

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

**PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE S
FINANCIAL AUDIT**

Fiscal Year Ended June 30, 2005

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

**PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE S
FINANCIAL AUDIT**

June 30, 2005

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
The Citizens' Oversight Committee
Ventura County Community College District
333 Skyway Drive
Camarillo, CA 93010-8552

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

**BALANCE SHEET
BOND CONSTRUCTION FUND**

June 30, 2005

ASSETS

Cash in County Treasury	\$	46,299,648
Interest Receivable		<u>327,900</u>
TOTAL ASSETS	\$	<u>46,627,548</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	\$	<u>1,481,606</u>
TOTAL LIABILITIES		<u>1,481,606</u>

FUND BALANCE

Designated		<u>45,145,942</u>
TOTAL FUND BALANCE		<u>45,145,942</u>
TOTAL LIABILITIES AND FUND BALANCE	\$	<u>46,627,548</u>

See the accompanying notes to the financial statements.

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest Income	\$ 1,163,171	\$ 1,186,068	\$ 22,897
TOTAL REVENUES	<u>1,163,171</u>	<u>1,186,068</u>	<u>22,897</u>
EXPENDITURES			
Classified Salaries	100	100	-

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
BOND CONSTRUCTION FUND**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

ACCOUNTING POLICIES

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants.

FUND STRUCTURE

The Statement of Revenues, Expenditures and Change in Fund Balance is a statement of financial activities of the Bond Construction Fund related to the current reporting period. Expenditures frequently include amounts for land, buildings, equipment, retirement of indebtedness, transfers to other funds, etc. Consequently, this statement does not purport to present the result of operations or the net income or loss for the period as would a statement of income for a profit-type organization.

BASIS OF ACCOUNTING

The Bond Construction Fund of the Ventura County Community College District is maintained on the modified accrual basis of accounting. As such, revenues are recognized when they become susceptible to accrual, which is to say, when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered).

Cash in the County Treasury is recorded at cost, which approximates fair value, in accordance with the requirements of GASB Statement No. 31.

BUDGET

The Statement of Revenues, Expenditures and Change in Fund Balance – Budget and Actual includes a column titled “Budget”. The amounts in this column represent the budget adopted by the Board and all amendments throughout the year.

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
BOND CONSTRUCTION FUND**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2005**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

CAPITAL ASSETS AND LONG-TERM DEBT

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with the Bond Construction Fund are determined by its measurement focus. The Fund is accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered a measure of “available spendable resources”. Thus, the capital assets and long-term liabilities associated with the Bond Construction Fund are accounted for in the basic financial statements of the Ventura County Community College District.

NOTE 2 – PURCHASE COMMITMENTS:

As of June 30, 2005, the District was committed under various capital expenditure purchase agreements for construction and modernization projects totaling approximately \$25,620,000. Projects will be funded through bond proceeds.

NOTE 3 – BONDED DEBT:

On March 5, 2002, the voters authorized the issuance and sale of general obligation bonds totaling \$356,347,814. In August 2002, \$85,000,000 of general obligation bonds were sold under Proposition 39/Measure S which provides that proceeds of the bonds will generally be used to construct, acquire, modernize and equip district facilities, classrooms and sites, including campus, facility and classroom replacement, modernization and seismic retrofit, parking construction and improvements and that bond proceeds will not be used for salaries of school administrators or other operating expenses of the District.

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
BOND CONSTRUCTION FUND**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2005**

There were no findings and questioned costs related to the financial audit of the Bond Construction Fund for the fiscal year ended June 30, 2005.