



# Memorandum

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• [www.AlamedaCTC.org](http://www.AlamedaCTC.org)

**DATE:** March 5, 2015

**SUBJECT:** Update on the Fiscal Year 2013-14 Measure B Program Compliance Report Review

**RECOMMENDATION:** Review Measure B Recipients' Response to Comments for the Program Compliance Review for Fiscal Year 2013-14

## Summary

Jurisdictions receiving Measure B Direct Local Distribution (DLD) funds are required to submit Annual Audited Financial Statements and Program Compliance Reports at the end of each calendar year. For fiscal year 2013-14 (FY 13-14), the financial statements and compliance reports were due to Alameda CTC at the end of December 2014.

In January 2015, Alameda CTC staff and members of the Citizens Watchdog Committee reviewed and commented on the submittal materials. Alameda CTC staff compiled the comments into a Request for Information (RFI) letter that was transmitted to the jurisdictions on February 6<sup>th</sup>, 2015. By the end of February, all 20 jurisdictions' responded to the RFI with revised financial statements, updated compliance reports (including signed signature pages), and other clarifying information to support their program compliance. Attachment A includes a summary of comments, jurisdictions' responses, and Alameda CTC's preliminary review of the responses to comments. The revised reports are available here: [http://www.alamedactc.org/app\\_pages/view/4135](http://www.alamedactc.org/app_pages/view/4135).

A Program Compliance Summary Report for FY 13-14 Measure B distributions and expenditures will be presented at the June Commission and CWC meetings. Attachment B includes a Draft Measure B Summary of FY 13-14 expenditures and fund balances.

## Attachments

- A. Jurisdiction's Responses to Request for Information Table
- B. Draft Measure B Summary of Expenditures and Fund Balances

## Staff Contact

[Stewart Ng](#), Deputy Director of Programming and Projects

[John Nguyen](#), Project Controls Team

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**Measure B Program Compliance Report Review  
Fiscal Year 2013-14**

AC TRANSIT		Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
Section	Comments		
<b>Audited Financial Statement</b>	1. Mass Transit: Receivable and revenue is short in Mass Transit fund due to withholding in June of \$1,033,089 for San Leandro Links and Broadway shuttle. Exchanged funds need to be reported as receivable, payable, revenue, and expense in Mass Transit fund.	AC Transit revised financial statements to include \$1,033,089 Measure B exchange. Please see attached.	1. No. AC Transit's financial statements contains expenditure inconsistencies on the Mass Transit Program. Revisions requested.
<b>MASS TRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #4 needs to have an answer because there is a fund balance on financial statements.</p> <p>2. Question #10a's response is not a true statement per the financial statements. Revise.</p> <p>3. Question #10b needs to be explained because AC Transit expended less than the planned amount on last year's reports.</p>	<p>1) QUESTION # 4: Based on AC Transit audited financial statements, there is a \$2,272,711 fund balance in the Mass Transit Program. Actual funding payments for May-2014 and June-2014 were received after the FYE June-2014. The amount of \$2,272,711 is a receivable balance on the balance sheet. AC Transit expended the majority of \$19.7 million in planned fund as identified in Table 3- Box 4 for Mass Transit. However due to May-2014 and June-2014 actual funds paid after FYE 6/30/2014, there is a receivable balance of \$2,272,711 not expended.</p> <p>2) QUESTION # 10a: Actual expenses were \$17.2 million. AC Transit has re-identified the unspent balance to the FY 14/15 Plan, shown in Table 3, box 5 for FY 14/15 operations for Mass Transit.</p> <p>3) QUESTION # 10b: Actual funds for May-2014 and June-2014 were received after FYE 6/30/2014, for a total of \$2,272,711. The balance was not used to fund operations for Mass Transit in FY 6/30/2014.</p>	<p>1-3. Due to the issues with the Financial Statements, further evaluation of the Compliance Report and Tables is required to ensure consistency in reporting.</p> <p>1. See above.</p> <p>1. See above.</p> <p>1. See above.</p>
<b>TABLE 1:</b> Revenues and Expenditures	1. Expenditures and Fund balance does not match the financial statements.	1) As per revised financial statements, the exchange for \$1,033,089 is added to expenses for a total expense of \$18,188,651, and the ending fund balance for \$2,272,711 is matching with the financial statement.	1. See above.
<b>TABLE 2:</b> Expenditure Detailed Summary	1. Include the \$1,033,089 as an expenditure on Table 2, and indicate funds withheld by Alameda CTC as part of exchange.	1. Table 2 was revised to include \$1,033,089 in Measure B expenditures as part of the exchange.	1. See above.
<b>TABLE 3:</b> Planned Projects & Reserves	1. Adjust Table 3 as necessary i.e. Box 4 actual expenditures figure to account for the use of withheld funds.	Actual expenditures in Box 4 was revised to include \$1,033,089 exchange, and actual expenditures of \$17,155,562 funded by Measure B.	1. See above.
<b>PARATRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #4 needs to have an answer because there is a fund balance on financial statements.</p> <p>2. Question #7 expenditures identified are more than the total expenditures on the financial statements. Only identify Measure B expenditures.</p> <p>3. Question #13a's response is not a true statement per the financial statements.</p> <p>4. Question #13b's needs a response because they spent less than the planned amount on last year's reports.</p>	<p>1. Question #4. Based on AC Transit audited financial statements, there is a \$791,556 fund balance in the Paratransit program. Actual funding payments for May 2014 and June 2014 were received after Fiscal year-end June 2014. The amount of \$791,556 is a receivable balance on the balance sheet.</p> <p>2. Question #7. Total expenditures \$4,107,810 funded by Measure B, for the year ended June 30, 2014.</p> <p>3. QUESTION 13 a: AC Transit expended the majority of the \$4,720,718 in planned funds for the ADA paratransit programs. However, due to May 2014 and June 2014 actual funds paid after Fiscal year-end June 2014, there is a receivable balance of \$791,556 not expended. Actual expenses were \$4,107,810. AC Transit has re-identified the unspent balance to the FY 14/15 Plan, shown in Table 3, box 5 for FY 14/15 Operations for Paratransit.</p> <p>4. QUESTION 13 b: Actual Measure B funds for May 2014 and June 2014 were received after Fiscal year-end June 2014, totaling \$791,556. This balance was not used to fund operations for ADA Paratransit in FY13-14. The balance of \$791,556 is identified on Table 1, FY 13-14 End of the year Measure B fund Balance.</p>	<p>1. Yes. Question #4 revised with adjacent answer.</p> <p>2. Yes. Question #7 revised appropriately.</p> <p>3. Yes. Response ties into financial statement's fund balance - \$791,556, and the compliance tables.</p> <p>4. Yes. Question #13b revised satisfactorily.</p>
<b>TABLE 1:</b> Revenues and Expenditures	1. Expenditures and Fund balance does not match the financial statements.	1. As per audited financial statements, Column D was changed to reflect the amount of Measure B received in FY 13/14 that funded expenditures: \$4,107,810.	1. Yes. Table 1 revised satisfactorily.
<b>TABLE 2:</b> Expenditure Detailed Summary	1. Verify Measure B expenditures matches audit (as revised).	1. As per audited financial statements, Column L was changed to reflect the amount of Measure B received in FY 13/14 that funded expenditures: \$4,107,810.	1. Yes. Table 2 revised satisfactorily.
<b>TABLE 3:</b> Planned Projects & Reserves	1. Adjust Table 3 as necessary to reflect actual expenditures. Box 4's actual expenditures should match the financial statement.	1. Box 4 actual expenditures were changed to reflect FY 13/14 expenditures of \$4,107,810 funded by Measure B.	1. Yes Table 3 revised satisfactorily.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

BART		
Section	Comments	Jurisdiction's Response
<b>Audited Financial Statement</b>	1. No balance sheet provided. Balance sheet should, at least, show receivables of \$284,884.	1. Balance sheet provided by C. Gan on 2/13/2015 as directed by Patricia Reavey & John Nguyen.
<b>PARATRANSIT PROGRAM</b>		
<b>Compliance Report (Narrative Section)</b>	1. Question #7 expenditures identified are more than the total expenditures on the financial statements. Only identify Measure B expenditures. 2. Question #13c needs to be completed because BART expended more than the planned amount on last year's reports.	1. Made changes as directed by John Nguyen - to include only Measure B expenses on Question #7. 2. Revised Question #13c. All funds received in FY 13/14 were expended for ongoing ADA paratransit program.
		<b>Response Determination:</b> Did the Jurisdiction's response or revisions satisfy the inquiry? 1. Yes. Balance sheet provided.
		1. Yes. Report revised satisfactorily. 2. Yes. Report revised satisfactorily.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

LAVTA		Jurisdiction's Response	Response Determination: Did the jurisdiction's response or revisions satisfy the inquiry?
Section	Comments		
<b>MASS TRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. Question #13c needs to be completed because agency expended more than the planned amount on last year's reports.	1. LAVTA expends all funds received within a fiscal year. Thus, if the funds received in FY14 were more than the amount planned (based on prior year estimates) LAVTA expends these funds in the year received rather than placing them in reserves. The amount estimated for FY 14 was \$786,786 and was included in the plan for FY 14. However, the actual received for FY 14 were \$816,561 which was the amount spent by LAVTA in FY 14 without having to use prior year reserved (LAVTA does not have prior year reserves).	1. Yes. Report revised satisfactorily.
<b>PARATRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. Question #7 expenditures identified are more than the total expenditures on the financial statements. Only identify Measure B expenditures.  2. Question #13c needs to be completed because agency expended more than the planned amount on last year's reports.	1. Correction made.  2. Question 13c revised - LAVTA expends all funds received within a fiscal year. Thus, if the funds received in FY14 were more than the amount planned (based on prior year estimates) LAVTA expends these funds in the year received rather than placing them in reserves. The amount estimated for FY 14 was \$147,543 and was included in the plan for FY 14. However, the actual received for FY 14 were \$153,126 which was the amount spent by LAVTA in FY 14 without having to use prior year reserved (LAVTA does not have prior year reserves).	1. Yes. Report revised satisfactorily.  2. Yes. Report revised satisfactorily.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

