INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS, THE TRANSPORTATION DEVELOPMENT ACT, AND
OTHER STATE PROGRAM GUIDELINES

To the Board of Directors
of the Gold Coast Transit District
Oxnard, California

We have audited, 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, the basic financial statements of the Gold Coast Transit District (the District),
as of and for the fiscal year ended June 30, 2019, and the related notes to the basic
financial statements, which collectively comprise the District’s basic financial
statements, and have issued our report thereon dated November 27, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered
the District’s internal control over financial reporting (internal control) to determine the
auditing procedures that are appropriate in the circumstances for the purpose of
expressing our opinion on the basic financial statements, but not for the purpose of
expressing an opinion on the effectiveness of the District’s internal control.
Accordingly, we do not express an opinion on the effectiveness of the District’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 basic 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 over financial reporting 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 financial reporting 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 (including State Grant Programs)

As part of obtaining reasonable assurance about whether the District’s basic financial statements are free of 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 determination of basic financial statement amounts. Our audit was further made to determine that Transportation Development Act (TDA) funds allocated to and received by the District were expended in conformance with the applicable statutes, rules, and regulations of the TDA and Section 6667 of the California Code of Regulations. We also tested the receipt and appropriate expenditure of other state grant funds, as presented in Notes 14 and 15 to the basic financial statements, in accordance with State grant program statutes and guidelines. 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 State grant program requirements.

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 District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards, the TDA, and State grant programs in considering the District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Bakersfield, California
November 27, 2019