# Inyo County Local Transportation Commission | Independence, CA

Financial Statements

For the Year Ended June 30, 2024

PRICE PAIGE & COMPANY
*Certified Public Accountants*

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PRICE PAIGE & COMPANY
Certified Public Accountants

The Place to Be

# INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Inyo County Local Transportation Commission
Independence, California

## Report on the Audit of the Financial Statements

### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the Planning Fund, and the aggregate remaining fund information of the Inyo County Local Transportation Commission (the Commission), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission'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, the Planning Fund, and the aggregate remaining fund information of the Commission, as of June 30, 2024, and the respective changes in financial position thereof for the 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 Commission 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 Commission'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.

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### ***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 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 Commission'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 the Commission'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***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. Accounting principles generally accepted in the United States of America require that the budgetary comparison information as listed in the table of contents to 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.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules (supplementary information) as listed in the table of contents, 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 supplementary information is 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 1, 2025, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission'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 Commission's internal control over financial reporting and compliance.

Price Paige & Company

Clovis, California

December 1, 2025

# BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

| | | Governmental Activities |
|---|---|---|
| **ASSETS** | | |
| Cash and investments | $ | 836,436 |
| Interest receivable | | 5,694 |
| Due from other agencies: | | |
| (STIP) Planning PPM | | 267,760 |
| Capital assets, net of accumulated depreciation | | 2,734 |
| Total assets | | 1,112,624 |
| **LIABILITIES** | | |
| Accounts payable | | 84,654 |
| Salaries payable | | 4,622 |
| Long-term liabilities: | | |
| Compensated absences, due in more than one year | | 12,514 |
| Total liabilities | | 101,790 |
| **NET POSITION** | | |
| Net investment in capital assets | | 2,734 |
| Unrestricted | | 1,008,100 |
| Total net position | $ | 1,010,834 |

The notes to the basic financial statements are an integral part of this statement.

| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
|---|---|---|---|---|---|
| Functions/Programs | | | | | |
| Governmental activities: | | | | | |
| Transportation planning | $ 662,314 | $ - | $ 729,790 | $ - | $ 67,476 |
| Total governmental activities | $ 662,314 | $ - | $ 729,790 | $ - | 67,476 |
| | | General revenues: | | | |
| | | Unrestricted investment earnings | | | 5,706 |
| | | Total general revenues | | | 5,706 |
| | | Change in net position | | | 73,182 |
| | | Net position - beginning, as previously presented | | | 972,751 |
| | | Error correction (see footnote 7) | | | (35,099) |
| | | Net position - beginning, restated | | | 937,652 |
| | | Net position - ending | | | $ 1,010,834 |

The notes to the basic financial statements are an integral part of this statement.

# FUND FINANCIAL STATEMENTS

| | | Planning Fund |
|---|---|---|
| **ASSETS** | | |
| Cash and investments | $ | 836,436 |
| Interest receivable | | 5,694 |
| Due from other agencies: | | |
| (STIP) Planning PPM | | 267,760 |
| Total assets | $ | 1,109,890 |
| **LIABILITIES** | | |
| Accounts payable | $ | 84,654 |
| Salaries payable | | 4,622 |
| Total liabilities | | 89,276 |
| **DEFERRED INFLOWS OF RESOURCES** | | |
| Unavailable revenue | | 51,168 |
| **FUND BALANCE** | | |
| Unassigned | | 969,446 |
| Total fund balance | | 969,446 |
| Total liabilities and fund balance | $ | 1,109,890 |

| | |
|---|---|
| Fund balances - total governmental funds: | $ 969,446 |
| Amounts reported for governmental activities in the statement of net net position are different because: | |
| Capital assets net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported in the fund. | 2,734 |
| Unavailable revenues represent amounts that are not available to fund current expenditures, and therefore, are not reported in the governmental funds. | 51,168 |
| Long-term liabilities applicable to the Commission's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position as follows: | |
| Compensated absences | (12,514) |
| Net position of governmental activities | $ 1,010,834 |

