



ANNUAL PROGRAM COMPLIANCE REPORT

In Fiscal Year 2019/20, the City of Marina performed a Pavement Maintenance Construction Project along with finalizing design for the City's first sustainable pavement project. The construction project addresses residential streets and cul-de-sacs with very little historical maintenance. The following is a summary of those project activities:

2019 Citywide Street Resurfacing Project

The scope of the work for this project was a two-phased approach. The first Phase included full width crack sealing, concrete ramp improvements and associated roadway repair work including spot repairs of failed areas within the existing pavement section.



Figure 1 - Messenger & Shoemaker (Before)



Figure 2 - Messenger & Shoemaker (Before)



Figure 3 - Messenger & Shoemaker (After)

The second phase of the Project included full width cape seals, slurry sealing, adjusting utility manholes and boxes to grade, the removal and reinstallation of stripping and pavement markings and traffic markers. The project was awarded on August 20, 2019 to Monterey Peninsula Engineers and completed on May 22, 2020. The following streets were associated with this work:

Street Name	From	To
Carmel Ave	California Ave	Salinas Ave
Carmelo Cir	Carmel Ave	End
Crestview Ct	Reservation Rd	End
Johnson Pl	Tallmon St	End
Kelli Ct	Sunrise Ave	End
Kennedy Ct	Reindollar Ave	South End
Lelia Pl	Crivello Rd	End
Lievry Way	Parson Cir	End
Ora Ct	Cardoza Ave	End
Otto Dr	Hillcrest Ave	End
Shoemaker Pl	Messinger Dr	End
Snell Pl	Messinger Dr	End
Vista Del Camino	Peninsula Dr	Melanie Rd
Weber Cir	Zanetta Dr	End
Young Cir	Villa Cir	End
Albert Way	Lynscott Dr	End
Bayer Dr	Ridgeview Ave	Melville Rd
California Ave	Carmel Ave	Reindollar Ave
Clarke Pl	Messinger Dr	End
Edna Ct	Lynscott Dr	End
Ferris Cir/Ave	Jean St	End
Jean St	Ferris Ave	Jean Cir
Marina Greens Dr	Paul Davis Dr	Del Monte Blvd
Oak Cir	De Forest Rd	End
Redwood Dr	Hillcrest Ave	Carmel Ave
Sand Dollar Ct	Starfish Ct	End
Starfish Ct	Marina Dr	End
Sunrise Ave	Kelli Ct	Reindollar Ave
Talcott Ave	Grant St	Reindollar Ave
Vista Del Camino	Melanie Rd	George Way



The City has also implemented the first project based on the 2020 Safe Routes to School Plan. Built upon real-world data gathered in pop-up demonstrations and resident feedback, the City constructed pedestrian safety improvements along Carmel Avenue fronting Crumpton Elementary School. Coordinating with Traffic Engineers and Public Safety personnel, the City's first direct application of the Safe Routes study findings has been positively received by both the School District and residents alike and spearheads the City's efforts to provide safe, innovative improvements for students to utilize active multimodal transportation.

The benefits of cape sealing on these residential roads and cul-de-sacs can be clearly seen in the embedded sample pictures as a cost-effective application of pavement maintenance along with green technology to prolong the life of the City's large residential network.



Figure 4 - Tack Coating (Step 1)



Figure 5 - Spreading Chip Aggregate (Step 2)



Figure 6 - Final Slurry Coating (Step 3)

CITY OF MARINA – MEASURE X FUNDING BALANCE SUMMARY

YEAR 2020 BALANCE SHEET

	Transportation Safety and Investment Fund	Measure X Capital Projects Fund
REVENUES		
Carryover from Previous Year	547,394	1,274,226
Measure X Revenue	682,936	67,805
Earning on Interest	607	5,780
Total Revenues	<u>1,230,937</u>	<u>1,347,811</u>
EXPENDITURES		
Expenditures	3,500	819,290
Total Expenditures	<u>3,500</u>	<u>819,290</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	2,720,000
Transfer out	(600,000)	-
Total Other Financing Sources	<u>(600,000)</u>	<u>2,720,000</u>
FUND BALANCE, END OF PERIOD	<u>\$ 627,437</u>	<u>\$ 3,248,521</u>

CITY OF MARINA – MEASURE X FUNDING BALANCE SUMMARY

Measure X
 Revenues, Expenditures and Change in Fund Balance
 Fiscal Year Ending June 30, 2020

