



**VENTURA COUNCIL  
OF GOVERNMENTS**

**Thursday, July 9, 2026, 3:00 p.m.  
Camarillo City Hall  
Council Chambers  
601 Carmen Dr, Camarillo, CA 93012  
AGENDA**

Persons who require accommodation for any audio, visual, language, or other disability to review an agenda, or to participate in a meeting of the Ventura Council of Governments, per the Americans with Disabilities Act (ADA), Title II, 28 CFR §§ 35.102–35.104, and California Government Code Section 54954.2, may obtain assistance by requesting such accommodation by calling VCOG staff at 805-501-6182 or emailing [david@venturacog.org](mailto:david@venturacog.org). Any such request for accommodation must be made at least 48 hours before the scheduled meeting for which assistance is requested. Copies of staff reports are on file with the Executive Director of the Ventura Council of Governments Executive Director and are available for public inspection.

**AGENDA REPORTS AND OTHER DISCLOSABLE PUBLIC RECORDS RELATED TO OPEN SESSION AGENDA ITEMS ARE ALSO 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. ADDITIONS/DELETIONS TO THE AGENDA** – Members who wish to include an emergency action item on this meeting’s agenda or wish to discuss a particular agenda item listed on this meeting’s Consent Calendar should inform the Chair at this time.
- 4. 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 clarifying questions.
- 5. REPORTS AND ANNOUNCEMENTS FROM COUNCIL MEMBERS**
- 6. EXECUTIVE DIRECTOR’S REPORT** – The written report will be distributed in advance of the meeting.

**MEMBERS**

City of Camarillo  
David Tennessen, Chair  
Kevin Kildee, Alternate

City of Fillmore  
Carrie Broggie, Member  
Albert Mendez, Alternate

City of Moorpark  
Chris Enegren, Immed. Past Chair  
Tom Means, Alternate

City of Ojai  
Leslie Rule, Member  
Kim Mang, Alternate

City of Oxnard  
Bert Perello, Member  
Aaron Starr, Alternate

City of Port Hueneme  
Laura Hernandez, Member  
Jess Lopez, Alternate

City of San Buenaventura  
Bill McReynolds, Member  
Jeannette S. Palacios, Alternate

City of Santa Paula  
Leslie Cornejo, Chair-elect  
Jenny Crosswhite, Alternate

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

City of Thousand Oaks  
David Newman, Member  
Bob Engler, Alternate

County of Ventura  
Janice Parvin, Member  
Jeff Gorell, Alternate

7. **AGENCY REPORTS** – Reports or Oral Presentations by Agency Representatives Attending
  - A. Broadband Team Update & Report on Ventura County Broadband Project
  - B. Southern California Association of Governments
  - C. Ventura County Transportation Commission
  - D. League of California Cities
  - E. County of Ventura - Legislative Analyst
  - F. Metropolitan Water District of Southern California

8. **CONSENT CALENDAR**

- A. **Summary of May 21, 2026 Special Meeting** p. 3 - Approve Meeting Summary for the May 21, 2026 VCOG Special Meeting. **Action:** Approve Meeting Summary.
- B. **Financial Report** p. 8 - Approve Ventura Council of Governments Financial Report for the Budget Period from July 1, 2025, through June 30, 2026. **Action:** Approve Financial Report
- C. **Register of Warrants & Debit Card Transactions** p.9 - Approve the Register of Warrants for Expenditures and Debit Card Transactions incurred from March 6, 2026, through May 8, 2026. **Action:** Approve Register of Warrants and Debit Card Transactions.
- D. **VCOG Audited Financial Statements- 2024-2025** p.11 - Receive and file Ventura Council of Governments, Independent Auditors' 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 for the Period of July 1, 2024, through June 30, 2025.
- E. **VCOG Revised Budget.** p 39 **Action:** Review and approve the proposed VCOG Revised Budget for FY 2026-2027 and adopt VCOG Resolution 2026-02.

9. **PRESENTATION ITEMS**

- A. **Unpermitted Sidewalk Vending.** Ventura County Resource Management Agency Director Rob Mullane will introduce Environmental Health Division Director Charles Genkel and Code Compliance Director Jonathan Wood, who will present on current efforts to curtail unpermitted sidewalk vending throughout the county.

**COUNCIL MEMBER 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 to place the item on a future agenda and the agenda item's description.

10. **ADJOURNMENT: Next Meeting - September 10, 2026 – City of Camarillo City Hall, Council Chambers, 601 Carmen Drive, Camarillo.**



## ITEM 8A

### MEETING SUMMARY

Notice: Proper teleconference locations were listed on the agenda. The public was provided the means to observe the meeting and address the legislative body contemporaneously via Zoom.

Thursday, May 21, 2026

1. **CALL TO ORDER & FLAG SALUTE** – The meeting was called to Order at 2:30 PM by Chair Tennessen.

2. **ROLL CALL:**

- David Tennessen, Chair, City of Camarillo
- Chris Enegren, Immediate Past Chair, City of Moorpark
- Carrie Broggie, City of Fillmore
- Laura Hernandez, City of Port Hueneme
- Elaine Litster, City of Simi Valley
- Leslie Cornejo, City of Santa Paula
- David Newman, City of Thousand Oaks
- Bill McReynolds, City of San Buenaventura
- Janice Parvin, County of Ventura
- Bert Perello, City of Oxnard
- Leslie Rule, City of Ojai

**Absent:**

- There were no absences.

**Staff Present:**

- David Pollock, VCOG Executive Director

**Partner Agency Representatives and Agency Support Staff Present:**

- Brian Chong, Assistant to the City Manager, City of Moorpark
- Mina Layba, Legislative Affairs Manager, City of Thousand Oaks
- Rachel Wagner, Senior Government Affairs Officer, Southern California Association of Governments

3. **Additions/Deletions to the Agenda** - There were no additions or deletions to the meeting agenda, and no Consent Calendar Items were pulled for discussion.

4. **Public Comment:** Mr. Gama suggested VCOG lead a project to consolidate the latest data and guidance on e-bikes for all Ventura County cities. He highlighted concerns about illegal “Emotos” being used by youth, posing safety risks due to their motorcycle-like speeds and behavior.

5. **Reports and Announcements from Council Members** - There were no announcements.

