

**IMPERIAL COUNTY  
LOCAL TRANSPORTATION AUTHORITY**

**ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**

**June 30, 2011**

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## INDEPENDENT AUDITORS' REPORT

Honorable Board Members  
Imperial County Local Transportation Authority  
El Centro, California

We have audited the accompanying financial statements of the Imperial County Local Transportation Authority, as of and for the year ended June 30, 2011. These financial statements are the responsibility of the Imperial County Local Transportation Authority'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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose 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.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Imperial County Local Transportation Authority, as of June 30, 2011 and the results of its operations for the year 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 general purpose financial statements taken as a whole. The supplemental schedules and the schedule of Five-Year Program of Projects have not been subjected to the audit procedures applied in the audit of the general purpose financial statements and accordingly, we express no opinion on them.

In connection with our examination, we also performed, to the extent applicable, tests of compliance with the "By-laws of the Imperial County Local Transportation Authority" and the "Imperial County Local Transportation Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan".

In our opinion, the Imperial County Local Transportation Authority is in compliance with the applicable laws, rules, and regulations with the exceptions noted in the Findings and Recommendations for the fiscal year ended June 30, 2011.

This report is intended solely for the information and use of the management, Member Board, Imperial County Local Transportation Authority and the California State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2011**

The following section of the annual financial report of the Imperial County Local Transportation Authority (the Authority) includes an overview and analysis of the Authority's financial position and activities for the years ended June 30, 2011 and 2010. This discussion and analysis, as well as the basic financial statements which it accompanies, is the responsibility of the management of the Authority.

**Introduction to the Basic Financial Statements**

This annual report consists of a series of financial statements, prepared in accordance with generally accepted accounting principles; such report has been designed to improve the usefulness of the report to the primary users of these basic financial statements.

The Authority presents its basic financial statements using the economic resources measurement to focus and accrual basis of accounting. As a Fiduciary Activity, the Authority's basic financial statements include a Statement of Fund Balance; a Statement of Revenues, Expenses, and Changes in Fund Balance. Notes to the basic financial statements and this section support these statements. All sections must be considered together to obtain a complete understanding of the financial position and results of operations of the Authority.

**Balance Sheets** - The Balance Sheets Include all assets and liabilities of the Authority, with the difference between the two reported as Fund Balance. Assets and liabilities are reported at their book value, on an accrual basis, as of June 30, 2011 and 2010.

**Statements of Revenues, Expenses, and Changes in Fund Balance** - The Statements of Revenues, Expenses, and Changes in Fund Balance present the revenues earned and expenses incurred by the Authority during the years ended June 30, 2011 and 2010, on the accrual basis of accounting.

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2011**

**Condensed Financial Position Information**

The following condensed financial Information provided an overview of the Authority's financial position as of June 30, 2011 and 2010.

	<b>2011</b>	<b>2010</b>
<b>ASSETS</b>		
Assets		
Cash and cash equivalents	\$ 5,159,093	\$ 4,272,848
Due from other governments - Other	--	147,590
Due from other funds	147,306	44,406
Interest receivable	<u>11,725</u>	<u>11,774</u>
Total assets	<u>\$ 5,318,124</u>	<u>\$ 4,476,618</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 59	\$ --
Allocations due to members	1,302,097	1,370,803
Due to other funds	<u>148,352</u>	<u>10,249</u>
Total liabilities	<u>1,450,508</u>	<u>1,381,052</u>
Fund balance		
Fund balance	<u>3,867,616</u>	<u>3,095,566</u>
Total liabilities and fund balance	<u>\$ 5,318,124</u>	<u>\$ 4,476,618</u>

(a) *Fund Balance*

The assets of the Authority exceeded its liabilities at the close of fiscal year 2010-2011 by \$3,867,616 (Fund Balance).

(b) *Liabilities*

Liabilities net increase for fiscal year 2010-2011 was \$69,456. The allocations due to member had a decrease of \$68,706 from the prior year. The due to other funds had an increase of \$138,103 from the prior year.

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2011**

**Summary of Operations and Changes in Fund Balance**

The Authority's Fund Balance increase for fiscal year 2011 was of \$772,050 and the decrease for 2010 of \$624,874. The tables below summarize the Authority's fiscal years ended June 30, 2011 and 2010 activity:

	<b>2011</b>	<b>2010</b>
<b>Additions:</b>		
Retail sales tax	\$ 11,519,827	\$ 10,331,248
Interest	46,162	61,339
Other income	--	1,811
Principal repayments	<u>          --</u>	<u>1,025,000</u>
Total additions	<u>11,565,989</u>	<u>11,419,398</u>
<b>Deductions:</b>		
Allocations to local members	10,621,425	10,983,397
Administration	71,894	--
Transit services	100,000	--
State Highway	620	--
Principal payments	--	1,025,000
Interest	<u>          --</u>	<u>35,875</u>
Total deductions	<u>10,793,939</u>	<u>12,044,272</u>
<b>Transfers:</b>		
Transfers in	923,331	--
Transfers out	<u>923,331</u>	<u>          --</u>
Total transfers	<u>          --</u>	<u>          --</u>
Increase (decrease) in fund balance	<u>772,050</u>	<u>(624,874)</u>
Fund balance, July 1	<u>3,095,566</u>	<u>3,720,440</u>
Fund balance, June 30	<u>\$ 3,867,616</u>	<u>\$ 3,095,566</u>

*(a) Additions*

In fiscal year 2011 revenues increased approximately 1%.

*(b) Deductions*

Deductions consists of, allocations to members, administration, transit and state highway related expenses. During the year, deductions decreased by \$1,250,333.

**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have any questions about this report or need additional financial information, you may reach Mark Baza, Executive Director, Imperial County Transportation Commission, at (760) 592-4494.

## **FINANCIAL STATEMENTS**

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
BALANCE SHEET  
JUNE 30, 2011**

	<b>LTA Funds</b>	<b>State Highway</b>	<b>Transit Services</b>	<b>Admin Services</b>
<b>ASSETS</b>				
Assets				
Cash and cash equivalents	\$ 2,451,622	\$ 2,455,407	\$ 207,893	\$ 44,171
Due from other funds	80,000	18,808	47,898	600
Interest receivable	<u>5,791</u>	<u>5,394</u>	<u>426</u>	<u>114</u>
Total assets	<u>\$ 2,537,413</u>	<u>\$ 2,479,609</u>	<u>\$ 256,217</u>	<u>\$ 44,885</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities				
Accounts payable	\$ --	\$ --	\$ --	\$ 59
Allocations due to members	1,302,097	--	--	--
Due to other funds	<u>67,306</u>	<u>--</u>	<u>80,000</u>	<u>1,047</u>
Total liabilities	<u>1,369,403</u>	<u>--</u>	<u>80,000</u>	<u>1,106</u>
Fund balance				
Fund balance	<u>1,168,010</u>	<u>2,479,609</u>	<u>176,217</u>	<u>43,779</u>
Total fund balance	<u>1,168,010</u>	<u>2,479,609</u>	<u>176,217</u>	<u>43,779</u>
Total liabilities and fund balance	<u>\$ 2,537,413</u>	<u>\$ 2,479,609</u>	<u>\$ 256,217</u>	<u>\$ 44,885</u>

See accompanying notes and independent auditors' report



**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**For the Year Ended June 30, 2011**

	<b>LTA Funds</b>	<b>State Highway</b>	<b>Transit Services</b>	<b>Admin Services</b>
<b>Revenues</b>				
Retail sales tax	\$ 11,519,827	\$ --	\$ --	\$ --
Interest	<u>24,425</u>	<u>20,346</u>	<u>916</u>	<u>475</u>
Total revenues	<u>11,544,252</u>	<u>20,346</u>	<u>916</u>	<u>475</u>
<b>Expenses</b>				
Allocations to local members	10,621,426	--	--	--
Administration	--	--	--	71,894
Transit services	--	--	100,000	--
State Highway	<u>--</u>	<u>620</u>	<u>--</u>	<u>--</u>
Total expenses	<u>10,621,426</u>	<u>620</u>	<u>100,000</u>	<u>71,894</u>
<b>Transfers</b>				
Transfers in	--	577,238	230,895	115,198
Transfers (out)- State highway	(577,238)	--	--	--
Transfers (out)- Transit services	(230,895)	--	--	--
Transfers (out)- Administration	<u>(115,198)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total transfers in (out)	<u>(923,331)</u>	<u>577,238</u>	<u>230,895</u>	<u>115,198</u>
Increase (decrease) in fund balance	<u>(505)</u>	<u>596,964</u>	<u>131,811</u>	<u>43,779</u>
Fund balance, July 1	<u>1,168,515</u>	<u>1,882,645</u>	<u>44,406</u>	<u>--</u>
Fund balance, June 30	<u>\$ 1,168,010</u>	<u>\$ 2,479,609</u>	<u>\$ 176,217</u>	<u>\$ 43,779</u>

See accompanying notes and independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2011**

**Note 2. ANNUAL FINANCIAL STATEMENTS**

The financial statements are intended to reflect only the financial position, results of operations and compliance of the Imperial County Local Transportation Authority.

**Note 3. DEPOSITS AND INVESTMENTS**

Deposits and investments are displayed on the balance sheet as cash and cash equivalents or as deposits with fiscal agents. Cash of all funds is pooled with cash of the County of Imperial, which includes amounts in demand deposits as well as short-term investments, and is displayed on the balance sheet as "cash and cash equivalents". Amounts required to be invested separately, such as under the provisions of bond indentures are displayed as "deposits with fiscal agents." The investments that are equity securities are valued at cost, the investments that are debt securities are valued at amortized cost and the investments held in pools are valued at market. The detail of such amounts as of June 30, 2011 is as follows:

Cash and cash equivalents	\$ <u>5,159,093</u>
Total deposits and investments	\$ <u>5,159,093</u>

***Deposits with fiscal agents***

The Authority has monies held by a fiscal agent pledged for the payment or as security of the sales tax revenue bonds. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, may be invested in accordance with the ordinance, resolutions or indentures specifying the types of investments the fiscal agent may make.

***Investments***

Under provisions of the California Government Code, authorized investments for the Authority include securities of the state or local agencies of the state, securities of the U.S. Treasury and other federal agencies, certificates of deposit, bankers' acceptances, repurchase agreements and reverse repurchase agreements.

The Authority's investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described below:

***Category 1***

Insured or registered, or securities held by the Authority or its agent in the Authority's name.

***Category 2***

Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Authority's name.

***Category 3***

Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the Authority's name.

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011**

**Note 3. DEPOSITS AND INVESTMENTS (Continued)**

*Investments (Continued)*

	Category			Carrying Amount	Fair Value
	1	2	3		
County of Imperial Investment Fund	\$ --	\$ --	\$ --	\$ 5,159,093	\$ 5,159,093
	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 5,159,093</u>	<u>\$ 5,159,093</u>

At fiscal year end, the cash held in the investment pool managed by the County of Imperial has a carrying amount and market value of \$5,159,093. This type of investment is not subject to categorization.

**Note 4. DUE FROM OTHER FUNDS**

During the fiscal year ended June 30, 2011 there was an amount of \$147,306 to recognize revenues for the year that were received in the subsequent year.

**Note 5. ALLOCATIONS DUE TO MEMBERS**

During the fiscal year ended June 30, 2011 there was an amount of \$1,302,097 to recognize allocations due to members from prior years that were paid in subsequent years.

**Note 6. DUE TO OTHER FUNDS**

During the fiscal year ended June 30, 2011 there was an amount of \$148,352 to recognize amounts due to other funds that were paid in the following fiscal year.

**Note 7. COMPLIANCE WITH THE REQUIREMENT OF IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY RETAIL TRANSACTIONS AND USE TAX ORDINANCE AND TRANSPORTATION AUTHORITY EXPENDITURE PLAN**

*Distribution of LTA funds*

The Imperial County Transportation Commission (ICTC) is required to act in the capacity of receiving, receipting, depositing and disbursing the Local Transportation Authority funds as received from the State Board of Equalization.

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011**

**Note 7. COMPLIANCE WITH THE REQUIREMENT OF IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY RETAIL TRANSACTIONS AND USE TAX ORDINANCE AND TRANSPORTATION AUTHORITY EXPENDITURE PLAN (Continued)**

***Expenditures of the LTA funds for local streets and roads***

The member agencies, as set forth in Note 1, are required to expend LTA funds with the following priorities:

- 1) To repair and rehabilitate the existing roadways
- 2) To reduce congestion and improve safety
- 3) To provide for the construction of needed facilities

***Project programming and monitoring***

The members of the Authority are required to develop a five-year program of projects to be funded with revenues made available by the LTA funds.

See pages 20 through 47 for the Authority's various "Five-Year Program of Projects".

***Maintenance of effort***

It is the intent of the Authority that revenues provided from this measure is used to supplement existing local revenues being used for the purposes set forth above. Each local agency receiving revenues shall annually maintain as a minimum the same level of local discretionary funds expended for street and road purposes as was reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads - Fiscal Year 1984-85. If any local discretionary funds had extraordinary local discretionary fund expenditures during fiscal year 1984-85, it may use, as a base for determining the minimum level of local discretionary funds, the average amount of such funds reported to the State Controller for the three-year period of fiscal year 1982-83 through fiscal year 1984-85. The use of a three-year average for the base period shall be subject to Authority approval.

The Maintenance of Effort has been suspended by the Local Transportation Authority Board for the fiscal year ended June 30, 2011.

***Private sector funding***

Revenues provided for this measure shall not be used to replace private developer funding which has been or will be committed for any project.

***Administrative expenses***

The Authority allocates 1% of the total funds received on a monthly basis for salaries, wages, benefits, overhead, auditing and those services including contractual services necessary to administer the LTA ordinance. These funds remain in the LTA fund until necessary to expend for administrative purposes. During the fiscal year ended June 30, 2011, the Authority allocated \$115,198 for administrative purposes.

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011**

**Note 7. COMPLIANCE WITH THE REQUIREMENT OF IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY RETAIL TRANSACTIONS AND USE TAX ORDINANCE AND TRANSPORTATION AUTHORITY EXPENDITURE PLAN (Continued)**

***State highway reserve***

The Authority allocates up to 5% of the tax revenues for state highway purposes within Imperial County. The Authority must certify that Imperial County is receiving at a minimum its fair share of highway funds from the State before any revenues may be allocated for any state highway projects. During the fiscal year ended June 30, 2011 the Authority did allocate funds to the state highway reserve fund in the amount of \$577,238.

***Transit service projects reserve***

The Authority allocates 2% of the tax revenues for transit service project purposes within Imperial County. During the fiscal year ended June 30, 2011 the Authority did allocate funds to the transit service projects reserve fund in the amount of \$230,895.

***Establishment of separate accounts***

The Authority is required to record the LTA activity in a separate Local Transportation Authority fund. Interest earned on funds allocated pursuant to the LTA ordinance is to be allocated to all members of the Authority.

***Amendments***

There have been no amendments to the Expenditure Plan during the fiscal year ended June 30, 2011.

***Program of projects***

The members of the Authority are required to develop a "Five-Year Program of Projects" by April 30th of each year to be performed with the use of the LTA funds.