| | Planning Fund |
|---|---|
| **REVENUES** | |
| Local Transportation Funds | $ 143,242 |
| Rural planning assistance | 190,045 |
| STIP Planning (PPM) | 332,842 |
| State Parks Grant (NEPA) | 12,493 |
| Interest | 5,706 |
| Total revenues | 684,328 |
| **EXPENDITURES** | |
| Planning and administration | 655,668 |
| Total expenditures | 655,668 |
| Change in fund balance | 28,660 |
| Fund balance - beginning, as previously presented | 975,885 |
| Error correction (see footnote 7) | (35,099) |
| Fund balance - beginning, restated | 940,786 |
| Fund balance - ending | $ 969,446 |

The notes to the basic financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Government-Wide Statement of Activities

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds | $ | 28,660 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. | | 51,168 |
| Depreciation expense on capital assets is reported on the government-wide statement of activities, but it does not require the use of current financial resources; therefore, depreciation expense is not reported as an expenditure in the governmental funds | | (5,467) |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | | |
| Change in compensated absences | | (1,179) |
| Change in net position of governmental activities | $ | 73,182 |

| | Private Purpose Trust Funds |
|---|---|
| **ASSETS** | |
| Cash and investments | $ 826,118 |
| Due from other governments | 172,711 |
| Interest receivable | 7,330 |
| Total assets | 1,006,159 |
| **LIABILITIES** | |
| Total liabilities | - |
| **NET POSITION** | |
| Restricted for: | |
| Other governments | 1,006,159 |
| Total net position | $ 1,006,159 |

| | Private Purpose Trust Funds |
|---|---|
| **ADDITIONS** | |
| Sales taxes | $ 1,573,485 |
| Investment earnings | (52,225) |
| Total additions | 1,521,260 |
| **DEDUCTIONS** | |
| Grant expenses | 17,787 |
| Allocations: | |
| Planning and administration | 61,465 |
| Transit operations | 1,312,939 |
| Other agencies | 254,054 |
| Total deductions | 1,646,245 |
| Net increase (decrease) in fiduciary net position | (124,985) |
| Net position - beginning, as previously presented | 1,083,560 |
| Error correction (see footnote 7) | 47,584 |
| Net Position - beginning, restated | 1,131,144 |
| Net position - ending | $ 1,006,159 |

NOTES TO THE BASIC FINANCIAL STATEMENTS

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Inyo County Local Transportation Commission are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Commission's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

### A. Reporting Entity

The Inyo County Local Transportation Commission (the Commission), the regional transportation planning agency for the County of Inyo, was created pursuant to Title 3 of Government Code Section 29535. The Commission is responsible for transportation planning activities as well as administration of the Local Transportation Fund and the State Transit Assistance Fund. It is comprised of three members appointed by the Bishop City Council and three members appointed by the Inyo County Board of Supervisors. The Commission does not exercise control over any other governmental agency of authority and no governmental agency exercises control over it. Criteria used in determining the reportable entity was based on control or dependence determined on the basis of budget adoption, funding and appointment of the respective governing board.

The Inyo County Local Transportation Commission receives monies from the state of California and allocates those monies for the planning, management, and operation of public transportation systems within the County of Inyo. The Commission also has the authority to allocate monies for other transportation-related activities including pedestrian and bicycle and street and road projects.

### B. Basis of Presentation

*Government-Wide Statements*: The Statement of Net Position and the Statement of Changes in Net Position report information on all of the governmental activities of the Commission. These statements distinguish between governmental and business-type activities of the Commission. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (formerly known as enterprise funds), which rely to an extent on charges and fees from the public for support. The Commission had no business-type activities to report during the year.

The Statement of Activities demonstrates the degree to which the program expenses of a given governmental function are offset by program revenues. Program expenses include direct expenses which are clearly identifiable with a specific function and allocated indirect expenses. Program revenues include charges paid by recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items, which are properly not included among program revenues, are reported instead as general revenues.

*Fund Financial Statements*: The fund financial statements provide information about the Commission's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Any remaining governmental funds are aggregated and reported as nonmajor funds.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**B. Basis of Presentation** (Continued)

The Commission reports the following major governmental fund:

*Planning Fund* – The planning fund acts as the general fund for the Commission and all planning and administrative activities are accounted for in this fund.

