



900 Fifth Avenue
Suite 100
San Rafael
California 94901

Phone: 415/226-0815
Fax: 415/226-0816

www.tam.ca.gov

Belvedere
James Campbell

Corte Madera
David Kunhardt

Fairfax
John Reed

Larkspur
Dan Hillmer

Mill Valley
Stephanie Moulton-Peters

Novato
Eric Lucan

Ross
P. Beach Kuhl

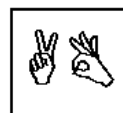
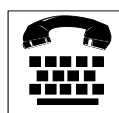
San Anselmo
Brian Colbert

San Rafael
Gary Phillips

Sausalito
Ray Withy

Tiburon
Alice Fredericks

County of Marin
Damon Connolly
Katie Rice
Kathrin Sears
Dennis Rodoni
Judy Arnold



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,
no later than 5 days before the meeting date.

Making the Most of Marin County Transportation Dollars

AGENDA

CITIZENS' OVERSIGHT COMMITTEE

December 10, 2018

5:00 p.m.

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

1. Introductions and Welcome (2 minutes)
2. [Review and Approval of October 15, 2018 Meeting Minutes](#) (Action) (5 minutes)
3. TAM Staff Report (Information) (30 minutes)
4. Safer Routes to School Program Update (Information) (30 minutes)

Break – 15 minutes

5. [Review and Acceptance of the 2018 Measure A Compliance Audit Results](#) (Action) (20 minutes)
6. [Formation of the FY2017-18 COC Annual Report Sub-Committee and Approval of Development Schedule](#) (Action) (15 minutes)
7. Committee Member Hot Items Report (Information) (10 minutes)
8. Discussion of Next Meeting Date and Recommended Items for the Agenda (2 minutes)
9. Open Time for Public Input (2 minutes)

THIS PAGE LEFT BLANK INTENTIONALLY



MEETING OF THE
TRANSPORTATION AUTHORITY OF MARIN
CITIZENS' OVERSIGHT COMMITTEE

October 15, 2018

5:00 p.m.

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

MEETING MINUTES

Members Present: Peter Pelham, Major Marin Employers
Joy Dahlgren, Central Marin Planning Area
Paul Royce, Ross Valley Planning Area
Bob Burton, Southern Marin Planning Area
Scott Tye, West Marin Planning Area
Kate Powers, Environmental Organizations
Kevin Hagerty, League of Women Voters
Allan Bortel, Marin County Paratransit Coordinating Council

Alternates Present Jeffrey Olson, Central Marin Planning Area

Staff Members Present: Dianne Steinhauer, TAM Executive Director
Li Zhang, Chief Financial Officer
Nick Nguyen, Principal Project Delivery Manager
Dan Cherrier, Principal Project Delivery Manager
Molly Graham, Public Outreach Coordinator
Helga Cotter, Senior Accountant
Grace Zhuang, Accounting and Administration Specialist

Auditor Present: Ahmad Gharaibeh, Auditor of Vavrinek, Trine, Day & Co., LLP

Public Present: Zack McDonald

Chairperson Peter Pelham called the Citizens' Oversight Committee meeting to order at 5:00 p.m.

1. Introductions and Welcome

Chairperson Pelham introduced Mr. Zack McDonald, who was interested in joining the COC and was here to observe a meeting. Mr. McDonald spoke briefly about himself. Chairperson Pelham also asked the committee to keep Member Paul Premo in their thoughts since he will be undergoing a major surgery. Introductions were made after the dinner break.

2. Review and Approval of July 16, 2018 Meeting Minutes (Action)

Chairperson Pelham made the following change to the July 16, 2018 minutes:

Page 1: "Joy Dahlgren, Major Marin Employers", amended to read "Joy Dahlgren, Central Marin Planning Area".

Vice-Chairperson Bob Burton made the following changes to the July 16, 2018 minutes:

Page 2, under Item 3, Election of Chairperson and Vice-Chairperson, "Chairperson Pelham moved to elect Member Bob Burton as Vice-Chair", amended to read "Chairperson Pelham moved to elect Member Bob Burton as Vice-Chairperson".

Page 4, under Item 5, Committee Member Hot Items Report, "Vice-Chairperson Burton discussed the problem with drivers who approach TAM junction in Mill Valley and then cross into the bike lane", was amended to read: "Vice-Chairperson Burton discussed a problem with drivers who cross into the bike lane when approaching TAM junction on the right turn from Almonte Blvd to Shoreline Highway".

Member Scott Tye moved to approve the July 16, 2018 meeting minutes as amended and Vice-Chairperson Burton seconded the motion. The minutes were approved unanimously.

3. TAM Staff Report (Information)

Executive Director (ED) Steinhauser provided an update on State Route 37 (SR37) in relation to prioritizing Regional Measure 3 (RM3) funds. ED Steinhauser noted that there are three main projects under discussion, including interchange improvements relating to the land use project in Vallejo, and improvements to the narrow section of roadway that include widening the road sufficiently to provide a movable barrier in order to operate two lanes during peak time directional traffic. She confirmed that improvements to counteract sea level rise constitutes the third topic of discussions, and that the Board has authorized a letter to MTC that outlines TAM's plans/proposals for the Marin segment.

ED Steinhauser suggested that staff could provide more information on discussions taking place in the Bay Area on sea level rise issues, noting that money is available to address sea level rise in the expenditure plan of Measure AA, the extension of the Measure A ½-Cent Transportation Sales Tax. In response to Vice-Chairperson Burton, ED Steinhauser discussed a sea level rise study currently being conducted by the County related to Novato Creek and that the County DPW flood control districts are looking in the areas north of SR37 for improvements. In response to Member Kevin Hagerty, ED Steinhauser explained that the jurisdictions need to agree on a project before funding from RM3 could be used for the environmental studies. Vice-Chairperson Burton added that sea level rise is a national problem.