**Note 8. COMPLIANCE WITH THE BY-LAWS OF THE IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY**

The members of the Authority are required to comply with the By-Laws of the Imperial County Local Transportation Authority. The By-Laws address the following issues:

- A) Functions; members; management; and administration
- B) Officers
- C) Reports and funds
- D) Amendments to By-Laws

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2011**

**Note 9. CONTINGENCY**

The California Supreme Court, in a decision dated September 28, 1995, overturned City of Woodlake v. Logan and several other cases which had determined that Proposition 62, passed in a statewide election in November 1986, was unconstitutional. Proposition 62 requires two-thirds voter approval for new or increased taxes levied by local governments. After Proposition 62 was declared unconstitutional, the Imperial County Local Transportation Authority was created to implement the retail and use tax ordinance as adopted by 65.5% of the electorate on November 7, 1989. The court decision in its present form does not discuss any retroactivity; and therefore, the effect on the Authority cannot be determined at this time.

**Note 10. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 15, 2013, the report date, and has determined that there are no reportable events.

See independent auditors' report



**SUPPLEMENTARY INFORMATION**

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
SCHEDULES OF SUPPLEMENTARY INFORMATION  
For the Year Ended June 30, 2011**

	<b>2011</b>
<b>Schedule I - Administration Expenses</b>	
Professional and special services	\$ 45,277
ICTC administrative expenses	24,962
Travel out of County	1,222
Office expense	<u>433</u>
Administration expenses - Total	<u>\$ 71,894</u>
 <b>Schedule II - Transit Service Project Expenses</b>	
City of Brawley - Dial-a-Ride transit services	\$ 20,000
City of Calexico - Dial-a-Ride transit services	20,000
City of El Centro - Dial-a-Ride transit services	20,000
City of Imperial - Dial-a-Ride transit services	20,000
County of Imperial - Dial-a-Ride transit services	<u>20,000</u>
Transit service project expenses - Total	<u>\$ 100,000</u>
 <b>Schedule III - State Highway Reserve Expenses</b>	
Consulting services	<u>\$ 620</u>
State Highway reserve expenses - Total	<u>\$ 620</u>
 <b>Schedule IV - Allocations to Local Members</b>	
City of Brawley	\$ 1,405,137
City of Calexico	1,959,074
City of Calipatria	338,318
City of El Centro	2,176,113
City of Holtville	451,187
City of Imperial	767,844
City of Westmorland	261,620
County of Imperial	<u>3,262,133</u>
Allocations to local members - Total	<u>\$ 10,621,426</u>

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF BRAWLEY**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
10th Street	B Street	River Drive	Resurface
11th Street	Malan Street	Leonard	Resurface
13th Street	C Street	D Street	Resurface
14th Street	Malan Street	K Street	Resurface
14th Street	C Street	D Street	Resurface
1st Street	A Street	N. End	Resurface
2nd Street	Malan Street	G Street	Resurface
3rd Street	A Street	End	Resurface
3rd Street	Malan Street	End	Resurface
3rd Street	K Street	G Street	Resurface
5th Street	A Street	End	Resurface
5th Street	South Plaza	Malan Street	Resurface
5th Street	North Plaza	C Street	Resurface
8th Street	Main Street	K Street	Resurface
9th Street	Malan Street	B Street	Resurface
A Street	Magnolia	Western Ave.	Resurface
A Street	Eastern Ave.	Best Road	Resurface
Adams	Malan Street	Leonard	Resurface
Adler Street	Rio Vista Ave.	El Cerrito Dr.	Resurface
Adler Street	7th Street	8th Street	Resurface
Adler Street	5th Street	West End	Resurface
Allen Street	Marilyn Ave.	Rio Vista Ave.	Resurface
B Street	First Street	Imperial Ave.	Resurface
B Street	8th Street	Palm Ave.	Resurface

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF BRAWLEY**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Best Road	Highway 111	Northern City Limits	Resurface
C Street	First Street	10th Street	Resurface
C Street	13th Street	Best Road	Resurface
D Street	Imperial Ave.	8th Street	Resurface
D Street	Pinner Drive	Rio Vista Ave.	Resurface
De Anza Place	Cattle Call Dr.	Allen St.	Resurface
Dogwood Road	Malan Street	S. City Limits	Resurface
Driftwood Place	Rio Vista Ave.	B Street	Resurface
E Street	Palm Ave.	Eastern Ave.	Resurface
E Street	5th Street	8th Street	Resurface
E Street	Pinner Drive	Las Flores Drive	Resurface
Eastern Ave.	Jones Street	End	Resurface
El Cerrito Drive	B Street	River Drive	Resurface
El Cerrito Drive	Cattle Call Drive	Main Street	Resurface
Ell Street	Dogwood Road	3rd Street	Resurface
G Street	5th Street	Palm Ave.	Resurface
G Street	1st Street	Plaza	Resurface
G Street	Rio Vista Ave.	West End	Resurface
Garrett Street	K Street	South End	Resurface
Gilmour Street	K Street	Malan Street	Resurface
H Street	9th Street	Eastern Ave.	Resurface
H Street	El Cerrito Drive	West End	Resurface
I Street	1st Street	Palm Ave.	Resurface
I Street	Eastern Ave.	Best Road	Resurface

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF BRAWLEY**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Imperial Ave.	Malan Street	A Street	Resurface
Ivy Street	9th Street	End	Resurface
J Street	9th Street	Palm Ave.	Resurface
J Street	Terrace Circle	Imperial Ave.	Resurface
K Street	Marilyn Ave.	East End	Resurface
K Street	Highway 86	9th Street	Resurface
Las Flores Drive	H Street	D Street	Resurface
Legion Road	Highway 86	Evelyn	Resurface
Magnolia Street	Rio Vista Ave.	El Cerrito Drive	Resurface
Magnolia Street	Eastern Ave.	13th Street	Resurface
Magnolia Street	10th Street	Palm Ave.	Resurface
Magnolia Street	7th Street	8th Street	Resurface
Magnolia Street	5th Street	West End	Resurface
Marjorie Ave.	H Street	Main Street	Resurface
Martin Place	9th Street	East End	Resurface
Marilyn Ave.	Cattle Call Drive	K Street	Resurface
Pinner Drive	Las Flores Drive	D Street	Resurface
Plaza Ave.	North Imperial Ave.	South Imperial Ave.	Resurface
Rio Vista Ave.	Main Street	C Street	Resurface
Rio Vista Ave.	Magnolia Street	River Drive	Resurface
River Drive	10th Street	Eastern Ave.	Resurface
Russell Road	K Street	South End	Resurface
Shank Road	Highway 111	Best Road	Resurface
Stanley Place	Malan Street	K Street	Resurface

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF BRAWLEY**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Sycamore Drive	J Street	H Street	Resurface
Sycamore Drive	Cattle Call Drive	Allen Street	Resurface
Terrace Circle	J Street	H Street	Resurface
Vine Street	Malan Street	K Street	Resurface
Willard Ave.	Cattle Call Drive	H Street	Resurface
Wilson Road	I Street	End	Resurface
Malan Street	Highway 86	Best Road	Resurface
Cattle Call Drive	Highway 86	Area Cattle Call Park	Resurface
Julia Drive	Highway 86	Rodeo Drive	Resurface
Terrace Drive	Terrace Circle	West H Street	Resurface
Driftwood Place	N. Western Ave.	Boswell Court	Resurface
Boswell Court	Driftwood Place	West C Street	Resurface
Sunset Drive	A Street	River Drive	Resurface
First Street	A Street	River Drive	Resurface
Second Street	A Street	Magnolia Street	Resurface
N. Adams Street	Magnolia Street	River Drive	Resurface
Cortez Court	Magnolia Street	End of Court	Resurface
11th Street	C Street	B Street	Resurface
Welcome Street	11th Street	Palm Ave.	Resurface
Peach Street	11th Street	Palm Ave.	Resurface
N. Ulloa Ave.	D Street	B Street	Resurface
Welcome Street	N. Eastern Ave.	End	Resurface
Palm Drive	H Street	I Street	Resurface
Norman Road	Highway 78	End	Resurface

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF BRAWLEY**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Ivy Street	S. Palm Ave.	13th Street	Resurface
Martin Street	S. Palm Ave.	13th Street	Resurface
Leonard Street	11th Street	S. Palm Ave.	Resurface
S. 13th Street	Malan Street	K Street	Resurface
17th Street	Malan Street	K Street	Resurface
18th Street	Malan Street	K Street	Resurface
Magnolia Street	16th Street	East End	Resurface
16th Street	Magnolia Street	River Drive	Resurface
Jones Street	N. Eastern Ave.	East End	Resurface
A Street	8th Street	Railroad Tracks	Resurface
D Street	10th Street	Palm Ave.	Resurface
B Street	Palm Ave.	Eastern Ave.	Resurface
D Street	Palm Ave.	Eastern Ave.	Resurface
K Street	Highway 86	Rio Vista Ave.	Resurface
Cattle Call Drive	Highway 86	Willard Ave.	Resurface
Various Locations			Sidewalks, curbs, gutters and maintenance
Various Intersections			Sight Distance improvements
West Plaza/Main Street			Signalization
East Plaza/Main Street			Signalization
B Street/Highway 111			Signalization
Western Avenue/Main Street			Signalization
H Street	S. Imperial Ave.	8th Street	Resurface
I Street	S. Palm Ave.	S. Eastern Ave .	Resurface

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF BRAWLEY**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Palm Ave.	Highway 78	River Drive	Resurface
River Drive	N. Eastern Ave.	Best Road	Resurface
3rd Street	K Street	Malan Street	Resurface
6th Street	H Street	D Street	Resurface
7th Street	E Street	End	Resurface
11th Street	Magnolia Street	River Drive	Resurface
Adams Street	B Street	Magnolia Street	Resurface
Bina Street	Magnolia Street	River Drive	Resurface
E Street	1st Street	Plaza Drive	Resurface
E Street	Rio Vista Avenue	1st Street	Resurface
Eastern Avenue	Main Street	Malan Street	Resurface
H Street	1st Street	3rd Street	Resurface
H Street	Rio Vista Avenue	End	Resurface
I Street	1st Street	El Cerrito Drive	Resurface
K Street	Marilyn Avenue	Rio Vista Avenue	Resurface
River Drive	Rio Vista Avenue	El Cerrito Drive	Resurface
13th Street	Malan Street	K Street	Resurface
Willard Avenue	Cattle Call Drive	Julia Drive	Resurface

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Kloke Avenue Bridge	All American Canal	All American Canal	Bridge
Highway 111	International Border	Cole Road	Corridor Traffic Study
Emerson Ave Phase II	Second Street	Highway 98	Reconstruction
Cole Road	Kloke Avenue	½ E/O Meadows Rd	Reconstruction
Highway 111			Various Improvements
Second Street	Calexico Int'l Airport	Cesar Chavez Blvd	Bridge & Reconstruction
Highway 98	West City Limits	East City Limits	Widening
California Court	Camacho Road	North/End	New Construction
Weakly Road	Estrada Blvd	Scaroni Road	New Construction
Various Locations			Surface Treatment
Various Locations			Payment Repair
Various Locations			Safety Improvements & Traffic Studies
Various Locations			Curb/Gutter, Sidewalks, Wheelchair ramps
Sunset	Robinson	Central Main Canal	New Construction
Cole Road	Fiesta Ave		Signalization
Cole Road	Highway 98		Signalization
Cole Road	Bowker Road		Bridges
Meadows Road	Cole Road	Jasper Road	Bridge/New Construction
Sunset Avenue	Central Main Canal	Jasper Road	Bridge & Road Const.
Imperial Ave East	Central Main Canal	Jasper Road	Reconstruction
Imperial Ave West	Central Main Canal	Jasper Road	Reconstruction
Sherman Street	Harold Avenue	Railroad Tracks	New Construction

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Sherman Street	Pierce Avenue	Emilia Drive	New Construction
VV Williams Ave	Sam Ellis St	Cole Road	Reconstruction
De las Flores St	Eady Ave	Kloke Ave	New Construction
Sixth St	Emerson Ave	Railroad Tracks	New Construction
Third Street	Heber Avenue	Encinas Avenue	Reconstruction/Widening
Fourth St	Blair Avenue	Encinas Avenue	Reconstruction/Widening
Sixth St	Imperial Avenue	Heber Avenue	Reconstruction/Widening
Seventh St	Imperial Avenue	Blair Avenue	Reconstruction
Sherman St	Rockwood Ave	Blair Avenue	Reconstruction
Eighth Street	Imperial Avenue	Rockwood Ave	Reconstruction/Widening
Temple Court	Imperial Avenue	Rockwood Ave	Reconstruction/Widening
Rosemont St	Rockwood Ave	Blair Avenue	Reconstruction
Ninth Street	Imperial Avenue	Rockwood Avenue	Reconstruction/Widening
Ethel St	Heber Avenue	Blair Avenue	Reconstruction
Maiden Lane	Imperial Ave	Paulin Ave	Reconstruction/Widening
Tenth St	Imperial Ave	Rockwood Ave	Reconstruction/Widening
Pauline Avenue	Fifth Street	Highway 98	Reconstruction
Second Street	Calexico Int'l Airport	West City Limits & All American Canal	Bridge & Reconstruction
Beach Street	Elmer Belcher Street	Fifth Street	Reconstruction Phase 1
Beach Street	Fifth St	Second Street	Reconstruction Phase II
Encanto Drive	Elmer Belcher St	Eight Street	Reconstruction
Encanto Drive	Eight Street	Eight Street	Reconstruction
Encanto Terrace	Elmer Belcher St	Eight Street	Reconstruction

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Dool Avenue	Elmer Belcher St	Fifth Street	Reconstruction Phase 1
Dool Avenue	Fifth Street	Second Street	Reconstruction Phase II
Fifth Street	Heber Avenue	Andrade Ave	Reconstruction Phase 1
Fifth Street	Heber Avenue	Imperial Ave.	Reconstruction Phase II
Sixth Street	Encinas Avenue	Andrade Avenue	Reconstruction
Seventh Street	Blair Avenue	Andrade Avenue	Reconstruction
Eight Street	Dool Avenue	Andrade Avenue	Reconstruction
Zapata Street	Granero Avenue	Meadows Road	Reconstruction
Meadows Road	Highway 98	All American Canal	Reconstruction
Rosas Street	East Cul-d-sac	Meadows Road	Reconstruction
Iris Avenue	Camila Street	Rosas Street	Reconstruction
Iris Avenue	Holdridge St	Saphire Street	Reconstruction
Holdridge Street	Meadows Road	E Hashem Ave	Reconstruction
Holdridge Street	E. Hashem Ave	Cul-d-sac East	Reconstruction
Holdridge Street	De Leon Avenue	Meadows Road	Reconstruction
Camilia Street	Meadows Road	Cul-d-sac East	Reconstruction
E. Hashem Avenue	100' North of Holdridge	Cul-d-sac South	Reconstruction
Margarita Street	E. Hashem Avenue	Cul-d-sac West	Reconstruction
Margarita Street	E. Hashem Avenue	Cul-d-sac East	Reconstruction
Jasmine Street	E. Hashem Avenue	Cul-d-sac West	Reconstruction
Jasmine Street	E. Hashem Avenue	Cul-d-sac East	Reconstruction
Obeliscos Street	Iris Avenue	Cul-d-sac West	Reconstruction
Obeliscos Street	Iris Avenue	Cul-d-sac- East	Reconstruction

