

# ALAMEDA COUNTY TRANSPORTATION COMMISSION

Oakland, California



## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2015



**ALAMEDA COUNTY  
TRANSPORTATION COMMISSION  
OAKLAND, CALIFORNIA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
PREPARED BY THE FINANCE DEPARTMENT**





# ALAMEDA COUNTY TRANSPORTATION COMMISSION

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## ***INTRODUCTORY SECTION***

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December 7, 2015

**To the Alameda County Transportation Commission Board  
and the Citizens of Alameda County, CA**

We are pleased to present this Comprehensive Annual Financial Report (CAFR) of the Alameda County Transportation Commission (Alameda CTC) for the fiscal year ended June 30, 2015. Per the Alameda CTC Joint Powers Agreement, the California Government Code section 6505 and the Public Utilities Code section 180105(c), the Alameda CTC is required to contract for an annual audit of its accounts and records in accordance with Generally Accepted Auditing Standards (GAAS). The financial statements included in this CAFR have been audited by Vavrinek, Trine, Day and Co., LLP, Certified Public Accountants. Therefore this CAFR is published to fulfill this requirement for the fiscal year ended June 30, 2015.

Management of the Alameda CTC is responsible for the accuracy, completeness and reliability of the information contained in this report. A comprehensive system of internal controls has been implemented which is designed to protect the Alameda CTC's assets from loss, theft or misuse, to identify and record transactions accurately and to compile the necessary information to report financial statements in accordance with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not exceed anticipated benefits, the objective of the Alameda CTC's internal control system is to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

Alameda CTC is also required to undergo an annual federal compliance audit in conformity with the provision of the Single Audit Act of 1984 and the 1996 amendments to the act, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. The results of this audit can be found in the federal compliance information section.

Authoritative accounting and financial reporting standards require that the financial statements of a local government be preceded by Management's Discussion and Analysis (MD&A) intended to furnish an objective and easily readable analysis of the financial activities. The MD&A section of this CAFR can be found immediately following the Independent Auditor's Report. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

**PROFILE OF THE ORGANIZATION**

Alameda County encompasses 813 square miles and is located east of the San Francisco Bay, extends to Livermore in the East and from Albany in the North to Fremont in the South. The population in Alameda County is over 1.5 million which makes it the second most populated county in the Bay Area and the seventh most populated county in California. Alameda County is one of 19 Self-Help Counties in California that deliver voter approved transportation sales tax measures to fund transit, highway, freight, bicycle, pedestrian and other mobility programs.



In June 2010, the governing boards of both the Alameda County Transportation Improvement Authority (ACTIA) and the Alameda County Congestion Management Agency (ACCMA) created a joint powers agency known as the Alameda County Transportation Commission pursuant to the California Joint Exercise of Powers Act in which ACTIA and ACCMA delegated all of their assets, liabilities, powers, functions and responsibilities to the Alameda CTC effective July 1, 2010. This action followed a March 2010 action in which ACTIA, ACCMA, the County of Alameda, the 14 incorporated cities within Alameda County, the Bay Area Rapid Transit District and the Alameda-Contra Costa Transit District entered into a Joint Powers Agreement with the purpose of creating a joint powers agency to take over the responsibilities of both ACTIA and ACCMA. The Alameda CTC held its first joint meeting on July 22, 2010 and approved its first consolidated budget for fiscal year ended June 30, 2012 at its June 2011 meeting. For various reasons, including issues related to contracting with CalPERS and other required administrative tasks, the former agencies continued to exist through February 29, 2012 when they were legally dissolved and the Alameda CTC became the successor agency.

The Alameda CTC is governed by a twenty-two member Commission made up of five members of the Alameda County Board of Supervisors, two members representing the City of Oakland, 13 members each representing one of the other 13 incorporated cities in Alameda County, one member representing the Bay Area Rapid Transit District and one member representing Alameda-Contra Costa Transit District.

The mission of the Alameda CTC is to plan, fund and deliver a broad spectrum of transportation programs and projects that expand access and improve mobility to foster a vibrant and livable Alameda County. This is accomplished through the administration of the transportation sales tax in Alameda County which was authorized in 2000 when the voters approved Measure B by 81.5 percent of the vote and again in 2014 when the voters approved Measure BB, which augmented and extended the original Measure B, by 70.76 percent of the vote and by serving as the Alameda County's congestion management agency. The Alameda CTC delivers over \$100 million in transportation improvements each year which create jobs, enhance mobility and enrich communities.

The Alameda CTC is a legally separate and financially independent entity that is not a component unit of Alameda County or any other organization. While the Alameda CTC is the managing agency for the Sunol Smart Carpool Lane Joint Powers Authority (SSCLJPA) which operates the Sunol Smart Carpool Lane on Interstate 680, the SSCLJPA has its own separate legal identity and governance and is not a component unit of the Alameda CTC.

California Government Code requires the Alameda CTC to adopt an annual budget. Before the beginning of each fiscal year, staff proposes an annual budget based on agency goals and objectives to the Commission for adoption. The Commission monitors budget versus actual performance through quarterly staff reports. The legal level of budgetary control is at the entity level. The Commission has the authority to adjust the budget throughout the fiscal year, and the Executive Director has the authority to transfer authorized budget amounts between expenditure line items within governmental funds. The Required Supplementary Information section of this report includes schedules for the General Fund and the Special Revenue Fund and the Supplementary Information section includes schedules for all other funds that compare actual results to the final adopted budgets.



## **ECONOMIC CONDITION**

### ***LOCAL ECONOMY***

Unemployment in Alameda County has decreased to 4.6 percent by June 2015 from 5.8 percent in June 2014 and 7.4 percent in June 2013. This is better than the state unemployment rate which has decreased to 6.3 percent by June 2015 from 7.3 percent in June 2014 and 9.2 percent in June 2013. The decrease in the unemployment rate as of June 2015 is also better than the national unemployment rate, which has decreased to only 5.3 percent by June 2015 from 6.1 percent in June 2014 and 7.5 percent in June 2013. This is a significant improvement for Alameda County compared to the unemployment rate in the county at the peak of the recession of 11.3 percent in June 2010. The county's unemployment rate has historically fallen between the national and state rates; however, for the last few years, the unemployment rate in Alameda County has been lower than both the national and state rates, indicating that employment recovered at a greater pace in Alameda County as compared to the broader economy.

Alameda County supports employment in a wide array of industries including law enforcement, shipping/goods movement, medical/health, research, technology, pharmaceuticals, education, manufacturing, farming, finance, sanitation, fuel, retail, automobile sales, transportation, government, and other professional services. This diverse employment base helps to ensure stability for Alameda County as it is not reliant on any one employment sector for its prosperity. The Alameda CTC also has realized an increase in Measure B sales tax collections in fiscal year 2014-15 to a level above the historical peak of \$127.1 million in fiscal year 2013-14 to \$132.5 million. This is a 4.3 percent increase over the prior fiscal year; however, total Measure B collections to date are still below original projections developed when the voters approved Measure B. In April 2015, the Alameda CTC began collections of the new Measure BB transportation sales tax which was approved by voters of Alameda County in November 2014 by an overwhelming majority of 70.76 percent. Collections for Measure BB totaled \$27.7 million in fiscal year 2014-15.

### ***LONG-TERM FINANCIAL PLANNING***

The Alameda CTC has delivered nearly all of the transportation sales tax projects approved by the voters in the 2000 Transportation Expenditure Plan (TEP) in half the anticipated time. Faster delivery allowed for lower construction costs, but as a result, the Alameda CTC's Measure B sales tax capital projects fund incurred project cost before all of the sales tax funds had been collected. Measure B operated on a pay-as-you-go basis through fiscal year 2012-13; however cash flow projections reflected that a pay-as-you-go approach would not suffice throughout FY2013-14. In March 2014, the Alameda CTC issued \$137.1 million of Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 to bridge the short-term funding gap that existed over the following years while many large projects in the TEP were closed out and finalized. Current cash flow projections indicate that the Alameda CTC will continue to be solvent throughout the life of Measure B, which expires in 2022, as there will be sufficient sales tax revenues to pay the debt service on the bonds.

As the Alameda CTC kick starts the Measure BB program, close attention will be paid to the designated projects in the 2014 TEP and those projects that were submitted in the spring of 2015 to be included in the Regional Transportation Plan and the 2016 Countywide Transportation Plan (CTP). The Alameda CTC will develop its next Comprehensive Investment Plan around the 2016 CTP which is expected to be approved by the Commission in 2017. Those projects that are shovel ready may require more Measure BB funding in the short-term than has been collected to date, thus requiring the Alameda CTC to implement an external financing mechanism to ensure that these projects can move forward as expeditiously as possible.



### *RELEVANT FINANCIAL POLICIES*

The Board of Directors of the former agencies, ACCMA and ACTIA, adopted a comprehensive set of financial policies. The Alameda CTC is working within the guidelines of these policies until new policies are adopted for the new consolidated agency. However the Commission has adopted the following updated and consolidated financial policies to govern the operations of the Alameda CTC:

- Investment policy - which defines the parameters within which funds are to be managed. This policy was most recently reviewed and adopted by the Commission in May 2015;
- Debt policy - which establishes guidelines for the issuance and management of Alameda CTC debt and confirms the commitment of the Commission, management, and staff to adhere to sound financial management practices;
- General fund balance reserve policy - to mitigate risk and ensure sufficient liquidity in all funds;
- Contracting and procurement policy - which aims to streamline contracting efforts and expand local business participation; and
- Loan policy – which restricts loans to member agencies only.

### *MAJOR INITIATIVES*

The Alameda CTC went before the voters of Alameda County in November 2014 with Measure BB, a new \$7.8 billion transportation measure designed to help increase mobility, create jobs, reduce congestion, protect the environment, restore and expand transit services, fix potholes, reduce highway congestion, expand bicycle and pedestrian access and connect transit with housing and jobs over the next 30 years. Measure BB passed by a clear majority with 70.76 percent of the vote. The Alameda CTC is working on the development of many policies and procedures around the administration, allocation and distribution of Measure BB funds. The 2014 TEP, which supported Measure BB, designated approximately 54 percent of Measure BB revenues as direct local distribution funds, which requires them to be directly distributed to the member agencies upon receipt for local streets and roads maintenance and improvements, public transit, paratransit services, and bicycle and pedestrian maintenance and improvements. The Alameda CTC distributed the first funds designated as direct local distribution funds in the 2014 TEP via automatic clearing house (ACH) on June 30, 2015 for receipt by the member agencies on July 1, 2015. In addition, the Commission has approved a two year allocation plan which began in FY2014-15 which included initial allocations of Measure BB funding for capital project allocations to implementing agencies incurring costs for project specifically named in the 2014 TEP and program allocations to implementing agencies incurring costs for projects or programs included in the programmatic line items in the 2014 TEP. These allocations of Measure BB funds are intended to provide resources for multiple implementing agencies to prepare the deliverables required to bolster the competitiveness of individual projects by developing more detailed project delivery plans and descriptions of intended project benefits.

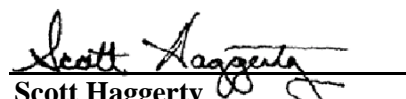


## AWARDS AND ACKNOWLEDGEMENTS


This is the third year the Alameda CTC has produced a Comprehensive Annual Financial Report (CAFR) which includes additional, complementary information, in addition to the basic financial statements, to better help the reader understand the financial condition of the Alameda CTC. We believe our current CAFR meets the requirements of the Government Finance Officers Association's (GFOA) Certificate of Achievement Program, and we plan to submit it to the GFOA to determine its eligibility for the award. To be awarded the certificate, a CAFR must be easy to read and efficiently organized while satisfying both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

We would like to extend our appreciation to the entire Finance Department staff who made the production of this CAFR possible through their support and dedicated service. We would also like to express our thanks to all members of the departments who assisted in and contributed to the preparation of this report. Credit and thanks also goes to the Commission for their support in maintaining the highest standards of professionalism in the management of the Alameda CTC.

Respectfully submitted,

  
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**Scott Haggerty**  
Chair, Alameda County  
Transportation Commission

  
\_\_\_\_\_  
**Arthur L. Dao**  
Executive Director

  
\_\_\_\_\_  
**Patricia Reavey**  
Director of Finance and Administration



# COMMISSIONERS

## As of June 30, 2015

Member	Jurisdiction	Alternate
Supervisor Scott Haggerty, Chair	Alameda County District 1 Supervisor	None
Vice Mayor Rebecca Kaplan, Vice Chair	City of Oakland Councilmember At-Large	Abel Guillen
Director Elsa Ortiz	AC Transit	H.E. Christian Peeples
Supervisor Richard Valle	Alameda County, District 2	Mike Bucci
Supervisor Wilma Chan	Alameda County, District 3	Anne Campbell Washington
Supervisor Nate Miley	Alameda County, District 4	None
Supervisor Keith Carson	Alameda County, District 5	Kriss Worthington
Director Thomas Blalock	Bay Area Rapid Transit	John McPartland
Mayor Trish Spencer	City of Alameda	Jim Oddie
Mayor Peter Maass	City of Albany	Michael Barnes
Councilmember Laurie Capitelli	City of Berkeley	Kriss Worthington
Mayor David Haubert	City of Dublin	Don Biddle
Mayor Ruth Atkin	City of Emeryville	Scott Donohue
Mayor Bill Harrison	City of Fremont	Suzanne Chan
Mayor Barbara Halliday	City of Hayward	Marvin Peixoto
Mayor John Marchand	City of Livermore	Stewart Gary
Councilmember Luis Freitas	City of Newark	Maria Collazo
Councilmember Dan Kalb	City of Oakland	Abel Guillen
Mayor Margaret Fujioka	City of Piedmont	Jeff Wieler
Mayor Jerry Thorne	City of Pleasanton	Kathy Narum
Mayor Pauline Cutter	City of San Leandro	Deborah Cox
Mayor Carol Dutra-Vernaci	City of Union City	Emily Duncan



## **EXECUTIVE MANAGEMENT**

### **Executive Director**

Arthur L. Dao	Executive Director	adao@alamedactc.org	(510) 208-7402
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### **Executive Team**

Tess Lengyel	Deputy Director of Planning and Policy	tlengyel@alamedactc.org	(510) 208-7428
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Patricia Reavey	Director of Finance and Administration	preavey@alamedactc.org	(510) 208-7422
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### **General Counsel**

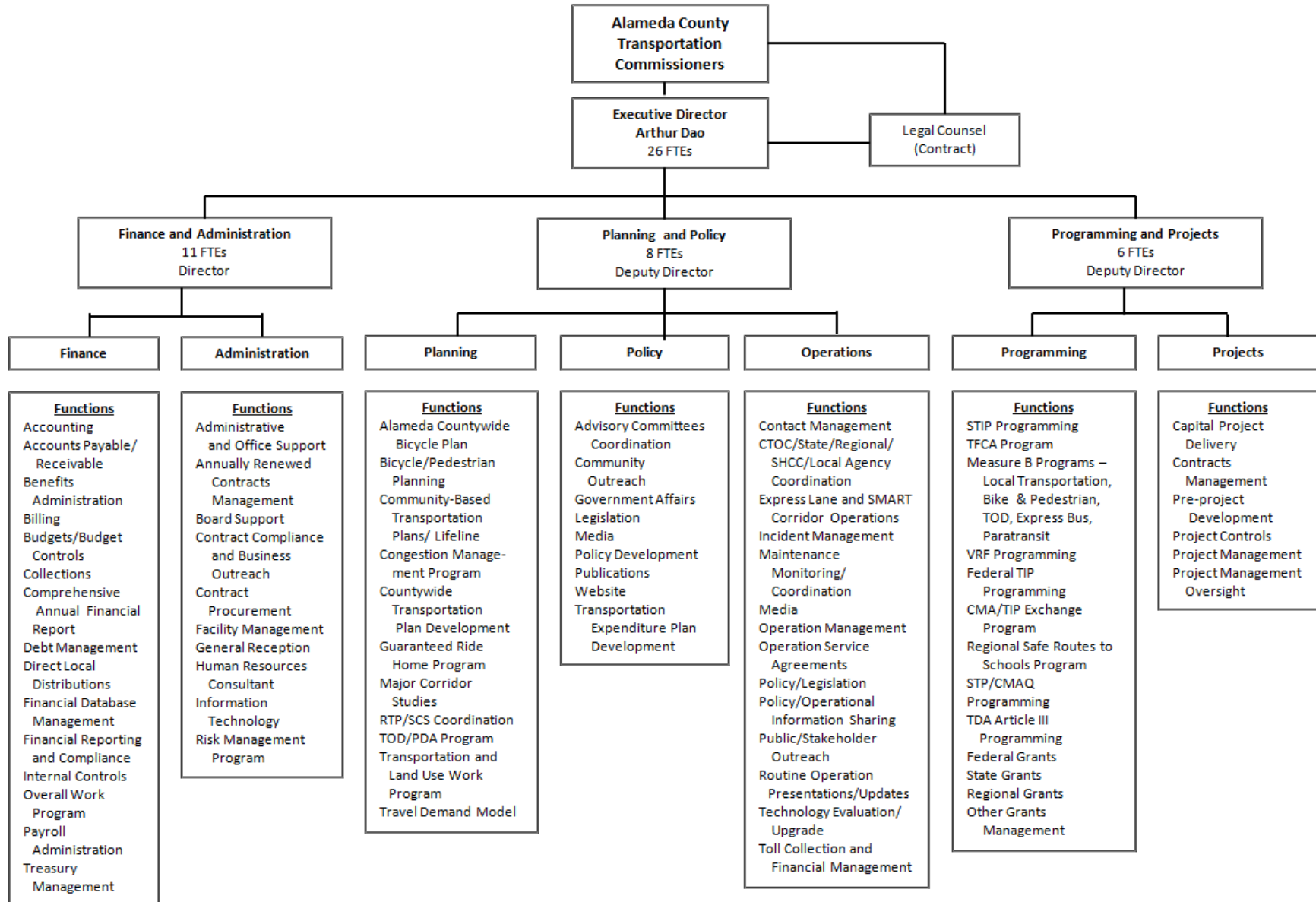
Wendel, Rosen, Black, & Dean LLP

Zachary R. Wasserman, Esq.

Neal Parish, Esq.



# Alameda County Transportation Commission Functional Organizational Chart





# Map Alameda County, California





## TABLE OF CREDITS

The following people contributed to the production of the Fiscal Year 2015 Comprehensive Annual Financial Report:

### **Finance:**

Director of Finance and Administration	Patricia Reavey, CPA
Accounting Manager	Lily Balinton
Senior Accountant	Yoana Navarro, CPA

### **Audit Firm - Vavrinek, Trine, Day & Co., LLP:**

Partner	Ahmad Gharaibeh, CPA
Manager	Nathan Edelman, CPA





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
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Presented to

**Alameda County  
Transportation Commission  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO



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***FINANCIAL SECTION***

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Alameda County Transportation Commission  
Oakland, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alameda County Transportation Commission (Alameda CTC) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Alameda CTC's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



## ***Opinion***

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 Alameda CTC, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As described in Note 7 and Note 12, Alameda CTC adopted Governmental Accounting Standards Board (GASB) Statement No. 68 - *Accounting and Financial Reporting for Pensions* as of July 1, 2014. Adoption of which required a restatement of beginning net position. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information, as listed in the table of contents, 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.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alameda CTC's basic financial statements. The schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and the other information, as listed in the table of contents, including the introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other information, as listed in the table of contents, including the schedule of expenditures of federal awards, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other information, as listed in the table of contents, including the schedule of expenditures of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report December 7, 2015 on our consideration of the Alameda CTC'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Alameda CTC's internal control over financial reporting and compliance.

*Vavrinek, Trine, Day & Co. LLP*

Palo Alto, California  
December 7, 2015



# **ALAMEDA COUNTY TRANSPORTATION COMMISSION**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015**

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The following discussion and analysis of the Alameda County Transportation Commission (Alameda CTC) financial report addresses the financial position, activities and performance of the agency for the fiscal year ended June 30, 2015. Management encourages readers to consider information presented in this section in conjunction with the financial statements and related notes contained in the financial section.

In June 2010, the Boards of the Alameda County Transportation Improvement Authority (ACTIA) and the Alameda County Congestion Management Agency (ACCMA) created a joint powers agency known as the Alameda County Transportation Commission pursuant to the California Joint Exercise of Powers Act in which ACTIA and ACCMA delegated all of their assets, liabilities, powers, functions and responsibilities to the Alameda CTC effective July 1, 2010. The Alameda CTC held its first joint meeting on July 22, 2010 and approved its first consolidated budget for fiscal year ended June 30, 2012 at its June 2011 meeting. For various reasons, including issues related to contracting with CalPERS and other required administrative tasks, the former agencies continued to exist through February 29, 2012 when they were legally dissolved and the Alameda CTC became the successor agency. The financial report prepared for the fiscal year ended June 30, 2012 for the Alameda CTC was the first financial report since the Alameda CTC was established. The Alameda CTC established the reporting of its financial statements in the form of a Comprehensive Annual Financial Report (CAFR), which includes all of the additional information required of a CAFR, for the first time for the fiscal year ended June 30, 2013 and has continued this practice through and for the fiscal year ended June 30, 2015.

