



## VENTURA COUNCIL OF GOVERNMENTS

### AGENDA

The meeting will be **LIVE**  
**Thursday, July 14, 2022, 4:00 p.m.**  
**Camarillo City Council Chambers**  
**601 Carmen Dr., Camarillo, CA**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Council meeting, please contact VCOG staff at 805-217-9448. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

**AGENDA REPORTS AND OTHER DISCLOSABLE PUBLIC RECORDS RELATED TO OPEN SESSION AGENDA ITEMS ARE AVAILABLE ON THE VCOG WEBSITE UNDER AGENDA AND MINUTES AT [WWW.VENTURACOG.ORG](http://WWW.VENTURACOG.ORG).**

1. **CALL TO ORDER AND FLAG SALUTE**

2. **ROLL CALL**

3. **PUBLIC COMMENT**

At this time, public comments received in advance by VCOG Staff will be read aloud into the meeting record. Individual Board Members may briefly respond to Public Comments or ask questions for clarification.

4. **EXECUTIVE DIRECTOR'S REPORT** – (Provided at Meeting)

5. **AGENCY REPORTS** – Oral Reports If Representatives Attend

- A. Southern California Association of Governments
- B. Ventura County Transportation Commission
- C. League of California Cities
- D. Other

6. **2022-2023 VCOG Budget Amendment No. 1 p. 3** Review the proposed VCOG Operating Budget for F.Y. 2022-2023 adopt VCOG Resolution No. 2022-03. **Action:** Adopt VCOG Resolution No. 2022-03.

### MEMBERS

City of Camarillo  
Kevin Kildee, Chair  
Charlotte Craven, Alternate

City of Fillmore  
Simone Alex  
Diane McCall, Alternate

City of Moorpark  
Janice Parvin, Member  
Chris Enegren, Alternate

City of Ojai  
Randy Haney, Chair-Elect  
Betsy Stix, Alternate

City of Oxnard  
Bert Perello, Member  
Oscar Madrigal, Alternate

City of Port Hueneme  
Steven Gama, Member  
Misty Perez, Alternate

City of San Buenaventura  
Mike Johnson, Member  
Doug Halter, Alternate

City of Santa Paula  
Jenny Crosswhite, IP Chair  
Andy Sobel, Alternate

City of Simi Valley  
Elaine Litster, Member  
Mike Judge, Alternate

City of Thousand Oaks  
Kevin McNamee, Member  
Bob Engler, Alternate

County of Ventura  
Bob Huber, Member  
Carmen Ramirez-Alternate

## **7. CONSENT CALENDAR**

- A. **Summary of May 12, 2022 Meeting p. 9** Approve Meeting Summary for the May 12, 2022, VCOG Meeting. **Action:** Approve Meeting Summary as published.
- B. **Financial Report p. 14-** Approve Ventura Council of Governments Financial Report for the Budget Period from May 6, 202 to July 11, 2022. **Action:** Approve Financial Report.
- C. **Register of Warrants & Debit Card Transactions p. 18-** Approve the Register of Warrants for Expenditures and Debit Card Transactions incurred from May 6, 2022 to July 11, 2022. **Action:** Approve Register of Warrants and Debit Card Transactions.
- D. **Audited Financial Statements- 2020-2021 p. 21** Receive and file Ventura Council of Governments, Audited Financial Statements for Period July 1, 2020 to June 30, 2021. **Action:** Approve Staff Recommendation.

## **8. PRESENTATION ITEMS**

- A. **Overview of the County, State and US Economic Forecast from Dr. Mark Schiepp, California Economic Forecast. p. 50-** Dr. Schniepp is Director of the California Economic Forecast in Santa Barbara. The company prepares forecasts and commentary on the regional economies of California. He prepares economic analysis and regional forecasts for Caltrans, Kaiser Permanente, Exxon Mobil, and the Southern California Association of Governments. **Action: Receive Report and Discuss-** Bio Attached
- B. **The Coast at Port Hueneme to Point Magu by Steven Gama, City Council Member, City of Port Hueneme. p. 51-** Council Member Steven Gama will present a report entitled "Hueneme Beach Sand Matters." **Action: Receive Report -** Introduction Summary Attached

## **9. BOARD MEMBER COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS**

Any Council Member present may propose items for placement on a future agenda. Members should limit their proposed topics to issues that conform to VCOG's adopted Program of Priorities. Members may discuss whether the item should be placed on a future agenda and the description of the agenda item.

## **10. ADJOURNMENT: Next Meeting- September 1, 2022 at Camarillo City Hall**


Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are on file with the Ventura Council of Governments Executive Director and are available for public inspection. If you have any questions regarding any agenda item, contact the Executive Director at (805) 217-9448. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Executive Director. Notification 48 hours before the meeting will allow VCOG to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35, 102-35. 104 ADA Title II).



**VENTURA COUNCIL  
OF GOVERNMENTS**

**ITEM 6**

**MEMORANDUM**

**TO:** Council Members and Alternates  
**FROM:** Hugh Riley, Executive Director   
**SUBJECT:** Budget Amendment No. 1 – 2022-2023  
**DATE:** July 14, 2022

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**Recommendation:**

Review the proposed Amendment No. 1 to the VCOG Operating Budget for F.Y. 2022-2023 and Adopt VCOG Resolution No. 2022-04.

**Discussion:**

The VCOG Joint Powers Authority Agreement Section 23 requires that a budget be adopted, and dues be approved, at the last regular meeting of the Governing Body prior to June 30 of each year or at the first meeting, regular or special, of the Governing Body after June 30. This report transmits proposed VCOG Budget Amendment No. 1 Fiscal Year 2022/2023.

On May 12, 2022, the VCOG Council Adopted VCOG Resolution No. 2022-03 approving a proposed VCOG Operating Budget for 2022-2023. The approved budget included estimated grant revenues and expenditures for the remaining REAP Projects. On May 23, 2022, a second revision to the REAP MOU Scope of Work was finalized and approved by SCAG on April 25, 2022. Pursuant to this revision, Amendment No. 1 adjusts REAP Project Expenses for the 2022-2023 Fiscal Year beginning July 1, 2022. As REAP ends by June 30, 2023, there is likely to be another budget amendment in early 2023 to close out the grant.

**FY 2022-2023 REAP Grant Expense**

REAP Project Expense Line Items have been modified to reflect the Second Amendment to the Program Scope of Work approved by SCAG on April 24, 2022:

**PROJECT 1**

- Task A remains completed.
- Close out Task C ADMIN as nominal REAP administrative costs are covered by VCOG. Reallocated unspent Task C \$10,000 to Task B and \$11,416 to Project 4, Task A.

- Increased TASK B by \$10,000 and set FY 22/23 budget as \$18,454.

**PROJECT 2- Previously Complete**

- Reallocated unspent \$2,828 to Project 4, Task A.

**PROJECT 3- Previously Complete**

- Reallocated unspent \$1,502 to Project 4, Task A.

**PROJECT 4**

- Funded Task A from Projects 1, 2 and 3 reallocations. Set FY 22/23 budget as \$11,915 for staff participation in joint ADU program with OCCOG and GCCOG.
- Add the 5% SCAG (\$21,600) Supplemental REAP Award to previous \$50,500 for total of \$72,100 to use with OCCOG and GCCOG funds for consultants.

**PROJECT 5**

- No changes in Amendment No. 1.

\$165,654 in REAP Grant Funds will be needed in FY 22/23 to complete the current projects. These numbers may change as we close out FY 201/22 on June 30, 2022 with actual expenditures.

**OTHER Changes to the Budget**

**Income:**

Delete budgeted income for Annual Dinner Ticket Sales. VCOG has obtained additional sponsor support (Totals \$8,500) for the event so that all tickets may be complementary. ( -\$300)

**Expense:**

Increase expense for Annual Dinner to \$9,000. ( +\$500)

Increase Conference and Meeting to allow staff attendance at SCAG CalCities Annual Conference (Long Beach) in September 2022 and SCAG Annual Conference (Palm Desert) in May 2023. (+\$1,000)

Increase Travel and Lodging to support conference attendance. (+ \$700)

Delete Budget Surplus to provide Expense Increases above. (- \$2,500)

All remaining Income and Expense Line Items remain the same as the initially approved budget

**Amended Fiscal Year 2022/2023 Budget**

The amended Fiscal Year 2022/2023 budget (Attachment, Exhibit A) totals \$239,156 to continue operations and programming of VCOG including the probable completion of the REAP Program by June 30, 2023. Member agency Dues Assessments (Attachment, Exhibit B) have been maintained at the same level as 2021-2022 as they have for the past seven years.