WETA			
Section	Comments	Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>Audited Financial Statement</b>	1. Need to add the word "ended" between the words "then" and "in" in the auditor's opinion statement.	Revised Audited Financial Statement for FY2013/14 is provided.	1. Yes. Revised statements.
<b>MASS TRANSIT PROGRAM</b>			
<b>TABLE 3: Planned Projects &amp; Reserves</b>	1. Actual expenditures for Mass Transit planned projects are much less than planned. Explain.	A total of \$661,891 or 83% of the FY2013/14 Planned was expended. WETA was not able to spend the remaining \$139,690 or 17% due to: 1) additional time needed to consult with the shipyard to identify recommended spare parts for the Bay Breeze, and 2) the delay in awarding contracts for the East Bay Terminal Refurbishment project. All contracts have been awarded and the terminal project is currently near completion.	1. Yes. Explanation provided.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

ACE			
Section	Comments	Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>MASS TRANSIT PROGRAM</b>			
<b>TABLE 3:</b> Planned Projects & Reserves	1. The FY 14/15 Operations Fund Reserve exceeds the allowable 50 percent maximum. ACE has provided a letter requesting exemption from this Timely Use of Funds and Reserve policy. This letter will be brought to the Commission in June as part of the Program Compliance Report Summary. No action is required at this time.	1. Request for Exemption Letter submitted on December 22, 2014.	1. Yes. Letter Received on December 22, 2014.

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SAN JOAQUIN  
REGIONAL  
RAIL COMMISSION

December 22, 2014

*Dedicated to  
passengers*

*Responsive  
to change*

*Committed  
to growth*

Arthur L. Dao, Executive Director  
Alameda County Transportation Commission  
1333 Broadway, Suite 220  
Oakland, CA 94612

RE: Request for exemption authorization from Timely Use of Funds, due to extraordinary circumstances.

Commissioners

Bob Johnson  
City of Lodi

Steve Bestolarides  
San Joaquin County

Steve Dresser  
City of Lathrop

Kathy Miller  
City of Stockton

In July 2008, the San Joaquin Regional Rail Commission (SJRRRC) entered into an agreement with the Alameda County Transportation Improvement Authority (ACTIA) and the Alameda County Congestion Management Agency (ACCMA) to be the direct recipient of Measure B sales tax revenue pass-through allocations for the Altamont Commuter Express (ACE) service. In addition, the agreement required ACCMA to transfer the Measure B ACE reserve fund balance to SJRRRC's designated restricted fund. The amount of this transfer was \$1,691,991.35, providing the initial fund balance. The current balance a combination of that initial deposit along with interest earned and subsequent deposits in excess of authorized contribution amounts.

Each month, the Alameda County Transportation Commission (ACTC), formally ACTIA & ACCMA, deposits the pass-through allocations as calculated by ACTC, directly to SJRRRC's designated restricted fund. Per sections 3.6, 3.8 and 6.3.5 of the "June 2003 Cooperative Services Agreement" between SJRRRC, ACTC and Santa Clara Valley Transportation Authority (SCVTA) and the approved Baseline Service Plan, SJRRRC may draw ACTC's contribution from the Measure B funds based on an annually approved CPI increase only. If amounts deposited by ACTC during the year exceed authorized amounts to draw, an increase in fund balance occurs.

Currently, the calculation for projected funds added to the fund balance exceeds the amounts allowed for retention in the Operations Fund Reserve (3.A.2) and Undesignated Fund Reserve (3.A.3). It is the intent of SJRRRC to use Measure B reserved funds to augment ACTC's Baseline contribution to the ACE service over the next five fiscal years and fully expend all funds carried forward by the end of FY16/17. The table below illustrates the expenditure plan for the fund reserves:

Executive Director  
Stacey Mortensen

December 22, 2014  
Arthur L. Dao, Executive Director  
Alameda County Transportation Commission  
Page 2

	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Measure B Service Contribution		\$ 2,200,000	\$ 2,200,000	\$ 2,200,000
Administrative Fee		\$ 20,000	\$ 20,000	\$ 20,000
<b>Measure B from Reserve Balance</b>		<b>\$ 700,000</b>	<b>\$ 700,000</b>	<b>\$ 661,474</b>
Total		\$ 2,920,000	\$ 2,920,000	\$ 2,920,000
Remaining Reserve	\$ 2,061,474	\$ 1,361,474	\$ 661,474	\$ -

Since SJRRC will not expend the reserves in the timely manner defined and set by ACTC's "Master Programs Funding Agreement" Section 3 (FY15/16), SJRRC/ACE is requesting authorization for an exemption due to extraordinary circumstances.

Please do not hesitate to contact Bob Schiffler, Controller at 209-944-6237 or email [bob@acerail.com](mailto:bob@acerail.com) if you have any questions or comments.

Sincerely,



Stacey Mortensen  
Executive Director

c: John Nguyen, ACTC  
Vivek Bhat, ACTC  
Brian Schmidt, SJRRC  
Nila Cordova, SJRRC  
Bob Schiffler, SJRRC

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

ALAMEDA COUNTY			
Section	Comments	Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>TABLE 3:</b> Planned Projects & Reserves	1. ACPWA's FY 14-17 Capital Fund Reserves for both the Bicycle/Pedestrian and LSR programs expended less than planned. Provide an explanation. 2. Undesignated Fund Reserve contains less actual expenditures than planned. Please explain.	1. Other funding sources were available to finish construction of the planned projects (index 3, 4, 5). As a result, Measure B funds were reallocated to other future unfunded projects. 2. Less applicants applied for sidewalk repair funds than expected.	1. Yes. 2. Yes.
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>TABLE 3:</b> Planned Projects & Reserves	1. ACPWA's FY 14-17 Capital Fund Reserves for both the Bicycle/Pedestrian and LSR programs expended less than planned. Provide an explanation. 2. Undesignated Fund Reserve contains less actual expenditures than planned. Please explain.	1. Bridge project was rejected and readvertised (index 2). Several of the projects (index 3, 4) were awarded and the contractor had not started construction before the end of the fiscal year. Since 7/1/2014, over \$1 million has been paid to the contractors. 2. No unplanned projects requiring use of Undesignated Fund Reserve.	1. Yes. 2. Yes.

**Measure B Program Compliance Report Review  
Fiscal Year 2013-14**

CITY OF ALAMEDA	
Section	Comments
LOCAL STREETS AND ROADS PROGRAM	Jurisdiction's Response
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Based on Box 2, the sum of Actual expenditures across the Capital Reserves and Operational Reserve is \$2,025,094. This is \$35,355 more than the expenditures in the Audited Financial Statement and Tables 1 &amp; 2. It appears the operational reserve should be reduced by \$35,355, given that all Capital Reserve FY 13/14 expenditures are accurate.</p> <p>2. Modify the FY 14/15 plans accordingly based on the above adjustment (there will be \$35,355 available to allocate to the FY 14/15 plans).</p> <p>3. Operations and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.</p>
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Errors in Box 4 of Table 3 were discovered when comparing with amount spent reported in Table 2. The total amount spent for 9820214 and 91163 were corrected, decreasing the Capital spending by \$65,821. To balance everything, the Operational Reserve "Actual" spent was increased by \$30,466.</p> <p>2. These corrections made the total spent correct, but decreased the amount of actual spending in the plans, so the amounts were moved to the next FY within the same three year windows. Because of the cascading effect of reassigning funds, changes were made to the amounts and comment boxes for 91163, 91171, 9820214, and 9820134.</p> <p>3. Operations and Undesignated Fund Reserves contains less actual expenditures than planned because they are reserves, to be used if needed, and they were not expended this year. We continue to be short staffed by 5 engineers and hope to rectify that in the next FY.</p>
PARATRANSIT PROGRAM	
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #7 expenditures identified are more than the total expenditures on the financial statements. Only identify Measure B expenditures.</p> <p>2. Per the FY 13-14 Report Card Summary, the City's unspent FY 13-14 Planned Projects exceeded 30% cumulatively across the programs. Thus, the City is required to submit a letter requesting an exemption from the Timely Use of Funds Policy with an explanation of why funds were not spent as planned, a description of the plan to use the fund balances in FY 14/15, and the current status of those FY 14/15 expenditures.</p>
<b>TABLE 2:</b> Expenditure Detailed Summary	<p>1. Question #7 has been revised to show Measure B expenditures only.</p> <p>2. See attached letter. Operational costs have been less than anticipated. The City will be purchasing a paratransit bus with the available funds.</p> <p>These lines have been removed. Indirect costs were not funded by the Measure B program.</p>
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. A brief narrative has been added to Box 4 Index 1.</p> <p>2. See attached letter. Operational costs have been less than anticipated. The City will be purchasing a paratransit bus with the available funds.</p>

