



See what's possible.



West Valley - Mission

Community College District

AUDIT REPORT

JUNE 30, 2024 AND 2023

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
TABLE OF CONTENTS
JUNE 30, 2024 AND 2023

Independent Auditors' Report	1
Management's Discussion and Analysis	4

FINANCIAL SECTION

Basic Financial Statements	
Primary Government	
Statements of Net Position - Primary Government	19
Statements of Revenues, Expenses, and Changes in Net Position - Primary Government	20
Statements of Cash Flows - Primary Government	21
Fiduciary Funds	
Statements of Net Position - Fiduciary Funds	23
Statements of Changes in Net Position - Fiduciary Funds	24
Discretely Presented Component Unit - Mission-West Valley Land Corporation	
Statements of Financial Position	25
Statements of Activities	26
Statements of Cash Flows	27
Discretely Presented Component Unit - West Valley-Mission Community College Foundation	
Statements of Financial Position	28
Statements of Activities	29
Statements of Cash Flows	30
Notes to Financial Statements	31

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios	71
Schedule of Contributions - OPEB	73
Schedule of Proportionate Share of the Net Pension Liability	74
Schedule of Contributions - Pensions	76
Note to Required Supplementary Information	78

SUPPLEMENTARY INFORMATION

District Organization	79
Schedule of Expenditures of Federal Awards	80
Schedule of Expenditures of State Awards	81
Schedule of Workload Measures for State General Apportionment - Annual/Actual Attendance	82
Reconciliation of the Education Code Section 84362 (50 Percent Law) Calculation	83
Proposition 30 Education Protection Account Expenditure Report	85
Reconciliation of Fund Equity to Net Position	86
Note to Supplementary Information	87

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
TABLE OF CONTENTS
JUNE 30, 2024 AND 2023

OTHER INDEPENDENT AUDITORS' REPORTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	89
Independent Auditors' Report on Compliance for Each Major Federal Program; and Report on Internal Control over Compliance Required by the Uniform Guidance	91
Independent Auditors' Report on State Compliance	94

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Schedule of Audit Findings and Questioned Costs	97
Financial Statement Findings and Recommendations	98
Federal Award Findings and Questioned Costs	99
State Award Findings and Questioned Costs	100
Summary Schedule of Prior Year Audit Findings	101

UNAUDITED SUPPLEMENTARY INFORMATION

Governmental Funds	
Balance Sheets	103
Statements of Revenues, Expenditures, and Changes in Fund Balances	105
Note to Unaudited Supplementary Information	106



INDEPENDENT AUDITORS' REPORT

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

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component units, Mission-West Valley Land Corporation and West Valley-Mission Community College Foundation of the West Valley-Mission Community College District (the District) as of and for the years ended June 30, 2024, and 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the District as of June 30, 2024, and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2024, 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.



San Diego, California
October 21, 2024

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2024

INTRODUCTION

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

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

USING THIS ANNUAL REPORT

The purpose of this annual report is to provide readers with information about the activities, programs, and financial condition of the West Valley-Mission Community College District (the District) as of June 30, 2024 and June 30, 2023. This section of the annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended June 30, 2024. Please read it in conjunction with the District's financial statements, which immediately follow this section. Responsibility for the completeness and accuracy of this information rests with District Management.

OBJECTIVES OF THE AUDIT

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

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

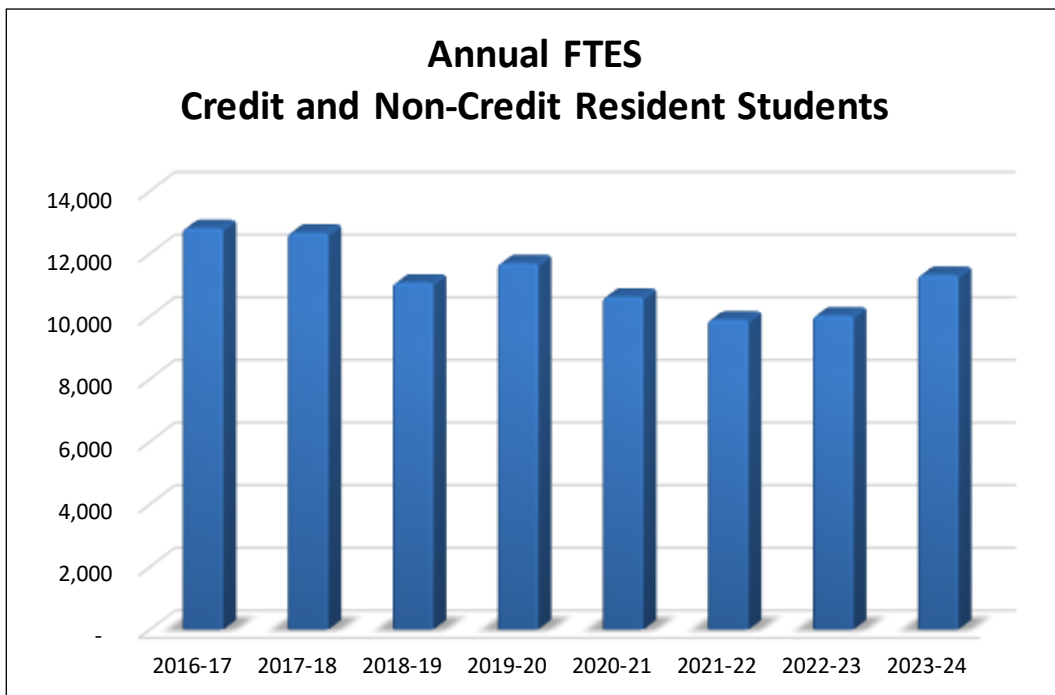
The California Community Colleges Chancellor's Office has recommended that all State community colleges follow the Business-Type Activity (BTA) model for financial reporting purposes.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

STUDENT ATTENDANCE HIGHLIGHTS

The District reported 11,324 FTES on the CCFS-320 Annual Student Attendance Report (P-3), an increase from the previous year’s P-3 report. The District has been expanding its efforts with removing financial barriers for students. The District currently waives health fees, parking fees, enrollment fees for students living in the service area, and childcare fees for eligible students. These efforts are the contributing factors in restoring and growing enrollment.

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



This chart illustrates total credit and noncredit FTES reported on the CCFS-320 Annual Student Attendance Report. Total FTES increased by 1,297 or 12.93 percent, from FY 2022-23 to FY 2023-24.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

FINANCIAL HIGHLIGHTS

- In fiscal year 2023-24, the District revenues from local property taxes and student fees exceeded the State's base revenue. The District became a "community supported" district at the end of FY 2012-13. As a community-supported district, the District is not affected by State shortfalls or mid-year reductions.
- Employees received a 6% salary increase in fiscal year 2023-24. The District settled a three year bargaining agreement with all represented groups and the "meet and confer" units. The settlements include a 6% salary increase for fiscal year 2024-25, 5% for 2025-26, and 5% for 2026-27. Actual revenues in the Unrestricted General Fund exceeded the Adopted Budget by approximately \$5.2 million due to an increase in local property tax revenues.
- During the fiscal year 2023-24, student enrollment fees were \$46 per unit and the non-resident tuition fee was \$358 per unit. The District did not apply a foreign citizen capital outlay fee.
- The District ended fiscal year 2023-24 with an Unrestricted General Fund balance of \$119 million. Included in that amount is a 17% board reserve of \$32.6 million. The fund balance also includes \$52.8 million in community support funds reserved for future allocations, \$1.5 million for the Lease Revenue Bonds debt obligation, \$4.1 million for SERP contribution and fees, \$20.2 million for COLA increases for the next three years, \$5.7 million set aside for banked leave liability, and \$1.5 million for Apprenticeship RSI. The remainder of the fund balance has been assigned to prepayments and miscellaneous student fees.
- Employees of the District are eligible for medical, dental, and vision coverage. The District's maximum benefits contributions for the 2024 calendar year are limited to \$13,734 for single coverage, \$26,027 for two-party coverage, and \$33,402 for family coverage, annually. The District negotiated a cap increase to take effect starting January 1, 2025. The new cap includes \$14,297 for single coverage, \$27,152 for two party coverage, and \$34,865 for family coverage.
- The District provides retirees hired before 1994 with lifetime medical benefits. For eligible retirees who do not qualify for the lifetime medical benefits, the District provides a Bridge Program for medical and dental coverage for the retiree and their dependents until they qualify for Medicare. The District has accounted for retiree benefits on a "pay-as-you-go" basis. An actuarial study determined the total Other Post Employment Benefit Plan (OPEB) Liability, as of June 30, 2024, was \$55.8 million. This amount represents the present value of all benefits to be paid for current and future retirees. The OPEB liability is fully funded.
- The District has an irrevocable trust set up with CalPERS and Public Agency Retirement Services (PARS) to invest its money to cover the long-term OPEB liability. The California Employer's Retirement Benefit Trust (CERBT) and PARS is a Section 115 Trust and is Internal Revenue Service compliant. The balance in the trust account as of June 30, 2024, was \$82.5 million.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

FINANCIAL HIGHLIGHTS, continued

- The District established the Pension Stabilization Trust Fund in the fiscal year 2017-18. The fund is administered through PARS to invest funds to cover future CalSTRS and CalPERS pension rate increases. The Pension Rate Stabilization Program is an IRS-approved irrevocable trust program that is designed to pre-fund pension obligations. The plan allows the District to securely set aside funds in a tax-exempt, IRS-compliant prefunding vehicle to mitigate long-term contribution rate growth. The balance in the Pension Stabilization Trust Fund as of June 30, 2024, was \$24.2 million.
- Student financial aid provided to qualifying students throughout the District was approximately \$11.8 million. This aid is provided through grants and loans from the Federal government, the State government, and local agencies.

THE DISTRICT AS A WHOLE

	2024	2023	Change	2022	Change
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Current assets	\$ 490,467,261	\$ 500,367,288	\$ (9,900,027)	\$ 328,731,289	\$ 171,635,999
Non-current assets	723,725,340	699,959,306	23,766,034	679,493,678	20,465,628
Deferred outflows of resources	58,496,102	57,218,047	1,278,055	38,961,527	18,256,520
Total Assets and Deferred Outflows of Resources	1,272,688,703	1,257,544,641	15,144,062	1,047,186,494	210,358,147
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Current liabilities	95,639,693	115,638,782	(19,999,089)	159,196,988	(43,558,206)
Non-current liabilities	853,861,680	894,033,361	(40,171,681)	625,620,568	268,412,793
Deferred inflows of resources	24,111,983	21,285,417	2,826,566	70,363,944	(49,078,527)
Total Liabilities and Deferred Inflows of Resources	973,613,356	1,030,957,560	(57,344,204)	855,181,500	175,776,060
NET POSITION					
Invested in capital assets, net of related debt	183,041,329	146,036,375	37,004,954	142,064,203	3,972,172
Restricted	72,504,988	79,920,774	(7,415,786)	62,350,979	17,569,795
Unrestricted	43,529,030	629,932	42,899,098	(12,410,188)	13,040,120
Total Net Position	\$ 299,075,347	\$ 226,587,081	\$ 72,488,266	\$ 192,004,994	\$ 34,582,087

- Current assets consist of cash and cash equivalents, accounts receivable, and prepaid expenditures and other assets.
 - Cash and investments consist mainly of cash in the county treasury, local agency investment funds (LAIF), and investments from the Bond issuance.
 - The decrease of \$9.9 million is primarily due to expenditures related to capital projects during the year.
- Non-current assets consist of the net OPEB asset, lease receivable, intangible right of use assets and capital assets. The increase of \$23.8 million is primarily due to:
 - The net OPEB asset increased by \$3.9 million due to investment gains based on a measurement date of June 30, 2023.
 - Lease receivable and intangible right of use assets decreased by \$0.1 million as a result of payments made on qualifying leases under GASB Statement No. 87.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

THE DISTRICT AS A WHOLE, continued

- Capital assets (net of depreciation) are the historical value of land, buildings, construction in progress and equipment less depreciation.
 - Net capital assets increased by \$20.0 million due to an increase to Construction in Progress for construction projects related to the General Obligation Bonds.
- Current liabilities consist of accounts payable, interest payable, unearned revenue, and long-term debt (current portion).
 - Accounts payable and accrued liabilities consist mainly of payables to vendors and accrued payroll benefits.
 - Unearned revenue relates to federal, state, and local program funds that were received, but not yet earned, as of the fiscal year end. Most grants are considered earned when spent up to the amount of the award.
 - The current portion of long-term obligations consists of the principal payment to be paid in the next fiscal year for the General Obligation Bonds, Revenue Bonds, and Compensated Absences.
 - The current liabilities decreased by \$20.0 million primarily due to a decrease in the current portion of long-term debt of \$6.7 million. In addition, unearned revenues decreased by \$8.1 million, accounts payable decreased by \$4.6 million, and interest payable decreased by \$0.6 million (reference page 19).
- Non-current liabilities consist of compensated absences, net pension liability, lease liability and long-term debt (non-current portion). It consists of all the long-term debt that is to be paid beyond the next fiscal year.
 - The non-current liabilities decreased by \$40.2 million due to payments on general obligation bonds and lease revenue bonds of \$36.5 million. In addition, the net pension liability decreased by \$5.4 million and compensated absences increased by \$1.7 million (reference page 19).
- The net position increased by \$72.5 million due to the results of the changes in assets and liabilities noted above.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

