

**SANTA BARBARA COUNTY
LOCAL TRANSPORTATION AUTHORITY**

**SCHEDULE OF ORDINANCE NUMBER ONE
CHANGES IN FUND BALANCES**

June 30, 2013 and 2012

SANTA BARBARA COUNTY
LOCAL TRANSPORTATION AUTHORITY
Schedule of Ordinance Number One
Changes in Fund Balances
TABLE OF CONTENTS
June 30, 2013 and 2012

Independent Accountant's Compilation Report.....	1
Selected Information	2
Schedule of Ordinance Number One Changes in Fund Balances For the Fiscal Year Ended June 30, 2013.....	3
Schedule of Ordinance Number One Changes in Fund Balances For the Fiscal Year Ended June 30, 2012.....	4



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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Santa Barbara County Local Transportation Authority

We have compiled the accompanying Schedule of Ordinance Number One Changes in Fund Balances Schedule (Schedule) for the entities receiving allocations under Ordinance Number One of the Santa Barbara County Local Transportation Authority for the fiscal years ended June 30, 2013 and June 30, 2012. We have not audited or reviewed the accompanying Schedule and, accordingly, do not express an opinion or provide any assurance about whether the Schedule is in accordance with accounting principles generally accepted in the United States of America.

The management of the County and each City included is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the Schedule.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of the Schedule without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Schedule.

The accompanying Schedules were prepared to present the changes in fund balance of the entities receiving allocations under Ordinance Number One of the Santa Barbara County Local Transportation Authority, and are not intended to be a complete presentation of the entities' changes in assets and liabilities.

This report is intended solely for the information and use of the Santa Barbara County Local Transportation Authority and should not be used for any other purpose.

Moss, Levy & Hartzheim LLP

Santa Maria, California
March 6, 2014

**SELECTED INFORMATION
SCHEDULES OF ORDINANCE NUMBER ONE
CHANGES IN FUND BALANCES
SANTA BARBARA COUNTY LOCAL TRANSPORTATION AUTHORITY**

1. Basis of Accounting

The schedules have been prepared utilizing the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

In applying the “susceptible to accrual” concept to intergovernmental revenues pursuant to GASB Statement No. 33, the recipient entities recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, are reported as deferred revenue by the recipient entities.

Santa Barbara County Local Transportation Authority
 Schedule of Ordinance Number One Changes in Fund Balances
 For the Year Fiscal Ended June 30, 2013

	<u>Buellton</u>	<u>Carpinteria</u>	<u>Goleta</u>	<u>Guadalupe</u>	<u>Lompoc</u>	<u>Santa Barbara</u>	<u>Santa Maria</u>	<u>Solvang</u>	<u>County of Santa Barbara</u>	<u>Total</u>
Fund balances - beginning of fiscal year	\$ 55,881	\$ 1,122,286	\$ -	\$ 243,181	\$ 1,283,323	\$ 1,774,707	\$ 123,452	\$ 104	\$ -	\$ 4,602,934
Prior Period Adjustment					226,094					226,094
Fund balances - beginning of fiscal year restated	55,881	1,122,286		243,181	1,509,417	1,774,707	123,452	104		4,829,028
Interest earned		4,169			33	4,112	1,650			9,964
Total funds available	55,881	1,126,455		243,181	1,509,450	1,778,819	125,102	104		4,838,992
Expenditures	55,881	55,673		243,181	1,005,554	1,347,301	50,882	104		2,758,576
Fund balances - end of fiscal year	\$ -	\$ 1,070,782	\$ -	\$ -	\$ 503,896	\$ 431,518	\$ 74,220	\$ -	\$ -	\$ 2,080,416

Santa Barbara County Local Transportation Authority
Schedule of Ordinance Number One Changes in Fund Balances
For the Year Fiscal Ended June 30, 2012