**Measure B Program Compliance Report Review  
Fiscal Year 2013-14**

CITY OF ALBANY		Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>	<b>Jurisdiction's Response</b>	<b>Response Determination:</b> Did the Jurisdiction's response or revisions satisfy the inquiry?  1. Yes. See Note 5, page 9.
<b>Audited Financial Statement</b>	1. Albany restated their prior year financial statements to come up with a new beginning fund balance for FY13-14. Provide the restated FY12-13 financial statements. There were changes to both the Paratransit (increase of \$11,223) and Bike & Ped funds (decrease of \$12,722).	Typically in finance, the beginning of the new fiscal year as restated in the Financial Statements is the balance at the end of the previous Fiscal Year. The restated is shown as "beginning of year as restated" is the end of 12/13 Fiscal Year - beginning of 13/14 Fiscal Year. See Note 2, Item 5 on page 9 of the Albany Financial Statement.	
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. The website ( <a href="http://www.albanyca.org/index.aspx?page=424">http://www.albanyca.org/index.aspx?page=424</a> ) should specifically mention Measure B funding provided by Alameda CTC and its uses. It currently only references Alameda CTC.	Updated	1. Yes. Revisions satisfactory.
<b>TABLE 1:</b> Revenues and Expenditures	1. There are rounding differences between the table and the financial statements. See interest and ending balance and correct.	Updated. Tables included as attachments to this form	1. Yes. Revisions satisfactory.
<b>TABLE 3:</b> Planned Projects & Reserves	1. Per the adjustments to Table 1, adjust Table 3 accordingly as it will affect the available FY 14/15 funds to identify.	Updated. Tables included as attachments to this form	1. Yes. Revisions satisfactory.
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. The positive balance mentioned in #4 does not tie to the financial statements. Revise as appropriate.  2. The website ( <a href="http://www.albanyca.org/index.aspx?page=1263">http://www.albanyca.org/index.aspx?page=1263</a> ) should specifically mention Measure B funding provided by Alameda CTC and its uses. It currently only references Alameda CTC.  3. The PCI per the MTC report is 56 and not 58.	Updated. A revised Measure B Compliance Report is attached. A copy of the website page is also attached	1. Yes. Revisions satisfactory.
<b>TABLE 1:</b> Revenues and Expenditures	1. There are rounding differences between the table and the financial statements. See expenses.	Updated. Tables included as attachments to this form	1. Yes. Revisions satisfactory.
<b>TABLE 3:</b> Planned Projects & Reserves	1. If there are adjustments to Table 1, adjust Table 3 accordingly as it will affect the available FY 14/15 funds to identify.	Updated. Tables included as attachments to this form	1. Yes. Revisions satisfactory.
<b>PARATRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. The magnetic signage on the paratransit vehicle contains old "ACTIA" signage. Updated magnetic signs are available for use from the Alameda CTC.	Staff will coordinate to get the updated signs from Alameda CTC.	1. Yes. Signs to be provided.
<b>TABLE 1:</b> Revenues and Expenditures	1. There are rounding differences between the table and the financial statements. See beginning balance and expenses.	Updated. Tables included as attachments to this form	1. Yes. Revisions satisfactory.
<b>TABLE 2:</b> Expenditure Detailed Summary	2. If there are adjustments to Table 1's expenditures based on the above, adjust Table 2 accordingly.	Updated. Tables included as attachments to this form	1. Yes. Revisions satisfactory.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF DUBLIN		Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>		
<b>Audited Financial Statement</b>	1. Dublin restated the prior year financial statements to come up with a new beginning fund balance for FY13-14. Provide restated FY12-13 financial statements. There was a change to the Bike & Ped (increase of \$23,490).	1. The restatement of FY 12-13 financial statement is due to the reimbursement of FY 12-13 project expenditures from other agency, which reduces the utilization of Measure B Bike & Ped direct distribution	1. Yes. Provided restated FY 12-13 financials.
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>Compliance Report (Narrative Section)</b>	1. Question 14 describes a mix-up between accounting for Measure B discretionary funds and Direct Local Distributions in the financial statement. Provide a more thorough explanation that describes how the correction was handled. Was the mix up in a prior year?	1. Question 14 is updated to reflect the similar language as it is included in the Financial statement. The restatement of FY 12-13 financial statement is due to the reimbursement of FY 12-13 project expenditures from other agency, which reduces the utilization of Measure B Bike & Ped direct distribution	1. Yes. Agency provided letter explanation, revised FY 12-13 reports, and restatements of prior year's financials.
<b>TABLE 2: Expenditure Detailed Summary</b>	1. Index #3, Column H-J, provide an estimated quantity of bike lanes striped or restriped.	1. Index 3, columns H-L, updated to show estimated linear feet of bike lanes marked with annual slurry project.	1. Yes.
<b>TABLE 3: Planned Projects &amp; Reserves</b>	1. Box 8 - Based on the restatement of the fund balance to include an additional \$23,490, in order to account for this variance in the Compliance Forms, we need to insert \$23,490 on cell G189 and incorporate a note that states "the \$23,490 adjustment is being identified as part of the Operational Reserve for FY 13/14 so that all available FY 13/14 fund balances are accounted for." 2. Ensure all available FY 14/15 funds are identified after the above adjustments, see Box 3a.	1. The City has addressed this issue by inserting \$23,490 to Cell G189. However this caused the remaining fund balance to exceed the available fund reserves that we previously reported. 2. To address this the City has added a Capital Fund Reserve project.	1. Yes. Revisions satisfactory. 2. Yes. Revisions satisfactory.
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>Compliance Report (Narrative Section)</b>	1. Per the FY 13-14 Report Card Summary, the City's unspent FY 13-14 Planned Projects exceeded 30% cumulatively across the programs. Thus, the City is required to submit a letter requesting an exemption from the Timely Use of Funds Policy with an explanation of why funds were not spent as planned, a description of the plan to use the fund balances in FY 14/15, and the current status of those FY 14/15 expenditures. 1. Box 7b - Index #1 and 2. Complete the narrative questions in Box 7b. 2. Per Box 2a, Dublin needs to identify \$89,879 in the FY 14-17 Capital Fund Reserve. It appears under the Capital Fund Reserve, Index #2 the funds were not identify to the project. 3. Box 8 - Provide an explanation for the unused Operations Fund Reserve. 4. Dublin is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$296,353 to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.	City will submit the letter requesting an exemption from the timely use of funds policy no later than March 20, 2015. 1. Box 7b updated. FY13-14 project delayed to FY14-15. 2. This issue has been addressed and Dublin has identified \$89,879 in the FY 14-17 Capital Fund Reserve. 3. Box 8 updated. FY13-14 project did not proceed, therefore reallocation of reserve funds into project was not needed. 4. Comment noted.	1. Yes. Dublin is drafting the requested letter. 1. Yes. Revisions satisfactory. 2. Yes. Revisions satisfactory. 3. Yes. Revisions satisfactory. 4. Yes. Comment was noted.
<b>TABLE 3: Planned Projects &amp; Reserves</b>			

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF EMERYVILLE		Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>		
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>Compliance Report (Narrative Section)</b>	<p>1. Per the FY 13-14 Report Card Summary, Emeryville's unspent FY 13-14 Planned Projects exceeded 30% cumulatively across the programs. Thus, the City is required to submit a letter requesting an exemption from the Timely Use of Funds Policy with an explanation of why funds were not spent as planned, a description of the plan to use the fund balances in FY 14/15, and the current status of those FY 14/15 expenditures.</p>	Done - See Exemption Letter	1. Yes. Request for Exemption Letter provided for consideration.
<b>TABLE 2:</b> Expenditure Detailed Summary	1. Column H-J Quantities should indicate an estimated number of items completed, instead of reporting percentage.	1. We believe that percentages are appropriate for audit costs and one-time events such as Bike to Work Day.	1. Yes. Explanation provided.
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Total Actual FY 13/14 Expenditures does not match the Financial Statement or Table 1 and 2. It appears Box #4 is missing the \$771 reported on Table 2 related to the audit expense. Incorporate this expenditure in Box 4, Index #5.</p> <p>2. Due to rounding prior years, there is \$6 that is not accounted for in the Compliance Reports. To track the entire fund balance, in Box 8 Operations Reserve, identify \$6 in cell G235.</p> <p>3. Based on the above modifications, the FY 14/15 plan will require adjustments (removal of \$764). Refer to Box 3a.</p> <p>4. Emeryville is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$117,345 to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p>	Table 3 Updated with the requested revisions.	1-4. Yes, revisions satisfactory.
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>TABLE 1:</b> Revenues and Expenditures	1. Column K, the total Non-Measure B revenue reported does not match Table 2. A correction to either Table 1 or 2 is required.	Done	1. Yes. Revisions satisfactory.
<b>TABLE 2:</b> Expenditure Detailed Summary	<p>1. Column P, the total Non-Measure B revenue reported does not match Table 1. A correction to either Table 1 or 2 is required.</p> <p>2. Column H-J Quantities should indicate an estimated number of items completed, instead of reporting percentage.</p>	<p>1. Done.</p> <p>2. We have changed this where we could. We believe that percentages are appropriate for audit costs, one-time events such as Bike to Work Day and projects that impact a single intersection.</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Revisions satisfactory.</p>
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Total Actual FY 13/14 Expenditures does not match the Financial Statement or Table 1 and 2. It appears Box #4 is missing the \$11,459 of activities reported on Table 2 related to the audit expense. Incorporate these expenditures in Box 4 as new line items, starting on Index #2.</p> <p>2. Based on the above modifications, the FY 14/15 plan will require adjustments (removal of</p>	Done	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Revisions satisfactory.</p>



CITY OF EMERYVILLE

INCORPORATED 1896

1333 PARK AVENUE  
EMERYVILLE, CALIFORNIA 94608-3517

TEL: (510) 596-4330 FAX: (510) 596-4389

Alameda County Transportation Commission  
1111 Broadway, Suite 800  
Oakland, CA 94607

Attn: John Nguyen  
510-208-7400

February 18, 2015

Subject: Letter of Exemption-Measure B

Mr. Nguyen;

The City of Emeryville hereby requests exemption from the Master Programs Funding Timely Use of Funds Policy. It is necessary for the City to aggregate multiple years of Measure B revenue in order to produce a cost effective project the size of which creates a beneficial economy of scale. In the future it is likely that the City will establish Measure B capital fund reserves to accomplish this.

It is expected that the Ongoing Street Rehabilitation Project will begin using Local Streets and Roads Program funding in FY 14/15.

It is expected that the Ongoing Bicycle Pedestrian Plan Implementation Project will begin using Bicycle/Pedestrian Program funding in FY 14/15.

Please feel free to contact me at 510-596-4333 if you have any questions or require any additional information.