The Commission did not have any non-major governmental funds for the year ended June 30, 2024.

The Commission reports the following fiduciary funds:

*Private Purpose Trust Fund* – used to account for the Local Transportation Funds, State Transit Assistance Funds, TEA Exchange Funds, Public Transportation Modernization, Improvement, and Service Enhancement Account Fund (PTMISEA), Transportation Security Grant Fund, LTF Bike & Pedestrian Fund, Low Carbon Transit Fund, and the SB1 State of Good Repair Fund held by the Commission in a trustee capacity.

**C. Basis of Accounting**

The government-wide and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Commission utilizes a sixty-day availability period for revenue recognition for governmental fund revenues.

Those revenues susceptible to accrual are sales taxes, intergovernmental revenues (grants), and interest revenues. Non-exchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange include sales taxes, grants, entitlements and donations. On the modified accrual basis, revenues from sales taxes are recognized when the underlying transactions take place and the availability criteria have been met. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

A fund may report unearned or unavailable revenues on its balance sheet. Unavailable revenues arise when potential revenue does not meet the "measurable" and "available" criteria for recognition in the current period. Unearned revenues may arise when resources are received by the fund before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the fund has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**D. Cash in County Treasury**

Cash is held by the Inyo County Treasurer in an investment pool. The County maintains a cash and investment pool in order to facilitate the management of cash. Cash in excess of current requirements is invested in various interest-bearing securities. Information regarding categorization and fair value of investments can be found in the County's financial statements. The Treasurer's investments and policies are overseen by the Inyo County Treasury Oversight Committee.

Governmental Accounting Standards Board Statement No. 40 requires additional disclosures about a government's deposits and investments risks that include credit risk, custodial risk, concentration of risk and interest rate risk. The Commission did not have a deposit or investment policy that addresses specific types of risk.

Required risk disclosures for the Commission's investment in the Inyo County Investment Pool at June 30, 2024 were as follows:

| | |
|---|---|
| Credit Risk | Not Rated |
| Custodial Risk | Not Applicable |
| Concentration of Credit Risk | Not Applicable |
| Interest Rate Risk | 661 Days Average Maturity |

The fair value of the Commission's investment in the Inyo County Investment Pool is determined on an amortized cost basis which approximates fair value.

**E. Due from Other Agencies**

Receivables consist of grants from other government agencies and sales tax revenues. Management believes its receivables to be fully collectible and accordingly no allowance for doubtful accounts is required.

**F. Capital Assets**

Capital assets, which include only equipment, are reported in the applicable governmental activities column in the government-wide financial statements. The assets are recorded at historical cost or estimated cost if historical cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The Commission defines capital assets as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

| | |
|---|---|
| Equipment and Furniture | 5 years |
| Computer Software | 3 years |

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### G. Insurance and Risk of Loss

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission participates in the County of Inyo's risk pool, which is governed by a joint powers' agreement. The County's risk pool has workers' compensation and liability insurance with a third-party insurer and is self-insured for property claims for the first $100,000. The Commission has excess coverage for claims in excess of these amounts.

### H. Compensated Absences

It is the Commission's policy to permit employees to accumulate a limited amount of earned but unused vacation and personal leave, which will be paid to employees upon separation from Commission service.

### I. Use of Estimates

The preparation of the 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 at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

### J. Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The Commission did not have any restricted net position.

*Unrestricted Net Position* – This category represents net position of the Commission that does not meet the definition of the two preceding categories.

When both restricted and unrestricted net positions are available, unrestricted resources are used only after the restricted resources are depleted.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**K. Fund Balances**

In the fund financial statements, in accordance with GASB Statement No. 54, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

*Nonspendable fund balance* – amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact.

*Restricted fund balance* – amounts with constraints placed on their use by those external to the Commission, including creditors, grantors, contributors, or laws and regulations of other governments. It also includes constraints imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of the Commission’s highest level of decision-making authority (the Commission’s Board) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

*Assigned fund balance* – amounts that are constrained by the Commission’s intent to be used for specific purposes. The intent can be established at either the highest level of decision making or by a body or an official designated for that purpose.

