



Regular Meeting of the Measure T Citizens' Oversight Committee

LOCATION

Madera County Transportation Commission
Board Room
2001 Howard Road, Suite 201
Madera, California 93637

SPECIAL NOTICE: Precautions to address COVID-19 (a.k.a. the "Coronavirus") will apply to this meeting. See below Special Notice for additional details.

DATE

August 10, 2022

TIME

5:00 PM

Citizens' Oversight Committee Members

District 1 Vacant
District 2 Wayne Chapman
District 3 Tim Riché
District 4 Vacant
District 5 John Reed
Member At Large Randy Sacks
Member At Large Terry Flanagan

Representatives or individuals with disabilities should contact MCTC at (559) 675-0721 at least three (3) business days in advance of the meeting to request auxiliary aids or other accommodations necessary to participate in the public meeting.

SPECIAL NOTICE

Important Notice Regarding COVID-19

The meeting of August 10, 2022 will take place in person and remotely in accordance with Government Code Section 54953(e) et seq. (AB 361), and Resolution No. 21-15 Amendment No. 10, as adopted by the Madera County Transportation Commission Policy Board on July 20, 2022. The meeting will be conducted through a hybrid combination of in-person and/or all virtual attendance of the members of the Citizens' Oversight Committee via teleconference using the Zoom platform.

<https://us06web.zoom.us/j/81374774573?pwd=QklCeU16TytYQjs1VW5yNkNGcyt1dz09>

Meeting ID: 813 7477 4573

Passcode: 265764

One tap mobile

+16694449171,,81374774573#,,,,*265764# US

+16699006833,,81374774573#,,,,*265764# US (San Jose)

Dial by your location

1 669 444 9171 US

Passcode: 265764

Find your local number: <https://us06web.zoom.us/j/81374774573?pwd=QklCeU16TytYQjs1VW5yNkNGcyt1dz09>

If you wish to make a comment on a specific agenda item during the meeting, please use the "Raise Hand" feature in Zoom and you will be called on by the chair during the meeting. You can also submit your comments via email to publiccomment@maderactc.org. Comments will be shared with the Policy Board and placed into the record at the meeting. Every effort will be made to read comments received during the meeting into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

Regarding any disruption that prevents The Citizens' Oversight Committee from broadcasting the meeting to members of the public, then (1) if public access can be restored quickly, the meeting will resume in five (5) minutes to allow re-connection of all members of the Committee and members of the public; or (2) if service cannot be restored quickly, the meeting shall stop, no further action shall be taken on the remaining agenda items and notice of the continued meeting will be provided.

AGENDA

At least 72 hours prior to each regular Citizens' Oversight Committee meeting, a complete agenda packet is available for review on the [MCTC website](#) at or at the MCTC office, 2001 Howard Road, Suite 201, Madera, California 93637. All public records relating to an open session item and copies of staff reports or other written documentation relating to items of business referred to on the agenda are on file at MCTC. Persons with questions concerning agenda items may call MCTC at (559) 675-0721 to make an inquiry regarding the nature of items described in the agenda.

INTERPRETING SERVICES

Interpreting services are not provided at MCTC's public meeting unless requested at least three (3) business days in advance. Please contact MCTC at (559) 675-0721 during regular business hours to request interpreting services.

Servicios de interprete no son ofrecidos en las juntas públicas de MCTC al menos de que se soliciten con tres (3) días de anticipación. Para solicitar éstos servicios por favor contacte a Evelyn Espinosa at (559) 675-0721 x 5 durante horas de oficina.

MEETING CONDUCT

If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

RECORD OF THE MEETING

Citizens' Oversight Committee meetings are recorded. Copies of recordings are available upon request, or recordings may be listened to at the MCTC offices by appointment.

Agenda

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

This portion of the meeting is reserved for persons wishing to address the Committee on items within its jurisdiction but not on the agenda. Note: Prior to action by the Committee on any item on this agenda, the public may comment on that item.

4. APPROVAL OF MINUTES

A. Meeting Minutes – June 29, 2022

Enclosure: Yes

Action: Approve Minutes

5. CASH FLOW MODEL

6. MEASURE T COMPLIANCE AUDITS

A. Measure T FY 2020-21 Compliance Audit for the City of Chowchilla, City of Madera, and County of Madera

Enclosure: Yes

7. ANNUAL REPORT TO THE PUBLIC

A. 2021 Citizens' Oversight Committee Annual Report to the Public

Enclosure: Yes

Action: Approve Annual Report to the Public

8. MEASURE T RENEWAL UPDATE

9. OTHER ITEMS

A. Proposed Meeting Schedule

B. Agenda Items for Next Meeting

C. Items from Committee Members

10. ADJOURNMENT



**Measure T Citizens' Oversight Committee
Executive Minutes**

Date: Wednesday June 29, 2022
Time: 5:00 pm
Place: Madera County Transportation Commission Board Room and Virtual via GoToMeeting

Members Present: John Reed, Chairman, District 5
Terry Flanagan, Vice Chairman, Member At Large
Wayne Chapman, District 2
Tim Riche, District 3
Randy Sacks, Member At Large
Terry Flanagan, Member At Large

Members Absent: District 2 Vacant
District 4 Vacant

Local Agency Staff Jason Rogers, City of Chowchilla
Ellen Bitter, City of Madera
Jared Carter, Madera County

MCTA Staff: Patricia Taylor, Executive Director
Troy McNeil, Deputy Director/Fiscal Supervisor
Sandy Ebersole, Administrative Analyst

1. CALL TO ORDER

Meeting was called to order at 5:00 pm.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

This portion of the meeting is reserved for persons wishing to address the Committee on items within its jurisdiction but not on the agenda. Note: Prior to action by the Committee on any item on this agenda, the public may comment on that item.

None.

4. WELCOME AND INTRODUCTIONS

Committee Members and Staff introduced themselves.

