

Jaime Boscarino
Director

To: Andrew P. Powers, City Manager
From: Jaime Boscarino, Finance Director
Date: December 24, 2025
Subject: Conejo Open Space Conservation Agency Annual Financial Report – Fiscal Year 2024-25

Enclosed is a copy of the Conejo Open Space Conservation Agency (COSCA) Annual Financial Report for the Fiscal Year ended June 30, 2025. COSCA is a Joint Powers Authority between the City and Conejo Recreation and Park District created in 1977. Expenditures are shared equally between the City and District. The City is responsible for fiscal management of COSCA activities.

Rogers, Anderson, Malody & Scott, LLP, the City's external auditors, provided an Independent Auditors' Report stating that the financial statements present fairly, in all material respects, the financial position of COSCA.

Please refer to Management's Discussion and Analysis and Notes to Basic Financial Statements, as shown on pages 4-8 and pages 14-18, respectively, for a comprehensive overview of COSCA's position.

Copies of the report have also been included for each member of City Council. The report will be presented to the COSCA Board at the February 18, 2026, Board meeting. I would be pleased to meet with you, or individual City Councilmembers interested in a more in-depth discussion of the report.



Jaime Boscarino
Finance Director

c: Jim Friedl, CRPD, General Manager
Melissa Smith, CRPD, Director, Management Services
Brian Stark, COSCA Administrator

Attachment



**CONEJO OPEN SPACE
CONSERVATION AGENCY**

**ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2025**

**CONEJO OPEN SPACE CONSERVATION AGENCY
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2025**

TABLE OF CONTENTS

	Page
FINANCIAL SECTION	
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis (Required Supplemental Information).....	4-8
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	9
Statement of Activities	10
Governmental Fund Financial Statements	
Balance Sheet and Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	11
Statement of Revenues, Expenditures, and Changes in Fund Balances	
Governmental Funds and Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	13
Notes to Basic Financial Statements	14-18
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	19-20

Independent Auditor's Report

The Honorable Chair and Members of the Governing Board
Conejo Open Space Conservation Agency
Thousand Oaks, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and General Fund of the Conejo Open Space Conservation Agency (the Agency), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Agency, as of June 30, 2025, and the respective changes in financial position and the respective changes in financial position and the budgetary comparison information for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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 opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 statements.
- 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 Agency'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 Agency'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the 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 23, 2025 on our consideration of the Agency's internal control over 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 financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 23, 2025

CONEJO OPEN SPACE CONSERVATION AGENCY MANAGEMENT'S DISCUSSION AND ANALYSIS

In 1977, the City of Thousand Oaks (City) entered into a Joint Powers Agreement with the Conejo Recreation and Park District (District) to form the Conejo Open Space Conservation Agency (COSCA). COSCA was formed to assist both the City and the District in the conservation of open space in and around the City by acquiring and maintaining open space acreage.

COSCA is governed by a five-member board consisting of two City Council members, two District Board members, and one private citizen of the City. Expenditures for COSCA are generally shared equally between the City and the District. The City is responsible for the fiscal management of COSCA activities. The City and District hold an equity interest in COSCA of fifty percent each, which is reflected in their respective annual financial reports.

FINANCIAL HIGHLIGHTS

COSCA assets exceeded liabilities at the end of fiscal year 2024-25 by \$120.6 million. Of this amount, \$110.2 million represents net investment in capital assets, while the remaining \$10.5 million in restricted net position may be used to meet COSCA's ongoing obligation to acquire and maintain open space acreage.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to COSCA's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of COSCA's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all COSCA's assets and liabilities, with the difference between the two reported as net position. Over time, changes in net position may indicate whether the financial position of COSCA is improving or deteriorating.

The statement of activities presents information showing how COSCA's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, all current fiscal year's revenues and expenses are taken into account regardless of when cash is received or disbursed.

The government-wide financial statements can be found on pages 9-10 of this report.

CONEJO OPEN SPACE CONSERVATION AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Fund Financial Statements

The fund financial statements consist of COSCA's governmental funds. These governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating COSCA's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison helps readers better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 11-13 of this report.