ED Steinhauser briefly touched on the following topics of celebration: National Walk to School Day on October 10, which was a big success; Marin County dedication to 40 electric vehicle (EV) chargers that were installed at the Civic Center on October 10, as well; and a ribbon cutting celebration of Marin Transit's two new electric buses scheduled for tomorrow, October 16, at the parking lot of Avenue of the Flags.

ED Steinhauser continued her report with an update on the upper deck of the Richmond-San Rafael Bridge. She discussed an MTC study on impacts to convert the shoulder to a third lane on the upper deck, which includes dedicating the lane part-time to vehicles and part-time to bike traffic. It is hoped that the plan would reduce the wait time for traffic entering Marin up to 30 minutes by year 2020. In response to Member Hagerty, ED Steinhauser discussed the original plan conceived by BATA, noting that the bike lane should be in operation by the springtime. In response to Member Kate Powers, ED Steinhauser discussed the composition of the MTC commission and their decision-making process.

In response to Member Tye, ED Steinhauser discussed TAM's role in the relocation of the San Rafael Transit Center project. TAM plays the role of an important planning and funding partner, and the TAM Board is well aware of the project. She said that four design options will be considered during the scoping process, including a design submitted by the City of San Rafael that will consider extending the Transit Center to the other side of the freeway. ED Steinhauser confirmed that TAM is in a partnership role rather than leading the effort. In order to be eligible for RM3 funding, it is required that TAM is in agreement with the selected alternative designs.

In response to Member Hagerty, ED Steinhauser discussed the temporary relocation of some of Marin Transit's services.

In response to Member Paul Royce, ED Steinhauser said that funding originally intended for the Greenbrae interchange project was dispersed to other projects in Marin, including the SMART extension to Larkspur and the North-South Greenway Project. ED Steinhauser emphasized that all the funding stayed in Marin County.

ED Steinhauser discussed three projects that should begin construction during the spring of 2019: ramp metering in southern Marin; northern segment of the North-South Greenway Project, and the widening of the offramp to Bellam Blvd. from northbound Hwy 101.

In response to Member Powers, who expressed a preference for TAM to evaluate the traffic impacts of the various design alternatives, ED Steinhauser said that TAM will have an opportunity to review alternative plans during the environmental process. She noted that a plan to close Fifth Avenue was discarded under TAM's influence, and TAM has been consistent in voicing the need to allow safe bike and pedestrian access to the area.

4. TAM Review & Acceptance of the FY2017-18 TAM Comprehensive Annual Financial Report (Action)

Chief Finance Officer Li Zhang discussed the requirement per the Expenditure Plan for the committee to accept the financial report and recommend its adoption by the TAM Board. Ms. Zhang reported that TAM produced its first Comprehensive Annual Financial Report (CAFR) this year and briefly discussed the difference between the CAFR and the basic financial reports of previous years. Ms. Zhang continued with an overview of sections in the CAFR, noting that one of the purposes of the report is to introduce major projects and provide information on planning for long-term funding.

Ms. Zhang introduced TAM's auditor, Ahmed Gharaibeh, whose team has been with TAM for the past five years and will continue to work with TAM under a newly approved contract. The audit team started the FY2017-18 audit process in June of this year.

In response to Chairperson Pelham, Ms. Zhang explained the reasons for switching to a more comprehensive report, noting that TAM is an agency with directly-hired employees and retirement and other post-employment benefit liabilities now and the current report enables people to gain a better understanding of the agency's purpose, accomplishments and long-term funding stability. She apologized for a version control error on two projects and made the corrections. She then provided an overview of the introductory section, which included economics, employment and statistics on sales tax revenue for Marin County.

Mr. Gharaibeh discussed the purpose of the audit process, including the need to report on any financial deficiencies or confirm, as in this case, that the financial statements are fairly stated. Mr. Gharaibeh discussed the two major sets of financial statements, the government-wide financial statements and the fund statements. Mr. Gharaibeh explained that the government-wide financial statements provided a long-term overview of TAM's financial position while the fund financial statements offered a short-term overview TAM's financial position. He then discussed the four funds reported under the fund financial statements, which are the General Fund, the TFCA Fund, Measure A Sales Tax and Measure B VRF funds.

In response to Member Powers, Mr. Gharaibeh clarified aspects of the report relating to cash, investments and TAM's pension liability. Mr. Gharaibeh also clarified unearned revenue and Ms. Zhang provided information on Caltrans' payments that related to the Gap Closure project.

In response to various members, Mr. Gharaibeh and Ms. Zhang discussed TAM's unfunded pension liability and impact of new statements of the Governmental Accounting Standards Board (GASB), including GASB 75, requirement related to report of other post-employment benefits. GASB 75 will not go into effect until FY2018-19, since TAM didn't join the CalPERS Healthcare Program until July 1, 2018.

In response to Member Allan Bortel, Ms. Zhang discussed the reasons why a large cash reserve remains for Measure B funds, noting that more funds will be spent in FY2018-19 by Marin Transit, on EV projects, and on local streets and roads which are due this year based on the three-year allocation cycle. Ms. Zhang also addressed funds accumulated under Measure A for various projects and programs.

In response to Member Powers, Ms. Zhang provided some background about TFCA, the Transportation Fund for Clear Air.

