

**IMPERIAL COUNTY TRANSPORTATION COMMISSION  
FINANCIAL REPORT OF THE  
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

**June 30, 2011 and 2010**

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## INDEPENDENT AUDITORS' REPORT

To the Commission Board Members  
County of Imperial, California

We have audited the accompanying financial statements of the Transportation Development Act Fund of the Imperial County Transportation Commission as of June 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Imperial County Transportation Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As discussed in Note 2, the financial statements present only the Transportation Development Act Fund (TDA) and are not intended to present fairly the financial position of the Imperial County Transportation Commission and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the Transportation Development Act Fund (TDA) of the Imperial County Transportation Commission as of June 30, 2011 and 2010, and the results of its operations for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of allocations and disbursements listed as supplementary information in the table of contents has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

*Hutchinson and Bloodgood LLP*

June 22, 2012

**IMPERIAL COUNTY TRANSPORTATION COMMISSION  
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

**BALANCE SHEETS  
June 30, 2011 and 2010**

	<b>2011</b>	<b>2010</b>
<b>ASSETS</b>		
Cash and Investments	\$ 2,428,077	\$ 1,881,717
Interest Receivable	<u>5,860</u>	<u>8,778</u>
Total Assets	<u>\$ 2,433,937</u>	<u>\$ 1,890,495</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Due to Other Funds	\$ <u>        --</u>	\$ <u>662,022</u>
Total Liabilities	<u>        --</u>	<u>662,022</u>
Fund Balance		
Fund Balance - Unreserved	2,295,820	197,766
Fund Balance - Reserved	<u>138,117</u>	<u>1,030,707</u>
Total Fund Balance	<u>2,433,937</u>	<u>1,228,473</u>
Total Liabilities and Fund Balance	<u>\$ 2,433,937</u>	<u>\$ 1,890,495</u>

See accompanying notes and independent auditors' report

**IMPERIAL COUNTY TRANSPORTATION COMMISSION  
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Years Ended June 30, 2011 and 2010**

	<b>2011</b>	<b>2010</b>
Revenues		
Transportation Development Act fund	\$ 5,296,686	\$ 4,445,036
Interest Pooled Money	<u>21,233</u>	<u>39,257</u>
Total revenues	<u>5,317,919</u>	<u>4,484,293</u>
Expenditures		
City of Brawley	200,458	227,329
City of Calexico	234,142	377,058
City of Calipatria	12,721	--
City of El Centro	200,557	240,449
City of Holtville	213,254	--
City of Imperial	--	126,824
City of Westmorland	105,183	--
County of Imperial	24,450	3,535,984
ICTC	<u>2,746,715</u>	<u>--</u>
Total expenditures	<u>3,737,480</u>	<u>4,507,644</u>
Excess of revenues over (under) expenditures	<u>1,580,439</u>	<u>(23,351)</u>
Transfers out		
Administration - IVAG 7147	253,475	317,800
Plans and program - IVAG 7148	<u>121,500</u>	<u>168,000</u>
Total transfers out	<u>374,975</u>	<u>485,800</u>
Change in fund balance	1,205,464	(509,151)
Fund balance beginning, July 1	<u>1,228,473</u>	<u>1,737,624</u>
Fund balance ending, June 30	<u>\$ 2,433,937</u>	<u>\$ 1,228,473</u>

See accompanying notes and independent auditors' report

**IMPERIAL COUNTY TRANSPORTATION COMMISSION  
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011 and 2010**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Reporting Entities***

The operations of the Transportation Development Act fund of the Imperial County Transportation Commission are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures.

The County's Auditor-Controller's office acts as a trustee for the funds received and disbursed. The revenues of the fund are derived from ¼ cent of the local general sales tax collected statewide. The State Board of Equalization returns the ¼ cent to each county according to the amount of the tax collected.

The County's Auditor-Controller, based upon allocation instructions received from the Imperial County Transportation Commission (ICTC), makes disbursements from the TDA fund to the County of Imperial and the cities, located within the County, which are eligible for TDA funds. The allocation instructions apportion the revenues received by the TDA fund among the incorporated and unincorporated areas of the County, based on population.

***Basis of Accounting***

The TDA funds are accounted for in a trust fund using the modified accrual basis of accounting, whereby revenues are recognized when they become measurable and available to finance expenditures of the current period and expenditures are generally recognized when the related fund liabilities are incurred.

***Comparative Data***

Comparative data for the prior year is presented in the accompanying financial statements in order to provide an understanding of changes in the funds' financial positions and operations.

**Note 2. ANNUAL FINANCIAL STATEMENTS**

The financial statements are intended to present the financial position, results of operations and compliance with the Transportation Development Act for only the Transportation Development Act fund of the Imperial County Transportation Commission .

**Note 3. CASH AND INVESTMENTS**

Cash is pooled with other cash of the County to maximize investment opportunity and yields. Investment income resulting from this pooling is allocated to the respective funds, including the TDA fund, based upon monthly average cash balances. Information regarding categorization of investments and risk can be found in the County's financial statements. The financial statements for the County of Imperial may be obtained by contacting the Auditor-Controller's office in El Centro, CA.