5. ELECTION OF CHAIR AND VICE CHAIR

Upon motion by Mr. Flanagan, John Reed was elected Chairman. Upon motion by Mr. Reed Terry Flanagan was elected Vice Chairman.

6. APPROVAL OF MINUTES

Upon motion by Mr. Flanagan, seconded by Mr. Chapman, the September 8, 2021 Citizens' Oversight Committee Meeting Minutes were approved.

7. MEASURE T COMPLIANCE AUDITS

MCTA financial statements for the FY 2020/21 were audited by Price Paige & Company. Fausto Hinojosa and Kristin Torres of Price Paige & Company presented and explained the audits to the Committee. No adverse findings were reported in the FY 2020/21 Measure T compliance audits.

8. LOCAL AGENCY UPDATES

City of Chowchilla – Jason Rogers from the City of Chowchilla presented the City's current Measure T projects:

Current Pavement Condition Index (PCI) rate is 65, unchanged from 2021. Reinspection scheduled for FY 22/23.

Completed Projects:

- Road 16 Reconstruction Completed to State Route 152 with Madera County
- Various Pothole Repairs/Patching

Current Projects

- Humboldt Storm Drainage and Road Rehabilitation Design, constructed started June 20, 2022
- CATX Bus Purchase
- Design and environmental for reconstruction of Chowchilla Blvd. from Avenue 24 to Avenue 24 ½, estimated summer 2023
- SR 99/233 Interchange (roundabouts), estimated environmental completion July 2023, construction to begin 2025
- General Street Maintenance and Repair

City of Madera –Ellen Bitter from the City of Madera presented the current Measure T Projects:

Current Pavement Index (PCI) rate discussed.

Completed or Nearing Completion Projects:

- City Streets 3R and ADA Project
- Seals/Overlays
- Pedestrian Facilities

Current Projects

- Various Road Rehabilitation and ADA Projects
- Olive Avenue Widening-Gateway to Knox
- Seals and Overlays
- D Street/South Traffic Signal

Projects in Development Phase

- Almond Avenue Connection between Pine Street and Stadium Road, includes traffic study of Almond Avenue, Stadium Road and Pine Street Corridors
- Transit Enhancement Funds reserved for future projects
- Environmental Enhancement funds used for alley paving, Schnoor sidewalks, Washington School sidewalks, bicycle facilities

County of Madera –Jared Carter from Madera County presented the County’s current Measure T Projects:

Pavement Management System Discussed.

Completed Projects

- River Parkway Road (Oakhurst Midtown Connector)

Current Projects

- Avenue 26/Road 29 Rehabilitation under construction, estimated completion December 2022
- Road 200 Bridge under construction, estimated completion May 2023
- Avenue 7 Rehabilitation (west of SR 99) construction anticipated August/September 2022

9. REGIONAL UPDATE

Troy McNeil from MCTC staff provided a regional projects update.

10. MEASURE T RENEWAL UPDATE

Troy McNeil from MCTC staff provided an update regarding the Measure T Renewal effort.

11. OTHER ITEMS

- A. Meeting Schedule – the next scheduled meeting will be Wednesday, August 10, 2022 at 5:00 pm.
- B. Agenda Items for Next Meeting – A cash flow model was requested, Mr. McNeil will present this at the August 10, 2022 meeting.

12. ADJOURNMENT

Upon motion by Mr. Flanagan, the meeting adjourned at 7:15 pm.

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
AND COMPLIANCE REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2021**

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND
JUNE 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Madera County Transportation Commission
Madera, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure "T" Fund of the City of Chowchilla, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility 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 Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control, as it relates to the Measure "T" Fund. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure "T" Fund of the City of Chowchilla, California, as of June 30, 2021, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Clovis, CA 93611

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Emphasis of Matter

As discussed in Note 1, the financial statements of the Measure “T” Fund of the City of Chowchilla, are intended to present the financial position and changes in financial position of the Measure “T” Fund of the City of Chowchilla. They do not purport to, and do not present fairly the financial position of the City, as of June 30, 2021, and the changes in its financial position, 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.

Other Matters

Required Supplementary Information

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 12-13 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s Measure “T” Fund’s financial statements. The accompanying Balance Sheet by Funding Source and the Schedule of Revenues and Expenditures by Funding Source (the Schedules) are presented for purposes of additional analysis, and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2022, on our consideration of the City’s internal control over 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 solely 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 effectiveness of the City’s 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 as it relates to the Measure “T” Fund.

Price Pange & Company

Clovis, California
June 28, 2022

FINANCIAL STATEMENTS

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND
BALANCE SHEET
JUNE 30, 2021**

ASSETS

Current Assets:

Cash and investments	\$ 1,419,066
Due from MCTA	<u>137,947</u>

Total assets	<u>\$ 1,557,013</u>
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LIABILITIES

Current Liabilities:

Accounts payable	<u>\$ 1,171</u>
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Total liabilities	<u>1,171</u>
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DEFERRED INFLOWS OF RESOURCES

Unavailable revenues	<u>99,455</u>
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Total deferred inflows of resources	<u>99,455</u>
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FUND BALANCE

Restricted for highway and streets	<u>1,456,387</u>
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Total fund balance	<u>1,456,387</u>
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Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,557,013</u>
----------------------------------------------------------------------	---------------------

The accompanying notes are an integral part of these financial statements.

**CITY OF CHOWCHILLA, CALIFORNIA
 MEASURE "T" FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES	
Measure "T" sales tax	\$ 745,178
Interest	<u>5,839</u>
Total revenues	<u>751,017</u>
 EXPENDITURES	
Current:	
Highway and streets	<u>129,417</u>
Total expenditures	<u>129,417</u>
Excess of revenues over expenditures	<u>621,600</u>
 OTHER FINANCING SOURCES (USES)	
Transfers out	<u>(239,781)</u>
Total other financing sources (uses)	<u>(239,781)</u>
Net change in fund balance	381,819
Fund balance - beginning	<u>1,074,568</u>
Fund balance - ending	<u><u>\$ 1,456,387</u></u>

The accompanying notes are an integral part of these financial statements.