**6. Executive Director's Report** - David Pollock provided an oral report, summarizing his written report:

**SCAG Regional Conference & General Assembly:** David Pollock participated in the conference, moderating a session on land use and infrastructure. The General Assembly approved the 2026–27 officer slate and the FY 2026–27 General Fund budget. Regional planning efforts are underway for 2028 Olympic-related transportation demand management (TDM) and the formation of new Connect SoCal 2050 and RHNA subcommittees.

**REAP 2.0:** Implementation is progressing, with a focus on completing deliverables and grant compliance. A budget amendment may be proposed if project activity extends beyond June 30.

**Broadband Initiative (VRBI):** Work continues on coordinating permitting, reviewing model ordinances, and supporting consistency in countywide deployment.

**Policy & Legislation:** Staff is monitoring legislative developments regarding housing, infrastructure, and digital equity.

**FY 2024–25 Audit:** The audit is in progress with Moss, Levy & Hartzheim, LLP and is expected to be completed by June 30, 2026.

**7. 2026-2027 VCOG Operating Budget** - David Pollock presented a budget reduced by \$10,000 compared to last year due to the conclusion of the LATA program and the winding down of REAP 2.0 activities. Auditor costs increased from a budgeted \$5,000 to \$8,000, reflecting market realities after other firms declined or quoted higher prices. The net effect is a \$7,000 overall reduction in the operating budget from the last fiscal year. Member agency dues were held mostly steady with minor adjustments based on updated state population projections. Population figures used for dues calculations are from California state projections, as specified in charters, and were confirmed by David Pollock when questioned by Elaine Litster.

A **Motion** was made by Council Member Laura Hernandez, with a **Second** by Council Member Elaine Litster, to adopt VCOG Resolution No. 2026-01 approving the budget and member assessments for FY 2026-2027. Roll Call Vote Recorded as follows: Ayes: 11; Nays: 0. The Motion Carried.

**8. Agency Reports**

- A. Broadband Team Update & Report on Ventura County Broadband Project - There was no report.
- B. Southern California Association of Governments - There was no report
- C. Ventura County Transportation Commission - There was no report
- D. League of California Cities - There was no report
- E. County of Ventura - Legislative Analyst - Michele Guzman provided an update on key legislation.
- F. Metropolitan Water District of Southern California: No report.

**9. CONSENT CALENDAR**

- A. Summary of March 12, 2026 Meeting - Approve Meeting Summary for the March 12, 2026 VCOG Meeting. Action: Approve Meeting Summary.

- B. Financial Report - Approve the Ventura Council of Governments Financial Report for the Budget Period from July 1, 2025, through June 30, 2026. 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 6, 2026 through May 8, 2026. Action: Approve Register of Warrants and Debit Card Transactions.
- D. Countywide Integrated Waste Management Plan (CIWMP) Five-Year Review Report. Action: Authorize the Chair to sign a letter supporting the submittal of the attached CIWMP Five-Year Review Report to the Department of Resources Recycling and Recovery (CalRecycle).

A **Motion** was made by Council Member Newman, with a **Second** by Chair David Tennessen, to approve items A through C of the Consent Calendar. Roll Call Vote Recorded as follows: Ayes: 11; Nays: 0. The Motion Carried.

#### 10. **PRESENTATION ITEMS**

- A. **Countywide Integrated Waste Management Plan (CIWMP) Five-Year Review Report.** David Goldstein from Ventura County Public Works Agency was present to answer any questions. **Action:** Authorize the Chair to sign a letter supporting the submittal of the attached CIWMP Five-Year Review Report to the Department of Resources Recycling and Recovery (CalRecycle). This item was pulled from the consent agenda to be voted on after the presentation and any Council questions.

A **Motion** was made by Council Member Laura Hernandez, with a **Second** by Council Member Bert Perello, to authorize the Chair to sign a letter supporting the submittal of the attached CIWMP Five-Year Review Report to the Department of Resources Recycling and Recovery (CalRecycle). The motion was approved by a unanimous vote.


- 11. **BOARD MEMBER COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS:** The Council discussed the importance of taking up the e-bike issue. Chair Tennessen asked that this topic be agendized on the next Council agenda.

- 12. **ADJOURNMENT:** The meeting was adjourned by Chair Tennessen at 3:19 PM.

**ITEM 8B**

**MEMORANDUM**

**TO:** VCOG Members and Alternates

**FROM:** David Pollock, Executive Director 

**SUBJECT:** Financial Report

**DATE:** July 9, 2026

**Recommendation:**

Approve the Financial Report for the period July 1, 2025, through June 30, 2026.

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**Discussion:**

This report transmits the Ventura Council of Governments (VCOG) Financial reports for the Budget Period from July 1, 2025, through June 30, 2026.

**Investments:**

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

<b>Institution</b>	<b>Investment Type</b>	<b>Maturity Date</b>	<b>Interest-FY to Date- 7/1/25 to 6/30/26</b>	<b>Rate</b>	<b>Balance</b>
Bank of America	Savings	N/A	\$17.81	0.04%*	\$2,621.64

\* Variable

**ATTACHMENTS:** Balance Sheet – As of June 30, 2026  
Budget vs. Actual Report- July 1, 2025, through June 30, 2026

# Ventura Council of Governments

## Balance Sheet

As of Jun 30, 2026

	TOTAL
<b>Assets</b>	
Current Assets	
Bank Accounts	
BofA - 9045	13,456.93
BofA MM - 2635	2,621.64
<b>Total for Bank Accounts</b>	<b>\$16,078.57</b>
Accounts Receivable	\$209,633.60
Other Current Assets	\$0.00
<b>Total for Current Assets</b>	<b>\$225,712.17</b>
Other Assets	\$0.00
<b>Total for Assets</b>	<b>\$225,712.17</b>
<b>Liabilities and Equity</b>	
Liabilities	
Current Liabilities	
Accounts Payable	\$49,147.25
Other Current Liabilities	
Payroll Liabilities	0.00
Prepaid Annual Assessments	12,999.00
<b>Total for Other Current Liabilities</b>	<b>\$12,999.00</b>
<b>Total for Current Liabilities</b>	<b>\$62,146.25</b>
Long-term Liabilities	\$0.00
<b>Total for Liabilities</b>	<b>\$62,146.25</b>
Equity	
Opening Balance Equity	111,291.04
Year End Close Out Account	3,643.75
Net Income	48,631.13
<b>Total for Equity</b>	<b>\$163,565.92</b>
<b>Total for Liabilities and Equity</b>	<b>\$225,712.17</b>

