

CITY OF BRAWLEY
TRANSPORTATION DEVELOPMENT ACT FUNDS
FINANCIAL STATEMENTS

June 30, 2020

CITY OF BRAWLEY
TRANSPORTATION DEVELOPMENT ACT FUNDS

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CITY OF BRAWLEY
LOCAL TRANSPORTATION FUND – NON-TRANSIT

June 30, 2020



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INDEPENDENT AUDITOR'S REPORT

City Council of the
City of Brawley
Brawley, California

Report on the Financial Statement

We have audited the financial statements of the Local Transportation Fund Non-Transit of the City of Brawley, California (City) as of and for the fiscal year ended June 30, 2020, which collectively comprise the Local Transportation Fund Non-Transit financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Our audit was also conducted for the purpose of determining compliance with the Transportation Development Act Section 99400 (a), the California Code of Regulations, and the rules and regulations of the Imperial Valley Association of Governments. In our audit, we performed, to the extent applicable, the tasks contained in Section 6664 of Title 21 of the California Code of Regulations.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Local Transportation Fund Non-Transit as of June 30, 2020, and the changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, the funds allocated and received by the Local Transportation Fund Non-Transit were expended and accounted for in conformance with the applicable laws, rules, and regulations of the Transportation Development Act, the California Code of Regulations, and the allocation instructions of the Imperial Valley Association of Governments.

Emphasis of Matter

In January of 2020, the World Health Organization has declared COVID-19 to constitute a “Public Health Emergency of International Concern.” Given the uncertainty of the situation, the duration of any financial impact cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.

The financial statements present only the Local Transportation Fund Non-Transit of the City of Brawley and do not purport to, and do not, present fairly the financial position of the City of Brawley as of June 30, 2020, the changes in its financial position, or, where applicable, its cash flows for the fiscal year 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.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
April 8, 2021

CITY OF BRAWLEY
LOCAL TRANSPORTATION FUNDS – NON-TRANSIT
BALANCE SHEET
June 30, 2020

	Bus Benches and Shelters Fund Article 8(e)	Pedestrians and Bicycles Fund Article 3	Totals
<u>ASSETS</u>			
Cash and investments	\$ 331,582	\$ 194,105	\$ 525,687
Interest receivable	299	175	474
 TOTAL ASSETS	 \$ 331,881	 \$ 194,280	 \$ 526,161
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts payable	\$ 1,469	\$ -	\$ 1,469
 TOTAL LIABILITIES	 1,469	 -	 1,469
<u>FUND BALANCES</u>			
Fund balances - restricted for transportation	330,412	194,280	524,692
 TOTAL FUND BALANCES	 330,412	 194,280	 524,692
 TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	 \$ 331,881	 \$ 194,280	 \$ 526,161

See accompanying notes to financial statements

CITY OF BRAWLEY
 LOCAL TRANSPORTATION FUNDS – NON-TRANSIT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 For the Fiscal Year Ended June 30, 2020

	Bus Benches and Shelters Fund Article 8(e)	Pedestrians and Bicycles Fund Article 3	Totals
<u>REVENUES</u>			
Use of money and property	\$ 5,533	\$ 3,239	\$ 8,772
Intergovernmental - TDA/LTF	122,460	52,642	175,102
 TOTAL REVENUES	 127,993	 55,881	 183,874
<u>EXPENDITURES</u>			
Salaries and wages	3,347		3,347
Supplies and materials	5,885		5,885
Services	19,378		19,378
 TOTAL EXPENDITURES	 28,610		 28,610
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 99,383	 55,881	 155,264
 Fund balances, July 1, 2019	 231,029	 138,399	 369,428
 Fund balances, June 30, 2020	 \$ 330,412	 \$ 194,280	 \$ 524,692

See accompanying notes to financial statements

CITY OF BRAWLEY
LOCAL TRANSPORTATION FUND – NON-TRANSIT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – ARTICLE 8 (e)
For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance Positive (Negative)
<u>REVENUES</u>			
Use of money and property	\$ 400	\$ 5,533	\$ 5,133
Intergovernmental - TDA/LTF	50,000	122,460	72,460
TOTAL REVENUES	50,400	127,993	77,593
<u>EXPENDITURES</u>			
Salaries and wages		3,347	(3,347)
Supplies and materials	8,200	5,885	2,315
Services	56,800	19,378	37,422
TOTAL EXPENDITURES	65,000	28,610	36,390
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(14,600)	99,383	113,983
Fund balance, July 1, 2019	231,029	231,029	
Fund balance, June 30, 2020	\$ 216,429	\$ 330,412	\$ 113,983

See accompanying notes to financial statements

CITY OF BRAWLEY
 LOCAL TRANSPORTATION FUND – NON-TRANSIT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL – ARTICLE 3
 For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance Positive (Negative)
<u>REVENUES</u>			
Use of money and property	\$ 200	\$ 3,239	\$ 3,039
Intergovernmental - TDA/LTF		52,642	52,642
 TOTAL REVENUES	200	55,881	55,681
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	200	55,881	55,681
 Fund balance, July 1, 2019	138,399	138,399	
 Fund balance, June 30, 2020	\$ 138,599	\$ 194,280	\$ 55,681

See accompanying notes to financial statements

CITY OF BRAWLEY
 LOCAL TRANSPORTATION FUNDS – NON-TRANSIT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Local Transportation Funds-Non-Transit are special revenue funds of the City of Brawley (City) and the financial statements of the funds are included in the basic financial statements of the City.

Basis of Accounting

The Local Transportation Funds-Non-Transit are accounted for using the modified accrual basis of accounting whereby revenues are recognized when they become both measurable and available to finance expenditures of the current period and expenditures are generally recognized when the related fund liabilities are incurred.

NOTE 2 INTERGOVERNMENTAL ALLOCATIONS – TDA/LTF

The City was allocated the following funds:

Article	Fund	Section		
8(e)	LTF	99233.3	\$	122,460
3	LTF	99234		52,642
			\$	175,102

NOTE 3 INTERNAL ACCOUNTING CONTROL

As part of our audit, a study was performed of the City’s system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America. Under these standards, the purpose of such evaluation is to establish a basis for reliance on the system of internal accounting control in determining the nature, timing, and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements. No material weaknesses in internal control were discovered.