Financial and Performance Audits
General Obligation Bond Construction Fund (Measure T)
June 30, 2025

West Hills Community College District

FINANCIAL AUDIT

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Financial Audit
General Obligation Bond Construction Fund (Measure T)
June 30, 2025

West Hills Community College District

Independent Auditor's Report

To the Board of Trustees and Citizens' Bond Oversight Committee (CBOC)
West Hills Community College District
Coalinga, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the General Obligation Bond Construction Fund (Measure T) of West Hills Community College District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the General Obligation Bond Construction Fund (Measure T) of West Hills Community College District, as of June 30, 2025, and the change in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the General Obligation Bond Construction Fund (Measure T), and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2025, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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Responsibilities of Management for the Financial Statements

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

Auditor's 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 auditor's report that includes our opinion. 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 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 GAAS 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.

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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2026, on our consideration of the General Obligation Bond Construction Fund (Measure T) 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 General Obligation Bond Construction Fund (Measure T) 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 General Obligation Bond Construction Fund (Measure T) of the District's internal control over financial reporting and compliance.

Eide Bailly LLP

Ontario, California
January 28, 2026

West Hills Community College District
General Obligation Bond Construction Fund (Measure T)
Balance Sheet
June 30, 2025

Assets	
Investments	$ 4,839,530
Accounts receivable	42,230
Total assets	$ 4,881,760
Fund Balance	
Restricted for capital projects	$ 4,881,760

West Hills Community College District
General Obligation Bond Construction Fund (Measure T)
Statement of Revenues, Expenditures, and Change in Fund Balance
Year Ended June 30, 2025

Revenues	
Interest income	$ 148,626
Change in fair market value of investments	196,583
Local revenue	19,914
Total revenues	365,123
Expenditures	
Services and operating expenditures	8,200
Capital outlay	1,122,315
Total expenditures	1,130,515
Deficiency of Revenues over Expenditures	(765,392)
Other Financing Uses	
Operating transfers out	(785,396)
Change in Fund Balance	(1,550,788)
Fund Balance, Beginning of Year	6,432,548
Fund Balance, End of Year	$ 4,881,760

Note 1 - Summary of Significant Accounting Policies

The accounting policies of West Hills Community College District's (the District) General Obligation Bond Construction Fund (Measure T) conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The District's General Obligation Bond Construction Fund (Measure T) accounts for the financial transactions in accordance with the policies and procedures of the California Community College's *Budget and Accounting Manual*.

Financial Reporting Entity

The financial statements include only the General Obligation Bond Construction Fund (Measure T) of the District used to account for Measure T projects. This Fund was established to account for the proceeds and the expenditures of general obligation bonds issued under the General Obligation Bonds Election of November 4, 2014 for the School Facilities Improvement Districts (SFID) #3 -Lemoore. These financial statements are not intended to present fairly the financial position of the District in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

The operations of the General Obligation Bond Construction Fund (Measure T) are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Basis of Accounting

The General Obligation Bond Construction Fund (Measure T) is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenues and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by major object. Expenditures cannot legally exceed appropriations by major object account.

Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances lapse at June 30.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Fund Balance

As of June 30, 2025, the fund balance is classified as follows:

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Note 2 - Investments

Policies and Practices

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

Investment in County Treasury

In accordance with the *Budget and Accounting Manual*, the District maintains substantially all of its cash in the county treasury as part of the common investment pool. The District is considered to be an involuntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the 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. The District's investment in the county treasury is measured at fair value on a recurring basis which is determined by the fair value per share of the underlying portfolio determined by the program sponsor. Positions in the investment pool are not required to be categorized within the fair market hierarchy.

General Authorizations

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

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

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 is to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Fresno County Treasury Investment Pool. The District maintains a General Obligation Bond Construction Fund (Measure T) investment of $4,839,530 with the Fresno County Treasury Investment Pool, with an average maturity of 1.93 years.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the Fresno County Treasury Investment Pool is not required to be rated, nor has it been rated as of June 30, 2025.

Note 3 - Accounts Receivable

Accounts receivable at June 30, 2025, consisted of accrued interest for a total of $42,230.

Note 4 - Interfund Transfer

During the year ended June 30, 2025, the General Obligation Bond Construction Fund (Measure T) transferred $785,396 to the Capital Projects Outlay Fund for reimbursement of construction-related expenditures on approved Measure T projects.

Note 5 - Commitments and Contingencies

Construction Commitments

As of June 30, 2025, the District had committed under various capital expenditure purchase agreements for various projects totaling approximately $205,000 to be funded through general obligation bonds and capital project apportionments from California Community Colleges Chancellor's Office.

Litigation

The District is not currently a party to any legal proceedings related to the General Obligation Bond Construction Fund (Measure T) as of June 30, 2025.

Independent Auditor's Report
General Obligation Bond Construction Fund (Measure T)
June 30, 2025

West Hills Community College District

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

To the Board of Trustees and Citizens' Bond Oversight Committee (CBOC)
West Hills Community College District
Coalinga, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the General Obligation Bond Construction Fund (Measure T) of West Hills Community College District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated January 28, 2026.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the General Obligation Bond Construction Fund (Measure T), and do not purport to, and do not, present fairly the financial position of the District, as of June 30, 2025, or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's General Obligation Bond Construction Fund (Measure T) 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.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Eide Bailly LLP

Ontario, California
January 28, 2026

None reported.