## Ventura Council of Governments

### Budget vs. Actuals: Budget\_FY26\_P&L - FY26 P&L


July 2025 - June 2026

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Income</b>				
Restricted Income				
LATA Grant Income	280,005.23	365,502.00	-85,496.77	76.61 %
SCAG - REAP 2.0 Contract Income	340,621.42	282,632.00	57,989.42	120.52 %
<b>Total Restricted Income</b>	<b>620,626.65</b>	<b>648,134.00</b>	<b>-27,507.35</b>	<b>95.76 %</b>
Unrestricted Income				
Annual Dinner Sponsorship	7,000.00	9,000.00	-2,000.00	77.78 %
Bank Interest	17.81	10.00	7.81	178.10 %
Dues Assessments	77,991.00	77,990.00	1.00	100.00 %
<b>Total Unrestricted Income</b>	<b>85,008.81</b>	<b>87,000.00</b>	<b>-1,991.19</b>	<b>97.71 %</b>
<b>Total Income</b>	<b>\$705,635.46</b>	<b>\$735,134.00</b>	<b>\$ -29,498.54</b>	<b>95.99 %</b>
<b>GROSS PROFIT</b>	<b>\$705,635.46</b>	<b>\$735,134.00</b>	<b>\$ -29,498.54</b>	<b>95.99 %</b>
<b>Expenses</b>				
Other Types of Expenses				
LATA Grant Expenses	274,786.48	365,502.00	-90,715.52	75.18 %
<b>Total Other Types of Expenses</b>	<b>274,786.48</b>	<b>365,502.00</b>	<b>-90,715.52</b>	<b>75.18 %</b>
REAP 2.0 Project Costs				
TASK 1 - Program Administration	8,370.00	3,525.00	4,845.00	237.45 %
TASK 2 - Project Management	32,253.58	15,828.00	16,425.58	203.78 %
TASK 3 - ID-Technical Assistance	-2,640.00	8,279.00	-10,919.00	-31.89 %
TASK 4 - Technical Assistance Program	23,833.25	70,000.00	-46,166.75	34.05 %
TASK 5 - Infill Redevelopment Action Plan	119,709.82	70,000.00	49,709.82	171.01 %
TASK 6 - On Call Planning Assistance	141,759.40	115,000.00	26,759.40	123.27 %
<b>Total REAP 2.0 Project Costs</b>	<b>324,854.80</b>	<b>282,632.00</b>	<b>42,222.80</b>	<b>114.94 %</b>
Unrestricted Expenses				
Accounting Fees	513.20	2,200.00	-1,686.80	23.33 %
Annual Dinner	7,555.45	9,000.00	-1,444.55	83.95 %
Audit		5,000.00	-5,000.00	
Conference and Meetings		2,000.00	-2,000.00	
Executive Administration	43,930.00	60,000.00	-16,070.00	73.22 %
Insurance - Liability, D and O	3,757.76	4,400.00	-642.24	85.40 %
Legal Fees		300.00	-300.00	
Postage, Mailing Service	0.78		0.78	
Printing and Copying	199.86	700.00	-500.14	28.55 %
Supplies	144.00	500.00	-356.00	28.80 %
Travel		1,500.00	-1,500.00	
Travel and Meetings	20.00		20.00	
Website	1,242.00	1,400.00	-158.00	88.71 %
<b>Total Unrestricted Expenses</b>	<b>57,363.05</b>	<b>87,000.00</b>	<b>-29,636.95</b>	<b>65.93 %</b>
<b>Total Expenses</b>	<b>\$657,004.33</b>	<b>\$735,134.00</b>	<b>\$ -78,129.67</b>	<b>89.37 %</b>
<b>NET OPERATING INCOME</b>	<b>\$48,631.13</b>	<b>\$0.00</b>	<b>\$48,631.13</b>	<b>0.00%</b>
<b>TOTAL</b>				
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>NET INCOME</b>	<b>\$48,631.13</b>	<b>\$0.00</b>	<b>\$48,631.13</b>	<b>0.00%</b>



**ITEM 8C**

**MEMORANDUM**

**TO:** Council Members and Alternates  
**FROM:** David Pollock, Executive Director   
**SUBJECT:** Register of Warrants and Debit Card Transactions  
**DATE:** July 9, 2026

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**Recommendation:**

Approve the Register of Warrants for expenditures and Debit Card Transactions incurred from May 9 through June 30, 2026.

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**Discussion:**

This report presents expenditures, including bank debit card transactions incurred by the Ventura Council of Governments for the period from May 9 through June 30, 2026. It is prepared in addition to the Financial Report to ensure the Council is fully informed of the actual expenditure of funds for services and other organizational costs.

**ATTACHMENTS:** Warrant and Debit Card Registers

**Register of Warrants**  
**Ventura Council of Governments**  
**July 9, 2026**  
 Transactions from May 9 through June 30, 2026


<u>Check/Transaction#</u>	<u>Date</u>	<u>Paid To</u>	<u>Inv. Date</u>	<u>Description</u>	<u>Amount</u>
B15ZRNOQYY3O8TB	05/11/26	Opticose	05/01/26	REAP 2.0 Services	\$2,900.00
Check 788	05/14/26	EDC-VC	05/07/26	LATA Services	\$55,838.49
B15EYGMFNZ3OOWR	05/14/26	Placeworks	05/01/26	REAP 2.0 Services	\$3,737.50
B15OUOILJZ3OOWQ	05/14/26	MNS Engineers	05/01/26	REAP 2.0 Services	\$1,778.75
Check 789	05/19/26	Sanbell	05/01/26	REAP 2.0 Services	\$12,020.00
Check 790	05/19/26	Sanbell	05/01/26	REAP 2.0 Services	\$6,336.00
B15CYKNTKY3RR1G	06/09/26	Christopher Williamson	06/01/26	REAP 2.0 Services	\$3,306.67

**Register of Debit Card Transactions**  
**Ventura Council of Governments**  
**July 9, 2026**  
 Transactions from May 9 through June 30, 2026

<u>Card #</u>	<u>Date</u>	<u>Paid To</u>	<u>Inv. Date</u>	<u>Description</u>	<u>Amount Paid</u>
4579	06/03/26	Channel Counties Div. LOCC	06/03/26	Dinner charge	\$20.00

**Item 8D.**

**MEMORANDUM**

**TO: Council Members and Alternates**  
**FROM: David Pollock, Executive Director**   
**SUBJECT: VCOG Audited Financial Statements- 2024-2025**  
**DATE: July 9, 2026**

**Recommendation:**

Receive and file the Ventura Council of Governments Letter on Generally Accepted Accounting Practices for the period July 1, 2024, through June 30, 2025.

