

**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 County of Napa  
Napa, California

We have examined the County of Napa's (County) compliance and performance with the Napa Countywide Road Maintenance Act (Measure T) requirements that funds allocated to and received by the County 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, 2024 and 2023. Management of the County are responsible for the County's compliance and performance with the specified requirements. Our responsibility is to express an opinion on the County'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 County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County 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 the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide legal determination on the County's compliance with specified requirements.

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

- a) Maintenance of Effort – The County 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 County must certify by January 31st annually to NVTA-TA that it met its MOE expenditures the previous fiscal year.

**Result:** We obtained and reviewed the 2022/23 MOE that the County 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 documentation that the County certified the 2022/23 MOE by January 31, 2024. The 2023/24 MOE was approved by the County's Board of Supervisors at their January 28, 2025 meeting, and was submitted to NVTA shortly thereafter.

- 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 1<sup>st</sup> 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 certified prior to the March 1, 2018 and December 31, 2023.

- 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:** We obtained the semi-annual update on projects and expenses and noted the updates were submitted prior to the September 1<sup>st</sup> and March 1<sup>st</sup> deadlines for the fiscal years ended June 30, 2023 and June 30, 2024.

- 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 obtained the semi-annual update on projects and expenses and noted the updates were submitted prior to the September 1<sup>st</sup> and March 1<sup>st</sup> deadlines for the fiscal years ended June 30, 2023 and June 30, 2024.

- 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:** During the fiscal years ended June 30, 2024 and 2023, 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:** We selected a sample to confirm that costs charged to projects are supported by properly prepared and documented time records, invoices, vouchers, or other documentation evidencing expenses. We noted no exceptions during our review. Compliance and performance audit testing requirements were met for the fiscal years June 30, 2024 and 2023.

- 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 selected a sample to confirm that costs charged to projects are supported by properly prepared and documented time records, invoices, vouchers, or other documentation evidencing expenses. We noted no exceptions during our review. Compliance and performance audit testing requirements were met for the fiscal years June 30, 2024 and 2023.

- 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](mailto:MeasureT@nvta.ca.gov).

**Result:** For projects that reached 100% completion, we obtained and reviewed the County's notification to NVTA staff of the project completion.

In our opinion, the County complied, in all material respects, with the compliance and performance requirements referred to above that are applicable to the County for the fiscal years ended June 30, 2024 and 2023.

**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 County's and NVTA-TA'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  
February 18, 2025