	<u>Buellton</u>	<u>Carpinteria</u>	<u>Goleta</u>	<u>Guadalupe</u>	<u>Lompoc</u>	<u>Santa Barbara</u>	<u>Santa Maria</u>	<u>Solvang</u>	<u>County of Santa Barbara</u>	<u>Total</u>
Fund balances - beginning of fiscal year	\$ 259,226	\$ 1,454,967	\$ -	\$ 170,515	\$ 2,527,707	\$ 1,592,114	\$ 1,934,340	\$ 117,038	\$ 13,103,018	\$ 21,158,925
Prior Period Adjustment	(70,413)	(227,674)		179,017		1,303,486	(1,549,460)	836	(11,728,190)	(12,092,398)
Fund balances - beginning of fiscal year restated	188,813	1,227,293		349,532	2,527,707	2,895,600	384,880	117,874	1,374,828	9,066,527
Interest earned	177	17,172		367	109	42,722	4,681	360	2,094	67,682
Total funds available	188,990	1,244,465	-	349,899	2,527,816	2,938,322	389,561	118,234	1,376,922	9,134,209
Expenditures	133,109	122,179		106,718	1,244,493	1,163,615	266,109	118,130	1,376,922	4,531,275
Fund balances - end of fiscal year	\$ 55,881	\$ 1,122,286	\$ -	\$ 243,181	\$ 1,283,323	\$ 1,774,707	\$ 123,452	\$ 104	\$ -	\$ 4,602,934

**SANTA BARBARA COUNTY
LOCAL TRANSPORTATION AUTHORITY**

**Compliance with Ordinance Number Five
Maintenance of Effort**

June 30, 2014

SANTA BARBARA COUNTY
LOCAL TRANSPORTATION AUTHORITY
Compliance with Ordinance Number Five
TABLE OF CONTENTS
June 30, 2014

Independent Accountants' Report on Applying Agreed Upon Procedures..... 1

Schedule of Maintenance of Effort 3

Findings 12



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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED UPON PROCEDURES**

Santa Barbara County Local Transportation Authority

We have performed the procedures enumerated below, which were agreed to by the Santa Barbara County Local Transportation Authority, solely to assist it in evaluating management's assertion that the cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria, and Solvang and the County of Santa Barbara complied with Ordinance Number Five of the Santa Barbara County Local Transportation Authority including Maintenance of Effort requirement, during the fiscal year ended June 30, 2014. Management of each of the entities listed above is responsible for compliance with Ordinance Number Five of the Santa Barbara County Local Transportation Authority including the Maintenance of Effort requirement. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures Applied

1. Obtained the audited financial statements or draft financial statements of each of the entities for the fiscal year 2013-2014 and the annual Street Reports submitted to the State Controller per Sections 2151 through 2155 of the Streets and Highways Code.
2. Read the audited financial statements or draft financial statements and the annual Street Reports to determine total expenditures for street and road purposes for the fiscal year 2013-2014 for each jurisdiction.
3. Reconciled the expenditures and revenues per the Street Report charged to Ordinance Number Five to the general ledger and/or the audited financial statements or draft financial statements for each jurisdiction.
4. Obtained from the entity, or prepared based on data provided by the various entities (see number 5 below), a schedule classifying the total expenditures charged to Ordinance Number Five.
5. Made a determination based upon our review of the Street Reports, inquiries of governmental officials, and review of governing board resolutions as to whether total expenditures charged to Ordinance Number Five met the required maintenance of effort. We reviewed our findings with appropriate local governmental officials and with the Executive Director of Santa Barbara County Association of Governments.
6. Summarized our findings in the accompanying Schedule of Maintenance of Effort for the fiscal year ended June 30, 2014.
7. Selected several expenditures for each entity charged to Ordinance Number Five recorded on the entity's Street Report

and general ledger, and compared the expenditures to invoices or other supporting documentation. Determined that the expenditures were made for local street and road purposes. Compared the description of the work to the entity's five-year local program of projects and determined that the expenditures were made in accordance with the program of projects.

