

TRANSPORTATION AGENCY FOR MONTEREY COUNTY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
 June 30, 2018

	Private Purpose Trust Funds				Totals
	Local Transportation Fund	State Transit Assistance Fund	State Highway Account Fund	Transportation Safety and Investment Plan Account Fund	
ASSETS					
Cash and investments	\$ 1,092,606	\$ 594	\$ 14,939,439	\$ 12,138,837	\$ 28,171,476
Accounts receivable	2,845,567	1,424,921		4,324,996	8,595,484
Due from King City	231,730				231,730
Total assets	4,169,903	1,425,515	14,939,439	16,463,833	36,998,690
LIABILITIES					
Liabilities:					
Due to other agencies	1,403,580	1,424,921	1,414,667	3,988,168	8,231,336
Total liabilities	1,403,580	1,424,921	1,414,667	3,988,168	8,231,336
NET POSITION					
Unrestricted	2,766,323	594	13,524,772	12,475,665	28,767,354
Total net position	\$ 2,766,323	\$ 594	\$ 13,524,772	\$ 12,475,665	\$ 28,767,354

The notes to basic financial statements are an integral part of this statement.

TRANSPORTATION AGENCY FOR MONTEREY COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Private Purpose Trust Funds				
	Local Transportation Fund	State Transit Assistance Fund	State Highway Account Fund	Transportation Safety and Investment Plan Account Fund	Totals
Additions:					
SB 1 Additional Gas Tax	\$ -	\$ 775,355	\$ -	\$ -	\$ 775,355
Sales tax	17,923,550	3,678,161		28,026,311	49,628,022
State Highway Account funds			4,815,966		4,815,966
Interest, loss recovery and other fees	21,432	1,413	143,194	103,588	269,627
Total additions	17,944,982	4,454,929	4,959,160	28,129,899	55,488,970
Deductions:					
Claims paid to:					
Carmel			13,000	195,926	208,926
Del Rey Oaks				71,397	71,397
Gonzales				229,707	229,707
Greenfield				426,723	426,723
King City	572,695		83,427	388,534	1,044,656
Marina				670,802	670,802
Monterey			1,342,352	1,027,838	2,370,190
Pacific Grove				557,922	557,922
Salinas			31,973	4,247,511	4,279,484
Sand City			116,407	28,228	144,635
Seaside			614,335	1,007,912	1,622,247
Soledad				569,545	569,545
County of Monterey				7,212,614	7,212,614
TAMC					
Administration	908,484			131,477	1,039,961
Materials, services and project costs	17,977		157,448	496,159	671,584
Monterey - Salinas Transit	16,757,050	4,454,426			21,211,476
Total deductions	18,256,206	4,454,426	2,358,942	17,262,295	42,331,869
Change in net position	(311,224)	503	2,600,218	10,867,604	13,157,101
Net position - beginning of fiscal year	3,077,547	91	10,924,554	1,608,061	15,610,253
Net position - end of fiscal year	\$ 2,766,323	\$ 594	\$ 13,524,772	\$ 12,475,665	\$ 28,767,354

The notes to basic financial statements are an integral part of this statement.

**TRANSPORTATION AGENCY
FOR MONTEREY COUNTY**

**Compilation Report on Compliance with
Ordinance No. 2016-01 and the Measure X
Master Programs Funding Agreement**

June 30, 2018

Draft

TRANSPORATION AGENCY FOR MONTEREY COUNTY
Compilation Report on Compliance with Ordinance No. 2016-01 and the Measure X Master Programs Funding Agreement
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June 30, 2018

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Draft



**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED UPON PROCEDURES**

Transportation Agency for Monterey County

We have performed the procedures enumerated below, which were agreed to by the Transportation Agency for Monterey County, solely to assist it in evaluating management's assertion that the cities of Carmel-by-the-Sea, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Seaside, Soledad, and the County of Monterey complied with their Measure X Funding Agreements and with the Measure X Investment Plan of the Transportation Agency for Monterey County including Maintenance of Effort requirement, during the fiscal year ended June 30, 2018. Management of each of the entities listed above is responsible for compliance with their Measure X Funding Agreements and with the Measure X Investment Plan of the Transportation Agency for Monterey County including the Maintenance of Effort requirement. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. We did not audit the financial statements of the Traffic Safety and Investment Plan Account Funds of the entities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Schedule of Measure X Allocations, Expenditures, Fund Balance, and Compliance, is based solely on the report of the other auditors.

Procedures Applied

1. Obtained the audited financial statements and/or Traffic Safety and Investment Plan Account Fund audited financial statements of each of the entities for the fiscal year 2017-2018.
2. Read the audited financial statements to determine total revenues, expenditures, and fund balances of the Measure X Fund for the fiscal year 2017-2018 for each jurisdiction.
3. Obtained an opinion from the entity's independent auditor on the entity's compliance in accordance with the compliance requirements described in the Transportation Agency for Monterey County's (TAMC) Ordinance No. 2016-01 and in the Measure X Master Programs Funding Agreement (the Agreement) between TAMC and each entity.
4. Made a determination if the entities met their Maintenance of Effort requirement based upon our review of the annual average of its expenditures from its general fund during the preceding three fiscal years, as reported to the Controller pursuant to Streets and Highways Code section 2151 ("Maintenance of Effort").
5. Summarized our findings in the accompanying Schedule of Measure X Allocations, Expenditures, Fund Balance, and Compliance for the fiscal year ended June 30, 2018.
6. Determined that each entity segregated monies received pursuant to Measure X in a separate Traffic Safety and Investment Plan Account Fund and has a reasonable method of allocating interest to unspent funds.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information of the Board of Directors and management of the Transportation Agency for Monterey County, and is not intended to be and should not be used by anyone other than these specified parties.

