

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming compliance with certain covenants in the documents pertaining to the Series 2022 Bonds and requirements of the Internal Revenue Code of 1986, as described herein, interest on the Bonds is not included in the gross income of the owners thereof for federal income tax purposes. In the further opinion of Bond Counsel, interest on the Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing law, interest on the Series 2022 Bonds is exempt from personal income taxes of the State of California. See “TAX MATTERS” herein.



\$124,030,000
ALAMEDA COUNTY TRANSPORTATION COMMISSION
Measure BB Senior Sales Tax Revenue Bonds
(Limited Tax Bonds)
Series 2022

Dated: Date of Delivery

Due: March 1 as shown on inside cover

The Alameda County Transportation Commission Measure BB Senior Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2022 in the aggregate principal amount of \$124,030,000 (the “Series 2022 Bonds”) are being issued by the Alameda County Transportation Commission (“Alameda CTC”) pursuant to an Indenture, dated as of July 1, 2022, as supplemented by a First Supplemental Indenture, dated as of July 1, 2022 (together, the “Indenture”), each between Alameda CTC and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Proceeds of the Series 2022 Bonds will be applied (i) to finance and/or reimburse Alameda CTC for certain costs of implementing a portion of the transportation improvements outlined in the 2014 Transportation Expenditure Plan, as described herein, and (ii) to pay costs of issuance of the Series 2022 Bonds. See “PLAN OF FINANCE” herein.

The Series 2022 Bonds will be registered in the name of Cede & Co, as holder of the Series 2022 Bonds and nominee for The Depository Trust Company (“DTC”), New York, New York. Purchasers will not receive certificates representing their interest in the Series 2022 Bonds purchased. The principal of and interest on the Series 2022 Bonds are payable by wire transfer to DTC which, in turn, will remit such principal or interest to the DTC Participants for subsequent disbursement to the beneficial owners of the Series 2022 Bonds, as more fully discussed herein.

The Series 2022 Bonds will mature in the amounts and will bear interest at the rates set forth in the inside cover page hereof. Interest is payable on March 1 and September 1 of each year, commencing September 1, 2022. The Series 2022 Bonds are being issued as fully registered bonds without coupons in the denominations of \$5,000 and any integral multiple thereof.

The Series 2022 Bonds are subject to optional and mandatory redemption prior to their maturity, as more fully described herein.

The Series 2022 Bonds are limited obligations of Alameda CTC secured by a pledge of the Pledged Revenues, consisting primarily of the Pledged Tax Revenues, and certain funds held by the Trustee. The Measure BB Sales Tax is an aggregate one percent (1.00%) retail transactions and use tax imposed in the County of Alameda (the “County”). In November 2014 more than two-thirds of the electorate of the County approved Measure BB to extend an existing one-half of one percent retail transactions and use tax then set to expire on March 31, 2022 and to impose and collect an additional one-half of one percent (1/2%) retail transactions and use tax. The Measure BB Sales Tax took effect on April 1, 2015 and was imposed at a rate of a one-half of one percent (1/2%) from April 1, 2015 through March 31, 2022. On April 1, 2022, the Measure BB Sales Tax increased to one percent. The Measure BB Sales Tax is scheduled to expire on March 31, 2045. The Series 2022 Bonds are secured by a pledge of Pledged Tax Revenues, which consist of amounts collected on account of the Measure BB Sales Tax, minus any refunds and any fees imposed by the California Department of Tax and Fee Administration for the performance of functions incident to the administration and operation of Ordinance No. 2014-1 and four percent administrative costs of Alameda CTC. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS” herein.

THE SERIES 2022 BONDS ARE LIMITED TAX BOND OBLIGATIONS OF ALAMEDA CTC PAYABLE SOLELY FROM PLEDGED REVENUES, PRIMARILY CONSISTING OF PLEDGED TAX REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE, AND ALAMEDA CTC IS NOT OBLIGATED TO PAY THE SERIES 2022 BONDS EXCEPT FROM PLEDGED REVENUES AND THOSE CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE. THE SERIES 2022 BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN ALAMEDA CTC, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE. THE CREDIT OR TAXING POWER (OTHER THAN AS DESCRIBED HEREIN AND IN THE INDENTURE) OF ALAMEDA CTC IS NOT PLEDGED, FOR THE PAYMENT OF THE SERIES 2022 BONDS, THEIR INTEREST, OR ANY PREMIUM DUE UPON REDEMPTION OF THE SERIES 2022 BONDS. THE SERIES 2022 BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE, LIEN OR ENCUMBRANCE UPON, ANY OF THE PROPERTY OF ALAMEDA CTC OR ANY OF ITS INCOME OR RECEIPTS, EXCEPT THE PLEDGED REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE.

This cover page contains certain information for general reference only. It is not a summary of the security or terms of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision with respect to the Series 2022 Bonds. Capitalized terms used and not defined on the cover of this Official Statement have the meanings ascribed thereto herein.

The Series 2022 Bonds will be offered when, as and if received by the Underwriters, subject to the approval of validity by Norton Rose Fulbright US LLP, Bond Counsel to Alameda CTC, and certain other conditions. Certain legal matters will be passed upon for Alameda CTC by its Disclosure Counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, and by Fennemore Wendel, General Counsel to Alameda CTC, and for the Underwriters by their counsel, Nixon Peabody LLP. It is anticipated that the Series 2022 Bonds in definitive form will be available for delivery through the facilities of DTC on or about July 14, 2022.

Citigroup

Goldman Sachs & Co. LLC

Jefferies

\$124,030,000
ALAMEDA COUNTY TRANSPORTATION COMMISSION
Measure BB Senior Sales Tax Revenue Bonds
(Limited Tax Bonds)
Series 2022

Maturity Schedule

<i>Maturity Date (March 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>CUSIP** (Base No. 011118)</i>
2023	\$ 4,785,000	5.00%	1.53%	BH8
2024	3,085,000	5.00	1.84	BJ4
2025	3,240,000	5.00	2.03	BK1
2026	3,400,000	5.00	2.15	BL9
2027	3,575,000	5.00	2.20	BM7
2028	3,750,000	5.00	2.33	BN5
2029	3,940,000	5.00	2.47	BP0
2030	4,135,000	5.00	2.59	BQ8
2031	4,345,000	5.00	2.69	BR6
2032	4,560,000	5.00	2.79	BS4
2033	4,790,000	5.00	2.90 ^C	BT2
2034	5,025,000	5.00	3.04 ^C	BU9
2035	5,280,000	5.00	3.11 ^C	BV7
2036	5,540,000	5.00	3.17 ^C	BW5
2037	5,820,000	5.00	3.22 ^C	BX3
2038	6,110,000	5.00	3.24 ^C	BY1
2039	6,415,000	5.00	3.30 ^C	BZ8
2040	6,735,000	5.00	3.34 ^C	CA2
2041	7,075,000	5.00	3.37 ^C	CB0
2042	7,425,000	5.00	3.38 ^C	CC8

\$25,000,000 5.00% Term Bonds due March 1, 2045;
Yield 3.47%^C, CUSIP No. ** 011118CD6

^C Yield to optional par call on March 1, 2032.

^{**} CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Alameda CTC, the Municipal Advisor and the Underwriters are not responsible for the selection or correctness of the CUSIP numbers set forth herein.

No dealer, salesman or any other person has been authorized by the Alameda County Transportation Commission (“Alameda CTC”) or the underwriters of the Series 2022 Bonds listed on the cover page hereof (the “Underwriters”) to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by Alameda CTC or the Underwriters.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2022 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. This Official Statement is not to be construed as a contract with the purchasers of the Series 2022 Bonds. Neither the delivery of this Official Statement nor the sale of any of the Series 2022 Bonds implies that the information herein is correct as of any time subsequent to the date hereof. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the matters described herein since the date hereof. This Official Statement is submitted in connection with the sale of securities referred to herein and may not be reproduced or be used, as a whole or in part, for any other purpose.

The information set forth herein has been obtained from Alameda CTC and other sources believed to be reliable. The information and expressions of opinions herein are subject to change without notice and neither delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of Alameda CTC since the date hereof. All summaries contained herein of the Indenture (as defined herein) or other documents are made subject to the provisions of such documents and do not purport to be complete statements of any or all of such provisions. All statements made herein are made as of the date of this document by Alameda CTC except statistical information or other statements where some other date is indicated in the text.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2022 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL ON THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2022 BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Marketplace Access (“EMMA”) website. Alameda CTC maintains a website; however, the information presented therein is not part of this Official Statement and should not be relied upon in making investment decisions with respect to the Series 2022 Bonds.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 of the U.S. Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Official Statement constitute forward-looking statements. Such statements are generally identifiable by the terminology used such as “plan,” “project,” “expect,” “anticipate,” “intend,” “believe,” “estimate,” “budget” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the forecasts of Alameda CTC in any way, regardless of the level of optimism communicated in the information. Alameda CTC is not obligated to issue any updates or revisions to forward-looking statements in any event.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

COMMISSIONERS

Mayor John J. Bauters (City of Emeryville), Chair
Board President Elsa Ortiz (Alameda-Contra Costa Transit District), Vice Chair

Supervisor David Haubert (Alameda County, District 1)	Mayor Lily Mei (City of Fremont)
Supervisor Richard Valle (Alameda County, District 2)	Mayor Barbara Halliday (City of Hayward)
Supervisor David Brown (Alameda County, District 3)	Vice Mayor Regina Bonanno (City of Livermore)
Supervisor Nate Miley (Alameda County, District 4)	Councilmember Luis Freitas (City of Newark)
Supervisor Keith Carson (Alameda County, District 5)	Councilmember Sheng Thao (City of Oakland)
President Rebecca Saltzman (San Francisco Bay Area Rapid Transit District)	Vice Mayor Rebecca Kaplan (City of Oakland)
Mayor Marilyn Ezzy Ashcraft (City of Alameda)	Mayor Teddy Gray King (City of Piedmont)
Councilmember Rochelle Nason (City of Albany)	Mayor Karla Brown (City of Pleasanton)
Councilmember Rigel Robinson (City of Berkeley)	Mayor Pauline Russo Cutter (City of San Leandro)
Mayor Melissa Hernandez (City of Dublin)	Mayor Carol Dutra-Vernaci (City of Union City)

MANAGEMENT

Tess Lengyel, Executive Director
Carolyn Clevenger, Deputy Executive Director of Planning and Policy
Gary Huisingsh, Deputy Executive Director of Projects
Patricia Reavey, Deputy Executive Director of Finance and Administration
Lily Balinton, Director of Finance

SPECIAL SERVICES

Municipal Advisor

PFM Financial Advisors LLC
San Francisco, California

General Counsel

Fennemore Wendel
Oakland, California

Bond Counsel

Norton Rose Fulbright US LLP
Los Angeles, California

Disclosure Counsel

Stradling Yocca Carlson & Rauth,
A Professional Corporation
Newport Beach, California

Trustee

U.S. Bank Trust Company, National Association
San Francisco, California

Map Alameda County, California



TABLE OF CONTENTS

	Page
INTRODUCTION	1
General.....	1
Authority for Issuance	1
Purpose and Application of Proceeds	1
The Series 2022 Bonds	1
Security for the Bonds	2
Limited Obligations	2
Additional Parity Bonds	2
No Acceleration Provision or Increase in Interest Rate Upon Default	3
No Reserve Fund	3
Continuing Disclosure	3
Impact of COVID-19 Pandemic	3
References	4
THE SERIES 2022 BONDS	4
General.....	4
Redemption.....	5
DEBT SERVICE SCHEDULE.....	7
PLAN OF FINANCE.....	7
ESTIMATED SOURCES AND USES OF FUNDS	8
SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS	8
Limited Obligations	8
Pledge of Pledged Revenues; Revenue Fund.....	9
Allocation of Pledged Tax Revenues.....	10
No Reserve Fund for the Series 2022 Bonds	13
Additional Bonds and Other Obligations.....	13
Subordinate Obligations	15
THE MEASURE BB SALES TAX.....	16
General.....	16
Collection of Measure BB Sales Tax Revenues	17
Historical Sales Tax Revenues	18
Other Sales Taxes Imposed in the County	22
Recent Developments Regarding Sales Tax Collection	22
ALAMEDA COUNTY TRANSPORTATION COMMISSION	23
General.....	23
Governance	23
Executive Staff.....	24
2014 Transportation Expenditure Plan	25
Future Financing Plans	26
Cash and Investments	27
Debt Policy	27
RISK FACTORS	27
Economy of the County and the State	27
Investments	28
Collection of the Sales Tax	28
Proposition 218.....	28
Further Initiatives.....	29

No Acceleration or Increase in Interest Rate Upon Default	29
Loss of Tax Exemption.....	29
Bankruptcy Considerations.....	29
Cybersecurity.....	30
Climate Change	30
FINANCIAL STATEMENTS	31
LITIGATION	31
TAX MATTERS.....	31
LEGAL MATTERS.....	33
RATINGS	34
UNDERWRITING	34
MUNICIPAL ADVISOR	35
CONTINUING DISCLOSURE.....	35
MISCELLANEOUS	36
APPENDIX A ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021	A-1
APPENDIX B COUNTY OF ALAMEDA DEMOGRAPHIC AND ECONOMIC INFORMATION.....	B-1
APPENDIX C SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE	C-1
APPENDIX D FORM OF CONTINUING DISCLOSURE CERTIFICATE.....	D-1
APPENDIX E BOOK-ENTRY SYSTEM	E-1
APPENDIX F PROPOSED FORM OF BOND COUNSEL OPINION	F-1

OFFICIAL STATEMENT

\$124,030,000

**ALAMEDA COUNTY TRANSPORTATION COMMISSION
Measure BB Senior Sales Tax Revenue Bonds
(Limited Tax Bonds)
Series 2022**

INTRODUCTION

General

This Official Statement, which includes the cover page and the appendices hereto, sets forth certain information in connection with the offering by the Alameda County Transportation Commission (“Alameda CTC”) of \$124,030,000 aggregate principal amount of Alameda County Transportation Commission Measure BB Senior Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2022 (the “Series 2022 Bonds”). The Series 2022 Bonds will be the first series of bonds issued by Alameda CTC secured under Measure BB (as defined herein). All capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE,” or, if not defined therein, in the Indenture.

Authority for Issuance

The Series 2022 Bonds are being issued by Alameda CTC under and pursuant to the authority granted under Division 19 of the Public Utilities Code of the State of California (Section 180000 *et seq.*) (the “Act”), Ordinance No. 2014-1 adopted on June 26, 2014 pursuant to the provisions of Section 180000 through Section 180264 inclusive of the Act (“Ordinance No. 2014-1”), and the Indenture, dated as of July 1, 2022, as supplemented and amended from time to time pursuant to its terms, including as supplemented by a First Supplemental Indenture, dated as of July 1, 2022 (together, the “Indenture”), each between Alameda CTC and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

Purpose and Application of Proceeds

Proceeds of the Series 2022 Bonds will be applied: (i) to finance and/or reimburse Alameda CTC for certain costs of implementing a portion of the transportation improvements consisting of the capital projects outlined in the 2014 Transportation Expenditure Plan (as described herein), and (ii) to pay costs of issuance of the Series 2022 Bonds. See “PLAN OF FINANCE” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

The Series 2022 Bonds

Interest on the Series 2022 Bonds will be payable on each March 1 and September 1, commencing September 1, 2022. The Series 2022 Bonds will be issued as fully registered bonds without coupons in the denominations of \$5,000 and any integral multiple thereof. The Series 2022 Bonds will be registered in the name of Cede & Co., as holder of the Series 2022 Bonds and nominee for The Depository Trust Company (“DTC”). Purchasers will not receive physical certificates representing their interest in the Series 2022 Bonds purchased.

The Series 2022 Bonds are subject to redemption prior to their maturity, as described herein. See “THE SERIES 2022 BONDS — Redemption” herein.

Security for the Bonds

The Series 2022 Bonds are limited obligations of Alameda CTC payable from and secured by certain revenues (the “Pledged Revenues”) pledged under the Indenture, including revenues derived from an aggregate one percent (1.00%) retail transactions and use tax known as Measure BB (“Measure BB”) imposed in the County (the “Measure BB Sales Tax”) in accordance with the Act and Part 1.6 of Division 2 of the Revenue and Taxation Code, net of any refunds and any fees imposed by the California Department of Tax and Fee Administration (the “CDTFA”) for the performance of functions incident to the administration and operation of Ordinance 2014-1 and four percent administrative costs of Alameda CTC (the “Pledged Tax Revenues”). The Measure BB Sales Tax took effect on April 1, 2015 and was imposed at a rate of a one-half of one percent (1/2%) from April 1, 2015 through March 31, 2022. On April 1, 2022, the Measure BB Sales Tax increased to one percent. The Measure BB Sales Tax was approved on November 4, 2014 by more than two-thirds of the electorate of the County voting on Measure BB (specifically 70.76% of such voters) and is scheduled to expire on March 31, 2045. Revenues derived from Alameda CTC’s prior sales tax measure, Measure B, which expired on March 31, 2022, are not pledged to the Series 2022 Bonds and do not secure the Series 2022 Bonds. See the caption “THE SALES TAX” herein.

The Taxpayer Transparency and Fairness Act of 2017 restructured the State Board of Equalization into three separate entities: the State Board of Equalization, the CDTFA and the Office of Tax Appeals. The CDTFA handles most of the taxes and fees previously collected by the State Board of Equalization, including the Sales Tax. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS” herein.

Limited Obligations

THE SERIES 2022 BONDS ARE LIMITED TAX BOND OBLIGATIONS OF ALAMEDA CTC PAYABLE SOLELY FROM PLEDGED REVENUES, PRIMARILY CONSISTING OF PLEDGED TAX REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE, AND ALAMEDA CTC IS NOT OBLIGATED TO PAY THE SERIES 2022 BONDS EXCEPT FROM PLEDGED REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE. THE SERIES 2022 BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA (THE “STATE”) OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN ALAMEDA CTC, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE. THE CREDIT OR TAXING POWER (OTHER THAN AS DESCRIBED IN THE INDENTURE) OF ALAMEDA CTC IS NOT PLEDGED, FOR THE PAYMENT OF THE SERIES 2022 BONDS, THEIR INTEREST, OR ANY PREMIUM DUE UPON REDEMPTION OF THE SERIES 2022 BONDS. THE SERIES 2022 BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE, LIEN OR ENCUMBRANCE UPON, ANY OF THE PROPERTY OF ALAMEDA CTC OR ANY OF ITS INCOME OR RECEIPTS, EXCEPT THE PLEDGED REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE.

Additional Parity Bonds

Pursuant to the Indenture, Alameda CTC may issue additional limited tax bonds secured by a lien and charge upon the Pledged Revenues on a parity with the Series 2022 Bonds subject to compliance with the terms and provisions set forth in the Indenture; all of such bonds to be hereinafter referred to as the “Bonds.” See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS — Additional Bonds and Other Obligations” herein. Upon the delivery of the Series 2022 Bonds there will be no existing obligations of Alameda CTC secured by a lien and charge upon the Pledged Revenues on a parity with the Series 2022 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS—Additional Bonds and Other Obligations” herein. Under both Ordinance No. 2014-1 and the Indenture, the maximum principal amount of Bonds which may be issued and Outstanding at any one time cannot exceed \$1,000,000,000.

No Acceleration Provision or Increase in Interest Rate Upon Default

The Indenture does not contain a provision allowing for the acceleration of the Series 2022 Bonds or an increase in the interest rate on the Series 2022 Bonds in the event of a default in the payment of principal and interest on the Series 2022 Bonds when due. In the event of a default by Alameda CTC, the Holders of at least a majority of the aggregate amount of the Series 2022 Bonds will have the right to request the Trustee to exercise the remedies, subject to the limitations thereon, set forth in the Indenture. See APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

No Reserve Fund

No reserve fund will be established for the Series 2022 Bonds.

Continuing Disclosure

Alameda CTC will covenant for the benefit of the beneficial owners of the Series 2022 Bonds to provide certain financial information and operating data relating to Alameda CTC and notices of the occurrence of certain enumerated events to the Municipal Securities Rulemaking Board (the “MSRB”) through the Electronic Municipal Market Access (“EMMA”) system pursuant to a Continuing Disclosure Certificate. These covenants are being made in order to assist the Underwriters of the Series 2022 Bonds in complying with Rule 15c2-12 (the “Rule”) of the U.S. Securities and Exchange Commission (“SEC”) promulgated under the Securities Exchange Act of 1934, as amended. See “CONTINUING DISCLOSURE” and APPENDIX D—“FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

Impact of COVID-19 Pandemic

In response to the spread of the novel strains of coronavirus collectively called SARS-CoV-2, which cause the disease known as COVID-19 (“COVID-19”), the Governor of the State (the “Governor”) declared a state of emergency in the State on March 4, 2020. In March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic, and the President of the United States declared a national state of emergency. The State and the County imposed significant restrictions on economic and other activity within the County beginning in March 2020. The economic shut-down caused by the COVID-19 pandemic and the related government restrictions on activity materially reduced consumer spending and sales tax collections in the County. Beginning in early 2021, the State and the County implemented a phased approach for terminating the restrictions originally placed on businesses and activities, and by summer 2021, nearly all restrictions imposed by the State and the County (including physical distancing and capacity limits on businesses) had been terminated. From time to time, restrictions have been re-imposed in various jurisdictions as local conditions warranted, and such restrictions may be renewed if conditions relating to COVID-19 worsen.

The Governor issued several executive orders in response to the COVID-19 pandemic. On March 12, 2020, the Governor issued Executive Order N-25-20, requiring CDTFA, which administers sales and use taxes in the State (including the Measure BB Sales Tax), to use its administrative powers where appropriate to provide extensions for filing, payment, audits, billing, notices, assessments, claims for refund, and relief from subsequent penalties and interest to individuals and businesses impacted by complying with a state or local public health official's imposition or recommendation of social distancing measures related to COVID-19. On March 30, 2020, the Governor issued Executive Order N-40-20, which provided a three-month extension for tax returns and tax payments for all businesses filing a return for less than \$1,000,000 in taxes. This order also extended the statute of limitations to file a claim for refund for taxes and fees administered by CDTFA, and extended the timeframe to file for appeal with the CDTFA. On April 2, 2020, the Governor announced a one-year reprieve on the payment of sales and use taxes for small businesses allowing them to request to defer payment on up to \$50,000 of sales and use tax liability. The executive orders described above have expired, but during their effectiveness, the Measure BB Sales Tax revenues were negatively impacted in Fiscal Year ended June 30, 2020.

As described below, in Fiscal Year ending June 30, 2021, Measure BB Sales Tax revenues rebounded, with Measure BB Sales Tax revenues exceeding the amount received during Fiscal Year ending June 30, 2019.

Measure BB Sales Tax revenues for the Fiscal Year ended June 30, 2020 were approximately \$155 million compared to approximately \$167 million for the Fiscal Year ended June 30, 2019, representing an approximately 7.12% decrease. Measure BB Sales Tax revenues for the Fiscal Year ended June 30, 2021 were approximately \$171 million, representing an approximately 10.20% increase compared to the Fiscal Year ended June 30, 2020, and an approximately 2.35% increase compared to the Fiscal Year ended June 30, 2019. Total Measure BB Sales Tax revenues for the first nine months of the Fiscal Year ending June 30, 2022 were approximately \$143 million, representing an increase of 16.15% from Measure BB Sales Tax revenues for the first nine months of the previous Fiscal Year. See the captions “THE SALES TAX—Historical Sales Tax Revenues” and “RISK FACTORS – Economy of the County and the State.”

The COVID-19 outbreak is ongoing, and its dynamic nature leads to uncertainties, including (i) the severity of the disease, including new variants; (ii) actions that may be taken in the future, by governmental authorities to contain or mitigate a worsening of conditions relating to COVID-19; (iii) the acceptance of and effectiveness (especially against any new variants of the virus) of vaccines; (iv) the impact of the outbreak on the local, national or global economy; (v) the impact of the outbreak and actions taken in response to the outbreak on Measure BB Sales Tax revenues; and (vi) temporary and permanent changes to consumers’ spending habits. As discussed above, the economic effects of the COVID-19 outbreak resulted in a significant reduction in Sales Tax Revenues in Fiscal Year ending June 30, 2020, but Measure BB Sales Tax revenues recovered in Fiscal Year ending June 30, 2021. To date, Alameda CTC does not believe that the impacts of the COVID-19 outbreak will have a material adverse impact on Alameda CTC’s ability to pay debt service on the Series 2022 Bonds; however, Alameda CTC is unable to predict the ongoing impact of the COVID-19 outbreak on economic activity within the County or the receipt of Measure BB Sales Tax revenues.

References

The descriptions and summaries of the Indenture and various other documents hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each such document, copies of which are available for inspection at the offices of Alameda CTC.

THE SERIES 2022 BONDS

General

The Series 2022 Bonds will be the first series of Bonds issued by Alameda CTC secured by the Pledged Revenues. The Series 2022 Bonds will mature on March 1 in the years and in the principal amounts shown on the inside cover of this Official Statement. Interest on the Series 2022 Bonds will be payable on each March 1 and September 1 of each year, commencing September 1, 2022 (each an “Interest Payment Date”), and will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Interest on each Series 2022 Bond will be payable by check mailed by first-class mail on each Interest Payment Date to the Holder thereof as of the close of business on the Record Date or, upon the written request of any Holder of \$1,000,000 or more in aggregate principal amount of Series 2022 Bonds who has provided the Trustee with wire transfer instructions, by wire transfer to an account within the United States on each Interest Payment Date, to the Holder thereof as of the close of business on the Series 2022 Record Date. “Record Date” means the fifteenth day of the calendar month prior to the calendar month in which an Interest Payment Date occurs, whether or not such day is a Business Day.

The Series 2022 Bonds will be issued as fully registered bonds without coupons in the denominations of \$5,000 and any integral multiple thereof. The Depository Trust Company (“DTC”) will act as the initial

securities depository for the Series 2022 Bonds, which will be issued initially pursuant to a book-entry only system. See APPENDIX E—“BOOK-ENTRY SYSTEM.” Under the Indenture, Alameda CTC may appoint a successor securities depository to DTC for the Series 2022 Bonds. The information under this caption, “THE SERIES 2022 BONDS,” is subject in its entirety to the provisions described in APPENDIX E—“BOOK-ENTRY SYSTEM” while the Series 2022 Bonds are in DTC’s book-entry system.

Redemption

Optional Redemption. The Series 2022 Bonds maturing on and after March 1, 2033 are subject to redemption prior to their respective stated maturities, at the option of Alameda CTC, from any source of available funds, on any date on or after March 1, 2032, as a whole, or in part by such maturity or maturities as may be specified by Alameda CTC (and by lot within a maturity), at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

Mandatory Redemption. The Series 2022 Bonds maturing on March 1, 2045 are Term Bonds and are subject to mandatory redemption from Mandatory Sinking Account Payments for such Series 2022 Bonds, on each March 1 on and after March 1, 2043, and in the principal amount equal to the Mandatory Sinking Account Payment due on such date at the Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

<i>Redemption Date (March 1)</i>	<i>Mandatory Sinking Account Payments</i>
2043	\$7,935,000
2044	8,325,000
2045*	8,740,000

* Final Maturity.

Notice of Redemption. Notice of redemption will be mailed by the Trustee, not less than twenty (20) days nor more than ninety (90) days prior to the redemption date, to each Holder and the Information Services. A copy of such notice will also be provided to each of the Notice Parties with respect to the Series 2022 Bonds. Notice of redemption to the Holders, the Information Services and the applicable Notice Parties will be given by first class mail. Each notice of redemption will state the date of such notice, the date of issue of the Series 2022 Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity, the distinctive certificate numbers of the Series 2022 Bonds of such maturity, if any, to be redeemed and, in the case of Series 2022 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice will also state that on said date there will become due and payable on each of said Series 2022 Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a Series 2022 Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon will cease to accrue, and will require that such Series 2022 Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Neither Alameda CTC nor the Trustee will have any responsibility for any defect in the CUSIP number that appears on any Series 2022 Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither Alameda CTC nor the Trustee will be liable for any inaccuracy in such CUSIP numbers.

Failure by the Trustee to give notice to any Notice Party or the Information Services or failure of any Holder, any Notice Party or the Information Services to receive notice or any defect in any such notice will not affect the sufficiency or validity of the proceedings for redemption.

With respect to any notice of optional redemption of Series 2022 Bonds delivered pursuant to the Indenture, unless, upon the giving of such notice, such Series 2022 Bonds will be deemed to have been paid within the meaning of the Indenture, such notice will state that such redemption will be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the principal of, and premium, if any, and interest on, such Series 2022 Bonds to be redeemed, and that if such amounts will not have been so received said notice will be of no force and effect and Alameda CTC will not be required to redeem such Series 2022 Bonds. If such notice of redemption contains such a condition and such amounts are not so received, the redemption will not be made and the Trustee will within a reasonable time thereafter give notice to the Holders to the effect that such amounts were not so received and such redemption was not made, such notice to be given by the Trustee in the manner in which the notice of redemption was given.

Any notice given pursuant to the Indenture may be rescinded by written notice given to the Trustee by Alameda CTC and the Trustee will give notice of such rescission as soon thereafter as practicable in the same manner, and to the same Persons, as notice of such redemption was given pursuant to Indenture.

Failure of DTC to receive any notice of redemption or any defect therein will not affect the sufficiency of any proceedings for redemption.

Selection of Series 2022 Bonds for Redemption. Alameda CTC may designate the Mandatory Sinking Account Payments, or portions thereof, that are to be reduced as allocated to an optional redemption. If less than all Series 2022 Bonds are to be redeemed at any one time, the Trustee will select the Series 2022 Bonds to be redeemed in any manner that it deems appropriate and fair and will promptly notify Alameda CTC in writing of the numbers of the Series 2022 Bonds so selected for redemption.

Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Series 2022 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Series 2022 Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice together with interest accrued thereon to the redemption date, interest on the Series 2022 Bonds so called for redemption shall cease to accrue, said Series 2022 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture and the Holders of said Series 2022 Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest to the date fixed for redemption from funds held by the Trustee for such payment and such funds are hereby pledged to such payment. All Series 2022 Bonds redeemed pursuant to the provisions of this Article shall be canceled upon surrender thereof.

DEBT SERVICE SCHEDULE

The following table shows the annual debt service requirements on the Series 2022 Bonds.