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE “T” FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING INFORMATION

Description of Reporting Entity

The accompanying financial statements present only the Measure “T” Transportation Sales Tax Fund as recorded in the Measure “T” Fund of the City of Chowchilla, California (the City) and are not intended to present fairly the financial position, and changes in financial position of the City with accounting principles generally accepted in the United States of America.

Basis of Accounting and Measurement Focus

The financial statements of the Measure “T” Fund have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Measure “T” Fund’s accounting policies are described below.

The Measure “T” Fund is a governmental fund specifically categorized as a special revenue fund. Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes. Governmental funds are accounted for on a “current financial resources” measurement focus and the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except those revenues subject to accrual (generally received in cash within 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the Measure “T” Fund are intergovernmental revenues. Expenditures are recorded in the accompanying period in which the related fund liability is incurred.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues, which are usually restricted as to use, are revocable only for failure to meet prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier, if they meet the availability criterion.

Use of Estimates

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

Due from Madera County Transportation Authority (MCTA)

Due from MCTA consists of the Measure “T” allocations due from Madera Commission Transportation Authority. As of June 30, 2021, the balance of \$137,947 is mostly related to the fourth quarter and excess disbursements of the fiscal year 2021 Measure “T” allocations.

Unavailable Revenue

In the fund financial statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which revenues have been earned, but for which funds are not available to meet current financial obligations. The City received the third quarter, fourth quarter and excess allocations of fiscal year 2021 Measure “T” monies after the available period (60 days after year-end). As of June 30, 2021, the City’s total unavailable revenues were \$99,455.

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING INFORMATION (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable

Amounts cannot be spent either because they are in nonspendable form (such as inventory or prepaid expense, and long-term loans and notes receivable) or because they are legally or contractually required to be maintained intact (such as principal of a permanent fund).

Restricted

Amounts with external constraints placed on the use of these resources (such as debt covenants, grantors, contributors, or laws or regulations of other governments, etc.) or imposed by law through constitutional provisions or enabling legislation.

Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by City Council, the City's highest level of decision-making authority, through an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified uses through the same type of formal action taken to establish the commitment.

Assigned

Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. For all governmental funds other than the General Fund, any remaining positive amounts not classified as nonspendable, restricted or committed must be designated as assigned fund balance.

Unassigned

This classification includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the City.

The City would typically use restricted fund balances first, followed by committee resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to deter the use of these other classified funds.

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE “T” FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 – CASH AND INVESTMENTS

The Measure “T” Fund participates in the City’s cash and investments pool that includes all other City funds, which the City Treasurer invests to enhance interest earnings. Interest income from the investment of pooled cash is allocated on an accounting basis based on the period-end cash and investment balance of the funds as a percentage of the total pooled cash balance.

The City participates in an investment pool managed by the State of California, titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Assets-Backed Securities. The City values all of its cash and investments at fair value on a portfolio basis. The City manages its pooled idle cash and investments under a formal investment policy that is adopted and reviewed by the City Council, and that follows the guidelines of the State of California Government Code.

Citywide information concerning cash and investments for the year ended June 30, 2021, including authorized investments, custodial credit risk, credit and interest rate risk for debt securities and concentration of investments, carrying amount and market value of deposits and investments, may be found in the notes of the City’s financial statements.

NOTE 3 – TRANSFERS

Transfers for the year ended June 30, 2021 are summarized as follows:

	<u>Transfers Out</u>
Measure T Fund	\$ 239,781 ⁽¹⁾

⁽¹⁾ Measure T Fund transferred \$239,781 to Streets and Roads (LTF) for street maintenance and operational costs.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus, COVID-19, a pandemic. Accordingly, some functions of the City’s operations have been limited to protect the health and safety of its employees. The financial impact that could occur as a result of the pandemic is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Measure "T" sales tax	\$ 431,726	\$ 431,726	\$ 745,178	\$ 313,452
Interest	<u>25,109</u>	<u>25,109</u>	<u>5,839</u>	<u>(19,270)</u>
Total revenues	<u>456,835</u>	<u>456,835</u>	<u>751,017</u>	<u>294,182</u>
EXPENDITURES				
Current:				
Highway and streets	<u>530,000</u>	<u>530,000</u>	<u>129,417</u>	<u>400,583</u>
Total expenditures	<u>530,000</u>	<u>530,000</u>	<u>129,417</u>	<u>400,583</u>
Excess of revenues over (under) expenditures	<u>(73,165)</u>	<u>(73,165)</u>	<u>621,600</u>	<u>694,765</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(298,588)</u>	<u>(309,092)</u>	<u>(239,781)</u>	<u>69,311</u>
Total other financing sources (uses)	<u>(298,588)</u>	<u>(309,092)</u>	<u>(239,781)</u>	<u>69,311</u>
Net change in fund balance	<u>\$ (371,753)</u>	<u>\$ (382,257)</u>	381,819	<u>\$ 764,076</u>
Fund balance - beginning			<u>1,074,568</u>	
Fund balance - ending			<u>\$ 1,456,387</u>	

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 1 – BUDGETARY INFORMATION

The City of Chowchilla, California (the City) establishes annual budgets for the Measure "T" Fund. Except for encumbrances and long-term projects in progress, which are carried forward to the following year, all appropriations remaining will lapse at year-end. The following procedures are followed in establishing the budgetary data reflected in the budgetary comparison schedules:

- 1) The department heads prepare a budget request based upon the previous year's expenditures.
- 2) A meeting is held between the department heads, Finance Director and the City Administrator for the purpose of reviewing and prioritizing the budget requests.
- 3) The City Administrator submits the proposed City Budget to the City Council, who makes decisions regarding department budgets.
- 4) The approved budget is placed in the City's accounting system and monitored by the Finance Department, as well as by the department heads.