The Alameda CTC strives to plan, fund and deliver transportation programs and projects that expand access and improve mobility to foster a vibrant and livable Alameda County.

### **Financial Highlights**

- Total net position was \$143.4 million at June 30, 2015, a decrease of \$36.0 million or 20.1 percent from the prior fiscal year end primarily related to capital project expenditures in the Measure B capital project funds.
- Total assets and deferred outflows increased slightly by \$0.1 million from \$436.5 million to \$436.6 million as of June 30, 2015 compared to June 30, 2014 related to an increase in sales tax revenues receivable due to the passage of Measure BB, a new sales tax which augments and extends the Measure B sales tax and began collections in April 2015. Cash and investments comprised \$359.1 million or 82.2 percent of the total assets as of June 30, 2015.
- Revenues totaled \$213.9 million for the fiscal year ended June 30, 2015. This was an increase of \$35.9 million or 20.2 percent over the fiscal year ended June 30, 2014 mostly related to an increase in sales tax revenues.
- Total liabilities and deferred inflow increased by \$36.1 million or 14.1 percent from \$257.0 million to \$293.2 million as of June 30, 2015 compared to June 30, 2014. This increase is primarily related to an increase in the accrual of Measure B capital project expenditures as Measure B bond funds are utilized to fund specific Measure B projects indicated in the official statement and an accrual for the distribution of new Measure BB Direct Local Distribution funds, which were received in the last week of the fiscal year for distribution to the member agencies in July 2015.
- Expenses totaled \$249.9 million for the fiscal year ended June 30, 2015. This was an increase of \$35.8 million or 16.7 percent over the fiscal year ended June 30, 2014 mostly related to Measure B and congestion management capital project expenditures and the new Measure BB Direct Local Distribution expenditures.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

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### Overview of the Financial Statements

As required by the Governmental Accounting Standards Board, the financial report presents the following statements:

- A Statement of Net Position (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 governmental funds including the General Fund, the 2000 Measure B Special Revenue Fund, 2014 Measure BB Special Revenue Fund, the Exchange Fund, the 2000 Measure B Capital Projects Fund, 1986 Measure B Capital Projects Fund, ACCMA Capital Projects Fund, the 2014 Measure BB Capital Projects Fund and the Nonmajor Governmental Funds).
- A Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Funds (presenting revenues and expenditures by fund).
- Notes to the financial statements (providing additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements).
- A Schedule of Revenues, Expenditures and Change in Fund Balances - Budget and Actual for the General Fund (presenting budget versus actual revenues and expenditures).
- A Schedule of Revenues, Expenditures and Change in Fund Balances - Budget and Actual for the 2000 Measure B Special Revenue Fund (presenting budget versus actual revenues and expenditures).
- A Schedule of Revenues, Expenditures and Change in Fund Balances - Budget and Actual for the 2014 Measure BB Special Revenue Fund (presenting budget versus actual revenues and expenditures).
- A Schedule of Revenues, Expenditures and Change in Fund Balances - Budget and Actual for the Exchange Fund (presenting budget versus actual revenues and expenditures).

The Statement of Net Position and the Statement of Activities, together, make up the *government-wide financial statements*. The Balance Sheet and the Statement of Revenues, Expenditures and Change 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 Position* includes total assets plus deferred outflow of resources and total liabilities plus deferred inflow of resources with the difference between them reported as net position. Total revenues, total expenses, and changes in net position are accounted for in the *Statement of Activities*, regardless of the timing of related cash flows.

The *fund financial statements* provide additional information detailed by fund. A fund is a set of accounts used to control resources segregated for specific activities or purposes. The Alameda CTC 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.



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The Alameda CTC has seven major funds: the General Fund, the 2000 Measure B Special Revenue Fund, the 2014 Measure BB Special Revenue Fund, the Exchange Fund, the 2000 Measure B Capital Projects Fund, the 1986 Measure B Capital Projects Fund, the ACCMA Capital Projects Fund. However for FY2014-15, the 2014 Measure BB Capital Projects Fund, although not a major fund, was also reported individually on the fund financial statements.

General Fund – The General Fund is the chief operating fund. The General Fund receives 4.5 percent of all Measure B sales tax revenues and 4.0 percent of all Measure BB sales tax revenues to fund the administration of the sales tax funds and member agency contributions to fund congestion management activities. Pursuant to the 2000 TEP, administrative costs are limited to 4.5 percent of revenues collected by the 2000 Measure B sales tax, and pursuant to the 2014 TEP, administrative costs are limited to 4.0 percent of revenues collected by the 2014 Measure BB sales tax. Pursuant to both the 2000 TEP and the 2014 TEP, administrative salaries and benefits are limited to 1.0 percent of revenues collected by the Measure B and Measure BB sales taxes, and pursuant to the Public Utilities Code (PUC) administrative salaries and benefits are limited to 1.0 percent of total funds generated by each measure. This fund is also used for administering and preparing the Congestion Management Plan and for programming federal, state, and local funds to implement the Congestion Management Plan.

2000 Measure B Special Revenue Fund – The 2000 Measure B Special Revenue Fund is made up of six subfunds designed to account for sales tax revenues and expenditures related to the implementation of all programs authorized in the 2000 TEP. These subfunds include the Express Bus, Paratransit (Service Gap), Regional Bicycle and Pedestrian, Transit-Oriented Development and the Programs Distribution Subfunds.

- Programming and Programs – The Alameda CTC uses the Programming and Programs fund to support programming and programs in the 2000 TEP and other core functions.
- Express Bus Subfund – The Alameda CTC uses the Express Bus Subfund to provide funding to transit operators in Alameda County for maintenance of transit services, restoration of service cuts, expansion of transit services, and passenger safety and security.
- Bicycle and Pedestrian Subfund – The Alameda CTC uses the Bicycle and Pedestrian Subfund to provide funding to the cities and County of Alameda to be spent on planning and construction of bicycle and pedestrian projects.
- Direct Local Distribution Subfund – The Alameda CTC uses the Direct Local Distribution Subfund to account for local streets and roads, bicycle and pedestrian, paratransit, and other sales tax revenues that are immediately disbursed to the cities and County of Alameda through direct local distribution to fund transportation needs based on local priorities.
- Transit-Oriented Development Subfund – The Alameda CTC uses the Transit-Oriented Development Subfund to provide funding to the cities and County of Alameda to encourage development near transit centers.
- Paratransit (Service Gap) Subfund – The Alameda CTC uses the Paratransit (Service Gap) Subfund to provide funding in Alameda County for special transportation for seniors and people with disabilities.

2014 Measure BB Special Revenue Fund – The 2014 Measure BB Special Revenue Fund is made up of eight subfunds designed to account for sales tax revenues and expenditures related to the implementation of all programs authorized in the 2014 TEP. These subfunds include the following:

- Programs and Project Management Oversight Subfund – The Alameda CTC uses the Programs and Project Management Oversight Subfund to provide funding for the management and oversight of projects and programs in the 2014 TEP.
- Transit Operations, Maintenance and Safety Subfund – The Alameda CTC uses the Transit Operations, Maintenance and Safety Subfund to provide funding for innovative and emerging projects which increase the number of people that can be served by public transit, including student transportation programs.



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- Bicycle and Pedestrian Subfund – The Alameda CTC uses the Bicycle and Pedestrian Subfund to provide funding for maintenance of regional bicycle and pedestrian facilities and increasing safe bicycling.
- Direct Local Distribution Subfund – The Alameda CTC uses the Direct Local Distribution Subfund to account for sales tax revenues that are immediately disbursed to the cities and County of Alameda through direct local distribution to fund transportation needs based on local priorities including improvements to local infrastructure or any other local transportation need, such as street maintenance, bicycle and pedestrian projects, bus stops, or traffic calming, which support a “complete streets” philosophy.
- Paratransit Subfund – The Alameda CTC uses the Paratransit Subfund to provide funding for coordination and service across jurisdictional lines or filling gaps in the system to meet mobility needs of seniors and people with disabilities.
- Freight and Economic Development Subfund – The Alameda CTC uses the Freight and Economic Development Subfund to provide funding for projects that develop innovative approaches to moving goods in a safe and healthy environment in support of a robust economy.
- Community Development Subfund – The Alameda CTC uses the Community Development Subfund to provide funding for community investments that improve transit and connections to jobs and schools.
- Technology Subfund – The Alameda CTC uses the Technology Subfund to provide funding to develop innovative approaches to new and emerging technologies that better manage the transportation system.

Exchange Fund – The Exchange Fund is used to account for all activity related to the Exchange Program. Under the Exchange Program, the Alameda CTC 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 was developed to expedite projects by giving project sponsors the flexibility of using local funds rather than more restrictive state or federal funds. The Alameda CTC 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 are more flexible and can be used for projects that either do not have the ability to make use of state or federal funds, projects that would face unacceptable delays if state or federal funds were used or other transportation related commitments.

The Alameda CTC has entered into the following exchange agreements as of June 30, 2015 since inception in 2000:

Alameda County Transportation Improvement Authority	\$ 2,316,148
Alameda County Public Works Agency	8,684,000
Alameda County Transportation Commission Measure B	13,930,143
Alameda-Contra Costa Transit District	36,093,603
Bay Area Rapid Transit	8,100,000
City of Berkeley	259,560
City of Dublin	4,230,000
City of Fremont	6,191,156
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	<u>95,364,055</u>

These exchanges are recognized as revenue when qualifying expenses are incurred. Of the total exchange agreements, \$88.9 million has been collected and \$72.2 million has been expended as of June 30, 2015.



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2000 Measure B Capital Projects Fund – The 2000 Measure B Capital Projects Fund is used to account for sales tax and other revenues and expenditures related to the implementation of capital projects designated to be funded in the 2000 TEP approved by the voters in November 2000.

1986 Measure B Capital Projects Fund – The 1986 Measure B Capital Projects Fund is used to account for sales tax and other revenues and expenditures related to the implementation of capital projects designated to be funded in the 1986 TEP approved by the voters in November 1986.

ACCMA Capital Projects Fund – The ACCMA Capital Projects 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 fiscal year ended June 30, 2015 were \$39.8 million and \$39.1 million, respectively, with the difference transferred to the General Fund to help cover costs incurred to administer the congestion management program.

The Alameda CTC has four nonmajor funds: the 2014 Measure BB Capital Projects Fund, the Transportation Fund for Clean Air, the Vehicle Registration Fee Fund, and the Debt Service Fund.

2014 Measure BB Capital Projects Fund – The 2014 Measure BB Capital Projects Fund is used to account for sales tax and other revenues and expenditures related to the implementation of capital projects designated to be funded in the 2014 TEP approved by the voters in November 2014.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources that are restricted to pay for debt service on outstanding bonds as the principal and interest become due.

Special Revenue Funds – The Alameda CTC has two Special Revenue Funds related to fees imposed on vehicle registrations in Alameda County for which the Alameda CTC is required to administer, the *Vehicle Registration Fee (VRF) Fund* and the *Transportation Fund for Clean Air (TFCA)*. These two special revenue funds have been established to administer and account for these funding sources separately from other funding sources of the Alameda CTC 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. Sixty percent of net VRF collections are designated for local road improvements and repairs and are allocated to the cities and County of Alameda automatically as a Direct Local Distribution 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 forty percent designated for transit congestion relief, local transportation technology, pedestrian and bicyclist access, and safety programs are distributed by planning area, seventy-five percent of the forty percent on a discretionary basis and twenty-five percent, the portion designated for local transportation technology, are allocated to Alameda CTC to support ongoing operational requirements for technology related capital investments that benefit traffic corridors within Alameda County. Master Program Funding Agreements have been executed with the cities and County of Alameda to govern the flow of VRF funds. Direct Local Distribution funding for local road improvements and repairs began flowing to the cities and County of Alameda in June 2012.

TFCA funding is generated by a four dollar regional vehicle registration fee collected by the Bay Area Air Quality Management District (BAAQMD). TFCA funds are required to be used to implement projects and programs aimed at reducing air pollution through the reduction of motor vehicle emissions. Sixty percent of net TFCA funds are administered by the BAAQMD. Of the funds generated within Alameda County, forty percent are administered by Alameda CTC and are allocated on a discretionary basis to projects and programs that meet the BAAQMD's TFCA program requirements, including project cost-effectiveness. During the fiscal year ended June 30, 2015, the Alameda CTC provided TFCA funding to various sponsors for projects including, but not limited to,



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MTC for expansion of the Bay Area Bike Share program to the cities of Berkeley and Oakland, the City of Oakland for its ongoing CityRacks bicycle parking program, California State University East Bay for its second campus shuttle to Hayward BART, Livermore Amador Valley Transit Authority for Routes 8, 12, and 15, the City of Fremont for a Downtown Fremont Arterial Management project, the City of Pleasanton for its commuter- and school-based trip reduction programs, Alameda County for Chabot Road Class 2 bicycle lanes, and Alameda-Contra Costa Transit for East Bay Bus Rapid Transit (BRT). The Alameda CTC implemented Guaranteed Ride Home and Transportation Demand Management Programs also received TFCA funding.

The *notes to the financial statements* provide additional information that is vital to the understanding of the financial statements. These notes can be found directly following the financial statements in this financial report.

### **Government-wide Financial Analysis**

#### *Net Position*

As of June 30, 2015, total assets and deferred outflows were \$436.6 million, a slight increase of \$0.1 million over June 30, 2014 mostly due to an increase in sales tax revenues receivable due to the passage of Measure BB, a new sales tax which augments and extends the Measure B sales tax and began collections in April 2015. Cash and investments comprised \$359.1 million or 82.2 percent of the total assets.

Total liabilities and deferred inflows were \$293.2 million as of June 30, 2015, an increase of \$36.1 million or 14.1 percent over June 30, 2014 related to an increase in the accrual of Measure B capital project expenditures as Measure B bond funds are utilized to fund specific Measure B projects indicated in the official statement and an accrual for the distribution of new Measure BB Direct Local Distribution funds, which were received in the last week of the fiscal year for distribution to the member agencies in July 2015. As of June 30, 2015, the Alameda CTC had commitments for \$12.9 million towards administrative services contracts, \$44.1 million towards engineering contracts, \$1.2 million towards construction contracts and \$108.5 million towards project sponsor contracts with terms ranging up to eight years.

Net position was \$143.4 million at June 30, 2015, a decrease of \$36.0 million or 20.1 percent from June 30, 2014. Of the total \$143.4 million in net position at June 30, 2015, \$0.5 million or 0.4 percent is invested in capital assets, \$31.8 million or 22.1 percent is unrestricted and the balance of \$111.1 million or 77.5 percent is restricted for use towards local programs and capital projects authorized in the Measure B 1986 and 2000 TEPs and the Measure BB 2014 TEP, congestion management projects and debt service.

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



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### Condensed Statement of Net Position June 30, 2015 and 2014

	Governmental Activities	
	2015	2014
Cash and Investments	\$ 359,074,773	\$ 392,182,142
Receivables		
Sales tax receivables	44,721,464	20,534,000
Interest	657,738	509,142
Other	26,634,693	17,950,117
Land held for resale	4,068,000	4,068,000
Prepaid and other assets	79,083	237,195
Capital assets		
Furniture and equipment (net of accumulated depreciation)	516,003	621,809
Deferred outflow from pension activities	821,820	361,246
<b>Total Assets and Deferred Outflows</b>	<b>\$ 436,573,574</b>	<b>\$ 436,463,651</b>
Accounts Payable and Accrued Liabilities	100,270,121	68,904,676
Interest payable	1,900,450	1,827,477
Unearned revenue	32,956,495	25,647,961
Long-term obligations	157,123,088	160,649,976
Deferred inflow from pension activities	917,604	-
<b>Total Liabilities and Deferred Inflows</b>	<b>293,167,758</b>	<b>257,030,090</b>
Net Position:		
Net investment in capital assets	516,003	621,809
Restricted for:		
Transportation projects/programs/debt service	111,116,490	153,449,752
Unrestricted	31,773,323	25,362,000
<b>Total Net Position</b>	<b>\$ 143,405,816</b>	<b>\$ 179,433,561</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 436,573,574</b>	<b>\$ 436,463,651</b>



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### *Change in Net Position*

Total revenues during fiscal year 2015 were \$213.9 million, an increase of \$35.9 million or 20.2 percent over fiscal year 2014. This increase can be attributed to an increase in sales tax revenues related to new Measure BB collections. Total expenses during fiscal year 2015 were \$249.9 million, an increase of \$35.8 million or 16.7 percent over fiscal year 2014. This increase is related to Measure B and congestion management capital project expenditures and the new Measure BB Direct Local Distribution expenditures. Internal project or program funding sources granted between funds are eliminated on a consolidated basis to ensure that revenues and expenditures are not double counted on a consolidated basis for the Alameda CTC.

The following are changes in key activities during fiscal year 2015:

- Operating grants and contributions for fiscal year 2014 were \$34.1 million, a slight decrease of \$1.0 million or 2.8 percent from fiscal year 2014. This change is related to small decreases in program revenues in various funds in fiscal year 2015.
- Sales tax revenues for fiscal year 2015 were \$164.5 million, an increase of \$37.4 million or 29.4 percent over fiscal year 2014 primarily due to the collection of new Measure BB revenues beginning April 2015.
- Administration expenses for fiscal year 2015 were \$13.7 million, an increase of \$1.6 million or 13.2 percent over fiscal year 2014 mostly related to planning and programming activities.
- Interest expense for fiscal year 2015 related to the Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 was \$3.2 million net of amortization of bond premium designated for debt service, an increase of \$2.2 million or 246.7 percent over fiscal year 2014, because fiscal year 2015 was the first full year that interest expense was incurred on the 2014 Sales Tax Revenue Bonds.
- Transportation improvement costs for fiscal year 2015 were \$179.4 million, an increase of \$13.8 million or 8.3 percent over fiscal year 2014. This change is related to a ramp up in Measure B capital project costs as Measure B funds are called on to fund projects approved in the TEP.
- Congestion management expenses for fiscal year 2015 were \$53.7 million, an increase of \$18.2 million or 51.5 percent over fiscal year 2014. This increase is due to the change in phases on many of the congestion management capital projects which have moved into construction.

During fiscal year 2015, expenses exceeded revenues by \$36.0 million resulting in a decrease to net position which was \$143.4 million as of June 30, 2015.



