

CITY OF SAN BUENAVENTURA, CALIFORNIA
(Direct Claimant - Gold Coast Transit District)

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Fiscal Years Ended June 30, 2024 and 2023

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Board of Commissioners
Ventura County Transportation Commission
Camarillo, California

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of the Transportation Development Act ("TDA") Article 4 Fund ("TDA Fund") of the City of San Buenaventura, California ("City"), as of and for the year ended June 30, 2024, and the related notes to the 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 financial position of the TDA Fund of the City, as of June 30, 2024, and the respective changes in financial position of the TDA Fund of the City for the year then ended 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 City and to meet our 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 Matters

As discussed in Note 1, the financial statements present only the TDA Fund of the City and do not purport to, and do not present fairly, the financial position of the City as of June 30, 2024, the changes in its financial position, or, where applicable, its cash flows 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this

includes 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 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 TDA Fund of the City'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 Matters

Prior Year Comparative Information

The financial statements of the City as of June 30, 2023, were audited by other auditors. Those auditors expressed an unmodified opinion on those financial statements in its report dated December 6, 2023.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 26, 2024 on our consideration of the City's internal control over financial reporting for the TDA Fund and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 City's internal control over financial reporting and compliance.

ASM LLP

Rancho Santa Margarita, California
November 26, 2024

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Comparative Balance Sheets

June 30, 2024 and 2023

| <u>Assets</u> | <u>2024</u> | <u>2023</u> |
|--------------------------------------------------------------------------|------------------|------------------|
| Current assets: | | |
| Cash and Investments (Note 3) | \$ 28,121 | \$ 79,289 |
| Accounts Receivable | <u>857</u> | <u>-</u> |
| Total current assets | <u>\$ 28,978</u> | <u>\$ 79,289</u> |
| <u>Liabilities, Deferred Inflow of Resources, & Fund Balance</u> | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | <u>\$ 1,446</u> | <u>\$ 4,543</u> |
| Total current liabilities | <u>1,446</u> | <u>4,543</u> |
| Deferred Inflow of Resources: | | |
| Unavailable Revenue (Note 4) | <u>857</u> | <u>-</u> |
| Total deferred inflow of resources | <u>857</u> | <u>-</u> |
| Fund balance: | | |
| Restricted | <u>26,675</u> | <u>74,746</u> |
| Total fund balance | <u>26,675</u> | <u>74,746</u> |
| Total liabilities, deferred inflow of resources, and fund balance | <u>\$ 28,978</u> | <u>\$ 79,289</u> |

See accompanying notes to financial statements

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance

Fiscal Years Ended June 30, 2024 and 2023

| | <u>2024</u> | <u>2023</u> |
|--------------------------------------------------------------|------------------|------------------|
| Revenues | | |
| Local Transportation Funding allocation | \$ 280,806 | \$ 278,264 |
| Interest earnings | 1,797 | 2,078 |
| Fair-value adjustment | <u>2,709</u> | <u>2,193</u> |
| Total revenues | <u>285,312</u> | <u>282,535</u> |
| Expenditures | | |
| Operating | <u>333,383</u> | <u>314,064</u> |
| Total expenditures | <u>333,383</u> | <u>314,064</u> |
| Excess (deficiency) of revenues over (under) expenditures | (48,071) | (31,529) |
| Fund balance at the beginning of year | <u>74,746</u> | <u>106,275</u> |
| Fund balance at the end of year | <u>\$ 26,675</u> | <u>\$ 74,746</u> |

See accompanying notes to financial statements

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(1) **General Information**

The accompanying financial statements are intended to reflect the financial position and changes in financial position for the Transportation Development Act (“TDA”) Article 4, Section 99260(a) Fund (“TDA Fund”) of the City of San Buenaventura, California, (“City”) only and are not intended to present fairly the financial position or results of operations of the City in accordance with accounting principles generally accepted in the United States of America.

Pursuant to Section 99260(a) of the California Public Utilities Code, TDA Article 4 (“TDA Article 4”) monies are to be used only for public transportation. Funding for this program is authorized by the County of Ventura and is paid to the City on behalf of the Gold Coast Transit District (“GCTD”). The TDA Article 4 funds are passed through GCTD, the City is not the direct claimant.

(2) **Summary of Significant Accounting Policies**

Fund Accounting

The accounts of the City are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, obligations, reserves, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The City accounts for the activity of the TDA Article 4 Fund in a Special Revenue Fund that is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

Measurement Focus and Basis of Accounting

The TDA Fund is a Special Revenue Fund and is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are available if they are collected within 60 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred.

