

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**

**MEASURE C-24 GENERAL OBLIGATION BONDS  
FINANCIAL AUDIT**

June 30, 2025



## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
The Citizens' Oversight Committee  
Cambria Community Healthcare District  
2535 Main Street  
Cambria, CA 93428

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the Measure C-24 General Obligation Bonds Bond Account of the Cambria Community Healthcare District (the District), as of and for the period starting March 20, 2025 and ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Bond Account's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position and results of operations for the Bond Account, as of and for the period ended June 30, 2025, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cambria Community Healthcare 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.

#### *Emphasis of Matter*

As discussed in Note 1, the financial statements present only the Bond Account and do not purport to, and do not, present fairly the financial position of the Cambria Community Healthcare District, as of June 30, 2025, the changes in its financial position for the period 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.

#### *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.

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 Bond Account of Cambria Community Healthcare District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *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 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 Bond Account of Cambria Community Healthcare 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 Bond Account of Cambria Community Healthcare District's ability to continue as a going concern for a reasonable period of time.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2025, on our consideration of the Cambria Community Healthcare District's internal control over the Bond Account's financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

#### **Report on Other Legal and Regulator Requirements**

In accordance with the requirements of the Measure C-24 General Obligation Bonds, we have also issued our performance audit report dated December 5, 2025 on our consideration of the Bond Account's compliance with the requirements of the Measure C-24 General Obligation Bonds. That report is an integral part of our audit of the Bond Account for the period ended June 30, 2025 and should be considered in assessing the results of our financial audit.

*Moss, Remy & Hartgeim LLP*

Santa Maria, California  
December 5, 2025

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**STATEMENT OF NET POSITION**  
**MEASURE C-24 BOND ACCOUNT**  
June 30, 2025

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**ASSETS**

Cash with fiscal agent	\$ 5,780,007
Prepaid bond insurance	54,779
Capital assets, net	<u>113,136</u>
 Total assets	 <u><u>\$ 5,947,922</u></u>

**LIABILITIES AND NET POSITION**

Liabilities:

Accounts payable	<u>\$ 5,580</u>
Long-term liabilities:	
Due within one year:	
Bond premium, current portion	<u>7,928</u>
Due after one year:	
Bonds payable	5,900,000
Bond premium, net of current portion	<u>230,586</u>
Total due after one year	<u>6,130,586</u>
 Total liabilities	 <u>6,144,094</u>

Net Position:

Unrestricted	<u>(196,172)</u>
 Total net position	 <u>(196,172)</u>
 Total liabilities and net position	 <u><u>\$ 5,947,922</u></u>

See notes to financial statements

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION**  
**MEASURE C-24 BOND ACCOUNT**  
For the Period Ended June 30, 2025

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<b>Revenues</b>	
Interest	\$ 22,601
Total revenues	<u>22,601</u>
<b>Expenses</b>	
Costs of issuance	220,300
Amortization	<u>(1,527)</u>
Total expenses	<u>218,773</u>
Change in net position	(196,172)
Net position, March 20, 2025	<u>-</u>
Net position, end of fiscal year	<u><u>\$ (196,172)</u></u>

See notes to financial statements

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Accounting Policies

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Auditing Standards Board (GASB) and *Audits of State and Local Governmental Units* issued by the American Institute of Certified Public Accountants (AICPA).

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that are comprised of assets, liabilities, fund equity, revenues, and expenses. This system permits separate accounting for each established fund for purposes of complying with applicable legal provisions, Board of Director's ordinances and resolutions, and other requirements. The accounts have also been maintained in accordance with the California State Controller's uniform system of accounts.

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

The District distinguishes operating revenues and expenses from those revenues and expenses that are non-operating. The operating revenue of the District includes charges derived from ambulance services provided. Operating expenses include payroll and operational costs associated with the ambulance service activities, and also include management, administrative and depreciation and amortization expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues, expenses, and contributions.

Cash with fiscal agent is recorded at fair market value in accordance with the requirements of GASB Statement No. 71.

Budget

Budgetary information is not presented because the Bond Account is not legally required to adopt a budget. Although not legally required, an annual budget is prepared, which includes estimates for the District's principal income sources to be received during the fiscal year, as well as estimated expenses and cash reserves needed for operations.

Capital Assets, Long-Term Liabilities, and Net Position

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with the Bond Account are determined by its measurement focus. The Bond Account is accounted for on an economic resources measurement focus. Thus, the capital assets and long-term liabilities associated with the Bond Account are accounted for in the basic financial statements of Cambria Community Healthcare District.

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**MEASURE C-24 BOND ACCOUNT**  
**FINANCIAL AUDIT**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2025**

**NOTE 2 – BONDED DEBT**

On November 5, 2024, \$5,900,000 in general obligation bonds were authorized by an election held within the Cambria Community Healthcare District. On March 20, 2025, \$5,900,000 of the general obligation bonds were sold under the Measure C-24, which provides that proceeds of the bonds only be used for projects specified in Board Resolution 44-24 and not for any other purpose, including District employee salaries and operating expenses.

The outstanding general obligation bonded debt of the Cambria Community Healthcare District at June 30, 2025, is:

Date of Issue	Interest Rate	Maturity Date	Amount of Original Issue	Outstanding July 1, 2024	Issued Current Fiscal Year	Redeemed Current Fiscal Year	Outstanding June 30, 2025
2025	4.125% - 5.000%	2056	\$ 5,900,000	\$ -	\$ 5,900,000	\$ -	\$ 5,900,000
			<u>\$ 5,900,000</u>	<u>\$ -</u>	<u>\$ 5,900,000</u>	<u>\$ -</u>	<u>\$ 5,900,000</u>

The annual requirements to amortize general obligation bonds payable outstanding as of June 30, 2025, are as follows:

Fiscal Year Ended June 30	Principal	Interest	Total
2026	\$ -	\$ 235,043	\$ 235,043
2027	-	272,075	272,075
2028	-	272,075	272,075
2029	-	272,075	272,075
2030	-	272,075	272,075
2031-2035	80,000	1,355,625	1,435,625
2036-2040	400,000	1,297,875	1,697,875
2041-2045	865,000	1,143,500	2,008,500
2046-2050	1,530,000	848,375	2,378,375
2051-2055	2,415,000	392,925	2,807,925
2026	610,000	12,581	622,581
	<u>\$ 5,900,000</u>	<u>\$ 6,374,224</u>	<u>\$ 12,274,224</u>

**NOTE 3 – SCHEDULE OF LONG-TERM LIABILITIES**

	July 1, 2024	Additions	Reductions	June 30, 2025	Due Within One Year
Bonds payable	\$ -	\$ 5,900,000	\$ -	\$ 5,900,000	\$ -
Bond premium	-	240,496	1,982	238,514	7,928
	<u>\$ -</u>	<u>\$ 6,140,496</u>	<u>\$ 1,982</u>	<u>\$ 6,138,514</u>	<u>\$ 7,928</u>

**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 Directors  
The Citizens' Oversight Committee  
Cambria Community Healthcare District  
2535 Main Street  
Cambria, CA 93428

We have audited, in accordance with the 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 Measure C-24 General Obligation Bonds Bond Account of Cambria Community Healthcare District (the District), as of and for the period beginning March 20, 2025 and ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 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 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 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 statement. 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.

*Moss, Renz & Hartgeim LLP*

Santa Maria, California  
December 5, 2025

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT**  
**MEASURE C-24 BOND ACCOUNT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**June 30, 2025**

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There were no findings and questioned costs related to the financial audit of the Measure C-24 General Obligation Bonds Bond Account for the period ended June 30, 2025.