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### Condensed Statement of Changes in Net Position June 30, 2015 and 2014

	Governmental Activities	
	2015	2014
<b>Revenues</b>		
Program revenues:		
Operating grants and contributions	\$ 34,091,309	\$ 35,076,200
General revenues:		
Sales taxes	164,496,789	127,095,900
Vehicle registration fees	12,929,589	12,669,464
Member agency contributions	1,394,818	1,394,821
Investment income	913,416	755,915
Other	33,399	937,338
<b>Total Revenues</b>	<u>213,859,320</u>	<u>177,929,638</u>
<b>Expenses</b>		
Administration	13,682,520	12,087,490
Interest expense	3,184,830	1,005,686
Transportation improvements	179,363,353	165,594,441
Congestion management	53,656,362	35,422,286
<b>Total Expenses</b>	<u>249,887,065</u>	<u>214,109,903</u>
<b>Change in Net Position</b>	(36,027,745)	(36,180,265)
<b>Net Position, Beginning of Year</b>	179,433,561	215,613,826
<b>Net Position, End of Year</b>	<u>\$ 143,405,816</u>	<u>\$ 179,433,561</u>

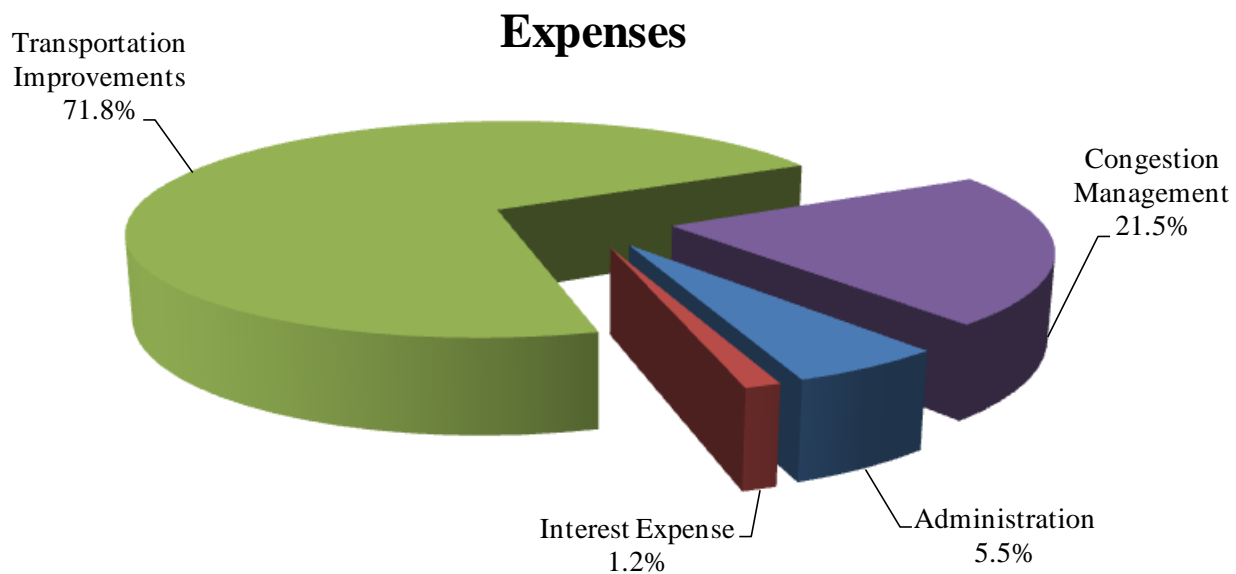
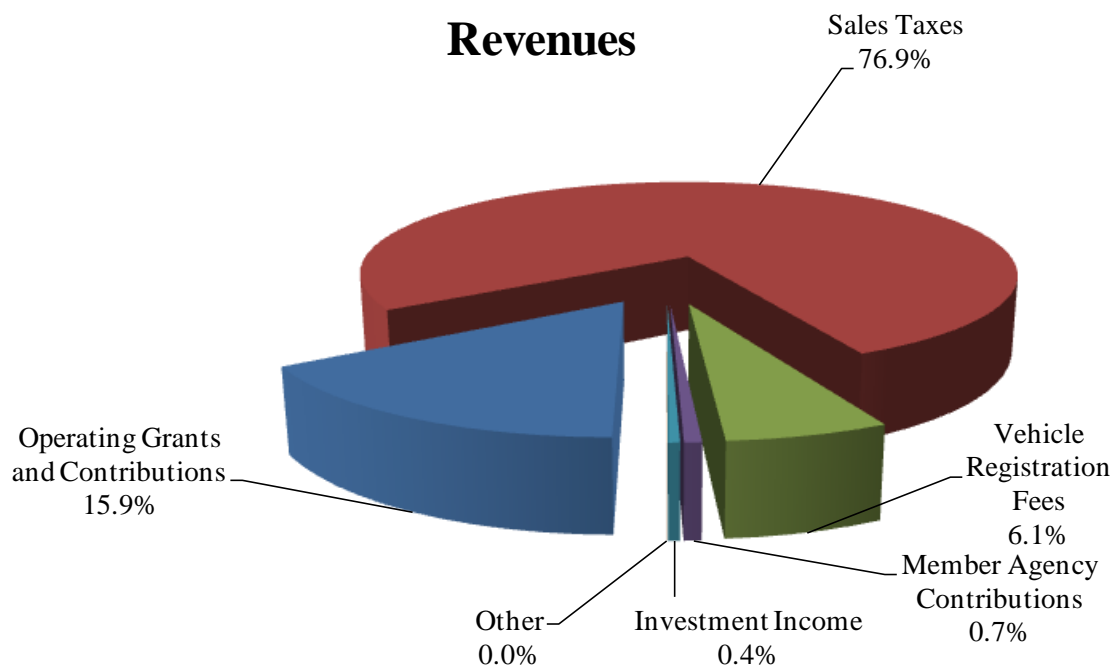


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### **Governmental Funds Financial Analysis**

The Alameda CTC uses fund accounting to ensure compliance with finance-related legal requirements. Governmental funds include the General Fund, 2000 Measure B Special Revenue Fund, 2014 Measure BB Special Revenue Fund, Exchange Fund, 2000 Measure B Capital Projects Fund, 1986 Measure B Capital Projects Fund, ACCMA Capital Projects Fund, and the nonmajor funds including the 2014 Measure BB Capital Projects Fund, Debt Service Fund, Transportation Fund for Clean Air, and Vehicle Registration Fee Fund.

As of June 30, 2015, the Alameda CTC had \$297.8 million of fund balance in the governmental funds: \$29.6 million in the General Fund, \$12.5 million in the 2000 Measure B Special Revenue Fund, \$3.0 million in the 2014 Measure BB Special Revenue Fund, \$4.9 million in the Exchange Fund, \$79.1 million in the 2000 Measure B Capital Projects Fund, \$126.1 million in the 1986 Measure B Capital Projects Fund, \$8.9 million in the 2014 Measure BB Capital Projects Fund and \$33.7 million in the balance of the nonmajor governmental funds. This is a decrease from June 30, 2014 of \$43.1 million or 12.6 percent. This decrease is mostly related to capital project expenditures in the 2000 Measure B Capital Projects Fund as bond funds continue to be spent down to fund specific projects specified in the official statement.

For the period July 1, 2014 through June 30, 2015, the Alameda CTC had \$209.7 million of revenues and other financing sources in the governmental funds: \$16.9 million in the General Fund, \$76.9 million in the 2000 Measure B Special Revenue Fund, \$16.5 million in the 2014 Measure BB Special Revenue Fund, \$4.8 Million in the Exchange Fund, \$42.5 million in the 2000 Measure B Capital Projects Fund, \$0.6 million in the 1986 Measure B Capital Projects Fund, \$39.8 million in the ACCMA Capital Projects Fund, \$8.9 million in the 2014 Measure BB Capital Projects Fund, \$15.0 million in the balance of the nonmajor governmental funds less \$12.2 million of inter-fund revenues which have been eliminated on a consolidated basis. This is an increase over June 30, 2014 of \$31.8 million or 17.8 percent. This increase is mostly attributed to an increase in sales tax revenues related to implementation of the new Measure BB.

For the period July 1, 2014 through June 30, 2015, the Alameda CTC had \$252.8 million of expenditures in the governmental funds: \$12.0 million in the General Fund, \$75.0 million in the 2000 Measure B Special Revenue Fund, \$13.4 million in the 2014 Measure BB Special Revenue Fund, \$4.8 million in the Exchange Fund, \$111.0 million in the 2000 Measure B Capital Projects Fund, \$-7.5 million in the 1986 Measure B Capital Projects Fund, \$39.1 million in the ACCMA Capital Projects Fund, \$17.2 million in the nonmajor governmental funds less \$12.2 million of inter-fund expenditures which have been eliminated on a consolidated basis. This is an increase of \$39.1 million or 18.3 percent over June 30, 2014. This increase is primarily due to an increase in 2000 Measure B and congestion management capital project expenditures as 2000 Measure B projects work towards spending down bond funds specified in the official statement and many of the congestion management projects enter the construction phase.

As of June 30, 2015, the Alameda CTC had \$435.2 million of assets in the governmental funds: \$43.8 million in the General Fund, \$26.2 million in the 2000 Measure B Special Revenue Fund, \$13.5 million in the 2014 Measure BB Special Revenue Fund, \$22.9 million in the Exchange Fund, \$154.4 million in the 2000 Measure B Capital Projects Fund, \$128.4 million in the 1986 Measure B Capital Projects Fund, \$34.6 million in the ACCMA Capital Projects Fund, \$10.5 in the 2014 Measure BB Capital Projects Fund, \$37.0 million in the balance of the nonmajor governmental funds less \$36.1 million of assets which have been eliminated on a consolidated basis. This is a slight decrease of \$0.2 million or 0.1 percent from June 30, 2014. This decrease is mostly attributed to costs incurred for 2000 Measure B and congestion management capital projects.

As of June 30, 2015, the Alameda CTC had \$137.4 million of liabilities and deferred inflows in the governmental funds: \$14.2 million in the General Fund, \$13.7 million in the 2000 Measure B Special Revenue Fund, \$10.4 in



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the 2014 Measure BB Special Revenue Fund, \$18.0 million in the Exchange Fund, \$75.3 million in the 2000 Measure B Capital Projects Fund, \$2.3 million in the 1986 Measure B Capital Projects Fund, \$34.6 million in the ACCMA Capital Projects Fund, \$1.7 million in the 2014 Measure BB Capital Projects Fund, \$3.3 million in the balance of the nonmajor governmental funds less \$36.1 million of liabilities which have been eliminated on a consolidated basis. This is an increase of \$42.8 million or 45.3 percent over June 30, 2014. This increase is primarily due to an increase in the accrual of Measure B capital project expenditures as Measure B bond funds are utilized to fund specific Measure B projects indicated in the official statement and an accrual for the distribution of new Measure BB Direct Local Distribution funds, which were received in the last week of the fiscal year for distribution to the member agencies in July 2015.

### Capital Assets

As of June 30, 2015, the Alameda CTC had \$516,003 invested in capital assets, including furniture and equipment and leasehold improvements.

**Capital Assets**  
**(net of accumulated depreciation and amortization)**  
**As of June 30, 2015 and 2014**

	2015	2014
Furniture and equipment (net of accumulated depreciation)	\$ 189,637	\$ 255,480
Leasehold improvements (net of accumulated amortization)	326,366	366,329
Total	<u>\$ 516,003</u>	<u>\$ 621,809</u>

### Debt

The Alameda CTC issued Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 in March 2014 of which a par value of \$137.1 million remains outstanding as of June 30, 2015. The pledge to secure the bonds is sales tax revenues, and the Alameda CTC has a trustee who maintains the bond funds. This was the first bond issuance for the agency therefore the Alameda CTC also received its ratings from Standard & Poor's Rating Services and Fitch Ratings for the first time in fiscal year 2014. The Alameda CTC received a AAA rating from both rating agencies. For more information on the agencies debt activity, please refer to note #5 to the financial statements.

### Comparison of Budget to Actual

General Fund – The Alameda CTC began the fiscal year with an adopted revenue budget of \$18.9 million, an expenditures budget of \$17.1 million and a budgeted transfer in the amount of \$0.6 million resulting in an increase in the General Fund balance of \$2.4 million. In the final adopted budget, the revenue budget was revised to \$21.0 million, the expenditure budget was revised to \$19.6 million and the transfer in was revised slightly, but remained at \$0.6 million resulting in a surplus in the General Fund of \$2.0 million. The increase in revenues was mostly related to the recognition of new Measure BB sales tax revenues, and the increase in expenditures was related to the registrar of voters cost to put Measure BB on the ballot and additional planning project expenditures.

Actual revenues from sales tax, project revenues, member agency contributions, investment income and other were \$16.9 million which is less than final adopted budget by \$4.1 million or 19.6 percent and actual administrative expenditures were \$11.9 million which is less than final adopted budget by \$7.6 million or 38.9



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percent. These variances are mostly related to planning activities in the General Fund which are billed to funding agencies on a reimbursement basis. Since expenditures were below budget, consequently so were revenues.

### Other Significant Matters

Measure BB – In November 2014, the Alameda CTC placed Measure BB on the ballot for Alameda County. Measure BB, a sales tax measure that would augment and extend the county's existing half-cent transportation sales tax, was supported by the 2014 TEP. Because it was a special tax, Measure BB required two-thirds or 66.67 percent voter approval to pass. Alameda County voters supported Measure BB overwhelmingly with 70.76 percent of their votes. Measure BB passed by a significant majority and will provide Alameda County with \$7.8 billion in funding over the next 30 years to increase mobility, create jobs, reduce congestion and protect the environment. The 2014 TEP responds to the many transportation needs in Alameda County by providing details of how the funds will be used to restore and expand transit services, fix potholes and manage highway congestion, expand bicycle and pedestrian access and connect transit with housing and jobs.

Comprehensive Investment Plan – Alameda CTC developed a new strategic planning document, the Comprehensive Investment Plan (CIP), in FY2014-15. This CIP is a five-year programming document with a two year allocation plan that integrates existing planning and programming practices performed by Alameda CTC into a single streamlined strategic planning and programming document that identifies short and long-term transportation solutions. The CIP translates long-range plans into short-range implementation by establishing a list of short-range priority transportation improvements to enhance and maintain Alameda County's transportation system. In addition, the CIP identifies anticipated transportation funding over a five-year period, and strategically matches these funding sources to targeted transportation priorities. The CIP is a dynamic document that will be periodically updated to address changing transportation needs, revenue projections, available funding sources, and policy changes. The CIP will ensure that public funds are strategically invested in projects and programs that provide public benefits, advance the development of projects and programs to construction and implementation, and support leveraging of regional, state and federal dollars for Alameda County's priority transportation projects and programs. With the passage of Measure BB in FY2014-15, Alameda CTC was swift to integrate new Measure BB funding into the first CIP so that project sponsors of projects supported in the 2014 TEP could begin the required scoping work in order to get their projects shovel ready and create jobs in Alameda County more quickly.

Countywide Goods Movement Plan – Development of the Goods Movement Plan began in FY2013-14. The plan is intended to address the near and long-term needs of goods movement in Alameda County through significant stakeholder collaboration and technical analyses and identify projects, programs and policies to advance and support the goods movement goals of the region. Development of the Goods Movement Plan continued throughout FY2014-15 in collaboration with the public, business owners, supportive organizations, regulatory agencies, labor and environmental and community based organizations. During FY2014-15, the Commission approved the vision, goals and performance measures for the Countywide Goods Movement Plan to move the development of the plan forward, and the Alameda CTC held the first ever Goods Movement Collaborative Roundtable meeting, conducted a detailed needs assessment to identify gaps and opportunities in the goods movement system, performed a strategy evaluation and developed a preliminary set of major strategic improvements for the County. The final plan will be completed in FY2015-16.

Countywide Multi-Modal Arterials Plan – Alameda CTC began development of the Arterials Plan in FY2014-15. Alameda CTC is developing the Arterials Plan to comprehensively study the existing and future conditions for all transportation modes on the arterials, identify needs and develop recommendations for transportation improvements. Arterial roadways are the core of the transportation system in Alameda County, moving people



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**JUNE 30, 2015**

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and goods within the county and the region and serving the second highest number of users as compared to freeways. These roadways provide regional and local mobility for multiple transportation modes, access to surrounding land uses, and connectivity between employment and activity centers that is essential for Alameda County's economy and quality of life. In FY2014-15, Alameda CTC performed extensive outreach and coordination on the plan development with local jurisdictions, the California Department of Transportation (Caltrans), transit operators, and non-agency members representing all modes. In FY2014-15, the Commission approved the vision, goals, and performance measures for the Arterials Plan. The final plan will be completed in FY2015-16.

*Proposition 1B I-Bond Projects* – In 2006, Alameda CTC aggressively pursued additional funding from the Proposition 1B Program for vital highway projects throughout Alameda County. Alameda CTC worked with the Metropolitan Transportation Commission (MTC) to submit recommendations for various Alameda County projects to the California Transportation Commission (CTC). As a result of these efforts, eight Alameda CTC highway projects received Proposition 1B funding. Since the merger of the agencies, the Projects and Programming staff have worked diligently to ensure that each of these projects were shovel ready in order to receive CTC approval for the I-Bond funds before the funding timeframe expired. Alameda CTC has successfully secured a total of \$447.2 million in Proposition 1B Bond funding for eight projects with a total program value of \$1.14 billion. In FY2014-15, steady construction progress continued on seven remaining projects. Four of the seven remaining projects have achieved over 80 percent schedule completion and are anticipated to be delivered in FY2015-16.

*Sunol Smart Carpool Lane* – A Joint Powers Agreement (Agreement) between the Alameda CTC's former agencies, ACTIA and ACCMA, and the Santa Clara Valley Transportation Authority established the Sunol Smart Carpool Lane (Lane), which created the Sunol Smart Carpool Lane Joint Powers Authority (SSCLJPA). The Agreement named the Alameda CTC as the managing agency for the project on behalf of the SSCLJPA. 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 Alameda CTC 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. Fiscal year 2013 was the first year the SSCLJPA began paying for the majority of its own operating costs. The SSCLJPA will continue to receive a subsidy of grant funding from the original Alameda CTC capital project until such time as it is independently solvent (see note #8). 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.

### **Requests for Information**

This financial report is designed to provide a general overview of the Alameda CTC'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 the Office of Accounting at 1111 Broadway, Suite 800, Oakland, CA 94607.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## STATEMENT OF NET POSITION JUNE 30, 2015

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### ASSETS

Cash and investments	\$ 359,074,773
Sales tax receivable	44,721,464
Interest receivable	657,738
Other receivable	26,634,693
Land held for resale	4,068,000
Prepays and other assets	79,083
Capital assets, net of accumulated depreciation	516,003
<b>Total Assets</b>	<u>435,751,754</u>

### DEFERRED OUTFLOW OF RESOURCES

Deferred outflow from pension activities	<u>821,820</u>
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### LIABILITIES

Accounts payable and accrued liabilities	100,270,121
Interest payable	1,900,450
Unearned revenues	32,956,495
Noncurrent liabilities:	
Due within one year	2,541,982
Due within more than one year	151,575,101
Pension liability	3,006,005
<b>Total Liabilities</b>	<u>292,250,154</u>

### DEFERRED INFLOW OF RESOURCES

Deferred inflow from pension activities	<u>917,604</u>
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### NET POSITION

Investment in capital assets	516,003
Restricted	
Local programs	16,297,397
Capital projects	63,030,769
Transportation fund for clean air	5,042,326
Vehicle registration fees	13,802,656
Debt service	12,943,342
Unrestricted	31,773,323
<b>Total Net Position</b>	<u>\$ 143,405,816</u>

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



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
			Total Governmental Activities
<b>Governmental Activities</b>			
Administration	\$ 13,682,520	\$ -	\$ (13,682,520)
Transportation improvement	179,363,353	2,007,962	(177,355,391)
Congestion management	53,656,362	32,083,347	(21,573,015)
Interest expense	3,184,830	-	(3,184,830)
<b>Total Governmental Activities</b>	<b>\$ 249,887,065</b>	<b>\$ 34,091,309</b>	<b>(215,795,756)</b>
<b>General revenues and subventions:</b>			
Sales tax revenues			164,496,789
Vehicle registration fees			12,929,589
Member agency contributions			1,394,818
Interest and investment earnings			913,416
Other revenues			33,399
<b>Subtotal, general revenues</b>			<b>179,768,011</b>
<b>Change in Net Position</b>			<b>(36,027,745)</b>
<b>Net Position - Beginning, as restated</b>			<b>179,433,561</b>
<b>Net Position - Ending</b>			<b>\$ 143,405,816</b>

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



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# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## GOVERNMENTAL FUNDS

### BALANCE SHEET

JUNE 30, 2015

	General Fund	2000 Measure B Special Revenue Fund	2014 Measure BB Special Revenue Fund	Exchange Fund
<b>ASSETS</b>				
Cash and investments	\$ 34,974,158	\$ 12,854,405	\$ 807,101	\$ 12,482,984
Sales tax receivable	2,082,146	12,382,809	12,639,376	-
Interest receivable	21,654	6,567	-	1,330
Other receivable	4,108,912	949,849	-	-
Due from other funds	2,560,741	39,634	-	10,397,522
Land held for sale	-	-	-	-
Prepays and other assets	69,366	-	-	-
<b>Total Assets</b>	<u>\$ 43,816,977</u>	<u>\$ 26,233,264</u>	<u>\$ 13,446,477</u>	<u>\$ 22,881,836</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 2,970,487	\$ 12,908,670	\$ 9,854,348	\$ 393,148
Due to other funds	10,900,927	572,646	-	830,484
Unearned revenue	-	46,680	-	16,728,655
<b>Total Liabilities</b>	<u>13,871,414</u>	<u>13,527,996</u>	<u>9,854,348</u>	<u>17,952,287</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	346,126	158,894	562,079	-
<b>Fund Balances</b>				
Nonspendable	69,366	-	-	-
Restricted				
Local programs	-	12,546,374	3,030,050	-
Capital projects	-	-	-	-
TFCA	-	-	-	-
VRF	-	-	-	-
Debt service	-	-	-	-
Assigned - exchange program	-	-	-	4,929,549
Unassigned	29,530,071	-	-	-
<b>Total Fund Balances</b>	<u>29,599,437</u>	<u>12,546,374</u>	<u>3,030,050</u>	<u>4,929,549</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 43,816,977</u>	<u>\$ 26,233,264</u>	<u>\$ 13,446,477</u>	<u>\$ 22,881,836</u>