	Measure X	XCIP			Total
		Measure X	Other Funds	Total	
Beginnign Balance - 6/30/2019	547,394	14,226	1,260,000 a	1,274,226	1,821,620
Measure X Revenues	682,936	67,805	-	67,805	750,741
Interest	607	5,780	-	5,780	6,387
Transfers in - Measure X	-	600,000 b	-	600,000	600,000
Other Funds	-	-	2,120,000 c	2,120,000	2,120,000
Total Resources	<u>1,230,937</u>	<u>687,811</u>	<u>3,380,000</u>	<u>4,067,811</u>	<u>5,298,748</u>
Expenditures	3,500	819,290	-	819,290	822,790
Transfers Out	600,000	-	-	-	600,000
Total Uses	<u>603,500</u>	<u>819,290</u>	<u>-</u>	<u>819,290</u>	<u>1,422,790</u>
Ending Balance	627,437	(131,479)	3,380,000	3,248,521	3,875,958

- a Formatted same as last year for comparison, next year will show as one XCIP fund
- b Transfer from Transportation Safety and Investment Fund
- c \$400k from SB1 and \$1,720k from GF

CITY OF MARINA
TRANSPORTATION SAFETY AND
INVESTMENT PLAN ACCOUNT FUNDS
WITH INDEPENDENT
AUDITORS' REPORT

JUNE 30, 2020

* * *



Chavan & Associates, LLP
Certified Public Accountants
1475 Saratoga Ave, Suite 180
San Jose, CA 95129

CITY OF MARINA
Transportation Safety and Investment Plan Account Funds
June 30, 2020

Table of Contents

	<u>Page No.</u>
FINANCIAL SECTION:	
Independent Auditors' Report.....	1 - 2
Financial Statements:	
Balance Sheet.....	3
Statement of Revenue, Expenditures and Changes in Fund Balance	4
Notes to the Financial Statements.....	5 - 6
SUPPLEMENTARY INFORMATION:	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual.....	8
OTHER INDEPENDENT AUDITORS' REPORT:	
Independent Auditors' on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with <i>Government Auditing Standards</i>	10 - 11
Independent Auditor's Report on Compliance with TAMC Ordinance No. 2016-01 and the Measure X Master Programs Funding Agreement	12 - 13
FINDINGS AND RECOMMENDATIONS:	
Schedule of Findings and Recommendations	15

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

City Council
City of Marina
Marina, California

Report on the Financial Statements

We have audited the accompanying financial statements of the City of Marina Transportation Safety and Investment Plan Account Funds, as of and for the fiscal year ended June 30, 2020, 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 City'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 City'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's Transportation Safety and Investment Plan Account Funds, as of June 30, 2020, and the changes in 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 Funds and do not purport to, and do not, present fairly the financial position of the City of Marina, as of June 30, 2020, the changes in its financial position, or, where applicable, its cash flows 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 Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the Transportation Safety and Investment Plan Account Funds financial statements that collectively comprise the City of Marina Transportation Safety and Investment Plan Account Funds financial statements. The accompanying supplemental information – Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual on page 8 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 Funds 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 December 10, 2020, on our consideration of the City of Marina Traffic Safety and Investment Plan Account Funds’ 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, 2020. 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 Marina Traffic Safety and Investment Plan Account Funds’ 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 Marina Traffic Safety and Investment Plan Account Funds’ compliance.

C & A LLP

December 10, 2020
San Jose, California

City of Marina
Transportation Safety and Investment Plan Accounting Fund
Balance Sheet
June 30, 2020

	Transportation Safety and Investment Fund	Measure X - Capital Projects Fund	Total
ASSETS			
Cash and investments	\$ 457,004	\$ 3,272,183	\$ 3,729,187
Receivables:			
Accounts	169,826	-	175,606
Interest	607	5,780	607
Total Assets	<u>\$ 627,437</u>	<u>\$ 3,277,963</u>	<u>\$ 3,905,400</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ -	\$ 29,442	\$ 29,442
Total liabilities	<u>-</u>	<u>29,442</u>	<u>29,442</u>
Fund Balance:			
Restricted	<u>627,437</u>	<u>3,248,521</u>	<u>3,875,958</u>
Total fund balances	<u>627,437</u>	<u>3,248,521</u>	<u>3,875,958</u>
Total Liabilities and Fund Balance	<u>\$ 627,437</u>	<u>\$ 3,277,963</u>	<u>\$ 3,905,400</u>