OPERATING RESULTS FOR THE YEAR

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

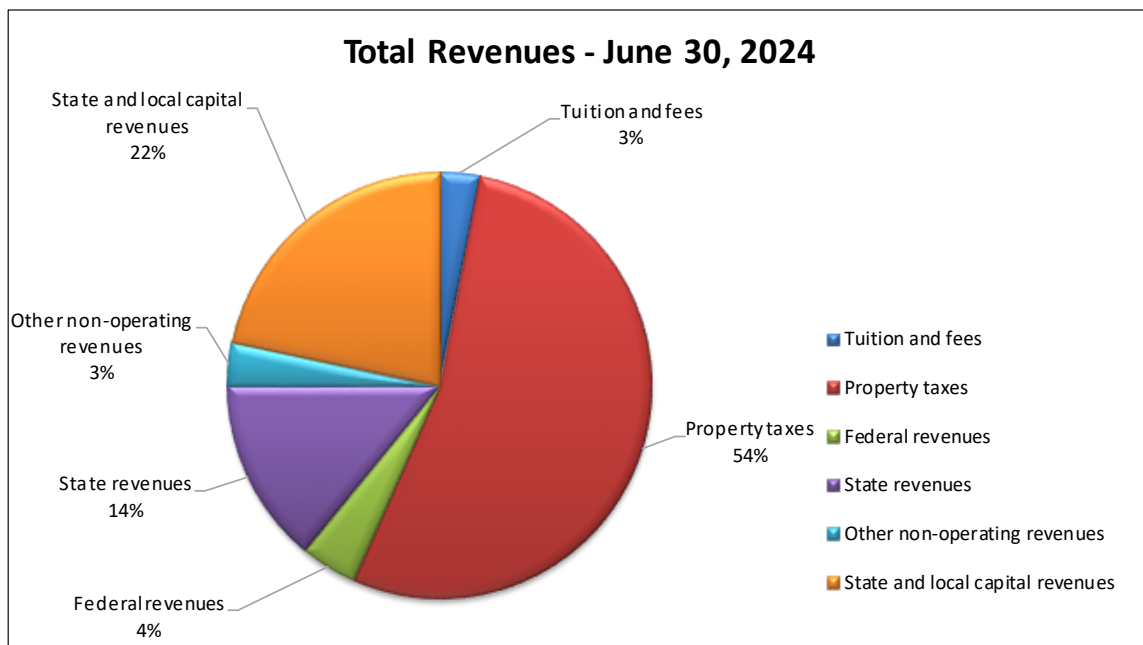
	2024	2023	Change	2022	Change
OPERATING REVENUES					
Tuition and fees, net	\$ 9,742,114	\$ 10,119,674	\$ (377,560)	\$ 9,968,520	\$ 151,154
Auxiliary enterprise sales and charges	271,910	670,251	(398,341)	1,502,699	(832,448)
Total Operating Revenues	10,014,024	10,789,925	(775,901)	11,471,219	(681,294)
OPERATING EXPENSES					
Salaries and benefits	170,386,520	152,579,235	17,807,285	146,088,442	6,490,793
Supplies, materials, and other operating expenses and services	39,172,340	42,806,270	(3,633,930)	30,130,164	12,676,106
Student aid	11,839,892	13,619,205	(1,779,313)	13,888,482	(269,277)
Depreciation and amortization	29,128,674	27,336,922	1,791,752	21,104,729	6,232,193
Total Operating Expenses	250,527,426	236,341,632	14,185,794	211,211,817	25,129,815
Operating Income/(Loss)	(240,513,402)	(225,551,707)	(14,961,695)	(199,740,598)	(25,811,109)
NON-OPERATING REVENUES (EXPENSES)					
State apportionment, non-capital	1,541,651	1,241,781	299,870	-	1,241,781
Local property taxes	173,295,139	165,009,799	8,285,340	146,672,689	18,337,110
Education protection account	1,105,808	1,032,282	73,526	1,120,832	(88,550)
Federal revenues	14,049,975	21,142,053	(7,092,078)	22,649,437	(1,507,384)
State taxes and other revenues	44,171,836	33,205,387	10,966,449	28,904,667	4,300,720
Interest and investment income/(expense), net	(1,857,915)	(30,062,826)	28,204,911	(21,246,372)	(8,816,454)
Other non-operating revenues	10,627,987	8,945,137	1,682,850	10,211,470	(1,266,333)
Total Non-Operating Revenues (Expenses)	242,934,481	200,513,613	42,420,868	188,312,723	12,200,890
OTHER REVENUES (EXPENSES)					
State and local capital income	70,067,187	59,620,181	10,447,006	59,984,222	(364,041)
Change in Net Position	72,488,266	34,582,087	37,906,179	48,556,347	(13,974,260)
NET POSITION, BEGINNING OF YEAR	226,587,081	192,004,994	34,582,087	143,448,647	48,556,347
NET POSITION, END OF YEAR	\$ 299,075,347	\$ 226,587,081	\$ 72,488,266	\$ 192,004,994	\$ 34,582,087

- Operating revenues consist of revenues from student tuition/fees and auxiliary enterprises.
 - Auxiliary revenue consists of community education funds and contract education revenues. The operation is self-supporting and contributes to the student programs on the campus. The amounts decreased from the prior year by \$0.4 million.
- Operating expenses consist of salaries and benefits, supplies, materials, other operating expenses, student financial aid disbursements, depreciation and amortization.
 - The District provided 6% COLA which contributes to salary and benefit increases of \$17.8 million.
 - The decrease of \$3.6 million for supplies, materials, and other operating expenses is primarily due to capital outlay expenditures.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

OPERATING RESULTS FOR THE YEAR, continued

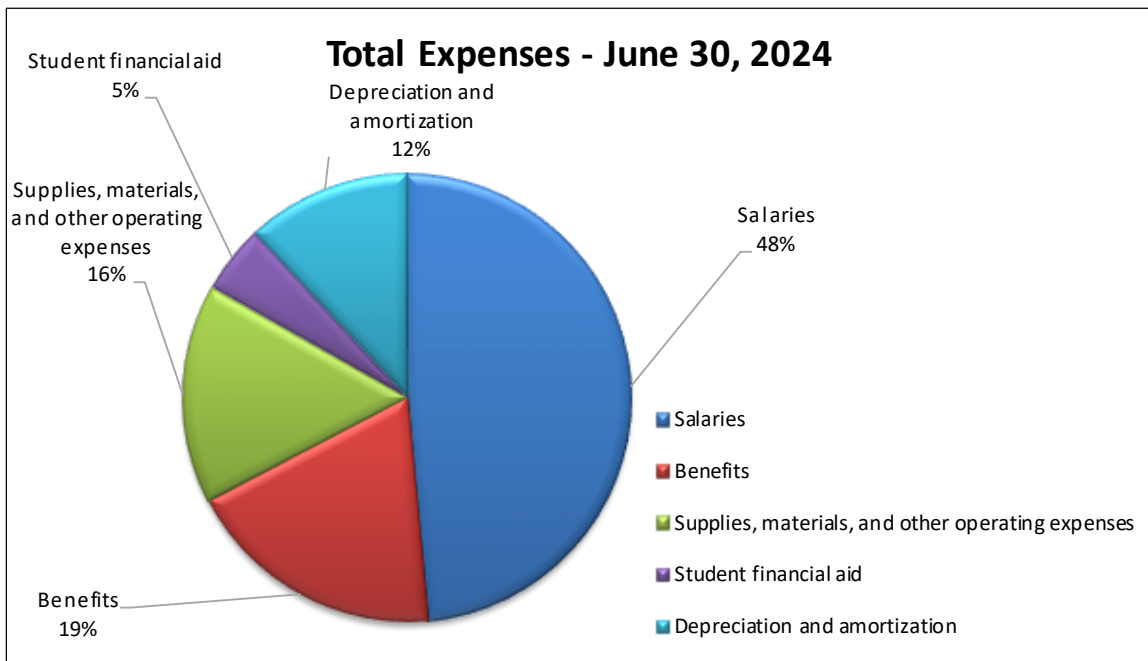
- Non-operating revenues (expenses) primarily consist of property taxes, State and Federal revenues, and interest.
 - Property taxes increased by \$8.3 million due to secure and supplemental property taxes.
 - Grants and contract revenues relate primarily to student financial aid as well as to specific Federal and State grants received for programs serving the students and programs of the District. The revenues are restricted and can only be expensed based on program guidelines. (Net change is an increase of \$4.2 million.)
 - Other non-operating revenues consist primarily of local grants and Land Corporation commitments. Other non-operating revenues remained consistent with prior year.
 - Interest expense decreased by \$1.5 million due to bond debt payments and amortization of bond premiums and investment income increased by \$12.0 million primarily due to changes in the fair market value of cash in county as of June 30, 2024.



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

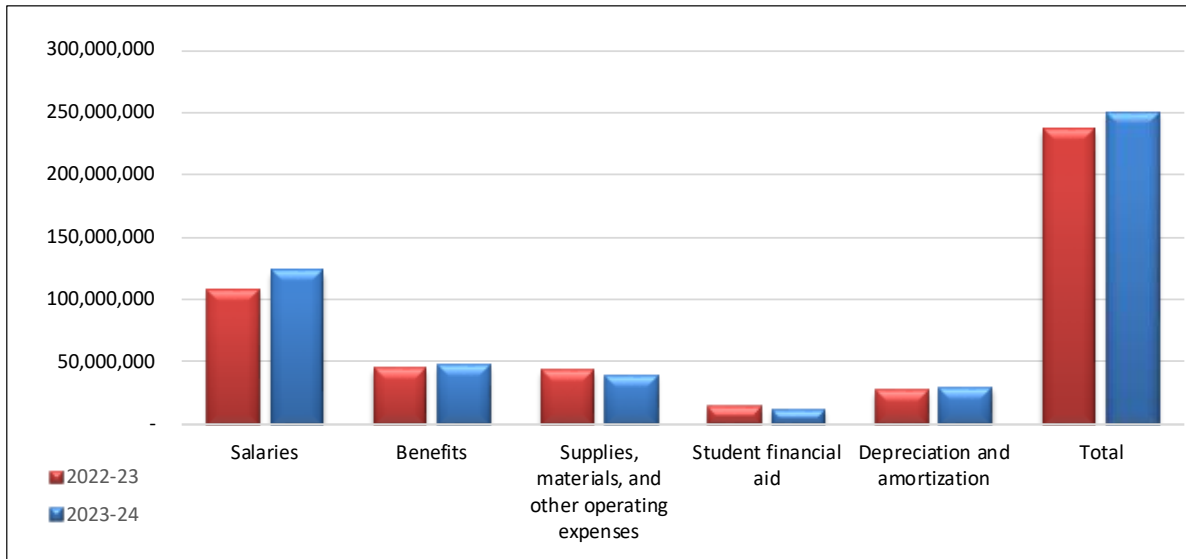
OPERATING RESULTS FOR THE YEAR, continued

The following chart represents the District’s operating expenses. The total cost of salaries and benefits accounts for 67% of the total expenditures. The other operating expenses comprise 33% of the District expenditures, such as student financial aid, instructional contracts, advertising, property insurance, legal services, and many other expenses that are necessary to the operation of a college.



**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

OPERATING RESULTS FOR THE YEAR, continued



- The overall operating expenses for the District increased by 6% from the previous fiscal year end.
- Salaries and benefits have increased by 11.7% due primarily to the changes in the net OPEB asset and net pension liability in addition to the 6% COLA.
- Student financial aid decreased by 13.1% from the previous fiscal year end.
- The change in depreciation expense is due to changes in capital assets from bond projects.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

OPERATING RESULTS FOR THE YEAR, continued

In accordance with requirements set forth by the California Community Colleges Chancellor's Office, the District reports operating expenses by object code. Functional expenses for the year ended June 30, 2024 for all Funds except Trust and Agency Funds are as follows:

2024	Salaries and Employee Benefits	Operating Costs and Supplies	Student Aid	Depreciation and amortization	Total
Instructional activities	\$ 76,736,382	\$ 1,127,108	\$ -	\$ -	\$ 77,863,490
Academic support	18,201,249	3,738,150	-	-	21,939,399
Student services	28,542,509	3,562,779	-	-	32,105,288
Plant operations and maintenance	8,580,482	4,558,048	-	-	13,138,530
Instructional support services	26,900,172	9,006,221	-	-	35,906,393
Community services and economic development	4,336,588	2,070,555	-	-	6,407,143
Auxiliary services and auxiliary operations	7,089,138	2,639,535	-	-	9,728,673
Student aid	-	12,469,944	11,839,892	-	24,309,836
Unallocated depreciation	-	-	-	29,128,674	29,128,674
Total	\$ 170,386,520	\$ 39,172,340	\$ 11,839,892	\$ 29,128,674	\$ 250,527,426

Functional expenses for the year ended June 30, 2023 for all Funds except Trust and Agency Funds are as follows:

2023	Salaries and Employee Benefits	Operating Costs and Supplies	Student Aid	Depreciation and amortization	Total
Instructional activities	\$ 71,279,206	\$ 1,725,954	\$ -	\$ -	\$ 73,005,160
Academic support	17,143,547	2,756,133	-	-	19,899,680
Student services	23,945,680	2,806,833	-	-	26,752,513
Plant operations and maintenance	7,336,108	14,642,315	-	-	21,978,423
Instructional support services	24,578,658	8,055,199	-	-	32,633,857
Community services and economic development	3,383,846	1,799,912	-	-	5,183,758
Auxiliary services and auxiliary operations	4,912,190	1,503,668	-	-	6,415,858
Student aid	-	9,516,256	13,619,205	-	23,135,461
Unallocated depreciation	-	-	-	27,336,922	27,336,922
Total	\$ 152,579,235	\$ 42,806,270	\$ 13,619,205	\$ 27,336,922	\$ 236,341,632

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2024

CHANGES IN CASH POSITION

The Statements of Cash Flows on pages 21 and 22 provides information about the cash receipts and payments during the year. This statement also assists users in assessing the District’s ability to meet its obligations as they come due and its need for external financing. The primary operating receipts are student tuition and fees. The primary operating expense of the District is the payment of salaries and benefits to staff. For fiscal year 2023-24, the decrease in cash of \$180.8 million is primarily due to the issuance of \$175.0 million of general obligation bonds from the prior fiscal year.

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

	2024	2023	Change	2022	Change
Cash Provided by (Used in)					
Operating activities	\$ (217,504,673)	\$ (196,138,127)	\$ (21,366,546)	\$ (174,812,547)	\$ (21,325,580)
Non-capital financing activities	222,930,958	234,020,275	(11,089,317)	215,752,642	18,267,633
Capital financing activities	(29,489,774)	129,845,352	(159,335,126)	(70,873,610)	200,718,962
Investing activities	6,016,357	(4,994,170)	11,010,527	817,617	(5,811,787)
Net Increase (Decrease) in Cash	(18,047,132)	162,733,330	(180,780,462)	(29,115,898)	191,849,228
Cash, Beginning of Year	483,513,629	320,780,299	162,733,330	349,896,197	(29,115,898)
Cash, End of Year	\$ 465,466,497	\$ 483,513,629	\$ (18,047,132)	\$ 320,780,299	\$ 162,733,330

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District had \$698.7 million of capital assets, including land, buildings, and furniture and equipment. At June 30, 2023, the District's capital assets were \$678.7 million. The District is currently in the middle of a major capital improvement program with construction on-going throughout the college campuses. These projects are primarily funded through the general obligation bonds. These projects are accounted for within the Construction in Progress account until the project is completed, at which time the cost of the buildings and/or improvements will be brought into the depreciable Buildings and Improvement category.

Capital projects are continuing through the 2023-24 fiscal year and beyond with primary funding through the general obligation bonds.

	2024	2023	Change	2022	Change
Capital Assets not being depreciated	\$ 96,906,758	\$ 66,139,974	\$ 30,766,784	\$ 152,217,083	\$ (86,077,109)
Capital Assets being depreciated	842,535,282	825,474,414	17,060,868	681,876,961	143,597,453
Accumulated depreciation	(240,755,324)	(212,902,079)	(27,853,245)	(185,763,282)	(27,138,797)
Total Capital Assets	\$ 698,686,716	\$ 678,712,309	\$ 19,974,407	\$ 648,330,762	\$ 30,381,547

Debt Obligations

At the end of the 2023-24 fiscal year, the District had \$663 million of principal and accreted interest on general obligation bonds outstanding. These bonds are repaid annually in accordance with the obligation requirements through an increase in the assessed property taxes on property within the West Valley-Mission Community College District boundaries. In addition to the above obligations, the District is obligated to pay lease revenue bonds, vacation payout and faculty banked leave.

	2024	2023	Change	2022	Change
General obligation bonds	\$ 663,040,000	\$ 694,320,000	\$ (31,280,000)	\$ 557,500,000	\$ 136,820,000
Lease revenue bonds	2,520,000	8,160,000	(5,640,000)	12,000,000	(3,840,000)
Premiums, net	56,809,037	62,131,809	(5,322,772)	50,074,336	12,057,473
Compensated absences	27,476,477	26,619,131	857,346	23,670,657	2,948,474
Lease liability	31,805	48,801	(16,996)	31,972	16,829
Net pension liability	141,397,446	146,868,226	(5,470,780)	91,775,767	55,092,459
Total Long-term Liabilities	\$ 891,274,765	\$ 938,147,967	\$ (46,873,202)	\$ 735,052,732	\$ 203,095,235
Amount due within one-year	\$ 37,413,085	\$ 44,114,606	\$ (6,701,521)	\$ 109,432,164	\$ (65,317,558)

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised its budget as it dealt with unexpected changes in revenues and expenditures. The Board of Trustees adopted the final budget for FY 2023-24 on September 12, 2023.

