
COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2007

JUN 25 2008

Colusa Co. Dept. of Public Works
Road Commissioner
Engineer/Surveyor

SMITH AND NEWELL
CERTIFIED PUBLIC ACCOUNTANTS
1425 BUTTE HOUSE ROAD, SUITE B
YUBA CITY, CALIFORNIA 95993

**COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2007**

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INTRODUCTORY SECTION

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- List of Officials

**COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
BOARD OF COMMISSIONERS
FOR THE YEAR ENDED JUNE 30, 2007**

Dan Yerxa	County of Colusa
Tom Reische	City of Colusa
Gary Evans	County of Colusa
Tom Indrieri	County of Colusa
Kay Hosmer	City of Colusa
Jim Manning	City of Williams

FINANCIAL SECTION

-
- Independent Auditor's Report
 - Basic Financial Statements
 - Required Supplementary Information

INDEPENDENT AUDITOR'S REPORT

Colusa County Transportation Commission
County of Colusa
Colusa, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Colusa County Local Transportation Commission, California (Commission), as of and for the year ended June 30, 2007, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's and Commission's management. Our responsibility is to express opinions 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 and the 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. 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 the 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Commission as of June 30, 2007, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated February 13, 2008, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The accompanying Required Supplementary Information, such as the Budgetary Comparison Schedules as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Commission has not presented a Management Discussion and Analysis report that the Governmental Accounting Standards Board has determined is required supplementary information, although not required to be part of the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The Schedules of Allocations and Expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Smith & Newell CPA's
Yuba City, California
February 13, 2008

BASIC FINANCIAL STATEMENTS

Government Wide Financial Statements

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
STATEMENT OF NET ASSETS
JUNE 30, 2007

	Governmental Activities	Total
<u>ASSETS</u>		
Cash and investments	\$ 940,535	\$ 940,535
Accounts receivable	191,741	191,741
Interest receivable	9,146	9,146
Capital assets:		
Depreciable, net	28,449	28,449
Total Assets	<u>1,169,871</u>	<u>1,169,871</u>
<u>LIABILITIES</u>		
Accounts payable	-	-
Total Liabilities	<u>-</u>	<u>-</u>
<u>NET ASSETS</u>		
Invested in capital assets	28,449	28,449
Unrestricted	1,141,422	1,141,422
Total Net Assets	<u>\$ 1,169,871</u>	<u>\$ 1,169,871</u>

The notes to the financial statements are an integral part of this statement.

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental activities:						
Transportation	\$ 962,211	\$ -	\$ 330,992	\$ -	\$ (631,219)	\$ (631,219)
Total Governmental Activities	962,211	-	330,992	-	(631,219)	(631,219)
Total Primary Government	<u>\$ 962,211</u>	<u>\$ -</u>	<u>\$ 330,992</u>	<u>\$ -</u>	<u>(631,219)</u>	<u>(631,219)</u>
General revenues:						
Sales and use taxes					926,493	926,493
Interest and investment earnings					31,517	31,517
Total General Revenues					958,010	958,010
Change in Net Assets					326,791	326,791
Net Assets - Beginning					843,080	843,080
Net Assets - Ending					\$ 1,169,871	\$ 1,169,871

The notes to the financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS
Fund Financial Statements

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2007

	Local Transportation Planning	Local Transportation	State Transit Assistance	Total
<u>ASSETS</u>				
Cash and investments	\$ 91,691	\$ 716,960	\$ 131,884	\$ 940,535
Accounts receivable	-	59,100	-	59,100
Interest receivable	1,707	6,219	1,220	9,146
Total Assets	\$ 93,398	\$ 782,279	\$ 133,104	\$ 1,008,781
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
<u>FUND BALANCES</u>				
Unreserved, reported in:				
Special revenue				
Undesignated	93,398	782,279	133,104	1,008,781
Total Fund Balances	93,398	782,279	133,104	1,008,781
Total Liabilities and Fund Balances	\$ 93,398	\$ 782,279	\$ 133,104	\$ 1,008,781

The notes to the financial statements are an integral part of this statement.