<i>Fiscal Year Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Debt Service</i>
2023	\$ 4,785,000	\$ 3,910,390.28	\$ 8,695,390.28
2024	3,085,000	5,962,250.00	9,047,250.00
2025	3,240,000	5,808,000.00	9,048,000.00
2026	3,400,000	5,646,000.00	9,046,000.00
2027	3,575,000	5,476,000.00	9,051,000.00
2028	3,750,000	5,297,250.00	9,047,250.00
2029	3,940,000	5,109,750.00	9,049,750.00
2030	4,135,000	4,912,750.00	9,047,750.00
2031	4,345,000	4,706,000.00	9,051,000.00
2032	4,560,000	4,488,750.00	9,048,750.00
2033	4,790,000	4,260,750.00	9,050,750.00
2034	5,025,000	4,021,250.00	9,046,250.00
2035	5,280,000	3,770,000.00	9,050,000.00
2036	5,540,000	3,506,000.00	9,046,000.00
2037	5,820,000	3,229,000.00	9,049,000.00
2038	6,110,000	2,938,000.00	9,048,000.00
2039	6,415,000	2,632,500.00	9,047,500.00
2040	6,735,000	2,311,750.00	9,046,750.00
2041	7,075,000	1,975,000.00	9,050,000.00
2042	7,425,000	1,621,250.00	9,046,250.00
2043	7,935,000	1,250,000.00	9,185,000.00
2044	8,325,000	853,250.00	9,178,250.00
2045	<u>8,740,000</u>	<u>437,000.00</u>	<u>9,177,000.00</u>
Total	\$ 124,030,000	\$84,122,890.28	\$ 208,152,890.28

PLAN OF FINANCE

Proceeds of the Series 2022 Bonds will be applied: (i) to finance and/or reimburse Alameda CTC for certain costs of implementing a portion of the transportation improvement projects included in the 2014 Transportation Expenditure Plan (as hereinafter defined), which are expected to include, among other projects, the State Route 84 (“SR-84”) Interstate 680 (“I-680”) Interchange Improvements and SR-84 Widening Project, 7th Street Grade Separation East Project, Interstate 80 (“I-80”)/Gilman Street Interchange Improvements Project (Phase 1 and 2), and I-680 Express Lane - Southbound Gap Closure (SR-84 to Alcosta Blvd) Project, in addition to other projects permitted to be funded with the Measure BB Sales Tax as permitted by the Act, Ordinance No. 2014-1 and the 2014 Transportation Expenditure Plan, and (ii) to pay costs of issuance of the Series 2022 Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” and “ALAMEDA COUNTY TRANSPORTATION COMMISSION- 2014 Transportation Expenditure Plan” herein.

The SR-84 I-680 Interchange Improvements and SR-84 Widening Project is designed to conform SR-84 to expressway standards between south of Ruby Hill Drive and the I-680 interchange by modifying SR-84 to accommodate one additional lane in each direction and implementing additional improvements to reduce weaving and merging conflicts and address additional traffic demand between I-680 and SR-84. The project would also improve the SR-84/I-680 interchange operations by modifying ramps and extending the existing southbound I-680 high-occupancy vehicle/express lane northward by approximately two miles. The project represents the final segment in a series of improvements to widen SR-84 to expressway standards from I-680 in Sunol to Interstate 580 in Livermore. The total cost of SR-84 I-680 Interchange Improvements and SR-84

Widening Project is expected to be approximately \$245.1 million and, in addition to proceeds of the Series 2022 Bonds, is expected to be funded with Measure B Sales Tax Revenues, the Measure BB Sales Tax revenues on pay as you go basis and other State, regional and local funding sources. Construction commenced in 2021 and is expected to be completed in the spring of 2024.

The 7th Street Grade Separation East Project is a project located in Oakland that will realign and reconstruct the existing railroad underpass and multi-use path along 7th Street between west of Interstate 880 and Maritime Street to increase vertical and horizontal clearances for trucks to current standards and improve the shared pedestrian/bicycle pathway. The cost of the project is expected to be approximately \$382.0 million and is expected to be funded with proceeds of the Series 2022 Bonds, Measure BB Sales Tax revenues on a pay as you go basis, and other State, regional and local funding sources. Construction is expected to begin in early 2023 and is expected to be completed in 2025.

The I-80 Gilman Interchange Improvements Project (Phase 1 and 2) is planned to reconfigure the I-80/Gilman Interchange, located in northwest Berkeley. The primary component of the project is a pair of roundabouts on both sides of I-80, as well as new pedestrian and bicycle facilities at and near the interchange. Construction on Phase 1 (pedestrian/bicycle overcrossing over I-80) of the project began in spring 2021 and is expected to be completed in 2023. The cost of the project is expected to be approximately \$86.0 million and is expected to be funded with proceeds of the Series 2022 Bonds, Measure BB Sales Tax revenues on a pay as you go basis, and other federal, State and local funding sources. Construction of Phase 2 will start in the spring of 2022 and is expected to be completed in 2024.

The I-680 Express Lane - Southbound Gap Closure (SR-84 to Alcosta Blvd) Project is designed to close the gap between existing and in-progress high occupancy vehicle/express lanes directly to the north and south. The project extends for approximately nine miles on the southbound I-680 through Dublin, Pleasanton and Sunol. The cost of the project is expected to be approximately \$198.0 million and is expected to be funded with proceeds of the Series 2022 Bonds, Measure BB Sales Tax Revenues on a pay as you go basis, and certain other State and regional funding sources. Construction is expected to begin on in the summer of 2022 and is expected to be completed in the fall of 2025.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of the funds are as follows:

Sources of Funds:	
Par Amount of Series 2022 Bonds	\$ 124,030,000.00
Premium	<u>16,600,312.25</u>
Total Sources	<u>\$ 140,630,312.25</u>
Uses of Funds:	
Deposit to Project Fund	\$ 140,000,000.00
Costs of Issuance ⁽¹⁾	<u>630,312.25</u>
Total Uses	<u>\$ 140,630,312.25</u>

⁽¹⁾ Includes underwriters’ discount, rating agency fees, Trustee fees, printing costs, Bond Counsel, Disclosure Counsel, General Counsel and Municipal Advisor fees and expenses and other miscellaneous expenses.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS

Limited Obligations

THE SERIES 2022 BONDS ARE LIMITED TAX BOND OBLIGATIONS OF ALAMEDA CTC PAYABLE SOLELY FROM PLEDGED REVENUES, PRIMARILY CONSISTING OF PLEDGED TAX REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE, AND ALAMEDA

CTC IS NOT OBLIGATED TO PAY THE SERIES 2022 BONDS EXCEPT FROM PLEDGED REVENUES AND THOSE CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE. THE SERIES 2022 BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN ALAMEDA CTC, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE. THE CREDIT OR TAXING POWER (OTHER THAN AS DESCRIBED IN THE INDENTURE) OF ALAMEDA CTC IS NOT PLEDGED, FOR THE PAYMENT OF THE SERIES 2022 BONDS, THEIR INTEREST, OR ANY PREMIUM DUE UPON REDEMPTION OF THE SERIES 2022 BONDS. THE SERIES 2022 BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE, LIEN OR ENCUMBRANCE UPON, ANY OF THE PROPERTY OF ALAMEDA CTC OR ANY OF ITS INCOME OR RECEIPTS, EXCEPT THE PLEDGED REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE.

Pledge of Pledged Revenues; Revenue Fund

Pursuant to the Indenture, Alameda CTC will pledge to the Trustee: (i) all Pledged Revenues (including all Pledged Tax Revenues), and (ii) all amounts, including proceeds of the Series 2022 Bonds, held on deposit in the funds and accounts established in the Indenture (except for amounts held in the Rebate Fund, any Letter of Credit Account and any Purchase Fund), subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

Pledged Revenues consists of (i) all Pledged Tax Revenues and (ii) all Swap Revenues (as of the date of this Official Statement, Alameda CTC has not entered into an Interest Rate Swap Agreement and does not receive any Swap Revenues). The collateral identified above will immediately be subject to the pledge under the Indenture, and the pledge shall constitute a first lien on and security interest in such collateral which will immediately attach to the collateral and be effective, binding and enforceable against Alameda CTC and all others asserting the rights therein, to the extent set forth, and in accordance with, the Indenture, irrespective of whether those parties have notice of the pledge and without the need for any physical delivery, recordation, filing or further act. The pledge of Pledged Revenues and all amounts held on deposit in the funds and accounts established under the Indenture (except for amounts held in the Rebate Fund, any Letter of Credit Account and any Purchase Fund) will be irrevocable until all of the Bonds, including Series 2022 Bonds, all Parity Obligations and amounts owed in connection with the Bonds and Parity Obligations are no longer Outstanding. All Bonds and Parity Obligations shall be of equal rank without preference, priority or distinction of any Bonds and Parity Obligations over any other Bonds and Parity Obligations. See APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Alameda CTC will cause Measure BB Sales Tax revenues (net of any refunds and fees imposed by CDTFA for administration of Ordinance 2014-1) to be transmitted by the CDTFA directly to the Trustee. From such Sales Tax Revenues the Trustee will promptly transfer to Alameda CTC the amount required for Alameda CTC’s administrative costs. The Trustee will then deposit the remainder in a trust fund, designated as the “Revenue Fund,” which fund the Trustee will establish and maintain under the Indenture. The Pledged Tax Revenues and all other amounts deposited into the Revenue Fund pursuant to the Indenture, will be received and held in trust by the Trustee for the benefit of the Holders of the Bonds and the Parity Obligations and will be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. Investment income on amounts held by the Trustee under the Indenture (other than amounts held in the Rebate Fund or for which particular instructions, such as with respect to a Project Fund, a Letter of Credit Account or a Purchase Fund, are provided in a Supplemental Indenture), will also be deposited in the Revenue Fund. All moneys at any time held in the Revenue Fund will be held in trust for the benefit of the Holders of the Bonds and the holders of Parity Obligations and will be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. The obligation of Alameda CTC to make payments of principal of, interest on and redemption premium of the Bonds and Parity Obligations will be an absolute obligation and will be payable prior to any allocation of such payments under Ordinance No. 2014-1.

The Series 2022 Bonds are limited obligations of Alameda CTC and are payable as to both principal and interest, and any premium upon redemption thereof, exclusively from the Pledged Revenues and other funds pledged under the Indenture.

For a more detailed description of the Measure BB Sales Tax revenues and projected receipts of Pledged Tax Revenues, see “THE SALES TAX” herein.

Allocation of Pledged Tax Revenues

So long as any Bonds remain Outstanding and Parity Obligations, Second Lien Obligations (as hereinafter defined) and all other amounts payable under the Indenture remain unpaid, the Trustee will set aside in each month following receipt of the Pledged Tax Revenues the moneys in the Revenue Fund in the following respective funds (each of which the Trustee will establish, maintain and hold in trust for the benefit of the Holders of the Bonds and, as and to the extent applicable, the holders of Parity Obligations) in the following amounts, in the following order of priority, the requirements of each such fund (including the making up of any deficiencies in any such fund resulting from lack of Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any fund subsequent in priority; provided that on a parity with such deposits the Trustee may set aside or transfer amounts with respect to any outstanding Parity Obligations as provided in the proceedings for such Parity Obligations delivered to the Trustee pursuant to the Indenture (which will be proportionate in the event such amounts are insufficient to provide for all deposits required as of any date to be made with respect to the Bonds and such Parity Obligations); provided further that payments on Interest Rate Swap Agreements that are payable on a parity with the Bonds will be payable from the Interest Fund and the required deposits below will be adjusted to include payments on such Interest Rate Swap Agreements in accordance with the Indenture:

1. Senior Interest Fund. The Indenture requires the Trustee, following receipt of the Pledged Tax Revenues in each month, to make monthly deposits in the Interest Fund in an amount equal to (a) one-sixth of the aggregate half-yearly amount of interest becoming due and payable on the Outstanding Current Interest Bonds (other than Bonds constituting Variable Rate Indebtedness) during the next ensuing six (6) months (excluding any interest for which there are moneys deposited in the Interest Fund from the proceeds of the Bonds or other source and reserved as capitalized interest to pay such interest during said next ensuing six (6) months) until the requisite half-yearly amount of interest on all such Outstanding Current Interest Bonds (except for Bonds constituting Variable Rate Indebtedness which will be governed by clause (b) below) is on deposit in such fund; provided that from the date of delivery of a Series of Current Interest Bonds until the first Interest Payment Date with respect to such Bonds the amounts set aside in such fund with respect to such Bonds will be sufficient on a monthly pro rata basis to pay the aggregate amount of interest becoming due and payable on said Interest Payment Date with respect to such Bonds; plus (b) the aggregate amount of interest to accrue during that month on Outstanding Variable Rate Indebtedness, calculated, if the actual rate of interest is not known, at the interest rate specified in writing by Alameda CTC, or if Alameda CTC will not have specified an interest rate in writing, calculated at the maximum interest rate borne by such Variable Rate Indebtedness during the month prior to the month of deposit plus 100 basis points (provided, however, that the amount of such deposit into the Interest Fund for any month may be reduced by the amount by which the deposit in the prior month exceeded the actual amount of interest accrued and paid during that month on said Outstanding Variable Rate Indebtedness and provided further that the amount of such deposit into the Interest Fund for any month will be increased by the amount by which the deposit in the prior month was less than the actual amount of interest accruing during that month on said Outstanding Variable Rate Indebtedness). No deposit need be made into the Interest Fund if the amount contained therein is at least equal to the interest to become due and payable on the Interest Payment Dates falling within the next six months upon all of the Bonds issued under the Indenture and then Outstanding, and on March 1 and September 1 of each year any excess amounts in the Interest Fund not needed to pay interest on such date (and not held to pay interest on Bonds having Interest Payment Dates other than March 1 and September 1) will be transferred to Alameda CTC (but excluding, in each case, any moneys on deposit in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay interest on any future Interest Payment Dates following such Interest Payment Dates).

All Swap Revenues received by Alameda CTC with respect to Interest Rate Swap Agreements that are Parity Obligations will be transferred by Alameda CTC to the Trustee and deposited in the Interest Fund and credited to the above required deposits. All Subsidy Payments received by Alameda CTC will be transferred by Alameda CTC to the Trustee and deposited in the Interest Fund and credited to the above required deposits. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

2. Senior Principal Fund; Sinking Accounts. The Indenture also requires the Trustee, following the receipt of the Pledged Tax Revenues, to make monthly deposits in the Principal Fund, as soon as practicable in such month, in an amount equal to at least (a) one-sixth of the aggregate semiannual amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having semiannual maturity dates within the next six (6) months, plus (b) one-twelfth of the aggregate yearly amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having annual maturity dates within the next twelve (12) months, plus (c) one-sixth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next six-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts have been created and for which semiannual mandatory redemption is required from said Sinking Accounts, plus (d) one-twelfth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next twelve-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts will have been created and for which annual mandatory redemption is required from such Sinking Accounts; provided that from the date of delivery of a Series of Bonds until the first date principal is due with respect to such Series of Bonds, the amounts set aside in such fund with respect to such Series of Bonds will be sufficient on a monthly pro rata basis to pay the aggregate amount of principal becoming due on said date with respect to such Series of Bonds; provided further that if Alameda CTC certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates, no amounts need be set aside towards such principal to be so refunded, except for amounts in any month to pay principal becoming due and payable in such month. All of the aforesaid deposits made in connection with future Mandatory Sinking Account Payments shall be made without priority of any payment into any one such Sinking Account over any other such payment.

If Sales Tax Revenues will not be sufficient to make the required deposits so that moneys in the Principal Fund on any principal or mandatory redemption date are equal to the amount of Bond Obligation to become due and payable on the Outstanding Serial Bonds of all Series plus the Bond Obligation amount of and redemption premium on the Outstanding Term Bonds required to be redeemed or paid at maturity on such date, then such moneys will be applied on a Proportionate Basis and in such proportion as said Serial Bonds and said Term Bonds will bear to each other, after first deducting for such purposes from said Term Bonds any of said Term Bonds required to be redeemed annually as will have been redeemed or purchased during the preceding twelve-month period and any of said Term Bonds required to be redeemed semiannually as will have been redeemed or purchased during the six-month period ending on such date or the immediately preceding six-month period. If Pledged Tax Revenues will not be sufficient to pay in full all Mandatory Sinking Account Payments required to be paid at any one time into all such Sinking Accounts, then payments into all such Sinking Accounts will be made on a Proportionate Basis, in proportion that the respective Mandatory Sinking Account Payments required to be made into each Sinking Account during the then current twelve-month period bear to the aggregate of all of the Mandatory Sinking Account Payments required to be made into all such Sinking Accounts during such twelve-month period.

No deposit need be made into the Principal Fund so long as there will be in such fund (i) moneys sufficient to pay the Bond Obligation of all Serial Bonds then Outstanding and maturing by their terms within the next 12 months plus (ii) the aggregate of all Mandatory Sinking Account Payments required to be made in such 12-month period, but less any amounts deposited into the Principal Fund during such 12-month period and theretofore paid from the Principal Fund to redeem or purchase Term Bonds during such 12-month period; provided that if Alameda CTC certifies to the Trustee that any principal payments in the following 12-month period are expected to be paid from amounts on deposit in a Reserve Fund that would be in excess of the Reserve Requirement applicable to such Reserve Fund upon such payment, no deposit need be made into the Principal Fund with respect to such principal payments. At the beginning of each Fiscal Year and in any event not later

than June 1 of each year, the Trustee will request from Alameda CTC a Certificate of Alameda CTC setting forth the principal payments for which deposits will not be necessary pursuant to the preceding sentence and the reason therefor. On June 1 of each year or as soon as practicable thereafter any excess amounts in the Principal Fund not needed to pay principal on such date (and not held to pay principal on Bonds having principal payment dates other than June 1) will be transferred to Alameda CTC. See APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

3. Reserve Fund. Upon the occurrence of any deficiency in any Reserve Fund, the Trustee will make such deposit to such Reserve Fund as is required pursuant to the Indenture, each such deposit to be made as soon as possible in each month, until the balance therein is at least equal to the applicable Reserve Requirement. See APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.” No Reserve Fund will be established in connection with the issuance of the Series 2022 Bonds.

4. Second Lien Obligations Fund. At the direction of Alameda CTC in a Certificate to the Trustee, the Trustee will establish, maintain and hold in trust a separate fund designated as the “Second Lien Obligations Fund.” As long as any Second Lien Obligations remain unpaid, any Revenues remaining in the Revenue Fund after the deposits described in (1), (2) and (3) above have been made will be transferred on the same Business Day to the Second Lien Obligations Fund. After the Trustee has made any deposit or payment of Revenues as in the current month required by the instrument or instruments creating the Second Lien Obligations, the Trustee shall transfer any remaining Revenues back to the Revenue Fund.

5. Third Lien Obligations Fund. At the direction of Alameda CTC in a Certificate to the Trustee, the Trustee will establish, maintain and hold in trust a separate fund designated as the “Third Lien Obligations Fund.” As long as any Third Lien Obligations remain unpaid, any Revenues remaining in the Revenue Fund after the deposits described in (1), (2), (3) and (4) above have been made will be transferred on the same Business Day to the Third Lien Obligations Fund. After the Trustee has made any deposit or payment of Revenues as in the current month required by the instrument or instruments creating the Third Lien Obligations, the Trustee will transfer any remaining Revenues back to the Revenue Fund.

6. Fees and Expenses Fund. If Alameda CTC incurs Fee and Expense Obligations, the Trustee will establish, maintain and hold in trust a separate fund designated as the “Fees and Expenses Fund.” At the direction of Alameda CTC, after the transfers described in (1), (2), (3), (4) and (5) above have been made, the Trustee will deposit as soon as practicable in each month in the Fees and Expenses Fund (i) amounts necessary for payment of fees, expenses and similar charges (including fees, expenses and similar charges relating to any Liquidity Facility or Credit Enhancement for the Bonds or any Parity Obligations) owing in such month or the following month by Alameda CTC in connection with the Bonds or any Parity Obligations, and (ii) amounts necessary for payment of fees, expenses and similar charges owing in such month or the following month by Alameda CTC in connection with Second Lien Obligations.

7. Swap Termination Payments Fund. At the direction of Alameda CTC in a Certificate to the Trustee, the Trustee will establish, maintain and hold in trust a separate fund designated as the “Swap Termination Payments Fund.” At the direction of Alameda CTC, after the deposits described in (1), (2), (3) and (4) above have been made, the Trustee will deposit as soon as practicable in each month in the Swap Termination Payments Fund any amounts necessary to pay termination payments owing in such month or the following month by Alameda CTC in connection with any Interest Rate Swap Agreements. Alameda CTC will inform the Trustee of such amounts, in writing, on or prior to the first Business Day of each month

See APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—Allocation of Sales Tax Revenues” for a more complete discussion.

Any Revenues remaining in the Revenue Fund after the foregoing deposits described in (1), (2), (3), (4), (5), (6) and (7) above, except as Alameda CTC otherwise directs in writing or as is otherwise provided in a Supplemental Indenture, will be transferred to Alameda CTC on the same Business Day or as soon as practicable

thereafter, to be used by Alameda CTC for any lawful purpose and after such transfer to Alameda CTC will be released from the lien of the Indenture and will no longer constitute “Pledged Revenues” under the Indenture.

No Reserve Fund for the Series 2022 Bonds

No Reserve Fund will be established for the Series 2022 Bonds.

Additional Bonds and Other Obligations

General. Subsequent to the issuance of the Series 2022 Bonds, Alameda CTC may by Supplemental Indenture establish one or more additional Series of Bonds, payable from Pledged Revenues and secured by the pledge made under the Indenture equally and ratably with the Series 2022 Bonds, upon compliance by Alameda CTC with the provisions of the Indenture and any additional requirements set forth in said Supplemental Indenture and subject to the specific conditions set forth below, each of which is a condition precedent to the issuance of any such additional Series of Bonds:

(A) No Event of Default shall have occurred and then be continuing, or such Event of Default shall be cured by the issuance of such additional Series of Bonds.

(B) Subject to the provisions of the Indenture, in the event a Supplemental Indenture providing for the issuance of such Series shall require either (i) the establishment of a Reserve Fund to provide additional security for such Series of Bonds or (ii) that the balance on deposit in an existing Reserve Fund be increased, forthwith upon the receipt of the proceeds of the sale of such Series, to an amount at least equal to the Reserve Requirement with respect to such Series of Bonds and all other Bonds secured by such Reserve Fund to be considered Outstanding upon the issuance of such additional Series of Bonds, the Supplemental Indenture providing for the issuance of such additional Series of Bonds shall require deposit of the amount necessary. Said deposit shall be made as provided in the Supplemental Indenture providing for the issuance of such additional Series of Bonds and may be made from the proceeds of the sale of such Series of Bonds or from other funds of Alameda CTC or from both such sources or may be made in the form of a Reserve Facility.

(C) The aggregate principal amount of Bonds issued under the Indenture shall not exceed any limitation imposed by Ordinance No. 2014-1 or any other law or by any Supplemental Indenture. Alameda CTC shall file with the Trustee a Certificate of Alameda CTC certifying that the issuance of such additional Series of Bonds and the expected use of proceeds thereof is in compliance with the provisions of the Indenture.

(D) Alameda CTC shall file with the Trustee a certificate showing that the amount of Pledged Revenues (excluding Swap Revenues) collected during any 12 consecutive calendar months specified by Alameda CTC within the most recent 18 calendar months immediately preceding the date on which such additional Series of Bonds will become Outstanding shall have been at least equal to two times Maximum Annual Debt Service on all Series of Bonds and Parity Obligations then Outstanding and the additional Series of Bonds then proposed to be issued, which certificate in each case shall also set forth the computations upon which such certificate is based.

Proceedings for Issuance of Additional Bonds. Subsequent to the issuance of the Series 2022 Bonds, before any additional Series of Bonds shall be issued and delivered, Alameda CTC shall file each of the documents identified below with the Trustee (upon which documents the Trustee may conclusively rely in determining whether the conditions precedent to the issuance of such Series of Bonds have been satisfied).

(A) A Supplemental Indenture authorizing such Series executed by Alameda CTC.

(B) A Certificate of Alameda CTC certifying that the requirements specified in paragraphs (A), (B) and (C) under the caption “— Additional Bonds—General” above have been satisfied by Alameda CTC.

(C) A Certificate of Alameda CTC certifying (on the basis of computations made as of the date of sale of such Series of Bonds) that the requirements of paragraph (D) under the caption “– Additional Bonds—General” above has been satisfied by Alameda CTC.

(D) An Opinion of Bond Counsel to the effect that the Supplemental Indenture is being entered into in accordance with the Indenture and that such Series of Bonds, when duly executed by Alameda CTC and authenticated and delivered by the Trustee, will be valid and binding obligations of Alameda CTC.

Refunding Bonds. Refunding Bonds may be authorized and issued by Alameda CTC without compliance with paragraph (D) under the caption “– Additional Bonds—General” above or paragraph (C); under the caption “– Additional Bonds—Proceedings for Issuance of Additional Bonds” above provided that the Trustee shall have been provided with either (i) a certificate to the effect that Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding following the issuance of such Refunding Bonds is less than or equal to Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding prior to the issuance of such Refunding Bonds or (ii) a certificate to the effect that issuance of such Refunding Bonds and the resulting refundings, prepayments and/or defeasances will generate present value savings. Such Refunding Bonds may be issued in an aggregate principal amount sufficient (together with any additional funds available or to become available) to provide funds for the payment of all or a portion of the following:

(A) the principal or Redemption Price of the Outstanding Bonds or outstanding Parity Obligations to be refunded;

(B) all expenses incident to the calling, retiring or paying of such Outstanding Bonds or outstanding Parity Obligations and the Costs of Issuance of such Refunding Bonds;

(C) any termination payment owed by Alameda CTC to a Counterparty after offset for any payments made to Alameda CTC from such Counterparty under any Interest Rate Swap Agreement that was entered into in connection with the Bonds or Parity Obligations to be refunded;

(D) interest on all Outstanding Bonds or outstanding Parity Obligations to be refunded to the date such Bonds or Parity Obligations will be called for redemption or paid at maturity;

(E) interest on the Refunding Bonds from the date thereof to the date of payment or redemption of the Bonds or Parity Obligations to be refunded; and

(F) funding a Reserve Fund for the Refunding Bonds, if required.

Proceedings for Issuance of Refunding Bonds. Subsequent to the issuance of the Series 2022 Bonds, before any additional Series of Bonds shall be issued and delivered, Alameda CTC shall file each of the documents identified below with the Trustee (upon which documents the Trustee may conclusively rely in determining whether the conditions precedent to the issuance of such Series of Bonds have been satisfied).

(A) A Supplemental Indenture authorizing such Series executed by Alameda CTC.

(B) A Certificate of Alameda CTC certifying that the requirements specified in paragraphs (A), (B) and (C) under the caption “– Additional Bonds—General” and paragraph (A) under the caption “—Refunding Bonds” above has been satisfied by Alameda CTC.

(C) If any of the Bonds to be refunded are to be redeemed prior to their stated maturity dates, irrevocable instructions to the Trustee to give the applicable notice of redemption or a waiver of the notice of redemption signed by the Holders of all or the portion of the Bonds or Parity Obligations to be redeemed, or proof that such notice has been given by Alameda CTC; provided, however, that in lieu of such instructions or

waiver or proof of notice of redemption, Alameda CTC may cause to be deposited with the Trustee all of the Bonds and Parity Obligations proposed to be redeemed (whether canceled or un-canceled) with irrevocable instructions to the Trustee to cancel said Bonds or Parity Obligations so to be redeemed upon the exchange and delivery of said Refunding Bonds; and provided further that no provision of this Indenture shall be construed to require the redemption of Bonds prior to their respective maturity dates in connection with the refunding thereof.

(D) An Opinion of Bond Counsel to the effect that the Supplemental Indenture is being entered into in accordance with the Indenture and that such Series of Refunding Bonds, when duly executed by Alameda CTC and authenticated and delivered by the Trustee, will be valid and binding obligations of Alameda CTC.

(E) The proceeds of the sale of the Refunding Bonds shall be applied by the Trustee according to the Order of Alameda CTC to the retirement of the Outstanding Bonds or Parity Obligations for the refunding of which said Refunding Bonds are to be issued, and the other expenses described in the Indenture. All Bonds or Parity Obligations purchased, redeemed or retired by use of funds received from the sale of Refunding Bonds, and all Bonds surrendered to the Trustee against the issuance of Refunding Bonds, shall be forthwith canceled and shall not be reissued.

Under both Ordinance No. 2014-1 and the Indenture, the maximum principal amount of Bonds which may be issued and Outstanding at any one time cannot exceed \$1,000,000,000. See APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Parity Obligations. Under the Indenture, Alameda CTC may issue or incur Parity Obligations on a parity with the Bonds, provided the following conditions to the issuance or incurrence of such Parity Obligations are satisfied:

(A) Such Parity Obligations have been duly and legally authorized by Alameda CTC for any lawful purpose;

(B) No Event of Default shall have occurred and then be continuing, or such Event of Default will be cured by the issuance or incurrence of such Parity Obligations, as evidenced by the delivery of a Certificate of Alameda CTC to that effect, which Certificate of Alameda CTC shall be filed with the Trustee;

(C) Such Parity Obligations are being issued or incurred (i) for purposes of refunding in compliance with the requirements for the issuance of Refunding Bonds set forth in the Indenture or (ii) Alameda CTC shall have placed on file with the Trustee a Certificate of Alameda CTC certifying (on the basis of calculations made no later than the date of sale or incurrence of such Parity Obligations, as applicable) that the requirements set forth in the Indenture relating to the issuance of an additional Series of Bonds have been satisfied with respect to such Parity Obligations, which certificate shall also set forth the computations upon which such certificate is based; and

(D) As and to the extent applicable, the Trustee shall be designated as paying agent or trustee for such Parity Obligations and Alameda CTC shall deliver to the Trustee a transcript of the proceedings providing for the issuance of such Parity Obligations (but the Trustee shall not be responsible for the validity or sufficiency of such proceedings or such Parity Obligations).

Subordinate Obligations

General. Except to the extent restricted by the Indenture, Alameda CTC may issue or incur obligations (“Subordinate Obligations”) payable out of Pledged Revenues on a basis junior and subordinate to the payment of the principal, interest and reserve fund requirements for the Bonds and Parity Obligations, as the same become due and payable and at the times and in the manner as required by the Indenture or as required by the instrument pursuant to which such Parity Obligations were issued or incurred, as applicable. Alameda CTC currently has no outstanding Subordinate Obligations and currently has no plans to issue any Subordinate Obligations.

Subordinate Obligations may include obligations of Alameda CTC issued or incurred in accordance with the Indenture, and secured by a lien and charge on Pledged Revenues subordinate to the lien and charge on Pledged Revenues that secures the Bonds and Parity Obligations and senior to the lien and charge on Pledged Revenues that secures the Third Lien Obligations (as hereinafter defined) (“Second Lien Obligations”), and obligations of Alameda CTC issued or incurred in accordance with the Indenture, and secured by a lien and charge on Pledged Revenues subordinate to the liens and charges on Pledged Revenues that secure the Bonds, the Parity Obligations and the Second Lien Obligations.

