



**NAPA VALLEY TRANSPORTATION
AUTHORITY – TAX AGENCY**

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

**FOR THE YEARS ENDED
JUNE 30, 2024 AND 2023**

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor’s Report	1
Management’s Discussion and Analysis.....	4
 <u>Financial Statements</u>	
Statements of Net Position.....	8
Statements of Revenues, Expenditures, and Changes in Net Position.....	9
Notes to Financial Statements	10
 <u>Supplemental Information</u>	
Schedules of Revenues, Expenditures, and Changes in Net Position – Budget and Actual.....	12
Measure T Revenue Allocation Tracking	14
 <u>Other Report</u>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	16

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority – Tax Agency
Napa, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Napa Valley Transportation Authority – Tax Agency (NVTA-TA), a component unit of Napa Valley Transportation Authority (NVTA), as of and for the years ended June 30, 2024 and 2023, and the related notes to the basic financial statements, which collectively comprise NVTA-TA'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 NVTA-TA, as of June 30, 2024 and 2023, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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 NVTA-TA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements present only NVTA-TA and do not purport to, and do not, present fairly the financial positions of NVTA as of June 30, 2024 and 2023, or the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 NVTA-TA's 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.

Auditor's 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 NVTA-TA's 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 NVTA-TA's 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 the Management's Discussion and Analysis, as listed in the table of contents, 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.

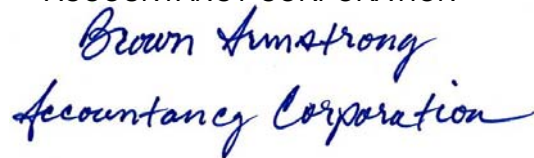
Supplemental Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise NVTA-TA's basic financial statements. The accompanying Schedules of Revenues, Expenditures, and Changes in Net Position – Budget and Actual and Measure T Revenue Allocation Tracking are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Revenues, Expenditures, and Changes in Net Position – Budget and Actual are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2024, on our consideration of NVTA-TA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NVTA-TA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NVTA-TA's internal control over financial reporting and compliance.

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
December 27, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

**NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

The following discussion and analysis of the financial performance and activity of Napa Valley Transportation Authority – Tax Agency (NVTA-TA) Basic Financial Statements provides an introduction and understanding of the basic financial statements of NVTA-TA. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

On November 6, 2012, the voters of Napa County approved the Napa Countywide Road Maintenance Act, commonly known as Measure T, which imposes a half cent transaction and use (sales) tax to provide supplemental funding for road maintenance as detailed in the Measure T Expenditure Plan in Ordinance 2012-01. The funds will be used for projects that will improve the pavement conditions of streets, sidewalks, and related street infrastructure projects. NVTA-TA is the designated agency that administers and oversees Measure T revenues.

Measure T requires each jurisdiction within its boundaries, the Cities of Napa, American Canyon, Calistoga, and St. Helena; the Town of Yountville; and the County of Napa, to continue to maintain their pre-existing expenditure level efforts on road maintenance as measured by the average general fund expenditures on pavement maintenance activities during Fiscal Year 2007-08, Fiscal Year 2008-09, and Fiscal Year 2009-10. Beginning in Fiscal Year 2018-19, this amount - known as Maintenance of Effort (MOE) - must also be spent by the jurisdictions in the form of general fund expenditures each year to remain eligible to receive Measure T funds. The process to approve the MOE is a one-time process. Once the MOE is established, each jurisdiction is then required to submit an annual Resolution to the Independent Taxpayer Oversight Committee (ITOC) certifying that the MOE was met.

The Financial Statements

NVTA-TA's basic financial statements include (1) the Statements of Net Position; (2) the Statements of Revenues, Expenditures, and Changes in Net Position; and (3) the Notes to the Financial Statements. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The Statements of Net Position report assets, liabilities, and the difference between the two as net position. The equity section is combined to report total net position and is displayed as restricted net position. Restricted net position consists of assets where constraints on their use are externally imposed by the ordinance.

The Statements of Revenues, Expenses, and Changes in Net Position are reported using the accrual basis of accounting. Under this method, revenues are reported when earned and expenses are reported when incurred, regardless of when cash is received or paid. Revenues and expenses are categorized as either operating or non-operating based upon definitions provided by the Governmental Accounting Standards Board.