There were no audit findings reported in the prior year's Schedule of Findings and Responses.

Performance Audit
General Obligation Bond Construction Fund (Measure T)
June 30, 2025

West Hills Community College District

Independent Auditor's Report on Performance

To the Board of Trustees and Citizens' Bond Oversight Committee (CBOC)
West Hills Community College District
Coalinga, California

We were engaged to conduct a performance audit of the General Obligation Bond Construction Fund (Measure T) of West Hills Community College District (the District) for the year ended June 30, 2025.

We conducted this performance audit in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States (*Government Auditing Standards*). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Authority/Purpose

The general obligation bonds associated with Measure T were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California *Education Code*, and other applicable provisions of law. The bonds are authorized to be issued by a resolution adopted by the Board of Supervisors of the County, pursuant to a request of the West Hills Community College District made by a resolution adopted by the Board of Trustees of the District.

The District received authorization from an election held on November 4, 2014, to issue bonds of the District in an aggregate principal amount not to exceed $20,000,000 to finance specific construction and renovation projects approved by eligible voters within the District. The proposition required approval by at least 55% of the votes cast by eligible voters within the District.

Purpose

The general obligation bonds of the District would be used to modernize, replace, renovate, acquire, install, equip, furnish, and otherwise improve educational technology equipment projects and supporting systems within the District. Projects include all related and incidental costs, including costs of design, engineering, architect, and other professional services, inspections, site preparation, utilities, and other planning, legal, accounting and similar costs, independent annual financial and performance audits, a customary contingency, and other costs incidental to and necessary for the completion of the projects.

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Authority

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by the District, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55% of the electorate. In addition to reducing the approval threshold from two-thirds to 55%, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in *Education Code* sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIIIA, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

2. The District must list the specific facilities projects to be funded in the ballot measure and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.

3. Requires the District to appoint a citizens' oversight committee.

4. Requires the District to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.

5. Requires the District to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

Objectives of the Audit

Our audit was limited to the objectives listed below, which includes determining the General Obligation Bond Construction Fund's (Measure T) compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIIIA, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District's compliance with those requirements.

1. Determine whether expenditures charged to the General Obligation Bond Construction Fund (Measure T) have been made in accordance with the Bond project list approved by the voters through the approval of the Measure T.

2. Determine whether salary transactions, if any, charged to the General Obligation Bond Construction Fund (Measure T) were in support of Measure T and not for District general administration or operations.

Scope of the Audit

The scope of our performance audit covered the period of July 1, 2024 through June 30, 2025. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2025, were not reviewed or included within the scope of our audit or in this report.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIIIA, Section 1(b)(3)(C) of the California Constitution but not for the purpose of expressing an opinion of the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Methodology

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2025, for the General Obligation Bond Construction Fund (Measure T). Within the fiscal year audited, we obtained the actual invoices, purchase orders, and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIIIA, Section 1(b)(3)(C) of the California Constitution and Measure T as to the approved bond projects list. We performed the following procedures:

1. We identified expenditures and projects charged to the general obligation bond proceeds by obtaining the general ledger and project listing.

2. We selected a sample of expenditures using the following criteria:
    a. We considered all expenditures recorded in all object codes, including transfers out.
    b. We considered all expenditures recorded in all projects that were funded from July 1, 2024 through June 30, 2025 from Measure T bond proceeds.
    c. We selected all expenditures that were individually significant expenditures. Individually significant expenditures were identified based on our assessment of materiality.
    d. For all items below the individually significant threshold identified in item 2c, we judgmentally selected expenditures based on risk assessment and consideration of coverage of all object codes, including transfers out, and projects for the period July 1, 2024 through June 30, 2025.

3. Our sample included transactions totaling $779,840. This represents 41% of the total expenditures, including transfers out, of $1,915,911.

4. We reviewed the actual invoices and other supporting documentation to determine that:
    a. Expenditures were supported by invoices with evidence of proper approval and documentation of receipting goods or services.
    b. Expenditures were supported by proper bid documentation, as applicable.
    c. Expenditures were expended in accordance with voter-approved bond project list.
    d. Bond proceeds were not used for salaries of administrators or other operating expenses of the District.

5. We determined that the District has met the compliance requirement of Measure T if the following conditions were met:
    a. Supporting documents for expenditures were aligned with the voter-approved bond project list.
    b. Expenditures were not used for salaries of administrators or other operating expenses of the District.

The results of our tests indicated that the District expended General Obligation Bond Construction Fund (Measure T) funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIIIA, Section 1(b)(3)(C) of the California Constitution.

Audit Results

The results of our tests indicated that, in all material respects, the District has properly accounted for the expenditures held in the General Obligation Bond Construction Fund (Measure T) and that such expenditures were made for authorized Bond projects.

This report is intended solely for the information and use of the District, Board of Trustees, and the Citizens' Bond Oversight Committee, and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Ontario, California
January 28, 2026

None reported.