In response to Member Hagerty, Ms. Zhang explained why the unrealized investment losses have been reported for the CalTRUST investment. It is required by GASB to disclose unrealized loss and gain at the end of the fiscal year, noting that as long as TAM is not in need of withdrawing the funds while there is a unrealize loss, there will be no real loss of the investment principal.

In response to Member Powers, Ms. Zhang clarified expenses relating to two major interagency agreements, one with the County of Marin for the Central Marin Ferry Connector Project and the other with the City of Larkspur for the East Sir Francis Drake Improvement Project.

Mr. Gharaibeh went on to discuss the pension liability relating to CalPERS that TAM assumed from LGS/RGS on January 1, 2018. He noted that TAM now has more control over how the liability will be funded. In response to Member Tye, Ms. Zhang confirmed that most of the staff were vested CalPERS members and CalPERS allowed those staff to preserve their service credit earned under LGS under the new contract with TAM.

Mr. Gharaibeh and Ms. Zhang discussed other post-employment benefits, which in TAM's case are very minimal. Ms. Zhang noted that upon retirement, TAM only covers the annual minimum required employer contribution for all employees hired prior to January 1, 2018. The benefit is even lower for those employees who joined TAM after January 1, 2018. The Board and the staff agreed on this in an effort to maintain the prudent fiscal policy for the agency.

Ms. Zhang discussed the statistical section by starting with the financial trend, showing the comparisons in tax revenue collected between 2007 and 2016. She pointed out that TAM is a funding agency so higher expenditures than revenues is not a concern like agencies with major operations. Ms. Zhang also discussed the importance of local revenue for funding projects and programs.

Mr. Gharaibeh then confirmed that the federal compliance audit and the Measure A compliance audit for administrative purposes were clean audits with no findings.

Vice-Chairperson Burton moved to accept the FY2017-18 TAM Comprehensive Annual Financial Report. Member Tye seconded the motion, which was unanimously approved.

Member Hagerty commented staff on the good work putting the report together, which he found very helpful.

The Committee recessed for ten minutes for a dinner break and reconvened with all members present as indicated.

5. **MSN Project Status Update and State Route 37 Study Update (Information)**

Principal Project Delivery Manager Nick Nguyen presented the staff report. Mr. Nguyen provided background information on the Marin-Sonoma Narrows (MSN) project, which he said had an anticipated completion date of between 2 – 4 years. He confirmed the main purpose of the project is to build a high-occupancy vehicle lane. He noted that the northern segment MSN C2 project has advanced in Sonoma due to a dedicated sales tax and SB1 funds. Mr. Nguyen discussed the two large segments of the project in Marin that need to be completed, which are the southern segments of the MSN B1 Phase 2 and A4 projects.

In response to Vice-Chairperson Burton, Mr. Nguyen said that Sonoma could lose \$80 million of funding if Prop 6, repeal of the Senate Bill 1, passes in the November 6 election.

Mr. Nguyen discussed aspects of the MSN project that have been completed, including A1 & A2 a few years ago, the San Antonio Road interchange improvements including the frontage road and a bike path on the western side of highway, a new bridge and a new segment of realigned highway. Mr. Nguyen screened a short video of the project.

In response to questions from members, Mr. Nguyen confirmed the improvements will create a 3-lane highway in each direction and he said that he anticipates northbound traffic transferring to the new bridge by mid-November. He said the third lane in each direction will not be operational until segments of the MSN in Sonoma are complete.

In response to Vice-Chairperson Burton, Mr. Nguyen confirmed the transition from 4 to 3 lanes takes place at Atherton Avenue. He explained that the next two phases of the MSN project would be to install an HOV lane from Olompali State Park southbound through Novato. He confirmed these two segments would complete the MSN project through Marin and that construction should commence in the spring of 2020, pending funding.

Mr. Nguyen discussed highway funding, noting that funds from SB1 and RM3 should be allocated for construction. Mr. Nguyen explained that advocacy groups are challenging the voter-approved RM3 bridge toll increases, which Public Outreach Coordinator Molly Graham discussed in response to Member Hagerty.

Member Tye discussed bridges in West Marin that are being constructed from SB1 funds.

Mr. Nguyen moved on with a discussion of SR37. He provided background information on a UC Davis study and the establishment of a SR37 Policy Committee of the North Bay CMAs, with the aim of developing policies to improve SR37.

Mr. Nguyen discussed an MTC study on the corridor that will address congestion from Novato to Vallejo and the effects of sea level rise and flooding. He discussed the long-term solution that a new bridge would provide, while short-term solutions include levee work along Novato Creek. Mr. Nguyen also discussed an interim project, led by MTC, that will create a third lane to provide congestion relief. He said the intention is to undertake the environmental analysis for both the third lane and the ultimate project to build a new bridge. Mr. Nguyen said it is TAM's position that investment should be made to alleviate flooding in Segment A (Novato to Sears Point), in addition to the work planned for segment B (Sears Point to Mare Island).

In response to Vice-Chairperson Burton and Member Hagerty, Mr. Nguyen noted that the plans on display were in the draft stages and that the proposed interim lane would be tolled.

In response to Chairperson Pelham, Mr. Nguyen said that he estimates the third lane to be built in 10 years. He said that TAM's study of Segment A concluded that the highway needs to be raised by 20 feet

to address future sea level rise predictions and that solutions would include a new causeway and the rebuilding of the Novato Creek Bridge and levees to a higher elevation. Mr. Nguyen said that these works should be funded by RM3.

