



MetroTM

**City of Agoura Hills
Annual Financial Report of its**

**Proposition A Local Return Fund
Proposition C Local Return Fund
Measure R Local Return Fund
Measure M Local Return Fund
Transportation Development Act Article 3 Fund**

**As of and for the Years Ended June 30, 2021 and 2020
with Independent Auditor's Report**

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FINANCIAL SECTION

Independent Auditor's Report

To the Honorable Members of the City Council of the City of Agoura Hills, California and the Los Angeles County Metropolitan Transportation Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Agoura Hills, California (the City) which comprise the Funds' balance sheets as of June 30, 2021 and 2020, the related statements of revenues, expenditures and changes in fund balances for the years then ended, and the related notes to the financial statements.

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 opinions on these financial statements based on our audits. 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. 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 City'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 City'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.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund of the City of Agoura Hills, California, as of June 30, 2021 and 2020, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2, the financial statements present only the Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund of the City of Agoura Hills, California, and do not purport to, and do not present fairly the financial position of the City as of June 30, 2021 and 2020, and 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.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on each of the Funds' financial statements as a whole. The supplementary information identified in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information identified in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Funds' basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the Funds' 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 Funds' basic financial statements or to the Funds' 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 each of the Funds' 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 16, 2021 on our consideration of the City's internal control over the Funds' 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 the Funds' financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over the Funds' financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over the Fund's financial reporting and compliance.

A handwritten signature in black ink that reads "Vasquez & Company LLP". The signature is written in a cursive, flowing style.

**Glendale, California
December 16, 2021**

**City of Agoura Hills
Proposition A Local Return Fund
Balance Sheets**

		June 30	
		2021	2020
ASSETS			
Cash and investments	\$	922,533	\$ 845,451
Due from County of Los Angeles - Department of Public Works		6,853	9,573
Due from Metro		74,079	34,230
Total assets	\$	1,003,465	\$ 889,254
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	45,558	\$ 115,465
Accrued payroll and employee benefits		-	1,164
Total liabilities		45,558	116,629
Deferred inflow of resources			
Unavailable revenue		74,079	38,835
Total deferred inflow of resources		74,079	38,835
Fund balance			
Restricted		883,828	733,790
Total fund balance		883,828	733,790
Total liabilities, deferred inflow of resources and fund balance	\$	1,003,465	\$ 889,254

See notes to Funds financial statements.

City of Agoura Hills
Proposition A Local Return Fund
Statements of Revenues, Expenditures and Changes in Fund Balance

	Years ended June 30	
	2021	2020
Revenues		
Proposition A	\$ 419,343	\$ 405,062
Interest income	5,663	18,316
Proposition A Discretionary Incentive Program grant (Note 8)	84,571	51,381
Reimbursements from the County of Los Angeles (Note 9)	19,262	23,725
Farebox revenue	1,285	9,128
Total revenues	530,124	507,612
Expenditures		
Various projects	380,086	530,088
Total expenditures	380,086	530,088
Excess (deficiency) of revenues over expenditures	150,038	(22,476)
Fund balance at beginning of year	733,790	756,266
Fund balance at end of year	\$ 883,828	\$ 733,790

See notes to Funds financial statements.

City of Agoura Hills
Proposition A Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021		Variance Positive (Negative)	2020 Actual
		Metro Budget	Actual		
107	Dial-A-Ride	\$ 150,000	\$ 194,304	* \$ (44,304)	\$ 346,426
107	Dial-A-Ride Transition Costs	-	-	-	23,635
155	Recreational Beach Bus	-	-	-	44,848
155	Special Event Recreational Transit	2,000	-	2,000	36,055
170	Bus Stop - Amenities	120,000	111,600	8,400	-
170	Bus Shelter Maintenance	6,000	6,000	-	6,000
170	Park-N-Ride Lot Maintenance	11,100	7,653	3,447	7,114
470	Assistant to SFV/NCC Representative to Metro Board	1,400	-	1,400	-
610	Administration	58,400	60,529	(2,129)	66,010
	Total expenditures	\$ 348,900	\$ 380,086	\$ (31,186)	\$ 530,088

* See Compliance Matrix and Schedule of Findings and Questioned Costs.

See Independent Auditor's Report.

City of Agoura Hills
Proposition A Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021

<u>Date Acquired</u>	<u>Description</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
2001	Ford Bus	\$ 75,920	\$ -	\$ 75,920	* \$ -
2008	Chevrolet Van	44,557	-	44,557	* -
2008	Chevrolet Van	44,557	-	-	44,557
2013	Dodge Van	41,934	-	-	41,934
2014	Dodge Truck Grand Caravan	22,056	-	-	22,056
2014	Dodge Truck Grand Caravan	22,056	-	-	22,056
2017	Ford Starcraft Bus	142,758	-	-	142,758
	Total	\$ 393,838	\$ -	\$ 120,477	\$ 273,361

* These assets were deleted due to obsolescence.

