



March 29, 2022

Mr. Marvin Lopez
City of Simi Valley
2929 Tapo Canyon Road
Simi Valley, CA 93063

We have audited the financial statements of the Transportation Development Act, Article 3, 4, Proposition 1B, State of Good Repair (“SGR”), and State Transit Assistance (“STA”) Funds (“TDA Program”), of the City of Simi Valley (“City”), as of and for the years ended June 30, 2021 and 2020, and have issued our reports thereon on the following dates:

<u>Report</u>	<u>Date of Report</u>
TDA Article 3 Fund – Auditor’s Report	March 29, 2022
TDA Article 4 Fund – Auditor’s Report	March 25, 2022
Proposition 1B Fund – Auditor’s Report	March 10, 2022
SGR – Auditor’s Report	March 25, 2022
STA – Auditor’s Report	March 25, 2022

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, certain provisions of laws, regulations, contracts, and grant agreements, including §6666 and §6667 of Part 21 of the California Code of Regulations, as well as certain information related to the planned scope and timing of our audit. Professional standards require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letters, which were dated as follows.

<u>Management Representation Letter</u>	<u>Date of Letter</u>
TDA Article 3 Fund	March 29, 2022
TDA Article 4 Fund	March 25, 2022
Proposition 1B Fund	March 10, 2022
State of Good Repair Fund	March 25, 2022
State Transit Assistance Fund	March 25, 2022

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We identified matters involving internal controls, and noncompliance with laws and regulations that came to the auditor’s attention that is reported in the schedule of findings of the 2021 Transportation Development Act, Article 3 Fund Final Audit report.

Other Matters

We were engaged to report on the *Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual* and the *Schedule of Status of Funds by Project*, which accompany the financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing

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the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of those charged with governance and management of the City and Ventura County Transportation Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Best regards,

A handwritten signature in blue ink that reads "Conrad LLP". The signature is written in a cursive, flowing style.

Lake Forest, CA
March 29, 2022