In response to Member Powers, Mr. Nguyen discussed MTC's plans for developing Segment B, which also includes a raised highway. He confirmed that TAM would prefer a corridor-wide analysis for a causeway project, and he discussed the difficulties of planning for improvements for Segment A while other plans are proposed for Segment B.

6. Review of the FY2018-19 First Quarter Financial Report (Information)

Ms. Zhang presented a brief report that included a discussion of Measure A and Measure B revenue trends. She discussed the differences of Measure A revenues between the first quarter financial report of FY2018-19 and the same report for FY2017-18, which related to major revenue distribution/cleanup timeline and process changes at the former Board of Equalization, now renamed as the California Department of Tax and Fee Administration. She noted that the number of total registered vehicles in the County, which is the basis of Measure B revenue, has been decreasing for the past two years. However, the impact on TAM's financial picture should be minimal since Measure B revenue is only a small portion of the agency's total revenue.

In response to Member Hagerty, who commented that the information in the budget-to-actual comparison table was very useful, Ms. Zhang discussed that while it's easy to predict routine budget items like office lease payments and salaries, it's much harder to obtain good estimates for projects. Each project manager has their own project tracking/management sheets that monitor the project schedule and funding burn rates, which were presented in the assumptions of the annual budget file. However, given project schedule changes and for various other reasons, actual costs for specific projects/programs tend to vary from the original budgeted amounts. Ms. Zhang stated that, in general, staff recommend project/program budgets based on a more optimistic schedule, in an effort to avoid having to repeatedly going back to the Board to request budget increases in a given year.

7. Committee Member Hot Items Report (Information)

There were none.

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

The next meeting was tentatively scheduled for December 10, 2018, when Ms. Zhang said the final draft audit Measure A compliance audit results should be available. Ms. Zhang added that she is requesting that a subcommittee of the membership be formed to begin work on the COC annual report.

9. Open Time for Public Input

As no members of the public wished to speak, the meeting was adjourned at 7:50 p.m.



DATE: December 10, 2018

TO: Transportation Authority of Marin Citizens' Oversight Committee

FROM: Li Zhang, Chief Financial Officer

SUBJECT: Review and Acceptance of the 2018 Measure A Compliance Audit Results (Action) - Agenda Item No.5

RECOMMENDATION:

The TAM Citizens' Oversight Committee reviews the 2018 Measure A compliance audit results and refers it to the TAM Board for acceptance.

BACKGROUND:

TAM has a fiduciary responsibility to the voters of Marin County to ensure that the ½-Cent Measure A Transportation Sales Tax funds are spent appropriately and has carried out this responsibility diligently since the inception of Measure A in 2004. 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 six Measure A ½-Cent Transportation Sales Tax fund recipients that were selected for the eighth round of compliance audits in June 2018, as shown in the table below. This audit cycle covers Measure A revenue and expenditure activities which occurred in or prior to FY2017-18.

Proposed Measure A Fund Recipients Selected for the 2018 Compliance Audit Cycle

No.	Fund Recipient	Measure A Funding Strategy
Interest Revenue Funding Usage		
	None	
Strategy 1 Local Bus Transit System		
1	Marin Transit	Local Transit, for all Measure A funds received for its FY2017-18 transit operation and capital needs
Strategy 2 Highway 101 Gap Closure		
	None	
Strategy 3 Local Transportation Infrastructure		
2	City of Mill Valley	Strategy 3.1, Major Roads, for Miller Avenue Streetscape Plan Project
3	Town of Ross	Strategy 3.2, Local Roads, for its usage of the FY2016-17 Measure A Local Roads funds for Lagunitas Road Pavement Rehabilitation Project
Strategy 4 School Related Congestion and Safer Access to Schools		
4	Parisi Associates	Strategy 4.1 & 4.3, Safe Routes & Safe Pathways to School, for all Measure A funds received under the Safe Routes to School professional contract
5	All City Management Services	Strategy 4.2, Crossing Guards for usage of funds in FY2017-18
6	City of Novato	Strategy 4.3, Safe Pathways to School, Major Capital Project, for Measure A funds received for Plum Street Sidewalk Improvement Project

DISCUSSION/ANALYSIS:

Measure A Compliance Audit Process:

The annual Measure A Compliance Audit Workshop was conducted on August 31, 2018. Staff, along with the audit team from Vavrinek, Trine, Day & Co., LLP, reviewed the requirements of the ½Cent Measure A Expenditure Plan, the compliance audit policy adopted, and explained the process and timeline. Representatives from 10 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 at the end of November. Staff is very pleased to report that there is no non-compliance findings discovered during this round of the 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 ½-Cent 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 6 fund recipients selected for this round of audit effort are presented below for your review.

Interest Revenue: No Audit Conducted

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 FY2017-18.

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	A-FY18-01	1.1-1.4	7/1/2017	\$ 17,674,005
Measure A Expenditures				
Project Audited	Measure A Strategy	Amount		
Local Bus Transit	1.1	\$	9,960,852	
Local Bus Transit Service	1.2	\$	1,139,691	
Rural Bus Transit System	1.3	\$	2,154,534	
Capital Improvements	1.4	\$	2,333,434	
Total Measure A Reimbursement		\$	15,588,511	

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 3.1 – City of Mill Valley, Major Roads: Miller Avenue Rehabilitation Project

Measure A Expenditure Audited:

The Compliance audit for the City of Mill Valley covers Measure A expenditures under the Strategy 3.1 Major Roads allocation, which was spent in FY2017-18.