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

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

The 2023-24 budget was balanced with local funds. The District continues to maintain a prudent unrestricted general fund board reserve of 17 percent and maintain its community support status. The District will continue to monitor cash on a monthly basis to ensure there is sufficient cash to support ongoing operations.

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

There are some economic factors that may impact the future of the District. As a community supported district, sudden changes to property values and rate of change in ownership may impact property tax revenues. Other factors that may impact the District are persistent inflation, layoffs in the high tech sector, and natural disasters. The District has been maintaining sufficient fund balance to cover ongoing expenditures. In fiscal year 2023-24, the District experienced enrollment restoration which exceeded the enrollment goal. The District continues to find ways to remove financial barriers for students by exploring options to reduce student fees and support student equity and success. The District started to waive student fees for health services, parking, and childcare for eligible students starting in FY 2022-23. In FY 2023-24, the District initiated an enrollment fee grant for students living in the service area.

Despite the uncertainties with the economy, the District is in a strong fiscal position. The District has set aside funds to fully cover the long-term OPEB liability. The District also set aside funds in an irrevocable trust to fund future rate increases for CalSTRS and CalPERS employer pension cost. The fund balance in the unrestricted general fund for fiscal year 2023-24 is approximately 64 percent when compared to total expenditures. The District is well-positioned to withstand future economic challenges that may be presented by the unstable economy.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

Ngoc Chim
Vice Chancellor, Finance and Administration
Ngoc.chim@wvm.edu

Susan Hutton
Director, Accounting
Susan.hutton@wvm.edu

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
STATEMENTS OF NET POSITION – PRIMARY GOVERNMENT
JUNE 30, 2024 AND 2023

ASSETS	2024	2023
Current Assets:		
Cash and cash equivalents	\$ 135,026,550	\$ 117,791,730
Restricted cash and cash equivalents	330,439,947	365,721,899
Accounts receivable, net	23,199,533	16,378,980
Lease receivable	116,381	117,449
Prepaid expenditures and other assets	1,684,850	357,230
Total Current Assets	490,467,261	500,367,288
Non-current Assets:		
Net OPEB asset	24,035,117	20,110,309
Lease receivable	973,852	1,090,233
Intangible right of use assets, net	29,655	46,455
Capital assets, net	698,686,716	678,712,309
Total Non-current Assets	723,725,340	699,959,306
TOTAL ASSETS	1,214,192,601	1,200,326,594
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to bond refundings	3,875,743	4,737,019
Deferred outflows related to OPEB	9,158,761	7,850,881
Deferred outflows related to pensions	45,461,598	44,630,147
TOTAL DEFERRED OUTFLOWS OF RESOURCES	58,496,102	57,218,047
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,272,688,703	\$ 1,257,544,641
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 16,656,935	\$ 21,212,761
Interest payable	12,052,791	12,706,041
Unearned revenue	29,516,882	37,605,374
Long-term debt, current portion	37,413,085	44,114,606
Total Current Liabilities	95,639,693	115,638,782
Non-current Liabilities:		
Compensated absences	26,542,438	24,764,293
Net pension liability	141,397,446	146,868,226
Long-term debt, non-current portion	685,921,796	722,400,842
Total Non-current Liabilities	853,861,680	894,033,361
TOTAL LIABILITIES	949,501,373	1,009,672,143
DEFERRED INFLOWS OF RESOURCES		
Deferred charges on refunding	4,403,273	4,947,939
Deferred inflows related to leases	1,031,970	1,164,302
Deferred inflows related to OPEB	2,518,490	2,781,423
Deferred inflows related to pensions	16,158,250	12,391,753
TOTAL DEFERRED INFLOWS OF RESOURCES	24,111,983	21,285,417
NET POSITION		
Net investment in capital assets	183,041,329	146,036,375
Restricted for:		
Debt service	62,170,405	69,113,166
Capital projects	6,500,689	6,836,845
Educational programs	2,477,942	2,614,811
Other special purposes	1,355,952	1,355,952
Unrestricted	43,529,030	629,932
TOTAL NET POSITION	299,075,347	226,587,081
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,272,688,703	\$ 1,257,544,641

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PRIMARY
GOVERNMENT
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
OPERATING REVENUES		
Tuition and fees, gross	\$ 13,909,967	\$ 13,872,055
Less: Scholarship discounts and allowances	(4,167,853)	(3,752,381)
Tuition and fees, net	9,742,114	10,119,674
Auxiliary enterprise sales and charges	271,910	670,251
TOTAL OPERATING REVENUES	10,014,024	10,789,925
OPERATING EXPENSES		
Salaries	123,056,733	107,990,572
Benefits	47,329,787	44,588,663
Supplies, materials, and other operating expenses and services	39,172,340	42,806,270
Student aid	11,839,892	13,619,205
Depreciation and amortization	29,128,674	27,336,922
TOTAL OPERATING EXPENSES	250,527,426	236,341,632
OPERATING INCOME/(LOSS)	(240,513,402)	(225,551,707)
NON-OPERATING REVENUES/(EXPENSES)		
State apportionments, non-capital	1,541,651	1,241,781
Local property taxes	173,295,139	165,009,799
Education protection account	1,105,808	1,032,282
Federal revenues	14,049,975	21,142,053
State taxes and other revenues	44,171,836	33,205,387
Investment income, non-capital	6,016,357	(4,994,170)
Interest expense on capital asset-related debt	(24,442,126)	(25,987,552)
Investment income, capital	16,567,854	918,896
Local grants and other non-operating income	10,627,987	8,945,137
TOTAL NON-OPERATING REVENUES/(EXPENSES)	242,934,481	200,513,613
INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	2,421,079	(25,038,094)
State revenues, capital	15,366,991	3,065,337
Gain/(loss) on disposal of fixed assets	(105,166)	(7,508)
Local property taxes and revenues, capital	54,805,362	56,562,352
CHANGE IN NET POSITION	72,488,266	34,582,087
NET POSITION, BEGINNING OF YEAR	226,587,081	192,004,994
NET POSITION, END OF YEAR	\$ 299,075,347	\$ 226,587,081

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
STATEMENTS OF CASH FLOWS – PRIMARY GOVERNMENT
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 9,446,956	\$ 9,060,492
Payments to or on behalf of employees	(171,359,635)	(150,447,620)
Payments to vendors for supplies and services	(43,502,092)	(42,878,675)
Payments to students	(12,361,812)	(12,542,575)
Auxiliary enterprise sales and charges	271,910	670,251
Net Cash Provided by (Used in) Operating Activities	(217,504,673)	(196,138,127)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
State apportionments, non-capital	1,541,651	1,241,781
Local property taxes, non-capital	173,295,139	165,009,799
Federal grants and contracts	14,556,521	19,608,604
State grants and contracts	23,574,762	41,567,443
Local grants and other non-operating	9,962,885	6,592,648
Net Cash Provided by (Used in) Non-capital Financing Activities	222,930,958	234,020,275
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Acquisition of property, plant, and equipment	(49,107,345)	(57,721,684)
Loss on disposal of capital assets	(101,098)	(3,440)
State revenue, capital projects	15,366,991	3,065,337
Property taxes, related to capital debt	54,805,362	56,562,352
Proceeds from long-term debt, related to capital projects	-	175,000,000
Principal paid on capital debt	(36,920,000)	(35,045,000)
Interest paid on capital debt	(30,101,538)	(12,931,109)
Interest received on capital asset-related debt	16,567,854	918,896
Net Cash Provided by (Used in) Capital Financing Activities	(29,489,774)	129,845,352
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income/(loss)	6,016,357	(4,994,170)
Net Cash Provided by (Used in) Investing Activities	6,016,357	(4,994,170)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(18,047,132)	162,733,330
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	483,513,629	320,780,299
CASH & CASH EQUIVALENTS, END OF YEAR	\$ 465,466,497	\$ 483,513,629

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
STATEMENTS OF CASH FLOWS – PRIMARY GOVERNMENT, Continued
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

RECONCILIATION OF OPERATING LOSS TO NET CASH	2024	2023
USED BY OPERATING ACTIVITIES		
Operating loss	\$ (240,513,402)	\$ (225,551,707)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and amortization	29,128,674	27,336,922
On-behalf contributions	5,853,381	5,853,381
Changes in Assets and Liabilities:		
Accounts receivable, net	(295,158)	(1,059,182)
Prepaid expenditures and other assets	(1,327,620)	(229,557)
Net OPEB asset	(4,187,741)	2,489,584
Accounts payable and accrued liabilities	(2,654,619)	(352,715)
Unearned revenue	(521,920)	1,076,630
Compensated absences	857,346	2,948,474
Change in deferred outflows	(2,139,331)	(19,117,796)
Change in deferred inflows	3,766,497	(44,624,620)
Net pension liability	(5,470,780)	55,092,459
Total Adjustments	23,008,729	29,413,580
Net Cash Flows From Operating Activities	\$ (217,504,673)	\$ (196,138,127)
CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING :		
Cash in banks	\$ 135,026,550	\$ 117,791,730
Cash equivalents, restricted	330,439,947	365,721,899
Total Cash and Cash Equivalents	\$ 465,466,497	\$ 483,513,629
NON CASH TRANSACTIONS		
On-behalf payments for benefits	\$ 5,853,381	\$ 5,853,381

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
STATEMENTS OF NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2024 AND 2023

	Trust	
	2024	2023
ASSETS		
Cash and investments	\$ 106,833,010	\$ 102,408,340
Total Assets	\$ 106,833,010	\$ 102,408,340
LIABILITIES AND NET POSITION		
Accounts payable	\$ -	\$ 7
Total Liabilities	-	7
NET POSITION		
Reserved for net pension liability	24,218,907	22,393,491
Reserved for net OPEB liability	82,483,209	79,787,385
Unreserved	130,894	227,457
Total Net Position	106,833,010	102,408,333
Total Liabilities and Net Position	\$ 106,833,010	\$ 102,408,340

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
STATEMENTS OF CHANGES IN NET POSITION – FIDUCIARY FUNDS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	Trust	
	2024	2023
OPERATING REVENUES:		
Local revenue	\$ 757,042	\$ 723,987
Interest and investment income (loss)	4,677,125	2,248,530
Total Operating Revenues	5,434,167	2,972,517
OPERATING EXPENSES:		
Other operating expenses	1,009,490	793,596
Total Operating Expenses	1,009,490	793,596
Net Change in Net Position	4,424,677	2,178,921
Beginning of Year	102,408,333	100,229,412
Prior Year Adjustment	-	-
End of Year	\$ 106,833,010	\$ 102,408,333

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
MISSION-WEST VALLEY LAND CORPORATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 15,287,195	\$ 15,293,568
Investments	11,560,959	10,810,011
Interest receivable	235,857	168,219
Deferred rent receivable	7,067,416	3,588,261
Land	16,702	16,702
Operating lease right-of-use assets	47,137,609	47,731,291
Lease commissions, net	443,009	457,986
Total Assets	\$ 81,748,747	\$ 78,066,038
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 831,615	\$ 1,111,162
Deferred rental income	236,400	581,854
Refundable security deposits	550,000	550,000
Operating lease liabilities	48,896,991	48,627,511
Total Liabilities	50,515,006	50,870,527
NET ASSETS		
Without donor restrictions	31,233,741	27,195,511
Total Net Assets	31,233,741	27,195,511
Total Liabilities and Net Assets	\$ 81,748,747	\$ 78,066,038

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
MISSION-WEST VALLEY LAND CORPORATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
UNRESTRICTED REVENUES		
Rental Income	\$ 8,991,559	\$ 11,116,208
Interest Income	1,447,782	663,442
Total Unrestricted Revenues	10,439,341	11,779,650
EXPENSES		
Grants for special projects	3,915,281	3,570,740
Lease costs	2,241,263	2,778,207
Legal	70,597	16,603
Contracted services	132,582	2,266
Amortization of lease commissions	14,977	14,977
Audit fees	22,100	18,500
Financial services	3,600	4,375
Taxes and licenses	594	589
Bank service charges	117	129
Total Expenses	6,401,111	6,406,386
CHANGE IN NET ASSETS	4,038,230	5,373,264
NET ASSETS WITHOUT DONOR RESTRICTIONS, BEGINNING OF YEAR	27,195,511	21,822,247
NET ASSETS WITHOUT DONOR RESTRICTIONS, END OF YEAR	\$ 31,233,741	\$ 27,195,511

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
MISSION-WEST VALLEY LAND CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 4,038,230	\$ 5,373,264
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Net realized and unrealized loss on investments	(272,889)	32,719
Reinvested dividends	(126,502)	(95,017)
Amortization of right-of-use assets - operating lease	593,682	630,513
Amortization of commissions	14,977	14,977
Changes in:		
Rent receivable	-	20,816
Interest receivable	(67,638)	(107,651)
Deferred rent receivable	(3,479,155)	(3,588,261)
Accounts payable and accrued liabilities	(279,547)	529,798
Deferred rental income	(345,454)	227,746
Refundable rent overpayment	-	(18,000)
Repayment of right-of-use operating lease liabilities	269,480	265,707
Net Cash Provided by (Used in) Operating Activities	<u>345,184</u>	<u>3,286,611</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from refundable security deposits	5,293,290	3,079,391
Purchase of investments	(5,644,847)	(3,145,780)
Net Cash Provided by (Used in) Investing Activities	<u>(351,557)</u>	<u>(66,389)</u>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(6,373)	3,220,222
CASH & CASH EQUIVALENTS - BEGINNING OF YEAR	<u>15,293,568</u>	<u>12,073,346</u>
CASH & CASH EQUIVALENTS - END OF YEAR	<u>\$ 15,287,195</u>	<u>\$ 15,293,568</u>

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 712,317	\$ 351,627
Investments	29,114,624	26,332,733
Promises to give	499,920	459,420
Charitable remainder trust	1,243,473	1,150,732
Other assets	383,952	359,347
Total Assets	\$ 31,954,286	\$ 28,653,859
LIABILITIES		
Accrued liabilities	\$ 34,048	\$ 37,543
Total Liabilities	34,048	37,543
NET ASSETS		
Net assets without donor restrictions	194,894	86,088
Net assets with donor restrictions	31,725,344	28,530,228
Total Net Assets	31,920,238	28,616,316
Total Liabilities and Net Assets	\$ 31,954,286	\$ 28,653,859

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
SUPPORT AND REVENUE				
Donations	\$ 3,724	\$ 1,117,781	\$ 1,121,505	\$ 1,013,191
In-kind contributions	50,112	-	50,112	8,845
Interest Income	116,996	844,445	961,441	895,577
Investment Income	-	2,692,864	2,692,864	1,271,561
Other Income	(6,973)	432,624	425,651	252,018
Donated services	677,552	-	677,552	615,983
Satisfaction of programs restrictions/transfers	1,892,598	(1,892,598)	-	-
Total Support and Revenue	2,734,009	3,195,116	5,929,125	4,057,175
EXPENSES				
Program services	1,942,712	-	1,942,712	1,835,738
Management and general	682,491	-	682,491	620,527
Total Expenses	2,625,203	-	2,625,203	2,456,265
Change in Net Assets	108,806	3,195,116	3,303,922	1,600,910
NET ASSETS, BEGINNING OF YEAR	86,088	28,530,228	28,616,316	27,015,406
NET ASSETS, END OF YEAR	\$ 194,894	\$ 31,725,344	\$ 31,920,238	\$ 28,616,316

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
DISCRETELY PRESENTED COMPONENT UNIT
WEST VALLEY-MISSION COMMUNITY COLLEGE FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,303,922	\$ 1,600,910
Change in fair value of investments	(2,781,891)	(2,072,429)
Contributions restricted for endowment	(357,845)	(544,110)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Changes in:		
Accounts receivable	(40,500)	(50,497)
Other assets	(24,605)	(15,174)
Charitable remainder trust	(92,741)	(40,177)
Accrued liabilities	(3,495)	31,566
Net Cash Provided by (Used in) Operating Activities	2,845	(1,089,911)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from contribution restricted for investment in endowment	357,845	544,110
NET INCREASE (DECREASE) IN CASH	360,690	(545,801)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	351,627	897,428
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 712,317	\$ 351,627

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 – ORGANIZATION

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

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

- West Valley-Mission College District Financing Corporation
- Mission-West Valley Land Corporation
- West Valley-Mission Community College Foundation

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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

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

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

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

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The following is a summary of the more significant policies:

Cash and Cash Equivalents

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

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments held at June 30, 2024 and 2023, are stated at fair value. Fair value is estimated based on quoted market prices at year-end. Short-term investments have an original maturity date greater than three months, but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at a time of purchase.