8. Reviewed governing board resolutions:
 - a. Certifying that the maintenance of effort requirement would be met.
 - b. Adopting the five-year program of projects.
9. Determined that each entity segregated monies received pursuant to Ordinance Number Five in a separate Transportation Improvement Fund and has a reasonable method of allocating interest to unspent funds. The entities that did not segregate funds in a separate Transportation Improvement fund, determined that accounting records were adequate to segregate Ordinance Number Five funds from other funds.
10. Obtained evidence that a public hearing was held to discuss the five-year program of projects.
11. Reviewed the allocation of funds received by the County of Santa Barbara on behalf of the Santa Barbara County Local Transportation Authority and determined that funds were allocated in accordance with Ordinance Number Five.
12. Determined that only 1% of Ordinance Number Five funds received during the fiscal year were spent for the Santa Barbara County Association of Governments' administrative salaries and benefits.
13. Determined that the Santa Barbara County Association of Governments had:
 - a. Approved each entity's five-year program of projects.
 - b. Approved the allocations made by the County Auditor-Controller.
 - c. Determined that each entity is receiving its fair share of federal and state highway funds per Article 4B of Ordinance Number Five.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on management's assertion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information of the Board of Directors and management of the Santa Barbara County Local Transportation Authority, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Kelly & Spangheim LLP

Santa Maria, California
May 28, 2015

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Buellton
For the Fiscal Year Ended June 30, 2014**

City of Buellton:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 473,016	\$ 1,271,821	\$ 843,642	\$ 816,766	\$ -	\$ 3,405,245
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	25,129	422,125	230,028	111,753		789,035
State Local Transportation Ordinance Number One Street Expenditures	71,372	75,475	101,748	60,295		308,890
Ordinance Number Five Street Expenditures		133,109	55,881			188,990
State and Federal Highway Aid Street Lighting	3,087	304,347	303,667	398,084		1,009,185
Other	158,698	49,852	48,247	35,518		98,099
		160,443	23,188			377,847
Total expenditures funded by non-discretionary revenues	<u>258,286</u>	<u>1,145,351</u>	<u>762,759</u>	<u>605,650</u>		<u>2,772,046</u>
Expenditures funded from discretionary revenues	<u>\$ 214,730</u>	<u>\$ 126,470</u>	<u>\$ 80,883</u>	<u>\$ 211,116</u>	<u>\$ -</u>	<u>\$ 633,199</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 104,433</u>	<u>\$ 104,433</u>	<u>\$ 114,845</u>	<u>\$ 118,198</u>		<u>\$ 441,909</u>
% Maintenance of Effort Requirement Met						143.29%

Section 27, Ordinance 5 : Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete five-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Carpinteria
For the Fiscal Year Ended June 30, 2014**

City of Carpinteria:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 1,606,840	\$ 1,029,880	\$ 2,098,256	\$ 2,419,162	\$ -	\$ 7,154,138
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	350,337	371,258	449,418	448,602		1,619,615
State Local Transportation Ordinance Number One Street Expenditures	3,429	191	95,857	544		100,021
Ordinance Number Five Street Expenditures	220,912	113,906	55,673	125,618		516,109
State and Federal Highway Aid Street Lighting	144,509	172,037	706,041	531,825		1,554,412
Other	168,893	247	83	178,381		347,604
	<u>592,576</u>	<u>52,782</u>	<u>341,252</u>	<u>752,554</u>		<u>1,739,164</u>
Total expenditures funded by non-discretionary revenues	<u>1,480,656</u>	<u>710,421</u>	<u>1,648,324</u>	<u>2,037,524</u>		<u>5,876,925</u>
Expenditures funded from discretionary revenues	<u>\$ 126,184</u>	<u>\$ 319,459</u>	<u>\$ 449,932</u>	<u>\$ 381,638</u>	<u>\$ -</u>	<u>\$ 1,277,213</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 91,329</u>	<u>\$ 91,329</u>	<u>\$ 100,435</u>	<u>\$ 103,368</u>		<u>\$ 386,461</u>
% Maintenance of Effort Requirement Met						330.49%