*Unassigned fund balance* – the residual classification that includes amounts not contained in the other classifications.

The Commission’s Board establishes, modifies or rescinds fund balance commitments by passage of a resolution. In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

## NOTE 2 – CAPITAL ASSETS

The following is a summary of capital assets for the year end June 30, 2024:

| | Balance July 1, 2023 Restated | Additions | Deletions | Transfers & Adjustments | Balance June 30, 2024 |
|---|---|---|---|---|---|
| Capital assets being depreciated: | | | | | |
| Machinery and equipment | $ 192,673 | $ - | $ - | $ (17,095) | $ 175,578 |
| Total capital assets being depreciated | 192,673 | - | - | (17,095) | 175,578 |
| Less accumulated depreciation for: | | | | | |
| Machinery and equipment | (184,472) | (5,467) | - | 17,095 | (172,844) |
| Total accumulated depreciation | (184,472) | (5,467) | - | 17,095 | (172,844) |
| Total capital assets being depreciated, net | 8,201 | (5,467) | - | - | 2,734 |
| Total capital assets, net | $ 8,201 | $ (5,467) | $ - | $ - | $ 2,734 |

Depreciation expense was charged to the Transportation Planning function for $5,467.

## NOTE 3 – LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year end June 30, 2024:

| | Balance July 1, 2023 | Additions | Retirements | Balance June 30, 2024 | Amount Due Within One Year |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| Compensated absences | $ 11,335 | $ 11,092 | $ (9,913) | $ 12,514 | $ - |

## NOTE 4 – RELATED PARTY TRANSACTIONS

The County of Inyo personnel provide management, planning and administration services to the Commission. The County also provides engineering and planning services. During the fiscal year ended June 30, 2024, the Commission had the following expenditures associated with the County of Inyo, a related party, for the following amounts:

| | | |
|---|---|---|
| Payroll costs | $ | 232,734 |
| Copier charges | | 1,193 |
| County cost plan | | 38,782 |
| County counsel | | 189 |
| IS charges | | 6,005 |
| Insurance (worker's comp and liability) | | 12,311 |
| Building and maintenance | | 314 |
| Public works services | | 5,046 |
| Total related party transactions | $ | 296,574 |

## NOTE 5 – PTMISEA

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the $19.925 billion of state general obligation bonds authorized, $4 billion was set aside by the state as instructed by statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements or for rolling stock procurement, rehabilitation or replacement.

During the fiscal year ended June 30, 2024, the commission did not receive any additional funding from the state's PTMISEA account. As of June 30, 2024, PTMISEA funds received and expended were verified in the course of our audit as follows:

| | | |
|---|---|---|
| Balance at beginning of fiscal year, as previously presented | $ | 8,216 |
| Proceeds received: | | |
| Investment earnings | | (7,925) |
| Unexpended proceeds - June 30, 2024 | $ | 291 |

Funds will be passed through to Eastern Sierra Transit Authority for capital projects identified by ESTA such as support vehicles as well as scheduling and dispatch software. Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of the encumbrance.

## NOTE 6 – COMMITMENT

The Sustainable Transportation Planning Grant (STPG) for $201,500 awarded to the Commission has certain commitments associated with it. The Commission will develop a plan to outline a path forward to install effective and equitable EV charging infrastructure throughout the County of Inyo, California (the County) and to electrify the county-owned vehicle fleet by gathering data, evaluating the physical and financial feasibility of expanding the charging network within the County, and conducting a site analysis for EV charging locations. There will be an emphasis on County-operated properties. The plan will also provide a high-level analysis of hydrogen fueling feasibility in the County.