Restricted Assets

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

Accounts Receivable

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance for potentially uncollectible student fees is based upon management's estimates and analysis. The allowance as of June 30, 2024, and 2023 was estimated at \$1,259,845 and \$1,145,827, respectively.

Prepaid Expenses

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Lease Receivable

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

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

Intangible Right of Use Assets

The District has recorded intangible right of use assets as a result of implementing GASB 87 and 96. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

Capital Assets and Depreciation

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

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

Accrued Liabilities and Long-term Obligations

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

Bond Issuance Costs, Premiums, and Discounts

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Deferred Outflows/Inflows of Resources

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

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

Pensions

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

Compensated Absences

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Compensated Absences, continued

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

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

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

Unearned Revenue

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

Non-current Liabilities

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Net Position

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

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

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

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

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

State Apportionments

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

Property Tax

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property Tax, continued

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

Scholarships, Discounts, and Allowances

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

Federal Financial Assistance Programs

The District participates in federally funded Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, as well as other programs funded by the Federal government agencies. Financial aid to students is either reported as operating expense or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition. These programs are audited in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. During the years ended June 30, 2024 and 2023, the District distributed \$364,156 and \$227,469, respectively, in direct lending through the U.S. Department of Education. These amounts have been included as revenues or expenses within the accompanying financial statements as the amounts were passed directly to qualifying students, the amounts are also included on the Schedule of Federal Financial Assistance.

On-Behalf Payments

GASB Statement No. 24 requires direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another legally separate entity be recognized as revenue and expenditures by the employer entity. The State of California makes direct on-behalf payments to CalSTRS and CalPERS on behalf of all community colleges in California. The amount of the on-behalf payments made for the District for the year ended June 30, 2024, was \$4,827,166 for CalSTRS. Refer to Note 15 for additional information regarding the CalSTRS and CalPERS on behalf payments. These amounts are reflected in the District's audited financial statements.

Estimates

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Interfund Activity

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

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

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

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

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

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

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Adoption of New Accounting Standards

The following GASB Pronouncements were adopted by the District during the year ending June 30, 2024:

GASB Statement No. 100 – In June 2022, GASB issued GASB Statement No. 100 which focuses on accounting changes and error corrections, providing clarity and guidance on how these should be handled in financial statements. It aims to improve the consistency and transparency of reporting such changes. This statement is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Upcoming GASB Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the District.

GASB Statement No. 101 – In June 2022, GASB issued GASB Statement No. 101 which addresses compensated absences, revising the recognition and measurement of liabilities related to employee leave benefits. It aims to standardize how these liabilities are reported across different governmental entities. This statement is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102 – In June 2022, GASB issued GASB Statement No. 102 which pertains to the disclosure of noncurrent liabilities, including guidance on how these liabilities should be presented in financial statements to enhance the relevance and comparability of the information. This statement is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103 – In June 2022, GASB issued GASB Statement No. 103 which introduces changes to the presentation model for business-type activities (BTAs). It revises the required sections and subtotals in financial statements, particularly affecting the presentation of operating and nonoperating activities. One significant change is the separate identification of noncapital subsidies within nonoperating activities. This statement is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Comparative Financial Information

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 – CASH AND CASH EQUIVALENTS

Policies and Practices

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

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

General Authorizations

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 - CASH AND CASH EQUIVALENTS, continued

Summary of District cash and cash equivalents

Cash and cash equivalents as of June 30, 2024, are classified in the accompanying financial statements as follows:

Total Business-Type Activities	\$ 465,466,497
Component Unit - Mission-West Valley Land Corporation	26,848,154
Component Unit - West Valley-Mission Community College Foundation	30,210,893
Fiduciary	106,833,010
Total Cash and Cash Equivalents	<u>\$ 629,358,554</u>

Cash and investments as of June 30, 2024, consists of the following:

Cash on hand and in banks	\$ 2,744,829
Investments	626,613,725
Total Cash and Cash Equivalents	<u>\$ 629,358,554</u>

Interest Rate Risk

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

Weighted Average Maturity

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

Investment Type	Fair Value	Weighted Average Maturity
U.S. Treasury cash reserves	\$ 2,628,475	30 Days
Mutual funds - equities	68,488,365	Not applicable
Mutual funds - fixed income	68,144,814	Not applicable
Other investments	8,499,997	Not applicable
State pool	14,639,349	217 Days
County pool	464,212,725	548 Days
	<u>\$ 626,613,725</u>	

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 - CASH AND CASH EQUIVALENTS, continued

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County pool are not required to be rated, nor have they been rated as of June 30, 2024.

Investment Type	Fair Value	Rating as of Year-End	
		Aaa	Unrated
U.S. Treasury cash reserves	\$ 2,628,475	\$ 2,628,475	\$ -
Mutual funds - equities	68,488,365	68,488,365	-
Mutual funds - fixed income	68,144,814	68,144,814	-
Other investments	8,499,997	-	8,499,997
State pool	14,639,349	-	14,639,349
County pool	464,212,725	-	464,212,725
	<u>\$ 626,613,725</u>	<u>\$ 139,261,654</u>	<u>\$ 487,352,071</u>

Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit.) The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2024, approximately \$897,874 of the District's bank balance was in excess of Federal Deposit Insurance Corporation (FDIC) insured amounts, however, this amount was not exposed to custodial credit risk because of the pledged securities previously described.

Custodial Credit Risk - Investments

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 4 - FAIR VALUE MEASUREMENTS

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

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

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

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

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

The District's fair value measurements are as follows at June 30, 2024:

Investment Type	Fair Value	Fair Value Measurements Using			Uncategorized
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	
U.S. Treasury cash reserves	\$ 2,628,475	\$ -	\$ 2,628,475	\$ -	\$ -
Mutual funds - equities	68,488,365	68,488,365	-	-	-
Mutual funds - fixed income	68,144,814	-	68,144,814	-	-
Other investments	8,499,997	-	-	-	8,499,997
State pool	14,639,349	-	-	14,639,349	-
County pool	464,212,725	-	-	-	464,212,725
	<u>\$ 626,613,725</u>	<u>\$ 68,488,365</u>	<u>\$ 70,773,289</u>	<u>\$ 14,639,349</u>	<u>\$ 472,712,722</u>

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

For the fiscal year ending June 30, 2024, GASB Statement No. 31, requires a government agency to report investments at fair value in the balance sheet and changes in the fair value in the statements of activities. For the year ending June, 30, 2024, the County Investment Pool had a market to book value of 98.32%. The book value of cash in county was \$472,142,784 and the fair value was \$464,212,725.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 5 - ACCOUNTS RECEIVABLE

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

	2024	2023
Federal Government		
Categorical aid	\$ 1,518,444	\$ 1,893,724
State Government		
Categorical aid	1,103,549	846,690
Lottery	459,555	325,381
Other state sources	9,708,432	3,928,030
Local Government		
Interest	-	-
Student receivables	\$ 5,247,971	\$ 4,838,795
Less: Allowance for bad debt	(1,259,845)	(1,145,827)
Other local sources	6,421,427	5,692,187
Total accounts receivable	<u>\$ 23,199,533</u>	<u>\$ 16,378,980</u>

Discretely Presented Component Units

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

NOTE 6 – LEASE RECEIVABLE AND ARRANGEMENTS

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 6 – LEASE RECEIVABLE AND ARRANGEMENTS, continued

Future deferred inflows on noncancellable leases at June 30, 2024 are as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2025	\$ 116,381	\$ 30,016	\$ 146,397
2026	121,123	31,130	152,253
2027	126,058	32,286	158,344
2028	131,193	33,484	164,677
2029	132,690	33,971	166,661
2030-2034	194,547	90,104	284,651
2035-2039	212,301	105,724	318,025
2040-2041	55,940	25,552	81,492
Total	\$ 1,090,233	\$ 382,267	\$ 1,472,500

The District leases space on its campuses to cellular companies, in addition to, office space to external parties. In accordance with GASB 87, the District records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective lease. The expected receipts are discounted using the District's incremental borrowing rate. Any variable payments are excluded unless fixed in substance. During the year ended June 30, 2024, the District recognized principal reductions related to these lease agreements totaling \$116,381. During the year ended June 30, 2024, the District does not have any lease revenue related to variable receipts that were not previously included in the measurement of the lease receivable.

The general terms of the lease agreements are as follows:

Lease Type	Number of Contracts	Average Rate	Lease Terms	Annual Lease Revenue
Cell Towers	4	4.00%	4/28/1996 - 8/24/2040	\$ 146,735

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 – INTANGIBLE RIGHT OF USE ASSETS

The amount of lease assets by major class of underlying assets as of June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
Intangible Right of Use Assets:				
Leased equipment	\$ 74,405	\$ -	\$ -	\$ 74,405
Total Right of Use Assets	74,405	-	-	74,405
Less Accumulated Amortization				
Leased equipment	27,950	16,800	-	44,750
Total Accumulated Amortization	27,950	16,800	-	44,750
Right of Use Assets, net	\$ 46,455	\$ (16,800)	\$ -	\$ 29,655

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the District for the fiscal year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Transfers	Deductions	Balance June 30, 2024
Capital Assets Not being Depreciated					
Land	\$ 2,050,827	\$ -	\$ -	\$ -	\$ 2,050,827
Construction in progress	64,089,147	47,615,977	-	16,849,193	94,855,931
Total Capital Assets Not Being Depreciated	66,139,974	47,615,977	-	16,849,193	96,906,758
Capital Assets Being Depreciated					
Land improvements	118,268,432	13,116,858	8,772,261	253,470	139,904,081
Buildings and improvements	666,164,488	3,074,209	(8,772,261)	256,033	660,210,403
Furniture and equipment	38,452,034	2,159,502	-	821,822	39,789,714
Vehicles	2,589,460	202,244	-	160,620	2,631,084
Total Capital Assets Being Depreciated	825,474,414	18,552,813	-	1,491,945	842,535,282
Total Capital Assets	891,614,388	66,168,790	-	18,341,138	939,442,040
Less Accumulated Depreciation					
Land improvements	30,909,136	7,952,411	350,890	228,754	38,983,683
Buildings and improvements	156,790,534	17,962,723	(350,890)	52,865	174,349,502
Furniture and equipment	23,005,748	3,082,078	-	816,390	25,271,436
Vehicles	2,196,661	114,662	-	160,620	2,150,703
Total Accumulated Depreciation	212,902,079	29,111,874	-	1,258,629	240,755,324
Capital Assets, net	\$ 678,712,309	\$ 37,056,916	\$ -	\$ 17,082,509	\$ 698,686,716

Depreciation expense for the year was \$29,111,874.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 8 - CAPITAL ASSETS, continued

Capital asset activity for the District for the fiscal year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023
Capital Assets not being Depreciated				
Land	\$ 2,050,827	\$ -	\$ -	\$ 2,050,827
Construction in progress	150,166,256	55,888,532	141,965,641	64,089,147
Total Capital Assets Not Being Depreciated	152,217,083	55,888,532	141,965,641	66,139,974
Capital Assets Being Depreciated				
Land improvements	93,874,151	24,394,281	-	118,268,432
Buildings and improvements	550,149,460	116,202,730	187,702	666,164,488
Furniture and equipment	35,302,643	3,149,391	-	38,452,034
Vehicles	2,550,707	38,753	-	2,589,460
Total Capital Assets Being Depreciated	681,876,961	143,785,155	187,702	825,474,414
Total Capital Assets	834,094,044	199,673,687	142,153,343	891,614,388
Less Accumulated Depreciation				
Land improvements	25,003,457	5,905,679	-	30,909,136
Buildings and improvements	138,579,512	18,391,216	180,194	156,790,534
Furniture and equipment	20,142,578	2,863,170	-	23,005,748
Vehicles	2,037,735	158,926	-	2,196,661
Total Accumulated Depreciation	185,763,282	27,318,991	180,194	212,902,079
Capital Assets, net	\$ 648,330,762	\$ 172,354,696	\$ 141,973,149	\$ 678,712,309

Depreciation expense for the year was \$27,318,991.

Discretely Presented Component Unit

As of June 30, 2024, and 2023, the Mission-West Valley Land Corporation owned land with a historical cost of \$16,702.