Notes to Basic Financial Statements

The notes to basic financial statements provide additional information essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 14-17 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of an agency's financial position. COSCA's assets exceeded liabilities by \$120.6 million.

COSCA's capital assets mainly consist of \$109.4 million in open space land. Current assets of \$10.5 million consist primarily of cash and investments held for future open space acquisitions and preservation.

CONEJO OPEN SPACE CONSERVATION AGENCY
MANAGEMENT’S DISCUSSION AND ANALYSIS
(Continued)

SUMMARY STATEMENT OF NET POSTION
June 30, 2025 and 2024

	2025	2024
Current assets	\$ 10,540,292	\$ 10,385,174
Capital assets	110,160,976	109,100,514
Total assets	<u>120,701,268</u>	<u>119,485,688</u>
Current liabilities	73,191	33,900
Total liabilities	<u>73,191</u>	<u>33,900</u>
Net position:		
Net investment in capital assets	110,160,976	109,100,514
Restricted	10,467,101	10,351,274
Total net position	<u>\$ 120,628,077</u>	<u>\$ 119,451,788</u>

Liquidity

The nature of COSCA business operations involve minimal cash transactions, as the City and the District incur and fund the majority of COSCA’s annual operating expenses. Consequently, COSCA’s liquidity position typically remains consistent with minimum liabilities.

Statement of Activities

The statement of activities shows how COSCA’s net position changed during fiscal year 2024-25. COSCA’s net position increased \$1.2 million from prior fiscal year.

Program revenues decreased \$20.4 million from the prior fiscal year due to decreases in capital grants and contributions for land.

Program expenses are primarily for the preservation of existing open space and are offset by contributions of equal funding and services by the City and the District. Expenses increased \$0.2 million due to overall increases in open space maintenance and restoration.

CONEJO OPEN SPACE CONSERVATION AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

SUMMARY STATEMENT OF ACTIVITIES
Year ended June 30, 2025 and 2024

	2025	2024
Program revenues	\$ 3,724,931	\$ 24,104,629
General revenues	267,508	224,900
Total revenues	3,992,439	24,329,529
Program expenses	2,816,150	2,680,982
Change in net position	1,176,289	21,648,547
Net position - beginning, as restated (Note 7)	119,451,788	97,803,241
Net position - ending	\$ 120,628,077	\$ 119,451,788

GOVERNMENTAL FUND FINANCIAL ANALYSIS

As noted earlier, COSCA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund

At the close of fiscal year 2024-25, COSCA reported a fund balance of \$10.5 million, which is comparable to prior fiscal year's balance of \$10.4 million. Revenues remained at \$2.8 million, while expenditures increased \$0.1 million due to overall increases in open space maintenance and restoration.

SUMMARY STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year ended June 30, 2025 and 2024

	2025	2024
Revenues	\$ 2,831,626	\$ 2,763,462
Expenditures	2,715,799	2,580,632
Operating surplus/(deficit)	115,827	182,830
Fund balance - beginning	10,351,274	10,168,444
Fund balance - ending	\$ 10,467,101	\$ 10,351,274

CONEJO OPEN SPACE CONSERVATION AGENCY
MANAGEMENT’S DISCUSSION AND ANALYSIS
(Continued)

Capital Assets

Capital assets increased \$1.1 million primarily due to increases in capital grants and contributions for land of \$1.1 million. COSCA’s capital assets on June 30, 2025, and 2024 are comprised of the following:

Capital Assets
(Net of accumulated depreciation)

	<u>2025</u>	<u>2024</u>
Land	\$ 109,365,501	\$ 108,270,117
Intangibles	5,000	5,000
Improvements and equipment, net	790,475	825,397
Total, net	<u>\$ 110,160,976</u>	<u>\$ 109,100,514</u>

Budgetary Highlights

The budget to actual report can be found on page 13. Historically, COSCA’s Board of Directors has opted not to budget revenues. Final budget and actual expenditures are comparable at \$2.7 million.