Financial Highlights

- Total net position for the year ended June 30, 2024, was \$501,501 and consisted of restricted net position.
- Net position decreased \$89,107 during Fiscal Year 2023-24.
- Total net position for the year ended June 30, 2023, was \$590,608 and consisted of restricted net position.
- Net position increased \$167,421 during Fiscal Year 2022-23.

The Napa County Economy and Measure T

As Measure T concluded its sixth year, sales tax revenues surpassed \$25 million for the second consecutive year, totaling \$25,237,575—slightly lower than the previous year's total of \$25,551,011. Despite this minor decline, Measure T's overall performance exceeded expectations given the prevailing economic challenges facing Napa County and the broader economy. The resilience of these revenues, even in the face of macroeconomic headwinds, highlights the stability of certain local industries like tourism and hospitality, which remained strong drivers of economic activity.

Economic Headwinds Affecting Measure T Revenues

Napa County's economy, like much of California, experienced a combination of opportunities and challenges. High inflation, rising interest rates, and sectoral slowdowns contributed to economic uncertainty, directly affecting consumer spending patterns. The following factors were key contributors to the short-term challenges faced by Napa County:

Rising Interest Rates: As interest rates remained stubbornly high, households faced increased costs for mortgages, financed purchases, and credit cards. This limited discretionary spending, which is vital for retail and hospitality sectors that contribute to sales tax revenue under Measure T.

Persistent Inflation: Elevated inflation continued to drive up the prices of essential goods, making it harder for consumers to allocate funds toward discretionary purchases, such as dining out, recreational activities, or luxury goods—key areas for sales tax generation in Napa County.

Increased Utility and Insurance Costs: Higher utility bills and surges in insurance premiums put additional pressure on households and businesses alike. For residents, this meant less disposable income for discretionary spending, while businesses faced increased operational costs that were passed on to consumers.

Tech Sector Slowdown: The tech industry, particularly in nearby Silicon Valley, experienced layoffs and financial uncertainty, reducing disposable income for high-earning workers. This had a ripple effect on Napa's wine and tourism industries, as these tech employees represent a core demographic for luxury wine purchases and high-end tourism experiences.

Tourism and Its Impact on Revenues

Despite these economic pressures, Napa Valley's tourism industry remained a bright spot. In 2023, visitor spending reached an all-time high of \$2.5 billion, even though the total number of visitors (3.7 million) fell short of the 2018 peak of 3.85 million. Tourism remains a cornerstone of Napa's economy and a significant source of Measure T revenues.

However, there are emerging concerns that Napa's rising costs, particularly in hotels and wineries, may begin to alienate tourists who seek more affordable destinations. This pricing challenge could hinder future growth in tourism, an important consideration for Measure T's long-term revenue outlook.

Napa's Wine Industry: Recovery and Challenges

The wine industry, a hallmark of Napa County, faced ongoing difficulties in 2024. Economic uncertainties led to softer demand for premium and luxury wines, a key market segment for the region. However, a gradual recovery is anticipated as broader economic conditions stabilize. The tech sector layoffs have disproportionately impacted high-income earners, many of whom are core consumers of Napa Valley's luxury wine products. As a result, wineries are adjusting their pricing strategies and focusing on targeting a more diverse range of consumers to counterbalance the slowdown in the luxury wine market.

Measure T Revenues in a Changing Economic Landscape

With Measure T revenues falling 2% year-over-year, it is clear that the broader economic environment is having an impact. The continued strain on discretionary spending from inflation, rising interest rates, and external economic factors is contributing to a more subdued outlook. However, the dip in revenues remains relatively modest, indicating that the local economy has some resilience, particularly in its tourism sector.

Looking ahead, with a presidential election looming and ongoing debates around federal spending and inflation control, there is uncertainty about how national economic policies will influence consumer behavior in Napa County. Fiscal policy decisions at the federal level may have downstream effects on local industries, particularly tourism, real estate, and the wine industry, all of which are critical for Measure T's success.

