	4,200,000
Northern:							
2008	2034	3.41-4.950%	3,839,677	1,508,714	62,485	150,000	1,421,199
2012	2038	2.0-4.23%	7,957,059	7,622,368	22,502	130,000	7,514,870
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	399,966	68,524	100,000	368,490
2012	2039	2.0-4.21%	4,498,812	9,112,350	100,696	200,000	9,013,046
2017	2034	1.04-3.84%	2,195,000	2,140,000	-	-	2,140,000
Lemoore:							
2009	2034	2.62-5.42%	5,999,837	1,061,280	21,272	195,000	887,552
2011	2042	2.56-7.40%	12,343,909	6,434,472	389,871	130,000	6,694,343
2016	2046	2.00-5.50%	12,655,000	12,555,000	-	70,000	12,485,000
2017	2042	1.04-3.84%	14,455,000	13,970,000	-	120,000	13,850,000
Total				$ 73,409,150	$ 665,350	$ 2,930,000	$ 71,144,500

Debt Service Requirements to Maturity

Fiscal Year	Current Bonds Principal	Accreted Bonds	Current Interest to Maturity	Total
2021	$ 1,235,000	$ 745,000	$ 3,501,126	$ 4,736,126
2022	1,530,000	405,000	3,437,064	4,967,064
2023	1,840,000	2,600,000	3,105,183	4,945,183
2024	6,350,000	-	2,961,070	9,311,070
2025	4,515,000	-	2,129,439	6,644,439
2026-2030	10,755,000	7,390,000	10,883,893	21,638,893
2031-2035	11,625,000	1,958,000	10,101,969	21,726,969
2036-2040	14,015,000	-	4,633,274	18,648,274
2041-2045	9,040,000	-	434,255	9,474,255
2046	1,030,000	-	34,763	1,064,763
Total	61,935,000	$ 13,098,000	$ 41,222,036	$ 103,157,036
Accreted Interest	9,209,500			
Total	$ 71,144,500			

Capital Leases

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

Balance, July 1, 2019	$ 16,858,338
Additions	-
Payments	660,323
Balance, June 30, 2020	$ 16,198,015

The capital leases have minimum lease payments as follows:

Year Ending June 30,	Administration Building Lease	Equipment Lease	HVAC Equipment	Total Leases
2021	$ 557,976	$ 142,024	$ 235,010	$ 935,010
2022	557,976	142,024	235,010	935,010
2023	557,976	142,024	235,010	935,010
2024	557,976	142,024	235,010	935,010
2025	557,976	355,060	1,175,050	2,088,086
2026-2030	2,789,878	-	1,175,050	3,964,928
2031-2035	2,789,878	-	994,576	3,784,454
2036-2040	2,789,878	-	-	2,789,878
2041-2045	2,789,878	-	-	2,789,878
2046-2050	2,789,878	-	-	2,789,878
2051-2055	2,789,878	-	-	2,789,878
2056-2058	2,092,408	-	-	2,092,408
Total Payments	21,621,556	923,156	4,284,716	26,829,428
Less: Amount Representing Interest	(9,017,187)	(126,724)	(1,487,502)	(10,631,413)
Present Value of Minimum Lease Payments	$ 12,604,369	$ 796,432	$ 2,797,214	$ 16,198,015

Compensated Absences

At June 30, 2020, the liability for compensated absences was $2,181,174.

Note 10 - Aggregate Net Other Postemployment Benefit (OPEB) Liability

For the fiscal year ended June 30, 2020, the District reported an aggregate net OPEB liability and OPEB expense for the following plans:

OPEB Plan	Aggregate Net OPEB Liability	OPEB Expense
District Plan	$ 3,323,679	$ 808,645
Medicare Premium Payment (MPP) Program	177,198	(4,227)
Total	$ 3,500,877	$ 804,418

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, 2020, the Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits 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 $3,323,679 was measured as of June 30, 2020, by an actuarial valuation as of that date. The components of the net OPEB liability of the District at June 30, 2020, were as follows:

Total OPEB liability	$ 14,997,124
Plan fiduciary net position	11,673,445
District's net OPEB liability	$ 3,323,679
Plan fiduciary net position as a percentage of the total OPEB liability	77.84%

Actuarial Assumptions

The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 percent
Salary increases	2.75 percent, average, including inflation
Investment rate of return	6.0 percent, net of OPEB plan investment expense, including inflatior
Healthcare cost trend rates-Medical	4.0 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, 2020, valuation were based on the results of an actual experience study for the period July 1, 2019 to June 30, 2020.

