ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

FINANCIAL REPORT
FEBRUARY 29, 2012

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Governing Board
Alameda County Congestion Management Agency
Oakland, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the nonmajor fund of the Alameda County Congestion Management Agency (the Agency) as of and for the eight months ended February 29, 2012, which collectively comprise the Agency's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Agency'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; 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 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 nonmajor fund of the Agency, as of February 29, 2012, and the respective changes in financial position for the eight months then ended in conformity with accounting principles generally accepted in the United States of America.

As explained in Note 1, the Alameda County Congestion Management Agency ceased operations on February 29, 2012 and has merged with the Alameda County Transportation Commission.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2012, on our consideration of the Agency'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 conjunction with this report in considering the results of our audit.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis and as required by U.S. Office of Management & Budget Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Vavrinek, Trine, Day & Co. LLP

Palo Alto, California
January 24, 2012

This section of the Alameda County Congestion Management Agency (the Agency) financial report presents a discussion and analysis of the Agency's financial performance for the period July 1, 2011 through February 29, 2012, the official termination date. Please read it in conjunction with the basic financial statements and related notes to those statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Financial Highlights

Financial highlights for the eight months ended February 29, 2012, include the following:

- Total net assets were $17.5 million, an increase of $7.5 million or 75.8% over the prior fiscal year. This increase is due to collections beginning on the new Measure F Vehicle Registration Fee (VRF), passed by the voters in November 2010.
- Total revenues decreased by 33.4% from $44.1 million for fiscal year 2010-11 to $29.4 million for the period July 1, 2011 through February 29, 2012. Similarly, the Agency's expenditures decreased by 49.7% from $43.5 million in fiscal year 2010-11 to $21.8 million for the period July 1, 2011 through February 29, 2012. These decreases can be attributed to the shortened reporting period for the period July 1, 2011 through February 29, 2012, the official termination date of the Agency.
- Cash and investments (restricted and unrestricted) totaled $30.7 million, an increase of $6.7 million or 27.7% over the prior fiscal year. This increase also is due to collections beginning on the new Measure F VRF.
- The General Fund reported a net decrease in fund balance at February 29, 2012 of $34 thousand or 13.6% from the fund balance at June 30, 2011.

Overview of the Financial Statements

As required by the Governmental Accounting Standards Board, the Agency's principal financial statements include the following:

- A Statement of Net Assets (presenting Government-wide assets and liabilities)
- A Statement of Activities (presenting Government-wide revenues and expenses)
- A Balance Sheet (presenting assets and liabilities for the General Fund, Capital Projects Fund, Exchange Fund and the Special Revenue Funds, which include the Vehicle Registration Fee (VRF) Fund and the Transportation for Clean Air (TFCA) Fund.)
- A Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds (presenting revenues and expenditures by fund)
- A Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the General Fund (presenting budget versus actual revenues and expenditures)
- A Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the Vehicle Registration Fee Special Revenue Fund (presenting budget versus actual revenues and expenditures)

The Statement of Net Assets and the Statement of Activities, together, make up the *government-wide financial statements*. The Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balances constitute the *fund financial statements*.

The *government-wide financial statements* report information using the economic resources measurement focus and the accrual basis of accounting. The *Statement of Net Assets* includes total assets and total liabilities with the difference between them reported as net assets. Over time, increases or decreases in net assets can indicate whether the financial health is improving or deteriorating. Total revenues, total expenditures, and changes in net assets are accounted for in the S*tatement of Activities,* regardless of the timing of related cash flows.

The *fund financial statements* provide more detailed information by fund. A fund is a set of accounts used to control resources segregated for specific activities or purposes. The Agency has established funds to ensure resources are utilized for the purposes intended. Funds classified as major are required to be reported individually on the financial statements and funds classified as nonmajor can be grouped and reported in a single column. The Agency has only one fund which is not considered major, the TFCA Fund, therefore it also is presented separately on the fund financial statements.

The Agency has five funds: the General Fund, Capital Projects Fund, Exchange Fund, and two Special Revenue Funds, including the VRF Fund and the TFCA Fund.

General Fund – The Agency uses the General Fund as its chief operating fund. This fund is used for administering and preparing the Congestion Management Plan and for programming federal, state, and local funds to implement the Congestion Management Plan. Historically this fund was also used to implement projects in the Congestion Management Plan which were sponsored by the Agency; however, effective July 1, 2010, the Agency established the Capital Projects Fund for this purpose. The fund balance in the General Fund decreased by $34 thousand leaving an ending fund balance of $0.2 million at February 29, 2012.

Capital Projects Fund – This fund is used to account for capital projects designed to implement the Congestion Management Plan for Alameda County. The amount of capital project revenues and expenditures for the period July 1, 2011 through February 29, 2012 were $16.9 million and $16.4 million, respectively, with the difference transferred to the General Fund to help cover administration costs.

Exchange Fund – Under the Exchange Program, the Agency entered into agreements with several local agencies to exchange state or federal funds with local funding from other governments for various transportation projects. This program is used to expedite projects by giving project sponsors the flexibility of using local funds rather than more restrictive state or federal funds. The Agency programs federal or state funds to "exchange" projects, which are able to use these funds, and in return receives local funds into the Exchange Fund from the "exchange" projects sponsors. These local funds can be used for projects that either do not have the ability to make use of state or federal funds or projects that would face unacceptable delays if state or federal funds were used.

The Agency has entered into the following exchange agreements through February 29, 2012:

Alameda County Transportation Improvement Authority	$ 2,300,000
Alameda-Contra Costa Transit	35,060,514
Bay Area Rapid Transit	8,100,000
City of Berkeley	259,560
City of Dublin	4,230,000
City of Fremont	5,983,256
City of Livermore	4,580,000
City of Union City	9,314,000
Metropolitan Transportation Commission	675,000
San Joaquin Regional Rail Commission	432,445
Santa Clara Valley Transportation Authority	558,000
Total Exchanged Funds	$ 71,492,775

These exchanges were recognized as deferred revenue in the government-wide financial statements at the time the Agency entered into exchange agreements, and are being recognized as revenue when qualifying expenses are incurred. $63.8 million of these exchanged funds have been collected and $59.1 million has been expended as of February 29, 2012.

Special Revenue Funds – The Agency has two Special Revenue Funds, the VRF Fund and the TFCA Fund. Both are related to fees imposed on vehicle registrations in Alameda County for which the Agency is required to administer funds. These two Special Revenue Funds have been established to administer and account for these funds separately from other funding sources of the Agency to ensure that they are spent on the specific purpose intended.

The VRF funds are required to be used to implement transportation related programs and projects. 60% of net VRF collections are designated for local road improvements and repairs and will be allocated to the cities and County of Alameda automatically on a pass through basis by planning area based on a formula which was approved by the voters of Alameda County in Measure F on the November 2010 ballot. The remaining 40% designated for transit for congestion relief programs, local transportation technology programs, pedestrian, bicyclist access, and safety programs will be distributed on a discretionary basis by planning area. Subsequent to February 29, 2012, Master Program Funding Agreements were executed with the cities and County of Alameda to govern the flow of VRF funds. Pass through funding for local road improvements and repairs began flowing to the cities and County of Alameda in June 2012.

The TFCA funds are required to be used to implement projects aimed at reducing air pollution through the reduction of motor vehicles emissions. During the period July 1, 2011 through February 29, 2012, the Agency provided funding to various sponsors including, but not limited to, Livermore Amador Valley Transit Authority for BRT Route 10 and Routes 53 and 54 shuttles to ACE, California State University East Bay for a second campus shuttle to Bay Area Rapid Transit and a pilot Transportation Demand Management Program, City of Oakland for the Free Broadway shuttle and the Cities of Alameda and Hayward for signal timing improvements.

Government-wide Financial Analysis

Net Assets

As of February 29, 2012, total assets were $61.9 million, an increase of $2.9 million or 4.9% over June 30, 2011 with cash and investments accounting for $30.7 million or 49.5% of this amount.