Department heads may, with the City Administrator's authorization, transfer amounts between line items which do not change the original operational budget appropriation limit of the department. The transfers between departments and funds require approval of the City Council.

- 5) Budgets are adopted on the modified accrual basis. Revenues are budgeted in the year receipt is expected, and expenditures are budgeted in the year in which the applicable purchase orders are to be made. Budgeted amounts are maintained as originally adopted until further amended as described above. The level of control (level at which expenditures may not exceed budget) is at the fund levels for the Measure "T" Fund.

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SUPPLEMENTARY INFORMATION

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND
BALANCE SHEET
BY FUNDING SOURCE
JUNE 30, 2021**

	Commuter Corridors/ Farm to Market	Safe Routes to School and Jobs	Transit Enhancement	Environmental Enhancement	Fund Total
ASSETS					
Current assets:					
Cash and investments	\$ 595,570	\$ 539,473	\$ 143,425	\$ 140,598	\$ 1,419,066
Due from MCTA	<u>67,291</u>	<u>59,889</u>	<u>5,384</u>	<u>5,383</u>	<u>137,947</u>
Total assets	<u>\$ 662,861</u>	<u>\$ 599,362</u>	<u>\$ 148,809</u>	<u>\$ 145,981</u>	<u>\$ 1,557,013</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ -	\$ 1,171	\$ -	\$ -	\$ 1,171
Total liabilities	<u>-</u>	<u>1,171</u>	<u>-</u>	<u>-</u>	<u>1,171</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	<u>48,515</u>	<u>43,178</u>	<u>3,881</u>	<u>3,881</u>	<u>99,455</u>
Total deferred inflows of resources	<u>48,515</u>	<u>43,178</u>	<u>3,881</u>	<u>3,881</u>	<u>99,455</u>
FUND BALANCES					
Restricted for highway and streets	<u>614,346</u>	<u>555,013</u>	<u>144,928</u>	<u>142,100</u>	<u>1,456,387</u>
Total fund balances	<u>614,346</u>	<u>555,013</u>	<u>144,928</u>	<u>142,100</u>	<u>1,456,387</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 662,861</u>	<u>\$ 599,362</u>	<u>\$ 148,809</u>	<u>\$ 145,981</u>	<u>\$ 1,557,013</u>

**CITY OF CHOWCHILLA, CALIFORNIA
MEASURE "T" FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BY FUNDING SOURCE
FOR THE YEAR ENDED JUNE 30, 2021**

	Commuter Corridors/ Farm to Market	Safe Routes to School and Jobs	Transit Enhancement	Environmental Enhancement	Fund Total
REVENUES					
Measure "T" sales tax	\$ 303,799	\$ 392,772	\$ 24,303	\$ 24,304	\$ 745,178
Interest	<u>1,760</u>	<u>3,046</u>	<u>522</u>	<u>511</u>	<u>5,839</u>
Total revenues	<u>305,559</u>	<u>395,818</u>	<u>24,825</u>	<u>24,815</u>	<u>751,017</u>
EXPENDITURES					
Current:					
Highway and streets	<u>-</u>	<u>129,417</u>	<u>-</u>	<u>-</u>	<u>129,417</u>
Total expenditures	<u>-</u>	<u>129,417</u>	<u>-</u>	<u>-</u>	<u>129,417</u>
Excess of revenues over (under) expenditures	<u>305,559</u>	<u>266,401</u>	<u>24,825</u>	<u>24,815</u>	<u>621,600</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>-</u>	<u>(239,781)</u>	<u>-</u>	<u>-</u>	<u>(239,781)</u>
Total other financing sources (uses)	<u>-</u>	<u>(239,781)</u>	<u>-</u>	<u>-</u>	<u>(239,781)</u>
Net change in fund balances	305,559	26,620	24,825	24,815	381,819
Fund balances - beginning	<u>308,787</u>	<u>528,393</u>	<u>120,103</u>	<u>117,285</u>	<u>1,074,568</u>
Fund balances - ending	<u>\$ 614,346</u>	<u>\$ 555,013</u>	<u>\$ 144,928</u>	<u>\$ 142,100</u>	<u>\$ 1,456,387</u>

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COMPLIANCE REPORT

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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* AND THE
RULES AND REGULATIONS OF THE MEASURE "T" ENABLING LEGISLATION

To the Board of Commissioners
Madera County Transportation Commission
Madera, California

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 "T" Fund of the City of Chowchilla, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Measure "T" Fund's financial statements, and have issued our report thereon dated June 28, 2022, which included an explanatory paragraph describing that the financial statements only present the City's Measure "T" Fund.

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) as it relates to the Measure "T" Fund, as a basis for designing 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 City's Measure "T" 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's Measure "T" Fund financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our audit was further made to determine that allocations made and expended by the City were made in accordance with the Measure "T" Enabling Legislation. 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 City's internal control or on compliance as it relates to the Measure "T" Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Pange & Company

Clovis, California
June 28, 2022

**CITY OF MADERA, CALIFORNIA
MEASURE "T" FUND**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
AND COMPLIANCE REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2021**

**CITY OF MADERA, CALIFORNIA
MEASURE "T" FUND
JUNE 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Madera County Transportation Authority
Madera, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure "T" Fund of the City of Madera, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility 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 Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements 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 City's internal control as it relates to the Measure "T" Fund. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure "T" Fund of the City as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter

As discussed in Note 1, the financial statements present only the Measure “T” Fund of the City of Madera and do not purport to, and do not present fairly the financial position of the City as of June 30, 2021, and the changes in its financial position 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.