THE MEASURE BB SALES TAX

General

In accordance with the Act, on November 4, 2014, more than two-thirds of the voters of the County voting on the measure (specifically 70.76% of such voters) approved Measure BB, which authorized the extension of an existing one-half of one percent (1/2%) retail transactions and use tax then set to expire on March 31, 2022 and to impose and collect an additional one half of one percent (1/2%) retail transactions and use tax. The Measure BB Sales Tax was imposed at the rate of one-half of one percent (1/2%) from April 1, 2015 through March 31, 2022. Beginning on April 1, 2022, the aggregate Sales Tax authorized to be imposed under Measure BB increased to one percent (1.00%).

From April 1, 2015 through March 31, 2022, the Measure BB Sales Tax was imposed in addition to a one-half of one percent (1/2%) retail transactions and use tax (the “Measure B Sales Tax”), imposed pursuant to a prior sales tax measure, Measure B (“Measure B”), which was imposed within the County from April 1, 2002 through March 31, 2022. The Measure B Sales Tax revenues are not pledged to the Series 2022 Bonds and do not secure the Series 2022 Bonds. The Measure BB Sales Tax increased to one percent on April 1, 2022, following the expiration of the Measure B Sales Tax, and is scheduled to expire on March 31, 2045.

The Measure BB Sales Tax consists of a one percent (1%) sales tax on the gross receipts of retailers from the sale of tangible personal property sold in the County and a use tax at the same rate upon the storage, use or other consumption in the County of such property purchased from any retailer for storage, use or other consumption in the County, subject to certain limited exceptions described below. The one percent sales tax imposed in the County for transportation purposes and administered by Alameda CTC is in addition to the sales tax levied statewide by the State and certain other sales taxes imposed by cities and local agencies within the County. See “THE MEASURE BB SALES TAX—Other Sales Taxes Imposed in the County.” In general, the statewide sales tax applies to the gross receipts of retailers from the sale of tangible personal property. The statewide use tax is imposed on the storage, use or other consumption in the State of property purchased from a retailer for such storage, use or other consumption. Since the use tax does not apply to cases where the sale of the property is subject to the sales tax, the application of the use tax generally applies to purchases made outside of the State for use within the State, subject to certain exceptions.

The Measure BB Sales Tax generally is imposed upon the same transactions and items subject to the sales and use tax levied statewide by the State (hereinafter collectively referred to as the “State Sales Tax”), with generally the same exceptions. Many categories of transactions are exempt from the State Sales Tax and the Sales Tax. The most important of these exemptions are: sales of food products for home consumption, prescription medicine, edible livestock and their feed, seed and fertilizer used in raising food for human consumption, and gas, electricity and water when delivered to consumers through mains, lines and pipes. In addition, “Occasional Sales” (i.e., sales of property not held or used by a seller in the course of activities for which he or she is required to hold a seller’s permit) are generally exempt from the State Sales Tax and from the Sales Tax; however, the “Occasional Sales” exemption does not apply to the sale of an entire business and other sales of machinery and equipment used in a business. Sales of property to be used outside the County which are shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer, or by delivery by the retailer to a carrier for shipment to a consignee, at such point, are exempt from the State Sales Tax and from the Measure BB Sales Tax.

Action by the State Legislature or by voter initiative or judicial decisions interpreting State law could change the transactions and items upon which the State Sales Tax and the Measure BB Sales Tax are imposed. Such changes or amendments could have either an adverse or beneficial effect on Sales Tax Revenues. Alameda CTC is not currently aware of any proposed legislative change which would have a material adverse effect on Sales Tax Revenues. See also “RISK FACTORS — Proposition 218” herein.

Collection of Measure BB Sales Tax Revenues

Collection of the Measure BB Sales Tax is administered by the CDTFA. Alameda CTC and the CDTFA have entered into two separate Amended and Restated Agreements for State Administration of District Transactions and Use Taxes in connection with administration of the Measure BB Sales Tax, each of which were amended and restated on June 9, 2022 to authorize payment of Measure BB Sales Tax revenues directly to the Trustee. Pursuant to the amended and restated agreements, CDTFA, after deducting amounts payable to itself for administrative costs, will be required to remit the balance of amounts received from the Measure BB Sales Tax directly to the Trustee. Pursuant to the Indenture, if Alameda CTC receives any Pledged Tax Revenues from the CDTFA, Alameda CTC covenants and agrees that any such Pledged Tax Revenues will be received and held in trust for (and remitted immediately to) the Trustee. See APPENDIX C—“SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE—The Indenture—Certain Covenants of Alameda CTC—Collection of Sales Tax Revenues.” The Trustee will be required to apply the Pledged Tax Revenues to make deposits to the funds and accounts established under the Indenture. Pledged Tax Revenues not required for such deposits will be remitted to Alameda CTC. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS” herein. The fee that the CDTFA is authorized to charge for collection of the Measure BB Sales Tax is determined by State legislation. The CDTFA fee for collection of the Measure BB Sales Tax for Fiscal Year 2021-22 is estimated at approximately \$2 million.

[Remainder of page intentionally left blank.]

Historical Sales Tax Revenues

Measure B Sales Tax Revenues. From April 1, 2002 through March 31, 2022, Alameda CTC imposed the Measure B Sales Tax, a one-half of one percent retail transactions and use tax pursuant to Measure B. Collection of the Measure B Sales Tax terminated on March 31, 2022. See “THE SALES TAX—General.” The following table sets forth the Measure B Sales Tax, net of the administrative fee retained by CDTFA, or its predecessor, the State Board of Equalization, for the Fiscal Years indicated. The Measure B Sales Tax revenues are not pledged to the Series 2022 Bonds and do not secure the Series 2022 Bonds.

ALAMEDA COUNTY TRANSPORTATION COMMISSION MEASURE B SALES TAX REVENUES

<i>Fiscal Year Ended June 30</i>	<i>Measure B Sales Tax Revenues^{(1) (2)}</i>	<i>% Change From Prior Fiscal Year</i>
2002	\$ 22,583,145 ⁽³⁾	--
2003	92,695,376	--
2004	99,054,892	6.86%
2005	101,134,874	2.10
2006	110,339,552	9.10
2007	113,726,121	3.07
2008	116,267,321	2.23
2009	101,317,661	(12.86)
2010	94,453,574	(6.77)
2011	105,393,813	11.58
2012	112,568,093	6.81
2013	121,084,780	7.57
2014	127,095,900	4.96
2015	132,537,037	4.28
2016	137,289,997	3.59
2017	142,937,413	4.11
2018	154,489,199	8.08
2019	167,221,953 ⁽⁴⁾	8.24
2020	155,366,985 ⁽⁵⁾	(7.09)
2021	170,522,877	9.75
2022	142,050,881 ⁽⁶⁾	--

⁽¹⁾ Net of State Board of Equalization or CDTFA, as applicable, administrative fee.

⁽²⁾ In certain Fiscal Years, Alameda CTC receives a true-up adjustment of prior year sales tax revenues as a result of corrections made by the CDTFA as a result of internal CDTFA audits and other external audits. Such prior year sales tax revenues are accounted for in the year in which they are received by Alameda CTC, and, as a result, contribute to certain year-to-year fluctuations in Measure B Sales Tax revenues. In addition, as a result of the receipt of such true-up adjustments, for years in which both the Measure B Sales Tax and the Measure BB Sales Tax were collected, there are differences between the total amounts received of each such sales tax, despite each sales tax being equal to one-half of one percent during such period and being levied on the same tax base.

⁽³⁾ Measure B Sales Tax revenues collected from April 1, 2002, commencement of the Measure B Sales Tax revenues, through June 30, 2002.

⁽⁴⁾ In May 2018, CDTFA implemented a new automated system for processing, reporting and distributing sales tax revenues to agencies throughout the State. As a result, several thousand tax returns were not processed in a timely manner.

⁽⁵⁾ Decrease in the Fiscal Year ended June 30, 2020 largely attributable to the effects of the COVID-19 pandemic. See the captions “—Collection of Sales Tax Revenues” and “RISK FACTORS—Economy of the County and the State.”

⁽⁶⁾ Collections through March 2022. Collection of Measure B Sales Tax revenues expired on March 31, 2022 and effective April 1, 2022 the Measure BB Sales Tax increased from one-half of one percent to one percent. Alameda CTC will continue to receive certain amounts of Measure B Sales Tax revenues after March 31, 2022, due to the delays in receipt of such Measure B Sales Tax Revenues due, in part, to the true-up adjustments discussed in footnote (2) above.

Source: Alameda CTC.

Measure BB Sales Tax Revenues. The one-half of one percent retail transactions and use tax authorized under Measure BB took effect on April 1, 2015 and was imposed at such rate until March 31, 2022. Beginning on April 1, 2022, the Measure BB Sales Tax under Measure BB increased to one percent and is scheduled to expire on March 31, 2045. The following table sets forth Measure BB Sales Tax net of the administrative fee retained by CDTFA, or its predecessor, the State Board of Equalization, for the Fiscal Years indicated. The four percent deduction for Alameda CTC administrative costs is not reflected in the below table.

HISTORICAL MEASURE BB SALES TAX REVENUES

<i>Fiscal Year Ended June 30</i>	<i>Measure BB Sales Tax Revenues⁽¹⁾⁽²⁾</i>	<i>% Change From Prior Fiscal Year</i>
2015	\$ 27,708,769 ⁽³⁾	--
2016	137,296,312	--
2017	141,853,829	3.32%
2018	153,493,524	8.21
2019	166,790,508 ⁽⁴⁾	8.66
2020	154,910,321 ⁽⁵⁾	(7.12)
2021	170,709,226	10.20

(1) Net of State Board of Equalization or CDTFA, as applicable, administrative fee. Reflects the imposition of a retail transactions and use tax of one-half of one percent. As of April 1, 2022, the Measure BB Sales Tax increased to one percent. Does not reflect deduction of 4% for Alameda CTC administration costs.

(2) In certain Fiscal Years, Alameda CTC receives a true-up adjustment of prior year sales tax revenues as a result of corrections made by the CDTFA as a result of internal CDTFA audits and other external audits. Such prior year sales tax revenues are accounted for in the year in which they are received by Alameda CTC, and, as a result, contribute to certain year-to-year fluctuations in Measure BB Sales Tax revenues. In addition, as a result of the receipt of such true-up adjustments, for years in which both the Measure B Sales Tax and the Measure BB Sales Tax were collected, there are differences between the total amounts received of each such sales tax, despite each sales tax being equal to one-half of one percent during such period and being levied on the same tax base.

(3) Sales Tax Revenues collected from April 1, 2015, commencement of the Sales Tax, through June 30, 2015.

(4) In May 2018, CDTFA implemented a new automated system for processing, reporting and distributing sales tax revenues to agencies throughout the State. As a result, several thousand tax returns were not processed in a timely manner.

(5) Decrease in the Fiscal Year ended June 30, 2020 largely attributable to the effects of the COVID-19 pandemic. See the captions “—Collection of Sales Tax Revenues” and “RISK FACTORS—Economy of the County and the State.”

Source: Alameda CTC.

[Remainder of page intentionally left blank.]

Set forth in the table below are the monthly Sales Tax Revenues for Fiscal Years ended June 30, 2019, 2020 and 2021 and for the first nine months of Fiscal Year ending June 30, 2022.

ALAMEDA COUNTY TRANSPORTATION COMMISSION
MONTHLY HISTORICAL MEASURE BB SALES TAX REVENUES
Fiscal Years Ended June 30, 2019, 2020 and 2021, and Nine Months
of Fiscal Year Ending June 30, 2022⁽¹⁾⁽²⁾

<i>Month</i>	<i>Fiscal Year Ended 2019</i>	<i>Fiscal Year Ended 2020</i>	<i>% Change From Prior Fiscal Year</i>	<i>Fiscal Year Ended 2021</i>	<i>% Change From Prior Fiscal Year</i>	<i>Fiscal Year Ending 2022⁽¹⁾</i>	<i>% Change From Prior Fiscal Year</i>
July	\$12,709,810	\$13,735,516	8.07%	\$14,058,489	2.35%	\$14,018,612	(0.28)%
August	16,465,454	15,491,086	(5.92)	16,055,736	3.65	15,689,534	(2.28)
September	15,843,560	12,948,333	(18.27)	11,912,037	(8.00)	15,967,158	34.04
October	13,862,631	12,884,340	(7.06)	13,443,392	4.34	14,513,727	7.96
November	13,705,957	13,379,140	(2.38)	13,823,035	3.32	14,372,361	3.97
December	15,793,009	19,091,379	20.89	14,487,740	(24.11)	21,239,940	46.61
January	12,983,900	11,428,515	(11.98)	12,028,259	5.25	12,797,405	6.39
February	13,024,881	10,754,034	(17.44)	13,819,538	28.51	12,842,176	(7.07)
March	12,008,796	8,754,568	(27.10)	13,069,760	49.29	21,071,483	61.22
April	12,975,054	10,777,188	(16.94)	13,307,344	23.48	--	--
May	14,327,224	14,851,611	3.66	17,060,169	14.87	--	--
June	13,090,232	10,814,613	(17.38)	17,643,728	63.15	--	--
Total	\$166,790,508	\$154,910,321	(7.12)%	\$170,709,226	10.20%	\$142,512,395	16.15%

(1) Unaudited.

(2) Net of State Board of Equalization or CDTFA, as applicable, administrative fee. Reflects the imposition of a retail transactions and use tax of one-half of one percent. Does not reflect deduction of 4% for Alameda CTC administration costs.
Source: Alameda CTC.

Annual Measure BB Sales Tax revenues for the Fiscal Year ended June 30, 2021 were \$170,709,226 representing an increase of \$15,798,905 or 10.20% over the previous Fiscal Year. Total Measure BB Sales Tax revenues for the first nine months of the Fiscal Year ending June 30, 2022 were approximately \$142,512,395, representing an increase of approximately 16.15% over Measure BB Sales Tax revenues for the first nine months of the previous Fiscal Year. The annual Sales Tax Revenues for the Fiscal Year ended June 30, 2020 were materially impacted by the effects of the COVID-19 pandemic. See the captions “—Collection of Sales Tax Revenues” and “INTRODUCTION—Impact of COVID-19 Pandemic.” On May 26, 2022, Alameda CTC adopted its budget for the Fiscal 2022-23 (the “2022-23 Budget”). The 2022-23 Budget includes the receipt of \$360,000,000 of Measure BB Sales Tax Revenues.

Alameda CTC is unable to predict the amount of future Sales Tax Revenues. For a summary of historical taxable retail sales within the County, see the table entitled “County of Alameda, Taxable Sales Transactions” in APPENDIX B—“COUNTY OF ALAMEDA DEMOGRAPHIC AND ECONOMIC INFORMATION.”

As discussed above, the aggregate Measure BB Sales Tax authorized to be imposed under Measure BB increased to one percent on April 1, 2022. Prior to April 1, 2022, the Measure BB Sales Tax was collected at a rate of one half of one percent. Because Alameda CTC does not have data for a twelve month period of the collection of the Measure BB Sales Tax at the rate of one percent, for purposes of the coverage ratio set forth below, an estimated amount of Pledged Revenues imposed at one percent for a twelve month period has been applied to provide an estimated coverage ratio. The estimated Pledged Revenues in the table below was derived by doubling the amount of Measure BB Sales Tax revenues received by Alameda CTC for Fiscal Year ended June 30, 2021 and reducing such amount by four percent. The estimated Pledged Tax Revenues are provided for illustrative purposes only and there can be no assurance that Pledged Tax Revenues collected at the rate of one percent for a full Fiscal Year will be in the amount set forth below. The following table sets forth the Maximum Annual Debt Service coverage ratio for the Series 2022 Bonds based on estimated Sales Tax Revenues reflecting the collection of the Measure BB Sales Tax at one percent for a twelve month period and a par amount of \$124,030,000.

**ALAMEDA COUNTY TRANSPORTATION COMMISSION
COVERAGE RATIO**

<i>Estimated Pledged Tax Revenues (12 Month Period of Collections)⁽¹⁾</i>	<i>Maximum Annual Debt Service</i>	<i>Coverage Ratio</i>
\$327,761,714	\$ 9,185,000	35.68x

⁽¹⁾ Represents Measure BB Sales Tax revenues received by Alameda CTC in Fiscal Year 2021 multiplied by two and reducing the product thereof by four percent. On April 1, 2022, the Measure BB Sales Tax increased to one percent from one half of one percent.

Source: Alameda CTC for Estimated Pledged Revenues; PFM Financial Advisors LLC for Maximum Annual Debt Service and Coverage Ratio.

Other Sales Taxes Imposed in the County

With limited exceptions, the Measure BB Sales Tax is imposed on the same transactions and items subject to the State Sales Tax. In addition to the State Sales Tax and the Measure BB Sales Tax, the following sales and use taxes are imposed by certain entities within the County. No portion of the State Sales Tax or the following taxes imposed within the County are pledged to the repayment of the Series 2022 Bonds.

<i>Sales and Use Tax</i>	<i>Tax Rate</i>	<i>Effective Date</i>	<i>Termination Date</i>
Alameda County ⁽¹⁾	0.50%	07/01/2021	06/30/2031
Alameda County Children's Health and Child Care ⁽¹⁾	0.50	07/01/2021	06/30/2041
Alameda County Essential Health Care Services ⁽¹⁾	0.50	07/01/2004	N/A
San Francisco Bay Area Rapid Transit District ⁽¹⁾	0.50	04/01/1970	N/A
City of Alameda ⁽²⁾	0.50	04/01/2019	N/A
City of Albany ⁽²⁾	0.50	04/01/2013	N/A
City of Emeryville ⁽²⁾	0.25	07/01/2020	N/A
City of Hayward ⁽²⁾	0.50	10/01/2014	N/A
City of Newark ⁽²⁾	0.50	04/01/2017	03/31/2042
City of San Leandro ⁽²⁾	0.50	04/01/2015	03/31/2045
City of Union City ⁽²⁾	0.50	04/01/2011	N/A

⁽¹⁾ Levied throughout the County.

⁽²⁾ Levied only in the respective cities.

Source: *California City and County Sales and Use Tax Rates* (April 1, 2022), CDTFA.

Accounting for all the various sales taxes described above, transactions in the County are currently being taxed at an effective rate of 10.25% outside of the cities of Alameda, Albany, Emeryville, Hayward, Newark, San Leandro and Union City, and at an effective rate of 10.50% in the City of Emeryville and an effective rate of 10.75% in the Cities of Alameda, Albany, Hayward, Newark, San Leandro and Union City.

Recent Developments Regarding Sales Tax Collection

In June 2018, the United States Supreme Court published its decision in *South Dakota v. Wayfair* (the "Wayfair Decision"), in which the Supreme Court held that sales to a customer in a particular state alone are sufficient to create a nexus for purposes of determining whether a seller is required to collect sales taxes of the applicable state. Prior to the Wayfair Decision, courts had interpreted the dormant Commerce Clause of the United States Constitution to require that a company have physical nexus in a state in order for the seller to be liable for the collection of that state's sales tax. Physical nexus is defined as having either property or payroll in the state, including a resident employee working from home or inventory stored in that state.

The State has issued guidance in response to the Wayfair Decision. Under such guidance, retailers located outside of the State are required to register with the CDTFA, collect the California use tax, and pay the tax to the CDTFA based on the amount of their sales into California, even if they do not have a physical presence in the state. The new collection requirements apply to retailers if during the preceding or current calendar year certain sales thresholds are met. The new collection requirements started to apply to taxable sales of tangible personal property to California consumers on and after April 1, 2019, and were not retroactive. Additionally, the State's passage of Assembly Bill 147, signed by the Governor on April 25, 2019, provides the implementation rules for the Wayfair Decision in California. Alameda CTC is unable to predict the ultimate effect that the Wayfair Decision may have on Pledged Tax Revenues.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

General

Alameda CTC is a joint powers agency formed to plan, fund and deliver a broad spectrum of transportation projects and programs to enhance mobility throughout the County. Alameda CTC is the successor to two previous agencies, the Alameda County Transportation Improvement Authority (“ACTIA”), which was the successor to the Alameda County Transportation Authority (“ACTA”) and the Alameda County Congestion Management Agency (“ACCMA”), as described below.

ACTA was created in connection with the approval of a prior ballot measure by County voters in November 1986, which authorized the imposition of a one-half of one percent (1/2%) transaction and use tax in the County for a period of 15 years (“1986 Sales Tax”).

In November 2000, prior to the expiration of the 1986 Sales Tax, the County Board of Supervisors placed Measure B on the ballot, and County voters voting on the measure approved Measure B. ACTIA was formed to manage Measure B funds. Administration activities by ACTIA included contract oversight, policy direction, financing, investment management, and coordinating projects with regional transit and transportation agencies and other project sponsors, as required.

The 1986 Sales Tax terminated on March 31, 2002. Subsequently, ACTA continued to complete certain unfinished projects. 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. This resolution also provided for the termination of ACTA following the completion of the transfer process.

ACCMA was created in 1991 pursuant to a joint powers agreement between the County and all incorporated cities within the County. ACCMA was responsible for planning, programming, and coordinating Federal, State, and regional funds for transportation projects within the County, including the Sunol Smart Carpool Lane Project, which planned, designed and constructed, and then administered the operation of a value pricing high-occupancy vehicle program on the Sunol Grade segment of southbound Interstate 680 in Alameda and Santa Clara counties.

In early 2010, ACTIA, ACCMA, the County, the fourteen incorporated cities within the County, the San Francisco Bay Area Rapid Transit District and the Alameda-Contra Costa Transit District each acted to form Alameda CTC, as a joint powers authority, to combine the roles and responsibilities of ACCMA and ACTIA.

On June 24, 2010, the governing bodies of ACTIA and ACCMA gave the final approvals required to create Alameda CTC. After a transition period necessary to accomplish certain administrative matters, on February 29, 2012, ACTIA and ACCMA were both terminated, and Alameda CTC was designated as the successor to both agencies. Alameda CTC has all the functions and responsibilities previously held by ACTA, ACTIA and ACCMA, along with certain additional powers as described in the joint powers agreement establishing Alameda CTC. Alameda CTC owns a toll lane revenue system on the I-580 Express Lanes. The maintenance and operation costs of the system are paid with tolls collected on the I-580 Express Lanes. Other than the toll lane revenue system on the I-580 Express Lanes, Alameda CTC does not own transportation facilities.

Governance

Alameda CTC is governed by a Commission consisting of 22 Commissioners, with the following representation: all five County Supervisors, two City of Oakland representatives and one representative from each of the other 13 incorporated cities in the County, one representative from the San Francisco Bay Area Rapid Transit District (“BART”) and one representative from the Alameda-Contra Costa Transit District. The role of the Commission is to act as a policy-making board for Alameda CTC activities.

Executive Staff

Alameda CTC's key staff members, the position held by each and a brief statement of the background of each staff member are set forth below.

Tess Lengyel, Executive Director. Tess Lengyel is Alameda CTC's Executive Director. Ms. Lengyel is the second person to lead Alameda CTC and has been in the position of Executive Director since December 2019. She manages an overall budget of almost \$600 million and an authorized staff of 45 full-time employees. Prior to being appointed as Executive Director, Ms. Lengyel was the Deputy Executive Director of Planning and Policy for Alameda CTC. As the Deputy Executive Director of Planning and Policy, Ms. Lengyel directed all short and long-range transportation planning for the County which provided the foundation for transportation funding decisions made by Alameda CTC. Ms. Lengyel led the development of the 2014 Transportation Expenditure Plan and was also a key participant in the passage of both Measure B and Measure BB. Prior to joining Alameda CTC, Ms. Lengyel served as a programs and public affairs manager for ACTIA and was responsible for the development and implementation of \$60 million per year of ACTIA's programmatic expenditures. Ms. Lengyel holds a bachelor's degree in planning and policy/environmental studies.

Carolyn Clevenger, Deputy Executive Director of Planning and Policy. Carolyn Clevenger is the Deputy Executive Director of Planning and Policy for Alameda CTC. Ms. Clevenger was named Deputy Executive Director of Planning and Policy in February 2020. As Deputy Executive Director of Planning and Policy, she oversees all planning efforts and programs implementation at Alameda CTC. Ms. Clevenger directs all short- and long-range transportation planning for Alameda CTC, which provides the foundation for future transportation investments. Ms. Clevenger's key planning initiatives include multimodal planning projects, passenger rail studies, goods movement and countywide plans. She also oversees implementation of programs such as the Affordable Student Transit Pass and Safe Routes to Schools programs, and Alameda CTC's communications and legislative program. Ms. Clevenger has nearly 20 years of experience in transportation, having previously worked at the Metropolitan Transportation Commission where she led regional planning work and other major projects. Ms. Clevenger also served as Chief of Staff to the New York City Economic Development Corporation. Ms. Clevenger holds a master's degree from New York University and an undergraduate degree from the Georgia Institute of Technology.

Gary Huisingh, Deputy Executive Director of Projects. Gary Huisingh has been the Deputy Executive Director of Projects since January 2019. As Deputy Executive Director of Projects for Alameda CTC, Mr. Huisingh facilitates project delivery and oversight of Alameda CTC's \$10.25 billion capital program and programming of multiple fund sources administered by Alameda CTC. Over the course of his more than 30-year career in both local government and private sector, Mr. Huisingh's experience has ranged from major transportation and residential development projects to maintenance and redevelopment projects. Mr. Huisingh is a graduate of the University of California at Davis and is a registered professional engineer.

Patricia Reavey, Deputy Executive Director of Finance and Administration. Patricia Reavey has been the Deputy Executive Director of Finance and Administration for Alameda CTC since July 2016. Prior to becoming the Deputy Executive Director of Finance and Administration, Ms. Reavey served as the Director of Finance for Alameda CTC for five and half years. Ms. Reavey brings over 33 years of finance related experience to Alameda CTC. She came to Alameda CTC from the San Mateo County Transit District (SamTrans), Peninsula Corridor Joint Powers Board (Caltrain) and the San Mateo County Transportation Authority (SMCTA) where she served as the Director of Finance since December 2005. Her public sector career began in April, 2002 working for SamTrans where she was soon promoted to Director of Finance. Prior to her career in the public sector, she worked in finance for a private firm in downtown San Francisco for 14 years from which she resigned as Controller and Vice President. Ms. Reavey has a bachelor's degree in finance/accounting and is a licensed CPA in the State of California.

Lily Balinton, Director of Finance. Lily Balinton has been with the Alameda CTC for over 10 years in varying capacities and has served as the Director of Finance for four of those 10 years. As the Director of

Finance, Ms. Balinton has full oversight and management responsibility for finance, accounting and human resource functions, which includes budgets, financial analysis and reporting, treasury and cash management, debt management, accounts payable and receivable, payroll, fixed assets, financial database management, benefits administration, and human resources. She brings over 20 years of finance related experience to Alameda CTC. Prior to coming to Alameda CTC, she served in various capacities in the finance department for the San Mateo County Transit District (SamTrans), Peninsula Corridor Joint Powers Board (Caltrain), and San Mateo County Transportation Authority (SMCTA) for 10 years. Ms. Balinton has a bachelor's degree in accounting from the University of Oregon.

2014 Transportation Expenditure Plan

In June 2014, Alameda CTC adopted the 2014 Alameda County Transportation Expenditure Plan (the "2014 Transportation Expenditure Plan") for the Measure BB Sales Tax. Pursuant to Ordinance No. 2014-1, Measure BB Sales Tax revenues from the Measure BB Sales Tax may be used to finance the transportation projects and programs listed in the 2014 Transportation Expenditure Plan. Two types of investments are funded under the 2014 Transportation Expenditure Plan: (i) capital investments which are allocated specific dollar amounts in the 2014 Transportation Expenditure Plan, and (ii) operations and maintenance investments which are allocated a percentage of net revenues to be distributed on a monthly or periodic basis. Capital investments are made based upon clearly defined project descriptions and limits resulting from the outcomes of environmental analyses, as applicable. Examples of operations and maintenance investments include providing funds to local jurisdictions to complete ongoing operations and maintenance tasks such as transit operations and local street maintenance.

Under the 2014 Transportation Expenditure Plan, amounts collected pursuant to Measure BB are allocated as follows:

- **BART, Bus, Senior and Youth Transit (48%).** A total of 48% of net revenue is dedicated to BART, bus, commuter rail, and senior and youth transit investments. Funds for operations and maintenance are provided to transit operators in the County as well as to ferries and the Altamont Commuter Express rail service. Major capital investments include upgrades to the existing rail system and BART extensions, adding bus rapid transit routes to improve utility and efficiency of transit and providing funding for transit improvement serving the Dumbarton Corridor Area.
- **Local Streets and Maintenance and Safety (30%).** A total of 30% of the net revenue is dedicated to the improvement of local streets. The investments include two major components: a program that provides funding for local jurisdictions to maintain streets and a capital program that is focused on improving the performance of major commute routes and bridges throughout the County, including enhancing seismic safety.
- **Traffic Relief on Highways (9%).** A total of 9% of net revenue is allocated to the highway system, including 1% allocated specifically to goods movement and related projects. Funding is allocated to each highway corridor in the County for needed improvements. Specific projects have been identified based on project readiness, local priority and the ability to leverage current investments and funds. Priority of implementation of specific investments and amounts are determined as part of the Capital Improvement Program developed by Alameda CTC every two years.
- **Bicycle and Pedestrian Paths and Safety (8%).** A total of 8% of funds available under the 2014 Transportation Expenditure Plan are devoted to improving bicycle and pedestrian infrastructure as well as providing programs to encourage people to bike and walk when possible and to support accessibility for seniors and people with disabilities.
- **Community Development Investments (4%) and Technology and Innovation (1%).** A total of 4% of net revenue is dedicated to improvements that link transportation infrastructure with areas identified for new development. One percent of net revenue is dedicated to investments in new technology, innovation and development.

Within the general categories of the 2014 Transportation Expenditure Plan set forth above, the 2014 Transportation Expenditure Plan allocates specific dollar amounts of Sales Tax Revenues to certain projects identified in the 2014 Transportation Expenditure Plan. Under the 2014 Transportation Expenditure Plan, approximately 46.26% of the Measure BB Sales Tax received by Alameda CTC is eligible to be expended on capital projects. Of the approximately 46.26%, approximately 35.02% is to be applied to specific projects identified in the 2014 Transportation Expenditure Plan and approximately 11.24% is to be applied at the discretion of Alameda CTC to various projects and/or programs.

The priorities set forth in the 2014 Transportation Expenditure Plan include:

1. Expand BART, bus and commuter rail for reliable, safe and fast service, including BART expansion and improvements within the County, bus service expansion and commuter rail service improvements.
2. Keep fares affordable for seniors, youth and people with disabilities, including affordable senior shuttles, vans and services that help keep seniors independent, critical funding for student transit passes to ensure youth can affordably get to school, and reliable and inexpensive transportation for people with disabilities.
3. Provide traffic relief, including funds to every city in the County to repave streets, fill potholes upgrade local transportation infrastructure, and invest in aging highway corridors to upgrade on and off ramps, using modern technology to manage traffic and improve safety.
4. Improve air quality and provide clean transportation by reducing pollution using innovative technology and expanding bike and pedestrian paths, and BART, bus and commuter rail expansion and operations.
5. Create good jobs within the County by requiring local contracting that supports residents and businesses in the County.