**ATTACHMENT: VCOG Resolution 2022-04 and Exhibits-Proposed Budget Amendment No. 1 for 2022-2023**

**ATTACHMENT**

**VENTURA COUNCIL OF GOVERNMENTS RESOLUTION  
NO. 2022-04  
A RESOLUTION OF THE GOVERNING BODY OF  
THE VENTURA COUNCIL OF GOVERNMENTS  
AMENDING THE 2022-2023 BUDGET**

BE IT RESOLVED by the Governing Body of the Ventura Council of Governments as follows:

SECTION 1: The Governing Body finds that a budget for Fiscal Year 2022-2023 must be adopted to fund VCOG Operations for the coming year.

SECTION 2: The Governing Body Adopted VCOG Operating Budget for Fiscal Year 2022-2023 on May 12, 2022.

SECTION 3: Proposed 2<sup>nd</sup> Revision to the Scope of Work included in the VCOG-SCAG MOU No. M-018-21 for the Regional Early Action Program Grant (REAP) have been approved by SCAG requiring certain adjustments to the Income and Expenditure Line Items for REAP Projects, and

SECTION 4: The Governing Body agrees that, while certain budgeted expense line items may be exceeded due to unexpected cost increases or other circumstances, the approved Total Expenditure amount shall not be exceeded. Further, line item cost overruns shall not exceed 10% of the original line item without approval by the Administrative Committee. The legal level of budgetary control, the level at which expenditures cannot legally exceed the appropriated amount, is exercised at the fund level.

SECTION 5: All fund balances as of June 30, 2022 shall be carried forward to the 2022-2023 Fiscal Year Operating Budget.

SECTION 6: The Governing Body agrees that there no changes required by this amendment to Member Dues Assessments for Fiscal Year 2022-2023 contained in Exhibit B.

PASSED AND ADOPTED this 14<sup>th</sup> day of July, 2022.

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Kevin Kildee, Chair

Attest:

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Hugh Riley, Executive Director

## Exhibit A

### VENTURA COUNCIL OF GOVERNMENTS FISCAL YEAR 2022/2023 PROPOSED BUDGET (AMENDMENT NO. 1)

<u>Budget Item</u>	<u>Fiscal Year 2021/2022 Amended Budget</u>	<u>Fiscal Year 2022/2023 Approved Budget</u>	<u>Fiscal Year 2022/2023 Amendment No. 1</u>
<b>Income</b>			
Annual Dinner Sponsorships	6,000	8,500	8,500
Annual Dinner Tickets	300	300	-0-
Dues Assessments	<u>64,992</u>	<u>64,992</u>	<u>64,992</u>
<b>Sub Total Income</b>	<b>71,292</b>	<b>73,792</b>	<b>73,492</b>
<b>Other Types of Income</b>			
Bank Interest	10	10	10
Research Grant Appropriation	800	0	0
SCAG- REAP Contract	<u>416,900</u>	<u>163,271</u>	<u>165,654</u>
<b>Total-Other Types of Income</b>	<b><u>417,710</u></b>	<b><u>163,281</u></b>	<b><u>165,664</u></b>
<b>Total Income</b>	<b>489,002</b>	<b>237,073</b>	<b>239,156</b>
<b>Expenses</b>			
Contract Services			
Accounting Services	2,000	1,500	1,500
Audit	5,250	5,500	5,500
Executive Administration	45,000	45,000	45,000
Legal Fees	300	300	300
Research Grant-CLU	<u>800</u>	<u>0</u>	<u>0</u>
<b>TOTAL Contract Services</b>	<b>53,350</b>	<b>52,300</b>	<b>52,300</b>
Operations			
Printing and Copying	1,150	1,150	1,150
Supplies	500	250	250
Website & Programs	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
<b>Total Operations</b>	<b>2,650</b>	<b>2,400</b>	<b>2,400</b>
Other Types of Expenses			
Insurance-Liability, D and O	<u>2,200</u>	<u>2,500</u>	<u>2,500</u>
<b>Total-Other Types of Expenses</b>	<b><u>2,200</u></b>	<b><u>2,500</u></b>	<b><u>2,500</u></b>
<b>TOTAL Operations Expenses</b>	<b>58,200</b>	<b>57,200</b>	<b>57,200</b>
REAP Project Costs (based on MOU Revision No..2 SCAG-approved April 25, 2022))			
Project 1			
TASK A (completed)	2,731	-0-	-0-
TASK B	25,500	18,454	18,454
TASK C (unspent reallocated)	<u>21,279</u>	<u>-0-</u>	<u>-0-</u>
<b>SUB TOTAL- Project 1</b>	<b>47,510</b>	<b>18,454</b>	<b>18,454-</b>
Project 2 (completed, unspent reallocated)			
TASK A	3,100	0	-0-
TASK B	<u>3,100</u>	<u>0</u>	<u>-0-</u>
<b>SUB TOTAL- Project 2</b>	<b>6,200</b>	<b>0</b>	<b>-0-</b>
Project 3 (completed, unspent reallocated)			
TASK A	2,500	0	-0-
TASK B	<u>25,900</u>	<u>0</u>	<u>-0-</u>
<b>SUB TOTAL- Project 3</b>	<b>28,400</b>	<b>0</b>	<b>-0-</b>

RESOLUTION 2022-04 – Exhibit A  
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<u>Budget Item</u>	Fiscal Year 2021/2022 <u>Amended Budget</u>	Fiscal Year 2021/2022 <u>Approved Budget</u>	Fiscal Year 2022/2023 <u>Amended</u>
Project 4 (allocated from Projects 1, 2 and 3)			
JOINT ADU	70,000	72,100	72,100
TASK A- NEW		9,532	11,915
SUB TOTAL- Project 4	70,000	81,632	84,015
Project 5 (no changes)			
TASK A	6,000	29,379	29,379
TASK B	174,600	27,932	27,932
TASK C&D	82,590	5,874	5,874
TASK D – Administration	1,000	-0-	-0-
SUB TOTAL- Project 5	<u>264,190</u>	<u>63,185</u>	<u>63,185</u>
<b>Total REAP Costs</b>	416,300	<u>163,271</u>	<u>165,654</u>
 Total Operations & Contract Svcs.	 474,500	 220,471	 222,854
Travel and Meetings			
Annual Dinner	8,000	8,500	9,000
Conference and Meetings	4,842	3,900	4,900
Travel & Lodging	1,660	1,702	2,402
Total- Travel and Meetings	<u>14,502</u>	<u>14,102</u>	<u>16,302</u>
<b>Total Expenditures</b>	489,002	234,573	239,156
<b>Total Income</b>		<u>(237,073)</u>	<u>(239,156)</u>
<b>Budget Surplus/Deficit</b>		2,500	-0-

## EXHIBIT B

### VENTURA COUNCIL OF GOVERNMENTS FISCAL YEAR 2022/2023 DUES ASSESSMENT BY MEMBER

VCOG Member Agency	Population	Pop %**	3/4 Population Distribution**	1/4 Equal Distribution**	Total Assessment**
Camarillo	67,154	7.92%	\$3,861	\$1,477	\$5,338
Fillmore	15,441	1.82%	887	1,477	2,364
Moorpark	35,727	4.21%	2,052	1,477	3,529
Ojai	7,612	0.90%	439	1,477	1,916
Oxnard	206,148	24.31%	11,851	1,477	13,328
Port Hueneme	22,768	2.68%	1,307	1,477	2,784
San Buenaventura	109,338	12.89%	6,284	1,477	7,761
Santa Paula	30,556	3.60%	1,755	1,477	3,232
Simi Valley	126,483	14.91%	7,269	1,477	8,746
Thousand Oaks	129,349	15.25%	7,434	1,477	8,911
Ventura County - Unincorporated	97,497	11.50%	5,606	1,477	7,083
<b>Total</b>	<b>848,073</b>	<b>100.00%</b>	<b>\$48,745</b>	<b>\$16,247</b>	<b>\$64,992</b>

\* Based on the California Department of Finance population estimates (January 1, 2015).

\*\* May not total exactly due to rounding.