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



<b>2000 Measure B Capital Projects Fund</b>	<b>1986 Measure B Capital Projects Fund</b>	<b>ACCMA Capital Projects Fund</b>	<b>2014 Measure BB Capital Projects Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Inter-Fund Eliminations</b>	<b>Total Governmental Funds</b>
\$ 137,109,588	\$ 114,120,096	\$ 10,624,606	\$ 2,360,656	\$ 33,741,179	\$ -	\$ 359,074,773
9,463,187	-	-	8,153,946	-	-	44,721,464
339,573	200,542	11,535	-	76,537	-	657,738
7,213,624	10	11,171,261	1,474	3,189,563	-	26,634,693
307,632	10,000,000	12,786,382	1,400	-	(36,093,311)	-
-	4,068,000	-	-	-	-	4,068,000
-	9,717	-	-	-	-	79,083
<u>\$ 154,433,604</u>	<u>\$ 128,398,365</u>	<u>\$ 34,593,784</u>	<u>\$ 10,517,476</u>	<u>\$ 37,007,279</u>	<u>\$ (36,093,311)</u>	<u>\$ 435,235,751</u>
\$ 61,183,106	\$ 311,091	\$ 9,808,179	\$ 1,246	\$ 2,839,846	\$ -	\$ 100,270,121
11,724,015	2,025,075	9,561,505	-	478,659	(36,093,311)	-
1,140,676	-	15,040,484	-	-	-	32,956,495
<u>74,047,797</u>	<u>2,336,166</u>	<u>34,410,168</u>	<u>1,246</u>	<u>3,318,505</u>	<u>(36,093,311)</u>	<u>133,226,616</u>
1,279,898	-	183,616	1,645,067	-	-	4,175,680
-	9,717	-	-	-	-	79,083
-	-	-	-	-	-	15,576,424
79,105,909	126,052,482	-	8,871,163	-	-	214,029,554
-	-	-	-	5,042,326	-	5,042,326
-	-	-	-	13,802,656	-	13,802,656
-	-	-	-	14,843,792	-	14,843,792
-	-	-	-	-	-	4,929,549
-	-	-	-	-	-	29,530,071
<u>79,105,909</u>	<u>126,062,199</u>	<u>-</u>	<u>8,871,163</u>	<u>33,688,774</u>	<u>-</u>	<u>297,833,455</u>
<u>\$ 154,433,604</u>	<u>\$ 128,398,365</u>	<u>\$ 34,593,784</u>	<u>\$ 10,517,476</u>	<u>\$ 37,007,279</u>	<u>\$ (36,093,311)</u>	<u>\$ 435,235,751</u>



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2015

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**Amounts reported for governmental activities in the statement of net position are different because:**

Total Fund Balances on Governmental Funds' Balance Sheets	\$ 297,833,455
Unavailable revenues are a deferred outflow on the modified accrual governmental funds' statements, however are included in net position on the full accrual government-wide statement of net position.	4,175,680
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	516,003
Bonds are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.	(154,117,083)
The current interest due on long-term obligations is not reported as a liability on the governmental funds but is reported on the statement of net position.	(1,900,450)
Expenditures relating to contributions made to pension plans subsequent to the measurement date were recognized on the governmental funds, but are deferred on the statement of net position.	821,820
The difference between projected and actual pension plan investment earning are deferred on the statement of net position.	(917,604)
Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.	(3,006,005)
Net position on statement of net position	<u><u>\$ 143,405,816</u></u>

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



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# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## GOVERNMENTAL FUNDS

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	2000 Measure B Special Revenue Fund	2014 Measure BB Special Revenue Fund	Exchange Fund
<b>REVENUES</b>				
Sales tax - 1986 Measure B	\$ -	\$ -	\$ -	\$ -
Sales tax - 2000 Measure B	5,964,167	75,817,149	-	-
Sales tax - 2014 Measure BB	2,377,354	-	16,460,353	-
Project revenue	7,023,465	1,028,251	-	4,682,795
Member agency contributions	1,394,818	-	-	-
Vehicle registration fees	-	-	-	-
Investment income	78,378	19,429	-	9,428
Other income	57,412	18,369	-	65,676
<b>Total Revenues</b>	<b>16,895,594</b>	<b>76,883,198</b>	<b>16,460,353</b>	<b>4,757,899</b>
<b>EXPENDITURES</b>				
Current				
Administrative				
Salaries and benefits	2,684,771	173,056	-	-
Office rent	840,414	-	-	-
Professional services	1,479,345	556,183	624	-
Planning and programming	4,771,585	-	-	-
Other	2,169,070	168,664	356	-
Transportation improvements				
Highways and streets	-	-	-	-
Public transit	-	39,610,801	7,661,360	-
Local transportation	-	34,465,591	5,767,963	-
Congestion management	-	-	-	4,813,641
Debt service				
Interest	-	-	-	-
<b>Total Expenditures</b>	<b>11,945,185</b>	<b>74,974,295</b>	<b>13,430,303</b>	<b>4,813,641</b>
<b>OTHER FINANCING SOURCES</b>				
Transfer in	642,654	-	-	-
Transfer out	-	-	-	-
<b>Total Other Financing Sources</b>	<b>642,654</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>5,593,063</b>	<b>1,908,903</b>	<b>3,030,050</b>	<b>(55,742)</b>
<b>Fund Balances - Beginning</b>	<b>24,006,374</b>	<b>10,637,471</b>	<b>-</b>	<b>4,985,291</b>
<b>Fund Balances - Ending</b>	<b>\$ 29,599,437</b>	<b>\$ 12,546,374</b>	<b>\$ 3,030,050</b>	<b>\$ 4,929,549</b>

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



<b>2000 Measure B Capital Projects Fund</b>	<b>1986 Measure B Capital Projects Fund</b>	<b>ACCMA Capital Projects Fund</b>	<b>2014 Measure BB Capital Projects Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Inter-Fund Eliminations</b>	<b>Total Governmental Funds</b>
\$ -	\$ 258,920	\$ -	\$ -	\$ -	\$ -	\$ 258,920
50,755,721	-	-	-	-	-	132,537,037
-	-	-	8,871,061	-	-	27,708,768
(8,500,586)	(5,403)	39,782,321	2,875	1,947,235	(12,053,260)	33,907,693
-	-	-	-	-	-	1,394,818
-	-	-	-	12,929,589	-	12,929,589
266,392	378,949	1,369	102	159,369	-	913,416
-	50	-	-	-	(108,108)	33,399
42,521,527	632,516	39,783,690	8,874,038	15,036,193	(12,161,368)	209,683,640
206,803	283,086	171,694	-	174,923	-	3,694,333
-	-	-	-	-	-	840,414
-	381,862	-	-	60,958	-	2,478,972
-	-	-	-	-	-	4,771,585
5,759	53,775	-	-	108,541	(186,879)	2,319,286
33,457,332	(8,307,436)	-	-	-	5,578,405	30,728,301
77,182,625	-	-	-	-	(15,451,216)	109,003,570
140,940	-	-	2,875	-	(745,887)	39,631,482
-	-	38,969,342	-	11,229,170	(1,355,791)	53,656,362
-	-	-	-	5,653,839	-	5,653,839
110,993,459	(7,588,713)	39,141,036	2,875	17,227,431	(12,161,368)	252,778,144
-	-	-	-	-	(642,654)	-
-	-	(642,654)	-	-	642,654	-
-	-	(642,654)	-	-	-	-
(68,471,932)	8,221,229	-	8,871,163	(2,191,238)	-	(43,094,504)
147,577,841	117,840,970	-	-	35,880,012	-	340,927,959
\$ 79,105,909	\$ 126,062,199	\$ -	\$ 8,871,163	\$ 33,688,774	\$ -	\$ 297,833,455



## ALAMEDA COUNTY TRANSPORTATION COMMISSION

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2015

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**Amounts reported for governmental activities in the statement of activities are different because:**

Net change in fund balances on governmental funds statement of revenues, expenditures and changes in fund balances.	\$ (43,094,504)
Interest on long-term obligations is recorded as an expenditure on the governmental funds when it is due. However, in the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due.	(72,973)
Amortization of bond premiums is recorded on the statement of activities, but does not impact the governmental funds statement of revenues, expenditures, and changes in fund balance.	2,541,982
Purchases of office equipment are reported in the governmental funds as expenditures. However they are capitalized on the statement of net position and allocated over the estimated useful life of the asset as depreciation. This is the amount by which depreciation expense exceeded capital additions in the period.	(105,806)
Unavailable revenues in the statement of activities do not provide current financial resources and are not reported as revenues in the governmental funds' statements.	4,175,680
In the governmental funds, pension costs are based on employer contributions made to the pension plan during the year. However, in the statement of activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.	527,876
Change in net position on statement of activities	<u><u>\$ (36,027,745)</u></u>

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



# **ALAMEDA COUNTY TRANSPORTATION COMMISSION**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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### **NOTE 1 – REPORTING ENTITY**

The Alameda County Transportation Authority (ACTA) was created by the approval of Measure B in November 1986. Measure B authorized the imposition of a one-half of one percent sales and use tax in the County. The proceeds are principally reserved for highway improvements, local transportation improvements, and transit funding in the County. The sales tax commenced April 1, 1987 and expired on March 31, 2002. ACTA was responsible for completing all of the projects in the expenditure plan adopted by voters, or to delegate this responsibility to a project sponsor. Revenues from interest on the fund balance are estimated to be substantial enough to cover all future administrative costs. ACTA was the sole independent authority responsible for receiving and allocating funds from the 1986 Measure B necessary to complete the program.

The Alameda County Board of Supervisors created the Alameda County Transportation Improvement Authority (ACTIA) in 1998, to place a ballot measure which would authorize the imposition of a one-half of one percent sales and use tax (the sales tax) in Alameda County before Alameda County voters in June 1998. This measure did not receive the required two-thirds voter support to pass. Subsequently 2000 Measure B was placed on the November 2000 ballot, and was approved by 81.5 percent of voters. The proceeds from the sales tax are principally reserved for highway infrastructure, mass transit, local transportation, and administrative costs. The sales tax commenced April 1, 2002 and will expire on March 31, 2022.

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). A Joint Powers Agreement dated February 20, 1991 between Alameda County, all fourteen cities in the County, and four transit operators (the Member Agencies) created the Alameda County Congestion Management Agency (ACCMA). The ACCMA was responsible for preparing, adopting, revising, amending, administering, and implementing the CMP and the Countywide Transportation Plan (CWTP) for Alameda County pursuant to §65088 at seq. of the Government Code, and providing other transportation planning and programming functions.

On March 25, 2010, ACTIA, ACCMA, 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. On June 24, 2010, the Boards of ACTIA and ACCMA created a joint powers agency, pursuant to the California Joint Exercise of Powers Act, known as the Alameda County Transportation Commission (Alameda CTC). The Alameda CTC is the successor agency of ACCMA and ACTIA. On June 24, 2010, the ACTA Board adopted a resolution to transfer all of ACTA's assets, responsibilities, functions, and liabilities to ACTIA, effective on July 1, 2010. ACTA was dissolved and extinguished effective July 1, 2010, following the transfer.

On February 23, 2012, at a joint meeting, the ACTIA and the ACCMA Boards of Directors adopted a resolution to transfer all of ACTIA's and ACCMA's assets, responsibilities, functions, and liabilities to the Alameda CTC effective March 1, 2012.

In November 2012, the Alameda CTC placed Measure B1 on the ballot for Alameda County which would augment and extend the current Measure B by one-half of one percent and in perpetuity. This measure was just short of passing having received 66.53 percent voter approval when two-thirds was required to pass. Alameda CTC returned to the voters in November 2014 with Measure BB which would augment and extend the current Measure B by one-half of one percent for 30 years. Alameda County voters supported Measure BB overwhelmingly with 70.76 percent of their votes. Measure BB passed by a significant majority and will provide Alameda County with \$7.8 billion in funding over the next 30 years to increase mobility, create jobs, reduce congestion and protect the environment. The 2014 Transportation Expenditure Plan supports Measure BB and responds to the many transportation needs in Alameda County by providing details of how the funds will be used



# **ALAMEDA COUNTY TRANSPORTATION COMMISSION**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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to restore and expand transit services, fix potholes and reduce highway congestion, expand bicycle and pedestrian access and connect transit with housing and jobs.

The Alameda CTC's mission is to plan, fund and deliver a broad spectrum of transportation projects and programs to enhance mobility throughout Alameda County. Each of the projects and programs sponsored by the Alameda CTC is funded through one or more federal, state, regional or local sources. The Alameda CTC is reimbursed from grants as eligible program or project implementation costs are incurred. Administrative and staff costs associated with implementing the legislatively mandated activities, such as the Congestion Management Program and the Countywide Transportation Plan, as well as the programming of federal and state transportation funds through the California Department of Transportation (Caltrans) and the California Transportation Commission are met through planning and programming grants from the Metropolitan Transportation Commission and Caltrans, member agency annual dues and other local funding sources.

The Alameda CTC is governed by a twenty-two member Commission made up of five members of the Alameda County Board of Supervisors, two members representing the City of Oakland, 13 members each representing one of the other 13 incorporated cities in Alameda County, one member representing the Bay Area Rapid Transit District and one member representing Alameda-Contra Costa Transit District. Two community advisory committees including the Bicycle and Pedestrian Advisory Committee and Paratransit Advisory and Planning Committee extend the Alameda CTC's work. The Alameda CTC also has an Independent Watchdog Committee (formerly the Citizen's Watchdog Committee) which reports directly to the public regarding spending of Measure B and Measure BB funds, and the Alameda County Technical Advisory Committee will continue to provide technical feedback to the Alameda CTC.

These financial statements present the results of financial operations of the Alameda CTC as of June 30, 2015 and for the fiscal year then ended.

### **NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

#### **Government-wide and Fund Financial Statements**

The government-wide financial statements report information on all activities of the Alameda CTC. The effect of inter-fund activity is eliminated from these statements.

The Statement of Net Position 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. Sales tax revenues are recorded when the taxes are due from the State Board of Equalization. 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 Alameda CTC's primary functions. Program revenues consist of grants and contributions that are restricted to meeting operational 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, are reported in separate columns in the fund financial statements. Most nonmajor funds are summarized and presented in one column of the fund financial statements.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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### Fund Financial Statement

The Alameda CTC uses the following funds:

**General Fund** – The General Fund is the general operating fund of the Alameda CTC. Its purpose is to account for all financial resources and transactions not accounted for in another fund. Included in the General Fund is are three subfunds, one that accounts for the administration costs related to the 2000 Measure B Sales Tax Program (Measure B), which is limited to 4.5 percent of net revenues, one that accounts for the administration costs related to the 2014 Measure BB Sales Tax Program (Measure BB), which is limited to 4.0 percent of net revenues, and one that accounts for congestion management related administration costs. Administration costs include salaries, benefits, professional fees, rent expense, office supplies and equipment, utilities, and other costs that cannot be specifically identified with another fund. Administrative salaries and benefits in support of Measure B and Measure BB are limited by the Transportation Expenditure Plans (TEP) to one percent of sales tax revenues and by the Public Utilities Code (PUC) to one percent of fund generated. Revenues in excess of administrative expenditures in any one year are reserved for future administrative costs.

**Special Revenue Funds** – Special Revenue Funds are established to account for the proceeds from specific revenue sources (other than trusts, major capital projects, or debt service) that are restricted or committed to the financing of particular activities and that compose a substantial portion of the inflows of the fund. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund.

**2000 Measure B Special Revenue Fund** – The 2000 Measure B Special Revenue Fund accounts for sales tax revenues accumulated as required by Measure B for restricted allocation to local cities and the County for local transportation improvements, streets and roads, and to transit agencies for operations and maintenance. The major source of revenue for this fund is Measure B sales tax.

**2014 Measure BB Special Revenue Fund** – The 2014 Measure BB Special Revenue Fund accounts for sales tax revenues accumulated as required by Measure BB for restricted allocation to local cities and the County for local transportation improvements, streets and roads, and to transit agencies for operations and maintenance. The major source of revenue for this fund is Measure BB sales tax.

**Exchange Fund** – The Exchange Fund accounts for the proceeds and expenditures of the Alameda CTC's Exchange Program, which is described in more detail in Note 6.

**Nonmajor Transportation Fund for Clean Air** – Alameda County has a four-dollar per vehicle registration fee to support projects of the Bay Area Air Quality Management District (BAAQMD). Of the total collections, BAAQMD passes 40 percent of the proceeds to the Alameda CTC, which is tasked with programming the revenues to various pollution reducing projects within Alameda County. The Transportation Fund for Clean Air accounts for this activity.

**Nonmajor Vehicle Registration Fee Fund** – The Vehicle Registration Fee Fund accounts for the Measure F Vehicle Registration Fee (VRF) Program which was approved in November 2010. Collection of the \$10 per year, per vehicle registration fee started 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.

**Capital Project Funds** – Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned to the acquisition, or construction of major capital construction and other capital assets. The Alameda CTC uses the following capital projects funds:



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

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**2000 Measure B Capital Projects Fund** – The 2000 Measure B Capital Projects Fund accounts for resources accumulated and payments made for the acquisition or construction of major capital improvements in accordance with the Alameda County 2000 Measure B 20-Year Transportation Expenditure Plan.

**1986 Measure B Capital Projects Fund** – The 1986 Measure B Capital Projects Fund accounts for the construction of major capital improvements in accordance with the 1986 Measure B Transportation Expenditure Plan.

**ACCMA Capital Projects Fund** – The ACCMA Capital Projects Fund accounts for the proceeds and expenditures related to the construction of capital improvement projects. These projects are implemented to reduce congestion or improve mobility in Alameda County.

**Nonmajor 2014 Measure BB Capital Projects Fund** – The 2014 Measure BB Capital Projects Fund accounts for resources accumulated and payments made for the acquisition or construction of major capital improvements in accordance with the Alameda County 2014 Measure BB 30-Year Transportation Expenditure Plan.

The Alameda CTC does not retain ownership of the assets produced in relation to capital improvements to which it provides funding through its Capital Project Funds. The assets are transferred to the sponsor or managing jurisdiction upon completion.

**Nonmajor Debt Service Fund** – The Debt Service fund is used to account for the accumulation of restricted, committed, or assigned resources for the payment of principal and interest on long-term debt.

### Measurement Focus and Basis of Accounting

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 when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 that they are collectible within the current period or soon thereafter to pay current liabilities. The Alameda CTC considers revenues available if they are collected within six months after fiscal year end except for sales tax revenues which are considered to be available if collected within 60 days. 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 Change in Fund Balances presents sources and uses of available resources during a given period. Sales tax revenue, grant revenues, member agency contributions, vehicle registration fees, and investment and other income, including the change in the fair value of investments, associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues in the current reporting period using the modified accrual basis of accounting.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

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### Net Position

Net position is reported on the government-wide Statement of Net Position in the following categories:

**Investment in capital assets** – This category includes all capital assets net of accumulated depreciation. The Alameda CTC has no capital related debt.

**Restricted net position** – This category represents assets with 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.

**Unrestricted net position** – This category represents net position of the Alameda CTC that is not restricted for any project or other purpose.

When both restricted and unrestricted net positions are available, unrestricted resources are used only after the restricted resources are depleted.

### 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 Alameda CTC 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 four classifications are discussed in more detail below:

**Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**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 Alameda CTC intends to be used for specific purposes. Assignments may be established by the governing body by taking a formal action, and are not subject to the restricted or 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.

Restricted and assigned fund balances are required or earmarked to be used for transportation related projects and programs designed to reduce congestion or improve mobility in Alameda County.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

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### Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Alameda CTC considers restricted funds to have been spent first. When an expenditure is incurred for which assigned or unassigned fund balances are available, the Alameda CTC considers amounts to have been spent first out of assigned funds and then unassigned funds, as needed, unless the governing board has directed otherwise in its commitment or assignment actions.

### 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 investment 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.

### Budget

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. The Commission annually adopts a budget for all of its governmental funds using the modified accrual basis of accounting for the following fiscal year. The Commission may approve budget modifications during the year as needed. Expenditures that exceed the total approved budget by fund are not permitted without Commission approval.

The Executive Director is authorized to approve expenditures in excess of budgeted line items as long as the total expenditure budget within each of the governmental funds is not overspent. Appropriation authority lapses at the end of the fiscal year on the General, Special Revenue, Exchange and Debt Service Funds.

The Commission adopts a rolling Capital Projects Fund budget. Any unutilized capital project budget authority on a specific project is rolled to the next fiscal year. The Commission adopts increases as requested to the capital budget by individual project with the annual budget and may approve modifications during the year as needed. The Executive Director or his designee approves reimbursements to project sponsors, and reimbursements are not to exceed contract and strategic plan limits.