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO THE
GOVERNMENT-WIDE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
JUNE 30, 2007

Total Governmental Fund Balances	\$ 1,008,781
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	28,449
Under the modified accrual basis of accounting used in governmental funds, revenues are not recognized for transactions that do not represent available financial resources. In the statement of activities, however, revenues and assets are reported regardless of when financial resources are available.	
Accounts receivable	<u>132,641</u>
Net Assets of Governmental Activities	<u><u>\$ 1,169,871</u></u>

The notes to the financial statements are an integral part of this statement.

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Local Transportation Planning	Local Transportation	State Transit Assistance	Total
<u>REVENUES</u>				
Taxes	\$ -	\$ 784,543	\$ 141,950	\$ 926,493
Aid from other government agencies:				
Rural planning assistance	94,036	-	-	94,036
SAFETEA-LU	56,188	-	-	56,188
STIP PPM	83,000	-	-	83,000
Use of money	5,640	23,949	1,928	31,517
Total Revenues	238,864	808,492	143,878	1,191,234
<u>EXPENDITURES</u>				
Overall Work Program:				
General administration (1.01)	24,799	-	-	24,799
Transportation planning (2.01)	8,076	-	-	8,076
Transportation studies (3.01)	49,477	-	-	49,477
Coordination and communication (4.01)	4,332	-	-	4,332
Technical capacity (6.01)	56,903	-	-	56,903
STIP PPM expenses	24,555	-	-	24,555
Road maintenance	87,798	219,750	-	307,548
Allocations:				
Regional transit	-	437,473	40,000	477,473
Planning and administration	-	4,534	-	4,534
Total Expenditures	255,940	661,757	40,000	957,697
Net Change in Fund Balances	(17,076)	146,735	103,878	233,537
Fund Balances - Beginning	110,474	635,544	29,226	775,244
Fund Balances - Ending	\$ 93,398	\$ 782,279	\$ 133,104	\$ 1,008,781

The notes to the financial statements are an integral part of this statement.

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

Net Change in Fund Balances - Total Governmental Funds	\$ 233,537
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$4,514) exceeded capital outlay (\$0) in the current period.	(4,514)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	
Change in accounts receivable	132,641
Change in prior year accounts receivable	<u>(34,873)</u>
Change in Net Assets of Governmental Activities	<u>\$ 326,791</u>

The notes to the financial statements are an integral part of this statement.

BASIC FINANCIAL STATEMENTS

Notes to Basic Financial Statements

COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Colusa County Local Transportation Commission (the Commission), was created by the Transportation Development Act (SB325) represented by Chapter 1400, Statutes of 1971, effective July 1, 1973. This Act was developed by the Legislature of the State of California and provides funding for public transportation expenditures. The primary source of this funding is from a 1/4 cent State Sales tax.

The Commission receives monies and allocates these monies for the planning, management, and operation of public transportation systems within the County of Colusa. The Commission also has the authority to allocate monies for other transportation related activities including street and road projects.

The Colusa County Transportation Commission is governed by a Board of Commissioners consisting of four representatives from the County of Colusa, one representative from the City of Colusa and one representative from the City of Williams.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a government entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading or incomplete. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing board.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that the Commission is an independent entity from the County of Colusa and has also determined that there are no component units of the Commission.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the primary government. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the Commission. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Commission or meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Commission reports the following major governmental funds:

- The Local Transportation fund is a special revenue fund used to account for local transportation activities.
- The State Transit Assistance fund is a special revenue fund used to account for the receipt and expenditure of State Transit Assistance funds.
- The Local Transportation Planning fund is a special revenue fund used to account for monies expended in relation to the overall work program.

C. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within thirty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

D. Cash and Investments

The Commission pools its cash and investments with the County of Colusa. The Colusa County Treasury is an external investment pool for the Commission and the Commission is considered an involuntary participant. State statutes authorize the Commission and County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund.

**COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

**NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

D. Cash and Investments (Continued)

Participant's equity in the investment pool is determined by the dollar amount of participants deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on the amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants every quarter based on the participant's average daily cash balance at quarter end in relation to the total pool investments. This method differs from the fair value method used to value investments in these financial statements. In these financial statements, the fair value of the Commissions's investments in the pool was based on unaudited quoted market values as provided by the County Treasurer. The pool has not provided or obtained any legally binding guarantees during the period to support the value of investments.