See Independent Auditor's Report.

**City of Agoura Hills
Proposition C Local Return Fund
Balance Sheets**

		June 30	
		2021	2020
ASSETS			
Cash and investments	\$	291,862	\$ 783,017
Due from Metro		600,000	643,805
Total assets	\$	891,862	\$ 1,426,822
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	58,956	\$ 417,984
Accrued payroll and employee benefits		1,379	1,607
Total liabilities		60,335	419,591
Deferred inflows of resources			
Unavailable revenue		-	643,805
Total deferred inflows of resources		-	643,805
Fund balance			
Restricted		831,527	363,426
Total fund balance		831,527	363,426
Total liabilities, deferred inflows of resources and fund balance	\$	891,862	\$ 1,426,822

See notes to Funds financial statements.

City of Agoura Hills
Proposition C Local Return Fund
Statements of Revenues, Expenditures and Changes in Fund Balance

	Years ended June 30	
	2021	2020
Revenues		
Proposition C	\$ 347,830	\$ 336,000
Interest income	2,968	10,073
Measure R Highway Program Grant (Note 10)	1,800,000	1,200,000
Total revenues	2,150,798	1,546,073
 Expenditures		
Various projects	1,682,697	1,966,211
Total expenditures	1,682,697	1,966,211
 Excess (deficiency) of revenues over expenditures	 468,101	 (420,138)
 Fund balance at beginning of year	 363,426	 783,564
 Fund balance at end of year	 \$ 831,527	 \$ 363,426

See notes to Funds financial statements.

City of Agoura Hills
Proposition C Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021		Variance Positive (Negative)	2020 Actual
		Metro Budget	Actual		
302	Street Improvements-Traffic Signal Battery Backups	\$ 46,866	\$ -	\$ 46,866	\$ -
303	Traffic Signal Sync - Maintenance	105,000	140,000 *	(35,000)	-
303	Traffic Signal Sync - Management/Maintenance	105,000	64,025	40,975	71,116
304	Traffic Signal Battery Backups	70,000	46,865	23,135	-
390	Chesebro Crossing at 101 (Interchange Improvements)	1,800,000	1,200,000	600,000	1,800,000
620	Administration - Prop C	121,195	78,724	42,471	27,605
705	Annual Overlay	100,000	-	100,000	-
705	Street Improvements/Annual Overlay - FY 20-21	185,000	153,083	31,917	-
765	Pavement Management Update	-	-	-	67,490
Total expenditures		\$ 2,533,061	\$ 1,682,697	\$ 850,364	\$ 1,966,211

* See Compliance Matrix and Schedule of Findings and Questioned Costs.

See Independent Auditor's Report.

City of Agoura Hills
Proposition C Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021

Date Acquired	Description	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
N/A	None	\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

See Independent Auditor's Report.

**City of Agoura Hills
Measure R Local Return Fund
Balance Sheets**

		June 30		
		2021	2020	
ASSETS				
Cash and investments	\$	179,934	\$	51,579
Total assets		179,934	51,579	
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	\$	12,058	\$	3,589
Retention payable		-		13,447
Accrued payroll and employee benefits		-		2,138
Total liabilities		12,058	19,174	
Fund balance				
Restricted		167,876		32,405
Total fund balance		167,876	32,405	
Total liabilities and fund balance		179,934	51,579	

See notes to Funds financial statements.

City of Agoura Hills
Measure R Local Return Fund

Statements of Revenues, Expenditures and Changes in Fund Balance

		Years ended June 30	
		2021	2020
Revenues			
Measure R	\$	261,234	\$ 251,639
Interest income		606	1,675
Total revenues		261,840	253,314
Expenditures			
Various projects		126,369	263,084
Total expenditures		126,369	263,084
Excess (deficiency) of revenues over expenditures		135,471	(9,770)
Fund balance at beginning of year		32,405	42,175
Fund balance at end of year		\$ 167,876	\$ 32,405

See notes to Funds financial statements.