## NOTE 7 – RESTATEMENT OF BEGINNING FUND BALANCE/NET POSITIONS

During the year ended June 30, 2024, various adjustments to opening fund balance/net positions were identified and corrected. A summary of the prior period adjustments are noted below.

| | | Governmental Funds | Private Purpose Trust Fund |
|---|---|---|---|
| | Governmental Activities | Planning Fund | State Transit Assistance |
| Fund balance/net position, June 30, 2023, as previously reported | $ 972,751 | $ 975,885 | $ 86,777 |
| Error correction: | | | |
| Overstatement of prior year investment income | (35,099) | (35,099) | - |
| Understatement of prior year revenue | - | - | 47,584 |
| Total error correction | (35,099) | (35,099) | 47,584 |
| Fund balance/net position, June 30, 2024, as restated | $ 937,652 | $ 940,786 | $ 134,361 |

# REQUIRED SUPPLEMENTARY INFORMATION

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Local Transportation Funds | $ 130,829 | $ 130,829 | $ 143,242 | $ 12,413 |
| Rural planning assistance | 230,000 | 230,000 | 190,045 | (39,955) |
| STIP planning (PPM) | 163,554 | 157,000 | 332,842 | 175,842 |
| State Parks Grant (NEPA) | 15,000 | 25,000 | 12,493 | (12,507) |
| Interest | 5,000 | 12,322 | 5,706 | (6,616) |
| Total revenues | 544,383 | 555,151 | 684,328 | 129,177 |
| **EXPENDITURES** | | | | |
| Planning and administration | 544,279 | 770,438 | 655,668 | 114,770 |
| Total expenditures | 544,279 | 770,438 | 655,668 | 114,770 |
| Change in fund balance | $ 104 | $ (215,287) | 28,660 | $ 243,947 |
| Net position - beginning, as previously presented | | | 975,885 | |
| Error correction (see footnote 7) | | | (35,099) | |
| Net position - beginning, restated | | | 940,786 | |
| Fund balance - ending | | | $ 969,446 | |

## NOTE 1 – BUDGETARY ACCOUNTING

The Commission annually adopts a budget through the preparation of an overall work program. This work program describes the projects, or work elements, that are to be funded, and the type of funds that will pay for the expenditures, such as Rural Planning Assistance, Local Transportation, or State Transportation Improvement Program (STIP). The work program, in draft form, is prepared by Commission staff, submitted and approved by the Commission, and submitted to the State of California, Department of Transportation (CALTRANS) before June 30. CALTRANS, as the grantor of Rural Planning Assistance and uses STIP funds, approves the work program, which then becomes the budget for the operating fund of the Commission.

Additional sources and uses of revenue not included in the Commission's overall work program are incorporated to compute the Commission's budget that reflects all anticipated activities for the year.

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budget amendments are made periodically to reflect unanticipated changes in revenues and expenditures. Appropriations lapse at fiscal year-end, except for items already encumbered.

## NOTE 2 –EXCESS EXPENDITURES OVER APPROPRIATIONS

As of June 30, 2024, there were no expenditure categories that exceed appropriations.

# SUPPLEMENTARY INFORMATION

Private Purpose Trust Funds
Combining Statement of Fiduciary Net Position
(With Comparative Totals as of June 30, 2023)

| | Local Transportation Fund | State Transit Assistance | TEA Exchange Fund | PTMISEA Fund | Transport Security Grant |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and investments | $ 559,017 | $ 54,422 | $ 102 | $ 289 | $ 1 |
| Due from other governments | 104,867 | 59,600 | - | - | - |
| Interest receivable | 5,536 | 482 | 1 | 2 | - |
| Total assets | 669,420 | 114,504 | 103 | 291 | 1 |
| **LIABILITIES** | | | | | |
| Total liabilities | - | - | - | - | - |
| **NET POSITION** | | | | | |
| Restricted for: | | | | | |
| Other governments | 669,420 | 114,504 | 103 | 291 | 1 |
| Total net position | $ 669,420 | $ 114,504 | $ 103 | $ 291 | $ 1 |