The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value.

E. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include taxes, grants, and interest.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as taxes, grants, interest, and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 30 days since they would be considered both measurable and available.

F. Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, property, plant, and equipment are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	3-25 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

**NOTE 1: FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

G. Net Assets/Fund Balance

Government-Wide Statements

Equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted net assets are available, unrestricted resources are depleted first before the restricted resources are used.

Fund Financial Statements

In the fund financial statements, reserves and designations segregate portions of fund balance. Reservations of fund balance are for amounts that are not available or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance are established by action of management and represent tentative plans that are subject to change. The Commission had no reserves or designations at June 30, 2007.

H. Revenue

In the government-wide financial statements, revenues are classified by program and general sources.

In the fund financial statements revenues are classified by source.

I. Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function.

In the fund financial statements, expenditures are classified as follows:

Government Funds – By Character
 Current (further classified by function)
 Debt Service
 Capital Outlay

J. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

NOTE 2: DETAILED NOTES

A. Cash and Investments

At June 30, 2007, the Commission's cash and investments consisted of the following:

Investments:	
In Colusa County Treasurer's pool	\$ 940,535
Total Cash and Investments	<u>\$ 940,535</u>

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. All investments of the Commission are invested in accordance with the investment policies of the County of Colusa. The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law and County investment pool policy limit investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law also limits investments in corporate bonds to the rating of A by both Standards & Poor's and Moody's Investors Service. The Commission has no investment policy that would further limit its investment choices.

Concentration of Credit Risk - When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The Commission has invested all cash in the County investment pool. Given an investment pool's natural diversification, GASB 40 exempts the investment in the Colusa County Treasurer's pool from concentration of credit risk disclosures.

B. Capital Assets

Capital assets activity for the year ended June 30, 2007, was as follows:

	<u>Balance July 1, 2006</u>	<u>Additions/ Adjustments</u>	<u>Retirements/ Adjustments</u>	<u>Balance June 30, 2007</u>
Governmental Activities				
Capital Assets, Being Depreciated:				
Equipment	\$ 50,750	\$ -	\$ -	\$ 50,750
Total Capital Assets, Being Depreciated	<u>50,750</u>	<u>-</u>	<u>-</u>	<u>50,750</u>
Less Accumulated Depreciation for:				
Equipment	(17,787)	(4,514)	-	(22,301)
Total Accumulated Depreciation	<u>(17,787)</u>	<u>(4,514)</u>	<u>-</u>	<u>(22,301)</u>
Total Capital Assets, Being Depreciated, Net	<u>32,963</u>	<u>(4,514)</u>	<u>-</u>	<u>28,449</u>
Governmental Activities Capital Assets, Net	<u>\$ 32,963</u>	<u>(\$ 4,514)</u>	<u>\$ -</u>	<u>\$ 28,449</u>

Depreciation

Depreciation expense was charged to governmental activities as follows:

Transportation	\$ 4,514
Total Depreciation Expense - Governmental Activities	<u>\$ 4,514</u>

NOTE 3: RELATED PARTY TRANSACTIONS

The Commission has an agreement with the County of Colusa to manage its operations. The County also provides engineering and construction services to the Commission upon request.

**COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

NOTE 4: RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission is covered under the County of Colusa's risk management programs.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
 BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 LOCAL TRANSPORTATION PLANNING - MAJOR SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Fund Balance - Beginning	\$ 110,474	\$ 110,474	110,474	\$ -
<u>REVENUES</u>				
Aid from other government agencies:				
Rural planning assistance	95,000	147,000	94,036	(52,964)
SAFETEA-LU	-	-	56,188	56,188
STIP PPM	-	83,000	83,000	-
Use of money	-	-	5,640	5,640
Total Revenues and Fund Balance Available	205,474	340,474	349,338	8,864
<u>EXPENDITURES</u>				
Overall Work Program	95,000	147,000	143,587	3,413
STIP PPM expenses	76,888	83,000	24,555	58,445
Road maintenance	50,245	103,414	87,798	15,616
Total Expenditures	222,133	333,414	255,940	77,474
Net Change in Fund Balance	(16,659)	7,060	93,398	86,338
Fund Balance - Ending	\$ (16,659)	\$ 7,060	\$ 93,398	\$ 86,338

See accompanying note to the required supplementary information.