City of Agoura Hills
Measure R Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Positive (Negative)	
630	Fund Administration (20% cap) Staff Administration (Measure R Projects)	\$ 21,611	\$ 21,025	\$ 586	\$ 43,792
705	Street Repair and Maintenance - Sidewalk Repairs	-	-	-	30,000
705	Street Repair and Maintenance - City Beautification Liberty Can	-	-	-	50,000
705	Street Repair, resurfacing - Annual Overlay (Kanan Road)	50,000	16,281	33,719	-
705	Street Repair and Maintenance - Annual Overlay	50,000	-	50,000	-
705	Sidewalk Repairs	-	4,063 *	(4,063)	-
780	Planning and Engineering for Street and Roads - Contract Services	85,000	-	85,000	-
780	Other Planning, Engineering (Contract Services)	85,000	85,000	-	139,292
Total expenditures		\$ 291,611	\$ 126,369	\$ 165,242	\$ 263,084

* See Compliance Matrix and Schedule of Findings and Questioned Costs.

See Independent Auditor's Report.

City of Agoura Hills
Measure R Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021

<u>Date Acquired</u>	<u>Description</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
N/A	None	\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -

**City of Agoura Hills
Measure M Local Return Fund
Balance Sheets**

		June 30	
		2021	2020
ASSETS			
Cash and investments	\$	33,677	\$ 21,716
Total assets	\$	33,677	\$ 21,716
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	21,046	\$ 16,633
Accrued payroll and employee benefits		2,278	194
Total liabilities		23,324	16,827
Fund balance			
Restricted		10,353	4,889
Total fund balance		10,353	4,889
Total liabilities and fund balance	\$	33,677	\$ 21,716

See notes to Funds financial statements.

City of Agoura Hills
Measure M Local Return Fund

Statements of Revenues, Expenditures and Changes in Fund Balance

		Years ended June 30	
		2021	2020
Revenues			
Measure M	\$	295,988	\$ 283,023
Interest income		215	984
Total revenues		296,203	284,007
Expenditures			
Various projects		290,739	328,789
Total expenditures		290,739	328,789
Excess (deficiency) of revenues over expenditures		5,464	(44,782)
Fund balance at beginning of year		4,889	49,671
Fund balance at end of year	\$	10,353	\$ 4,889

See notes to Funds financial statements.

City of Agoura Hills
Measure M Local Return Fund
Supplementary Information
Schedule of Expenditures – Actual and Metro Approved Project Budget
Year ended June 30, 2021
(With Comparative Actuals for 2020)

Project Code	Project Name	2021			2020 Actual
		Metro Budget	Actual	Variance Positive (Negative)	
630	Measure R - Administration	\$ 21,611	\$ 46,019	\$ (24,408)	\$ -
640	Fund Administration - Measure M (Public Works)	43,222	-	43,222	45,228
640	Fund Administration - Personnel - Public Works	43,222	-	43,222	-
705	Street Repair and Maintenance - FY 19-20	-	-	-	56,687
705	Street Repair and Maintenance - Sidewalk Repairs	60,000	-	60,000	110,000
705	Street Repair, resurfacing - Contact services	42,500	-	42,500	-
705	Street Repair, resurfacing - Contract Services: Traffic Marking and Stripping	20,000	-	20,000	-
705	Street Repairs & Maintenance - Contract Services FY 20-21	47,500	-	47,500	-
705	Street Repairs & Maintenance	47,500	47,500	-	-
705	Street Repairs & Maintenance - Sidewalk Repairs	60,000	60,000	-	-
705	Other - Traffic Marking and Striping	20,000	20,000	-	22,079
760	Other - Traffic Signing	13,000	13,000	-	10,921
760	Contract Services - Traffic Signing	13,000	-	13,000	-
780	Other Planning, Engineering - Contract Services	22,500	-	22,500	-
780	Other Planning, Engineering - Contract Services	42,500	55,720	(13,220)	51,939
780	Other Planning, Engineering - Traffic Engineer	22,500	48,500	(26,000)	31,935
	Total expenditures	\$ 519,055	\$ 290,739	\$ 228,316	\$ 328,789

See Independent Auditor's Report.

City of Agoura Hills
Measure M Local Return Fund
Supplementary Information
Schedule of Capital Assets
Year ended June 30, 2021

Date Acquired	Description	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
N/A	None	\$ -	\$ -	\$ -	\$ -
Total		\$ -	\$ -	\$ -	\$ -

City of Agoura Hills
Transportation Development Act Article 3 Fund
Pursuant to Public Utilities Code Section 99234
Balance Sheets

		June 30	
		2021	2020
ASSETS			
Cash and investments	\$	-	\$ -
Total assets	\$	-	\$ -
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$	-	\$ -
Total liabilities		-	-
Fund balance			
Restricted		-	-
Total fund balance		-	-
Total liabilities and fund balance	\$	-	\$ -

See notes to Funds financial statements.