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**Discussion:**

This report transmits the Ventura Council of Governments (VCOG) Audited Financial Statement for the period ending June 30, 2025

The VCOG Fiscal Year 2024-2025 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 is 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.

The Council ended the fiscal year with an unrestricted net position of \$114,934, a net decrease of \$22,515 from the prior year's balance of \$137,449. There were no irregularities noted, and there were two significant deficiencies requiring corrective action.

The significant deficiencies are listed on pages 22-23 of the report (agenda pages 37-38), regarding segregation of duties over cash receipts, disbursements, and vendor setup, and period-end accounts payable cutoff. Management agrees with the findings and is implementing the recommendations. Implementation has already begun with the closing of the FY 2025-2026 year-end close, and a formal policy for these changes will be placed on the Council agenda in September.

The VCOG 2024-2025 Audited Financial Statements and supporting documents will be

submitted to the Ventura County Auditor-Controller and to SCAG, and will be posted on VCOG's Website - [www.venturacog.org](http://www.venturacog.org).

Attachment:

1. Basic Financial Statements with Independent Auditors' Report including the Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance

Report of Independent Auditors and Financial Statements with  
Required Supplementary Information

**VENTURA COUNCIL OF GOVERNMENTS**

June 30, 2025

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## Report of Independent Auditors

The Board of Directors  
Ventura Council of Governments  
Moorpark, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and the major fund of Ventura Council of Governments (the Council) as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Ventura Council of Governments as of and for the fiscal year ended June 30, 2025, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Ventura Council of Governments and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ventura Council of Governments' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute

assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ventura Council of Governments' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ventura Council of Governments' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Required Supplementary Information***

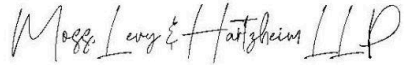
Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the budgetary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic 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 of 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.

#### **Report on Summarized Comparative Information**

We have previously audited the Ventura Council of Governments' 2024 financial statements, and our report dated June 3, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended June 30, 2024, 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 30, 2026, on our consideration of the Ventura Council of Governments' 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 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 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.



Santa Maria, California  
June 30, 2026

## Management's Discussion and Analysis

This section of the Ventura Council of Governments' financial statements presents management's discussion and analysis of the Council's financial activities for the fiscal year ended June 30, 2025. This discussion should be read in conjunction with the accompanying basic financial statements and notes to the financial statements.

### Financial Highlights

For the fiscal year ended June 30, 2025, the Council's total net position was \$114,934, compared to \$137,449 at June 30, 2024, representing a decrease of \$22,515.

Total assets at June 30, 2025 were \$122,084, consisting primarily of cash and investments of \$112,686 and accounts receivable of \$9,398. Total liabilities were \$7,150, consisting of accounts payable.

The Council's total revenues for the year ended June 30, 2025 were \$108,924, compared to \$369,474 in the prior year. The decrease was primarily attributable to lower operating grants and contributions related to grant-funded project activity.

Total expenditures for the year ended June 30, 2025 were \$131,439, compared to \$355,871 in the prior year. The decrease was primarily due to reduced REAP and LATA project costs during the fiscal year.

The Council ended the fiscal year with an unrestricted net position of \$114,934. Because the Council is a small organization with no full-time employees and relies on part-time contract workers for management, administrative, and financial support, maintaining an appropriate unrestricted balance is important to support ongoing operations, cash flow needs, and grant administration responsibilities.

### Overview of the Financial Statements

The Council's financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

The government-wide financial statements provide a broad overview of the Council's finances on an accrual basis. These statements include the Statement of Net Position and the Statement of Activities.

The fund financial statements provide information about the Council's major governmental fund. The Council reports one major fund, the General Fund, which accounts for all of the Council's financial resources and operating activities.

The notes to the basic financial statements provide additional information essential to a full understanding of the data in the financial statements.

### Government-Wide Financial Analysis

The Statement of Net Position presents information on all of the Council's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Council's financial position is improving or declining.

At June 30, 2025, the Council's assets totaled \$122,084, compared to \$137,449 at June 30, 2024. The Council's liabilities totaled \$7,150, compared to no liabilities reported at June 30, 2024. The resulting net position was \$114,934, all of which was unrestricted.

**Condensed Statement of Net Position**

	<b>2025</b>	<b>2024</b>	<b>Change</b>
Cash and investments	\$ 112,686	\$ 68,249	\$ 44,437
Accounts receivable	9,398	69,200	(59,802)
<b>Total assets</b>	<b>122,084</b>	<b>137,449</b>	<b>(15,365)</b>
Accounts payable (total liabilities)	7,150	–	7,150
<b>Net position – unrestricted</b>	<b>\$ 114,934</b>	<b>\$ 137,449</b>	<b>\$ (22,515)</b>

The Council's cash and investments increased from \$68,249 at June 30, 2024 to \$112,686 at June 30, 2025. Accounts receivable decreased from \$69,200 to \$9,398, primarily reflecting the timing of grant reimbursements and receivable collections.

The Council's unrestricted net position provides financial flexibility for ongoing administrative operations, regional coordination activities, and the management of grant-funded programs. Given the Council's limited staffing model and reliance on contract support, unrestricted reserves also help provide stability when grant reimbursements or project activity fluctuate from year to year.

**Changes in Net Position**

For the fiscal year ended June 30, 2025, the Council reported total expenses of \$131,439 and program revenues of \$43,907, resulting in net expense of \$87,532 from governmental activities before general revenues.

General revenues totaled \$65,017, consisting primarily of dues assessments of \$64,992 and investment income of \$25. After accounting for program revenues, expenses, and general revenues, the Council's net position decreased by \$22,515.