Changes in the Net OPEB Liability

	Net OPEB Liability	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2019	$ 15,432,992	$ 11,086,592	$ 4,346,400
Service cost	581,099	-	581,099
Interest	1,005,740	-	1,005,740
Contributions-employer	-	603,644	(603,644)
Net investment income	(1,941,248)	500,551	(2,441,799)
Changes of assumptions	419,765	-	419,765
Benefit payments	(501,224)	(501,224)	-
Administrative expense	-	(16,118)	16,118
Net change in total OPEB liability	(435,868)	586,853	(1,022,721)
Balance at June 30, 2020	$ 14,997,124	$ 11,673,445	$ 3,323,679

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

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

Discount Rate	Net OPEB Liability
1% decrease (5%)	$ 4,981,649
Current discount rate (6%)	3,323,679
1% increase (7%)	1,884,776

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%)	$ 2,434,342
Current healthcare cost trend rate (4%)	3,323,679
1% increase (5%)	4,388,913

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, 2018 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, 2020, the District reported a liability of $177,198 for its proportionate share of the net OPEB liability for the MPP Program. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018. 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, 2019 and June 30, 2018, respectively, was 0.0476 percent, and 0.0474 percent, resulting in a net increase in the proportionate share of 0.0002 percent.

For the year ended June 30, 2020, the District recognized OPEB expense of $(4,227).

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, 2019	June 30, 2017
Valuation Date	June 30, 2018	June 30, 2016
Experience Study	July 1, 2010 through June 30, 2015	July 1, 2010 through June 30, 2015
Actuarial Cost Method	Entry age normal	Entry age normal
Investment Rate of Return	3.50%	2.87%
Medicare Part A Premium Cost Trend Rate	3.70%	3.70%
Medicare Part B Premium Cost Trend Rate	4.10%	4.10%

For the valuation as of June 30, 2018, 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 percent of the ultimate improvement factor from the Mortality Improvement Scale, (MP-2016) 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 380 or an average of 0.23 percent of the potentially eligible population (165,422).

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, 2019 and 2018, 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, 2019 is 3.50 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 3.50 percent, which is the Bond Buyer 20-Bond GO Index from Bondbuyer.com as of June 30, 2019, was applied to all periods of projected benefit payments to measure the total OPEB liability. The discount rate decreased 0.37 percent form 3.87 percent as of June 30, 2018.

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 (2.50%)	$ 193,364
Current discount rate (3.50%)	177,198
1% increase (4.50%)	162,335

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 (2.7% Part A and 3.1% Part B)	$ 166,088
Current medicare costs trend rates (3.7% Part A and 4.1% Part B)	177,198
1% increase (4.7% Part A and 5.1% Part B)	199,392

Note 11 - Risk Management

Joint Powers Authority Risk Pools

During fiscal year ended June 30, 2020, 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 2019-2020, 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 12 - 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, 2020, 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	$ 24,293,362	$ 6,466,374	$ 1,620,346	$ 3,106,591
CalPERS	34,285,386	8,070,364	502,523	6,061,990
Total	$ 58,578,748	$ 14,536,738	$ 2,122,869	$ 9,168,581

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, 2018, 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 provisions and benefits in effect at June 30, 2020, are summarized as follows:

	STRP Defined Benefit Program	
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	17.10%	17.10%
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 detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2020, are presented above, and the District's total contributions were $2,554,570.

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

At June 30, 2020, 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	$ 24,293,362
State's proportionate share of the net pension liability associated with the District	13,253,651
Total	$ 37,547,013

The net pension liability was measured as of June 30, 2019. 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, 2019 and June 30, 2018, was 0.0269 percent and 0.0264 percent, resulting in a net increase in the proportionate share of 0.0005 percent.

For the year ended June 30, 2020, the District recognized pension expense of $3,106,591. In addition, the District recognized pension expense and revenue of $1,973,754 for support provided by the State. At June 30, 2020, 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	$ 2,554,570	$ -
Change in proportion and differences between contribtions made and District's proportionate share of contrubutions	777,897	-
Difference between projected and actual earnings on pension plan investments	-	935,787
Differences between expected and actual experience in the measurement of the total pension liability	61,328	684,559
Changes of assumptions	3,072,579	-
Total	$ 6,466,374	$ 1,620,346

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 Inflows of Resources
2021	$ (94,390)
2022	(742,904)
2023	(154,238)
2024	55,745
Total	$ (935,787)

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
2021	$ 753,152
2022	753,152
2023	803,856
2024	850,209
2025	66,729
Thereafter	147
- Total	$ 3,227,245

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, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Experience study	July 1, 2010 through June 30, 2015
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-2016) 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, 2019, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return
Global equity	47%	4.80%
Fixed income	12%	1.30%
Real estate	13%	3.60%
Private equity	13%	6.30%
Absolute Return/Risk Mitigating Strategies	9%	1.80%
Inflation sensitive	4%	3.30%
Cash/liquidity	2%	-0.40%

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%)	$ 36,174,828
Current discount rate (7.10%)	24,293,362
1% increase (8.10%)	14,441,365

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, 2018, 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 provisions and benefits in effect at June 30, 2020, are summarized as follows:

	School Employer Pool (CalPERS)	
Hire date	On or before December 31,	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%	6.50%
Required employer contribution rate	19.721%	19.721%

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, 2020, are presented above, and the total District contributions were $3,152,618.

