

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND
PERFORMANCE IN ACCORDANCE WITH NAPA VALLEY
TRANSPORTATION AUTHORITY ORDINANCE NO. 2012.01**

Independent Taxpayer Oversight Committee,
Napa Valley Transportation Authority-Tax Agency, and
the Town of Yountville
Yountville, California

We have examined the Town of Yountville's (Town) compliance and performance with Napa Countywide Road Maintenance Act (Measure T) requirements that funds allocated to and received by the Town were expended in conformance with applicable statutes, rules, and regulations of the Napa Valley Transportation Authority Ordinance 2012.01 (Ordinance); the allocation instructions and resolutions of the Independent Taxpayers Oversight Committee as required by Section 11.B. of the Ordinance; and the performance goals adopted by the Napa Valley Transportation Authority-Tax Agency (NVTA-TA) during the fiscal years ended June 30, 2023 and 2022. Management of the Town is responsible for the Town's compliance and performance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

We are required to be independent of the Town and NVTA-TA and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination of the Town's compliance with specified requirements.

We have performed the following specified procedures which include our results and findings, if any:

- a) Maintenance of Effort – The Town certified to NVTA-TA that it met its Maintenance of Effort (MOE) provision of the average general fund expenditures spent in fiscal years 2007-08, 2008-09, and 2009-10 on local streets and roads maintenance and supporting infrastructure. The Town must certify by January 31st each calendar year to NVTA-TA that it met its MOE expenditures the previous fiscal year.

Result: We obtained and reviewed the MOE that the Town certified to NVTA-TA that it met its MOE provision of the average general fund expenditures spent in fiscal years 2007-08, 2008-09, and 2009-10. We obtained and reviewed the MOE that the Town certified by January 31st.

- b) Five-Year Project List – NVTA will perform a call for projects every odd calendar year. The project list should be submitted no later than January 1st of every even year. Jurisdictions are to submit electronically a copy of their five-year list, a resolution from their governing board approving the five-year list and demonstrating that a public hearing was held.

Result: We obtained the five-year list of projects to be funded with Measure T revenues and noted the reports were submitted timely.

- c) Project Implementation and Reporting – Jurisdictions must submit a semi-annual update on projects and expenses by email to MeasureT@nvta.ca.gov no later than September 1st and March 1st of every year.

Result: The Town of Yountville submitted semi-annual progress reports

- d) Attribution and Signage – If the amount of Measure T funds on the project exceeds \$250,000, the project and project site must display Measure T funding signage.

Result: We verified that the Town installed and maintained a sign at the construction site, utilizing the adopted Measure T logo and text, identifying the Town and NVTA-TA.

- e) Establishment of Separate Accounting – Each agency must keep the funds segregated in a Special Revenue Fund specifically for Local Streets and Roads (LS&R).

Result: We verified that Measure T revenues were recorded in a separate Special Revenue Fund specifically for Local Streets and Roads.

- f) Recordkeeping – Every expenditure will have supporting documentation, including invoices and authorizations to ensure that all costs charged to the funds are eligible and in full compliance with the Master Funding Agreement.

Result: The Town provided a record retention process document stating “Per our Town retention schedule, the Town retains all agreements, contracts, and purchase orders with vendors for the current active fiscal year plus ten fiscal years and all invoices related to projects for seven fiscal years. Additionally, the Town retains all documents related to Public Works Project Files (records and information related to the administration, analysis, design, development, planning, construction and maintenance of public works for Town facilities and infrastructure) permanently. The Town uses the Laserfiche document management system to retain all documents.

- g) Financial Reporting and Audits – by January 31st of the following year, each Agency will provide a copy of the Annual Comprehensive Financial Report (ACFR) and the State Controller’s Street Report to NVTA.

Result: We confirmed the Town timely submitted its annual independent financial statement audit that includes Measure T funds recorded in a separate Special Revenue Fund and State Controller’s Report.

- h) 6.67% Equivalent Funds Requirement – In order for jurisdictions to receive Measure T revenues, jurisdictions collectively must demonstrate that at least 6.67% of the amount of Measure T revenues (henceforth referred to as “Equivalent Funds”) received each year is being committed to Class I facilities identified in the adopted Countywide Bicycle Plan/Active Transportation Plan, using funds not derived from the Measure T Ordinance. Each jurisdiction must certify the funds spent on 6.67% Equivalent Fund projects as reported on the Semi-Annual Progress Reports for the previous fiscal year. By January 31st each calendar year, each jurisdiction must submit to NVTA staff an electronic copy of a Resolution approved by the jurisdiction’s governing body stating that the funds spent on Class I Bike Facilities met the funding requirements as outlined by the ordinance. The copy of the Resolution should include supporting documentation showing funding sources.

Result: We reviewed the Town resolution and supporting schedule “Exhibit A” filed with NVTA.

- i) Project Close Out - Once a project reaches 100% completion, the jurisdiction must notify NVTA staff of the project completion status with an official Notice of Completion (NOC) and submit the NOC to MeasureT@nvta.ca.gov.

Result: We reviewed the NOCs filed upon project completion.

In our opinion, the Town complied, in all material respects, with the compliance and performance requirements referred to above that are applicable to the Town for the fiscal years ended June 30, 2023 and 2022.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and performance requirements and the results of that testing, and not to provide an opinion on the effectiveness of the Town's compliance with the applicable bond act and state accounting requirements. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
May 14, 2024