**Condensed Statement of Changes in Net Position**

	<b>2025</b>	<b>2024</b>
Program revenues – operating grants and contributions	\$ 43,907	\$ 304,457
General revenues	65,017	65,017
<b>Total revenues</b>	<b>108,924</b>	<b>369,474</b>
<b>Total expenses</b>	<b>131,439</b>	<b>355,871</b>
Change in net position	(22,515)	13,603
Net position, beginning of year	137,449	123,846
<b>Net position, end of year</b>	<b>\$ 114,934</b>	<b>\$ 137,449</b>

The decrease in net position reflects the timing and level of grant-funded project activity during the year, as well as the use of available resources to support Council operations and programs. While total revenues and expenditures were both significantly lower than in the prior year, the Council continued to carry out its core administrative, planning, coordination, and grant-related responsibilities.

**Fund Financial Analysis**

The Council's General Fund is used to account for all financial resources of the Council. At June 30, 2025, the General Fund reported a fund balance of \$114,934, compared to \$137,449 at June 30, 2024. The entire fund balance was classified as unassigned.

General Fund revenues totaled \$108,924 for the year ended June 30, 2025. This amount consisted of:

<b>Revenues</b>	<b>2025</b>
Dues assessments	\$ 64,992
Operating grants and contributions	43,907
Investment income	25
<b>Total revenues</b>	<b>\$ 108,924</b>

General Fund expenditures totaled \$131,439 for the year ended June 30, 2025. Major expenditure categories included:

<b>Expenditures</b>	<b>2025</b>
Professional services	\$ 62,883
REAP project costs	47,095
Travel and meetings	11,152
LATA project costs	5,069
Other costs	3,564
Operations	1,676
<b>Total expenditures</b>	<b>\$ 131,439</b>

The General Fund balance decreased by \$22,515 during the year. The Council continues to monitor its expenditures and available resources carefully, particularly given its small organizational structure and reliance on contract workers rather than full-time staff.

**Budgetary Highlights**

The Council's final budget for fiscal year 2024-2025 anticipated total revenues and expenditures of \$868,359. Actual revenues were \$108,924, resulting in an unfavorable revenue variance of \$759,435. Actual expenditures were \$131,439, resulting in a favorable expenditure variance of \$736,920.

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Total revenues	\$ 868,359	\$ 108,924	\$ (759,435)
Total expenditures	868,359	131,439	736,920

The significant variances between budgeted and actual amounts were primarily due to lower-than-anticipated grant-funded project activity, particularly related to REAP and LATA programs. Grant-funded activities often depend on project timing, reimbursement schedules, partner coordination, and eligible costs incurred during the fiscal year. As a result, both revenues and expenditures may vary significantly from budgeted amounts.

Although actual revenues were lower than budgeted, expenditures were substantially lower as well, helping reduce the overall impact on the Council's fund balance. The Council will continue to evaluate budget assumptions and monitor grant activity throughout the year.

**Capital Assets and Debt Administration**

The Council did not report any capital assets or long-term debt as of June 30, 2025.

The Council's operations are administrative and oriented toward regional coordination, and the organization does not currently maintain significant capital infrastructure or facilities. The Council also has

no employees and relies on part-time contract support for executive, administrative, and financial management functions.

#### **Internal Controls and Administrative Capacity**

As noted in the accompanying audit report, the Council operates with a limited number of personnel and relies on contract workers to perform executive, administrative, bookkeeping, and financial support functions. This operating model is appropriate for a small regional agency with limited ongoing administrative needs; however, it also creates practical limitations on the segregation of duties.

During the fiscal year ended June 30, 2025, the auditors identified significant deficiencies related to segregation of duties and the year-end accounts payable cutoff process. Management acknowledges these findings and is committed to strengthening internal controls in a manner that is practical and appropriate for an organization of VCOG's size.

The Council intends to implement additional compensating controls, including enhanced Board or Board-designee review of paid invoices, vendor listings, bank reconciliations, and journal entry reports. The Council also intends to implement a formal year-end accounts payable cutoff process to ensure liabilities and related expenditures are recorded in the proper fiscal year.

Management believes these steps will improve financial oversight and reporting while recognizing the Council's limited staffing capacity and reliance on part-time contract support.

#### **Economic Factors and Next Year's Budget**

The Council's financial activity is influenced by member dues, grant availability, project timing, reimbursement schedules, and the level of regional planning and coordination activity undertaken during the year.

For the upcoming fiscal year, management expects the Council to continue operating as a small joint powers agency with limited staffing and part-time contract support. The Council will continue to rely on member dues to support core administrative functions and will pursue and administer grant-funded projects as appropriate and consistent with the Council's mission.

Because grant-funded activity can fluctuate significantly from year to year, the Council will continue to closely monitor cash flow, receivables, expenditures, and reimbursement timing. Management will also continue working with the Governing Board to strengthen oversight procedures and maintain sound financial practices.

#### **Request for Information**

This financial report is designed to provide the Council's member agencies, Board of Directors, interested parties, and other users with a general overview of the Council's finances and to demonstrate accountability for the public resources it manages. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Ventura Council of Governments.

## **Basic Financial Statements**

**Ventura Council of Governments**  
Statement of Net Position  
June 30, 2025 and 2024

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	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
Cash and investments	\$ 112,686	\$ 68,249
Accounts receivable	<u>9,398</u>	<u>69,200</u>
Total assets	<u>122,084</u>	<u>137,449</u>
<b>LIABILITIES</b>		
Accounts payable	<u>7,150</u>	<u>—</u>
Total liabilities	<u>7,150</u>	<u>—</u>
<b>NET POSITION</b>		
Unrestricted	<u>114,934</u>	<u>137,449</u>
Total net position	<u>\$ 114,934</u>	<u>\$ 137,449</u>

See accompanying notes to basic financial statements.

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**Ventura Council of Governments**  
Statement of Activities  
Year Ended June 30, 2025 and 2024

	Program Revenues	2025	2024	
Expenses	Operating Contributions and Grants	Net (Expense) Revenue and Changes in Net Position	Net (Expense) Revenue and Changes in Net Position	
Governmental activities				
General government	\$ 131,439	\$ 43,907	\$ (87,532)	\$ (51,414)
Total governmental activities	<u>\$ 131,439</u>	<u>\$ 43,907</u>	<u>(87,532)</u>	<u>(51,414)</u>
General Revenues				
Dues assessments		64,992	64,992	
Use of money and property		<u>25</u>	<u>25</u>	
Total general revenues		<u>65,017</u>	<u>65,017</u>	
Change in net position		(22,515)	13,603	
Net position, beginning of year		<u>137,449</u>	<u>123,846</u>	
Net position, end of year		<u>\$ 114,934</u>	<u>\$ 137,449</u>	

See accompanying notes to basic financial statements.

