



Financial Statement
June 30, 2023

**Santa Barbara Community
College District**
Parking Fees Program

Santa Barbara Community College District
Parking Fees Program
Table of Contents
June 30, 2023

Independent Auditor’s Report	1
Statement of Revenues and Expenditures	4
Notes to Financial Statement.....	5



Independent Auditor's Report

Board of Trustees
Santa Barbara Community College District
Santa Barbara, California

Report on the Audit of the Financial Statement

Opinion

We have audited the financial statement of the Parking Fees Program, a program of the Santa Barbara Community College District (the District), as of and for the year ended June 30, 2023, which include the statement of revenues and expenses and the related notes to the financial statement, as listed in the table of contents.

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the results of the activities of the Parking Fees Program of the Santa Barbara Community College District as of June 30, 2023, and the changes in its revenues and expenditures for the year then ended in accordance with the revenues and expenditures basis of accounting as described in Note 1 to the financial statement.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Parking Fees Program of the Santa Barbara Community College District 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 opinion.

Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting used in the financial statement. The financial statement is prepared on the revenues and expenditures basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of Matters

As discussed in Note 1, the financial statement of the Santa Barbara Community College District's Parking Fees Program is intended to present the revenues and expenditures of that Fund. It does not purport to, and does not, present fairly the financial position of Santa Barbara Community College District as of June 30, 2023, and the changes in financial position for the 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the revenues and expense basis of accounting described in Note 1 to the financial statement; this includes determining that the revenues and expenditures basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 GAAS 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 GAAS, 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 statement.
- 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 District'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 District'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.

Eide Bailly LLP

Rancho Cucamonga, California
December 7, 2023

Santa Barbara Community College District

Parking Fees Program

Statement of Revenues and Expenditures

For the Year Ended June 30, 2023

	<u>Other Parking Lots</u>	<u>La Playa Parking Lots</u>	<u>Total All Parking Lots</u>
Revenues			
Parking fees	\$ 239,311	\$ 63,016	\$ 302,327
Parking fines	157,379	41,444	198,823
Total revenues	<u>396,690</u>	<u>104,460</u>	<u>501,150</u>
Expenditures			
Operations and maintenance			
Salaries	349,597	120,435	470,032
Benefits	97,092	33,451	130,543
Supplies	7,824	2,699	10,523
Consultants	297	103	400
Repairs and maintenance	1,782	612	2,394
Keys and locks	33,194	11,437	44,631
Other contracts	23,390	8,060	31,450
Court fees	42,958	14,798	57,756
Total expenditures	<u>556,134</u>	<u>191,595</u>	<u>747,729</u>
Other Expenditures			
Capital outlay	4,476	1,542	6,018
Excess of Revenues Under Expenditures	<u>\$ (163,920)</u>	<u>\$ (88,677)</u>	<u>\$ (252,597)</u>

Note 1 - Summary of Significant Accounting Policies

The accounting policies of Santa Barbara Community College District's (the District) Parking Fees Program conforms to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA). The District Parking Fees Program accounts for the financial transactions in accordance with the policies and procedures of the California Community Colleges *Budget and Accounting Manual*.

Financial Reporting Entity

The audited statement includes only the activity of the Parking Fees Program of the District. This program was established to account for the receipt of parking fees and fines associated with parking facilities as defined in the joint use agreement with the City of Santa Barbara. This statement is not intended to present fairly the financial position and the results of operations of the District in compliance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The accompanying statement has been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The accompanying statement includes only the Parking Fees Program revenues and expenditures. The Parking Fees Program is not a separate fund of the District and is integrated within the District's General Fund. Therefore, no balance sheet is presented in this report, as the Parking Fees Program does not have a self-balancing set of assets, liabilities, and net assets.

Basis of Accounting

The Parking Fees Program's financial statement has been prepared using the revenues and expenditures basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either revenues or expenditures, and noncash transactions are not recognized. The revenues and expenditures basis differs from generally accepted accounting principles primarily because the effects of outstanding amounts due or receivable at the date of the financial statement are not included in the financial statement.

Note 2 - Parking Fees Program Agreement

The District has a joint use agreement (the Agreement) with the City of Santa Barbara for the use and maintenance of City-owned La Playa and Leadbetter Beach Parking Lots. The District maintains, operates, and controls the parking lots at least to the level currently maintained by the City. The District is entitled to 100% of revenue generated from parking permit sales. An accounting for La Playa Parking Lots' revenues and expenditures are made by the District to the City annually.

Note 3 - Proportion of Revenues and Expenditures Attributed to La Playa Parking Lots

The revenues and expenditures were proportioned to La Playa Parking Lots using the calculations shown in the Agreement as follows:

<u>Total Parking Revenues</u>	<u>Total Spaces Including Leadbetter Beach Parking</u>	<u>Per Space</u>
\$ 501,150	2,466	<u>\$ 203.22</u>
<u>Total Operations and Maintenance Expense</u>	<u>Total Spaces Excluding Leadbetter Beach Parking</u>	
\$ 747,729	2,006	<u>\$ 372.75</u>
<u>Other Expenditures</u>	<u>Total Spaces Excluding Leadbetter Beach Parking</u>	
\$ (6,018)	2,006	<u>\$ (3.00)</u>
<u>La Playa Spaces</u>	<u>Revenues Per Space</u>	
514	\$ 203.22	\$ 104,457
<u>La Playa Spaces</u>	<u>Operations and Maintenance Expenditure Per Space</u>	
514	\$ 372.75	191,592
<u>La Playa Spaces</u>	<u>Other Expenditures</u>	
514	\$ (3.00)	<u>(1,542)</u>
Excess of Revenues Under Expenditures		<u>\$ (88,677)</u>

Note 4 - Loans to Parking Fees Program

During the period of the Agreement, loans from the District’s Construction Fund for maintenance and improvements were as follows:

1985-1986 and 1986-1987	\$	307,840
1987-1988		231
1988-1989		42,185
1989-1990		27,127
1990-1991		338,195
1991-1992		22,060
1993-1994		6,142,806
2014-2015		<u>1,770</u>
Subtotal all loans for maintenance and improvements		6,882,214
Less repayments		<u>2,953,533</u>
Balance due at June 30, 2023	\$	<u><u>3,928,681</u></u>

The District is responsible for the ongoing maintenance and improvements of the parking facilities. Such expenses are incurred by the District’s Construction Fund with repayments made from an excess of revenues over expenditures within the Parking Fees Program. There is no set repayment schedule or due date currently in place.