Private Purpose Trust Funds
Combining Statement of Fiduciary Net Position (Continued)
(With Comparative Totals as of June 30, 2023)

| | LTF Bike & Pedestrian | Low Carbon Transit | SB1 State of Good Repairs | Totals 2024 | Totals 2023 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and investments | $ 205,804 | $ 132 | $ 6,351 | $ 826,118 | $ 955,588 |
| Due from other governments | - | - | 8,244 | 172,711 | 123,279 |
| Interest receivable | 1,251 | 1 | 57 | 7,330 | 4,695 |
| Total assets | 207,055 | 133 | 14,652 | 1,006,159 | 1,083,562 |
| **LIABILITIES** | | | | | |
| Total liabilities | - | - | - | - | - |
| **NET POSITION** | | | | | |
| Restricted for: | | | | | |
| Other governments | 207,055 | 133 | 14,652 | 1,006,159 | 1,083,562 |
| Total net position | $ 207,055 | $ 133 | $ 14,652 | $ 1,006,159 | $ 1,083,562 |

Private Purpose Trust Funds
Combining Statement of Changes in Fiduciary Net Position
(With Comparative Totals as of June 30, 2023)

| | Local Transportation Fund | State Transit Assistance | TEA Exchange Funds | PTMISEA Fund | Transport Security Grant |
|---|---|---|---|---|---|
| **ADDITIONS** | | | | | |
| Sales taxes | $ 1,299,904 | $ 220,655 | $ - | $ - | $ - |
| Other revenue | - | - | - | - | - |
| Investment earnings | (23,110) | (14,711) | (555) | (7,925) | - |
| Total additions | 1,276,794 | 205,944 | (555) | (7,925) | - |
| **DEDUCTIONS** | | | | | |
| Grant expenses | - | - | 17,787 | - | - |
| Allocations: | | | | | |
| Planning and administration | 61,465 | - | - | - | - |
| Transit operations | 1,312,939 | - | - | - | - |
| Other agencies | - | 225,801 | - | - | - |
| Total deductions | 1,374,404 | 225,801 | 17,787 | - | - |
| Net increase (decrease) in fiduciary net position | (97,610) | (19,857) | (18,342) | (7,925) | - |
| Net position - beginning, as previously presented | 767,030 | 86,777 | 18,445 | 8,216 | 1 |
| Error correction (see footnote 7) | - | 47,584 | - | - | - |
| Net position - beginning, restated | 767,030 | 134,361 | 18,445 | 8,216 | 1 |
| Net position - ending | $ 669,420 | $ 114,504 | $ 103 | $ 291 | $ 1 |

Private Purpose Trust Funds

Combining Statement of Changes in Fiduciary Net Position (Continued)

(With Comparative Totals as of June 30, 2023)

| | LTF Bike & Pedestrian | Low Carbon Transit | SB1 State of Good Repairs | Totals 2024 | Totals 2023 |
|---|---|---|---|---|---|
| **ADDITIONS** | | | | | |
| Sales taxes | $ 21,424 | $ - | $ 31,502 | $ 1,573,485 | $ 1,435,053 |
| Other revenue | - | - | - | - | 54,838 |
| Investment earnings | (5,406) | (6) | (512) | (52,225) | 21,844 |
| Total additions | 16,018 | (6) | 30,990 | 1,521,260 | 1,511,735 |
| **DEDUCTIONS** | | | | | |
| Grant expenses | - | - | - | 17,787 | - |
| Allocations: | | | | | |
| Planning and administration | - | - | - | 61,465 | 51,806 |
| Transit operations | - | - | - | 1,312,939 | 1,228,608 |
| Other agencies | - | - | 28,253 | 254,054 | 459,967 |
| Total deductions | - | - | 28,253 | 1,646,245 | 1,740,381 |
| Net increase (decrease) in fiduciary net position | 16,018 | (6) | 2,737 | (124,985) | (228,646) |
| Net position - beginning, as previously presented | 191,037 | 139 | 11,915 | 1,083,560 | 1,312,208 |
| Error correction (see footnote 7) | - | - | - | 47,584 | - |
| Net Position - beginning, restated | 191,037 | 139 | 11,915 | 1,131,144 | 1,312,208 |
| Net position - ending | $ 207,055 | $ 133 | $ 14,652 | $ 1,006,159 | $ 1,083,562 |