Total liabilities were $44.4 million as of February 29, 2012, a decrease of $4.6 million, or 9.4% from June 30, 2011. Similarly, accounts receivable were $31.1 million as of February 29, 2012, a decrease of $3.6 million, or 10.5%.

Net assets were $17.5 million at February 29, 2012, an increase of $7.5 million, or 75.8% over June 30, 2011. Of the total $17.5 million in net assets at February 29, 2012, $17.1 million is restricted for transportation planning and construction.

The Agency does not record capital assets created by the projects it implements on its financial statements since these assets are of value only to the local government area in which they are located.

Net Assets
As of February 29, 2012 and June 30, 2011

	Governmental Activities	
	Feb. 29, 2012	**2011**
Cash and investments	$ 30,664,728	$ 24,011,003
Receivables		
Accounts receivable	31,082,285	34,715,297
Interest	20,116	22,606
Prepaid Items	-	24,149
Capital assets net of Depreciation		
Furniture and equipment	83,792	135,714
Building improvements	47,582	85,646
Total assets	$ 61,898,503	$ 58,994,415
Accounts payable & other liabilities	$ 15,256,521	$ 17,590,653
Deferred revenue	29,157,022	31,455,871
Total liabilities	44,413,543	49,046,524
Invested in capital assets	131,374	221,360
Transportation planning and construction	17,138,020	9,476,992
Unrestricted	215,566	249,539
Total net assets	17,484,960	9,947,891
Total liabilities and net assets	$ 61,898,503	$ 58,994,415

Change in Net Assets

Total revenues for the period July 1, 2011 through February 29, 2012 were $29.4 million, a decrease of $14.8 million or 33.4% from fiscal year 2010-11. Total revenues in fiscal year 2010-11 were $44.1 million, a decrease of $11.3 million or 20.3% from fiscal year 2009-10. Total expenses for the period July 1, 2011 through February 29, 2012 were $21.8 million, a decrease of $21.6 million or 49.7% from fiscal year 2010-11 and total expenses in fiscal year 2010-11 were $43.5 million, a decrease of $11.4 million or 20.8% from fiscal year 2009-10. The decreases in the period July 1, 2011 through February 29, 2012 can be attributed to the shortened reporting period.

The following are changes in the key activities that, for the most part, also have reported decreases for the period from the prior fiscal year due to the abbreviated reporting period:

- Capital grants and contributions during the period July 1, 2011 through February 29, 2012 were $15.2 million, a decrease of $13.9 million or 47.9% from fiscal year 2010-11.

- Operating grants and contributions for the period July 1, 2011 through February 29, 2012 were $13.2 million, a decrease of $0.6 million or 4.1% from fiscal year 2010-11.

- Administration expenses for the period July 1, 2011 through February 29, 2012 were $3.7 million, a decrease of $1.6 million or 30.7% from fiscal year 2010-11.

- Capital project expenses for the period July 1, 2011 through February 29, 2012 were $14.8 million, a decrease of $13.4 million or 47.6% from fiscal year 2010-11.

- Exchange Fund expenses for the period July 1, 2011 through February 29, 2012 were $1.7 million, a decrease of $5.3 million or 75.5% from fiscal year 2010-11 due to a reassessment of the program by management.

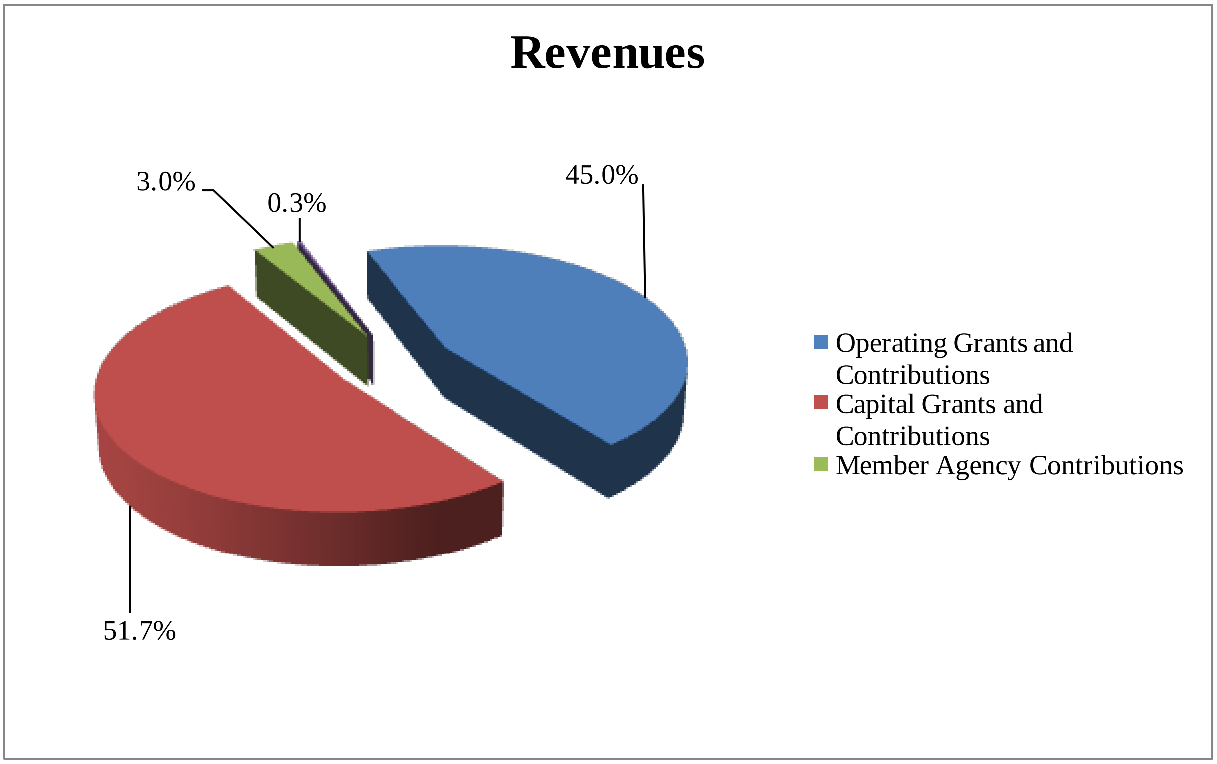
- Vehicle Registration Fee Fund expenses for the period July 1, 2011 through February 29, 2012 were $0.3 million, a decrease of $0.5 million or 66.6% from fiscal year 2010-11. Pass through distributions were not made from this fund until Master Program Funding Agreements had been executed by all participating agencies.