Section 27, Ordinance 5 : Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete five-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Goleta
For the Fiscal Year Ended June 30, 2014**

City of Goleta:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 4,406,439	\$ 3,878,988	\$ 8,663,827	\$ 7,912,823	\$ -	\$ 24,862,077
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	330,156	696,360	1,568,521	725,198		3,320,235
State Local Transportation Ordinance Number One Street Expenditures	510,454		3,261	38,956		42,217
Ordinance Number Five Street Expenditures		123,825	1,389,814	1,389,814		2,903,453
State and Federal Highway Aid Street Lighting	89,767	93,460	162,754	260,516		606,497
Other	2,341,975	2,259,472	4,184,589	4,507,443		13,293,479
Total expenditures funded by non-discretionary revenues	<u>3,272,352</u>	<u>3,173,117</u>	<u>7,308,939</u>	<u>6,921,927</u>		<u>20,676,335</u>
Expenditures funded from discretionary revenues	<u>\$ 1,134,087</u>	<u>\$ 705,871</u>	<u>\$ 1,354,888</u>	<u>\$ 990,896</u>	\$ -	<u>\$ 4,185,742</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 576,242</u>	<u>\$ 576,242</u>	<u>\$ 633,694</u>	<u>\$ 652,197</u>		<u>\$ 2,438,375</u>
% Maintenance of Effort Requirement Met						171.66%

Section 27, Ordinance 5 : Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete five-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Guadalupe
For the Fiscal Year Ended June 30, 2014**

City of Guadalupe:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 1,598,543	\$ 994,548	\$ 728,481	\$ 685,294	\$ -	\$ 4,006,866
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	207,018	229,315	274,716	213,898		924,947
State Local Transportation Ordinance Number One Street Expenditures	6,252	40,000	29,864	45,025		121,141
Ordinance Number Five Street Expenditures	489,533	398,974	176,181			1,064,688
State and Federal Highway Aid Street Lighting	310,137	291,042	247,720	394,889		1,243,788
Other	4,516					4,516
	<u>548,075</u>	<u>35,217</u>	<u>-</u>	<u>31,482</u>	<u>-</u>	<u>614,774</u>
Total expenditures funded by non-discretionary revenues	<u>1,565,531</u>	<u>994,548</u>	<u>728,481</u>	<u>685,294</u>	<u>-</u>	<u>3,973,854</u>
Expenditures funded from discretionary revenues	<u>\$ 33,012</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,012</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 24,807</u>	<u>\$ 24,807</u>	<u>\$ 27,280</u>	<u>\$ 28,077</u>		<u>\$ 104,971</u>
% Maintenance of Effort Requirement Met						31.45%

Section 27, Ordinance 5: Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete fi-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Lompoc
For the Fiscal Year Ended June 30, 2014**

City of Lompoc:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	<u>\$ 9,025,423</u>	<u>\$ 6,341,272</u>	<u>\$ 6,493,539</u>	<u>\$ 7,551,811</u>	<u>\$ -</u>	<u>\$ 29,412,045</u>
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	670,691	1,284,139	1,104,467	953,392		4,012,689
State Local Transportation	515,000	725,807	1,046,303	910,517		3,197,627
Ordinance Number One Street Expenditures	284,224	1,244,274	1,005,521	503,896		3,037,915
Ordinance Number Five Street Expenditures	1,729,354	585,243	576,125	2,058,873		4,949,595
State and Federal Highway Aid Street Lighting	784,401	37,849	91,000	372,490		1,285,740
Other	<u>3,265,112</u>	<u>753,825</u>	<u>921,454</u>	<u>864,015</u>		<u>5,804,406</u>
Total expenditures funded by non-discretionary revenues	<u>7,248,782</u>	<u>4,631,137</u>	<u>4,744,870</u>	<u>5,663,183</u>		<u>22,287,972</u>
Expenditures funded from discretionary revenues	<u>\$ 1,776,641</u>	<u>\$ 1,710,135</u>	<u>\$ 1,748,669</u>	<u>\$ 1,888,628</u>	<u>\$ -</u>	<u>\$ 7,124,073</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 1,307,463</u>	<u>\$ 1,307,463</u>	<u>\$ 1,437,817</u>	<u>\$ 1,479,802</u>		<u>\$ 5,532,545</u>
% Maintenance of Effort Requirement Met						128.77%

