



# AGENDA

## CITIZENS' OVERSIGHT COMMITTEE

January 23, 2017

5:00 p.m.

900 Fifth Avenue  
Suite 100  
San Rafael  
California 94901

Conference Room  
900 Fifth Avenue, Suite 100  
San Rafael, CA 94901

Phone: 415/226-0815  
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[www.tam.ca.gov](http://www.tam.ca.gov)

**Belvedere**  
James Campbell

**Corte Madera**  
Diane Furst

**Fairfax**  
John Reed

**Larkspur**  
Dan Hillmer

**Mill Valley**  
Stephanie Moulton-Peters

**Novato**  
Eric Lucan

**Ross**  
P. Beach Kuhl

**San Anselmo**  
Tom McInerney

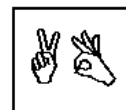
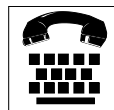
**San Rafael**  
Gary Phillips

**Sausalito**  
Tom Theodores

**Tiburon**  
Alice Fredericks

**County of Marin**  
Damon Connolly  
Katie Rice  
Kathrin Sears  
Steve Kinsey  
Judy Arnold

1. Introductions and Welcome (2 minutes)
2. Review and Approval of November 17, 2016 Meeting Minutes (Action) (5 minutes)
3. TAM Staff Report (Information) (15 minutes)
4. Review and Acceptance of TAM FY2015-16 Financial Statements (Action) (15 Minutes)
5. Review and Acceptance of TAM FY2015-16 Measure A Compliance Audit Result (Action) (15 Minutes)
- Dinner Break – 15 minutes*
6. Review of the Public Outreach Results for the TAM Strategic Vision Plan (Discussion) (20 minutes)
7. Review and Acceptance of the FY2015-16 COC Annual Report (Action) (10 minutes)
8. TAM FY2016-17 Second Quarter Financial Report (Information) (10 minutes)
9. Discussion of Next Meeting Date and Recommended Items for the Agenda (5 minutes)
10. Open Time for Public Input (5 minutes)



Late agenda material can be inspected in TAM's office between the hours of 8:00 a.m. and 5:00 p.m.  
TAM is located at 900 Fifth Avenue, Suite 100, San Rafael.

The meeting facilities are accessible to persons with disabilities. Requests for special accommodations (assisted listening device, sign language interpreters, etc.) should be directed to Denise Merleno at 415-226-0820 or email:[dmerleno@tam.ca.gov](mailto:dmerleno@tam.ca.gov), **no later than 5 days** before the meeting date.





MEETING OF THE  
TRANSPORTATION AUTHORITY OF MARIN  
CITIZENS' OVERSIGHT COMMITTEE

November 7, 2016

7:00 p.m.

TAM Conference Room  
900 Fifth Avenue, Suite 100  
San Rafael, CA 94901

**MEETING MINUTES**

Members Present: V-Anne Chernock, Northern Marin Planning Area  
Peter Pelham, Major Marin Employers  
Joy Dahlgren, Central Marin Planning Area  
Robert Burton, Southern Marin Planning Area  
Scott Tye, West Marin Planning Area  
Vince O'Brien, Bicyclists and Pedestrians Groups  
Kate Powers, Environmental Organizations  
Pamela Gach, League of Women Voters  
Allan Bortel, Marin County Paratransit Coordinating Council  
Paul Premo, Taxpayer Group

Alternates Present: Jayni Allsep, Southern Marin Planning Area  
Kay Noguchi, League of Women Voters

Staff Members Present: Dianne Steinhauser, Executive Director  
Li Zhang, Chief Financial Officer  
Dan Cherrier, Principle Project Delivery Manager  
Molly Graham, Public Outreach Coordinator  
Grace Zhuang, Accounting and Administration Specialist

Chairperson V-Anne Chernock called the Citizens' Oversight Committee meeting to order at 6:45 p.m.

**1. Introductions and Welcome**

No introductions were made.

**2. Review and Approval of September 19, 2016 Meeting Minutes (Action)**

Member Scott Tye moved to approve the September 19 minutes. Vice-chairperson Peter Pelham seconded the motion.

Vice-Chairperson Pelham asked that page 3 of the minutes, first paragraph, be corrected, as follows: "He also discussed the next steps in the process, and asked the Committee for their input on the projects and *what* they would like to see funded over the next 23 years. Mr. McGill asked the members for feedback prior to September 29."

Member Tye accepted the amendment to the motion and the minutes with the correction were approved unanimously.

### 3. TAM Staff Report (Information)

Executive Director (ED) Steinhauser commented on a series of workshops that dealt in part with the current state of transportation, a new transportation sales tax measure on the ballot in the Los Angeles area for tomorrow's election and the total number of sales tax measures statewide. She also discussed the bid opening for the third lane on the Richmond-San Rafael Bridge, noting that Ghilotti Bros., a local contractor, submitted the second lowest bid. ED Steinhauser also suggested possible agenda items for January's COC meeting (the Regional Measure 3 toll increase and the potential renewal and/or expansion of Marin's Measure A). She indicated she would report back to the Committee at their January meeting regarding how the different measures do in the election. Some Committee members expressed interest in getting the election results as promptly as possible.

ED Steinhauser also invited the COC to attend the TAM holiday party scheduled on December 16<sup>th</sup>. She explained that the party will be a fundraiser, and money donated will be given to 10,000 Degrees, a charity organization that provides scholarships to low-income, first generation students who would never otherwise be able to go to college. Those funds will be used to sponsor a student who is interested in pursuing a career in the engineering field.

ED Steinhauser further discussed with the Committee urgent issues of concern, including the demand for local streets and roads funds available versus the total amount requested and potential fund sources (including the use of TAM's debt reserve fund for the Richmond Bridge approaches and staff's recommendation to fund major road projects), and significant bid overages for Marin Transit's Novato Redwood and Grant Bus Transit Facility project and Marin Transit's funding request to TAM.

ED Steinhauser responded to questions/comments from the Committee regarding what constitutes a "major road" according to the Measure A Expenditure Plan, the criteria used for determining the priority of each project, limitations/restrictions on the use of Major Road projects, differences in how a project is handled that leads to a greater chance of success or failure. The Committee then discussed how or whether TAM should assist a member agency when faced with project funding deficit, specifically in Marin Transit Novato Redwood and Grant Bus Transit Facility project situation. ED Steinhauser discussed with the Committee potential cost reduction strategies, whether TAM interest reserves should be used and if so what percentage can be programmed and where, other potential fund sources, including Golden Gate Transit or the City of Novato, deadline for acceptance of the bid and/or moving forward with the project, how much a member agency should have to use of its own fund reserve in order to qualify to receive TAM's reserves, OBAG 3 & Measure A funding already allotted to Marin Transit, potential cost sharing with other agencies, and comparison between the amount in TAM reserves and the amount in Marin Transit reserves.

ED Steinhauser expressed appreciation for the wisdom of the COC, and she commented that their input would be shared with the TAM Executive Committees next week. She suggested areas where they might want to make specific recommendations, such as: whether TAM could suggest a partial amount to be given to Marin Transit or possibly a challenge grant, whether the project budget still has contingency funds available that can be used to partially cover the cost overrun, and whether Measure A interest funds could be used in this case. The Committee would also like to see value engineering being done and wanted to know whether it would be reasonable to ask Marin Transit to do a partial project with a reduced budget. Various members commented on the high cost of the Transit Center and funding recommendations were made by the members, including advancing Marin Transit's share of the Measure A money.

Ms. Zhang responded to questions about the process for advancing future Measure A funds, which ED Steinhauser noted has been done before for other member agencies, and whether Measure B funds could be used.

Chairperson Chernock summarized the preferences expressed by the Committee regarding Marin Transit's request, including reaching out once again to Golden Gate Transit and the City of Novato for funding, and the need for the project to be value engineered before TAM funds are provided.

ED Steinhauser thanked the committee for their input and confirmed their recommendations would be presented to the Executive Committee for consideration.

**4. Review the Request of Using Bond Reserve for Local Streets and Roads Projects (Discussion)**

Discussion of this item was included within the comments and questions following the TAM Staff Report above (Item #3).

**5. Review of the First Quarter Financial Report (Information)**

Ms. Li Zhang, Chief Financial Officer, reviewed a few highlights of the first quarter report and noted she was willing to answer questions about the Financial Report if there were any (whether now or later).

**6. Formation of the FY2015-16 COC Annual Report Subcommittee and Adoption of the Development Schedule (Action)**

Ms. Zhang explained the role of the Annual Report Subcommittee, and the anticipated schedule for the review and finalization of the Annual Report and Financial Statement. After brief discussion, the members selected to serve were Vice-chairperson Peter Pelham, Member Bob Burton, and Member Joy Dahlgren. Member Kay Noguchi also offered to help with the review as well.

Ms. Zhang also discussed with the Committee the potential renewal and/or expansion of Measure A, including how best to get information out to the public regarding what has been accomplished during this first sales tax measure period. Due to time constraints, she indicated that she would need to have the TAM Board approve the Financial Report at its December 1<sup>st</sup> meeting and then bring it back to the COC at its January meeting for review. In that way the Annual Report could be finalized at the January 2017 COC meeting.

**7. Discussion of Next Meeting Date and Recommended Items for the Agenda**

The next meeting was set for Monday, January 23, 2017, and potential agenda items were discussed.

There was some conversation among the Committee and staff regarding the upcoming election and impacts depending on its outcome.

**8. Open Time for Public Input**

As no one wished to speak, the meeting was adjourned at 8:12 p.m.



**DATE:** January 23, 2017

**TO:** Transportation Authority of Marin Citizens' Oversight Committee

**FROM:** Li Zhang, Chief Financial Officer

**SUBJECT:** Review and Acceptance of FY2015-16 Draft Financial Statements (Action), Agenda Item No. 4

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**RECOMMENDATION:**

The Committee reviews and accepts the Draft TAM FY2015-16 Financial Statements.

**BACKGROUND:**

TAM is required by its Measure A ½ Transportation Sales Tax Expenditure Plan and PUC Code 180105(c) to conduct an annual financial audit. TAM staff, along with TAM's audit team from Vavrinek, Trine, Day & Co., LLP, started the work on the FY2015-16 financial audit in June of this year and the final field visit was conducted the first week of November. The TAM Board has reviewed and accepted the FY2015-16 Financial Statements at its December 1 meeting. As required by the Measure A ½ Transportation Sales Tax Expenditure Plan, staff is presenting the final financial statements for the COC's review and acceptance.

**DISCUSSION/ANALYSIS:**

Components of the FY2015-16 Financial Audit

The Draft Financial Audit Report includes the following elements: Independent Auditors' Report, Management's Discussion and Analysis, Basic Financial Statements, Notes to Basic Financial Statements, Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, and Independent Auditor's Report on Compliance.

Results of the FY2015-16 Financial Audit

The Auditor has certified that all of TAM's financial statements are presented fairly in all material aspects, has certified the financial position of the governmental activities and each major fund on June 30, 2016, and the respective changes in financial position thereof and the budgetary comparison for the special revenue funds for the year then ended in conformity with U.S. generally accepted accounting principles, as well as the accounting system prescribed by the State Controller's Office and state regulations governing special districts.

The Expenditure Plan allows TAM to use up to 5% of the Measure A revenue for administration costs, of which 1% can be used for salaries and benefits for administrative staff and 4% can be used for overall project/program support. The Measure A compliance audit conducted for FY2015-16 confirmed that TAM is in compliance with the 5% overall administration cost ceiling and under the 1% administrative staff cost cap mandated by Measure A.

**FISCAL CONSIDERATION:**

The audit is being conducted within budget.

**NEXT STEPS:**

N/A

**ATTACHMENTS:**

Attachment: Draft TAM FY2015-16 Financial Statements

**TRANSPORTATION AUTHORITY  
OF MARIN**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2016**



**TRANSPORTATION AUTHORITY OF MARIN**

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**JUNE 30, 2016**

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**TRANSPORTATION AUTHORITY OF MARIN**

**BOARD OF COMMISSIONERS**

**JUNE 30, 2016**

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JUDY ARNOLD

DAMON CONNOLLY

SANDRA DONNELL

ALICE FREDERICKS

DIANE FURST

DAN HILLMER

STEVE KINSEY

P. BEACH KUHL

ERIC LUCAN

TOM MCINERNEY

STEPHANIE MOULTON-PETERS

GARY PHILLIPS

JOHN REED

KATIE RICE

KATHRIN SEARS

TOM THEODORES

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***FINANCIAL SECTION***

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Vavrinek, Trine, Day & Co., LLP  
Certified Public Accountants

VALUE THE DIFFERENCE

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners of the  
Transportation Authority of Marin  
San Rafael, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Transportation Authority of Marin (the Authority) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic 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 opinions 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 opinions.

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority, as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2016, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering of the Authority's internal control over financial reporting and compliance.

*Vavrinck, Trinc, Day & Co. LLP*

Palo Alto, California  
December 1, 2016

## **TRANSPORTATION AUTHORITY OF MARIN**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2016**

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This section of the Transportation Authority of Marin's (the Authority) financial statements presents management's overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2016. We encourage the reader to consider the information presented here in conjunction with the financial statements as a whole.

#### **FINANCIAL HIGHLIGHTS**

The Authority collected a total of \$37.3 million in revenues in FY2015-16, of which \$25.7 million, or 68.9% is Measure A ½ Cent Transportation Sales Tax revenue. We have seen steady growth of the sales tax revenue in Marin County for the last six years. The Authority's \$25.7 million Measure A ½ Cent Transportation Sales Tax collection in 2015-16 is \$0.4 million, or 1.7% higher than the \$25.3 million collected in FY2014-15. This continuing health revenue improvement will help the financial picture of all the transportation projects and programs in Marin County. A total of \$2.4 million was collected under Measure B, the \$10 Vehicle Registration Fee (VRF) program in FY2015-16. The Measure A Sales Tax and Measure B VRF revenues are the two dedicated local transportation funding sources and vital to the successful implementation of all transportation projects and programs in Marin County.

Besides the Measure A ½ Cent Transportation Sales Tax revenues and the Measure B VRF revenue collection for carrying various transportation-related projects and programs in the County, the Authority also received about \$8.5 million for all its Congestion Management Agency (CMA) related activities. As the CMA for Marin County, the Authority collected about \$1.2 million from the Metropolitan Transportation Commission (MTC) in Congestion Management Planning and Programming and Priority Development Area (PDA) funds. Cities, towns, and the County of Marin also contributed \$0.6 million for the various services/support the Authority provides as the CMA. About \$0.2 million was received from the State Transportation Improvement Program (STIP) for Planning, Programming and Monitoring activities for all state projects. A total of \$1.3 million Regional Measure 2 (RM2) funds were received for various RM2 capital projects in Marin County. The Authority collected about \$0.4 million in Transportation Funds for Clean Air (TFCA) funds, a program funded by a \$4 surcharge on motor vehicles registered in the Bay Area. A total of \$0.4 million of STIP Regional Improvement Program (RIP) and Highway Bridge Program funds were received from the State and Federal Highway Administration (FHWA) for the various Marin Sonoma Narrows projects. A total of \$3.9 million Congestion Management Air Quality fund was received from the FHWA for the construction of the Central Marin Ferry Connector Project. The Authority also received about \$0.1 million various funds from the federal and state governments for several small transportation projects and programs.

The Authority collected \$23,328 in interest revenue from the Marin County Investment Pool in FY2015-16. In late FY2015-16, the Authority implemented its own financial system, MIP, and also moved its remaining fund balance in the Marin County Investment Pool to Bank of Marin and CalTRUST. Currently, the Authority's investments with the CalTRUST pool amounts to \$46,968,301. Total interest revenue received from various CalTRUST funds during FY2015-16 is \$351,324. As of June 30, 2016, the unrealized gain from the various accounts is \$293,173. Including the funds in the Bank of Marin and CalTRUST, the Authority has a total cash/investment balance of \$51.9 million as of June 30, 2016.

Total FY2015-16 expenditures for the Authority were \$30.9 million, of which \$20.8 million was in the Measure A Sales Tax Fund, and consisted of \$1.3 million for administration, \$0.1 million for professional services, \$1.0 million for debt services, which is to fully pay off the MTC loan secured to meet the cash flow needs of the Highway 101 Gap Closure Project, with the remaining \$18.4 million for Measure A projects and programs. Expenditures for all Measure B VRP programs were \$1.5 million. The other \$8.6 million expenditures are for various CMA planning/programming activities and major capital projects.

**TRANSPORTATION AUTHORITY OF MARIN**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

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**OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Authority's audited financial statements, which are comprised of the basic financial statements.

The required financial statements include the Government-wide and Fund Financial Statements, Statement of Net Position and Statement of Activities, Governmental Funds Balance Sheet, and the Governmental Fund Statement of Revenues, Expenditures and Changes in the Fund Balances. These statements are supported by notes to the financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of the Authority.

**THE BASIC FINANCIAL STATEMENTS**

The Basic Financial Statements contain the Governmental-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the Authority's financial activities and financial position.

The Government-wide Financial Statements provide a long-term view of the Authority's activities as a whole, and include the Statements of Net Position and Statement of Activities. The Statement of Net Position provides information about the financial position of the Authority as a whole, including all of its capital assets and long-term liabilities on the full accrual basis of accounting, similar to that used by corporations. The Statement of Activities provides information about all the Authority's revenues and expenses, also on the full accrual basis of accounting, with the emphasis on meeting net revenues or expenditures of the Authority's programs. The Statement of Activities explains in detail the change in Net Position for the fiscal year.

All of the Authority's activities are grouped into Governmental Activities, as explained below.

The Fund Financial Statements report the Authority's operation in more detail than the Governmental-wide Financial Statements and focus primarily on the short-term activities of the Authority's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances and exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of the Authority and are presented individually. All funds of the Authority qualify or have been selected to be Major Funds and are explained below.

**THE GOVERNMENT-WIDE FINANCIAL STATEMENTS**

Government-wide Financial Statements are prepared on the full accrual basis of accounting, which means they measure the flow of all economic resources of the Authority as a whole. The Statement of Net Position and the Statement of Activities present information about the following:

**Government Activities**

The Authority's basic services are considered to be governmental activities. These services are supported by various transportation funding sources from various federal, state and local funding agencies.

## TRANSPORTATION AUTHORITY OF MARIN

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2016

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#### FUND FINANCIAL STATEMENTS

The Fund Financial Statements provide detailed information about each of the Authority's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by Governmental Accounting Standards Board (GASB) Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of the Authority for the fiscal year, and may change from year to year as a result of changes in the pattern of the Authority's activities.

The Authority currently has four active governmental funds with an additional fund that was closed in the current fiscal year. Following is a discussion of the results of operations of each fund during FY2015-16.

#### **CMA General Fund**

This Fund accounts for the revenues and expenditures of the Authority's congestion management activities, primarily congestion management planning and programming work elements, and the management of various capital projects. The Fund spent a total of \$7.8 million for various transportation planning and programming activities, and capital projects management, and received a total of \$8.2 million in revenue in FY2015-16.

The fund's fiscal year-end balance is \$2.1 million. The Fund balance represents funds that have not yet been expended but are restricted for various congestion management activities.

#### **BAAQMD/ TFCA Fund**

This Fund accounts for the revenues and expenditures for the Transportation for Clean Air (TFCA) capital grant that the Authority receives from the Bay Area Air Quality Management District (BAAQMD). The purpose of the TFCA grant is to fund studies related to the monitoring of air quality control, and any capital improvements that can contribute to the improvement of air quality. Revenue received in FY2015-16 is \$372,341. The Fund spent \$784,931 on such activities in FY2015-16.

The Fund's fiscal year-end balance is \$1.1 million, representing funds that have not yet been expended but are restricted for air quality control and improvement projects.