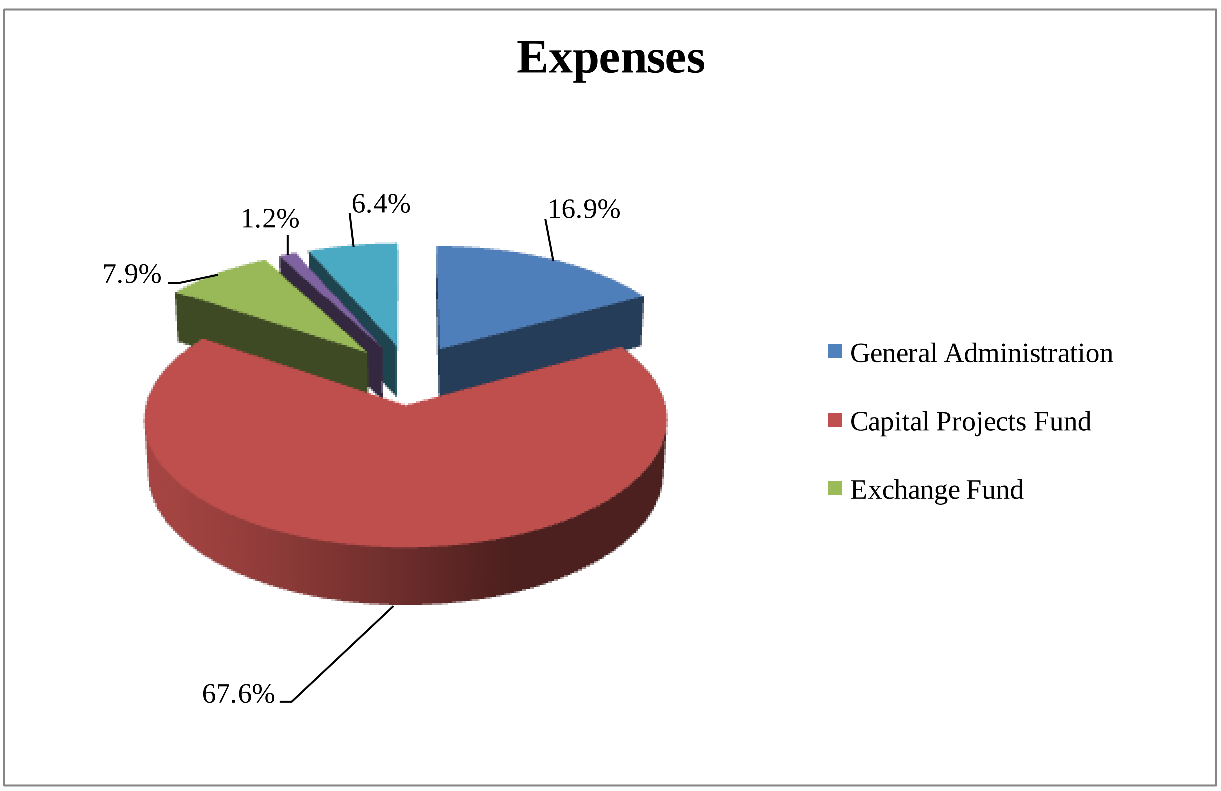
- Transportation for Clean Air Fund expenses for the period July 1, 2011 through February 29, 2012 were $1.4 million, a decrease of $0.7 million or 33.5% from fiscal year 2010-11.

In the period July 1, 2011 through February 29, 2012, revenues exceeded expenses by $7.5 million, resulting in an increase to net assets, which were $17.5 million at February 29, 2012. In fiscal year 2010-11, revenues exceeded expenses by $0.7 million, resulting in an increase to net asset, which were $9.9 million at June 30, 2011.

Changes in Net Assets
For the period ended February 29, 2012 and fiscal year ended June 30, 2011

	Governmental Activities	
	Feb. 29, 2012	**2011**
Revenues		
Program revenues:		
Operating grants and contributions	$ 13,210,644	$ 13,776,147
Capital grants and contributions	15,193,554	29,135,906
General revenues:		
Member Agency Contributions	877,245	1,095,338
Investment Income	78,887	119,194
Other Income	24,466	15,251
Total revenues	29,384,796	44,141,836
Expenses		
General Fund	3,693,354	5,332,963
Capital Projects Fund	14,757,293	28,172,961
Exchange Fund	1,719,972	7,032,662
Vehicle Registration Fee Fund	269,930	807,290
Transportation for Clean Air Fund	1,407,178	2,116,693
Total expenses	21,847,727	43,462,569
Change in net assets	7,537,069	679,267
Net assets, beginning of year	9,947,891	9,268,624
Net assets, end of year	$ 17,484,960	$ 9,947,891


Revenues
3.0%
0.3%
45.0%
51.7%
Operating Grants and Contributions
Capital Grants and Contributions
Member Agency Contributions


Expenses
1.2%
6.4%
16.9%
7.9%
67.6%
General Administration
Capital Projects Fund
Exchange Fund

Governmental Funds Financial Analysis

As of February 29, 2012, the Agency had $17.4 million of fund balance in the governmental funds: $0.2 million in the General Fund, $4.6 million in the Exchange Fund, $8.8 million in the VRF Fund, and $3.7 million in the TFCA. This is an increase from June 30, 2011 of $7.6 million or 78.4%. The increase is due to collections for the new VRF Special Revenue Fund.

The excess of revenues over expenditures in the capital projects fund of $0.5 million during the period July 1, 2011 through February 29, 2012 is generated due to the reimbursement of overhead costs, which are billed to funding agencies as a percentage of salaries based on an Indirect Cost Allocation Rate audited and approved by Caltrans on an annual basis. This balance is transferred to the General Fund at the end of the period to cover costs incurred by the Agency to administer capital projects.

As of February 29, 2012, the Agency had $29.4 million of revenues in the governmental funds: $3.4 million in the General Fund, $16.9 million in the Capital Projects Fund, $1.7 million in the Exchange Fund, $8.1 million in the VRF Fund, $1.2 million in the TFCA Fund less $2.0 million of inter-fund revenues which have been eliminated on a consolidated basis. This is a decrease from June 30, 2011 of $14.8 million or 33.4%. This decrease is primarily due to the shortened reporting period.

As of February 29, 2012, the Agency had $21.8 million of expenditures in the governmental funds: $3.9 million in the General Fund, $16.4 million in the Capital Projects Fund, $1.7 million in the Exchange Fund, $0.3 million in the VRF Fund, $1.4 million in the TFCA Fund less $2.0 million of inter-fund expenditures which have been eliminated on a consolidated basis. This is a decrease from June 30, 2011 of $21.6 million or 49.8%. This decrease is primarily due to the abbreviated reporting period.

As of February 29, 2012, the Agency had $54.1 million of assets in the governmental funds: $8.2 million in the General Fund, $34.7 million in the Capital Projects Fund, $11.5 million in the Exchange Fund, $9.1 million in the VRF Fund, $4.9 million in the TFCA Fund less $14.3 million of inter-fund receivables which have been eliminated on a consolidated basis. This is an increase over June 30, 2011 of $3.0 million or 5.9% mostly due to collections for of the new VRF.

As of February 29, 2012, the Agency had $36.8 million of liabilities in the governmental funds: $8.0 million in the General Fund, $34.7 million in the Capital Projects Fund, $6.9 million in the Exchange Fund, $0.3 million in the VRF Fund, $1.2 million in the TFCA Fund less $14.3 million of inter-fund payables which have been eliminated on a consolidated basis. This is a decrease from June 30, 2011 of $4.6 million or 11.2%.

Capital Assets

As of February 29, 2012, the Agency had $131,374 invested in capital assets, including furniture, equipment and leasehold improvements. There were no capital asset additions or dispositions during the period July 1, 2011 through February 29, 2012.

Table A-3
The Alameda County Congestion Management Agency
Capital Assets
(net of accumulated depreciation)
As of February 29, 2012 and June 30, 2011

	Feb. 29, 2012	2011
Furniture and Equipment	$ 83,793	$ 135,714
Leasehold improvements	47,581	85,646
Total	$ 131,374	$ 221,360

Comparison of Budget to Actual

General Fund - As shown on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual for the General Fund on page 36, the Agency began the period with a revenue budget of $4.6 million less an expenditure budget of $4.1 million. Throughout the period, the revenue budget was adjusted to $5.4 million and the expenditure budget was adjusted to $5.1 million. These changes were mostly due to a planned increase in efforts to complete the required Countywide Transportation Plan.

Actual revenues in the General Fund were under the final revenue budget by $1.5 million or 28.4% and expenditures were under the final expenditure budget by $1.2 million or 23.1% for the period. These variances are mostly related to planning and programming activities in the General Fund which are billed to funding agencies on a reimbursement basis. Since expenditures were below budget, consequently so were revenues. The disparity in the budgetary difference, with the revenues variance more than the expenditure variance, is because overhead recovery amounts are included as General Fund revenues in the budget. These amounts are invoiced to billing agencies at an indirect cost allocation rate audited and approved on an annual basis by Caltrans as a percentage of salaries and benefits costs. This methodology helps to reimburse the Agency for the cost of administering planning and programming activities.

