

COUNTY OF VENTURA, 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

COUNTY OF VENTURA, 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 County of Ventura, California ("County"), as of and for the years 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 County, as of June 30, 2024, and the respective changes in financial position of the TDA Fund of the County for the years 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 County 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 County and do not purport to, and do not present fairly, the financial position of the County as of June 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the years 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 County'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 County 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 31, 2023.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 13, 2025 on our consideration of the County'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 County's internal control over financial reporting and compliance.

ASM LLP

Rancho Santa Margarita, California
February 13, 2025

COUNTY OF VENTURA, 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 cash equivalents (Note 3)	\$ 307,040	\$ 646,373
Due from other governments	<u>89,272</u>	<u>9,130</u>
Total current assets	<u>\$ 396,312</u>	<u>\$ 655,503</u>
<u>Liabilities & Fund Balance</u>		
Current liabilities:		
Accounts payable and accrued expenses	<u>\$ 284,329</u>	<u>\$ 238,762</u>
Total current liabilities	<u>284,329</u>	<u>238,762</u>
Fund balance:		
Restricted for TDA Article 4 expenditures	<u>111,983</u>	<u>416,741</u>
Total fund balance	<u>111,983</u>	<u>416,741</u>
Total liabilities and fund balance	<u>\$ 396,312</u>	<u>\$ 655,503</u>

See accompanying notes to financial statements

COUNTY OF VENTURA, CALIFORNIA

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

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

Fiscal Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Revenues		
Local Transportation Funding allocation	\$ 935,584	\$ 997,597
Interest earnings	<u>26,902</u>	<u>16,280</u>
Total revenues	<u>962,486</u>	<u>1,013,877</u>
Expenditures		
Operating	1,267,244	1,032,152
Refunds	<u>-</u>	<u>47</u>
Total expenditures	<u>1,267,244</u>	<u>1,032,199</u>
Excess (deficiency) of revenues over (under) expenditures	(304,758)	(18,322)
Fund balance at the beginning of year	<u>416,741</u>	<u>435,063</u>
Fund balance at the end of year	<u>\$ 111,983</u>	<u>\$ 416,741</u>

See accompanying notes to financial statements

COUNTY OF VENTURA, CALIFORNIA

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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 County of Ventura, California, (“County”) only and are not intended to present fairly the financial position or results of operations of the County 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”), 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 County on behalf of the Gold Coast Transit District (“GCTD”). The Article 4 funds are passed through GCTD, the County is not the direct claimant.

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

Fund Accounting

The accounts of the County 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 County accounts for the activity of TDA Article 4 in its TDA Fund, which is 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.

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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 County. For the County, funds received under TDA Article 4 possess the characteristic of a voluntary nonexchange transaction similar to a grant. Revenues under TDA Article 4 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 County 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 County 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 Board of Supervisors.
- *Assigned Fund Balance* – this includes amounts that are intended to be used by the County 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.

It is the County'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 Board of Supervisors.

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Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

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

Use of Estimates

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

(3) **Cash and Investments**

The County 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 investments balance as of June 30, 2024 and 2023, was \$307,040 and \$646,373, respectively.

The TDA Fund's cash is deposited in the County'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 County and are included in the County's basic financial statements.

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

(4) **Transportation Development Act Compliance Requirements**

The Transportation Development Act Local Transportation Fund is subject to the provisions pursuant to Sections 6633, and 6634 of the California Code of Regulation and 99268.5(c) of the Public Utilities Code.

COUNTY OF VENTURA, 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

(4) Transportation Development Act Compliance Requirements (Continued)

A. Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.

During the Fiscal Years 2023/24 and 2022/23, the funds received from the Local Transportation Fund complied with the above provision.

B. Sections 6633, and 99268.5(c)

Section 6633.2 indicates that an operator in providing transit services in urbanized areas shall be eligible for Local Transportation funds if it maintains for the fiscal year, ratio of fare revenue to operating costs at least equal to 20%. An operator providing services in nonurbanized areas shall be eligible if it maintains a ratio at least equal to 10%.

In addition, Section 99268.5(c) indicates that in a county which had less than 500,000 population, as determined by the 1970 federal decennial census, and more than 500,000 in population, as determined by the 1980 or 1990 federal decennial census, an operator in the county shall maintain a ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247 ("operating cost" means all costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the Controller pursuant to Section 99243), at least equal to one-fifth (20%) if serving an urbanized area or one-tenth (10%) if serving a nonurbanized area.