### Program Revenues

Amounts reported as *program revenues* include grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

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### Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

### Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Alameda CTC's California Public Employees' Retirement System (CalPERS) plan (the Plan) and additions to/deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### Compensated Absences

The Alameda CTC's policy permits employees to accumulate up to 10 weeks of accrued vacation from year to year depending on the number of years they have been employed by the Alameda CTC or its predecessor agencies. The accrual for compensated absences as of June 30, 2015 is \$139,603. The Alameda CTC is not obligated to pay for unused sick leave if an employee terminates employment prior to retirement or prior to when the Alameda CTC ceases operations.

### Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position also reports deferred outflows of resources. This separate element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. Alameda CTC reports deferred outflow from pension activities.

In addition to liabilities, the statement of net position and governmental funds balance sheet, reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. Alameda CTC reports deferred inflow from pension activities, sales tax revenues, and project revenues.

### New Accounting Pronouncements

GASB Statement No. 68 – In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement is effective for the fiscal year ended June 30, 2015. The impact of this Statement can be viewed on the Statement of Net Position on page 23 in deferred outflows, pension liability and deferred inflows.

GASB Statement No. 69 – In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The objective of this Statement is to improve accounting and financial reporting by State and local governments for government combinations and disposals of government operations.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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The Statement provides authoritative guidance on a variety of government combinations including mergers, acquisitions, and transfers of operations. This Statement is effective for the fiscal year ended June 30, 2015. This Statement did not impact the Alameda CTC's June 30, 2015 financial statements.

GASB Statement No. 71 – In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB 68*. The objective of this Statement is to address an issue regarding the application of the transition provisions of Statement 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement is effective for the fiscal year ended June 30, 2015. The impact of this Statement can be viewed on the Statement of Net Position on page 23 in deferred outflows, pension liability and deferred inflows.

GASB Statement No. 72 – In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements related to fiscal years beginning after June 15, 2015.

GASB Statement No. 73 – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The requirements of this Statement are effective for financial statements related to fiscal years beginning after June 15, 2016.

GASB Statement No. 74 – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this statement is to improve the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The requirements of this Statement are effective for financial statements related to fiscal years beginning after June 15, 2016.

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. The requirements of this Statement are effective for financial statements related to fiscal years beginning after June 15, 2017.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

### NOTE 3 - CASH AND INVESTMENTS

**Investment in the State Investment Pool** – The Alameda CTC is a voluntary participant in the Local Agency Investment Fund (LAIF) which is regulated by California government code §16429 under the oversight of the Treasurer of the State of California. The fair value of the Alameda CTC's investments in the pool is reported in the accompanying financial statement at amounts based upon the Alameda CTC's pro-rata share of the fair value provided by LAIF for the entire 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 Alameda CTC 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 Alameda CTC's investments in the LAIF are not rated as of June 30, 2015. Investment ratings as determined by Standard & Poors are as follows:

Investment Type	AAA	AA	A	A-1	Not Rated	Total
US Agency Securities	\$ -	\$ 112,189,370	\$ -	\$ -	\$ -	\$ 112,189,370
US Treasury Bonds	-	74,513,544	-	-	-	74,513,544
Commercial Paper	-	-	-	4,497,030	-	4,497,030
Corporate Notes	1,040,792	15,181,839	33,330,345	-	-	49,552,976
Money Market						
Mutual Funds	-	-	-	-	7,522,638	7,522,638
CDARS	-	-	-	-	4,016,703	4,016,703
LAIF	-	-	-	-	75,073,484	75,073,484
Total Investments	<u>\$ 1,040,792</u>	<u>\$ 201,884,753</u>	<u>\$ 33,330,345</u>	<u>\$ 4,497,030</u>	86,612,825	327,365,745
Cash in Banks					31,709,028	31,709,028
Total Cash and Investments					<u>\$ 118,321,853</u>	<u>\$ 359,074,773</u>

**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 Alameda CTC. Alameda CTC did not adopt a formal policy regarding custodial credit risk. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2015, a portion of the Alameda CTC's bank balance, \$34,096,890 was exposed to custodial credit risk because it was uninsured. However, it was collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the Alameda CTC.

**Custodial Credit Risk, Investments** - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Alameda CTC will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Alameda CTC investments are not exposed to custodial credit risk.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

**Concentration of Credit Risk** – Concentration of credit risk is the risk attributable to the magnitude of investments with any single issuer. The investment policy of the Alameda CTC, along with the California Government Code, contains no limitations on the amount that can be invested in Federal agency securities. Investments explicitly guaranteed by the US government are exempt from the concentration disclosure. The Alameda CTC has the following investments exceeding five percent of the total investments in each single issuer:

Issuer	Investment Type	Reported Amount
Federal Home Loan Bank	Federal Agency Securities	\$ 48,208,643
Federal Home Loan Mortgage Corp	Federal Agency Securities	47,684,680

**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 of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Alameda CTC generally manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity consistently over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Alameda CTC's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of investments by maturity.

Investment Type	12 Months or less	13 to 24 Months	25 to 60 Months	Total
U.S. Agency Securities	\$ 64,933,530	\$ 47,255,840	\$ -	\$ 112,189,370
U.S. Treasury Bonds	38,599,026	33,630,152	2,284,366	74,513,544
Commercial Paper	4,497,030	-	-	4,497,030
Corporate Notes	32,964,473	9,519,511	7,068,992	49,552,976
CDARS	4,016,703	-	-	4,016,703
Money Market Mutual Funds	7,522,638	-	-	7,522,638
LAIF	75,073,484	-	-	75,073,484
Total Investments	227,606,884	90,405,503	9,353,358	327,365,745
Cash in Bank	31,709,028	-	-	31,709,028
Total	\$ 259,315,912	\$ 90,405,503	\$ 9,353,358	\$ 359,074,773

As reported by the State Treasurer, the weighted average maturity of the LAIF was 239 days on June 30, 2015.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

**JUNE 30, 2015**

**Policies and Practices** – The following table presents investments with maximum maturity and minimum credit quality permitted by the Alameda CTC investment policy, or California Government Code when more restrictive:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer	S&P Minimum Credit Quality
U.S Agency Securities	5 years	None	35%	None
U.S. Treasury Obligations	5 years	None	None	None
Commercial Paper	270 days	25%	5%	A1
Medium Term Corporate Notes of U.S. Corporations	5 years	30%	5%	A
Negotiable Certificates of Deposit	3 years	30%	5%	A
Money Market Mutual Funds	N/A	20%	5%	AAA
Government Money Market Mutual Funds	N/A	20%	10%	AAA
Local Agency Investment Fund	N/A	None	None	None
Banker's Acceptance	180 days	40%	5%	A1
Registered State Bonds, Notes, Warrants	5 years	10%	5%	A
Bonds of any of the other 49 states in addition to California	5 years	10%	5%	A
California Asset Management Program	N/A	5%	None	None
California Collateralized Time Deposits	1 year	10%	5%	None
Local Agency Bonds, Notes, Warrants	5 years	10%	5%	A
Repurchase Agreements	90 days	20%	None	None
Supranationals	5 years	10%	None	AA



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

### NOTE 4 – CAPITAL ASSETS

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

Capital asset balances at June 30, 2015, and activity during the fiscal year were as follows:

	<u>July 1, 2014</u>	<u>Additions</u>	<u>Dispositions</u>	<u>June 30, 2015</u>
Capital assets being depreciated:				
Furniture, equipment and leasehold improvements	\$ 861,818	\$ 6,276	\$ -	\$ 868,094
Less accumulated depreciation for:				
Furniture, equipment and leasehold improvements	(240,009)	(112,082)	-	(352,091)
Capital assets, net of accumulated depreciation	<u>\$ 621,809</u>	<u>\$ (105,806)</u>	<u>\$ -</u>	<u>\$ 516,003</u>

### NOTE 5 - LONG-TERM OBLIGATIONS

#### Summary

The changes in the Alameda CTC's long-term obligations during the year consist of the following items:

	<u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2015</u>	<u>Current portion</u>
Revenue bonds	\$ 137,145,000	\$ -	\$ -	\$ 137,145,000	\$ -
Bond premium	19,514,065	-	2,541,982	16,972,083	2,541,982
	<u>\$ 156,659,065</u>	<u>\$ -</u>	<u>\$ 2,541,982</u>	<u>\$ 154,117,083</u>	<u>\$ 2,541,982</u>

Alameda CTC's Measure B sales tax revenues are 100% pledged to pay the scheduled principal and interest payments until fully paid which is scheduled for March 1, 2022. The Debt Service Fund accounts for the bond premium funds designated to make payments of principal and interest for the first few years of the revenue bonds as they become due. Subsequently, the Debt Service Fund will account for the portion of the pledged sales tax revenues designated to make payments of principal and interest on the outstanding bonds.

#### Outstanding Bonded Debt

On March 4, 2014 the Alameda CTC issued Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 for total proceeds of \$157,480,856. The bonds were issued with a par value of \$137,145,000 and \$20,335,856 of bond premiums to fund various capital projects throughout the county including the Bay Area Rapid Transit (BART) Warm Springs Extension, BART Oakland Airport Connector, Route 84 Expressway, I-580 Corridor Improvements, Downtown Oakland Streetscape Improvement, Iron Horse Bicycle, Pedestrian and Transit Route, I-880/State Route 92 Reliever-Clawiter/Whitesell Interchange, I-880 Corridor Improvement and I-680 Express



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

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Lane Projects or such other transportation improvements as permitted by the Transportation Expenditure Plan. The bonds pay interest ranging from 3.0% to 5.0% and mature March 1, 2022.

The outstanding debt at June 30, 2015 is \$137,145,000 and \$16,972,083 of unamortized bond premiums.

### Debt Service Requirements to Maturity

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ -	\$ 5,701,350	\$ 5,701,350
2017	20,770,000	5,701,350	26,471,350
2018	21,395,000	5,078,250	26,473,250
2019	22,200,000	4,272,450	26,472,450
2020	23,085,000	3,384,450	26,469,450
2021-22	49,695,000	3,248,400	52,943,400
	<u>\$ 137,145,000</u>	<u>\$ 27,386,250</u>	<u>\$ 164,531,250</u>

### NOTE 6 – EXCHANGE PROGRAM

The Alameda CTC participates in a Local Funds Exchange Program for providing 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 Alameda CTC 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 as a result of the exchange are treated for financial reporting purposes as unearned revenues. These revenues are recognized at the time qualifying expenditures are incurred.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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The following is a list of the funds exchanged from other governments through June 30, 2015:

Alameda County Transportation Improvement Authority	\$ 2,316,148
Alameda County Public Works Agency	8,684,000
Alameda County Transportation Commission Measure B	13,930,143
Alameda-Contra Costa Transit District	36,093,603
Bay Area Rapid Transit	8,100,000
City of Berkeley	259,560
City of Dublin	4,230,000
City of Fremont	6,191,156
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	<u>95,364,055</u>
Amounts not yet collected	(6,427,179)
Total expenditures incurred, current year	(4,682,795)
Total expenditures incurred, previous years	<u>(67,525,426)</u>
	<u><u>\$ 16,728,655</u></u>

### NOTE 7 – PENSION PLANS

#### General Information about the Pension Plan

##### Plan Description

All qualified permanent and probationary employees are eligible to participate in the Alameda CTC's Employee Pension Plan, a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Alameda CTC resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

##### Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members, members who were hired prior to January 1, 2013, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits, and new members, members who were hired after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. Members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, the 1959 Survivor Benefit or the Pre-Retirement Option 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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The Plan provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.5% at 55	2% at 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	0.08	0.0625
Required employer contribution rates	0.16845	0.0625

### Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Classic and New member are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Alameda CTC is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2015, the contributions recognized as part of pension expense for the Plan were \$361,246 for employer contributions.

### Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

The Alameda CTC's net pension liability is measured as the proportionate share of the Plan net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The Alameda CTC's proportion of the net pension liability was based on the Alameda CTC's share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Alameda CTC's proportionate share of the net pension liability as of June 30, 2013 and 2014 measurement dates was as follows:

Proportion - June 30, 2013	\$ 3,990,911
Proportion - June 30, 2014	3,006,005
Change - Increase (Decrease)	<u>\$ (984,906)</u>

For the year ended June 30, 2015 the Alameda CTC recognized a pension credit of \$158,723. On June 30, 2015, the Alameda CTC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 369,153	\$ -
Pension contributions in excess of proportionate share	26,682	-
Adjustment due to differences in proportions	425,985	-
Net differences between projected and actual earnings on plan investments	-	(917,604)
Total	<u>\$ 821,820</u>	<u>\$ (917,604)</u>

Deferred outflows of resources related to contributions subsequent to the measurement date is \$369,153, which will be recognized as a reduction of the net pension liability and a component of pension expense in the year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Due Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2016	\$ (67,735)
2017	(67,735)
2018	(100,066)
2019	(229,401)
	<u>\$ (464,937)</u>



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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### Actuarial Assumptions

The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.50% (2)
Mortality	(3)

- (1) Varies by Entry-Age and Service.
- (2) Net of pension plan investment expenses, including inflation.
- (3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

### Discount Rate

The discount rate used to measure the total pension liability was 7.50%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first ten years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	47.0%	5.3%	5.7%
Global Fixed Income	19.0%	1.0%	2.4%
Inflation Sensitive	6.0%	0.5%	3.4%
Private Equity	12.0%	6.8%	7.0%
Real Estate	11.0%	4.5%	5.1%
Infrastructure and Forestland	3.0%	4.5%	5.1%
Liquidity	2.0%	-0.6%	-1.1%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

### Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Alameda CTC's proportionate share of the net pension liability, as well as what the Alameda CTC's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net Pension Liability	6.50% \$5,177,016	7.50% \$3,006,005	8.50% \$1,204,271

### Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial report.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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### NOTE 8 – COMMITMENTS AND CONTINGENCIES

#### Operating Lease

The Alameda CTC has entered into an operating lease agreement with OCC Venture LLC for the office space located at 1111 Broadway in Oakland, CA through October 2023. This agreement does not contain a purchase option.

Future minimum lease payments under this agreement are as follows:

Year Ending June 30,	Lease Payments
2016	\$ 831,280
2017	857,167
2018	883,055
2019	908,942
2020	934,830
2021	962,635
2022	991,399
2023	1,022,081
2024	344,209
Total	<u><u>\$ 7,735,598</u></u>

The Alameda CTC entered into a sublease agreement for rental of facilities with Nelson\Nygaard Consulting Associates effective September 1, 2013. This sublease agreement is for month-to-month tenancy at \$1,219.09 per month and is terminable for any reason whatsoever with 30 days written notice given at any time by either party.

#### Agreements with Private Firms

The Alameda CTC has entered into contracts with various private firms to provide scoping/planning, engineering, environmental, design, right-of-way engineering and acquisition, construction management services and other related miscellaneous services. As of June 30, 2015, the total outstanding commitments (not paid or accrued) are \$44.1 million. The terms range from June 30, 2015 up to three years (or acceptance of the work, whichever is earlier).

The Alameda CTC has entered into contracts with various private firms to provide administrative support services. As of June 30, 2015, the total outstanding commitments (not paid or accrued) are \$12.9 million. The terms range from June 30, 2015 up to three years (or acceptance of the work, whichever is earlier).

#### Agreements with Agencies

The Alameda CTC has entered into agreements with various agencies to provide scoping/planning, engineering, environmental, design, right-of-way engineering and acquisition, construction management, equipment purchase services and operations. As of June 30, 2015, the total outstanding commitments (not paid or accrued) are \$108.5 million. The terms range from June 30, 2015 up to eight years (or acceptance of the work, whichever is earlier).



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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### Grants

The Alameda CTC 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 at June 30, 2015.

### Construction

The Alameda CTC has entered into contracts with various contractors for the construction phase of capital projects. As of June 30, 2015, the total outstanding commitments (not paid or accrued) are \$1.2 million. The terms range from June 30, 2015 up to one year (or acceptance of the work, whichever is earlier).

### Funding Agreements

**Exchange Fund** – The Alameda CTC has entered into Exchange agreements with several local governments to provide funding for transportation projects. As of June 30, 2015, the remaining project costs to be paid by the Alameda CTC totaled approximately \$27.6 million.

**Capital Projects Fund** – The Sunol Smart Carpool Lane Joint Powers Authority (SSCLJPA) is a joint powers authority, organized in February 2006 pursuant to a Joint Powers Agreement (Agreement) among the Alameda CTC (formerly the ACCMA and ACTIA) and the Santa Clara Valley Transportation Authority. The Agreement was entered into pursuant to the Government Code of the State of California, commencing with Section 6500. The SSCLJPA was formed to operate a value pricing high-occupancy vehicle program on the Sunol Grade segment of southbound Interstate-680 in Alameda and Santa Clara Counties.

The SSCLJPA was formed as a result of a planning study completed by the Alameda CTC which evolved into a capital project that designed and constructed the lane. The lane went into operations on September 20, 2010. The Alameda CTC was designated the managing agency for the SSCLJPA and has provided administrative, accounting and other support since its inception. While the Alameda CTC continues as the managing agency, it no longer funds administrative support costs on behalf of the SSCLJPA; however it continues to subsidize the costs of operations and maintenance with local grant funding through its I-680 Southbound HOT Lane Project. Throughout fiscal year 2015, Alameda CTC incurred operations and maintenance costs on behalf of the SSCLJPA as follows:

Express Lane Maintenance	\$ (190,000)
Project Management/Controls	55,908
IT Support	74,755
Insurance	57,140
System Manager/Operations Support	(8,009)
Legal Fees	10,347
Miscellaneous	14,069
Utilities	12,899
Total	<u>\$ 27,109</u>

Negative amounts included in incurred operations and maintenance costs are due to the reversals of prior year accruals.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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### Insurance

The Alameda CTC 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 Alameda CTC's insurance coverage:

Type of Coverage	Deductible	Coverage up to
General liability	\$ 500	\$ 5,000,000 per occurrence
Public officials and employee errors	-	5,000,000 per occurrence/General Aggregate
Personal liability coverage for board members	-	500,000 per occurrence/General Aggregate
Employment practices liability	-	5,000,000 per occurrence/General Aggregate
Employee benefits liability	-	5,000,000 per occurrence/General Aggregate
Employee dishonesty coverage	75,000	400,000 per occurrence
Auto liability	1,000	5,000,000 per occurrence
Uninsured/uninsured motorists	1,000	750,000 per occurrence
Property coverage	1,000	1,000,000,000 per occurrence
Boiler and machinery coverage	varies	100,000,000 per occurrence
Workers' compensation	-	5,000,000 per occurrence

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

### Litigation

The Alameda CTC 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 Alameda CTC at June 30, 2015.

### NOTE 9 – INTERFUND ACTIVITY

As of June 30, 2015, the General Fund's inter-fund liability due to the Exchange Fund of \$824,395 and the ACCMA Capital Projects Fund inter-fund liability due to the Exchange Fund of \$9,561,505 were the result of cash advances for capital and planning project expenditures. This arrangement is necessary because ACCMA capital and planning project funding is received on a reimbursement basis. These amounts will be repaid from revenue received from funding agencies as reimbursement is received for capital and planning project expenditures.

In March 2011, the ACTA Capital Projects Fund agreed to loan the ACCMA General Fund up to \$25 million, if needed. The loan carries no interest and is repayable when the ACCMA General Fund is in a position to do so, which is expected to be during the fiscal year 2016-17. As of June 30, 2015, the ACCMA General Fund owed the ACTA Capital Projects Fund \$10 million.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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The Alameda CTC also records inter-fund activity when one of the tax measures or congestion management fee programs managed by the Alameda CTC provides funding for an Alameda CTC sponsored project or program in another fund. As of June 30, 2015, the ACCMA General Fund, the 2000 Measure B Special Revenue Fund, the 2000 Measure B Capital Projects Fund, the ACCMA Capital Projects Fund, the Exchange Fund, and the 2014 Measure BB Capital Projects Fund combined had revenues receivable totaling \$36,093,311 due and net revenues reported of \$12,161,368 from the various Alameda CTC managed tax measures or congestion management fee programs. The various Funds providing the funding have recorded all receipts as revenues, and receivables if not yet received, and all funding requirements as expenditures, and payables if not yet paid. All inter-fund receivables and payables are expected to be eradicated within 180 days from the date of this CAFR, June 30, 2015.

All inter-fund activity has been included in the elimination column of the fund financial statements and eliminated from the government-wide financial statements.

### NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

#### Plan Description

The Alameda CTC offers retiree health benefits under a Retiree Health Reimbursement Arrangement, a defined benefit plan. Retirees are eligible for benefits if they retire from the Alameda CTC under CalPERS within 120 days of employment and have 10 years of credited service with CalPERS including at least five years with the Alameda CTC or its predecessor agencies. The Alameda CTC's contributions are based on years of public service and the following formula: 50 percent after 10 years with an additional five percent for each additional year of service reaching a maximum of 100 percent after 20 years of service. The contribution maximum is based on the Kaiser Bay Area Two-Party Basic Premium rate available through the CalPERS medical program. These benefit provisions were established and may be amended by the Commission. Contributions for retirees will never exceed the amount contributed on behalf of active employees.