Sincerely,

Michael Roberts  
Senior Civil Engineer  
Public Works Department  
City of Emeryville



Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF EMERYVILLE		
Section	Comments	Jurisdiction's Response
<b>PARATRANSIT PROGRAM</b>		
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #8b was not completed. Please complete.</p> <p>2. The magnetic signage on the paratransit vehicle contains old "ACTIA" signage. Updated magnetic signs are available for use from the Alameda CTC.</p>	<p>1. Data for this section was not available. The instructions indicated to skip the question if no data was available and complete questions #8c and #8d. These instructions were complied with.</p> <p>2. The picture that was provided was from our archives. The vehicle's signage has already been updated.</p>
<b>TABLE 1:</b> Revenues and Expenditures	<p>1. Column G, the total Measure B Gap Expenditures does not match Table 2. A correction to either Table 1 or 2 is required.</p>	<p>1. Corrected Table 1</p>
<b>TABLE 2:</b> Expenditure Detailed Summary	<p>1. Column N, the total Measure B Gap Expenditures does not match Table 1. A correction to either Table 1 or 2 is required.</p>	<p>1. Corrected Table 1</p>
		<p><b>Response Determination:</b> Did the Jurisdiction's response or revisions satisfy the inquiry?</p> <p>1. Yes. Explanation provided.</p> <p>2. Yes. Explanation provided.</p> <p>1. Yes. Revisions satisfactory.</p> <p>1. Yes. Revisions satisfactory.</p>

**Measure B Program Compliance Report Review  
Fiscal Year 2013-14**

CITY OF FREMONT		Response Determination: Did the jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>	<b>Jurisdiction's Response</b>
<b>Audited Financial Statement</b>	1. Grant funding was included in the financial statements (Bike/Ped and Paratransit) due to the reversal of Prior Year deferred revenues related to grants. For this year only, Alameda CTC is not requiring a restatement of the prior year's financial statements because the exclusion of grant revenue is a new policy for this year.	1. Comment noted. Fremont's future Audited Financial Statements will not include non-Measure B or Measure B Grant funds. 1. Yes.
<b>BICYCLE/PEDESTRIAN PROGRAM</b>		
<b>TABLE 1:</b> Revenues and Expenditures	1. Grant funding was included in the financial statements due to the reversal of Prior Year deferred revenues related to grants. For this year only, Alameda CTC is not requiring a restatement of the prior year's financial statements because the exclusion of grant revenue is a new policy for this year.	1. Comment noted. Fremont's future Audited Financial Statements will not include non-Measure B or Measure B Grant funds. 1. Yes.
<b>TABLE 3:</b> Planned Projects & Reserves	1. Fremont is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$1,099,012 to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expeditious expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements. 2. Operations and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.	1. The City of Fremont Finance department has met with the project manager for the Bike & Ped program, and the project manager is planning to expeditiously spend the \$1,099,012 funds by the end of FY 15/16. See Table 3 for the anticipated Capital Fund Reserve Expenditure Plan. 2. The City used \$90,554 of the Operations Fund Reserves in 13/14 for the Bike & Ped Projects PWC8541 and for Ped Master Plan PWC8761, as identified on Table 3. Each year the City sets aside Measure B funds in the Operational and Undesignated Reserve accounts, however, the amount used can fluctuate depending upon on the timing of the projects. Thus, for FY 13/14 only \$90,554 was needed from the reserves. The City is in compliance with the reserve policy and rolled the balances to the next fiscal year for use in FY 14/15 as identified on Table 3's FY 14/15 Implementation Plan. 2. Yes. Explanation provided.
<b>LOCAL STREETS AND ROADS PROGRAM</b>		
<b>TABLE 3:</b> Planned Projects & Reserves	1. Operations and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.	1. The City used \$526,011 of the Operations Fund Reserves in 13/14 for various projects as identified on Table 3. Each year the City sets aside Measure B funds in the Operational and Undesignated Reserve accounts, however, the amount used can fluctuate depending upon on the timing of the projects. Thus, for FY 13/14 only \$526,011 was needed from the reserves. The City is in compliance with the reserve policy and rolled the balances to the next fiscal year for use in FY 14/15 as identified on Table 3's FY 14/15 Implementation Plan. 1. Yes. Explanation provided.
<b>PARATRANSIT PROGRAM</b>		
<b>Compliance Report</b> (Narrative Section)	1. Question #13c, it is unclear where the numbers in the explanation are coming from. The fund balance described does not match the financial statement.	1. The Compliance Report, Question 13c was revised with the following to provide additional clarification. In FY 13/14, Fremont expended more than planned originally. On Table 3, Box 4, Fremont planned \$694,052 in last year's compliance report using a combination of the prior funding balance and anticipated revenues for FY 13/14. In this year's report, actual FY 13/14 expenditures were higher than expected with \$149,589 beyond what was planned. Thus, Fremont use funds identified as FY 13/14 Operational Reserves (Box 8) to support these additional expenditures. It is important to note the Paratransit Starting Fund Balance stated in the Financial Report is \$249,764. The beginning fund balance listed within the Compliance Report is \$382,193, which is \$132,428 higher than the beginning fund balance in the Measure B Financial Report due to the reversal of deferred revenue for a grant from FY 12/13 the needs to be reported in the Financial Audit Report. The new compliance report policy of not including the grant data in the Measure B Financial report can not be applied to our FY 13/14 Financial Audit Report due to the deferred grant revenue reversal that was requested by our City auditors in the FY 13/14 report. We will not include grant data in future Financial Audit Reports. 1. Yes. Explanation provided.
<b>TABLE 1:</b> Revenues and Expenditures	1. Grant funding was included in the financial statements due to the reversal of Prior Year deferred revenues related to grants. For this year only, Alameda CTC is not requiring a restatement of the prior year's financial statements because the exclusion of grant revenue is a new policy for this year.	1. Comment noted. Fremont's future Audited Financial Statements will not include non-Measure B or Measure B Grant funds. 1. Yes.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF FREMONT		
Section	Comments	Jurisdiction's Response
<b>TABLE 3:</b> Planned Projects & Reserves	1. Operations and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.	1. The City used \$149,589 of the Operations Fund Reserves in 13/14 for various programs as identified on Table 3. Each year the City sets aside Measure B funds in the Operational and Undesignated Reserve accounts, however, the amount used can fluctuate depending upon on the timing of the programs. Thus, for FY 13/14 only \$149,589 was needed from the reserves. The City is in compliance with the reserve policy and rolled the balances to the next fiscal year for use in FY 14/15 as identified on Table 3's FY 14/15 Implementation Plan.
		<b>Response Determination:</b> Did the Jurisdiction's response or revisions satisfy the inquiry? 1. Yes. Explanation provided.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF HAYWARD		Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>		
<b>Audited Financial Statement</b>	<p>1. Note 5 to the financial statements is incorrect. A total of \$240,628 was withheld from Paratransit Direct Local Distributions for the Central County Same Day Transportation Program. Note 5 states that the total was \$158,814, but that amount does not include the deductions from the original MOU which was \$7,219 per month from July - Oct totaling \$28,876, and it is missing 2 months of deductions at the rate of \$26,469 per month from Nov. - Jun which total \$211,752.</p> <p>The Statement of Revenues, Expenditures and Changes in Fund Balances only includes \$105,876 of related expenditures. It should include the total of \$240,628. Note 5 states that withholding in the amount of \$26,469 began in Jan. 2014, which is correct for cash purposes, but the distribution in Jan. was for the month of Nov. The withholding of \$26,469 actually began with the distribution for Nov. The balance of \$52,938 of funds withheld from May and June Direct Local Distributions for Paratransit - Central County Same Day Transportation Program should have been accrued as an expenditure and included in the \$240,628 of expenditures and appear as a liability in the amount of \$52,938 as of June 30, 2014 since the related revenue was booked as revenue as of June 30, 2014.</p>	<p>1. The requisite changes are reflected in the attached, revised audit.</p> <p>1. Financials revised.</p>	
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>Compliance Report (Narrative Section)</b>	1. The magnetic signage on the construction vehicle contains old "ACTIA" signage. Updated magnetic signs are available for use from the Alameda CTC.	1. New signs will be utilized for the FY 2015 project.	1. Yes. Comment was noted.
<b>TABLE 3: Planned Projects &amp; Reserves</b>	<p>1. Box 4, explain why FY 13-14 expenditures are less than planned. Note any large unspent balances specific to identified activities.</p> <p>2. Box 6, Index #2. There is a \$11,690 expense from the FY 13-16 Capital Fund Reserve window that exceeds the available capacity in this particular window. Thus, The \$11,690 should be cleared out and reported in Box 4 as a new line item.</p> <p>3. The Operations and Undesignated Fund Reserves are at the maximum capacity for FY 14/15's plan. What are your planned uses for these allocations?</p>	<p>1. Please refer to attached, revised version of Table 3.</p> <p>2. Please refer to attached, revised version of Table 3.</p> <p>3. The noted reserves will be utilized for a large-scale sidewalk project in FY 2016; the project is expected to cost approximately \$1.2 million.</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Revisions satisfactory.</p> <p>3. Yes. Explanation provided.</p>
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>Compliance Report (Narrative Section)</b>	<p>1. Question #5 - the amount indicated in the response to #5 does not tie to the financial statements. Revise and explain.</p> <p>2. The magnetic signage on the construction vehicle contains old "ACTIA" signage. Updated magnetic signs are available for use from the Alameda CTC.</p> <p>3. The PCI should be 68.</p>	<p>1. Language for Question #5 revised; please refer to the attached, revised version of the Compliance Report.</p> <p>2. New signs will be utilized for the FY 2015 project.</p> <p>3. PCI value updated.</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Comment was noted.</p> <p>3. Yes. Revisions satisfactory.</p>
<b>TABLE 3: Planned Projects &amp; Reserves</b>	<p>1. Box 8 Operations Reserve Cell G204 should reference \$360 in the operational reserve to account for all funds available for planning in FY 14/15. Revise.</p> <p>2. Based on the change above, \$360 is available to allocate to the FY 14/15 plan. There is capacity in the FY 14/15 Operation or Undesignated Fund Reserve. See Box 3a.</p> <p>3. The Operations Fund Reserve is near the maximum capacity for FY 14/15's plan. What are your planned uses for these allocations?</p>	<p>1. Please refer to attached, revised version of Table 3.</p> <p>2. Please refer to attached, revised version of Table 3.</p> <p>3. The noted reserves will be utilized for a large-scale pavement rehabilitation project in FY 2016; the project is expected to cost approximately \$4 million.</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Revisions satisfactory.</p> <p>3. Yes. Explanation provided.</p>