Valley Express

Valley Express provides transit service (fixed route and Dial-A-Ride) for the City of Fillmore, City of Santa Paula, and the County's unincorporated area and all revenues and expenses are recorded with the Ventura County Transportation Commission (VCTC). The County paid \$181,499 and \$202,626 to VCTC to operate the service in the unincorporated areas on its behalf for the fiscal years ended June 30, 2024 and 2023, respectively.

For complete information regarding the Valley Express program refer to the VCTC Valley Express 2024 Audit Report.

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Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(4) Transportation Development Act Compliance Requirements (Continued)

During the Fiscal Years 2023/24 and 2022/23, the VCTC Valley Express program complied with the above ratio requirement provision.

The fare ratio for the year ended June 30, 2024, was as follows:

	<u>2024</u>	<u>2023</u>
Fares:		
Farebox revenue	\$ 71,719	\$ 65,867
Total farebox revenue before AB149 – federal funds	<u>71,719</u>	<u>65,867</u>
AB149 – federal funds*	<u>29,500</u>	<u>16,200</u>
Total farebox revenue	<u>\$ 101,219</u>	<u>\$ 82,067</u>
Operating expenses:	\$ 2,697,071	\$ 2,103,412
Less AB149 adjustments**	<u>(1,684,813)</u>	<u>(1,282,987)</u>
Net adjusted operating expenses	<u>\$ 1,012,258</u>	<u>\$ 820,425</u>
Total fare ratio	<u>10.00%</u>	<u>10.00%</u>
Required fare ratio pursuant to PUC §99268.5(c)	<u>10.00%</u>	<u>10.00%</u>

Notes:

* Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as "local funds" for purposes of calculating the farebox recovery ratio through the 2022/23 fiscal year. State Bill 125 extended these exemptions through 2025/26.

** In accordance with AB149 Section 99268.17, costs required to operate demand-response and microtransit services that expand access to transit service beyond fixed route corridors shall be excluded from "operating cost" for the purposes of calculating any required ratios of fare revenues to operating cost.

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Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(4) Transportation Development Act Compliance Requirements (Continued)

Thousand Oaks Dial-a-Ride

The County has an Agreement with the City of Thousand Oaks to operate local Senior and Americans with Disabilities Act (“ADA”) Dial-A-Ride services to the unincorporated areas within and near their service area. The County paid \$124,810 and \$28,855 to City of Thousand Oaks to operate this service on its behalf during the fiscal years ended June 30, 2024 and 2023, respectively. For the fiscal years ended June 30, 2024 and 2023, the fare ratio requirement was calculated as follows:

	<u>2024</u>	<u>2023</u>
Passenger fares (Note a)	\$ 100,060	\$ 74,554
Rent revenues (Note a)	-	-
Other local funds (Note a)	<u>40,238</u>	<u>78,432</u>
Total farebox revenue before AB149 – federal funds	<u>140,238</u>	<u>152,986</u>
AB149 – federal funds (Note b)	<u>95,029</u>	<u>60,272</u>
Total farebox revenue	<u>\$ 235,327</u>	<u>\$ 213,258</u>
Operating expenses (Note c)	2,423,844	2,299,346
Less: Excluded costs (Note d)	<u>(70,582)</u>	<u>(166,768)</u>
Net adjusted operating expenses	<u>\$ 2,353,262</u>	<u>\$ 2,132,578</u>
Total fare ratio	<u>10.00%</u>	<u>10.00%</u>
Total fare ratio pursuant to PUC §99268.5(c)	<u>10.00%</u>	<u>10.00%</u>

Notes:

- (a) Revenues reported include farebox revenue, rent revenue (paid by MV Transportation for renting the City’s transit building), and miscellaneous receipts (e.g., canteen revenue). Certain amounts differ from the Statement of Changes in Net Position as they are not included in the farebox recovery calculation, such as state/federal grants, transfers in from other funds, etc. No monies from outside entities are included in the farebox recovery calculation.
- (b) Per Assembly Bill 149, signed July 16, 2021, federal funds received are authorized to be counted as “local funds” for purposes of calculating the farebox recovery ratio through the 2022/23 fiscal year. State Bill 125 extended these exemptions through 2025/26.
- (c) Operating Expenses do not include depreciation expenses and only include expenses related to regular public transportation and specialized services.
- (d) Excluded costs include capital expense.

