



Financial and Performance Audits
General Obligation Bond Fund (Measure MM)
June 30, 2023

MiraCosta Community College District

FINANCIAL AUDIT

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Financial Audit

General Obligation Bond Fund (Measure MM)

June 30, 2023

MiraCosta Community College District



Independent Auditor's Report

Board of Trustees and the
Independent Citizens' Bond Oversight Committee
MiraCosta Community College District
Oceanside, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the General Obligation Bond Fund (Measure MM) of the

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:

- xExercise professional judgment and maintain professional skepticism throughout the audit.
- xIdentify 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.
- xObtain 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.
- xEvaluate 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

Eide Bailly LLP

MiraCosta Community College District
General Obligation Bond Fund (Measure MM)

Balance Sheet
June 30, 2023

Assets	
Investments	\$ 205,509,908
Accounts receivable	1,953,019
Due from other funds	211,900
Prepaid expenditures	371
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Total assets	\$ 207,675,198
	<hr/>
Liabilities and Fund Balance	
Liabilities	
Accounts payable	\$ 14,793,703
Due to other funds	7,573
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Total liabilities	14,801,276
	<hr/>
Fund Balance	
Restricted for capital projects	192,873,922
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Total liabilities and fund balance	\$ 207,675,198
	<hr/>

Prepaid Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid

MiraCosta Community College District
General Obligation Bond Fund (Measure MM)

Note 6 - Expenditures by Projects

Expenditures classified by project as of June 30, 2023, was as following:

Project Name	Total Expenditures
Bond Program Management	\$ 2,502,553
Building 1100 New Student Services	88,502
Building 1300 New Chemistry & Biotech	14,926,279
Building 1400 New Student Services	22,258,078
Building 2800 New Arts/Media	5,955,044
Building 5000 New Gymnasium	20,661,780
Building 5100 New Allied Health Building	12,802,369
Building D New Student Services	8,540
New Monument Signage	4,593
New North Campus Park Lot 4C Ex	17,000
New Parking Lot 5A PV Tennis Building	78,184
Renovation Building 100 Library	262,814
Renovation Building 1000 Admin	4,895,134
Renovation Building 1200 Library	11,225,850
Renovation Building 200 Fine Arts/Music	1,631
Renovation Building 3000 Classrooms	1,929,287
Renovation Building 3400 Student Center	332,227
Renovation Building 3700 Classrooms	365,450
Renovation Building 400 Science Labs	9,556
Renovation Building 500 Language Lab	76,382
Renovation Building 900 Student Center	32,915
Renovation Building A + B Classrooms	572,270
Renovation Central Campus Quad	71,296
Wayfinding/Signage	10,000
Theater Lighting	10,000
	\$ 99,097,734

Note 7 - Bonded Debt

On November 8, 2016, the voters of the District approved Measure MM, which allowed the District to issue \$455,000,000 of general obligation bonds to be used to finance the acquisition, construction, modernization, and equipping of District sites and facilities, prepay the 2015 Lease, and to pay the cost of issuance associated

MiraCosta Community College District
 General Obligation Bond Fund (Measure MM)
 Notes to Financial Statements
 June 30, 2023

The general obligation bonds mature through 2046 as follows:

	Principal	Current Interest to Maturity	Total
2024	\$ 16,885,000	\$ 13,639,432	\$ 30,524,432
2025	9,925,000	13,055,482	22,980,482
	7,270,000	12,648,807	19,918,807
	7,035,000	12,318,682	19,353,682
	7,935,000	11,976,582	19,911,582



Independent Auditor's Report
General Obligation Bond Fund (Measure MM)
June 30, 2023

MiraCosta Community College District

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 have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's General Obligation Bond Fund (Measure MM) 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 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 considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California
December 22, 2023

None reported.

MiraCosta Community College District
General Obligation Bond Fund (Measure MM)
Summary Schedule of Prior Audit Findings
June 30, 2023

None noted.



Performance Audit

General Obligation Bond Fund (Measure MM)

June 30, 2023

MiraCosta Community College District



Independent Auditor's Report on Performance

Board of Trustees and the
Independent Citizens' Bond Oversight Committee
MiraCosta Community College District
Oceanside, California

Objectives of the Audit

Our audit was limited to the objectives listed below which includes determining the compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District compliance with those requirements.

1. Determine whether expenditures charged to the General Obligation Bond Fund (Measure MM) have been made in accordance with the bond project list approved by the voters through the approval of Measure MM.
2. Determine whether salary transactions, if any, charged to the General Obligation Bond Fund (Measure MM) were in support of Measure MM and not for District general administration or operations.

Scope of the Audit

- 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, judgmentally selected expenditures based on risk assessment and consideration of coverage of all object codes and projects for the period starting July 1, 2022 and ending June 30, 2023. The results can be projected to the intended population.

3.

Eide Bailly LLP

None reported.

None noted.