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	A-FY07-16	3.1	8/5/2016	\$ 8,211,798
FY2017-18	A-FY18-10	3.2	6/8/2018	\$ 181,654
Measure A Expenditures				
Project Audited	Measure A Strategy	Amount		
Miller Avenue Rehabilitation Project	Measure A Debt Reserve	\$	1,211,798	
	3.1	\$	2,814,234	
Local Roads	3.2	\$	181,654	
Total Measure A Reimbursement		\$	4,207,686	

Result:

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

Follow-up Meeting and/or Action:

Not needed

Strategy 3.2 – Town of Ross, Local Roads funds in or prior to FY2017-18

Measure A Expenditure Audited:

The compliance audit for the Town of Ross covers Measure A expenditures under the Strategy 3.2 Local Streets and Roads allocation, which were spent in FY2017-18.

Measure A Allocation					
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount	
FY2017-18	A-FY18-12	3.2	4/12/2018	\$	35,259
Measure A Expenditures					
Project Audited	Measure A Strategy		Amount		
Brookwood Ln. & Redwood Dr. Pavement Rehabilitation Project	Measure A Debt Reserve 3.2		\$	2,752 32,507	
Total Measure A Reimbursement			\$	35,259	

Result:

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

Follow-up Meeting and/or Action:

Not needed.

Strategy 4.1 & 4.3 – Parisi Transportation Consulting, Safe Routes to School Contract, FY2017-18 Measure A Related Expenditures

Measure A Expenditure Audited:

Compliance audit for Parisi Transportation Consulting covers FY2017-18 Measure A expenditures under the current contract.

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	C-FY13/14-01	4.1 & 4.3	6/23/2016	\$ 955,000
Measure A Expenditures				
Project Audited	Measure A		Amount	
Safe Routes to School Program	Measure A Debt Reserve		\$ 67,187	
	4.1		\$ 644,150	
	4.3		\$ 203,144	
Total Measure A Reimbursement			\$ 914,481	

Result:

The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the professional contract between Parisi Transportation Consulting and TAM.

Follow-up Meeting and/or Action:

Not needed.

Strategy 4.2 – All City Management Services, Inc., Crossing Guard Service Contract, FY2017-18 Measure A Related Expenditures

Measure A Expenditure Audited:

Compliance audit for All City Management Services Inc. covers FY2017-18 Measure A expenditures under the current contract.

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount*
FY2017-18	C-FY13/14-01	4.2 & 4.3	6/23/2016	\$ 1,566,000
Measure A Expenditures				
Project Audited	Measure A Strategy		Amount	
Crossing Guard Program	Measure A 5% Fund Reserve		\$	85,443
	Measure A Debt Reserve		\$	28,000
	4.2		\$	1,005,603
	4.3		\$	26,000
Total Measure A Reimbursement			\$	1,145,046

* Available amount includes non-Measure A funding, while expenditures only include Measure A related spending.

Result:

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

Follow-up Meeting and/or Action:

Not needed.

Strategy 4.3 – City of Novato, Safe Pathways to School, Big Capital Project: Plum Street Sidewalk Improvement Project

Measure A Expenditure Audited:

The compliance audit for City of Novato covers Measure A expenditures under the Strategy 4.3 Safe Pathways to School allocations, which were spent in FY2017-18.

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	A-FY15-06	4.3	9/2/2015	\$ 474,500
Measure A Expenditures				
Project Audited	Measure A Strategy		Amount	
Plum Street Sidewalk Improvement Project	4.3		\$	474,244
Total Measure A Reimbursement			\$	474,244

Result:

The results of the auditor's procedures disclosed no instances of noncompliance with the Measure A Expenditure Plan and the funding agreement between the Town of Fairfax 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 ninth Measure A compliance audit cycle will start in June 2019.

ATTACHMENTS:

- Attachment 1 Measure A Compliance Audit Report – Marin Transit
- Attachment 2 Measure A Compliance Audit Report – City of Mill Valley
- Attachment 3 Measure A Compliance Audit Report – Town of Ross
- Attachment 4 Measure A Compliance Audit Report – Parisi Transportation Consulting
- Attachment 5 Measure A Compliance Audit Report – All City Management Services Inc.
- Attachment 6 Measure A Compliance Audit Report – City of Novato



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

VALUE THE *difference*

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 Marin Transit's (Agency) compliance with the types of compliance requirements described in the Measure A ½-Cent Transportation Sales Tax Expenditure Plan (Expenditure Plan) and the respective funding agreement with the Transportation Authority of Marin (TAM) applicable to the Agency's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

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 Expenditure Plan approved by the voters of the County of Marin (County) in 2004, and the respective funding agreement between the Agency and TAM. Those standards and Expenditure Plan, and the respective funding agreement between the Agency and TAM 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, 2018.

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 Expenditure Plan and the respective funding agreement between the Agency and TAM. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of TAM, and management of the Agency. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Vavrinek, Trine Day & Co., LLP
November xx, 2018

MARIN TRANSIT

**MEASURE A COMPLIANCE REPORT AND NOTES
JUNE 30, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Agency is a transit operator formed by the voters of Marin County in 1964 and was given the responsibility to provide local transit services within the 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

Measure A is a ½-cent transportation sales set forth by the voters of the County as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County 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 County, provided input that results in a draft expenditure plan. The draft expenditure plan was presented to each of the County’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Expenditure Plan.

The Expenditure Plan is administered by TAM. Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. TAM 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.

MARIN TRANSIT**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE****JUNE 30, 2018**

1. Obtained original Funding Agreement/ Professional Contract, Allocation Request, and Funding Agreement/Professional 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 TAM for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to TAM 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 TAM 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 TAM 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 funding agreements/professional 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.