Summary of Known Facts, Decisions, or Conditions

Alameda County Transportation Commission - The Agency, along with the Alameda County Transportation Improvement Authority (ACTIA), formally became members of the Alameda County Transportation Commission (Alameda CTC), a Joint Powers Agency, on July 22, 2010. For a variety of reasons, including issues related to contracting with CalPERS and other required administrative tasks, the Agency and ACTIA continued to exist through February 29, 2012 when the former agencies were legally dissolved and the Alameda CTC became the successor agency. As part of the Joint Powers Agreement, the Agency and ACTIA delegated their authority to the Alameda CTC including all activities and responsibilities. The Alameda CTC approved the first consolidated Alameda CTC budget for fiscal year 2011-12 at its June 2011 Commission meeting, and the financial databases for the Agency and ACTIA were consolidated as of July 2011 in time for the new fiscal year.

Sunol Smart Carpool Lane - A Joint Powers Agreement (Agreement) between the Agency, ACTIA, and the Santa Clara Valley Transportation Authority established the Sunol Smart Carpool Lane (Lane), which created the Sunol Smart Carpool Lane Joint Powers Authority (Authority). The Agreement named the Agency as the managing agency for the project on behalf of the Authority. The Lane began operations on September 20, 2010 gaining its authority to operate in California through State law amended by 2004 legislation, AB 2032. During the transition/warranty period from construction to full operations, the Agency agreed to cover the cost of operations on behalf of the Authority via its capital project program funded by various federal, state and local sources through June 30, 2012. Since inception, the Lane has continued to show growth in revenues and riders from week to week and is expected to be independently sustainable in the near future.

Vehicle Registration Fee - In November 2010, a majority (62.8%) of Alameda County voters approved Measure F to fund transportation related programs and projects. Measure F added $10 to all motor vehicle registration fees collected by the Department of Motor Vehicles. The Expenditure Plan approved with the measure allocates revenue from the VRF to transportation-related programs and projects that must have a relationship or benefit to the persons who pay the fee and also must sustain the County's transportation network and reduce traffic congestion and vehicle-related pollution. The measure is expected to generate approximately $11 million annually which will be distributed net of administrative costs based on the approved Expenditure Plan in the following manner:

- Local Road Improvement and Repair Program (60%)
- Transit for Congestion Relief Program (25%)
- Local Transportation Technology Program (10%)
- Pedestrian and Bicyclist Safety Program (5%)

Countywide Transportation Plan - A key Agency project during the period July 1, 2011 through February 29, 2012 has been working in conjunction with ACTIA towards developing a Countywide Transportation Plan (CWTP) for Alameda County. The CWTP is a long-range policy document that guides decisions and articulates the vision for the County's transportation system over a 25-year planning horizon. It lays the groundwork for an investment program that is efficient and productive as well as a strategy for meeting transportation needs for all users in Alameda County. It includes projects and other improvements for new and existing freeways, local streets and roads, public transit (paratransit, buses, trains, ferries), as well as facilities and programs to support bicycling and walking. The CWTP will serve as Alameda County's input into the Metropolitan Transportation Commission's Regional Transportation Plan (RTP) from which much of Alameda County's transportation funding is derived. The Agency and ACTIA staff engaged the community to provide input into the process to help prioritize transportation improvements. For the first time, the CWTP and RTP for the Bay Area will require Alameda County to meet greenhouse gas (GHG) emission reduction targets set by the State of California under SB 375. The target is a 7% GHG reduction by 2020, and a 15% GHG reduction by 2035. To address SB 375 requirements and other needs, the CWTP will address transit-oriented development and priority development areas; parking management; transportation systems management and goods movement; as well as transit connectivity, maintenance and operations.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those interested in government finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Art Dao, Executive Director, or Patricia Reavey, Director of Finance, at 1333 Broadway, Suite 220, Oakland, CA 94612.

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

STATEMENT OF NET ASSETS
FEBRUARY 29, 2012

ASSETS	
Cash and investments	$ 5,430,749
Restricted cash and investments	25,233,979
Accounts receivable	31,082,285
Interest receiveable	20,116
Capital assets, net of accumulated depreciation	131,374
Total Assets	61,898,503
LIABILITIES	
Account payable	944,054
Accrued liabilities	9,312,467
Deferred revenue	29,157,022
Loan payable	5,000,000
Total Liabilities	44,413,543
NET ASSETS	
Investment in capital assets	131,374
Restricted for planning and construction	17,138,020
Unrestricted	215,566
Total Net Assets	$ 17,484,960

The accompanying notes are an integral part of these financial statements.

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

STATEMENT OF ACTIVITIES
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

Functions/Programs	Expenses	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets: Total Governmental Activities
Governmental Activities:				
Administration	$ 2,813,012	$ -	$ -	$ (2,813,012)
Congestion Management	19,034,715	13,210,644	15,193,554	9,369,483
Total Governmental Activities	$ 21,847,727	$ 13,210,644	$ 15,193,554	6,556,471
	General revenues and subventions:			
	Member agency fees			877,245
	Interest and investment earnings			78,887
	Other revenues			24,466
	Subtotal, General Revenues			980,598
	Change in Net Assets			7,537,069
	Net Assets - Beginning			9,947,891
	Net Assets - Ending			$ 17,484,960

The accompanying notes are an integral part of these financial statements.

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

GOVERNMENTAL FUNDS
BALANCE SHEET
FEBRUARY 29, 2012

	General Fund	Capital Projects Fund	Exchange Fund	Vehicle Registration Fund	Nonmajor Transportation For Clean Air Fund	Interfund Eliminations	Total Governmental Funds
ASSETS							
Cash and investments	$ 5,430,749	$ -	$ -	$ -	$ -	$ -	$ 5,430,749
Restricted cash and investments	-	14,549,067	1,112,941	5,939,464	3,632,507		25,233,979
Accounts receivable	2,756,062	20,153,232	-	1,936,263	1,287,766	(2,704,340)	23,428,983
Interest receiveable	1,618	11,387	1,493	3,258	2,360		20,116
Due from other funds	-	-	10,385,900	1,175,888	-	(11,561,788)	-
Total Assets	$ 8,188,429	$ 34,713,686	$ 11,500,334	$ 9,054,873	$ 4,922,633	$ (14,266,128)	$ 54,113,827
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	$ 95,911	$ 848,143	$ -	$ -	$ -	$ -	$ 944,054
Accrued liabilities	666,662	7,763,634	2,105,495	304,595	1,176,421	(2,704,340)	9,312,467
Due to other funds	2,000,283	9,561,505	-	-	-	(11,561,788)	-
Deferred revenue	210,007	16,540,404	4,753,309	-	-	-	21,503,720
Loan payable	5,000,000	-	-	-	-	-	5,000,000
Total Liabilities	7,972,863	34,713,686	6,858,804	304,595	1,176,421	(14,266,128)	36,760,241
Fund Balances							
Restricted							
Transportation Fund for Clean Air	-	-	-	-	3,746,212	-	3,746,212
Vehicle registration f	-	-	-	8,750,278	-	-	8,750,278
Assigned	-	-	4,641,530	-	-	-	4,641,530
Unassigned	215,566	-	-	-	-	-	215,566
Total Fund Balances	215,566	-	4,641,530	8,750,278	3,746,212	-	17,353,586
Total Liabilities and Fund Balances	$ 8,188,429	$ 34,713,686	$ 11,500,334	$ 9,054,873	$ 4,922,633	$ (14,266,128)	$ 54,113,827

The accompanying notes are an integral part of these financial statements.

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
FEBRUARY 29, 2012

Reconciliation of Fund Balances of Governmental Funds to Net Assets on the Statement of Net Assets:

Fund Balances on governmental funds Balance Sheet:	$ 17,353,586
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	131,374
Certain long-term receivables are recognized on the Statement of Net Assets, but because these receivables are not available as current resources, they are not recognized on the governmental funds' balance sheet.	7,653,302
Certain deferrals of revenue are recognized on the Statement of Net Assets, but because these deferrals of revenues are not available as current resources, they are not recognized on the governmental funds' balance sheet.	(7,653,302)
Net Assets on Statement of Net Assets:	$ 17,484,960

The accompanying notes are an integral part of these financial statements.

