



INYO-MONO BROADBAND CONSORTIUM (IMBC)

ANNUAL REPORT

FOR THE GRANT YEAR ENDED

JANUARY 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Eastern Sierra Council of Governments (ESCOG)
Board of Supervisors
Independence, California

Audit Opinion

We have audited the Schedule of Expenditures of the Inyo-Mono Broadband Consortium (IMBC) for the grant year ended January 31, 2025.

In our opinion, based on our audit, the Schedule of Expenditures presents fairly, in all material respects, the annual expenditures of the IMBC in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Schedule of Expenditures section of our report. We are required to be independent of the IMBC, and to meet 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 unqualified audit opinion.

Responsibilities of Management for the Schedule of Expenditures

Management is responsible for the preparation and fair presentation of the Schedule of Expenditures 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 the Schedule of Expenditures that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Schedule of Expenditures

Our objective is to obtain reasonable assurance about whether the Schedule of Expenditures 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 generally accepted auditing standards 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 Schedule of Expenditures.

In performing an audit in accordance with generally accepted auditing standards 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 Schedule of Expenditures, 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 in the Schedule of Expenditures.
- 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 IMBC's internal controls. 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 Schedule of Expenditures.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the IMBC'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.

(To Be Signed)

Walsh Financial, PC

Oakland, California

April 30, 2025

Annual Report
Inyo-Mono Broadband Consortium's
Schedule of Expenditures
For the Grant Year Ended January 31, 2025

Note # - Specific Activities			
Specific activities for Inyo-Mono Broadband Consortium for the project year ending January 31, 2025 are as follows:			
Objective Description	Description of Activities Completed During the Prior Year	How Each Activity Promotes the Deployment of Broadband Services	Cost Associated with Each Activity
Objective 1, Collaborating with the Commission and other state agencies to engage regional consortia, local officials, ISPs, stakeholders, and consumers regarding priority areas and cost-effective strategies to achieve the broadband access goal	Activity 1: Map and document agency priorities	Current and accurate list of broadband expansion priority areas	\$11,000
	Activity 2: Public engagement - priority refinement	Vetted and supported set of priority project areas	\$21,000
	Activity 3: Public outreach & communication	Updated website with list of broadband expansion priority areas	\$16,000
	Activity 4: Maintain project management system	Implemented project management system kept up to date and used for progress reports	\$5,500
	Activity 5		
Objective 2, Identifying potential CASF infrastructure projects or potential broadband deployment projects related to new programs created under SB 156 and AB 164, along with other opportunities, where ISPs can expand and improve	Activity 1: Provider coordination	Up-to-date knowledge of what providers are working on; provider awareness of IMBC priorities	\$16,000

their infrastructure and service offerings to achieve the goal of reaching 98% broadband deployment in each consortia region	Activity 2: Digital 395 coordination	Awareness of Digital 395 needs and opportunities	\$16,000
	Activity 3: Broadband Access Tool	Current and accurate list of broadband offerings & gaps	\$5,500
	Activity 4: Funding and legislative tracking	Clarity around funding opportunities	\$16,000
	Activity 5		
Objective 3, Assisting potential CASF infrastructure applicants or potential applicants for broadband deployment projects related to the new programs created under SB 156 and AB 164 in the project development or grant application process	Activity 1: Comprehensive project list	Current list of desired broadband projects	\$15,000
	Activity 2: Assist with development of project grant applications	Projects submitted for funding in each county	\$19,000
	Activity 3		
	Activity 4		
	Activity 5		
Objective 4, Conducting activities that will lead to or that can be reasonably expected to lead to CASF infrastructure projects or broadband deployment projects related to new programs created under SB 156 and AB 164, including the Federal Funding Account, Middle-Mile, Broadband Loan Loss Reserve, and Local Agency Technical Assistance.	Activity 1: Local agency coordination	Awareness around Consortium operations and progress; Consistent and modern broadband policies; Other agency support as needed	\$16,000
	Activity 2: Public asset list	List of all public assets available in each of the jurisdictions	\$11,000
	Activity 3: Agency broadband strategy	Individual agency broadband strategy	\$11,000
	Activity 4		
	Activity 5		

Objective 5, Assisting the Commission in publicizing requests for wireline testing volunteers in areas, as needed	Activity 1: Encourage local speed tests	Current & accurate network performance metrics	\$9,500
	Activity 2: Support State and Federal speed tests	On-the-ground test data submitted to State & Federal platforms	\$1,500
	Activity 3		
	Activity 4		
	Activity 5		
Objective 6, Conducting and Submitting annual audit reports, as required	Activity 1: Annual Audit	Complete Audit of Expenditures showing Consortium compliance	\$10,000
	Activity 2		
	Activity 3		
	Activity 4		
	Activity 5		
		Total	\$200,000

Note # - The number of project applications assisted.	
Project Application Assisted	Priority Area(s)
No broadband expansion grant opportunities available during this period.	0
Total number of project applications assisted	0

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background: CPUC Decision 22-05-029

The California Public Utilities Commission (AKA the Commission, or CPUC) established the California Advanced Services Fund (CASF) in Decision (D.) 07-12-054 and the Legislature subsequently codified the CASF in order to spur the deployment of broadband facilities in unserved and underserved areas of California. The CASF provides financial support in the form of grants for broadband infrastructure projects selected by either Commission or Communication Division (CD) staff through an application and scoring process. In addition, it provides support to rural and urban regional broadband consortia to fund activities that are intended to facilitate broadband deployment other than funding the capital costs of specific deployment projects. The CASF is funded by a surcharge rate on revenues collected by telecommunications carriers from end-users for intrastate telecommunications services.

In 2021, Governor Gavin Newsom signed into law Senate Bill (SB) 156, SB 4, Assembly Bill (AB) 164, and AB 14, each of which affected program administration of the CASF, either through creation of new CASF subaccounts, adoption of individual program modifications, or through increase or extension of total program funding.

The Eastern Sierra Council of Governments (ESCOG) received a 3-year CASF Broadband Consortia Grant for grant years 2024 to 2026. The ESCOG is a Joint Powers Authority (JPA) agency made up of the City of Bishop, the Town of Mammoth Lakes, Inyo County, and Mono County. The ESCOG coordinates regional planning and economic development efforts throughout the Eastern Sierra.

Reporting Entity

The Inyo-Mono Broadband Consortium (IMBC) is comprised of Inyo County, Mono County, The Town of Mammoth Lakes and the City of Bishop, CA. The IMBC is governed by the ESCOG.

The IMBC defines its reporting entity in accordance with accounting principles generally accepted in the United States of America (GAAP), which provides guidance for determining which governmental activities, organization and functions should be included in the reporting entity. The accompanying Schedule of Expenditures presents information on the activities of the IMBC.

Basis of Presentation

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accounting policies of the IMBC conform to GAAP in the United States for local governmental units.