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

As of June 30, 2020, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling $34,285,386. The net pension liability was measured as of June 30, 2019. 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, 2019 and June 30, 2018, was 0.1176 percent and 0.1188 percent, resulting in a net decrease in the proportionate share of 0.0012 percent.

For the year ended June 30, 2020, the District recognized pension expense of $6,061,990. At June 30, 2020, 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	$ 3,152,618	$ -
Change in proportion and difference between contributions made and District's proportionate share of contrubutions	489,840	184,520
Difference between projected and actual earnings on pension plan investments	-	318,003
Differences between expected and actual experience in the measurement of the total pension liability	2,490,496	-
Changes of assumptions	1,937,410	-
Total	$ 8,070,364	$ 502,523

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 Inflows of Resources
2021	$ 313,905
2022	(627,014)
2023	(95,017)
2024	90,123
Total	$ (318,003)

The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, 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
2021	$ 2,787,838
2022	1,264,055
2023	341,831
2024	339,502
Total	$ 4,733,226

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, 2018, and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
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%
Global debt securities	28%	2.62%
Inflation assets	0%	1.81%
Private equity	8%	7.33%
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%)	$ 49,420,129
Current discount rate (7.15%)	34,285,386
1% increase (8.15%)	21,730,071

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, 2020, which amounted to $2,028,411 (10.328 percent) 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, 2020. 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.

Senate Bill 90 (Chapter 33, Statutes of 2019), which was signed by the Governor on June 27, 2019, appropriated for an additional 2019–20 contribution on behalf of school employers of $1.1 billion for CalSTRS. A proportionate share of these contributions has 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 percent vested in the contributions made to it. The District's contribution to the plan for the fiscal year ending June 30, 2020, was $244,247.

Note 13 - 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, 2020, the District made payments of $2,059,016, $5,780,650, $616,584, and $347,637, to CVT, SISC, PIPS, and SWACC, respectively for health, worker's compensation, and property liability coverage.

Note 14 - 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, 2020.

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, 2020.

Note 15 - Subsequent Events

Subsequent to year end, the District has been negatively impacted by the effects of the world-wide coronavirus pandemic. The District is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the issuance date of these financial statements, the full impact to the District's financial position is not known beyond increased cash flow monitoring due to state apportionment deferrals.

Required Supplementary Information
June 30, 2020

West Hills Community College District

	2020	2019	2018
Measurement Date	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability			
Service cost	$ 581,099	$ 565,546	$ 550,410
Interest	1,005,740	940,250	879,524
Difference between expected and actual experience	(1,941,248)	-	-
Changes of assumptions	419,765	-	-
Benefit payments	(501,224)	(510,828)	(510,828)
Net change in total OPEB liability	(435,868)	994,968	919,106
Total OPEB liability - beginning	15,432,992	14,438,024	13,518,918
Total OPEB liability - ending (a)	$ 14,997,124	$ 15,432,992	$ 14,438,024
Plan Fiduciary Net Position			
Contributions - employer	$ 603,644	$ 1,134,278	$ 1,010,828
Contributions - employee	-	-	120,650
Net investment income	500,551	626,378	618,848
Benefit payments	(501,224)	(510,828)	(510,828)
Administrative expense	(16,118)	(9,344)	(500)
Net change in plan fiduciary net position	586,853	1,240,484	1,238,998
Plan fiduciary net position - beginning	11,086,592	9,846,108	8,607,110
Plan fiduciary net position - ending (b)	$ 11,673,445	$ 11,086,592	$ 9,846,108
District's net OPEB liability - ending (a) - (b)	$ 3,323,679	$ 4,346,400	$ 4,591,916
Plan fiduciary net position as a percentage of the total OPEB liability	77.84%	71.84%	68.20%
Covered-employee payroll	$ 32,001,682	$ 31,145,190	$ 30,311,620
District's net OPEB liability as a percentage of covered-employee payroll	10.39%	13.96%	15.15%

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

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

[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 become available, ten years of information will be presented.

