

City of Dublin

Alameda County Transportation Improvement Authority - Measure B Funds

Dublin, California

*Financial Statements and
Independent Auditors' Reports*

For the year ended June 30, 2006

C&L
Caporicci & Larson
Certified Public Accountants

City of Dublin
Alameda County Transportation Improvement Authority – Measure B Funds

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements:	
Combined Balance Sheet	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balances	3
Notes to Financial Statements	4
Independent Auditors' Report on Measure B Compliance	6

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council
of the City of Dublin
Dublin, California

We have audited the accompanying financial statements of the Alameda County Transportation Improvement Authority - Measure B Funds (Measure B Funds) of the City of Dublin, California (City), as of and for the year ended June 30, 2006, as listed in the foregoing table of contents. These financial statements are the responsibility of the management of the City. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As discussed in Note 1, the financial statements present only Measure B Funds and are not intended to present fairly the financial position and results of operations of the City.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure B Funds of the City as of June 30, 2006, and the results of its operations and changes in fund balance for the year then ended in conformity with generally accepted accounting principles in the United States.

Caporicci & Larson

Oakland, California
October 6, 2006

Oakland

180 Grand Ave., Suite 1365
Oakland, California 94612

Orange County

9 Corporate Park, Suite 100
Irvine, California 92606

Sacramento

777 Campus Commons Rd., Suite 200
Sacramento, California 95825

San Diego

4858 Mercury, Suite 106
San Diego, California 92111

City of Dublin
Alameda County Transportation Improvement Authority - Measure B Funds
Combined Balance Sheet
June 30, 2006

	Special Revenue Fund		Total
	Measure B Local Streets	Measure B Bike and Pathway	
ASSETS			
Cash and investments	\$ 206,770	\$ 187,208	\$ 393,978
Accounts receivable	52,130	16,667	68,797
Total assets	\$ 258,900	\$ 203,875	\$ 462,775
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 38,581	\$ -	\$ 38,581
Total liabilities	38,581	-	38,581
Fund Balances:			
Unreserved:			
Designated for capital projects	220,319	203,875	424,194
Total fund balances	220,319	203,875	424,194
Total liabilities and fund balances	\$ 258,900	\$ 203,875	\$ 462,775

City of Dublin

Alameda County Transportation Improvement Authority - Measure B Funds

Combined Statement of Revenues, Expenditures and Changes in Fund Balances

For the year ended June 30, 2006

	Special Revenue Fund		
	Measure B Local Streets	Measure B Bike and Pedestrian	Total
REVENUES:			
Taxes other than property	\$ 337,716	\$ 105,480	\$ 443,196
Use of money and property	10,743	3,996	14,739
Total revenues	348,459	109,476	457,935
EXPENDITURES:			
Capital outlay:			
Streets, bike and pedestrian projects	635,959	18,425	654,384
Total operating expenditures	635,959	18,425	654,384
REVENUES OVER (UNDER) EXPENDITURES	(287,500)	91,051	(196,449)
FUND BALANCES:			
Beginning of year	507,819	112,824	620,643
End of year	\$ 220,319	\$ 203,875	\$ 424,194

City of Dublin

Alameda County Transportation Improvement Authority – Measure B Funds

Notes to Financial Statements

For the year ended June 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - All transactions of the Alameda County Transportation Improvement Authority – Measure B Funds (Measure B Funds) of the City of Dublin, California (City), are included as separate special revenue funds in the basic financial statements of the City. Measure B Funds are used to account for the City's share of revenues earned and expenditures incurred under the City's streets and roads, and bike and pedestrian programs. The accompanying financial statements are for Measure B Funds only and are not intended to fairly present the financial position of the City and the results of its operations and cash flows of its proprietary fund type.

Basis of Accounting - The accompanying financial statements are prepared on the modified accrual basis of accounting. Revenues are generally recorded when measurable and available, and expenditures are recorded when the related liabilities are incurred.

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, wherein only current assets and current liabilities generally are included on the balance sheets. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Description of Funds - The accounts are maintained on the basis of fund accounting. A fund is a separate accounting entity with a self-balancing set of accounts.

The following fund type is used:

Special Revenue Fund - To account for the proceeds of specific revenues that are legally restricted to be expended for specified purposes.

2. CASH AND INVESTMENTS

Cash and investments are maintained on a pooled basis with those of other funds of the City. Pooled cash and investments consist of U.S. government securities, deposits with banks, mutual funds and participation in the California Local Agency Investment Fund. All investments are stated at fair value. Pooled investment earnings are allocated monthly based on the average monthly cash and investment balances of the various funds and related entities of the City.

See the City's Comprehensive Annual Financial Report for disclosures related to cash and investments and the related custodial risk categorization. This may be obtained from the City of Dublin, 100 Civic Plaza, Dublin, California 94568.

City of Dublin

Alameda County Transportation Improvement Authority - Measure B Funds

Notes to Financial Statements, Continued

For the year ended June 30, 2006

3. MEASURE B FUNDS

Under Measure B, approved by the voters of Alameda County in 1986 (Old Measure B) and in 2000, ACTIA Measure B, the City receives a portion of the proceeds of an additional one-half cent sales tax to be used for transportation-related expenditures. This measure was adopted with the intention that the funds generated by the additional sales tax will not fund expenditures previously paid for by property taxes but, rather, would be used for additional projects and programs.

Projects funded by Measure B were as follows:

Street Resurfacing Projects – To place overlays on various streets throughout the City.

Bicycle and Pedestrian Safety – To fund various bicycle and pedestrian safety projects throughout the City.

From a pool of funds held by the County, 22.33 percent of the pool is allocated among the cities in the County, based on the cities' populations and the number of roads within their city limits for other transportation-related projects. Funds allocated for streets and roads; bike lanes and pedestrian lanes are recorded as a special revenue fund.



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO MEASURE B
FUNDS AND INTERNAL CONTROL OVER COMPLIANCE**

To the Honorable Mayor and Members of City Council
of the City of Dublin
Dublin, California

Compliance

We have audited the basic financial statements of the City of Dublin, California (City), as of and for the year ended June 30, 2006, and have issued our report thereon dated October 6, 2006.

We conducted our audit in accordance with generally accepted auditing standards in the United States and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations, contracts and grants applicable to the City is the responsibility of City management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of City compliance with Measure B grant regulations as specified in the agreement between the City and Alameda County Transportation Improvement Authority pertaining to the street resurfacing and bicycle and pedestrian safety projects which incurred project expenditures of \$654,384 for the year ended June 30, 2006.

Under Measure B, approved by the voters of Alameda County in 2000, the City has received under ACTIA Measure B a total of 12 months of revenue from July 2005 through June 2006. The Local Street and Roads program has received \$337,716, the Bike and Pedestrian program has received \$105,480. This financial statement reflects twelve months of revenue for the Local Streets and Roads and the Bike and Pedestrian programs.

In our opinion the City of Dublin is materially in compliance with the laws and regulations, contracts and grant requirements related to Measure B 2000 funds as specified in the agreement between the City and Alameda County Transportation Improvement Authority. Our opinion is covering the period from July 2005 through June 30, 2006.

This report is intended for the information of the City Council, management, and the Alameda County Transportation Improvement Authority. However, this report is a matter of public record and its distribution is not limited.

Caporicci & Larson

Oakland, California
October 6, 2006

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