Planning Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual by Funding Source

| | Final Budget | Actual: Federal and State Funds | Actual: Local Transportation Funds | Actual: Total | Variance with Final Budget |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Allocations from LTF | $ 130,829 | $ - | $ 143,239 | $ 143,239 | $ 12,410 |
| State and federal grants: | | | | | |
| STBG-RSTP Exchange | 25,000 | 188,335 | - | 188,335 | 163,335 |
| Rural Planning Assistance | 230,000 | 236,432 | - | 236,432 | 6,432 |
| STIP planning (PPM) | 157,000 | 157,000 | - | 157,000 | - |
| Interest income | 12,322 | 48,251 | - | 48,251 | 35,929 |
| Total revenues | 555,151 | 630,018 | 143,239 | 773,257 | 218,106 |
| **EXPENDITURES** | | | | | |
| 100.1 Compliance and Oversight | 90,000 | 90,000 | - | 90,000 | - |
| 110.1 Overall Work Program | 15,000 | 7,113 | - | 7,113 | 7,887 |
| 200.1 Regional Transportation Improvement | 10,000 | 10,000 | - | 10,000 | - |
| 300.1 Administer Transit | 84,004 | - | 53,614 | 53,614 | 30,390 |
| 310.1 Coordinate Transit Services | 10,000 | - | 7,852 | 7,852 | 2,148 |
| 400.1 Local Project Development and Monitoring | 36,509 | 28,749 | - | 28,749 | 7,760 |
| 400.2 Grants Development | 12,000 | 12,000 | - | 12,000 | - |
| 400.3 ECVINCP | - | 3,406 | - | 3,406 | (3,406) |
| 400.4 Transportation Funding | 2,000 | 664 | - | 664 | 1,336 |
| 500.1 Coordination and Regional Planning | 25,000 | 25,000 | - | 25,000 | - |
| 510.1 Regional Transportation Plan | 45,000 | 30,464 | | 30,464 | 14,536 |
| 600.1 PMS/GIS | 20,000 | 2,491 | - | 2,491 | 17,509 |
| 700.1 Planning, Programming and Monitoring | 157,000 | 177,411 | - | 177,411 | (20,411) |
| Unassigned Expenditures | 263,925 | 206,901 | - | 206,901 | 57,024 |
| Total expenditures | 770,438 | 594,199 | 61,466 | 655,665 | 114,773 |
| Change in fund balance | $ (215,287) | $ 35,819 | $ 81,773 | 117,592 | $ 332,879 |
| Fund balance - beginning | | | | 975,885 | |
| Fund balance - ending | | | | $ 1,093,477 | |

Local Transportation Fund

Schedule of Allocations and Expenditures

| | PUC | Allocations Outstanding June 30, 2023 | Allocated | Expended | Allocations Outstanding June 30, 2024 |
|---|---|---|---|---|---|
| **ALLOCATIONS** | | | | | |
| Inyo County Local Transportation Commission | 99233.1 | $ 142,114 | $ 143,239 | $ 61,465 | $ 223,888 |
| Inyo County / City of Bishop - Bike & Pedestrian | 99233.3 | 105,206 | 21,424 | - | 126,630 |
| Eastern Sierra Transit Authority | 99260(a) | (145,145) | 1,209,741 | 1,312,939 | (248,343) |
| City of Bishop | 99400(c) | 1,599 | - | - | 1,599 |
| Eastern Sierra Area Agency on Aging | 99400(c) | 30,361 | - | - | 30,361 |
| Total allocations | | $ 134,135 | $ 1,374,404 | 1,374,404 | $ 134,135 |
| Transfer to LTF Bike & Pedestrian Fund | | | | - | |
| Total LTF deductions | | | | $ 1,374,404 | |

State Transit Assistance Fund

Schedule of Allocations and Expenditures

| | PUC | Allocations Outstanding June 30, 2023 | Allocated | Expended | Allocations Outstanding June 30, 2024 |
|---|---|---|---|---|---|
| **ALLOCATIONS** | | | | | |
| Eastern Sierra Transit Authority | 6731 (b) | $ (29,780) | $ 220,655 | $ (225,801) | $ (34,926) |
| Total allocations | | $ (29,780) | $ 220,655 | $ (225,801) | $ (34,926) |