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

See independent auditors' report

**IMPERIAL COUNTY TRANSPORTATION COMMISSION  
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011 and 2010**

**Note 4. FUND BALANCE**

The TDA fund distributes funds according to the annual regional ICTC Overall Work Plan & Budget and in accordance with the annual disbursements schedule adopted each year by ICTC. Any monies allocated and reserved in the local transportation fund and not authorized for payment within three years after the date of allocation shall cease to be allocated or reserved and shall become and be treated as an unallocated apportionment retained in the fund in accordance with Section 6655.1. Also, allocations for benches and shades made in accordance with PUC Code Section 99400(e) do not carryover, and lapse if not claimed in the year allocated.

Out of the total fund balance for fiscal year 2010-11 the amount of \$138,117 represents the reserve of the apportioned but unallocated TDA funds as of June 30, 2011. The reserved funds are for claims that have been submitted by member entities that have not completed the requirements for disbursement.

**Note 5. BUDGETED EXPENDITURES**

The TDA distributes funds in accordance with the annual disbursements schedule and according to the annual regional ICTC Overall Work Plan & Budget adopted each year by ICTC. Any variance is due to cities not expending their current year's budgeted appropriations or expending prior year's appropriations in the current year.

**Note 6. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 22, 2012, the report date, and has determined that there are no reportable events.

See independent auditors' report

**IMPERIAL COUNTY TRANSPORTATION COMMISSION  
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

**SCHEDULE OF ALLOCATIONS AND DISBURSEMENTS  
For the Fiscal Year Ended June 30, 2011**

<u>ALLOCATIONS</u>	<u>PUC Section</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>City of Brawley</u>				
Bicycles	99233.3	\$ 17,832	\$ 17,832	\$ --
Streets and Roads	99400(a)	--	--	--
Transit	99400(c)	178,630	178,630	--
Benches and Shades	99400(e)	<u>3,996</u>	<u>3,996</u>	<u>--</u>
Total		<u>200,458</u>	<u>200,458</u>	<u>--</u>
<u>City of Calexico</u>				
Bicycles	99233.3	21,413	21,413	--
Streets and Roads	99400(a)	--	--	--
Transit	99400(c)	295,906	206,906	89,000
Benches and Shades	99400(e)	<u>5,823</u>	<u>5,823</u>	<u>--</u>
Total		<u>323,142</u>	<u>234,142</u>	<u>89,000</u>
<u>City of Calipatria</u>				
Bicycles	99233.3	11,127	12,143	(1,016)
Streets and Roads	99400(a)	--	--	--
Transit	99400(c)	--	--	--
Benches and Shades	99400(e)	<u>575</u>	<u>578</u>	<u>(3)</u>
Total		<u>11,702</u>	<u>12,721</u>	<u>(1,019)</u>
<u>City of El Centro</u>				
Bicycles	99233.3	22,700	22,700	--
Streets and Roads	99400(a)	--	--	--
Transit	99400(c)	166,377	166,377	--
Benches and Shades	99400(e)	<u>11,480</u>	<u>11,480</u>	<u>--</u>
Total		<u>200,557</u>	<u>200,557</u>	<u>--</u>
<u>City of Holtville</u>				
Bicycles	99233.3	11,859	27,754	(15,895)
Streets and Roads	99400(a)	--	185,500	(185,500)
Transit	99400(c)	--	--	--
Benches and Shades	99400(e)	<u>949</u>	<u>--</u>	<u>--</u>
Total		<u>12,808</u>	<u>213,254</u>	<u>(200,446)</u>
<u>City of Imperial</u>				
Bicycles	99233.3	13,810	--	13,810
Streets and Roads	99400(a)	--	--	--
Transit	99400(c)	86,812	--	86,812
Benches and Shades	99400(e)	<u>1,944</u>	<u>--</u>	<u>1,944</u>
Total		<u>102,566</u>	<u>--</u>	<u>102,566</u>

See independent auditors' report



**IMPERIAL COUNTY TRANSPORTATION COMMISSION  
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

**SCHEDULE OF ALLOCATIONS AND DISBURSEMENTS  
For the Fiscal Year Ended June 30, 2011**

<u>ALLOCATIONS</u>	<u>PUC Section</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>City of Westmorland</u>				
Bicycles	99233.3	10,690	34,239	(23,549)
Streets and Roads	99400(a)	--	70,944	(70,944)
Transit	99400(c)	--	--	--
Benches and Shades	99400(e)	<u>352</u>	<u>--</u>	<u>--</u>
Total		<u>11,042</u>	<u>105,183</u>	<u>(94,141)</u>
<u>County of Imperial</u>				
Bicycles	99233.3	19,569	19,569	--
Streets and Roads	99400(a)	--	--	--
Transit	99400(c)	2,746,719	2,746,715	4
Benches and Shades	99400(e)	<u>4,881</u>	<u>4,881</u>	<u>--</u>
Total		<u>2,771,169</u>	<u>2,771,165</u>	<u>4</u>
IC-Auditor Controller	92233-1	--	--	--
Imperial Valley Association of Governments	92233.1	<u>374,975</u>	<u>374,975</u>	<u>--</u>
Grand Total		<u>\$ 4,008,419</u>	<u>\$ 4,112,455</u>	<u>\$ (104,036)</u>

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