

HARTNELL COMMUNITY COLLEGE DISTRICT

MEASURE T GENERAL OBLIGATION BONDS

FINANCIAL AUDIT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

**HARTNELL COMMUNITY COLLEGE DISTRICT
MEASURE T GENERAL OBLIGATION BONDS
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Auditor's Responsibility (continued)

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

As discussed in Note 1, the financial statements present only the individual Proposition 39 Bond Building Fund, consisting of the net construction proceeds of the Measure T General Obligation Bonds as issued by the District, through the County of Monterey, and are not intended to present fairly the financial position of the District in conformity with generally accepted accounting principles.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure T General Obligation Bonds of Hartnell Community College District as of June 30, 2019 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20,

FINANCIAL SECTION

**HARTNELL COMMUNITY COLLEGE DISTRICT
MEASURE T GENERAL OBLIGATION BONDS
Balance Sheet
June 30, 2019**

ASSETS

Cash in county treasury	\$	62,352,313
Accounts receivable		336,983

Total Assets		62,689,296
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LIABILITIES AND FUND BALANCE

Liabilities

**HARTNELL COMMUNITY COLLEGE DISTRICT
MEASURE T GENERAL OBLIGATION BONDS
Notes to Financial Statements
June 30, 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Hartnell Community College District (the "District") accounts for the Measure T portion of its Bond Capital Projects Fund's ("Bond Fund") financial transactions in accordance with policies and procedures of the State Chancellor's Office's California Community Colleges Budget and Accounting Manual. The accounting policies of the Bond Fund conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies:

Financial Reporting Entity: The financial statements include only the Measure T portion of Bond Fund Resources of the District. The fund was established to account for the expenditures of general obligation bonds issued under the General Obligation Bonds (Election of 2016, Series A). The authorized issuance amount of the bonds is \$167,000,000. Series A of the bonds were sold in August 2017, for \$70,000,000. These financial statements are not intended to present fairly the financial position

**HARTNELL COMMUNITY COLLEGE DISTRICT
MEASURE T GENERAL OBLIGATION BONDS
Notes to Financial Statements
June 30, 2019**

**OTHER INDEPENDENT
AUDITORS' REPORT**

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Diego, California
September 20, 2019

FINDINGS AND RESPONSES SECTION

**HARTNELL COMMUNITY COLLEGE DISTRICT
MEASURE T GENERAL OBLIGATION BONDS
Schedule of Audit Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2019**

This section identifies the deficiencies, 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 audit findings noted during the 2018-19 year.

**HARTNELL COMMUNITY COLLEGE DISTRICT
MEASURE T GENERAL OBLIGATION BONDS
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2019**

There were no audit findings noted during the 2017-18 year.