#### **Measure A Sales Tax Fund**

This fund accounts for the revenues and expenditures for the projects and programs set forth by the voters in the Authority's Measure A Transportation Sales Tax Expenditure Plan, approved by Marin voters in November 2004. \$26.3 million in revenue was collected in FY2015-16. The Fund spent \$20.8 million on various Measure A related activities, with \$1.3 million for administration, \$0.1 million for professional services, \$1.0 million for debt services, which is to fully pay off for the payback of the MTC loan secured to meet the cash flow needs of the Highway 101 Gap Closure Project, with the remaining \$18.4 million for Measure A projects and programs

The Fund's fiscal year-end balance is \$42.0 million, representing funds that have not yet been expended but are restricted for various projects and programs according to the Measure A Expenditure Plan.

**TRANSPORTATION AUTHORITY OF MARIN**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

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**Corte Madera Creek Bridge Fund**

This fund accounts for a portion of the revenue and expenditures for the Central Marin Ferry Connection Project. As part of the Highway 101 Gap Closure Project implementation, the project sponsor, the Department of Transportation (Caltrans), needed to obtain a permit from the Bay Conservation and Development Commission (BCDC) to conduct some work within BCDC's jurisdiction. BCDC determined the projects had unavoidable impacts to resources under its purview and required certain mitigation as a condition to the issuance of a permit. A contribution in the amount of \$400,000 was made by Caltrans and deposited in this special Fund as required by BCDC. This funding is reserved for the Central Marin Ferry Connection Project, which is expected to enhance public access to the San Francisco shoreline. This Fund was transferred from the Marin County Department of Public Works to the Authority in FY2006-07. The Fund was fully spent and closed by June 30, 2016.

**Measure B Vehicle Registration Fee**

Under Senate Bill 83, the CMA may place an initiative on the County ballot to obtain up to \$10 in additional revenue from vehicle registration payments. In 2009, the Authority began evaluating the viability for obtaining revenues and the possibility of supporting a variety of underfunded transportation efforts. The process resulted in a ballot measure, Measure B, for simple majority approval to fund various exciting transportation projects and programs through the vehicle registration fee increases in the November 2010 election. With the strong support for the much needed transportation projects/programs around the County, Measure B, the \$10 vehicle registration fee increase, was passed successfully with a 63.5% approval rate.

Revenue collected from the Measure B program will help reduce traffic congestion, maintain roads, improve safety, and reduce air pollution by maintaining local and residential streets and pathways; funding transportation options for seniors and disabled persons; funding local pothole repair; providing school crossing guards and safe access to schools; and reducing commute trip congestion and supporting a cleaner environment. The Fund collected \$2.4 million in FY2015-16 and spent over \$1.4 million on various Measure B programs. Fund balance as of June 30, 2016 is \$3.9 million.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Statements.

Comparisons of Budget and Actual financial information are presented for all Funds in a combined format.

**TRANSPORTATION AUTHORITY OF MARIN**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

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**ANALYSES OF GOVERNMENTAL FUNDS BUDGET**

**Governmental Funds**

Actual revenues from various sources for FY2015-16 were \$37.3 million, about \$7.7 million less than the budgeted amount. Both the Measure A Sales Tax and Measure B VRF revenues came in higher than budget with the strong taxable sales and steady ownership of vehicles in Marin, while reimbursement-based revenues for most of the major capital projects were lower than budgeted due to project schedule changes. Total Measure A revenue collection was \$25.7 million, \$0.4 million higher than the \$25.3 million budgeted. Total Measure B revenue collection was \$2.4 million, slightly higher than the budgeted amount. The Authority received all the local CMA fee contributions from all the cities, towns and County. Revenue levels for all reimbursement based fund sources were determined by the actual expenditures of various programs/projects.

Total expenditures for FY2015-16 were \$30.9 million, \$12.5 million lower than the budget amount, which is mainly due to the slower than expected progress of various capital projects. Spending level for the Administration Category was almost the same as the \$2.8 million budgeted. The Authority spent \$1.7 million under the Professional Services Category; \$2.7 million lower than budgeted, mostly due to the slower than expected project spending for various capital projects as well as several planning efforts. Expenditures for Measure A Projects/Programs were at \$18.4 million, which is \$3.6 million less than budget with all four strategies expended less than the budgeted amounts. Expenditures for all Measure B Programs were at \$1.3 million, about \$0.4 million lower than the \$1.7 million budgeted, most due to the lower spending for the Paratransit Plus Program, the Transportation Demand Management Program and the EV Program. Only \$5.7 million of the \$11.5 million budgeted for the Interagency Agreements Category was spent since most of the work, including the construction of the Central Marin Ferry Connection Project, was spending slower than expected. Expenditure for all TFCA projects/programs was less than \$0.8 million, \$0.4 million more than budget due to the completion of a few overdue capital projects.

## TRANSPORTATION AUTHORITY OF MARIN

MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016

**Table 1**  
**Statement of Net Position**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
<b>Assets</b>			
Cash and Investments	\$ 51,884,455	\$ 43,884,026	\$ 39,652,952
Sales Tax Receivable	4,670,503	4,687,979	3,914,593
Accounts Receivable	5,403,878	3,456,392	1,872,058
Prepaid Expenses	21,444	40,496	-
<b>Total Assets</b>	<b>61,980,280</b>	<b>52,068,893</b>	<b>45,439,603</b>
<b>Liabilities</b>			
Current Liabilities			
Accounts Payable	9,187,709	5,644,771	8,790,039
Unearned Revenue	3,063,343	3,128,343	210,920
Noncurrent Liabilities			
Due within One Year	-	953,855	1,865,628
Due in more than One Year	-	-	953,855
<b>Total Liabilities</b>	<b>12,251,052</b>	<b>9,726,969</b>	<b>11,820,442</b>
<b>Net Position</b>			
Restricted	49,729,228	42,341,924	33,619,161
<b>Total Net Position</b>	<b>\$ 49,729,228</b>	<b>\$ 42,341,924</b>	<b>\$ 33,619,161</b>

The Statement of Net Position summarizes the Authority's assets and liabilities with the difference of the two reported as net position. Table 1 summarizes the net position of governmental activities for the fiscal year ended June 30, 2016, June 30, 2015 and June 30, 2014.

The Authority's governmental net position was \$49.7 million as of June 30, 2016, and comprised of the following:

- Cash and Investments of \$51.9 million in the CalTRUST and deposits with financial institutions.
- Receivables and Prepaid Expenses of \$10.1 million in sales tax and other accounts receivables.
- Liabilities, including all accounts payables and unearned revenues, totaling \$12.3 million.
- Net position represents available funds that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. Total net position for the Authority was \$49.7 million as of June 30, 2016, which were all restricted for various transportation projects and programs.

## TRANSPORTATION AUTHORITY OF MARIN

MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016

**Table 2**  
**Statement of Activities**

	<u>FY 2016</u>	<u>FY 2015</u>	<u>Change</u>
<b>Revenues</b>			
<b>Programming Revenue:</b>			
Operating Grants and Contributions	\$ 8,535,259	\$ 5,657,885	\$ 2,877,374
<b>Total Program Revenues</b>	<b>8,535,259</b>	<b>5,657,885</b>	<b>2,877,374</b>
<b>General Revenue:</b>			
Sales Tax	25,698,829	25,265,790	433,039
Vehicle Registration Fee	2,376,492	2,333,642	42,850
Interest	37,220	28,865	8,355
Investment Income (CalTrust)	351,877	185,231	166,646
Investment Unrealized Gain/(Loss)	293,173	(49,132)	342,305
<b>Total General Revenues</b>	<b>28,757,591</b>	<b>27,764,396</b>	<b>993,195</b>
<b>Expenses</b>			
Administration	876,328	652,015	224,313
Project Management	710,701	360,030	350,671
Transportation Planning	773,116	1,642,040	(868,924)
Transportation Projects	6,799,218	3,360,631	3,438,587
Measure A Projects and Programs	19,279,150	17,568,652	1,710,498
Measure B Programs	1,452,726	1,624,404	(171,678)
Interest on Long-term Debt	14,308	70,695	(56,387)
<b>Total Expenses</b>	<b>29,905,547</b>	<b>25,278,467</b>	<b>4,627,080</b>
<b>Changes in Net Position</b>	<b>7,387,303</b>	<b>8,143,814</b>	<b>(756,511)</b>
<b>Net Position - Beginning</b>	<b>42,341,925</b>	<b>33,619,161</b>	<b>8,722,764</b>
<b>Net Position - Ending</b>	<b>\$ 49,729,228</b>	<b>\$ 41,762,975</b>	<b>\$ 7,966,253</b>

## TRANSPORTATION AUTHORITY OF MARIN

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2016

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The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these elements in the Changes in Governmental Net Position are summarized below.

As Table 2 shows, \$8.5 million or 22.2% of the Authority's FY2015-16 governmental revenues, came from programming revenues and \$28.7 million, or 80.1%, came from general revenues such as Measure A sales taxes, Measure B vehicle registration fee (VRF) and interest revenue.

Measure A Sales Tax revenues are the largest revenue for the Authority, and represent about 68.9% of the Authority's FY2015-16 revenues. Sales tax revenues are general revenues that are spent under the guidelines of the Expenditure Plan approved by Marin County voters in November 2004. Measure B VRF revenue is another voter approved dedicated transportation fund source for Marin County. \$2.4 million was collected in FY2015-16 under this funding source. Interest earnings are also part of the general revenues.

Programming revenues include both Operating Grants and Contributions and Capital Grants. Cities and County Contributions are part of the Operating Grants and contributions revenues. Other Operating Grants and Contributions include STP/CMAQ planning funds from MTC, the STIP/PPM funds from the California Transportation Commission (CTC). Total Operating Grants and Contribution for FY2015-16 is \$8.5 million.

#### **Debt Administration**

To meet the cash flow needs of the 101 Gap Closure project, the Authority entered into a \$12.5 million CMAQ/Measure A Fund Exchange Agreement with MTC on November 2007. The first payment to MTC was made in June 2009. The Authority paid the remaining balance on the loan in FY2015-16.

#### **Economic Outlook and Future Projections**

The Authority will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality services to the residents of Marin County.

With the steady growth of the Measure A sales tax revenues collection and reliable revenue stream from the Measure B VRF, the Authority will be able to continue many of the vital transportation projects/programs in Marin. The Authority hopes funding level from various federal and state resources will be stabilized in the upcoming fiscal year. All those steady revenue sources will help the financial picture of all the transportation projects and programs in Marin County.

On the expenditure side, the Authority was able to find adequate cash for the needs of various capital projects in FY2016-17 and expects this to remain the same in the upcoming fiscal year.

#### **Request for Information**

This Financial Report is intended to provide citizens, taxpayers and creditors with a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Transportation Authority of Marin, 900 Fifth Ave, Suite 100, San Rafael, CA 94901; (415) 226-0815.

**TRANSPORTATION AUTHORITY OF MARIN**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

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**Economic Outlook and Future Projections**

The Authority will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality services to the residents of Marin County.

With the steady growth of the Measure A sales tax revenues collection and reliable revenue stream from the Measure B VRF, the Authority will be able to continue many of the vital transportation projects/programs in Marin. The Authority hopes funding level from various federal and state resources will be stabilized in the upcoming fiscal year. All those steady revenue sources will help the financial picture of all the transportation projects and programs in Marin County.

On the expenditure side, the Authority was able to find adequate cash for the needs of various capital projects in FY2016-17 and expects this to remain the same in the upcoming fiscal year.

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**TRANSPORTATION AUTHORITY OF MARIN**

**STATEMENT OF NET POSITION  
JUNE 30, 2016**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and Investments	\$ 51,884,455
Sales Tax Receivable	4,670,503
Accounts Receivable	5,403,878
Prepaid Expenses	21,444
<b>Total Assets</b>	<b>61,980,280</b>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	9,187,709
Unearned Revenue	3,063,343
<b>Total Liabilities</b>	<b>12,251,052</b>
<b>NET POSITION</b>	
Restricted for:	
BAAQD-TFCA Project	1,124,769
Measure A Sales Tax Project	42,042,756
Measure B VRF Projects	3,938,953
Congestion Management Projects	2,622,750
<b>Total Net Position</b>	<b>\$ 49,729,228</b>

The accompanying notes are an integral part of the financial statements.

## TRANSPORTATION AUTHORITY OF MARIN

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Revenues Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
<b>Governmental Activities:</b>			
Congestion Management:			
Administration	\$ 876,328	\$ 338,130	\$ (538,198)
Project Management	710,701	-	(710,701)
Transportation Planning and Programming	773,116	1,815,551	1,042,435
Transportation Projects	6,799,218	6,381,578	(417,640)
Measure A Projects and Programs	19,279,150	-	(19,279,150)
Measure B Programs	1,452,726	-	(1,452,726)
Interest on Long-term Debt	14,308	-	(14,308)
<b>Total Governmental Activities</b>	<b>\$ 29,905,547</b>	<b>\$ 8,535,259</b>	<b>(21,370,288)</b>
General Revenues:			
Sales Tax			25,698,829
Vehicle Registration Fees			2,376,492
Interest			682,270
<b>Total, General Revenues</b>			<b>28,757,591</b>
<b>Change in Net Position</b>			<b>7,387,303</b>
<b>Net Position - Beginning</b>			<b>42,341,925</b>
<b>Net Position - Ending</b>			<b>\$ 49,729,228</b>

The accompanying notes are an integral part of the financial statements.

## TRANSPORTATION AUTHORITY OF MARIN

## BALANCE SHEET- GOVERNMENTAL FUNDS

JUNE 30, 2016

	General Fund	BAAQMD/ TFCA Fund	Measure A Sales Tax Fund	Corte Madera Creek Bridge Fund	Measure B VRF Fund	Total
<b>ASSETS</b>						
Cash and Investments	\$ 4,621,061	\$ 1,765,108	\$ 41,461,741	\$ -	\$ 4,036,545	\$ 51,884,455
Sales Tax Receivable	-	-	4,670,503	-	-	4,670,503
Accounts Receivable	4,967,874	617	-	-	435,387	5,403,878
Prepaid Expenditures	-	-	21,444	-	-	21,444
<b>Total Assets</b>	<b>\$ 9,588,935</b>	<b>\$ 1,765,725</b>	<b>\$ 46,153,688</b>	<b>\$ -</b>	<b>\$ 4,471,932</b>	<b>\$ 61,980,280</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 4,477,683	\$ 640,956	\$ 3,536,091	\$ -	\$ 532,979	\$ 9,187,709
Unearned Revenue	3,063,343	-	-	-	-	3,063,343
<b>Total Liabilities</b>	<b>7,541,026</b>	<b>640,956</b>	<b>3,536,091</b>	<b>-</b>	<b>532,979</b>	<b>12,251,052</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable Revenue Amounts	-	-	574,841	-	-	574,841
<b>Fund Balances:</b>						
Nonspendable	-	-	21,444	-	-	21,444
Restricted for:						
BAAQD/TFCA	-	1,124,769	-	-	-	1,124,769
Measure A Sales Tax	-	-	42,021,312	-	-	42,021,312
Measure B VRF	-	-	-	-	3,938,953	3,938,953
Congestion Management	2,047,909	-	-	-	-	2,047,909
<b>Total Fund Balances</b>	<b>2,047,909</b>	<b>1,124,769</b>	<b>42,042,756</b>	<b>-</b>	<b>3,938,953</b>	<b>49,154,387</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 9,588,935</b>	<b>\$ 1,765,725</b>	<b>\$ 46,153,688</b>	<b>\$ -</b>	<b>\$ 4,471,932</b>	<b>\$ 61,980,280</b>

The accompanying notes are an integral part of the financial statements.

**TRANSPORTATION AUTHORITY OF MARIN**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
JUNE 30, 2016**

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**Fund Balance of Governmental Funds** \$ 49,154,387

**Amounts Reported for Governmental Activities in the Statement of Net  
Position are Different From Those Reported in the Governmental Funds  
Because of the Following:**

Revenues collected outside the measurement period of the Governmental Funds are deferred on the Balance Sheet. However, these revenues are considered to be earned on the Statement of Activities.

	574,841
<b>Total Net Position - Governmental Activities</b>	<b>\$ 49,729,228</b>

The accompanying notes are an integral part of the financial statements.

## TRANSPORTATION AUTHORITY OF MARIN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund	BAAQMD/TFCA Fund	Measure A Sales Tax Fund	Corte Madera Creek Bridge Fund	Measure B VRF Fund	Total
<b>REVENUES</b>						
Measure A Sales Tax Revenue	\$ -	\$ -	\$ 25,702,937	\$ -	\$ -	\$ 25,702,937
Measure B VRF Revenue	-	-	-	-	2,376,492	2,376,492
Cities/Towns and County Contribution	559,001	-	-	-	-	559,001
Interest County Pool	6,460	1,732	25,467	8	3,553	37,220
Investment Income (CalTrust)	2,771	4,111	329,445	-	15,550	351,877
Investment Unrealized Gain/Loss	12,726	5,464	255,028	-	19,955	293,173
MTC STP/CMAQ Planning Fund and OBAG Grants	705,985	-	-	-	-	705,985
PDA Planning Funds	480,202	-	-	-	-	480,202
MTC Regional Measure 2 Fund	1,259,013	-	-	-	-	1,259,013
Transportation For Clean Air Funding	-	361,034	-	-	-	361,034
Federal Highway Bridge Program Fund	175,414	-	-	-	-	175,414
State STIP/PPM Fund	194,952	-	-	-	-	194,952
STIP/RTIP/IIP Fund	490,658	-	-	-	-	490,658
Transportation Development Act Funds	31,313	-	-	-	-	31,313
Non-motorized Transportation Pilot Program	18,090	-	-	-	-	18,090
MTC Grant for Youth Transit Program/CMAQ	34,483	-	-	-	-	34,483
MTC Climate Initiatives Program Grant/CMAQ	4,567	-	-	-	-	4,567
CMFC NTPP/CMAQ Pass-through	3,882,417	-	-	-	-	3,882,417
Other Agency/Private Contributions	338,130	-	-	-	-	338,130
<b>Total Revenues</b>	<b>8,196,182</b>	<b>372,341</b>	<b>26,312,877</b>	<b>8</b>	<b>2,415,550</b>	<b>37,296,958</b>
<b>EXPENDITURES</b>						
Congestion Management:						
Administration:						
Salaries and Benefits	989,267	19,273	1,063,753	-	163,829	2,236,122
Office Lease	165,067	-	21,034	-	-	186,101

The accompanying notes are an integral part of the financial statements.

## TRANSPORTATION AUTHORITY OF MARIN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund	BAAQMD/TFCA Fund	Measure A Sales Tax Fund	Corte Madera Creek Bridge Fund	Measure B VRF Fund	Total
<b>EXPENDITURES - continued</b>						
Office Relocation Cost	120,408	-	3,903	-	-	124,311
Agencywide IT and Computer Equipment Upgrade	7,218	-	8,859	-	-	16,077
Equipment Purchase/Lease	-	-	8,200	-	-	8,200
Telephone/Internet/Web Hosting Services	(10)	-	23,671	-	-	23,661
Office Supplies	851	-	24,197	-	-	25,048
Update/Improvement of TAM Website	-	-	15,825	-	-	15,825
Insurance	-	-	5,739	-	-	5,739
Financial Audit	-	-	22,000	-	-	22,000
Legal Services	10,667	-	(5,791)	-	-	4,876
Document Reproduction	7,705	-	7,116	-	300	15,121
Memberships	6,910	-	5,200	-	-	12,110
Travel/Meetings/Conferences	8,991	-	15,482	-	1,060	25,533
Professional Development	-	-	850	-	-	850
Human Resources/Board Support	-	-	25,789	-	-	25,789
Information Technology/Web Support	37,058	-	33,767	-	-	70,825
Implementation of Financial Software System	-	-	35,911	-	-	35,911
Miscellaneous Expenditures	490	-	2,309	-	1,065	3,864
Professional Services:						
CMP Update/Traffic Monitoring	9,120	-	-	-	-	9,120
Traffic Model Maintenance and Update	5,001	-	-	-	-	5,001
Countywide Bike/Pedestrian Plan Update	33,489	-	-	-	-	33,489
Fairfax-San Rafael Transit Corridor Feasibility Study	60,141	-	-	-	-	60,141
Project Management Oversight	224,504	-	13,898	-	-	238,402
MSN Redwood Landfill Interchange Design/Construction	24,908	-	-	-	-	24,908
MSN San Antonio Curve Correction Construction Support	140,559	-	-	-	-	140,559
MSN San Antonio Bridge Replacement Design	135,975	-	-	-	-	135,975

The accompanying notes are an integral part of the financial statements.