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF HAYWARD			
Section	Comments	Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>PARATRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. Question #7 expenditures identified are more than the total expenditures on the financial statements. Only identify Measure B expenditures.	1. Please refer to the revised version of the Compliance Report. Report also updated to include Same Day Taxi Program expenses.	1. Yes. Revisions satisfactory.
<b>TABLE 3:</b> Planned Projects & Reserves	1. The Operations and Undesignated Fund Reserves are at the maximum capacity for FY 14/15's plan. What are your planned uses for these allocations?	1. The Hayward Paratransit Program is in the process of launching two initiatives. First, the program is considering hiring a consultant to conduct a community needs assessment with a concentration on transportation needs for senior and disabled residents. In addition, the program is exploring expanding taxi service and revising the parameters of door-to-door service. A permanent full time staff person has been approved to help manage an anticipated increase in inquiries and enrollments when the new marketing campaign launches in February as well.	1. Yes. Explanation provided.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF LIVERMORE		Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
Section	Comments		
<b>BICYCLE/PEDESTRIAN PROGRAM</b> <b>Compliance Report</b> (Narrative Section)	<p>1. Question #13b was not answered.</p> <p>2. The magnetic signage on the construction vehicle contains old "ACTIA" signage. Updated magnetic signs are available for use from the Alameda CTC.</p>	<p>1. See revised Compliance Report questions 13a, 13b, and 13c.</p> <p>2. These projects were constructed when the outdated ACTIA signage was the only signage available. The City of Livermore received updated signage from Alameda CTC in September 2014. Since September 2014 the updated Alameda CTC signs have been used for all Measure B/VRF construction projects (see attached photo).</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Explanation provided.</p>
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. The Operations and Undesignated Fund Reserves are at the maximum capacity for FY 14/15's plan. What are your planned uses for these allocations?</p>	<p>1. The Operations and Undesignated Fund Reserves are within the thresholds allowed by the Master Program Funding Agreement. These funds are set aside to allow for fluctuations within project schedules and to help supplement funding for additional projects. These funds will likely be spent on annual projects such as Multi-Use Trail Repair, Sidewalk/Crosswalk Safety Improvements, and Trails and Bikeways Master Plan Improvements.</p>	<p>1. Yes. Explanation provided.</p>
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #14a - the dollar amount indicated in #14a does not tie to the financial statements.</p> <p>2. The magnetic signage on the construction vehicle contains old "ACTIA" signage. Updated magnetic signs are available for use from the Alameda CTC.</p>	<p>1. See revised Compliance Report questions 14a, 14b, 14c.</p> <p>2. These projects were constructed when the outdated ACTIA signage was the only signage available. The City of Livermore received updated signage from Alameda CTC in September 2014. Since September 2014 the updated Alameda CTC signs have been used for all Measure B/VRF construction projects (see attached photo).</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Explanation provided.</p>
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. The Operations and Undesignated Fund Reserves are at the maximum capacity for FY 14/15's plan. What are your planned uses for these allocations?</p>	<p>The Operations and Undesignated Fund Reserves are within the thresholds allowed by the Master Program Funding Agreement. These funds will likely be spent on annual projects such as Sidewalk Repair, Street Resurfacing, Traffic Signal Reconstruction, and Multi-Use Trail Repair. As shown in Table 3, \$91,512 from the Undesignated Fund Reserve (100% of the Reserve) were spent in FY13-14 to pay additional expenses for Planned projects reflecting the fact that the City spent additional staff time and construction costs on projects than anticipated to move projects forward faster.</p>	<p>1. Yes. Explanation provided.</p>

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF NEWARK		Jurisdiction's Response	Response Determination: Did the jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>		
<b>Audited Financial Statement</b>	1. Should refer to "interest income" as such per sample financial statements instead of "use of money and property".	This comment is noted, and will be reflected in the City of Newark's next Audited Financial Statement.	1. Yes. Newark commits to correcting this nomenclature in the next report.
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>TABLE 2:</b> Expenditure Detailed Summary	1. Index #2, Column N - reports \$71,184 in LSR Direct Local Distribution Expenditures that does not appear on the LSR Table 2. Please revise as necessary (be sure Table 1, Column G is adjusted as well if changes are made).	1. The \$71,184 was incorrectly reported under the Direct Local Distribution Program and will be removed from Index #2, Column N. The amount will also, correspondingly, be removed from Table 1, Column G. These funds are from the ACTA 1986 Measure B and appear on Newark's Measure B Audited Financial Statement (page 6).	1. Yes. Revisions satisfactory.
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. Question #14b - Please describe the audit error in the amount of \$1,980 mentioned in #14b.	The following paragraph was added to question #14b to describe the audit error: "The City of Newark's beginning fund balance of \$59,539 (listed in its FY 13-14 Audit Statement) erroneously included \$1,980 of non-Measure B reimbursement revenue in the starting balance. The City's FY 13-14 Audit Statement has adjusted for the \$1,980 in its expenditures, resulting in \$399,960 in fund balance at the end of the fiscal year."	1. No. Newark must restate the starting fund balance, and remove the expenditure. Newark is currently revising.
<b>TABLE 2:</b> Detailed Summary	1. As note above, there is an inconsistency between the total used from the LSR Direct Local Distributions to the Bike/Pedestrian Program. It appears Table 2 is missing the corresponding \$84,456 in Bike/Pedestrian Direct Local Distribution related expenses and \$71,184 in LSR that is being reported on Bike/Ped Table 2.	The \$71,184 was incorrectly reported under the Direct Local Distribution Program on the Bike/Ped Table 2 and will be removed. Therefore, neither the \$71,184 nor the corresponding \$84,456 will be reported on this table. These funds are from the ACTA 1986 Measure B and appear on Newark's Measure B Audited Financial Statement (page 6).	1. Yes. Revisions satisfactory.
<b>TABLE 3:</b> Planned Projects & Reserves	1. Per Box 2, the total actual expenditures does not match Table 1 and Table 2 expenses. It is missing \$1,980 associated with the audit adjustment. To correct this, Newark should identify this expenditure as a new item on Box 6, Index #5 using the FY 14-17 Reserve (green line). As a result, Box 2 will match Table 1 and Box 2a's "remaining to allocate" amount will correctly show zero. 2. Box 9, Undesignated Reserve, due to the \$1,980 adjustment that was applied in FY 13/14. To fully account for all funds in the Compliance Report, the \$1,980 must be identified as an unused reserve. Thus, in Cell G226, insert \$1,980 as planned. Now these funds will be available for FY 14/15 identification (see below). 3. With the adjustments in #2, Box 3a will show \$1,980 available for identification in FY 14/15. There is capacity in the FY 14/15 undesignated reserve where these funds can be identified (Box 11). 4. Explain why LSR actual expenses are less than planned.	1. \$1,980 has been added as a new item in Box 6, Index #5, using the FY 14-17 Reserve line, as directed. 2. \$1,980 has been added to cell G226, as directed. 3. \$1,980 has been added to Box 11, FY 14-15 undesignated reserve, as directed. 4. As described in the Narrative Section, question #14b, "The City of Newark planned to use \$300,000 in Capital Fund Reserves in FY 13-14 to fund the 2014 Asphalt Concrete Street Overlay Program. Although the contract for the 2014 Asphalt Concrete Street Overlay Program was awarded in June 2014, and was anticipated to begin at the end of FY 13-14, construction did not start until after the beginning of the new fiscal year, due to minor delays. As a result, the \$299,946 in unspent funds allocated for this project will remain allocated to this project, for expenditure in FY 14-15. Actual expenditures for FY 13-14 totaled \$89,516 (this figure includes an adjustment in the amount of \$1,980 to account for a previous audit error). Originally, \$171,239 was allocated to the 2015 Street Maintenance Program, for expenditure in FY 14-15. However, the project is anticipated to commence near the end of FY 14-15 and extend into FY 15-16. As a result, of the \$171,239 allocated to the project, \$87,482 was reallocated to various projects where funds were needed for actual expenditures in FY 13-14 (Citywide Handicap Ramps, \$30,000, and 2014 Curb, Gutter, and Sidewalk Replacement, \$57,482). The remaining \$81,777 in funding will remain with the project, for planned expenditure in FY 14-15."	1. Yes. Revisions satisfactory. 2. Yes. Revisions satisfactory. 3. Yes. Revisions satisfactory. 4. Yes. Explanation provided.
<b>PARATRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	1. Please update the website <a href="http://www.newark.org/departments/recreation-and-community-services/senior/transportation/">http://www.newark.org/departments/recreation-and-community-services/senior/transportation/</a> to reflect Alameda CTC's updated web link from <a href="http://www.actia2022.com">www.actia2022.com</a> to <a href="http://www.alamedactc.org">www.alamedactc.org</a>	The website has been updated to reflect <a href="http://www.alamedactc.org">www.alamedactc.org</a>	1. Yes. Revisions satisfactory.
<b>TABLE 3:</b> Planned Projects & Reserves	1. Per Box 2, the total actual expenditures does not match Table 1 and Table 2 expenses. It is missing \$13,265 associated with the audit adjustment reported on Table 2. To correct this, Newark should identify this expenditure as a new item on Box 10, Undesignated Reserve. Modify the Undesignated Reserve Cells G 184 and H184 to show \$13,265. As a result, Box 2 will match Table 1's expenses, and all funds and expenses will be correctly identified. 2. Box 4 - describe why there is a fund balance in the space provided. 3. Box 5 - describe the project status in the space provided.	1. Cells G184 and H184 have been modified, as directed. 2. The following explanation is provided in Box 4: "A cost-effective MOU agreement with the City of Fremont reduced the overall cost of the program." 3. An "on-going" project status was added to Box 5.	1. Yes. Revisions satisfactory. 2. Yes. Revisions satisfactory. 3. Yes. Revisions satisfactory.