	2020	2019	2018	2017	2016	2015
Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
CalSTRS						
District's proportion of the net pension liability	0.0269%	0.0264%	0.0258%	0.0251%	0.0258%	0.0289%
District's proportionate share of the net pension liability	$ 24,293,362	$ 24,270,026	$ 23,846,314	$ 20,326,089	$ 17,367,732	$ 16,872,365
State's proportionate share of the net pension liability associated with the District	13,253,651	13,895,725	14,107,278	11,571,280	9,185,616	10,188,262
Total	$ 37,547,013	$ 38,165,751	$ 37,953,592	$ 31,897,369	$ 26,553,348	$ 27,060,627
District's covered payroll	$ 16,963,472	$ 14,378,351	$ 14,051,486	$ 12,908,248	$ 12,056,059	$ 13,313,333
District's proportionate share of the net pension liability as a percentage of its covered payroll	143.21%	168.80%	169.71%	157.47%	144.06%	126.73%
Plan fiduciary net position as a percentage of the total pension liability	73%	71%	69%	70%	74%	77%
CalPERS						
District's proportion of the net pension liability	0.1176%	0.1188%	0.1137%	0.1093%	0.1069%	0.1113%
District's proportionate share of the net pension liability	$ 34,285,386	$ 31,682,678	$ 27,134,981	$ 21,582,587	$ 15,752,845	$ 12,629,704
District's covered payroll	$ 19,060,247	$ 16,170,987	$ 14,665,013	$ 13,189,533	$ 11,780,715	$ 11,462,620
District's proportionate share of the net pension liability as a percentage of its covered payroll	179.88%	195.92%	185.03%	163.63%	133.72%	110.18%
Plan fiduciary net position as a percentage of the total pension liability	70%	71%	72%	74%	79%	83%

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

	2020	2019	2018	2017	2016	2015
CalSTRS						
Contractually required contribution	$ 2,554,570	$ 2,447,829	$ 2,074,796	$ 1,767,677	$ 1,385,055	$ 1,070,578
Contributions in relation to the contractually required contribution	2,554,570	2,447,829	2,074,796	1,767,677	1,385,055	1,070,578
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 14,939,006	$ 16,963,472	$ 14,378,351	$ 14,051,486	$ 12,908,248	$ 12,056,059
Contributions as a percentage of covered payroll	17.10%	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS						
Contractually required contribution	$ 3,152,618	$ 2,960,247	$ 2,511,516	$ 2,036,677	$ 1,562,564	$ 1,386,708
Contributions in relation to the contractually required contribution	3,152,618	2,960,247	2,511,516	2,036,677	1,562,564	1,386,708
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 15,986,096	$ 19,060,247	$ 16,170,987	$ 14,665,013	$ 13,189,533	$ 11,780,715
Contributions as a percentage of covered payroll	19.721%	18.062%	15.531%	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 3.87 percent to 3.50 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 both CalSTRS and CalPERS.

***Changes of Assumptions* -** There were no changes in economic assumptions for either the CalSTRS or CalPERS plans from the previous valuations.

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, 2020

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.

TRUSTEES

MEMBER	OFFICE	TERM EXPIRES
Mark McKean	President	December 2020
Nina Oxborrow	Clerk	December 2022
Salvador Raygoza	Member	December 2022
Steve Cantu	Member	December 2020
Bobby Lee	Member	December 2020
Martin Maldonado	Member	December 2020
J. L. Levinson	Vice President	December 2022

ADMINISTRATION

Dr. Stuart Van Horn	Chancellor
Dr. Richard Storti	Deputy Chancellor
Dr. Kristin Clark	President, West Hills College Lemoore
Dr. Brenda Thames	President, West Hills College Coalinga
Mr. Sam Aunai	Vice President of Educational Services West Hills College, Coalinga
Mr. James Preston	Vice President, Educational Services, West Hills College Lemoore
Mr. Herbert L. English, Jr.	Vice President of Student Services, West Hills College Coalinga
Mr. 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 CFDA Number	Pass-Through Entity Identifying Number[3]	Expenditures
U.S. Department of Education			
Student Financial Assistance Cluster:			
Supplemental Educational Opportunity Grants	84.007	n/a	$ 337,470
Direct Loans	84.268	n/a	1,219,344
Federal Workstudy	84.033	n/a	275,921
TANF 50% Federal/Calworks	84.033	n/a	76,732
Pell Grant	84.063	n/a	12,659,125
Subtotal - Student Financial Assistance Cluster			14,568,592
TRIO Cluster:			
Upward Bound	84.047A	n/a	781,093
Upward Bound - Math / Science	84.047M	n/a	279,679
Upward Bound - Veterans	84.047V	n/a	371,835
Student Support Services	84.042A	n/a	331,960
Subtotal - TRIO Cluster			1,764,567
Vocational and Technical Education Act (VTEA)			
VTEA IB - Special Populations	84.048	n/a	100,000
Subtotal - VTEA Programs			100,000
21st CCLC - Twenty-First Century Community			
Learning Centers	84.287C	n/a	120,474
Camp Services	84.149A	n/a	445,188
High School Equivalency Program	84.141A	n/a	433,266
Title V - Higher Education Institutional Aid	84.031S	n/a	549,026
Higher Education Emergency Relief Fund (HEERF) Student Aid Portion	84.425E	n/a	640,500
Career and Technical Education - Tech Prep Education	84.243	n/a	292,010
Total U.S. Department of Education			18,913,623
U.S. Department of Labor			
WIA Cluster:			
Workforce Investment Act - Adult Program	17.258	n/a	470,896
Workforce Investment Act - Dislocated Worker	17.278	n/a	208,871
Workforce Investment Act - Youth Employment Program	17.259	n/a	388,645
Subtotal - Workforce Investment Cluster			1,068,412
Total U.S. Department of Labor			1,068,412
U.S. Department of Agriculture			
Passed through California Department of Education			
Child Nutrition Program	10.558	[1]	257,456
Child Nutrition Program - Cash in Lieu	10.558	[1]	13,999
Total U.S. Department of Agriculture			271,455
National Science Foundation			
Achieving Community College Excellence for Scholarship Success	47.076	n/a	29,688
Total National Science Foundation			29,688
Total Federal Programs			$ 20,025,722