**Ventura Council of Governments**  
 Balance Sheet – Governmental Fund  
 June 30, 2025 and 2024

	General Fund	
	2025	2024
<b>ASSETS</b>		
<b>ASSETS</b>		
Cash and investments	\$ 112,686	\$ 68,249
Accounts receivable	9,398	69,200
Total assets	<u>\$ 122,084</u>	<u>\$ 137,449</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 7,150	\$ –
Total liabilities	<u>7,150</u>	<u>–</u>
<b>FUND BALANCE</b>		
Unassigned	<u>114,934</u>	<u>137,449</u>
Total fund balance	<u>114,934</u>	<u>137,449</u>
Total liabilities and fund balance	<u>\$ 122,084</u>	<u>\$ 137,449</u>

See accompanying notes to basic financial statements.

**Ventura Council of Governments**Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund  
Year Ended June 30, 2025 and 2024

	General Fund	
	2025	2024
<b>REVENUES</b>		
Dues assessments	\$ 64,992	\$ 64,992
Operating grants and contributions	43,907	304,457
Investment income	25	25
Total revenues	<u>108,924</u>	<u>369,474</u>
<b>EXPENDITURES</b>		
Professional services	62,883	52,583
Operations	1,676	1,582
Travel and meetings	11,152	8,695
REAP project costs	47,095	169,835
LATA project costs	5,069	119,759
Other	3,564	3,417
Total expenditures	<u>131,439</u>	<u>355,871</u>
Change in fund balance	(22,515)	13,603
FUND BALANCE, beginning of year	<u>137,449</u>	<u>123,846</u>
FUND BALANCE, end of year	<u>\$ 114,934</u>	<u>\$ 137,449</u>

See accompanying notes to basic financial statements.

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**Ventura Council of Governments**  
Notes to Basic Financial Statements  
June 30, 2025

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

**A. Organization**

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.

The Council complies with U.S. Generally Accepted Accounting Principles and all relevant Governmental Accounting Standards Board pronouncements. These technical pronouncements establish criteria for determining the Council's activities and functions that are included in the financial statements of a governmental unit. The general ledger and budgetary projections are maintained by the Council.

**B. Reporting Entity**

The reporting entity is the Ventura Council of Governments. There are no component units included in this report which meet the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, No. 80, and No. 90.

**C. Government-wide and fund 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 non-fiduciary activities of the Council. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**D. Basis of Presentation**

**Government-wide financial statements** – The government-wide financial statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial

statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the statements for the governmental funds.

The government-wide financial statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Council's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The Council does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Council, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Council.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

**Fund financial statements** – Fund financial statements report detailed information about the Council. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances for these funds present increases, (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

**E. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

**Revenues – exchange and non-exchange transactions** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Council, “available” means collectible within the current period or within 60 days after fiscal year-end.

Non-exchange transactions, in which the Council receives value without directly giving equal value in return, include property taxes and grants. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are to be used or the fiscal year when is first permitted; matching requirements, in which the Council must provide local

**Ventura Council of Governments**  
Notes to Basic Financial Statements  
June 30, 2025

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resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the Council on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

**Expenses/expenditures** – On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

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

**F. Fund Accounting**

The accounts of the Council are organized on the basis of 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. The Council's resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Council's accounts are organized into one major fund, as follows:

The *General Fund* is the general operating fund of the Council. It is used to account for all financial resources of the general government.

**G. Budgets and Budgetary Accounting**

In accordance with the California Government Code and other statutory provisions, on or before June 30 for each fiscal year, the Council must prepare and submit a budget to the County Auditor. The annual budget is adopted for the general fund. The Council budget is prepared on a modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America. Annually, the Board of Directors conducts a public hearing for the discussion of a proposed budget. At the conclusion of the hearings, the Board adopts the final fiscal budget. The legal level of budgetary control (the level at which expenditures may not legally exceed appropriation) is maintained at the object level. Any changes in the annual budget must be within the revenues and reserves estimated by the Council or the revenue estimates must be changed by a vote of the Board.

**H. Cash and Investments**

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 a non-interest bearing checking account and an interest-bearing bank account.

**I. Receivables**

Receivables are recorded in the Council's Statement of Net Position and in the Governmental Fund Balance Sheet net of any allowance for uncollectible. All receivables are deemed to be collectible at June 30, 2025, and, as such, the Council has no allowance for uncollectible accounts for these.

**Ventura Council of Governments**  
Notes to Basic Financial Statements  
June 30, 2025

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**J. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2025 are recorded as prepaid items.

**K. 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.

**L. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the American Institute of Certified Public Accountants, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**M. Fund Balances**

Fund balances of the governmental funds are classified as follows:

*Nonspendable* – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid expenditures) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

*Restricted* – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

*Committed* – represents amounts that can only be used for a specific purpose because of a formal action by the Council's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

*Assigned* – represents amounts which the Council intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the Council.

*Unassigned* – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific

**Ventura Council of Governments**  
Notes to Basic Financial Statements  
June 30, 2025

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purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the Council considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Council considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**N. Net Position**

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position is the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

**O. Future Accounting Pronouncements**

GASB Statements listed below will be implemented in future financial statements:

Statement No. 103	“Financial Reporting Model Improvements”	The requirement of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.
Statement No. 104	“Disclosure of Certain Capital Assets”	The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter

**Note 2 – Cash and Investments**

On June 30, 2025, the Council had the following cash on hand:

Cash held by banks	<u>\$ 112,686</u>
Total cash	<u>\$ 112,686</u>

Cash is presented on the accompanying basic financial statements, as follows:

Cash, statement of net position	<u>\$ 112,686</u>
Total cash	<u>\$ 112,686</u>

**Ventura Council of Governments**  
Notes to Basic Financial Statements  
June 30, 2025

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The Council categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Council does not have any investments valued under levels 1, 2, or 3 as of June 30, 2025.