The 2014 Transportation Expenditure Plan (including the amendment adopted in 2020 to modify certain projects included in the 2014 Transportation Expenditure Plan, to add the Tri-Valley-San Joaquin Valley Rail Authority as an agency in the County that can be eligible to receive Sales Tax funds and other technical amendments) can be found at: <http://www.alamedactc.org/funding/fund-sources/measure-bb/>. Information set forth on such website is not incorporated herein by reference.

In addition to the Measure BB Sales Tax revenues, a portion of the costs of certain projects included in the 2014 Transportation Expenditure Plan are expected to be funded with federal, State, regional and local funding sources. Alameda CTC intends to deliver over \$3 billion of transportation projects over the next six years.

Future Financing Plans

Alameda CTC anticipates issuing Bonds (not taking into account the issuance of the Series 2022 Bonds) to fund up to approximately \$160 million of projects during the next seven Fiscal Years secured by Pledged Tax Revenues to fund transportation projects authorized under the 2014 Transportation Expenditure Plan. The principal amount of additional Bonds or other financing instruments to be subsequently issued by Alameda CTC and the timing of any such issuance or issuances will be determined by Alameda CTC based on a variety of factors including the costs and timing of design and construction of the transportation projects to be financed and the resources then available. The issuance of additional Bonds is subject to the requirements of the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS — Additional Bonds and Other Obligations.”

Cash and Investments

Cash and the composition and book value of investments held by Alameda CTC as of March 31, 2022 (based on unaudited financial information) are set forth below. Amounts are rounded to the nearest dollar.

	<i>Book Value (as of March 31, 2022)</i>	<i>Percentage of Total Book Value⁽¹⁾</i>
Corporate Bonds	\$ 8,352,942	1.3%
Government Bonds	262,748,443	39.7
Government Bonds - Zero Coupon	7,834,073	1.2
Government Agencies	47,824,025	7.2
Cash and Cash Equivalents	<u>335,055,013</u>	<u>50.6</u>
Total:	\$661,814,496	100.0%

⁽¹⁾ Rounded.

Source: Alameda CTC.

Debt Policy

The Commissioners adopted Alameda CTC's Debt Policy in September 2021. The Debt Policy is subject to revision by majority action of the Commissioners. Overall policy direction of the Debt Policy is provided by the Commission. Responsibility for implementation of the Debt Policy and day-to-day responsibility and authority for structuring, implementing, and managing Alameda CTC debt and finance program, resides with the Executive Director and Deputy Executive Director of Finance and Administration of Alameda CTC. Priorities of the Debt Policy are as follows:

- Effectively manage and mitigate financial risk
- Maintain strong credit ratings and good investor relations
- Achieve the lowest cost of capital
- Preserve future program flexibility
- Maintain ready and cost-effective access to the capital markets

The Debt Policy can be found at: <http://www.alamedactc.org/about-us/financials/>. Information set forth on such website is not incorporated herein by reference.

RISK FACTORS

Economy of the County and the State

The amount of Pledged Tax Revenues collected at any time is directly dependent upon the level of retail sales within the County, which, in turn, depends on the level of general economic activity in the County. During the latter part of 2007 through 2010 the economy of the County was in a recession, as evidenced by a high unemployment rate, a decrease in total personal income and taxable sales, a drop in residential and commercial building permits, a decline in the rate of home sales and the median price of single-family homes and condominiums, an increase in notices of default on mortgage loans secured by homes and condominiums and an increase in foreclosures resulting from such defaults. During the Fiscal Years ended June 30, 2008 through 2010, the Measure B Sales Tax revenues (which do not secure the Series 2022 Bonds and are described herein for illustrative purposes only) decreased each year to a low of approximately \$94 million in the Fiscal Year

ended June 30, 2010. As a result of the COVID-19 pandemic, economic activity and taxable sales within the County decreased, and correspondingly the Pledged Tax Revenues in the Fiscal Year ended June 30, 2020 decreased compared to prior years. While the Pledged Tax Revenues for the Fiscal Year ended June 30, 2021 were approximately \$171 million compared to approximately \$155 million in the Fiscal Year ended June 30, 2020, representing an approximately 10.2% increase, the Pledged Tax Revenues could decline in the future for various reasons, including but not limited to the future impacts of COVID-19. See the captions “INTRODUCTION—Impact of COVID-19 Pandemic” and “THE MEASURE BB SALES TAX—Historical Measure BB Sales Tax Revenues.”

In addition, economic activity within the County may be affected by the occurrence of a natural disaster. The County is located within a seismically active region. A major earthquake, pandemic, epidemic or other natural disaster could adversely affect the economy of the County and the amount of Pledged Sales Tax Revenues. Future significant declines in the amount of Pledged Tax Revenues could ultimately impair the ability of Alameda CTC to pay the principal of and interest on the Series 2022 Bonds.

For information relating to certain economic conditions within the County and the State, see APPENDIX B — “COUNTY OF ALAMEDA DEMOGRAPHIC AND ECONOMIC INFORMATION.”

Investments

Alameda CTC has significant holdings in a broad range of investments. Market fluctuations have affected and will continue to affect materially the value of those investments and those fluctuations may be and historically have been material. At times, market disruptions have exacerbated market fluctuations, but as a result of stable investments in government securities and other investment securities allowed in the California Government Code, Alameda CTC’s portfolio has not suffered any major losses with respect to the principal amount of funds invested. Alameda CTC has experienced a reduction in interest income on such investments as a result of current market conditions. See “ALAMEDA COUNTY TRANSPORTATION COMMISSION—Cash and Investments” herein.

Collection of the Sales Tax

With limited exceptions, the Measure BB Sales Tax is imposed upon the same transactions and items subject to the sales tax levied statewide by the State. The State Legislature or the voters within the State, through the initiative process, could change or limit the transactions and items upon which the statewide sales tax and the Measure BB Sales Tax are imposed. Any such change or limitation could have a material adverse impact on the Measure BB Sales Tax Revenues collected. For a description of the Measure BB Sales Tax, see “THE SALES TAX.”

Proposition 218

On November 5, 1996, voters in the State approved an initiative known as the Right to Vote on Taxes Act (“Proposition 218”). Proposition 218 added Articles XIIC and XIID to the California Constitution. Article XIIC requires majority voter approval for the imposition, extension or increase of general taxes and two-thirds voter approval for the imposition, extension or increase of special taxes by a local government, which is defined to include local or regional governmental agencies such as Alameda CTC. The Measure BB Sales Tax was approved by more than two thirds of the voters in the County and is therefore in compliance with the requirements of Proposition 218. Article XIIC also removes limitations that may have applied to the voter initiative power with regard to reducing or repealing previously authorized local taxes, even previously voter-approved taxes like the Measure BB Sales Tax. In the view of Alameda CTC, however, any attempt by the voters to use the initiative provisions of Proposition 218 to rescind or reduce the levy and collection of the Measure BB Sales Tax in a manner which would prevent the payment of debt service on the Series 2022 Bond, would violate the Contracts Clause of the United States Constitution and, accordingly, would be precluded. The interpretation and application of Proposition 218 will ultimately be determined by the courts.

Further Initiatives

Proposition 218 was adopted as a measure that qualified for the ballot pursuant to California's initiative process. From time to time other initiative measures could be adopted, which may affect Alameda CTC's ability to levy and collect the Measure BB Sales Tax.

No Acceleration or Increase in Interest Rate Upon Default

The Indenture does not contain a provision allowing for the acceleration of the Series 2022 Bonds or an increase in the interest rate on the Series 2022 Bonds, in the event of a default in the payment of principal and interest on the Series 2022 Bonds when due. In the event of a default by Alameda CTC, the Holders of at least a majority of the aggregate amount of the Series 2022 Bonds will have the right to request the Trustee to exercise the remedies, subject to the limitations thereon, set forth in the Indenture. See APPENDIX C—"SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Loss of Tax Exemption

As discussed under "TAX MATTERS," interest on the Series 2022 Bonds could become includable in federal gross income, possibly from the date of issuance of the Series 2022 Bonds, as a result of acts or omissions of Alameda CTC subsequent to the issuance of the Series 2022 Bonds. Should interest become includable in federal gross income, the Series 2022 Bonds are not subject to redemption by reason thereof and will remain outstanding until maturity.

Bankruptcy Considerations

Alameda CTC may be authorized to file for Chapter 9 municipal bankruptcy under certain circumstances. Should Alameda CTC file for bankruptcy, there could be adverse effects on the holders of the Series 2022 Bonds.

If the Pledged Tax Revenues are "special revenues" under the Bankruptcy Code, then Pledged Tax Revenues collected after the date of the bankruptcy filing should be subject to the lien of the Indenture. "Special revenues" are defined to include taxes specifically levied to finance one or more projects or systems, excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the governmental entity. The Measure BB Sales Tax was levied to finance the 2014 Transportation Expenditure Plan, which includes a number of projects (collectively referred to herein as the "2014 Transportation Expenditure Plan Projects"), and some of these 2014 Transportation Expenditure Plan Projects are described in broad terms. No assurance can be given that a court would not hold that the Pledged Tax Revenues are not special revenues. Were the Pledged Tax Revenues determined not to be "special revenues," then Pledged Tax Revenues collected after the commencement of a bankruptcy case would likely not be subject to the lien of the Indenture. The holders of the Series 2022 Bonds may not be able to assert a claim against any property of Alameda CTC other than the Pledged Tax Revenues, and were these amounts no longer subject to the lien of the Indenture following commencement of a bankruptcy case, then there could thereafter be no amounts from which the holders of the Series 2022 Bonds are entitled to be paid.

The Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system from which the special revenues are derived, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. It is not clear as to whether, or to what extent, Pledged Tax Revenues would be considered to be "derived" from the 2014 Transportation Expenditure Plan Projects. To the extent that Pledged Tax Revenues are determined to be derived from the 2014 Transportation Expenditure Plan Projects, Alameda CTC may be able to use Pledged Tax Revenues to pay necessary operating expenses connected with the 2014 Transportation Expenditure Plan Projects, before the remaining Sales Tax Revenues are turned over to the Trustee to pay amounts owed to the holders of the Series 2022 Bonds. It is not clear precisely which expenses would constitute necessary operating expenses.

If Alameda CTC is in bankruptcy, the parties (including the holders of the Series 2022 Bonds) may be prohibited from taking any action to collect any amount from Alameda CTC or to enforce any obligation of Alameda CTC, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the holders of the Series 2022 Bonds from funds in the Trustee's possession. The procedure pursuant to which Pledged Tax Revenues are paid directly by the CDTFA to the Trustee may no longer be enforceable, and Alameda CTC may be able to require the CDTFA to pay Pledged Tax Revenues directly to Alameda CTC.

Alameda CTC as a debtor in bankruptcy may be able to borrow additional money that is secured by a lien on any of its property (including Pledged Tax Revenues), which lien could have priority over the lien of the Indenture, or to cause some Pledged Tax Revenues to be released to it, free and clear of lien of the Indenture, in each case provided that the bankruptcy court determines that the rights of the Trustee and the holders of the Series 2022 Bonds will be adequately protected. Alameda CTC may also be able, without the consent and over the objection of the Trustee and the holders of the Series 2022 Bonds, to alter the priority, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Indenture and the Series 2022 Bonds, provided that the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the Series 2022 Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of Alameda CTC that could result in delays or reductions in payments on the Series 2022 Bonds, or result in losses to the holders of the Series 2022 Bonds. Regardless of any specific adverse determinations in an Authority bankruptcy proceeding, the fact of such Authority bankruptcy proceeding could have an adverse effect on the liquidity and value of the Series 2022 Bonds.

Cybersecurity

Alameda CTC, like many other public and private entities, relies on computers, digital networks and other systems to conduct financial and operational activities. As the recipient and provider of personal, private, or other electronic sensitive information, Alameda CTC is potentially subject to multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware and other attacks on computers and sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to Alameda CTC's systems for the purposes of misappropriating assets, or information, or causing operational disruption and damage.

While Alameda CTC has taken certain cybersecurity precautions, no assurances can be given that the security and operational control measures of Alameda CTC, will be successful in guarding against any and every cyber threat or breach. The cost of remedying damage or disruption caused by cyber-attacks could be substantial and may well be in excess of any applicable insurance coverages.

Similarly, the CDTFA and the Trustee rely on computers, digital networks and other systems to conduct financial and operational activities. Such entities could be subject to a cyber security breach, which depending on the type and magnitude of such breach, could impact the transmittal of Measure BB Sales Tax revenues to the Trustee.

Climate Change

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. For example, the Fourth National Climate Assessment, published by the U.S. Global Change Research Program, in November 2018 (NCA4) finds that more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems

and social systems over the next 25 to 100 years. Alameda CTC cannot predict what impact climate change will have on Pledged Tax Revenues in the future.

Alameda CTC has identified goals relating to climate change in its 2020 Countywide Transportation Plan (the “CTP”). Specifically, the CTP provides the goal of creating safe multimodal facilities to walk, bike and access public transportation to promote healthy outcomes and support strategies that reduce reliance on single-occupant vehicles and minimize impacts of pollutants and greenhouse gas emissions. This goal established a policy priority for Alameda CTC around minimizing pollutants and greenhouse gas emissions. In evaluating projects, Alameda CTC considers how projects advance CTP goals, as well as other goals and metrics, which often include emission reduction.

FINANCIAL STATEMENTS

The financial statements of Alameda CTC for the Fiscal Year ended June 30 2021, included in Appendix A of this Official Statement have been audited by Maze & Associates (the “Auditor”), independent auditors, as stated in their report therein. The Auditor has consented to the inclusion of its report in Appendix A. The Auditor has not undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report. The Auditor has not been engaged to perform and has not performed, since the date of its report, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement. For more recent financial information with respect to the collection of Sales Tax Revenues, see “THE SALES TAXES—Historical Sales Tax Revenues.”

LITIGATION

There is no pending or, to the knowledge of Alameda CTC, threatened litigation seeking to restrain or enjoin the issuance or delivery of the Series 2022 Bonds or questioning or affecting the validity of the Series 2022 Bonds or the proceedings or authority under which they are to be issued or the levy, collection and pledge of Pledged Tax Revenues. Neither the creation, organization or existence of Alameda CTC, nor the title of the present Commissioners or officers of Alameda CTC to their respective offices, is being contested.

TAX MATTERS

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel to Alameda CTC, under existing statutes, regulations, rulings and judicial decisions, and assuming compliance by Alameda CTC with certain covenants in the Indenture, the Tax Certificate and other documents pertaining to the Series 2022 Bonds and requirements of the Internal Revenue Code of 1986 (the “Code”) regarding the use, expenditure and investment of proceeds of the Series 2022 Bonds and the timely payment of certain investment earnings to the United States, interest on the Series 2022 Bonds is not included in the gross income of the owners of the Series 2022 Bonds for federal income tax purposes. Failure to comply with such covenants and requirements may cause interest on the Series 2022 Bonds to be included in gross income retroactive to the date of issuance of the Series 2022 Bonds.

In the further opinion of Bond Counsel, interest on the Series 2022 Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax.

Ownership of, or the receipt of interest on, tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers who may be eligible for the earned income tax credit. Bond Counsel expresses

no opinion with respect to any collateral tax consequences and, accordingly, prospective purchasers of the Series 2022 Bonds should consult their tax advisors as to the applicability of any collateral tax consequences.

Certain requirements and procedures contained or referred to in the Indenture, the Tax Certificate or other documents pertaining to the Series 2022 Bonds may be changed, and certain actions may be taken or not taken, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. Bond Counsel expresses no opinion as to the effect of any change to any document pertaining to the Series 2022 Bonds or of any action taken or not taken where such change is made or action is taken or not taken without the approval of Norton Rose Fulbright US LLP or in reliance upon the advice of counsel other than Norton Rose Fulbright US LLP with respect to the exclusion from gross income of the interest on the Series 2022 Bonds for federal income tax purposes.

Bond Counsel's opinion is not a guarantee of result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and judicial decisions and the representations and covenants of the Issuer described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of examining the tax-exempt status of the interest on municipal obligations. If an examination of the Series 2022 Bonds is commenced, under current procedures the IRS is likely to treat the Issuer as the "taxpayer," and the owners of the Series 2022 Bonds would have no right to participate in the examination process. In responding to or defending an examination of the tax-exempt status of the interest on the Series 2022 Bonds, Alameda CTC may have different or conflicting interests from the owners. Additionally, public awareness of any future examination of the Series 2022 Bonds could adversely affect the value and liquidity of the Series 2022 Bonds during the pendency of the examination, regardless of its ultimate outcome.

Tax Accounting Treatment of Bond Premium and Original Issue Discount

Bond Premium. To the extent a purchaser acquires a Series 2022 Bond at a price in excess of the amount payable at its maturity, such excess will constitute "bond premium" under the Code. The Code and applicable Treasury Regulations provide generally that bond premium on a tax-exempt obligation is amortized over the remaining term of the obligation (or a shorter period in the case of certain callable obligations) based on the obligation's yield to maturity (or shorter period in the case of certain callable obligations). The amount of premium so amortized reduces the owner's basis in such obligation for federal income tax purposes, though such amortized premium is not deductible for federal income tax purposes. This reduction in basis will increase the amount of any gain (or decrease the amount of any loss) recognized for federal income tax purposes upon a sale or other taxable disposition of the obligation. Bond Counsel is not opining on the accounting for bond premium or the consequence to a Series 2022 Bond purchaser of purchasing a Series 2022 Bond with bond premium. Accordingly, persons considering the purchase of Series 2022 Bonds with bond premium should consult their own tax advisors with respect to the determination of bond premium on such Series 2022 Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of such Series 2022 Bonds.

Original Issue Discount. The excess, if any, of the stated redemption price at maturity of Series 2022 Bonds of a particular maturity over the initial offering price to the public of the Series 2022 Bonds of that maturity at which a substantial amount of the Series 2022 Bonds of that maturity is sold to the public is "original issue discount." Original issue discount accruing on a Series 2022 Bond is treated as interest excluded from the gross income of the owner thereof for federal income tax purposes under the same conditions and limitations as are applicable to interest payable on such Series 2022 Bond. Original issue discount on a Series 2022 Bond of a particular maturity purchased pursuant to the initial public offering at the initial public offering price at which a substantial amount of the Series 2022 Bonds of that maturity is sold to the public accrues on a semiannual basis over the term of the Series 2022 Bond on the basis of a constant yield; and within each semiannual period accrues on a ratable daily basis. The amount of original issue discount on a Series 2022 Bond accruing during each

period is added to the adjusted basis of such Series 2022 Bond, which will affect the amount of taxable gain upon disposition (including sale, redemption or payment on maturity) of such Series 2022 Bond. The Code includes certain provisions relating to the accrual of original issue discount in the case of purchasers that purchase Bonds other than at the initial offering price. Bond Counsel is not opining on the accounting for or consequence to a Series 2022 Bond purchaser of purchasing a Series 2022 Bond with original issue discount. Accordingly, persons considering the purchase of Series 2022 Bonds with original issue discount should consult their own tax advisors with respect to the determination of original issue discount on such Series 2022 Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of such Series 2022 Bonds.

Information Reporting and Backup Withholding

Interest paid on the Series 2022 Bonds will be subject to information reporting in a manner similar to interest paid on taxable obligations. Although such reporting requirement does not, in and of itself, affect the excludability of such interest from gross income for federal income tax purposes, such reporting requirement causes the payment of interest on the Series 2022 Bonds to be subject to backup withholding if such interest is paid to beneficial owners who (a) are not “exempt recipients,” and (b) either fail to provide certain identifying information (such as the beneficial owner’s taxpayer identification number) in the required manner or have been identified by the IRS as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities are exempt recipients. Amounts withheld under the backup withholding rules from a payment to a beneficial owner are allowed as a refund or credit against such beneficial owner’s federal income tax liability so long as the required information is furnished to the IRS.

State Tax Exemption

In the further opinion of Bond Counsel, interest on the Series 2022 Bonds is exempt from personal income taxes imposed by the State of California.

Future Developments

Existing law may change to reduce or eliminate the benefit to owners of the Series 2022 Bonds of the exclusion of the interest on the Series 2022 Bonds from gross income for federal income tax purposes or of the exemption of interest on the Series 2022 Bonds from State of California personal income taxation. Any proposed legislation, whether or not enacted, or administrative action, whether or not taken, could also affect the value and marketability of the Series 2022 Bonds. Prospective purchasers of the Series 2022 Bonds should consult their own tax advisors with respect to any proposed or future change in tax law.

A copy of the form of opinion of Bond Counsel relating to the Series 2022 Bonds is included in APPENDIX F hereto.

LEGAL MATTERS

The validity of the Series 2022 Bonds and certain other legal matters are subject to the approving opinion of Norton Rose Fulbright US LLP, Bond Counsel to Alameda CTC. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix F hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for Alameda CTC by Stradling Yocca Carlson & Rauth, A Professional Corporation, as Disclosure Counsel, and by Fennemore Wendel, General Counsel to Alameda CTC, and for the Underwriters by Nixon Peabody LLP, as Underwriters’ Counsel.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), has assigned a rating of "AAA" to the Series 2022 Bonds and Fitch Ratings, Inc. ("Fitch") has assigned a rating of "AAA" to the Series 2022 Bonds. These ratings reflect only the views of S&P and Fitch, respectively, and do not constitute a recommendation to buy, sell or hold the Series 2022 Bonds. An explanation of these ratings and any outlook associated with these ratings should be obtained from the respective rating agency.

Alameda CTC has furnished to S&P and Fitch certain information respecting the Series 2022 Bonds and Alameda CTC including information not included herein. Generally, rating agencies base their ratings on such information and materials and their own investigations, studies and assumptions. The ratings are subject to revision or withdrawal at any time by S&P and Fitch, and there is no assurance that the ratings will continue for any period of time or that it will not be lowered, suspended or withdrawn. Alameda CTC undertakes no responsibility to oppose any such revision, suspension or withdrawal. Any reduction, suspension or withdrawal of the ratings, or other actions by a rating agency relating to its rating, may have an adverse effect on the market price for, or marketability of, the Series 2022 Bonds.

UNDERWRITING

The Series 2022 Bonds will be purchased by an underwriting syndicate consisting of Citigroup Global Markets Inc., acting on behalf of itself and as representative of Goldman Sachs & Co. LLC and Jefferies LLC (collectively, the "Underwriters"), under a Bond Purchase Agreement pursuant to which the Underwriters agree to purchase all, but not less than all, of the Series 2022 Bonds for an aggregate purchase price of \$140,416,526.56 (which represents the principal amount of the Series 2022 Bonds plus original issue premium of \$16,600,312.25 minus an underwriting discount of \$213,785.69 from the public offering prices set forth on the cover of this Official Statement).

Citigroup Global Markets Inc., an underwriter of the Series 2022 Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, "Fidelity"). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, Citigroup Global Markets Inc. will compensate Fidelity for its selling efforts.

Jefferies LLC ("Jefferies"), an underwriter of the Series 2022 Bonds, has entered into a distribution agreement with InspereX LLC ("InspereX") for the retail distribution of municipal securities. Pursuant to the agreement, if Jefferies sells the Series 2022 Bonds to InspereX, it will share a portion of its selling concession compensation with InspereX.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for Alameda CTC for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of Alameda CTC.

MUNICIPAL ADVISOR

Alameda CTC has retained PFM Financial Advisors, LLC, San Francisco, California, as municipal advisor (the “Municipal Advisor”) in connection with the issuance of the Series 2022 Bonds. Unless specifically noted, the Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent municipal advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. Compensation paid to the Municipal Advisor is contingent upon the successful issuance of the Series 2022 Bonds.

CONTINUING DISCLOSURE

Alameda CTC has covenanted for the benefit of the owners and beneficial owners of the Series 2022 Bonds to provide certain financial information and operating data relating to Alameda CTC by not later than 270 days following the end of Alameda CTC’s Fiscal Year (presently June 30) (the “Annual Report”), commencing with the report for the Fiscal Year ended June 30, 2022, and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of enumerated events will be filed by the Dissemination Agent on behalf of Alameda CTC with the MSRB. The filing of the Annual Report and notices of enumerated events will be made in accordance with the EMMA system of the MSRB or in another manner approved under the Rule. The specific nature of the information to be contained in the Annual Report and the notices of enumerated events is set forth in the form of Continuing Disclosure Certificate attached hereto as APPENDIX D—“FORM OF CONTINUING DISCLOSURE CERTIFICATE.”

Alameda CTC failed to file a notice of change of Trustee within the period required pursuant to the terms of a prior continuing disclosure undertaking. Except as described in the preceding sentence, Alameda CTC has not failed in the last five years to comply in all material respects with any previous undertakings with regard to said Rule to provide annual reports or notices of enumerated events.

MISCELLANEOUS

The references herein to the Act and the Indenture are brief outlines of certain provisions thereof. Such outlines do not purport to be complete and for full and complete statements of such provisions reference is made to said documents or the Act, as the case may be. Copies of the documents mentioned under this heading are available for inspection at Alameda CTC and following delivery of the Series 2022 Bonds will be on file at the offices of the Trustee in San Francisco, California. References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive. Reference is made to such documents and reports for full and complete statements of the content thereof.

Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between Alameda CTC and the purchasers or Holders of any of the Series 2022 Bonds.

The execution and delivery of this Official Statement has been duly authorized by Alameda CTC.

ALAMEDA COUNTY TRANSPORTATION
COMMISSION

By: _____/s/Tess Lengyel
Executive Director

APPENDIX A

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

[THIS PAGE INTENTIONALLY LEFT BLANK]



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2021



ALAMEDA COUNTY TRANSPORTATION COMMISSION
OAKLAND, CALIFORNIA

Cover Photographs

Top: Port of Oakland, courtesy of Tierney, Photography/Adobe Stock.

2nd from the top: Doyle Street Quick-Build Bicycle and Pedestrian Path, courtesy of the City of Emeryville.

Middle: Safe Routes to Schools Program, Strobridge School, Alameda County Transportation Commission.

2nd from the bottom: Vaccine Shuttle, courtesy of AC Transit.

Bottom: Interstate 580 Express Lanes, Alameda County Transportation Commission.

**ALAMEDA COUNTY
TRANSPORTATION COMMISSION
OAKLAND, CALIFORNIA**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2021
PREPARED BY THE FINANCE DEPARTMENT**



This page left blank intentionally.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

TABLE OF CONTENTS

INTRODUCTORY SECTION:

Table of Contents	i
Letter of Transmittal.....	v
Commissioners	x
Executive Management	xi
Functional Organizational Chart	xii
Map	xiii
Table of Credits	xiv
GFOA Award	xv

FINANCIAL SECTION:

Independent Auditor's Report	1
Management's Discussion and Analysis.....	3
Basic Financial Statements	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements	
Governmental Funds – Balance Sheet.....	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	18
Governmental Funds – Statement of Revenues, Expenditure and Changes in Fund Balances	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	22
Notes to Financial Statements	23

ALAMEDA COUNTY TRANSPORTATION COMMISSION

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

TABLE OF CONTENTS

REQUIRED SUPPLEMENTARY INFORMATION:

Schedule of the Proportionate Share of the Net Pension Liability	52
Schedule of Pension Contributions	53
Schedule of Changes in the Net OPEB Liability and Related Ratios.....	54
Schedule of OPEB Contributions.....	55
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	56
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – 2000 Measure B Special Revenue Fund.....	57
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – 2014 Measure BB Special Revenue Fund	58
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Exchange Fund.....	59
Notes to the Required Supplementary Information	60

SUPPLEMENTARY INFORMATION

Balance Sheet by Program – General Fund	64
Schedule of Revenues, Expenditures and Changes in Fund Balances by Program – General Fund.....	65
Nonmajor Governmental Funds Combining Balance Sheet.....	66
Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances	67
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – 2000 Measure B Capital Projects Fund	68
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – 1986 Measure B Capital Projects Fund	69
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – 2014 Measure BB Capital Projects Fund.....	70
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Transportation Fund For Clean Air Special Revenue Fund	71

ALAMEDA COUNTY TRANSPORTATION COMMISSION

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

TABLE OF CONTENTS

SUPPLEMENTARY INFORMATION (Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Vehicle Registration Fee Special Revenue Fund	72
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – I-580 Express Lanes Operations Special Revenue Fund.....	73
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Non-Sales Tax Capital Projects Fund.....	74
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service Fund.....	75
2000 Measure B Special Revenue Fund Balance Sheet by Program	76
2000 Measure B Special Revenue Schedule of Revenues, Expenditures and Changes in Fund Balances by Program	78
2014 Measure BB Special Revenue Fund Balance Sheet by Program.....	80
2014 Measure BB Special Revenue Schedule of Revenues, Expenditures and Changes in Fund Balances by Program	82
Notes to the Supplementary Information	84

STATISTICAL SECTION:

Statistical Section Table of Contents	87
---	----

Financial Trends

Net Position by Component	88
Changes in Net Position	90
Fund Balances, Governmental Funds	92
Changes in Fund Balances, Governmental Funds	94

Revenue Capacity

Sales Tax for the County of Alameda	96
Sales Tax Rates by Incorporated City in Alameda County	97
Principal Sales Tax Payers by Segment for the County of Alameda	98
Vehicle Registration Tax.....	99

ALAMEDA COUNTY TRANSPORTATION COMMISSION

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021**

TABLE OF CONTENTS

STATISTICAL SECTION (Continued):

Debt Capacity

Ratios of Outstanding Debt.....	100
Debt Limitations.....	101
2000 Measure B Pledged Revenue Coverage.....	102

Demographic and Economic Information

Demographic and Economic Information Statistics for the County of Alameda.....	103
Top Ten Principal Employers in Alameda County.....	104

Operating Information

Employees	106
Program Revenues.....	108
Capital Assets	110

FEDERAL COMPLIANCE SECTION:

Schedule of Findings and Questioned Costs.....	115
Section I – Summary of Auditor’s Results	115
Section II – Financial Statement Findings	116
Section III – Federal Award Findings and Questioned Costs.....	116
Schedule of Expenditures of Federal Awards.....	117
Notes to the Schedule of Expenditures of Federal Awards.....	119

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 <i>Government Auditing Standards</i>	123
--	------------

Independent Auditor’s Report on Compliance for each Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.....	125
--	------------



December 2, 2021

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

We are pleased to present this Annual Comprehensive Financial Report (ACFR) of Alameda County Transportation Commission (Alameda CTC) for the fiscal year ended June 30, 2021. Per the Alameda CTC Joint Powers Agreement, the California Government Code section 6505 and the Public Utilities Code section 180105(c), 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 ACFR have been audited by Maze & Associates Accounting Corporation. Therefore, this ACFR is published to fulfill this requirement for the fiscal year ended June 30, 2021.