City of Agoura Hills
 Transportation Development Act Article 3 Fund
 Pursuant to Public Utilities Code Section 99234
Statements of Revenues, Expenditures and Changes in Fund Balance

	Years ended June 30	
	2021	2020
Revenues		
Intergovernmental Allocations:		
Article 3	\$ 11,632	\$ 15,086
Total revenues	11,632	15,086
Expenditures		
Construction/Maintenance	11,632	15,086
Total expenditures	11,632	15,086
Excess of revenues over expenditures	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	\$ -	\$ -

See notes to Funds financial statements.

City of Agoura Hills
Transportation Development Act Article 3 Fund
Pursuant to Public Utilities Code Section 99234
Supplementary Information
Schedule of Transportation Development Act Allocation for Specific Projects
Year ended June 30, 2021

Project Description	Program Year	Totals to Date			Project Status
		Allocations	Expenditures	Unexpended Allocations	
Local Allocations:					
Annual Concrete Repair Project	2021	\$ 11,632	\$ 11,632	\$ -	Completed
	Totals	<u>\$ 11,632</u>	<u>\$ 11,632</u>	<u>-</u>	
Fund balance at beginning of year				<u>-</u>	
Fund balance at end of year				<u>\$ -</u>	

See Independent Auditor's Report.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The operations of the Proposition A Local Return Fund (PALRF), the Proposition C Local Return Fund (PCLRF), the Measure R Local Return Fund (MRLRF), the Measure M Local Return Fund (MMLRF) and the Transportation Development Act Article 3 Fund (TDAA3F) (collectively, the Funds) are accounted for in separate sets of self-balancing accounts that comprise their assets, liabilities, fund balance, revenues and expenditures.

PALRF and PCLRF represent 25% and 20%, respectively, of the ½ cent Proposition A and ½ cent Proposition C sales taxes which are distributed to the jurisdictions within Los Angeles County based on population and must be used exclusively for transportation related programs and projects.

MRLRF is derived from 15% of the county-wide ½ cent Measure R sales tax which is distributed to the jurisdictions within Los Angeles County based on a per capita basis and must be used exclusively for transportation purposes.

MMLRF is derived from 17% of the county-wide ½ cent Measure M sales tax which is distributed to the jurisdictions within Los Angeles County based on a per capita basis and must be used exclusively for transportation purposes.

TDAA3F is a Special Revenue Fund that accounts for the City's share of the Transportation Development Act Article 3 allocations which are legally restricted for specific purposes.

Basis of Accounting and Measurement Focus

The PALRF, PCLRF, MRLRF, MMLRF and TDAA3F are reported as Special Revenue Funds of the City and are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become "susceptible to accrual", that is, measurable and available to finance expenditures of the current period. Expenditures are recorded when the liability is incurred.

Special Revenue Funds are reported on a spending or "financial flow" measurement focus. This means that generally, only current assets, current liabilities and deferred inflows and outflows of resources are included on their balance sheets. Statements of revenues, expenditures and changes in fund balances for Special Revenue Funds generally present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Budgets and Budgetary Accounting

The budgeted amounts presented in this report for comparison to the actual amounts are based on budgets approved by Metro and are presented in accordance with accounting principles generally accepted in the United States of America.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, the City categorizes its fair value measurement within the fair value hierarchy that is based on the valuation inputs used to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Accordingly, the City reports its investments at fair value and recognizes unrealized gain (loss) on investments.

Refer to the City's Annual Comprehensive Financial Report (ACFR) for detailed disclosures regarding the City's investments policy and fair value measurement disclosures.

Fund Balance Reporting

Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes the fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The PALRF, PCLRF, MRLRF, MMLRF and TDAA3F report the following fund balance classification as of June 30, 2021 and 2020:

- Restricted - Amounts that are constrained for specific purposes, which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation. The use of the Funds' remaining fund balances are restricted for projects approved by Metro.

Information regarding the fund balance reporting policy adopted by the City is described in the City's ACFR.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the City recognizes deferred outflows and deferred inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

Deferred inflows of resources reported by the City represent resources that are not available for spending as of June 30, 2021 and 2020.

NOTE 2 ANNUAL FINANCIAL STATEMENTS

The financial statements reflect only the financial position and results of operations of the PALRF, PCLRF, MRLRF, MMLRF and TDAA3F, and do not purport to, and do not present fairly the City's financial position as of June 30, 2021 and 2020, and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

NOTE 3 PROPOSITION A AND PROPOSITION C LOCAL RETURN COMPLIANCE REQUIREMENTS

The Proposition A Ordinance requires that Local Return (LR) funds be used exclusively to benefit public transit. Expenditures related to fixed route and paratransit services, Transportation Demand Management, Transportation Systems Management and fare subsidy programs that exclusively benefit transit are all eligible uses of Proposition A LR funds. Proposition A LR funds may also be traded with other Jurisdictions in exchange for general or other funds.