## TRANSPORTATION AUTHORITY OF MARIN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund	BAAQMD/TFCA Fund	Measure A Sales Tax Fund	Corte Madera Creek Bridge Fund	Measure B VRF Fund	Total
<b>EXPENDITURES - continued</b>						
MSN Orange Ave Soundwall Mitigation	66,901	-	-	-	-	66,901
HOV Gap Closure Irwin Creek Mitigation Design	30,185	-	-	-	-	30,185
HOV Gap Closure Mitigation Irwin Creek Construction Management/Construction	88,206	-	-	-	-	88,206
State Legislative Assistance	35,000	-	-	-	-	35,000
Financial Advisor/Sales Tax Audit Services	10,013	-	3,000	-	-	13,013
North-South Greenway Gap Closure PA&ED/PS&E	499,066	-	-	-	-	499,066
TAM Junction PA&ED/PS&E/CM	123,766	-	-	-	-	123,766
Highway 101 Tiburon/E. Blithedale Bike/Ped Improvement	26,781	-	-	-	-	26,781
Public Outreach Service	6,288	-	-	-	-	6,288
Street Smart Program Implementation	18,090	-	-	-	-	18,090
Sausalito South Gateway Improvement Study	40,382	-	-	-	-	40,382
Youth Transit Program Implementation	-	-	-	-	3,759	3,759
Countywide Transportation Strategic Plan	-	-	97,309	-	-	97,309
Consulting Pool	11,410	-	9,644	-	-	21,054
Measure A Sales Tax Programs/Projects						
Measure A Compliance Audit	-	-	15,000	-	-	15,000
Bike/Ped Path Maintenance/GGT Shuttle Service	-	-	130,375	-	-	130,375
Central Marin Ferry Connector - SMART Insurance Policy	-	-	8,708	-	-	8,708
Substrategy 1.1 - Local Bus Transit Service	-	-	7,639,767	-	-	7,639,767
Substrategy 1.2 - Rural Bus Transit System	-	-	891,087	-	-	891,087
Substrategy 1.3 - Special Needs Transit Services	-	-	2,217,833	-	-	2,217,833
Substrategy 1.4 - Bus Transit Facilities	-	-	934,159	-	-	934,159
Substrategy 3.1 - Major Roads	-	-	1,329,891	-	-	1,329,891
Substrategy 3.2 - Local Roads	-	-	2,956,277	-	-	2,956,277
Substrategy 4.1 - Safe Routes to Schools	-	-	783,549	-	-	783,549
Substrategy 4.2 - Crossing Guards	-	-	1,000,813	-	-	1,000,813
Strategy 4.3 Safe Pathways Plan Development	-	-	187,652	-	-	187,652
Straetgy 4.3 Safe Pathway Capital Projects	-	-	262,180	-	-	262,180

The accompanying notes are an integral part of the financial statements.

## TRANSPORTATION AUTHORITY OF MARIN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund	BAAQMD/TFCA Fund	Measure A Sales Tax Fund	Corte Madera Creek Bridge Fund	Measure B VRF Fund	Total
<b>EXPENDITURES - continued</b>						
Measure B VRF Programs						
Element 1.2 - Bike/Ped Pathways Maintenance	-	-	-	-	219,109	219,109
Element 2.1 - Mobility Management Programs	-	-	-	-	146,172	146,172
Element 2.2 - Paratransit and Low Income Scholarships	-	-	-	-	195,852	195,852
Element 2.3 - Paratransit Plus	-	-	-	-	182,503	182,503
Element 2.4 - Volunteer Drive and Gap Grant	-	-	-	-	205,808	205,808
Element 3.1 - Safe Routes to School	-	-	-	-	195,811	195,811
Element 3.2 - Trans. Demand Management	-	-	-	-	117,819	117,819
Element 3.3 - Discretionary Fuel (EV) Programs	-	-	-	-	27,500	27,500
Interagency Agreements:						
CMFC - County Construction Agreement RM2	452,536	-	-	-	-	452,536
CMFC - County Construction Agreement NTPP/CMAQ	3,882,621	-	-	-	-	3,882,621
Highway 101 Ramp Metering Local Support	13,009	-	-	-	-	13,009
San Rafael Transit Needs and Relocation Study Funding Agreement	217,548	-	-	-	-	217,548
San Rafael Downtown Parking and Wayfinding Study	126,151	-	-	-	-	126,151
MTC Youth Transit Grant Funding Agreement	34,722	-	-	-	-	34,722
North-South Greenway (Southern Segment) - County Project Management	154,856	-	-	10,010	-	164,866
North-South Greenway (Southern Segment) - SMART Boundary Survey	10,906	-	-	-	-	10,906
Other Capital Expenditures:						
TFCA - TDM Projects/Vanpool Incentive	-	23,235	-	-	-	23,235
TFCA - Reimbursement of Various Capital Projects	-	742,423	-	-	-	742,423
Debt Service - MTC Loan Repayment:						
Principal	-	-	953,854	-	-	953,854
Interest	-	-	14,308	-	-	14,308
<b>Total Expenditures</b>	<b>7,836,756</b>	<b>784,931</b>	<b>20,767,118</b>	<b>10,010</b>	<b>1,460,587</b>	<b>30,859,402</b>
<b>Excess (deficiency) of</b>						
<b>Revenues Over Expenditures</b>	359,426	(412,590)	5,545,759	(10,002)	954,963	6,437,556
<b>Fund Balance - Beginning</b>	1,688,483	1,537,359	36,496,997	10,002	2,983,990	42,716,831
<b>Fund Balance - Ending</b>	<b>\$ 2,047,909</b>	<b>\$ 1,124,769</b>	<b>\$ 42,042,756</b>	<b>\$ -</b>	<b>\$ 3,938,953</b>	<b>\$ 49,154,387</b>

The accompanying notes are an integral part of the financial statements.

**TRANSPORTATION AUTHORITY OF MARIN**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016**

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The schedule below reconciles the Net Changes in Fund Balances reported in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measure only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared using the full accrual basis of accounting.

<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 6,437,556</b>
<b>Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:</b>	
Governmental funds defer certain revenues that are not recognized with the Authority's accrual period such as sales tax. On the Statement of Activities, however, the amounts are considered to be earned and are recognized as revenues in the current period.	(4,108)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term debt principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities. Repayment of debt principal is added back to fund balances.	953,855
<b>Change in Net Position of Governmental Activities</b>	<b><u><u>\$ 7,387,303</u></u></b>

The accompanying notes are an integral part of the financial statements.

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***NOTES TO BASIC FINANCIAL STATEMENTS***

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## TRANSPORTATION AUTHORITY OF MARIN

### NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2016

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Reporting Entity

On March 2, 2004, the Marin County Board of Supervisors created the Transportation Authority of Marin (the Authority) by Resolution No. 2004-21, pursuant to Section 180050 of the California Public Utilities Code (“PUC”). As required by California PUC Section 180051(a) and California Government Code Section 65089(a), a majority of City and Town Councils of Marin County, representing a majority of the incorporated population of Marin, have concurred on the membership of the Authority and designated the Authority as the Congestion Management Agency for Marin County.

The Authority’s responsibilities include the development and administration of the Transportation Sales Tax Expenditure Plan, approved by Marin voters in November 2004. With the passage of Measure A, the Authority now manages the implementation of the transportation projects and programs financed by the ½-cent, 20 years sales tax. The Authority also serves as the designated Congestion Management Agency (CMA) for Marin County, providing countywide planning and programming for transportation related needs. As both the sales tax authority and the CMA for Marin County, the Authority plays a leading role in planning, financing, and implementation of transportation projects and programs in Marin County.

The Authority’s sixteen member governing board is comprised of representatives from each of the cities and towns in Marin County, and all five members of the County Board of Supervisors. A Technical Advisory Committee (TAC), made up of public works staff, other local government staff, and representatives of diverse interest groups prioritizes infrastructure improvements and makes recommendations to the Authority. A twelve member Citizens’ Oversight Committee, made up of five representatives from the five planning areas and seven representatives from diverse interest groups in Marin County, reports directly to the public on issues related to the Measure A sales tax and Measure B VRF revenues and expenditures.

##### Basis of Presentation

**Government-wide Statements** - The Statement of Net Position and the Statement of Activities include the financial activities of the overall Authority. Eliminations have been made to minimize the double counting of internal activities.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Authority’s activities. Direct expenses are those specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) funds and contributions that are restricted to meeting the operations or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

**Fund Financial Statements** - The fund financial statements provide information about the Authority’s funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is on major individual funds, each of which is displayed on a separate column.

## TRANSPORTATION AUTHORITY OF MARIN

### NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2016

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

##### Major Funds

Generally accepted accounting principles defines major funds and requires that the Authority's major governmental type funds be identified and presented separately in the fund financial statements. The Authority has determined that all of its funds are major funds.

The Authority reported the following major governmental funds in the accompanying financial statements:

**CMA General Fund** - This fund accounts for revenues and expenditures for the Authority's congestion management activities, primarily congestion management planning and programming work elements, and the management of various capital projects. Major revenues sources for this fund are all programming revenues with the exception of Transportation for Clean Air (TFCA) funds.

**BAAQMD/TFCA Fund** - This fund accounts for revenues and expenditures for the TFCA capital grant the Authority receives from the Bay Area Air Quality Management District (BAAQMD). The purpose of the TFCA grant is to fund studies related to the monitoring of air quality control, and any capital improvements that can contribute to the improvement of air quality.

**Measure A ½ Cent Transportation Sales Tax Fund** - This fund accounts for revenues and expenditures for the projects and programs set forth by the voters in the Authority's Transportation Sales Tax Expenditure Plan, approved by Marin voters in November 2004.

**Corte Madera Creek Bridge Fund** - This fund accounts for a portion of the revenue and expenditures for the Central Marin Ferry Connection Project. As part of the Highway 101 Gap Closure Project implementation, the project sponsor, the Department of Transportation (Caltrans), needed to obtain a permit from the Bay Conservation and Development Commission (BCDC) to conduct some work within BCDC's jurisdiction. BCDC determined the projects had unavoidable impacts to resources under its purview and required certain mitigation as a condition to the issuance of a permit. A contribution in the amount of \$400,000 was made by Caltrans and deposited in this special fund as required by BCDC. This funding is reserved for the Central Marin Ferry Connection Project, which is expected to enhance public access to the San Francisco shoreline. This fund was transferred from the Marin County Department of Public Works to the Authority in FY2006-07. The fund was closed in the current fiscal year.

**Measure B VRF Fund** - This fund accounts for revenues and expenditures for the projects and programs set forth by the voters in the Authority's \$10 Vehicle Registration Fee Expenditure Plan, approved by the Marin voters in November 2010.

## TRANSPORTATION AUTHORITY OF MARIN

### NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2016

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

##### **Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurements focus and the modified accrual basis of accounting. Under this method, revenues are recognized when *measurable and available*. The Authority considers all revenues reported in the governmental funds to be available if the revenues are collected within six months after fiscal year-end, except for sales tax revenues which are accrued for if received within sixty days after fiscal year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital assets acquisitions are reported as *expenditures* in governmental funds. Proceeds of long-term debt and acquisition under capital leases are reported as *other financing sources*.

*Non-exchange transactions*, in which the Authority gives or receives value without directly receiving or giving equal value in exchange, includes entitlements and donations. Revenues from entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Authority funds certain programs by a combination of specific cost-reimbursement funds, categorical block funds, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. The Authority's policy is to first apply cost-reimbursement resources to such programs, followed by general revenues.

##### **Budget and Budgetary Accounting**

The budget for expenditures is adopted on the budgetary basis, which is consistent with accounting principles generally accepted in the United States of America. The budget for revenues and expenditures is adopted by the Board annually in total for all funds, therefore the Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual is presented in a combined format for all governmental funds and not presented separately for each major fund.

##### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**TRANSPORTATION AUTHORITY OF MARIN**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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

**Net Position and Fund Balances**

**Government-wide Financial Statements**

**Net Investments in Capital Assets** - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that contributed to the acquisition, construction, or improvement of the capital assets.

**Restricted Net Position** - This amount consists of amounts restricted from external creditors, grantors, contributors, and laws or regulations of other governments.

**Unrestricted Net Position** - This amount consists of all net assets that do not meet the definition of “net investments in capital assets” or “restricted net position”.

**Fund Financial Statements**

**Fund Balances** - Restrictions of fund balances of governmental funds are amounts that can be spent only for the specific purpose stipulated by constitution, external resource providers, or through enabling legislation. The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form such as prepaid items or inventories, or are legally or contractually required to be maintained intact. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The Authority had no assigned fund balances as of year-end.

Unassigned fund balance is the residual classification for the government’s general fund and includes all spendable amounts not contained in the other classifications.

**Spending Order Policy**

When expenses are incurred for both restricted and unrestricted fund balances available, the Authority considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Authority considers amounts to have been spent first out of committed funds then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

**Unearned Revenue**

Under modified accrual basis of accounting used by governmental funds, revenues are recognized as soon as they are measurable and available. Under the full accrual basis of accounting used by the government-wide financial statement, revenues are recognized when earned. Thus, the government-wide statement of net position and governmental funds defer revenue recognition for resources that have been received at fiscal year-end, but not yet earned.

**TRANSPORTATION AUTHORITY OF MARIN**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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

**Risk Management**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Authority carries commercial insurance through Alliant Insurance Services, Inc.

**Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Investment Valuations**

The Authority recognizes the fair value measurement of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Authority's investments in the CalTrust Pool are uncategorized as deposits and withdrawals are made on the basis of \$1 and not fair value.

**NOTE 2 – CASH AND INVESTMENTS**

**Classification**

Cash and investments are classified in the financial statements as shown below:

Cash and Investments, Statement of Net Position	<u>\$ 51,884,455</u>
Cash and Investments as of June 30, 2016 consist of the following:	
Bank of Marin	\$ 4,916,154
Deposits with CalTrust	<u>46,968,301</u>
Total Cash and Investments	<u>\$ 51,884,455</u>

**TRANSPORTATION AUTHORITY OF MARIN**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 – CASH AND INVESTMENTS - continued**

**Investment Authority by the California Government Code and the Authority’s Investment Policy**

The table below identifies the investment types that are authorized for the Authority by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk and concentration of credit risk. The Authority has adopted a formal investment policy. The allowable investments, according to the Authority’s investment policy, are listed below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	N/A	None	\$50 million
Certificates of Deposit	None	30%	None
U.S. Treasury Obligations	None	None	None
U.S. Agency Obligations	None	None	None
U.S. Government Securities	None	None	None
State of California and Local Agency Bonds	None	None	None
Bankers Acceptances	180 days	30%	None
Medium-Term Notes	2 years	30%	None
Commercial Paper	270 days	25%	None
Marin County Cash Pool	None	None	None
Repurchase Agreements	1 year	None	None

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the Authority’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority’s investments by maturity:

Investment Type	Totals	Remaining Maturity 12 Months or Less
Deposits with Bank of Marin	\$ 4,916,154	\$ 4,916,154
Deposits with CalTrust	46,968,301	46,968,301
Total	<u>\$ 51,884,455</u>	<u>\$ 51,884,455</u>

**TRANSPORTATION AUTHORITY OF MARIN**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 – CASH AND INVESTMENTS - continued**

**Disclosures Relating to Credit Risks**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The following represents the rating of the Authority's cash and investments as of June 30, 2016:

Investment Type	Amount	Rating as of Fiscal Year End		
		AAA	AA	Unrated
Deposits with Bank of Marin	\$ 4,916,154	\$ 4,916,154	\$ -	\$ -
Deposits with CalTrust	46,968,301	-	1,824,116	45,144,186
Total	\$51,884,455	\$ 4,916,154	\$ 1,824,116	\$45,144,186

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction; a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code 53652 requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledge securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institution to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining balance was collateralized by the pledging financial institutions as required by Section 53652 of the California Government Code described above.

**NOTE 3 – OPERATING LEASE**

**Operating Lease**

The Authority had a five-year fully serviced lease with the Landlord to rent 5,202 square feet of office space at 781 Lincoln Avenue, Suite 160 in the City of San Rafael. The 60-month lease commenced on December 1, 2013 and will end on November 30, 2017. However, BioMarin purchased the office complex several years ago with the intent to make it the company's main campus and provided tenants with attractive incentives to terminate their leases early and relocate to other locations. TAM negotiated some favorable early lease termination terms with BioMarin in 2015 and entered into a five-year lease to rent 7,621 square feet of office space at 900 Fifth Ave, Suite 100 in Downtown San Rafael. The base rent commences at \$19,052 per month and ends at \$21,444 per month.

## TRANSPORTATION AUTHORITY OF MARIN

### NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2016

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#### NOTE 4 – EMPLOYMENT AGREEMENT

The Authority has no employees of its own. The Authority has entered into an employment agreement with a joint powers authority, Local Government Services (LGS)/Regional Government Service (RGS), for all its eleven employees. LGS/RGS provides staffing, payroll, insurance and various other administrative services to small governmental agencies throughout California. The Authority pays LGS hourly rates for each employee's hours worked during the year. The hourly rates for each employee include salary, fringe benefits, insurance costs, costs of retirement liabilities and other postemployment benefits (OPEB), and a flat administration fee for all service provided. The Authority prepays the expected monthly fee prior to the service month.

Because the Authority has no employees of its own, there are no accrued payroll or compensated absence liabilities on the books of the Authority. Any benefits or accrued compensation due to the employees are the responsibility of LGS / RGS and already reflected in the rates charged.

#### NOTE 5 – LONG-TERM DEBT

##### Metropolitan Transportation Commission Funding Exchange Agreement

In November 2007 the Transportation Authority of Marin entered into an agreement with the Metropolitan Transportation Commission (Commission), the regional transportation planning agency for the San Francisco Bay Area. The Authority has requested the assistance of the Commission to avoid certain debt financing costs by providing Congestion Mitigation and Air Quality Improvement (CMAQ) program funds available now in exchange for Measure A funds available in future years. Under the terms of this agreement the Commission has loaned the Authority \$12,500,000, payable over 8 years, with repayments commencing on June 30, 2009. Interest rate charged is 0% through December 31, 2010, and then 3% on the outstanding principal balance until December 31, 2015. If there is any outstanding principal balance after December 31, 2015, interest rate charged will be 10%. The Authority paid off the remaining balance of \$953,855 and the loan has no outstanding balance as of June 30, 2016.

The activity for the loan for the fiscal year ended June 30, 2016, was as follows:

	Balance			Balance
	July 1, 2015	Additions	Deductions	June 30, 2016
MTC Funding Exchange Agreement	\$ 953,855	\$ -	\$ 953,855	\$ -

#### NOTE 6 – COMMITMENTS AND CONTINGENCIES

The Authority is subject to litigation arising in the normal course of business. In the opinion of the Authority's attorney, there is no pending litigation which is likely to have a material adverse effect on the financial position of the Authority. The Authority has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

The Authority has various cooperative agreements with governmental entities and contracts with vendors. As of June 30, 2016, the Authority's total outstanding commitments were approximately \$63 million, with \$43 million expended and \$20 million still outstanding.