REQUESTS FOR INFORMATION

This financial report provides a general overview of COSCA finances. Questions concerning information provided in this report, or requests for additional financial information, may be addressed to the Finance Director, City of Thousand Oaks, 2100 Thousand Oaks Boulevard, Thousand Oaks, California 91362, or email Finance@toaks.gov.

CONEJO OPEN SPACE CONSERVATION AGENCY
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets:	
Current assets:	
Cash and investments (Note 3)	\$ 10,481,211
Interest and accounts receivable	59,081
Total current assets	<u>10,540,292</u>
Non-current assets:	
Capital assets (Note 4):	
Land	109,365,501
Intangibles	5,000
Improvements and equipment	1,514,654
Accumulated depreciation	<u>(724,179)</u>
Total non-current assets	<u>110,160,976</u>
Total assets	<u>120,701,268</u>
 Current liabilities:	
Accounts payable	<u>73,191</u>
Total current liabilities	<u>73,191</u>
 Net position:	
Net investment in capital assets	110,160,976
Restricted	<u>10,467,101</u>
Total net position	<u>\$ 120,628,077</u>

See accompanying notes to basic financial statements.

CONEJO OPEN SPACE CONSERVATION AGENCY
Statement of Activities
Fiscal Year ended June 30, 2025

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Changes in Net Position
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	
Governmental Activities:					
Culture and leisure	\$ 2,816,150	\$ 54,434	\$ 2,509,684	\$ 1,160,813	\$ 908,781

General revenues:

Interest on investments	<u>267,508</u>
Total general revenues	<u>267,508</u>
Changes in net position	<u>1,176,289</u>
Net position - beginning, as previously reported	<u>119,100,130</u>
Restatement for correction of error (Note 7)	<u>351,658</u>
Net position - beginning, as restated	<u>119,451,788</u>
Net position - ending	<u>\$ 120,628,077</u>

See accompanying notes to basic financial statements.

CONEJO OPEN SPACE CONSERVATION AGENCY
Balance Sheet
June 30, 2025

	<u>General Fund</u>
<u>Assets</u>	
Cash and investments (Note 3)	\$ 10,481,211
Interest and accounts receivable	59,081
Total assets	<u><u>\$ 10,540,292</u></u>
<u>Liabilities and Fund Balances</u>	
Liabilities:	
Accounts payable	\$ 73,191
Total liabilities	<u>73,191</u>
Fund balances:	
Restricted (Note 5)	10,467,101
Total fund balances	<u>10,467,101</u>
 Total liabilities and fund balances	 <u><u>\$ 10,540,292</u></u>

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position**

Amounts reported for governmental activities in the statement of net position
(page 9) are different because:

Total fund balances - total governmental funds, as above	\$ 10,467,101
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>110,160,976</u>
Net position of governmental activities (page 9)	<u><u>\$ 120,628,077</u></u>

See accompanying notes to basic financial statements.

CONEJO OPEN SPACE CONSERVATION AGENCY
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Fiscal Year Ended June 30, 2025

	<u>General Fund</u>
<u>Revenues</u>	
Contributions and donations	\$ 2,509,685
Rental income	54,244
Other income	190
Investment earnings	267,507
Total revenues	<u>2,831,626</u>
<u>Expenditures</u>	
Current:	
Culture and recreation	<u>2,715,799</u>
Total expenditures	<u>2,715,799</u>
Net change in fund balances	115,827
Fund balance - beginning	<u>10,351,274</u>
Fund balance - ending	<u>\$ 10,467,101</u>

**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities**

Amounts reported for governmental activities in the statement of activities (page 10) are different because:

Net change in fund balance, total governmental funds, as above	\$ 115,827
Capital assets received as donations and contributions are not current financial resources and, therefore, are not reported in governmental funds.	1,160,813
Governmental funds report capital outlays as expenditures. However, in the statement of activities certain cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	<u>(100,351)</u>
Change in net position of governmental activities (page 10)	<u>\$ 1,176,289</u>

See accompanying notes to basic financial statements.