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Kloke Road	Grant Street	Highway 98	Reconstruction
Paulin Avenue	Second Street	Fifth Avenue	Reconstruction
Emerson Avenue	Third Street	Highway 98	Reconstruction
Encinas Avenue	Second Street	Highway 98	Reconstruction
Belcher Street	Encinas Avenue	Andrade Ave	Reconstruction
Seventh St	Andrade Avenue	Paseo de su Alteza	Reconstruction
Paseo de su Alteza	Los Reyes	Seventh Street	Reconstruction
Paseo de su Alteza	Seventh Street	Fifth Street	Reconstruction
Paseo de su Alteza	Fifth Street	Camino del Rio	Reconstruction
Rancho Elegante	Paseo de su Alteza	Andrade Avenue	Reconstruction
Arroyo	Rancho Elegante	Second Street	Reconstruction
Camino Del Rio	Andrade Avenue	Paseo de su Alteza	Reconstruction
Milpitas	Paseo de su Alteza	Cul-d-sac West	Reconstruction
Rio Hondo	Milpitas	Camino del Rio	Reconstruction
Fifth Street	Paseo de su Alteza	Andrade Avenue	Reconstruction
Paseo Emperador	Seventh Street	Paseo de su Alteza	Reconstruction
Santiago Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
Colorado Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
Plata Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
Brave Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
De Leon Avenue	Harrington Street	Cul-d-sac South	Reconstruction
Fiesta Avenue	Harrington Street	Holdridge Street	Reconstruction
Holdridge Street	Rancho Frontera	De Leon Avenue	Reconstruction
Rancho Frontera	Harrington Street	Highway 98	Reconstruction

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALIPATRIA**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Alamo	International	East	Maintenance
Alexandria	International	Brown	Maintenance
Barbara	International	Commercial	Maintenance
Bonita	International	East	Maintenance
Bonita P1	Brown	East	Maintenance
Brown	California	Freeman	Maintenance
Brown	SR115	Bowles	Maintenance
California	International	Railroad	Maintenance
California	Industrial	Commercial	Maintenance
Centro	SR115	Alamo	Rehabilitate
Centro	SR115	Alexandria	Rehabilitate
Church	International	Railroad	Maintenance
Church	Brown	East	Rehabilitate
Commercial	California	Freeman	Rehabilitate
Commercial	SR115	Church	Maintenance
Date	West terminus	Railroad	Maintenance
Delta	International	Lake	Rehabilitate
Delta	Lake	Railroad	Maintenance
Delta	Industrial	Commercial	Rehabilitate
East	Bonita PI	Bowles	Rehabilitate
East	SR115	Bonita PI	Maintenance
East	SR115	Young	Maintenance
Fern	International	SR115	Rehabilitate
Freeman	Brown	East	Rehabilitate

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALIPATRIA**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Imperial	SR115	Delta	Rehabilitate
Imperial	SR115	Date	Rehabilitate
Industrial	Alexandria	Young	Rehabilitate
Industrial	SR115	Church	Maintenance
International	Main	Delta	Rehabilitate
International	Main	Bowles	Maintenance
Lake	C Lateral	Fern	Rehabilitate
Lake	Fern	Delta	Maintenance
Mesa Verde	Ironwood	Terminus	Rehabilitate
Park	Fern	Delta	Maintenance
Railroad	SR115	Young	Maintenance
Railroad	SR115	Date	Rehabilitate
Laurel Lane	Fan Palm		Rehabilitate

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF EL CENTRO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Various Streets/Overlay			Street repair, overlay and striping
Street Slurry Seal			Street slurry seal and striping
North Date Canal Under-grounding			Under-grounding of the canal along Villa Ave, between 17th and 8th St. City will pay 25% IID will pay 75%.
La Brucherie Widening			Right-of-way acquisition, widening and Shoulder improvements from Adams to Orange
Bike Path			80 ADA Ramps, striping and signage for bike routes.
Dogwood Road Widening			Widen Dogwood RD (I-8 to southern City limits) and rehabilitation of Danenberg from Dogwood to 4th St.
Dogwood Phase 1- Local Match- RSTP			Removal and reconstruction of two Lane Dogwood Ave between I-8 and State street (1.2 miles)
Dogwood Phase 2- Local Match- RSTP			Removal and reconstruction of existing Four-lane Dogwood Rd (0.2 miles) Between Commercial and State street.
Imperial Avenue Phase 3 – Local			Rehabilitation and overlay of Imperial Avenue from Orange to Adams (.5mi)
Orange Avenue Reconstruction- Local Match- RSTP			Overlay Orange Ave. two lanes, between Waterman and Labrucherie and install curb and gutter on south side of Orange, parking and drainage.
8th & I-8 Bridge Widening			Widen 8th Street to four lanes between Aurora and Wake. This will require the Bridge to be widened by approximately 33', Because this bridge adjoins another bridge built in 1996 that strictly serves pedestrian traffic on the west side, the widening of the vehicular bridge and approach roadway is limited to the east side.

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF EL CENTRO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Interim Dogwood Bridge Improvements			Widen west bound and east bound off-ramps at Dogwood Ave. on I-8 and all approaches of Dogwood Av. This also includes the design and installation of new traffic signals at the same on and off-ramp locations
Imperial Avenue Extension (I-8 South to Mc Cabe)			Median and south bound lane along west side for future extension of Imperial Ave. (south)
Bradshaw			Connect Bradshaw through to 8th St. two lanes.
Cruickshank			Connect Cruickshank through to 8th St. two lanes.
Wake Ave. SR86 NW Corner Radius West bound signal light Modification			Relocate NW signal light and install new curb return to allow trucks to adequately turn.

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF HOLTVILLE**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Fern Avenue	Fifth Street	Fourth Street	Reconstruct
Fern Avenue	Fifth Street	Sixth Street	Resurface
Various Streets			Maintenance & Restorative Seal
Artesia Avenue	Myrtle Avenue	Olive Avenue	Maintenance & Restorative Seal
Eight Street	Melon	Olive Avenue	Maintenance & Restorative Seal
Fern Avenue	Sixth Street	Ninth Street	Maintenance & Restorative Seal
Orange Avenue	Fifth Street	Tenth Street	Maintenance & Restorative Seal
Walnut Avenue	237 S. of Third St	Tenth Street	Maintenance & Restorative Seal
Maple Avenue	Fourth Street	Ninth Street	Maintenance & Restorative Seal
Chestnut Avenue	Fourth Street	Ninth Street	Maintenance & Restorative Seal
Brentwood Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
Holt Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Sixth Street	Orange Avenue	350 East of Grape	Maintenance & Restorative Seal
Grape Avenue	Fifth Street	Sixth Street	Maintenance & Restorative Seal
Myrtle Avenue	Sixth Street	West Seventh St	Maintenance & Restorative Seal
South Half of 6th St	Tamarack	Melon Ave	Maintenance & Restorative Seal
Fifth Street	Tamarack Ave	Mesquite Ave	Maintenance & Restorative Seal
Cedar Street	Fourth Street	Alamo Bridge	Maintenance & Restorative Seal
Holt Avenue	Ninth Street	Tenth Street	Maintenance & Restorative Seal
Tenth Street	Holt Avenue	Orange Ave	Maintenance & Restorative Seal
Cedar Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
Fourth Street	Highway 115	Holt Avenue	Maintenance & Restorative Seal
Fourth Street	Holt Avenue	Walnut Avenue	Maintenance & Restorative Seal
Fourth Street	Walnut Avenue	Grape Avenue	Maintenance & Restorative Seal

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF HOLTVILLE**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Pine Avenue	Fourth Street	Fifth Avenue	Maintenance & Restorative Seal
Pine Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Holt Avenue	Fourth Street	Fifth Street	Maintenance & Restorative Seal
Walnut Avenue	South County Line	237 S. of Third St	Maintenance & Restorative Seal
Sixth Street	Holt Avenue	Orange Avenue	Maintenance & Restorative Seal
Tamarack Avenue	Fifth Street	Zenos Road (Sixth St)	Maintenance & Restorative Seal
Palo Verde Avenue	Fifth Street	Zenos Road (Sixth St)	Maintenance & Restorative Seal
Mesquite Avenue	Fifth Street	Zenos Road (Sixth St)	Maintenance & Restorative Seal
Sixth Street	Melon Avenue	Holt Avenue Of Fifth Street	Maintenance & Restorative Seal
Tenth Street	Orange Avenue	Figueroa Avenue	Maintenance & Restorative Seal
Figueroa Avenue	Ninth Street	Tenth Street	Maintenance & Restorative Seal
Circle Drive	Eighth Street	Ninth Street	Maintenance & Restorative Seal
Circle Drive	Eighth Street	Chestnut Ave	Maintenance & Restorative Seal
Figueroa Avenue	Seventh St	Eighth Street	Maintenance & Restorative Seal
Fig Avenue	Fifth Street	Sixth Street	Maintenance & Restorative Seal
Maple Avenue	Third Street	Fourth Street	Maintenance & Restorative Seal
Third Street	Walnut Avenue	Grape Avenue	Maintenance & Restorative Seal
Chestnut Avenue	Third Street	Fourth Street	Maintenance & Restorative Seal
Rose Avenue – East of Chestnut Avenue			Maintenance & Restorative Seal
Ninth Street	Beale Avenue	Towland Road	Maintenance & Restorative Seal
Seventh Street	Beale Avenue	Towland Road	Maintenance & Restorative Seal
Webb Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
Ash Avenue	Eighth Street	Ninth Street	Maintenance & Restorative Seal

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CITY OF HOLTVILLE**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Elm Avenue	Eighth Street	Ninth Street	Maintenance & Restorative Seal
Oak Avenue	Eighth Street	Ninth Street	Maintenance & Restorative Seal
Eighth Street	Ash Avenue	Oak Avenue	Maintenance & Restorative Seal
Grape Avenue	Fourth Street	Fifth Street	Maintenance & Restorative Seal
Seventh Street	Myrtle Avenue	Beale Avenue	Maintenance & Restorative Seal
Eighth Street	Olive Avenue	Beale Avenue	Maintenance & Restorative Seal
Wooldridge Ave	Melon Ave	Olive Avenue	Maintenance & Restorative Seal
Ninth Street	Olive Avenue	Beale Avenue	Maintenance & Restorative Seal
Melon Avenue	Sixth Street	Ninth Street	Maintenance & Restorative Seal
Olive Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Palm Avenue	Fourth Street	Highway 115	Maintenance & Restorative Seal
Palm Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Cedar Avenue	Fourth Street	Seventh Street	Maintenance & Restorative Seal
Orange Avenue	200' S. of Fifth St		Maintenance & Restorative Seal
Beale Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
8th Street	Maple	Walnut Ave	Maintenance & Restorative Seal
Figueroa Avenue	Fifth Street	Sixth Street	Maintenance & Restorative Seal
Olive Avenue	Ninth Street	Tenth Street	Maintenance & Restorative Seal
Ninth Street	Slaton	Brentwood	Maintenance & Restorative Seal
Grape Avenue	Fourth Street	Third Street	Construct Extension
Beale Avenue	Ninth Street	Tenth Street	Construct Extension
Willow Avenue	Ninth Street	Tenth Street	Construct Extension
Grape Court	East of Grape Avenue		Construct Extension

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Various Streets	Various Limits		Const/Rehab/Maintenance
Neckel	Hwy 86	Railroad	Rehab/Repair/ Maint.
Ralph	Hwy 86	Railroad	Rehab/Repair/Maint
Neckel/Hwy 86	Intersection		Improve & Signalize
Ralph/Hwy 86	Intersection		Improve & Signalize
Treshill/Hwy 86	Intersection		Construct & Signalize
1st St	N St.	P St.	Construct
1st St	D St	Imperial Ave	Repair/Maintenance
2nd St	K St	P St	Const/Repair/Maint
3rd St	C St	F St	Repair/Maintenance
3rd St	G St	K St	Repair/Maintenance
3rd St	N St	P St	Construct
4th St	C St	F St	Repair/Maintenance
4th St	N St	P St	Construct
5th St	E St	Imperial Ave	Repair/Maintenance
5th St	Hwy 86	K St	Repair/Maintenance
5th St	N St	P St	Construct
6th St	Hwy 86	K St	Repair/Maintenance
6th St	D St	H St	Rehab/Repair/Maint
7th St	D St	F St	Repair/Maintenance
7th St	H St	Imperial Ave	Repair/Maintenance
Barioni Blvd	B St	P St	Repair/Maintenance
9th St	F St	G St	Repair/Maintenance
9th St	J St	K St	Repair/Maintenance

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**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
9th St	N St	P St	Construct
10th St	F St	Imperial Ave	Repair/Maintenance
10th St	N St	P St	Construct
11th St	D St	Imperial Ave	Construct/Repair/Maint
11th St	N St	P St	Construct
12th St	J St	K St	Const/Repair/Maint
12th St	N St	P St	Construct
14th St	B St	D St	Repair/Const/Maint
14th St	F St	Hwy 86	Rehab/Repair/Maint
15th St	Hwy 86	M St	Repair/Maintenance
15th St	La Brucherie	D St	Construct
C St	3rd St	4th St	Repair/Maintenance
C St	12 St	14th St	Repair/Maintenance
D St	1st St	3rd St	Repair/Maintenance
D St	4th St	5th St	Repair/Maintenance
D St	11th St	12th St	Repair/Maintenance
E St	1st St	3rd St	Repair/Maintenance
E St	10th St	12th St	Repair/Maintenance
F St	1st St	14th St	Repair/Maintenance
F St	6th St	13th St	Repair/Maintenance
G St	2nd St	10th St	Rehab/Repair/Maint
G St	13th St	14th St	Rehab/Repair/Maint
H St	1st St	Barioni Blvd	Rehab/Repair/Maint
H St	10th St	11th St	Rehab/Repair/Maint

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Imperial Ave	Hwy 86	2nd St	Repair/Maintenance
Imperial Ave	12th St	15th St	Repair/Maintenance
J St	Barioni Blvd	12th St	Repair/Maintenance
K St	2nd St	10th St	Repair/Maintenance
L St	2nd St	Barioni Blvd	Rehab/Repair/Maint
M St	Barioni Blvd	15th St	Construct
N St	1st St	Barioni Blvd	Rehab/Repair/Maint
O St	Barioni Blvd	13th St	Const/Repair/Maint
P St	Barioni Blvd	Neckel Rd	Construct
Aten Blvd	Dogwood Rd	Austin Rd	Rehab/Repair/Maint
La Brucherie	Aten Blvd	Intersection	Const/Rehab/Maint/Sign
Preble Ave	Aten Rd	Treshill Rd	Rehab/Repair/ Maint
Treshill Blvd	Hwy 86	La Brucherie	Construct
Clark & Aten Rd	Intersection		Const/Rehab/Signal
Wall St	Hwy 86	La Brucherie	Const/Rehab
Myrtle Ave	Aten Blvd	Treshill St	Rehab/Repair/Maint
Bougainvillea Tr	Aten Blvd	Joshua Tree	Repair/Maintenance
Brushwood	Desert Willow	Joshua Tree	Repair/Maintenance
Morning Glory	Aten Blvd	Joshua Tree	Repair/Maintenance
Smokewood	Desert Willow	Joshua Tree	Repair/Maintenance
Joshua Tree	Desert Willow	Bougainvillea	Repair/Maintenance
Desert Willow	Brushwood	Smokewood	Repair/Maintenance
Baywood	Brushwood	Smokewood	Repair/Maintenance
Sequoia	Brushwood	Smokewood	Repair/Maintenance