**Investments authorized by the Council's investment policy** – The table on the following page identifies the investment types that are authorized for the Council by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment 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
Bankers' Acceptances	180 Days	40%	30%
Negotiable Certificates of Deposit	5 Years	None	None
County Pooled Investment Fund	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75,000,000

**Concentration of credit risk** – The investment policy of the Council contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments (other than external investment pools) in any one issuer that represent 5% or more of total Council investments.

**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 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 fair value of the pledged securities in the collateral pool must equal at least 100% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Council's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2025, none of the Council's deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts.

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 does not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments.

**Ventura Council of Governments**  
Notes to Basic Financial Statements  
June 30, 2025

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With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

**Note 3 – Commitments and Contingencies**

**Litigation** – According to the Council's management and attorney, no contingent liabilities or lawsuits are pending of any financial consequence as of June 30, 2025.

**State and local allowances, awards, and grants** – The Council occasionally receives grant monies as reimbursements for specific costs incurred in certain projects it administers that may be subject to review and audit by the reimbursing agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

**Note 4 – Related Parties**

The Council has no employees. The Council contracts with its current Executive Director. During the fiscal year ended June 30, 2025, the Council paid a total of \$74,673 for Executive Director support services to perform management and administrative services including \$29,724 related to REAP and LATA Project Oversight. The expenditures for the Council are included in professional services in the fund financial statements. All transactions relating to the General Manager services are reviewed and approved for payment by the Board of Directors.

**Ventura Council of Governments**  
 Budgetary Comparison Schedule – General Fund  
 Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES</b>				
Dues assessments	\$ 64,992	\$ 64,992	\$ 64,992	\$ –
Operating grants and contributions	381,601	803,357	43,907	(759,450)
Investment income	10	10	25	15
<b>Total revenues</b>	<b>446,603</b>	<b>868,359</b>	<b>108,924</b>	<b>(759,435)</b>
<b>EXPENDITURES</b>				
Professional services	52,800	62,800	62,883	(83)
Operations	2,600	2,600	1,676	924
Travel and meetings	14,202	14,202	11,152	3,050
REAP project costs	–	411,756	47,095	364,661
LATA project costs	372,601	372,601	5,069	367,532
Other	4,400	4,400	3,564	836
<b>Total expenditures</b>	<b>446,603</b>	<b>868,359</b>	<b>131,439</b>	<b>736,920</b>
Change in fund balance	–	–	(22,515)	(22,515)
FUND BALANCE, beginning of year	123,846	123,846	137,449	
FUND BALANCE, end of year	\$ 123,846	\$ 123,846	\$ 114,934	\$ (22,515)



**Report of Independent Auditors 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***

Board of Directors  
Ventura Council of Governments  
Moorpark, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Ventura Council of Governments (the Council), as of and for the fiscal year ended June 30, 2025, 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 30, 2026.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2025-001 and 2025-002, that we consider to be significant deficiencies.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not

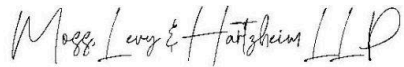
express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Ventura Council of Governments' Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the Council's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Council's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**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.



Santa Maria, California  
June 30, 2026

## Ventura Council of Governments

### Schedule of Findings and Responses for the Year Ended June 30, 2025 Financial Statement Findings

#### SIGNIFICANT DEFICIENCIES

##### Finding 2025-001 - Segregation of Duties over Cash Receipts, Disbursements, and Vendor Setup

**Criteria.** A properly designed system of internal control provides for an appropriate segregation of duties so that no single individual is in a position to both perpetrate and conceal errors or fraud in the normal course of performing assigned functions. Incompatible duties (authorization of transactions, recording, custody of assets, and reconciliation) should be performed by different individuals. When complete segregation is not practical, the Council should implement mitigating controls and oversight by the Governing Board.

**Condition.** The Executive Director performs nearly all key functions across the cash receipts and disbursements cycles, including opening mail and receiving funds, preparing and making bank deposits; approving, entering, and paying invoices; setting up and modifying vendors; recording transactions; and serving as an authorized check signer, while a single third-party bookkeeper performs the reconciliations and posts journal entries. In addition, vendor master-file changes are made without independent review, and the Council does not maintain a formal approved vendor listing.

**Cause.** The Council has a limited number of personnel involved in its financial operations and has not established sufficient compensating oversight controls to offset the concentration of incompatible duties. The condition is heightened by the change in Executive Director that became effective April 1, 2025.

**Effect.** This concentration of incompatible duties increases the risk that errors or improper, duplicate, or unauthorized transactions could occur and not be prevented, or detected and corrected, on a timely basis.

**Recommendation.** We recommend the Council strengthen independent oversight to compensate for the concentration of duties. Specifically, the Council should: (1) ensure invoices are reviewed and approved before payment by someone other than the individual responsible for disbursements; (2) have the Governing Board designate an individual to review a listing of invoices paid each month, cross-referencing the payments to supporting invoices and vendors paid to an approved vendor listing; (3) maintain an approved vendor listing reviewed by the Board at least annually; (4) have the third-party bookkeeper or a designated Board member independently review the monthly bank statements, bank reconciliations, and the QuickBooks manual journal-entry report; and (5) consistently enforce the two-signature requirement for payments over \$5,000.

**Corrective Action Plan / Management's Response.** Management acknowledges the finding. Given the Council's limited staffing, complete segregation of duties is not always practical, but management agrees to strengthen internal controls through compensating controls and independent oversight. The Council will require invoices to be reviewed and approved by someone other than the person processing disbursements, with supporting documentation retained; have the Governing Board (or a designated reviewer) review a monthly listing of paid invoices against supporting documentation; develop and maintain an approved vendor listing reviewed at least annually, with vendor additions and changes subject to independent review; have the third-party bookkeeper and/or an independent Board member review monthly bank statements, reconciliations, and the QuickBooks manual journal-entry report; and consistently apply the existing two-signature requirement for payments over \$5,000. Implementation will begin during the 2025-2026 fiscal year.

## Ventura Council of Governments

Schedule of Findings and Responses for the Year Ended June 30, 2025  
Financial Statement Findings (Continued)

### Finding 2025-002 - Period-End Accounts Payable Cutoff

**Criteria.** Under a properly designed period-end close process, liabilities and the related expenditures/expenses should be recorded in the period in which the underlying goods or services are received, including the accrual at year-end of invoices received after year-end that pertain to the fiscal year under audit.

