

**MONTEREY COUNTY DEPARTMENT OF PUBLIC WORKS**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
RELATING TO THE  
TRANSPORTATION DEVELOPMENT ACT,  
SECTIONS 99400(a), 99402, 99405, AND 99234  
FOR STREET AND ROAD PURPOSES  
AND PEDESTRIAN AND BICYCLE FACILITIES**

June 30, 2005 and June 30, 2004



**MONTEREY COUNTY OF PUBLIC WORKS  
TRANSPORTATION DEVELOPMENT ACT FUNDS**

Table of Contents

June 30, 2005 and June 30, 2004

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**FINANCIAL SECTION:**

Independent Auditors' Report ..... 1

Financial Statements:

Statement of Revenues, Expenditures, and  
Changes in Unexpended Claims for Street and Road Purposes and for  
Pedestrian and Bicycle Facilities Purposes ..... 2  
Notes to Financial Statements ..... 3

**SUPPLEMENTARY INFORMATION SECTION:**

Schedule of Approved Allocations and Claims Paid  
By Project..... 5  
Schedule of Cumulative TDA Allocations and  
Claimed Expenditures ..... 6  
Independent Auditors' Report on Compliance..... 8



**FINANCIAL SECTION**





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**MOSS, LEVY & HARTZHEIM L.L.P.**

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CERTIFIED PUBLIC ACCOUNTANTS

**PARTNERS:**

ROBERT M. MOSS, C.PA.  
RONALD A. LEVY, C.PA.  
CRAIG A. HARTZHEIM, C.PA.  
HADLEY Y. HUI, C.PA.

802 EAST MAIN  
SANTA MARIA, CA 93454  
PHONE: (805) 925-2579  
FAX: (805) 925-2147  
EMAIL-MAIL: mlhsm@mlhcpas.com

**INDEPENDENT AUDITORS' REPORT**

Transportation Agency for Monterey County  
Salinas, California

We have audited the accompanying statement of revenues, expenditures, and changes in unexpended claims for street and road purposes and for pedestrian and bicycle facilities purposes relating to the Transportation Development Act (TDA), Sections 99400 (a) and 99234 of the Public Utilities Code of the County of Monterey (County), for the fiscal years ended June 30, 2005 and June 30, 2004. This financial statement is the responsibility of the County's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying financial statement was prepared to present only the TDA funds referred to above as described in Note 1, and is not intended to be a complete presentation of the financial position of the County of Monterey at June 30, 2005 and 2004, or the results of its operations for the fiscal years then ended.

In our opinion, the financial statement referred to above presents fairly in all material respects, the revenues, expenditures, and changes in unexpended claims for street and road purposes and for pedestrian and bicycle facilities purposes relating to the Transportation Development Act (TDA), Sections 99400 (a) and 99234 of the Public Utilities Code of the County of Monterey, for the fiscal years ended June 30, 2005 and 2004, in conformity with accounting principles generally accepted in the United States of America.

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and, in our opinion, is fairly stated in all material respects in relation to the financial statement taken as a whole.

This report is intended solely for the information and use of management, the Transportation Agency for Monterey County, the State of California Department of Transportation, and the State Controller's Office, and should not be used for any other purpose.

MOSS, LEVY & HARTZHEIM

*Moss, Levy & Hartzheim*

March 21, 2006

**MONTEREY COUNTY DEPARTMENT OF PUBLIC WORKS  
TRANSPORTATION DEVELOPMENT ACT FUNDS**

Statement of Revenues, Expenditures, and Changes in Unexpended Claims for Street and Road Purposes  
and for Pedestrian and Bicycle Facilities Purposes Relating to Sections 99400(a) and 99234 of the Public Utilities Code  
For the Fiscal Years Ended June 30, 2005 and 2004

	<u>2005</u>	<u>2004</u>
<b>Revenues:</b>		
Allocations claimed for street and road purposes:		
Local Transportation Fund, Section 99400(a)	\$ 1,602,620	\$ 1,638,544
Local Transportation Fund, Section 99234	<u>51,811</u>	<u>202,172</u>
Total revenues	<u>1,654,431</u>	<u>1,840,716</u>
<b>Expenditures:</b>		
Street maintenance	1,602,620	1,638,544
Bike path	<u>51,811</u>	<u>202,172</u>
Total expenditures	<u>1,654,431</u>	<u>1,840,716</u>
Excess (deficiency) of revenues over expenditures	<u>                    </u>	<u>                    </u>
Balance of unexpended TDA claims, beginning of fiscal year	<u>                    </u>	<u>                    </u>
Balance of unexpended TDA claims, end of fiscal year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this financial statement.

**MONTEREY COUNTY DEPARTMENT OF PUBLIC WORKS  
TRANSPORTATION DEVELOPMENT ACT FUNDS**

Notes to Financial Statements

June 30, 2005 and June 30, 2004

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Organization* - The County accounts for its claimed allocations of TDA Sections 99400(a) and 99234 funds within the Road Fund of the County of Monterey.