Statement of Net Position

The Statement of Net Position provides a measure of the financial health of an entity at a specific date in time (i.e., year-end). A summary of NVTA-TA's Statement of Net Position as of June 30, 2024, with comparative totals as of June 30, 2023 and 2022, is as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Assets			
Cash and investments	\$ 3,913,001	\$ 4,071,770	\$ 3,947,719
Intergovernmental receivables	<u>4,616,767</u>	<u>4,565,042</u>	<u>4,876,204</u>
Total assets	<u>8,529,768</u>	<u>8,636,812</u>	<u>8,823,923</u>
Liabilities			
Accounts payable	<u>8,028,267</u>	<u>8,046,204</u>	<u>8,400,736</u>
Total liabilities	<u>8,028,267</u>	<u>8,046,204</u>	<u>8,400,736</u>
Net position			
Restricted	<u>501,501</u>	<u>590,608</u>	<u>423,187</u>
Total net position	<u>\$ 501,501</u>	<u>\$ 590,608</u>	<u>\$ 423,187</u>

Restricted Net Position is composed of unused funding for Measure T administrative purposes and ITOC obligations. Usage and recognition of expenditures is expected to occur in future periods.

Statement of Revenues, Expenditures, and Changes in Net Position

Key elements of the Statements of Revenues, Expenditures, and Changes in Net Position are presented below for the year ended June 30, 2024, with comparative totals for the years ended June 30, 2023 and 2022:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Revenues			
Measure T revenue	\$ 25,146,976	\$ 25,506,553	\$ 24,799,376
Interest income	<u>90,599</u>	<u>44,458</u>	<u>24,729</u>
Total revenues	<u>25,237,575</u>	<u>25,551,011</u>	<u>24,824,105</u>
Expenditures			
Administration	426,835	166,286	142,869
Maintenance	<u>24,899,847</u>	<u>25,217,304</u>	<u>24,501,568</u>
Total expenditures	<u>25,326,682</u>	<u>25,383,590</u>	<u>24,644,437</u>
Change in net position	(89,107)	167,421	179,668
Net position, beginning of year	<u>590,608</u>	<u>423,187</u>	<u>243,519</u>
Net position, end of year	<u><u>\$ 501,501</u></u>	<u><u>\$ 590,608</u></u>	<u><u>\$ 423,187</u></u>

Future Outlook

Despite the uncertainties, there is optimism for modest improvement across Napa County's key economic sectors for the last six months of 2024 and into 2025. Inflation continues to moderate and interest rates stabilize, consumer spending could recover, particularly in retail, hospitality, and wine tourism. The tourism industry is expected to continue performing well, although concerns remain regarding price sensitivity among potential visitors. Furthermore, the addition of new businesses and new housing developments coming online could further enhance Napa's retail landscape, potentially boosting sales tax revenues and contributing positively to Measure T's future performance.

In the wine industry, a gradual recovery is anticipated, supported by efforts to broaden the appeal of Napa's wine products to a wider demographic. If these sectors can maintain stability or experience growth, Measure T revenues may return to or surpass previous levels in the coming fiscal year.

In summary, while Measure T faced some challenges during the fiscal year due to broader economic headwinds, its performance was relatively strong. Napa County's economy continues to show resilience, particularly in tourism, though pricing concerns in hospitality and luxury goods could pose risks in the near future. The local economy's recovery will be crucial to maintaining and growing sales tax revenues under Measure T in the years to come.

FINANCIAL STATEMENTS

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023

	2024	2023
Assets		
Cash and investments	\$ 3,913,001	\$ 4,071,770
Intergovernmental receivables	4,616,767	4,565,042
Total assets	8,529,768	8,636,812
Liabilities		
Accounts payable	8,028,267	8,046,204
Total liabilities	8,028,267	8,046,204
Net position		
Restricted	501,501	590,608
Total net position	\$ 501,501	\$ 590,608

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

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Revenues		
Measure T revenue	\$ 25,146,976	\$ 25,506,553
Interest income	90,599	44,458
	25,237,575	25,551,011
Total revenues		
Expenditures		
Administration	426,835	166,286
Maintenance	24,899,847	25,217,304
	25,326,682	25,383,590
Total expenditures		
Change in net position	(89,107)	167,421
Net position, beginning of year	590,608	423,187
Net position, end of year	\$ 501,501	\$ 590,608

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

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Napa Valley Transportation Authority – Tax Agency (NVTA-TA) is the local transportation sales tax authority. NVTA-TA is responsible for the oversight and administration of Napa Countywide Maintenance Act, commonly known as Measure T, the 25-year, ½% sales tax for street and road improvements approved by the voters on November 6, 2012. Measure T became effective on July 1, 2018.