MARIN TRANSIT**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

- 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 Expenditure Plan, the entity’s funding agreement with TAM, 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 Agency Council Agendas and Minutes and/or related reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the Agency 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.

MARIN TRANSIT

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

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 TAM.
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 TAM.

MARIN TRANSIT

**ATTACHMENT B – FINDINGS AND OBSERVATIONS
JUNE 30, 2018**

No findings noted.

MARIN TRANSIT

**ATTACHMENT C – SCHEDULE OF ALLOCATIONS AND EXPENDITURES
JUNE 30, 2018**

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	A-FY18-01	1.1-1.4	7/1/2017	\$ 17,674,005
Measure A Expenditures				
Project Audited	Measure A Strategy	Amount		
Local Bus Transit	1.1	\$ 9,960,852		
Local Bus Transit Service	1.2	\$ 1,139,691		
Rural Bus Transit System	1.3	\$ 2,154,534		
Capital Improvements	1.4	\$ 2,333,434		
Total Measure A Reimbursement		\$ 15,588,511		



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

VALUE THE *difference*

**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 Mill Valley (City) compliance with the types of compliance requirements described in the Measure A ½-Cent Transportation Sales Tax Expenditure Plan (Expenditure Plan) and the respective funding agreement with the Transportation Authority of Marin (TAM) applicable to the Town's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

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 Expenditure Plan approved by the voters of the County of Marin (County) in 2004, and the respective funding agreement between the Town and TAM. Those standards and Expenditure Plan, and the respective funding agreement between the Town and TAM 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, 2018.

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 Expenditure Plan and the respective funding agreement between the Town and TAM. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of TAM, and management of the Town. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Vavrinek, Trine Day & Co., LLP
November xx, 2018

CITY OF MILL VALLEY

**MEASURE A COMPLIANCE REPORT AND NOTES TO THE MEASURE A
JUNE 30, 2018**

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

Measure A is a ½-cent transportation sales set forth by the voters of the County as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County 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 County, provided input that results in a draft expenditure plan. The draft expenditure plan was presented to each of the County’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Expenditure Plan.

The Expenditure Plan is administered by TAM. Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. TAM 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.

CITY OF MILL VALLEY

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

1. Obtained original Funding Agreement/ Professional Contract, Allocation Request, and Funding Agreement/Professional 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 TAM for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to TAM 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 TAM 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 TAM 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 funding agreements/professional 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.

CITY OF MILL VALLEY**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

- 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 Expenditure Plan, the entity’s funding agreement with TAM, 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 Town Council Agendas and Minutes and/or related reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the Town 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.

CITY OF MILL VALLEY

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

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 TAM.
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 TAM.

CITY OF MILL VALLEY

**ATTACHMENT B – FINDINGS AND OBSERVATIONS
JUNE 30, 2018**

No findings noted.

CITY OF MILL VALLEY

**ATTACHMENT C – SCHEDULE OF ALLOCATIONS AND EXPENDITURES
JUNE 30, 2018**

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	A-FY07-16	3.1	8/5/2016	\$ 8,211,798
Measure A Expenditures				
Project Audited	Measure A Strategy		Amount	
Miller Avenue Rehabilitation Project	Measure A Debt Reserve		\$ 1,211,798	
	3.1		\$ 2,814,234	
Total Measure A Reimbursement			\$ 4,026,032	



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

VALUE THE *difference*

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 Ross (Town) compliance with the types of compliance requirements described in the Measure A ½-Cent Transportation Sales Tax Expenditure Plan (Expenditure Plan) and the respective funding agreement with the Transportation Authority of Marin (TAM) applicable to the Town's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

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 Expenditure Plan approved by the voters of the County of Marin (County) in 2004, and the respective funding agreement between the Town and TAM. Those standards and Expenditure Plan, and the respective funding agreement between the Town and TAM 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, 2018.

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 Expenditure Plan and the respective funding agreement between the Town and TAM. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of TAM, and management of the Town. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Vavrinek, Trine, Day & Co., LLP
November xx, 2018

TOWN OF ROSS

**MEASURE A COMPLIANCE REPORT AND NOTES
JUNE 30, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Town is an incorporated Town that receives funding under the Expenditure Plan as an eligible local jurisdiction in the County.

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

Measure A is a ½-cent transportation sales set forth by the voters of the County as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County 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 County, provided input that results in a draft expenditure plan. The draft expenditure plan was presented to each of the County’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Expenditure Plan.

The Expenditure Plan is administered by TAM. Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. TAM 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.

TOWN OF ROSS

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

1. Obtained original Funding Agreement/ Professional Contract, Allocation Request, and Funding Agreement/Professional 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 TAM for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to TAM 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 TAM 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 TAM 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 funding agreements/professional 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.

TOWN OF ROSS**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

- 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 Expenditure Plan, the entity’s funding agreement with TAM, 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 Town Council Agendas and Minutes and/or related reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the Town 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.

TOWN OF ROSS

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

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 TAM.
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 TAM.

TOWN OF ROSS

**ATTACHMENT B – FINDINGS AND OBSERVATIONS
JUNE 30, 2018**

No findings noted.