**TRANSPORTATION AUTHORITY OF MARIN**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**NOTE 7 – RISK MANAGEMENT**

The Authority is exposed to various risks of losses related to torts; theft of; damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority carries commercial insurance through Alliant Insurance Services, Inc. for general liability, automobile, property coverage, and public officials' errors and omissions.

Coverage is as follows:

- a) General liability - \$ 1,000,000 each occurrence.
- b) Damage to rented premises - \$1,000,000 each occurrence.
- c) Automobile liability - \$1,000,000 each accident.
- d) Public officials errors and omissions - \$1,000,000 each occurrence and annual aggregate.  
All deductibles are \$2,500.

Crime coverage for LGS employees is provided by Alteris Insurance and is limited to \$1,000,000, with a \$50,000 deductible. There were no claims that exceeded the insurance coverage amounts in the past three years.

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***REQUIRED SUPPLEMENTARY INFORMATION***

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**TRANSPORTATION AUTHORITY OF MARIN**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL – ALL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Variances - Positive (Negative) Final to Actual</b>
<b>REVENUES</b>				
Measure A Sales Tax Revenue	\$ 25,250,000	\$ 25,250,000	\$ 25,702,937	\$ 452,937
Measure B VRF Revenue	2,350,000	2,350,000	2,376,492	26,492
Cities/Towns and County Contribution	559,000	559,000	559,001	1
Interest Revenue	180,000	180,000	389,097	209,097
MTC STP/CMAQ Planning Fund and OBAG Grants	1,331,521	1,331,521	705,985	(625,536)
PDA Planning Funds	602,820	602,820	480,202	(122,618)
MTC Regional Measure 2 Fund	5,674,916	5,674,916	1,259,013	(4,415,903)
Transportation For Clean Air Funding	358,000	358,000	361,034	3,034
Federal Highway Bridge Program Fund	200,000	200,000	175,414	(24,586)
State STIP/PPM Fund	1,047,514	1,047,514	194,952	(852,562)
STIP/RTIP/IIP Fund	422,819	422,819	490,658	67,839
Transportation Development Act Funds	50,000	50,000	31,313	(18,687)
Non-motorized Transportation Pilot Program	27,000	27,000	18,090	(8,910)
MTC Grant for Youth Transit Program/CMAQ	78,000	78,000	34,483	(43,517)
MTC Climate Initiatives Program Grant/CMAQ	78,288	78,288	4,567	(73,721)
CMFC NTPP/CMAQ Pass-through		6,200,000	3,882,417	(2,317,583)
Other Agency/Private Contributions	338,130	338,130	338,130	-
<b>Total Revenues</b>	<b>38,548,008</b>	<b>44,748,008</b>	<b>37,003,785</b>	<b>(7,744,223)</b>
<b>EXPENDITURES</b>				
Administration				
Salaries and Benefits	2,074,057	2,074,057	2,236,122	(162,065)
Office Lease	230,000	230,000	186,101	43,899
Office Relocation Cost	80,000	80,000	124,311	(44,311)
Agencywide IT and Computer Equipment Upgrade	20,000	20,000	16,077	3,923
Equipment Purchase/Lease	25,000	25,000	8,200	16,800
Telephone/Internet/Web Hosting Services	23,000	23,000	23,661	(661)
Office Supplies	35,000	35,000	25,048	9,952
Update/Improvement of TAM Website	30,000	30,000	15,825	14,175
Insurance	15,000	15,000	5,739	9,261
Financial Audit	20,000	20,000	22,000	(2,000)
Legal Services	70,000	70,000	4,876	65,124
Document Reproduction	35,000	35,000	15,121	19,879
Memberships	25,000	25,000	12,110	12,890
Travel/Meetings/Conferences	25,000	25,000	25,533	(533)
Carshare Membership	3,000	3,000	-	3,000
Professional Development	5,000	5,000	850	4,150
Human Resources/Board Support	50,000	50,000	25,789	24,211
Information Technology/Web Support	35,000	35,000	70,825	(35,825)
Implementation of Financial Software System	-	40,000	35,911	4,089
Miscellaneous Expenditures	13,500	13,500	3,864	9,636

## TRANSPORTATION AUTHORITY OF MARIN

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL – ALL FUNDS – CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variances - Positive (Negative) Final to Actual</u>
<b>EXPENDITURES - continued</b>				
Professional Services				
CMP Update/Traffic Monitoring	50,000	50,000	9,120	40,880
Traffic Model Maintenance and Update	250,000	250,000	5,001	244,999
Semi-Annual Origin Destination Counts	75,000	75,000	-	75,000
Countywide Bike/Pedestrian Plan Update	50,000	50,000	33,489	16,511
Fairfax-San Rafael Transit Corridor Feasibility Study	85,000	85,000	60,141	24,859
Project Management Oversight	185,000	185,000	238,402	(53,402)
MSN Redwood Landfill Interchange Design/Construction	50,000	50,000	24,908	25,092
MSN San Antonio Curve Correction Construction Support	300,000	300,000	140,559	159,441
MSN San Antonio Bridge Replacement Design	375,000	375,000	135,975	239,025
MSN Orange Ave Soundwall Mitigation	120,000	120,000	66,901	53,099
HOV Gap Closure Irwin Creek Mitigation Design	100,000	100,000	30,185	69,815
HOV Gap Closure Mitigation Irwin Creek Construction				
Management/Construction	300,000	300,000	88,206	211,794
State Legislative Assistance	35,000	35,000	35,000	-
Financial Advisor/Sales Tax Audit Services	15,000	15,000	13,013	1,987
North-South Greenway Gap Closure PA&ED/PS&E	1,300,000	1,300,000	499,066	800,934
TAM Junction PA&ED/PS&E/CM	250,000	250,000	123,766	126,234
Highway 101 Tiburon/E. Blithedale Bike/Ped Improvement	100,000	100,000	26,781	73,219
Public Outreach Service	20,000	20,000	6,288	13,712
Street Smart Program Implementation	27,000	27,000	18,090	8,910
Richmond/San Rafael Bridge Support Study and Coordination	200,000	200,000	-	200,000
Carshare Pilot Program Implementation	70,000	70,000	-	70,000
Sausalito South Gateway Improvement Study	37,500	37,500	40,382	(2,882)
Youth Transit Program Implementation	3,000	3,000	3,759	(759)
Countywide Transportation Strategic Plan	350,000	350,000	97,309	252,691
Consulting Pool	65,000	65,000	21,054	43,946
Measure A				
Measure A Compliance Audit	20,000	20,000	15,000	5,000
Bike/Ped Path Maintenance/GGT Shuttle Service	107,000	107,000	130,375	(23,375)
Central Marin Ferry Connector - SMART Insurance Policy	25,000	25,000	8,708	16,292
Substrategy 1.1 - Local Bus Transit Service	9,000,000	9,000,000	7,639,767	1,360,233
Substrategy 1.2 - Rural Bus Transit System	1,200,000	1,200,000	891,087	308,913
Substrategy 1.3 - Special Needs Transit Services	2,203,546	2,203,546	2,217,833	(14,287)
Substrategy 1.4 - Bus Transit Facilities	1,500,000	1,500,000	934,159	565,841
TE/TLC/STP Swap Project	484,000	484,000	-	484,000
Substrategy 3.1 - Major Roads	1,970,000	1,970,000	1,329,891	640,109
Substrategy 3.2 - Local Roads	2,956,277	2,956,277	2,956,277	-
Substrategy 4.1 - Safe Routes to Schools	810,000	810,000	783,549	26,451
Substrategy 4.2 - Crossing Guards	1,050,000	1,050,000	1,000,813	49,187
Strategy 4.3 Safe Pathways Plan Development	100,000	100,000	187,652	(87,652)
Strategy 4.3 Safe Pathway Capital Projects	500,000	500,000	262,180	237,820

## TRANSPORTATION AUTHORITY OF MARIN

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL – ALL FUNDS – CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variances - Positive (Negative) Final Variances</u>
<b>EXPENDITURES - continued</b>				
Measure B				
Element 1.2 - Bike/Ped Pathways Maintenance	111,625	111,625	219,109	(107,484)
Element 2.1 - Mobility Management Programs	137,578	137,578	146,172	(8,594)
Element 2.2 - Paratransit and Low Income Scholarships	223,000	223,000	195,852	27,148
Element 2.3 - Paratransit Plus	290,000	290,000	182,503	107,497
Element 2.4 - Volunteer Drive and Gap Grant	262,808	262,808	205,808	57,000
Element 3.1 - Safe Routes to School	172,000	172,000	195,811	(23,811)
Element 3.2 - Trans. Demand Management	267,000	267,000	117,819	149,181
Element 3.3 - Discretionary Fuel (EV) Programs	240,000	240,000	27,500	212,500
Interagency Agreements				
CMFC - County Construction Agreement RM2	3,720,000	3,720,000	452,536	3,267,464
CMFC - County Construction Agreement NTPP/CMAQ		6,200,000	3,882,621	2,317,379
CMFC - SMART Construction Oversight	10,000	10,000	-	10,000
Highway 101 Ramp Metering Local Support	100,000	100,000	13,009	86,991
San Rafael Transit Needs and Relocation Study Funding Agreement	240,000	240,000	217,548	22,452
San Rafael Downtown Parking and Wayfinding Study	210,000	210,000	126,151	83,849
MTC Youth Transit Grant Funding Agreement	75,000	75,000	34,722	40,278
North-South Greenway (Southern Segment) - County Project Management	500,000	500,000	164,866	335,134
North-South Greenway (Southern Segment) - SMART Boundary Survey	20,000	20,000	10,906	9,094
Other Capital Expenditures				
TFCA - TDM Projects/Vanpool Incentive	16,000	16,000	23,235	(7,235)
TFCA - Reimbursement of Various Capital Projects	414,000	414,000	742,423	(328,423)
Debt Service				
Principal	953,854	953,854	953,854	-
Interest	14,308	14,308	14,308	-
<b>Total Expenditures</b>	<b><u>37,129,053</u></b>	<b><u>43,369,053</u></b>	<b><u>30,859,402</u></b>	<b><u>12,509,651</u></b>
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>1,418,955</b>	<b>1,378,955</b>	<b>6,144,383</b>	<b>4,765,428</b>
<b>Fund Balance - Beginning</b>	<b>42,716,831</b>	<b>42,716,831</b>	<b>42,716,831</b>	<b>-</b>
<b>Fund Balance - Ending - Budgetary Basis</b>	<b><u>\$ 44,135,786</u></b>	<b><u>\$ 44,095,786</u></b>		<b><u>\$ 4,765,428</u></b>
Reconciling Items				
GASB 31			293,173	
<b>Fund Balance - Ending - GAAP Basis</b>			<b><u>\$ 49,154,387</u></b>	

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***INDEPENDENT AUDITOR'S REPORTS***

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Vavrinek, Trine, Day & Co., LLP  
Certified Public Accountants

VALUE THE DIFFERENCE

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

Board of Commissioners of the  
Transportation Authority of Marin  
San Rafael, 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 governmental activities and each major fund of the Transportation Authority of Marin the (Authority) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 1, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 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.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's 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 internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Vavrinck, Trine, Day & Co. LLP*

Palo Alto, California  
December 1, 2016



Vavrinek, Trine, Day & Co., LLP  
Certified Public Accountants

VALUE THE DIFFERENCE

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH THE 5% ADMINISTRATION CAP AND TRANSPORTATION DEVELOPMENT ACT**

Board of Commissioners of the  
Transportation Authority of Marin  
San Rafael, California

**Report on Compliance**

We have audited the Transportation Authority of Marin's the (Authority) compliance with the 5% administration cost cap limit (the Limit) contained in the Marin County Transportation Sales Tax Expenditure Plan and the Authority's compliance with the Transportation Development Act for the fiscal year ended June 30, 2016.

**Management's Responsibility**

Compliance with the requirements referred to above is the responsibility of Authority's management.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Authority's compliance based on our audit. 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; and the applicable statutes, rules and regulations of the Transportation Development Act as required by Section 6667 of Title 21 of the California Code of Regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have occurred. An audit includes examining, on a test basis, evidence about Authority'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. Our audit does not provide a legal determination of Authority's compliance with those requirements.

**Opinion**

In our opinion, the Authority complied, in all material respects, with the requirements referred to above for the fiscal year ended June 30, 2016.

The purpose of this report is solely to describe the scope of our testing of the compliance and the results of that testing. Accordingly, this report is not suitable for any other purpose.

*Vavrinek, Trine, Day & Co. LLP*

Palo Alto, California  
December 1, 2016



**DATE:** January 23, 2017

**TO:** Transportation Authority of Marin Citizens' Oversight Committee

**FROM:** Li Zhang, Chief Financial Officer

**SUBJECT:** Review and Acceptance of FY2015-16 Measure A Compliance Audit Results (Action) - Agenda Item No.5

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**RECOMMENDATION:**

The Committee reviews and accepts the FY2015-16 Measure A compliance audit results.

**BACKGROUND:**

TAM has a fiduciary responsibility to the voters of Marin County to ensure that Measure A transportation sales tax funds are spent appropriately and has carried out this responsibility diligently since the inception of Measure A Transportation sales tax in 2005. The Measure A Expenditure Plan provided TAM with the authority to audit all Measure A fund recipients for their use of the sales tax proceeds. An independent compliance audit is explicitly permitted under the terms and conditions of TAM's funding agreement/contract with all Measure A funding recipients. The COC played a critical role in the development of the Measure A Compliance Audit Policy and the final Policy was adopted by the TAM Board at its October 28, 2010 Board meeting. The implementation of the Policy started with the FY2011-12 and prior Measure A funding activities.

The TAM Board approved the five Measure A Transportation Sales Tax fund recipients that were selected for the six round of compliance audits in June 2016, as shown in the table below. This audit cycle covers Measure A revenue and expenditure activities occurred in or prior to FY2015-16.

**Measure A Fund Recipients Selected for the 2016 Compliance Audit Cycle**

No.	Fund Recipient	Measure A Funding Strategy
<b>Interest Revenue Funding Usage</b>		
1	County of Marin	Usage of Multi-Use Path Maintenance Funds
<b>Strategy 1 Local Bus Transit System</b>		
2	Marin Transit	Local Transit, for all Measure A funds received for its FY2015-16 transit operation and capital needs
<b>Strategy 2 Highway 101 Gap Closure</b>		
	None	
<b>Strategy 3 Local Transportation Infrastructure</b>		
3	City of Belvedere	Strategy 3.2, Local Roads, for its usage of the Measure A Local Roads funds in or prior to FY2015-16
<b>Strategy 4 School Related Congestion and Safer Access to Schools</b>		
4	All City Management Services	Strategy 4.2, Crossing Guards for usage of funds in FY2015-16
5	Town of Tiburon	Strategy 4.3, Safe Pathways to School, for Measure A funds received for the Ned Way/Tiburon Rectangular Rapid Flashing Beacons Project

**DISCUSSION/ANALYSIS:**

Measure A Compliance Audit Process:

A Measure A Compliance Audit Workshop was conducted on August 31, 2016 to go over the requirements of the Measure A Expenditure Plan, the compliance audit policy adopted, and the process and timeline. Representatives from nine different fund recipients attended the workshop and provided staff with valuable questions and feedback.

The audit team, along with TAM staff, started the initial pre-audit meetings with the fund recipients selected in September, field visits were completed by the end of November, and draft audit results were presented to TAM staff for review in December. Staff is very pleased to report that there is no non-compliance findings discovered during this round of compliance audit.

Measure A Compliance Audit Results By Fund Recipients:

The main purpose of the compliance audit is to verify all Measure A Transportation Sales Tax funds were spent according to the requirements of the Measure A Transportation Sales Tax Expenditure Plan/Strategic Plan and the funding agreements/contracts. Results from the audits can also help TAM staff to continue improving the fund programming and allocation process.

Compliance audit results for the five fund recipients selected for this round of audit effort are presented below for your review.

Interest Revenue: County of Marin, Usage of Multi-Use Path Maintenance Funds

Measure A Expenditure Audited:

Compliance audit for County of Marin covers all Measure A expenditures occurred in FY2015-16.

<b>Measure A Allocation</b>				
Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	2015-014	Interest Revenue Funding Usage	9/22/2015	\$ 45,000
<b>Measure A Expenditures</b>				
Project Name	Measure A Strategy	Amount		
Cal Park Hill	Interest Revenue Funding Usage	\$ 40,301		

*Result:*

The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between County of Marin and TAM.

*Follow-up Meeting and/or Action:*

Not needed.

*Strategy 1: Marin Transit, Measure A Funds for Local Transit*

*Measure A Expenditure Audited:*

Compliance audit for Marin Transit covers all Measure A expenditures that occurred in FY2015-16.

<b>Measure A Allocation</b>				
Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	2015-018	1	7/15/2015	\$ 13,903,546
<b>Measure A Expenditures</b>				
Project Name	Measure A Strategy	Amount		
Local Bus Transit	1.1	\$ 7,575,766		
Local Bus Transit Service	1.2	888,950		
Rural Bus Transit System	1.3	2,203,546		
Capital Improvements	1.4	934,159		
Total Project Cost		<u>\$ 11,602,421</u>		

*Result:*

The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between Marin Transit and TAM.

*Follow-up Meeting and/or Action:*

Not needed.

Strategy 2 – Highway 101 Gap Closure - No Audit Conducted

Strategy 3.2 – City of Belvedere, Local Roads: Lower Golden Gate Avenue Payment Repair Project

*Measure A Expenditure Audited:*

Compliance audit for City of Belvedere covers Measure A expenditures under the Strategy 3.2 Local Streets and Roads allocation, which was spent in FY2015-16.

<b>Measure A Allocation</b>				
Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	2014-005 Amendment No. 1	3.2	9/16/2015	\$ 29,911
<b>Measure A Expenditures</b>				
Project Name	Measure A Strategy	Amount		
Lower Golden Gate Avenue Pavement Repair	3.2	\$ 29,111		

*Result:*

The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between City of Belvedere and TAM.

*Follow-up Meeting and/or Action:*

Not needed.

Strategy 4.2 – All City Management Services, Crossing Guard Services

*Measure A Expenditure Audited:*

Compliance audit for All City Management Services covers Measure A expenditures under the Strategy 4.2 Crossing Guards allocation, which was spent in FY2015-16.

<b>Measure A Allocation</b>				
Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	C-FY15/16-01	4.2	7/31/15 with a 1st addendum on 12/31/15.	\$ 919,249
<b>Measure A Expenditures</b>				
Project Name	Measure A Strategy	Amount		
Crossing Guard Services	4.2	\$ 919,249		

*Result:*

The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between All City Management Services and TAM.

*Follow-up Meeting and/or Action:*

Not needed.

Strategy 4.3 – Town of Tiburon, Safe Pathways to School Fund, Ned Way/Tiburon Blvd Project

*Measure A Expenditure Audited:*

Compliance audit for Town of Tiburon covers Measure A expenditures under the Strategy 4.3 Safe Pathways to School allocations, which was spent in FY2015-16.

<b>Measure A Allocation</b>				
Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	2015-011	4.3	3/26/2015	\$ 25,000
<b>Measure A Expenditures</b>				
Project Name	Measure A Strategy	Amount		
Ned Way/Tiburon Blvd Crosswalk Rectangular Rapid Flashing Beacon Project	4.3	\$ 23,189		

*Result:*

The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between Town of Tiburon and TAM.

*Follow-up Meeting and/or Action:*

Not needed.

**FISCAL CONSIDERATION:**

The Measure A compliance audit was conducted within budget and on schedule.

**NEXT STEPS:**

The seventh Measure A compliance audit cycle will start in May 2017.