The accompanying notes are an integral part of these financial statements

City of Marina
Transportation Safety and Investment Plan Accounting Fund
Statement of Revenues, Expenditures
and Changes in Fund Balance
June 30, 2020

	Transportation Safety and Investment	Measure X - Capital Projects Fund	Total
REVENUES			
Transportation Safety and Investment Plan Account revenue	\$ 680,105	\$ -	\$ 680,105
Use of money and property	3,438	73,585	77,023
Total Revenues	<u>683,543</u>	<u>73,585</u>	<u>757,128</u>
EXPENDITURES			
Current:			
Public Works	3,500	-	3,500
Capital outlay	-	819,290	819,290
Total Expenditures	<u>3,500</u>	<u>819,290</u>	<u>822,790</u>
Excess (Deficiency) of Revenues over Expenditures	<u>680,043</u>	<u>(745,705)</u>	<u>(65,662)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	2,720,000	2,720,000
Transfers out	(600,000)	-	(600,000)
Total Other Financing Sources (Uses)	<u>(600,000)</u>	<u>2,720,000</u>	<u>2,120,000</u>
Net Change in Fund Balances	80,043	1,974,295	2,054,338
Fund Balance Beginning	<u>547,394</u>	<u>1,274,226</u>	<u>1,821,620</u>
Fund Balance Ending	<u>\$ 627,437</u>	<u>\$ 3,248,521</u>	<u>\$ 3,875,958</u>

The accompanying notes are an integral part of these financial statements

City of Marina
Transportation Safety and Investment Plan Account Fund
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2020

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Transportation Safety and Investment Plan Account Funds of the City of Marina (the City) is a governmental fund type. Governmental funds are accounted for using a current financial resources measurement focus. The application of this measurement focus provides that, in general, only current assets and current liabilities are present on the balance sheet. Operating statements of these funds present revenues and expenditures.

The modified accrual basis of accounting is used for the Transportation Safety and Investment Plan Account Funds. Under the modified accrual basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). Measurable means that the amount of the transaction can be determined. Available means the funds are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures of governmental funds are generally recognized when the related fund liability is incurred.

Reporting Entity

The Transportation Safety and Investment Plan Account Funds from the Transportation Agency for Monterey County was approved on November 8, 2016. The revenue from the sales tax measure will be used to fund transportation safety and mobility projects in Monterey County. Expenditures are restricted to road improvements, pothole repairs, street and road maintenance, traffic deduction and regional safety, mobility and walkability.

The Transportation Safety and Investment Plan Fund financial statements and related accounting policies of the City conform with generally accepted accounting principles applicable to governments in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Transportation Safety and Investment Fund accounts for the City's Measure X sales tax funds received and expended to invest in roads throughout Monterey County. The Measure X Capital Projects Fund is used to account for major capital projects related to transportation and safety. The financial statements present only the Transportation Safety and Investment Plan Account Fund and Measure X Capital Projects Fund and do not purport to, and do not present, the City's financial position and changes in financial position. The City's basic financial statements are available from the Finance Department at City's address and website.

NOTE 2 – CASH DEPOSITS

The City follows the practice of pooling cash and investments for all funds (including the Transportation Safety and Investment Plan Account Fund) under its direct daily control. Interest earned on pooled cash and investments is allocated periodically to the various funds based on average cash balances. Detailed disclosure regarding the City's investments of cash is included in the notes to City's basic financial statements.

City of Marina
Transportation Safety and Investment Plan Account Fund
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2020

NOTE 3 – MAINTENANCE OF EFFORT

The Measure X Master Programs Funding Agreement between the City and the Transportation Agency for Monterey County, as amended, requires 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 2009-10, 2010-11, and 2011-12 fiscal years, but not less than what was expended in 2016-17 (when Measure X passed), as reported to the Controller pursuant to Streets and Highways Code section 2151 (“Maintenance of Effort”). This baseline amount will be indexed annually to the Engineering News Record construction index.

The following eligible expenditures were made:

Fiscal year ended June 30:		
2010	\$	262,149
2011		201,648
2012		265,396
Total	\$	<u>729,193</u>
Three-year average	\$	243,064
Fiscal year ended June 30, 2017	\$	457,181
Maintenance of effort baseline	\$	457,181
Engineering News Record construction index		1.37%
Index-adjusted maintenance of effort requirement	\$	<u>463,432</u>
Current year eligible expenditures	\$	1,454,919
Compliant (Yes or No)		Yes

Total expenditures from the general fund for street and highway purposes for the fiscal year ended June 30, 2020 was \$1,454,919. The City was in compliance with the Maintenance of Effort requirement of the Measure X Master Programs Funding Agreement between the City of Marina and the Transportation Agency for Monterey County.