[1] Pass through number not available

Program	Program Revenues: Cash Received	Program Revenues: Accounts Receivable	Program Revenues: Unearned Revenue	Program Revenues: Total Revenue	Total Program Expenditures
State					
After School Education & Safety	$ 1,432,463	$ -	$ 87,266	$ 1,345,197	$ 1,345,197
Award for Innovation	4,148,418	-	2,900,039	1,248,379	1,248,379
BFAP - Financial Aid Administration	333,312	-	-	333,312	333,312
CA Promise Grant	399,812	-	-	399,812	399,812
Cal Works	399,399	-	-	399,399	399,899
California Drought Relief	22,454	-	-	22,454	22,454
Campus Safety	14,280	-	5,347	8,933	8,933
CARE Grant	184,841	-	-	184,841	184,841
Career Academy Grant	57,811	-	-	57,811	57,811
Career Pathways Trust	2,834,542	314,959	1,526,338	1,623,163	1,623,163
CCC Stem Pathways	333,333	-	22,399	310,934	310,934
CCC Guided Pathways	698,245	-	-	698,245	128,970
CCCCO/Adult	1,202,157	-	-	1,202,157	1,202,157
CCCCO/CAI Child Development	183,551	-	62,976	120,575	120,575
CCCCO/CAI Ag	-	200,000	143,175	56,825	56,825
CCCCO/CTE Unlocked/RSC	100,000	-	71,009	28,991	28,991
CCCCO/Ed Futures Initiative	66,435	-	-	66,435	66,435
CCCCO/FSS MESA	29,806	49,661	-	79,467	79,467
CCCCO/Middle College High School	200,000	-	-	200,000	200,000
CCCCO/Nursing Education	108,176	-	33,891	74,285	74,285
CCCCO/CNA Expansion	48,120	-	-	48,120	48,120
CCCCO/ Zero Textbook Course Degree	179,703	33,769	743	212,729	212,729
CCCCO/Zero Textbook Technical Assitance Program	352,472	-	13,208	339,264	339,264
CEC/PowWow IEE	129,919	-	-	129,919	129,919
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	165,575	-	79,298	86,277	86,277
CSU/AB 798 Textbook	26,878	5,850	-	32,728	32,728
CV Promise Pipe	-	187	-	187	187
Disability Support Programs and Services	706,034	-	-	706,034	706,034
ECE Consortium Grant	7,025	-	853	6,172	6,172
Extended Opportunity Program and Service	912,144	-	-	912,144	912,144
Financial Aid Technology	275,303	-	-	275,303	275,303
First Five Prop 10 - Avenal	44,058	6,224	-	50,282	50,282
Hunger Free	74,514	-	21,218	53,296	53,296
Lottery - Restricted	1,127,684	-	652,827	474,857	474,857
Mental Health	48,917	-	15,339	33,578	33,578
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	19,398	42,120	-	61,518	61,518
Song Brown Capitation	37,500	62,500	-	100,000	100,000
Staff Diversity	50,000	-	-	50,000	24,591
Strong Workforce	1,615,018	249,842	218,104	1,646,756	1,646,756
Student Equity and Achievement (SEA)	2,601,151	-	-	2,601,151	2,601,151
SWP Regional - TTP Leadership Seed Gr	5,000	-	2,320	2,680	2,680
Veterans Resource Center	53,492	-	52,024	1,468	1,468
Total State Programs	$ 25,918,141	$ 1,158,027	$ 6,014,988	$ 21,061,180	$ 20,466,996