See independent auditors' report

IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF IMPERIAL

5-Year Program of Projects 2007/12

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Juniper	Brushwood	Smokewood	Repair/Maintenance
Cañon	Rodeo Dr	Neckel Ave	Repair/Maintenance
Lariat Ln	Rodeo Dr	Sage Ct	Repair/Maintenance
Winchester Ln	Rodeo Dr	Sage Ct	Repair/Maintenance
Sage Court	Lariat Ln	Winchester	Repair/Maintenance
Mustang Ln	Cañon Dr	End of Lane	Repair/Maintenance
Conestoga Ln	Cañon Dr	End of Lane	Repair/Maintenance
Roadrunner	Cañon Dr.	End of Lane	Repair/Maintenance

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF WESTMORLAND**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Center Street	Highway 86	Baughman Road	Reconstruct
Center Street	Highway 86	Eighth Street	Reconstruct
First Street	Center Street	F Street	Repair/Maintenance
First Street	Center Street	C Street	Repair/ Construct
First Street	H Street	G Street	Repair/Maintenance
Second Street	G Street	Center Street	Repair/Reconstruct
Third Street	F Street	Center Street	Repair/Maintenance
Fifth Street	G Street	C Street	Repair/Construct
Fifth Street	H Street	West end of Street	Repair/Maintenance
Sixth Street	F Street	Center Street	Reconstruct
Sixth Street	H Street	West end of Street	Repair/Maintenance
Seventh Street	J Street	Center Street	Reconstruct
Seventh Street	D Street	B Street	Reconstruct
Eighth Street	J Street	H Street	Construct
Eighth Street	Center Street	150' E. of D Street	Repair/Maintenance
B Street	Highway 86	Seventh Street	Reconstruct
C Street	Highway 86	Seventh Street	Repair/Maintenance
D Street	Seventh Street	Eighth Street	Repair/Maintenance
F Street	Third Street	7th Street	Reconstruct
G Street	Highway 86	Third Street	Repair
G Street	Sixth Street	Seventh Street	Repair/Construct
H Street	First Street	Highway 86	Repair/Construct
H Street	Seventh Street	Eighth Street	Construct
J Street	Seventh Street	Eighth Street	Repair/Maintenance

See independent auditors' report



**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF WESTMORLAND**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Jauregui Street	G Street	End of Cul-de-sac	Repair/Maintenance
Sundance	J Street	End of Cul-de-sac	Repair/Maintenance
Various Streets	Various Locations		Reconstruction/Repair

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
COUNTY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Various Roads in Bombay Beach			Overlay
Various Roads in Desert Shores			Overlay
Various Roads in Heber			Overlay
Various Roads in Niland			Overlay
Various Roads in Ocotillo			Overlay
Various Roads in Palo Verde			Overlay
Various Roads in Salton City			Overlay
Various Roads in Salton Sea Beach			Overlay
Various Roads in Seeley			Overlay
Various Roads in Winterhaven			Overlay
Diehl Road (13)	Drew Road (WR)	West 2 miles	Overlay
Wixom Road (12)	Drew Road (WR)	West to End	Overlay
Alamo Road (23.5)	Towland (ET)	Bridenstein Road ( EU)	Reconstruct
Araz ( A2N07)	I-8	Winterhaven Dr. (A2P06)	Overlay
Aten Road (24)	Forrester Road (WJ)	Gillette Road	Overlay
Austin Road (WG)	Evans Road (53)	Aten Road (24)	Overlay
Barbara Worth Road (EL)	Anza Road (2)	Jasper Road (8)	Overlay
Barbara Worth Road (EL)	I-8	McCabe Road (14)	Overlay
Baughman Road	Forrester Rd	Highway 86	Reconstruct
Belford Road (28.5)	Imperial Ave.	West End	Overlay
Blair Rd. (EE)	McDonald Rd. (76)	Pon Rd. (78)	Overlay
Boarts Road (53)	Highway 86	Kalin Road (WE)	Overlay
Bonds Corner Rd (EW)	Hwy 98	I-8	Overlay

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
COUNTY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Bowker Road (EH)	Cole Road (6)	Jasper Road	Overlay
Bowker Road (EH)	Highway 98	Anza Road (2)	Overlay
Boyd Rd (34)	Poore Rd (EY)	Highline Rd. (EZ)	Overlay/Widen
Brockman Road (WL)	Abatti Road (12)	McCabe Road (14)	Reconstruct
Brockman Road (WH)	Hwy 98	McCabe Road (14)	Overlay/Widen
Casey Rd. (EM)	Boyd Rd. (34)	Keystone Rd. (36)	Overlay
Chick Road (16)	Highway 111	1 ½ miles West	Overlay/Widen
Clark Road (WC)	Horne Road (16)	Wahl Road (10)	Overlay
Clark Road (WC)	El Centro City Limits	Atens Road (24)	Maintenance
Cole Road	Railroad Tracks	Kloke Road	Reconstruct
Correll/Dogwood			Signals
Cross Road	El Centro City Limits	Imperial City Limits	Maintenance
Drew Rd. (WR)	I-8	Evan Hewes Rd. (2A23)	Overlay
Drew Rd. (WR)	I-8	Lions Rd. (9)	Overlay
Drew Rd. (WR)	Lions Rd. (9)	Kubler Rd. (6)	Overlay
Drew Rd. (WR)	Kubler Rd. (9)	Hwy 98	Overlay
Dogwood Road (00)	State Highway 86		Signals/ Rechannalization
Dogwood Road (00)	Heber (SR86)	½ Mile South of Chick Rd	Overlay/ Widen/Signals
Eddins Road (65)	English Road (WA)	Brandt Road (EC)	Reconstruct
Eddins Road (65)	English Road (WA)	Calipatria City Limits	Overlay
Eddins Road (65)	Lyerly Road (EA)	English Road (WA)	Overlay
English Road (WA)	Montgomery Road (GE)	Sinclair Road (72)	Overlay
Evan Hewes (2A23)	Hwy 115	Hwy 111	Overlay

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
COUNTY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Evan Hewes (2A23)	Austin Rd. (WG)	Forrester Rd. (WJ)	Overlay
Evan Hewes (2A23)	Drew Rd. (WR)	Westmoreland Rd. (WX)	Overlay
Evan Hewes (2A23)	Imperial Hwy (2A02)	Plaster City	Overlay
Evan Hewes (2A23)	Westmorland Rd (WX)	Bennett Rd. (WP)	Overlay
Evan Hewes (2A23)	Hwy 115	Gordons Well Rd.	Overlay
Forrester Road (WJ)	I-8	Evan Hewes (2A23)	Overlay
Forrester Rd. (WJ)	Bannister Rd. (55)	Walker Rd. (58)	Overlay
Forrester Rd.	Evan Hewes Hwy		Traffic Signals
Gentry Rd. (WI)	Walker Rd. (58)	New River	Overlay
Harris Road (32)	Hwy 111	McConnell Road (EF)	Overlay
Harris Road (32)	McConnell Road (EF)	Alamo River Bridge	Overlay
Harris Rd. (32)	Holt Rd. (ER)	Hwy 115	Overlay/Widen
Hartshorn Rd. (29)	Webb Rd. (EX)	Highline Rd. (EZ)	Overlay
Hoskins Road (WO)	Andre Rd.	Westside Main Canal	Overlay/reconstruct
Hovley Rd. (WA)	Baughman Rd. (52)	Rutherford Rd. (54)	
Johnson Lane (WI)	Evan Hewes (2A23)	End	Construction
Kaiser Road (EQ)	Writ Road (65)	Albright Road (62)	Overlay
Kalin Road (WE)	Baughman Road (52)	2.8 miles North	Overlay
Kalin Road (WE)	New River	Vail Road (62)	Reconstruct
Kalin Rd. (WC)	Webster Rd.	Baughman Rd. (52)	Overlay/reconstruct
Kershaw Rd. (EC)	Titsworth Rd. (58)	Rutherford Rd. (54)	Overlay
Keystone Road (36)	Highway 86	Dogwood Road (00)	Overlay
Keystone Road (36)	Highway 86	Austin Rd. (WG)	Overlay
Keystone Road (36)	Poore Road (EY)	(EV)	Overlay/Widen

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
COUNTY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Kubler Rd. (6)	Brockman Rd. (WL)	Rockwood Rd. (WJ)	Reconstruct
McCabe Road (14)	Pitzer	Dogwood Road	Overlay/ Reconstruct/Widen
McConnell Road (EF)	Keystone Road (36)	Schartz Road (40)	Overlay
McConnell Road (EF)	Mead Road (42)	Schartz Road (40)	Overlay
McDonald Road (76)	Potter Road (EG)	Wiest Road (EJ)	Overlay
Miller Road (EAA)	Hunt Rd. (16)	Humberg Rd. (8)	Overlay/Widen
Montgomery Road (69)	Wiest Road (EJ)	Reed Road (EM)	Reconstruct
Murphy Road (28)	La Brucherie Road (WE) West End		Overlay
Neighbors Blvd.	County Line	Bridge	Overlay
Nina Rd. (HE)	Hwy 86	.02 mile North	Rehabilitate
Ogilby Road (3M01)	Railroad	Highway 78	Overlay
Pitzer Rd. (EB)	McCabe Road (14)	Correll Road (12)	Reconstruct
Ross Road (18)	Austin Road (WG)	Forrester Road (WJ)	Overlay
Ruegger Road (61)	Reeves Road (WA)	Alamo River	Overlay
Rutherford Road (54)	Butters Road (ES)	1.0 Mile East	Overlay
Rutherford Road (54)	Highway 115	Hastain Road (EO)	Overlay
Rutherford Road (54)	Hichway 111	Best Road (EC)	Overlay
Schartz Road (40)	Dogwood Road	Highway 111	Overlay/ Reconstruct
Seybert Rd (EI)	Hwy 78	Sillman Rd. (45)	Overlay
Silsbee Rd. (WM)	Aten Rd. (24)	Hackelman Rd. (22)	Reconstruct
Silsbee Rd. (WM)	Hackelman Rd. (22)	Evan Hewes Rd (2A23)	Overlay
Slaton Road (ES)	9th Street	Thiesen Road (22)	Overlay
Snyder Road (EW)	Highway 115	Norrish Road (25)	Overlay

See independent auditors' report

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
COUNTY OF IMPERIAL**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Spa Road (9D08)	Hot Mineral Spa (9G02)	Coachella Canal (7G03)	Overlay
Underwood Road (7g01)	Holtville City Limits	Towland Road (ET)	Overlay
Various Road/Bridges			Maint. &/Or Misc
Various Road Locations			Misc. Sfty Project
Verde School Road (10)	Miller Road (EAA)	1.0Mile East	Overlay
Walker Road (58)	Brandt Road (WC)	Kalin Road (WG)	Overlay
Webb Road (EX)	Norrish Road (25)	Worthington Road (27)	Reconstruct
Wiest Road (EJ)	Merkley Road (73)	Road 75	Overlay
Wiest Road (EJ)	Wirt Road (65)	Montgomery Road (69)	Overlay
Willoughby/Dogwood Roads			Signals
Willoughby Road (8)	Ware Road (EA)	Kloke Road (EB)	Reconstruct
Wirt Road (65)	Wiest Road (EJ)	Kaiser Road (EQ)	Overlay
Worthington Road (27)	New River	Forrester Road (WJ)	Overlay
Worthington Road (27)	Highway 111	McConnell Road (EF)	Overlay
Yocum Road (63)	Highway 111	Kershaw Road (EC)	Overlay
Yourman Road (ED)	McCabe Road (14)	Highway 111	Overlay

See independent auditors' report

## **FINDINGS AND RECOMMENDATIONS**

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority.



**CITY OF BRAWLEY  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS  
FOR THE FISCAL YEAR ENDED  
June 30, 2011**

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable City Council  
City of Brawley, California

We have evaluated the City of Brawley's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the City of Brawley was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the City of Brawley has complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the City's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**SUPPLEMENTARY INFORMATION**

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 619,475
Due from other governments	<u>281,468</u>
Total assets	<u><u>\$ 900,943</u></u>

**LIABILITIES AND FUND BALANCE**

**Liabilities**

Accounts payable	\$ <u>1,504</u>
Total liabilities	<u>1,504</u>

**Fund balance**

Unreserved-undesignated	<u>899,439</u>
Total fund balance	<u>899,439</u>
Total liabilities and fund balance	<u><u>\$ 900,943</u></u>

See accompanying notes and independent auditors' report on compliance

**CITY OF BRAWLEY**  
**LOCAL TRANSPORTATION AUTHORITY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$	1,405,137
Interest		<u>1,408</u>
Total revenues		<u>1,406,545</u>

**Expenses**

Transportation		<u>900,055</u>
Total expenses		<u>900,055</u>

Increase (decrease) in fund balance		506,490
Fund balance, July 1		<u>392,949</u>
Fund balance, June 30	\$	<u>899,439</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ --	\$ 1,405,137	\$ 1,405,137
Interest	<u>          --</u>	<u>          1,408</u>	<u>          1,408</u>
Total revenues	<u>          --</u>	<u>      1,406,545</u>	<u>      1,406,545</u>
<b>Expenses</b>			
Transportation	<u>          --</u>	<u>      900,055</u>	<u>      (900,055)</u>
Total expenses	<u>          --</u>	<u>      900,055</u>	<u>      (900,055)</u>
Increase (decrease) in fund balance	--	506,490	506,490
Fund balance, July 1	<u>      392,949</u>	<u>      392,949</u>	<u>                  --</u>
Fund balance, June 30	<u>\$      392,949</u>	<u>\$      899,439</u>	<u>\$      506,490</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance



**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
10th Street	B Street	River Drive	Resurface
11th Street	Malan Street	Leonard	Resurface
13th Street	C Street	D Street	Resurface
14th Street	Malan Street	K Street	Resurface
14th Street	C Street	D Street	Resurface
1st Street	A Street	N. End	Resurface
2nd Street	Malan Street	G Street	Resurface
3rd Street	A Street	End	Resurface
3rd Street	Malan Street	End	Resurface
3rd Street	K Street	G Street	Resurface
5th Street	A Street	End	Resurface
5th Street	South Plaza	Malan Street	Resurface
5th Street	North Plaza	C Street	Resurface
8th Street	Main Street	K Street	Resurface
9th Street	Malan Street	B Street	Resurface
A Street	Magnolia	Western Ave.	Resurface
A Street	Eastern Ave.	Best Road	Resurface
Adams	Malan Street	Leonard	Resurface
Adler Street	Rio Vista Ave.	El Cerrito Dr.	Resurface
Adler Street	7th Street	8th Street	Resurface
Adler Street	5th Street	West End	Resurface
Allen Street	Marilyn Ave.	Rio Vista Ave.	Resurface
B Street	First Street	Imperial Ave.	Resurface
B Street	8th Street	Palm Ave.	Resurface

See independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Best Road	Highway 111	Northern City Limits	Resurface
C Street	First Street	10th Street	Resurface
C Street	13th Street	Best Road	Resurface
D Street	Imperial Ave.	8th Street	Resurface
D Street	Pinner Drive	Rio Vista Ave.	Resurface
De Anza Place	Cattle Call Dr.	Allen St.	Resurface
Dogwood Road	Malan Street	S. City Limits	Resurface
Driftwood Place	Rio Vista Ave.	B Street	Resurface
E Street	Palm Ave.	Eastern Ave.	Resurface
E Street	5th Street	8th Street	Resurface
E Street	Pinner Drive	Las Flores Drive	Resurface
Eastern Ave.	Jones Street	End	Resurface
El Cerrito Drive	B Street	River Drive	Resurface
El Cerrito Drive	Cattle Call Drive	Main Street	Resurface
Ell Street	Dogwood Road	3rd Street	Resurface
G Street	5th Street	Palm Ave.	Resurface
G Street	1st Street	Plaza	Resurface
G Street	Rio Vista Ave.	West End	Resurface
Garrett Street	K Street	South End	Resurface
Gilmour Street	K Street	Malan Street	Resurface
H Street	9th Street	Eastern Ave.	Resurface
H Street	El Cerrito Drive	West End	Resurface
I Street	1st Street	Palm Ave.	Resurface
I Street	Eastern Ave.	Best Road	Resurface

See independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Imperial Ave.	Malan Street	A Street	Resurface
Ivy Street	9th Street	End	Resurface
J Street	9th Street	Palm Ave.	Resurface
J Street	Terrace Circle	Imperial Ave.	Resurface
K Street	Marilyn Ave.	East End	Resurface
K Street	Highway 86	9th Street	Resurface
Las Flores Drive	H Street	D Street	Resurface
Legion Road	Highway 86	Evelyn	Resurface
Magnolia Street	Rio Vista Ave.	El Cerrito Drive	Resurface
Magnolia Street	Eastern Ave.	13th Street	Resurface
Magnolia Street	10th Street	Palm Ave.	Resurface
Magnolia Street	7th Street	8th Street	Resurface
Magnolia Street	5th Street	West End	Resurface
Marjorie Ave.	H Street	Main Street	Resurface
Martin Place	9th Street	East End	Resurface
Marilyn Ave.	Cattle Call Drive	K Street	Resurface
Pinner Drive	Las Flores Drive	D Street	Resurface
Plaza Ave.	North Imperial Ave.	South Imperial Ave.	Resurface
Rio Vista Ave.	Main Street	C Street	Resurface
Rio Vista Ave.	Magnolia Street	River Drive	Resurface
River Drive	10th Street	Eastern Ave.	Resurface
Russell Road	K Street	South End	Resurface
Shank Road	Highway 111	Best Road	Resurface
Stanley Place	Malan Street	K Street	Resurface

See independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Sycamore Drive	J Street	H Street	Resurface
Sycamore Drive	Cattle Call Drive	Allen Street	Resurface
Terrace Circle	J Street	H Street	Resurface
Vine Street	Malan Street	K Street	Resurface
Willard Ave.	Cattle Call Drive	H Street	Resurface
Wilson Road	I Street	End	Resurface
Malan Street	Highway 86	Best Road	Resurface
Cattle Call Drive	Highway 86	Area Cattle Call Park	Resurface
Julia Drive	Highway 86	Rodeo Drive	Resurface
Terrace Drive	Terrace Circle	West H Street	Resurface
Driftwood Place	N. Western Ave.	Boswell Court	Resurface
Boswell Court	Driftwood Place	West C Street	Resurface
Sunset Drive	A Street	River Drive	Resurface
First Street	A Street	River Drive	Resurface
Second Street	A Street	Magnolia Street	Resurface
N. Adams Street	Magnolia Street	River Drive	Resurface
Cortez Court	Magnolia Street	End of Court	Resurface
11th Street	C Street	B Street	Resurface
Welcome Street	11th Street	Palm Ave.	Resurface
Peach Street	11th Street	Palm Ave.	Resurface
N. Ulloa Ave.	D Street	B Street	Resurface
Welcome Street	N. Eastern Ave.	End	Resurface
Palm Drive	H Street	I Street	Resurface
Norman Road	Highway 78	End	Resurface

See independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Ivy Street	S. Palm Ave.	13th Street	Resurface
Martin Street	S. Palm Ave.	13th Street	Resurface
Leonard Street	11th Street	S. Palm Ave.	Resurface
S. 13th Street	Malan Street	K Street	Resurface
17th Street	Malan Street	K Street	Resurface
18th Street	Malan Street	K Street	Resurface
Magnolia Street	16th Street	East End	Resurface
16th Street	Magnolia Street	River Drive	Resurface
Jones Street	N. Eastern Ave.	East End	Resurface
A Street	8th Street	Railroad Tracks	Resurface
D Street	10th Street	Palm Ave.	Resurface
B Street	Palm Ave.	Eastern Ave.	Resurface
D Street	Palm Ave.	Eastern Ave.	Resurface
K Street	Highway 86	Rio Vista Ave.	Resurface
Cattle Call Drive	Highway 86	Willard Ave.	Resurface
Various Locations			Sidewalks, curbs, gutters and maintenance
Various Intersections			Sight Distance improvements
West Plaza/Main Street			Signalization
East Plaza/Main Street			Signalization
B Street/Highway 111			Signalization
Western Avenue/Main Street			Signalization
H Street	S. Imperial Ave.	8th Street	Resurface
I Street	S. Palm Ave.	S. Eastern Ave .	Resurface

See independent auditors' report on compliance

**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Palm Ave.	Highway 78	River Drive	Resurface
River Drive	N. Eastern Ave.	Best Road	Resurface
3rd Street	K Street	Malan Street	Resurface
6th Street	H Street	D Street	Resurface
7th Street	E Street	End	Resurface
11th Street	Magnolia Street	River Drive	Resurface
Adams Street	B Street	Magnolia Street	Resurface
Bina Street	Magnolia Street	River Drive	Resurface
E Street	1st Street	Plaza Drive	Resurface
E Street	Rio Vista Avenue	1st Street	Resurface
Eastern Avenue	Main Street	Malan Street	Resurface
H Street	1st Street	3rd Street	Resurface
H Street	Rio Vista Avenue	End	Resurface
I Street	1st Street	El Cerrito Drive	Resurface
K Street	Marilyn Avenue	Rio Vista Avenue	Resurface
River Drive	Rio Vista Avenue	El Cerrito Drive	Resurface
13th Street	Malan Street	K Street	Resurface
Willard Avenue	Cattle Call Drive	Julia Drive	Resurface

See independent auditors' report on compliance

## **FINDINGS AND RECOMMENDATIONS**



**CITY OF BRAWLEY  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority Funds of the City of Brawley.

**CITY OF CALEXICO  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS  
FOR THE FISCAL YEAR ENDED  
June 30, 2011**

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**HUTCHINSON** and

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable City Council  
City of Calexico, California

We have evaluated the City of Calexico's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the City of Calexico was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the City of Calexico has complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the City's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**SUPPLEMENTARY INFORMATION**

**CITY OF CALEXICO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 4,757,590
Due from other funds	930,197
Due from ICLTA	309,117
Interest receivable	<u>846</u>
Total assets	<u>\$ 5,997,750</u>

**LIABILITIES AND FUND BALANCE**

**Liabilities**

Accounts payable	\$ <u>181,319</u>
Total liabilities	<u>181,319</u>

**Fund balance**

Unreserved-undesignated	<u>5,816,431</u>
Total fund balance	<u>5,816,431</u>
Total liabilities and fund balance	<u>\$ 5,997,750</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF CALEXICO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$ 1,959,074
Interest	32,763
Debt service	<u>645,540</u>
Total revenues	<u>2,637,377</u>

**Expenses**

Transportation	1,034,919
Interest	<u>8,972</u>
Total expenses	<u>1,043,891</u>

Increase (decrease) in fund balance	1,593,486
Fund balance, July 1	<u>4,222,945</u>
Fund balance, June 30	<u>\$ 5,816,431</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF CALEXICO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ 2,000,000	\$ 1,959,074	\$ (40,926)
Interest	20,000	32,763	12,763
Debt service	<u>          --</u>	<u>      645,540</u>	<u>      645,540</u>
Total revenues	<u>      2,020,000</u>	<u>      2,637,377</u>	<u>      617,377</u>
<b>Expenses</b>			
Transportation	5,946,372	1,034,919	(4,911,453)
Interest	<u>          --</u>	<u>      8,972</u>	<u>      8,972</u>
Total expenses	<u>      5,946,372</u>	<u>      1,043,891</u>	<u>      (4,902,481)</u>
Increase (decrease) in fund balance	(3,926,372)	1,593,486	5,519,858
Fund balance, July 1	<u>      4,222,945</u>	<u>      4,222,945</u>	<u>                  --</u>
Fund balance, June 30	<u>      \$ 296,573</u>	<u>      \$ 5,816,431</u>	<u>      \$ 5,519,858</u>

See accompanying notes and independent auditors' report on compliance



**CITY OF CALEXICO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance

**CITY OF CALEXICO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Kloke Avenue Bridge	All American Canal	All American Canal	Bridge
Highway 111	International Border	Cole Road	Corridor Traffic Study
Emerson Ave Phase II	Second Street	Highway 98	Reconstruction
Cole Road	Kloke Avenue	½ E/O Meadows Rd	Reconstruction
Highway 111			Various Improvements
Second Street	Calexico Int'l Airport	Cesar Chavez Blvd	Bridge & Reconstruction
Highway 98	West City Limits	East City Limits	Widening
California Court	Camacho Road	North/End	New Construction
Weakly Road	Estrada Blvd	Scaroni Road	New Construction
Various Locations			Surface Treatment
Various Locations			Payment Repair
Various Locations			Safety Improvements & Traffic Studies
Various Locations			Curb/Gutter, Sidewalks, Wheelchair ramps
Sunset	Robinson	Central Main Canal	New Construction
Cole Road	Fiesta Ave		Signalization
Cole Road	Highway 98		Signalization
Cole Road	Bowker Road		Bridges
Meadows Road	Cole Road	Jasper Road	Bridge/New Construction
Sunset Avenue	Central Main Canal	Jasper Road	Bridge & Road Const.
Imperial Ave East	Central Main Canal	Jasper Road	Reconstruction
Imperial Ave West	Central Main Canal	Jasper Road	Reconstruction
Sherman Street	Harold Avenue	Railroad Tracks	New Construction

See independent auditors' report on compliance

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Sherman Street	Pierce Avenue	Emilia Drive	New Construction
VV Williams Ave	Sam Ellis St	Cole Road	Reconstruction
De las Flores St	Eady Ave	Kloke Ave	New Construction
Sixth St	Emerson Ave	Railroad Tracks	New Construction
Third Street	Heber Avenue	Encinas Avenue	Reconstruction/Widening
Fourth St	Blair Avenue	Encinas Avenue	Reconstruction/Widening
Sixth St	Imperial Avenue	Heber Avenue	Reconstruction/Widening
Seventh St	Imperial Avenue	Blair Avenue	Reconstruction
Sherman St	Rockwood Ave	Blair Avenue	Reconstruction
Eighth Street	Imperial Avenue	Rockwood Ave	Reconstruction/Widening
Temple Court	Imperial Avenue	Rockwood Ave	Reconstruction/Widening
Rosemont St	Rockwood Ave	Blair Avenue	Reconstruction
Ninth Street	Imperial Avenue	Rockwood Avenue	Reconstruction/Widening
Ethel St	Heber Avenue	Blair Avenue	Reconstruction
Maiden Lane	Imperial Ave	Paulin Ave	Reconstruction/Widening
Tenth St	Imperial Ave	Rockwood Ave	Reconstruction/Widening
Pauline Avenue	Fifth Street	Highway 98	Reconstruction
Second Street	Calexico Int'l Airport	West City Limits & All American Canal	Bridge & Reconstruction
Beach Street	Elmer Belcher Street	Fifth Street	Reconstruction Phase 1
Beach Street	Fifth St	Second Street	Reconstruction Phase II
Encanto Drive	Elmer Belcher St	Eight Street	Reconstruction
Encanto Drive	Eight Street	Eight Street	Reconstruction
Encanto Terrace	Elmer Belcher St	Eight Street	Reconstruction

See independent auditors' report on compliance

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Dool Avenue	Elmer Belcher St	Fifth Street	Reconstruction Phase 1
Dool Avenue	Fifth Street	Second Street	Reconstruction Phase II
Fifth Street	Heber Avenue	Andrade Ave	Reconstruction Phase 1
Fifth Street	Heber Avenue	Imperial Ave.	Reconstruction Phase II
Sixth Street	Encinas Avenue	Andrade Avenue	Reconstruction
Seventh Street	Blair Avenue	Andrade Avenue	Reconstruction
Eight Street	Dool Avenue	Andrade Avenue	Reconstruction
Zapata Street	Granero Avenue	Meadows Road	Reconstruction
Meadows Road	Highway 98	All American Canal	Reconstruction
Rosas Street	East Cul-d-sac	Meadows Road	Reconstruction
Iris Avenue	Camila Street	Rosas Street	Reconstruction
Iris Avenue	Holdridge St	Sapphire Street	Reconstruction
Holdridge Street	Meadows Road	E Hashem Ave	Reconstruction
Holdridge Street	E. Hashem Ave	Cul-d-sac East	Reconstruction
Holdridge Street	De Leon Avenue	Meadows Road	Reconstruction
Camilia Street	Meadows Road	Cul-d-sac East	Reconstruction
E. Hashem Avenue	100' North of Holdridge	Cul-d-sac South	Reconstruction
Margarita Street	E. Hashem Avenue	Cul-d-sac West	Reconstruction
Margarita Street	E. Hashem Avenue	Cul-d-sac East	Reconstruction
Jasmine Street	E. Hashem Avenue	Cul-d-sac West	Reconstruction
Jasmine Street	E. Hashem Avenue	Cul-d-sac East	Reconstruction
Obeliscos Street	Iris Avenue	Cul-d-sac West	Reconstruction
Obeliscos Street	Iris Avenue	Cul-d-sac- East	Reconstruction