CONEJO OPEN SPACE CONSERVATION AGENCY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year ended June 30, 2025

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Contributions, donations and other revenue	\$ -	\$ -	\$ 2,509,875	\$ 2,509,875
Rental income	-	-	54,244	54,244
Investment earnings	-	-	267,507	267,507
Total Revenues	<u>-</u>	<u>-</u>	<u>2,831,626</u>	<u>2,831,626</u>
Expenditures:				
Current:				
Culture and recreation	<u>2,611,132</u>	<u>2,696,322</u>	<u>2,715,799</u>	<u>(19,477)</u>
Total expenditures	<u>2,611,132</u>	<u>2,696,322</u>	<u>2,715,799</u>	<u>(19,477)</u>
Net change in fund balance	(2,611,132)	(2,696,322)	115,827	2,812,149
Fund balance - beginning	<u>10,351,274</u>	<u>10,351,274</u>	<u>10,351,274</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,740,142</u>	<u>\$ 7,654,952</u>	<u>\$ 10,467,101</u>	<u>\$ 2,812,149</u>

See accompanying notes to basic financial statements.

CONEJO OPEN SPACE CONSERVATION AGENCY

Notes to Basic Financial Statements

June 30, 2025

(1) Summary of Significant Accounting Policies

(a) Description of Reporting Entity

In 1977, the City of Thousand Oaks, California (City) entered into a Joint Powers Agreement with the Conejo Recreation and Park District (District) to form the Conejo Open Space Conservation Agency (COSCA). COSCA is governed by a five-member board consisting of two City Council members, two District members, and one private citizen from the City. Expenditures of COSCA are generally shared equally between the City and the District. While the City is responsible for the fiscal management of COSCA activities, it does not have primary oversight responsibility for COSCA, which is disclosed as a jointly governed organization in Note 10(a) of the City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025.

(b) Government-wide Financial Statements

COSCA's government-wide financial statements include a statement of net position and a statement of activities. These statements present a summary of COSCA's governmental activities.

The government-wide financial statements are reported using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, COSCA's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the underlying liabilities are incurred. The types of transactions reported as program revenues for COSCA include charges for services, operating grants, and capital grants and contributions.

In accordance with Governmental Standards Accounting Board Statement No. 34 (GASB 34), a reconciliation of the difference between the fund financial statements and the government-wide financial statements is provided.

(c) Governmental Fund Financial Statements

In accordance with GASB 34, COSCA's governmental fund financial statements include a balance sheet and statement of revenues, expenditures, and changes in fund balances.

The accompanying governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. COSCA's only governmental fund is the General Fund. Revenues are recognized when received, or within 60 days after year-end, unless susceptible to accrual, i.e., measurable and available to finance COSCA's operations. Funds received to support specific future expenditures, such as trail maintenance or capital improvements, if any, are classified as

CONEJO OPEN SPACE CONSERVATION AGENCY

Notes to Basic Financial Statements

(Continued)

June 30, 2025

unearned revenue and are recognized when the underlying expenditure is recorded. Expenditures are generally recorded when the related liability is incurred.

(d) Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the date of the financial statements. Additionally, they impact the reported amount of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

(e) Capital Assets

Capital assets are reported in the government-wide financial statements and include land, buildings and improvements, equipment, intangibles, and construction in progress, as applicable. COSCA has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at acquisition value at the date of donation.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and Improvements - 20 to 50 years
Equipment - 3 to 15 years
Intangibles - 2 to 50 years
Infrastructure - 10 to 50 years

(f) Fund Balance Reporting

The accounting policies of the City consider that the restricted fund balance be spent first when expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

In all cases, encumbrance amounts have been assigned for specific purposes for which resources have already been allocated.

CONEJO OPEN SPACE CONSERVATION AGENCY

Notes to Basic Financial Statements

(Continued)

June 30, 2025

(2) Stewardship, Compliance, and Accountability

General Budget Policies

COSCA Board does not formally adopt an annual budget. Instead, the City and District formally adopt budgets for their share of COSCA costs, although historically, revenues have not been budgeted. The City and District approve their own appropriations and any amendments to appropriations throughout the fiscal year. Budget data presented in the financial statements include final adjusted amounts, which include amendments to the budget during the fiscal year.