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(2) **Summary of Significant Accounting Policies (Continued)**

Revenue Recognition

Recognition of revenues arising from nonexchange transactions, which include revenues from taxes, certain grants, and contributions, is based on the primary characteristic from which the revenues are received by the City. For the City, funds received under TDA Article 4, possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under TDA Article 4, Section 99260(a) are recognized in the period when all eligibility requirements have been met.

Unearned revenue arises when potential revenues do not meet both the measurable and availability criteria for recognition in the current period. Unearned revenue also arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Fund Balance

The components of the fund balances of governmental funds reflect the component classifications described below:

- *Nonspendable Fund Balance* – this includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – this includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- *Committed Fund Balance* – this includes amounts that can be used only for the specific purposes determined by a formal action of the City Council.
- *Assigned Fund Balance* – this includes amounts that are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed.
- *Unassigned Fund Balance* – this includes any deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(2) **Summary of Significant Accounting Policies (Continued)**

It is the City's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in the absence of a formal policy adopted by the City Council.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

(3) **Cash and Investments**

The City has pooled its cash and investments in order to achieve a higher return on investments while facilitating management of cash. The balance in the pool account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms. The TDA Fund's cash and cash equivalents balance as of June 30, 2024 and 2023, was \$28,121 and \$79,289, respectively.

The TDA Fund's cash is deposited in the City's internal investment pool, which is reported at fair value. Interest income is allocated on the basis of average cash balances. Investment policies and associated risk factors applicable to the TDA Fund are those of the City and are included in the City's basic financial statements.

See the City's basic financial statements for disclosures related to cash and cash equivalents, including those disclosures relating to interest rate risk, credit rate risk, custodial credit risk, and concentration risk.

(4) **Unavailable Revenue**

Deferred inflows of resources-unavailable revenue represents revenues earned during the period but unavailable to liquidate current liabilities. These amounts are deferred and recognized in the period that the amounts become available. Deferred inflows of resources in the financial statements represent amounts due from an accident where a City bus bench was damaged, and the damages in the amount of \$857 was not received within a timeframe to finance current year expenditures.

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(5) **Restrictions**

Funds received pursuant to the California Public Utilities Code §99260 (“TDA Article 4”), may only be used for facilities provided for exclusive use of transportation services, including planning, acquisition of real property, construction of facilities and buildings, purchase and replacement of vehicles, and system operation, maintenance, and repair.

(6) **Contingencies**

See the City’s basic financial statements for disclosures related to contingencies including those relating to various legal actions, administrative proceedings, or claims in the ordinary course of operations.

(7) **Budgetary Data**

The City administration approves an operating and capital budget annually and submits it to Gold Coast Transit District. The budget reflects the City’s priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the TDA 4 Fund activities. The budget and reporting treatment applied to the TDA 4 Fund are consistent with the modified accrual basis of accounting and the financial statement basis.

Required Supplementary Information

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual

Fiscal Year Ended June 30, 2024

| | Budget | | Actual | Variance From Final Budget Favorable (Unfavorable) |
|--------------------------------------------------------------|------------------|------------------|------------------|-------------------------------------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Local Transportation Funding allocation | \$ 348,514 | \$ 348,514 | \$ 280,806 | \$ (67,708) |
| Interest earnings | - | - | 1,797 | 1,797 |
| Fair-value adjustment | - | - | 2,709 | 2,709 |
| | <u>348,514</u> | <u>348,514</u> | <u>285,312</u> | <u>(63,202)</u> |
| Total revenues | | | | |
| Expenditures: | | | | |
| Operating | <u>324,844</u> | <u>324,844</u> | <u>333,383</u> | <u>(8,539)</u> |
| | | | | |
| Total expenditures | <u>324,844</u> | <u>324,844</u> | <u>333,383</u> | <u>(8,539)</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ 23,670</u> | <u>\$ 23,670</u> | (48,071) | <u>\$ (71,741)</u> |
| Fund balance at the beginning of the year | | | <u>74,746</u> | |
| Fund balance at the end of the year | | | <u>\$ 26,675</u> | |