See independent auditors' report on compliance

**IMPERIAL COUNTY LOCAL TRANSPORTATION AUTHORITY  
CITY OF CALEXICO**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Kloke Road	Grant Street	Highway 98	Reconstruction
Paulin Avenue	Second Street	Fifth Avenue	Reconstruction
Emerson Avenue	Third Street	Highway 98	Reconstruction
Encinas Avenue	Second Street	Highway 98	Reconstruction
Belcher Street	Encinas Avenue	Andrade Ave	Reconstruction
Seventh St	Andrade Avenue	Paseo de su Alteza	Reconstruction
Paseo de su Alteza	Los Reyes	Seventh Street	Reconstruction
Paseo de su Alteza	Seventh Street	Fifth Street	Reconstruction
Paseo de su Alteza	Fifth Street	Camino del Rio	Reconstruction
Rancho Elegante	Paseo de su Alteza	Andrade Avenue	Reconstruction
Arroyo	Rancho Elegante	Second Street	Reconstruction
Camino Del Rio	Andrade Avenue	Paseo de su Alteza	Reconstruction
Milpitas	Paseo de su Alteza	Cul-d-sac West	Reconstruction
Rio Hondo	Milpitas	Camino del Rio	Reconstruction
Fifth Street	Paseo de su Alteza	Andrade Avenue	Reconstruction
Paseo Emperador	Seventh Street	Paseo de su Alteza	Reconstruction
Santiago Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
Colorado Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
Plata Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
Brave Drive	De Leon Avenue	Cul-d-sac East	Reconstruction
De Leon Avenue	Harrington Street	Cul-d-sac South	Reconstruction
Fiesta Avenue	Harrington Street	Holdridge Street	Reconstruction
Holdridge Street	Rancho Frontera	De Leon Avenue	Reconstruction
Rancho Frontera	Harrington Street	Highway 98	Reconstruction

See independent auditors' report on compliance

## **FINDINGS AND RECOMMENDATIONS**

**CITY OF CALEXICO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority Funds of the City of Calexico.



**CITY OF CALIPATRIA  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS  
FOR THE FISCAL YEAR ENDED  
June 30, 2011**

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable City Council  
City of Calipatria, California

We have evaluated the City of Calipatria's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the City of Calipatria was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the City of Calipatria has complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the City's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**SUPPLEMENTARY INFORMATION**

**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 835,425
Due from other governments	55,721
Due from other funds	110,706
Interest receivable	<u>961</u>
Total assets	<u>\$ 1,002,813</u>

**FUND BALANCE**

Unreserved-undesignated	<u>\$ 1,002,813</u>
Total fund balance	<u>\$ 1,002,813</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$	338,318
Interest		<u>3,254</u>
Total revenues		<u>341,572</u>

**Expenses**

Transportation		<u>--</u>
Total expenses		<u>--</u>

Increase (decrease) in fund balance		341,572
Fund balance, July 1		<u>661,241</u>
Fund balance, June 30	\$	<u>1,002,813</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ --	\$ 338,318	\$ 338,318
Interest	<u>          --</u>	<u>      3,254</u>	<u>      3,254</u>
Total revenues	<u>          --</u>	<u>     341,572</u>	<u>     341,572</u>
<b>Expenses</b>			
Transportation	<u>          --</u>	<u>          --</u>	<u>          --</u>
Total expenses	<u>          --</u>	<u>          --</u>	<u>          --</u>
Increase (decrease) in fund balance	--	341,572	341,572
Fund balance, July 1	<u>     661,241</u>	<u>     661,241</u>	<u>          --</u>
Fund balance, June 30	<u>\$  661,241</u>	<u>\$ 1,002,813</u>	<u>\$   341,572</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance



**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance

**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Alamo	International	East	Maintenance
Alexandria	International	Brown	Maintenance
Barbara	International	Commercial	Maintenance
Bonita	International	East	Maintenance
Bonita P1	Brown	East	Maintenance
Brown	California	Freeman	Maintenance
Brown	SR115	Bowles	Maintenance
California	International	Railroad	Maintenance
California	Industrial	Commercial	Maintenance
Centro	SR115	Alamo	Rehabilitate
Centro	SR115	Alexandria	Rehabilitate
Church	International	Railroad	Maintenance
Church	Brown	East	Rehabilitate
Commercial	California	Freeman	Rehabilitate
Commercial	SR115	Church	Maintenance
Date	West terminus	Railroad	Maintenance
Delta	International	Lake	Rehabilitate
Delta	Lake	Railroad	Maintenance
Delta	Industrial	Commercial	Rehabilitate
East	Bonita PI	Bowles	Rehabilitate
East	SR115	Bonita PI	Maintenance
East	SR115	Young	Maintenance
Fern	International	SR115	Rehabilitate
Freeman	Brown	East	Rehabilitate

See independent auditors' report on compliance

**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Imperial	SR115	Delta	Rehabilitate
Imperial	SR115	Date	Rehabilitate
Industrial	Alexandria	Young	Rehabilitate
Industrial	SR115	Church	Maintenance
International	Main	Delta	Rehabilitate
International	Main	Bowles	Maintenance
Lake	C Lateral	Fern	Rehabilitate
Lake	Fern	Delta	Maintenance
Mesa Verde	Ironwood	Terminus	Rehabilitate
Park	Fern	Delta	Maintenance
Railroad	SR115	Young	Maintenance
Railroad	SR115	Date	Rehabilitate
Laurel Lane	Fan Palm		Rehabilitate

See independent auditors' report on compliance

## **FINDINGS AND RECOMMENDATIONS**

**CITY OF CALIPATRIA  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority Funds of the City of Calipatria.

**CITY OF EL CENTRO  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS  
FOR THE FISCAL YEAR ENDED  
June 30, 2011**

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable City Council  
City of El Centro, California

We have evaluated the City of El Centro's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the City of El Centro was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the City of El Centro has complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the City's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013



**SUPPLEMENTARY INFORMATION**

**CITY OF EL CENTRO  
 LOCAL TRANSPORTATION AUTHORITY FUNDS  
 BALANCE SHEET  
 JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$	5,136,114
Due from other governments		343,789
Interest receivable		<u>2,879</u>
Total assets	\$	<u>5,482,782</u>

**LIABILITIES AND FUND BALANCE**

**Liabilities**

Accounts payable	\$	<u>387,314</u>
Total liabilities		<u>387,314</u>

**Fund balance**

Unreserved-undesignated		<u>5,095,468</u>
Total fund balance		<u>5,095,468</u>
Total liabilities and fund balance	\$	<u>5,482,782</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF EL CENTRO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$ 2,196,113
Interest	<u>18,637</u>
Total revenues	<u>2,214,750</u>

**Expenses**

Transportation	<u>3,008,142</u>
Total expenses	<u>3,008,142</u>

**Transfers**

Transfers out	<u>1,708,860</u>
Total transfers	<u>1,708,860</u>

Increase (decrease) in fund balance	(2,502,252)
Fund balance, July 1	<u>7,597,720</u>
Fund balance, June 30	<u>\$ 5,095,468</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF EL CENTRO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ 2,529,994	\$ 2,196,113	\$ (333,881)
Interest	<u>38,709</u>	<u>18,637</u>	<u>(20,072)</u>
Total revenues	<u>2,568,703</u>	<u>2,214,750</u>	<u>(353,953)</u>
<b>Expenses</b>			
Transportation	<u>2,568,972</u>	<u>3,008,142</u>	<u>439,170</u>
Total expenses	<u>2,568,972</u>	<u>3,008,142</u>	<u>439,170</u>
<b>Transfers</b>			
Transfer out	<u>--</u>	<u>1,708,860</u>	<u>1,708,860</u>
Total transfers	<u>--</u>	<u>1,708,860</u>	<u>1,708,860</u>
Increase (decrease) in fund balance	(269)	(2,502,252)	2,501,983
Fund balance, July 1	<u>7,597,720</u>	<u>7,597,720</u>	<u>--</u>
Fund balance, June 30	<u>\$ 7,597,451</u>	<u>\$ 5,095,468</u>	<u>\$ 2,501,983</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF EL CENTRO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance

**CITY OF EL CENTRO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance

**CITY OF EL CENTRO  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Various Streets/Overlay			Street repair, overlay and striping
Street Slurry Seal			Street slurry seal and striping
North Date Canal Under-grounding			Under-grounding of the canal along Villa Ave, between 17th and 8th St. City will pay 25% IID will pay 75%.
La Brucherie Widening			Right-of-way acquisition, widening and Shoulder improvements from Adams to Orange
Bike Path			80 ADA Ramps, striping and signage for bike routes.
Dogwood Road Widening			Widen Dogwood RD (I-8 to southern City limits) and rehabilitation of Danenberg from Dogwood to 4th St.
Dogwood Phase 1- Local Match- RSTP			Removal and reconstruction of two Lane Dogwood Ave between I-8 and State street (1.2 miles)
Dogwood Phase 2- Local Match- RSTP			Removal and reconstruction of existing Four-lane Dogwood Rd (0.2 miles) Between Commercial and State street.
Imperial Avenue Phase 3 – Local			Rehabilitation and overlay of Imperial Avenue from Orange to Adams (.5mi)
Orange Avenue Reconstruction- Local Match- RSTP			Overlay Orange Ave. two lanes, between Waterman and Labrucherie and install curb and gutter on south side of Orange, parking and drainage.
8th & I-8 Bridge Widening			Widen 8th Street to four lanes between Aurora and Wake. This will require the Bridge to be widened by approximately 33', Because this bridge adjoins another bridge built in 1996 that strictly serves pedestrian traffic on the west side, the widening of the vehicular bridge and approach roadway is limited to the east side.

See independent auditors' report on compliance

**CITY OF EL CENTRO  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Interim Dogwood Bridge Improvements			Widen west bound and east bound off-ramps at Dogwood Ave. on I-8 and all approaches of Dogwood Av. This also includes the design and installation of new traffic signals at the same on and off-ramp locations
Imperial Avenue Extension (I-8 South to Mc Cabe)			Median and south bound lane along west side for future extension of Imperial Ave. (south)
Bradshaw			Connect Bradshaw through to 8th St. two lanes.
Cruickshank			Connect Cruickshank through to 8th St. two lanes.
Wake Ave. SR86 NW Corner Radius West bound signal light Modification			Relocate NW signal light and install new curb return to allow trucks to adequately turn.

See independent auditors' report on compliance



## **FINDINGS AND RECOMMENDATIONS**

**CITY OF EL CENTRO  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority Funds of the City of El Centro.

**CITY OF HOLTVILLE  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS  
FOR THE FISCAL YEAR ENDED  
June 30, 2011**

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable City Council  
City of Holtville, California

We have evaluated the City of Holtville's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the City of Holtville was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the City of Holtville has complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the City's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**SUPPLEMENTARY INFORMATION**

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 1,149,154
Due from other governments	<u>93,187</u>
Total assets	<u>\$ 1,242,341</u>

**FUND BALANCE**

Unreserved-undesignated	<u>\$ 1,242,341</u>
Total fund balance	<u>\$ 1,242,341</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$	451,187
Interest		<u>2,821</u>
Total revenues		<u>454,008</u>

**Transfers**

Transportation		<u>228,873</u>
Total expenses		<u>228,873</u>

**Transfers**

Transfer in		751,726
Transfer out		<u>280,513</u>
Total transfers		<u>471,213</u>

Increase (decrease) in fund balance		696,348
Fund balance, July 1		<u>545,993</u>
Fund balance, June 30	\$	<u><u>1,242,341</u></u>

See accompanying notes and independent auditors' report on compliance



**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ 295,000	\$ 451,187	\$ 156,187
Interest	<u>          --</u>	<u>          2,821</u>	<u>          2,821</u>
Total revenues	<u>          295,000</u>	<u>          454,008</u>	<u>          159,008</u>
<b>Expenses</b>			
Transportation	<u>          61,395</u>	<u>          228,873</u>	<u>          167,478</u>
Total expenses	<u>          61,395</u>	<u>          228,873</u>	<u>          167,478</u>
<b>Transfers</b>			
Transfer in	--	751,726	751,726
Transfer out	<u>          --</u>	<u>          280,513</u>	<u>          280,513</u>
Total transfers	<u>          --</u>	<u>          471,213</u>	<u>          471,213</u>
Increase (decrease) in fund balance	233,605	696,348	462,743
Fund balance, July 1	<u>          545,993</u>	<u>          545,993</u>	<u>                  --</u>
Fund balance, June 30	<u>          \$ 779,598</u>	<u>          \$ 1,242,341</u>	<u>          \$ 462,743</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Fern Avenue	Fifth Street	Fourth Street	Reconstruct
Fern Avenue	Fifth Street	Sixth Street	Resurface
Various Streets			Maintenance & Restorative Seal
Artesia Avenue	Myrtle Avenue	Olive Avenue	Maintenance & Restorative Seal
Eight Street	Melon	Olive Avenue	Maintenance & Restorative Seal
Fern Avenue	Sixth Street	Ninth Street	Maintenance & Restorative Seal
Orange Avenue	Fifth Street	Tenth Street	Maintenance & Restorative Seal
Walnut Avenue	237 S. of Third St	Tenth Street	Maintenance & Restorative Seal
Maple Avenue	Fourth Street	Ninth Street	Maintenance & Restorative Seal
Chestnut Avenue	Fourth Street	Ninth Street	Maintenance & Restorative Seal
Brentwood Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
Holt Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Sixth Street	Orange Avenue	350 East of Grape	Maintenance & Restorative Seal
Grape Avenue	Fifth Street	Sixth Street	Maintenance & Restorative Seal
Myrtle Avenue	Sixth Street	West Seventh St	Maintenance & Restorative Seal
South Half of 6th St	Tamarack	Melon Ave	Maintenance & Restorative Seal
Fifth Street	Tamarack Ave	Mesquite Ave	Maintenance & Restorative Seal
Cedar Street	Fourth Street	Alamo Bridge	Maintenance & Restorative Seal
Holt Avenue	Ninth Street	Tenth Street	Maintenance & Restorative Seal
Tenth Street	Holt Avenue	Orange Ave	Maintenance & Restorative Seal
Cedar Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
Fourth Street	Highway 115	Holt Avenue	Maintenance & Restorative Seal
Fourth Street	Holt Avenue	Walnut Avenue	Maintenance & Restorative Seal
Fourth Street	Walnut Avenue	Grape Avenue	Maintenance & Restorative Seal

See independent auditors' report on compliance

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Pine Avenue	Fourth Street	Fifth Avenue	Maintenance & Restorative Seal
Pine Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Holt Avenue	Fourth Street	Fifth Street	Maintenance & Restorative Seal
Walnut Avenue	South County Line	237 S. of Third St	Maintenance & Restorative Seal
Sixth Street	Holt Avenue	Orange Avenue	Maintenance & Restorative Seal
Tamarack Avenue	Fifth Street	Zenos Road (Sixth St)	Maintenance & Restorative Seal
Palo Verde Avenue	Fifth Street	Zenos Road (Sixth St)	Maintenance & Restorative Seal
Mesquite Avenue	Fifth Street	Zenos Road (Sixth St)	Maintenance & Restorative Seal
Sixth Street	Melon Avenue	Holt Avenue Of Fifth Street	Maintenance & Restorative Seal
Tenth Street	Orange Avenue	Figueroa Avenue	Maintenance & Restorative Seal
Figueroa Avenue	Ninth Street	Tenth Street	Maintenance & Restorative Seal
Circle Drive	Eighth Street	Ninth Street	Maintenance & Restorative Seal
Circle Drive	Eighth Street	Chestnut Ave	Maintenance & Restorative Seal
Figueroa Avenue	Seventh St	Eighth Street	Maintenance & Restorative Seal
Fig Avenue	Fifth Street	Sixth Street	Maintenance & Restorative Seal
Maple Avenue	Third Street	Fourth Street	Maintenance & Restorative Seal
Third Street	Walnut Avenue	Grape Avenue	Maintenance & Restorative Seal
Chestnut Avenue	Third Street	Fourth Street	Maintenance & Restorative Seal
Rose Avenue – East of Chestnut Avenue			Maintenance & Restorative Seal
Ninth Street	Beale Avenue	Towland Road	Maintenance & Restorative Seal
Seventh Street	Beale Avenue	Towland Road	Maintenance & Restorative Seal
Webb Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
Ash Avenue	Eighth Street	Ninth Street	Maintenance & Restorative Seal