NOTE 9 - INTERFUND TRANSACTIONS

Operating Transfers

Operating transfers between District governmental funds are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. These operating transfers within governmental funds have been eliminated through consolidation within the entity-wide financial statements. During the 2023-24 fiscal year, there were no amounts transferred to fiduciary funds from the primary government funds.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 10 – ACCOUNTS PAYABLE

Accounts payable for the District consisted of the following:

	2024	2023
Accrued payroll benefits	\$ 5,638,160	\$ 5,290,647
Federal categoricals	18,731	2,402
State categoricals	1,830,407	3,747,943
Construction project related vendors	7,914,847	11,441,684
Vendors	1,254,790	730,085
Total accounts payable	<u>\$ 16,656,935</u>	<u>\$ 21,212,761</u>

Discretely Presented Component Units

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

NOTE 11 – UNEARNED REVENUE

Unearned Revenue consisted of the following:

	2024	2023
Federal financial assistance	\$ 340,967	\$ 226,030
State funded programs	20,653,533	28,414,063
Student fees	4,675,049	5,196,969
Other local	3,847,333	3,768,312
Total unearned revenue	<u>\$ 29,516,882</u>	<u>\$ 37,605,374</u>

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 12 - LONG-TERM OBLIGATIONS

Long-term Obligations Summary

The changes in the District's long-term obligations during the 2024 fiscal year consisted of the following:

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Due Within One Year
Bonds and Notes Payable					
General obligation bonds	\$ 694,320,000	\$ -	\$ 31,280,000	\$ 663,040,000	\$ 31,785,000
Lease revenue bonds	8,160,000	-	5,640,000	2,520,000	-
Premiums, net	62,131,809	-	5,322,772	56,809,037	4,679,699
Total Bonds and Notes Payable	764,611,809	-	42,242,772	722,369,037	36,464,699
Other Long-Term Liabilities					
Compensated absences	26,619,131	857,346	-	27,476,477	934,039
Lease liability	48,801	-	16,996	31,805	14,347
Net pension liability	146,868,226	-	5,470,780	141,397,446	-
Total Other Long-Term Liabilities	173,536,158	857,346	5,487,776	168,905,728	948,386
Total Long-Term Obligations	\$ 938,147,967	\$ 857,346	\$ 47,730,548	\$ 891,274,765	\$ 37,413,085

The changes in the District's long-term obligations during the 2023 fiscal year consisted of the following:

	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Due Within One Year
Bonds and Notes Payable					
General obligation bonds	\$ 557,500,000	\$ 238,035,000	\$ 101,215,000	\$ 694,320,000	\$ 31,280,000
Lease revenue bonds	12,000,000	-	3,840,000	8,160,000	5,640,000
Premiums, net	50,074,336	23,008,153	10,950,680	62,131,809	5,322,772
Total Bonds and Notes Payable	619,574,336	261,043,153	116,005,680	764,611,809	42,242,772
Other Long-Term Liabilities					
Compensated absences	23,670,657	2,948,474	-	26,619,131	1,854,838
Lease liability	31,972	33,907	17,078	48,801	16,996
Net pension liability	91,775,767	55,092,459	-	146,868,226	-
Total Other Long-Term Liabilities	115,478,396	58,074,840	17,078	173,536,158	1,871,834
Total Long-Term Obligations	\$ 735,052,732	\$ 319,117,993	\$ 116,022,758	\$ 938,147,967	\$ 44,114,606

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 12 - LONG-TERM OBLIGATIONS, continued

Debt Maturity

General Obligation Bonds

Issue Date	Maturity Date	Yield	Original Issue	Bonds Outstanding July 1, 2023	Additions	Accretion	Redeemed	Bonds Outstanding June 30, 2024
2/25/2015	8/1/2030	2.00-5.00%	28,100,000	\$ 27,920,000	\$ -	\$ -	\$ -	\$ 27,920,000
2/25/2015	8/1/2040	3.00-5.00%	150,000,000	131,480,000	-	-	1,410,000	130,070,000
3/8/2017	8/1/2030	2.00-5.00%	10,340,000	7,700,000	-	-	660,000	7,040,000
3/8/2017	8/1/2035	3.00-5.00%	115,395,000	107,075,000	-	-	3,160,000	103,915,000
10/4/2017	8/1/2036	3.00-4.00%	100,000,000	84,970,000	-	-	2,985,000	81,985,000
4/11/2019	8/1/2044	3.00-5.00%	150,000,000	98,535,000	-	-	205,000	98,330,000
7/6/2023	8/1/2047	3.625-5.00%	175,000,000	175,000,000	-	-	17,025,000	157,975,000
7/6/2023	8/1/2037	5.00%	63,035,000	61,640,000	-	-	5,835,000	55,805,000
				<u>\$ 694,320,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,280,000</u>	<u>\$ 663,040,000</u>

The general obligation bonds mature through fiscal year 2047-48 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2025	\$ 31,785,000	\$ 28,131,069	\$ 59,916,069
2026	29,620,000	26,644,844	56,264,844
2027	21,745,000	25,405,869	47,150,869
2028	24,265,000	24,305,569	48,570,569
2029	26,970,000	23,075,269	50,045,269
2030-2034	184,550,000	92,417,319	276,967,319
2035-2039	175,750,000	49,847,494	225,597,494
2040-2044	115,425,000	21,235,416	136,660,416
2045-2048	52,930,000	4,070,125	57,000,125
Subtotal	<u>\$ 663,040,000</u>	<u>\$ 295,132,974</u>	<u>\$ 958,172,974</u>

Lease Revenue Bonds

Issue Date	Maturity Date	Yield	Original Issue	Outstanding July 1, 2023	Additions	Redeemed	Outstanding June 30, 2024
8/3/2011	6/1/2036	3.00-6.25%	\$ 9,905,000	\$ 2,520,000	\$ -	\$ -	\$ 2,520,000
12/1/2016	8/1/2028	3.00-5.00%	45,405,000	5,640,000	-	5,640,000	-
				<u>\$ 8,160,000</u>	<u>\$ -</u>	<u>\$ 5,640,000</u>	<u>\$ 2,520,000</u>

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 12 - LONG-TERM OBLIGATIONS, continued

Lease Revenue Bonds, continued

The revenue bonds mature through fiscal year 2027-28 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2025	\$ -	\$ 153,644	\$ 153,644
2026	-	153,644	153,644
2027	-	153,644	153,644
2028	2,520,000	153,644	2,673,644
Subtotal	\$ 2,520,000	\$ 614,576	\$ 3,134,576

Compensated Absences and Faculty Banked Leave Liability

The District calculated its compensated absences as of June 30, 2024 at \$27,476,477. Of this amount, \$22,415,462 was calculated for the unfunded faculty banked leave, \$5,061,015 for accrued vacation and compensatory time.

Leases

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

Lease Type	Number of Contracts	Average Rate	Lease Terms	Annual Lease Payment
Equipment	5	5.51%	10/14/2019 - 4/14/2027	\$ 19,247

Future minimum lease payments on non-cancellable leases at June 30, 2024 are as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2025	\$ 14,347	\$ 1,342	\$ 15,689
2026	11,140	661	11,801
2027	6,318	160	6,478
Total	\$ 31,805	\$ 2,163	\$ 33,968

Aggregate Net Pension Obligation

At June 30, 2024, the liability for the aggregate net pension obligation amounted to \$141,397,446. See Note 15 for additional information.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 13 - POSTEMPLOYMENT BENEFITS

For the fiscal year ended June 30, 2024, the District reported net OPEB liability/(asset), deferred outflows of resources, deferred inflows of resources, and OPEB expense for the following plans:

OPEB Plan	Net OPEB Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense/(Benefit)
District Plan	\$ (24,035,117)	\$ 9,158,761	\$ 2,518,490	\$ (13,346,502)

Plan Description

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

	LIFETIME PLAN Employees Hired Prior to 7/1/1994	BRIDGE PLAN Employees Hire on or after 7/1/1994 and retiring prior to 6/30/2033
Benefit types provided	Medical and Dental	Medical and Dental
Duration of benefits	Lifetime	When eligible for Medicare
Required services	10 years	10 years
Minimum age	55 for faculty 50 for all other employees	55
Dependent coverage	Yes	Yes
District contribution	50% after 10 years of service 10% for each additional year of service up to 100% after 15 years of service	100%

Contribution Information

The contribution requirements of plan members and the District are established and may be amended by the District, the District's bargaining units and unrepresented groups. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually through the agreements between the District, the District's bargaining units and the unrepresented groups. For fiscal year 2023-24, the District did not contribute to the plan. The District recognizes the costs of providing those benefits and related costs when paid.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 13 - POSTEMPLOYMENT BENEFITS, continued

Employees Covered by Benefit Term

The following is a table of plan participants as of the June 30, 2023 measurement date:

	Number of Participants
Inactive Employees Receiving Benefits	488
Active Employees	322
	<u>810</u>

Contributions to Trust

Eligible employees are not permitted to make contributions to the Trust. The Plan administrator (CalPERS) shall, on behalf of the employer (District), make all contributions to the Trustee. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of the trust agreement. The District does not have contractually required contribution rates, but contributes in an amount sufficient to fully fund the total OPEB obligation over a period not to exceed 30 years. The District has a net OPEB asset of \$24,035,117 as of June 30, 2024.

OPEB Plan Investments

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

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 13 - POSTEMPLOYMENT BENEFITS, continued

Actuarial Assumptions

The total OPEB liability in the June 30, 2024 actuarial report reflects the June 30, 2023 actuarial valuation that was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2023
Measurement date	June 30, 2023
Census data	The census was provided by the District
Actuarial cost methods	Entry age normal level percent of salary
Inflation rate	2.50%
Investment rate of return	5.75%
Discount rate	5.75%
Health care cost trend rate	4.50%
Payroll increase	2.75%
Mortality	For certificated employees the 2020 CalSTRS mortality tables were used. For classified employees the 2021 CalPERS active mortality for miscellaneous and school employees were used.

Changes in the Net OPEB Liability/(Asset)

	Increase/(Decrease)		
	Total OPEB Liability	Total Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(a) - (b)
Balance July 1, 2022	\$ 58,474,328	\$ 78,584,637	\$ (20,110,309)
Changes for the year:			
Service cost	795,526	-	795,526
Interest	3,264,533	-	3,264,533
Employer contributions	-	4,482,742	(4,482,742)
Experience gains/losses	(2,873,234)	-	(2,873,234)
Assumption changes	299,631	-	299,631
Investment income	-	4,517,975	(4,517,975)
Investment gains/losses	-	(3,279,608)	3,279,608
Administrative expense	-	(22,310)	22,310
Expected benefit payments	(4,195,207)	(4,482,742)	287,535
Net change	(2,708,751)	1,216,057	(3,924,808)
Balance June 30, 2023	\$ 55,765,577	\$ 79,800,694	\$ (24,035,117)

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 13 - POSTEMPLOYMENT BENEFITS, continued

Changes in the Net OPEB Liability/(Asset), continued

Fiduciary Net Position as a % of the Total OPEB Liability/(Asset), at June 30, 2024 was 143%.

Sensitivity of the net OPEB liability/(Asset) to assumptions

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

	Discount Rate 1% Lower (4.75%)	Current Discount Rate (5.75%)	Discount Rate 1% Higher (6.75%)
Net OPEB liability/(asset)	\$ (19,810,504)	\$ (24,035,117)	\$ (27,743,205)

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

	Trend Rate 1% Lower (3.50%)	Healthcare Cost Trend Rate (4.50%)	Trend Rate 1% Higher (5.50%)
Net OPEB liability/(asset)	\$ (28,147,233)	\$ (24,035,117)	\$ (19,382,394)

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 13 - POSTEMPLOYMENT BENEFITS, continued

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

For the year ended June 30, 2024, the District recognized OPEB expense of (\$13,346,502). At June 30, 2024, the District reported deferred outflows and a deferred inflows of resources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual earnings on plan investments	\$ 8,959,007	\$ -
Differences between expected and actual experience	-	2,271,049
Change in assumptions	199,754	247,441
	<u>\$ 9,158,761</u>	<u>\$ 2,518,490</u>

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 791,719
2026	1,629,040
2027	3,563,592
2028	655,920
	<u>\$ 6,640,271</u>

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 14 - RISK MANAGEMENT

Property and Liability Insurance Coverages

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year ending June 30, 2023, the District contracted with the Bay Area Community College District JPA for property and general insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year 2023-24, the District participated in the Northern California Community College Pool ("NCCCP") for workers' compensation insurance coverage. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated, and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS

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

For the fiscal year ended June 30, 2024, the District reported its proportionate share of the net pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources for each of the above plans as follows:

Pension Plan	Collective Net Pension Liability	Collective Deferred Outflows of Resources	Collective Deferred Inflows of Resources	Collective Pension Expense
CalSTRS	\$ 66,817,610	\$ 18,665,874	\$ 5,655,080	\$ 9,765,945
CalPERS	74,579,836	26,795,724	10,503,170	10,507,807
Total	<u>\$ 141,397,446</u>	<u>\$ 45,461,598</u>	<u>\$ 16,158,250</u>	<u>\$ 20,273,752</u>

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS)

Plan Description

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

Benefits Provided

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

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

The STRP provisions and benefits in effect at June 30, 2024, are summarized as follows:

	STRP Defined Benefit Plan	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 60	2% at 62*
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	19.10%	19.10%
Required state contribution rate	10.828%	10.828%

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

Contributions

Required member, District, and State of California contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1 percent of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2024, are presented above, and the District's total contributions were \$11,174,011.

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

At June 30, 2024, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	66,817,610
State's proportionate share of the net pension liability associated with the District		32,014,774
Total	\$	<u>98,832,384</u>

The net pension liability was measured as of June 30, 2023. 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, 2023 and June 30, 2022, was 0.088 percent and 0.091 percent, respectively, resulting in a net decrease in the proportionate share of 0.003 percent.

For the year ended June 30, 2024, the District recognized pension expense of \$9,765,945. In addition, the District recognized pension expense and revenue of (\$464,914) for support provided by the State. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 282,673	\$ -
Differences between expected and actual experience	5,251,140	3,574,204
Changes in assumptions	386,898	-
Net changes in proportionate share of net pension liability	1,571,152	2,080,876
District contributions subsequent to the measurement date	11,174,011	-
Total	<u>\$ 18,665,874</u>	<u>\$ 5,655,080</u>

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ (1,485,281)
2026	(3,499,191)
2027	5,216,892
2028	63,663
2029	665,510
Thereafter	875,190
	<u>\$ 1,836,783</u>

Actuarial Methods and Assumptions

Total pension liability for STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2022 and rolling forward the total pension liability to June 30, 2023. The financial reporting actuarial valuation as of June 30, 2022, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Experience study	July 1, 2015, through June 30, 2018
Actuarial cost method	Entry Age Normal
Investment rate of return	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California State Teachers' Retirement System (CalSTRS), continued

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

Asset Class	Assumed Asset Allocation	Long-term Expected Real Rate of Return*
Public Equity	38%	5.25%
Real Estate	15%	4.05%
Private Equity	14%	6.75%
Fixed Income	14%	2.45%
Risk Mitigating Strategies	10%	2.25%
Inflation Sensitive	7%	3.65%
Cash/Liquidity	2%	0.05%
	<u>100%</u>	

*20-year average. Real rates of return of net of assumed 2.75% inflation.

Discount Rate

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

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

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Plan's net pension liability	\$ 112,081,209	\$ 66,817,610	\$ 29,220,915

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS)

Plan Description

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

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, 2024, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before	On or after
Hire date	December 31, 2012	January 1, 2013
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.000%	7.000%
Required employer contribution rate	26.68%	26.68%

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024, are presented above, and the total District contributions were \$11,635,475.

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

As of June 30, 2024, the District reported net pension liabilities for its proportionate share of the CalPERS net pension liability totaling \$26,795,724. The net pension liability was measured as of June 30, 2023. 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, 2023 and June 30, 2022, was 0.206 percent and 0.249 percent, respectively, resulting in a net decrease in the proportionate share of 0.037 percent.

For the year ended June 30, 2024, the District recognized pension expense of \$10,507,807. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 7,966,193	\$ -
Differences between expected and actual experience	2,721,629	1,145,437
Changes in assumptions	3,435,863	-
Net changes in proportionate share of net pension liability	1,036,564	9,357,733
District contributions subsequent to the measurement date	11,635,475	-
Total	<u>\$ 26,795,724</u>	<u>\$ 10,503,170</u>

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

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

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 2,241,422
2026	487,102
2027	3,665,369
2028	(1,736,814)
	<u>\$ 4,657,079</u>

Actuarial Methods and Assumptions

Total pension liability for the Special Enrollment Period (SEP) was determined by applying updated procedures to a financial reporting actuarial valuation as of June 30, 2022, and rolling forward the total pension liability to June 30, 2023. The financial reporting actuarial valuation as of June 30, 2022, used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Experience study	July 1, 1997, through June 30, 2015
Actuarial cost method	Entry Age Normal
Investment rate of return	6.90%
Consumer price inflation	2.30%
Wage growth	Varies by entry age and service

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

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

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

Asset Class*	Assumed Asset Allocation	Real Return Years 1 - 10**
Global Equity - cap-weighted	30%	4.54%
Global Equity - non-cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%
	<u>100%</u>	

*An expected inflation of 2.30% used for this period.

**Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the School Employer Pool fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Plan's net pension liability	\$ 107,823,166	\$ 74,579,836	\$ 47,104,981

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 15 - EMPLOYEE RETIREMENT SYSTEMS, continued

California Public Employees' Retirement System (CalPERS), continued

Social Security

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

Alternative Plan

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

On-Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for community college education. These payments consist of state general fund contributions of approximately \$4,827,166 to CalSTRS.

NOTE 16 - COMMITMENTS AND CONTINGENCIES

Grants

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

Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2024.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 16 - COMMITMENTS AND CONTINGENCIES, continued

Construction Commitments

As of June 30, 2024, the District had the following commitments with respect to the unfinished capital projects:

CAPITAL PROJECT	Remaining Construction Commitments	Expected Date of Completion
Mission College		
CDC Building Renovation	\$ 89,299	5/1/2025
Library Renovation	1,505,989	9/22/2025
Student Campus Center Renovation	1,013,908	12/30/2029
Science Building Renovation	834,430	4/1/2031
TAV Building Renovation	462,972	4/1/2031
Swing Space for Renovation Projects	145,999	8/31/2029
Signage and Wayfinding	8,000	6/30/2031
Landscape & Gateway Revisions	14,056	6/30/2028
Main Building Demo and Plaza Landscape	4,564	5/1/2025
MT Replacement Building	27,011	5/1/2025
Performing Arts Center - New Construction	3,365,343	2/6/2027
West Valley College		
Fine Arts and Music Replacement Building - New Construction	1,806,564	12/1/2026
Theater Renovation and Expansion	2,254,018	12/1/2026
Wellness Center	10,500	11/1/2027
Outdoor PE Facilities Upgrades WV (Baseball)	6,040	5/1/2025
Campus Wide Landscape and Gateway Additions	7,420	2/1/2025
Learning Resource Center Renovation	30,239,471	12/1/2025
Admin Building Renovation	257,207	12/31/2024
Fine Arts Replacement Building	171,503	5/1/2025
Swing Space for Building Projects	211,578	6/30/2031
Planetarium - New Building	20,091	5/1/2025
Athletic Field Turf Restoration - Phase 1	22,899	5/1/2025
Districtwide		
Bond Administrative Costs	10,000	4/1/2031
Program Management DS	266,908	4/1/2031
Public Safety & Comm Srv Bldg at WV	10,464,410	12/31/2024
Vasona Creek Improvements DS at WV	14,890	5/1/2025
Information Systems Server and Infrastructure Upgrades DS	134,680	12/31/2026
Alternative Energy Projects DS at WV & MC	897,308	5/1/2025
ADA Barrier Removal DS at MC & WV	29,333	6/30/2027
Security, Safety and Monitoring DS at MC & WV	246,915	6/30/2027
Utility and Electrical Upgrades for Buildings DS at MC & WV	46,052	6/30/2027
Underground Water and Sewer Line Upgrades DS at MC & WV	101,564	6/30/2027
Storm Water Master Plan and Implementation DS at MC & WV	98,700	6/30/2027
HVAC/Lighting Energy Retrofit DS at MC & WV	102,925	6/30/2027
Parking Lots, Roads and Sidewalk Replacement DS at MC & WV	190,159	6/30/2028
	<u>\$ 55,082,706</u>	

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

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

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

The JPAs have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, transactions between the JPAs and the District are included in these statements. Audited financial statements are available from the respective entities. The District's share of year-end assets, liabilities, or fund equity has not been calculated. During the year ended June 30, 2024, the District made payments of \$1,147,207 and \$870,024 to NCCCP and BACCD, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021
Total OPEB liability				
Service cost	\$ 795,526	\$ 774,235	\$ 136,881	\$ 132,894
Interest	3,264,533	3,259,429	3,228,835	3,521,043
Changes of benefit terms	-	-	-	-
Experience gains/losses	(2,873,234)	-	(4,651,628)	(3,729,520)
Assumption changes	299,631	-	(2,103,259)	-
Benefit payments	(4,195,207)	(3,715,897)	(4,903,618)	(4,556,574)
Other	-	-	10,252,062	-
Net change in total OPEB liability	(2,708,751)	317,767	1,959,273	(4,632,157)
Total OPEB liability, beginning of year	58,474,328	58,156,561	56,197,288	60,829,445
Total OPEB liability, end of year (a)	\$ 55,765,577	\$ 58,474,328	\$ 58,156,561	\$ 56,197,288
Plan fiduciary net position				
Employer contributions	\$ 4,482,742	\$ 3,715,897	\$ 4,903,618	\$ 4,556,574
Investment income	4,517,975	5,064,033	10,517,319	4,594,075
Investment gains/(losses)	(3,279,608)	(14,538,350)	-	-
Administrative expense	(22,310)	(22,362)	(27,372)	(36,216)
Expected benefit payments	(4,482,742)	(3,715,897)	(4,903,618)	(4,556,574)
Change in plan fiduciary net position	1,216,057	(9,496,679)	10,489,947	4,557,859
Fiduciary trust net position, beginning of year	78,584,637	88,081,316	77,591,369	73,033,510
Fiduciary trust net position, end of year (b)	\$ 79,800,694	\$ 78,584,637	\$ 88,081,316	\$ 77,591,369
Net OPEB liability/(asset), ending (a) - (b)	\$ (24,035,117)	\$ (20,110,309)	\$ (29,924,755)	\$ (21,394,081)
Covered payroll	\$ 17,688,028	\$ 15,556,733	\$ 3,338,594	\$ 4,048,300
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	143%	134%	151%	138%
Net OPEB asset as a percentage of covered payroll	-136%	-129%	-896%	-528%

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2024

	2020	2019	2018
Total OPEB liability			
Service cost	\$ 93,763	\$ 246,894	\$ 240,286
Interest	3,049,607	3,193,452	3,314,416
Changes of benefit terms	1,298,612	-	-
Experience gains/losses	372,665	-	-
Assumption changes	7,585,302	-	-
Benefit payments	(4,607,055)	(7,009,091)	(4,145,664)
Other	-	-	-
Net change in total OPEB liability	7,792,894	(3,568,745)	(590,962)
Total OPEB liability, beginning of year	53,036,551	56,605,296	57,196,258
Total OPEB liability, end of year (a)	\$ 60,829,445	\$ 53,036,551	\$ 56,605,296
Plan fiduciary net position			
Employer contributions	\$ 4,607,055	\$ 7,009,091	\$ 19,952,498
Employee contributions	-	-	-
Assumption changes	-	-	-
Investment income	4,970,291	3,812,227	5,349,830
Investment gains/losses	-	831,119	-
Administrative expense	(58,370)	(73,833)	(43,646)
Expected benefit payments	(4,607,055)	(7,009,091)	(4,145,664)
Change in plan fiduciary net position	4,911,921	4,569,513	21,113,018
Fiduciary trust net position, beginning of year	68,121,589	63,552,076	42,439,058
Fiduciary trust net position, end of year (b)	\$ 73,033,510	\$ 68,121,589	\$ 63,552,076
Net OPEB liability/(asset), ending (a) - (b)	\$ (12,204,065)	\$ (15,085,038)	\$ (6,946,780)
Covered payroll	\$ 3,373,439	\$ 3,612,127	\$ 4,868,772
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	120%	128%	112%
Net OPEB asset as a percentage of covered payroll	-362%	-418%	-143%

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS – OPEB
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022	2021
Actuarially determined contribution	\$ 4,288,477	\$ 4,195,207	\$ 3,715,897	\$ 4,720,562
Contributions in relations to the actuarially determined contribution	-	-	-	-
Contribution deficiency (excess)	\$ 4,288,477	\$ 4,195,207	\$ 3,715,897	\$ 4,611,710
Covered-employee payroll	\$ 17,688,028	\$ 15,556,733	\$ 3,338,594	\$ 4,048,300
Contribution as a percentage of covered-employee payroll	24.25%	26.97%	111.30%	116.61%

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

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

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024

	Reporting Fiscal Year (Measurement Date)				
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
CalSTRS					
District's proportion of the net pension liability	0.0877%	0.0911%	0.0883%	0.0899%	0.0835%
District's proportionate share of the net pension liability	\$ 66,817,610	\$ 63,320,208	\$ 40,188,068	\$ 87,145,766	\$ 75,449,446
State's proportionate share of the net pension liability associated with the District	32,014,774	31,710,946	20,221,498	44,923,289	41,163,042
Total	<u>\$ 98,832,384</u>	<u>\$ 95,031,154</u>	<u>\$ 60,409,566</u>	<u>\$ 132,069,055</u>	<u>\$ 116,612,488</u>
District's covered - employee payroll	\$ 61,284,048	\$ 53,032,033	\$ 50,748,345	\$ 50,200,551	\$ 50,748,345
District's proportionate share of the net pension liability as percentage of covered-employee payroll	109.0%	119.4%	79.2%	173.6%	148.7%
Plan fiduciary net position as a percentage of the total pension liability	80.6%	81.0%	87.2%	71.8%	72.6%

	Reporting Fiscal Year (Measurement Date)				
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
CalPERS					
District's proportion of the net pension liability	0.2060%	0.2428%	0.2540%	0.2450%	0.2380%
District's proportionate share of the net pension liability	\$ 74,579,836	\$ 83,548,018	\$ 51,587,699	\$ 75,166,828	\$ 69,368,281
District's covered - employee payroll	\$ 41,936,857	\$ 40,000,000	\$ 37,504,315	\$ 38,647,034	\$ 37,504,315
District's proportionate share of the net pension liability as percentage of covered-employee payroll	177.8%	208.9%	137.6%	194.5%	185.0%
Plan fiduciary net position as a percentage of the total pension liability	70.0%	70.0%	81.0%	70.0%	70.0%

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024

	Reporting Fiscal Year (Measurement Date)				
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
CalSTRS					
District's proportion of the net pension liability	0.080%	0.075%	0.076%	0.074%	0.077%
District's proportionate share of the net pension liability	\$ 73,873,279	\$ 69,615,249	\$ 61,116,464	\$ 49,594,453	\$ 44,819,057
State's proportionate share of the net pension liability associated with the District	42,295,906	41,184,129	34,792,513	26,229,999	27,063,682
Total	\$ 116,169,185	\$ 110,799,378	\$ 95,908,977	\$ 75,824,452	\$ 71,882,739
District's covered - employee payroll	\$ 48,313,016	\$ 44,605,842	\$ 41,111,669	\$ 36,540,969	\$ 37,592,038
District's proportionate share of the net pension liability as percentage of covered-employee payroll	153%	156%	149%	136%	119%
Plan fiduciary net position as a percentage of the total pension liability	71%	69%	70%	74%	77%

	Reporting Fiscal Year (Measurement Date)				
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
CalPERS					
District's proportion of the net pension liability	0.234%	0.214%	0.204%	0.211%	0.229%
District's proportionate share of the net pension liability	\$ 62,479,452	\$ 51,165,618	\$ 40,277,100	\$ 31,094,903	\$ 26,012,297
District's covered - employee payroll	\$ 34,841,561	\$ 37,300,936	\$ 27,151,548	\$ 24,418,785	\$ 26,116,643
District's proportionate share of the net pension liability as percentage of covered-employee payroll	179%	137%	148%	127%	100%
Plan fiduciary net position as a percentage of the total pension liability	71%	72%	74%	79%	83%

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS – PENSIONS
FOR THE YEAR ENDED JUNE 30, 2024

CalSTRS	Reporting Fiscal Year				
	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 11,174,011	\$ 10,369,261	\$ 8,973,020	\$ 8,107,389	\$ 8,677,967
District's contributions in relation to the statutorily required contribution	11,174,011	10,369,261	8,973,020	8,107,389	8,677,967
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 58,502,675	\$ 61,284,048	\$ 53,032,033	\$ 50,200,551	\$ 50,748,345
District's contributions as a percentage of covered-employee payroll	19.10%	16.92%	16.92%	16.15%	17.10%
CalPERS	Reporting Fiscal Year				
	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 11,635,475	\$ 9,607,734	\$ 9,164,000	\$ 7,999,936	\$ 7,395,851
District's contributions in relation to the statutorily required contribution	11,635,475	9,607,734	9,164,000	7,999,936	7,395,851
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 43,611,226	\$ 41,936,857	\$ 40,000,000	\$ 38,647,034	\$ 37,504,315
District's contributions as a percentage of covered-employee payroll	26.68%	22.91%	22.91%	20.70%	19.72%

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF CONTRIBUTIONS – PENSIONS
FOR THE YEAR ENDED JUNE 30, 2024

CalSTRS	Reporting Fiscal Year				
	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 7,865,359	\$ 6,436,623	\$ 5,171,848	\$ 3,920,846	\$ 3,338,173
District's contributions in relation to the statutorily required contribution	7,865,359	6,436,623	5,171,848	3,920,846	3,338,173
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 48,313,016	\$ 44,605,842	\$ 41,111,669	\$ 36,540,969	\$ 37,592,038
District's contributions as a percentage of covered-employee payroll	16.28%	14.43%	12.58%	10.73%	8.88%
CalPERS	Reporting Fiscal Year				
	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 6,292,386	\$ 5,181,100	\$ 3,771,350	\$ 2,893,626	\$ 2,987,744
District's contributions in relation to the statutorily required contribution	6,292,386	5,181,100	3,771,350	2,893,626	2,987,744
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 34,841,561	\$ 37,300,936	\$ 27,151,548	\$ 24,418,785	\$ 26,116,643
District's contributions as a percentage of covered-employee payroll	18.06%	13.89%	13.89%	11.85%	11.44%

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios

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

Schedule of Contributions – OPEB

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

Schedule of Proportionate Share of the Net Pension Liability

This schedule presents information on the District's proportionate share of the net pension liability (NPL), the plans' fiduciary net positions and, when applicable, the State's proportionate share of the NPL associated with the District.

Schedule of Contributions – Pensions

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

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuation for either CalSTRS or CalPERS.

Changes in Assumptions

There were no changes in discount rate since the previous valuation for either CalSTRS and CalPERS.