**ATTACHMENTS:**

- Attachment 1 Measure A Compliance Audit Report – County of Marin
- Attachment 2 Measure A Compliance Audit Report – Marin Transit
- Attachment 3 Measure A Compliance Audit Report – City of Belvedere
- Attachment 4 Measure A Compliance Audit Report – All City Management Services
- Attachment 5 Measure A Compliance Audit Report – Town of Tiburon



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of  
Transportation Authority of Marin  
San Rafael, California

**Compliance**

We have audited the County of Marin's (County) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the County's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

***Management's Responsibility***

Compliance with the requirements referred to above is the responsibility of management of the County.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the County and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the County and the Authority 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 material effect on the County's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the County'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. Our audit does not provide a legal determination of the County's compliance with those requirements.

***Opinion***

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that are applicable to the County's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

**Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* 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, noncompliance 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. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the County and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and management of the County. Accordingly, this report is not suitable for any other purpose.

**Vavrinek, Trine Day & Co., LLP**  
\_\_\_\_\_, 2016

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

**Financial Reporting Entity**

The County receives funding under the Measure A Expenditure Plan.

**Basis of Accounting**

The County utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The County considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

**NOTE 2 - MEASURE A SALES TAX**

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
  - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
  - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis and tested for the following attributes:
  - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
  - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to

justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
  - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
  - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
  - c. Bid Award – Reviewed City/Town Council or County’s Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town or County’s Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any

construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
  - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
  - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

**Measure A Allocation**

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	2015-014	Interest Revenue Funding Usage	9/22/2015	\$ 45,000

**Measure A Expenditures**

Project Name	Measure A Strategy	Amount
Cal Park Hill	Interest Revenue Funding Usage	\$ 40,301



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of  
Transportation Authority of Marin  
San Rafael, California

**Compliance**

We have audited Marin Transit's (Agency) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the Agency's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

***Management's Responsibility***

Compliance with the requirements referred to above is the responsibility of management of the Agency.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Agency and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Agency and the Authority 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 material effect on the Agency's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the Agency'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. Our audit does not provide a legal determination of the Agency's compliance with those requirements.

***Opinion***

In our opinion, the Agency complied, in all material respects, with the compliance requirements referred to above that are applicable to the Agency's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

**Report on Internal Control Over Compliance**

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Agency's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

*A deficiency in internal control over compliance* 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, noncompliance 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. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Agency and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and Management of the Agency. Accordingly, this report is not suitable for any other purpose.

**Vavrinek, Trine Day & Co., LLP**  
\_\_\_\_\_, 2016

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

**Financial Reporting Entity**

Marin Transit is an agency formed by vote by the people of Marin County that provides local transit services within Marin County.

**Basis of Accounting**

The Agency utilizes the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

**NOTE 2 - MEASURE A SALES TAX**

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
  - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
  - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:
  - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
  - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
  - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
  - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
  - c. Bid Award – Reviewed City/Town Council or Transit agency’s Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town or Transit agency’s Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
  - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
  - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

**Measure A Allocation**

<u>Allocation Period</u>	<u>Agreement Number</u>	<u>Measure A Strategy</u>	<u>Agreement Date</u>	<u>Available Amount</u>
FY 15/16	2015-018	1	7/15/2015	\$ 13,903,546

**Measure A Expenditures**

<u>Project Name</u>	<u>Measure A Strategy</u>	<u>Amount</u>
Local Bus Transit	1.1	\$ 7,575,766
Local Bus Transit Service	1.2	888,950
Rural Bus Transit System	1.3	2,203,546
Capital Improvements	1.4	934,159
Total Project Cost		<u>\$ 11,602,421</u>



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of  
Transportation Authority of Marin  
San Rafael, California

**Compliance**

We have audited the City of Belvedere's (City) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the City's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

***Management's Responsibility***

Compliance with the requirements referred to above is the responsibility of management of the City.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority 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 material effect on the City's Schedule of Allocations and Expenditures. 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. Our audit does not provide a legal determination of the City's compliance with those requirements.

***Opinion***

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that are applicable to the City's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

**Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* 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, noncompliance 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. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the City and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and management of the City. Accordingly, this report is not suitable for any other purpose.

**Vavrinek, Trine, Day & Co., LLP**  
\_\_\_\_\_, 2016

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

**Financial Reporting Entity**

The City is an incorporated City that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

**Basis of Accounting**

The City utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The City considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

**NOTE 2 - MEASURE A SALES TAX**

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
  - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
  - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:
  - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
  - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
  - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
  - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
  - c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town or Transit’s Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
  - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
  - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

**Measure A Allocation**

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	2014-005 Amendment No. 1	3.2	9/16/2015	\$ 29,911

**Measure A Expenditures**

Project Name	Measure A Strategy	Amount
Lower Golden Gate Avenue Pavement Repair	3.2	\$ 29,111



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of  
Transportation Authority of Marin  
San Rafael, California

**Compliance**

We have audited All City Management Services, Inc. (Corporation) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the Corporation's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

***Management's Responsibility***

Compliance with the requirements referred to above is the responsibility of management of the Corporation.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Corporation and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Corporation and the Authority 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 material effect on the Corporation's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the Corporation'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. Our audit does not provide a legal determination of the Corporation's compliance with those requirements.

***Opinion***

In our opinion, the Corporation complied, in all material respects, with the compliance requirements referred to above that are applicable to the Corporation's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

**Internal Control Over Compliance**

Management of the Corporation is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Corporation's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over compliance.

*A deficiency in internal control over compliance* 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, noncompliance 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. *A material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Corporation and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and management of the Corporation. Accordingly, this report is not suitable for any other purpose.

**Vavrinek, Trine Day & Co., LLP**  
\_\_\_\_\_, 2016

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

**Financial Reporting Entity**

All City Management Services, Inc. is a corporation based in California that provides school crossing guard services.

**Basis of Accounting**

The Corporation utilizes the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

**NOTE 2 - MEASURE A SALES TAX**

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
  - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
  - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:
  - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.

- b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.
  - c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
  - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
  - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
  - c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.

13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.
14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
  - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
  - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

**Measure A Allocation**

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	C-FY15/16-01	4.2	7/31/15 with a 1st addendum on 12/31/15.	\$ 919,249

**Measure A Expenditures**

Project Name	Measure A Strategy	Amount
Crossing Guard Services	4.2	\$ 919,249



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER COMPLIANCE**

Board of Commissioners of  
Transportation Authority of Marin  
San Rafael, California

**Compliance**

We have audited the Town of Tiburon (Town) compliance with the types of compliance requirements described in the Measure A Expenditure Plan and the respective funding agreement with the Transportation Authority of Marin (Authority) applicable to the Town's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

***Management's Responsibility***

Compliance with the requirements referred to above is the responsibility of management of the Town.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the Town's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to compliance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Town and the Authority. Those standards and the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Town and the Authority 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 material effect on the Town's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the Town'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. Our audit does not provide a legal determination of the Town's compliance with those requirements.

***Opinion***

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that are applicable to the Town's Schedule of Allocations and Expenditures for the year ended June 30, 2016.

**Internal Control Over Compliance**

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Town's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

*A deficiency in internal control over compliance* 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, noncompliance 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. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be a significant deficiency or material weaknesses, as defined above.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the Measure A Expenditure Plan issued by the County of Marin, and the respective funding agreement between the Town and the Authority. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of the Authority, and management of the Town. Accordingly, this report is not suitable for any other purpose.

**Vavrinek, Trine Day & Co., LLP**  
\_\_\_\_\_, 2016

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

**Financial Reporting Entity**

The Town is an incorporated town that receives funding under the Measure A Expenditure Plan as a member of the County of Marin.

**Basis of Accounting**

The Town utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available. The Town considers all revenues reported to be available if the revenues are collected within sixty days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. Capital assets acquisitions are reported as expenditures in the governmental funds.

**NOTE 2 - MEASURE A SALES TAX**

The Measure A sales tax is a 1/2 cent set forth by voters as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County of Marin as a plan to alleviate traffic congestion, reinvent the public transportation system, provide addition pedestrian and bike pathways, provide safer routes to school and many other additional transit related goals. Citizens’ Advisory Committees in each part of the County, representing the many diverse interests in Marin, provided input that result in a draft expenditure plan. The draft plan was presented to each of Marin’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Final Measure A Transportation Sales Tax Expenditure Plan (Plan).

The Plan is administered by the Transportation Authority of Marin (Authority). Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. The Authority is accountable to a 12-member Citizens’ Oversight Committee (Committee), created with the assistance of the League of Women Voters. The Committee reviews all expenditures and reports annually to the public.

1. Obtained original Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments for the audit period or for the period during which funding was utilized for an approved project.
2. Reviewed Funding Agreement/Contract, Allocation Request, and Funding Agreement/Contract Amendments to determine total funding provided by the applicable Strategy for the audit period or for the projects being audited.
3. Interviewed finance staff regarding internal controls in the following areas, specific to, but not limited to, accounting for Measure A funding, to obtain an understanding of the entity's operations:
  - a. Cash Disbursements – Reviewed policies and procedures regarding approval, defacements, accounts payable check processing, and other matters related to the disbursement of funds.
  - b. Cash Receipts – Reviewed policies and procedures regarding cash handling of over-the-counter receipts and cash receipts received through the mail, bank deposits, bank reconciliations, and other matters related to the receipt of funds.
4. Obtained all invoices submitted to the Authority for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to the Authority for reimbursements, including construction, personnel, project management, consultants, and other related costs.
6. Obtained general ledger detail for revenue and expenditures charged to the Measure A funding source or equivalent reports where income and expenses associated with Measure A funds can be clearly identified.
7. Reviewed remittances from the Authority to ensure that all revenues are correctly coded to the specific cost center or fund code designated for Measure A funding.
8. For reimbursement-based agreements, we reviewed a sample of invoices submitted to the Authority to ensure that the costs being billed on the invoices reconcile with the ones being charged to the specific Measure A cost center in the entity's financial accounting system.
9. For reimbursement-based agreements/contracts, expenditures charged to the specific cost center or fund code designated for Measure A funding were selected on a random basis were and tested for the following attributes:
  - a. Approval – Reviewed invoices and supporting documentation to ensure that the proper review and approval process occurred and is documented on the invoice.
  - b. Invoice – Reviewed invoices and supporting documentation to ensure that they are mathematically accurate, properly addressed to the auditee, and have sufficient detail to justify the amounts being charged and the cost center or fund code to which it is being charged to.

- c. Coding – Reviewed invoices and supporting documentation to ensure that they have been correctly coded to the specific cost center or fund code designated for Measure A funding.
  - d. Allowable – Reviewed invoices and supporting documentation to ensure that the costs being charged to the specific cost center or fund code designated for Measure A funding are allowable costs based on the Measure A Expenditure Plan, the entity’s funding agreement with the Authority, and specific requirements of the Strategy for which the funds were restricted for. Also reviewed expenditures to ensure that all costs are direct costs and not indirect costs or allocations of any kind.
10. For entities receiving funding in advance for Strategy 3 under a Measure A funding agreement, we reviewed, in summary form, various invoices to verify that expenditures being charged to the specific cost center or fund code restricted for Measure A are reasonable for the project. In addition, expenditures are also tested in the same fashion as outlined in step 9 of this list.
11. For entities where capital construction projects were funded utilizing Measure A Strategy 3 and 4 funding, we obtained the necessary project files and reviewed them for the following requirements:
- a. Procurement Process – Reviewed procurement process of the project to ensure that the project was properly advertised in publications, internet, trade journals and/or other acceptable means. If other means of procurement, such as selective RFP submittals were followed, we determined whether the process is adequate in regards to the project. Reviewed any other evidence of procurement when appropriate, such as fax logs or mailing lists.
  - b. Bids and Proposals – Reviewed bids and proposals received to ensure that sufficient bids were received in regards to the project.
  - c. Bid Award – Reviewed City/Town Council Agendas and Minutes along with Staff Reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City/Town Council and was properly documented in a public forum. Also, we reviewed bidding results to ensure that the lowest bid was selected, and if the lowest bid was not selected, that there is sufficient documentation for any other selection process utilized.
12. For entities where professional service contracts were paid utilizing Measure A funding, with regards to construction projects or other purposes, we reviewed the policies and procedures of the entity in question to ensure that internal policies and procedures were followed in regards to the selection of professional service firms.
13. For entities where capital construction projects were paid utilizing Measure A Strategy 3 and 4 funding, we reviewed any applicable environmental review requirements and reviewed documentation to verify that all reports and reviews were performed prior to the start of any construction.

14. For entities where personnel costs were charged to the specific cost center or fund code designated for Measure A funding, we selected a representative sample of charges for personnel costs and tested for the following:
  - a. Recalculation – Reviewed and reconciled wage rates from personnel costs charged to Measure A cost center or fund code to the entity’s payroll registers to ensure that wage rates being charged were accurate and properly approved; reviewed all benefits and fringe costs being allocated in addition to wage rates to ensure that they are accurate and appropriate; recalculated personnel costs utilizing wage rates and hours being charged to ensure that the amounts are mathematically accurate; review the calculation to ensure no indirect costs are included in the reimbursement request.
  - b. Timesheet – Reviewed timesheets for selected personnel costs to ensure that hours being charged to Measure A are properly supported with an approved timesheet. All charges to Measure A funding must be clearly documented on timesheets, detailing the number of hours and the funding source, on a daily basis. We also reviewed timesheets for selected personnel costs to ensure that signatures of both the employee and supervisor are present. Electronic time documentation methods must also have similar electronic signatures.
15. Obtained close-out reports, from completed capital construction projects, submitted to the Authority.
16. Reviewed close-out reports to ensure that they were submitted within 90 days and were properly certified in accordance with the entity’s funding agreement/contract with the Authority.

No findings noted.

**Measure A Allocation**

Allocation Period	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY 15/16	2015-011	4.3	3/26/2015	\$ 25,000

**Measure A Expenditures**

Project Name	Measure A Strategy	Amount
Ned Way/Tiburon Blvd Crosswalk Rectangular Rapid Flashing Beacon Project	4.3	\$ 23,189



**DATE:** January 23, 2017

**TO:** Transportation Authority of Marin Citizens' Oversight Committee

**FROM:** Derek McGill, Planning Manager

**SUBJECT:** Strategic Vision Plan – Public Outreach Results (Discussion) Agenda Item No. 6

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**RECOMMENDATION:**

Discussion Item Only.

**BACKGROUND:**

In the summer of 2015, TAM staff conducted the first round of public outreach on the Strategic Vision plan, building on the public outreach required for the Regional Transportation Plan. This initial round of outreach was focused on the projects and priorities the public would include in long range planning efforts and was summarized to the board in July of 2015.

TAM staff initiated the second round of public outreach for the Strategic Vision Plan on September 21st, with the launch of a new website ([www.gettingaroundmarin.com](http://www.gettingaroundmarin.com)). Outreach also included a public survey to solicit input on projects and understand the transportation values and considerations of the general public. The website and survey were distributed online, with participation from Marin jurisdictions, elected officials, partner organizations and on social media sites like Nextdoor and Facebook. These efforts are informing guiding values for decision makers to build consensus, identify trends, and develop an overall transportation vision for Marin County.

Due to this far reaching online strategy, TAM received 3,816 responses with approximately 90% of respondents living in Marin. Survey results were screened for repeat entries, reducing the total response volume to 3,791 respondents. Initial results of this round of public outreach were included in the supplemental information to the December 2016 TAM board of commissioners meeting, and summarized below. A full report on survey results is included below.

**DISCUSSION/ANALYSIS:**

The first round of public outreach for the Strategic Vision Plan was built on understanding the projects and funding priorities for long range funding in the regional transportation plan. A successful public workshop was held, and public surveys were held, with outreach to a number of local stakeholder groups.

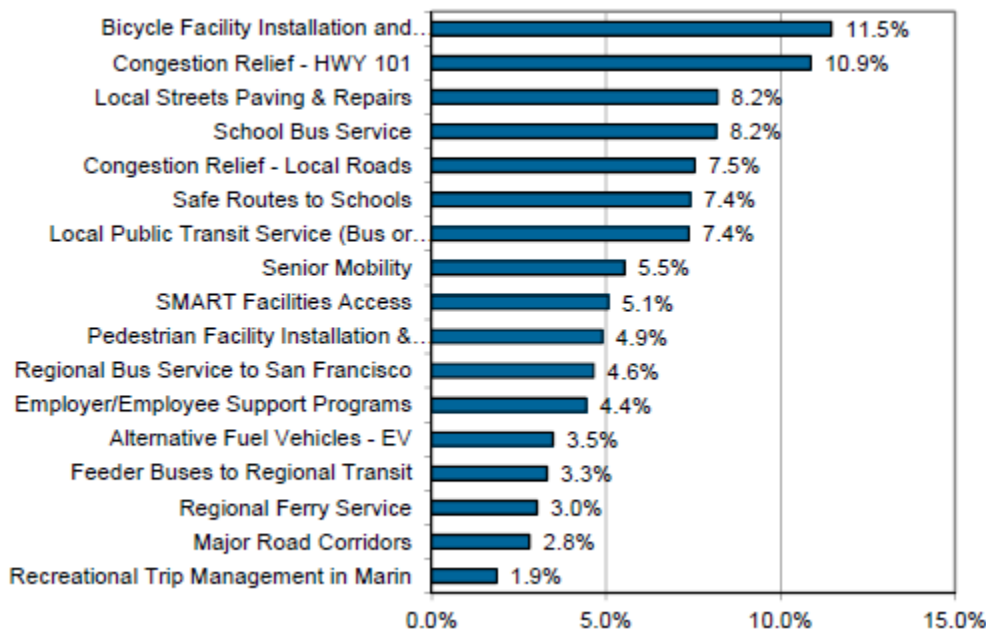
The public outreach in 2015 identified a number of projects, some that were then included in the Regional Transportation Plan, namely:

- **Roadway projects** including the 101/580 direct connector, completion of the Marin Sonoma Narrows, Ramp metering, Interchange improvements, improvements to local congested roads such as TAM junction, Sir Francis Drake and East Blithedale,
- **Transit projects** like the completion of SMART, improved East Bay and Sonoma Connections, shuttles to major transit hubs,
- **Bike and Ped Projects** Such as North-South Greenway, opening of the Alto Tunnel in Mill Valley, widening the Mill Valley to Sausalito bike path, completion of the full SMART bicycle/pedestrian pathway project, and a bicycle/pedestrian bridge connecting the Canal neighborhood to 3rd Street in San Rafael.

Additionally, this outreach identified the following considerations for funding:

- **Enhanced senior transportation options.**
- **School buses** and transportation options for children.
- **Improved transit service**, including increased transit speed, increased frequency, transit only lanes, reduced fares, and improved weekend service.
- **Programming for the disabled** and those without a car.
- **Additional parking**, particularly in San Rafael and the Larkspur Ferry building

Funding Priorities in this round of outreach were conducted by the use of the “TAM Bucks” format, where limited funding was allocated to specified categories. This effort showed significant support for Congestion Relief (18.4%), bike facilities and local road repair.