Other Matters

Required Supplementary Information

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule on pages 10-11 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Measure “T” Fund financial statements. The accompanying Balance Sheet by Funding Source and the Schedule of Revenues, Expenditures and Changes in Fund Balance by Funding Source (the Schedules) are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 2, 2022, on our consideration of the City’s internal control over financial reporting as it relates to the Measure “T” Fund 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 solely 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 effectiveness of the City’s 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 City’s internal control over financial reporting and compliance as it relates to the Measure “T” Fund.

Price Pange & Company

Clovis, California
August 2, 2022

FINANCIAL STATEMENTS

**CITY OF MADERA, CALIFORNIA
MEASURE "T" FUND
BALANCE SHEET
JUNE 30, 2021**

ASSETS

Cash and investments	\$ 10,989,798
Due from other government	<u>728,773</u>
Total assets	<u>\$ 11,718,571</u>

LIABILITIES

Accounts payable	\$ <u>5,030</u>
Total liabilities	<u>5,030</u>

DEFERRED INFLOWS OF RESOURCES

Unavailable revenues	<u>525,313</u>
Total deferred inflows of resources	<u>525,313</u>

FUND BALANCE

Restricted for highway and streets	<u>11,188,228</u>
Total fund balance	<u>11,188,228</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 11,718,571</u>

The accompanying notes are an integral part of this statement.

**CITY OF MADERA, CALIFORNIA
 MEASURE "T" FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES	
Measure "T" sales tax	\$ 3,277,492
Interest	<u>58,216</u>
Total revenues	<u>3,335,708</u>
 EXPENDITURES	
Current:	
Highway and streets	<u>947,027</u>
Total expenditures	<u>947,027</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,388,681</u>
 OTHER FINANCING SOURCES (USES)	
Transfers out	<u>(875,238)</u>
Total other financing sources (uses)	<u>(875,238)</u>
Net change in fund balance	1,513,443
Fund balance - beginning	<u>9,674,785</u>
Fund balance - ending	<u>\$ 11,188,228</u>

The accompanying notes are an integral part of this statement.

**CITY OF MADERA, CALIFORNIA
MEASURE “T” FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING INFORMATION

Description of Reporting Entity

The accompanying financial statements present only the Measure “T” Fund as recorded in the City of Madera (the City) and are not intended to present fairly the financial position, change in financial position or cash flows of the City with accounting principles generally accepted in the United States of America.

Basis of Accounting and Measurement Focus

The financial statements of the Measure “T” Fund have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City’s significant accounting policies associated to the Measure “T” Fund are described below.

The Measure “T” Fund is a governmental fund specifically categorized as a special revenue fund. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Governmental funds are accounted for on a spending of “current financial resources” measurement focus and the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

The City considers revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end for all revenues except grants, which use a six-month availability period. The primary revenue sources, which have been treated as susceptible to accrual by the Measure “T” Fund are intergovernmental revenues. Expenditures are recorded in the accompanying period in which the related fund liability is incurred.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues, which are usually unrestricted as to use and are revocable only for failure to meet prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier, if they meet the availability criterion.

Unavailable Revenue

In the fund financial statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which revenues have been earned, but for which funds are not available to meet current financial obligations.

**CITY OF MADERA, CALIFORNIA
MEASURE "T" FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING INFORMATION (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned

This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the Finance Director through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned

This classification includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the City.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to first apply committed fund balance, then assigned fund balance, and finally unassigned fund balance.

**CITY OF MADERA, CALIFORNIA
MEASURE "T" FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 – CASH AND INVESTMENTS

Cash is pooled in the City's cash and investments. Income from the investment of pooled cash is allocated to the City on a monthly basis, based upon the actual daily balance of the fund as a percentage of the total pooled cash balance. Cash and investments consist of U.S. government-backed securities and investments in the State of California Local Agency Investment Fund, as well as banker acceptances, commercial paper and money market funds, and are not identified with any single fund of the City. The City values its cash and investments at fair value on a portfolio basis. The City manages its pooled idle cash and investments under a formal investment policy that is adopted and reviewed by the City Council, and that follows the guidelines of the State of California Government Code.

Investments are stated at fair value. The increase in the fair value of investments is recognized as an increase to the interest income revenue. The City normally holds investments to term; therefore, no realized gain/loss is recognized.

City-wide information concerning cash and investments for the year ended June 30, 2021, including authorized investments, custodial credit risk, credit and interest rate risk for debt securities and concentration of investments, carrying amount and market value of deposits and investments, may be found in the notes to the City's Financial Statements.

NOTE 3 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Measure "T" Fund has no items to report in this category.

In addition to liabilities, the balance sheet will sometimes report a section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Measure "T" Fund has one type of deferred inflows, unavailable revenues, which totaled \$525,313 as of June 30, 2021.

NOTE 4 – TRANSFERS

For the fiscal year ended June 30, 2021, \$875,238 was transferred out of the Measure "T" Fund to the City's General Fund's Public Works Streets department to supplement qualifying street-related operating costs.

NOTE 5 – CONTINGENCIES

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus, COVID-19, a pandemic. Accordingly, some functions of the City's operations were limited to protect the health and safety of its employees. The financial impact that could occur as a result of the pandemic is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF MADERA, CALIFORNIA
 MEASURE "T" FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Measure "T" sales tax	\$ 1,881,064	\$ 1,881,064	\$ 3,277,492	\$ 1,396,428
Interest	<u>113,666</u>	<u>113,666</u>	<u>58,216</u>	<u>(55,450)</u>
Total revenues	<u>1,994,730</u>	<u>1,994,730</u>	<u>3,335,708</u>	<u>1,340,978</u>
EXPENDITURES				
Current:				
Highway and streets	<u>903,435</u>	<u>8,836,857</u>	<u>947,027</u>	<u>7,889,830</u>
Total expenditures	<u>903,435</u>	<u>8,836,857</u>	<u>947,027</u>	<u>7,889,830</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,091,295</u>	<u>(6,842,127)</u>	<u>2,388,681</u>	<u>9,230,808</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,094,338)</u>	<u>(1,094,338)</u>	<u>(875,238)</u>	<u>219,100</u>
Total other financing sources (uses)	<u>(1,094,338)</u>	<u>(1,094,338)</u>	<u>(875,238)</u>	<u>219,100</u>
Net change in fund balance	<u>\$ (3,043)</u>	<u>\$ (7,936,465)</u>	1,513,443	<u>\$ 9,449,908</u>
Fund balance - beginning			<u>9,674,785</u>	
Fund balance - ending			<u>\$ 11,188,228</u>	