As of June 30, 2015, membership in the plan consisted of the following:

Retirees receiving benefits	13
Active plan members	21
Total	<u>34</u>

The Alameda CTC participates in the California Employers' Retirement Benefit Trust (CERBT), an irrevocable trust established to fund postemployment healthcare benefits. The CERBT fund is an agent multiple employer plan that is established by CalPERS, and is managed by an appointed board not under the control of Alameda CTC. This trust is not considered a component unit of Alameda CTC and has been excluded from these financial statements. The CERBT issues a publicly available annual financial report, which may be obtained from CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

#### Annual Post Retirement Benefits Costs and Net Post Retirement Benefit

The 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) over a period not to exceed 30 years. The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Alameda CTC's net OPEB obligation:



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

Normal cost at year end	\$ 114,143
Amortization of UAAL	1,282
Annual required contribution (ARC)	115,425
Interest on prior year Net OPEB Obligation	-
Adjustment to ARC	-
Annual OPEB cost	115,425
Contributions made	(115,425)
Change in Net OPEB Obligation	-
Net OPEB Obligation - Beginning of Year	-
Net OPEB Obligation - End of Year	\$ -

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 Ended	Annual OPEB Cost	Actual Contribution	Percentage Contributed	Net OPEB Obligation (Asset)
June 30, 2015	\$ 115,425	\$ 115,425	100%	\$ -
June 30, 2014	114,443	114,443	100%	-
June 30, 2013	115,849	143,764	124%	-

### Actuarial Methods and Assumptions

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 June 30, 2013, the entry age normal cost method was used. The actuarial assumptions included a 7.61 percent investment rate of return; an annual healthcare cost trend rate varying from 6.7 percent in 2015 to 5.0 percent in 2021 and thereafter; a 3.25 percent annual increase in projected payroll; and an inflation rate of 3.0 which affects the trend rate assumptions for medical premiums. The Unfunded Actuarial Accrued Liability (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 22 years.

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.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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### Funding Policy

The funding policy of the Alameda CTC is to contribute the entire ARC on an annual basis.

### Funded Status and Funding Progress

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) (a)	Actuarial Value of Assets (b)	Unfunded AAL (UAAL) (a)-(b)	Funded Status (b)/(a)	Annual Covered Payroll (c)	UAAL As a Percentage of Covered Payroll (a-b)/c
June 30, 2013	\$ 2,140,174	\$ 2,065,334	\$ 74,840	97%	\$ 2,665,027	3%

Information for a three-year presentation is not available because Alameda CTC was established in fiscal year ended June 30, 2012.

### 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, \$3.6 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 transit improvements or for rolling stock procurement, rehabilitation, or replacement.

During the current reporting period, the Alameda CTC expended no PTMISEA proceeds. The proceeds available for obligation at June 30, 2015 are \$386,789. The following table summarizes the activity during the year:

Available proceeds, June 30, 2014	\$ 3,872
Additional grant received	382,496
Interest earned	421
Total revenues	386,789
Total expenditures	-
Available proceeds, June 30, 2015	<u>\$ 386,789</u>



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

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### NOTE 12 – PRIOR PERIOD ADJUSTMENT

As discussed under Note 1, Alameda CTC implemented GASB 68 effective July 1, 2014. Refer to Note 7 for further disclosures related to the plan and related balances. As a result of the implementation, the Alameda CTC restated beginning net position for the governmental activities as noted below.

	Government-wide Governmental Activities
Beginning of the year, Net Position as previously reported	\$ 183,063,226
Contributions after the measurement date - deferred outflows of resources	361,246
Net Pension Liability as of the measurement date of June 30, 2013	(3,990,911)
Beginning of the year, net position as restated	<u>\$ 179,433,561</u>

The following is the pro forma effect of the retrospective application:

	June 30, 2014 Previously Presented	Restatement	June 30, 2014 Restatement
Deferred Outflows of resources	\$ -	\$ 361,246	\$ 361,246
Net Pension liability	-	(3,990,911)	(3,990,911)

In accordance with GASB Statement No. 68, the restatement of all deferred outflows and inflows was not practicable and therefore not included in the statement of the beginning balances.



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***REQUIRED SUPPLEMENTARY INFORMATION***

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## ALAMEDA COUNTY TRANSPORTATION COMMISSION

### SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEAR ENDED JUNE 30, 2015

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	2015 <sup>(1)</sup>
Proportion of the Net Pension Liability	0.04831%
Proportionate Share of the Net Pension Liability	\$ 3,006,005
Covered-Employee Payroll as of the measure date of June 30, 2014	\$ 2,768,787
Proportionate Share of the net pension liability as a percentage of covered-employee payroll	108.57%
Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	81.63%
Proportionate Share of Aggregate Employer Contributions	\$ 361,246

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF PENSION CONTRIBUTIONS FOR THE YEAR ENDED JUNE 30, 2015

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	2014 <sup>(1)</sup>	2015 <sup>(1)</sup>
Contractually required contribution (actuarially determined)	\$ 397,457	\$ 381,572
Contributions in relation to the actuarially determined contributions	(397,457)	(381,572)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,768,787	\$ 2,390,173
Contributions as a percentage of covered-employee payroll	14.35%	15.96%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Sales tax	\$ 5,737,500	\$ 7,162,500	\$ 8,341,521	\$ 1,179,021
Project revenue	11,529,674	12,226,374	7,023,465	(5,202,909)
Member agency contributions	1,394,819	1,394,819	1,394,818	(1)
Investment income	-	-	78,378	78,378
Other	211,008	223,061	57,412	(165,649)
Total Revenues	18,873,001	21,006,754	16,895,594	(4,111,160)
Expenditures				
Administrative				
Salaries and benefits	2,577,017	2,401,827	2,684,771	(282,944)
Office rent	710,030	811,463	840,414	(28,951)
Professional services	1,657,294	1,969,269	1,479,345	489,924
Planning and programming	10,933,737	11,679,437	4,771,585	6,907,852
Other	1,231,519	2,687,936	2,169,070	518,866
Total Expenditures	17,109,597	19,549,932	11,945,185	7,604,747
Other Financing Sources				
Transfers in	588,566	551,234	642,654	91,420
Net change in fund balance	2,351,970	2,008,056	5,593,063	3,585,007
Fund Balance - Beginning	24,006,374	24,006,374	24,006,374	-
Fund Balance - Ending	\$ 26,358,344	\$ 26,014,430	\$ 29,599,437	\$ 3,585,007

See accompanying note to the required supplementary information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - BUDGET AND ACTUAL – 2000 MEASURE B SPECIAL REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Sales tax	\$ 72,935,738	\$ 75,795,963	\$ 75,817,149	\$ 21,186
Project revenue	846,307	1,245,205	1,028,251	(216,954)
Investment income	-	-	19,429	19,429
Other income	86,250	140,116	18,369	(121,747)
Total Revenues	<u>73,868,295</u>	<u>77,181,284</u>	<u>76,883,198</u>	<u>(298,086)</u>
Expenditures				
Administrative				
Salaries and benefits	232,066	247,470	173,056	74,414
Professional services	798,875	2,732,824	556,183	2,176,641
Other	36,250	37,750	168,664	(130,914)
Transportation improvements	<u>73,440,315</u>	<u>77,039,287</u>	<u>74,076,392</u>	<u>2,962,895</u>
Total Expenditures	<u>74,507,506</u>	<u>80,057,331</u>	<u>74,974,295</u>	<u>5,083,036</u>
Net change in fund balance	(639,211)	(2,876,047)	1,908,903	4,784,950
Fund Balance - Beginning	10,637,471	10,637,471	10,637,471	-
Fund Balance - Ending	<u>\$ 9,998,260</u>	<u>\$ 7,761,424</u>	<u>\$ 12,546,374</u>	<u>\$ 4,784,950</u>

See accompanying note to the required supplementary information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - BUDGET AND ACTUAL – 2014 MEASURE BB SPECIAL REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Sales tax	\$ -	\$ 17,896,282	\$ 16,460,353	\$ (1,435,929)
Total Revenues	-	17,896,282	16,460,353	(1,435,929)
Expenditures				
Professional services	-	-	624	(624)
Other	-	-	356	(356)
Transportation improvements	-	14,950,838	13,429,323	1,521,515
Total Expenditures	-	14,950,838	13,430,303	1,520,535
Net change in fund balance	-	2,945,444	3,030,050	84,606
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ 2,945,444	\$ 3,030,050	\$ 84,606

See accompanying note to the required supplementary information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES - BUDGET AND ACTUAL – EXCHANGE FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Project revenue	\$ 6,415,367	\$ 13,339,175	\$ 4,682,795	\$ (8,656,380)
Investment income	-	-	9,428	9,428
Other income	65,676	65,676	65,676	-
Total revenues	6,481,043	13,404,851	4,757,899	(8,646,952)
Expenditures				
Administrative				
Salaries and benefits	69,917	49,683	-	49,683
Professional services	3,000	3,000	-	3,000
Congestion management	6,342,450	13,334,299	4,813,641	8,520,658
Total Expenditures	6,415,367	13,386,982	4,813,641	8,573,341
Net change in fund balance	65,676	17,869	(55,742)	(73,611)
Fund Balance - Beginning	4,985,291	4,985,291	4,985,291	-
Fund Balance - Ending	\$ 5,050,967	\$ 5,003,160	\$ 4,929,549	\$ (73,611)

See accompanying note to the required supplementary information.



# **ALAMEDA COUNTY TRANSPORTATION COMMISSION**

## **NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2015**

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### **NOTE 1 – PURPOSE OF SCHEDULES**

#### **Schedule of the Proportionate Share of the Net Pension Liability and Schedule of Contributions**

A cost-sharing employer is required to recognize a liability for its proportionate share of the net pension liability (of the employers for benefits provided through the pension plan) - the collective net pension liability. A cost-sharing employer is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to pensions. This schedule presents information to illustrate changes in the Alameda CTC's proportionate share of the net pension liability over a ten year period when the information is available.

#### **Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Alameda CTC establishes accounting control through formal adoption of an annual operating budget for all governmental funds. The operating budget is prepared in conformity with accounting principles generally accepted in the United States (GAAP). The adopted budget can be amended by the Commission to increase both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent originally adopted appropriation amounts and adjustments for supplemental adopted appropriations during the year.



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***SUPPLEMENTARY INFORMATION***

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# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Transportation			
Passed Through California Department of Transportation			
Highway Planning and Construction	20.205	Not available	
Community Based Transportation Plan			\$ 7,630
Congestion Management Program			384,480
East Bay Greenway			525,914
East Bay Greenway-Lake Merritt-Hayward			1,475
Grand MacArthur Corridor			(1,000)
ARRA - I-580 EB Express (HOT) Lanes			4,594,373
I-580 EB Express (HOT) Lanes			405,865
I-580 Sound wall Landscaping San Leandro			32,585
I-680 HOT/HOV Lane			(73,944)
I-680 Southbound Smart Lane			(210,564)
I-80 Gilman			102,298
I-880 North Safety Improvement			61,556
I-880 Southbound HOV Lane			2,436
OBAG PDA Planning and Implementation			(28)
Safe Routes to School (SRTS)			1,448,626
SRTS/Bike Mobile Program			226,053
Transportation Planning			1,835,372
Travel Model Support			2,236
Webster Street SMART			(2,016)
			<u>9,343,347</u>
 New Freedom Program	 20.521	 Not available	
Programming/Monitoring			8,536
Coordination & Mobility Management			36,787
Tri-City Travel Training Program			27,613
			<u>72,936</u>
 Total Expenditures of Federal Awards			<u><u>\$ 9,416,283</u></u>

See accompanying note to the supplementary information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## GENERAL FUND BALANCE SHEETS BY SUBFUND JUNE 30, 2015

	2000 Measure B	2014 Measure BB	ACCMA	Total General Fund
<b>ASSETS</b>				
Cash and investments	\$ 23,934,351	\$ 281,052	\$ 10,758,755	\$ 34,974,158
Sales tax receivable	1,111,993	970,153	-	2,082,146
Interest receivable	18,857	-	2,797	21,654
Other receivable	7,954	-	4,100,958	4,108,912
Due from other funds	30	-	2,560,711	2,560,741
Prepays and other assets	29,885	-	39,481	69,366
<b>Total Assets</b>	<u>\$ 25,103,070</u>	<u>\$ 1,251,205</u>	<u>\$ 17,462,702</u>	<u>\$ 43,816,977</u>
<b>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 505,579	\$ 134	\$ 2,464,774	\$ 2,970,487
Due to other funds	76,532	-	10,824,395	10,900,927
<b>Total Liabilities</b>	<u>582,111</u>	<u>134</u>	<u>13,289,169</u>	<u>13,871,414</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	<u>150,397</u>	<u>195,729</u>	<u>-</u>	<u>346,126</u>
<b>Fund Balances</b>				
Nonspendable	29,885	-	39,481	69,366
Unassigned	24,340,677	1,055,342	4,134,052	29,530,071
<b>Total Fund Balances</b>	<u>24,370,562</u>	<u>1,055,342</u>	<u>4,173,533</u>	<u>29,599,437</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 25,103,070</u>	<u>\$ 1,251,205</u>	<u>\$ 17,462,702</u>	<u>\$ 43,816,977</u>

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND

#### BALANCES BY SUBFUND

FOR THE YEAR ENDED JUNE 30, 2015

	2000 Measure B	2014 Measure BB	ACCMA	Total General Fund
<b>REVENUES</b>				
Sales tax - 2000 Measure B	\$ 5,964,167	\$ -	\$ -	\$ 5,964,167
Sales tax - 2014 Measure BB	-	2,377,354	-	2,377,354
Project revenue	-	-	7,023,465	7,023,465
Member agency fees	-	-	1,394,818	1,394,818
Investment income	60,480	-	17,898	78,378
Other income	14,780	-	42,632	57,412
<b>Total Revenues</b>	<u>6,039,427</u>	<u>2,377,354</u>	<u>8,478,813</u>	<u>16,895,594</u>
<b>EXPENDITURES</b>				
Administrative				
Salaries and benefits	779,118	-	1,905,653	2,684,771
Office rent	840,414	-	-	840,414
Professional services	1,348,452	-	130,893	1,479,345
Planning and programming	-	-	4,771,585	4,771,585
Ballot measure costs	-	1,311,234	-	1,311,234
Other	650,352	10,778	196,706	857,836
<b>Total Expenditures</b>	<u>3,618,336</u>	<u>1,322,012</u>	<u>7,004,837</u>	<u>11,945,185</u>
<b>OTHER FINANCING SOURCES</b>				
Transfer In	-	-	642,654	642,654
<b>NET CHANGE IN FUND</b>				
<b>BALANCES</b>	2,421,091	1,055,342	2,116,630	5,593,063
<b>Fund Balances - Beginning</b>	21,949,471	-	2,056,903	24,006,374
<b>Fund Balances - Ending</b>	<u>\$ 24,370,562</u>	<u>\$ 1,055,342</u>	<u>\$ 4,173,533</u>	<u>\$ 29,599,437</u>

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2015

	Transportation Fund for Clean Air	Vehicle Registration Fee Fund	Debt Service Fund	Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 4,990,769	\$ 13,973,160	\$ 14,777,250	\$ 33,741,179
Interest receivable	2,408	7,587	66,542	76,537
Other receivable	900,000	2,289,563	-	3,189,563
<b>Total Assets</b>	<b>\$ 5,893,177</b>	<b>\$ 16,270,310</b>	<b>\$ 14,843,792</b>	<b>\$ 37,007,279</b>
<b>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 759,309	\$ 2,080,537	\$ -	\$ 2,839,846
Due to other funds	91,542	387,117	-	478,659
<b>Total Liabilities</b>	<b>850,851</b>	<b>2,467,654</b>	<b>-</b>	<b>3,318,505</b>
<b>Fund Balances</b>				
Restricted				
Transportation Fund for Clean Air	5,042,326	-	-	5,042,326
Debt service	-	-	14,843,792	14,843,792
Vehicle Registration Fees	-	13,802,656	-	13,802,656
<b>Total Fund Balances</b>	<b>5,042,326</b>	<b>13,802,656</b>	<b>14,843,792</b>	<b>33,688,774</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,893,177</b>	<b>\$ 16,270,310</b>	<b>\$ 14,843,792</b>	<b>\$ 37,007,279</b>

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NONMAJOR GOVERNMENTAL FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2015

	Transportation Fund for Clean Air	Vehicle Registration Fee Fund	Debt Service Fund	Nonmajor Governmental Funds
<b>REVENUES</b>				
Project revenue	\$ 1,947,235	\$ -	\$ -	\$ 1,947,235
Vehicle registration fees	-	12,929,589	-	12,929,589
Investment income	10,325	30,665	118,379	159,369
<b>Total Revenues</b>	<u>1,957,560</u>	<u>12,960,254</u>	<u>118,379</u>	<u>15,036,193</u>
<b>EXPENDITURES</b>				
Administrative				
Salaries and benefits	-	174,923	-	174,923
Professional services	-	60,958	-	60,958
Other	-	108,541	-	108,541
Congestion management	1,188,382	10,040,788	-	11,229,170
Debt Service				
Interest Expense	-	-	5,653,839	5,653,839
<b>Total Expenditures</b>	<u>1,188,382</u>	<u>10,385,210</u>	<u>5,653,839</u>	<u>17,227,431</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>769,178</u>	<u>2,575,044</u>	<u>(5,535,460)</u>	<u>(2,191,238)</u>
<b>Fund Balances - Beginning</b>	<u>4,273,148</u>	<u>11,227,612</u>	<u>20,379,252</u>	<u>35,880,012</u>
<b>Fund Balances - Ending</b>	<u>\$ 5,042,326</u>	<u>\$ 13,802,656</u>	<u>\$ 14,843,792</u>	<u>\$ 33,688,774</u>

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – BUDGET AND ACTUAL – 2000 MEASURE B CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Sales tax	\$ 48,826,762	\$ 50,741,537	\$ 50,755,721	\$ 14,184
Project revenue	1,500,000	22,042,890	(8,500,586)	(30,543,476)
Investment income	430,000	430,000	266,392	(163,608)
Other income	2,000,000	1,784,507	-	(1,784,507)
Total Revenues	<u>52,756,762</u>	<u>74,998,934</u>	<u>42,521,527</u>	<u>(32,477,407)</u>
Expenditures				
Administrative				
Salaries and benefits	256,760	227,930	206,803	21,127
Professional services	33,000	33,000	-	33,000
Other	2,200	5,195	5,759	(564)
Transportation improvements	<u>116,616,072</u>	<u>157,540,251</u>	<u>110,780,897</u>	<u>46,759,354</u>
Total Expenditures	<u>116,908,032</u>	<u>157,806,376</u>	<u>110,993,459</u>	<u>46,812,917</u>
Net change in fund balance	(64,151,270)	(82,807,442)	(68,471,932)	14,335,510
Fund Balance - Beginning	<u>147,577,841</u>	<u>147,577,841</u>	<u>147,577,841</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 83,426,571</u>	<u>\$ 64,770,399</u>	<u>\$ 79,105,909</u>	<u>\$ 14,335,510</u>

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – BUDGET AND ACTUAL – 1986 MEASURE B CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Sales tax	\$ -	\$ -	\$ 258,920	\$ 258,920
Project revenue	-	-	(5,403)	(5,403)
Investment income	435,000	435,000	378,949	(56,051)
Other income	1,829	1,829	50	(1,779)
Total Revenues	436,829	436,829	632,516	195,687
Expenditures				
Administrative				
Salaries and benefits	288,019	284,400	283,086	1,314
Office rent	101,433	-	-	-
Professional services	412,085	326,918	381,862	(54,944)
Other	170,674	90,596	53,775	36,821
Transportation improvements	3,473,532	36,708,627	(8,307,436)	45,016,063
Total Expenditures	4,445,743	37,410,541	(7,588,713)	44,999,254
Net change in fund balance	(4,008,914)	(36,973,712)	8,221,229	45,194,941
Fund Balance - Beginning	117,840,970	117,840,970	117,840,970	-
Fund Balance - Ending	\$ 113,832,056	\$ 80,867,258	\$ 126,062,199	\$ 45,194,941

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – BUDGET AND ACTUAL – 2014 MEASURE BB CAPITAL PROJECTS FUNDS FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Sales tax	\$ -	\$ 9,644,934	\$ 8,871,061	\$ (773,873)
Project revenue	-	-	2,875	2,875
Investment income	-	-	102	102
Total Revenues	-	9,644,934	8,874,038	(770,896)
Expenditures				
Transportation improvements	-	950,000	2,875	947,125
Total Expenditures	-	950,000	2,875	947,125
Net change in fund balance	-	8,694,934	8,871,163	176,229
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ 8,694,934	\$ 8,871,163	\$ 176,229