### 2016 Public Outreach Results

Given the broad input from the public on particular categories of funding, the 2016 public outreach sought to further understand the values and motivations within a number of these categories. The Survey reveals the following information:

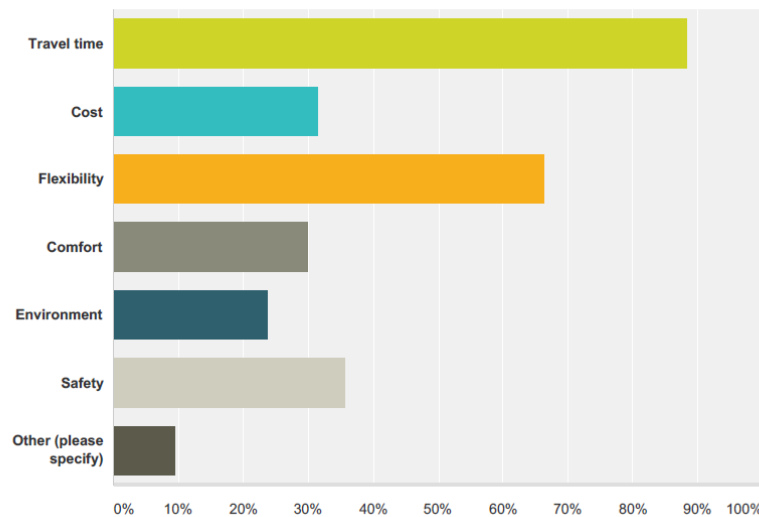
- Location of Survey Respondents and Age Profile - The survey reached a wide range of the general population. The majority of respondents were from San Rafael (21.54%), Novato (18.11%), and Mill Valley (10.4%) and 72% of respondents were over 45 years old.

- **Primary Mode of Travel** - Approximately 85% of respondents primarily travel by car. Other modes of primary traveled included bike (5.5%), bus (4.1%), ferry (2.1%) walk (1.6%), and less than 1% each for taxi, shared ride, and paratransit services.
- **Secondary Mode of Travel** - Approximately 54% of respondents said they have a secondary mode of transportation; those included walk (28%), bike (23.5%), bus, ferry, and carpool, in that order.
- **Spanish Survey Results** – a Spanish survey was prepared as well as targeted engagement with Spanish speaking communities. Less than 1% of respondents completed the Spanish survey, despite targeted engagement efforts in Spanish speaking communities; however, we did have good in-person contact with community groups representing Spanish speaking communities earlier in the summer, and we expect that many bilingual respondents chose to take the English language survey.

Survey responses indicate that people value time travel savings, flexibility and safety most amongst their travel preferences:

**Q21 What are the top three values that you consider when choosing how to get around Marin?**

Answered: 3,057 Skipped: 745



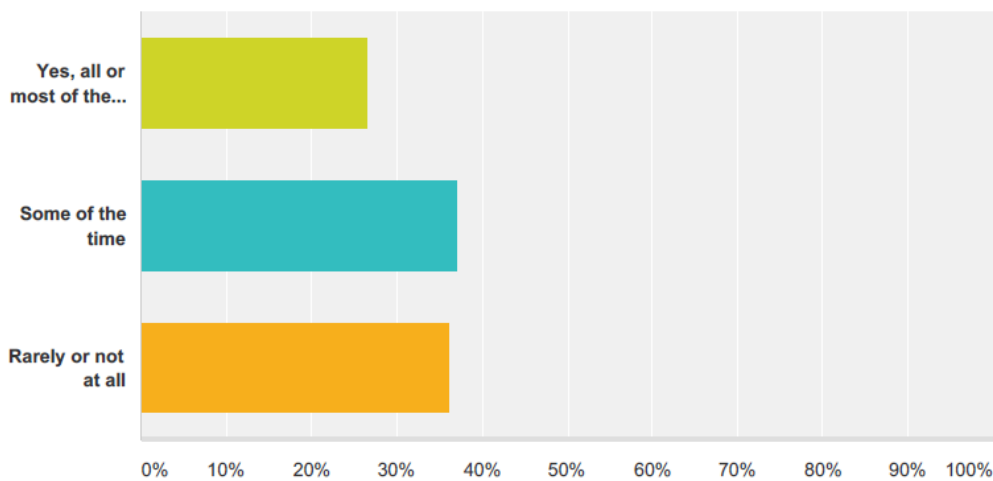
- Items that were identified in open-ended questions as working well include:
  - the bike network with paths/trails that are improving and easy to use;
  - off-peak/ non-commute travel works well;
  - ferry and walking are often good options.
- Challenges in the open ended questions identified:
  - traffic,
  - access to the Richmond San Rafael Bridge,
  - conflicts with bikes and vehicle,
  - and addressing needs for our aging population.
- Emerging technologies that people were interested in include:
  - electric vehicles and bicycles,
  - self-driving cars,
  - better transit route/arrival information,
  - and on-demand ridesharing and transit services.

- Answers for what would make a better future include:
  - Richmond-San Rafael Bridge access,
  - planning for aging populations,
  - transit investments (bus, ferry and SMART train),
  - more TDM strategies (carpooling, last mile solutions, transit information),
  - more support/infrastructure for walk/bike trips,
  - and road maintenance.

A majority of respondents have the ability to adjust their work location or hours at least partially:

### Q25 Do you have the ability to adjust your work location or the hours you work?

Answered: 2,756 Skipped: 1,046



### Priority Statement Information

The 2016 Survey tool created a series of statements with opposing view points to better understand trade-offs and decision making process amongst survey respondents. The results of this survey are grouped below:

#### Driving Behavior

- a) Driving alone is still the dominant mode of travel in Marin at 85% of residents, and non-resident workers at 88%. This behavior is likely to change as 77% of adults age 18-35 reduce their drive alone behavior to increasingly pursue transit, walking and biking.
- b) Having to pay for parking at work is a leading factor for residents of all demographics to use alternative modes of travel including carpooling and transit. Parking management including charging for parking is likely to have the most significant effect to encourage transit and carpooling.
- c) Carpooling is a generally unpopular travel mode; less than two percent of respondents travel around Marin regularly this way. Several respondents commented that carpool lanes are often as congested as general traffic lanes, are abused by single-occupancy vehicles and the hours of service, 6:30 AM – 8:30 AM and 4:30 PM – 7:00 PM, are viewed as inadequate.

### **Roadway Projects**

- a) Congestion on Sir Francis Drake Boulevard is the most frequently-mentioned challenge to vehicular travel in Marin, often in context of lack of a direct connection between US 101 and I-580.
- b) Access to the Richmond/San Rafael Bridge (I-580) is a significant regional bottleneck and the focal point of many respondents' perceptions of congestion in Marin. The approach to the Bridge is thought to be the cause of most congestion on US 101, especially during peak commute times.
- c) Regular bicyclists are the only cohort that prefers wider sidewalks at intersections over more on-street parking in downtown areas. Overall, respondents favored more on-street parking with respondents who drive alone favoring on-street parking in downtown areas most prevalently.
- d) Bicyclists and pedestrians prefer shorter crossing distances over shorter wait times for drivers at intersections by an almost equal margin. Some infrastructure improvements may have overlapping benefits for pedestrians and cyclists. Respondents who drive alone were neutral on this issue, expressing a minimal preference for shorter wait times.

### **Active Transportation/Safe Routes to School**

- a) There is a broad preference at 87% of suburban respondents that children walk or bike to school instead of being driven by their parents. Strong support for Safe Routes to Schools continues in Marin.
- b) Biking as a secondary mode appears to become more common as residents age; among respondents under 35, 13% say they biked as a secondary mode, while 26% of those over 35 said they biked occasionally. Both regular and occasional bicyclists want to be on their bikes more often for short, non-recreational trips and errands. Targeted bike infrastructure improvements to facilitate shorter, non-recreational bike trips may be most effective in encouraging some travelers who already bike occasionally to take more regular bike trips.
- c) Suburban residents are more than twice as likely to choose walking than rural residents as a secondary travel mode (29% vs. 17%). This suggests that in suburban areas, pedestrian improvements may be more cost-effective than transit improvements in reducing drive-alone travel. In addition, this finding suggests that the lack of sidewalks and safe pedestrian crossings in more rural areas may discourage people from walking.
- d) Respondents who primarily bike to get around Marin frequently stated that the lack of safe, contiguous network of bike lanes and paths impeded their desire to bike more frequently. Many bicyclists strongly supported completing the Alto Tunnel, a proposed bike/pedestrian tunnel along a former rail corridor between Corte Madera and Mill Valley. However, lower-cost, intersection-level bike improvements on arterial or residential streets may better facilitate short, non-recreational cycling trips than longer, segregated off-street paths. Respondents expressed support for intersection-level bicycle and pedestrian improvements at the following locations:
  - a. Bellam Boulevard, between Andersen Drive and Francisco Boulevard East
  - b. Andersen Drive & 2<sup>nd</sup> Street
  - c. Bike lockers at park-and-ride locations
  - d. Protected bike lanes and walking paths along Sir Francis Drake Boulevard
  - e. Civic Center Drive, between SMART crossing and San Pedro Road
  - f. San Pedro Road, westbound between US 101 northbound ramp and Merrydale Road; eastbound between Pilgrim Way and US 101 offramp
  - g. D Street corridor, particularly where it is mostly residential between Antonette Avenue and 1<sup>st</sup> Street
  - h. Blithedale Avenue/Tiburon Boulevard crossing over US 101

- e) Intersection-level improvements to shorten crossing distances provide complementary benefits to bicyclists and pedestrians that both groups are equally likely to support. Community support is less likely, however, if these improvements come at the expense of on-street parking in downtown areas.

### **Transit Operations**

- a) Real-time arrival information is a highly sought-after transit amenity and widely preferred over seating at bus stops. This preference is especially strong for residents 18-35 and those who take transit occasionally, and it may be an effective incentive for occasional transit riders to ride more regularly.
- b) While few Marin residents currently take transit as their primary form of travel, transit is increasingly common as a secondary mode among both younger and rural demographics.
  - i. Rural residents are more likely to choose the bus as their secondary mode (24% vs. 12% of suburban residents).
  - ii. Transit is a more common secondary travel mode among younger respondents (under 35); 20% of those 18-35 take the bus as a secondary mode, compared to just 12% of those over 35 and 11% of those over 65. These age differences may be related to the distinct transportation needs of families with children, seniors, and younger, childless adults. Increased marketing of TAM's Emergency Ride Home program at major employers may be particularly attractive to families with children.

### **NEXT STEPS:**

TAM staff will present these findings and input from the Executive Committee to the TAM Board in January. TAM staff will use these survey results to prepare a draft vision for consideration by the TAM board in early 2017.

### **FISCAL CONSIDERATION:**

N/A

### **ATTACHMENTS:**

N/A



**DATE:** January 23, 2017

**TO:** Transportation Authority of Marin Citizens' Oversight Committee

**FROM:** Li Zhang, Chief Financial Officer

**SUBJECT:** Review and Acceptance of FY2015-16 COC Annual Report (Action), Agenda Item No.6

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**RECOMMENDATION:**

The Citizens' Oversight Committee reviews and accepts the FY2015-16 Citizens' Oversight Committee Annual Report and authorizes the COC Chairperson to present it to the TAM Board for acceptance.

**BACKGROUND:**

In accordance with the requirements of the Measure A Half-cent Transportation Sales Tax Expenditure Plan and the Measure B \$10 Vehicle Registration Fee Expenditure Plan, The COC is required to develop an annual report and report to the Citizens of Marin any potential issues with the usage of the Measure A and Measure B revenues. The FY2015-16 Annual Report was developed by the COC Annual Report Sub-committee and TAM staff, based on the results of TAM's FY2015-16 financial audit and Measure A and Measure B project/program achievements.

COC is able to complete the development of the final draft FY2015-16 Annual Report on a timely basis because of the dedication of the COC Annual Report Subcommittee, comprised of Vice-Chairperson Peter Pelham, Member Robert Burton, and Member Joy Dahlgren. Staff would also like to thank Member Kay Noguchi for her time and support during the report review process.

**DISCUSSION/ANALYSIS:**

The COC annual report has been a key outreach tool for TAM. COC will use the FY2015-16 Annual Report to reach out to the communities and reassure the public that the Measure A half-cent cent transportation sales tax funds and the Measure B \$10 vehicle registration fee funds are being spent in accordance with the voter-approved Expenditure Plans. Below is the distribution plan for the 1,500 hard copies. The report will also be available on TAM's website and electrically distribute through various social media tools, such as Facebook, Twitter, Nextdoor, etc.

- Distribute the report to Libraries/City/Town/County Civic Center
- Distribute the report to active committees and partners in transportation including the following:
  1. TAM Technical Advisory Committee
  2. TAM Bicycle/Pedestrian Advisory Committee
  3. School Districts
  4. Business/Chambers of Commerce

5. Partner agencies including: Golden Gate Bridge, Highway and Transportation District, Marin Transit, and SMART
  6. Related agencies and advocacy groups: Health & Human Services, Paratransit Coordinating Council, the Marin Center for Independent Living, The Sierra Club, Marin Conservation League, Marin County Bicycle Coalition, etc.
- Distribute the report at various transportation-related public meetings.

**FISCAL CONSIDERATION:**

The limited budget amount needed for the production of the report is included in the Document Reproduction line item of the FY2015-16 TAM Annual Budget. Total design cost of the report is \$1,800 and additional \$2,500 is set aside for the reproduction of the hard copies. A total of \$4,000 is reserved under the \$35,000 Document Reproduction Budget Line.

**NEXT STEPS:**

With the expected acceptance of the TAM Board, staff will finalized the FY2015-16 COC Annual Report and release it to interest groups, local agencies, advocacy organizations and Marin residents in February.

**ATTACHMENTS:**

Draft FY2015-16 COC Annual Report



**DATE:** January 23, 2017

**TO:** Transportation Authority of Citizens' Oversight Committee

**FROM:** Li Zhang, Chief Financial Officer

**SUBJECT:** Review of the FY2016-17 Second Quarter Financial Report and Proposed Budget Amendments (Discussion), Agenda Item No.8

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**RECOMMENDATION:**

The Committee reviews the FY2016-17 Second Quarter Financial Report and proposed budget amendments.

**BACKGROUND:**

This report, along with all accompanying attachments, provides a summary of the financial activities for the period ending December 31, 2016 and covers TAM's revenue and expenditure activities from July 1, 2016 to December 31, 2016. Revenues and expenditures are presented on a cash basis for the period covered.

**DISCUSSION/ANALYSIS:**

Revenue Highlights:

As of December 31, 2016, the total Measure A Half-cent Transportation Sales Tax cash disbursements received from the Board of Equalization (BOE) for the six-month period from July to December 2016 was \$12.94 million, which is almost the same level as the total Measure A disbursements for the same period of last year. The upward trend of sales tax revenue has continued since FY2010-11 but started to level out now, with a 4.96% annual increase in FY2011-12, 11.07% increase in FY2012-13, 1.98% increase in FY2013-14, 4.90% in FY2014-15, 1.73% in FY2015-16.

As of December 31, 2016, TAM has also received a total of \$1.26 million in Measure B \$10 vehicle registration fee cash disbursements from the Department of Motor Vehicle (DMV) for the months of July to December which is slightly higher than the revenue received for the same period of last year.

TAM received a total of \$559,000 in annual contributions from cities, towns, and the county for CMA planning, programming, and project delivery support services provided. The \$559,000 fee includes the \$430,000 base fee and \$129,000 temporary increase to support a few critical planning efforts. TAM also received \$240,716 in interest revenue from all its investments in CalTRUST for the first two quarters of FY2016-17.

Expenditure Highlights:

Total expenditure for the second quarter of the year is about \$7.75 million. Expenditures are on a cash basis and there are delays due to time needed by vendors to prepare and submit payment requests.

Budget Amendments:

The following budget amendments are proposed for this quarterly report:

1. Increase the budget amount for “Element 3.2 - Trans. Demand Management” under Measure B VRF Programs by \$70,000, from \$130,000 to \$200,000. This budget increase is to cover the anticipated costs of the discounted rides that will be provided to SMART riders through the TAM/Lyft Partnership that was approved by the TAM Board in December 2016.
2. Under Professional Services, add budget line “CMFC Onsite Re-Vegetation Mitigation Monitoring and Reporting”. Budget increase requested for this line item is \$22,000 and funding will be from the RM2 funds available for the CMFC project. This is to cover the Mitigation Monitoring and Reporting to regulatory agencies work required for the CMFC On-Site Re-vegetation of the disturbed salt marsh. Funding is programmed under the CMFC budget and approved by the TAM Board on October 22, 2015.

Investment with CalTRUST:

With separation from the County’s financial system, TAM also moved all its investment into various accounts under CalTRUST in May 2016. TAM currently has a total of \$42.72 million invested in various CalTRUST accounts, with \$2.81 million in General CMA fund, \$38.96 million in Measure A Transportation Sales Tax Fund, \$3.61 million in the Vehicle Registration Fee Fund, and \$1.34 million in the TFCA Fund. Attachment 6 of the staff report provides a detailed investment report for each of the funds invested with CalTRUST with the monthly interest earnings and unrealized gain/loss as of December 31, 2016.

**FISCAL CONSIDERATION:**

None

**NEXT STEPS:**

Third quarter financial report for FY2016-17 will be provided for review at the May COC meeting.

**ATTACHMENTS:**

- Attachment 1 FY2016-17 Budget to Actual Comparison as of 12/31/16
- Attachment 2 Proposed FY2016-17 Budget Amendments as of 12/31/16
- Attachment 3 FY2016-17 Revenue and Expenditure Report as of 12/31/16– Measure A ½ Cent Sales Tax Detail
- Attachment 4 FY2015-16 and FY2016-17 Monthly Measure A Sales Tax Disbursement Comparison
- Attachment 5 FY2015-16 and FY2016-17 Monthly Measure B VRF Disbursement Comparison
- Attachment 6 CalTRUST Investment Monthly Interest Income Summary – 12/31/16
- Attachment 7 FY2016-17 Budget Revenue and Expenditure Overview
- Attachment 8 Transportation Acronyms

## Attachment I: FY2016-17 Budget to Actual Comparison as of 12/31/16

Budget Line Items	Annual Budget	Actual 12/31/16	\$ Difference	Actual as % of Budget
Measure A Sales Tax Revenue	25,770,000	12,938,312	(12,831,688)	50.21%
Measure B VRF Revenue	2,350,000	1,259,430	(1,090,570)	53.59%
Cities/Towns and County Contribution	559,000	559,000	-	100.00%
Interest Revenue	230,000	240,716	10,716	104.66%
MTC STP/CMAQ Planning Fund and OBAG Grants	1,314,740	144,005	(1,170,735)	10.95%
PDA Planning Funds	85,729	-	(85,729)	0.00%
MTC Regional Measure 2 Fund	2,755,516	-	(2,755,516)	0.00%
Transportation For Clean Air Funding	356,000	-	(356,000)	0.00%
State STIP PPM Fund	49,986	-	(49,986)	0.00%
STIP/RTIP Funds	1,262,306	-	(1,262,306)	0.00%
Federal Highway Bridge Program Fund	247,691	-	(247,691)	0.00%
Nonmotorized Transportation Pilot Program Fund	27,000	-	(27,000)	0.00%
MTC Climate Initiatives Program Grant/CMAQ	125,000	-	(125,000)	0.00%
CMFC NTPP/CMAQ Pass-through	4,500,000	-	(4,500,000)	0.00%
<b><i>Total Revenue Available</i></b>	<b>39,632,969</b>	<b>15,141,462</b>	<b>(24,491,506)</b>	<b>38.20%</b>
<b>EXPENDITURES</b>				
<b>Administration</b>				
Salaries & Benefits - Note 1	2,203,266	1,206,522.79	996,743	54.76%
LGS Insurance and HR/Payroll Service Cost	205,000	112,259.33	92,741	54.76%
Office Lease - Note 1	240,000	135,082	104,918	56.28%
Agencywide IT and Computer Equipment Upgrade	10,000	-	10,000	0.00%
Equipment Purchase/Lease	10,000	4,099	5,901	40.99%
Telephone/Internet/ Web Hosting Services	25,000	7,957	17,043	31.83%
Office Supplies	30,000	9,275	20,725	30.92%
Update/Improvement of TAM Website	30,000	4,088	25,913	13.63%
Classification Study	30,000	-	30,000	0.00%
Insurance	15,000	5,863	9,137	39.09%
Financial Audit	21,000	8,000	13,000	38.10%
Legal Services	100,000	12,961	87,040	12.96%
Document Reproduction	40,000	4,625	35,376	11.56%
Memberships	25,000	5,944	19,056	23.78%
Travel/Meetings/Conferences	25,000	9,727	15,273	38.91%
Carshare Membership	3,000	-	3,000	0.00%
Electric Bike Purchase/Lease	3,000	-	3,000	0.00%
Professional Development	5,000	1,825	3,175	36.50%
Human Resources/Board Support	70,000	12,270	57,730	17.53%
Information Technology/Web Support	40,000	12,015	27,985	30.04%
Annual Support & Upgrade of Financial System	15,000	3,994	11,006	26.63%
Misc. Expenses	13,500	895	12,605	6.63%
<b><i>Subtotal, Administration</i></b>	<b>3,158,766</b>	<b>1,557,401</b>	<b>1,601,365</b>	<b>49.30%</b>