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF OAKLAND		Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>		
<b>Audited Financial Statement</b>	<p>1. Audit opinion for compliance with Measure B was not provided. Please revise/provide.</p> <p>2. Please explain the overdraft liability indicated on the balance sheet in the paratransit fund.</p> <p>3. The beginning fund balance in the paratransit fund does not match the financial statements submitted last year (decrease of \$135,806).</p>	<p>1. Audit was revised and audit opinion was provided.</p> <p>2. The City restated the FY 13/14 Audit and has revised the overdraft liability language to state "due to other funds".</p> <p>3. The City restated the FY 13/14 Audit to reflect the beginning fund balance as \$158,107 to align with the financial statements submitted last year.</p>	<p>1. Yes.</p> <p>2. Yes.</p> <p>3. Yes.</p>
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>TABLE 3: Planned Projects &amp; Reserves</b>	<p>1. Box 1, the ending B/P Balance reported on Table 1 and the Financial Statement (\$2,185,457) does not match the subtotal calculated (\$2,161,613). This appears to be from the adjustments made on the prior year's Compliance Report and the FY 13/14 Financial Statement. To account for all available funds for FY 14/15 on the Compliance Forms and to match the current Financial Statement, a technical change must be incorporated as part of the FY 13/14 operations fund reserve - cell G354 add \$23,844, making the total "\$283,844" for this operations fund reserve.</p> <p>2. As a result of the above, see Box 3a to allocate the additional funds available for FY 14/15. The Box 9 Operations Reserve appears to have capacity for this additional allocation.</p> <p>3. Oakland is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$1.6 million to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p> <p>4. Operations and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.</p>	<p>1. Adjusted operating reserves as suggest to account for adjustments to prior year report.</p> <p>2. Allocated additional funds to operating reserve.</p> <p>3. Oakland is on track to expend funds in the FY 15/16 reserve window.</p> <p>4. The operating fund reserve is intended to capture likely operating costs, while allowing for unanticipated or unplanned operating costs as noted. It is therefore difficult to anticipate exact spending in this category. Only 18% was unspent in this category, which seems reasonable.</p> <p>The undesignated fund reserve is intended to fund projects and programs not previously budgeted, including grant matching funds and other new Council priorities. This is by its nature highly variable from year to year, and spending 64% seems very reasonable.</p> <p>For both the operating and undesignated fund reserves, the identified amounts are under the allowable 50% and 10% maximum caps established in the Master Programs Funding Agreement.</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Revisions satisfactory.</p> <p>3. Yes. Comment was noted.</p> <p>4. Yes Explanation provided.</p>
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>Compliance Report (Narrative Section)</b>	<p>1. The PCI per the MTC Report should be 76 versus the 80 reported.</p>	<p>1. Report Revised.</p>	<p>Yes.</p>
<b>TABLE 1: Revenues and Expenditures</b>	No Comments.	n/a	n/a
<b>TABLE 2: Expenditure Detailed Summary</b>	<p>1. Index #41, identifies \$844 in Bike/Ped Direct Local Distributions to the project. This is different from Bike/Ped Table 2's Index #2, Column L, which identifies \$402 in Bike/Ped DLDs used for this project.</p>	<p>corrected transcription mistake. The correct number is \$402.</p>	<p>1. Yes. Revisions satisfactory.</p>



**Measure B Program Compliance Report Review  
Fiscal Year 2013-14**

CITY OF OAKLAND			
Section	Comments	Jurisdiction's Response	Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Per Box 2, the total expenditures between the Planned Projects, and two Capital Reserve windows is \$9,100,627. This amount is different from Table 1, 2 and the Financial Statement's FY 13/14 expenditure of \$9,096,450. Correct Table 3 as necessary to match the expenditures reported.</p> <p>2. Box 1, the ending LSR Balance reported on Table 1 and the Financial Statement (\$9,262,519) does not match the subtotal calculated (\$9,233,695). This appears to be from the adjustments made on the prior year's Compliance Report and the FY 13/14 Financial Statement. To account for all available funds for FY 14/15 on the Compliance Forms and to match the current Financial Statement, a technical change must be incorporated as part of the FY 13/14 operations fund reserve - cell G362 add \$24,648, making the total "\$1,024,678" for this operations reserve.</p> <p>3. As a result of the above, see Box 3a to allocate the additional funds available for FY 14/15. The Box 9 Operations Reserve appears to have capacity for this additional allocation.</p> <p>4. Oakland is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$1.9 million to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p> <p>5. Operations and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.</p>	<p>1. corrected mistake in Table 3 to total \$9,096,450, per Tables 1 and 2.</p> <p>2. Corrected operating reserve to reflect the adjustments made in the FY 13/14 Financial statement.</p> <p>3. adjusted current year operating reserve to account for changes above.</p> <p>4. Oakland is on track to expend all capital funds on schedule.</p> <p>5. The operating fund reserve is intended to capture likely operating costs, while allowing for unanticipated or unplanned operating costs as noted, such as emergency roadway repairs in excess of budgeted amounts. It is therefore difficult to anticipate exact spending in this category. However, recognizing that Oakland spent 57% of these reserves in FY 13/14, we dropped the reserve amount from \$1,000,000 to \$600,000 in FY 14/15 to try to track closer to actual expenditures.</p> <p>The undesignated fund reserve is intended to fund projects and programs not previously budgeted, including grant matching funds and other new Council priorities. This is by its nature variable from year to year, but expenditure of 78% of this reserve fund seems reasonable, and we propose a similar reserve in FY 14/15.</p> <p>For both the operating and undesignated fund reserves, the identified amounts are under the allowable 50% and 10% maximum caps established in the Master Programs Funding Agreement.</p>	<p>1. Yes. Revisions satisfactory.</p> <p>2. Yes. Revisions satisfactory.</p> <p>3. Yes. Revisions satisfactory.</p> <p>4. Yes. Comment was noted.</p> <p>5. Yes. Explanation provided.</p>
<b>PARATRANSIT PROGRAM</b>			
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #7 expenditures identified are more than the total expenditures on the financial statements. Only identify Measure B expenditures.</p>	<p>The City of Oakland adjusted the total expenditures to represent only Measure B funds spent on the project have been removed to align with the revised Audit Report.</p>	<p>1. Yes. Revisions satisfactory.</p>
<b>TABLE 1:</b> Revenues and Expenditures	<p>1. Column A - Beginning Balance does not match to last year's ending balance of \$158,107.</p>	<p>The City of Oakland has adjusted Column A to match last year's ending balance of \$158,107 to align with the revised Audit Report that is now correctly stated.</p>	<p>1. Yes. Revisions satisfactory.</p>
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Technical changes are required due to changes in the starting fund balance listed on Table 1. This change assumes financial statement starting balance is correctly restated to be lower than the prior year's statements. As a result, in the prior compliance report Oakland subsequently over identified funds which will require reducing the amount identified as planned in the operations reserve by \$135,806...making the total in Cell G176, \$22,301. The use of operations reserve is then not required since revenues for FY 13/14 can cover the overage reported in Box 4 Planned, and can be zeroed out.</p> <p>2. Operations Fund Reserves contains less actual expenditures than planned. Please explain.</p>	<p>1. the City of Oakland has restated the FY 13/14 Audit to correctly reflect a starting reserve balance of \$158,107 which is removed (used) in FY 13/14 and reflects the prior period adjustment in the audit. Thus, the technical adjustments suggested in the Request for Information is not applicable. However, the \$158,107 adjustment in the audit is reflected as being removed/used in FY 13/14 with its reporting as an operational fund reserve expenditure.</p> <p>2. the City of Oakland has restated the FY 13/14 Audit that reflects the Operations Fund Reserves being listed as \$158,107 and expended out due to a prior period adjustment that zeroes out the balance due to the funds being initially improperly identified as Measure B funds that should not have been included as part of the reserve balance.</p>	<p>1. Yes. Explanation provided. Original comments not applicable with the modified reports.</p> <p>2. Yes. Explanation provided.</p>

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF PIEDMONT		
Section	Comments	Jurisdiction's Response
<b>BICYCLE/PEDESTRIAN PROGRAM</b>		
<b>Compliance Report</b> (Narrative Section)	<p>1. Provide additional information on why the projects in the Capital Fund Reserve were not implemented as planned for FY 13/14. \$105,000 planned vs. \$11,000 actual expended.</p> <p>2. Check boxes on program submittals on page one not marked.</p>	<p>The City had unexpected availability of CDBG monies that had to be expended or lost. This caused a shifting of funds for the Dudley Ave. Sidewalk Project (\$71,444) from using Measure B B&amp;P monies to CDBG. This same reason caused a shift in funding for the ADA Compliance Project (\$19,252 was reallocated from Measure B B&amp;P to CDBG.) For the Bicycle Pedestrian Master Plan Project, only \$11,344 of the projected \$15,000 was spent due to a delay in the adoption of the master plan (didn't occur until November 2014.)</p> <p>2. Updated page one to check boxes for LSR and Bike/Pedestrian Programs.</p>
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Piedmont is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$134,292 to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p>	<p>Comment duly noted.</p> <p>1. Yes. Comment was noted.</p>
<b>LOCAL STREETS AND ROADS PROGRAM</b>		
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Piedmont is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$55,403 to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p>	<p>Comment duly noted.</p> <p>1. Yes. Comment was noted.</p>