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

	General Fund	Capital Projects Fund	Exchange Fund	Vehicle Registration Fund	Nonmajor Transportation For Clean Air Fund	Interfund Eliminations	Total Governmental Funds
REVENUES							
Grant revenue							
MTC	$ 1,180,107	$ 3,817,878	$ -	$ -	$ -	$ -	$ 4,997,985
CalTrans	453,895	15,887,893	-	-	-	-	16,341,788
TFCA	206,893	144,968	-	-	1,227,674	(351,861)	1,227,674
ACTIA	201,916	(5,936,394)	-	-	-	-	(5,734,478)
Other	353,559	1,424,177	1,719,972	-	-	-	3,497,708
Member agency fees	877,245	-	-	-	-	-	877,245
Exchange program funds	34,960	1,321,098	-	-	-	(1,356,058)	-
Vehicle registration fees	59,777	210,153	-	8,073,521	-	(269,930)	8,073,521
Investment income	(20,399)	62,345	8,812	14,706	13,423	-	78,887
Other	24,466	-	-	-	-	-	24,466
Total Revenues	3,372,419	16,932,118	1,728,784	8,088,227	1,241,097	(1,977,849)	29,384,796
EXPENDITURES							
Administration							
Salaries and benefits	1,801,900	182,394	-	-	-	-	1,984,294
Board operations	45,075	-	-	-	-	-	45,075
Travel and transportation	2,753	-	-	-	-	-	2,753
Office space	304,862	-	-	-	-	-	304,862
Office and related costs	174,678	-	-	-	-	-	174,678
Legal counsel	105,322	-	-	-	-	-	105,322
Annual audit	15,149	-	-	-	-	-	15,149
Professional services	53,305	-	-	-	-	-	53,305
Legislative advocacy	37,588	-	-	-	-	-	37,588
Congestion Management							
Contractors	1,364,366	16,251,118	1,685,012	-	-	(1,321,098)	17,979,398
Administration	-	-	34,960	59,777	71,223	(165,960)	-
TFCA grant program	-	-	-	-	1,335,955	(280,638)	1,055,317
VRF grant program	-	-	-	210,153	-	(210,153)	-
Total Expenditures	3,904,998	16,433,512	1,719,972	269,930	1,407,178	(1,977,849)	21,757,741
Excess (Deficiency) of Revenues Over Expenditures	(532,579)	498,606	8,812	7,818,297	(166,081)	-	7,627,055
Other Financing Sources (Uses)							
Operating Transfers In	498,606	-	-	-	-	-	498,606
Operating Transfer Out	-	(498,606)	-	-	-	-	(498,606)
Total Other Financing Sources (Uses)	498,606	(498,606)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(33,973)	-	8,812	7,818,297	(166,081)	-	7,627,055
Fund Balances - Beginning	249,539	-	4,632,718	931,981	3,912,293	-	9,726,531
Fund Balances - Ending	$ 215,566	$ -	$ 4,641,530	$ 8,750,278	$ 3,746,212	$ -	$ 17,353,586

The accompanying notes are an integral part of these financial statements.

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

Reconciliation of Net Change in Fund Balances of Governmental Funds to Change in Net Assets on Statement of Activities:

Net Change in Fund Balances on governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances:	$	7,627,055
Depreciation expense is recorded in the Statement of Activities, but is not recognized on the Governmental Funds Statement of Revenues, Expenditures, and Change in Fund Balances.		(89,986)
Change in Net Assets on Statement of Activities:	$	7,537,069

The accompanying notes are an integral part of these financial statements.

NOTE 1 - REPORTING ENTITY

In June 1990, California voters approved a fuel tax increase as part of Propositions 111 and 108. To receive a share of the fuel tax revenues, local governments must conform to a congestion management program (CMP). The Alameda County Congestion Management Agency (the Agency) was created by a joint powers agreement dated February 20, 1991 between Alameda County, all fourteen cities in the County and four transit operators (the Member Agencies). The Agency is responsible for preparing, adopting, revising, amending, administering, and implementing the CMP and the countywide transportation plan (CWTP) for Alameda County pursuant to Section 65088 et seq. of the Government Code, and providing other transportation planning and programming functions. The agreement provides for the sharing of the costs among the member agencies.

As an extension of its legislatively mandated activities, the Agency also initiates a variety of studies, programs, and projects that serve to implement the CMP and CWTP. Current and future studies include:

- PDA Investment and Growth Strategy
- Complete Streets Policy
- Countywide Transit Plan
- Countywide Goods Movement Plan
- Countywide Transportation Demand Management/Parking Management Plan
- Automobile Trips Generated Feasibility Study, and
- Countywide Travel Demand Model Update

In addition, the Agency works closely with the California Department of Transportation, the Alameda County Transportation Improvement Authority (ACTIA), and other Federal, state and local agencies to implement projects and programs aimed at reducing congestion and improving mobility and air quality in Alameda County. Examples of projects currently being sponsored by the Agency include the following:

- I-80 Integrated Corridor Mobility Project
- I-880 North Safety & Operations Improvements
- I-880 Southbound High Occupancy Vehicle (HOV) Lane
- I-580 Eastbound Express and Auxiliary Lanes
- I-580 East & Westbound HOV Lanes
- I-680 Northbound Express Lane & HOV Project

Each of the projects and programs sponsored by the Agency is funded through one or more federal, state or local grants. The Agency is reimbursed from the grants as eligible program or project implementation costs are incurred. Administrative and staff costs associated with implementing the legislatively mandated activities, such as the CMP and CWTP, as well as the programming of federal and state transportation funds through the Metropolitan Transportation Commission (MTC) and the California Transportation Commission are met through planning, programming and monitoring grants, Member Agency annual dues, and other local funding sources.

The board is composed of one representative from each of the four transit operators, two representatives from the County of Alameda, one representative per hundred-thousand populations from each city in the County, and one representative from the Bay Area Air Quality Management District. Each city’s representation is adjusted following each national census.

On March 25, 2010, the Agency, ACTIA, the County of Alameda, the fourteen cities within Alameda County, the Bay Area Rapid Transit District and the Alameda-Contra Costa Transit District entered into a Joint Powers Agreement (JPA). On June 24, 2010, the Boards of ACTIA and the Agency gave the final approval that created a joint powers agency, pursuant to the California Joint Exercise of Powers Act, known as the Alameda County Transportation Commission (Alameda CTC). On July 22, 2010, the Agency along with ACTIA joined the Alameda CTC joint powers authority.

On February 29, 2012, the Agency's and ACTIA's Boards of Directors at a joint meeting adopted a resolution to transfer all of the Agency's and ACTIA's assets, responsibilities, functions, and liabilities to Alameda CTC effective March 1, 2012. Therefore, these financial statements purport the financial activities and the financial position of the Agency as of and for the eight months ended February 29, 2012.

Alameda CTC's mission is to plan, fund and deliver transportation programs and projects that expand access and improve mobility to foster a vibrant and livable Alameda County. The Alameda CTC has all of the powers, functions, and responsibilities of both agencies along with certain additional powers as described in the JPA.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Government-wide and Fund Financial Statements

The government-wide financial statements report information on all activities of the Agency. The effect of inter-fund activity has been eliminated from these statements.

The Statement of Net Assets and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Statement of Activities demonstrates the degree to which the direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the Agency's primary functions. Program revenues consist of grants and contributions that are restricted to meeting operational or capital requirements. Interest and other revenues not included in program revenues are reported as general revenues.

The Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Change in Fund Balances of the governmental funds are reported in separate columns in the fund financial statements. Nonmajor funds are summarized and presented in one column of the fund financial statements.

The Agency uses the following major funds:

General Fund - The General Fund is the general operating fund of the Agency. Its purpose is to account for all financial resources and transactions not accounted for in another fund.

Capital Projects Fund - The Capital Projects Fund accounts for the proceeds and expenditures related to the construction of capital improvement projects implemented to reduce congestion or improve mobility in Alameda County. The Agency does not retain ownership of these improvements. They are transferred to the sponsor or managing jurisdiction upon completion.

Exchange Fund - The Exchange Fund is a capital projects fund accounting for the proceeds and expenditures of the Agency's Exchange Program, which is described in more detail in Note 5.