COUNTY OF VENTURA, CALIFORNIA

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Article 4, Section 99260 Public Utilities Code

Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(4) **Transportation Development Act Compliance Requirements (Continued)**

For the fiscal years ended June 30, 2024 and 2023, the City of Thousand Oaks was in compliance with the fare ratio requirement.

For complete information regarding the City of Thousand Oaks Dial-a-Ride program refer to the City of Thousand Oaks TDA Article 8, Section 99400(c) 2024 Audit Report.

East County Transit Alliance

An East County Transit Alliance (“ECTA”) Memorandum of Understanding exists between the Cities of Camarillo, Moorpark, Simi Valley, and Thousand Oaks and the County. The City of Thousand Oaks serves as the Fiscal Agent for ECTA and administers and operates the InterCounty ADA Dial-A-Ride services (“CONNECT” service) for the participating agencies, except for the City of Camarillo which operates its own InterCounty Dial-A-Ride program. The County paid \$13,572 and \$3,624 to the City of Thousand Oaks to operate service to the unincorporated areas within the ECTA service area on its behalf during the fiscal years ended June 30, 2024 and 2023, respectively.

The ECTA is subject to the provisions pursuant to Section 6634 of the California Code of Regulation and Section 99268.3 of the Public Utilities Code.

A. Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries. During the Fiscal Year 2023/24 and 2022/23, no State Transit Assistance Funds were received.

B. Section 99268.3

Section 99268.3 indicates that an operator in Ventura County providing regular public transportation shall be eligible for Transportation Development Act Funds if it maintains for the fiscal year, ratio of fare revenue to operating costs at least equal to 10.00%.

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Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(4) Transportation Development Act Compliance Requirements (Continued)

The ECTA is subject to the provisions of the California Public Utilities Code §99268.3 and must maintain a minimum fare box recovery ratio of 10.00%.

During the Fiscal Year 2023/24 and 2022/23, the ECTA participants maintained a cumulative ratio of fare revenues to operating costs of 20.46% and 20.63%, respectively. The ratios meet the minimum ratio of 10.00%.

During the year ended June 30, 2024, the ECTA's fare box recovery ratios were calculated as follows:

	County of <u>Ventura</u>	City of <u>Moorpark</u>	City of Simi <u>Valley</u>	City of Thousand <u>Oaks</u>	<u>Total</u>
Passenger fares	\$ 506	\$ 3,757	\$ 20,944	\$ 14,813	\$ 40,020
Adjustments:					
AB149 – federal funds (a)	<u>1,891</u>	<u>14,037</u>	<u>78,245</u>	<u>55,338</u>	<u>149,511</u>
Total farebox revenue	<u>\$ 2,397</u>	<u>\$ 17,794</u>	<u>\$ 99,189</u>	<u>\$ 70,151</u>	<u>\$ 189,531</u>
Operating expenses (b)	<u>\$ 11,717</u>	<u>\$ 6,981</u>	<u>\$ 484,861</u>	<u>\$ 342,912</u>	<u>\$ 926,471</u>
Farebox recovery ratio	<u>20.46%</u>	<u>20.46%</u>	<u>20.46%</u>	<u>20.46%</u>	<u>20.46%</u>
Required fare ratio	<u>10.00%</u>	<u>10.00%</u>	<u>10.00%</u>	<u>10.00%</u>	<u>10.00%</u>

Notes:

- (a) Per Assembly Bill 149, federal funds received are authorized to be counted as “local funds” for purposes of calculating the farebox recovery ratio through fiscal year 2022/23. State Bill 125 extended these exemptions through 2025/26
- (b) Passenger fares earned by each participating agency for the period July 1, 2022 through June 30, 2023 were used to calculate a *pro rata* share of agency passenger fares to total passenger fares. This *pro rata* share was used to allocate total operating expenses to each participating agency.