**CITY OF MADERA, CALIFORNIA
MEASURE "T" FUND
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 1 – BUDGETARY INFORMATION

The City establishes annual budgets for the Measure "T" Fund. Except for encumbrances and long-term projects in progress, which are carried forward to the following year, all appropriations remaining will lapse at year-end. The following procedures are followed in establishing the budgetary data reflected in the budgetary comparison schedules:

- 1) The department heads prepare a budget request based upon the previous year's expenditures.
- 2) A meeting is held between the department heads, the Finance Director and the City Administrator for the purpose of reviewing and prioritizing the budget requests.
- 3) The City Administrator submits the proposed City budget to the City Council, who makes decisions regarding department budgets.
- 4) The approved budget is placed in the City accounting system and monitored by the Finance Department as well as by the department heads.

Department heads may, with the City Administrator's authorization, transfer amounts between line items which do not change the original operational budget appropriation limit of the department. The transfers between departments and funds require approval of the City Council.

- 5) Budgets are adopted on the modified accrual basis. Revenues are budgeted in the year receipt is expected, and expenditures are budgeted in the year that the applicable purchase orders are expected to be issued. Budgeted amounts are maintained as originally adopted and as further amended by the City Council. The level of control (level at which expenditures may not exceed budget) is at fund level for the Measure "T" Fund.

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SUPPLEMENTARY INFORMATION

**CITY OF MADERA, CALIFORNIA
MEASURE "T" FUND
BALANCE SHEET BY FUNDING SOURCE
JUNE 30, 2021**

	Commute Corridors/ Farm to Market	Safe Routes to School and Jobs	Transit Enhancement	Environmental Enhancement	Total
ASSETS					
Cash and investments	\$ 8,323,249	\$ 1,954,118	\$ 487,457	\$ 224,974	\$ 10,989,798
Due from other government	<u>355,500</u>	<u>316,395</u>	<u>28,438</u>	<u>28,440</u>	<u>728,773</u>
Total assets	<u>\$ 8,678,749</u>	<u>\$ 2,270,513</u>	<u>\$ 515,895</u>	<u>\$ 253,414</u>	<u>\$ 11,718,571</u>
LIABILITIES					
Accounts payable	\$ 5,030	\$ -	\$ -	\$ -	\$ 5,030
Total liabilities	<u>5,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,030</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	<u>256,251</u>	<u>228,063</u>	<u>20,499</u>	<u>20,500</u>	<u>525,313</u>
Total deferred inflows of resources	<u>256,251</u>	<u>228,063</u>	<u>20,499</u>	<u>20,500</u>	<u>525,313</u>
FUND BALANCES					
Restricted for highway and streets	<u>8,417,468</u>	<u>2,042,450</u>	<u>495,396</u>	<u>232,914</u>	<u>11,188,228</u>
Total fund balances	<u>8,417,468</u>	<u>2,042,450</u>	<u>495,396</u>	<u>232,914</u>	<u>11,188,228</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,678,749</u>	<u>\$ 2,270,513</u>	<u>\$ 515,895</u>	<u>\$ 253,414</u>	<u>\$ 11,718,571</u>

**CITY OF MADERA, CALIFORNIA
 MEASURE "T" FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BY FUNDING SOURCE
 FOR THE YEAR ENDED JUNE 30, 2021**

	Commuter Corridors/ Farm to Market	Safe Routes to School and Jobs	Transit Enhancement	Environmental Enhancement	Total
REVENUES					
Measure "T" sales tax	\$ 1,598,779	\$ 1,422,914	\$ 127,897	\$ 127,902	\$ 3,277,492
Interest	<u>41,768</u>	<u>12,781</u>	<u>2,330</u>	<u>1,337</u>	<u>58,216</u>
Total revenues	<u>1,640,547</u>	<u>1,435,695</u>	<u>130,227</u>	<u>129,239</u>	<u>3,335,708</u>
EXPENDITURES					
Current:					
Highway and streets	<u>723,832</u>	<u>71,864</u>	<u>9,426</u>	<u>141,905</u>	<u>947,027</u>
Total expenditures	<u>723,832</u>	<u>71,864</u>	<u>9,426</u>	<u>141,905</u>	<u>947,027</u>
Excess (deficiency) of revenues over (under) expenditures	<u>916,715</u>	<u>1,363,831</u>	<u>120,801</u>	<u>(12,666)</u>	<u>2,388,681</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(11,305)</u>	<u>(863,933)</u>	<u>-</u>	<u>-</u>	<u>(875,238)</u>
Total other financing sources (uses)	<u>(11,305)</u>	<u>(863,933)</u>	<u>-</u>	<u>-</u>	<u>(875,238)</u>
Net change in fund balances	905,410	499,898	120,801	(12,666)	1,513,443
Fund balances - beginning	<u>7,512,058</u>	<u>1,542,552</u>	<u>374,595</u>	<u>245,580</u>	<u>9,674,785</u>
Fund balances - ending	<u>\$ 8,417,468</u>	<u>\$ 2,042,450</u>	<u>\$ 495,396</u>	<u>\$ 232,914</u>	<u>\$ 11,188,228</u>

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COMPLIANCE REPORT

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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* AND THE
RULES AND REGULATIONS OF THE MEASURE "T" ENABLING LEGISLATION

To the Board of Commissioners
Madera County Transportation Authority
Madera, California

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 "T" Fund of the City of Madera, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Measure "T" Fund financial statements, and have issued our report thereon dated August 2, 2022.