Santa Maria, California
April XX, 2019

Draft

Transportation Agency for Monterey County
Schedule of Measure X Allocations, Expenditures, Fund Balance, and Compliance
For the Fiscal Year Ended June 30, 2018

	Carmel	Del Rey Oaks	Gonzales	Greenfield	King City	Marina	Monterey	Pacific Grove	Salinas	Seaside	Soledad	County of Monterey	Total
Revenues in Local Measure X Funds:													
Measure X allocation received	\$ 180,580	\$ 67,453	\$ 184,093	\$ 315,835	\$ 305,107	\$ 618,260	\$ 947,335	\$ 430,205	\$ 4,887,167	\$ 1,159,700	\$ 569,545	\$ 6,647,661	\$ 16,312,941
Measure X loan proceeds	4,034		2,500,000										2,500,000
Interest earned				1,768	1,294			1,133	634		849	48,072	57,804
Total Measure X revenue available	184,614	67,453	2,684,093	317,603	306,401	618,260	947,335	431,338	4,887,801	1,159,700	570,394	6,695,733	18,870,745
Expenditures in Local Measure X Funds:													
Expenditures:													
Total Measure X funding spent	144,000		2,684,093	58,073	8,117	38,630	321,586	329,825	4,563,847	83,235	72,275	1,068,843	9,372,524
Net change in fund balance	40,614	67,453		58,073	8,117	38,630	321,586	329,825	4,563,847	83,235	72,275	1,068,843	9,372,524
Fund balance, beginning of fiscal year													
	40,614	67,453		259,530	298,284	579,630	625,749	101,533	323,954	1,076,465	498,119	5,626,890	9,498,221
				49,969	(91,689)			84,020	(222,785)		85,771		(94,654)
Ending fund balance	\$ 40,614	\$ 67,453	\$ -	\$ 309,499	\$ 206,635	\$ 579,630	\$ 625,749	\$ 185,553	\$ 101,169	\$ 1,076,465	\$ 583,890	\$ 5,626,890	\$ 9,403,567
Compliance with Maintenance of Effort:													
General Fund Street Expenditures 2014-15	\$ 804,641	\$ 14,819	\$ -	\$ -	\$ -	\$ 531,903	\$ 2,440,234	\$ -	\$ 2,763,928	\$ 656,888	\$ -	\$ 3,768,551	
General Fund Street Expenditures 2015-16	314,328					135,070	2,555,294	137,023	3,984,744	476,040		4,478,822	
General Fund Street Expenditures 2016-17	175,508	61,043			51,308	434,257	2,919,095	184,000	4,429,476	653,790		4,940,363	
Average of prior 3 years:	431,492	25,287			17,003	367,077	2,638,208	107,008	3,726,049	595,573		4,395,912	
General Fund Street Expenditures 2017-18	1,428,859	40,826			92,483	33,942	2,794,699	204,506	4,494,506	Unknown		5,480,243	
In Compliance?	Yes	Yes	Yes	Yes	Yes	No	Yes	Unknown	Yes	No	Yes	Yes	

Statement from Independent Auditor
stating compliance with the Measure X
funding agreement and Investment Plan?

Yes

Yes

Yes

Yes

No

No

No

No

Yes

Yes

TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Compilation Report on Compliance with Ordinance No. 2016-01 and the Measure X Master Programs Funding Agreement

Findings

For the Fiscal Year Ended June 30, 2018

Finding 2018-1

Finding: The Measure X Master Programs Funding Agreement between the Cities and the Transportation Agency for Monterey County required that the City must expend each fiscal year from its general fund for street and highway purposes an amount not less than the annual average of its expenditures from its general fund during the preceding three fiscal years, as reported to the Controller pursuant to Streets and Highways Code section 2151 ("Maintenance of Effort"). For purposes of this calculation, an average of the prior three (3) years spent for local transportation purposes will be used. The cities of Marina and Seaside were not in compliance with Maintenance of Effort requirements. The City of Pacific Grove did not provide the 2014-15 expenditures and thus we cannot determine the status of the City's compliance.

Result: The Cities must increase their expenditures of General Fund money for street and highway purposes in order to maintain their maintenance of effort requirement.

Finding 2018-2

Finding: The Measure X Master Programs Funding Agreement between the Cities and the Transportation Agency for Monterey County Article III.B.2 required that the entities shall conduct an independent annual audit of Measure X revenues received and expenditures made by the entity to demonstrate such expenditures comply with the agreement and the Measure X Investment Plan, and shall provide said audit to TAMC. The cities of Marina, Monterey, Pacific Grove, Salinas, and Seaside were not in compliance with Article III.B.2 independent audit on Measure X compliance requirements.

Result: The Cities must obtain an independent audit of Measure X revenues received and expenditures made by the entity to demonstrate that such expenditures comply with the Measure X Master Programs Funding Agreement and Measure X Investment Plan.