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Fiscal Years Ended June 30, 2024 and 2023

(4) Transportation Development Act Compliance Requirements (Continued)

During the year ended June 30, 2023, the ECTA’s fare box recovery ratios were calculated as follows:

	County of <u>Ventura</u>	City of <u>Moorpark</u>	City of Simi <u>Valley</u>	City of Thousand <u>Oaks</u>	<u>Total</u>
Passenger fares	\$ 207	\$ 9,138	\$ 17,233	\$ 16,814	\$ 43,392
Adjustments:					
AB149 – federal funds (a)	<u>818</u>	<u>36,050</u>	<u>67,986</u>	<u>66,329</u>	<u>171,182</u>
Total farebox revenue	<u>\$ 1,025</u>	<u>\$ 45,188</u>	<u>\$ 85,219</u>	<u>\$ 83,143</u>	<u>\$ 214,574</u>
Operating expenses (b)	<u>\$ 4,966</u>	<u>\$ 219,000</u>	<u>\$ 413,002</u>	<u>\$ 402,938</u>	<u>\$ 1,039,906</u>
Farebox recovery ratio	<u>20.63%</u>	<u>20.63%</u>	<u>20.63%</u>	<u>20.63%</u>	<u>20.63%</u>
Required fare ratio	<u>10.00%</u>	<u>10.00%</u>	<u>10.00%</u>	<u>10.00%</u>	<u>10.00%</u>

Notes:

- (a) Per Assembly Bill 149, federal funds received are authorized to be counted as “local funds” for purposes of calculating the farebox recovery ratio through fiscal year 2022/23.
- (b) Passenger fares earned by each participating agency for the period July 1, 2022, through June 30, 2023, were used to calculate a *pro rata* share of agency passenger fares to total passenger fares. This *pro rata* share was used to allocate total operating expenses to each participating agency.

For complete information regarding the City of Thousand Oaks ECTA program refer to the City of Thousand Oaks ECTA fiscal year 2024 Audit Report.

Kanan Shuttle

The Kanan Shuttle serves the unincorporated community of Oak Park and operates fare-free which is possible due to a route guarantee provided by County Service Area (“CSA”) No. 4, Oak Park Unified School District (“OPUSD”), and the City of Agoura Hills. The County has an Agreement with the City of Thousand Oaks for operation of the Kanan Shuttle Service. The County paid \$505,353 and \$471,662 to the City of Thousand Oaks to operate the service on its behalf during the fiscal years ended June 30, 2024 and 2023, respectively.

COUNTY OF VENTURA, CALIFORNIA

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Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(4) Transportation Development Act Compliance Requirements (Continued)

For the fiscal years ended June 30, 2024 and 2023, the fare ratio requirement was calculated as follows:

	<u>2024</u>	<u>2023</u>
Operating revenues:		
Local fare supplementation	\$ -	\$ -
Total operating revenues	<u>\$ -</u>	<u>\$ -</u>
Operating expenses:		
Operations expense	\$ 505,353	\$ 471,662
Less: Lease expenditures	<u>(76,173)</u>	<u>(85,418)</u>
Total operating expenses, net	<u>\$ 429,180</u>	<u>\$ 386,244</u>
Total fare ratio	<u>0.00%</u>	<u>0.00%</u>
Total fare ratio pursuant to PUC §99268.5(c)	<u>20.00%</u>	<u>20.00%</u>

For the purposes of the fare ratio requirement calculation, only the expenses of the shuttle service were included in the operating expenses. The County pays for the operations of this service.

For the fiscal years ended June 30, 2024 and 2023, Kanan Shuttle was not in compliance with the fare ratio requirement; however, due to the COVID-19 pandemic, Kanan Shuttle was not required to meet the fare ratio requirement.

Per Assembly Bill 149, signed July 16, 2021, penalties will be waived for operators that do not maintain the required ratio of fare revenues to operating costs through fiscal year 2022/23. State Bill 125 extended these exemptions through 2025/26.

Ojai Trolley

The City of Ojai operates a trolley service within the City of Ojai and the nearby unincorporated areas of Meiners Oaks and Mira Monte. The County has a Cooperative Agreement with the City of Ojai to provide Trolley service within the unincorporated areas and all revenues and expenses are recorded with the City of Ojai. The County paid \$300,000 and \$210,000 to the City of Ojai to operate this service on its behalf during the fiscal years ended June 30, 2024 and 2023, respectively.