The Proposition C Ordinance directs that LR funds also be used to benefit public transit, as described above, but provides an expanded list of eligible project expenditures including Congestion Management Programs, bikeways and bike lanes, street improvements supporting public transit service, and Pavement Management System projects. Proposition C LR funds cannot be traded.

Proposition A and Proposition C LR funds must be expended within three years of the last day of the fiscal year in which funds were originally allocated.

In accordance with *Proposition A and Proposition C Local Return Program Guidelines*, funds received pursuant to these guidelines may only be used for Proposition A and Proposition C Local Return approved programs. See accompanying Compliance Matrix.

NOTE 4 MEASURE R LOCAL RETURN COMPLIANCE REQUIREMENTS

The Measure R Ordinance specifies that LR funds be used exclusively for transportation purposes.

Measure R LR funds must be expended within five years of the first day of the fiscal year in which funds were originally allocated or received.

In accordance with *Measure R Local Return Program Guidelines*, funds received pursuant to these guidelines may only be used for Measure R Local Return approved programs. See accompanying Compliance Matrix.

NOTE 5 MEASURE M LOCAL RETURN COMPLIANCE REQUIREMENTS

Measure M was approved by the voters of Los Angeles County on November 8, 2016 to improve transportation and ease traffic congestion consistent with the Los Angeles County Traffic Improvement Plan Ordinance approved by the Metro Board of Directors on June 23, 2016. The Measure M Ordinance specifies that LR funds be used exclusively for transportation purposes.

Measure M LR funds must be expended within five years of the first day of the fiscal year in which funds were originally allocated or received.

In accordance with *Measure M Local Return Program Guidelines*, funds received pursuant to these guidelines may only be used for Measure M Local Return approved programs. See accompanying Compliance Matrix.

NOTE 6 TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

In accordance with *Public Utilities Code Section 99234*, funds received pursuant to this Code's section may only be used for activities relating to pedestrians and bicycle facilities. See accompanying Compliance Matrix.

NOTE 7 CASH AND INVESTMENTS

The PALRF, PCLRF, MRLRF, MMLRF and TDAA3F cash balances were pooled with various other City funds for deposit and investment purposes. The share of each fund in the pooled cash account was separately maintained and interest income was apportioned to the participating funds based on the relationship of their average quarterly balances to the total of the pooled cash and investments.

Please refer to the City's ACFR for a full description of risks relating to cash and investments.

NOTE 8 PROPOSITION A DISCRETIONARY INCENTIVE PROGRAM GRANTS

The City received Proposition A Discretionary Incentive Program grant amounting to \$84,571 and \$51,381 for the years ended June 30, 2021 and 2020, respectively which represent additional funds received from Metro for participating in the sub-regional paratransit services program.

The Proposition A Discretionary Incentive Grant was recorded under PALRF.

NOTE 9 REIMBURSEMENTS FROM THE COUNTY OF LOS ANGELES – PALRF

In September 2018, the City entered into a Cooperative Agreement with the County of Los Angeles Department of Public Works (the County) for the continuation of the Agoura Hills Paratransit Service for the period from July 1, 2018 through June 30, 2020. The City invoices the County the actual per-ride cost of each ride provided to unincorporated County community residents plus an administrative cost equal to the cost of one service hour per day of service. The per ride cost is calculated based on the City’s actual monthly operating cost divided by the total one-way ridership and using a trip length factor. For the years ended June 30, 2021 and 2020, the City invoiced the County a total of \$19,262 and \$23,725, respectively.

NOTE 10 MEASURE R HIGHWAY PROGRAM GRANT

The City entered into a Funding Agreement (No. MOU.MR311.03) with Metro for the Palo Comado Canyon Road Interchange Improvements Project (the Project) on July 6, 2010, which was amended by Amendment No. 1 on November 11, 2011. The total designated amount for the project is \$2,590,000. The funds will be released to the City on a reimbursement basis in accordance with invoices submitted in support of the monthly progress report and the quarterly expenditure report submitted to Metro. On August 14, 2017, the Funding Agreement was further amended to increase the total designated amount for the Project to \$4,000,000.

The City recognized \$1,800,000 and \$1,200,000 of reimbursement for this project during the years ended June 30, 2021 and 2020, respectively.