**Measure B Program Compliance Report Review  
Fiscal Year 2013-14**

CITY OF PLEASANTON		Response Determination: Did the Jurisdiction's response or revisions satisfy the inquiry?
Section	Comments	Jurisdiction's Response
<b>BICYCLE/PEDESTRIAN PROGRAM</b>		
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Box 4, Index #4 and #5 FY 13/14 expenditures are reported already in Box 6 Capital Reserve. Thus, clear out these two project lines in Box 4.</p> <p>2. Per Box 2a, there is \$672,083 remaining for allocation/identification within the FY 13-16 Capital Fund Reserve Window (blue lines).</p> <p>3. Box 7b narrative questions should be completed.</p> <p>4. Box 5, Index #3 has zero funds identified. Should this be cleared?</p> <p>5. Based on the adjustments on Comment #1, per Box 3a, there will be additional funds available to allocate to the FY 14/15 plan. There appears to be capacity in the operations and undesignated reserves for these funds.</p> <p>6. Pleasanton is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$1.0 million to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p> <p>7. Operations and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.</p>	<p>1. Index #4 and #5 have been cleared out.</p> <p>2. Remaining amounts have been allocated to the Arroyo Mocho project, Box 7 Index #2, expected to enter construction in FY15/16.</p> <p>3. Narrative questions have been answered in Box 7b.</p> <p>4. Index #3 has been cleared out.</p> <p>5. Additional funds have been allocated to Project #135043, Operational and Undesignated Fund Reserves.</p> <p>6. Projects have been identified and expected to expend reserves by the end of FY15/16. (Box 7 Index #1 &amp; #2)</p> <p>7. Explanations provided in Box 8 (Operation Fund Reserve) and Box 10 (Undesignated Fund Reserve).</p>
<b>LOCAL STREETS AND ROADS PROGRAM</b>		
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Box 4, Index #1, since expenditures for this project are also identified in Box 6 Capital Fund Reserve in the amount of \$435,000, Index #1's actual expenditure should be reduced by \$435,000 to avoid double counting expenses. The revised expenditure should be \$694,574 for Index #1.</p> <p>2. Box 1, technical adjustment is required to Cell D23. The projected value in the last year's compliance report should be \$703,279 and not \$1,575,137. Replace the \$1,575,137 with \$703,279.</p> <p>3. Box 1, technical adjustment is required to Cell D28. The projected value should be \$757,633.14 and not \$1,639,943.67.</p> <p>4. Based on the above adjustments, see Box 3a and modify the FY 14/15 plan accordingly.</p> <p>5. Box 7b, complete the narrative questions in Box 7b for all capital reserve projects.</p> <p>6. Operations Fund Reserve contains less actual expenditures than planned. Please explain.</p>	<p>1. Box #4 Index #1 expenditures have been reduced by \$435,000 to \$694,574.</p> <p>2. Box 1, Cell D23 has been adjusted to \$703,279.</p> <p>3. Box 1, Cell D28 has been adjusted to \$757,633.14.</p> <p>4. Due to technical adjustments, the Operation Fund Reserve has been adjusted to \$113,821.</p> <p>5. Box 7b questions have been answered.</p> <p>6. Operations Fund Reserve explanation has been provided in Box #8.</p>
<b>PARATRANSIT PROGRAM</b>		
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #7 expenditures identified are more than the total expenditures on the financial statements. Only identify Measure B expenditures.</p>	<p>1. Question #7 has been updated in Compliance Report to reflect only Measure B expenditures.</p>

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF SAN LEANDRO		Jurisdiction's Response	Response Determination: Did the jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>	<b>Comments</b>		
<b>Audited Financial Statement</b>	<p>1. What is the purpose of the sub-total on the financial statements for all funds except paratransit?</p> <p>2. What is the Accounts Receivable in the amount of \$4,644 and the Due from other funds in the amount of \$83,788 for (only DLD and interest is allowed)?</p> <p>3. Included paratransit grant revenue in financial statements and the expenditures do not match the revenue for this grant which throws off the fund balance. Revise the audit to report on only Direct Local Distribution revenues and expenses.</p> <p>4. What is the reimbursed construction fund? That is not a Measure B fund.</p> <p>5. What is the pass-through allocations on the Statement of Revenues Expenditures and Changes in Fund Balances (only DLD and interest is allowed)?</p>	<p><b>Jurisdiction's Response</b></p> <p>1) The Paratransit is in Grant Fund 150, which is managed and implemented by the Recreation and Parks Dept. All other Measure B is in the Transportation Fund 144, managed and implemented by the Engineering dept.</p> <p>2a) Accounts Receivable in the amount of \$4,644 are invoiced Sidewalk Repairs. This will be removed from the Financial Statement. FY13/14 REVISED FINANCIAL STATEMENT TO FOLLOW.</p> <p>2b) Due from Other Funds in the amount of \$83,788 is cash due from the Grant Fund</p> <p>3) Paratransit grant revenue of \$69,973 and the related expense of \$69,973 will be removed from the Financial Statement. Changes in Fund Balance as of 06.30.14 is a positive \$60,345.00. The adjusted ending fund balance should be \$122,981.00</p> <p>4) Reimbursed Construction Funds are Measure B grant funds.</p> <p>5) Pass-Through Allocations are: S&amp;R = \$1,296,092, B&amp;P \$249,247 and Paratransit \$290,184. Interests Income are: S&amp;R \$12,887 and B&amp;P = \$4069.</p>	<p>1. No. Pending revisions as of 3/5/15. Waiting for auditor to resubmit.</p>
<b>BICYCLE/PEDESTRIAN PROGRAM</b>			
<b>TABLE 1:</b> Revenues and Expenditures	1. Column J, Non Measure B expenditures does not match to Table 2's non-Measure B expenditures. Revise.	1) Table 1 Column J has been revised to match Table 2 Column O+P, which is \$5,623,002	1. Yes Revisions satisfactory.
<b>TABLE 3:</b> Planned Projects & Reserves	<p>1. Technical adjustment to the Compliance Report is required to account for all fund balances identified in the Financial Statements. Due to prior years' intermixing of non-measure B revenues, San Leandro's compliance reports have required explanation of the variances between the Financial Statement and the Compliance Report figures. To remove further discrepancies, identify in Box 8, Operations Fund Reserve \$55,028 in cell G313. This is the variance between the ending and subtotal balances found in Box 1. As a result, the compliance reports going forward will be consistent with the fund balance in the future Financial Statements.</p> <p>2. Based on the changes above, see Box 3a to identify all funds available in FY 14/15. Fund can be allocated to the Operations/Undesignated Reserve.</p> <p>3. Explain why actual expenditures do not meet the FY 13/14 planned expenses listed in Box 4 and the Capital Reserves.</p> <p>4. San Leandro is in compliance with the Timely Use of Funds and Reserve Policies pertaining to</p>	<p>1) \$55,028 was NOT entered in cell G313 rather, we are adjusting Table 1 Column A "FY13-14 MB Beginning Balance" from \$947,879 to \$896,043 a difference of \$51,836, which consists, FY11/12 Sidewalk repair revenue of \$37,866 and FY12/13 Sidewalk Repair revenue of \$13,969 that ACTC in previous reviews determined should be excluded from Measure B Local Distribution Revenue. We will revise the financial statement to conform to ACTC requirement. REVISED FINANCIAL STATEMENT TO FOLLOW.</p> <p>2) Based on the revision above to the MB Beginning Balance, Table 3 Box 1 shows no differences in the balance and subtotal, hence there is \$0.00 remaining amount between "Available MB Funds" versus "Allocated MB Funds." Since all funds have been allocated, there is \$0.00 Fund reserve, therefore Table 3 Box 4 and Box 8 is left blank.</p> <p>3) Actual cost were lower than expected and some expenses were covered by Local Funds that were originally planned for Measure B.</p> <p>4) Remaining time to use funds is noted.</p>	<p>Final revisions to the financial statements will dictate the changes required to the compliance reports. Further evaluation required.</p>
<b>LOCAL STREETS AND ROADS PROGRAM</b>			
<b>TABLE 2:</b> Expenditure Detailed Summary	<p>1. Index #2 and #9, provide an estimated square footage of pavement rehabilitation.</p> <p>2. PCI for LSR should be 57 per the MTC report, and not 55.</p>	<p>1) Project index numbers 2 and 9 have been revised as requested.</p> <p>2. Report updated to match MTC's report.</p>	<p>1. Yes Revisions satisfactory.</p> <p>2. Yes. Revisions satisfactory.</p>