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), as it relates to the Measure "T" Fund, as a basis for designing 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 City's Measure "T" Fund 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure "T" Fund financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our audit was further made to determine that allocations made and expended by the City were made in accordance with the Measure "T" Enabling Legislation. 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 City's internal control or on compliance as it relates to the Measure "T" Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Pange & Company

Clovis, California
August 2, 2022

**COUNTY OF MADERA, CALIFORNIA
MEASURE "T" FUND**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
AND COMPLIANCE REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2021**

**COUNTY OF MADERA, CALIFORNIA
MEASURE "T" FUND
JUNE 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Madera County Transportation Authority
Madera, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Madera County Transportation Authority's pass-through Measure "T" Fund (Measure "T" Fund) of the County of Madera, California (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility 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 Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements 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 County's internal control as it relates to the Measure "T" Fund. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure "T" Fund of the County as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter

As discussed in Note 1, the financial statements of the Measure “T” Fund of the County, are intended to present the financial position and the changes in financial position of only that portion of the Measure “T” Fund of the County that is attributable to the transactions related to Madera County Transportation Authority’s pass-through Measure “T” Fund. They do not purport to, and do not present fairly the financial position of the County as of June 30, 2021, or the changes in its financial position 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.

Other Matters

Required Supplementary Information

Management has omitted the management’s discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s Measure “T” Fund’s financial statements. The Balance Sheet by Funding Source and the Statement of Revenues, Expenditures and Changes in Fund Balance by Funding Source (the Schedules) are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2022 on our consideration of the County’s internal control over financial reporting as it relates to the Measure “T” Fund 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 solely 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 effectiveness of the County’s 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 as it relates to the Measure “T” Fund.

Price Pange & Company

Clovis, California
July 13, 2022

FINANCIAL STATEMENTS

**COUNTY OF MADERA, CALIFORNIA
MEASURE "T" FUND
BALANCE SHEET
JUNE 30, 2021**

ASSETS

Cash	\$ 15,916,131
Due from other government	<u>895,258</u>
Total assets	<u>\$ 16,811,389</u>

LIABILITIES

Due to other funds	\$ <u>1,969,104</u>
Total liabilities	<u>1,969,104</u>

DEFERRED INFLOWS OF RESOURCES

Unavailable revenue	<u>645,320</u>
Total deferred inflows of resources	<u>645,320</u>

FUND BALANCE

Restricted	<u>14,196,965</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 16,811,389</u>

The accompanying notes are an integral part of this statement.

**COUNTY OF MADERA, CALIFORNIA
MEASURE "T" FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2021**

REVENUES

Measure "T" sales tax	\$ 4,005,396
Interest	<u>59,669</u>
Total revenues	<u>4,065,065</u>

EXPENDITURES

Current:

Highway and streets	<u>2,039,534</u>
Total expenditures	<u>2,039,534</u>

Net change in fund balance	2,025,531
Fund balance - beginning	<u>12,171,434</u>
Fund balance - ending	<u>\$ 14,196,965</u>

The accompanying notes are an integral part of this statement.

**COUNTY OF MADERA, CALIFORNIA
MEASURE “T” FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING INFORMATION

Description of Reporting Entity

The accompanying financial statements present only the Madera County Transportation Authority’s pass-through Measure “T” Fund (Measure “T” Fund) of the County of Madera, California (the County) and are not intended to present fairly the financial position and changes in financial position of the County with accounting principles generally accepted in the United States of America.

Basis of Accounting and Measurement Focus

The financial statements of the Measure “T” Fund have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County’s significant accounting policies are described below.

The Measure “T” Fund is a governmental fund specifically categorized as a special revenue fund. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Governmental funds are accounted for on a “current financial resources” measurement focus and the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. The County considers certain revenues reported in the governmental fund to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded in the period in which the related fund liability is incurred.

Intergovernmental revenues (primarily grants and subventions), which are received as reimbursement for specific purposes or projects, are recognized based upon the expenditures recorded. Intergovernmental revenues, which are usually unrestricted as to use and are revocable only for failure to meet prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier, if they meet the availability criterion.

Unavailable Revenue

In the fund financial statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The County records unavailable revenue for transactions for which revenues have been earned, but for which funds are not available to meet current financial obligations.

**COUNTY OF MADERA, CALIFORNIA
MEASURE "T" FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING INFORMATION (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable

Amounts cannot be spent either because they are in nonspendable form (such as inventory or prepaid expense, and long-term loans and notes receivable) or because they are legally or contractually required to be maintained intact (such as principal of a permanent fund).

Restricted

Amounts with external constraints placed on the use of these resources (such as debt covenants, grantors, contributors, or laws or regulations of other governments, etc.) or imposed by law through constitutional provisions or enabling legislation.

Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Supervisors, the County's highest level of decision-making authority, through an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Board of Supervisors removes or changes the specified uses through the same type of formal action taken to establish the commitment.

Assigned

Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the Board of Supervisors or its designee and may be changed at the discretion of the Board of Supervisors or its designee. For all governmental funds other than the General Fund, any remaining positive amounts not classified as nonspendable, restricted or committed must be designated as assigned fund balance.

Unassigned

This classification includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the County.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

**COUNTY OF MADERA, CALIFORNIA
MEASURE "T" FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 – CASH AND INVESTMENTS

The Measure "T" Fund participates in the County's cash and investments pool that includes all other County funds, which the County Treasurer invests to enhance interest earnings. Income from the investment of pooled cash is allocated on a quarterly basis, based upon the actual daily balance of the fund as a percentage of the total pooled cash balance.

The County participates in an investment pool managed by the State of California, titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Assets-Backed Securities. The County values all of its cash and investments at fair value on a portfolio basis. The County manages its pooled idle cash and investments under a formal investment policy that is adopted and reviewed by the County Council, and that follows the guidelines of the State of California Government Code.

