

COUNTY OF SAN MATEO

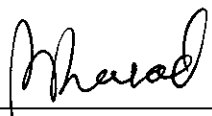
Interdepartmental Correspondence

Date: January 25, 2011

To: Distribution
From: Tom Huening, Controller
Subject: **San Mateo County Half-Cent Transportation Fund**

Attached is Management's Report on Compliance with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes*, together with the Independent Accountant's Report, for the fiscal year ended June 30, 2010.

TOM HUENING, CONTROLLER

By: 
Ramen Prasad
Internal Audit Manager

Attachment

Distribution:

Rosanne Foust, Chairman of the San Mateo County Transportation Authority Board
Michael J. Scanlon, Chief Executive Officer, SMCTA
Gigi Harrington, Chief Financial Officer, SMCTA
Rima Lobo, Director of Finance, SMCTA
James Porter, Director of Public Works
Michael Wentworth, Deputy Director of Administration and Airport
Damien Frank, Financial Services Manager II
Sandy Wong, Deputy Director of C/CAG
David Boesch, County Manager
Charlene Kresevich, Court Executive Officer / Jury Commissioner

**San Mateo County Half-Cent
Transportation Fund**

**Audit of Compliance with the
*Agreement for Distribution of San Mateo County
Measure A Funds for Local Transportation Purposes***

For the Year Ended June 30, 2010

Department of Public Works



COUNTY OF SAN MATEO

555 COUNTY CENTER, 5th FLOOR • REDWOOD CITY • CALIFORNIA 94063-1665 • PHONE (650) 363-4100 • FAX (650) 361-8220

BOARD OF SUPERVISORS

MARK CHURCH
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JAMES C. PORTER
DIRECTOR

December 21, 2010

San Mateo County Transportation Authority
120 San Carlos Avenue
San Carlos, California 94070

Management's Report on Compliance with the Agreement For Distribution of San Mateo County Measure A Funds For Local Transportation Purposes

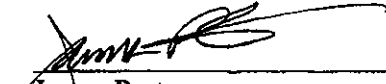
The County of San Mateo (The County) is responsible for complying with the *Agreement For Distribution of San Mateo County Measure A Funds For Local Transportation Purposes* (the Agreement) between the County of San Mateo and the San Mateo County Transportation Authority entered into on January 27, 2009. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transactions and use tax approved by *Measure A – San Mateo County Transportation Expenditure Plan* (the Measure), the County, in the use of these funds, shall “refrain from substituting funds provided to it pursuant to this Agreement for property tax funds which are currently being used to fund existing local transportation programs and limit the use of said funds to the improvement of local transportation, including streets and roads improvements.”

With respect to compliance with the requirements of the Agreement that pertain to the County share, management attest to the following for the year ended June 30, 2010:

- Management is responsible for establishing and maintaining an effective internal control structure with respect to compliance with the Agreement;
- Management is responsible for complying with the Agreement;
- Management has evaluated the County's compliance with the requirements of the Agreement;
- All transactions, as summarized in the attached Schedule of Receipts and Disbursements for the Fiscal Year Ended June 30, 2010, are in compliance with the Agreement.



Peggy Jensen
Deputy County Manager



James Porter
Director of Public Works

Office of Controller



**TOM HUENING
CONTROLLER**

COUNTY OF SAN MATEO

555 COUNTY CENTER, 4TH FLOOR • REDWOOD CITY • CALIFORNIA 94063-1663

ROBERT G. ADLER
ASSISTANT CONTROLLER

KANCHAN K. CHARAN
DEPUTY CONTROLLER

TELEPHONE: (650) 363-4777
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Independent Accountant's Report

Board of Directors
San Mateo County Transportation Authority
Redwood City, California 94063

We have examined management's assertion, included in the accompanying Management's Report on Compliance with the Agreement, about the County of San Mateo's compliance with the requirements of the *Agreement For Distribution Of San Mateo County Measure A Funds For Local Transportation Purposes* (the Agreement) between the County and the San Mateo County Transportation Authority dated August 18, 1989 and extended on January 27, 2009, during the year ended June 30, 2010. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based upon our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence supporting the County's compliance with those requirements and performing such other procedures as considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the County's compliance with specified requirements.

In our opinion, management's assertion that the County complied with the aforementioned requirements for the fiscal year ended June 30, 2010, is fairly stated, in all material respects.

This report is intended solely for the information of the San Mateo County Transportation Authority Board and management. However, this report is a matter of public record and its distribution is not limited.

County of San Mateo Controller

Redwood City, California
January 25, 2011

San Mateo County Half-Cent Transportation Fund

**Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2010**

RECEIPTS

Sales Tax	\$	1,671,348
Management Services (C/CAG)		1,379,920
Interest Income		2,743
Project Cost Reimbursement (C/CAG)		3,975
Miscellaneous		6,596
Total Receipts		<u>3,064,582</u>

DISBURSEMENTS

Congestion Management		1,419,299
Transit Subsidy		926,860
Transportation System Management Program Admin		315,139
School Crossing Guards		128,003
Total Disbursements		<u>2,789,302</u>

Excess of Receipts Over Disbursements

\$ 275,281