Section 27, Ordinance 5: Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete fi-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Santa Barbara
For the Fiscal Year Ended June 30, 2014**

City of Santa Barbara:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 23,729,319	\$ 19,901,157	\$ 22,821,762	\$ 20,530,051	\$ -	\$ 86,982,289
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	2,287,344	2,565,884	2,074,337	1,931,815		8,859,380
State Local Transportation Ordinance Number One Street Expenditures	19,945	61,834	213,372	430		295,581
Ordinance Number Five Street Expenditures	947,570	1,163,615	1,347,301	431,518		3,890,004
State and Federal Highway Aid Street Lighting	1,222,240	2,858,243	2,453,913	3,153,775		9,688,171
Other	1,453,371	160,163	338,339			1,951,873
	<u>11,500,201</u>	<u>6,471,778</u>	<u>8,473,337</u>	<u>2,199,133</u>		<u>28,644,449</u>
Total expenditures funded by non-discretionary revenues	<u>17,430,671</u>	<u>13,281,517</u>	<u>14,900,599</u>	<u>7,716,671</u>		<u>53,329,458</u>
Expenditures funded from discretionary revenues	<u>\$ 6,298,648</u>	<u>\$ 6,619,640</u>	<u>\$ 7,921,163</u>	<u>\$ 12,813,380</u>	<u>\$ -</u>	<u>\$ 33,652,831</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 6,301,238</u>	<u>\$ 6,301,238</u>	<u>\$ 6,929,472</u>	<u>\$ 7,131,812</u>		<u>\$ 26,663,760</u>
% Maintenance of Effort Requirement Met						126.21%

Section 27, Ordinance 5: Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete fi-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Santa Maria
For the Fiscal Year Ended June 30, 2014**

City of Santa Maria:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 13,071,730	\$ 13,050,317	\$ 14,484,588	\$ 17,301,876	\$ -	\$ 57,908,511
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	1,342,305	2,465,084	2,094,668	3,076,687		8,978,744
State Local Transportation Ordinance Number One Street Expenditures	27,518	39,694	77,452	54,492		199,156
Ordinance Number Five Street Expenditures	39,134	266,109	50,882	75,099		431,224
State and Federal Highway Aid Street Lighting	3,352,485	3,297,879	2,259,220	4,945,780		13,855,364
Other	702,847	191,441	877,921	482,947		2,255,156
	<u>3,796,062</u>	<u>2,060,346</u>	<u>4,081,613</u>	<u>3,610,246</u>		<u>13,548,267</u>
Total expenditures funded by non-discretionary revenues	<u>9,260,351</u>	<u>8,320,553</u>	<u>9,441,756</u>	<u>12,245,251</u>		<u>39,267,911</u>
Expenditures funded from discretionary revenues	<u>\$ 3,811,379</u>	<u>\$ 4,729,764</u>	<u>\$ 5,042,832</u>	<u>\$ 5,056,625</u>	<u>\$ -</u>	<u>\$ 18,640,600</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 2,247,721</u>	<u>\$ 2,247,721</u>	<u>\$ 2,471,819</u>	<u>\$ 2,543,996</u>		<u>\$ 9,511,257</u>
% Maintenance of Effort Requirement Met						195.98%

Section 27, Ordinance 5: Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete five-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - Solvang
For the Fiscal Year Ended June 30, 2014**