See independent auditors' report on compliance

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Elm Avenue	Eighth Street	Ninth Street	Maintenance & Restorative Seal
Oak Avenue	Eighth Street	Ninth Street	Maintenance & Restorative Seal
Eighth Street	Ash Avenue	Oak Avenue	Maintenance & Restorative Seal
Grape Avenue	Fourth Street	Fifth Street	Maintenance & Restorative Seal
Seventh Street	Myrtle Avenue	Beale Avenue	Maintenance & Restorative Seal
Eighth Street	Olive Avenue	Beale Avenue	Maintenance & Restorative Seal
Wooldridge Ave	Melon Ave	Olive Avenue	Maintenance & Restorative Seal
Ninth Street	Olive Avenue	Beale Avenue	Maintenance & Restorative Seal
Melon Avenue	Sixth Street	Ninth Street	Maintenance & Restorative Seal
Olive Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Palm Avenue	Fourth Street	Highway 115	Maintenance & Restorative Seal
Palm Avenue	Fifth Street	Ninth Street	Maintenance & Restorative Seal
Cedar Avenue	Fourth Street	Seventh Street	Maintenance & Restorative Seal
Orange Avenue	200' S. of Fifth St		Maintenance & Restorative Seal
Beale Avenue	Seventh Street	Ninth Street	Maintenance & Restorative Seal
8th Street	Maple	Walnut Ave	Maintenance & Restorative Seal
Figueroa Avenue	Fifth Street	Sixth Street	Maintenance & Restorative Seal
Olive Avenue	Ninth Street	Tenth Street	Maintenance & Restorative Seal
Ninth Street	Slaton	Brentwood	Maintenance & Restorative Seal
Grape Avenue	Fourth Street	Third Street	Construct Extension
Beale Avenue	Ninth Street	Tenth Street	Construct Extension
Willow Avenue	Ninth Street	Tenth Street	Construct Extension
Grape Court	East of Grape Avenue		Construct Extension

See independent auditors' report on compliance

## **FINDINGS AND RECOMMENDATIONS**

**CITY OF HOLTVILLE  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority Funds of the City of Holtville.



**CITY OF IMPERIAL  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS  
FOR THE FISCAL YEAR ENDED  
June 30, 2011**

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable City Council  
City of Imperial, California

We have evaluated the City of Imperial's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the City of Imperial was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the City of Imperial has complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the City's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**SUPPLEMENTARY INFORMATION**

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 1,224,493
Due from other governments	<u>120,985</u>
Total assets	<u>\$ 1,345,478</u>

**LIABILITIES AND FUND BALANCE**

**Liabilities**

Accounts payable	\$ <u>31,495</u>
Total liabilities	<u>31,495</u>

**Fund balance**

Unreserved-undesignated	<u>1,313,983</u>
Total fund balance	<u>1,313,983</u>
Total liabilities and fund balance	<u>\$ 1,345,478</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$	787,843
Interest		<u>2,675</u>
Total revenues		<u>790,518</u>

**Expenses**

Transportation		<u>1,793,496</u>
Total expenses		<u>1,793,496</u>

Increase (decrease) in fund balance		(1,002,978)
Fund balance, July 1		<u>2,316,961</u>
Fund balance, June 30	\$	<u>1,313,983</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ 584,529	\$ 787,843	\$ 203,314
Interest	<u>          --</u>	<u>          2,675</u>	<u>          2,675</u>
Total revenues	<u>          584,529</u>	<u>          790,518</u>	<u>          205,989</u>
<b>Expenses</b>			
Transportation	<u>         1,620,282</u>	<u>         1,793,496</u>	<u>          173,214</u>
Total expenses	<u>         1,620,282</u>	<u>         1,793,496</u>	<u>          173,214</u>
Increase (decrease) in fund balance	(1,035,753)	(1,002,978)	(32,775)
Fund balance, July 1	<u>         2,316,961</u>	<u>         2,316,961</u>	<u>                  --</u>
Fund balance, June 30	<u>         \$ 1,281,208</u>	<u>         \$ 1,313,983</u>	<u>          \$ 32,775</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance



**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Various Streets	Various Limits		Const/Rehab/Maintenance
Neckel	Hwy 86	Railroad	Rehab/Repair/ Maint.
Ralph	Hwy 86	Railroad	Rehab/Repair/Maint
Neckel/Hwy 86	Intersection		Improve & Signalize
Ralph/Hwy 86	Intersection		Improve & Signalize
Treshill/Hwy 86	Intersection		Construct & Signalize
1st St	N St.	P St.	Construct
1st St	D St	Imperial Ave	Repair/Maintenance
2nd St	K St	P St	Const/Repair/Maint
3rd St	C St	F St	Repair/Maintenance
3rd St	G St	K St	Repair/Maintenance
3rd St	N St	P St	Construct
4th St	C St	F St	Repair/Maintenance
4th St	N St	P St	Construct
5th St	E St	Imperial Ave	Repair/Maintenance
5th St	Hwy 86	K St	Repair/Maintenance
5th St	N St	P St	Construct
6th St	Hwy 86	K St	Repair/Maintenance
6th St	D St	H St	Rehab/Repair/Maint
7th St	D St	F St	Repair/Maintenance
7th St	H St	Imperial Ave	Repair/Maintenance
Barioni Blvd	B St	P St	Repair/Maintenance
9th St	F St	G St	Repair/Maintenance
9th St	J St	K St	Repair/Maintenance

See independent auditors' report on compliance

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
9th St	N St	P St	Construct
10th St	F St	Imperial Ave	Repair/Maintenance
10th St	N St	P St	Construct
11th St	D St	Imperial Ave	Construct/Repair/Maint
11th St	N St	P St	Construct
12th St	J St	K St	Const/Repair/Maint
12th St	N St	P St	Construct
14th St	B St	D St	Repair/Const/Maint
14th St	F St	Hwy 86	Rehab/Repair/Maint
15th St	Hwy 86	M St	Repair/Maintenance
15th St	La Brucherie	D St	Construct
C St	3rd St	4th St	Repair/Maintenance
C St	12 St	14th St	Repair/Maintenance
D St	1st St	3rd St	Repair/Maintenance
D St	4th St	5th St	Repair/Maintenance
D St	11th St	12th St	Repair/Maintenance
E St	1st St	3rd St	Repair/Maintenance
E St	10th St	12th St	Repair/Maintenance
F St	1st St	14th St	Repair/Maintenance
F St	6th St	13th St	Repair/Maintenance
G St	2nd St	10th St	Rehab/Repair/Maint
G St	13th St	14th St	Rehab/Repair/Maint
H St	1st St	Barioni Blvd	Rehab/Repair/Maint
H St	10th St	11th St	Rehab/Repair/Maint

See independent auditors' report on compliance

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Imperial Ave	Hwy 86	2nd St	Repair/Maintenance
Imperial Ave	12th St	15th St	Repair/Maintenance
J St	Barioni Blvd	12th St	Repair/Maintenance
K St	2nd St	10th St	Repair/Maintenance
L St	2nd St	Barioni Blvd	Rehab/Repair/Maint
M St	Barioni Blvd	15th St	Construct
N St	1st St	Barioni Blvd	Rehab/Repair/Maint
O St	Barioni Blvd	13th St	Const/Repair/Maint
P St	Barioni Blvd	Neckel Rd	Construct
Aten Blvd	Dogwood Rd	Austin Rd	Rehab/Repair/Maint
La Brucherie	Aten Blvd	Intersection	Const/Rehab/Maint/Sign
Preble Ave	Aten Rd	Treshill Rd	Rehab/Repair/ Maint
Treshill Blvd	Hwy 86	La Brucherie	Construct
Clark & Aten Rd	Intersection		Const/Rehab/Signal
Wall St	Hwy 86	La Brucherie	Const/Rehab
Myrtle Ave	Aten Blvd	Treshill St	Rehab/Repair/Maint
Bougainvillea Tr	Aten Blvd	Joshua Tree	Repair/Maintenance
Brushwood	Desert Willow	Joshua Tree	Repair/Maintenance
Morning Glory	Aten Blvd	Joshua Tree	Repair/Maintenance
Smokewood	Desert Willow	Joshua Tree	Repair/Maintenance
Joshua Tree	Desert Willow	Bougainvillea	Repair/Maintenance
Desert Willow	Brushwood	Smokewood	Repair/Maintenance
Baywood	Brushwood	Smokewood	Repair/Maintenance
Sequoia	Brushwood	Smokewood	Repair/Maintenance

See independent auditors' report on compliance

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Juniper	Brushwood	Smokewood	Repair/Maintenance
Cañon	Rodeo Dr	Neckel Ave	Repair/Maintenance
Lariat Ln	Rodeo Dr	Sage Ct	Repair/Maintenance
Winchester Ln	Rodeo Dr	Sage Ct	Repair/Maintenance
Sage Court	Lariat Ln	Winchester	Repair/Maintenance
Mustang Ln	Cañon Dr	End of Lane	Repair/Maintenance
Conestoga Ln	Cañon Dr	End of Lane	Repair/Maintenance
Roadrunner	Cañon Dr.	End of Lane	Repair/Maintenance

See independent auditors' report on compliance

## **FINDINGS AND RECOMMENDATIONS**

**CITY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority Funds of the City of Imperial.

**COUNTY OF IMPERIAL  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS**

**FOR THE FISCAL YEAR ENDED**

**June 30, 2011**



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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable County Board of Supervisors  
County of Imperial, California

We have evaluated the County of Imperial's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the County of Imperial was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the County of Imperial has complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the County's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**SUPPLEMENTARY INFORMATION**

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 3,521,830
Due from other governments	50,214
Interest receivable	<u>6,084</u>
Total assets	<u>\$ 3,578,128</u>

**FUND BALANCE**

Unreserved-undesignated	<u>\$ 3,578,128</u>
Total fund balance	<u>\$ 3,578,128</u>

See accompanying notes and independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$	3,262,133
Interest		<u>12,561</u>
Total revenues		<u>3,274,694</u>

**Expenses**

Transportation		<u>775</u>
Total expenses		<u>775</u>

Increase (decrease) in fund balance		3,273,919
Fund balance, July 1		<u>304,209</u>
Fund balance, June 30	\$	<u>3,578,128</u>

See accompanying notes and independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ --	\$ 3,262,133	\$ 3,262,133
Interest	<u>          --</u>	<u>      12,561</u>	<u>      12,561</u>
Total revenues	<u>          --</u>	<u>  3,274,694</u>	<u>  3,274,694</u>
<b>Expenses</b>			
Transportation	<u>          --</u>	<u>          775</u>	<u>          775</u>
Total expenses	<u>          --</u>	<u>          775</u>	<u>          775</u>
Increase (decrease) in fund balance	--	3,273,919	3,273,919
Fund balance, July 1	<u>  304,209</u>	<u>  304,209</u>	<u>          --</u>
Fund balance, June 30	<u>\$  304,209</u>	<u>\$ 3,578,128</u>	<u>\$ 3,273,919</u>

See accompanying notes and independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance



**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Various Roads in Bombay Beach			Overlay
Various Roads in Desert Shores			Overlay
Various Roads in Heber			Overlay
Various Roads in Niland			Overlay
Various Roads in Ocotillo			Overlay
Various Roads in Palo Verde			Overlay
Various Roads in Salton City			Overlay
Various Roads in Salton Sea Beach			Overlay
Various Roads in Seeley			Overlay
Various Roads in Winterhaven			Overlay
Diehl Road (13)	Drew Road (WR)	West 2 miles	Overlay
Wixom Road (12)	Drew Road (WR)	West to End	Overlay
Alamo Road (23.5)	Towland (ET)	Bridenstein Road ( EU)	Reconstruct
Araz ( A2N07)	I-8	Winterhaven Dr. (A2P06)	Overlay
Aten Road (24)	Forrester Road (WJ)	Gillette Road	Overlay
Austin Road (WG)	Evans Road (53)	Aten Road (24)	Overlay
Barbara Worth Road (EL)	Anza Road (2)	Jasper Road (8)	Overlay
Barbara Worth Road (EL)	I-8	McCabe Road (14)	Overlay
Baughman Road	Forrester Rd	Highway 86	Reconstruct
Belford Road (28.5)	Imperial Ave.	West End	Overlay
Blair Rd. (EE)	McDonald Rd. (76)	Pon Rd. (78)	Overlay
Boarts Road (53)	Highway 86	Kalin Road (WE)	Overlay
Bonds Corner Rd (EW)	Hwy 98	I-8	Overlay

See independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Bowker Road (EH)	Cole Road (6)	Jasper Road	Overlay
Bowker Road (EH)	Highway 98	Anza Road (2)	Overlay
Boyd Rd (34)	Poore Rd (EY)	Highline Rd. (EZ)	Overlay/Widen
Brockman Road (WL)	Abatti Road (12)	McCabe Road (14)	Reconstruct
Brockman Road (WH)	Hwy 98	McCabe Road (14)	Overlay/Widen
Casey Rd. (EM)	Boyd Rd. (34)	Keystone Rd. (36)	Overlay
Chick Road (16)	Highway 111	1 ½ miles West	Overlay/Widen
Clark Road (WC)	Horne Road (16)	Wahl Road (10)	Overlay
Clark Road (WC)	El Centro City Limits	Atens Road (24)	Maintenance
Cole Road	Railroad Tracks	Kloke Road	Reconstruct
Correll/Dogwood			Signals
Cross Road	El Centro City Limits	Imperial City Limits	Maintenance
Drew Rd. (WR)	I-8	Evan Hewes Rd. (2A23)	Overlay
Drew Rd. (WR)	I-8	Lions Rd. (9)	Overlay
Drew Rd. (WR)	Lions Rd. (9)	Kubler Rd. (6)	Overlay
Drew Rd. (WR)	Kubler Rd. (9)	Hwy 98	Overlay
Dogwood Road (00)	State Highway 86		Signals/ Rechannelization
Dogwood Road (00)	Heber (SR86)	½ Mile South of Chick Rd	Overlay/ Widen/Signals
Eddins Road (65)	English Road (WA)	Brandt Road (EC)	Reconstruct
Eddins Road (65)	English Road (WA)	Calipatria City Limits	Overlay
Eddins Road (65)	Lyerly Road (EA)	English Road (WA)	Overlay
English Road (WA)	Montgomery Road (GE)	Sinclair Road (72)	Overlay
Evan Hewes (2A23)	Hwy 115	Hwy 111	Overlay

See independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Evan Hewes (2A23)	Austin Rd. (WG)	Forrester Rd. (WJ)	Overlay
Evan Hewes (2A23)	Drew Rd. (WR)	Westmoreland Rd. (WX)	Overlay
Evan Hewes (2A23)	Imperial Hwy (2A02)	Plaster City	Overlay
Evan Hewes (2A23)	Westmorland Rd (WX)	Bennett Rd. (WP)	Overlay
Evan Hewes (2A23)	Hwy 115	Gordons Well Rd.	Overlay
Forrester Road (WJ)	I-8	Evan Hewes (2A23)	Overlay
Forrester Rd. (WJ)	Bannister Rd. (55)	Walker Rd. (58)	Overlay
Forrester Rd.	Evan Hewes Hwy		Traffic Signals
Gentry Rd. (WI)	Walker Rd. (58)	New River	Overlay
Harris Road (32)	Hwy 111	McConnell Road (EF)	Overlay
Harris Road (32)	McConnell Road (EF)	Alamo River Bridge	Overlay
Harris Rd. (32)	Holt Rd. (ER)	Hwy 115	Overlay/Widen
Hartshorn Rd. (29)	Webb Rd. (EX)	Highline Rd. (EZ)	Overlay
Hoskins Road (WO)	Andre Rd.	Westside Main Canal	Overlay/reconstruct
Hovley Rd. (WA)	Baughman Rd. (52)	Rutherford Rd. (54)	
Johnson Lane (WI)	Evan Hewes (2A23)	End	Construction
Kaiser Road (EQ)	Writ Road (65)	Albright Road (62)	Overlay
Kalin Road (WE)	Baughman Road (52)	2.8 miles North	Overlay
Kalin Road (WE)	New River	Vail Road (62)	Reconstruct
Kalin Rd. (WC)	Webster Rd.	Baughman Rd. (52)	Overlay/reconstruct
Kershaw Rd. (EC)	Titsworth Rd. (58)	Rutherford Rd. (54)	Overlay
Keystone Road (36)	Highway 86	Dogwood Road (00)	Overlay
Keystone Road (36)	Highway 86	Austin Rd. (WG)	Overlay
Keystone Road (36)	Poore Road (EY)	(EV)	Overlay/Widen

See independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Kubler Rd. (6)	Brockman Rd. (WL)	Rockwood Rd. (WJ)	Reconstruct
McCabe Road (14)	Pitzer	Dogwood Road	Overlay/ Reconstruct/Widen
McConnell Road (EF)	Keystone Road (36)	Schartz Road (40)	Overlay
McConnell Road (EF)	Mead Road (42)	Schartz Road (40)	Overlay
McDonald Road (76)	Potter Road (EG)	Wiest Road (EJ)	Overlay
Miller Road (EAA)	Hunt Rd. (16)	Humberg Rd. (8)	Overlay/Widen
Montgomery Road (69)	Wiest Road (EJ)	Reed Road (EM)	Reconstruct
Murphy Road (28)	La Brucherie Road (WE) West End		Overlay
Neighbors Blvd.	County Line	Bridge	Overlay
Nina Rd. (HE)	Hwy 86	.02 mile North	Rehabilitate
Ogilby Road (3M01)	Railroad	Highway 78	Overlay
Pitzer Rd. (EB)	McCabe Road (14)	Correll Road (12)	Reconstruct
Ross Road (18)	Austin Road (WG)	Forrester Road (WJ)	Overlay
Ruegger Road (61)	Reeves Road (WA)	Alamo River	Overlay
Rutherford Road (54)	Butters Road (ES)	1.0 Mile East	Overlay
Rutherford Road (54)	Highway 115	Hastain Road (EO)	Overlay
Rutherford Road (54)	Highway 111	Best Road (EC)	Overlay
Schartz Road (40)	Dogwood Road	Highway 111	Overlay/ Reconstruct
Seybert Rd (EI)	Hwy 78	Sillman Rd. (45)	Overlay
Silsbee Rd. (WM)	Aten Rd. (24)	Hackelman Rd. (22)	Reconstruct
Silsbee Rd. (WM)	Hackelman Rd. (22)	Evan Hewes Rd (2A23)	Overlay
Slaton Road (ES)	9th Street	Thiesen Road (22)	Overlay
Snyder Road (EW)	Highway 115	Norrish Road (25)	Overlay

See independent auditors' report on compliance

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Spa Road (9D08)	Hot Mineral Spa (9G02)	Coachella Canal (7G03)	Overlay
Underwood Road (7g01)	Holtville City Limits	Towland Road (ET)	Overlay
Various Road/Bridges			Maint. &/Or Misc
Various Road Locations			Misc. Sfty Project
Verde School Road (10)	Miller Road (EAA)	1.0Mile East	Overlay
Walker Road (58)	Brandt Road (WC)	Kalin Road (WG)	Overlay
Webb Road (EX)	Norrish Road (25)	Worthington Road (27)	Reconstruct
Wiest Road (EJ)	Merkley Road (73)	Road 75	Overlay
Wiest Road (EJ)	Wirt Road (65)	Montgomery Road (69)	Overlay
Willoughby/Dogwood Roads			Signals
Willoughby Road (8)	Ware Road (EA)	Kloke Road (EB)	Reconstruct
Wirt Road (65)	Wiest Road (EJ)	Kaiser Road (EQ)	Overlay
Worthington Road (27)	New River	Forrester Road (WJ)	Overlay
Worthington Road (27)	Highway 111	McConnell Road (EF)	Overlay
Yocum Road (63)	Highway 111	Kershaw Road (EC)	Overlay
Yourman Road (ED)	McCabe Road (14)	Highway 111	Overlay

See independent auditors' report on compliance

## **FINDINGS AND RECOMMENDATIONS**

**COUNTY OF IMPERIAL  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted no findings during our examination of the Local Transportation Authority Funds of the County of Imperial.

**CITY OF WESTMORLAND  
ANNUAL COMPLIANCE REPORT OF  
THE LOCAL TRANSPORTATION AUTHORITY FUNDS**

**FOR THE FISCAL YEAR ENDED**

**June 30, 2011**



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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To the Honorable City Council  
City of Westmorland, California

We have evaluated the City of Westmorland's compliance with the Imperial County Local Transportation Authority's Expenditure Plan ("the Plan") as adopted by the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance. Our evaluation, covering the year ended June 30, 2011, included such tests and procedures as we considered necessary to evaluate whether the City of Westmorland was in compliance with the regulations outlined in the Plan.

In our opinion, based on the tests and procedures applied, the City of Westmorland has not complied with the Imperial County Local Transportation Authority's Expenditure Plan for the year ended June 30, 2011. See instances of noncompliance listed in the Schedule of Findings and Recommendations included in this report.

The accompanying financial information listed in the table of contents is presented for purposes of additional analysis. Such information has been gathered for the sole purpose of documenting, in the form of financial statements, the receipt and disbursement of the City's distributive share of funds issued under the Imperial County Local Transportation Authority Retail Transaction and Use Tax Ordinance, and has not been audited or reviewed by us and, accordingly, we do not express an opinion or any other form of assurance on them. Accordingly, this information is not designed for those who are not informed about such matters.

*Hutchinson and Bloodgood LLP*

February 15, 2013

**SUPPLEMENTARY INFORMATION**

**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
BALANCE SHEET  
JUNE 30, 2011**

**ASSETS**

Cash and cash equivalents	\$ 863,589
Due from other governments	<u>48,489</u>
Total assets	<u><u>\$ 912,078</u></u>

**LIABILITIES AND FUND BALANCE**

**Liabilities**

Due to other funds	\$ <u>63</u>
Total liabilities	<u>63</u>

**Fund balance**

Unreserved-undesignated	<u>912,015</u>
Total fund balance	<u>912,015</u>
Total liabilities and fund balance	<u><u>\$ 912,078</u></u>

See accompanying notes and independent auditors' report on compliance

**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE  
For the Year Ended June 30, 2011**

**Revenues**

Retail sales tax	\$	261,620
Interest		<u>          --</u>
Total revenues		<u>          261,620</u>

**Expenses**

Transportation		<u>          26,912</u>
Total expenses		<u>          26,912</u>

Increase (decrease) in fund balance		234,708
Fund balance, July 1		<u>          677,307</u>
Fund balance, June 30	\$	<u>          912,015</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE -BUDGET TO ACTUAL  
For the Year Ended June 30, 2011**

	<b>Budget</b>	<b>Actual</b>	<b>Variance-Over (Under)</b>
<b>Revenues</b>			
Retail sales tax	\$ --	\$ 261,620	\$ 261,620
Interest	<u>    --</u>	<u>    --</u>	<u>    --</u>
Total revenues	<u>    --</u>	<u>261,620</u>	<u>261,620</u>
<b>Expenses</b>			
Transportation	<u>    --</u>	<u>26,912</u>	<u>(26,912)</u>
Total expenses	<u>    --</u>	<u>26,912</u>	<u>(26,912)</u>
Increase (decrease) in fund balance	--	234,708	234,708
Fund balance, July 1	<u>677,307</u>	<u>677,307</u>	<u>    --</u>
Fund balance, June 30	<u>\$ 677,307</u>	<u>\$ 912,015</u>	<u>\$ 234,708</u>

See accompanying notes and independent auditors' report on compliance

**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

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

***Imperial County Local Transportation Authority***

The Imperial County Local Transportation Authority (the "Authority") was created to implement the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance (the LTA "tax") as adopted by the electorate on November 4, 2008. The tax is imposed in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Division 19 of the Public Utilities Code (Code Section 180000). The primary purpose of this ordinance was to enact a one-half of one percent retail transactions and use tax for a period of forty (40) years. The proceeds of this tax would be allocated to the County of Imperial and the cities in the County for local street and road purposes. Also, a small portion of the tax revenues would be used for administration transit services and possibly state highway purposes.

The funds that are generated by implementation of the Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance are intended to supplement and not to replace existing local revenues used for transportation purposes.

The Authority consists of the following member agencies:

- 1) City of Brawley
- 2) City of Calexico
- 3) City of Calipatria
- 4) City of El Centro
- 5) City of Holtville
- 6) City of Imperial
- 7) City of Westmorland
- 8) County of Imperial

The members of the Board of the Authority consist of one (1) member of the City Council of each incorporated city of the Imperial County and two (2) members of the Board of Supervisors of Imperial County. The members serve staggered terms with no term over a four year period. The chairman and vice-chairman of the Board of the Authority are elected annually in June.

***Compliance requirements of the Imperial County Local Transportation Authority***

Each member agency is required to comply with 1) the "By-Laws of Imperial County Local Transportation Authority" (Attachment A of the LTA ordinance) and 2) the "Imperial County Local Transportation Authority Retail Transactions and Use Tax Ordinance and Transportation Authority Expenditure Plan" (Attachment B of the LTA ordinance).

***Fund accounting***

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

See independent auditors' report on compliance

**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
NOTES TO SUPPLEMENTARY INFORMATION  
June 30, 2011**

**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund accounting*** (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

The revenue susceptible to accrual is interest revenue. Sales taxes held by the state at year end on behalf of the Authority are not recognized as revenue.

***Budgets***

The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles. The budgeted revenues are based on the previous year's collections. The expenditures are based on the specified formula provided in the LTA ordinance.

A legally adopted budget has not been adopted by the Authority for the State Highway Special Revenue Fund.

***Cash and cash equivalents***

Cash is pooled with cash of the County of Imperial to maximize investment opportunities and yields. It is the policy of the Authority to classify only those investments having an original maturity date within three months of the date acquired as cash equivalents.

***Fund Balance***

The fund balance represents undesignated Fund Balance, restricted for LTA use for which these funds have been authorized.

See independent auditors' report on compliance



**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

ROAD	FROM	TO	PROJECT DESCRIPTION
Center Street	Highway 86	Baughman Road	Reconstruct
Center Street	Highway 86	Eighth Street	Reconstruct
First Street	Center Street	F Street	Repair/Maintenance
First Street	Center Street	C Street	Repair/ Construct
First Street	H Street	G Street	Repair/Maintenance
Second Street	G Street	Center Street	Repair/Reconstruct
Third Street	F Street	Center Street	Repair/Maintenance
Fifth Street	G Street	C Street	Repair/Construct
Fifth Street	H Street	West end of Street	Repair/Maintenance
Sixth Street	F Street	Center Street	Reconstruct
Sixth Street	H Street	West end of Street	Repair/Maintenance
Seventh Street	J Street	Center Street	Reconstruct
Seventh Street	D Street	B Street	Reconstruct
Eighth Street	J Street	H Street	Construct
Eighth Street	Center Street	150' E. of D Street	Repair/Maintenance
B Street	Highway 86	Seventh Street	Reconstruct
C Street	Highway 86	Seventh Street	Repair/Maintenance
D Street	Seventh Street	Eighth Street	Repair/Maintenance
F Street	Third Street	7th Street	Reconstruct
G Street	Highway 86	Third Street	Repair
G Street	Sixth Street	Seventh Street	Repair/Construct
H Street	First Street	Highway 86	Repair/Construct
H Street	Seventh Street	Eighth Street	Construct
J Street	Seventh Street	Eighth Street	Repair/Maintenance

See independent auditors' report on compliance

**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS**

**5-Year Program of Projects 2007/12**

<u>ROAD</u>	<u>FROM</u>	<u>TO</u>	<u>PROJECT DESCRIPTION</u>
Jauregui Street	G Street	End of Cul-de-sac	Repair/Maintenance
Sundance	J Street	End of Cul-de-sac	Repair/Maintenance
Various Streets	Various Locations		Reconstruction/Repair

See independent auditors' report on compliance

## **FINDINGS AND RECOMMENDATIONS**

**CITY OF WESTMORLAND  
LOCAL TRANSPORTATION AUTHORITY FUNDS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
June 30, 2011**

We noted the following finding during our examination of the Local Transportation Authority Funds of the City of Westmorland.

1. Finding:

During the examination, we noted that the City was not allocating interest revenue to the LTA Revenue Fund.

Recommendation:

The City should review their funds for interest earned and allocate corresponding interest to LTA Fund Revenue.

February 15, 2013

Honorable Board Members  
Imperial County Local Transportation Authority  
El Centro, California

We have audited the general purpose financial statements of the Imperial County Local Transportation Authority for the year ended June 30, 2011, and have issued our report thereon dated February 15, 2013. Professional standards require that we provide you with the following information related to our audit.

**Findings and Recommendations**

During our examination we noted the following finding:

1. The City of Westmorland did not allocate interest to the LTA Revenue Fund. We recommend that the City review their funds for interest earned and allocate corresponding interest to LTA Revenue Fund.

This report is intended solely for the information and use of Imperial County Local Transportation Authority, management, and others within the administration and is not intended to be and should not be used by anyone other than these specified parties.

*Hutchinson and Bloodgood LLP*