

**NORTH COUNTY CORRIDOR  
TRANSPORTATION EXPRESSWAY AUTHORITY**

**ITEM: 3a**

**SUBJECT:**

Annual Financial Audit

**STAFF RECOMMENDATIONS:**

Accept the North County Corridor Fiscal Year 2011-2012 Financial Audit

**FISCAL IMPACT:**

The cost of the audit was \$4,800 and was included in the North County Corridor's Fiscal Year 2011-2012 budget.

**DISCUSSION:**

Section 17 of the Joint Exercise of Powers Agreement for the Route Adoption of the North County Corridor Transportation Expressway requires an independent audit of the accounts and records of the Authority. The firm of Brown Armstrong, Certified Public Accountants, conducted the 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.

The audit is performed to provide reasonable assurance about whether the financial statements are free of material misstatement. The audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In the opinion of Brown Armstrong, the financial statements present fairly, in all material respects, the respective financial position of the North County Corridor Transportation Expressway Authority as of June 30, 2011, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.