SUPPLEMENTARY INFORMATION

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
DISTRICT ORGANIZATION
JUNE 30, 2024

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

GOVERNING BOARD		
MEMBER	OFFICE	TERM EXPIRES
Anne Kepner	President	2026
Robert Owens	Vice President	2024
Susan Fish	Member	2026
Adrienne Grey	Member	2024
Randi Kinman	Member	2024
Mary-Lynne Bernald	Member	2024 (provisional)
Karl Watanabe	Member	2024
Abdullah Rayees	Student Trustee MC	2025
Amrita Gopal	Student Trustee WVC	2025

DISTRICT ADMINISTRATION		
Bradley J. Davis <i>Chancellor</i>		
Jennifer Taylor-Mendoza <i>President, West Valley College</i>	Seher Awan <i>President, Mission College</i>	
Dan Borges <i>Vice Chancellor, Information and Education Technology</i>	Terrance DeGray <i>Vice Chancellor, Facilities Development and Operations</i>	
Ngoc Chim <i>Vice Chancellor, Finance and Administration</i>	Eric Ramones <i>Vice Chancellor, Human Resources</i>	
Chris Rolan <i>Vice Chancellor, Public Health and Safety/ Police Chief</i>	Melissa Johns <i>Associate Vice Chancellor, Advancement</i>	
John Vlahos <i>Associate Vice Chancellor, Intercollegiate Athletics</i>	Cade Story-Yetto <i>Chief of Staff</i>	

AUXILIARY ORGANIZATIONS IN GOOD STANDING		
AUXILIARY NAME	DIRECTOR'S NAME	ESTABLISHMENT AND MASTER AGREEMENT DATE
West Valley-Mission Community College Foundation	Bradley J. Davis, Director, Chancellor WVMCCD	Organized as an auxiliary organization in 1995 and has a signed master agreement dated September 7, 2018.
Mission-West Valley Land Corporation	Ngoc Chim, Director, Vice Chancellor WVMCCD	Organized as an auxiliary organization in 1985.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Number	Program Revenues				Total Program Expenditures	
			Cash Received	Accounts Receivable	Deferred Revenue	Total Revenue		
U.S. DEPARTMENT OF EDUCATION								
Student Financial Aid Cluster								
Pell Grant	84.063	[1]	\$ 8,478,180	\$ 915,800	\$ -	\$ 9,393,980	\$ 9,393,980	
Supplemental Educational Opportunity Grant (SEOG)	84.007	[1]	222,882	-	301	222,581	222,581	
Federal Work Study Program	84.033	[1]	267,072	3,058	-	270,130	270,130	
Federal Direct Student Loans	84.268	[1]	331,900	32,256	-	364,156	364,156	
Student Financial Aid Administration Allowance	85.063	[1]	48,048	15,775	30,738	33,085	33,085	
Student Financial Aid Veteran Admin	85.063	[1]	6,461	-	881	5,580	5,580	
TRIO Project - ACCESS	84.042A	[1]	791,232	44,197	-	835,429	835,429	
Higher Education - Institutional Aid (AANAPIS) - STEMlink	84.031L	[1]	357,898	9,915	-	367,813	367,813	
Higher Education - Institutional Aid (HSI) - STEMlink	84.031C	[1]	715,826	9,787	-	725,613	725,613	
Higher Education Emergency Relief Funds (HEERF)								
COVID-19 HEERF III ARP - Student Aid	84.425E	[2]	253,132	-	-	253,132	253,132	
COVID-19 HEERF II CRRSA Act - Institutional	84.425F	[2]	85,486	26,448	-	111,934	111,934	
COVID-19 HEERF III ARP - Institutional	84.425F	[2]	463,023	12,859	-	475,882	475,882	
COVID-19 HEERF CARES Act - Minority Serving Institutions	84.425L	[2]	159,328	350	-	159,678	159,678	
Pass-Through California State Chancellor's Office								
Perkins, Title I-C	84.048	[1]	4,280	341,220	-	345,500	345,500	
			12,184,748	1,411,665	31,920	13,564,493	13,564,493	
U.S. DEPARTMENT OF TREASURY								
Pass-Through California State Chancellor's Office								
State Fiscal Recovery Fund - Emergency Financial Assistance	21.027	[2]	142,690	-	-	142,690	142,690	
U.S. DEPARTMENT OF AGRICULTURE								
Pass-Through California Department of Education								
Child and Adult Care Food Program	10.558	[2]	43,552	-	-	43,552	43,552	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Pass-Through California State Chancellor's Office								
Temporary Assistance to Needy Families (TANF)	93.558	[2]	52,632	16,620	-	69,252	69,252	
Pass-Through Santa Clara County								
CalWORKS	93.558	[2]	147,647	10,353	-	158,000	158,000	
Title IV-E	93.658	[2]	190,542	-	190,542	-	-	
Title IV-E - Foster and Kinship Care Education	93.658	[2]	15,355	-	15,355	-	-	
			406,176	26,973	205,897	227,252	227,252	
NATIONAL SCIENCE FOUNDATION								
Student Opportunity in Avian Research (SOAR)	47.076	[2]	-	6,100	-	6,100	6,100	
Total			\$ 12,777,166	\$ 1,444,738	\$ 237,817	\$ 13,984,087	\$ 13,984,087	

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Program	Program Revenues				Total Program Expenditures
	Cash Received	Accounts Receivable	Deferred Revenue	Total Revenue	
Lottery - Restricted	\$ 1,981,840	\$ 459,555	\$ 1,954,186	\$ 487,209	\$ 487,209
Technology & Data Security - one time	356,001	-	349,356	6,645	6,645
Technology & Data Security - on going	422,600	-	88,737	333,863	333,863
State Financial Aid 2%	134,574	-	94,341	40,233	40,233
Learning-Aligned Employment Program	1,513,894	-	-	1,513,894	281,703
Human Resources Staff Diversity	335,717	-	279,625	56,092	56,092
Equal Employment Opportunity (EEO) Best Practices	200,673	-	69,345	131,328	131,328
Culturally Competent Faculty Professional Development	339,791	-	328,410	11,381	11,381
Library Service Platform	11,550	-	11,550	-	-
Economic & Workforce Development (EWD) CA Apprenticeship Intern	158	-	-	158	158
Silicon Valley Engineering Tech Pathways	8,978	-	-	8,978	8,978
Wellness Vending Machines	15,000	-	5,020	9,980	9,980
Asian American Native Hawaii Pacific Island	560,594	-	482,165	78,429	78,429
Adult Education Program	744,945	-	255,520	489,425	489,425
Instructional Block Grant & State Scheduled Maintenance	5,335,816	-	1,525,255	3,810,561	3,810,561
Basic Needs Centers	1,105,367	-	588,988	516,379	516,379
Student Food/Housing Support	1,071,976	-	766,969	305,007	305,007
Veteran's Resource Center	136,223	-	45,543	90,680	90,680
Veteran's Resource Center - One Time	15,555	-	-	15,555	15,555
Guided Pathways	463,947	-	257,906	206,041	206,041
Financial Aid Technology	235,880	-	227,475	8,405	8,405
California College Promise (AB19)	2,320,689	-	956,932	1,363,757	1,363,757
Middle College Highschool Program	217,508	-	-	217,508	217,508
Extended Opportunity Programs and Services (EOPS)	2,201,739	-	143,606	2,058,133	2,058,133
Cooperative Agencies Resources for Education (CARE)	265,358	-	19,562	245,796	245,796
Disabled Students Programs and Services (DSPS)	3,032,180	-	790,925	2,241,255	2,241,255
CalWORKs	455,866	-	104,856	351,010	351,010
Student Equity and Achievement Program (SEAP)	6,111,938	-	1,288,578	4,823,360	4,823,360
NextUp	536,506	-	154,355	382,151	382,151
Strong Workforce Program	4,139,365	630,864	1,642,238	3,127,991	3,127,991
Rising Scholars Network	211,797	144,120	-	355,917	355,917
Nursing Enrollment Growth & Retention	119,210	-	-	119,210	119,210
Math, Engineering & Science Achievement (MESA) FSS Grant	1,565,883	-	1,119,018	446,865	446,865
Board of Financial Assistance Program (BFAP)	587,344	-	91,177	496,167	496,167
California Apprenticeship Initiative (CAI) Child Development	-	42,398	-	42,398	42,398
California Apprenticeship Initiative (CAI) Mechatronics	-	111,305	-	111,305	111,305
Child Development Center - State grant (Tax Bailout)	68,674	-	-	68,674	68,674
Child Development Center - State grant - Title V	890,247	-	-	890,247	890,247
Culturally Responsive Pedagogy & Practices	296,978	-	36,992	259,986	259,986
Puente Project	88,088	-	-	88,088	88,088
LGBTQ+ Support	177,910	-	133,169	44,741	44,741
Innovation and Effectiveness Grant	182,538	-	-	182,538	182,538
Career Technical Education (CTE) Data Unlocked Fund	49,505	-	-	49,505	49,505
Regional Equity Recovery Partnership	74,034	-	39,227	34,807	34,807
Student Success Completion Grant	2,320,824	-	160,090	2,160,734	2,160,734
Mental Health Program	762,335	-	364,334	398,001	398,001
Umoja Program	375,090	-	262,123	112,967	112,967
Classified Professional Development	48,590	-	23,416	25,174	25,174
COVID-19 Recovery Block Grant	6,226,027	-	3,478,387	2,747,640	2,747,640
Dreamer Resource Liaison Support	479,526	-	275,338	204,188	204,188
Retention & Enrollment Outreach	1,110,868	-	314,842	796,026	796,026
California Apprenticeship Initiative (CAI) High Road Training	-	-	-	-	-
California Apprenticeship Initiative (CAI) Apprenticeship Transit	-	117,828	-	117,828	117,828
Zero Textbook Cost (ZTC)	875,000	-	792,527	82,473	82,473
California Learning Lab - Discrete Math	-	33,479	-	33,479	33,479
Equitable Placement & Completion	735,517	-	715,871	19,646	19,646
Seamless Transfer of Ethnic Studies	97,390	-	86,545	10,845	10,845
Student Transfer Achievement Reform Act	1,130,434	-	1,124,950	5,484	5,484
Adult Education English Language Learner Healthcare Pathways	-	11,343	-	11,343	11,343
African American Male Education Network Development (A2MEND)	41,886	-	41,886	-	-
Cal Grant A, B, C	1,429,831	12,212	-	1,442,043	1,442,043
Emergency Financial Assistance	115,338	-	114,338	1,000	1,000
Chafee Grant	32,338	-	4,167	28,171	28,171
Subtotal	\$ 54,365,430	\$ 1,563,104	\$ 21,609,840	\$ 34,318,694	\$ 33,086,503

See accompanying note to supplementary information.

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT –
ANNUAL/ACTUAL ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2024

CATEGORIES	Reported Data	Audit Adjustments	Audited Data
A. Summer Intersession (Summer 2023 only)			
1. Noncredit	169.89	-	169.89
2. Credit	1,182.22	-	1,182.22
B. Summer Intersession (Summer 2024 - Prior to July 1, 2024)			
1. Noncredit	0.33	-	0.33
2. Credit	4.37	-	4.37
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	4,524.88	-	4,524.88
(b) Daily Census Contact Hours	334.03	-	334.03
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	716.02	-	716.02
(b) Credit	45.93	-	45.93
3. Independent Study/Work Experience			
(a) Weekly Census Contact Hours	2,841.55	-	2,841.55
(b) Daily Census Contact Hours	1,365.07	-	1,365.07
(c) Noncredit Independent Study/Distance Education Courses	139.69	-	139.69
D. Total FTES	11,323.98	-	11,323.98
Supplemental Information (subset of above information)			
E. In-service Training Courses	-	-	-
F. Basic Skills Courses and Immigrant Education			
1. Credit	138.82	-	138.82
2. Noncredit	175.18	-	175.18
Total Basic Skills FTES	314.00	-	314.00

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF THE EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2024

		Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/ TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Academic Salaries</u>							
Instructional Salaries							
Contract or Regular	1100	29,263,327	-	29,263,327	29,263,327	-	29,263,327
Other	1300	25,612,211	-	25,612,211	25,612,211	-	25,612,211
Total Instructional Salaries		54,875,538	-	54,875,538	54,875,538	-	54,875,538
Non-Instructional Salaries							
Contract or Regular	1200	-	-	-	14,354,851	-	14,354,851
Other	1400	-	-	-	1,257,941	-	1,257,941
Total Non-Instructional Salaries		-	-	-	15,612,792	-	15,612,792
Total Academic Salaries		54,875,538	-	54,875,538	70,488,330	-	70,488,330
<u>Classified Salaries</u>							
Non-Instructional Salaries							
Regular Status	2100	-	-	-	26,139,486	-	26,139,486
Other	2300	-	-	-	1,301,099	-	1,301,099
Total Non-Instructional Salaries		-	-	-	27,440,585	-	27,440,585
Instructional Aides							
Regular Status	2200	1,295,052	-	1,295,052	1,295,052	-	1,295,052
Other	2400	695,811	-	695,811	695,811	-	695,811
Total Instructional Aides		1,990,863	-	1,990,863	1,990,863	-	1,990,863
Total Classssified Salaries		1,990,863	-	1,990,863	29,431,448	-	29,431,448
Employee Benefits	3000	19,976,835	-	19,976,835	41,564,078	-	41,564,078
Supplies and Materials	4000	-	-	-	1,172,397	-	1,172,397
Other Operating Expenses	5000	-	-	-	11,684,853	-	11,684,853
Equipment Replacement	6420	-	-	-	-	-	-
Total Expenditures Prior to Exclusions		76,843,236	-	76,843,236	154,341,106	-	154,341,106

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF THE EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2024

		Activity (ESCA) ECS 84362 A Instructional Salary Cost AC 0100-5900 & AC 6100			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
	Object/ TOP Codes	Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Exclusions</u>							
Activities to Exclude							
Inst. Staff-Retirees' Benefits and Incentives	5900	-	-	-	527,019	-	527,019
Std. Health Svcs. Above Amount Collected	6441	-	-	-	962,514	-	962,514
Student Transportation	6491	-	-	-	15,602	-	15,602
Non-inst.Staff-Retirees' Benefits and Incentives	6740	-	-	-	851,862	-	851,862
Object to Exclude							
Rents and Leases	5060	-	-	-	67,897	-	67,897
Lottery Expenditures							
Academic Salaries	1000	-	-	-	2,039,684	-	2,039,684
Classified Salaries	2000	-	-	-	-	-	-
Employee Benefits	3000	-	-	-	440,123	-	440,123
Supplies and Materials	4000						
Software	4100	-	-	-	-	-	-
Books, Magazines & Periodicals	4200	-	-	-	-	-	-
Instructional Supplies & Materials	4300	-	-	-	-	-	-
Non-inst. Supplies & Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other Operating Expenses and Services	5000	-	-	-	-	-	-
Capital Outlay	6000						
Library Books	6300	-	-	-	-	-	-
Equipment	6400						
Equipment - Additional	6410	-	-	-	-	-	-
Equipment - Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	-	-	-	-
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		\$ -	\$ -	\$ -	\$ 4,904,701	\$ -	\$ 4,904,701
Total for ECS 84362, 50% Law		\$ 76,843,236	\$ -	\$ 76,843,236	\$ 149,436,405	\$ -	\$ 149,436,405
Percent of CEE (Instructional Salary Cost/Total CEE)		51.42%	0.00%	51.42%	100.00%	0.00%	100.00%
50% of Current Expense of Education		\$ -	\$ -	\$ -	\$ 74,718,203	\$ -	\$ 74,718,203

See accompanying note to supplementary information.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
PROPOSITION 30 EDUCATION PROTECTION ACCOUNT EXPENDITURE REPORT
FOR THE YEAR ENDED JUNE 30, 2024**

EPA Revenue	\$ 1,105,808
-------------	--------------

Activity Classification	Activity Code	Salaries and Benefits	Operating Expenses	Capital Outlay	Total
		(Obj 1000-3000)	(Obj 4000-5000)	(Obj 6000)	
Instructional Activities	0100-5900	\$ 1,105,808	\$ -	\$ -	\$ 1,105,808
Total		\$ 1,105,808	\$ -	\$ -	\$ 1,105,808

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
RECONCILIATION OF FUND EQUITY TO NET POSITION
JUNE 30, 2024

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

General Fund	\$	121,391,899	
Capital Projects Fund		258,739,859	
Special Revenue Funds		1,355,952	
Debt Service Funds		62,170,405	
Enterprise Funds		5,812,896	
Student Trust Funds		1,687,072	
Student Financial Aid Fund		15,000	\$ 451,173,083

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

Nondepreciable capital assets	\$	96,906,758	
Depreciable capital assets		842,535,282	
Accumulated depreciation		(240,755,324)	
Lease receivable		1,090,233	
Intangible right of use assets		74,405	
Accumulated amortization		(44,750)	699,806,604

Net OPEB Asset 24,035,117

Unmatured Interest (12,052,791)

FMV of Cash in County Adjustment (7,930,059)

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

Deferred outflows related to bond refundings	3,875,743
Deferred outflows related to OPEB	9,158,761
Deferred outflows related to pensions	45,461,598

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

General obligation bonds	\$	663,040,000	
Lease revenue bonds		2,520,000	
Premiums, net		56,809,037	
Compensated absences		26,542,438	
Lease liability		31,805	
Net pension liability		141,397,446	(890,340,726)

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

Deferred charges on refunding	(4,403,273)
Deferred inflows related to leases	(1,031,970)
Deferred inflows related to OPEB	(2,518,490)
Deferred inflows related to pensions	(16,158,250)

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

\$ 299,075,347

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 - PURPOSE OF SCHEDULES

District Organization

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

Schedule of Expenditures of Federal Awards

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

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

	Assistance Listing Number	Amount
Total Federal Revenues From the Statements of Revenues, Expenditures and Changes in Fund Balance		\$ 14,049,975
Fund Balance	N/A	(29,608)
Total Schedule of Expenditures of Federal Awards		<u>\$ 14,020,367</u>

Schedule of Expenditures of State Awards

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

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 - PURPOSE OF SCHEDULES, continued

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

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

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

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

Proposition 30 Education Protection Account Expenditure Report

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

Reconciliation of Fund Equity to Net Position

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

OTHER INDEPENDENT AUDITORS' REPORTS



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the financial statements of the business-type activities, the aggregate discretely presented component units, and the aggregate remaining fund information of West Valley-Mission Community College District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 21, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.