Vehicle Registration Fee Fund - The Vehicle Registration Fee Fund accounts for the Measure F Vehicle Registration Fee (VRF) Program approved by the voters in November 2010. Collection of the $10 per year per vehicle registration fee started with vehicle registrations due to the Department of Motor Vehicles in the first week of May 2011. The goal of the VRF program is to sustain the County's transportation network and reduce traffic congestion and vehicle related pollution.

The Agency uses the following nonmajor fund:

Transportation for Clean Air Fund - The Transportation for Clean Air (TFCA) Fund accounts for a four-dollar fee imposed in Alameda County per vehicle registration to support projects of the Bay Area Air Quality Management District (BAAQMD). Of the total collections, BAAQMD passes 40% of the proceeds to the Agency who is tasked with "programming" those revenues for various projects. The Transportation for Clean Air Fund accounts for this activity.

Measurement Focus and Basis of Accounting

The Agency's governmental fund financial statements are presented on a modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they are both measurable and available. Measurable means the amount can be determined. Available means collectible within the current period or soon thereafter to pay current liabilities. The Agency considers revenues available if they are collected within six months after fiscal year end.

Expenditures are recorded when the related fund liability is incurred. The modified accrual basis of accounting uses the current financial resources measurement focus whereby the Balance Sheet generally presents only current assets and current liabilities and the Statement of Revenues, Expenditures, and Changes in Fund Balances presents sources and uses of available resources during a given period. Grant revenues, local matching revenue, and investment income, including the change in the fair value of investments, associated with the current fiscal period are all considered to be subject to accrual and have been recognized as revenues in the current reporting period using the modified accrual basis of accounting.

Net Assets

Net assets are reported in the following categories:

Invested in capital assets - This category includes all capital assets net of accumulated depreciation. The Agency has no capital related debt.

Restricted net assets - This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted net assets are available, unrestricted resources are used only after the restricted resources are depleted.

Unrestricted net assets - This category represents net assets of the Agency that are not restricted for any project or other purpose.

Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions,* which requires the classification of fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the Agency prioritizes and expends funds in the following order: Restricted, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint. The classifications are discussed in more detail below:

Restricted – The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

Assigned – The assigned fund balance classification reflects amounts that the Agency intends to be used for specific purposes. Assignments may be established either by the governing body or by a designee of the governing body, and are subject to neither the restricted nor the committed levels of constraint.

Unassigned – In the general fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes.

In circumstances where an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is usually depleted in the order of restricted, committed, assigned, then unassigned.

All of the restricted and assigned funds are required to be used for projects and programs designed to reduce congestion or improve mobility in Alameda County.

Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Investments

Investments are stated at fair value. Included in interest income is the net change in the fair value of investments that consists of the realized gains or losses and the unrealized appreciation or depreciation of those investments. Measurement of the fair value of investments is based upon quoted market prices, if available. The estimated fair value of investments that have no quoted market price is determined based on equivalent yields for such securities or for securities of comparable maturity, quality, and type as obtained from market makers.

Employee Benefits

Agency policy permits employees to carry up to ten weeks of accrued vacation from year to year depending on the number of years they have been employed by the agency. The accrual for compensated absence as of February 29, 2012 is $119,333. Sick leave benefits do not vest.

Budget

The Agency annually adopts a budget for its General Fund using the modified accrual basis of accounting. Expenditures that exceed the total approved budget are not permitted without Board approval.

The Executive Director is authorized to approve expenditures in excess of budgeted line items within the three primary expenditure categories (personnel, consultants/contractors, and other operating costs) in any amount as long as the total budget within each of the three expenditure categories is not overspent. Appropriation authority lapses at the end of the fiscal year.

NOTE 3 - CASH AND INVESTMENTS

As of February 29, 2012, the Agency's cash and investments were as follows:

Cash in banks	$ 1,198,948
Investment in State Treasurer's Investment Pool	29,465,780
Total cash and investments	$ 30,664,728

Investment in the State Investment Pool — The Agency is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California government code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Agency's investment in the pool is reported in the accompanying financial statement at amounts based upon the Agency's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on the amortized cost basis.

The Agency mitigates the risk of investment loss as follows:

Credit Risk — Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Agency's investment policy allows investing only in investments carrying minimum credit ratings from A to AA from one or two nationally recognized rating agencies, depending on the investment, and requires diversification in the investment portfolio. The investments in the LAIF are not rated as of February 29, 2012.

Custodial Credit Risk, Deposits — Custodial credit risk for deposits is the risk that in the event of a bank failure, deposits may not be returned to the Agency. The Agency was not exposed to custodial credit risk because its deposits are in accounts fully insured by the Federal Deposit Insurance Corporation.

Custodial Credit Risk, Investments — Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Agency has a custodial credit risk exposure of $29,465,780 because the related securities are uninsured, unregistered and held by the State's LAIF which is also the counterparty for these securities.

Concentration of Credit Risk — Concentration of credit risk is the risk attributable to the magnitude of investment with any single issuer. The Agency's investment policy limits investments in any one issuer to 5% of the portfolio except for government agency obligations which is limited to 35%, repurchase agreements which is limited to 25-50% depending on the length of maturity, and LAIF for which the policy allows up to the maximum amount permitted by law. There were no investments in any single issuer exceeding 5% of the Agency's portfolio.

Interest Rate Risk — Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity is of an investment, the greater its sensitivity will be to fair value adjustments due to changes in market interest rates. The Agency manages its exposure to interest rate risk by investing in the state pool LAIF. As reported by the State Treasurer, the weighted average maturity of the LAIF was 239 days on February 29, 2012.

Agency's Investment Policy — The Agency's investment policy limits investments in any one issuer to 5% of the portfolio except for government agency obligations (35%), repurchase agreements (25% to 50% depending on the length of time until maturity), and LAIF which policy allows up to the maximum amount permitted by law. Investments authorized by the Agency's investment policy include:

- United States Treasury Bills and Notes
- Federal Agency Obligations
- State of California and Local Agency Debt Securities
- Bankers' Acceptance
- Commercial Paper
- Repurchase Agreements
- Medium Term Corporate Notes
- Savings/Money Market Accounts
- Mortgage & Asset-Backed Obligations
- Certificates of Deposit
- Mutual Funds
- California Local Agency Investment Fund

NOTE 4 – CAPITAL ASSETS

Property and equipment costing $5,000 or more is capitalized on the Statement of Net Assets at historical cost. Capital assets are depreciated using the straight-line method over the following estimated useful lives: office furniture and equipment, five years; building improvements, remaining term of lease agreement; and automobile, five years.

Capital asset balances at February 29, 2012, and activity during the eight months were as follows:

	July 1, 2011	Additions	February 29, 2012
Capital assets being depreciated			
Office furniture and equipment	$ 540,566	$ -	$ 540,566
Building improvement	322,529	-	322,529
Depreciable capital assets	863,095	-	863,095
Less Accumulated Depreciation			
Office furniture and equipment	404,852	51,921	456,773
Building improvement	236,883	38,065	274,948
Total Accumulated Depreciation	641,735	89,986	731,721
Capital Assets, Net	$ 221,360	$ (89,986)	$ 131,374

NOTE 5 – EXCHANGE PROGRAM

In May 2000, the Board adopted a Local Funds Exchange Program to provide local funds to agencies for use in projects that either do not have the ability to make use of state or federal funds or would face unacceptable delays, cost increases, or undue hardships if state or federal funds were utilized. The member agencies include Alameda County, all fourteen cities in the County and four transit operators.

The Agency has entered into agreements with several local agencies to exchange State Transportation Improvement Program funds with the other government's local funding for various transportation projects. The revenues received due to the exchange are treated for financial reporting purposes as deferred revenue. These deferred revenues are recognized as revenues at the time qualifying expenditures are incurred.