City of Solvang:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 1,286,466	\$ 1,235,618	\$ 1,431,229	\$ 1,025,651	\$ -	\$ 4,978,964
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	136,757	157,740	112,872	153,232		560,601
State Local Transportation Ordinance Number One Street Expenditures	287,727	118,130	23,778	24,225		48,003
State and Federal Highway Aid Street Lighting	299,829	205,290	104	374,662		405,961
Other	45,229	44,243	428,594	374,662		1,308,375
	<u>320,439</u>	<u>339,145</u>	<u>345,986</u>	<u>116,277</u>		<u>1,121,847</u>
Total expenditures funded by non-discretionary revenues	<u>1,089,981</u>	<u>864,548</u>	<u>950,767</u>	<u>668,396</u>		<u>3,573,692</u>
Expenditures funded from discretionary revenues	<u>\$ 196,485</u>	<u>\$ 371,070</u>	<u>\$ 480,462</u>	<u>\$ 357,255</u>	<u>\$ -</u>	<u>\$ 1,405,272</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 276,021</u>	<u>\$ 276,021</u>	<u>\$ 303,540</u>	<u>\$ 312,403</u>		<u>\$ 1,167,985</u>
% Maintenance of Effort Requirement Met						120.32%

Section 27, Ordinance 5: Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete five-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

Santa Barbara County Local Transportation Authority
Schedule of Maintenance of Effort - County of Santa Barbara
For the Fiscal Year Ended June 30, 2014

County of Santa Barbara:

	<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>Total</u>
Total expenditures per the Street Report	\$ 31,554,652	\$ 33,890,047	\$ 30,328,172	\$ 34,006,694	\$ -	\$ 129,779,565
Less expenditures funded by non-discretionary revenues:						
State Gas Tax	10,018,849	11,386,726	9,242,129	12,669,683		43,317,387
State Local Transportation Ordinance Number One Street Expenditures	237,666	354,153	238,525	592,027		1,422,371
Ordinance Number Five Street Expenditures	1,021,746	1,376,922				2,398,668
State and Federal Highway Aid Street Lighting	3,996,731	5,286,270	3,525,157	7,398,854		20,207,012
Other	<u>14,394,258</u>	<u>13,854,758</u>	<u>14,141,143</u>	<u>8,219,930</u>		<u>50,610,089</u>
Total expenditures funded by non-discretionary revenues	<u>29,669,250</u>	<u>32,258,829</u>	<u>27,146,954</u>	<u>28,880,494</u>		<u>117,955,527</u>
Expenditures funded from discretionary revenues	<u>\$ 1,885,402</u>	<u>\$ 1,631,218</u>	<u>\$ 3,181,218</u>	<u>\$ 5,126,200</u>	<u>\$ -</u>	<u>\$ 11,824,038</u>
Required level of maintenance of effort per Ord. 5, Sect. 27:	<u>\$ 1,189,218</u>	<u>\$ 1,189,218</u>	<u>\$ 1,307,783</u>	<u>\$ 1,345,970</u>		<u>\$ 5,032,189</u>
% Maintenance of Effort Requirement Met						234.97%

Section 27, Ordinance 5 : Each local agency receiving revenues pursuant to the Investment Plan shall annually maintain an expenditure of local discretionary funds for streets and road purposes which is no less than that reported in the State Controller's Annual Report of Financial Transactions for Streets and Roads for the Fiscal Year 2007-08 reduced by 17.61% for FY 2010-11 and thereafter adjusted annually by the percentage change in the amount of retail transaction and use tax receipts collected through the imposition of the measure. The maintenance of effort requirement will be calculated for each agency by totaling the annual minimum expenditure requirements, as adjusted, over discrete five-year periods. Local transportation agencies must meet the maintenance of effort requirement by the end of the fifth fiscal year and the end of every fifth fiscal year thereafter.

**Santa Barbara County Local Transportation Authority
Compliance with Ordinance Number Five
Findings
For the Fiscal Year Ended June 30, 2014**

Finding 2014-1

Finding: Cities and County compliance with Maintenance of Effort requirements.

Result: Compliance procedures cannot be completed until the end of the stipulated period (five years). Each entity has five years to reach the minimum requirements for the Maintenance of Effort.