NOTE 11 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUND REVENUE ALLOCATION

The revenue allocations for the years ended June 30, 2021 and 2020 consisted of the following:

		2021		2020
FY 2019/20 allocation	\$	-	\$	15,086
FY 2020/21 allocation		11,632		-
	\$	11,632	\$	15,086

NOTE 12 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 FUNDS RESERVED

In accordance with TDA Article 3 (SB821) Guidelines, funds which will not be spent during the fiscal year have been placed on reserve in the Local Transportation Fund (LTF) account with the County Auditor-Controller to be drawn down whenever the funds become eligible for a specific project and an approved drawdown request is received by Metro. As of June 30, 2021 and 2020, the City did not have TDA Article 3 Funds left on reserve.

NOTE 13 IMPACT OF CORONAVIRUS

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the United States.

It is unknown how long these conditions will last and what the complete financial effect will be to businesses and other affected organizations, including local governmental entities. However, the City's management believes that the financial impact, if any, will not materially affect the June 30, 2021 funds financial statements.

NOTE 14 SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 16, 2021 the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**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***

**To the Honorable Members of the City Council of the
City of Agoura Hills, California and the
Los Angeles County Metropolitan Transportation Authority**

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 Proposition A Local Return Fund, the Proposition C Local Return Fund, the Measure R Local Return Fund, the Measure M Local Return Fund and the Transportation Development Act Article 3 Fund (collectively, the Funds) of the City of Agoura Hills, California (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated December 16, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the Funds' financial statements, we considered the City's internal control over the Funds' 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 Funds' financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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 may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's Proposition A Local Return Fund, Proposition C Local Return Fund, Measure R Local Return Fund, Measure M Local Return Fund and Transportation Development Act Article 3 Fund 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 the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Vasquez & Company LLP". The signature is written in a cursive, flowing style.

**Glendale, California
December 16, 2021**

COMPLIANCE SECTION

Independent Auditor's Report on Compliance

**To the Honorable Members of the City Council of the
City of Agoura Hills, California and the
Los Angeles County Metropolitan Transportation Authority**

Report on Compliance

We have audited the City of Agoura Hills, California's (the City) compliance with the Proposition A and Proposition C Local Return Guidelines, Measure R Local Return Guidelines, Measure M Local Return Guidelines, Transportation Development Act Article 3, and the Los Angeles County Metropolitan Transportation Authority's Funding and Allocation Guidelines for Transportation Development Act Article 3 Bicycle and Pedestrian Funds (collectively, the Guidelines) for the year ended June 30, 2021.

Management's Responsibility

Management is responsible for the City's compliance with the Guidelines.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance with the Guidelines based on our audit. We conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the Guidelines. Those standards and the Guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the Proposition A Local Return Program, Proposition C Local Return Program, Measure R Local Return Program, Measure M Local Return Program and Transportation Development Act Article 3 Program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the Guidelines. However, our audit does not provide a legal determination of the City's compliance with the Guidelines.

Opinion

In our opinion, the City of Agoura Hills, California complied, in all material respects, with the compliance requirements of the Guidelines for the year ended June 30, 2021.



Other Matters

The results of our auditing procedures disclosed instances of noncompliance with the requirements, which are described in the accompanying Schedule of Findings and Questioned Costs as Findings #2021-001 through #2021-002. Our opinion is not modified with respect to these matters.

The City's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with the requirements, such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with the requirements that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guidelines. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Vaqueria & Company LLP".

**Glendale, California
December 16, 2021**

**City of Agoura Hills
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
A. Proposition A and Proposition C Local Return Funds					
1. Uses the State Controller's Uniform System of Accounts and Records or has established a separate Proposition A and Proposition C Local Transit Assistance Account for Local Return purposes.	X				
2. Revenues received including allocations, project generated revenues and interest income was properly credited to the Proposition A and/or Proposition C Local Return Account.	X				
3. Funds were expended with Metro's approval and were not substituted for property tax.	X				
4. Timely use of funds.	X				
5. Administrative expenses are within the 20% cap.	X				
6. Expenditures that exceeded 25% of approved project budget have approved amended Project Description Form (Form A) or electronic equivalent.		X			See Finding #2021-001
7. Annual Project Update Report (Form B) or electronic equivalent was submitted on time.	X				
8. Annual Expenditure Report (Form C) or electronic equivalent was submitted on time.	X				
9. Pavement Management System (PMS) is in place and being used for Street Maintenance or Improvement Projects Expenditures.	X				
10. Local Return Account is credited for reimbursable expenditures.			X		
11. Where Proposition A funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X		
12. Self-Certification was completed and submitted for Intelligent Transportation Systems projects and elements.			X		

See independent auditor's report on compliance.