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Notes to Financial Statements

Fiscal Years Ended June 30, 2024 and 2023

(4) Transportation Development Act Compliance Requirements (Continued)

For the fiscal years ended June 30, 2024 and 2023, the City of Ojai met the fare ratio requirement.

For the fiscal years 2023/24 and 2022/23, the fare ratio requirement was calculated as follows:

	<u>2024</u>	<u>2023</u>
Operating revenues:		
Passenger fares for transit services	\$ 13,027	\$ 27,408
Trolley Advertising Revenue	6,181	-
County subsidy (a)	<u>21,193</u>	<u>-</u>
Total operating revenues	<u>\$ 40,401</u>	<u>\$ 27,408</u>
Operating expenses (b):		
Operations expense	\$ 214,490	\$ 134,933
Less:		
Insurance: Insurance reimbursement for trolley damage	-	2,749
Depreciation expenses	<u>(12,485)</u>	<u>(34,585)</u>
Total operating expenses, net	<u>\$ 202,005</u>	<u>\$ 97,869</u>
Total fare ratio	<u>20.00%</u>	<u>28.00%</u>
Total fare ratio pursuant to PUC §99268.5(c)	<u>20.00%</u>	<u>20.00%</u>

Notes:

- (a) To meet the fare box requirement the City of Ojai utilized the subsidy it received from the County of Ventura.
- (b) The presentation in fiscal year 2024 differs from fiscal year 2023. The operating costs do not include depreciation.

For purposes of the fare ratio requirement calculation, only the expenses of the City of Ojai's trolley operation were included in the operating expenses. The City of Ojai also received TDA Article 4 revenue, and its full operations are audited for farebox recovery ratio by the City of Ojai's auditors.

For complete information regarding the City of Ojai Trolley program refer to the City of Ojai TDA Article 4, Section 99260(a) fiscal year 2024 Audit Report.

COUNTY OF VENTURA, 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) Refunds and Re-Allocations

In the fiscal year ending June 30, 2024 and 2023, the County made refunds to Gold Coast Transit District ("GCTD"). The refund in fiscal year ending June 30, 2023, in the amount of \$47, was for capital projects that had been completed or discontinued. The County also was approved by GCTD to re-allocate unused Local Transportation funds in the amount of \$162,610 and \$137,507 for fiscal years 2023/24 and 2022/23, respectively.

The re-allocation amounts for fiscal year June 30, 2024, were as follows:

<u>Agency</u>	<u>Amount</u>
Valley Express	\$ (4,157)
County Bus Stop Maintenance	(34,520)
County Transit Services Management and Oversight	<u>(123,933)</u>
Total Reallocation	<u>\$ (162,610)</u>
Thousand Oaks Dial-a-Ride	\$ 103,225
East County Transit Alliance	12,170
Kanan Shuttle	7,215
Ojai Trolley	<u>40,000</u>
Total Reallocation	<u>\$ 162,610</u>

The re-allocation amounts for fiscal year June 30, 2023, were as follows:

<u>Agency</u>	<u>Amount</u>
Thousand Oaks Dial-a-Ride	\$ (49,875)
East County Transit Alliance	(27,915)
County Transit Services Management and Oversight	<u>(59,717)</u>
Total Reallocation	<u>\$ (137,507)</u>
Valley Express	\$ 11,707
Kanan Shuttle	35,431
Ojai Trolley	85,339
County Bus Stop Maintenance	<u>5,030</u>
Total Reallocation	<u>\$ 137,507</u>

See the Schedules of Status of Funds by Project for fiscal year ending June 30, 2024 and 2023 in the Supplementary Information section of this report for details.

COUNTY OF VENTURA, 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

(6) **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.

(7) **Contingencies**

See the County’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.