Management of 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 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 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 audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The results of this audit can be found in the federal compliance section of this ACFR.

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 ACFR 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 approaching 1.7 million making it the second most populated county in the Bay Area and the seventh most populated county in California. Alameda County is one of 25 Self-Help Counties in California that delivers voter approved transportation sales tax measures to fund transit, highway, freight, bicycle, pedestrian and other mobility programs.

Alameda CTC is a joint powers agency which was formed in June 2010 pursuant to the California Joint Exercise of Powers Act. The Joint Powers Agreement includes the County of Alameda, the 14 incorporated cities within Alameda County, the Bay Area Rapid Transit District and the Alameda-Contra Costa Transit District. The agency is responsible for the administration of transportation sales tax funds in Alameda County in accordance with the

voter approved transportation measures which Fund the Transportation Expenditure Plans, including the 1986 Measure B sales tax, which sunsetted on March 31, 2002, and the 2000 Measure B and the 2014 Measure BB sales taxes. The agency is also responsible for implementing the congestion management program and the countywide transportation plan for Alameda County.

Alameda CTC is governed by a twenty-two member Commission composed 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 the Alameda-Contra Costa Transit District.

The mission of 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 administration of the transportation sales taxes in Alameda County which were 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. Alameda CTC delivers over \$300 million in transportation improvements and congestion management projects annually which create jobs, enhance mobility and enrich communities.

Alameda CTC is a legally separate and financially independent entity that is not a component unit of Alameda County or any other organization. While 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 Alameda CTC.

California Government Code requires Alameda CTC to adopt an annual budget. Before the beginning of each fiscal year, staff proposes an annual budget to the Commission for adoption which is based on agency goals and objectives. The Commission monitors budget versus actual performance through quarterly staff reports. The legal level of budgetary control is at the fund 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 major Special Revenue Funds, and the Supplementary Information section includes schedules for all other funds that compare actual results to the final adopted budgets.

ECONOMIC CONDITION

LOCAL ECONOMY

In early 2020, the economy was stilted by a global pandemic, COVID-19, which had a significant impact on the global economy and employment, in particular. Throughout the fiscal year, the State of California was slowly working towards reopening the economy based on a Blueprint originally announced by the Governor of California in August 2020. More recently, in June 2021, the Health Officer of Alameda County issued a new health order, effective June 15, 2021, in accordance with the California State Public Health Officer Order. This new order rescinded the shelter-in-place order that was put in place on March 16, 2020 with the intent to fully reopen the economy and did away with requirements of physical distancing and capacity limits on businesses and relaxed mask guidance. All of these changes to open the economy had a positive effect on unemployment in Alameda County before the end of the fiscal year. Unemployment in Alameda County decreased to 6.8 percent by June 2021 from 13.5 percent in June 2020 and 3.1 percent in June 2019. During the last fiscal year, Alameda County jobs were added in various industries including education and health services; construction; professional and business services; leisure and hospitality; trade, transportation, and utilities; manufacturing; warehousing; financial activities; and other services. Alameda County's unemployment rate was 1.2 percent better than the state unemployment rate which decreased to 8.0 percent by June 2021 from 15.1 percent in June 2020 and 4.1 percent in June 2019. Alameda County's unemployment rate was slightly worse than that of the nation which decreased to 6.1 percent by June 2021 from 11.2 percent in June 2020 and 3.8 percent in June 2019. Before the pandemic hit, unemployment in Alameda County was consistently lower than that of both the state and the country as a whole for several years. However, as of June 2020, the unemployment rate in Alameda County fell between that of the state and the country and remains there as of June 2021, which reflects the more aggressive stance in California,

and specifically in the Bay Area, in response to the pandemic and early shelter-in-place orders.

There are many factors that have contributed towards economic improvement in Alameda County. Alameda County supports employment in a wide array of industries including manufacturing; construction; trade, transportation, and utilities; warehousing; information; financial activities; professional and business services; educational and health services; research and technology; leisure and hospitality; government; farming; and other 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. In addition, Alameda County is home to the Port of Oakland and Oakland International Airport. The Port of Oakland is the eighth busiest container port in the United States which loads and discharges more than 99 percent of all containerized goods moving through Northern California. The Oakland International Airport is the fourth largest visitor gateway in California and ships and receives more cargo than any other airport in the region. It also serves as a major hub for both Federal Express and United Parcel Service which feeds the growing e-commerce industry. The Oakland International Airport boasts that it has the best on-time arrival and departure rates of the five Bay Area airports, and considering its central location, easy highway access, public transportation services and parking options, it is used as the airport of choice for many Bay Area residents.

While sales tax revenues had declined by 7.1 percent in fiscal year 2019-20 in response to the pandemic, a full recovery was made in fiscal year 2020-21 with sales tax revenues recording record-high collections in Alameda County of \$170.5 million of 2000 Measure B sales tax revenues and \$170.7 million of 2014 Measure BB sales tax revenues, a 10.0 percent increase over the prior fiscal year sales tax revenue collections.

LONG-TERM FINANCIAL PLANNING

Alameda CTC delivered nearly all of the transportation sales tax projects approved by the voters in the 2000 Measure B Transportation Expenditure Plan (TEP) in half the time anticipated. Faster delivery allowed for lower construction costs, but as a result, Alameda CTC's Measure B sales tax capital projects fund had incurred significant project costs long 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. In March 2014, 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 in the Measure B capital program over the following years while many large projects in the TEP were closed out and finalized. All Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 bonds will have matured by March 2022. Current cash flow projections indicate that Alameda CTC will continue to be solvent throughout the life of Measure B, which expires in 2022, as there is sufficient cash and projected sales tax revenues to pay the debt service on the bonds and deliver on the promises made to the voters of Alameda County in 2000.

As Alameda CTC implements the Measure BB program, close attention is being paid to projects designated in the 2014 TEP and project allocations included in the 2022 Comprehensive Investment Plan (CIP) approved by the Commission in July 2021. Alameda CTC evaluated the CIP projects and programs applications based on Commission-approved CIP programming guidelines and project selection criteria and matched selected projects and programs with the appropriate fund sources administered by Alameda CTC. Projects that are considered shovel ready, and therefore moving to the construction phase soon, may require more Measure BB sales tax funding in the near-term than has been collected to date. This will require Alameda CTC to implement an external financing mechanism to ensure that these projects can move forward as expeditiously as possible. Staff continues to closely monitor Measure BB cash flow needs and resources to determine when the implementation of external financing will be appropriate.

RELEVANT FINANCIAL POLICIES

Alameda CTC has a comprehensive set of financial policies. Alameda CTC works within the established policies until updated policies are adopted. The Commission has adopted the following updated policies to govern the operations of Alameda CTC:

- Investment policy - which defines the parameters within which cash and investments are to be managed. This policy was most recently updated and adopted by the Commission in May 2021;
- 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. This policy was most recently updated and adopted by the Commission in September 2021;

- Travel and expenditure policy – which establishes guidelines for expenditures authorized as business and agency related travel expenditures;
- General fund balance reserve policy - which mitigates risk and ensures 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 the purpose for which loans can be made from the agency and eligibility to Alameda CTC member agencies only.

MAJOR INITIATIVES

Comprehensive Investment Plan – On July 22, 2021, the Commission approved the 2022 Comprehensive Investment Plan (CIP) Update which included \$141.6 million of programming over fiscal year 2020-21 through fiscal year 2025-26, with \$107.7 million in allocations during the first two fiscal years. The CIP programming strategy included programming for funding previously allocated in prior CIPs and new programming and allocations of voter-approved sales tax dollars, vehicle registration fee funds, and Transportation for Clean Air program funds. The CIP is intended to consolidate multiple planning and programming efforts at the local and countywide level to create a strategic near-term transportation planning and programming tool that local agencies and Alameda CTC can use to direct staffing and financial resources to deliver significant transportation projects in Alameda County. Since inception of the CIP programming approach in 2016, Alameda CTC has programmed over \$1.3 billion of transportation funding towards various programs and projects within Alameda County.

Planning Efforts – During fiscal year 2020-21, Alameda CTC led several planning efforts, which include finalizing and adopting the 2020 Countywide Transportation Plan that identifies a long-term vision for the county and guides near-term planning and project prioritization over the next ten years. Alameda CTC continued to advance various other initiatives during the fiscal year including: corridor studies on San Pablo Avenue and East 14th Street/Mission Boulevard/Fremont Boulevard to identify and develop short, medium and long-term transportation projects that will improve multimodal mobility and support local development planned along the corridors, the need for which was identified during development of the Countywide Multimodal Arterials Plan and Transit Plan development; finalized a New Mobility strategy to identify opportunities and challenges related to advances in technology; completed the 2020 Community Based Transportation Plan, which identifies priorities and needs in equity communities; and initiated new work efforts on sustainable highway corridor plans for Interstate 580 and Interstate 80.

Affordable Student Transit Pass and Safe Routes to Schools Programs – During the 2020-21 school year, school-based programs were restructured to support the virtual school environment due to COVID-19. The Affordable Student Transit Pass Program continued to grow, with more than 12,500 students participating during the 2020-21 school year, and an online application process was launched to streamline the process. The passes make it easier for students to travel to and from school and school-related programs, jobs, and other activities, and students continued to utilize the passes throughout the pandemic. The Safe Routes to Schools Program brings education and engagement activities to over 260 schools in Alameda County. The program encourages safe walking and biking to school with the goals of reducing congestion and harmful pollutants around schools and increasing the safety and physical activity of students. Due to COVID-19, the program pivoted from in person to virtual programming and continued to offer safety tips and creative ways to stay healthy while sheltering in place. One example of this was the creation of the first ever Bike to the Moon Week that engaged students, parents, teachers, school administrators, and Alameda CTC Commissioners to digitally track their miles and minutes of activities during National Bike Month. The program also launched a Mini-Grant program to improve infrastructure around schools. These programs are funded by Measure B and Measure BB as well as federal and state grants.

Measure BB Capital Projects – In 2014, the passage of Measure BB provided an estimated \$2.8 billion for capital improvements throughout Alameda County to enhance freeway corridors, interchanges, the BART system, and transit corridors. Alameda CTC is providing oversight management on approximately 23 capital projects led by external sponsors. These projects are valued at \$127.9 million, are funded in part with Measure BB funds, and are in various phases of project delivery. Alameda CTC is also directly managing 18 Measure BB regionally significant capital projects in Alameda County valued at \$3.3 billion that are in various phases of delivery from scoping through construction.

Senate Bill 1 Projects – Since 2018, Alameda CTC has aggressively pursued additional funding from the Senate Bill 1 Program for regionally significant projects in Alameda County. Alameda CTC worked with the Metropolitan Transportation Commission (MTC) and the California Department of Transportation to submit recommendations for various Alameda County projects to the California Transportation Commission. To date, as a result of these efforts, Alameda CTC was awarded \$246.2 million in funding towards the construction of four projects that aim to reduce congestion and improve safety, among other benefits, in Alameda County. The four projects include the Go-Port Freight Intelligent Transportation Systems project at the Port of Oakland, the State Route 84 (SR-84)/Interstate 680 (I-680) Interchange Improvement Project, the I-680 Southbound Express Lanes from SR-84 to Alcosta Boulevard, and the 7th Street Grade Separation East Segment Project at the Port of Oakland. Construction is underway on two of the four projects, and construction is anticipated to begin in 2022 on the I-680 Southbound Express Lane from SR-84 to Alcosta Boulevard and the 7th Street Grade Separation projects.

Regional Funding – In response to programming actions approved by MTC, Alameda CTC was successful in obtaining approximately \$235 million of regional funding for four projects. The projects, including the 7th Street Grade Separation East Segment Project (\$55 million), the SR-84 from South of Ruby Hill Drive to I-680 and SR-84/I-680 Interchange Improvements Project (\$85 million), the I-680 Southbound Express Lanes from SR-84 to Alcosta Boulevard Project (\$80 million), and the State Route 262 (Mission Boulevard) Cross Connector Project Phase 1 (\$15 million), were awarded regional funding towards their construction phases as a result of strategic Measure BB investments made in the early phases of these projects.

AWARDS AND ACKNOWLEDGEMENTS

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

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

Respectfully submitted,



Pauline Cutter
Chair, Alameda County
Transportation Commission



Tess Lengyel
Executive Director



Patricia Reavey
Deputy Executive Director of
Finance and Administration

COMMISSIONERS
As of June 30, 2021

Member	Jurisdiction	Alternate
Mayor Pauline Cutter, Chair	City of San Leandro	Corina Lopez
Councilmember John Bauters, Vice Chair	City of Emeryville	Ally Medina
Board Member Elsa Ortiz	AC Transit	H.E. Christian Peeples
Board Member Rebecca Saltzman	Bay Area Rapid Transit	John McPartland
Supervisor David Haubert	Alameda County, District 1	Vacant
Supervisor Richard Valle	Alameda County, District 2	Mike Bucci
Supervisor Wilma Chan	Alameda County, District 3	Deborah Cox
Supervisor Nate Miley	Alameda County, District 4	Vacant
Supervisor Keith Carson	Alameda County, District 5	Peggy McQuaid
Mayor Marilyn Ezzy Ashcraft	City of Alameda	John Knox White
Councilmember Rochelle Nason	City of Albany	Preston Jordan
Councilmember Lori Droste	City of Berkeley	Rigel Robinson
Mayor Melissa Hernandez	City of Dublin	Jean Josey
Mayor Lily Mei	City of Fremont	Raj Salwan
Mayor Barbara Halliday	City of Hayward	Elisa Márquez
Mayor Bob Woerner	City of Livermore	Patricia Munro
Councilmember Luis Freitas	City of Newark	Maria Collazo
Councilmember At-Large Rebecca Kaplan	City of Oakland	Dan Kalb
Councilmember Sheng Thao	City of Oakland	Dan Kalb
Councilmember Jen Cavanaugh	City of Piedmont	Teddy King
Mayor Karla Brown	City of Pleasanton	Kathy Narum
Mayor Carol Dutra-Vernaci	City of Union City	Emily Duncan

EXECUTIVE MANAGEMENT

Executive Director

Tess Lengyel
(510) 208-7402

Executive Director

tlengyel@alamedactc.org

Executive Team

Carolyn Clevenger
(510) 208-7496

Deputy Executive Director of
Planning and Policy

cclevenger@alamedactc.org

Patricia Reavey
(510) 208-7422

Deputy Executive Director of
Finance and Administration

preavey@alamedactc.org

Gary Huisingh
(510) 208-7405

Deputy Executive Director of
Projects

ghuisingh@alamedactc.org

General Counsel

Wendel Rosen LLP

Zachary R. Wasserman Esq.

Neal Parish, Esq.

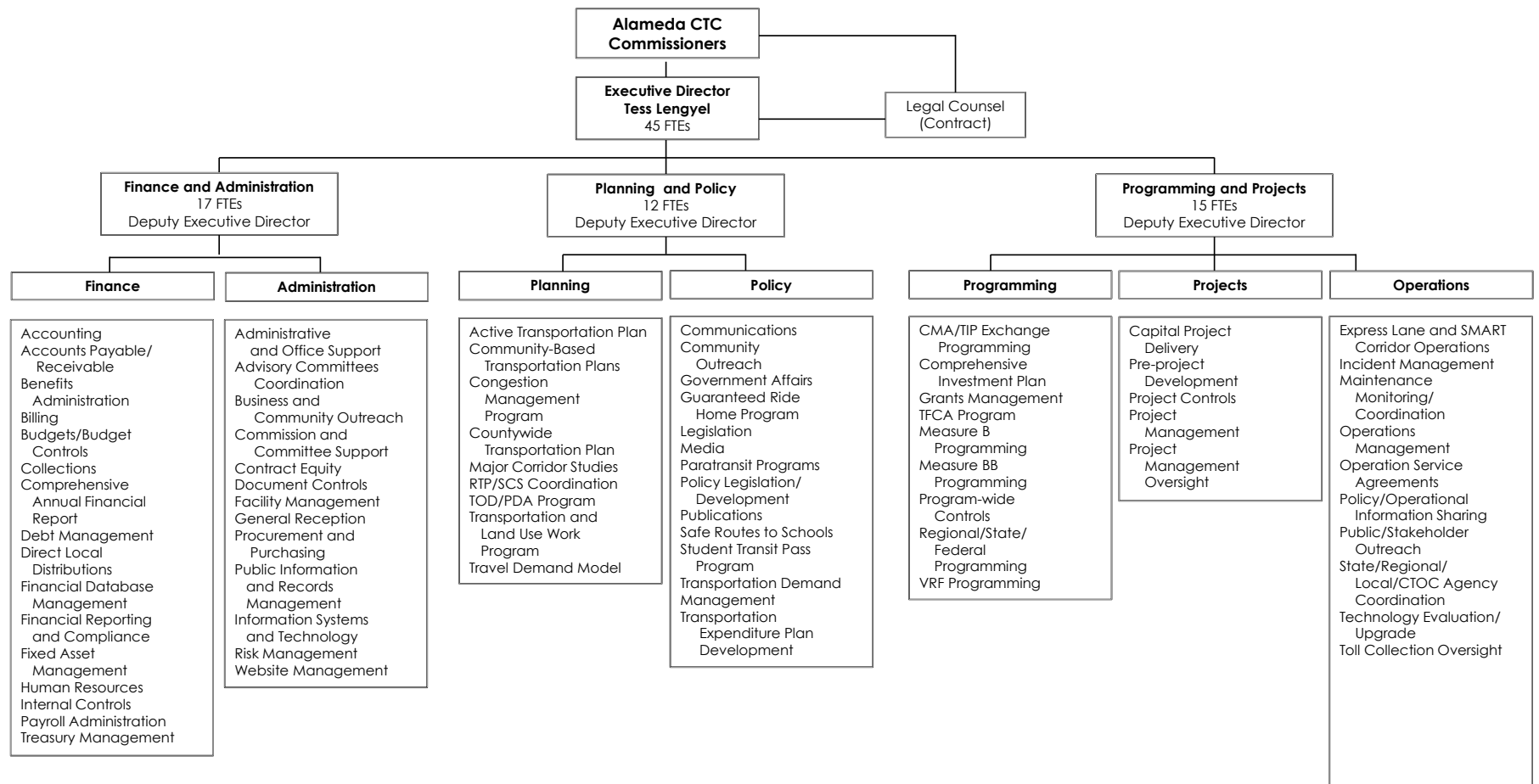
Amara Morrison, Esq.

Special Counsel

Meyers, Nave, Riback, Silver & Wilson, PLC

Steven Mattas, Esq.

Alameda County Transportation Commission Functional Organizational Chart



Map Alameda County, California



TABLE OF CREDITS

The following people contributed to the production of the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021:

Finance Department:

Deputy Executive Director of Finance and Administration	Patricia Reavey, CPA
Director of Finance	Jeannie Chen
Principal Financial Analyst	Lily Balinton
Principal Financial Analyst	Yoana Navarro, CPA

Audit Firm - Maze & Associates Accounting Corporation:

Partner	David Alvey, CPA
Manager	Whitney Crockett, CPA



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Alameda County Transportation Commission
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

This page left blank intentionally.

FINANCIAL SECTION

This page left blank intentionally.



INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the Governing Board
Alameda County Transportation Commission
Oakland, California

Report on 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), California, as of and for the year ended June 30, 2021, 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Alameda CTC, as of June 30, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other 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 Alameda CTC's basic financial statements as a whole. The Introductory Sections, Supplementary Information and Statistical Sections listed in the Table of Contents is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was 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 Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. In our opinion, the schedule of expenditures of federal awards and combining and individual fund financial statements or schedules and budgetary comparison schedules are 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 dated December 2, 2021, on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Alameda CTC's 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 Alameda CTC's internal control over financial reporting and compliance.



Pleasant Hill, California
December 2, 2021

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

The following discussion and analysis of the Alameda County Transportation Commission (Alameda CTC) financial report is provided by management of Alameda CTC as a narrative overview of the financial activities for the fiscal year ended June 30, 2021. Management encourages readers to consider information presented in this section in conjunction with the transmittal letter and financial statements and related notes contained in the financial section.

Alameda CTC's mission is to plan, fund and deliver transportation programs and projects that expand access and improve mobility to foster a vibrant and livable Alameda County.

Financial Highlights

- The assets and deferred outflows of resources of Alameda CTC exceeded its liabilities and deferred inflows of resources at the end of fiscal year 2020-21 by \$628.4 million (*net position*). Of this amount, \$97.8 million represents unrestricted net position, which may be used to meet ongoing obligations.
- Alameda CTC's total net position increased \$66.7 million or 11.9 percent over the prior fiscal year-end mostly due to a decrease in long-term obligations as debt service payments were made on the Measure B 2014 Sales Tax Revenue Bonds and an increase in cash and investments related to increased sales tax revenue collections as the economy rebounded from the initial shock of the pandemic in fiscal year 2019-20.
- As of June 30, 2021, Alameda CTC's governmental funds reported combined fund balances of \$620.8 million, an increase of \$42.1 million compared to June 30, 2020. This increase is attributed to an increase in sales tax revenues and a decrease in expenditures in the Measure BB Capital Projects Fund due to delays in various capital projects. Of the total combined fund balances, \$95.3 million or 15.4 percent is available for spending at Alameda CTC's discretion (*unassigned fund balance*).
- Total assets and deferred outflows of resources of Alameda CTC increased by \$38.7 million from \$725.9 million to \$764.6 million as of June 30, 2021 compared to June 30, 2020 due to an increase in cash and investments and sales tax receivable at year-end related to an increase in sales tax revenues for the fiscal year. Cash and investments comprised 83.3 percent of the total assets and deferred outflows of resources as of June 30, 2021.
- Revenues totaled \$393.1 million for the fiscal year ended June 30, 2021. This is an increase of \$22.8 million or 6.2 percent from the fiscal year ended June 30, 2020 primarily due to an increase in sales tax revenue collections which rebounded after the decline related to the pandemic and exceeded collections prior to the pandemic.
- Total liabilities and deferred inflows of resources decreased by \$28.0 million or 17.1 percent going from \$164.2 million as of June 30, 2020 compared to \$136.2 million as of June 30, 2021. This decrease is mostly related to a decrease in long-term obligations as debt service payments were made on the Measure B 2014 Sales Tax Revenue Bonds.
- Expenses totaled \$326.4 million for the fiscal year ended June 30, 2021. This is a decrease of \$29.8 million or 8.4 percent from the fiscal year ended June 30, 2020. This decrease is due to the winding down of projects in the 2000 Measure B Capital Projects Fund, the completion of various projects in fiscal year 2019-20 in the 2014 Measure BB Special Revenue Fund, and project delays on various projects in the 2014 Measure BB Capital Projects Fund.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Overview of the Financial Statements

This discussion and analysis is intended to provide an introduction to Alameda CTC's basic financial statements. Alameda CTC's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition, the report includes supplementary information in order to provide additional detail to support the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide the reader with a broad overview of Alameda CTC's finances, in a manner similar to private-sector businesses.

The *Statement of Net Position* includes financial information on all of Alameda CTC's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Alameda CTC is improving or deteriorating.

The *Statement of Activities* includes information which shows how Alameda CTC's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Consequently, revenues and expenses are reported for items in the Statement of Activities that may not result in cash flows until a future period.

The government-wide financial statements can be found on pages 13-14 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Alameda CTC, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of Alameda CTC's funds are considered governmental funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This information may be useful in assessing a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. This may help readers better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison.

Alameda CTC has seven major funds for which information is presented separately in the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances including: 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, and 2014 Measure BB Capital Projects Fund. In addition, there are five funds that are considered nonmajor. These five funds are combined in a single aggregate presentation in the Government Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Individual fund data for the nonmajor governmental funds combined in the single aggregate presentation is provided in the Supplementary Information section of this report within the Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances. Separate fund statements for each of the combined nonmajor government funds may also be found in the Supplementary Information section.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Alameda CTC adopts an annual budget for all of its funds. Budgetary comparison statements have been provided for the General Fund and major special revenue funds in the Required Supplementary Information section of this report. Budgetary comparison statements have been provided for all other funds in the Supplementary Information section.

Notes to the Financial Statements. The *notes to the financial statements* provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. These notes can be found directly following the financial statements in this financial report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning Alameda CTC's pension, other postemployment benefit (OPEB) liabilities (assets), and General Fund and major special revenue funds budgetary comparison schedules. Required supplementary information can be found beginning on page 51 of this report. In addition to the required supplementary information, additional information is presented for the combined nonmajor governmental funds in the combining statements and schedules.

Government-wide Financial Analysis

Net Position

As previously noted, the change in net position over time may serve as a useful indicator of a government's financial position. In the case of Alameda CTC, asset and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$628.4 million, at the end of the fiscal year.

As of June 30, 2021, total assets and deferred outflows of resources were \$764.6 million, an increase of \$38.7 million or 5.3 percent, from June 30, 2020 mostly related to an increase in cash and investments and sales tax revenue receivable at year-end due to an increase in sales tax revenue collections over the prior fiscal year as the economy rebounded from the initial shock of the pandemic in fiscal year 2019-20. Cash and investments comprised 83.3 percent of the total assets and deferred outflows of resources.

Total liabilities and deferred inflows of resources were \$136.2 million as of June 30, 2021, a decrease of \$28.0 million or 17.1 percent, from June 30, 2020 primarily due to a decrease in long-term obligations related to debt service payments made on the Measure B 2014 Sales Tax Revenue Bonds.

Net position was \$628.4 million at June 30, 2021, an increase of \$66.7 million or 11.9 percent over June 30, 2020 mostly due to a decrease in long-term obligations as debt service payments were made on the Measure B 2014 Sales Tax Revenue Bonds and an increase in cash and investments related to increased sales tax revenue collections as the economy rebounded from the initial shock of the pandemic in fiscal year 2019-20. Of the total \$628.4 million in net position at June 30, 2021, \$39.1 million or 6.2 percent is invested in capital assets, \$97.8 million or 15.6 percent is unrestricted and the balance of \$491.5 million or 78.2 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 programs, and debt service.

Generally, 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. However, Alameda CTC took on the responsibility for operating the I-580 Express Lanes which began operations in February 2016 as the outcome of a series of Alameda CTC capital projects which planned, designed, and constructed the lanes to alleviate traffic in the I-580 corridor in Alameda County. Expenditures for this capital project were recognized as capital assets beginning in February 2016.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Condensed Statement of Net Position June 30, 2021 and 2020

	Governmental Activities	
	2021	2020
Cash and investments	\$ 636,674,120	\$ 616,230,112
Receivables		
Sales tax receivables	69,434,132	51,388,607
Interest	948,070	1,723,114
Other	15,452,910	11,939,154
Prepaid and other assets	325,635	297,322
Net OPEB asset	-	26,401
Capital assets	39,098,573	41,887,305
Total Assets	761,933,440	723,492,015
Deferred Outflows of Resources	2,680,593	2,424,282
Total Assets and Deferred Outflows of Resources	\$ 764,614,033	\$ 725,916,297
Accounts Payable and Accrued Liabilities	\$ 86,957,569	\$ 85,608,754
Interest payable	339,400	743,400
Unearned revenue	14,874,811	17,078,012
Long-term obligations including pension and OPEB due in more than one year	33,589,056	60,275,216
Total Liabilities	135,760,836	163,705,382
Deferred Inflows of Resources	418,240	468,407
Total Liabilities and Deferred Inflows of Resources	136,179,076	164,173,789
Net investment in capital assets	39,098,573	41,887,305
Restricted for transportation projects, programs, and debt service	491,524,844	434,369,162
Unrestricted	97,811,540	85,486,041
Total Net Position	\$ 628,434,957	\$ 561,742,508
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 764,614,033	\$ 725,916,297

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Change in Net Position

Total revenues during fiscal year 2020-21 were \$393.1 million, an increase of \$22.8 million or 6.2 percent over fiscal year 2019-20. This increase is mainly attributed to an increase in sales tax revenues as the economy rebounded from the initial shock of the pandemic in fiscal year 2019-20. Total expenses during fiscal year 2020-21 were \$326.4 million, a decrease of \$29.8 million or 8.4 percent from fiscal year 2019-20. This decrease is attributed to a decrease in expenditures in the 2000 Measure B Capital Projects Fund due to capital projects that were winding down, the completion of various projects in fiscal year 2019-20 in the 2014 Measure BB Special Revenue Fund, and project delays on a few capital projects in the 2014 Measure BB Capital Projects Fund.

The following are changes in key activities during fiscal year 2020-21:

- Operating grants and contributions for fiscal year 2020-21 were \$35.6 million, an increase of \$6.6 million or 22.7 percent from fiscal year 2019-20. This increase is related to an increase in grant funding for Phase 1 of the Gilman Interchange Pedestrian Overcrossing Project, the 7th Street Grade Separation Project, and the Port Arterial Improvements Project.
- Sales tax revenues for fiscal year 2020-21 were \$341.2 million, an increase of \$31.0 million or 10.0 percent over fiscal year 2019-20 as the economy rebounded after the initial shock of the pandemic in fiscal year 2019-20.
- Administration expenses for fiscal year 2020-21 were \$13.3 million, a decrease of \$0.3 million or 1.9 percent from fiscal year 2019-20 mostly related to professional services work on several planning projects in fiscal year 2019-20, including the Countywide Transportation Plan, Community Based Transportation Plan, and the Grade Crossing Safety Enhancement Program.
- Transportation improvement costs for fiscal year 2020-21 were \$289.6 million, a decrease of \$29.6 million or 9.3 percent from fiscal year 2019-20. This change is due to project delays on projects in the 2014 Measure BB Capital Projects Fund and the winding down of projects in the 2000 Measure B Capital Projects Fund.
- Congestion management expenses for fiscal year 2020-21 were \$23.6 million, a slight increase of \$0.4 million or 1.9 percent over fiscal year 2019-20. This increase is primarily due to an increase in expenditures in the Vehicle Registration Fee Fund as work on the Union City Bart Station Improvement Project accelerated.