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual

Fiscal Year Ended June 30, 2023

| | Budget | | Actual | Variance From Final Budget Favorable (Unfavorable) |
|--------------------------------------------------------------|--------------------|--------------------|------------------|-------------------------------------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Local Transportation Funding allocation | \$ 299,000 | \$ 299,000 | \$ 278,264 | \$ (20,736) |
| Interest earnings | 800 | 800 | 2,078 | 1,278 |
| Fair-value adjustment | <u>-</u> | <u>-</u> | <u>2,193</u> | <u>2,193</u> |
| Total revenues | <u>299,800</u> | <u>299,800</u> | <u>282,535</u> | <u>(17,265)</u> |
| Expenditures: | | | | |
| Operating | <u>351,283</u> | <u>351,283</u> | <u>314,064</u> | <u>37,219</u> |
| Total expenditures | <u>351,283</u> | <u>351,283</u> | <u>314,064</u> | <u>37,219</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (51,483)</u> | <u>\$ (51,483)</u> | (31,529) | <u>\$ 19,954</u> |
| Fund balance at the beginning of the year | | | <u>106,275</u> | |
| Fund balance at the end of the year | | | <u>\$ 74,746</u> | |

Supplementary Information

CITY OF SAN BUENAVENTURA, CALIFORNIA

Transportation Development Act Local Transportation Fund
Article 4, Section 99260 Public Utilities Code

Schedules of Status of Funds by Project

Fiscal Years Ended June 30, 2024

Changes for the fiscal year ended June 30, 2024, were as follows:

| | Beginning Balance July 1, 2023 | Local Transportation Fund Allocation | Fair-Value Adjustments | Interest Earnings Allocation (Expense) | Expenditures | Ending Balance June 30, 2024 |
|-------------------------------------|--------------------------------------|-----------------------------------------------|---------------------------|-------------------------------------------------|---------------------|------------------------------------|
| Operating: | | | | | | |
| Ventura Transportation Center (VTC) | \$ 36,179 | \$ 280,806 | \$ 2,709 | \$ 1,797 | \$ (333,383) | \$ (11,892) |
| Total operating | <u>36,179</u> | <u>280,806</u> | <u>2,709</u> | <u>1,797</u> | <u>(333,383)</u> | <u>(11,892)</u> |
| Capital: | | | | | | |
| Wells Center Bus Stop Upgrade | 28,352 | - | - | - | - | 28,352 |
| Truck Purchase | 7,219 | - | - | - | - | 7,219 |
| VTC Bathroom Remodel | <u>2,996</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,996</u> |
| Total capital | <u>38,567</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>38,567</u> |
| Total | <u>\$ 74,746</u> | <u>\$ 280,806</u> | <u>\$ 2,709</u> | <u>\$ 1,797</u> | <u>\$ (333,383)</u> | <u>\$ 26,675</u> |

Changes for the fiscal year ended June 30, 2023, were as follows:

| | Beginning Balance July 1, 2022 | Local Transportation Fund Allocation | Fair-Value Adjustments | Interest Earnings Allocation (Expense) | Expenditures | Ending Balance June 30, 2023 |
|-------------------------------------|--------------------------------------|-----------------------------------------------|---------------------------|-------------------------------------------------|---------------------|------------------------------------|
| Operating: | | | | | | |
| Ventura Transportation Center (VTC) | \$ 67,708 | \$ 278,264 | \$ 2,193 | \$ 2,078 | \$ (314,064) | \$ 36,179 |
| Total operating | <u>67,708</u> | <u>278,264</u> | <u>2,193</u> | <u>2,078</u> | <u>(314,064)</u> | <u>36,179</u> |
| Capital: | | | | | | |
| Wells Center Bus Stop Upgrade | 28,352 | - | - | - | - | 28,352 |
| Truck Purchase | 7,219 | - | - | - | - | 7,219 |
| VTC Bathroom Remodel | <u>2,996</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,996</u> |
| Total capital | <u>38,567</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>38,567</u> |
| Total | <u>\$ 106,275</u> | <u>\$ 278,264</u> | <u>\$ 2,193</u> | <u>\$ 2,078</u> | <u>\$ (314,064)</u> | <u>\$ 74,746</u> |



Board of Commissioners
Ventura County Transportation Commission
Camarillo, California

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

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 Transportation Development Act Local Transportation Fund pursuant to Article 4 (“TDA Fund”) of the City of San Buenaventura, California (“City”), as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s TDA Fund financial statements, and have issued our report thereon dated _____, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of the TDA Fund of the City are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including §6666 of Part 21 of the California Code of Regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*, including §6666 of Part 21 of the California Code of Regulations, §99268 and §99268.5 of the Public Utilities Code.

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.

ASM LLP

Rancho Santa Margarita, California
November 26, 2024