Napa Valley Transportation Authority (NVTA) exercises significant management and financial control over NVTA-TA. As such, NVTA-TA is considered a component unit of NVTA. All transactions of NVTA-TA are included as a discrete component unit in the basic financial statements of NVTA. The accompanying financial statements are for NVTA-TA only and are not intended to fairly present the financial position or results of operations of NVTA.

B. Basis of Presentation and Measurement Focus

The accompanying financial statements are prepared using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded at the time liabilities are incurred regardless of when the related cash flows take place.

C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts 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 during the reporting period. Actual results could differ from those estimates.

D. Net Position

The restricted net position category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

E. New Accounting Pronouncements – Implemented

GASB Statement No. 100 – *Accounting Changes and Error Corrections*. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. There was no effect on NVTA-TA's accounting and financial reporting as a result of implementing this standard.

F. Future Accounting Pronouncements

GASB Statement No. 101 – *Compensated Absences*. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. NVTA-TA will implement GASB Statement No. 101 if and when applicable.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Future Accounting Pronouncements (Continued)

GASB Statement No. 102 – *Certain Risk Disclosures*. The requirements of this statement are effective for fiscal years beginning after June 15, 2024, and all fiscal years thereafter. NVTA-TA will implement GASB Statement No. 102 when and where applicable.

GASB Statement No. 103 – *Financial Reporting Model Improvements*. The requirements of this statement are effective for fiscal years beginning after June 15, 2025, and all fiscal years thereafter. NVTA-TA will implement GASB Statement No. 103 when and where applicable.

GASB 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 fiscal years thereafter. NVTA-TA will implement GASB Statement No. 104 when and where applicable.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments are maintained with the Napa County Treasurer in a cash and investment pool. See NVTA's basic financial statements for disclosures related to the cash and investments as prescribed by GASB Statement No. 40. The basic financial statements may be obtained from NVTA at 625 Burnell Street, Napa, CA 94559.

NOTE 3 – INTERGOVERNMENTAL RECEIVABLES

Intergovernmental receivables of \$4,616,767 and \$4,565,042, respectively, represent the Measure T allocations for fiscal years 2024 and 2023 that were received by the State of California Department of Tax and Fee Administration after June 30, 2024 and 2023.

NOTE 4 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 27, 2024, which is the date the basic financial statements were available to be issued. There were no subsequent events identified by management which would require disclosure in the basic financial statements.

SUPPLEMENTAL INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Measure T revenue	\$ 24,848,000	\$ 26,757,000	\$ 25,146,976	\$ (1,610,024)
Interest income	<u>28,000</u>	<u>28,000</u>	<u>90,599</u>	<u>62,599</u>
Total revenues	<u>24,876,000</u>	<u>26,785,000</u>	<u>25,237,575</u>	<u>(1,547,425)</u>
Expenditures				
Administration	330,000	603,000	426,835	176,165
Maintenance	<u>24,546,000</u>	<u>26,182,000</u>	<u>24,899,847</u>	<u>1,282,153</u>
Total expenditures	<u>24,876,000</u>	<u>26,785,000</u>	<u>25,326,682</u>	<u>\$ 1,458,318</u>
Change in net position	-	-	(89,107)	
Net position, beginning of year	<u>590,608</u>	<u>590,608</u>	<u>590,608</u>	
Net position, end of year	<u>\$ 590,608</u>	<u>\$ 590,608</u>	<u>\$ 501,501</u>	

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Measure T revenue	\$ 28,848,000	\$ 25,739,000	\$ 25,506,553	\$ (232,447)
Interest income	<u>28,000</u>	<u>28,000</u>	<u>44,458</u>	<u>16,458</u>
Total revenues	<u>28,876,000</u>	<u>25,767,000</u>	<u>25,551,011</u>	<u>(215,989)</u>
Expenditures				
Administration	330,000	489,000	166,286	322,714
Maintenance	<u>24,546,000</u>	<u>25,278,000</u>	<u>25,217,304</u>	<u>60,696</u>
Total expenditures	<u>24,876,000</u>	<u>25,767,000</u>	<u>25,383,590</u>	<u>\$ 383,410</u>
Change in net position	-	-	167,421	
Net position, beginning of year	<u>423,187</u>	<u>423,187</u>	<u>423,187</u>	
Net position, end of year	<u>\$ 423,187</u>	<u>\$ 423,187</u>	<u>\$ 590,608</u>	

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
MEASURE T REVENUE ALLOCATION TRACKING
FOR THE YEAR ENDED JUNE 30, 2024

