



City of Greenfield

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February 12, 2020

Todd Muck
Deputy Executive Director
Transportation Agency for Monterey
County 55-B Plaza Circle
Salinas, Ca 93901

Re: Pavement Management Program Annual Report Letter

The City of Greenfield confirms that it has a Pavement Management Program that conforms to the criteria established by the Transportation Agency for Monterey County and included in the Measure X Agreement with the Local Agency. An approved Pavement Management Program must be in place to be eligible for Measure X funds.

The City of Greenfield Annual Audit for fiscal year 2018-19 has been completed. The audit firm retained by the City reviewed the report and provided an audit certification/statement.

The Pavement Management Program utilizes a software system developed by:

X Metropolitan Transportation Commission Street Saver, New 2018

The system was updated by TAMC Consultant- NCE and contains, at a minimum, the following elements:

- Inventory of all existing pavements under the local agency jurisdiction:

Centerline miles:	35.19
Total lane miles (or equivalent units):	145.45
The last update of the inventory was completed on:	2019
- Average Pavement Condition Index (PCI) 64
- Identification of sections of roadways brought up to acceptable PCI levels for the current year:

Various Streets by Street Maintenance - crews/equipment	45
8th St Alley from Apple to Maple Avenue	99
- Amount spent to rehabilitate or replace deficient sections for the current year: \$480,000

You may direct any questions regarding the system to Arturo Felix, Public Works Manager at (831) 674-2635.

Sincerely,

Paul Wood, City Manager

CITY OF GREENFIELD
MEASURE X ANNUAL REPORT
TABLE OF CONTENTS
February 12, 2020

Independent Auditors' Report	1
City of Greenfield Measure X Five-Year Capital Improvement Program	7
Annual Program Compliance Report.....	8
5-year Capital Improvement Program FY 2019/20 – 2023/24.....	9
Annual Program Compliance Report.....	10
Three Year Maintenance of Effort Report.....	12

CITY OF GREENFIELD
TRANSPORTATION SAFETY AND INVESTMENT
PLAN ACCOUNT FUND
WITH INDEPENDENT AUDITORS' REPORT
JUNE 30, 2019

CITY OF GREENFIELD
TRANSPORTATION SAFETY AND INVESTMENT PLAN ACCOUNT FUND
TABLE OF CONTENTS
June 30, 2019

Independent Auditors' Report 1

Financial Statements:

 Balance Sheet 3

 Statement of Revenues, Expenditures, and
 Changes in Fund Balance 4

Notes to Financial Statements 5

Supplemental Information

Statement of Revenues, Expenditures, and
 Changes in Fund Balance – Budget and Actual 6

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance with TAMC
 Ordinance No. 2016-01 – Transportation Safety and Investment Plan Fund and Other Matters Based on
 an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 7



Moss, Levy & Hartzheim LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

City Council
City of Greenfield
Greenfield, California

We have audited the accompanying financial statements of the City of Greenfield Transportation Safety and Investment Plan Account Fund, as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Greenfield Transportation Safety and Investment Plan Account Fund, as of June 30, 2019, and the changes in its financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Transportation Safety and Investment Plan Account Fund and do not purport to, and do not, present fairly the financial position of the City of Greenfield, as of June 30, 2019, the changes in its financial position, for the fiscal year 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.

Other Matter

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the Transportation Safety and Investment Plan Account Fund financial statements that collectively comprise the City of Greenfield Transportation Safety and Investment Plan Account Fund financial statements. The accompanying supplemental information – Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual on page 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental schedule is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the City’s Transportation Safety and Investment Plan Account Fund 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 auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 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 February 7, 2020, on our consideration of the City of Greenfield Traffic Safety and Investment Plan Account Fund’s internal control over financial reporting and on our tests of its compliance with the requirements described in the TAMC’s Ordinance No. 2016-01 and in the Agreement between TAMC and the City and other matters for the fiscal year ended June 30, 2019. The purpose of that report is solely to report our opinion on compliance and to describe the scope of our testing of internal control over financial reporting and the results of that testing, and not to provide an opinion on the effectiveness of the City of Greenfield Traffic Safety and Investment Plan Account Fund’s internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Greenfield Traffic Safety and Investment Plan Account Fund’s compliance.

Moss, Levy & Haugheim LLP

February 7, 2020
Santa Maria, California

CITY OF GREENFIELD
TRANSPORTATION SAFETY AND INVESTMENT PLAN ACCOUNT FUND
BALANCE SHEET
JUNE 30, 2019

ASSETS

Accounts receivable	\$	<u>232,059</u>
Total assets	\$	<u><u>232,059</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Due to General Fund	\$	<u>232,059</u>
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Total Liabilities		<u>232,059</u>
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Fund Balance:

Restricted		<u> </u>
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Total Fund Balance		<u> </u>
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Total Liabilities and Fund Balance	\$	<u><u>232,059</u></u>
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The notes to basic financial statements are an integral part of this statement.