The following is a list of the funds exchanged from other governments through February 29, 2012:

Alameda County Transportation Improvement Authority	$ 2,300,000
Alameda-Contra Costa Transit	35,060,514
Bay Area Rapid Transit	8,100,000
City of Berkeley	259,560
City of Dublin	4,230,000
City of Fremont	5,983,256
City of Livermore	4,580,000
City of Union City	9,314,000
Metropolitan Transportation Commission	675,000
San Joaquin Regional Rail Commission	432,445
Santa Clara Valley Transportation Authority	558,000
Total Exchanged Funds	71,492,775
Total expenditures incurred:	
Period ended February 29, 2012	(1,719,972)
Previous years	(57,366,192)
Total deferred revenue - accrual basis	12,406,611
Less amount not yet collected	(7,653,302)
Total deferred revenue- modified accrual	$ 4,753,309

NOTE 6 - EMPLOYEE RETIREMENT PLAN

All employees are eligible to participate in the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CalPERS provides retirement, disability and death benefits to plan members based on the participant's age, years of service and final compensation. Employees vest after five years of service and can receive the maximum benefit of 2.5% of annual salary at age 55. Employees participate in the Miscellaneous Employee Plan risk pool. Benefit provisions under the plan are established by State statute and Agency resolution.

The Agency is required to contribute the funding requirement amounts for the plan which are determined as of each June 30 on an actuarial basis by CalPERS. Employees have an obligation to contribute eight percent of their salary to the plan; however, the Agency contributed seven percent of this contribution on the employee's behalf through January 31 and five percent through February 29.

CalPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the Agency's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this method is the level amount the Agency must pay annually to fund an employee's projected retirement benefit. The actuarial assumptions used to compute contribution requirements are also used to compute the pension benefit obligation.

CalPERS uses the fifteen-year smoothed market method of valuing the plan's assets. An investment rate of return of 7.75% is assumed, a projected salary increase ranging from 3.25% to 14.45%, inflation of 3.0% and payroll growth of 3.25%. Annual salary increases are assumed to vary by duration of service. The Agency's unfunded actuarial accrued liability is being amortized as a level percentage of payroll over a closed 20-year period.

The following table shows the Agency's required contributions and percentage contributed for the current year and each of the preceding two years.

Fiscal Period Ended	Annual Pension Cost (APC)	Percentage of APC Contributions	Net Pension Obligation
February 29, 2012	$ 286,550	100%	$ -
June 30, 2011	491,163	100%	-
June 30, 2010	559,040	100%	-

Audited annual financial statements are available from CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709 or online at http://www.calpers.ca.gov/.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Operating Lease

The Agency has entered into an operating lease agreement with CIM/Oakland 1333 Broadway LP through November 30, 2013. This agreement does not contain a purchase option. Future minimum lease payments under these agreements are as follows:

Year Ending June 30,	Lease Payment
2013	$ 475,198
2014	121,656
Total	$ 596,854

Grants

The Agency receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Agency at February 29, 2012.

Litigation

The Agency is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the Agency at February 29, 2012.

Construction

The Agency has entered into contracts with various contractors for the construction phase of capital projects. As of February 29, 2012, the total outstanding commitments (not paid or accrued) are $8.8 million. The terms range from February 29, 2012 through June 30, 2013 (or acceptance of the work, whichever is earlier).

Funding Agreements

Exchange Fund - The Agency has entered into Exchange agreements with several local governments to provide funding for transportation projects. As of February 29, 2012, the remaining project costs to be paid by the Agency totaled approximately $32.0 million.

Capital Projects Fund - The Sunol Smart Carpool Lane Joint Powers Authority (Sunol JPA) is a joint powers authority, organized in February 2006 pursuant to a Joint Exercise of Powers Resolution (Resolution) among the Agency, ACTIA, and the Santa Clara Valley Transportation Authority. The Resolution was entered into pursuant to the Government Code of the State of California, commencing with Section 6500. The Sunol JPA was formed to plan, design, construct, and administer the operation of a value pricing high-occupancy vehicle program on the Sunol Grade segment of southbound Interstate-680 in Alameda and Santa Clara Counties.

The Sunol JPA was formed as a result of a planning study completed by the Agency and evolved into a capital project. The lane went into operations on September 20, 2010. The Agency was designated the managing agency for the Sunol JPA and has provided administrative, accounting and other support since its inception. The Agency has agreed to cover the costs of operations for the Sunol JPA during the ramp up and warranty period of operations as part of its original capital project through June 30, 2012. During the period of July 1, 2011 through February 29, 2012, the Agency incurred administrative and operating expenses on behalf of the Authority as follows:

Bay Area Toll Authority transaction fees	$	84,415
California Highway Patrol enforcement		80,632
Insurance		18,760
ACCMA staff time		32,543
Legal fees		21,240
Utilities		4,396
Financial Audit		8,915
Other		9,073
	$	259,975

Insurance

The District 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 following is a summary the Agency's insurance coverage:

Type of Coverage	Deductable	Coverage up to	
General liability	$ 250	$ 2,000,000	aggregate
General liability - Fire	250	300,000	aggregate
General liability - Medical	250	10,000	aggregate
General liability - Automobile	250	1,000,000	aggregate
Property	250	513,700	per occurance
Workers' compensation	-	1,000,000	aggregate
Employment practices	35,000	2,000,000	per occurance
Director & officers	25,000	2,000,000	per occurance
Crime	10,000	1,000,000	aggregate
Umbrella/excess	10,000	2,000,000	aggregate

There were no claims in excess of insured amounts during the past three years.

NOTE 8 – INTERFUND ACTIVITY

As of February 29, 2012, the General Fund's interfund liability due to the Exchange Fund for $824,395 and the Capital Projects Fund interfund liability due to the Exchange Fund for $9,561,505 resulted from cash advances for project expenditures. This arrangement is necessary because project funding is received on a reimbursement basis. These amounts will be repaid from revenue received from funding agencies as the Agency is reimbursed for project expenditures.

The Agency also experiences interfund activity when one of the special revenue funds or the Exchange Fund provides funding for a project or program. As of February 29, 2012, the General Fund and the Capital Projects Fund had revenues of $206,893 and $144,968, respectively, from the TFCA Fund, $34,960 and $1,321,098, respectively, from the Exchange Fund and $59,777 and $210,153, respectively, from the VRF Fund. As of February 29, 2012, $2,704,340 of revenues had not yet been paid by the TFCA, Exchange and VRF Funds to the General and Capital Projects Funds. Since the TFCA, Exchange and VRF Funds have already recorded all funds received as revenues and all funding requirements as expenditures, these interfund revenues and related expenditures in the General Fund and the Capital Projects Fund are included in the elimination column of the fund financial statements and are eliminated from the government-wide financial statements.

NOTE 9 – LOAN

The Agency entered into a loan agreement with ACTIA dated March 24, 2011, whereby ACTIA agreed to loan up to $25 million from its Alameda County Transportation Authority (ACTA) Capital Projects Fund, if needed. The outstanding loan payable to ACTIA at February 29, 2012, was $5 million. The loan carries no interest and is repayable to ACTIA when the Agency is in a position to do so, which is expected to be during the fiscal year 2014-15 when current capital projects are through the construction phase. The Agency may repay the loan, in whole or in part, at anytime without penalty.

NOTE 10 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The Agency participates in the California Employers' Retirement Benefit Trust (CERBT), an agent multiple-employer defined benefit postemployment healthcare plan administered by CalPERS. The CERBT provides lifetime healthcare benefits to retired employees and their eligible family members. These benefit provisions were established and may be amended by the Agency. Agency contributions for retirees will never exceed the amount contributed on behalf of active employees. As of February 29, 2012, the Agency had four eligible retirees.

As of February 1, 2012, the Agency offers retiree health benefits under a Retiree Health Reimbursement Arrangement. Retirees are eligible for benefits if they retire from the Agency under CalPERS within 120 days of employment and have ten years of credited service with CalPERS including at least five years with the Agency. Agency contributions are based on years of public service and the following formula: 50% after ten years with an additional 5% for each additional year of service reaching a maximum of 100% after twenty years of service.