Napa County Auditor-Controller
 Measure T Revenue Allocation

Fiscal Year 2023-24

Agency Fund 9502-95020-25

NVTA-TA Special Revenue Fund 8310			Subdivision 95020-25	Subdivision 83100-01	Subdivision 83100-00	Subdivision 83100-05	Subdivision 83100-06	Subdivision 83100-07	Subdivision 83100-08	Subdivision 83100-09	Subdivision 83100-10	Total		
Trans Date	AR-Journal IDs	Transaction Type	Total	ITOC	Total less ITOC	Administration	County of Napa	American Canyon	City of Napa	Yountville	St. Helena	Calistoga	Total	
			70,000 1st yr				Unincorp.	Airport						
			+CPI	1.00%	39.65%	7.70%	40.35%	2.70%	5.90%	2.70%	100.00%			
			41400	41400	41400	41400	41400	41400	41400	41400	41400	41400		
Sales Tax Receipts			24100	41400	1,976,496.01	19,764.96	783,680.68	-	152,190.19	797,516.14	53,365.39	116,613.26	53,365.39	1,976,496.01
09/25/23	AR Batch 20840 & Journal 03-2454	July 2023	1,976,496.01	-	1,976,496.01	19,764.96	783,680.68	-	152,190.19	797,516.14	53,365.39	116,613.26	53,365.39	1,976,496.01
10/24/23	AR Batch 21669 & Journal 04-2359	August	1,904,238.85	73,275.38	1,830,963.47	18,309.63	725,977.03	-	140,984.19	738,793.76	49,436.01	108,026.84	49,436.01	1,830,963.47
11/27/23	AR Batch 22464 & Journal 05-2276	September	2,710,887.70	-	2,710,887.70	27,108.88	1,074,866.97	-	208,738.35	1,093,843.19	73,193.97	159,942.37	73,193.97	2,710,887.70
Total Sales Tax-1st Quarter			6,591,622.56	73,275.38	6,518,347.18	65,183.47	2,584,524.68	-	501,912.73	2,630,153.09	175,995.37	384,582.47	175,995.37	6,518,347.18
12/26/23	AR Batch 23269 & Journal 06-1988	October	1,902,439.43	-	1,902,439.43	19,024.39	754,317.24	-	146,487.84	767,634.31	51,365.86	112,243.93	51,365.86	1,902,439.43
01/24/24	AR Batch 24033 & Journal 07-1727	November	1,816,381.10	-	1,816,381.10	18,163.81	720,195.12	-	139,861.34	732,909.77	49,042.29	107,166.48	49,042.29	1,816,381.10
02/26/24	AR Batch 23945 & Journal 08-1632	December	2,716,410.46	-	2,716,410.46	27,164.10	1,077,056.75	-	209,163.61	1,096,071.62	73,343.08	160,268.22	73,343.08	2,716,410.46
Total Sales Tax-2nd Quarter			6,435,230.99	-	6,435,230.99	64,352.30	2,551,569.11	-	495,512.79	2,596,615.70	173,751.23	379,678.63	173,751.23	6,435,230.99
03/25/24	AR Batch 25612 & Journal 09-1622	January 2024	1,730,729.66	-	1,730,729.66	17,307.30	686,234.31	-	133,266.18	698,349.42	46,729.70	102,113.05	46,729.70	1,730,729.66
04/25/24	AR Batch 26581 & Journal 10-2043	February	1,702,800.86	-	1,702,800.86	17,028.01	675,160.54	-	131,115.67	687,080.15	45,975.62	100,465.25	45,975.62	1,702,800.86
05/22/24	AR Batch 27317 & Journal 11-1976	March	2,149,370.94	-	2,149,370.94	21,493.71	852,225.57	-	165,501.56	867,271.17	58,033.02	126,812.89	58,033.02	2,149,370.94
Total Sales Tax-3rd Quarter			5,582,901.46	-	5,582,901.46	55,829.02	2,213,620.42	-	429,883.41	2,252,700.74	150,738.34	329,391.19	150,738.34	5,582,901.46
06/21/24	AR Batch 28107 & Journal 12-2203	April	1,920,454.97	-	1,920,454.97	19,204.55	761,460.41	-	147,875.03	774,903.58	51,852.28	113,306.84	51,852.28	1,920,454.97