(8) **Budgetary Data**

The County administration approves an operating and capital budget annually and submits it to Gold Coast Transit District. The budget reflects the County’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

COUNTY OF VENTURA, 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	\$ 1,370,600	\$ 1,370,600	\$ 935,584	\$ (435,016)
Interest earnings	<u>-</u>	<u>-</u>	<u>26,902</u>	<u>26,902</u>
Total revenues	<u>1,370,600</u>	<u>1,370,600</u>	<u>962,486</u>	<u>(408,114)</u>
Expenditures:				
Operating	<u>1,370,600</u>	<u>1,370,600</u>	<u>1,267,244</u>	<u>103,356</u>
Total expenditures	<u>1,370,600</u>	<u>1,370,600</u>	<u>1,267,244</u>	<u>103,356</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	(304,758)	<u>\$ (304,758)</u>
Fund balance at the beginning of year			<u>416,741</u>	
Fund balance at the end of year			<u>\$ 111,983</u>	

COUNTY OF VENTURA, 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	\$ 1,075,387	\$ 1,075,387	\$ 997,597	\$ (77,790)
Interest earnings	<u>-</u>	<u>-</u>	<u>16,280</u>	<u>16,280</u>
Total revenues	<u>-</u>	<u>1,075,387</u>	<u>1,013,877</u>	<u>(61,510)</u>
Expenditures:				
Operating	1,275,175	1,275,175	1,032,152	243,023
Refunds	<u>-</u>	<u>-</u>	<u>47</u>	<u>(47)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,275,175</u>	<u>1,275,175</u>	<u>1,032,199</u>	<u>242,976</u>
Change in fund balance	<u>\$ (1,275,175)</u>	<u>\$ (199,788)</u>	(18,322)	<u>\$ 181,466</u>
Fund balance at the beginning of year			<u>435,063</u>	
Fund balance at the end of year			<u>\$ 416,741</u>	

Supplementary Information

COUNTY OF VENTURA, 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	Allocation Adjustments/ Refunds (a)	Interest Earnings Allocation (Expense)	Expenditures	Ending Balance June 30, 2024
Operating:						
Valley Express	\$ 1,984	\$ 187,407	\$ (4,157)	\$ 695	\$ (181,499)	\$ 4,430
Thousand Oaks Dial-a-Ride	19,907	-	103,225	105	(124,810)	(1,573)
East County Transit Alliance	4,337	-	12,170	121	(13,572)	3,056
Kanan Shuttle	33,466	485,740	7,215	6,535	(505,353)	27,603
Ojai Trolley	10,447	251,656	40,000	5,175	(300,000)	7,278
Bus Stop Maintenance	69,745	10,781	(34,520)	3,067	(26,452)	22,621
County Transit Services Management & Oversight	276,855	-	(123,933)	11,204	(115,558)	48,568
Total operating	416,741	935,584	-	26,902	(1,267,244)	111,983
Capital:						
Upgrade Bus Stops and Shelters	-	-	-	-	-	-
Total capital	-	-	-	-	-	-
Total	\$ 416,741	\$ 935,584	\$ -	\$ 26,902	\$ (1,267,244)	\$ 111,983

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

	Beginning Balance July 1, 2022	Local Transportation Fund Allocation	Allocation Adjustments/ Refunds (a)	Interest Earnings Allocation (Expense)	Expenditures	Ending Balance June 30, 2023
Operating:						
Valley Express	\$ 42,220	\$ 150,130	\$ 11,707	\$ 553	\$ (202,626)	\$ 1,984
Thousand Oaks Dial-a-Ride	97,409	-	(49,875)	1,227	(28,855)	19,906
East County Transit Alliance	35,618	-	(27,915)	257	(3,624)	4,336
Kanan Shuttle	12,676	454,340	35,431	2,681	(471,662)	33,466
Ojai Trolley	844	132,620	85,339	1,644	(210,000)	10,447
Bus Stop Maintenance	12,184	64,510	5,030	1,293	(13,272)	69,745
County Transit Services Management & Oversight	234,065	195,997	(59,717)	8,625	(102,113)	276,857
Total operating	435,016	997,597	-	16,280	(1,032,152)	416,741
Capital:						
Upgrade Bus Stops and Shelters	47	-	(47)	-	-	-
Total capital	47	-	(47)	-	-	-
Total	\$ 435,063	\$ 997,597	\$ (47)	\$ 16,280	\$ (1,032,152)	\$ 416,741

Note:

(a) See **Note 5** of the financial statements for more details.

See accompanying notes to financial statements



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 County of Ventura, California (“County”), as of and for the fiscal years ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County’s TDA Fund financial statements, and have issued our report thereon dated February 13, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County’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 County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’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 County 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
February 13, 2025