**City of Agoura Hills
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
A. Proposition A and Proposition C Local Return Funds					
13. A separate account was established for Capital reserve funds, Capital reserve was approved by Metro and current status is reported in the Annual Project Update (Form B) or electronic equivalent.			X		
14. Recreational transit form was submitted on time.	X				
15. Fund exchanges (trades, loans, or gifts) were approved by Metro.			X		
16. Proposition C Local Return Funds were used to augment, not supplant existing local revenues being used for road improvement purposes.	X				
17. All on-going and carryover projects were reported on Form B or electronic equivalent.	X				
18. Cash or cash equivalents are maintained.	X				
19. Accounting procedures, record keeping, and documentation are adequate.	X				

See independent auditor's report on compliance.

**City of Agoura Hills
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
B. Measure R Local Return Fund					
1. Funds were expended for transportation purposes.	X				
2. Separate Measure R Local Return Account was established.	X				
3. Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure R Local Return Account.	X				
4. Funds were expended with Metro's approval.		X			See Finding #2021-002
5. Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X				
6. Timely use of funds.	X				
7. Administrative expenses are within the 20% cap.	X				
8. Expenditure Plan (Form One or electronic equivalent) was submitted timely.	X				
9. Annual Expenditure Report (Form Two or electronic equivalent) was submitted timely.	X				
10. Where funds expended were reimbursable by other grants or fund sources, the reimbursement was credited to the Local Return Account upon receipt of the reimbursement.			X		
11. Where Measure R funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X		
12. A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X		
13. Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X				

See independent auditor's report on compliance.

**City of Agoura Hills
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
B. Measure R Local Return Fund					
14. Recreational transit form was submitted on time.	X				
15. Fund exchanges (trades, loans, or gifts) were approved by Metro.			X		
16. Accounting procedures, record keeping, and documentation are adequate.	X				

See independent auditor's report on compliance.

**City of Agoura Hills
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
C. Measure M Local Return Fund					
1. Funds were expended for transportation purposes.	X				
2. Separate Measure M Local Return Account was established.	X				
3. Revenues received including allocations, project generated revenues and interest income was properly credited to the Measure M Local Return Account.	X				
4. Funds were expended with Metro's approval.	X				
5. Funds were not substituted for property tax and are in compliance with the Maintenance of Effort.	X				
6. Timely use of funds.	X				
7. Administrative expenses are within the 20% cap.	X				
8. Expenditure Plan (Form M-One or electronic equivalent) was submitted timely.	X				
9. Expenditure Report (Form M-Two or electronic equivalent) was submitted timely.	X				
10. Where funds expended were reimbursable by other grants or fund sources, the reimbursement was credited to the Local Return Account upon receipt of the reimbursement.			X		
11. Where Measure M funds were given, loaned or exchanged by one jurisdiction to another, the receiving jurisdiction has credited its Local Return Account with the funds received.			X		
12. A separate account was established for Capital reserve funds and Capital reserve was approved by Metro.			X		
13. Funds were used to augment, not supplant existing local revenues being used for transportation purposes unless there is a fund shortfall.	X				

See independent auditor's report on compliance.

**City of Agoura Hills
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
C. Measure M Local Return Fund					
14. Recreational transit form was submitted on time.			X		
15. Fund exchanges (trades, loans, or gifts) were approved by Metro.			X		
16. Accounting procedures, record keeping, and documentation are adequate.	X				

See independent auditor's report on compliance.

**City of Agoura Hills
Compliance Matrix
Year ended June 30, 2021**

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
D. Transportation Development Act Article 3 Fund					
1. Timely use of funds.	X				
2. Expenditures were incurred for activities relating to pedestrian and bicycle facilities and amenities.	X				

See independent auditor's report on compliance.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