07/24/24	AR Batch 28951 & Journal 12-3537	May	2,151,976.09	-	2,151,976.09	21,519.76	853,258.53	-	165,702.16	868,322.35	58,103.35	126,966.59	58,103.35	2,151,976.09
08/26/24	AR Batch 29833 & Journal 12-4412	June	2,464,790.39	-	2,464,790.39	24,647.90	977,289.40	-	189,788.86	994,542.92	66,549.34	145,422.63	66,549.34	2,464,790.39
Total Sales Tax-4th Quarter			6,537,221.45	-	6,537,221.45	65,372.21	2,592,008.34	-	503,366.05	2,637,768.85	176,504.97	385,696.06	176,504.97	6,537,221.45
Total Sales Tax:			25,146,976.46	73,275.38	25,073,701.08	250,737.00	9,941,722.55	-	1,930,674.98	10,117,238.38	676,989.91	1,479,348.35	676,989.91	25,073,701.08
Interest Earnings			90,599.86	6,765.67	83,834.19	6,948.33	25,531.65	-	6,009.43	35,639.87	2,550.14	4,604.63	2,550.14	83,834.19
09/30/23	Journal 2024-03-2543	1st Qtr 2023-24	28,597.53	2,039.53	26,558.00	2,540.96	5,820.70	-	2,045.07	12,710.62	936.82	1,567.01	936.82	26,558.00
12/31/23	Journal 2024-06-2351	2nd Qtr	14,474.95	1,277.80	13,197.15	1,316.17	4,581.81	-	900.78	4,956.02	376.08	690.21	376.08	13,197.15
03/31/24	Journal 2024-09-2594	3rd Qtr	29,040.32	2,124.33	26,915.99	1,961.03	9,371.91	-	1,855.24	10,800.11	753.08	1,421.54	753.08	26,915.99
06/30/24	Journal 2024-12-3119	4th Qtr	18,487.06	1,324.01	17,163.05	1,130.17	5,757.23	-	1,208.34	7,173.12	484.16	925.87	484.16	17,163.05
Total Interest Earnings:			90,599.86	6,765.67	83,834.19	6,948.33	25,531.65	-	6,009.43	35,639.87	2,550.14	4,604.63	2,550.14	83,834.19
Total Receipts:			25,237,576.32	80,041.05	25,157,535.27	257,685.33	9,967,254.20	-	1,936,684.41	10,152,878.25	679,540.05	1,483,952.98	679,540.05	25,157,535.27
Allocate Disbursements			25,237,576.32	80,041.05	25,157,535.27	257,685.33	9,967,254.20	-	1,936,684.41	10,152,878.25	679,540.05	1,483,952.98	679,540.05	25,157,535.27
10/18/23	Batch #2532 & Journal 04-1016	Disbursement	1,976,496.01	-	1,976,496.01	19,764.96	783,680.68	-	152,190.19	797,516.14	53,365.39	116,613.26	53,365.39	1,976,496.01
01/17/24	Batch #4729 & Journal 07-1009	Disbursement	6,546,163.51	75,314.91	6,470,848.60	66,983.86	2,560,981.94	-	498,255.45	2,612,981.88	174,932.66	381,780.15	174,932.66	6,470,848.60
04/11/24	Batch #6814 & Journal 10-856	Disbursement	6,277,996.17	1,277.80	6,276,718.37	63,951.38	2,488,067.99	-	483,191.91	2,532,286.83	169,491.15	370,237.96	169,491.15	6,276,718.37
07/16/24	Batch #9335 & Journal 12-2832	Disbursement	5,801,667.09	2,124.33	5,799,542.76	59,687.30	2,298,218.43	-	446,347.50	2,340,055.01	156,614.00	342,006.52	156,614.00	5,799,542.76
09/17/24	Batch #1162 & Journal 2025-03-881	Disbursement	4,635,253.54	1,324.01	4,633,929.53	47,297.83	1,836,305.16	-	356,699.36	1,870,038.39	125,136.85	273,315.09	125,136.85	4,633,929.53
Total Reimbursements:			25,237,576.32	80,041.05	25,157,535.27	257,685.33	9,967,254.20	-	1,936,684.41	10,152,878.25	679,540.05	1,483,952.98	679,540.05	25,157,535.27
Total Net (Receipts/Disbursements)			-	\$ 0.00	(0.00)	-	-	-	-	-	-	-	-	-