Formal budgetary integration is used as a management control tool. During the fiscal year, commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to reserve the corresponding portion of the applicable appropriation.

(3) Cash and Investments

COSCA's cash and investments are pooled with those of the City and are reported separately at fair value. As of June 30, 2025, COSCA's cash and investments total \$10.5 million. The instruments in the underlying cash and investment pool primarily consist of demand deposits, money market funds, certificates of deposits, U.S. government-sponsored agency securities, U.S. Treasury securities, CalTrust, CAMP, and the California Local Agency Investment Fund (LAIF).

For further detail regarding the City's pooled cash and investments, including information on custodial risk, concentration of credit risk, and interest rate risk, please refer to the City's Annual Comprehensive Financial Report for the year ended June 30, 2025.

CONEJO OPEN SPACE CONSERVATION AGENCY

Notes to Basic Financial Statements

(Continued)

June 30, 2025

(4) Changes in Capital Assets

Capital assets activity for the fiscal year ended June 30, 2025, is as follows:

	Balance at June 30, 2024	Additions	Deletions	Balance at June 30, 2025
Capital assets, not being depreciated:				
Land	\$ 108,270,117	\$ 1,095,384	\$ -	\$ 109,365,501
Intangibles	5,000	-	-	5,000
Total	<u>108,275,117</u>	<u>1,095,384</u>	<u>-</u>	<u>109,370,501</u>
Capital assets, being depreciated:				
Improvements*	<u>1,478,387</u>	<u>65,429</u>	<u>29,162</u>	<u>1,514,654</u>
Total	<u>1,478,387</u>	<u>65,429</u>	<u>29,162</u>	<u>1,514,654</u>
Less accumulated depreciation for:				
Improvements*	<u>652,990</u>	<u>100,351</u>	<u>29,162</u>	<u>724,179</u>
Total	<u>652,990</u>	<u>100,351</u>	<u>29,162</u>	<u>724,179</u>
Total, net of accumulated depreciation	<u>825,397</u>	<u>(34,922)</u>	<u>-</u>	<u>790,475</u>
Capital Assets, net	<u>\$ 109,100,514</u>	<u>\$ 1,060,462</u>	<u>\$ -</u>	<u>\$ 110,160,976</u>

*Refer to Note 7 for detail of beginning balance restatement.

Overall capital asset additions of \$1.1 million resulted from capital donations and contributions of land/easement. Depreciation expense for the fiscal year was \$100,351.

(5) Fund Balance

General Fund fund balance of \$10,467,101 as of June 30, 2025, is restricted for land and land-related maintenance. The "Restricted" fund balance reflects restrictions imposed on COSCA by the City and the District.

(6) Liability, Workers' Compensation, and Purchased Insurance

COSCA as an agency is covered under the insurance policies of the City and the District. Consequently, the limitations and self-insured retentions that apply to the City and District also apply to COSCA. Additional information regarding coverage and self-insured retentions can be obtained by contacting the City and District.

CONEJO OPEN SPACE CONSERVATION AGENCY

Notes to Basic Financial Statements

(Continued)

June 30, 2025

(7) Adjustment or Restatement of Prior Year Balances

Governmental Activities

Prior year adjustment reflected on the Statement of Activities on page 10 shows an increase of \$351,658 to the Governmental Activities beginning net position. This adjustment resulted from a correction of an error to recognize donated assets as capital assets in prior fiscal years.

	<u>Government-wide</u>
	<u>Governmental Activities</u>
6/30/2024, as previously reported	\$ 119,100,130
Restatement for correction of error	351,658
6/30/2024, as adjusted or restated	<u><u>\$ 119,451,788</u></u>

**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**

Independent Auditor's Report

To the Honorable Chair and Members of the Governing Board
Conejo Open Space Conservation Agency
City of Thousand Oaks, 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 financial statements of the governmental activities and General Fund of the Conejo Open Space Conservation Agency (the Agency) as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 23, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 23, 2025