**VENTURA COUNCIL  
OF GOVERNMENTS**

**MEETING SUMMARY**

**ITEM 7A**

**33 East High St., Suite 200  
Moorpark, CA 93012  
May 12, 2022  
4:00 p.m. VIA ZOOM**

**1. CALL TO ORDER & FLAG SALUTE** – The meeting was called to Order at 4:01 PM by Chair Kildee. The Flag Salute was led by Member Haney.

**2. ROLL CALL**

**Present:**

Kevin Kildee, Chair, City of Camarillo  
Jenny Crosswhite, Immediate Past Chair, City of Santa Paula – Joined at 4:30  
Janice Parvin, City of Moorpark  
Randy Haney, City of Ojai  
Mike Johnson, City of San Buenaventura  
Bob Huber, Supervisor, County of Ventura-VIA Phone  
Elaine Litster, City of Simi Valley  
Bert Perello, City of Oxnard  
Steven Gama, City of Port Hueneme

**Alternates Present:** Carmen Ramirez, Ventura County & SCAG

**Absent:**

Kevin McNamee, City of Thousand Oaks  
Simone Alex, City of Fillmore

**Staff Present:**

Hugh Riley, Executive Director

**Partner Agency Representatives:**

Amanda Fagan, Director of Planning and Policy, V.C.T.C.

**Guests:**

John Lindquist, Senior Hydrogeologist, United Water Conservation District  
Mike Flood, General Manager, Casitas Municipal Water District  
Kelly Ayers, Assistant General Manager, Casitas Municipal Water District  
Dan Drugan- Manager of Resources, Calleguas Municipal Water District

**3. PUBLIC COMMENT – NONE**

**4. Executive Directors Report**

• **2022 Legislative Update**

Advocacy efforts were in full swing as lawmakers raced to meet a critical, end-of-April deadline. Policy committees were required to send any bills with fiscal impacts to the Senate and Assembly

Appropriations committees by April 29, meaning the past few weeks have been packed with legislative hearings. Dozens of priority bills are up for consideration, including measures related to Homelessness, parking requirements, greenhouse gas reduction, and medicinal cannabis, and Infrastructure. Pending Legislation Highlighted during the report included:

**SB 1067 (Portantino)** and **AB 2097 (Friedman)**, which would significantly restrict parking requirements within one half-mile of public transit.

**AB 2237 (Friedman)**, is an overly prescriptive approach to greenhouse gas emission reduction targets set by SB 375 (Steinberg, 2008). The bill, which is based on incomplete data, would strip away local flexibility and divert funding away from local streets and roads projects.

**SB 932 (Portantino)** would require cities to plan, develop, and construct significant bicycle, pedestrian, and traffic calming measures in their general plans.

**SB 1393 (Archuleta)**, would require all cities — including charter cities — to make specific findings to California Energy Commission before requiring that fossil fuel appliances be replaced with electric appliances after the alteration or retrofit of a building.

**SB 1186 (Wiener)**, which would prohibit regulations that “unreasonably restrict” access to medicinal cannabis businesses.

The League of California Cities Policy Committees met during the past week to review and adopt **Legislative Priorities** for the League during the 2022 Legislative Session. Highlights of the priorities were attached to the report document.

Riley also made reference to the April SCAG Update from SCAG Regional Affairs Officer, Rachel Wagner which was also attached and reported that he had attended the SCAG’s 2022 Regional Conference and General Assembly in Palm Desert on May 5 & 6, 2022.

- **VCOG-REAP Project Update-** Riley reported on the status of the active REAP Projects:
  - **PROJECT 2:** Localized Content for Documents, Presentations, and Public Information Programs – COMPLETE
  - **PROJECT 3:** Regional Inclusionary Zoning Ordinance – COMPLETE
  - **PROJECT 4:** Regional ADU Program for Pre-Fabricated and Garage Conversion ADU's – Pursuant to the Council approved January 13, 2022 MOU between VCOG, Orange County Council of Governments (OCCOG) and Gateway Cities (GCCOG), the joint staff team completed revisions to the consultant scope of work submitted by Bared + Driesell, Community Planning Bairde-Driscell). A contract has now been executed and a Notice to Proceed has been issued so that work on the project may begin. Per the 2022-2023 Proposed VCOG Operating Budget, VCOG will be contributing \$72,100 in REAP Grant Funds toward a total project budget of \$289,000.
  - **PROJECT 5: Regional CEQA Streamlining VMT Adaptive Management and Mitigation Program** – Work is continuing with VCTC and our consultants led by Iteris, Inc. A Draft Ventura County Adaptive Mitigation Program Framework and Summary of VMT Mitigation Program “Choices” has been prepared and is now under team review.

- **Ventura County 2022 Homeless Count and Subpopulation Survey** – An Executive Summary of the 2022 Homeless Count Report which includes subpopulation and city specific data was attached to the Report document. A copy has been posted on the Ventura County Continuum of Care (VC CoC) website at [www.venturacoc.org](http://www.venturacoc.org).
- **VCOG Administrative Committee**-The Committee will meet on May 26, 2022 via ZOOM Conference Call. The Committee will be planning for the VCOG Council Meeting on July 14, 2022 which will be held live in Camarillo. The Committee will also complete the Performance Review of the Executive Director.

5. **AGENCY REPORTS** – Oral Reports were presented by the following agency representatives:

- **Ventura County Transportation Commission**- Amanda, Director of Planning and Sustainability for V.C.T.C. reported that VCTC is proceeding with the development of the Vehicle Miles Traveled Adaptive Mitigation Program in partnership with VCOG. We plan to provide an update to our Commission at the June 3<sup>rd</sup> meeting and if so desired, we can also brief the Council at its July 14<sup>th</sup> VCOG meeting. The Commission held a goal setting session on April 13<sup>th</sup>. The Commission endorsed 11 goals for the coming year and 6 mid-term goals for the next 2-3 years, focused on transit ridership recovery, completing the Comprehensive Transportation Plan update, facilitating active transportation improvements, and other priorities. The goals are available on our website under Current Meetings. VCTC Staff and the Ventura County Comprehensive Transportation Plan (CTP) Consultant Team have launched a second round of public engagement to inform development of the Plan. An online survey seeks to identify potential transportation projects, strategies, and solutions, and to prioritize potential future transportation improvements throughout Ventura County. A link to the survey is available on the project website at [goventura.org/ctp](http://goventura.org/ctp). Hard copies of the survey have been made available through local libraries, food banks, and other locations to better reach disadvantaged communities. We are also conducting Pop-Up Events to seek input from the community, including last weekend's Moorpark Earth Festival (May 7th), Fillmore Health & Wellness Festival on May 14<sup>th</sup>, the Channel Islands Farmers Market (May 15th), and the Santa Paula Spring Into Summer Festival on June 11<sup>th</sup>.

May is Bike Month, and VCTC is encouraging people to pledge to ride. Bike Month includes Bike to Work Week (May 16-20) and Bike to Work Day (May 20), and employees are encouraged to bike to work instead of driving alone in a vehicle. People can pledge to ride at [goventura.org/pledge](http://goventura.org/pledge) and be entered to win one of six \$250 gift cards. VCTC is using Bike Month to remind riders and motorists about bicycle safety. In addition, VCTC staff will be participating in Cyclemania activities organized by the County of Ventura's Sustainability Division.

- **CalCities (League of California Cities)**- Dave Mullinax, Regional Public Affairs Manager was unable to attend the meeting.
- **Southern California Association of Governments (SCAG)** - Rachel Wagner, Regional Affairs Officer was unable to attend the meeting. However Supervisor Carmen Ramirez, newly confirmed SCAG First Vice President, reported on the Annual Conference and General Assembly.

6. **2022-2023 VCOG Operating Budget** The proposed VCOG Operating Budget for F.Y. 2022-2023 was presented by Riley. The budget includes \$163,271 in REAP Funds and Annual Dinner Sponsor commitments from SCE (\$3,000), SCAG (\$3,000) and Athens Services, Inc. (\$2,500). Member Dues Assessments remain the same as the previous year totaling \$62,992. These assessments have remained unchanged for the past eight years. Budgeted expenses for operating remain essentially the same as 2021-2022 with Travel and Meeting Expense being slightly reduced. Budgeted income for 2022-2023 is \$237,073 including REAP Grant Funds with proposes expenses totaling \$234,573 leaving uncommitted cash balance of \$2,500.