NAPA VALLEY TRANSPORTATION AUTHORITY – TAX AGENCY
(A Component Unit of Napa Valley Transportation Authority)
MEASURE T REVENUE ALLOCATION TRACKING
FOR THE YEAR ENDED JUNE 30, 2023

Napa County Auditor-Controller
 Measure T Revenue Allocation
 Fiscal Year 2022-23
 Agency Fund 9502-95020-25

NVTA-TA Special Revenue Fund 8310			Subdivision 95020-25	Subdivision 83100-01	Subdivision 83100-00	Subdivision 83100-05	Subdivision 83100-06	Subdivision 83100-07	Subdivision 83100-08	Subdivision 83100-09	Subdivision 83100-10	Total		
Transaction Date	AR-Journal IDs	Transaction Type	Total	I TOC	Total less I TOC	Administration	County of Napa	American Canyon	City of Napa	Yountville	St. Helena	Calistoga	Total	
						Unincorp.	Airport							
			70,000 1st yr	+CPI		1.00%	39.65%	7.70%	40.35%	2.70%	5.90%	2.70%	100.00%	
			24100	41400	41400	41400	41400	41400	41400	41400	41400	41400		
Sales Tax Receipts														
09/26/22	AR Batch 11484 & Journal 03-1409	July 2022	1,949,126.25		1,949,126.25	19,491.26	772,828.56	-	150,082.72	786,472.44	52,626.41	114,998.45	52,626.41	1,949,126.25
10/24/22	AR Batch 12215 & Journal 04-1286	August	1,985,794.16	73,129.12	1,912,665.04	19,126.65	758,371.68	-	147,275.21	771,760.34	51,641.96	112,847.24	51,641.96	1,912,665.04
11/29/22	AR Batch 13017 & Journal 05-1353	September	2,729,138.70	-	2,729,138.70	27,291.39	1,082,103.50	-	210,143.68	1,101,207.47	73,686.74	161,019.18	73,686.74	2,729,138.70
Total Sales Tax-1st Quarter			6,664,059.11	73,129.12	6,590,929.99	65,909.30	2,613,303.74	-	507,501.61	2,659,440.25	177,955.11	388,864.87	177,955.11	6,590,929.99
12/27/22	AR Batch 13710 & Journal 06-1839	October	1,934,110.68	-	1,934,110.68	19,341.11	766,874.88	-	148,926.52	780,413.66	52,220.99	114,112.53	52,220.99	1,934,110.68
01/24/23	AR Batch 14388 & Journal 07-1208	November	1,868,012.34	-	1,868,012.34	18,680.12	740,666.90	-	143,836.95	753,742.98	50,436.33	110,212.73	50,436.33	1,868,012.34
02/24/23	AR Batch 15227 & Journal 08-1405	December	2,846,360.38	-	2,846,360.38	28,463.60	1,128,581.90	-	219,169.75	1,148,506.41	76,851.73	167,935.26	76,851.73	2,846,360.38
Total Sales Tax-2nd Quarter			6,648,483.40	-	6,648,483.40	66,484.83	2,636,123.68	-	511,933.22	2,682,663.05	179,509.05	392,260.52	179,509.05	6,648,483.40
03/23/23	AR Batch 16001 & Journal 09-1771	January 2023	1,718,015.81	-	1,718,015.81	17,180.16	681,193.26	-	132,287.22	693,219.38	46,386.43	101,362.93	46,386.43	1,718,015.81
04/25/23	AR Batch 16889 & Journal 10-2054	February	1,580,447.43	-	1,580,447.43	15,804.47	626,647.41	-	121,694.45	637,710.54	42,672.08	93,246.40	42,672.08	1,580,447.43
05/30/23	AR Batch 17745 & Journal 11-2208	March	2,390,730.99	-	2,390,730.99	23,907.31	947,924.83	-	184,086.29	964,659.95	64,549.74	141,053.13	64,549.74	2,390,730.99
Total Sales Tax-3rd Quarter			5,689,194.23	-	5,689,194.23	56,891.94	2,255,765.50	-	438,067.96	2,295,589.87	153,608.25	335,662.46	153,608.25	5,689,194.23
06/26/23	AR Batch 18431 & Journal 12-2464	April	1,939,774.74	-	1,939,774.74	19,397.75	769,120.68	-	149,362.65	782,699.11	52,373.92	114,446.71	52,373.92	1,939,774.74
07/24/23	AR Batch 19147 & Journal 01-1663	May	2,163,338.54	-	2,163,338.54	21,633.39	857,763.73	-	166,577.07	872,907.10	58,410.14	127,636.97	58,410.14	2,163,338.54
08/28/23	AR Batch 20122 & Journal 02-2180	June	2,401,704.01	-	2,401,704.01	24,017.04	952,275.63	-	184,931.21	969,087.57	64,846.01	141,700.54	64,846.01	2,401,704.01