San Diego, California
October 21, 2024



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited West Valley-Mission Community College District's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2024. The District's major Federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

CWDL, Certified Public Accountants

San Diego, California
October 21, 2024



INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

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

Report on State Compliance

Opinion on State Compliance

We have audited West Valley-Mission Community College District's (the District) compliance with the types of compliance requirements as identified in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual* for the year ended June 30, 2024. The applicable state compliance requirements are identified in the table below.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the compliance requirements described in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our responsibilities under those standards and the compliance requirements are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on state compliance with the compliance requirements subject to audit in the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's compliance with the requirements listed in the table below.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed in the table below has occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed. We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance with the requirements listed in the table below that we identified during the audit.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any material noncompliance with the requirements listed in the table below that we identified during the audit.

Compliance Requirements Tested

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

Section 411 – SCFF Data Management Control Environment
Section 412 – SCFF Supplemental Allocation Metrics
Section 413 – SCFF Success Allocation Metrics
Section 421 – Salaries of Classroom Instructors (50 Percent Law)
Section 423 – Apportionment for Activities Funded From Other Sources
Section 424 – Student Centered Funding Formula Base Allocation: FTES
Section 425 – Residency Determination for Credit Courses
Section 426 – Students Actively Enrolled
Section 427 – Dual Enrollment (CCAP)
Section 430 – Scheduled Maintenance Program
Section 431 – Gann Limit Calculation
Section 444 – Apprenticeship Related and Supplemental Instruction (RSI) Funds
Section 475 – Disabled Student Programs and Services (DSPS)
Section 490 – Propositions 1D and 51 State Bond Funded Projects
Section 491 – Education Protection Account Funds
Section 492 – Student Representation Fee
Section 494 – State Fiscal Recovery Fund
Section 499 – COVID-19 Response Block Grant Expenditures

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing over state laws and regulations based on the requirements described in 2023-24 California Community Colleges Chancellor's Office *Contracted District Audit Manual*. Accordingly, this report is not suitable for any other purpose.



San Diego, California
October 21, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024

Section I – Schedule of Audit Findings and Questioned Costs

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

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

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.007, 84.268, 84.033 84.063</u>	<u>Student Financial Aid Cluster</u>
<u>84.031L, 84.031C</u>	<u>Higher Education - Institutional Aid</u>

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

STATE AWARDS

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

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

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

There were no financial statement findings or recommendations identified during 2023-24.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section III – Federal Award Findings and Questioned Costs

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

There were no federal award findings or questioned costs identified during 2023-24.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section IV – State Award Findings and Questioned Costs

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

There were no state award findings or questioned costs identified during 2023-24.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

This section identifies the audit findings and questioned related to the basic financial statements, federal awards or state awards for prior year.

FINDING #2023-001: 444 – APPRENTICESHIP RELATED AND SUPPLEMENTAL INSTRUCTION (RSI) FUNDS

Criteria or Specific Requirement:

Education Code Section 8152.5 states, "The Controller shall include instructions necessary to enforce this article [Apprenticeship Education] in the audit guide required by Section 14502.1. The instructions shall include, but not necessarily be limited to, procedures for verifying if the hours for related and supplemental instruction reported to each local educational agency by a participating apprenticeship program sponsor, pursuant to Section 8152, are eligible for reimbursement pursuant to Section 8152." Consequently, the audit guide requires auditors to "Select a representative sample of students and verify the hours claimed for RSI, as reported by a participation apprenticeship program sponsor pursuant to Education Code sections 8150.5, 8152, and 79149.3, are eligible for reimbursement, by tracing the hours reported for reimbursement to source documents (i.e. student sign in sheets)."

Condition:

During our review of student sign in sheets, it was noted that students were receiving credit on days in which a student was absent or otherwise did not sign in. We noted there were no make-up days to offset student absences.

Questioned Costs:

None. The District has reviewed all rosters and updated the Apprenticeship Attendance Report to ensure the undocumented hours are not claimed.

Context:

We noted 4 instances in our 25 student selections.

Effect:

Overstatement of apprenticeship hours claimed.

Cause:

Oversight from the District's third-party Apprenticeship partners which must either require students to make up absent hours or otherwise not report absent hours.

Recommendation:

It is recommended that the District review the methods used to obtain and review Apprenticeship attendance information from its third-party program partners, including tracking of absences and make-ups.

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024**

**FINDING #2023-001: 444 – APPRENTICESHIP RELATED AND SUPPLEMENTAL INSTRUCTION (RSI)
FUNDS, continued**

Management's Response and Corrective Action Plan:

Management has noted the finding and will evaluate the current methods used to obtain and validate Apprenticeship attendance information and will initiate procedures to actively monitor attendance hours in conjunction with the program operator focusing on the reconciliation of missed and make-up hours. Management will initiate an enrollment and attendance review at the completion of each segment of this Apprenticeship program and revise the RSI actual hours in the 23/24 recalculation attendance report which will be submitted to the State by November 1, 2023

Current Status:

Implemented in 2023-24.

UNAUDITED SUPPLEMENTARY INFORMATION

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEETS
JUNE 30, 2024

	General Fund Unrestricted	General Fund Restricted	General Obligation Bonds Debt Service Fund	Retiree Health Benefits Fund	Lease Revenue Bond Debt Service Fund	Child Development Fund	Capital Outlay Projects Fund	General Obligation Bond Fund
ASSETS								
Cash and equivalents	\$ 123,432,363	\$ 23,865,966	\$ 49,269,121	\$ 11,506,372	\$ 1,366,569	\$ 1,379,394	\$ 45,932,667	\$ 210,005,624
Accounts receivable, net	6,974,563	2,962,060	287,146	25,000	39,757	6,140	9,597,586	2,092,896
Prepaid assets	1,559,846	44,246	-	36,512	-	-	44,246	-
Total Assets	\$ 131,966,772	\$ 26,872,272	\$ 49,556,267	\$ 11,567,884	\$ 1,406,326	\$ 1,385,534	\$ 55,574,499	\$ 212,098,520
LIABILITIES								
Accounts payable and accrued expenses	\$ 6,343,270	\$ 1,909,453	\$ -	\$ 360,072	\$ -	\$ 29,582	\$ 757,129	\$ 7,153,197
Deferred revenue	5,775,506	22,484,877	-	-	-	-	1,022,834	-
Compensated absences	934,039	-	-	-	-	-	-	-
Total Liabilities	13,052,815	24,394,330	-	360,072	-	29,582	1,779,963	7,153,197
FUND EQUITY								
Restricted	-	2,477,942	49,556,267	11,207,812	1,406,326	1,355,952	53,794,536	204,945,323
Unrestricted	118,913,957	-	-	-	-	-	-	-
Total Fund Equity	118,913,957	2,477,942	49,556,267	11,207,812	1,406,326	1,355,952	53,794,536	204,945,323
Total Liabilities and Fund Equity	\$ 131,966,772	\$ 26,872,272	\$ 49,556,267	\$ 11,567,884	\$ 1,406,326	\$ 1,385,534	\$ 55,574,499	\$ 212,098,520

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEETS
JUNE 30, 2024

	Community Education Workforce and Economic Development Fund	Entrepreneurial Funds	Student Financial Aid Fund	Associated Students Trust Funds	Student Rep Fee Trust Fund	Student Body Center Fee Trust Fund	Total
ASSETS							
Cash and equivalents	\$ 2,386,594	\$ 3,324,642	\$ (826,462)	\$ 802,248	\$ 93,085	\$ 858,373	\$ 473,396,556
Accounts receivable, net	99,589	83,569	960,268	-	11,644	59,315	23,199,533
Prepaid assets	-	-	-	-	-	-	1,684,850
Total Assets	\$ 2,486,183	\$ 3,408,211	\$ 133,806	\$ 802,248	\$ 104,729	\$ 917,688	\$ 498,280,939
LIABILITIES							
Accounts payable and accrued expenses	\$ 21,308	\$ 58,490	\$ -	\$ 2,143	\$ 22,291	\$ -	\$ 16,656,935
Deferred revenue	1,700	-	118,806	-	21,108	92,051	29,516,882
Compensated absences	-	-	-	-	-	-	934,039
Total Liabilities	23,008	58,490	118,806	2,143	43,399	92,051	47,107,856
FUND EQUITY							
Restricted	-	-	-	-	-	-	324,744,158
Unrestricted	2,463,175	3,349,721	15,000	800,105	61,330	825,637	126,428,925
Total Fund Equity	2,463,175	3,349,721	15,000	800,105	61,330	825,637	451,173,083
Total Liabilities and Fund Equity	\$ 2,486,183	\$ 3,408,211	\$ 133,806	\$ 802,248	\$ 104,729	\$ 917,688	\$ 498,280,939

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund Unrestricted	General Fund Restricted	General Obligation Bonds Debt Service Fund	Retiree Health Benefits Fund	Lease Revenue Bond Debt Service Fund	Child Development Fund	Capital Outlay Projects Fund	General Obligation Bond Fund
REVENUES								
Federal	\$ 5,209	\$ 3,278,090	\$ -	\$ -	\$ 79,513	\$ 43,552	\$ -	\$ -
State	14,197,706	27,939,186	110,934	-	-	890,247	18,041,913	-
Local	184,365,231	5,298,236	53,553,981	456,972	70,530	467,898	8,141,778	7,781,916
Total Revenues	198,568,146	36,515,512	53,664,915	456,972	150,043	1,401,697	26,183,691	7,781,916
EXPENDITURES								
Academic salaries	71,397,307	4,866,690	-	-	-	-	-	-
Classified salaries	32,007,148	10,081,508	-	-	-	1,662,005	126,850	1,292,401
Employee benefits	43,193,150	4,449,089	-	4,713,389	-	762,611	57,933	585,105
Supplies and materials	1,200,124	2,115,249	-	-	-	120,318	32,797	-
Other operating expenses	12,343,783	7,714,816	-	67,915	-	5,090	1,363,459	969,194
Capital outlay	545,735	2,554,534	-	-	-	-	20,099,122	29,073,530
Debt Service - Principal	-	-	31,280,000	-	5,640,000	-	-	-
Debt Service - Interest and other issuance costs	10,100	-	29,651,668	-	435,645	-	-	4,125
Total Expenditures	160,697,347	31,781,886	60,931,668	4,781,304	6,075,645	2,550,024	21,680,161	31,924,355
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	37,870,799	4,733,626	(7,266,753)	(4,324,332)	(5,925,602)	(1,148,327)	4,503,530	(24,142,439)
OTHER FINANCING SOURCES (USES)								
Operating transfer in	-	2,145,714	-	4,324,331	6,249,595	1,148,327	10,042,772	-
Operating transfer out	(23,853,316)	(91,498)	-	-	-	-	-	-
Other sources	83,950	-	-	-	-	-	44,200	-
Other uses	(772,896)	(6,924,711)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(24,542,262)	(4,870,495)	-	4,324,331	6,249,595	1,148,327	10,086,972	-
NET CHANGE IN FUND BALANCE	13,328,537	(136,869)	(7,266,753)	(1)	323,993	-	14,590,502	(24,142,439)
FUND BALANCE - BEGINNING	105,585,420	2,614,811	56,823,020	11,207,813	1,082,333	1,355,952	39,204,034	229,087,762
FUND BALANCE - ENDING	\$ 118,913,957	\$ 2,477,942	\$ 49,556,267	\$ 11,207,812	\$ 1,406,326	\$ 1,355,952	\$ 53,794,536	\$ 204,945,323

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2024

	Community Education Workforce and Economic Development Fund	Entrepreneurial Funds	Student Financial Aid Fund	Associated Students Trust Funds	Student Rep Fee Trust Fund	Student Body Center Fee Trust Fund	Total
REVENUES							
Federal	\$ -	\$ -	\$ 10,643,611	\$ -	\$ -	\$ -	14,049,975
State	-	-	1,471,214	-	-	-	62,651,200
Local	1,370,453	1,987,968	-	286,816	44,588	275,802	264,102,169
Total Revenues	1,370,453	1,987,968	12,114,825	286,816	44,588	275,802	340,803,344
EXPENDITURES							
Academic salaries	30,655	1,295	-	-	-	-	76,295,947
Classified salaries	636,589	584,502	246,976	-	-	122,807	46,760,786
Employee benefits	154,952	77,148	-	-	-	54,534	54,047,911
Supplies and materials	33,209	311,258	-	134,977	1,550	214	3,949,696
Other operating expenses	605,385	1,004,654	-	219,324	26,031	21,274	24,340,925
Capital outlay	-	214,162	-	-	-	10,869	52,497,952
Debt Service - Principal	-	-	-	-	-	-	36,920,000
Debt Service - Interest and other issuance costs	-	-	-	-	-	-	30,101,538
Total Expenditures	1,460,790	2,193,019	246,976	354,301	27,581	209,698	324,914,755
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	(90,337)	(205,051)	11,867,849	(67,485)	17,007	66,104	15,888,589
OTHER FINANCING SOURCES (USES)							
Operating transfer in	-	258,963	-	-	-	-	24,169,702
Operating transfer out	-	(167,121)	(31,016)	-	-	(26,751)	(24,169,702)
Other sources	-	-	-	-	-	-	128,150
Other uses	(462)	-	(11,839,892)	-	(22,291)	-	(19,560,252)
Total Other Financing Sources (Uses)	(462)	91,842	(11,870,908)	-	(22,291)	(26,751)	(19,432,102)
NET CHANGE IN FUND BALANCE	(90,799)	(113,209)	(3,059)	(67,485)	(5,284)	39,353	(3,543,513)
FUND BALANCE - BEGINNING	2,553,974	3,462,930	18,059	867,590	66,614	786,284	454,716,596
FUND BALANCE - ENDING	\$ 2,463,175	\$ 3,349,721	\$ 15,000	\$ 800,105	\$ 61,330	\$ 825,637	\$ 451,173,083

**WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
NOTE TO UNAUDITED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - PURPOSE OF SCHEDULES

Fund Financial Statements

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