Budget Line Items	Annual Budget	Actual 12/31/16	\$ Difference	Actual as % of Budget
<b>Professional Services</b>				
CMP Update/Traffic Monitoring	60,000	-	60,000	0.00%
Traffic Model Maintenance & Update	200,000	42,576	157,424	21.29%
Trip Monitoring and Reporting	85,000	-	85,000	0.00%
Countywide Bike/Pedestrian Plan Update	19,000	9,746	9,254	51.29%
Project Management Oversight	210,000	-	210,000	0.00%
MSN Redwood Landfill Interchange Design/Construction	10,000	-	10,000	0.00%
MSN San Antonio Curve Correction Construction Support	250,000	65,233	184,767	26.09%
MSN San Antonio Bridge Replacement Design	200,000	14,805	185,195	7.40%
MSN Orange Ave Soundwall Mitigation Design/Construction	35,000	9,904	25,096	28.30%
HOV Gap Closure Irwin Creek Mitigation Design	60,000	103	59,897	0.17%
HOV Gap Closure Mitigation Irwin Creek Construction Management/Construction	274,231	37,202	237,029	13.57%
State Legislative Assistance	35,000	14,583	20,417	41.67%
Financial Advisor Services	15,000	1,500	13,500	10.00%
North/South Greenway Gap Closure PA&ED / PS&E	1,250,000	177,122	1,072,878	14.17%
TAM Junction CM & Construction	420,000	-	420,000	0.00%
Public Outreach Service	10,000	2,326	7,674	23.26%
Street Smart Program Implementation	27,000	-	27,000	0.00%
Carshare Pilot Program Implementation	140,000	-	140,000	0.00%
Highway 101 Ramp Metering Special Study	50,000	2,413	47,588	4.83%
Countywide Transportation Strategic Plan Consulting Pool	110,000	45,739	64,261	41.58%
Consulting Pool	65,000	13,933	51,067	21.44%
<b>Subtotal, Professional Services</b>	<b>3,525,231</b>	<b>437,184</b>	<b>3,088,047</b>	<b>12.40%</b>
<b>Measure A Sales Tax Programs/Projects</b>				
Measure A Compliance Audit	20,000	-	20,000	0.00%
Bike/Ped Path Maintenance	137,000	-	137,000	0.00%
Central Marin Ferry Connector - SMART Insurance Policy	25,000	-	25,000	0.00%
<u>Strategy 1 - Transit</u>	<u>16,922,019</u>	<u>2,645,302</u>	<u>14,276,717</u>	<u>15.63%</u>
<i>Substrategy 1.1 - Local Bus Transit Service</i>	<i>10,000,000</i>	<i>2,056,132</i>	<i>7,943,868</i>	<i>20.56%</i>
<i>Substrategy 1.2 - Rural Bus Transit System</i>	<i>1,100,000</i>	<i>263,026</i>	<i>836,974</i>	<i>23.91%</i>
<i>Substrategy 1.3 - Special Needs Transit Services</i>	<i>2,572,019</i>	<i>190,644</i>	<i>2,381,375</i>	<i>7.41%</i>
<i>Substrategy 1.4 - Bus Transit Facilities</i>	<i>3,250,000</i>	<i>135,501</i>	<i>3,114,499</i>	<i>4.17%</i>
Strategy 2 - Hwy 101 Gap Closure	250,000	-	250,000	0.00%
<i>TE/TLC/STP Swap Project</i>	<i>250,000</i>	<i>-</i>	<i>250,000</i>	<i>0.00%</i>
<u>Strategy 3 - Local Transportation Infrastructure</u>	<u>7,954,400</u>	<u>1,230,051</u>	<u>6,724,349</u>	<u>15.46%</u>
<i>Substrategy 3.1 - Major Roads</i>	<i>4,820,000</i>	<i>-</i>	<i>4,820,000</i>	<i>0.00%</i>
<i>Substrategy 3.2 - Local Roads</i>	<i>3,134,400</i>	<i>1,230,051</i>	<i>1,904,349</i>	<i>39.24%</i>
<u>Strategy 4 - Safer Access to Schools</u>	<u>3,111,000</u>	<u>611,879</u>	<u>2,499,121</u>	<u>19.67%</u>
<i>Substrategy 4.1 - Safe Routes to Schools</i>	<i>885,000</i>	<i>257,949</i>	<i>627,051</i>	<i>29.15%</i>

Budget Line Items	Annual Budget	Actual 12/31/16	\$ Difference	Actual as % of Budget
<i>Substrategy 4.2 - Crossing Guards</i>	1,126,000	299,968	826,032	26.64%
<i>Substrategy 4.3 - Safe Pathways to School</i>				
<i>Safe Pathways Plan Development</i>	100,000	45,600	54,400	45.60%
<i>Safe Pathway Capital Projects</i>	1,000,000	8,361	991,639	0.84%
<b><i>Subtotal, Measure A Programs</i></b>	<b>28,419,419</b>	<b>4,487,232</b>	<b>23,932,187</b>	<b>15.79%</b>
<b>Measure B VRF Programs</b>				
<i>Element 1 - Maintain Local Streets &amp; Pathways</i>	2,617,897	953,818	1,664,079	36.43%
<i>Element 1.1 - Local Streets</i>	2,507,049	953,818	1,553,231	0.00%
<i>Element 1.2 - Bike/Ped Pathways Maintenance</i>	110,848	-	110,848	0.00%
<i>Element 2 - Seniors &amp; Disabled Mobility</i>	937,386	134,924	802,462	14.39%
<i>Element 2.1 - Mobility Management Programs</i>	137,578	25,880	111,698	18.81%
<i>Element 2.2 - Paratransit &amp; Low Income Scholarships</i>	243,000	39,254	203,746	16.15%
<i>Element 2.3 - Paratransit Plus</i>	300,000	40,005	259,995	13.34%
<i>Element 2.4 - Volunteer Drive &amp; Gap Grant</i>	256,808	29,785	227,023	11.60%
<i>Element 3 - Reduce Congestion &amp; Pollution</i>	644,000	108,991	535,009	16.92%
<i>Element 3.1 - Safe Routes to School</i>	274,000	49,563	224,438	18.09%
<i>Element 3.2 - Trans. Demand Management</i>	130,000	46,855	83,145	36.04%
<i>Element 3.3 - Discretionary Fuel (EV) Programs</i>	240,000	12,574	227,426	5.24%
<b><i>Subtotal, Measure B Programs</i></b>	<b>4,199,283</b>	<b>1,197,733</b>	<b>3,001,550</b>	<b>28.52%</b>
<b>Interagency Agreements</b>				
CMFC - County Agreement RM2	250,000	-	250,000	0.00%
CMFC - County Construction Agreement NTPP/CMAQ	4,500,000	-	4,500,000	0.00%
CMFC - County Parks Mitigation and Monitoring Agreement	400,000	-	400,000	0.00%
Highway 101 Ramp Metering Local Support	50,000	-	50,000	9.25%
San Rafael Transit Needs and Relocation Study Funding Agreement	5,000	-	5,000	118.88%
San Rafael Downtown Parking and Wayfinding Study	30,000	60,102	(30,102)	1202.03%
North-South Greenway (Southern Segment) County Project Management	750,000	-	750,000	0.00%
HOV Gap Closure Offsite Landscaping Mitigation Funding Agreement	490,000	1,256	488,744	0.26%
<b><i>Subtotal, Interagency Agreements</i></b>	<b>6,475,000</b>	<b>61,358</b>	<b>6,413,642</b>	<b>0.95%</b>
<b>Other Project/Program Expenditures</b>				
TFCA - TDM Projects/Vanpool Incentive	16,000	9,661	6,339	60.38%
TFCA - Reimbursement of Various Capital Projects	414,000	5,100	408,900	1.23%
<b><i>Subtotal, Other Capital Expenditures</i></b>	<b>430,000</b>	<b>14,761</b>	<b>415,239</b>	<b>3.43%</b>
<b><i>Total Expenditures</i></b>	<b>46,207,700</b>	<b>7,755,667</b>	<b>38,452,032</b>	<b>16.78%</b>

Note 1: Actuals for those budget lines includes costs for January 2017.

## Attachment 2: Summary of FY2016-17 Budget Amendments as of 12/31/16

Budget Line Items	Annual Budget	Proposed Amendments	Revised Budget
Measure A Sales Tax Revenue	25,770,000	-	25,770,000
Measure B VRF Revenue	2,350,000	-	2,350,000
Cities/Towns and County Contribution	559,000	-	559,000
Interest Revenue	230,000	-	230,000
MTC STP/CMAQ Planning Fund and OBAG Grants	1,314,740	-	1,314,740
PDA Planning Funds	85,729	-	85,729
MTC Regional Measure 2 Fund	2,755,516	-	2,755,516
Transportation For Clean Air Funding	356,000	-	356,000
State STIP PPM Fund	49,986	-	49,986
STIP/RTIP Funds	1,262,306	-	1,262,306
Federal Highway Bridge Program Fund	247,691	-	247,691
Nonmotorized Transportation Pilot Program Fund	27,000	-	27,000
MTC Climate Initiatives Program Grant/CMAQ	125,000	-	125,000
CMFC NTPP/CMAQ Pass-through	4,500,000	-	4,500,000
<b><i>Total Revenue Available</i></b>	<b>39,632,969</b>	<b>-</b>	<b>39,632,968</b>
<b>EXPENDITURES</b>			
<b>Administration</b>			
Salaries & Benefits	2,203,266	-	2,203,266
LGS Insurance and HR/Payroll Service Cost	205,000	-	205,000
Office Lease	240,000	-	240,000
Agencywide IT and Computer Equipment Upgrade	10,000	-	10,000
Equipment Purchase/Lease	10,000	-	10,000
Telephone/Internet/ Web Hosting Services	25,000	-	25,000
Office Supplies	30,000	-	30,000
Update/Improvement of TAM Website	30,000	-	30,000
Classification Study	30,000	-	30,000
Insurance	15,000	-	15,000
Financial Audit	21,000	-	21,000
Legal Services	100,000	-	100,000
Document Reproduction	40,000	-	40,000
Memberships	25,000	-	25,000
Travel/Meetings/Conferences	25,000	-	25,000
Carshare Membership	3,000	-	3,000
Electric Bike Purchase/Lease	3,000	-	3,000
Professional Development	5,000	-	5,000
Human Resources/Board Support	70,000	-	70,000
Information Technology/Web Support	40,000	-	40,000
Annual Support & Upgrade of Financial System	15,000	-	15,000
Misc. Expenses	13,500	-	13,500
<b><i>Subtotal, Administration</i></b>	<b>3,158,766</b>	<b>-</b>	<b>3,158,766</b>

Budget Line Items	Annual Budget	Proposed Amendments	Revised Budget
<b>Professional Services</b>			
Approaches to the Richmond-San Rafael Bridge Project	950,000	-	950,000
CMP Update/Traffic Monitoring	60,000	-	60,000
Traffic Model Maintenance & Update	200,000	-	200,000
Trip Monitoring and Reporting	85,000	-	85,000
Countywide Bike/Pedestrian Plan Update	19,000	-	19,000
Project Management Oversight	210,000	-	210,000
MSN Redwood Landfill Interchange Design/Construction	10,000	-	10,000
MSN San Antonio Curve Correction Construction Support	250,000	-	250,000
MSN San Antonio Bridge Replacement Design	200,000	-	200,000
MSN Orange Ave Soundwall Mitigation Design/Construction	35,000	-	35,000
HOV Gap Closure Irwin Creek Mitigation Design	60,000	-	60,000
HOV Gap Closure Mitigation Irwin Creek Construction Management/Construction	274,231	-	274,231
State Legislative Assistance	35,000	-	35,000
Financial Advisor Services	15,000	-	15,000
North/South Greenway Gap Closure PA&ED / PS&E	1,250,000	-	1,250,000
TAM Junction CM & Construction	420,000	-	420,000
Public Outreach Service	10,000	-	10,000
Street Smart Program Implementation	27,000	-	27,000
Carshare Pilot Program Implementation	140,000	-	140,000
Highway 101 Ramp Metering Special Study	50,000	-	50,000
Countywide Transportation Strategic Plan	110,000	-	110,000
CMFC Onsite Re-Vegetation Mitigation Monitoring and Reporting	-	22,000	22,000
Consulting Pool	65,000	-	65,000
<b>Subtotal, Professional Services</b>	<b>4,475,231</b>	<b>22,000</b>	<b>4,497,231</b>
<b>Measure A Sales Tax Programs/Projects</b>			
Measure A Compliance Audit	20,000	-	20,000
Bike/Ped Path Maintenance	137,000	-	137,000
GGT Ferry Shuttle Service Contribution through MT	85,000	-	85,000
Central Marin Ferry Connector - SMART Insurance Policy	25,000	-	25,000
<b>Strategy 1 - Transit</b>	<b>16,922,019</b>	<b>-</b>	<b>16,922,019</b>
<i>Substrategy 1.1 - Local Bus Transit Service</i>	<i>10,000,000</i>	<i>-</i>	<i>10,000,000</i>
<i>Substrategy 1.2 - Rural Bus Transit System</i>	<i>1,100,000</i>	<i>-</i>	<i>1,100,000</i>
<i>Substrategy 1.3 - Special Needs Transit Services</i>	<i>2,572,019</i>	<i>-</i>	<i>2,572,019</i>
<i>Substrategy 1.4 - Bus Transit Facilities</i>	<i>3,250,000</i>	<i>-</i>	<i>3,250,000</i>
Strategy 2 - Hwy 101 Gap Closure	250,000	-	250,000
TE/TLC/STP Swap Project	250,000	-	250,000

Budget Line Items	Annual Budget	Proposed Amendments	Revised Budget
<u>Strategy 3 - Local Transportation</u>			
<u>Infrastructure</u>	7,954,400	-	7,954,400
<i>Substrategy 3.1 - Major Roads</i>	4,820,000	-	4,820,000
<i>Substrategy 3.2 - Local Roads</i>	3,134,400	-	3,134,400
<u>Strategy 4 - Safer Access to Schools.</u>	3,159,000	-	3,159,000
<i>Substrategy 4.1 - Safe Routes to Schools</i>	885,000	-	885,000
<i>Substrategy 4.2 - Crossing Guards</i>	1,174,000	-	1,174,000
<i>Substrategy 4.3 - Safe Pathways to School</i>			
<i>Safe Pathways Plan Development</i>	100,000	-	100,000
<i>Safe Pathway Capital Projects</i>	1,000,000	-	1,000,000
<b>Subtotal, Measure A Programs</b>	<b>28,552,419</b>	<b>-</b>	<b>28,552,419</b>
<b>Measure B VRF Programs</b>			
<u>Element 1 - Maintain Local Streets &amp; Pathways</u>	2,617,897	-	2,617,897
<i>Element 1.1 - Local Streets</i>	2,507,049	-	2,507,049
<i>Element 1.2 - Bike/Ped Pathways Maintenance</i>	110,848	-	110,848
<u>Element 2 - Seniors &amp; Disabled Mobility</u>	937,386	-	937,386
<i>Element 2.1 - Mobility Management Programs</i>	137,578	-	137,578
<i>Element 2.2 - Paratransit &amp; Low Income Scholarships</i>	243,000	-	243,000
<i>Element 2.3 - Paratransit Plus</i>	300,000	-	300,000
<i>Element 2.4 - Volunteer Drive &amp; Gap Grant</i>	256,808	-	256,808
<u>Element 3 - Reduce Congestion &amp; Pollution</u>	644,000	70,000	714,000
<i>Element 3.1 - Safe Routes to School</i>	274,000	-	274,000
<i>Element 3.2 - Trans. Demand Management</i>	130,000	70,000	200,000
<i>Element 3.3 - Discretionary Fuel (EV) Programs</i>	240,000	-	240,000
<b>Subtotal, Measure B Programs</b>	<b>4,199,283</b>	<b>70,000</b>	<b>4,269,283</b>
<b>Interagency Agreements</b>			
CMFC - County Agreement RM2	250,000		250,000
CMFC - County Construction Agreement			
NTPP/CMAQ	4,500,000	-	4,500,000
CMFC - County Parks Mitigation and Monitoring Agreement	400,000	-	400,000
Highway 101 Ramp Metering Local Support	50,000	-	50,000
San Rafael Transit Needs and Relocation Study Funding Agreement	5,000	-	5,000
San Rafael Downtown Parking and Wayfinding Study	30,000	-	30,000
North-South Greenway (Southern Segment) County Project Management	750,000	-	750,000
HOV Gap Closure Offsite Landscaping Mitigation Funding Agreement	490,000	-	490,000
<b>Subtotal, Interagency Agreements</b>	<b>6,475,000</b>	<b>-</b>	<b>6,475,000</b>

Budget Line Items	Annual Budget	Proposed Amendments	Revised Budget
<b>Other Project/Program Expenditures</b>			
TFCA - TDM Projects/Vanpool Incentive	16,000	-	16,000
TFCA - Reimbursement of Various Capital Projects	414,000	-	414,000
<i>Subtotal, Other Capital Expenditures</i>	<i>430,000</i>	-	<i>430,000</i>
<i>Total Expenditures</i>	<u><i>47,290,700</i></u>	<u><i>92,000</i></u>	<u><i>47,382,700</i></u>

Attachment 3: FY2016-17 Revenue and Expenditure Report as of 12/31/16 – Measure A 1/2 Cent Sales Tax Detail