A **MOTION** was made by Member Litster to Adopt VCOG Resolution No. 2022-03 The motion was **SECONDED** by Member Parvin. The motion carried with a Roll Call Vote: Ayes- 9 Nays- 0

7. **Approval of Independent Contractor Agreement with Hugh Riley, Professional Management, and LLC for Executive Director / Administrative Services** Riley presented the Independent Contractor Agreement for Executive Director/Administrative Services. Mr. Riley is offering a new, two-year agreement with compensation continuing at an hourly rate of \$125 per hour, the currently approved compensation rate, and a total amount not to exceed \$45,000 in a fiscal year without prior authorize from the Administrative Committee. The expenditure cap does not include compensation from the REAP Program. The other provisions of the agreement remain the same as well. The Administrative Committee is currently conducting a Performance Review of the Executive Director to be completed on or before June 30, 2022.

A **MOTION** was made by Member Haney to Approve Independent Contractor Agreement with Riley subject to the completion of a satisfactory Performance Evaluation by June 30, 2022. The motion was **SECONDED** by Member Perello. The motion carried with a Roll Call Vote: Ayes- 11 Nays- 0

#### 8. **CONSENT CALENDAR**

- A. **Summary of March 10, 2022 Meeting** – Approve Meeting Summary for the March 10, 2022, VCOG Meeting. **Action:** Approve Meeting Summary as published.
- B. **Financial Report** - Approve Ventura Council of Governments Financial Report for the Budget Period from March 10, 2022 to May 6, 2022.. **Action:** Approve Financial Report.
- C. **Register of Warrants & Debit Card Transactions** - Approve the Register of Warrants for Expenditures and Debit Card Transactions incurred from March 10, 2022 to May 6, 2022. **ACTION:** Approve Register of Warrants and Debit Card Transactions.
- D. **Approve- 2022 VCOG Legislative Program** - Approve VCOG Legislative Program for 2022. **Action:** Approve 2022 VCOG Legislative Program.
- E. **Approve- 2022 VCOG Program of Priorities** - Approve VCOG Program of Priorities for 2022. **Action:** Approve 2022 VCOG Program of Priorities.
- F. **Approve REAP Sub regional Partnership Program Scope of Work- Second Revision and Authorize Chair to Execute Subsequent Amendment to VCOG-SCAG MOU M-018-21** **Action:** Approve Staff Recommendation.

A **MOTION** was made by Member Crosswhite to approve Items A-F of the Consent Calendar. The motion was **SECONDED** by Member Parvin. The motion carried with a Roll Call Vote: Ayes- 9 Nays- 0

9. **PRESENTATION ITEM**

A. **Ventura County in the Drought Emergency**– Representatives from the Water Districts serving Ventura County gave presentations on the current situation being created by Climate-Change Driven severe drought. Speakers included:

- John Lindquist, Senior Hydrogeologist, United Water Conservation District
- Mike Flood, General Manager, Casitas Municipal Water District
- Kelly Ayers, Assistant General Manager, Casitas Municipal Water District
- Dan Drugan- Manager of Resources, Calleguas Municipal Water District

NOTE: Presentations from the three agencies included slides which are available from VCOG Staff.

Council Members asked numerous questions about actions being taken by the districts focusing on pending water use regulations and projects underway for long-term solutions to the water shortages. Water officials responded to the question; *"What can municipal officials do to help address the crises situation."* Officials advised that city elected officials need to assist with informing the public of the situation and resulting restrictions and "stand their ground" on actions needed to enforce the usage restrictions.

10. **BOARD MEMBER COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS**

Council Member Gama (City of Port Hueneme) asked to present a program to VCOG members with the goal of having our council become "Hueneme Beach Subject Matter Experts". He described the issues relating to local beach erosion and the Fact that Hueneme Beach's sustainability is 100% dependent on the Federal Government. The construction of the Port of Hueneme disrupted the southern flow of sand. Point Mugu is experiencing severe erosion due to the sand deficit which has been generated over past 30 years.

11. **ADJOURNMENT**: The meeting was adjourned at 5:55 PM. Next Meeting- July 14, 2022 in Camarillo



**VENTURA COUNCIL  
OF GOVERNMENTS**

**ITEM 7B**

**MEMORANDUM**

**TO:** Council Members and Alternates

**FROM:** Hugh R. Riley, Executive Director

**SUBJECT:** Financial Report

**DATE:** July 14, 2022

**Recommendation:**

Receive and file Financial Report for Period ending June 30, 2022.

---

**Discussion:**

This report transmits the Ventura Council of Governments (VCOG) Financial reports for the Budget Period to June 30, 2022

**Investments:**

The objectives of VCOG's adopted Investment Policy are safety, liquidity, and yield, with the foremost objective being safety. Prudence, ethics, and delegation of authority are the Policy's applied standards of care. Below is a summary of VCOG's investments that comply with the VCOG Investment Policy:

Institution	Investment Type	Maturity Date	Interest-FY to Date-7/01/21	Rate	Balance
Bank of A	Maximizer 2635	N/A	\$ 11.44	0.03%*	\$62,672.23

\* Variable

Payments for REAP Reimbursement Invoice No. 13 for March 2022 totaling \$ 1,966.75 , Invoice No. 14 for April 2022 expenses totaling \$27,872.51, and Invoice No. 15 for May, 2022 for \$ 7,373.30 have been received and deposited. SCAG has approved the Second Revision to VCOG's REAP Scope of Work (MOU- M-018-21). Minor adjustments to the REAP Program Budget are included in Proposed Budget Amendment No. 1. (Item 6 on this Agenda).

The 2020-2021 Audit has been completed and the Financial Statements Report is included with this meeting Agenda. (Item 7D. on this Agenda).

**ATTACHMENTS:** Balance Sheet – June 30, 2022  
Budget vs. Actual Report - July 1, 2021 to June 30, 2022

# Ventura Council of Governments

## Balance Sheet As of June 30, 2022

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
BofA - 5797	0.00
BofA - 9045	55,605.49
BofA MM - 2635	62,670.17
<b>Total Bank Accounts</b>	<b>\$118,275.66</b>
Accounts Receivable	
Accounts Receivable (A/R)	0.00
<b>Total Accounts Receivable</b>	<b>\$0.00</b>
Other Current Assets	
Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$0.00</b>
<b>Total Current Assets</b>	<b>\$118,275.66</b>
Other Assets	
Fraud	0.00
<b>Total Other Assets</b>	<b>\$0.00</b>
<b>TOTAL ASSETS</b>	<b>\$118,275.66</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	0.00
<b>Total Accounts Payable</b>	<b>\$0.00</b>
Other Current Liabilities	
Payroll Liabilities	0.00
<b>Total Other Current Liabilities</b>	<b>\$0.00</b>
<b>Total Current Liabilities</b>	<b>\$0.00</b>
Long-Term Liabilities	
Unearned Income	0.00
<b>Total Long-Term Liabilities</b>	<b>\$0.00</b>
<b>Total Liabilities</b>	<b>\$0.00</b>
Equity	
Opening Balance Equity	111,291.04
Unrestricted Net Assets	-2,290.55
Net Income	9,275.17
<b>Total Equity</b>	<b>\$118,275.66</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$118,275.66</b>