CITY OF GREENFIELD

TRANSPORTATION SAFETY AND INVESTMENT PLAN ACCOUNT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
JUNE 30, 2019

REVENUES

Transportation Safety and Investment Plan Account revenue	\$ 466,264
Total revenues	<u>466,264</u>

EXPENDITURES

Streets and roads maintenance	<u>108,087</u>
Total Expenditures	<u>108,087</u>
Excess (deficiency) of revenues over expenditures	<u>358,177</u>

OTHER FINANCING SOURCES (USES)

Transfers out to City of Greenfield	<u>(667,676)</u>
Total other financing sources (uses)	<u>(667,676)</u>
Net change in fund balance	(309,499)
Fund balance, beginning of fiscal year	<u>309,499</u>
Fund balance, end of fiscal year	<u><u>\$ -</u></u>

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

SUPPLEMENTAL INFORMARION

CITY OF GREENFIELD
TRANSPORTATION SAFETY AND INVESTMENT PLAN ACCOUNT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
JUNE 30, 2019

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Budget Positive (Negative)</u>
REVENUES			
Transportation Safety and Investment Plan Account revenue	\$ -	\$ 466,264	\$ 466,264
Total revenues	<u> </u>	<u>466,264</u>	<u>466,264</u>
EXPENDITURES			
Streets and roads maintenance	<u> </u>	<u>108,087</u>	<u>(108,087)</u>
Total Expenditures	<u> </u>	<u>108,087</u>	<u>(108,087)</u>
Excess (deficiency) of revenues over expenditures	<u> </u>	<u>358,177</u>	<u>358,177</u>
OTHER FINANCING SOURCES (USES)			
Transfers out to City of Greenfield	<u> </u>	<u>(667,676)</u>	<u>(667,676)</u>
Total other financing sources (uses)	<u> </u>	<u>(667,676)</u>	<u>(667,676)</u>
Net change in fund balance		(309,499)	(309,499)
Fund balance, beginning of fiscal year	<u>309,499</u>	<u>309,499</u>	<u> </u>
Fund balance, end of fiscal year	<u>\$ 309,499</u>	<u>\$ -</u>	<u>\$ (309,499)</u>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE WITH TAMC ORDINANCE NO. 2016-01 TRANSPORTATION SAFETY AND
INVESTMENT PLAN FUND AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

City Council
City of Greenfield
Greenfield, California

We have audited, in accordance with the 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 City of Greenfield Transportation Safety and Investment Plan Account Fund (the City's Measure X Fund), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Greenfield Transportation Safety and Investment Plan Account Fund's financial statements, and have issued our report thereon dated February 7, 2020.

We have also audited the City's compliance with the types of compliance requirements described in the Transportation Agency's for Monterey County's (TAMC) Ordinance No. 2016-01 and the Measure X Master Programs Funding Agreement (the Agreement) between TAMC and the City, applicable for the fiscal year ended June 30, 2019.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the Transportation Safety and Investment Plan Account Fund.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit 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 the City of Greenfield. The Measure X Master Programs Funding Agreement requires that the independent auditor shall perform at least the following tasks: (1) determine whether the recipient expended all Measure X funds received in compliance with Measure X, the Measure X Investment Plan, and the Policies & Project Descriptions, as they may be adopted or amended by TAMC from time to time, and the Agreement, (2) determine whether the Measure X revenues received and expended were accounted for and tracked in its own separate budget and fund titled "Transportation Safety & Investment Plan Account" and were not be comingled with any other funds and that the accounting system provides adequate internal controls and audit trails to facilitate an annual compliance audit for each fund type and the respective usage and application of said funds, and (3) determine whether the City met the Maintenance of Effort requirements imposed by Measure X and State law. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the state laws and regulations applicable to the City occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Compliance with the Transportation Safety and Investment Plan Account Fund

In our opinion, the funds allocated to and received by the City of Greenfield Transportation Safety and Investment Plan Account Fund, complied, in all material respects, with the compliance requirements referred to above that are applicable in accordance to 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 between TAMC and the City of Greenfield for the fiscal year ended June 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's Measure X Fund's internal control over financial reporting (internal control) to determine the audit 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 City's Measure X Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's Measure X Fund'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 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 may exist that have not been identified.