City of Agoura Hills
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

PALRF and PCLRF: Finding #2021-001

Compliance Reference	Section I(C) Project Description Form (Form A) of the Proposition A and C Local Return Guidelines states that, "Jurisdictions shall submit for approval a Project Description Form (Form A) prior to the expenditure of funds for: 1) a new project; 2) a new route; 3) a 25 percent change (increase or decrease) in route or revenue vehicle miles for an established LR funded transit service; 4) a 0.75 miles or greater service change that duplicates/overlays an existing transit service; or 5) a 25 percent or greater change in an approved LR project budget or scope on all operating or capital LR projects."
Condition	<p>The City exceeded Metro's approved budget by more than 25 percent prior to obtaining approval through a revised Form A or a Budget Request for the following projects:</p> <ul style="list-style-type: none"> a. PALRF's Project Code 107, Dial-A-Ride. Amount in excess of 25 percent of the approved budget was \$6,804; and b. PCLRF's Project Code 303, Traffic Signal Sync Maintenance project. Amount in excess of 25 percent of the approved budget was \$8,750. <p>Projects with greater than 25 percent change from the approved project budget should be amended by submitting a Project Description Form (Form A) or a Budget Request.</p> <p>The City submitted the Budget Requests through LRMS and obtained a retroactive approval of the project from Metro Program Manager.</p>
Cause	Revision to the budget for Dial-A-Ride as a result of unanticipated increase ridership in connection with the unknown fluctuations associated with the pandemic. Revision to the Traffic Signal Sync Maintenance project was the result of additional required work performed.
Effect	The City's PALRF and PCLRF project expenditures exceeded 25 percent of the approved project budgets prior to Metro's approval which resulted in the City's noncompliance with the Guidelines.
Recommendation	We recommend that the City submit revised Form A's or submit Budget Requests to obtain Metro's approval for the change in project budgets and implement internal controls to ensure compliance with this requirement at all times.

City of Agoura Hills
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

PALRF and PCLRF: Finding #2021-001 (Continued)

Management's Response	The City concurs with the finding and will establish procedures to ensure that any projects exceeding the 25 percent threshold are identified and updated Project Description Form (Form A) or Budget Request is submitted to Metro for approval prior to the expenditure of funds.
Findings Resolved During the Audit	Metro Program Manager granted retroactive approval of the said projects on December 10, 2021 and December 13, 2021. No additional follow up is required.

City of Agoura Hills
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

MRLRF: Finding #2021-002

Compliance Reference	<p>Section B (II) Expenditure Plan (Form One) of Measure R Local Return Program Guideline states that, "To maintain legal eligibility and meet Measure R LR program compliance requirements, Jurisdiction shall submit to Metro an Expenditure Plan (Form One), annually, by August 1st of each year.</p> <p>Expenditure Plan (Form One) provides a listing of projects funded with Measure R LR funds along with estimated expenditures for the year. For both operating and capital projects, Part I is to be filled out. For capital projects (projects over \$250,000), Part II is required. Pursuant to AB2321, Metro will provide LR funds to a capital project or program sponsor who submits the required expenditure plan.</p>
Condition	<p>The City claimed expenditures for MRLRF Project 705, Sidewalk Repairs, amounting to \$4,063 prior to approval from Metro.</p> <p>Although we found the expenditures to be eligible for Local Return funding, the project had no prior approval from Metro.</p>
Cause	<p>Due to unanticipated work related to the Sidewalk Repairs project.</p>
Effect	<p>The City claimed expenditures totaling \$4,063 prior to approval from Metro. Lack of prior approvals results in noncompliance.</p>
Recommendation	<p>We recommend the City establish procedures and implement internal controls to ensure that approval is obtained from Metro prior to spending on any local return-funded projects.</p>
Management's Response	<p>The City concurs with the finding that a budget request should have been submitted to Metro for approval.</p> <p>The City continues to reevaluate the processes that are in place to ensure budgets are submitted for all projects to Metro timely.</p>
Findings Resolved During the Audit	<p>Metro Program Manager granted a retroactive approval of said projects on November 23, 2021. No additional follow up is required.</p>

EXIT CONFERENCE

An exit conference was held on December 16, 2021 with the City of Agoura Hills representatives. Those in attendance were:

Vasquez and Company LLP representatives:
 Marialyn Salvador – Audit Senior Manager
 Brandon De Castro – Senior Auditor (BCA Watson Rice LLP)

City of Agoura Hills representatives:
 Louis Celaya – Deputy City Manager
 Christy Pinuelas – Director of Finance
 Melinda Brodsly – Finance Manager

Matters discussed:

Results of the audit disclosed issues of noncompliance with the Guidelines.

A copy of this report was forwarded to the following City of Agoura Hills representatives for comments prior to the issuance of the final report:

 Louis Celaya – Deputy City Manager
 Christy Pinuelas – Director of Finance
 Melinda Brodsly – Finance Manager



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Vasquez & Company LLP has over 50 years of experience in performing audit, accounting & consulting services for all types of nonprofit organizations, for-profit companies, governmental entities and publicly traded companies. Vasquez is a member of the RSM US Alliance. RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International. Visit [rsmus.com/about us](http://rsmus.com/about-us) for more information regarding RSM US LLP and RSM International. The RSM™ logo is used under license by RSM US LLP. RSM US Alliance products and services are proprietary to RSM US LLP.