TOWN OF ROSS

**ATTACHMENT C – SCHEDULE OF ALLOCATIONS AND EXPENDITURES
JUNE 30, 2018**

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	A-FY18-12	3.2	4/12/2018	\$ 35,259
Measure A Expenditures				
Project Audited	Measure A Strategy		Amount	
Brookwood Ln. & Redwood Dr. Pavement Rehabilitation Project	Measure A Debt Reserve 3.2		\$ 2,752	
			\$ 32,507	
Total Measure A Reimbursement			\$ 35,259	



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

VALUE THE *difference*

**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 Parisi Transportation Consulting (Company) compliance with the types of compliance requirements described in the Measure A ½-Cent Transportation Sales Tax Expenditure Plan (Expenditure Plan) and the respective funding agreement with the Transportation Authority of Marin (TAM) applicable to the Company's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company'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 Expenditure Plan approved by the voters of the County of Marin (County) in 2004, and the respective funding agreement between the Company and TAM. Those standards and Expenditure Plan, and the respective funding agreement between the Company and TAM 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 Company's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the Company'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 Company's compliance with those requirements.

Opinion

In our opinion, the Company complied, in all material respects, with the compliance requirements referred to above that are applicable to the Company's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

Internal Control Over Compliance

Management of the Company 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 Company'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 Company'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 Expenditure Plan and the respective funding agreement between the Company and TAM. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of TAM, and management of the Company. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Vavrinek, Trine Day & Co., LLP
November xx, 2018

PARISI TRANSPORTATION CONSULTING

**MEASURE A COMPLIANCE REPORT AND NOTES TO THE MEASURE A
JUNE 30, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Company is an incorporated company that receives funding under the Measure A Expenditure Plan to provide Safe Routes to School Planning.

Basis of Accounting

The Company uses accrual basis of accounting and utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available.

NOTE 2 - MEASURE A SALES TAX

Measure A is a ½-cent transportation sales set forth by the voters of the County as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County 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 County, provided input that results in a draft expenditure plan. The draft expenditure plan was presented to each of the County’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Expenditure Plan.

The Expenditure Plan is administered by TAM. Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. TAM 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.

PARISI TRANSPORTATION CONSULTING

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

1. Obtained original Funding Agreement/ Professional Contract, Allocation Request, and Funding Agreement/Professional 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 TAM for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to TAM 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 TAM 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 TAM 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 funding agreements/professional 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.

PARISI TRANSPORTATION CONSULTING**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

- 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 Expenditure Plan, the entity’s funding agreement with TAM, 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 Agendas and Minutes and/or related reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the Company 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.

PARISI TRANSPORTATION CONSULTING

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

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 TAM.
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 TAM.

PARISI TRANSPORTATION CONSULTING

**ATTACHMENT B – FINDINGS AND OBSERVATIONS
JUNE 30, 2018**

No findings noted.

PARISI TRANSPORTATION CONSULTING

**ATTACHMENT C – SCHEDULE OF ALLOCATIONS AND EXPENDITURES
JUNE 30, 2018**

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	C-FY13/14-01	4.1 & 4.3	6/23/2016	\$ 955,000
Measure A Expenditures				
Project Audited	Measure A		Amount	
Safe Routes to School Program	Measure A Debt Reserve		\$ 67,187	
	4.1		\$ 644,150	
	4.3		\$ 203,144	
Total Measure A Reimbursement			\$ 914,481	



VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

VALUE THE *difference*

**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 All City Management Services, Inc. (ACMS) compliance with the types of compliance requirements described in the Measure A ½-Cent Transportation Sales Tax Expenditure Plan (Expenditure Plan) and the respective funding agreement with the Transportation Authority of Marin (TAM) applicable to the ACMS's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the ACMS'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 Expenditure Plan approved by the voters of the County of Marin (County) in 2004, and the respective funding agreement between the ACMS and TAM. Those standards and Expenditure Plan, and the respective funding agreement between the ACMS and TAM 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 ACMS's Schedule of Allocations and Expenditures. An audit includes examining, on a test basis, evidence about the ACMS'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 ACMS's compliance with those requirements.

Opinion

In our opinion, the ACMS complied, in all material respects, with the compliance requirements referred to above that are applicable to the ACMS's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

Internal Control Over Compliance

Management of the ACMS 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 ACMS'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 ACMS'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 Expenditure Plan and the respective funding agreement between the ACMS and TAM. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of TAM, and management of the ACMS. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Vavrinek, Trine Day & Co., LLP
November xx, 2018

ALL CITY MANAGEMENT SERVICES, INC.

**MEASURE A COMPLIANCE REPORT AND NOTES TO THE MEASURE A
JUNE 30, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The ACMS is an incorporated company that receives funding under the Measure A Expenditure Plan to provide School Crossing Guards and School Safety Services before, during and after school hours.

Basis of Accounting

The ACMS uses accrual basis of accounting and utilizes the current resources measurement focus basis of account, whereby revenues are recognized when measurable and available.

NOTE 2 - MEASURE A SALES TAX

Measure A is a ½-cent transportation sales set forth by the voters of the County as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County 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 County, provided input that results in a draft expenditure plan. The draft expenditure plan was presented to each of the County’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Expenditure Plan.

The Expenditure Plan is administered by TAM. Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. TAM 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.

ALL CITY MANAGEMENT SERVICES, INC.

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

1. Obtained original Funding Agreement/ Professional Contract, Allocation Request, and Funding Agreement/Professional 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 TAM for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to TAM 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 TAM 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 TAM 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 funding agreements/professional 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.

ALL CITY MANAGEMENT SERVICES, INC.

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

- 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 Expenditure Plan, the entity’s funding agreement with TAM, 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 Agendas and Minutes and/or related reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the ACMS 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.

ALL CITY MANAGEMENT SERVICES, INC.

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30, 2018**

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 TAM.
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 TAM.

ALL CITY MANAGEMENT SERVICES, INC.

**ATTACHMENT B – FINDINGS AND OBSERVATIONS
JUNE 30, 2018**

No findings noted.

ALL CITY MANAGEMENT SERVICES, INC.