During fiscal year 2020-21, revenues exceeded expenses by \$66.7 million resulting in an increase to net position to \$628.4 million as of June 30, 2021.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

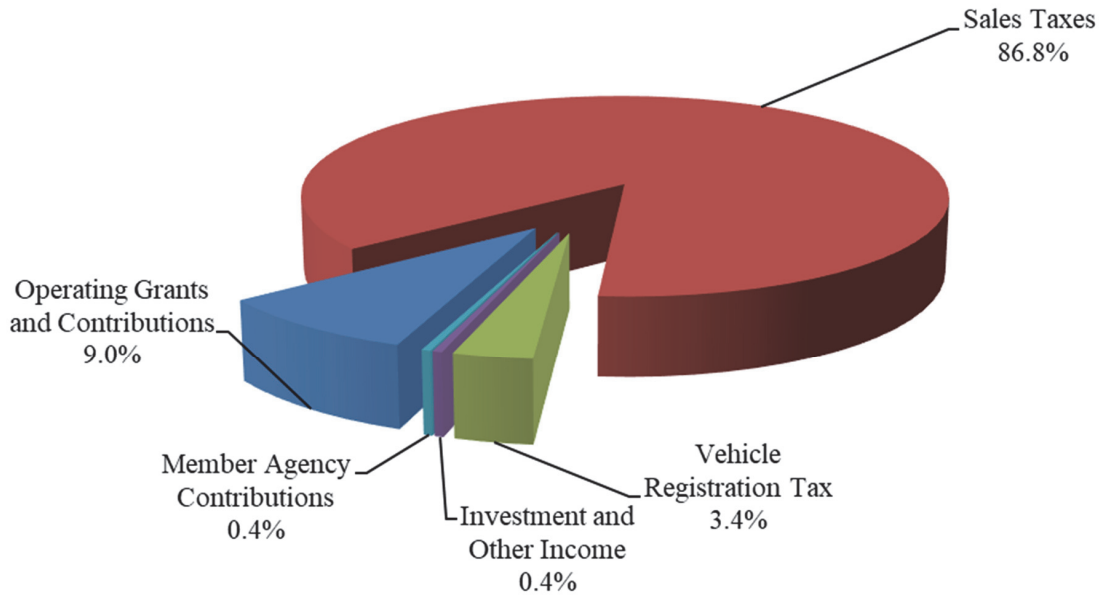
Condensed Statement of Changes in Net Position. For the Years Ended June 30, 2021 and 2020

	Governmental Activities	
	2021	2020
Revenues		
Program revenues:		
Operating grants and contributions	\$ 35,553,367	\$ 28,968,236
General revenues:		
Sales taxes	341,232,100	310,277,308
Vehicle registration tax	13,243,187	12,972,634
Member agency contributions	1,524,156	1,479,763
Investment income	1,582,699	16,645,195
Other revenues	5,302	5,097
Total Revenues	<u>393,140,811</u>	<u>370,348,233</u>
Expenses		
Administration	13,251,166	13,503,379
Interest expense	-	457,718
Transportation improvements	289,618,793	319,178,637
Congestion management	23,578,403	23,137,395
Total Expenses	<u>326,448,362</u>	<u>356,277,129</u>
Change in Net Position	66,692,449	14,071,104
Net Position, Beginning of Year	<u>561,742,508</u>	<u>547,671,404</u>
Net Position, End of Year	<u>\$ 628,434,957</u>	<u>\$ 561,742,508</u>

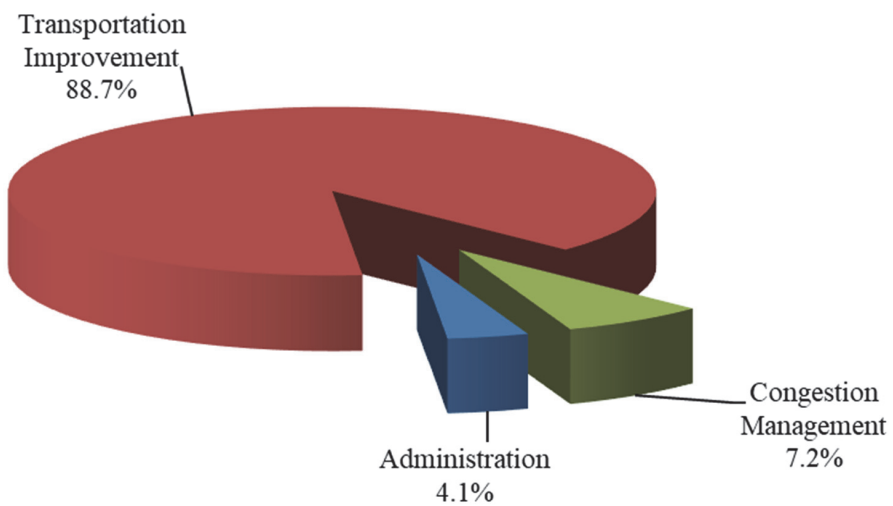
ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Revenues



Expenses



ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Governmental Funds Financial Analysis

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, 2014 Measure BB Capital Projects Fund, and the funds displayed in aggregate in the nonmajor fund category including the Transportation Fund for Clean Air Fund, Vehicle Registration Fee Fund, I-580 Express Lanes Operations Fund, Non-Sales Tax Capital Projects Fund, and Debt Service Fund.

As of June 30, 2021, Alameda CTC had \$620.8 million of fund balance in the governmental funds: \$95.5 million in the General Fund, \$38.7 million in the 2000 Measure B Special Revenue Fund, \$93.6 million in the 2014 Measure BB Special Revenue Fund, \$6.5 million in the Exchange Fund, \$120.1 million in the 2000 Measure B Capital Projects Fund, \$144.9 million in the 1986 Measure B Capital Projects Fund, \$20.5 million in the 2014 Measure BB Capital Projects Fund, and \$101.1 million in the funds displayed in aggregate as nonmajor governmental funds. This is an increase over June 30, 2020 of \$42.1 million or 7.3 percent. This increase is mostly attributed to an increase in sales tax revenues as the economy rebounded after the initial shock of the pandemic in fiscal year 2019-20.

For the period July 1, 2020 through June 30, 2021, Alameda CTC had \$392.4 million of revenues in the governmental funds: \$19.6 million in the General Fund, \$100.4 million in the 2000 Measure B Special Revenue Fund, \$118.3 million in the 2014 Measure BB Special Revenue Fund, \$3.4 million in the Exchange Fund, \$64.5 million in the 2000 Measure B Capital Projects Fund, \$0.3 million in the 1986 Measure B Capital Projects Fund, \$54.5 million in the 2014 Measure BB Capital Projects Fund, and \$31.4 million in the funds displayed in aggregate as nonmajor governmental funds. This is an increase over June 30, 2020 of \$22.1 million or 6.0 percent. This increase is attributed to an increase in sales tax revenues which was offset by a decrease in investment income related to the required Government Accounting Standards Board Statement No. 31 adjustment recorded as of June 30, 2021.

For the period July 1, 2020 through June 30, 2021, Alameda CTC had \$350.3 million of expenditures in the governmental funds: \$7.6 million in the General Fund, \$98.0 million in the 2000 Measure B Special Revenue Fund, \$98.0 million in the 2014 Measure BB Special Revenue Fund, \$3.3 million in the Exchange Fund, \$22.2 million in the 2000 Measure B Capital Projects Fund, \$0.8 million in the 1986 Measure B Capital Projects Fund, \$74.6 million in the 2014 Measure BB Capital Projects Fund, and \$45.7 million in the funds displayed in aggregate as nonmajor governmental funds. This is a decrease from June 30, 2020 of \$29.3 million or 7.7 percent. This decrease is primarily due to the winding down of projects in the 2000 Measure B Capital Projects Fund, completion of various projects in fiscal year 2019-20 in the 2014 Measure BB Special Revenue Fund, and project delays in the 2014 Measure BB Capital Projects Fund.

As of June 30, 2021, Alameda CTC had \$723.3 million of assets in the governmental funds: \$96.2 million in the General Fund, \$60.3 million in the 2000 Measure B Special Revenue Fund, \$115.8 million in the 2014 Measure BB Special Revenue Fund, \$18.2 million in the Exchange Fund, \$123.0 million in the 2000 Measure B Capital Projects Fund, \$145.8 million in the 1986 Measure B Capital Projects Fund, \$54.0 in the 2014 Measure BB Capital Projects Fund, and \$109.9 million in the funds displayed in aggregate as nonmajor governmental funds. This is an increase of \$41.0 million or 6.0 percent over June 30, 2020. This increase is mostly related to an increase in cash and investment and sales tax receivable due to an increase in sales tax revenues related to the rebound of the economy after the initial shock of the pandemic in fiscal year 2019-20.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

As of June 30, 2021, Alameda CTC had \$102.4 million of liabilities and deferred inflows of resources in the governmental funds: \$0.7 million in the General Fund, \$21.6 million in the 2000 Measure B Special Revenue Fund, \$22.1 million in the 2014 Measure BB Special Revenue Fund, \$11.8 million in the Exchange Fund, \$3.0 million in the 2000 Measure B Capital Projects Fund, \$0.9 million in the 1986 Measure B Capital Projects Fund, \$33.5 million in the 2014 Measure BB Capital Projects Fund, and \$8.8 million in the funds displayed in aggregate as nonmajor governmental funds. This is a decrease of \$1.1 million or 1.0 percent from June 30, 2020. This decrease is primarily due to a reduction in accrued liabilities for project and program expenditures in the 2000 Measure B Capital Projects Fund and 2014 Measure BB Capital Projects Fund as a result of decreases in expenditures related to the winding down of projects and project delays, respectively, as well as the utilization of unearned revenues towards project delivery in the Exchange Fund.

Capital Assets

As of June 30, 2021, Alameda CTC had \$39.1 million invested in capital assets, including furniture equipment and leasehold improvements, and a toll lane revenue system on the I-580 Express Lanes. The total change in capital assets for the fiscal year was a reduction of \$2.8 million or 6.7 percent.

Capital Assets (net of accumulated depreciation and amortization) June 30, 2021 and 2020

	2021	2020
Furniture equipment and leasehold improvements, net	\$ 153,947	\$ 264,952
Toll lane revenue system, net	38,944,626	41,622,353
Total	<u>\$ 39,098,573</u>	<u>\$ 41,887,305</u>

Additional information regarding Alameda CTC's capital assets can be found in Note 4 on page 36 of this report.

Debt

Alameda CTC issued Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 with a par value of \$137.1 million in March 2014 of which \$25.5 million remains outstanding as of June 30, 2021. The pledge to secure the bonds is 2000 Measure B sales tax revenues, and Alameda CTC has a trustee who maintains the bond funds. Since this was the first bond issuance for the 2000 Measure B sales tax measure and the agency, Alameda CTC also received its ratings from Standard & Poor's Rating Services and Fitch Ratings for the first time in fiscal year 2014. Alameda CTC received a AAA rating from both rating agencies and the rating has been reaffirmed annually since issuance. Alameda CTC remains AAA rated through the fiscal year ended June 30, 2021. For more information on Alameda CTC's debt activity, please refer to Note 5 to the financial statements beginning on page 36 of this report.

Comparison of Budget to Actual

General Fund – Alameda CTC began the fiscal year with an adopted revenue budget of \$17.0 million and an expenditures budget of \$10.1 million resulting in a projected increase in the General Fund balance of \$6.9 million. In the final adopted budget, the revenue budget was revised to \$17.5 million and the expenditure budget was revised slightly to \$10.4 million resulting in a slight increase to the projected change in fund balance in the General Fund to \$7.1 million. The increase in revenues was mainly related to an increase in projected sales tax revenues.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MANAGEMENT’S DISCUSSION AND ANALYSIS JUNE 30, 2021

Actual revenues from sales tax, project revenue, member agency contributions, investment and other income were \$19.6 million which is higher than the final adopted budget by \$2.1 million or 11.8 percent, and actual administrative expenditures were \$7.6 million which is less than the final adopted budget by \$2.8 million or 26.8 percent. These variances are mostly related to lower than projected expenditures for professional services.

Matters of Future Significance

Comprehensive Investment Plan – The Commission approved the 2022 Comprehensive Investment Plan (CIP) on July 22, 2021. This CIP includes \$141.6 million in fund programming which began in fiscal years 2021-22 and goes through fiscal year 2025-26, with \$107.7 million of allocations effective during the first two years. This CIP update includes previously allocated funding from prior CIPs and new programming and allocations of voter-approved sales tax dollars, vehicle registration fee funds, and Transportation for Clean Air Program funds. The CIP consolidates multiple planning and programming efforts at the local and countywide level to create a strategic, near-term transportation planning and programming document that local agencies and Alameda CTC utilize to direct staffing and financial resources decisions to help ensure the successful delivery of significant transportation projects in Alameda County.

Pandemic - In early 2020, Alameda CTC was affected by a global pandemic, COVID-19, which resulted in six Bay Area Counties, including Alameda County, announcing a “shelter-in-place” order on March 16 through April 7 which allowed only essential travel and essential businesses to remain open. This order was later revised to extend through May 3, then again through May 31, with some easing of the restrictions. These orders affected many aspects of daily living in Alameda County and the Bay Area including residents’ ability to drive to work, dine in restaurants, and shop for non-essential goods and services on a daily basis. These changes had a negative impact on a couple of key revenue sources for Alameda CTC during fiscal year 2019-20 including sales tax revenues and express lane toll revenues. Throughout the fiscal year, the State of California was slowly working towards reopening the economy based on a Blueprint originally announced by the Governor of California in August 2020. During fiscal year 2020-21 sales tax revenues made a full recovery from the effects of the pandemic reaching \$341.2 million, which is 10.0 percent higher than sales tax revenues collected in fiscal year 2019-20 and 2.2 percent higher than the previous highest year of sales tax revenues collections in fiscal year 2018-19.

In addition, the “shelter-in-place” order reduced traffic significantly on I-580; therefore, revenue operations of the express lanes were suspended in March 2020 through May 2020 in concert with all Bay Area regional express lane operators. As many Bay Area residents returned to work with the easing of restrictions on the order, I-580 in Alameda County experienced a return to heavy traffic patterns; therefore, revenue operations were reinstated on the express lanes in June 2020. Although the lanes returned to revenue operations, traffic volumes had decreased by approximately 60 percent. In response, toll rates were rolled back to reflect demand. By the end of the fiscal year, usage of the express lanes had rebounded to pre-pandemic levels, and by September 2021, pricing was reset to the levels used in January 2020 to ensure continued management of the express lanes. For fiscal year 2020-21 express lanes toll revenues were \$0.7 million, or 5.8 percent, less than fiscal year 2019-20.

Requests for Information

This financial report is designed to provide a general overview of Alameda CTC’s finances and to demonstrate accountability for the public funds that Alameda CTC oversees. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at 1111 Broadway, Suite 800, Oakland, CA 94607.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

STATEMENT OF NET POSITION JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash and investments	\$ 636,674,120
Sales tax receivable	69,434,132
Interest receivable	948,070
Other receivable	15,452,910
Noncurrent assets	
Prepays and other assets	325,635
Capital assets, net of accumulated depreciation	39,098,573
Total Assets	761,933,440
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows from pension activities	2,304,536
Deferred outflows from other postemployment activities	376,057
Total Deferred Outflows of Resources	2,680,593
LIABILITIES	
Accounts payable and accrued liabilities	86,957,569
Interest payable	339,400
Unearned revenues	14,874,811
Current portion of long-term liabilities	27,404,155
Noncurrent liabilities	
Liabilities due in more than one year	131,666
Net pension liability due in more than one year	5,978,729
Net other post employment liability	74,506
Total Liabilities	135,760,836
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows from pension activities	300,502
Deferred inflows from other postemployment activities	117,738
Total Deferred Inflows of Resources	418,240
NET POSITION	
Investment in capital assets	39,098,573
Restricted	
Local programs	132,307,394
Capital projects	258,412,469
Transportation fund for clean air	7,292,157
Vehicle registration fee	28,457,260
Technology projects	10,571,194
I-580 express lanes operations	45,015,386
Debt service	9,468,984
Unrestricted	97,811,540
Total Net Position	\$ 628,434,957

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

ALAMEDA COUNTY TRANSPORTATION COMMISSION

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
			Total Governmental Activities
Governmental activities			
Administration	\$ 13,251,166	\$ -	\$ (13,251,166)
Transportation improvements	289,618,793	11,706,783	(277,912,010)
Congestion management	23,578,403	23,846,584	268,181
Total governmental activities	<u>\$ 326,448,362</u>	<u>\$ 35,553,367</u>	<u>(290,894,995)</u>
General revenues			
Sales tax revenues			341,232,100
Vehicle registration tax			13,243,187
Member agency contributions			1,524,156
Interest and investment earnings			1,582,699
Other revenues			5,302
Total general revenues			<u>357,587,444</u>
Change in net position			66,692,449
Net position - beginning			<u>561,742,508</u>
Net position - ending			<u>\$ 628,434,957</u>

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

This page left blank intentionally.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2021

	General Fund	2000 Measure B Special Revenue Fund	2014 Measure BB Special Revenue Fund	Exchange Fund
ASSETS				
Cash and investments	\$ 91,830,972	\$ 38,825,080	\$ 90,050,373	\$ 18,204,668
Sales tax receivable	2,951,017	19,867,256	25,706,596	-
Interest receivable	214,812	69,611	21,483	193
Other receivable	1,040,384	1,489,388	-	-
Due from other funds	-	-	-	25,632
Prepays and other assets	195,704	-	-	-
Total Assets	<u>\$ 96,232,889</u>	<u>\$ 60,251,335</u>	<u>\$ 115,778,452</u>	<u>\$ 18,230,493</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 717,318	\$ 21,589,633	\$ 22,132,760	\$ 1,146,231
Due to other funds	-	-	-	22,424
Unearned revenue	13,381	-	-	10,600,976
Total Liabilities	<u>730,699</u>	<u>21,589,633</u>	<u>22,132,760</u>	<u>11,769,631</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	-
Fund Balances				
Nonspendable	195,704	-	-	-
Restricted				
Local programs	-	38,661,702	93,645,692	-
Capital projects	-	-	-	-
Transportation fund for clean air	-	-	-	-
Vehicle registration fee	-	-	-	-
Technology projects	-	-	-	-
I-580 express lanes operations	-	-	-	-
Debt service	-	-	-	-
Assigned - exchange program	-	-	-	6,460,862
Unassigned	95,306,486	-	-	-
Total Fund Balances	<u>95,502,190</u>	<u>38,661,702</u>	<u>93,645,692</u>	<u>6,460,862</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 96,232,889</u>	<u>\$ 60,251,335</u>	<u>\$ 115,778,452</u>	<u>\$ 18,230,493</u>

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

2000 Measure B Capital Projects Fund	1986 Measure B Capital Projects Fund	2014 Measure BB Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 109,528,000	\$ 145,409,019	\$ 39,804,658	\$ 103,021,350	\$ 636,674,120
13,300,117	-	7,609,146	-	69,434,132
63,239	362,144	97,676	118,912	948,070
-	-	6,511,874	6,411,264	15,452,910
-	-	-	393,038	418,670
125,000	-	-	4,931	325,635
<u>\$ 123,016,356</u>	<u>\$ 145,771,163</u>	<u>\$ 54,023,354</u>	<u>\$ 109,949,495</u>	<u>\$ 723,253,537</u>
\$ 2,628,094	\$ 898,557	\$ 31,968,980	\$ 5,875,996	\$ 86,957,569
156,103	-	-	240,143	418,670
180,197	-	1,574,898	2,505,359	14,874,811
<u>2,964,394</u>	<u>898,557</u>	<u>33,543,878</u>	<u>8,621,498</u>	<u>102,251,050</u>
-	-	-	183,616	183,616
-	-	-	-	195,704
-	-	-	-	132,307,394
120,051,962	144,872,606	20,479,476	-	285,404,044
-	-	-	7,292,157	7,292,157
-	-	-	28,457,260	28,457,260
-	-	-	10,571,194	10,571,194
-	-	-	45,015,386	45,015,386
-	-	-	9,808,384	9,808,384
-	-	-	-	6,460,862
-	-	-	-	95,306,486
<u>120,051,962</u>	<u>144,872,606</u>	<u>20,479,476</u>	<u>101,144,381</u>	<u>620,818,871</u>
<u>\$ 123,016,356</u>	<u>\$ 145,771,163</u>	<u>\$ 54,023,354</u>	<u>\$ 109,949,495</u>	<u>\$ 723,253,537</u>

ALAMEDA COUNTY TRANSPORTATION COMMISSION

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2021

Total Fund Balances on Governmental Funds' Balance Sheet	\$ 620,818,871
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Long-term receivables are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in governmental funds.	183,616
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	39,098,573
Bonds are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	(27,175,191)
The interest due on long-term obligations is not reported as a liability in the governmental funds but is reported on the Statement of Net Position.	(339,400)
Net pension liability and related deferred inflows and outflows are not due and payable in the current period and, therefore, are not reported as a liability in the governmental funds.	(3,974,695)
Compensated absences are long term liabilities and, therefore, are not reported on the governmental funds' Balance Sheet.	(360,630)
Net OPEB liability and related deferred inflows and outflows are not due and payable in the current period and, therefore, are not reported as a liability in the governmental funds.	<u>183,813</u>
Net position on the Statement of Net Position	<u><u>\$ 628,434,957</u></u>

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

This page left blank intentionally.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	2000 Measure B Special Revenue Fund	2014 Measure BB Special Revenue Fund	Exchange Fund
REVENUES				
Sales tax - 2000 Measure B	\$ 7,673,529	\$ 97,546,758	\$ -	\$ -
Sales tax - 2014 Measure BB	6,828,369	-	118,102,302	-
Project revenue	2,430,220	2,475,426	-	3,349,569
Member agency contributions	1,524,156	-	-	-
Toll and toll violation revenue	-	-	-	-
Vehicle registration tax	-	-	-	-
Investment income	1,115,291	333,592	232,401	30,900
Other income	1,133	2,083	2,086	-
Total Revenues	19,572,698	100,357,859	118,336,789	3,380,469
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	3,545,528	842,780	1,219,314	37,500
Office rent	1,106,010	-	-	-
Professional services	1,371,515	95,034	928,175	-
Planning and programming	311,637	-	-	-
Other	1,299,058	2,083	2,986	-
Transportation improvements				
Highways and streets	-	-	-	-
Public transit	-	50,867,001	49,984,862	-
Local transportation	-	46,234,225	37,932,124	-
Community development investments	-	-	8,454,586	-
Technology	-	-	(508,710)	-
Congestion management	-	-	-	3,312,068
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	7,633,748	98,041,123	98,013,337	3,349,568
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	11,938,950	2,316,736	20,323,452	30,901
OTHER FINANCING SOURCES/(USES)				
Transfer in	171,393	-	-	-
Transfer out	-	-	-	-
Total Other Financing Sources/(Uses)	171,393	-	-	-
NET CHANGE IN FUND BALANCES	12,110,343	2,316,736	20,323,452	30,901
Fund Balances - Beginning	83,391,847	36,344,966	73,322,240	6,429,961
Fund Balances - Ending	\$ 95,502,190	\$ 38,661,702	\$ 93,645,692	\$ 6,460,862

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

2000 Measure B Capital Projects Fund	1986 Measure B Capital Projects Fund	2014 Measure BB Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 65,302,588	\$ -	\$ -	\$ -	\$ 170,522,875
-	-	45,778,554	-	170,709,225
202,297	-	9,029,060	6,267,234	23,753,806
-	-	-	-	1,524,156
-	-	-	11,799,561	11,799,561
-	-	-	13,243,187	13,243,187
(958,502)	303,971	(293,103)	102,367	866,917
-	-	-	-	5,302
<u>64,546,383</u>	<u>303,971</u>	<u>54,514,511</u>	<u>31,412,349</u>	<u>392,425,029</u>
56,162	26,480	852,370	1,035,448	7,615,582
-	-	-	-	1,106,010
-	-	-	420,647	2,815,371
-	-	-	-	311,637
3,882	(21,364)	2,295	186,876	1,475,816
21,760,877	816,810	41,872,653	-	64,450,340
341,642	-	8,251,276	-	109,444,781
-	-	23,611,447	-	107,777,796
-	-	-	-	8,454,586
-	-	-	-	(508,710)
-	-	-	17,588,608	20,900,676
-	-	-	24,240,000	24,240,000
-	-	-	2,230,200	2,230,200
<u>22,162,563</u>	<u>821,926</u>	<u>74,590,041</u>	<u>45,701,779</u>	<u>350,314,085</u>
<u>42,383,820</u>	<u>(517,955)</u>	<u>(20,075,530)</u>	<u>(14,289,430)</u>	<u>42,110,944</u>
4,326,279	-	-	26,471,200	30,968,872
(26,471,200)	-	-	(4,497,672)	(30,968,872)
(22,144,921)	-	-	21,973,528	-
20,238,899	(517,955)	(20,075,530)	7,684,098	42,110,944
99,813,063	145,390,561	40,555,006	93,460,283	578,707,927
<u>\$ 120,051,962</u>	<u>\$ 144,872,606</u>	<u>\$ 20,479,476</u>	<u>\$ 101,144,381</u>	<u>\$ 620,818,871</u>

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, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 42,110,944
Amounts reported for governmental activities in the Statement of Activities are different because:	
Payment of bond principal is an expenditure in the governmental funds but it reduces the bonds payable on the Statement of Net Position.	24,240,000
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.	404,000
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 Balances.	2,541,982
Depreciation expense is recorded on the Statement of Activities, but does not impact the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances.	(2,788,732)
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.	236,688
In the governmental funds, OPEB costs are based on employer contributions made to the OPEB plan during the year. However, in the Statement of Activities, OPEB expense is the net effect of all changes in the deferred outflows, deferred inflows and net OPEB liability during the year.	8,656
In the Statement of Activities, certain operating expenses, such as compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	<u>(61,089)</u>
Change in net position of governmental activities	<u>\$ 66,692,449</u>

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

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – REPORTING ENTITY

In March 2010, the Alameda County Transportation Improvement Authority (ACTIA), the Alameda County Congestion Management Agency (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. In June 2010, the Boards of ACTIA and ACCMA created a joint powers agency, pursuant to the California Joint Exercise of Powers Act, known as Alameda County Transportation Commission (Alameda CTC). Alameda CTC is the successor agency of ACCMA, which was responsible for preparing, adopting, revising, amending, administering, and implementing the Congestion Management Program (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, and ACTIA, which was responsible for administering funds from the 1986 Measure B and 2000 Measure B sales tax programs necessary to complete the programs as described in the respective Transportation Expenditure Plans (TEP). In February 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 Alameda CTC effective March 2012. ACTIA and ACCMA were dissolved and extinguished effective the last day of February 2012.

Alameda CTC went before the voters in November 2014 with Measure BB which would augment and extend the current Measure B sales tax 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 collections began April 1, 2015. Measure BB will provide Alameda County with \$7.8 billion in funding over 30 years to increase mobility, create jobs, reduce congestion, and protect the environment. The 2014 TEP guides Measure BB expenditures and 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, reduce highway congestion, expand bicycle and pedestrian access, and connect transit with housing and jobs.

It is Alameda CTC's mission 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 Alameda CTC is funded through one or more federal, state, regional or local sources. Alameda CTC is reimbursed from granting agencies as eligible program or project implementation costs are incurred. Administrative and staff costs associated with implementing legislatively mandated activities, such as the CMP and the CTP, 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 (MTC) and Caltrans, member agency contributions, and other local funding sources.

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 the Paratransit Advisory and Planning Committee support Alameda CTC's work. Alameda CTC also has an Independent Watchdog Committee which reports directly to the public regarding the spending of 2000 Measure B and 2014 Measure BB funds, and the Alameda County Technical Advisory Committee continues to provide technical feedback to Alameda CTC.

These financial statements present the results of financial operations of Alameda CTC as of June 30, 2021 and for the fiscal year then ended.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Government-wide and Fund Financial Statements

The government-wide financial statements report information on all activities of Alameda CTC. The effect of interfund receivables and payables, or transfers in and out, are 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 California Department of Tax and Fee Administration. 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 direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with 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.

Governmental funds in the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Changes 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.

Fund Financial Statements

Alameda CTC uses the following funds:

General Fund – The General Fund is the general operating fund of Alameda CTC. Its purpose is to account for all financial resources and transactions not accounted for in another fund. Included in the General Fund are three subfunds, one that accounts for administration costs related to the 2000 Measure B Sales Tax Program (Measure B), which is funded with 4.5 percent of Measure B net revenues; one that accounts for administration costs related to the 2014 Measure BB Sales Tax Program (Measure BB), which is funded with 4.0 percent of Measure BB net revenues; and one that accounts for non-sales tax related administration costs, which is funded, in part, by fees collected from the member agencies. 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 TEPs to 1.0 percent of sales tax revenues and by the Public Utilities Code to 1.0 percent of funds 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. Alameda CTC uses the following special revenue funds:

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 maintenance, transit agencies for operations and maintenance and for the implementation of other programs and projects authorized in the Measure B TEP. 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 maintenance, and transit agencies for operations and maintenance and for the implementation of other programs and projects authorized in the Measure BB TEP. 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 Alameda CTC's Exchange Program, which is described in more detail in Note 6 which begins on page 37.

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

Nonmajor Vehicle Registration Fee Fund – The Vehicle Registration Fee Fund accounts for the Measure F Vehicle Registration Tax (VRF) Program which was approved by the voters of Alameda County in November 2010. The \$10 fee is a tax charged to Alameda County residents when registering their vehicles with the California Department of Motor Vehicles (DMV). The full \$10 tax, less a small fee, is transferred from the California DMV to the Alameda CTC monthly for administration. Collection of the \$10 per year vehicle registration tax 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.

Nonmajor I-580 Express Lanes Operations Fund – The I-580 Express Lanes Operations Fund accounts for toll and violation revenues collected from express lane patrons and expenditures incurred to operate and maintain the express lanes. Operations of the express lanes began in February 2016 as the outcome of a series of Alameda CTC capital projects which planned, designed, and constructed the lanes to alleviate traffic congestion along the I-580 corridor in Alameda County.

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

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

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

1986 Measure B Capital Projects Fund – The 1986 Measure B Capital Projects Fund accounts for expenditures incurred for the development or construction of major capital improvements and the acquisition of other capital assets in accordance with the 1986 Measure B 15-Year Transportation Expenditure Plan.

2014 Measure BB Capital Projects Fund – The 2014 Measure BB Capital Projects Fund accounts for resources accumulated and expenditures incurred for the development or construction of major capital improvements and the acquisition of other capital assets in accordance with the Alameda County 2014 Measure BB 30-Year Transportation Expenditure Plan.

Nonmajor Non-Sales Tax Capital Projects Fund – The Non-Sales Tax Capital Projects Fund accounts for proceeds and expenditures incurred related to the development or construction of capital improvement projects. These projects are implemented to reduce congestion or improve mobility in Alameda County.

Generally, Alameda CTC does not retain ownership of assets produced in relation to capital improvements for which it provides funding through its Capital Projects Funds. The assets and responsibility for maintenance are transferred to the sponsor or managing jurisdiction upon completion. However, Alameda CTC took on the responsibility for operating the I-580 Express Lanes which began operations in February 2016 as the outcome of a series of Alameda CTC capital projects which planned, designed, and constructed the lanes to alleviate traffic in the I-580 corridor in Alameda County. Expenditures for this capital project were recognized as capital assets beginning in February 2016.

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. Alameda CTC considers revenues available if they are collected within 180 days after fiscal year end, except for sales tax revenues which are considered to be available if collected within 60 days. Expenditures are generally recorded when the related fund liability is incurred.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

The modified accrual basis of accounting uses the current financial resources measurement focus whereby the Balance Sheet generally presents only current assets, current liabilities, and deferred inflows of resources, and the Statement of Revenues, Expenditures, and Changes in Fund Balances presents sources and uses of available resources during a given period. Sales tax revenues, member agency contributions, vehicle registration taxes, investment income including the change in the fair value of investments, toll and toll violation revenue, and other income 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. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 180 days of year-end).