NOTE 4 – TRANSFERS TO/FROM OTHER FUNDS AND THE CITY

Transfers into the Measure X Capital Projects Fund during the fiscal year ended June 30, 2020:

<u>Transfers from</u>	<u>Description of Transfer</u>	<u>Amount</u>
Transportation Safety and Investment Fund	Pavement repairs	\$ 600,000
From the City:		
General Fund	Pavement resurfacing	1,720,000
Road Maintenance and Rehab Fund	Pavement maintenance	400,000
	Total Transfers	<u>\$ 2,720,000</u>

**SUPPLEMENTARY
INFORMATION**

City of Marina
Transportation Safety and Investment Plan Account Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Budget and Actual (GAAP Basis)
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Transportation Safety and Investment Plan Account revenue	\$ 588,000	\$ 588,000	\$ 680,105	\$ 92,105
Use of money and property	-	-	3,438	3,438
Total Revenues	<u>588,000</u>	<u>588,000</u>	<u>683,543</u>	<u>95,543</u>
EXPENDITURES				
Current:				
Public Works	-	-	3,500	(3,500)
Total Expenditures	<u>-</u>	<u>-</u>	<u>3,500</u>	<u>(3,500)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>588,000</u>	<u>588,000</u>	<u>680,043</u>	<u>92,043</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
Net Change in Fund Balance	(12,000)	(12,000)	80,043	92,043
Fund Balance Beginning	<u>547,394</u>	<u>547,394</u>	<u>547,394</u>	<u>-</u>
Fund Balance Ending	<u>\$ 535,394</u>	<u>\$ 535,394</u>	<u>\$ 627,437</u>	<u>\$ 92,043</u>

The City employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the City Council to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the Measure X Special Revenue Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP. The expenditures noted above in excess of appropriations were covered by fund balance, appropriations available in other categories, or revenues in excess of budget.

**OTHER INDEPENDENT
AUDITORS REPORT**



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

City Council
City of Marina
Marina, 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 Transportation Safety and Investment Plan Account Funds (Measure X Funds) of City of Marina (the "City") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise City of Marina's Measure X Funds financial statements, and have issued our report thereon dated November 7, 2020.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City of Marina'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 of Marina's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Marina'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 misstatement 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 City's financial statement 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Marina's Measure X Funds 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 determination of financial statement amounts. 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C & A LLP

December 10, 2020
San Jose, California



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
TAMC ORDINANCE NO. 2016-01 AND THE MEASURE X
MASTER PROGRAMS FUNDING AGREEMENT**

City Council
City of Marina
Pacific Grove, California

We have audited the City of Marina's (the "City") Transportation Safety and Investment Plan Account Funds' (the City's Measure X Funds) 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, 2020.

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 Funds.

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. 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 TAMC Ordinance No. 2016-01

In our opinion, the funds allocated to and received by the City's Measure X Funds, 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 for the fiscal year ended June 30, 2020.



Purpose of this Report

The purpose of this report is solely to report our opinion on compliance with the TAMC Ordinance No. 2016-01 and to describe the scope of our testing over compliance and the results of that testing. 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.

C & A LLP

December 10, 2020
San Jose, California

FINDINGS AND RECOMMENDATIONS

City of Marina
Transportation Safety and Investment Plan Account Fund
Schedule of Findings and Recommendations
For the Fiscal Year Ended June 30, 2020

None reported.

The definition of "Maintenance of Effort Report" shall be replaced in its entirety with the following:

Maintenance of Effort Report: A report to be adopted by a jurisdiction, no later than December 31 of each year the Measure X tax is in effect, verifying that Measure X funds received by the reporting jurisdiction have been used to augment, and not supplant, local resources spent in the fiscal year, as described in Article IV Section A.6. The amount of local resources spent for the fiscal year is calculated as the annual average of its expenditures from its general fund during the 2009-10, 2010-11, and 2011-12 fiscal years, but not less than what was expended in 2016-17 (when Measure X passed), as reported to the Controller pursuant to Streets and Highways Code section 2151. This baseline amount will be indexed annually to the Engineering News Record construction index."