Categories	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2019 only)			
1. Noncredit	49.42	-	49.42
2. Credit	656.57	-	656.57
B. Summer Intersession (Summer 2020 - Prior to July 1, 2020)			
1. Noncredit	-	-	-
2. Credit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	1,959.91	-	1,959.91
(b) Daily Census Contact Hours	424.72	-	424.72
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	366.25	-	366.25
(b) Credit	98.98	-	98.98
3. Alternative Attendance Accounting Procedure Courses			
(a) Weekly Census Contact Hours	863.05	-	863.05
(b) Daily Census Contact Hours	1,419.43	-	1,419.43
(c) Noncredit Independent Study/Distance Education Courses	3.27	-	3.27
D. Total FTES	5,841.60	-	5,841.60
SUPPLEMENTAL INFORMATION (Subset of Above Information)			
E. In-Service Training Courses (FTES)			
F. Basic Skills Courses and Immigrant Education			
1. Noncredit	411.87	-	411.87
2. Credit	34.57	-	34.57
CCFS-320 Addendum			
CDCP Noncredit FTES	-	-	-
Centers FTES			
1. Noncredit	7.85	-	7.85
2. Credit	1,337.69	-	1,337.69

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110 Reported Data	Audit Adjustments	Revised Data	ECS 84362 B Total CEE AC 0100 - 6799 Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	$ 6,991,465	$ -	$ 6,991,465	$ 6,991,465	$ -	$ 6,991,465
Other	1300	4,543,079	-	4,543,079	4,560,834	-	4,560,834
Total Instructional Salaries		11,534,544	-	11,534,544	11,552,299	-	11,552,299
Noninstructional Salaries							
Contract or Regular	1200	-	-	-	2,836,602	-	2,836,602
Other	1400	-	-	-	180,234	-	180,234
Total Noninstructional Salaries		-	-	-	3,016,836	-	3,016,836
Total Academic Salaries		11,534,544	-	11,534,544	14,569,135	-	14,569,135
Classified Salaries							
Noninstructional Salaries							
Regular Status	2100	-	-	-	6,361,927	-	6,361,927
Other	2300	-	-	-	176,820	-	176,820
Total Noninstructional Salaries		-	-	-	6,538,747	-	6,538,747
Instructional Aides							
Regular Status	2200	62,634	-	62,634	146,133	-	146,133
Other	2400	183,530	-	183,530	192,480	-	192,480
Total Instructional Aides		246,164	-	246,164	338,613	-	338,613
Total Classified Salaries		246,164	-	246,164	6,877,360	-	6,877,360
Employee Benefits	3000	3,619,843	-	3,619,843	8,717,883	-	8,717,883
Supplies and Material	4000	-	-	-	677,050	-	677,050
Other Operating Expenses	5000	-	-	-	1,339,706	-	1,339,706
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures		15,400,551	-	15,400,551	32,181,134	-	32,181,134

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP	Reported Data	Audit	Revised Data	Reported Data	Audit	Revised Data
Exclusions							
Activities to Exclude							
Instructional Staff - Retirees' Benefits and	5900	$ -	$ -	$ -	$ 151,833	$ -	$ 151,833
Student Health Services Above Amount	6441	-	-	-	-	-	-
Student Transportation	6491	-	-	-	13,855	-	13,855
Noninstructional Staff - Retirees' Benefits	6740	-	-	-	114,852	-	114,852
Objects to Exclude							
Rents and Leases	5060	-	-	-	151,096	-	151,096
Lottery Expenditures							-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	-	-	-
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	2,400	-	2,400
Books, Magazines, and Periodicals	4200	-	-	-	-	-	-
Instructional Supplies and Materials	4300	-	-	-	378	-	378
Noninstructional Supplies and Materials	4400	-	-	-	666,275	-	666,275
Total Supplies and Materials		-	-	-	669,053	-	669,053

		ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
	Object/TOP	Reported Data	Audit	Revised Data	Reported Data	Audit	Revised Data
Other Operating Expenses and Services	5000	$ -	$ -	$ -	$ 367,853	$ -	$ 367,853
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400	-	-	-	-	-	-
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay							
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		-	-	-	1,468,542	-	1,468,542
Total for ECS 84362,		$ 15,400,551	$ -	$ 15,400,551	$ 30,712,592	$ -	$ 30,712,592
Percent of CEE (Instructional Salary		50.14%		50.14%	100.00%		100.00%
50% of Current Expense of Education					$ 15,356,296		$ 15,356,296

Activity Classification	Object Code			Unrestricted	
EPA Revenue:	8630				$ 3,069,823
Activity Classification	**Activity Code**	**Salaries and Benefits**	**Expenses (Obj 4000-5000)**	**Capital Outlay (Obj 6000)**	**Total**
Instructional Activities	1000-5900	$ 3,069,823	$ -	$ -	$ 3,069,823
Total Expenditures for EPA		$ 3,069,823	$ -	$ -	$ 3,069,823
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, 2020.