PRICE PAIGE & COMPANY
Certified Public Accountants

The Place to Be

**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* AND THE RULES AND REGULATIONS OF THE TRANSPORTATION DEVELOPMENT ACT**

To the Board of Commissioners
Inyo County Local Transportation Commission
Independence, 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 the governmental activities, the Planning Fund, and the aggregate remaining fund information of Inyo County Local Transportation Commission (the Commission), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 1, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be material weakness.

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**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission'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. Our audit was further made to determine that Transportation Development Act Funds allocated to and received by the Commission were expended in conformance with applicable statutes, rules and regulations of the Transportation Development Act and the allocation instructions and resolutions of the Commission as required by Sections 6666 and 6667 of Title 21 of the California Code of Regulations. 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* or the Rules and Regulations of the Transportation Development Act.

**Inyo County Local Transportation Commission's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Commission's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Commission'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 Commission'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Paige & Company

Clovis California
December 1, 2025

## SECTION I – SUMMARY OF AUDITOR'S RESULTS

**FINANCIAL STATEMENTS**

| | | | | |
|---|---|---|---|---|
| Type of auditor's report issued: | Unmodified | | | |
| Internal control over financial reporting: | | | | |
| Material weaknesses identified? | X | Yes | | No |
| Significant deficiencies identified - not considered to be material weaknesses? | | Yes | X | None reported |
| Noncompliance material to financial statements noted? | | Yes | X | No |

## SECTION II – FINANCIAL STATEMENT FINDINGS

### Finding 2024-001 Revenue Recognition (Material Weakness)

**Criteria**
Per the California State Controller's "2015 Internal Control Guidelines," entities must maintain adequate internal controls to ensure timely, accurate, and complete financial reporting, including controls over revenue recognition, account reconciliation, and review.

**Condition**
During our audit, various adjustments were required to correct the Commission's revenue, which were a result of certain revenues not being recorded in the correct period. In addition, the Commission did not have adequate internal controls over revenue recognition and the related reconciliation process to ensure that recorded amounts were accurate and agreed to the external supporting schedules. These deficiencies resulted in material differences between the Commission's trial balance and the supporting schedules and required audit adjustments to correct due from other governments or agencies, unavailable revenues, and revenues.

**Cause**
The Commission did not perform sufficient review of revenues posted during the year and did not ensure that subsequent receipts are posted to the correct period.

**Effect**
Revenues, due from other governments, and unavailable revenues were materially misstated at year-end. An adjustment of approximately $95,000 to revenues was required to correct the misstatements, which was recorded during the audit and is reflected in the financial statements.

**Recommendation**
We recommend that the Commission strengthen its internal controls over revenue recognition by establishing a documented, standardized reconciliation process as part of the year-end closing procedures. This should include reconciling recorded revenues to supporting schedules from the State Controller's Office, reviewing and resolving timing differences, and ensuring revenues are recognized in the proper accounting period. Incorporating this reconciliation and related review steps into a formal closing checklist will help ensure revenue reporting is complete, accurate, and reliable.

## FINANCIAL STATEMENT FINDINGS

None reported.

Inyo County Local Transportation Commission
**CORRECTIVE ACTION PLAN**
**YEAR ENDED JUNE 30, 2024**

| Finding Number | Planned Corrective Action | Anticipated Completion Date | Responsible Contact Person |
|---|---|---|---|
| 2024-001 | We concur with the finding. LTC staff will implement an annual reconciliation to the State Controller's Office Schedule to confirm that revenues are recorded in the correct fiscal. In addition, the Auditor-Controller's Office will review the reconciliation to confirm that it is complete. | Beginning Fiscal Year 2024-2025 | Justine Kokx, Planning Transportation Senior and/or LTC Transportation Technician |
| | | | |
| | | | |
| | | | |
| | | | |

Justine Kokx
Planning Transportation Senior

Amy Shepherd
Auditor-Controller