

**LIVERMORE/AMADOR VALLEY
TRANSIT AUTHORITY
MEASURE B 2000 FUNDS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2008**

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Members of the Board of Directors
Livermore/Amador Valley Transit Authority
Livermore, CA

We have examined the Livermore/Amador Valley Transit Authority's (Authority's) compliance with the requirements described in the Measure B Sales Tax for Mass Transit Funds agreement (Agreement) between the Authority and the Alameda County Transportation Improvement Authority (ACTIA) that are applicable to its Measure B Funds for the year ended June 30, 2008. Measure B sales taxes under the Agreement are included in the accompanying schedule of resources and expenditures of Measure B Funds. Compliance with the requirements of laws, regulations, contracts and grants applicable to its Measure B Funds is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance 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 noncompliance with the compliance requirements referred to above that could have a direct and material effect on Measure B Funds occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to its Measure B Funds for the year ended June 30, 2008 except as disclosed on the accompanying Schedule of Findings.

This report is intended for the information and use of the Authority Board, management, others within the Authority and operating agencies and the ACTIA and is not intended to be and should not be used by anyone other than these specified parties.

November 22, 2008



SCHEDULE OF CURRENT YEAR FINDINGS

Finding 08-01: Publication of Measure B funded Activities

Requirements of Measure B require that the Authority publish its Measure B funded activities in its own or ACTIA's newsletters. We were not provided evidence that this was completed during fiscal 2007-08.

Management Response:

Staff will work with ACTIA to ensure compliance in future periods.