Amounts Reported in the Statement of Net Position are Different Because:		
Total Fund Balance - All District Funds		$ 32,289,486
Capital assets used in governmental activities are not financial resources and, therefore, not reported as assets in governmental funds.		
The cost of capital assets is	$ 226,530,810	
Accumulated depreciation is	(81,079,787)	145,451,023
In governmental funds, unmatured interest on long-term debt is in the period when it is due. On the government-wide statements, recognized unmatured interest on long-term obligations is recognized when it is incurred.		(927,872)
Deferred outflows of resources related to pensions represent a consumption of net position in a future period and is not reported in the District's funds. Deferred outflows of resources related to pensions and OPEB at year-end consist of:		
Pension contributions subsequent to measurement date	6,012,508	
Net change in proportionate share of net pension liability	1,267,737	
Differences between expected and actual experience in the measurement of the total plan liability.	2,750,274	
Changes of assumptions	1,458,139	
Total Deferred Outflows of Resources Related to Pensions and OPEB		11,488,658
Deferred inflows of resources related to pensions represent an acquisition of net position that applies to a future period and is not reported in the District's funds. Deferred inflows of resources related to pensions and OPEB at year-end consist of:		
Differences between projected and actual earnings on plan investments	(1,438,340)	
Differences between expected and actual experience in the measurement of the total pension liability.	(684,559)	
Total Deferred Inflows of Resources Related to Pensions and OPEB		(2,122,899)
Net pension liability is not due and payable in the current period and is not reported as a liability in the funds.		(58,578,748)
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.		
Bonds payable	71,144,500	
Capital leases payable	16,198,015	
Net other postemployment benefits (OPEB) liability	3,500,877	
Compensated absences (vacations)	2,181,174	(93,024,566)
Total Net Position		$ 34,575,082

Note 1 - Purpose of Schedules

District Organization

This schedule provides information about the District's governing board members, administration members, and auxiliary organizations as of June 30, 2020.

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (Part 200), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has not elected to use the ten percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance. No Federal financial assistance has been provided to a subrecipient.

Federal Revenue per Financial Statements		$ 20,796,714
Less Unspent Funds		
Higher Education Emergency Relief Fund (HEERF) Student Aid Portion	84.425E	(640,500)
Career and Technical Education - Tech Prep Education	84.243	(144,491)
Child Nutrition Program - Cash in Lieu	10.558	13,999
Federal Expenditures per Schedule of Federal Awards		$ 20,025,722

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 pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds, including restricted categorical funding, are made to community college districts. This schedule provides information regarding the annual attendance measurements of students throughout the District.

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

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

Proposition 30 Education Protection Account (EPA) Expenditure Report

This schedule provides the District's EPA proceeds and summarizes 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 entity-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

Independent Auditor's Reports
June 30, 2020

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 13, 2021.

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. 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.

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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
May 13, 2021

EideBailly

CPAs & BUSINESS ADVISORS

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, 2020. 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.

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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, 2020.

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.

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

Our consideration of internal control over compliance was for the limited purpose described in the 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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
May 13, 2021

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 2019-2020 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, 2020.

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 2019-2020 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.

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 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 439	Proposition 39 Clean Energy Fund
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

The District did not participate in the Apprenticeship Related and Supplemental Instruction (RSI) Funds; nor receive any Proposition 39 Clean Energy Funds nor Proposition 1D and 51 State Bond Funds, therefore, the compliance tests within these sections were not applicable.

Unmodified Opinion
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, 2020.

The purpose of the report on state compliance is solely to describe the results of our testing based on the requirements of the 2019-2020 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
May 13, 2021

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to 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:	No

Identification of major programs:

Name of Federal Program or Cluster	CFDA Numbers
Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268
Trio Cluster	84.047, 84.042
Workforce Initiative Act Cluster	17.258, 17.259, 17.278

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

STATE AWARDS

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

None Reported.

None Reported.

None Reported.

None Reported.

Unaudited Supplementary Information
June 30, 2020

West Hills Community College District

	General Unrestricted	General Restricted	Cafeteria	Child Development	Farm Operations	Residence Living	Revenue Bond Interest and Redemption
Assets							
Cash and cash equivalents	$ 123,283	$ 954,177	$ 13,908	$ 33,568	$ -	$ 1,793	$ -
Accounts receivable	397,739	2,353,989	1,706	150,092	19,156	-	60,862
Student loans receivable	1,300,744	-	26,057	-	-	4,006	-
Due from other funds	4,162,344	3,276,759	-	-	38,748	110,720	-
Total assets	$ 23,139,651	$ 6,591,199	$ 215,218	$ 3,142,856	$ 57,904	$ 193,713	$ 5,173,784
Liabilities and Fund Balance							
Liabilities							
Accounts payable	$ 2,889,506	$ 652,840	$ 7,326	$ 127,708	$ 17,397	$ 46,424	$ -
Due to other funds	4,688,960	8,566	493,174	2,874,076	-	314,653	-
Unearned revenue	3,010,620	5,923,518	-	53,560	-	-	-
Total liabilities	10,589,086	6,584,924	500,500	3,055,344	17,397	361,077	-
Fund Balance							
Fund Balances							
Restricted	-	6,275	-	-	40,507	-	5,173,784
Unassigned	12,550,565	-	(285,282)	87,512	-	(167,364)	-
Total fund balance	12,550,565	6,275	(285,282)	87,512	40,507	(167,364)	5,173,784
Total liabilities and fund balance	$ 23,139,651	$ 6,591,199	$ 215,218	$ 3,142,856	$ 57,904	$ 193,713	$ 5,173,784