**Condition.** During our search for unrecorded liabilities, we identified three invoices that pertained to the fiscal year ended June 30, 2025 but were not accrued as accounts payable at year-end. The aggregate amount of the unrecorded liabilities was considered material.

**Cause.** The Council did not perform a formal year-end accounts payable cutoff procedure to identify and accrue liabilities for goods or services received on or before June 30, 2025.

**Effect.** Accounts payable and the related expenditures were understated at year-end by an amount that exceeded our materiality threshold. An adjusting journal entry was recorded to correct the financial statements.

**Recommendation.** We recommend the Council implement a formal year-end accounts payable cutoff procedure. As part of the year-end close, the Council should review disbursements and vendor invoices received for a defined period after year-end (for example, 30 to 60 days), identify those that relate to goods or services received on or before June 30, accrue all such liabilities, and reconcile the accrued liabilities to subsequent payments.

**Corrective Action Plan / Management's Response.** Management acknowledges the finding and recognizes the importance of recording liabilities and expenditures in the correct fiscal year. As part of its annual close, the Council will implement a formal year-end accounts payable cutoff procedure: reviewing invoices and disbursements received or paid during a defined period (generally 30 to 60 days) after June 30, evaluating whether the related goods or services were received on or before year-end, accruing any prior-year obligations as accounts payable, and reconciling accrued liabilities to subsequent payments to ensure completeness and accuracy. This procedure will be implemented beginning with the 2025-2026 fiscal year-end close.



**ITEM 8E**

**MEMORANDUM**

**TO:** VCOG Members and Alternates  
**FROM:** David Pollock, Executive Director  
**SUBJECT:** Proposed Revised VCOG Fiscal Year 2026-2027 Budget  
**DATE:** July 9, 2026

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**Recommendation:**

The Council should review and approve the proposed VCOG Revised Budget for FY 2026-2027 and adopt VCOG Resolution 2026-02.

**Discussion:**

The Council adopted a budget for the 2026-2027 fiscal year at its May 21, 2026, meeting. At the time, I advised the Council that the budgeted amounts for restricted grant programs would likely change, requiring us to revise our budget. Specifically, we are completing a series of payments to EDC-VC, for which we are being reimbursed by the California Public Utilities Commission through its LATA program. The revised budget now includes \$90,715 for LATA income and an equal amount for LATA expenses. Two more payments will need to be made in our 2026-2027 fiscal year.

In addition, the REAP 2.0 program, which was scheduled to be completed by June 30, 2026, is partially carrying over into the last half of this calendar year. We had originally budgeted \$282,642 for the REAP 2.0 program and have decreased the income and related expense to \$122,100.

Our auditor is scheduled to begin working on our FY 2025-2026 audit in October and they have informed us that their services will rise to \$8,400 this year. That \$400 increase has been included in the unrestricted expenses and another \$500 increase for the annual dinner due to price increases. Other line items have been reduced based on actual need, bringing our net operating costs down by \$1,500.

The revised Fiscal Year 2026–2027 Budget totals \$88,500 in unrestricted expenses and \$212,817 in restricted/pass-through expenses, for total expenses of \$301,317 to continue VCOG's operations and programming. Member agency dues assessments are unaffected by this revision.

# ATTACHMENT

## VENTURA COUNCIL OF GOVERNMENTS RESOLUTION NO. 2026-02

### A RESOLUTION OF THE GOVERNING BODY OF THE VENTURA COUNCIL OF GOVERNMENTS ADOPTING REVISED FY 2026-2027 BUDGET

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

SECTION 1: The Governing Body finds that the budget for Fiscal Year (FY) 2026-2027 must be revised to fund VCOG Operations for the coming year.

SECTION 2: The Governing Body agrees to revise the budget for FY 2026-2027 as detailed in Exhibit A.

SECTION 3: 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 VCOG 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.

PASSED AND ADOPTED this 9th day of July, 2026.

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David Tennessen, Chair

# Exhibit A

## VENTURA COUNCIL OF GOVERNMENTS FISCAL YEAR 2026-2027 AMENDED BUDGET

Budget Item	Approved Budget	Amended Budget	Difference
<b>Unrestricted Income</b>			
Dues Assessments	77,990	77,990	0
Annual Dinner Sponsorships	9,000	9,500	500
<b>Sub-total Unrestricted Income</b>	<b>86,990</b>	<b>87,490</b>	<b>500</b>
<b>Restricted Income</b>			
LATA Grant	0	90,715	90,715
REAP 2.0 Grant	282,642	122,100	(160,542)
<b>Sub-total Restricted Income</b>	<b>282,642</b>	<b>212,815</b>	<b>(69,827)</b>
<b>TOTAL INCOME</b>	<b>369,632</b>	<b>300,305</b>	<b>(69,327)</b>
<b>Unrestricted Expenses</b>			
Accounting Services	2,200	1,500	(700)
Annual Dinner	9,000	9,500	500
Audit	8,000	8,400	400
Conference and Meetings	2,000	1,500	(500)
Executive Administration	60,000	60,000	0
Insurance (Liability, D&O)	4,400	4,400	0
Legal Fees	300	300	0
Printing and Copying	700	300	(400)
Supplies	500	200	(300)
Travel and Lodging	1,500	1,000	(500)
Website and Programs	1,400	1,400	0
<b>Total Unrestricted Expenses</b>	<b>90,000</b>	<b>88,500</b>	<b>(1,500)</b>
<b>Restricted Expenses</b>			
LATA Grant Expenses	0	90,715	90,715
<b>SCAG REAP 2.0 Project Expenses</b>			
Task 1 - Program Administration		3,152	3,152
Task 2 - Project Management	15,828	17,492	1,664
Task 3 - ID-Technical Assistance	8,279	0	(8,279)
Task 4 - Develop AFFH - TA	70,000	10,197	(59,803)
Task 5 - Pro-housing Designation	70,000	18,323	(51,677)
Task 6 - On-call Planning Assistance	115,000	72,938	(42,062)
<b>Total SCAG REAP 2.0 Expenses</b>	<b>279,107</b>	<b>122,102</b>	<b>(157,005)</b>
<b>Total Restricted Expenses</b>	<b>279,107</b>	<b>212,817</b>	<b>(66,290)</b>
<b>TOTAL EXPENSES</b>	<b>369,107</b>	<b>301,317</b>	<b>(67,790)</b>