Total Sales Tax-4th Quarter			6,504,817.29	-	6,504,817.29	65,048.18	2,579,160.04	-	500,870.93	2,624,693.78	175,630.07	383,784.22	175,630.07	6,504,817.29
Total Sales Tax:			25,506,554.03	73,129.12	25,433,424.91	254,334.25	10,084,352.96	-	1,958,373.72	10,262,386.95	686,702.48	1,500,572.07	686,702.48	25,433,424.91
Interest Earnings														
		1st Qtr 2022-23	6,410.73	430.59	5,980.14	519.05	956.17	-	431.07	3,279.28	232.11	330.35	232.11	5,980.14
		2nd Qtr	10,885.88	507.19	10,378.69	592.75	3,916.86	-	761.14	3,990.60	267.06	583.22	267.06	10,378.69
		3rd Qtr	14,690.67	839.87	13,850.80	1,120.65	4,306.72	-	1,022.03	5,842.83	387.73	783.11	387.73	13,850.80
		4th Qtr	12,470.00	919.38	11,550.62	1,312.07	3,453.77	-	787.58	4,744.98	324.37	603.48	324.37	11,550.62
Total Interest Earnings:			44,457.28	2,697.03	41,760.25	3,544.52	12,633.52	-	3,001.82	17,857.69	1,211.27	2,300.16	1,211.27	41,760.25
Total Receipts:			25,551,011.31	75,826.15	25,475,185.16	257,878.77	10,096,986.48	-	1,961,375.54	10,280,244.64	687,913.75	1,502,872.23	687,913.75	25,475,185.16
Allocate Disbursements														
10/17/22	Batch 2702 & Journal 04-778	Disbursement	1,949,126.25	-	1,949,126.25	19,491.26	772,828.56	-	150,082.72	786,472.44	52,626.41	114,998.45	52,626.41	1,949,126.25
01/09/23	Batch 4850 & Journal 07-165	Disbursement	6,655,454.27	73,559.71	6,581,894.56	66,278.20	2,608,306.23	-	506,776.48	2,656,660.75	177,781.80	388,309.30	177,781.80	6,581,894.56
04/06/23	Batch 7032 & Journal 10-301	Disbursement	6,443,274.41	507.19	6,442,767.22	64,916.63	2,554,358.92	-	496,055.06	2,599,459.37	173,941.55	380,094.14	173,941.55	6,442,767.22
07/20/23	Batch 9725 & Journal 12-3355	Disbursement	5,925,643.83	839.87	5,924,803.96	60,230.18	2,347,999.64	-	456,165.42	2,390,912.43	159,983.47	349,529.35	159,983.47	5,924,803.96
09/08/23	Batch & Journal (TBD)	Disbursement	4,577,512.55	919.38	4,576,593.17	46,962.50	1,813,493.13	-	352,295.86	1,846,739.65	123,580.52	269,940.99	123,580.52	4,576,593.17
Total Reimbursements:			25,551,011.31	75,826.15	25,475,185.16	257,878.77	10,096,986.48	-	1,961,375.54	10,280,244.64	687,913.75	1,502,872.23	687,913.75	25,475,185.16
Total Net (Receipts/Disbursements)														

OTHER REPORT

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Members
of the Board of Directors
Napa Valley Transportation Authority – Tax Agency
Napa, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Napa Valley Transportation Authority – Tax Agency (NVTA-TA), a component unit of Napa Valley Transportation Authority (NVTA), as of and for the year ended June 30, 2024, and the related notes to the basic financial statements, which collectively comprise NVTA-TA's basic financial statements, and have issued our report thereon dated December 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered NVTA-TA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NVTA-TA's internal control. Accordingly, we do not express an opinion on the effectiveness of NVTA-TA'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether NVTA-TA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect

on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 NVTA-TA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NVTA-TA's internal control and compliance. 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 style and is positioned below the printed name of the firm.

Bakersfield, California
December 27, 2024