CITY OF CHULA VISTA
2016 MEASURE P SALES TAX FUND

Report on Compliance with the Infrastructure, Facilities and Equipment Expenditure Plan

June 30, 2025

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RAMS
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Chula Vista, California

Report on Compliance

Opinion on the 2016 Measure P Sales Tax Fund

We have audited the City of Chula Vista's (the City) 2016 Measure P Sales Tax Fund of the City of Chula Vista, California compliance with the types of compliance requirements described in Ordinance No. 3371 (the Ordinance) and the Infrastructure, Facilities and Equipment Expenditure Plan (the Spending Plan) for the year ending June 30, 2025.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the 2016 Measure P Sales Tax Fund for the year ended June 30, 2025.

Basis for Opinion on the 2016 Measure P Sales Tax Fund

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the requirements described in the Ordinance and the Spending Plan. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the Ordinance and the Spending Plan. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Ordinance and the Spending Plan.

Other Matter

The schedules present only the Measure P Sales Tax Fund and do not purport to, and do not present fairly the financial position of the City of Chula Vista, California, as of June 30, 2025, the changes in its financial position, or where applicable, its cash flows 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.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, the Ordinance, and the Spending Plan will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the Ordinance and the Spending Plan as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Ordinance and the Spending Plan, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Ordinance and the Spending Plan, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 with a type of compliance requirement 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, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement will not be prevented, or detected and corrected, on a timely basis. A s*ignificant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement 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 Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 described in the Ordinance and the Spending Plan. Accordingly, this report is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 22, 2025

CITY OF CHULA VISTA

2016 MEASURE P SALES TAX FUND
Balance Sheet Schedule

June 30, 2025

ASSETS:		
Pooled cash and investments	$	38,552,532
Interest receivable		173,996
Accounts receivable		105,686
Prepaid expenses		170,238
Due from other funds		4,955,639
Total Assets	$	43,958,091
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE:		
Liabilities:		
Accounts payable	$	1,452,135
Retention payable		344,044
Total Liabilities		1,796,179
Fund Balance:		
Nonspendable - prepaid expenses		170,238
Assigned for Measure P Sales Tax		41,991,674
Total Fund Balance		42,161,912
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$	43,958,091

CITY OF CHULA VISTA

2016 MEASURE P SALES TAX FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2025

REVENUES:	
Local sales and use tax	$ 29,405,840
Use of money and property	1,991,628
Miscellaneous	156,067
Total Revenues	31,553,535
EXPENDITURES:	
Contracted services	146,872
Equipment and shared infrastructure costs	886,147
Capital outlay	14,617,502
Debt service:	
Principal	1,088,935
Interest and fiscal charges	54,946
Total Expenditures	16,794,402
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,759,133
OTHER FINANCING SOURCES (USES):	
Transfers Out	(7,518,139)
Proceeds from subscriptions	5,546
Total Other Financing Sources (Uses)	(7,512,593)
Change in Fund Balance	7,246,540
FUND BALANCE:	
Beginning	34,915,372
Ending	$ 42,161,912