The Agency's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) (or funding excess) over a period not to exceed thirty years. The funding policy established by the Agency is to annually contribute the entire ARC amount. The following table shows the components of the Agency's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Agency's net OPEB obligation to the Plan:

Normal Cost at February 29, 2012	$ 65,510
Amortization of UAAL	15,516
Annual Required Contribution (ARC)	81,026
Interest on Prior Year Net OPEB Obligation	-
Adjustment to ARC	-
Annual OPEB Cost (expense)	81,026
Contributions made	(81,026)
Change in Net OPEB Obligation	-
Net OPEB Obligation - Beginning of Fiscal Year	-
Net OPEB Obligation - February 29, 2012	$ -

Trend information for the annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation is as follows:

Fiscal Year or Period Ended	Annual OPEB Cost	Actual Contribution	Percentage Contributed	Net OPEB Asset/Obligation
2/29/2012	$ 81,026	$ 81,026	100%	$ -
6/30/2011	142,759	142,759	100%	-
6/30/2010	136,217	136,217	100%	-

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the actuarial valuation as of July 1, 2011, the entry age normal cost method was used. The actuarial assumptions included a 7.61% investment rate of return; an annual healthcare cost trend rate varying between 7.3% in calendar year 2013 to 5.5% in 2019 and thereafter; and a 3.25% annual increase in projected payroll. The UAAL is being amortized on a level dollar approach on a closed basis over 30 years beginning in fiscal year 2007-08. The remaining amortization period is 25 years.

The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. As of July 1, 2011, the most recent actuarial valuation date, the Plan was one-hundred percent funded. The actuarial accrued liability for benefits was $1,425,632 and the actuarial value of assets was $1,073,937, resulting in an UAAL of $351,695. The covered payroll (annual payroll of active employees covered by the Plan) was $2,832,511 and the ratio of the UAAL to the covered payroll was twelve percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Unprojected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
June 30, 2011	$ 1,073,937	$ 1,425,632	$ 351,695	75%	$ 2,832,511	12%
June 30, 2010	727,326	1,143,281	415,955	64%	2,813,500	15%
June 30, 2009	556,291	972,130	415,839	57%	2,907,338	14%

The CERBT issues a publicly available financial report that may be obtained from CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, CA 93811.

NOTE 11 – PUBLIC TRANSPORTATION MODERNIZATION IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the $19.9 billion of state general obligation bonds authorized, $4 billion was set aside by the state as instructed by the statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital enhancements or expansions, new capital projects, bus rapid transits improvements or for rolling stock procurement, rehabilitation, or replacement.

During the current reporting period, the Agency received $319,726 and expended $159,509. The proceeds available for obligation at February 29, 2012 are $243,973. The following table summarizes the activity during the year:

Prior year available proceeds	$ 80,716
Additional grants received	319,726
Interest earned	3,040
Total revenues	403,482
Total expenditures	(159,509)
Total proceeds available	$ 243,973

REQUIRED SUPPLEMENTARY INFORMATION

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE- BUDGET AND ACTUAL- GENERAL FUND FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

	Budgeted Amounts			Variance- Final Budget to Actual Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Grant revenues	$ 3,694,673	$ 4,528,889	$ 2,989,713	$ (1,539,176)
Member agency fees	877,245	877,245	877,245	-
Investment income	-	-	(20,399)	(20,399)
Other	53,469	-	24,466	24,466
Total revenues	4,625,387	5,406,134	3,871,025	(1,535,109)
Expenditures				
Administration				
Salaries and benefits	1,432,281	1,514,270	1,801,900	(287,630)
Office space	292,667	305,000	304,862	138
Office and related costs	381,400	320,701	174,678	146,023
Legal counsel	105,000	101,667	105,322	(3,655)
Annual audit	21,333	21,333	15,149	6,184
Other professional services	96,340	116,278	53,305	62,973
Legislative advocacy	41,000	41,000	37,588	3,412
Other	79,187	79,187	47,828	31,359
Congestion Management	1,670,355	2,581,605	1,364,366	1,217,239
Total Expenditures	4,119,563	5,081,041	3,904,998	1,176,043
Net change in fund balance	505,823	325,093	(33,973)	(359,066)
Fund Balance - Beginning	-	249,539	249,539	-
Fund Balance - Ending	$ 505,823	$ 574,632	$ 215,566	$ (359,066)

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET & ACTUAL - VEHICLE REGISTRATION FEE SPECIAL REVENUE FUND FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

	Budgeted Amounts			Variance- Final Budget to Actual Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Vehicle registration fees	$ 7,153,000	$ 7,153,000	$ 8,073,521	$ 920,521
Investment income	-	-	14,706	14,706
Total revenues	7,153,000	7,153,000	8,088,227	935,227
Expenditures				
Administration	657,487	140,820	59,777	81,043
VRF grant program	4,286,267	5,362,417	210,153	5,152,264
Total Expenditures	4,943,753	5,503,237	269,930	5,233,307
Net change in fund balance	2,209,247	1,649,763	7,818,297	6,168,534
Fund Balance - Beginning	931,981	931,981	931,981	-
Fund Balance - Ending	$ 3,141,228	$ 2,581,744	$ 8,750,278	$ 6,168,534

SUPPLEMENTARY INFORMATION

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Transportation			
Passed Through California Department of Transportation			
Highway Planning and Construction [1]	20.205	Not available	
I-580 EB HOT Lane			$ 85,393
ARRA I-580 EB HOT Lane			248,879
Center to Center			225,193
Congestion Management Program			202,544
Countywide Bicycle Plan			4,223
I-580 WB HOT Lane			65,092
ARRA I-580 WB HOT Lane			11,320
I-680 SMART Carpool Lane			75,261
I-80 Glilman Interchange			84,993
I-80 Integrated Corridor Mobility			(183,609)
I-880 Southbound HOV Lane			490,346
I-880 North Safety Improvements			(432,439)
Life Line Transportation			516
MTC Partnership			1,457
MTC Planning			81,788
Countywide Transportation Plan			779,101
Programming Funding			348
Safe Routes to School			314,804
Transportation and Land Use			104,885
Travel Model Support			6,111
Total expenditures of Federal awards			$ 2,166,206

[1] Includes funding from the American Reinvestment and Recovery Act (ARRA)

See accompanying note to supplementary information.

NOTE TO SUPPLEMENTARY INFORMATION
FEBRUARY 29, 2012

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the Agency and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

INDEPENDENT AUDITOR'S REPORTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Governing Board
Alameda County Congestion Management Agency
Oakland, California

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alameda County Congestion Management Agency as of and for the eight months ended February 29, 2012, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated January 24, 2012. 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.

Internal Control Over Financial Reporting

Management of the Agency is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the governing board, management, Federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Vavrinek, Trine, Day & Co. LLP

Palo Alto, California
January 24, 2012

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Governing Board
Alameda County Congestion Management Agency
Oakland, California

Compliance

We have audited the Alameda County Congestion Management Agency's (the Agency) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on the Alameda County Congestion Management Agency's major federal program for the eight months ended February 29, 2012. The Agency's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency'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; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Alameda County Congestion Management Agency'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 of the Agency's compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the eight months ended February 29, 2012.

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Internal Control Over Compliance

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Agency's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the governing board, management, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Vavrinek, Trine, Day & Co. LLP

Palo Alto, California
January 24, 2012

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDITOR'S RESULTS
FOR THE PERIOD ENDED FEBRUARY 29, 2012

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	None
Significant deficiencies identified?	None reported
Noncompliance material to the financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	None
Significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?	None

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
20.205 (Includes ARRA)	Highway Planning and Construction (Includes ARRA)

Dollar threshold used to distinguish between Type A and Type B programs:	$ 300,000
Auditee qualified as low-risk auditee?	No

FINANCIAL STATEMENT FINDINGS
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

None reported.

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

None reported.

ALAMEDA COUNTY CONGESTION MANAGEMENT AGENCY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE EIGHT MONTHS ENDED FEBRUARY 29, 2012

There were no audit findings reported in the prior year's schedule of financial statement finding or federal award findings.