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
LOCAL TRANSPORTATION - MAJOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Fund Balance - Beginning	\$ 619,871	\$ 635,544	\$ 635,544	\$ -
<u>REVENUES</u>				
Taxes	650,000	650,000	784,543	134,543
Use of money	-	-	23,949	23,949
Total Revenues and Fund Balance Available	1,269,871	1,285,544	1,444,036	158,492
<u>EXPENDITURES</u>				
Allocations:				
Regional transit	793,119	793,103	437,473	355,630
Road maintenance	469,871	485,544	219,750	265,794
Planning and administration	6,897	6,897	4,534	2,363
Total Expenditures	1,269,887	1,285,544	661,757	623,787
Net Change in Fund Balance	(16)	-	782,279	782,279
Fund Balance - Ending	\$ (16)	\$ -	\$ 782,279	\$ 782,279

See accompanying note to the required supplementary information.

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
 BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 STATE TRANSIT ASSISTANCE - MAJOR SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2007

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Fund Balance - Beginning	\$ 29,226	\$ 29,226	\$ 29,226	\$ -
<u>REVENUES</u>				
Taxes	80,203	141,950	141,950	-
Use of money	-	2,393	1,928	(465)
Total Revenues	109,429	173,569	173,104	(465)
<u>EXPENDITURES</u>				
Allocations:				
Regional transit	80,203	173,568	40,000	133,568
Total Expenditures	80,203	173,568	40,000	133,568
Net Change in Fund Balance	29,226	1	133,104	133,103
Fund Balance - Ending	\$ 29,226	\$ 1	\$ 133,104	\$ 133,103

See accompanying note to the required supplementary information.

**COLUSA COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2007**

BUDGETARY BASIS OF ACCOUNTING

The Commission follows these procedures annually in establishing the budgetary data reflected in the financial statements:

1. The Director of Public Works submits to the Board of Commissioners a proposed draft budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. The Board of Commissioners reviews the proposed budget at regularly scheduled meetings, which are open to the public.
3. Prior to July 1, the budget is adopted through Board order.
4. The Board of Commissioners may amend the budget by motion during the fiscal year.

Formal budgetary integration is employed as a management control device during the year. The Commission presents a comparison of annual budgets to actual results for all governmental funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

SUPPLEMENTARY INFORMATION

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
SCHEDULE OF ALLOCATIONS AND EXPENDITURES
LOCAL TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Allocations Outstanding June 30, 2006	Allocated	Expended	Rescinded	Allocations Outstanding June 30, 2007
Colusa County Transit Agency 99260 (a)	\$ -	\$ 437,473	\$ 437,473	\$ -	\$ -
Colusa County Local Transportation Commission 99233.1	-	4,534	4,534	-	-
County of Colusa 99234	-	187,820	219,750	-	(31,930)
City of Colusa 99233.9	-	97,666	-	-	97,666
City of Williams 99233.9	-	90,154	-	-	90,154
Contingency	<u>22,586</u>	<u>207,993</u>	<u>-</u>	<u>-</u>	<u>230,579</u>
	<u>\$ 22,586</u>	<u>\$ 1,025,640</u>	<u>\$ 661,757</u>	<u>\$ -</u>	<u>\$ 386,469</u>

COLUSA COUNTY LOCAL TRANSPORTATION COMMISSION
SCHEDULE OF ALLOCATIONS AND EXPENDITURES
STATE TRANSIT ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Allocations Outstanding June 30, 2006</u>	<u>Allocated</u>	<u>Expended</u>	<u>Rescinded</u>	<u>Allocations Outstanding June 30, 2007</u>
Colusa County Transit Agency 6731 (b)	\$ -	\$ 40,000	\$ 40,000	\$ -	\$ -
	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>