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES –BUDGET AND ACTUAL – ACCMA CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Project revenue	\$ 53,497,557	\$ 102,099,484	\$ 39,782,321	\$ (62,317,163)
Investment income	-	-	1,369	1,369
Total Revenues	53,497,557	102,099,484	39,783,690	(62,315,794)
Expenditures				
Administrative				
Salaries and benefits	586,171	536,155	171,694	364,461
Congestion management	52,911,386	101,563,329	38,969,342	62,593,987
Total Expenditures	53,497,557	102,099,484	39,141,036	62,958,448
Transfers out	-	-	(642,654)	642,654
Net change in fund balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – BUDGET AND ACTUAL – TRANSPORTATION FUND FOR CLEAN AIR FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Project revenue	\$ 2,069,496	\$ 2,069,496	\$ 1,947,235	\$ (122,261)
Investment income	-	-	10,325	10,325
Other income	40,225	38,305	-	(38,305)
Total Revenues	<u>2,109,721</u>	<u>2,107,801</u>	<u>1,957,560</u>	<u>(150,241)</u>
Expenditures				
Administrative				
Salaries and benefits	138,700	136,780	-	136,780
Professional services	3,000	3,000	-	3,000
Other	2,000	2,000	-	2,000
Congestion management	5,422,151	5,643,729	1,188,382	4,455,347
Total Expenditures	<u>5,565,851</u>	<u>5,785,509</u>	<u>1,188,382</u>	<u>4,597,127</u>
Net change in fund balance	(3,456,130)	(3,677,708)	769,178	4,446,886
Fund Balance - Beginning	4,273,148	4,273,148	4,273,148	-
Fund Balance - Ending	<u>\$ 817,018</u>	<u>\$ 595,440</u>	<u>\$ 5,042,326</u>	<u>\$ 4,446,886</u>

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – BUDGET AND ACTUAL – VEHICLE REGISTRATION FEE FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Vehicle registration fees	\$ 12,000,000	\$ 12,000,000	\$ 12,929,589	\$ 929,589
Investment income	-	-	30,665	30,665
Total Revenues	12,000,000	12,000,000	12,960,254	960,254
Expenditures				
Administrative				
Salaries and benefits	266,047	206,192	174,923	31,269
Professional services	155,568	156,068	60,958	95,110
Other	148,108	108,108	108,541	(433)
Congestion management	12,056,000	12,056,000	10,040,788	2,015,212
Total Expenditures	12,625,723	12,526,368	10,385,210	2,141,158
Net change in fund balance	(625,723)	(526,368)	2,575,044	3,101,412
Fund Balance - Beginning	11,227,612	11,227,612	11,227,612	-
Fund Balance - Ending	\$ 10,601,889	\$ 10,701,244	\$ 13,802,656	\$ 3,101,412

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES – BUDGET AND ACTUAL – DEBT SERVICE FUND FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 118,379	\$ 118,379
Expenditures				
Debt service- interest	5,653,839	5,653,839	5,653,839	-
Net change in fund balance	(5,653,839)	(5,653,839)	(5,535,460)	118,379
Fund Balance - Beginning	20,379,252	20,379,252	20,379,252	-
Fund Balance - Ending	\$ 14,725,413	\$ 14,725,413	\$ 14,843,792	\$ 118,379

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## 2000 MEASURE B SPECIAL REVENUE FUND BALANCE SHEET BY PROGRAM JUNE 30, 2015

	<b>Programming and Programs</b>	<b>Express Bus</b>	<b>Bike and Pedestrian</b>
<b>ASSETS</b>			
Cash and investments	\$ 3,203,065	\$ 1,207,563	\$ 4,546,959
Sales tax receivable	353,394	161,063	287,613
Interest receivable	-	888	2,858
Other receivable	-	-	910,176
Due from other funds	-	-	39,634
<b>Total Assets</b>	<b>\$ 3,556,459</b>	<b>\$ 1,369,514</b>	<b>\$ 5,787,240</b>
<b>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 156	\$ 332,482	\$ 717,016
Due to other funds	138,782	-	328,717
Unearned revenue	-	-	-
<b>Total Liabilities</b>	<b>138,938</b>	<b>332,482</b>	<b>1,045,733</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	47,796	21,784	38,900
<b>Fund Balances</b>			
Restricted	3,369,725	1,015,248	4,702,607
<b>Total Fund Balances</b>	<b>3,369,725</b>	<b>1,015,248</b>	<b>4,702,607</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,556,459</b>	<b>\$ 1,369,514</b>	<b>\$ 5,787,240</b>

See accompanying note to the Supplementary Information.



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<b>Direct Local Distribution</b>	<b>Transit Oriented Development</b>	<b>Paratransit</b>	<b>Total 2000 Measure B Special Revenue Subfunds</b>
\$ 266	\$ 1,719,168	\$ 2,177,384	\$ 12,854,405
11,207,993	43,717	329,029	12,382,809
-	1,234	1,587	6,567
-	-	39,673	949,849
-	-	-	39,634
<u>\$ 11,208,259</u>	<u>\$ 1,764,119</u>	<u>\$ 2,547,673</u>	<u>\$ 26,233,264</u>

\$ 11,207,994	\$ 2,004	\$ 649,018	\$ 12,908,670
-	101,989	3,158	572,646
-	-	46,680	46,680
<u>11,207,994</u>	<u>103,993</u>	<u>698,856</u>	<u>13,527,996</u>

<u>-</u>	<u>5,913</u>	<u>44,501</u>	<u>158,894</u>
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<u>265</u>	<u>1,654,213</u>	<u>1,804,316</u>	<u>12,546,374</u>
<u>265</u>	<u>1,654,213</u>	<u>1,804,316</u>	<u>12,546,374</u>
<u>\$ 11,208,259</u>	<u>\$ 1,764,119</u>	<u>\$ 2,547,673</u>	<u>\$ 26,233,264</u>



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## 2000 MEASURE B SPECIAL REVENUE COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES BY PROGRAM FOR THE YEAR ENDED JUNE 30, 2015

	Programming and Programs	Express Bus	Bike and Pedestrian
<b>REVENUES</b>			
Sales tax	\$ 1,895,428	\$ 863,860	\$ 1,542,607
Project revenue	-	-	955,861
Investment income	-	2,939	8,426
Other income	-	-	2,289
<b>Total Revenues</b>	<u>1,895,428</u>	<u>866,799</u>	<u>2,509,183</u>
<b>EXPENDITURES</b>			
Administrative:			
Salaries and benefits	167,727	-	5,329
Professional services	448	49,358	75,307
Other	150,159	468	2,289
Transportation improvements:			
Public transit	-	1,179,335	-
Local transportation	-	-	2,265,204
<b>Total Expenditures</b>	<u>318,334</u>	<u>1,229,161</u>	<u>2,348,129</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,577,094	(362,362)	161,054
<b>Fund Balances - Beginning</b>	1,792,631	1,377,610	4,541,553
<b>Fund Balances - Ending</b>	<u>\$ 3,369,725</u>	<u>\$ 1,015,248</u>	<u>\$ 4,702,607</u>

See accompanying note to the supplementary information.



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<b>Direct Local Distribution</b>	<b>Transit Oriented Development</b>	<b>Paratransit</b>	<b>Total 2000 Measure B Special Revenue Subfunds</b>
\$ 69,516,036	\$ 234,476	\$ 1,764,742	\$ 75,817,149
-	-	72,390	1,028,251
-	3,589	4,475	19,429
-	-	16,080	18,369
<u>69,516,036</u>	<u>238,065</u>	<u>1,857,687</u>	<u>76,883,198</u>
-	-	-	173,056
-	14,582	416,488	556,183
-	-	15,748	168,664
37,318,745	-	1,112,721	39,610,801
32,197,291	3,096	-	34,465,591
<u>69,516,036</u>	<u>17,678</u>	<u>1,544,957</u>	<u>74,974,295</u>
-	220,387	312,730	1,908,903
265	1,433,826	1,491,586	10,637,471
<u>\$ 265</u>	<u>\$ 1,654,213</u>	<u>\$ 1,804,316</u>	<u>\$ 12,546,374</u>



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## 2014 MEASURE BB SPECIAL REVENUE FUND BALANCE SHEET BY PROGRAM JUNE 30, 2015

	Programs and Projects Mgmt Oversight Subfund	Transit Ops, Maintenance and Safety Subfund	Bicycle and Pedestrian Subfund	Direct Local Distribution Subfund
<b>ASSETS</b>				
Cash and investments	\$ 36,121	\$ 163,909	\$ 134,905	\$ -
Sales tax receivable	124,684	565,793	465,673	9,853,368
<b>Total Assets</b>	<u>\$ 160,805</u>	<u>\$ 729,702</u>	<u>\$ 600,578</u>	<u>\$ 9,853,368</u>
<b>LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 356	\$ -	\$ 9,853,368
<b>Total Liabilities</b>	<u>-</u>	<u>356</u>	<u>-</u>	<u>9,853,368</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	<u>25,155</u>	<u>114,149</u>	<u>93,950</u>	<u>-</u>
<b>Fund Balances</b>				
Restricted				
Transportation Projects	<u>135,650</u>	<u>615,197</u>	<u>506,628</u>	<u>-</u>
<b>Total Fund Balances</b>	<u>135,650</u>	<u>615,197</u>	<u>506,628</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 160,805</u>	<u>\$ 729,702</u>	<u>\$ 600,578</u>	<u>\$ 9,853,368</u>

See accompanying note to the Supplementary Information.



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<b>Paratransit Subfund</b>	<b>Freight and Economic Development Subfund</b>	<b>Community Development Subfund</b>	<b>Technology Subfund</b>	<b>Total 2014 Measure BB Special Revenue Subfunds</b>
\$ 67,452	\$ 67,452	\$ 269,810	\$ 67,452	\$ 807,101
232,837	232,837	931,347	232,837	12,639,376
<u>\$ 300,289</u>	<u>\$ 300,289</u>	<u>\$ 1,201,157</u>	<u>\$ 300,289</u>	<u>\$ 13,446,477</u>
\$ 624	\$ -	\$ -	\$ -	\$ 9,854,348
<u>624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,854,348</u>
<u>46,975</u>	<u>46,975</u>	<u>187,900</u>	<u>46,975</u>	<u>562,079</u>
<u>252,690</u>	<u>253,314</u>	<u>1,013,257</u>	<u>253,314</u>	<u>3,030,050</u>
<u>252,690</u>	<u>253,314</u>	<u>1,013,257</u>	<u>253,314</u>	<u>3,030,050</u>
<u>\$ 300,289</u>	<u>\$ 300,289</u>	<u>\$ 1,201,157</u>	<u>\$ 300,289</u>	<u>\$ 13,446,477</u>

See accompanying note to the Supplementary Information.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## 2014 MEASURE BB SPECIAL REVENUE COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES BY PROGRAM FOR THE YEAR ENDED JUNE 30, 2015

	Programs and Projects Mgmt Oversight Subfund	Transit Ops, Maintenance and Safety Subfund	Bicycle and Pedestrian Subfund	Direct Local Distribution Subfund
<b>REVENUES</b>				
Sales tax	\$ 135,650	\$ 615,553	\$ 506,628	\$ 13,429,323
<b>Total Revenues</b>	<u>135,650</u>	<u>615,553</u>	<u>506,628</u>	<u>13,429,323</u>
<b>EXPENDITURES</b>				
Administrative:				
Professional services	-	-	-	-
Other	-	356	-	-
Transportation improvements:				
Public transit	-	-	-	7,661,360
Local transportation	-	-	-	5,767,963
<b>Total Expenditures</b>	<u>-</u>	<u>356</u>	<u>-</u>	<u>13,429,323</u>
<b>NET CHANGE IN FUND BALANCES</b>	135,650	615,197	506,628	-
<b>Fund Balances - Beginning</b>	-	-	-	-
<b>Fund Balances - Ending</b>	<u>\$ 135,650</u>	<u>\$ 615,197</u>	<u>\$ 506,628</u>	<u>\$ -</u>

See accompanying note to the Supplementary Information.



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<b>Paratransit Subfund</b>	<b>Freight and Economic Development Subfund</b>	<b>Community Development Subfund</b>	<b>Technology Subfund</b>	<b>Total 2014 Measure BB Special Revenue Subfunds</b>
\$ 253,314	\$ 253,314	\$ 1,013,257	\$ 253,314	\$ 16,460,353
253,314	253,314	1,013,257	253,314	16,460,353
624	-	-	-	624
-	-	-	-	356
-	-	-	-	7,661,360
-	-	-	-	5,767,963
624	-	-	-	13,430,303
252,690	253,314	1,013,257	253,314	3,030,050
-	-	-	-	-
\$ 252,690	\$ 253,314	\$ 1,013,257	\$ 253,314	\$ 3,030,050

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# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2015

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### NOTE 1 – PURPOSE OF SCHEDULES

#### **Schedules of Revenues, Expenditures and Change in Fund Balances - Budget and Actual**

A schedule of revenues, expenditures and change in fund balances comparing budgeted and actual results is presented for each capital project major fund and all nonmajor funds included in this financial report.

#### **Schedule of Expenditures of Federal Awards**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the Alameda CTC 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*.

#### **Schedule of the General Fund Combining Balance Sheets and Combining Schedule of Revenues, Expenditures, and Change in Fund Balances**

The Schedule of the General Fund Combining Balance Sheets and Combining Schedule of Revenues, Expenditures, and Change in Fund Balances is included to provide information regarding the breakout of activity between the Measure B, BB and ACCMA general funds.

#### **Nonmajor Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Change in Fund Balances**

The Nonmajor Funds Combining Balance Sheet and the Nonmajor Funds Combining Statement of Revenues, Expenditures and Change in Fund Balances are included to provide information regarding the individual funds that have been included in the Nonmajor Governmental Funds column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Change in Fund Balances which include the Transportation Fund for Clean Air, Vehicle Registration Fee Fund and the Debt Service Fund.

#### **2000 Measure B Combining Schedule of the Balance Sheet and the Combining Schedule of Revenues, Expenditures, and Change in Fund Balances of the Special Revenue Fund by Program**

The Combining Schedule of the Balance Sheet and the Combining Schedule of Revenues, Expenditures, and Change in Fund Balances of the 2000 Measure B Special Revenue Fund by Program, is included to provide information regarding the individual subfunds that have been included in the 2000 Measure B Special Revenue Fund column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Change in Fund Balances.

#### **2014 Measure BB Combining Schedule of the Balance Sheet and the Combining Schedule of Revenues, Expenditures, and Change in Fund Balances of the Special Revenue Fund by Program**

The Combining Schedule of the Balance Sheet and the Combining Schedule of Revenues, Expenditures, and Change in Fund Balances of the 2014 Measure BB Special Revenue Fund by Program, is included to provide information regarding the individual subfunds that have been included in the 2014 Measure BB Special Revenue Fund column on the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Change in Fund Balances.



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***STATISTICAL SECTION***

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## Statistical Section

This section of the comprehensive annual financial report presents detailed information about the Alameda County Transportation Commission's financial results, major revenues sources, demographic statistics, and operating activities and will help the reader understand how Alameda CTC's financial performance and financial condition have changed over time.

<b><u>CONTENT</u></b>	<b><u>PAGE</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how Alameda CTC's financial performance changed over time.	84
<b>Revenue Capacity</b> These schedules contain information to help the reader assess Alameda CTC's primary local revenue source, sales tax.	88
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Alameda CTC's current level of outstanding debt and the government's ability to issue additional debt in the future.	91
<b>Demographic and Economic Information</b> These schedules contain demographic and economic indicators to assist the reader in understanding the environment within which Alameda CTC's financial activities take place.	94
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in Alameda CTC's financial report relates to the services it provides and the activities it performs.	96



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## FINANCIAL TRENDS – NET POSITION BY COMPONENT LAST THREE FISCAL YEARS

	Fiscal Year Ending June 30,			
	2015	2014	2013	2012
Governmental Activities:				
Net investment in capital assets	\$ 516,003	\$ 621,809	\$ 50,632	\$ 110,699
Restricted				
Local programs	16,297,397	10,637,471	9,131,614	9,252,256
Capital projects	63,030,769	108,759,745	175,060,226	200,229,225
Transportation fund for clean air	5,042,326	4,273,148	3,707,742	3,387,914
Vehicle registration fee	13,802,656	11,227,612	9,721,681	5,156,748
Debt service	12,943,342	18,551,776	-	-
Unrestricted	31,773,323	28,991,665	21,571,596	23,056,207
Total Governmental Activities Net Position	<u>\$ 143,405,816</u>	<u>\$ 183,063,226</u>	<u>\$ 219,243,491</u>	<u>\$ 241,193,049</u>

Note: Alameda CTC is a Joint Powers Agency established in July 2010, effectively merging the Alameda County Transportation Improvement Authority and the Alameda County Congestion Management Agency, who delegated all of their assets, liabilities, powers, functions, and responsibilities to the Alameda CTC. Alameda CTC produced their first financial report for fiscal year ended June 30, 2012. Due to the recent formation of the Alameda CTC a 10 year trend analysis is not available.

Source: Alameda CTC Financial Statements



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## FINANCIAL TRENDS – CHANGES IN NET POSITION

### LAST FOUR FISCAL YEARS

EXPENSES	Fiscal Year Ending June 30,			
	2015	2014	2013	2012
Governmental activities:				
Administration	\$ 13,682,520	\$ 12,087,490	\$ 11,981,445	\$ 11,338,750
Transportation improvement	179,363,353	165,594,441	131,266,274	135,067,898
Congestion management	53,656,362	35,422,286	37,720,724	46,101,090
Interest expense	3,184,830	1,005,686	-	-
<b>Total Expenses</b>	<b>249,887,065</b>	<b>214,109,903</b>	<b>180,968,443</b>	<b>192,507,738</b>
<b>REVENUES</b>				
Program revenues:				
Operating grants and contributions	34,091,309	35,076,200	24,098,481	42,913,173
<b>Total Revenues</b>	<b>34,091,309</b>	<b>35,076,200</b>	<b>24,098,481</b>	<b>42,913,173</b>
Net (Expense) / Revenue	(215,795,756)	(179,033,703)	(156,869,962)	(149,594,565)
<b>GENERAL REVENUES</b>				
Governmental activities:				
Sales tax	164,496,789	127,095,900	121,084,780	112,568,093
Vehicle registration fees	12,929,589	12,669,464	12,065,055	12,242,126
Member agency fees	1,394,818	1,394,821	1,394,818	1,315,867
Interest and investment earnings	913,416	755,915	172,499	956,225
Other revenue	33,399	937,338	203,252	412,178
<b>Total General Revenues</b>	<b>179,768,011</b>	<b>142,853,438</b>	<b>134,920,404</b>	<b>127,494,489</b>
Governmental Activities Change in Net Position	<u><u>\$ (36,027,745)</u></u>	<u><u>\$ (36,180,265)</u></u>	<u><u>\$ (21,949,558)</u></u>	<u><u>\$ (22,100,076)</u></u>

Note: Alameda CTC is a Joint Powers Agency established in July 2010, effectively merging the Alameda County Transportation Improvement Authority and the Alameda County Congestion Management Agency, who delegated all of their assets, liabilities, powers, functions, and responsibilities to the Alameda CTC. Alameda CTC produced their first financial report for fiscal year ended June 30, 2012. Due to the recent formation of the Alameda CTC a 10 year trend analysis is not available.

Source: Alameda CTC Financial Statements



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## FINANCIAL TRENDS – FUND BALANCES, GOVERNMENTAL FUNDS LAST FOUR FISCAL YEARS

	Fiscal Year Ending June 30,			
	2015	2014	2013	2012
General Fund				
Nonspendable	\$ 69,366	\$ 207,546	\$ -	\$ -
Unassigned	29,530,071	23,798,828	20,357,986	18,321,401
Total General Fund	29,599,437	24,006,374	20,357,986	18,321,401
All Other Governmental Funds				
Nonspendable	9,717	29,649	-	-
Restricted				
Measure B special revenue	12,546,374	10,637,471	9,131,614	9,252,256
Measure BB special revenue	3,030,050	-	-	-
Capital projects	214,029,554	265,389,161	175,060,226	200,229,225
Transportation fund for clean air	5,042,326	4,273,148	3,707,742	3,387,914
Vehicle registration fee	13,802,656	11,227,612	9,721,681	5,156,748
Debt service	14,843,792	20,379,253	-	-
Assigned, reported in:				
Exchange fund	4,929,549	4,985,291	1,213,610	4,762,721
Total All Other Governmental Funds	\$ 268,234,018	\$ 316,921,585	\$ 198,834,873	\$ 222,788,864

Note: Alameda CTC is a Joint Powers Agency established in July 2010, effectively merging the Alameda County Transportation Improvement Authority and the Alameda County Congestion Management Agency, who delegated all of their assets, liabilities, powers, functions, and responsibilities to the Alameda CTC. Alameda CTC produced their first financial report for fiscal year ended June 30, 2012. Due to the recent formation of the Alameda CTC a 10 year trend analysis is not available.