# Ventura Council of Governments

Budget vs. Actuals: FY 2022 Budget(7/1/21 to 6/30/22) - FY22 P&L

July 2021 - June 2022

	TOTAL		
	ACTUAL	BUDGET	REMAINING
Income			
Annual Dinner Sponsorship	9,000.00	6,000.00	-3,000.00
Annual Dinner Tickets	350.00	300.00	-50.00
Dues Assessments	64,992.00	64,992.00	0.00
Investments			
Interest-Savings, Short-term CD	11.51		-11.51
<b>Total Investments</b>	<b>11.51</b>		<b>-11.51</b>
Other Types of Income			
Bank Interest		10.00	10.00
<b>Total Other Types of Income</b>		<b>10.00</b>	<b>10.00</b>
REAP Income	110,907.32	416,900.00	305,992.68
Research Grant Appropriation		800.00	800.00
<b>Total Income</b>	<b>\$185,260.83</b>	<b>\$489,002.00</b>	<b>\$303,741.17</b>
<b>GROSS PROFIT</b>	<b>\$185,260.83</b>	<b>\$489,002.00</b>	<b>\$303,741.17</b>
Expenses			
Contract Services			
Accounting Fees	1,271.07	2,000.00	728.93
Audit	5,500.00	5,250.00	-250.00
Executive Administration	43,843.75	45,000.00	1,156.25
Legal Fees		300.00	300.00
Research Grant - CLU	800.00	800.00	0.00
<b>Total Contract Services</b>	<b>51,414.82</b>	<b>53,350.00</b>	<b>1,935.18</b>
Operations			
Printing and Copying	569.40	1,150.00	580.60
Supplies		500.00	500.00
Website	860.00	1,000.00	140.00
<b>Total Operations</b>	<b>1,429.40</b>	<b>2,650.00</b>	<b>1,220.60</b>
Other Types of Expenses			
Insurance - Liability, D and O	2,470.88	2,200.00	-270.88
<b>Total Other Types of Expenses</b>	<b>2,470.88</b>	<b>2,200.00</b>	<b>-270.88</b>
REAP Project Costs			
Project - 1 - TASK A	200.00	2,731.00	2,531.00
Project 1 - TASK B	14,239.25	23,500.00	9,260.75
Project 1 - TASK C	500.00	21,279.00	20,779.00
Project 2 - TASK A		3,100.00	3,100.00
Project 2 - TASK B	1,756.50	3,100.00	1,343.50
Project 3 - TASK A	9,467.50	2,500.00	-6,967.50
Project 3 - TASK B	10,080.00	25,900.00	15,820.00
Project 3 - TASK C	6,510.00		-6,510.00
Project 4 - NEW TASK A	1,393.75	70,000.00	68,606.25
Project 4 - TASK A	1,170.50		-1,170.50



# Ventura Council of Governments

Budget vs. Actuals: FY 2022 Budget(7/1/21 to 6/30/22) - FY22 P&L

July 2021 - June 2022

	TOTAL		
	ACTUAL	BUDGET	REMAINING
Project 4 - TASK B	1,212.50		-1,212.50
Project 5 - Administration	1,336.51		-1,336.51
Project 5 - TASK A	27,170.02	6,000.00	-21,170.02
Project 5 - TASK B	35,292.50	174,600.00	139,307.50
Project 5 - TASK C		82,590.00	82,590.00
Project 5 - TASK D - Admin		1,000.00	1,000.00
<b>Total REAP Project Costs</b>	<b>110,329.03</b>	<b>416,300.00</b>	<b>305,970.97</b>
Travel and Meetings	70.00		-70.00
Annual Dinner	7,765.16	8,000.00	234.84
Conference and Meetings	1,736.32	4,842.00	3,105.68
Meals	8.00		-8.00
Travel	762.05	1,660.00	897.95
<b>Total Travel and Meetings</b>	<b>10,341.53</b>	<b>14,502.00</b>	<b>4,160.47</b>
<b>Total Expenses</b>	<b>\$175,985.66</b>	<b>\$489,002.00</b>	<b>\$313,016.34</b>
<b>NET OPERATING INCOME</b>	<b>\$9,275.17</b>	<b>\$0.00</b>	<b>\$ -9,275.17</b>
<b>NET INCOME</b>	<b>\$9,275.17</b>	<b>\$0.00</b>	<b>\$ -9,275.17</b>




**VENTURA COUNCIL  
OF GOVERNMENTS**

**ITEM 7C.**

**MEMORANDUM**

**TO:** Council Members and Alternates

**FROM:** Hugh Riley, Executive Director 

**SUBJECT:** Register of Warrants and Debt Card Transactions

**DATE:** July 14, 2022

---

**Recommendation:**

Approve the Register of Warrants for expenditures and Debit Card Transactions incurred from March 4, 2022 to July 11, 2022

---

**Discussion:**

This report presents expenditures including bank debit card transactions incurred by the Ventura Council of Governments for the period May 6, 2022 to July 11, 2022. It is prepared in addition to the Financial Report so that the Council may be fully informed as to the expenditure of funds for services and other costs to the organization.

Some payments issued after June 30, 2022 for F.Y. 2021-2022 Expenses are not listed above and will be included in a subsequent report. They are also not included in the financial report for this meeting.

**ATTACHMENTS:** Warrant and Debit Card Registers

**Register of Warrants  
Ventura Council of Governments  
July 14, 2022**

Transactions from May 6, 2022 to July 11, 2022

<u>Check #</u>	<u>Date</u>	<u>Paid To</u>	<u>Inv. Date</u>	<u>Description</u>	<u>Amount Paid</u>
524	05/07/22	VC Digital	04/30/22	Printing & Copying	\$ 15.00
525	05/09/22	Caroline Carter	05/09/22	Accounting Services – Apr. 22	\$ 130.00
526	05/17/22	Hugh Riley, Pro. Management, LLC	05/17/22	Mileage Reimb. SCAG Conf.	\$ 193.99
527	06/01/22	Hugh Riley, Pro. Management, LLC	06/01/22	Executive Administration-May.	\$ 3,937.50
528	06/01/22	Hugh Riley, Pro. Management, LLC	06/01/22	REAP Application & Oversight	\$ 687.50
529	06/01/22	Dr. Chris Williamson	05/31/22	Consulting Services (REAP)	\$ 1,284.00
530	06/01/22	Iteris, Inc.	05/23/22	Consulting Services (REAP#5)	\$ 5,401.80
531	06/03/22	Caroline Carter	06/03/22	Accounting Services – May. 22	\$ 81.25
532	06/08/22	VC Digital	05/31/22	Printing & Copying	\$ 173.90
533	06/26/22	Eide Bailly, LLC	06/20/22	Prof. Fees-Audit-2020-2021	\$ 5,500.00
534	06/30/22	Hugh Riley, Pro. Management, LLC	06/30/22	REAP Application & Oversight	\$ 375.00
535	06/30/22	Hugh Riley, Pro. Management, LLC	06/30/22	Executive Administration-June.	\$ 4,812.50
536	06/30/22	Dr. Chris Williamson	06/30/22	Consulting Services (REAP)	\$ 1,043.25

**NOTE:** Some payments issued after June 30 for F.Y. 2021-2022 Expenses are not listed above and will be included in a subsequent report. They are also not included in the financial report for this meeting.

**Register of Debit Card Transactions  
Ventura Council of Governments**

**July 14, 2022**

Transactions from May 6, 2022 to July 11, 2022

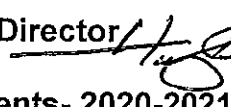
<u>Card #</u>	<u>Date</u>	<u>Paid To</u>	<u>Inv. Date</u>	<u>Description</u>	<u>Amount Paid</u>
2950	05/09/22	Marriott Desert Spring Hotel	05/09/22	Lodging-SCAG Annual Conf.	\$ 492.82



**Item 7D.**

**MEMORANDUM**

**TO:** Council Members and Alternates

**FROM:** Hugh R. Riley, Executive Director 

**SUBJECT:** Audited Financial Statements- 2020-2021

**DATE:** July 14, 2022

**Recommendation:**

Receive and file Ventura Council of Governments, Audited Financial Statements for Period July 1, 2020 to June 30, 2021.

---

**Discussion:**

This report transmits the Ventura Council of Governments (VCOG) Audited Financial Statement for the period ending June 30, 2021

The VCOG Fiscal Year 2020/2021 Audited Financial Statements are presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by independent certified public accountants.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report, based upon a framework of internal controls established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

There were no irregularities noted and no corrective actions recommended by the audit. The Ventura Council of Governments ended Fiscal Year 2020/2021 with an unrestricted ending fund balance of \$ 109,001, an increase of \$1,340 from 2019-2020.

The auditor recommended that the Council review VCOG's opening, closing and financial reporting process to ensure that the financial statements are reviewed for accuracy and completeness, and financial activities are presented in accordance with GAAP. This is being done periodically with the Administrative Committee.

The VCOG 2020-2021 Audited Financial Statements and supporting documents will be submitted to the Ventura County Auditor-Controller and will be posted on VCOG's Website - [www.venturacog.org](http://www.venturacog.org).

**Attachments:**

1. Basic Financial Statements with Independent Auditors' Report
2. SAS 114 Letter
3. Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance



Financial Statements  
June 30, 2021

Ventura Council of Governments

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## Independent Auditor's Report

The Board of Directors  
Ventura Council of Governments  
Ventura, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Ventura Council of Governments (Council), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic 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. 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.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and general fund of the Council as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic 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 or preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic 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.

#### *Prior-Year Comparative Information*

We have previously audited the Council's 2020 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities and general fund in our report dated May 5, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2022, on our consideration of the Council'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 Council'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 Council's internal control over financial reporting and compliance.