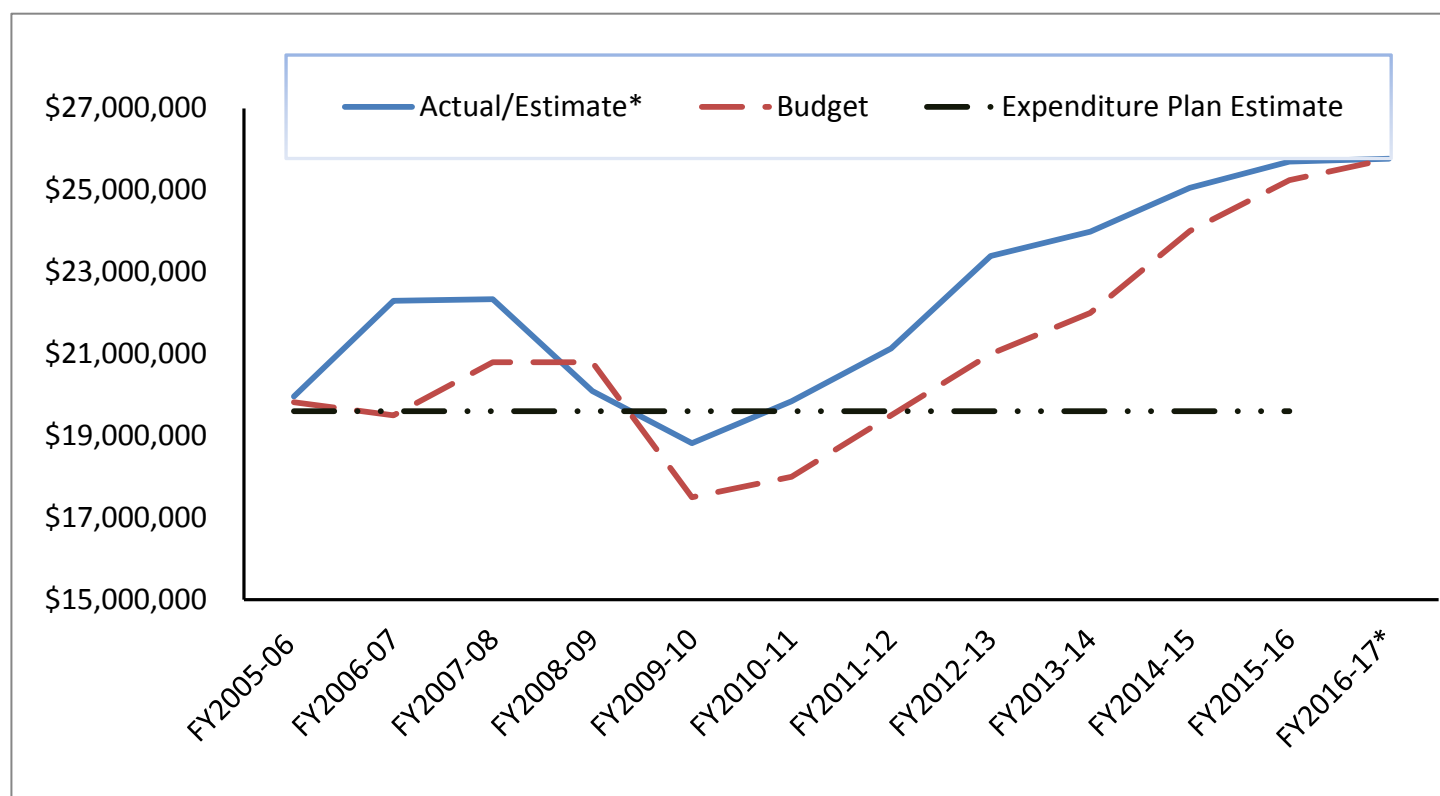
Budget Line	Interest	5% Reserve	1% Admin	4% Program	Strategy PM	S - 1.1 Local Bus	S - 1.2 Rural Bus	S - 1.3 Para.	S - 1.4 Cap. Imp.	S - 2 Gap Closure	S - 3.1 Major Roads	S - 3.2 Local Roads	S - 4.1 SR2S	S - 4.2 C. Guards	S - 4.3 Pathways	Total
<b>REVENUE</b>																
FY2016 Accrual Balance *	3,387,549	5,382,896	77,256	988,726	-	6,418,203	1,058,190	405,633	4,303,215	(731,013)	13,807,319	3,309,565	1,064,669	995,358	1,574,870	42,042,435
FY2017 Revenue	-	-	88,533	354,132	158,333	3,028,501	245,554	736,662	491,108	783,333	1,050,894	1,092,561	247,110	314,503	262,086	8,853,312
<b>EXPENSES</b>																
Agencywide IT and Computer Upgrade																-
Annual Support & Upgrade of Financial System				3,994												3,994
Bike/Ped Path Maintenance																-
Carshare Membership																-
Central Marin Ferry Connector SMART Insurance Policy																-
Classification Study																-
Consulting Pool				5,129												5,129
Countywide Transportation Strategic Plan				18,359												18,359
Document Reproduction				1,382												1,382
Electric Bike Purchase/Lease																-
Equipment Lease/Purchase				4,099												4,099
Financial Advisor Services				1,500												1,500
Financial Audit				8,000												8,000
HR/Board Support				12,270												12,270
Insurance				5,863												5,863
IT Support				12,015												12,015
Legal Services				6,032												6,032
LGS Insurance and HR/Payroll Service Cost																-
Measure A Compliance Audits																-
Memberships				3,264												3,264
Misc. Expense																-
Office Lease				135,082												135,082
Office Supplies				9,256												9,256
Professional Development				1,825												1,825
Program Management Oversight																-
Public Outreach Service				780												780
Salaries & Benefits			106,054	302,489		1,587,4625	1,587,4625	1,587,4625	1,587,4625		13,090	13,090	18,532	18,532	18,532	496,669
Strategy 1 - Transit						2,056,132	263,026	190,644	135,501							2,645,302
Strategy 2 - Gap Closure																-
Strategy 3 - Streets & Roads												1,230,051				1,230,051
Strategy 4- Safe Routes													257,949	270,554	53,962	582,465
Telephone/Internet/Web Hosting Services				7,611												7,611
Travel/Meetings/Conferences				7,599												7,599
Update/Improvement of TAM Website				4,088												4,088
<b>Total Expenses</b>	-	-	106,054	550,637	-	2,057,719	264,613	192,231	137,088	-	13,090	1,243,141	276,481	289,087	72,494	5,202,635
<b>BALANCE</b>	3,387,549	5,382,896	59,735	792,222	158,333	7,388,984	1,039,131	950,064	4,657,235	52,320	14,845,124	3,158,985	1,035,297	1,020,949	1,744,462	45,693,112

**Attachment 4.1: Monthly Measure A 1/2 Sales Tax Disbursement Comparison**

(Cash Disbursement from July to June)

		<b>FY2016</b>	<b>FY2017</b>	<b>\$ Difference</b>	<b>% Difference</b>
<b>Actuals</b>	<b>July</b>	1,748,900	1,750,700	1,800	0.10%
	<b>August</b>	2,331,800	2,334,300	2,500	0.11%
	<b>September</b>	2,365,949	2,359,141	(6,808)	-0.29%
	<b>October</b>	1,787,000	1,784,300	(2,700)	-0.15%
	<b>November</b>	2,382,600	2,379,100	(3,500)	-0.15%
	<b>December</b>	2,417,020	2,330,771	(86,250)	-3.57%
<b>Actual / Budget</b>	<b>January</b>	1,913,400		(1,913,400)	-100.00%
	<b>February</b>	2,551,200		(2,551,200)	-100.00%
	<b>March</b>	2,146,480		(2,146,480)	-100.00%
	<b>April</b>	1,550,600		(1,550,600)	-100.00%
	<b>May</b>	2,067,400		(2,067,400)	-100.00%
	<b>June</b>	2,436,287		(2,436,287)	-100.00%
	<b>July-December</b>	<b>13,033,270</b>	<b>12,938,312</b>	<b>(94,958)</b>	<b>-0.73%</b>
<b>Annual Disbursement</b>	<b>25,698,637</b>				
<b>FY2017 Annual Budget</b>		<b>25,770,000</b>			

**Attachment 4.2 Measure A 1/2 Sales Tax Actual Vs. Budget Comparison**



## Attachment 5: FY2016 and FY2017 Monthly Measure B VRF Disbursement Comparison

(Cash Disbursement from July to June)

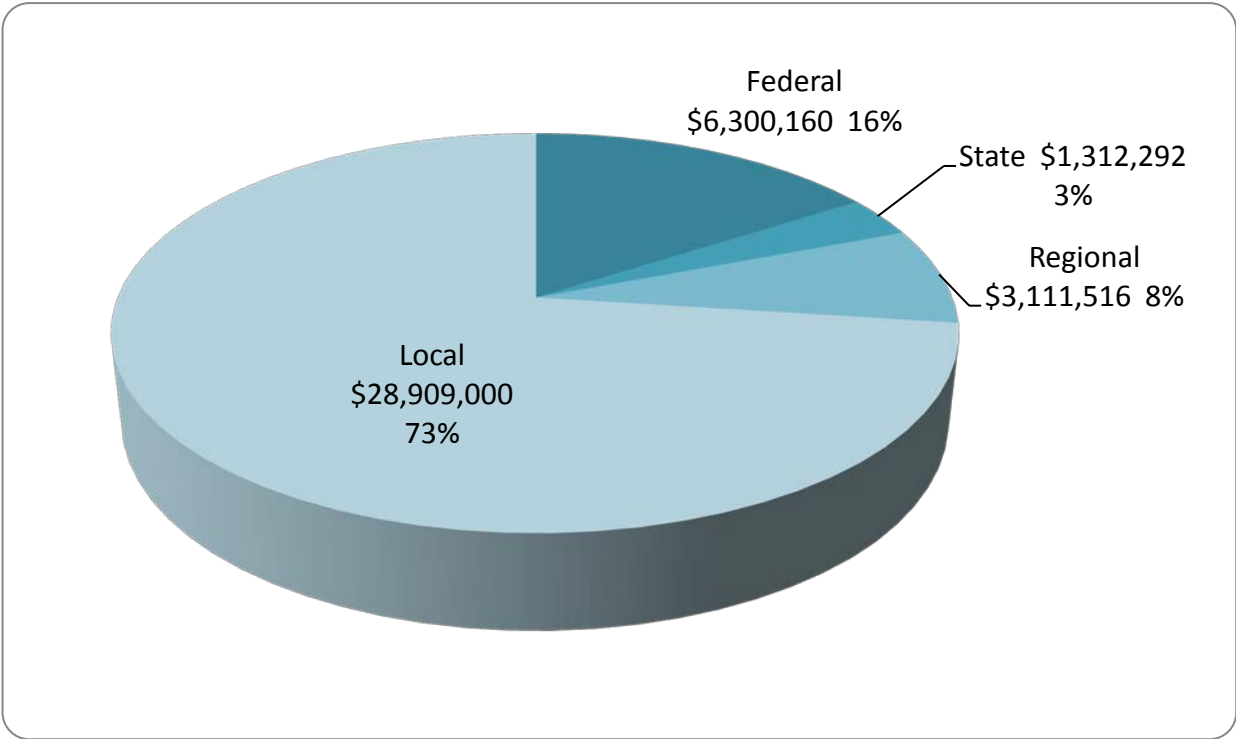
		<b>FY2016</b>	<b>FY2017</b>	<b>\$ Difference</b>	<b>% Difference</b>
<b>Actual</b>	<b>July</b>	190,806	218,249	27,443	14.38%
	<b>August</b>	203,634	215,745	12,111	5.95%
	<b>September</b>	212,095	200,622	(11,473)	-5.41%
	<b>October</b>	196,616	222,554	25,938	13.19%
	<b>November</b>	199,596	211,515	11,919	5.97%
	<b>December</b>	189,291	190,745	1,454	0.77%
<b>Actual / Budget</b>	<b>January</b>	179,405	-	(179,405)	-100.00%
	<b>February</b>	190,845	-	(190,845)	-100.00%
	<b>March</b>	179,863	-	(179,863)	-100.00%
	<b>April</b>	187,782	-	(187,782)	-100.00%
	<b>May</b>	201,954	-	(201,954)	-100.00%
	<b>June</b>	205,052	-	(205,052)	-100.00%
	<b>July-December</b>	<u>1,192,037</u>	<u>1,259,430</u>	<u>67,393</u>	<u>5.65%</u>
	<b>Annual Disbursement</b>	<u>2,336,937</u>			
<b>FY2017 Annual Budget</b>		<u>2,350,000</u>			

**Attachment 6: CalTRUST Investment Monthly Interest Income by Account**  
**(July - December 2016)**

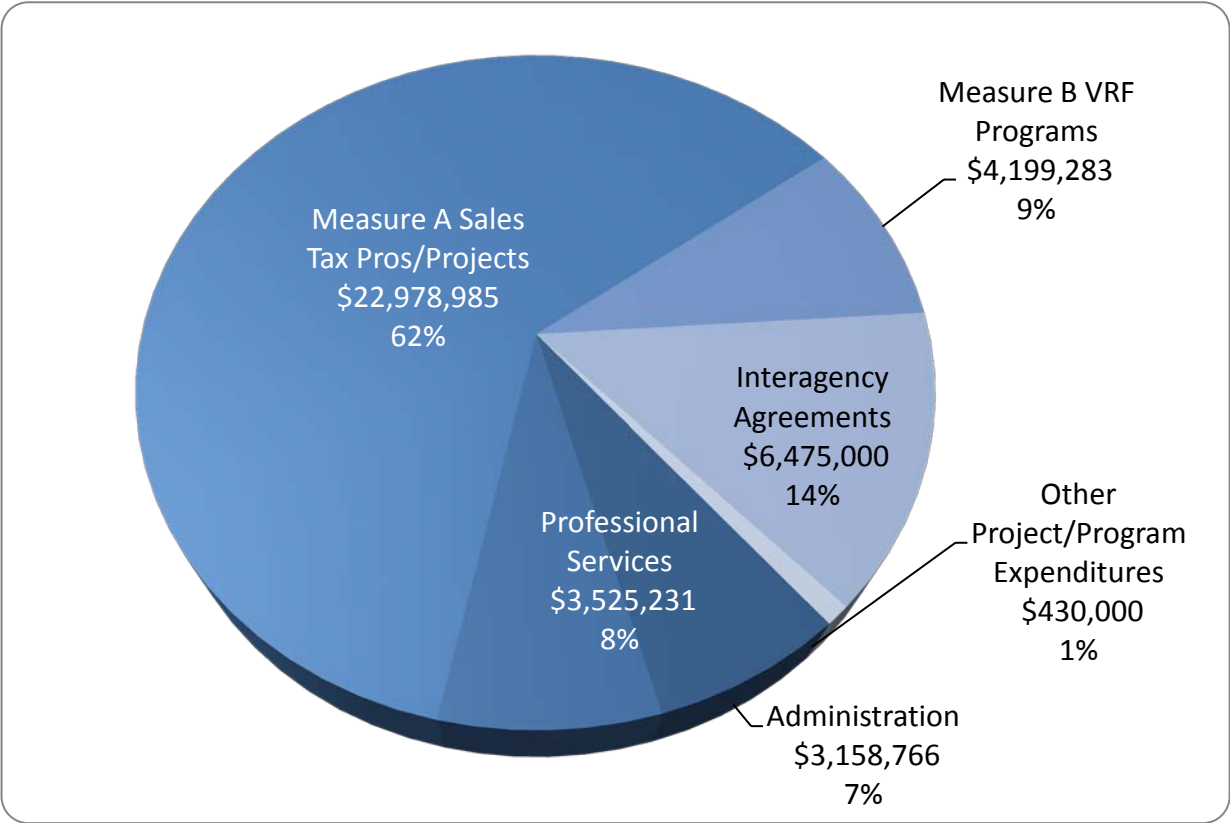
	General CMA		Mea. A Sales Tax	Mea. B VRF		TFCA		Total
	Short Term	Medium Term	Medium Term	Short Term	Medium Term	Short Term	Medium Term	CalTRUST
<b>Principal Investment</b>	\$ 808,530	\$ 2,000,000	\$ 38,393,102	\$ 500,000	\$ 3,072,287	\$ 500,000	\$ 831,950	\$ 46,105,869
<b>Prior Reinvested Interest Revenue</b>	\$ 629	\$ 2,142	\$ 528,331	\$ 6,572	\$ 24,474	\$ 6,572	\$ 891	\$ 569,612
<b>FY2017 Monthly Interest Income</b>								
<i>July-16</i>	\$ 504	\$ 1,709	\$ 33,246	\$ 316	\$ 2,645	\$ 316	\$ 711	\$ 39,448
<i>August-16</i>	\$ 523	\$ 1,703	\$ 33,127	\$ 327	\$ 2,635	\$ 327	\$ 708	\$ 39,350
<i>September-16</i>	\$ 532	\$ 1,668	\$ 32,449	\$ 333	\$ 2,581	\$ 333	\$ 694	\$ 38,591
<i>October-16</i>	\$ 589	\$ 1,751	\$ 34,050	\$ 369	\$ 2,708	\$ 369	\$ 728	\$ 40,564
<i>November-16</i>	\$ 580	\$ 1,757	\$ 34,169	\$ 363	\$ 2,718	\$ 363	\$ 731	\$ 40,681
<i>December-16</i>	\$ 603	\$ 1,817	\$ 35,341	\$ 377	\$ 2,811	\$ 377	\$ 756	\$ 42,082
<b>Total for the 1st and 2nd Quarter</b>	\$ 3,332	\$ 10,405	\$ 202,382	\$ 2,086	\$ 16,099	\$ 2,086	\$ 4,328	\$ 240,716
<b>Unrealized Gain/(Loss) - 12/31/2016</b>	\$ (3)	\$ (8,012)	\$ (132,991)	\$ (4)	\$ (11,403)	\$ (4)	\$ (3,333)	\$ (155,749)
<b>Market Value - 12/31/2016</b>	\$ 811,885	\$ 2,002,718	\$ 38,955,484	\$ 508,277	\$ 3,098,645	\$ 508,277	\$ 833,080	\$ 46,718,365

Note: \$25 million of TAM's fund balance was invested in CalTRUST as of 10/1/2013, and additional \$21.1 million was moved from the Marin County Investment Pool to CalTRUST on 5/1/2016.  
Now TAM has all its investments in CalTRUST in various funds.

**Attachment 7.1: FY2016-17 Budget Revenue Overview by Funding Source**



**Attachment 7.2: FY2016-17 Budget Expenditure Overview by Category**



*Note: Administration category includes all TAM's staff costs at \$2.22 million. Please note that the majority of the staff costs are for direct project and program management.*

## Attachment 8 - Transportation Acronyms

Acronym	Full Term
ABAG	Association of Bay Area Governments
ADA	Americans with Disabilities Act
BAAQMD	Bay Area Air Quality Management District
BART	Bay Area Rapid Transit
BCDC	Bay Conservation and Development Commission
BPAC	Bicycle / Pedestrian Advisory Committee
BRT	Bus Rapid Transit
BTA	Bicycle Transportation Account
Caltrans	California Department of Transportation
CEQA	California Environmental Quality Act
CIP	Capital Investment Program
CMA	Congestion Management Agency
CMAQ	Congestion Mitigation and Air Quality
CMFC	Central Marin Ferry Connection
CMP	Congestion Management Program
CO-OP	Cooperative Agreement
CTC	California Transportation Commission
DPW	Department of Public Works
EIR	Environmental Impact Report
EV	Electric Vehicle
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
FY	Fiscal Year
GGT	Golden Gate Transit
GGBHTD	Golden Gate Bridge Highway and Transportation District
HOT Lane	High Occupancy Toll Lane
HOV Lane	High Occupancy Vehicle Lane
ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
JARC	Job Access and Reverse Commute
LATIP	Local Area Transportation Improvement Program
LOS	Level of Service
MCBC	Marin County Bicycle Coalition
MPO	Metropolitan Planning Organization
MPWA	Marin Public Works Association
MT	Marin Transit
MTC	Metropolitan Transportation Commission

## Attachment 8 - Transportation Acronyms

Acronym	Full Term
MTS	Metropolitan Transportation System
Neg Dec	Negative Declaration
NEPA	National Environmental Policy Act
NOP	Notice of Preparation
NTPP	Non-motorized Transportation Pilot Program
OBAG	One Bay Area Grant
PAED	Project Approval and Environmental Document
PCI	Pavement Condition Index
PS&E	Plans, Specifications and Engineers Estimate
PSR	Project Study Report
RHNA	Regional Housing Needs Allocation
RM2	Regional Measure 2 (Bridge Toll)
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
SCS	Sustainable Communities Strategy
SLPP	State-Local Partnership Program
SMART	Sonoma Marin Area Rail Transit
SR	State Route
SR2S/SRTS	Safe Routes to Schools
STA	State Transit Assistance
STIP	State Transportation Improvement Program
STP	Federal Surface Transportation Program
TCM	Transportation Control Measures
TCRP	Transportation Congestion Relief Program
TDA	Transportation Development Act
TDM	Transportation Demand Management
TFCA	Transportation Fund for Clean Air
TIP	Federal Transportation Improvement Program
TLC	Transportation for Livable Communities
TMP	Traffic Management Plan
TMS	Transportation Management System
TOD	Transit-Oriented Development
TOS	Transportation Operations Systems
VRF	Vehicle Registration Fee