MUSC New Market Tax Credit	Capital Outlay Projects	Revenue Bond Construction	Total Governmental Fund (Memorandum Only)
$ -	$ 1,738,232	$ -	$ 2,864,961
68,774	4,655,510	27,792	7,735,620
-	-	-	1,330,807
107,500	4,702,358	-	12,398,429
$ 976,702	$ 11,207,144	$ 5,486,711	$ 56,184,882
$ -	$ 1,537,813	$ -	$ 5,279,014
6,043	11,632	1,231,580	9,628,684
-	-	-	8,987,698
6,043	1,549,445	1,231,580	23,895,396
970,659	9,657,699	4,255,131	20,104,055
-	-	-	12,185,431
970,659	9,657,699	4,255,131	32,289,486
$ 976,702	$ 11,207,144	$ 5,486,711	$ 56,184,882

	General Unrestricted	General Restricted	Cafeteria	Child Development	Farm Operations	Residence Living	Revenue Bond Interest and Redemption
Revenues							
Federal revenues	$ 105,806	$ 5,368,131	$ -	$ 250,095	$ -	$ -	$ -
State revenues	41,678,236	10,289,205	-	5,477,608	-	-	40,033
Local revenues	9,066,861	1,363,627	372,919	118,238	222,422	293,320	5,917,499
Total revenues	50,850,903	17,020,963	372,919	5,845,941	222,422	293,320	5,957,532
Expenditures							
Current Expenditures							
Academic salaries	15,638,934	2,513,764	-	-	95,067	-	-
Classified salaries	7,937,434	5,176,565	297,073	3,698,353	136,231	193,550	-
Employee benefits	9,517,454	3,132,468	143,493	1,579,161	121,920	141,939	-
Books and supplies	807,316	631,690	288,049	248,531	94,952	10,545	-
Services and operating expenditures	2,657,551	3,741,165	447,841	2,675,658	398,309	515,557	-
Student financial aid	-	799,688	-	-	-	-	-
Capital outlay	182,696	664,342	-	9,156	18,759	2,090	-
Debt service - principal	-	-	-	42,000	-	-	5,878,473
Debt service - interest and other	-	-	-	-	-	-	-
Total expenditures	36,741,385	16,659,682	1,176,456	8,252,859	865,238	863,681	5,878,473
Excess of Revenues over (Under) Expenditures	14,109,518	361,281	(803,537)	(2,406,918)	(642,816)	(570,361)	79,059
Other Financing Sources (Uses)							
Operating transfers in	872,332	-	495,132	2,494,430	622,116	402,997	-
Operating transfers out	(5,859,596)	(355,006)	-	-	-	-	(354,517)
Total other financing sources (uses)	(4,987,264)	(355,006)	495,132	2,494,430	622,116	402,997	(354,517)
Excess of Revenues and Other Financing Sources over (Under) Expenditures and Other Uses	9,122,254	6,275	(308,405)	87,512	(20,700)	(167,364)	(275,458)
Fund Balance, Beginning of Year	3,428,311	-	23,123	-	61,207	-	5,449,242
Fund Balance, End of Year	$ 12,550,565	$ 6,275	$ (285,282)	$ 87,512	$ 40,507	$ (167,364)	$ 5,173,784

	MUSC New Market Tax Credit	Capital Outlay Projects	Revenue Bond Construction	Total Governmental Fund (Memorandum Only)
	$ -	$ -	$ -	$ 5,724,032
	-	4,655,510	-	62,140,592
	86,097	147,235	107,894	17,696,112
	86,097	4,802,745	107,894	85,560,736
	-	-	-	18,247,765
	-	-	-	17,439,206
	-	-	-	14,636,435
	-	493	-	2,081,576
	15,293	780,378	-	11,231,752
	-	-	-	799,688
	-	7,112,054	-	7,989,097
	-	643,122	-	6,563,595
	366,551	679,932	-	1,046,483
	381,844	9,215,979	-	80,035,597
	(295,747)	(4,413,234)	107,894	5,525,139
	107,500	2,108,390	-	7,102,897
	-	(872,332)	(727,124)	(8,168,575)
	107,500	1,236,058	(727,124)	(1,065,678)
	(188,247)	(3,177,176)	(619,230)	4,459,461
	1,158,906	12,834,875	4,874,361	27,830,025
	$ 970,659	$ 9,657,699	$ 4,255,131	$ 32,289,486

See Notes to Unaudited Supplementary Information

Note 1 - Purpose of Schedules

Fund Financial Statements

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