Rancho Cucamonga, California  
June 17, 2022

As management of the Ventura Council of Governments (VCOG), we offer readers of VCOG's financial statements this narrative overview and analysis of VCOG's financial activities for the fiscal year ended June 30, 2021.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to VCOG's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of VCOG's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of VCOG's assets and liabilities, with the difference between assets and liabilities reported as net position. Over time, increases or decreases in net position may serve as a useful indication on whether the financial position of VCOG is improving or deteriorating.

The statement of activities presents information showing how VCOG's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this same statement for some items that will only result in cash flows in future fiscal periods. The government-wide financial statements may be found on pages 7-8.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. VCOG, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** Governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. VCOG consists of a single governmental fund. The fund financial statements may be found on page 9-10.

**Notes to the basic financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

### Government-wide Financial Analysis

The total net position of VCOG was \$109,001 at June 30, 2021 (as noted in Table 1 below). In comparison, the total net position of VCOG at June 30, 2020 was \$107,661. VCOG's net position at June 30, 2020 was unrestricted, meaning there are no external restrictions placed on the future use of the organization's net position.

Table 1  
Ventura Council of Governments  
Net Position at June 30:

	Governmental Activities		Percent Change
	2021	2020	
Assets			
Current assets	\$ 116,998	\$ 120,047	-2.5%
Liabilities			
Current liabilities	\$ 7,997	\$ 12,386	-35.4%
Net Position			
Unrestricted	109,001	107,661	1.2%
Total net position	<u>\$ 109,001</u>	<u>\$ 107,661</u>	

The total net position for VCOG increased by \$1,340, or 1.2%, during fiscal year 2020-2021. This means the revenues exceeded expenses, on a full accrual basis by \$1,340 for the year. Revenues increased by 43.9% and expenses increased by 68.4% in fiscal year 2020-21. The main factor that contributed to these changes was the Regional Early Action Program (REAP) Project. The REAP Project is a sub-regional partnership with the Southern California Association of Governments designed to stimulate the production of new, affordable housing units in Ventura County.

Table 2  
Changes in Net Position  
For the Year Ended:

	Governmental Activities		Percent
	2021	2020	Change
Revenues			
Program revenues			
Charges for services	\$ -	\$ 255	-100.0%
Operating grants and contributions	94,233	64,992	45.0%
General revenues			
Investment earnings	76	310	-75.5%
			43.9%
Total revenues	94,309	65,557	
Expenses			
General government	92,969	55,208	68.4%
Change in Net Position	1,340	10,349	-87.1%
Net Position - Beginning of Year	107,661	97,312	10.6%
Net Position - End of Year	\$ 109,001	\$ 107,661	1.2%

#### Financial Analysis of the General Operating Fund

VCOG maintains a single government fund called the General Fund. As of June 30, 2021, total revenues, assets, liabilities, and expenditures of the General Fund are the same as total assets, liabilities, revenues, and expenses as shown on the government-wide financial statements.

VCOG's revenues for fiscal year 2020-2021 came from membership dues, grant income (REAP Project), and investment income. Investment income decreased due to prevailing rates and the elimination of the Certificate of Deposit from the investment portfolio. There were no changes in the dues structure from fiscal year 2019-20 to fiscal year 2020-21.

#### General Operating Fund Budgetary Highlights

The VCOG Council adopted a formal budget for the fiscal year ended June 30, 2021 on June 11, 2020. Grant Revenue of \$29,241 was received for the REAP Project. The REAP Grant awarded in September 2020 totaled \$432,000 for a two-year program. The Council anticipated receiving \$199,360 in REAP Grant Revenue in FY21. The revenue is received on a reimbursement basis for services performed. The variance between final budgeted revenues of \$199,360 and actual revenues received for \$29,241 was due to performing less services than originally anticipated.

**Contacting VCOG Management**

Questions concerning any of the information provided in this report or requests for additional information should be addressed to the VCOG Executive Director, 33 East High Street, Suite 200, Moorpark, California 93021, P.O. Box 157, Moorpark, California 93020.

Ventura Council of Governments  
Statement of Net Position  
June 30, 2021  
(With Comparative Totals for June 30, 2020)

---

	Governmental Activities	
	2021	2020
<b>Assets</b>		
Cash and cash equivalents (Note 2)	\$ 106,160	\$ 120,047
Accounts receivable	10,838	-
<b>Total assets</b>	<b>\$ 116,998</b>	<b>\$ 120,047</b>
<b>Liabilities</b>		
Accounts payable	\$ 1,997	\$ 6,386
Unearned income	6,000	6,000
<b>Total liabilities</b>	<b>7,997</b>	<b>12,386</b>
<b>Net Position</b>		
Unrestricted	109,001	107,661
<b>Total net position</b>	<b>\$ 109,001</b>	<b>\$ 107,661</b>

Ventura Council of Governments  
Statement of Activities  
For the year ended June 30, 2021  
(With Comparative Totals for the year ended June 30, 2020)

		Program Revenues	Governmental Activities	
			2021	2020
	Expenses	Operating Grants and Contributions	Net (Expense) Revenue	Net (Expense) Revenue
Governmental Activities				
General government	<u>\$ 92,969</u>	<u>\$ 94,233</u>	<u>\$ 1,264</u>	<u>\$ 10,039</u>
	General Revenues			
	Unrestricted investment earnings		<u>76</u>	<u>310</u>
	Total general revenues		<u>76</u>	<u>310</u>
	Change in Net Position		1,340	10,349
	Net Position at Beginning of Year		<u>107,661</u>	<u>97,312</u>
	Net Position at End of Year		<u>\$ 109,001</u>	<u>\$ 107,661</u>



Ventura Council of Governments  
Governmental Funds Balance Sheet – General Fund  
June 30, 2021  
(With Comparative Totals for June 30, 2020)

	2021	2020
<b>Assets</b>		
Cash and cash equivalents (Note 2)	\$ 106,160	\$ 120,047
Accounts receivable	10,838	-
	<u>116,998</u>	<u>-</u>
Total assets	<u>\$ 116,998</u>	<u>\$ 120,047</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 1,997	\$ 6,386
Unearned revenue	6,000	6,000
	<u>7,997</u>	<u>12,386</u>
Total liabilities	<u>7,997</u>	<u>12,386</u>
<b>Fund Balances</b>		
Committed	67,000	67,000
Unassigned	42,001	40,661
	<u>109,001</u>	<u>107,661</u>
Total fund balances	<u>109,001</u>	<u>107,661</u>
Total liabilities and fund balances	<u>\$ 116,998</u>	<u>\$ 120,047</u>

Ventura Council of Governments

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances – General Fund

Year Ended June 30, 2021

(With Comparative Totals for June 30, 2020)

---

	2021	2020
Revenues		
Charges for services	\$ -	\$ 255
Operating grants and contributions	94,233	64,992
Investment income	76	310
Total revenues	<u>94,309</u>	<u>65,557</u>
Expenditures		
Current		
General government		
Professional services	58,520	50,178
Operations	1,117	1,267
Travel and meetings	56	1,994
REAP project costs	31,407	-
Other	<u>1,869</u>	<u>1,769</u>
Total expenditures	<u>92,969</u>	<u>55,208</u>
Net Change in Fund Balances	1,340	10,349
Fund Balance, Beginning of Year	<u>107,661</u>	<u>97,312</u>
Fund Balance, End of Year	<u><u>\$ 109,001</u></u>	<u><u>\$ 107,661</u></u>

**Note 1 - Summary of Significant Accounting Policies**

**Reporting Entity:** The Ventura Council of Governments (Council) was established by a voluntary joint powers agreement on December 1, 1992 representing the 10 cities within Ventura County as well as the County. This Joint Powers Agency was established under Organization of Title 1, Division 7, Chapter 5 of the California Government Code Section 6503.5. The purpose of the Council is to facilitate cooperative sub-regional and regional planning, coordination, and technical assistance on issues of mutual concern.

There are many other governmental agencies, including the County of Ventura and the Ventura County Transportation Commission, providing services within the area served by the Council. These other governmental agencies have independently elected governing boards and consequently are not under the direction of the Council. Financial information for these agencies is not included in the accompanying financial statements.

**Financial Statement Presentation:** The Council's basic financial statements consist of government-wide financial statements, including a statement of net position and statement of activities, and fund financial statements.

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB).