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. Alameda CTC has no debt related to capital assets.

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 the net position of Alameda CTC that is not restricted for any project, program, or other purpose.

When both restricted and unrestricted resources of net position 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.

Governmental fund balances are classified in accordance with spending constraints imposed on the use of resources. For programs with multiple funding sources, Alameda CTC prioritizes and expends funds in the following order: Restricted, Assigned then 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 – The nonspendable fund balance classification reflects 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.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assigned – The assigned fund balance classification reflects amounts that 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 committed levels of constraint.

Unassigned – 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 for specific purposes. The General Fund is the only fund that reports a positive unassigned fund balance amount.

Restricted and assigned fund balances are required, or earmarked, to be used for transportation related projects and programs as governed by the voter-approved TEPs, the California Government Code, or the Commission, depending on specific fund, and are designed to reduce congestion or improve mobility in Alameda County.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, Alameda CTC considers restricted funds to have been spent first. When an expenditure is incurred for which assigned or unassigned fund balances are available, 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 (GAAP), requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, disclosure of amounts at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses 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.

Alameda CTC recognizes the fair value measurement of its investments based on the hierarchy established by GAAP. The fair value hierarchy has three levels and is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include furniture and equipment, leasehold improvements, and toll lane revenue system equipment, are reported on the government-wide financial statements. Capital assets are recorded at cost where historical records are available and estimated historical costs where no historical costs exist. Assets purchased in excess of \$5,000 are capitalized if they have an expected life of more than one year. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets' life are not capitalized.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the governmental-wide financial statements. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the Statement of Net Position. The estimated life of office furniture and equipment is five years, leasehold improvements is the remaining term of the lease agreement, and toll lane revenue system equipment varies from 15 to 20 years.

Budget

Annual budgets are adopted on a basis consistent with GAAP. 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 Fund, Exchange Fund, Debt Service Fund, and most Special Revenue Fund categories.

The Commission adopts rolling budgets for the Capital Projects Funds and some capital projects that are funded through Special Revenue Funds. Any unutilized capital project budget authority is rolled to the next fiscal year. The Commission adopts increases as requested to the capital budget with the annual budget and may approve modifications during the year as needed. The Executive Director or designee approves reimbursements to project sponsors, and reimbursements are not to exceed contract limits or fund amounts programmed in the Comprehensive Investment Plan adopted by the Commission.

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 and charges to customers who use services provided by a given function or segment. All sales tax revenues, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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 in the usage period rather than when purchased.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the Alameda CTC other postemployment benefits plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS for the California Employers' Retiree Benefit Trust (CERBT) Fund. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

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 Alameda CTC. Alameda CTC is not obligated to pay for unused sick leave if an employee terminates employment prior to retirement or prior to when 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 therefore will not be recognized as an expense until then. Alameda CTC reports deferred outflows from pension and other post-employment benefit activities.

In addition to liabilities, the Statement of Net Position and Governmental Funds Balance Sheet report have a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as revenue until then. Alameda CTC reports deferred inflows from pension, other post-employment benefit activities and project revenues.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Principles from the Governmental Accounting Standards Board (GASB)

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The Statement is effective for the periods beginning after December 15, 2019, or the fiscal year 2020-21. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the reporting periods beginning after June 15, 2021, or fiscal year 2021-22. Alameda CTC has not yet determined the effect of this Statement on its financial statements.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for certain interest costs. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in the financial statements. The Statement is effective for reporting periods beginning after December 15, 2020, or fiscal year 2021-22. Alameda CTC has not yet determined the effect of this Statement on its financial statements.

GASB Statement No. 90 – In August 2018, GASB issued Statement No. 90, *Majority Equity Interest, an amendment of GASB statement No. 14 and No. 61*. The objective of this Statement is to improve how majority equity interest is reported. The Statement specifies that a majority equity interest in a legally separate organization should be reported as an investment using the equity method if a government's holding of the equity interest meets the definition of an investment and for all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit. This Statement is effective for reporting periods beginning after December 15, 2019, or fiscal year 2020-21. The implementation of this Statement did not have a material effect on the financial statements.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for reporting periods beginning after December 15, 2021, or fiscal year 2022-23. Alameda CTC has not yet determined the effect of this Statement on its financial statements.

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements for a variety of topics. This Statement is effective for reporting periods beginning after June 15, 2022, or the fiscal year 2022-23. Alameda CTC has not yet determined the effect of this Statement on its financial statements.

GASB Statement No. 93 – In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The primary objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). This Statement is effective for reporting periods beginning after June 15, 2021, or the fiscal year 2021-22. Alameda CTC has not yet determined the effect of this Statement on its financial statements.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement is effective for reporting periods beginning after June 15, 2022, or the fiscal year 2022-23. Alameda CTC has not yet determined the effect of this Statement on its financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this Statement is to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. This Statement is effective for reporting periods beginning after June 15, 2022, or the fiscal year 2022-23. Alameda CTC has not yet determined the effect of this Statement on its financial statements.

NOTE 3 – CASH AND INVESTMENTS

Investment in the State Investment Pool – Alameda CTC is a 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 pool is not registered with the Securities and Exchange Commission. The fair value of Alameda CTC's investments in the pool is reported in the accompanying financial statement at amounts based upon 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 accounting records maintained by LAIF, which is recorded on the amortized cost basis. LAIF transactions (combination of deposits and withdrawals) are restricted to 15 transactions per month with a minimum transaction amount of \$5,000 and increments of a thousand dollars thereafter.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

Investment in the California Asset Management Program – Alameda CTC is a participant in the California Asset Management Program (CAMP) as permitted under California Government Code §53601(p). The pool is not registered with the Securities and Exchange Commission. The Alameda CTC's investment in the pool is reported in the accompanying financial statement at amounts based upon a net asset value of \$1.00 per share held by Alameda CTC. The balance available for withdrawal is based on accounting records maintained by CAMP, which is recorded on the amortized cost basis.

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. Alameda CTC's investments in CAMP and LAIF are not rated as of June 30, 2021. Investment ratings as determined by Standard & Poor's are as follows:

Investment Type	AAA	AA+	AA	A+	A-1+
Corporate Notes	\$ 2,751,398	\$ 3,407,867	\$ 2,636,261	\$ 4,004,181	\$ -
Money Market Funds	-	-	-	-	-
US Agency Securities	-	68,783,201	-	-	-
US Treasury Securities	-	176,948,349	-	-	47,672,281
CAMP	-	-	-	-	-
LAIF	-	-	-	-	-
Total Investments	\$ 2,751,398	\$ 249,139,417	\$ 2,636,261	\$ 4,004,181	\$47,672,281

Investment Type	AAAm	BBB+	Not Rated	Total
Corporate Notes	\$ -	\$ 2,651,166	\$ -	\$ 15,450,873
Money Market Funds	13,115,451	-	-	13,115,451
US Agency Securities	-	-	-	68,783,201
US Treasury Securities	-	-	-	224,620,630
CAMP	-	-	77,667,836	77,667,836
LAIF	-	-	209,960,516	209,960,516
Total Investments	\$ 13,115,451	\$ 2,651,166	287,628,352	609,598,507
Cash in bank			27,075,613	27,075,613
Total Cash and Investments			\$314,703,965	\$636,674,120

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 Alameda CTC. Alameda CTC has not adopted a formal policy regarding custodial credit risk. The California Government Code requires that a financial institution secure deposits made by state or local governments 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. Alameda CTC had minimal exposure to custodial credit risk at June 30, 2021, as bank balances were collateralized with securities held by the pledging financial institution as described above.

Custodial Credit Risk, Investments – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, 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. Alameda CTC investments are not exposed to custodial credit risk.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

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 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. 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	\$ 36,377,176

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. Alameda CTC generally manages its exposure to interest rate risk by purchasing a combination of shorter 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 Alameda CTC's investments to market interest rate fluctuation is provided by the following schedule which shows the distribution of investments by maturity.

Investment Type	12 Months or less	13 to 24 Months	25 to 60 Months	Total
US Agency Securities	\$ 15,783,986	\$ 49,724,575	\$ 3,274,640	\$ 68,783,201
US Treasury Securities	121,432,461	59,988,923	43,199,246	224,620,630
Corporate Notes	10,657,795	4,793,078	-	15,450,873
Money Market Funds	13,115,451	-	-	13,115,451
CAMP	77,667,836	-	-	77,667,836
LAIF	209,960,516	-	-	209,960,516
Total Investments	448,618,045	114,506,576	46,473,886	609,598,507
Cash in Bank	27,075,613	-	-	27,075,613
Total	\$ 475,693,658	\$ 114,506,576	\$ 46,473,886	\$ 636,674,120

As reported by the State Treasurer, the average life of an investment in the LAIF portfolio was 291 days on June 30, 2021. As reported by CAMP, the weighted average life of an investment in CAMP was 52 days on June 30, 2021.

Fair Value Measurements – Alameda CTC categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, or specifically for Alameda CTC, quoted prices for similar assets; and Level 3 inputs are significant unobservable inputs. Investments in the LAIF and CAMP pools are uncategorized because deposits to and from the pools are made on the basis of \$1 and not at fair value.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

Alameda CTC has the following fair value measurements as of June 30, 2021:

Investment Type	Quoted Prices (Level I)	Observable Inputs (Level II)	Total
US Agency Securities	\$ -	\$ 68,783,201	\$ 68,783,201
US Treasury Securities	224,620,630	-	224,620,630
Corporate Notes	-	15,450,873	15,450,873
Money Market Funds	-	13,115,451	13,115,451
	<u>\$ 224,620,630</u>	<u>\$ 97,349,525</u>	<u>321,970,155</u>
CAMP			77,667,836
LAIF			209,960,516
Cash in Bank			<u>27,075,613</u>
Total cash and investments by fair value type			<u>\$ 636,674,120</u>

Policies and Practices – The following table presents investments with maximum maturity and minimum credit quality permitted by California Government Code or Alameda CTC’s investment policy 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	100%	35%	Senior and Fully Guaranteed Debt
U.S. Treasury Obligations	5 years	100%	None	None
Commercial Paper	270 days	40%	5%	A1
Asset-Backed Commercial Paper	270 days	40%	5%	A1
Medium Term Corporate Notes of				
U.S. Corporations	5 years	30%	5%	A
Asset-Backed Securities	5 years	20%	5%	AAA
Negotiable Certificates of Deposit	3 years	30%	5%	A
Money Market Mutual Funds	N/A	20%	5%	AAAm
Government Money Market Mutual Funds	N/A	20%	10%	AAAm
Local Agency Investment Fund	N/A	N/A	N/A	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	N/A	N/A	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 BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021****NOTE 4 – CAPITAL ASSETS**

Capital asset balances at June 30, 2021, and activity during the fiscal year were as follows:

	Balance at June 30, 2020	Additions	Dispositions	Balance at June 30, 2021
Capital assets being depreciated:				
Furniture, equipment and leasehold improvements	\$ 1,306,050	\$ -	\$ -	\$ 1,306,050
Toll revenue system	52,960,586	-	-	52,960,586
Total capital assets being depreciated:	54,266,636	-	-	54,266,636
Less accumulated depreciation for:				
Furniture, equipment and leasehold improvements	(1,041,098)	(111,005)	-	(1,152,103)
Toll revenue system	(11,338,233)	(2,677,727)	-	(14,015,960)
Total accumulated depreciation	(12,379,331)	(2,788,732)	-	(15,168,063)
Capital assets, net of accumulated depreciation	\$ 41,887,305	\$ (2,788,732)	\$ -	\$ 39,098,573

Depreciation expense was allocated to the administration and congestion management functions on the Statement of Activities in the amounts of \$111,005 and \$2,677,727, respectively.

NOTE 5 – LONG-TERM OBLIGATIONS**Summary**

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

	Balance at June 30, 2020	Additions	Deductions	Balance at June 30, 2021	Current Portion
Revenue Bonds	\$ 49,695,000	\$ -	\$ 24,240,000	\$ 25,455,000	\$ 25,455,000
Bond Premium	4,262,173	-	2,541,982	1,720,191	1,720,191
Compensated Absences	299,541	290,053	228,964	360,630	228,964
	\$ 54,256,714	\$ 290,053	\$ 27,010,946	\$ 27,535,821	\$ 27,404,155

Alameda CTC's 2000 Measure B sales tax revenues are 100 percent 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 portion of the pledged sales tax revenues designated to make payments of principal and interest on the outstanding bonds. The debt coverage ratio was 644 percent with Measure B sales tax revenues in the amount of \$170,522,875 and debt service requirements in the amount of \$26,470,200 in fiscal year 2020-21.

Alameda CTC accrues compensated absences in the General Fund and pays the liability from General Fund assets.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

Outstanding Bonded Debt

On March 4, 2014 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 Improvements and I-680 Express Lane Projects, or other transportation improvements as permitted by the 2000 Measure B TEP. The bonds pay interest ranging from 3.0 percent to 5.0 percent with a final maturity of March 1, 2022.

The Sales Tax Revenue Bonds Indenture contains events of default that require the Measure B sales tax revenue of Alameda CTC to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; failure of Alameda CTC to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by Alameda CTC; or if any court or competent jurisdiction shall assume custody or control of Alameda CTC.

Debt Service Requirements to Maturity

The outstanding debt at June 30, 2021 is \$25,455,000 and will be paid as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 25,455,000	\$ 1,018,200	\$ 26,473,200
Totals	<u>\$ 25,455,000</u>	<u>\$ 1,018,200</u>	<u>\$ 26,473,200</u>

NOTE 6 – EXCHANGE PROGRAM

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.

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 BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 6 – EXCHANGE PROGRAM (Continued)

The following is a list of the funds exchanged from other governments through June 30, 2021:

Alameda County Public Works Agency	\$ 8,684,000
Alameda County Transportation Commission Measure B	20,986,143
Alameda County Transportation Improvement Authority	2,316,148
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 San Leandro	1,000,000
City of Union City	9,314,000
Metropolitan Transportation Commission	675,000
San Joaquin Regional Rail Commission	1,583,380
Santa Clara Valley Transportation Authority	558,000
Total Exchanged Funds Committed to Alameda CTC	<u>104,570,990</u>
Amounts not yet collected	(3,728,000)
Total expenditures incurred, current year	(3,349,568)
Total expenditures incurred, previous years	<u>(86,892,446)</u>
Unearned revenue reported in the Exchange Fund	<u><u>\$ 10,600,976</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 Miscellaneous 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. Audited annual financial statements are available from CalPERS at P.O. Box 942709, Sacramento, CA, 94229-2709.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 – PENSION PLANS (Continued)

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 on or 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.

The Plan provisions and benefits in effect at June 30, 2021, 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
Normal retirement age	55	62
Monthly benefits, as a percent of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8.00%	6.75%
Required employer contribution rates	12.361%	7.732%

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 an actuary and shall be effective on July 1 following notice of a change in the rate. Funding contributions for both Classic and New members 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. Alameda CTC makes pension contributions after each pay period and allocates pension benefit costs, along with all other benefit costs, to various funds related to the specific activities to which payroll charges are applied based on work completed each month.

For the year ended June 30, 2021 contributions made by Alameda CTC were \$1,415,922, which included a \$500,000 payment in addition to the actuarially determined required contribution. Working with CalPERS actuaries, Alameda CTC has adopted a plan to pay down the agency's unfunded pension liability by making extra payments in addition to the actuarially determined required contributions over a ten year period.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 – PENSION PLANS (Continued)

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

Alameda CTC's net pension liability is measured as the proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2020, 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, 2019 rolled forward to June 30, 2020 using standard update procedures. Alameda CTC's proportion of the net pension liability was based on Alameda CTC's share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. Alameda CTC's proportionate share of the net pension liability as of June 30, 2019 and 2020 measurement dates are as follows:

Proportion - June 30, 2020	0.0587%	\$ 6,018,502
Proportion - June 30, 2021	0.0549%	5,978,729
Change - Increase (Decrease)	-0.0038%	\$ (39,773)

For the year ended June 30, 2021, Alameda CTC recognized a pension expense of \$1,179,234. On June 30, 2021, Alameda CTC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,415,922	\$ -
Contributions in excess of proportionate share	352,748	(9,391)
Changes in assumptions	-	(42,643)
Difference in expected and actual experience	308,102	-
Adjustment due to differences in proportions	50,156	(248,468)
Net differences between projected and actual earnings on plan investments	177,608	-
	<u>\$ 2,304,536</u>	<u>\$ (300,502)</u>

Deferred outflows of resources related to contributions subsequent to the measurement date is \$1,415,922, which will be recognized as a reduction of the net pension liability and a component of pension expense in the year ended June 30, 2022.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 – PENSION PLANS (Continued)

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
2022	\$ 116,041
2023	224,157
2024	162,728
2025	85,186
	<u>\$ 588,112</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry-Age and Service
Investment Rate of Return	7.15% (1)
Mortality	(2)

- (1) Net of pension plan investment and administrative expenses, includes inflation
- (2) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. 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 7.15 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.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 – PENSION PLANS (Continued)

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 10 years) and the long-term (11 - 60 years) using a building-block approach. Using the expected nominal returns for both short and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short and long-term returns. The expected rate of return was then set equivalent to the single equal rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the expected real rate of return by asset class.

Asset Class (a)	New Strategic Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	(0.92%)
Total	100.00%		

(a) In the CalPERS' Annual Comprehensive Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.00% used for this period.

(c) An expected inflation of 2.92% used for this period.

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

The following presents Alameda CTC's proportionate share of the net pension liability, as well as what 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
	6.15%	7.15%	8.15%
Net Pension Liability	\$ 9,278,118	\$ 5,978,729	\$ 3,252,548

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 BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Operating Lease

Alameda CTC entered into an operating lease agreement with OCC Venture LLC dated February 21, 2013 for the office space located at 1111 Broadway, Suite 800, in Oakland, CA through October 2023. On November 18, 2014, this property, along with all interest under that lease, was sold to Broadway Franklin LLC, and on August 13, 2021, this property, along with all interest under that lease, was sold to SFIII 1111 Broadway, LLC. This agreement does not contain a purchase option.

Future minimum lease payments under this agreement are as follows:

Year Ending June 30,	Lease Payments
2022	\$ 991,399
2023	1,022,081
2024	344,209
Total	<u>\$ 2,357,689</u>

Project Delivery and Program Implementation

Alameda CTC has entered into contracts with various private firms and cooperative agreements with agencies to provide scoping/planning, engineering, environmental, design, right-of-way engineering and acquisition, construction management and other related services for the delivery of capital projects and programs being implemented by Alameda CTC. As of June 30, 2021, the total outstanding commitments (not paid or accrued) were \$87.3 million. The terms range from June 30, 2021 up to five years (or acceptance of the work, whichever is earlier).

Alameda CTC has entered into contracts with various private firms to provide project and program support services. As of June 30, 2021, the total outstanding commitments (not paid or accrued) were \$13.6 million. The terms range from June 30, 2021 up to three years (or acceptance of the work, whichever is earlier).

Agreements with Agencies

Alameda CTC has entered into agreements with cities and approved organizations within Alameda County to deliver projects or programs at various phases funded by Alameda CTC administered programs. As of June 30, 2021, the total outstanding commitments (not paid or accrued) were \$110.5 million. The terms range from June 30, 2021 up to five years (or acceptance of the work, whichever is earlier).

Construction

Alameda CTC has entered into contracts with various contractors and cooperative agreements with the State of California for the construction phase of capital projects. As of June 30, 2021, the total outstanding commitments (not paid or accrued) were \$113.5 million. The terms range from June 30, 2021 until acceptance of the work.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 – COMMITMENTS AND CONTINGENCIES (Continued)

Right of Way/Utilities

Alameda CTC has entered into contracts to acquire right of way, relocate utilities, and comply with permit conditions as necessary for the construction of capital projects. As of June 30, 2021, the total outstanding commitments (not paid or accrued) were \$14.3 million. The terms range from June 30, 2021 up to acceptance of the work.

Operations

Since February 2016, Alameda CTC has entered into contracts to provide operations and maintenance support for the I-580 Express Lanes. As of June 30, 2021, the total outstanding commitments (not paid or accrued) were \$7.1 million. The terms range from June 30, 2021 throughout operations.

Funding Agreements

Alameda CTC has entered into Exchange agreements in the Exchange Fund with several local governments to provide funding for transportation projects. As of June 30, 2021, the remaining project costs to be paid by Alameda CTC totaled approximately \$14.1 million.

Grants

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 would not have a material adverse effect on the overall financial position at June 30, 2021.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 – COMMITMENTS AND CONTINGENCIES (Continued)

Insurance

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 of Alameda CTC's insurance coverage:

Type of Coverage	Deductible	Coverage up to
General liability	\$ 500	\$ 10,000,000 per occurrence
Employee and public officials errors and omissions	-	10,000,000 per occurrence
Public officials personal liability	500	500,000 per occurrence
Employment practices liability	-	10,000,000 per occurrence
Employee benefits liability	-	10,000,000 per occurrence
Auto liability	1,000	10,000,000 per occurrence
Auto property damage comp/collision	-	100,000 per occurrence
High dollar vehicles	-	800,000,000 per occurrence
Uninsured/underinsured motorists	-	1,000,000 per accident
Property coverage	1,000	800,000,000 per occurrence
Boiler and machinery coverage	1,000	100,000,000 per occurrence
Flood	500,000	800,000,000 per occurrence
Pollution	150,000	2,000,000 per occurrence/annual aggregate
Cyber	50,000	2,000,000 per occurrence/annual aggregate
Mobile/contractors equipment	1,000	800,000,000 per occurrence
Workers' compensation	-	5,000,000 per occurrence
Excess liability	-	15,000,000 per occurrence/annual aggregate
Crime Policy	-	10,000,000 per occurrence

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

Litigation

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 Alameda CTC at June 30, 2021.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 – COMMITMENTS AND CONTINGENCIES (Continued)

COVID-19 Global Pandemic

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States caused business disruption through mandated and voluntary closings of businesses and shelter-in-place orders for all but those deemed essential services. While the business disruption was expected to be temporary, it has continued to disrupt business operations for many industries throughout the nation and worldwide. However, the dedicated staff at Alameda CTC continued to deliver the many projects and programs as outlined in the various transportation expenditure plans and complete all mandated congestion management functions under the direction of a highly effective Commission while working in a remote environment. Alameda CTC saw a full recovery of sales tax revenue collections during the fiscal year, reaching a new highest collection year ever for sales tax revenues in Alameda County of \$341.2 million. Throughout the fiscal year ended June 30, 2021, the State of California was slowly working towards reopening the economy based on a Blueprint originally announced by the Governor of California in August 2020. More recently, the Health Officer of Alameda County issued a new health order, effective June 15, 2021, in accordance with the California State Public Health Officer Order. This new order rescinded the shelter-in-place orders that were put in place in March 2020 with the intent to fully reopen the economy and did away with requirements of physical distancing and capacity limits on businesses.

NOTE 9 – INTERFUND ACTIVITY

Alameda CTC records interfund activity when one of the tax measures or congestion management fee programs managed by Alameda CTC provides funding for an Alameda CTC sponsored project or program in another fund. As of June 30, 2021, the Exchange Fund and the Non-Sales Tax Capital Projects Fund had revenues receivable totaling \$418,670. The various funds 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 interfund receivables and payables are expected to be eradicated within 180 days.

In addition, the 2000 Measure B Capital Projects Fund transferred \$26,471,200 to the Debt Service Fund for payment of principal and interest due on the bonds. The I-580 Express Lanes Operations Fund transferred \$4,326,279 to the 2000 Measure B Capital Projects Fund to repay a portion of funds loaned to construct the I-580 Express Lanes.

NOTE 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

Plan description and benefits provided

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 trust that was established by CalPERS and is managed by an appointed governing body 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.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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

Alameda CTC offers retiree health benefits under a Retiree Health Reimbursement Arrangement (HRA) Plan, a defined benefit plan. Retirees are eligible for lifetime benefits if they retire from Alameda CTC under CalPERS within 120 days of employment and have 10 years of credited service with CalPERS. In general, at least five years of credited service must be with Alameda CTC. Each eligible retiree is entitled to reimbursement for health care premium costs incurred on a CalPERS health insurance plan for the retiree plus one dependent paid through the HRA Plan. The maximum monthly contribution that Alameda CTC provides towards the cost of monthly premiums is based on the actual cost incurred by the retiree or an amount approved by the Commission, whichever is less. Alameda CTC's contributions for health care coverage 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. These benefit provisions are adopted annually and may be amended by the Commission. Alameda CTC accrues OPEB costs in the General Fund and pays the liability from General Fund assets.

Employees covered by benefit terms

At June 30, 2019, the most recent valuation date, the following employees were covered by the benefit terms:

Inactive employees (retirees) currently receiving benefit payments	13
Inactive employees (retirees) entitled to, but not electing to receive this benefit	3
Active employees	32
	<u>48</u>

Contributions

The OPEB Plan and its contribution requirements are established by the Commission. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2021, Alameda CTC's contribution was \$141,282 of which \$39,788 was in the form of a subsidy.

Net OPEB Liability and assumptions

The Alameda CTC's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019.

The total OPEB liability measured as of June 30, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial assumptions

Discount Rate	6.50%
Inflation	2.50%
Salary Increases	2.75%
Investment Rate of return	6.50%
Mortality	Based on assumptions for Public Agency Miscellaneous Members published in the December 2017 CalPERS Experience Study. These tables include 15 years of static mortality improvement using 90% scale MP-2016.
Healthcare Trend Rate	6.4%; gradually decreasing over several decades to an ultimate rate of 4.0% in FY2076 and later years.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term expected real rate of return
Global Equity	61.80%	6.50%
Global Fixed Income	22.70%	6.60%
REITs	7.70%	1.80%
TIPS	4.60%	3.70%
Commodities	2.90%	-12.60%
Cash Equivalents	0.30%	0.00%
Total	100.00%	

The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that Alameda CTC contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

The changes in the net OPEB liability of the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020 (Valuation Date June 30, 2019)	\$ 3,585,719	\$ 3,612,120	\$ (26,401)
Changes recognized for the measurement period:			
Service cost	132,659	-	132,659
Interest	236,433	-	236,433
Contributions - employer	-	137,786	(137,786)
Net investment income	-	132,209	(132,209)
Benefit payments	(161,900)	(161,900)	-
Administrative expense	-	(1,810)	1,810
Net Change	207,192	106,285	100,907
Balance at June 30, 2021 (Measurement Date June 30, 2020)	\$ 3,792,911	\$ 3,718,405	\$ 74,506

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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

The following presents the net OPEB liability of Alameda CTC, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (5.50 percent) or one-percentage point higher (7.50 percent) than the current discount rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability (Asset)	\$ 580,507	\$ 74,506	\$ (345,512)

The following presents the net OPEB liability of Alameda CTC, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rates that is one-percentage point lower (5.4 percent) or one-percentage point higher (7.4 percent) than the current healthcare cost trend rates:

	1% Decrease (5.40%)	Current Healthcare Cost Trend Rates (6.40%)	1% Increase (7.40%)
Net OPEB Liability (Asset)	\$ (436,780)	\$ 74,506	\$ 710,574

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial report, which may be obtained from CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in the future as OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARS�)

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

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

For the fiscal year ended June 30, 2021, Alameda CTC recognized OPEB expense of \$132,626. As of fiscal year ended June 30, 2021, Alameda CTC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 141,282	\$ -
Changes of assumptions	44,838	(117,738)
Difference between expected and actual liability	105,789	-
Net difference between projected and actual earnings on OPEB plan investments	84,148	-
Total	\$ 376,057	\$ (117,738)

The \$141,282 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30:	Annual Amortization
2022	\$ 2,417
2023	21,246
2024	24,955
2025	17,086
2026	15,516
Thereafter	35,817
	\$ 117,037

NOTE 11 – RELATED PARTY TRANSACTIONS

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) between 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 value pricing high-occupancy vehicle express lanes on the Sunol Grade segment of Interstate-680 in Alameda and Santa Clara Counties.

The SSCLJPA was formed as a result of a planning study completed by Alameda CTC which evolved into a capital project that designed and constructed the southbound express lane. The lane went into operations in September 2010. Alameda CTC was designated the managing agency for the SSCLJPA, but the SSCLJPA is a separate legal entity with its own governance and is not a component unit of Alameda CTC.

As of June 30, 2021, Alameda CTC had \$168,757 of receivables from the SSCLJPA and no payables due to the SSCLJPA.

REQUIRED SUPPLEMENTARY INFORMATION

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2015	2016 ⁽¹⁾	2017	2018 ⁽²⁾
Proportion of the Net Pension Liability	0.048309%	0.057277%	0.056648%	0.056930%
Proportionate Share of the Net Pension Liability	\$ 3,006,005	\$ 3,931,433	\$ 4,901,839	\$ 5,645,904
Covered Payroll	\$ 2,601,284	\$ 2,390,173	\$ 2,402,725	\$ 3,194,478
Proportionate Share of the net pension liability as a percentage of covered payroll	115.56%	164.48%	204.01%	176.74%
Plan's Proportionate Share of Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	75.39%
	2019	2020	2021	
Proportion of the Net Pension Liability	0.057511%	0.058734%	0.054949%	
Proportionate Share of the Net Pension Liability	\$ 5,541,882	\$ 6,018,502	\$ 5,978,729	
Covered Payroll	\$ 3,705,126	\$ 4,143,177	\$ 4,833,519	
Proportionate Share of the net pension liability as a percentage of covered payroll	149.57%	145.26%	123.69%	
Plan's Proportionate Share of Fiduciary Net Position as a Percentage of the Total Pension Liability	77.69%	77.73%	77.71%	

(1) Discount rate changed from 7.5 percent to 7.65 percent.

(2) Discount rate changed from 7.65 percent to 7.15 percent.

Note: Historical information is required only for measurement periods for which GASB 68 is applicable.

Future years' information will be displayed up to 10 years as information becomes available.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF PENSION CONTRIBUTIONS

	2015	2016	2017	2018
Contractually required contribution (actuarially determined)	\$ 381,572	\$ 409,011	\$ 504,317	\$ 583,095
Contributions in relation to the actuarially determined contributions	(381,572)	(409,011)	(504,317)	(583,095)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,390,173	\$ 2,402,725	\$ 3,194,478	\$ 3,705,126
Contributions as a percentage of covered payroll	15.96%	17.02%	15.79%	15.74%
	2019	2020*	2021*	
Contractually required contribution (actuarially determined)	\$ 696,871	\$1,319,359	\$1,415,922	
Contributions in relation to the actuarially determined contributions	(696,871)	(1,319,359)	(1,415,922)	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	
Covered payroll	\$ 4,143,177	\$ 4,833,519	\$ 4,865,357	
Contributions as a percentage of covered payroll	16.82%	27.30%	29.10%	

Note: Historical information is required only for measurement periods for which GASB 68 is applicable.
Future years' information will be displayed up to 10 years as information becomes available.