Purpose of this Report

The purpose of that report is solely to report our opinion on compliance and to describe the scope of our testing of internal control over financial reporting and the results of that testing, and not to provide an opinion on the effectiveness of the City of Greenfield Measure X Fund's internal control over financial reporting. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. This report is intended solely for the information and use of City Council, management of the Transportation Agency for Monterey County and for filing with the appropriate regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Remy & Hartgeim LLP

February 7, 2020
Santa Maria, California

**CITY / COUNTY of GREENFIELD
MEASURE X FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
FOR FISCAL YEARS 2019/20 – 2023/24**

YEAR 2 FY 2019-2020

Project	Description & Phase	Total Cost	Measure X	PCI
Sidewalk Repairs/ADA Ramp Improvements	Design and Construction	\$75,000	\$75,000	N/A
Totals:		\$75,000		

YEAR 3 FY 2020-2021

Project	Description & Phase	Total Cost	Measure X	PCI
1.Sidewalk Repairs/ADA Ramp Improvements	Construction	\$75,000	\$75,000	N/A
2.Pavement Repairs and rejuvenation of Various Streets	Design	\$35,000	\$35,000	42
Totals:		\$110,000	\$110,000	

YEAR 4 FY 2021-2022

Project	Description & Phase	Total Cost	Measure X	PCI
Pavement Repairs and rejuvenation of Various Streets	Construction	\$190,000	\$190,000	42
Totals:		\$190,000	\$190,000	

YEAR 5 FY-2022-2023

Project	Description & Phase	Total Cost	Measure X	PCI
Resurface/Overlay Repairs Various Arterials/Intersections	Design	\$46,000	\$46,000	30
Totals:		\$46,000	\$46,000	

YEAR 1 FY 2023-2024

Project	Description & Phase	Total Cost	Measure X	PCI
Resurface/Overlay Repairs Various Arterials/Intersections	Construction	\$1,255,000	\$800,000	30
Totals:		\$1,255,000	\$800,000	

ANNUAL PROGRAM COMPLIANCE REPORT

Narrative of how the jurisdiction spent Measure X funds on local projects including the project title; brief description; discussion of the project benefits; and before and after pictures.

The City Spent Measure X funds in providing construction funds for the completion of the pavement reconstruction and related pedestrian and drainage improvements for the “Downtown Commercial Alley Project.”

This project Reconstructed three blocks of key commercial alleys in the Downtown area. This project resolved a number of issues including dust/windblown dirt complaints as well as frequent maintenance issues related to deteriorating pavement and regular damage to water meters. Drainage was also nonfunctional, creating large scale ponding in rain events. The project included City Water Fund resources (with careful accounting to separate these funds from Measure X and other fund sources) to replace and upsize three blocks of watermain due to main-break issues and set all new meters and meter boxes. Measure X funds were principally used for engineering support, construction management and construction inspection.

BEFORE



AFTER



Project Benefits included enhanced pedestrian safety, dust reduction, reduction in maintenance costs, reduction of vehicular wear and tear, extended service life, resolution of complaints.

Balance sheet detailing the receipt and expenditure of Measure X funds:

CITY of GREENFIELD - YEAR 2018-19

REVENUES	
Carryover from Previous Year	309,499.46
Measure X Revenues	466,263.58
Earning on Interest	
TOTAL REVENUES:	775,763.04
EXPENDITURES	
8 th Street Alley Improvements from Apple to Maple Construction	108,087.50
TOTAL EXPENDITURES:	108,087.50
FUND BALANCE, END OF PERIOD:	667,675.54

**CITY of GREENFIELD
THREE-YEAR MAINTENANCE OF EFFORT REPORT
FOR YEARS 2016/17 – 2018/19**

Year 1

Fund Source	Amount	Year
General Fund	0	2016/17
Gas Tax	404,947	2016/17
Special Districts Revenue Funds	394,959	2016/17
ATP Grant	616,371	2016/17
Street Capital Fund	961,371	2016/17
Total Expended on Transportation	2,377,648	

Year 2

Fund Source	Amount	Year
General Fund	0	2017/18
Gas Tax	514,684	2017/18
Special Districts Revenue Funds	420,803	2017/18
ATP Grant	395,322	2017/18
Street Capital Fund	0	2017/18
Total Expended on Transportation	1,330,809	


Year 3

Fund Source	Amount	Year
General Fund	0	2018/19
Gas Tax	576,900	2018/19
Special Districts Revenue Funds	96,323	2018/19
ATP Grant	0	2018/19
Street Capital Fund	50,923	2018/19
Total Expended on Transportation	\$724,146	

Three-Year Average of Transportation Expenditures:

\$ 1,477,534 (\$0 from General Fund)

I, the undersigned, certify that the above information is true and correct to the best of my knowledge.


Paul Wood, City Manager