**Government-Wide Financial Statements:** The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the Council. These statements report governmental activities, which normally are supported by general and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. For the Council, contributions represent member agency dues. Investment earnings and other items not properly included among program revenues are reported instead as general revenues.

In the fiscal year ended June 30, 2021, the government-wide financial statements under full accrual were the same as the fund financial statements under modified accrual.

**Fund Financial Statements:** The underlying accounting system of the Council is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the Council's governmental funds are presented after the government-wide financial statements. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. The Council has only one fund, the General Fund. The General Fund is the general operating fund of the Council.

**Measurement Focus and Basis of Accounting:** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported 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, the Council considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred.

Revenues susceptible to accrual include member agency dues and interest revenue.

**Cash and Cash Equivalents:** The Council maintains cash and cash equivalents in accordance with its investment policy. The investment policy complies with, or is more restrictive than, applicable state statutes.

The cash of the Council is deposited in an interest-bearing bank account.

**Fund Balance:** The Council maintains its equity in accordance with the fund balance policy.

In the fund financial statements, governmental funds report non-spendable, restricted, committed, assigned and unassigned fund balances to identify the extent to which the Council is bound to honor constraints on the specific purposes for which amounts can be spent.

**Non-spendable fund balance:** Includes assets that are not in spendable form (i.e., prepaid items) or are legally or contractually required to be maintained intact (i.e., permanent endowments).

**Restricted fund balance:** Includes amounts that are constrained by the specific purpose stipulated by external resource providers and/or imposed constitutionally or by enabling legislation.

**Committed fund balance:** Includes amounts that can be used for specific purposes determined by formal action of the government's highest level of decision-making authority by resolution or formal board action. The Board of Directors, as the Council's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken. Committed amounts cannot be used for any other purpose unless the Council removes or changes the specific use through the same type of formal action taken to establish the commitment. As of June 30, 2021, total committed fund balance was \$67,000.

**Assigned fund balance:** Includes amounts that are intended by the government to be used for specific purposes but are neither committed nor restricted. The Council has designated the authority to assign amounts used for specific purposes to the Executive Director.

**Unassigned fund balance:** Includes the residual funds for the General Fund and all amounts not contained in the other classifications.

When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first and then unrestricted resources in the following manner: committed, assigned and unassigned.

**Net Position:** In the government-wide financial statements, net position represents the difference between assets and liabilities and is classified as unrestricted net position.

**Unrestricted net position:** represents those assets that are available for general use.

When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first and then unrestricted resources, as they are needed.

**Use of Estimates:** The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

**Unearned Revenue:** Unearned revenue is money received by an individual or company for a service or product that has yet to be provided or delivered. The Council's unearned revenue consists of the Annual Dinner Sponsorship collected in FY 2019-20 which was not earned due to the cancellation of FY 2019-20 and FY 2020-21 Annual Dinner due to the COVID-19 Pandemic.

**Prior Year Data:** Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Council's prior year financial statements for the year ended June 30, 2020, from which this selected financial data was derived.

#### **Implementation of New GASB Pronouncements:**

##### **Adopted in the Current Year:**

**GASB Statement No. 84** - In January 2017, GASB issued Statement No. 84 - *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement is effective for reporting periods beginning after December 15, 2019. The Council has determined that the requirements of these statements do not have a material impact to the financial statements.

**GASB Statement No. 90** - In September 2018, GASB issued Statement No. 90 - *Majority Equity Interests, An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for reporting periods beginning after December 15, 2019. The Council has determined that the requirements of these statements do not have a material impact to the financial statements.

**GASB Statement No. 98** - In October 2021, GASB issued Statement No. 98 - *The Annual Comprehensive Financial Report*. The objective of this Statement is to address references in authoritative literature to the term comprehensive annual financial report. The Statement is effective for reporting periods beginning after

December 15, 2021. The Council has determined that the requirements of these statements do not have a material impact on the financial statements.

**Effective in Future Fiscal Years:** The GASB has issued the following pronouncements prior to June 30, 2021, that have effective dates which may impact future financial statement presentation. The effect of these statements is currently under review by the Council:

GASB Statement No. 87, *Leases*

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*

GASB Statement No. 91, *Conduit Debt Obligations*

GASB Statement No. 92, *Omnibus 2020*

GASB Statement No. 93, *Replacement of Interbank Offered Rates*

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*

GASB Statement No. 99, *Omnibus 2022*

## Note 2 - Cash and Cash Equivalents

The unexpended cash of the Council is deposited in an interest-bearing bank account. The carrying value of cash as of June 30, 2021 was \$106,160.

**Investments Authorized by the Council's Investment Policy:** The table below identifies the investment types that are authorized for the Council by the California Government Code and the Council's investment policy. The table also identifies certain provisions of the California Government Code (or the Council's investment policy, if more restrictive) that addresses interest rate risk, credit risk, and concentration of credit risk.

Investment Types Authorized by State Law	Maximum Maturity	Maximum Investment of Portfolio	Maximum in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Negotiable Certificates of Deposit	5 years	30%	None
County Pooled Investment Fund	N/A	None	None
Local Agency Investment Fund	N/A	65,000,000	None

**Custodial Credit Risk:** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Council's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Council deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The first \$250,000 of the deposit balance is federally insured and the remaining balance is collateralized in accordance with the California Government Code.

### **Note 3 - Risk Management**

The Council has general liability insurance coverage. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. There have been no claims or insurance settlements for the past three years and the Council has no liability at June 30, 2021 for unpaid claims.

### **Note 4 - Support Services**

The Council has no employees. The Council contracts with its current Executive Director. During the fiscal year ended June 30, 2021, the Council paid \$52,743 for Executive Director support services to perform management and administrative services (\$7,743 related to REAP Project Oversight). The expenditures for the Council are included in professional services in the fund financial statements.

### **Note 5 - Commitments and Contingencies**

The Council's management is not aware of any outstanding claims or litigation. The Council has limited revenue sources from member dues. It is dependent on continued available funding.



Required Supplementary Information  
June 30, 2021

## Ventura Council of Governments



Ventura Council of Governments  
General Fund Budgetary Comparison Schedule  
Year Ended June 30, 2021

	2021 Budgeted Amounts		2021 Actual	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 500	\$ 500	\$ -	\$ (500)
Operating grants and contributions	64,992	264,352	94,233	(170,119)
Investment income	450	20	76	56
Research grant	-	8,000	-	(8,000)
Other	12,000	-	-	-
Total revenues	77,942	272,872	94,309	(178,563)
Expenditures				
Current				
General government				
Professional services	52,900	61,170	58,520	2,650
Operations	2,400	3,600	1,117	2,483
Travel and meetings	20,842	12,942	56	12,886
REAP project costs	-	199,360	31,407	167,953
Other	1,800	1,800	1,869	(69)
Total expenditures	77,942	278,872	92,969	185,903
Net Change in Fund Balances	-	(6,000)	1,340	7,340
Fund Balance, Beginning of Year	107,661	107,661	107,661	-
Fund Balance, End of Year	\$ 107,661	\$ 101,661	\$ 109,001	\$ 7,340

See Notes to Required Supplementary Information

**Note 1 - Budgetary Data**

The annual budget serves the fiscal period from July 1 through June 30 and is a vehicle that accurately and openly communicates the Council's priorities to the community, businesses, vendors and other public agencies. Also, the budget provides the foundation of financial planning by providing resources planning and controls that permit the evaluation and adjustment of the Council's performance.

Budgets are prepared in accordance with generally accepted accounting principles using the modified accrual basis of accounting. Budgeted amounts are as originally adopted, or as amended in accordance with prescribed procedures throughout the fiscal year.

The adopted budget can be amended by the Council Board to change both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Increases and decreases in revenue and appropriations require approval by the Council Board. Expenditures may not exceed total appropriations at the individual object level. Any transfer of appropriations between object levels is delegated by the Council Board to the Executive Director. It is the practice of the Council's management to review the budget quarterly and, if necessary, recommend changes to the Board.

The legal level for budgetary control (the level at which expenditures may not legally exceed appropriations) is at the object level. Any transfer of appropriations between object levels within the same budget unit must be authorized by the Council Board.

**Note 2 - Expenditures in Excess of Appropriations**

Expenditures for the year ended June 30, 2021, exceeded appropriations in the following categories:

- Other General Government expenditures exceeded the legal level for budgetary control by \$69 due to increased Special Liability Insurance (SLIP) fee paid to Alliant Insurance Services, Inc.