Countywide information concerning cash and investments for the year ended June 30, 2021, including authorized investments, custodial credit risk, credit and interest rate risk for debt securities and concentration of investments, carrying amount and market value of deposits and investments, may be found in the notes of the County's Financial Statements.

NOTE 3 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. There are no items to report in this category.

In addition to liabilities, the statement of net position will sometimes report a section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to (a) future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows is comprised of unavailable revenues, which totaled \$645,320 as of June 30, 2021.

NOTE 4 – CONTINGENCIES

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus, COVID-19, a pandemic. Accordingly, some functions of the County's operations were limited to protect the health and safety of its employees. The financial impact that could occur as a result of the pandemic is unknown at this time.

NOTE 5 – DEFICIT FUND BALANCE

Environmental Enhancement Measure "T" funding type had a deficit fund balance of \$1,131 at June 30, 2021.

SUPPLEMENTARY INFORMATION

**COUNTY OF MADERA, CALIFORNIA
 MEASURE "T" FUND
 BALANCE SHEET
 BY FUNDING SOURCE
 JUNE 30, 2021**

	Commute Corridors/ Farm to Market	Safe Routes to School and Jobs	Transit Enhancement	Environmental Enhancement	Total
ASSETS					
Cash	\$ 9,173,054	\$ 5,598,537	\$ 113,340	\$ 1,031,200	\$ 15,916,131
Due from other government	436,710	420,641	2,970	34,937	895,258
Total assets	\$ 9,609,764	\$ 6,019,178	\$ 116,310	\$ 1,066,137	\$ 16,811,389
LIABILITIES					
Due to other funds	\$ 141,751	\$ 785,268	\$ -	\$ 1,042,085	\$ 1,969,104
Total liabilities	141,751	785,268	-	1,042,085	1,969,104
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	314,789	303,206	2,142	25,183	645,320
Total deferred inflows of resources	314,789	303,206	2,142	25,183	645,320
FUND BALANCES					
Restricted	9,153,224	4,930,704	114,168	(1,131)	14,196,965
Total liabilities, deferred inflows of resources and fund balances	\$ 9,609,764	\$ 6,019,178	\$ 116,310	\$ 1,066,137	\$ 16,811,389

**COUNTY OF MADERA, CALIFORNIA
 MEASURE "T" FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES BY FUNDING SOURCE
 FOR THE YEAR ENDED JUNE 30, 2021**

	Commute Corridors/ Farm to Market	Safe Routes to School and Jobs	Transit Enhancement	Environmental Enhancement	Total
REVENUES					
Measure "T" sales tax	\$ 1,953,849	\$ 1,881,953	\$ 13,286	\$ 156,308	\$ 4,005,396
Interest	<u>35,450</u>	<u>19,613</u>	<u>466</u>	<u>4,140</u>	<u>59,669</u>
Total revenues	<u>1,989,299</u>	<u>1,901,566</u>	<u>13,752</u>	<u>160,448</u>	<u>4,065,065</u>
EXPENDITURES					
Current:					
Highway and streets	<u>204,553</u>	<u>792,896</u>	-	<u>1,042,085</u>	<u>2,039,534</u>
Total expenditures	<u>204,553</u>	<u>792,896</u>	-	<u>1,042,085</u>	<u>2,039,534</u>
Net change in fund balances	1,784,746	1,108,670	13,752	(881,637)	2,025,531
Fund balances - beginning	<u>7,368,478</u>	<u>3,822,034</u>	<u>100,416</u>	<u>880,506</u>	<u>12,171,434</u>
Fund balances - ending	<u>\$ 9,153,224</u>	<u>\$ 4,930,704</u>	<u>\$ 114,168</u>	<u>\$ (1,131)</u>	<u>\$ 14,196,965</u>

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COMPLIANCE REPORT

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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* AND THE RULES
AND REGULATIONS OF THE MEASURE "T" ENABLING LEGISLATION

To the Board of Commissioners
Madera County Transportation Authority
Madera, California

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 Madera County Transportation Authority's pass-through Measure "T" Fund (Measure "T" Fund) of the County of Madera, California (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Measure "T" Fund's financial statements, and have issued our report thereon dated July 13, 2022.

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), as it relates to the Measure "T" Fund, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 County's Measure "T" Fund 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's Measure "T" Fund financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our audit was further made to determine that allocations made and expended by the County were made in accordance with the Measure "T" Enabling Legislation. 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 County's internal control or on compliance as it relates to the Measure "T" Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Page & Company

Clovis, California
July 13, 2022

To the Residents of Madera County

The Measure T Citizens' Oversight Committee is pleased to announce the findings of the fiscal year 2021 Measure T compliance audits. In the fourteenth year of the Measure T program, construction work continued on the State Route 99 Ave 12 to Ave 17 widening and safety project as well as the Oakhurst Midtown Connector project. The local agencies spent over \$2.47 million on road rehabilitation and maintenance projects. The City of Madera also spent funds to help complete their new Transit Facility as well as funds to enhance the Fresno River Trail

The Measure T financial statements for the fiscal year 2021 were audited by an independent firm with no significant deficiencies identified. The audited financial statements can be viewed at the [Madera County Transportation Authority website](#).

The Committee has reviewed the audited Measure T Financial Statements and reports of the independent auditor from July 2020 to June 2021 and concurs that Measure T expenditures are in accordance with the Measure T program.

Measure T continues to serve as a crucial source of local infrastructure investment including leveraging state and federal funds for the Madera County region. The Committee looks forward to continue working with the community to ensure the ongoing success of the Measure T Program.

Measure T Oversight Committee

District 2 Wayne Chapman

District 3 Tim Riché

District 5 John Reed

Member At Large Randy Sacks

Member At Large Terry Flanagan