**Measure B Program Compliance Report Review  
Fiscal Year 2013-14**

CITY OF SAN LEANDRO		Comments	Jurisdiction's Response	Response Determination: Did the jurisdiction's response or revisions satisfy the inquiry?
<b>Section</b>				
<b>TABLE 3: Planned Projects &amp; Reserves</b>	<p>1. Technical adjustment to the Compliance Report is required to account for all fund balances identified in the Financial Statements. Due to prior years' intermixing of non-measure B revenues, San Leandro's compliance reports have required explanation of the variances between the Financial Statement and the Compliance Report figures. To remove further discrepancies, identify in Box 8, Operations Fund Reserve \$175,985 in cell G424. This is the variance between the ending and subtotal balances found in Box 1. As a result, the compliance reports going forward will be consistent with the fund balance in the future Financial Statements.</p> <p>2. Based on the changes above, see Box 3a to identify all funds available in FY 14/15. Fund can be allocated to the Operations/Undesignated Reserve.</p> <p>3. San Leandro is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$1.2 million to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expeditious expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p>	<p>1) \$175,985 was NOT entered in cell G424 rather, we are adjusting Table 1 Column A "FY13-14 MB Beginning Balance" from \$2,689,566 to \$2,513,547 a difference of \$176,019, which consists, of a \$34.00 adjustment in FY11/12 Compliance Report for overidentification of available funds and \$175,985 (FY11/12 Sidewalk repair revenue of \$58,856 and FY12/13 Sidewalk Repair revenue of \$117,163) that ACTC in previous reviews determined should be excluded from Measure B Local Distribution Revenue. We will revise the financial statement to conform to ACTC requirement. REVISED FINANCIAL STATEMENT TO FOLLOW.</p> <p>2) Based on the revision above to the MB Beginning Balance, Table 3 Box 1 shows no differences in the balance and subtotal, hence there is \$0.00 remaining amount between "Available MB Funds" versus "Allocated MB Funds." Since all funds have been allocated, there is \$0.00 Fund reserve, therefore Table 3 Box 4 and Box 8 is left blank.</p> <p>3) Remaining time to use funds is noted.</p>	<p>Final revisions to the financial statements will dictate the changes required to the compliance reports. Further evaluation required.</p>	
<b>PARATRANSIT PROGRAM</b>				
<b>Compliance Report</b> (Narrative Section)	<p>1. Question #5 - provide a response to #5.</p> <p>2. PCI should be 57 per MTC's report.</p>	<p>1) Table 1 Column A Total DLD Fund revenue of \$290,184 did not exceed Expenditures of \$229,839 in Table 1 Column D and Table 2 Column H. The answer provided in Question #5 was "N/A."</p> <p>2) Update.</p>	<p>Final revisions to the financial statements will dictate the changes required to the compliance reports. Further evaluation required.</p>	
<b>TABLE 1: Revenues and Expenditures</b>	<p>1. Table 1 &amp; Table 2 expenditures - do not tie to financial statements. The financial statement's paratransit fund balance should only include Direct Local Distributions and not MSL and grants.</p>	<p>1) Table 1 Column D and Table 2 Column L: \$229,839 Table 1 Column F and Table 2 Column M: + \$ 69,973 \$299,812</p> <p>The Audited Financial Statement has the MB DLD and MSL expenditures combined \$299,812, whereas the Compliance Tables distinctly separates the DLD \$229,839 and MSL Fund expenditures \$69,973. We will report the MSL revenue and expenditure in separate columns in the next year's financial statements. We will revise the FY13/14 financial statement to conform to ACTC requirement. REVISED FINANCIAL STATEMENT TO FOLLOW.</p>	<p>Final revisions to the financial statements will dictate the changes required to the compliance reports. Further evaluation required.</p>	
<b>TABLE 2: Expenditure Detailed Summary</b>	<p>1. Table 1 &amp; Table 2 expenditures - do not tie to financial statements.</p>	<p>1) Table 1 Column D and Table 2 Column L: \$229,839 Table 1 Column F and Table 2 Column M: + \$ 69,973 \$299,812</p> <p>The Audited Financial Statement has the MB DLD and MSL expenditures combined \$299,812, whereas the Compliance Tables distinctly separates the DLD \$229,839 and MSL Fund expenditures \$69,973. We will report the MSL revenue and expenditure in separate columns in the next year's financial statements. We will revise the FY13/14 financial statement to conform to ACTC requirement. REVISED FINANCIAL STATEMENT TO FOLLOW.</p>	<p>Final revisions to the financial statements will dictate the changes required to the compliance reports. Further evaluation required.</p>	
<b>TABLE 3: Planned Projects &amp; Reserves</b>	<p>1. Due to the incorporation of Measure B grants in the fund balance, Table 3's available FY 14/15 fund balance may be different than what is currently listed as available in Box #1. Further examination of Table 3 will be required upon these changes.</p> <p>2. Explain why actual expenditures do not meet the FY 13/14 planned expenses listed in Box 4.</p>	<p>1) FY14/15 fund balance will be adjusted to -\$53,008 when the MSL Fund revenue and expenditures are removed from the Measure B Paratransit program. FY13/14 REVISED FINANCIAL STATEMENT TO FOLLOW.</p> <p>2) Expenditures were less than anticipated due to city holidays and the winter holiday closure. We also anticipated much higher increases in service costs than we actually experienced which resulted in significant savings.</p>	<p>Final revisions to the financial statements will dictate the changes required to the compliance reports. Further evaluation required.</p>	

Measure B Program Compliance Report Review  
Fiscal Year 2013-14

CITY OF UNION CITY		
Section	Comments	Jurisdiction's Response
<b>Audited Financial Statement</b>	<p>1. The 2nd Bike &amp; Ped fund listed in the Balance Sheet should be a Mass Transit fund, not Bike &amp; Ped.</p> <p>2. Beginning fund balance in the LSR fund does not tie to the financial statements submitted for FY2012-13. Please explain.</p>	<p>1. Typographical error noted. The City can resubmit the balance sheet page with the correct headings.</p> <p>2. Note 6 in the audited financial reports explains the difference.</p>
<b>BICYCLE/PEDESTRIAN PROGRAM</b>		
<b>TABLE 3: Planned Projects &amp; Reserves</b>	<p>1. Union City is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$214,873 to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p> <p>2. Operations Fund and Undesignated Fund Reserves contains less actual expenditures than planned. Please explain.</p>	<p>1. Duly noted. We plan to expend these funds expeditiously. Refer to Table 3 of the Compliance Report for an expenditure plan.</p> <p>2. The Operations Fund and Undesignated Fund reserves were to cover unanticipated needs which were not fully realized. For example, the Operations Funds only expended \$6,083 out of the \$98,580 that were reserved and none of the \$19,716 under Undesignated Fund reserves were needed in FY 13/14. The reserves are established annually (to not exceed the maximum allowable limits) in the event of fluctuating needs in project costs, services, or programs, and are to be used as required. Union City remains within the compliance requirements for the reserve funds.</p>
<b>LOCAL STREETS AND ROADS PROGRAM</b>		
<b>TABLE 3: Planned Projects &amp; Reserves</b>	<p>1. Union City is in compliance with the Timely Use of Funds and Reserve Policies pertaining to Capital Reserves. However, it is important to note that city's Capital Fund Reserve Summary indicates \$595,239 to be expended by the end of FY 15/16 from the FY 13-16 Capital Fund Reserve Window. Expedient expenditure of the Capital Fund Reserve as outlined in the city's reserve implementation plan is recommended to meet the timeliness requirements.</p> <p>2. Operations Fund Reserve contains less actual expenditures than planned. Please explain.</p>	<p>1. Duly noted. We plan to expend these funds expeditiously. Refer to Table 3 of the Compliance Report for an expenditure plan.</p> <p>2. The Operations Fund reserves were to cover unanticipated needs which were not fully realized. The Operations Fund had \$34,100 in reserves only \$24,625 of which were used, leaving a balance of \$9,474. The reserves are established annually (to not exceed the maximum allowable limits) in the event of fluctuating needs in project costs, services, or programs, and are to be used as required. Union City remains within the compliance requirements for the reserve funds.</p>
<b>PARATRANSIT PROGRAM</b>		
<b>Compliance Report (Narrative Section)</b>	<p>1. Question #7 does not add up, trip provision is missing. Report only on Measure B expenditures. Please revise.</p>	<p>1. Yes. Revisions satisfactory.</p>

**Measure B Summary of Revenues, Expenditures, and Fund Balances**

Fiscal Year 2013-14

Updated: 3/1/2015

Agency/ Jurisdiction:	Column A	Column B	Column C	Column D	Column E
	13-14 Starting MB Balance	13-14 MB Revenue	13-14 MB Interest	13-14 MB Expended	13-14 Ending MB Balance
AC Transit	\$0	\$25,360,728	\$0	\$22,296,461	\$3,064,267
BART	\$0	\$1,763,298	\$0	\$1,763,298	\$0
LAVTA	\$0	\$969,687	\$0	\$969,687	\$0
WEIA	\$3,183,231	\$923,069	\$2,015	\$661,891	\$3,446,424
ACPWA	\$749,251	\$2,940,831	\$10,076	\$1,443,996	\$2,256,162
ACE	\$2,478,936	\$2,508,854	\$4,821	\$2,824,169	\$2,168,442
City of Alameda	\$3,008,030	\$2,017,093	\$28,795	\$2,298,204	\$2,755,714
City of Albany	\$428,577	\$467,919	\$1,146	\$768,464	\$129,178
City of Berkeley	\$1,548,672	\$3,342,734	\$1,278	\$2,330,060	\$2,562,624
City of Dublin	\$904,164	\$520,539	\$4,135	\$559,739	\$869,099
City of Emeryville	\$153,022	\$301,474	\$1,474	\$39,170	\$416,800
City of Fremont	\$4,194,004	\$3,561,796	\$19,568	\$4,490,637	\$3,284,731
City of Hayward	\$2,170,957	\$3,292,248	\$8,746	\$3,431,698	\$2,040,253
City of Livermore	\$1,879,663	\$1,188,417	\$19,883	\$1,157,631	\$1,930,332
City of Newark	\$259,950	\$717,001	\$997	\$502,747	\$475,201
City of Oakland	\$12,016,585	\$11,930,940	\$40,016	\$12,539,565	\$11,447,976
City of Piedmont	\$555,948	\$425,931	\$1,417	\$589,535	\$393,761
City of Pleasanton	\$2,289,901	\$1,031,710	\$31,276	\$1,666,789	\$1,686,098
City of San Leandro	\$3,661,795	\$1,835,523	\$16,956	\$1,899,646	\$3,614,628
City of Union City	\$1,201,273	\$1,562,322	\$12,240	\$1,633,452	\$1,142,383
<b>Total</b>	<b>\$40,683,959</b>	<b>\$66,662,114</b>	<b>\$204,839</b>	<b>\$63,866,839</b>	<b>\$43,684,073</b>

Notes:

<sup>1</sup>The table above reflects total Measure B expenditures reported by agencies/jurisdictions.

<sup>2</sup>Revenue and expenditure figures throughout this report may vary due to number rounding.

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