June 17, 2022

To the Board of Directors  
Ventura County Council of Governments  
Ventura, California

We have audited the financial statements of the governmental activities and general fund of Ventura County Council of Governments (Council) as of and for the year ended June 30, 2021, and have issued our report thereon dated June 17, 2022. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards***

As communicated in our letter dated October 7, 2021 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Council solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our report regarding internal controls during our audit in our 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* dated June 17, 2022.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Council is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fiscal year 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such significant accounting estimates were identified.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by management:

- Accrual for services performed during the year ended June 30, 2021, were not included in the ending accounts payable liability balance. As a result, accounts payable liabilities and general government expenditures were understated by \$1,997.

- Beginning fund balance was adjusted by \$7,200 to properly reconcile to net position.

#### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Council's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

#### **Representations Requested from Management**

We have requested certain written representations from management which are included in the management representation letter dated June 17, 2022.

#### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

#### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Council, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Council's auditors.

This report is intended solely for the information and use of the Board of Directors, and management of the Council and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, 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**

To the Board of Directors  
Ventura Council of Governments  
Ventura, California

We have audited, 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, the financial statements of the governmental activities and the general fund of the Ventura Council of Governments (Council), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated June 17, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) 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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 over financial reporting 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of finding and response as item 2021-001 that we considered to be a material weakness.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Council's 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. 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*.

**Response to Findings**

The Council's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Council's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

**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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California  
June 17, 2022

**Finding 2021-001**

**FINANCIAL REPORTING**

**CRITERIA:**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein and for the fair presentation of the financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP). This requires management to work through the financial reporting process to accumulate, reconcile, and summarize information for inclusion in the annual financial statements.

**CONDITION:**

*Material Weakness* – The Council maintains its books and records on the cash basis of accounting and did not prepare entries to reflect the accrual/modified accrual basis of accounting. In addition, opening equity did not agree with the prior year audited financial statements. During the audit, we identified the following adjustments which was corrected by management:

- \$1,997 accrual for services performed during the year ended June 30, 2021 but paid for subsequent to year end and not included in FY21 ending accounts payable balance.
- \$7,200 understatement of the beginning net position balance.

**CONTEXT:**

The condition noted above was identified during the testing of the Council's year-end liabilities and during our testing of beginning net position.

**EFFECT:**

Audit adjustments were necessary to fairly present the Council's beginning net position and year-end balances.

**CAUSE:**

The Council's year-end closing procedures and financial reporting process did not accurately capture the beginning and year-end balances.

**RECOMMENDATION:**

We recommend that the Council review their opening, closing and financial reporting process to ensure that the financial statements are reviewed for accuracy and completeness, and financial activities are presented in accordance with GAAP.



**View of Responsible Official and Planned Corrective Actions:**

VCOG Staff will review VCOG's opening, closing and financial reporting process with the VCOG Admin Committee periodically to ensure that the financial statements are reviewed for accuracy and completeness, and financial activities are presented in accordance with GAAP.

**MARK SCHNIEPP, Ph.D.**

Dr. Schniepp is Director of the California Economic Forecast in Santa Barbara. The company prepares forecasts and commentary on the regional economies of California.

He prepares economic analysis and regional forecasts for Caltrans, Kaiser Permanente, Exxon Mobil, and the Southern California Association of Governments.

Dr. Schniepp develops regional real estate and economic forecast publications and presents the findings at large public conferences in Santa Barbara County, Ventura County, and the Santa Clarita Valley.

Dr. Schniepp participates with the UCLA Anderson Forecast in the preparation of the annual Orange County Economic Forecast and the San Diego County Economic Forecast, which are held in the spring of each year.

He presents updated U.S. and California economic and demographic information to a number of organizations at over 25 conferences throughout the year.

Dr. Schniepp served as senior economist to Kathleen Connell, the California State Controller from 1999 to 2003.

Dr. Schniepp served as Director of the Economic Forecast Project at the University of California, Santa Barbara, between 1985 and 2000.

As a past faculty member in the Department of Economics at the University of California, Santa Barbara, he taught intermediate microeconomic and macroeconomic theory, applied regional modeling, applied econometrics, and forecasting, from 1982 to 1991.

Dr. Schniepp received his Ph.D. from the University of California, Santa Barbara in 1985. His fields of research for the degree were econometrics, regional economics, and natural resource economics.



# City of Port Hueneme

CITY COUNCIL

## ITEM 8B.

July 10, 2022

Ventura Council of Governments  
33 East High Street, Suite 200  
Moorpark, CA 93021

Re: Hueneme Beach Sand Matters Presentation, July 14, 2022

Dear Honorable Members of VCOG,

For hundreds of years and maybe even longer, up until the construction of the Port of Hueneme, one could walk uninhibited from the Santa Clara River all the way to Point Mugu without crossing water. The Chumash had long camped and rested on the very spot where the South facing Hueneme Beach and the West facing Silver Strand Beach were joined together. This spot was called Wynema. This Chumash word means resting place or launching spot. The Chumash understood what the Bard family later learned; the spot was the safest place to launch sea faring vessels.

Thomas Bard was a political leader, in fact, the only Ventura County resident to ever serve as a U.S. Senator. Senator Bard was very instrumental in the formation of Ventura County. His son Richard fulfilled his dream. On July 4, 1940, the Port of Hueneme's construction was completed. The future looked bright as the Bard Estate was uniquely positioned to become a very large productive commercial natural deep water port. The Bard Family Estate was from Channel Islands Boulevard where it intersects with Ventura Road all the way South and West to the ocean.

In April 1943, the Navy took over the harbor, the Bard homes and all their land to create the first navy construction battalion base in the country. Richard Bard is remembered as the father of the Port of Hueneme. Without the foresight of his father Thomas Bard and his unbending determination, we would not today have Naval Base Ventura County or the Port of Hueneme.

It became extremely clear the construction of the Port of Hueneme disrupted the natural flow of sand south. It was also very clear the sand was being **FOREVER** lost into the Hueneme Submarine Canyon (HSC). The HSC is the very reason for the construction of the Port of Hueneme as the deep water right off the shore dampers all wave action.

Constructing was completed in 1960. It is unclear as to when the very first dredging of the sand trap to renourish Hueneme Beach occurred. However, the ACOE determined, in order to mimic the natural flow of sand, they would have to dredge 1.2 million cubic yards of sand each year. From the early 60's to 2000, the dredge process was very effective. Hueneme Beach maintained a healthy amount of sand. Sometime there after or maybe even during that period of time, the amount of sand being moved was falling below the 1.2 million cubic yards. This means Hueneme Beach all the way down to Mugu was losing sand each year. This also means Hueneme Beach and Point Mugu's sustainability is in jeopardy if the bi-annual dredge process doesn't deliver the proper amount of sand.

Prior to the construction of the Port of Hueneme, think of all the beaches from the Santa Clara River to Point Mugu as a river of sand. After the construction of the Port of Hueneme that river was broken into two pieces. The first being from the Santa Clara River to the Channel Islands Harbor Sand Trap. The second being where the dredge pipe dumps sand on Hueneme Beach all the way down to Point Mugu.

In 2012-13, the process called "sequestration" which was a mandatory 8% reduction in federal spending had a severe negative impact on the dredge process. It is unclear as to why, it is suspected that in the complicated budgeting process for "navigable water ways" the Army Core of Engineers reduced the budget for dredging Channel Islands Harbor by 92%. This resulted in 600,000 cubic yards being delivered instead of the 2.4 million. It was obvious to anyone who had been around for some time that Hueneme Beach was going sustain severe damage.

Three years ago the Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) committed to a strong advocacy role for Hueneme Beach so the a fore mentioned catastrophe would never be again. We determined the first priority was to get everybody who is a part of the process or is interested to understand the uniqueness of Hueneme Beach, the Port of Hueneme, The Channel Islands Harbor and the Naval Air Station at Point Mugu. We recently completed our third regional Sand Summit. We have brought together the brightest minds in order to identify a path way for beach sustainability from the Port of Hueneme Lighthouse to Hueneme Beach, Ormond Beach and all the way to Point Mugu.

Today's presentation is a part of the bigger process to get as many elected officials in Ventura County to understand the uniqueness of our region. The Port of Hueneme is extremely important to Ventura County as is our military installations. In understanding the sand issues of Hueneme Beach, we are strengthening our ability for coastal sustainability.

Very truly yours,



Steven Gama

Current City Council Member/2021 Mayor  
City of Port Hueneme