General Fund Maintenance of Effort Calculation for Measure X			
FY 19/20			
General Fund Expenditures Reported by SCO -19/20			1,454,919
Greater of FYs 9/10, 10/11, 11/12 Average or FY 2016/17 Expenditures	434,257		
	Adjusted by the ENR Index as provided by TAMC		(463,432)
	Amount in Excess/(Short) of General Fund MOE		991,487
		GF Expenditures	
		2009/10,	
		2010/11,	
		2011/12	GF Expenditures
		Average	2017
		243,064	434,257

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



 Brian McMinn, Public Works Director



**CITY OF MARINA
 MEASURE X FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM
 FOR YEARS 2020-2025**

FY 20/21

Project	Description & Phase	Total Cost	Measure X	PCI
APR1801	Annual Street Resurfacing	2,600,000	600,000	65
Totals:		2,600,000	600,000	

FY 21/22

Project	Description & Phase	Total Cost	Measure X	PCI
APR1801	Annual Street Resurfacing	2,600,000	600,000	66
Totals:		2,600,000	600,000	

FY 22/23

Project	Description & Phase	Total Cost	Measure X	PCI
APR1801	Annual Street Resurfacing	2,600,000	600,000	66
Totals:		2,600,000	2,600,000	

FY 23/24

Project	Description & Phase	Total Cost	Measure X	PCI
APR1801	Annual Street Resurfacing	2,600,000	600,000	66
Totals:		2,600,000	2,600,000	

FY 24/25

Project	Description & Phase	Total Cost	Measure X	PCI
APR1801	Annual Street Resurfacing	2,600,000	600,000	66
Totals:		2,600,000	2,600,000	



Date: December 21, 2020

To: 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 Marina 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 Pavement Management Program utilizes a software system developed by:
x Metropolitan Transportation Commission StreetSaver, Web-App Version

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

- Inventory of all existing pavements under the local agency jurisdiction:
 - Centerline miles: 75.28
 - Total lane miles (or equivalent units): 149.75
 - The last update of the inventory was completed on: 8/16/18
- Average Pavement Condition Index (PCI) 60
- Identification of sections of roadways brought up to acceptable PCI levels for the current year:

Street Name	PCI	Street Name	PCI
Albert Way	95	Lievry Way	67
Bayer Dr	94	Marina Greens Dr	70
California Ave	92	Oak Cir	92
Carmel Ave	70	Ora Ct	67
Carmelo Cir	68	Otto Dr	72
Clarke Pl	72	Redwood Dr	96
Crestview Ct	70	Sand Dollar Ct	93
Edna Ct	80	Shoemaker Pl	72
Ferris Cir/Ave	88	Snell Pl	70
Jean St	88	Starfish Ct	95
Johnson Pl	80	Sunrise Ave	95
Kelli Ct	69	Talcott Ave	95
Kennedy Ct	68	Vista Del Camino	95
Lelia Pl	70	Weber Cir	68
		Young Cir	72

- Amount spent to rehabilitate or replace deficient sections for the current year: \$1,522,126.35

You may contact me with any questions regarding the City's Pavement Management Program at (831) 884-1212.

Sincerely,

Brian McMinn, Public Works Director/City Engineer

The definition of "Maintenance of Effort Report" shall be replaced in its entirety with the following:

Maintenance of Effort Report: A report to be adopted by a jurisdiction, no later than December 31 of each year the Measure X tax is in effect, verifying that Measure X funds received by the reporting jurisdiction have been used to augment, and not supplant, local resources spent in the fiscal year, as described in Article IV Section A.6. The amount of local resources spent for the fiscal year is calculated as the annual average of its expenditures from its general fund during the 2009-10, 2010-11, and 2011-12 fiscal years, but not less than what was expended in 2016-17 (when Measure X passed), as reported to the Controller pursuant to Streets and Highways Code section 2151. This baseline amount will be indexed annually to the Engineering News Record construction index."

General Fund Maintenance of Effort Calculation for Measure X			
FY 19/20			
General Fund Expenditures Reported by SCO -19/20			1,454,919
Greater of FYs 9/10, 10/11, 11/12 Average or FY 2016/17 Expenditures	434,257		
	Adjusted by the ENR Index as provided by TAMC		(463,432)
	Amount in Excess/(Short) of General Fund MOE		991,487
	GF Expenditures		
	2009/10,		
	2010/11,		
	2011/12	GF Expenditures	
	Average	2017	
	243,064	434,257	

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



 Brian McMinn, Public Works Director