The financial statement presented is prepared from selected accounts and financial transactions within the Road Fund of the County of Monterey. The financial statement presents the information required to demonstrate the County's compliance with the Transportation Development Act, Sections 99400(a) and 99234, and reimbursements for street and road and pedestrian and bicycle facilities expenditures. Accordingly, it does not present the financial position or the results of operations of the County of Monterey.

*Basis of accounting* - The financial statement is prepared using the modified accrual basis of accounting. Under the modified accrual method, revenues are recognized at the time they become susceptible to accrual; that is, when both measurable and available, and expenditures are recognized when the liability is incurred.

**NOTE 2 - REQUIRED ALLOCATIONS**

Regional Transportation Planning claims are controlled by the Transportation Agency for Monterey County (TAMC). Special Transportation Rides Program and planning claims are controlled by the Special Transportation Rides Program. The claims reduce the balance of Local Transportation Funds held in trust for the County. These amounts are not included in the financial statement of the County but are included in a separate audit report. Beginning July 1, 1996, operation of the Special Transportation Rides Program was transferred to Monterey Salinas Transit, a joint powers agency, which claims Local Transportation Funds from its respective members' jurisdictions under TDA, Article 4. Beginning July 1, 1998, Regional Transportation planning funds were not allocated to agency members.

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**SUPPLEMENTARY INFORMATION SECTION**



**MONTEREY COUNTY DEPARTMENT OF PUBLIC WORKS  
TRANSPORTATION DEVELOPMENT ACT FUNDS**

Schedule of Approved Allocations and Claims Paid by Project Relating to Sections 99400(a) and 99234  
of the Public Utilities Code  
Fiscal Years Ended June 30, 2005 and June 30, 2004

	Transportation Agency for Monterey County Approved Allocations	Amount Claimed
<u>2005</u>		
<u>Streets and Roads, Section 99400(a):</u>		
Street maintenance	\$ 1,602,620	\$ 1,602,620
Maximum approved allocation	<u>\$ 1,602,620</u>	<u>\$ 1,602,620</u>
 Pedestrian and Bicycle, Section 99234	 <u>\$ 51,811</u>	 <u>\$ 51,811</u>
 <u>2004</u>		
<u>Streets and Roads, Section 99400(a):</u>		
Street maintenance	\$ 1,638,544	\$ 1,638,544
Maximum approved allocation	<u>\$ 1,638,544</u>	<u>\$ 1,638,544</u>
 Pedestrian and Bicycle, Section 99234	 <u>\$ 250,000</u>	 <u>\$ 202,172</u>

**MONTEREY COUNTY DEPARTMENT OF PUBLIC WORKS  
TRANSPORTATION DEVELOPMENT ACT FUNDS**

Schedule of Cumulative TDA Allocations and Claimed Expenditures Relating to Sections 99400(a) and 99234  
of the Public Utilities Code  
Fiscal Year Ended June 30, 2005

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Project	Fiscal Year 2005	
	TDA Allocations Claimed	Expenditures
Streets and Roads, Section 99400(a):		
Street maintenance	\$ 1,602,620	\$ 1,602,620
Pedestrian and Bicycle, Section 99234		
Bike path	<u>51,811</u>	<u>51,811</u>
Total	<u>\$ 1,654,431</u>	<u>\$ 1,654,431</u>

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Cumulative Total - June 30, 2005

<u>TDA Allocations Claimed</u>	<u>Expenditures</u>	<u>Unexpended TDA Claims</u>	<u>Project Status</u>
\$ 1,602,620	\$ 1,602,620	\$ -	Ongoing
<u>51,811</u>	<u>51,811</u>	<u>          </u>	Ongoing
<u><u>\$ 1,654,431</u></u>	<u><u>\$ 1,654,431</u></u>	<u><u>\$ -</u></u>	



**MOSS, LEVY & HARTZHEIM L.L.P.**

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ROBERT M. MOSS, C.P.A.  
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802 EAST MAIN  
SANTA MARIA, CA 93454  
PHONE: (805) 925-2579  
FAX: (805) 925-2147  
EMAIL-MAIL: mlhsm@mlhcpas.com

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE**

Transportation Agency for Monterey County  
Salinas, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the statement of revenues, expenditures, and changes in unexpended claims for street and road purposes and for pedestrian and bicycle facilities purposes relating to the Transportation Development Act (TDA), Sections 99400(a) and 99234 of the Public Utilities Code of the County of Monterey, for the fiscal year ended June 30, 2005 and have issued our report thereon dated March 21, 2006

As part of our audit, we tested whether the funds allocated to and received by the County of Monterey, pursuant to the Transportation Development Act (TDA), Sections 99400(a), 99402, 99405, and 99234, were expended in conformance with the applicable statutes, rules, and regulations of the Transportation Development Act, including Section 6666 of Title 21 of the California Administrative Code and the allocation instructions and resolutions of the Transportation Agency for Monterey County.

In connection with our audit, nothing came to our attention that caused us to believe that the County of Monterey had not complied in all material respects with the aforementioned laws or regulations as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

This report is intended solely for the information and use of management, the Transportation Agency for Monterey County, the State of California Department of Transportation, and the State Controller's Office, and should not be used for any other purpose.

MOSS, LEVY & HARTZHEIM

March 21, 2006