Source: Alameda CTC Financial Statements



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## FINANCIAL TRENDS – CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST FOUR FISCAL YEARS

	Fiscal Year Ending June 30,			
	2015	2014	2013	2012
<b>REVENUES</b>				
Sales tax	\$ 160,504,725	\$ 127,095,900	\$ 121,084,780	\$ 112,568,093
Project revenue	33,907,693	35,076,200	24,098,481	52,913,173
Member agency contributions	1,394,818	1,394,821	1,394,818	1,315,867
Vehicle registration fees	12,929,589	12,669,464	12,065,055	12,242,126
Investment income	913,416	755,915	172,499	956,225
Other income	33,399	937,338	203,252	412,178
<b>Total Revenues</b>	<b>209,683,640</b>	<b>177,929,638</b>	<b>159,018,885</b>	<b>180,407,662</b>
<b>EXPENDITURES</b>				
Administrative				
Salaries and benefits	3,694,333	4,215,750	4,271,217	4,191,318
Office rent	840,414	1,067,830	903,841	912,888
Professional services	2,478,972	2,328,134	2,923,255	2,528,606
Planning and programming	4,771,585	2,603,119	1,561,829	2,484,552
Bond issuance costs	-	592,542	-	-
Other	2,319,286	1,851,292	2,289,151	1,184,867
Transportation improvements				
Highways and streets	30,728,301	18,779,607	27,720,363	39,801,038
Public transit	109,003,570	112,271,930	72,041,838	91,981,235
Local transportation	39,631,482	34,542,904	31,504,073	36,777,134
Congestion management	53,656,362	35,422,286	37,720,724	46,101,090
Debt Service				
Interest	5,653,839	-	-	-
<b>Total Expenditures</b>	<b>252,778,144</b>	<b>213,675,394</b>	<b>180,936,291</b>	<b>225,962,728</b>
<b>OTHER FINANCING SOURCES</b>				
Other sources	-	157,480,856	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>157,480,856</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (43,094,504)</b>	<b>\$ 121,735,100</b>	<b>\$ (21,917,406)</b>	<b>\$ (45,555,066)</b>

Note: Alameda CTC is a Joint Powers Agency established in July 2010, effectively merging the Alameda County Transportation Improvement Authority and the Alameda County Congestion Management Agency, who delegated all of their assets, liabilities, powers, functions, and responsibilities to the Alameda CTC. Alameda CTC produced their first financial report for fiscal year ended June 30, 2012. Due to the recent formation of the Alameda CTC a 10 year trend analysis is not available.

Source: Alameda CTC Financial Statements



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## REVENUE CAPACITY– SALES TAX LAST TEN FISCAL YEARS

Fiscal Year Ended	Alameda CTC	2000 Measure B	2014 Measure BB			Total Taxable
June 30:	Sales Tax	Sales Tax	Sales Tax	Sales Tax	Annual	Sales in
	Rate <sup>1</sup>	Revenue <sup>1</sup>	Revenue <sup>1</sup>	Revenue	Growth	Alameda County
						(in thousands)
2015	1.0%	132,537,037	27,708,768	\$ 160,245,805	26.08%	\$ 27,892,846 <sup>2</sup>
2014	0.5%	127,095,900	-	127,095,900	4.96%	25,419,180 <sup>2</sup>
2013	0.5%	121,084,780	-	121,084,780	7.57%	24,216,956 <sup>2</sup>
2012	0.5%	112,568,093	-	112,568,093	6.81%	25,181,571 <sup>3</sup>
2011	0.5%	105,393,813	-	105,393,813	11.58%	23,430,799 <sup>3</sup>
2010	0.5%	94,453,574	-	94,453,574	-6.77%	21,541,741 <sup>3</sup>
2009	0.5%	101,317,661	-	101,317,661	-12.86%	20,430,195 <sup>3</sup>
2008	0.5%	116,267,321	-	116,267,321	2.23%	23,862,957 <sup>3</sup>
2007	0.5%	113,726,121	-	113,726,121	3.07%	25,831,140 <sup>3</sup>
2006	0.5%	110,339,552	-	110,339,552	9.10%	25,223,384 <sup>3</sup>

<sup>1</sup> In 2000, Alameda County voters approved Measure B, a half-cent transportation sales tax. In 2014, Alameda County voters approved Measure BB, an augmentation and extension of the sales tax by an additional half-cent and an extension through 2045. Collections of 2014 Measure BB half-cent sales tax began April 2015.

<sup>2</sup> For fiscal years 2014 and 2015, taxable sales were calculated based on the Alameda CTC's sales tax revenues divided by Alameda CTC sales tax percentage (MBB's percentage was pro-rate as collections began April 2015).

<sup>3</sup> Taxable sales were obtained from the California State Board of Equalization website.

Source: These amounts were derived from the prior years financial statements of Alameda CTC or its predecessors

## Sales Tax Rates by Incorporated City in Alameda County

City	Effective April 1, 2014	Effective October 1, 2014	Effective April 1, 2015
Alameda	9.00%	9.00%	9.50%
Albany	9.50%	9.50%	10.00%
Berkeley	9.00%	9.00%	9.50%
Dublin	9.00%	9.00%	9.50%
Emeryville	9.00%	9.00%	9.50%
Fremont	9.00%	9.00%	9.50%
Hayward	9.00%	9.50%	10.00%
Livermore	9.00%	9.00%	9.50%
Newark	9.00%	9.00%	9.50%
Oakland	9.00%	9.00%	9.50%
Piedmont	9.00%	9.00%	9.50%
Pleasanton	9.00%	9.00%	9.50%
San Leandro	9.25%	9.25%	10.00%
Union City	9.50%	9.50%	10.00%

Source: California State Board of Equalization



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## REVENUE CAPACITY– PRINCIPAL SALES TAX PAYERS BY SEGMENT FOR THE COUNTY OF ALAMEDA FISCAL YEARS 2013 AND 2006

		2013 <sup>1</sup>	
		Total	
		Taxable Sales in	Percentage
		Alameda County	of Taxable
		(in thousands)	Sales
Principal Revenue Payers	Rank		
All Other Outlets	1	\$ 9,731,469	36.55%
Motor Vehicle and Parts Dealers	2	3,138,082	11.79%
Food Services and Drinking Places	3	2,505,728	9.41%
Gasoline Stations	4	2,218,302	8.33%
General Merchandise Stores	5	1,943,081	7.30%
Bldg. Matrl. and Garden Equip. and Supplies	6	1,379,338	5.18%
Clothing and Clothing Accessories Stores	7	1,331,394	5.00%
Food and Beverage Stores	8	1,031,311	3.87%
Miscellaneous Store Retailers	9	939,103	3.53%
Electronics and Appliance Stores	10	636,277	2.39%
Sporting Goods, Hobby, Book, and Music Stores	11	493,428	1.85%
Furniture and Home Furnishing Stores	12	506,386	1.90%
Health and Personal Care Stores	13	476,407	1.79%
Nonstore Retailers	14	294,264	1.11%
		<u>\$ 26,624,570</u>	
		2006	
		Total	
		Taxable Sales in	Percentage
		Alameda County	of Taxable
		(in thousands)	Sales
Principal Revenue Payers	Rank		
All Other Outlets	1	\$ 8,451,505	33.51%
Automotive Group	2	4,606,049	18.26%
Specialty Stores Group	3	2,479,304	9.83%
General Merchandise Group	4	2,236,412	8.87%
Eating and Drinking Group	5	1,832,279	7.26%
Building Material Group	6	1,597,911	6.34%
Business and Personal Services	7	1,115,465	4.42%
Household Group	8	843,210	3.34%
Food Stores Group	9	759,659	3.01%
All Other Retail Stores Group	10	660,329	2.62%
Apparel Stores Group	11	641,261	2.54%
		<u>\$ 25,223,384</u>	

<sup>1</sup> 2013 is the latest information available.

Source: State Board of Equalization, <http://www.boe.ca.gov/news/tsalescont.htm>



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## REVENUE CAPACITY– VEHICLE REGISTRATION FEE LAST FOUR FISCAL YEARS

Fiscal Year Ended	Vehicle	Total	Annual	Vehicles
June 30:	Registration Fee	Revenue	Growth <sup>1</sup>	Registered in Alameda County <sup>2</sup>
2015	\$ 9.995	\$ 12,929,589	2.05%	1,293,606
2014	9.995	12,669,464	5.01%	1,267,580
2013	9.995	12,065,055	-1.45%	1,207,109
2012	9.995	12,242,126	582.26%	1,224,825
2011	9.995	1,794,343	n/a <sup>3</sup>	n/a <sup>3</sup>

<sup>1</sup> Measure F Alameda County Vehicle Registration Fee (VRF) Program was approved by the voters in November 2010. The collection of the \$10 per year vehicle registration fee began in May 2011. The California Department of Motor Vehicles collects a 0.05% administration fee.

<sup>2</sup> Vehicles registered in Alameda County were calculated based on Alameda CTC's VRF revenue divided by Vehicle Registration Fee.

<sup>3</sup> Information is unavailable that corresponds to the collections for May 2011 - June 2011.

Source: These amounts were derived from the prior years financial statements of Alameda CTC or its predecessors.



## ALAMEDA COUNTY TRANSPORTATION COMMISSION

### DEBT CAPACITY – RATIOS OF OUTSTANDING DEBT

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Fiscal Year Ended	Total Outstanding	Total Taxable Sales in	Total Debt as a % of	Personal	Total Debt as a % of Personal
June 30:	Debt	Alameda County <sup>1</sup>	Taxable Sales	Income	Income
2015	\$ 154,117,083	27,892,846,000	0.55%	[1]	[1]
2014	156,659,065	25,419,180,000	0.62%	86,725,943	180.64%

<sup>1</sup> In February 2014, Alameda CTC issued its first series of Sales Tax Revenue Bonds.

<sup>2</sup> Data not yet published, FY 2014 and FY 2015 assumes a 1% increase over prior fiscal year.



## **ALAMEDA COUNTY TRANSPORTATION COMMISSION**

### **DEBT CAPACITY – DEBT LIMITATIONS**

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Alameda County Transportation Commission does not have overlapping debt with other governments.

Alameda County Transportation Commission does not have a legal debt limit.



## ALAMEDA COUNTY TRANSPORTATION COMMISSION

### DEBT CAPACITY – PLEDGED REVENUE COVERAGE

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Fiscal Year Ended June 30:	Available Revenue	Annual Debt Service			Coverage
	Sales Tax	Principal	Interest	Total	
	Revenue				
2015	\$ 132,537,037	\$ -	\$ 5,653,839	\$ 5,653,839	23.4
2014	127,095,900	-	-	-	n/a <sup>1</sup>

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<sup>1</sup> Debt Service payments begin September 1, 2014.



## ALAMEDA COUNTY TRANSPORTATION COMMISSION

### DEMOGRAPHIC AND ECONOMIC INFORMATION – STATISTICS LAST TEN FISCAL YEARS

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Fiscal Year Ended June 30:	Population <sup>2</sup>	Total Personal Income (in thousands) <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	Unemployment Rate <sup>3</sup>
2015	1,594,569	89,129,294 <sup>1</sup>	55,896	4.6%
2014	1,574,497	88,246,826 <sup>1</sup>	56,048	5.8%
2013	1,578,891	87,373,095	55,338	7.4%
2012	1,554,720	85,017,099	54,683	9.4%
2011	1,531,626	78,550,471	51,286	10.7%
2010	1,513,586	72,870,527	48,144	11.4%
2009	1,498,539	70,463,233	47,021	11.1%
2008	1,477,208	73,944,674	50,057	6.1%
2007	1,455,715	72,269,758	49,646	4.8%
2006	1,444,484	69,413,342	48,054	4.6%

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<sup>1</sup> Data not yet published, FY 2014 and FY 2015 assumes a 1% increase over prior fiscal year.

<sup>2</sup> Data for 2006-2013 obtained from U.S. Department of Commerce, Bureau of Economic Analysis, data revised as of March 2014.  
2014-2015 Population obtained from Department of Finance, data reflects January 2015 estimates.

<sup>3</sup> Source: State of California Employment Development Department.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## DEMOGRAPHIC AND ECONOMIC INFORMATION – TOP TEN PRINCIPAL EMPLOYERS IN ALAMEDA COUNTY CURRENT YEAR AND TEN PRIOR YEARS

		Fiscal Year Ending June 30: 2015		
Employer	Type of Business	Rank	Number of Employees	Percentage of Employment
Western Digital Corporation	Computer Data Storage	1	11,269	0.55%
County of Alameda	Government	2	9,989	0.49%
Safeway Inc.	Retail	3	7,100	0.35%
Lawrence Livermore National Lab	National Research Laboratory	4	6,500	0.32%
City of Oakland	Government	5	5,184	0.25%
Alta Bates Summit Medical Center	Hospital, Health and Medical	6	5,000	0.24%
Kaiser Permanente	Hospitals and Health Plan	7	4,600	0.22%
Alameda Health System	Health Care System	8	4,500	0.22%
Tesla Motors	Electric Vehicle Manufacture	9	4,500	0.22%
City of Fremont	Government	10	3,670	0.18%
			<u>62,312</u>	
		Fiscal Year Ending June 30: 2006		
Employer	Type of Business	Rank	Number of Employees	Percentage of Employment
County of Alameda	Government	1	8,153	0.61%
Lawrence Livermore National Lab	National Research Laboratory	2	8,000	0.60%
Clorox	Consumer Household Products	3	6,000	0.45%
Kaiser Permanente	Hospitals and Health Plan	4	4,939	0.37%
New United Motor Mfg Inc.	Motor Vehicles and Equipment	5	4,700	0.35%
Safeway Inc.	Retail	6	3,524	0.26%
Department of Transportation, California	Government	7	3,500	0.26%
University of California, Berkeley	Education	8	3,200	0.24%
Bay Area Rapid Transit	Local Government	9	2,500	0.19%
Alta Bates Summit Medical Center	Hospital, Health and Medical	10	2,300	0.17%
Summit Medical Center	Hospital, Health and Medical	10	2,300	0.17%

Source: Reference USA Infogroup



## ALAMEDA COUNTY TRANSPORTATION COMMISSION

### OPERATING INFORMATION – EMPLOYEES LAST FOUR FISCAL YEARS

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Function	Fiscal Year Ending June 30,			
	2015	2014	2013	2012
Executive	1.00	1.00	1.00	1.00
Administration	3.00	3.00	5.00	6.00
Finance	7.00	7.00	7.00	7.00
Policy, Public Affairs and Legislation	3.00	2.00	2.00	2.00
Planning	3.00	3.00	4.00	3.00
Program and Projects	4.00	5.00	6.00	5.00
<b>Total Employees</b>	<b>21.00</b>	<b>21.00</b>	<b>25.00</b>	<b>24.00</b>

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Note: Alameda CTC is a Joint Powers Agency established in July 2010, effectively merging the Alameda County Transportation Improvement Authority and the Alameda County Congestion Management Agency, who delegated all of their assets, liabilities, powers, functions, and responsibilities to the Alameda CTC. Alameda CTC produced their first financial report for fiscal year ended June 30, 2012. Due to the recent formation of the Alameda CTC a 10 year trend analysis is not available.



## ALAMEDA COUNTY TRANSPORTATION COMMISSION

### OPERATING INFORMATION – PROGRAM REVENUES LAST FOUR FISCAL YEARS

	Fiscal Year Ending June 30,			
	2015	2014	2013	2012
Federal Revenue	\$ 9,364,425	\$ 5,449,588	\$ 5,774,570	\$ 3,195,946
State Revenue	9,499,895	9,432,800	12,007,467	24,707,698
Regional Measure Revenue	4,547,696	3,593,671	3,049,072	4,356,559
Local Revenue	10,495,677	16,600,141	3,267,375	10,652,969
	<u>\$ 33,907,693</u>	<u>\$ 35,076,200</u>	<u>\$ 24,098,484</u>	<u>\$ 42,913,172</u>

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Note: Alameda CTC is a Joint Powers Agency established in July 2010, effectively merging the Alameda County Transportation Improvement Authority and the Alameda County Congestion Management Agency, who delegated all of their assets, liabilities, powers, functions, and responsibilities to the Alameda CTC. Alameda CTC produced their first financial report for fiscal year ended June 30, 2012. Due to the recent formation of the Alameda CTC a 10 year trend analysis is not available.



# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## OPERATING INFORMATION – CAPITAL ASSETS LAST FOUR FISCAL YEARS

	Fiscal Year Ending June 30,			
	2015	2014	2013	2012
Capital assets, being depreciated				
Furniture and Fixtures	\$ 317,413	\$ 311,138	\$ 103,384	\$ 103,384
Office Equipment	151,049	151,049	513,121	573,437
Leasehold Improvements	399,632	399,631	385,281	385,281
Total capital assets, being depreciated	868,094	861,818	1,001,786	1,062,102
Less accumulated depreciation				
Furniture and Fixtures	(135,095)	(78,953)	(103,383)	(95,558)
Office Equipment	(143,730)	(127,753)	(469,213)	(514,800)
Leasehold Improvements	(73,266)	(33,303)	(378,558)	(341,045)
Total accumulated depreciation	(352,091)	(240,009)	(951,154)	(951,403)
Total Capital Assets, Net	<u>\$ 516,003</u>	<u>\$ 621,809</u>	<u>\$ 50,632</u>	<u>\$ 110,699</u>

Note: Alameda CTC is a Joint Powers Agency established in July 2010, effectively merging the Alameda County Transportation Improvement Authority and the Alameda County Congestion Management Agency, who delegated all of their assets, liabilities, powers, functions, and responsibilities to the Alameda CTC. Alameda CTC produced their first financial report for fiscal year ended June 30, 2012. Due to the recent formation of the Alameda CTC a 10 year trend analysis is not available.



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***INDEPENDENT AUDITOR'S REPORTS***

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**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 Transportation Commission  
Oakland, California

We have audited, in accordance with the 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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alameda County Transportation Commission (Alameda CTC) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Alameda CTC's basic financial statements, and have issued our report thereon dated December 7, 2015. Our report contains an emphasis of matter regarding adoption of Governmental Accounting Standards Board (GASB) Statement No. 68 – *Accounting and reporting for pension liabilities* as of July 1, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Alameda CTC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Alameda CTC's internal control. Accordingly, we do not express an opinion on the effectiveness of the Alameda CTC's internal control.

*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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Alameda CTC's financial statements are free from 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. Our audit was further made to determine that Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) funds allocated to and received by Alameda CTC were expended in conformance with the applicable statutes, rules and regulations of the Transportation Development Act as required by Section 6666 of Title 21 of the California Code of Regulations. 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* or the Transportation Development Act.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Alameda CTC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Vavrinck, Trine, Day & Co. LLP*

Palo Alto, California  
December 7, 2015





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL  
CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Governing Board  
Alameda County Transportation Commission  
Oakland, California

**Report on Compliance for Each Major Federal Program**

We have audited the Alameda County Transportation Commission's (Alameda CTC) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Alameda CTC's major Federal program for the year ended June 30, 2015. The major Federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the Alameda CTC's major Federal program based on our audit of the types of compliance requirements referred to above. 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 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 on compliance for the major Federal program. However, our audit does not provide a legal determination of Alameda CTC's compliance.

***Opinion on the Major Federal Program***

In our opinion, Alameda CTC complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major Federal programs for the year ended June 30, 2015.



## Report on Internal Control Over Compliance

Management of the Alameda CTC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Alameda CTC's internal control over compliance with the types of requirements that could have a direct and material effect on the major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major Federal program 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 Alameda CTC 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Vavrinck, Trine, Day & Co. LLP

Palo Alto, California  
December 7, 2015



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***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

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# ALAMEDA COUNTY TRANSPORTATION COMMISSION

## SUMMARY OF AUDITOR'S RESULTS FOR THE YEAR ENDED JUNE 30, 2015

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### FINANCIAL STATEMENTS

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>None</u>
Significant deficiencies identified?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

### FEDERAL AWARDS

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

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.205 (Includes ARRA)	ARRA - Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 300,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>



**ALAMEDA COUNTY TRANSPORTATION COMMISSION**

**FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2015**

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None reported.



**ALAMEDA COUNTY TRANSPORTATION COMMISSION**

**FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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None reported.



**ALAMEDA COUNTY TRANSPORTATION COMMISSION**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2015**

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None reported.