**ATTACHMENT C – SCHEDULE OF ALLOCATIONS AND EXPENDITURES
JUNE 30, 2018**

Measure A Allocation					
Period Audited		Agreement Number	Measure A Strategy	Agreement Date	Available Amount*
FY2017-18		C-FY13/14-01	4.2 & 4.3	6/23/2016	\$ 1,566,000
Measure A Expenditures					
Project Audited		Measure A Strategy			Amount
Crossing Guard Program		Measure A 5% Fund Reserve			\$ 85,443
		Measure A Debt Reserve			\$ 28,000
		4.2			\$ 1,005,603
		4.3			\$ 26,000
Total Measure A Reimbursement					\$ 1,145,046

* Available amount includes non-Measure A funding, while expenditures only include Measure A related spending.



VAVRINEK, TRINE, DAY & CO., LLP
 Certified Public Accountants

VALUE THE *difference*

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 Novato's (City) compliance with the types of compliance requirements described in the Measure A ½-Cent Transportation Sales Tax Expenditure Plan (Expenditure Plan) and the respective funding agreement with the Transportation Authority of Marin (TAM) applicable to the City's Schedule of Allocations and Expenditures for the year ended June 30, 2018.

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 Expenditure Plan approved by the voters of the County of Marin (County) in 2004, and the respective funding agreement between the City and TAM. Those standards and Expenditure Plan, and the respective funding agreement between the City and TAM 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, 2018.

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 Expenditure Plan and the respective funding agreement between the City and TAM. This report is intended solely for the information of the Board of Commissioners, Citizens' Oversight Committee, Management of TAM, and management of the City. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Vavrinek, Trine Day & Co., LLP
November xx, 2018

CITY OF NOVATO

**MEASURE A COMPLIANCE REPORT AND NOTES
JUNE 30,**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City receives funding under the Measure A Expenditure Plan.

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

Measure A is a ½-cent transportation sales set forth by the voters of the County as a step in implementing a 1.6 billion dollar “transportation vision” set forth by the County 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 County, provided input that results in a draft expenditure plan. The draft expenditure plan was presented to each of the County’s City/Town Councils and to numerous stakeholder groups. Their comments prompted refinements reflected in the Expenditure Plan.

The Expenditure Plan is administered by TAM. Its 16-member board consists of the Board of Supervisors and a council member of each incorporated City/Town. TAM 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.

CITY OF NOVATO**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30,**

1. Obtained original Funding Agreement/ Professional Contract, Allocation Request, and Funding Agreement/Professional 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 TAM for reimbursements, if applicable.
5. Obtained supporting documentation for a sample of invoices submitted to TAM 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 TAM 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 TAM 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 funding agreements/professional 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.

CITY OF NOVATO**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30,**

- 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 Expenditure Plan, the entity’s funding agreement with TAM, 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 Council Agendas and Minutes and/or related reports in regards to the bid award to ensure that the contract for the project was properly approved by Department Heads and the City 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.

CITY OF NOVATO

**ATTACHMENT A – PROCEDURES PERFORMED AS APPLICABLE
JUNE 30,**

14. 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 TAM.
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 TAM.

CITY OF NOVATO

**ATTACHMENT B – FINDINGS AND OBSERVATIONS
JUNE 30,**

No findings noted.

CITY OF NOVATO

**ATTACHMENT C – SCHEDULE OF ALLOCATIONS AND EXPENDITURES
JUNE 30,**

Measure A Allocation				
Period Audited	Agreement Number	Measure A Strategy	Agreement Date	Available Amount
FY2017-18	A-FY15-06	4.3	9/2/2015	\$ 474,500
Measure A Expenditures				
Project Audited	Measure A Strategy		Amount	
Plum Street Sidewalk Improvement Project	4.3		\$ 474,244	
Total Measure A Reimbursement			\$ 474,244	



DATE: December 10, 2018

TO: Transportation Authority of Marin Citizens' Oversight Committee

FROM: Li Zhang, Chief Financial Officer

SUBJECT: Formation of the COC FY2017-18 Annual Report Sub-Committee and Approval of the Development Schedule (Action), Agenda Item No.6

RECOMMENDATION:

Staff recommends the Committee form a subcommittee to guide staff with the development of the COC FY2017-18 Annual Report and adopt the report development schedule.

Staff also recommends that the Committee authorizes the Chairperson to work with the subcommittee and staff, finalize the report, and present the report to the TAM Board for acceptance at its January meeting without bringing the report for another full committee review, if the COC Annual Report will be the only time sensitive item in January.

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 the results of the annual audits related to the usage of the Measure A and Measure B revenues. The FY2017-18 Annual Report will report the clean result of TAM's FY2017-18 financial audit and Measure A and Measure B project/program achievements.

DISCUSSION/ANALYSIS:

The COC annual report has been a key outreach tool for TAM. COC will use the FY2017-18 Annual Report to reach out to the communities and reassure the public that the Measure A Half-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 budget amount needed for the production of the report is included in the Document Reproduction line item of the FY2018-19 TAM Annual Budget. Total design cost of the report is \$2,625 and additional \$2,500 is set aside for the reproduction of the hard copies. A total of \$5,625 is reserved under the \$61,000 Document Reproduction Budget Line.

NEXT STEPS:

With the guidance and support from the Chairperson and the subcommittee, staff will complete, and the Chairperson will present the final draft report to the TAM Board for acceptance at its January 2019 meeting. Staff will incorporate any comments from the TAM Board, finalize the FY2017-18 COC Annual Report, and release it to interest groups, local agencies, advocacy organizations and Marin residents in February 2019.