* During the fiscal years ending June 30, 2020 and June 30, 2021, Alameda CTC contributed an additional \$500,000 Unfunded Accrued Liability in addition to the Actuarially Determined Contribution.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Measurement period - Year ended June 30,	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 87,567	\$ 94,056	\$ 94,858	\$ 132,659
Interest	226,136	237,617	235,640	236,433
Benefit payments	(173,179)	(151,794)	(166,566)	(161,900)
Differences between expected and actual experience	-	-	138,043	-
Changes of assumptions	-	(200,457)	58,508	-
Net change in total OPEB liability	140,524	(20,578)	360,483	207,192
Total OPEB liability - beginning	3,105,290	3,245,814	3,225,236	3,585,719
Total OPEB liability - ending	3,245,814	3,225,236	3,585,719	3,792,911
Plan fiduciary net position				
Contribution - employer	\$ 245,670	\$ 239,951	\$ 171,357	\$ 137,786
Net investment income	302,009	246,286	216,317	132,209
Benefit payments	(173,179)	(151,794)	(166,566)	(161,900)
Administrative expense	(1,473)	(1,632)	(752)	(1,810)
Other Deductions	-	-	(2,029)	-
Net change in plan fiduciary net position	373,027	332,811	218,327	106,285
Plan fiduciary net position - beginning	2,687,955	3,060,982	3,393,793	3,612,120
Plan fiduciary net position - ending	3,060,982	3,393,793	3,612,120	3,718,405
Net OPEB liability (asset) - ending	\$ 184,832	\$ (168,557)	\$ (26,401)	\$ 74,506
Plan fiduciary net position as a percentage of the total OPEB liability	94.3%	105.2%	100.7%	98.0%
Covered-employee payroll	\$ 3,194,478	\$ 3,705,126	\$ 4,143,177	\$ 4,833,519
Net OPEB liability (asset) as a percentage of covered-employee payroll	5.8%	(4.5%)	(0.6%)	1.5%

Notes to Schedule:

Historical information is required only for measurement periods for which GASB 75 is applicable.

Future years' information will be displayed up to 10 years as information becomes available.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF OPEB CONTRIBUTIONS

Fiscal year ended June 30,	2018	2019	2020	2021
Actuarially determined contribution	\$ 185,784	\$ 115,105	\$ 91,958	\$ 141,282
Contribution in relation to the actuarially determined contribution	(239,951)	(171,357)	(137,786)	(141,282)
Contribution deficiency (excess)	<u>\$ (54,167)</u>	<u>\$ (56,252)</u>	<u>\$ (45,828)</u>	<u>\$ -</u>
Covered-employee payroll	\$ 3,705,126	\$ 4,143,177	\$ 4,833,519	\$ 4,865,357
Contribution as a percentage of covered-employee payroll	6.5%	4.1%	2.9%	2.9%

Notes to Schedule:

Historical information is required only for measurement periods for which GASB 75 is applicable.
Future years' information will be displayed up to 10 years as information becomes available.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax	\$ 12,325,000	\$ 13,175,000	\$ 14,501,898	\$ 1,326,898
Project revenue	2,400,606	2,042,548	2,430,220	387,672
Member agency contributions	1,512,024	1,524,156	1,524,156	-
Investment income	770,000	770,000	1,115,291	345,291
Other income	-	-	1,133	1,133
Total Revenues	<u>17,007,630</u>	<u>17,511,704</u>	<u>19,572,698</u>	<u>2,060,994</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	3,799,754	3,657,483	3,545,528	111,955
Office rent	1,065,000	1,065,000	1,106,010	(41,010)
Professional services	3,344,695	3,427,835	1,371,515	2,056,320
Planning and programming	120,000	364,400	311,637	52,763
Other	1,766,465	1,907,654	1,299,058	608,596
Total Expenditures	<u>10,095,914</u>	<u>10,422,372</u>	<u>7,633,748</u>	<u>2,788,624</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	<u>6,911,716</u>	<u>7,089,332</u>	<u>11,938,950</u>	<u>4,849,618</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	171,393	171,393
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>171,393</u>	<u>171,393</u>
NET CHANGES IN FUND BALANCES	<u>6,911,716</u>	<u>7,089,332</u>	<u>12,110,343</u>	<u>5,021,011</u>
Fund Balances - Beginning	<u>83,391,847</u>	<u>83,391,847</u>	<u>83,391,847</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 90,303,563</u>	<u>\$ 90,481,179</u>	<u>\$ 95,502,190</u>	<u>\$ 5,021,011</u>

See accompanying notes to the required supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - 2000 MEASURE B SPECIAL REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax -2000 Measure B	\$ 82,946,525	\$ 88,666,975	\$ 97,546,758	\$ 8,879,783
Project revenue	2,685,493	2,685,493	2,475,426	(210,067)
Investment income	340,000	225,000	333,592	108,592
Other income	7,925	7,925	2,083	(5,842)
Total Revenues	<u>85,979,943</u>	<u>91,585,393</u>	<u>100,357,859</u>	<u>8,772,466</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	878,296	693,240	842,780	(149,540)
Professional services	115,060	115,060	95,034	20,026
Other	7,925	7,925	2,083	5,842
Transportation improvements	82,988,952	97,279,770	97,101,226	178,544
Total Expenditures	<u>83,990,233</u>	<u>98,095,995</u>	<u>98,041,123</u>	<u>54,872</u>
NET CHANGES IN FUND BALANCES	1,989,710	(6,510,602)	2,316,736	(8,827,338)
Fund Balances - Beginning	36,344,966	36,344,966	36,344,966	-
Fund Balances - Ending	<u>\$ 38,334,676</u>	<u>\$ 29,834,364</u>	<u>\$ 38,661,702</u>	<u>\$ 8,827,338</u>

See accompanying notes to the required supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - 2014 MEASURE BB SPECIAL REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax - 2014 Measure BB	\$ 93,545,126	\$ 103,145,126	\$ 118,102,302	\$ 14,957,176
Investment income	830,000	290,000	232,401	(57,599)
Other income	7,925	7,925	2,086	(5,839)
Total Revenues	<u>94,383,051</u>	<u>103,443,051</u>	<u>118,336,789</u>	<u>14,893,738</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	1,272,045	1,039,826	1,219,314	(179,488)
Professional services	2,930,378	2,630,378	928,175	1,702,203
Other	7,925	8,835	2,986	5,849
Transportation improvements	96,537,515	111,140,689	95,862,862	15,277,827
Total Expenditures	<u>100,747,863</u>	<u>114,819,728</u>	<u>98,013,337</u>	<u>16,806,391</u>
NET CHANGES IN FUND BALANCES	(6,364,812)	(11,376,677)	20,323,452	(31,700,129)
Fund Balances - Beginning	<u>73,322,240</u>	<u>73,322,240</u>	<u>73,322,240</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 66,957,428</u>	<u>\$ 61,945,563</u>	<u>\$ 93,645,692</u>	<u>\$ 31,700,129</u>

See accompanying notes to the required supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - EXCHANGE FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Project revenue	\$ 1,343,203	\$ 8,897,319	\$ 3,349,569	\$(5,547,750)
Investment income	200,000	45,000	30,900	(14,100)
Total Revenues	<u>1,543,203</u>	<u>8,942,319</u>	<u>3,380,469</u>	<u>(5,561,850)</u>
EXPENDITURES				
Administrative				
Salaries and benefits	65,118	53,896	37,500	16,396
Congestion management	<u>5,967,552</u>	<u>9,449,538</u>	<u>3,312,068</u>	<u>6,137,470</u>
Total Expenditures	<u>6,032,670</u>	<u>9,503,434</u>	<u>3,349,568</u>	<u>6,153,866</u>
NET CHANGES IN FUND BALANCES	(4,489,467)	(561,115)	30,901	592,016
Fund Balance - Beginning	<u>6,429,961</u>	<u>6,429,961</u>	<u>6,429,961</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 1,940,494</u>	<u>\$ 5,868,846</u>	<u>\$ 6,460,862</u>	<u>\$ 592,016</u>

See accompanying notes to the required supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – PURPOSE OF PENSION SCHEDULES

Schedule of the Proportionate Share of the Net Pension Liability

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 Alameda CTC's proportionate share of the net pension liability which will include data for ten years when the information is available subsequent to the implementation of GASB 68 in fiscal year 2014-15.

Schedule of Pension Contributions

A cost-sharing employer is required to make contributions towards the pension liability at an actuarially determined rate. Alameda CTC makes contributions towards the pension liability in accordance with this requirement, a portion of which is made at the beginning of each fiscal year, and the balance is contributed incrementally as a percentage of payroll for each pay-period. This schedule presents information to illustrate the contributions made annually by Alameda CTC which will include data for ten years when the information is available subsequent to the implementation of GASB 68 in fiscal year 2014-15.

NOTE 2 – PURPOSE OF OPEB SCHEDULES

Schedule of Changes in the Net OPEB Liability and Related Ratios

Alameda CTC had an actuarial study dated June 30, 2019 completed with a measurement date of June 30, 2020 to determine the agency's net OPEB liability, among other things related to OPEB. This schedule presents information to illustrate changes in Alameda CTC's net OPEB liability (asset) and related ratios as actuarially determined which will include data for ten years when the information is available subsequent to the implementation of GASB 75 in fiscal year 2017-18.

Schedule of OPEB Contributions

Alameda CTC makes contributions towards the OPEB liability at an actuarially determined rate. In addition, the health insurance premium rates paid for retirees is subsidized by the premium rates paid for active employees. Alameda CTC does not request reimbursement for its' out of pocket expenditures for this subsidy from the OPEB trust and allows the subsidy amount to remain in the CERBT to prefund OPEB and offset the agency's net OPEB liability.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 – BUDGETARY LEVEL OF CONTROLS

Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Alameda CTC establishes accounting control through formal adoption of an annual operating budget prepared on the modified accrual basis of accounting for all governmental funds. The operating budget is prepared in conformity with accounting principles generally accepted in the United States (GAAP). Budgeted expenditure amounts represent originally adopted appropriation amounts and are adjusted in the final budget. The legal level of budgetary control is at the total expenditure by fund level. Management compares budget appropriations to actual expenditures quarterly and reports the results to the Commission. The Executive Director has the authority to transfer authorized budget amounts between expenditure line items within individual governmental funds, but is not authorized to exceed the total expenditure budget within any fund. The adopted budget can be amended by the Commission to increase both appropriations and estimated revenues as management brings unforeseen circumstances to the Commission's attention throughout the fiscal year.

This page left blank intentionally.

SUPPLEMENTARY INFORMATION

ALAMEDA COUNTY TRANSPORTATION COMMISSION

GENERAL FUND

BALANCE SHEET BY PROGRAM

JUNE 30, 2021

	2000 Measure B	2014 Measure BB	Non-Sales Tax	Total General Fund
ASSETS				
Cash and investments	\$ 55,965,100	\$ 20,149,626	\$ 15,716,246	\$ 91,830,972
Sales tax receivable	1,562,861	1,388,156	-	2,951,017
Interest receivable	186,350	22,287	6,175	214,812
Other receivable	58,337	29,613	952,434	1,040,384
Prepays and other assets	62,507	100,857	32,340	195,704
Total Assets	<u>\$ 57,835,155</u>	<u>\$ 21,690,539</u>	<u>\$ 16,707,195</u>	<u>\$ 96,232,889</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 328,606	\$ 274,090	\$ 114,622	\$ 717,318
Unearned revenue	-	-	13,381	13,381
Total Liabilities	<u>328,606</u>	<u>274,090</u>	<u>128,003</u>	<u>730,699</u>
Fund Balances				
Nonspendable	62,507	100,857	32,340	195,704
Unassigned	57,444,042	21,315,592	16,546,852	95,306,486
Total Fund Balances	<u>57,506,549</u>	<u>21,416,449</u>	<u>16,579,192</u>	<u>95,502,190</u>
Total Liabilities and Fund Balances	<u>\$ 57,835,155</u>	<u>\$ 21,690,539</u>	<u>\$ 16,707,195</u>	<u>\$ 96,232,889</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCES BY PROGRAM

FOR THE YEAR ENDED JUNE 30, 2021

	2000 Measure B	2014 Measure BB	Non-Sales Tax	Total General Fund
REVENUES				
Sales tax - 2000 Measure B	\$ 7,673,529	\$ -	\$ -	\$ 7,673,529
Sales tax - 2014 Measure BB	-	6,828,369	-	6,828,369
Project revenue	-	-	2,430,220	2,430,220
Member agency contributions	-	-	1,524,156	1,524,156
Investment income	869,008	234,202	12,081	1,115,291
Other income	191	529	413	1,133
Total Revenues	<u>8,542,728</u>	<u>7,063,100</u>	<u>3,966,870</u>	<u>19,572,698</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	906,256	1,340,315	1,298,957	3,545,528
Office rent	553,005	553,005	-	1,106,010
Professional services	658,557	684,866	28,092	1,371,515
Planning and programming	-	-	311,637	311,637
Other	503,902	644,957	150,199	1,299,058
Total Expenditures	<u>2,621,720</u>	<u>3,223,143</u>	<u>1,788,885</u>	<u>7,633,748</u>
EXCESS/(DEFICIENCY) OF REVENUES				
OVER/(UNDER) EXPENDITURES	5,921,008	3,839,957	2,177,985	11,938,950
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	171,393	171,393
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>171,393</u>	<u>171,393</u>
NET CHANGES IN FUND BALANCES	5,921,008	3,839,957	2,349,378	12,110,343
Fund Balances - Beginning	51,585,541	17,576,492	14,229,814	83,391,847
Fund Balances - Ending	<u>\$ 57,506,549</u>	<u>\$ 21,416,449</u>	<u>\$ 16,579,192</u>	<u>\$ 95,502,190</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2021

	Special Revenue Funds			Non-Sales Tax Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
	Transportation Fund For Clean Air	Vehicle Registration Fee Fund	I-580 Express Lanes Operations Fund			
ASSETS						
Cash and investments	\$ 6,793,392	\$28,978,820	\$45,393,856	\$ 12,122,759	\$9,732,523	\$ 103,021,350
Interest receivable	4,630	7,775	20,789	9,857	75,861	118,912
Other receivable	1,039,261	2,258,014	846,556	2,267,433	-	6,411,264
Due from other funds	-	-	-	393,038	-	393,038
Prepays and other assets	-	-	4,931	-	-	4,931
Total Assets	\$ 7,837,283	\$31,244,609	\$46,266,132	\$ 14,793,087	\$9,808,384	\$ 109,949,495
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued liabilities	\$ 545,126	\$ 2,572,838	\$ 874,775	\$ 1,883,257	\$ -	\$ 5,875,996
Due to other funds	-	214,511	-	25,632	-	240,143
Unearned revenue	-	-	375,971	2,129,388	-	2,505,359
Total Liabilities	545,126	2,787,349	1,250,746	4,038,277	-	8,621,498
Deferred Inflows of Resources						
Unavailable revenues	-	-	-	183,616	-	183,616
Fund Balances						
Restricted						
Transportation fund for clean air	7,292,157	-	-	-	-	7,292,157
Vehicle registration fee	-	28,457,260	-	-	-	28,457,260
I-580 express lanes operations	-	-	45,015,386	-	-	45,015,386
Debt service	-	-	-	-	9,808,384	9,808,384
Technology project	-	-	-	10,571,194	-	10,571,194
Total Fund Balances	7,292,157	28,457,260	45,015,386	10,571,194	9,808,384	101,144,381
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 7,837,283	\$31,244,609	\$46,266,132	\$ 14,793,087	\$9,808,384	\$ 109,949,495

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, 2021

	Special Revenue Funds			Non-Sales Tax Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
	Transportation Fund For Clean Air	Vehicle Registration Fee Fund	I-580 Express Lanes Operations Fund			
REVENUES						
Project revenue	\$ 2,029,340	\$ -	\$ 1,428	\$ 4,236,466	\$ -	\$ 6,267,234
Toll and toll violation revenue	-	-	11,799,561	-	-	11,799,561
Vehicle registration tax	-	13,243,187	-	-	-	13,243,187
Investment income	4,676	31,554	51,617	-	14,520	102,367
Total Revenues	<u>2,034,016</u>	<u>13,274,741</u>	<u>11,852,606</u>	<u>4,236,466</u>	<u>14,520</u>	<u>31,412,349</u>
EXPENDITURES						
Current						
Administrative						
Salaries and benefits	147,953	246,913	262,711	377,871	-	1,035,448
Professional services	-	-	420,647	-	-	420,647
Other	-	-	186,876	-	-	186,876
Congestion management	1,413,872	10,154,371	3,644,942	2,375,423	-	17,588,608
Debt service						
Principal	-	-	-	-	24,240,000	24,240,000
Interest	-	-	-	-	2,230,200	2,230,200
Total Expenditures	<u>1,561,825</u>	<u>10,401,284</u>	<u>4,515,176</u>	<u>2,753,294</u>	<u>26,470,200</u>	<u>45,701,779</u>
EXCESS/(DEFICIENCY) OF REVENUES						
OVER/(UNDER) EXPENDITURES	<u>472,191</u>	<u>2,873,457</u>	<u>7,337,430</u>	<u>1,483,172</u>	<u>(26,455,680)</u>	<u>(14,289,430)</u>
OTHER FINANCING SOURCES (USES)						
Transfer in	-	-	-	-	26,471,200	26,471,200
Transfer out	-	-	(4,326,279)	(171,393)	-	(4,497,672)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(4,326,279)</u>	<u>(171,393)</u>	<u>26,471,200</u>	<u>21,973,528</u>
NET CHANGES IN FUND BALANCES	<u>472,191</u>	<u>2,873,457</u>	<u>3,011,151</u>	<u>1,311,779</u>	<u>15,520</u>	<u>7,684,098</u>
Fund Balances - Beginning	<u>6,819,966</u>	<u>25,583,803</u>	<u>42,004,235</u>	<u>9,259,415</u>	<u>9,792,864</u>	<u>93,460,283</u>
Fund Balances - Ending	<u>\$ 7,292,157</u>	<u>\$ 28,457,260</u>	<u>\$ 45,015,386</u>	<u>\$ 10,571,194</u>	<u>\$ 9,808,384</u>	<u>\$ 101,144,381</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - 2000 MEASURE B CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax - 2000 Measure B	\$ 55,528,475	\$ 59,358,025	\$ 65,302,588	\$ 5,944,563
Project revenue	-	583,230	202,297	(380,933)
Investment income	950,000	845,000	(958,502)	(1,803,502)
Total Revenues	<u>56,478,475</u>	<u>60,786,255</u>	<u>64,546,383</u>	<u>3,760,128</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	112,101	57,139	56,162	977
Professional services	62,000	66,300	-	66,300
Other	4,400	4,400	3,882	518
Transportation improvements	46,104,930	62,165,991	22,102,519	40,063,472
Total Expenditures	<u>46,283,431</u>	<u>62,293,830</u>	<u>22,162,563</u>	<u>40,131,267</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER/(UNDER) EXPENDITURES	<u>10,195,044</u>	<u>(1,507,575)</u>	<u>42,383,820</u>	<u>43,891,395</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	4,326,279	4,326,279
Transfer out	(26,470,200)	(26,470,200)	(26,471,200)	(1,000)
Total Other Financing Sources (Uses)	<u>(26,470,200)</u>	<u>(26,470,200)</u>	<u>(22,144,921)</u>	<u>4,325,279</u>
NET CHANGES IN FUND BALANCES	<u>(16,275,156)</u>	<u>(27,977,775)</u>	<u>20,238,899</u>	<u>48,216,674</u>
Fund Balance - Beginning	<u>99,813,063</u>	<u>99,813,063</u>	<u>99,813,063</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 83,537,907</u>	<u>\$ 71,835,288</u>	<u>\$ 120,051,962</u>	<u>\$ 48,216,674</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - 1986 MEASURE B CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 1,400,000	\$ 1,400,000	\$ 303,971	\$ (1,096,029)
Total Revenues	<u>1,400,000</u>	<u>1,400,000</u>	<u>303,971</u>	<u>(1,096,029)</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	29,530	32,635	26,480	6,155
Professional services	55,000	107,800	-	107,800
Other	3,500	3,500	(21,364)	24,864
Transportation improvements	5,546,407	5,434,048	816,810	4,617,238
Total Expenditures	<u>5,634,437</u>	<u>5,577,983</u>	<u>821,926</u>	<u>4,756,057</u>
NET CHANGES IN FUND BALANCES	(4,234,437)	(4,177,983)	(517,955)	3,660,028
Fund Balance - Beginning	<u>145,390,561</u>	<u>145,390,561</u>	<u>145,390,561</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$141,156,124</u></u>	<u><u>\$141,212,578</u></u>	<u><u>\$144,872,606</u></u>	<u><u>\$ 3,660,028</u></u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - 2014 MEASURE BB CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Sales tax - 2014 Measure BB	\$ 45,654,874	\$ 45,654,874	\$ 45,778,554	\$ 123,680
Project revenue	50,645,000	63,901,693	9,029,060	(54,872,633)
Investment income	170,000	170,000	(293,103)	(463,103)
Total Revenues	<u>96,469,874</u>	<u>109,726,567</u>	<u>54,514,511</u>	<u>(55,212,056)</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	1,395,418	1,100,005	852,370	247,635
Professional services	108,000	75,900	-	75,900
Other	3,000	3,000	2,295	705
Transportation improvements	198,168,788	274,088,355	73,735,376	200,352,979
Total Expenditures	<u>199,675,206</u>	<u>275,267,260</u>	<u>74,590,041</u>	<u>200,677,219</u>
NET CHANGES IN FUND BALANCES	<u>(103,205,332)</u>	<u>(165,540,693)</u>	<u>(20,075,530)</u>	<u>145,465,163</u>
Fund Balance - Beginning	<u>40,555,006</u>	<u>40,555,006</u>	<u>40,555,006</u>	<u>-</u>
Fund Balance - Ending	<u>\$ (62,650,326)</u>	<u>\$ (124,985,687)</u>	<u>\$ 20,479,476</u>	<u>\$ 145,465,163</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - TRANSPORTATION FUND FOR CLEAN AIR SPECIAL REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Project revenue	\$ 2,078,522	\$ 2,078,522	\$ 2,029,340	\$ (49,182)
Investment income	50,000	25,000	4,676	(20,324)
Total Revenues	<u>2,128,522</u>	<u>2,103,522</u>	<u>2,034,016</u>	<u>(69,506)</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	194,411	149,371	147,953	1,418
Congestion management	3,094,432	2,444,340	1,413,872	1,030,468
Total Expenditures	<u>3,288,843</u>	<u>2,593,711</u>	<u>1,561,825</u>	<u>1,031,886</u>
NET CHANGES IN FUND BALANCES	<u>(1,160,321)</u>	<u>(490,189)</u>	<u>472,191</u>	<u>962,380</u>
Fund Balance - Beginning	<u>6,819,966</u>	<u>6,819,966</u>	<u>6,819,966</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 5,659,645</u></u>	<u><u>\$ 6,329,777</u></u>	<u><u>\$ 7,292,157</u></u>	<u><u>\$ 962,380</u></u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - VEHICLE REGISTRATION FEE SPECIAL REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Vehicle registration tax	\$ 12,000,000	\$ 12,000,000	\$ 13,243,187	\$ 1,243,187
Investment income	240,000	80,000	31,554	(48,446)
Total Revenues	<u>12,240,000</u>	<u>12,080,000</u>	<u>13,274,741</u>	<u>1,194,741</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	264,903	220,383	246,913	(26,530)
Congestion management	10,483,000	10,208,000	10,154,371	53,629
Total Expenditures	<u>10,747,903</u>	<u>10,428,383</u>	<u>10,401,284</u>	<u>27,099</u>
NET CHANGES IN FUND BALANCES	1,492,097	1,651,617	2,873,457	1,221,840
Fund Balance - Beginning	<u>25,583,803</u>	<u>25,583,803</u>	<u>25,583,803</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 27,075,900</u></u>	<u><u>\$ 27,235,420</u></u>	<u><u>\$ 28,457,260</u></u>	<u><u>\$ 1,221,840</u></u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - I-580 EXPRESS LANES OPERATIONS SPECIAL REVENUE FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Project revenue	\$ 378,000	\$ 375,147	\$ 1,428	\$ (373,719)
Toll and toll violation revenue	8,800,000	8,500,000	11,799,561	3,299,561
Investment income	430,000	165,000	51,617	(113,383)
Total Revenues	<u>9,608,000</u>	<u>9,040,147</u>	<u>11,852,606</u>	<u>2,812,459</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	371,821	328,190	262,711	65,479
Professional services	290,590	370,590	420,647	(50,057)
Other	185,000	196,950	186,876	10,074
Congestion management	5,403,974	20,822,373	3,644,942	17,177,431
Total Expenditures	<u>6,251,385</u>	<u>21,718,103</u>	<u>4,515,176</u>	<u>17,202,927</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,356,615</u>	<u>(12,677,956)</u>	<u>7,337,430</u>	<u>20,015,386</u>
OTHER FINANCING SOURCES (USES)				
Transfer out	-	(4,326,279)	(4,326,279)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(4,326,279)</u>	<u>(4,326,279)</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>3,356,615</u>	<u>(17,004,235)</u>	<u>3,011,151</u>	<u>20,015,386</u>
Fund Balance - Beginning	<u>42,004,235</u>	<u>42,004,235</u>	<u>42,004,235</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 45,360,850</u>	<u>\$ 25,000,000</u>	<u>\$ 45,015,386</u>	<u>\$ 20,015,386</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NON-SALES TAX CAPITAL PROJECTS FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Project revenue	\$ 769,649	\$ 7,644,494	\$ 4,236,466	\$ (3,408,028)
Total Revenues	<u>769,649</u>	<u>7,644,494</u>	<u>4,236,466</u>	<u>(3,408,028)</u>
EXPENDITURES				
Current				
Administrative				
Salaries and benefits	452,714	350,648	377,871	(27,223)
Congestion management	621,499	7,293,846	2,375,423	4,918,423
Total Expenditures	<u>1,074,213</u>	<u>7,644,494</u>	<u>2,753,294</u>	<u>4,891,200</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(304,564)</u>	<u>-</u>	<u>1,483,172</u>	<u>1,483,172</u>
OTHER FINANCING SOURCES (USES)				
Transfer out	-	-	(171,393)	171,393
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(171,393)</u>	<u>171,393</u>
NET CHANGES IN FUND BALANCES	<u>(304,564)</u>	<u>-</u>	<u>1,311,779</u>	<u>1,311,779</u>
Fund Balance - Beginning	<u>9,259,415</u>	<u>9,259,415</u>	<u>9,259,415</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 8,954,851</u>	<u>\$ 9,259,415</u>	<u>\$ 10,571,194</u>	<u>\$ 1,311,779</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ 30,000	\$ 30,000	\$ 14,520	\$ (15,480)
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>14,520</u>	<u>(15,480)</u>
EXPENDITURES				
Debt service				
Principal	24,240,000	24,240,000	24,240,000	-
Interest	<u>2,230,200</u>	<u>2,230,200</u>	<u>2,230,200</u>	<u>-</u>
Total Expenditures	<u>26,470,200</u>	<u>26,470,200</u>	<u>26,470,200</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(26,440,200)</u>	<u>(26,440,200)</u>	<u>(26,455,680)</u>	<u>(15,480)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	26,470,200	26,470,200	26,471,200	1,000
Total Other Financing Sources (Uses)	<u>26,470,200</u>	<u>26,470,200</u>	<u>26,471,200</u>	<u>1,000</u>
NET CHANGES IN FUND BALANCES	<u>30,000</u>	<u>30,000</u>	<u>15,520</u>	<u>(14,480)</u>
Fund Balance - Beginning	<u>9,792,864</u>	<u>9,792,864</u>	<u>9,792,864</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 9,822,864</u>	<u>\$ 9,822,864</u>	<u>\$ 9,808,384</u>	<u>\$ (14,480)</u>

See accompanying note to the supplementary information.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

2000 MEASURE B SPECIAL REVENUE FUND BALANCE SHEET BY PROGRAM JUNE 30, 2021

	Programming and Programs	Express Bus	Bicycle and Pedestrian
ASSETS			
Cash and investments	\$ 13,071,305	\$ 5,724,175	\$ 9,000,419
Sales tax receivable	496,681	226,367	404,227
Interest receivable	-	15,878	23,904
Other receivable	-	-	1,489,388
Total Assets	\$ 13,567,986	\$ 5,966,420	\$ 10,917,938
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ -	\$ 1,068,284	\$ 1,325,453
Total Liabilities	-	1,068,284	1,325,453
Fund Balances			
Restricted			
Local programs	13,567,986	4,898,136	9,592,485
Total Fund Balances	13,567,986	4,898,136	9,592,485
Total Liabilities and Fund Balances	\$ 13,567,986	\$ 5,966,420	\$ 10,917,938

See accompanying notes to the supplementary information.

			Total 2000 Measure B Special Revenue Fund
Direct Local Distribution	Transit Oriented Development	Paratransit	
\$ -	\$ 2,387,972	\$ 8,641,209	\$ 38,825,080
18,216,102	61,443	462,436	19,867,256
-	6,600	23,229	69,611
-	-	-	1,489,388
<u>\$ 18,216,102</u>	<u>\$ 2,456,015</u>	<u>\$ 9,126,874</u>	<u>\$ 60,251,335</u>
\$ 18,216,102	\$ 442,000	\$ 537,794	\$ 21,589,633
<u>18,216,102</u>	<u>442,000</u>	<u>537,794</u>	<u>21,589,633</u>
-	2,014,015	8,589,080	38,661,702
-	2,014,015	8,589,080	38,661,702
<u>\$ 18,216,102</u>	<u>\$ 2,456,015</u>	<u>\$ 9,126,874</u>	<u>\$ 60,251,335</u>

ALAMEDA COUNTY TRANSPORTATION COMMISSION

2000 MEASURE B SPECIAL REVENUE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY PROGRAM FOR THE YEAR ENDED JUNE 30, 2021

	Programming and Programs	Express Bus	Bicycle and Pedestrian
REVENUES			
Sales tax - 2000 Measure B	\$ 2,438,669	\$ 1,111,447	\$ 1,984,726
Project revenue	-	-	2,475,426
Investment income	-	78,231	115,294
Other income	-	-	600
Total Revenues	<u>2,438,669</u>	<u>1,189,678</u>	<u>4,576,046</u>
EXPENDITURES			
Current			
Administrative			
Salaries and benefits	642,514	-	200,266
Professional services	-	-	-
Other	-	-	600
Transportation improvements			
Public transit	-	1,694,359	-
Local transportation	-	-	3,836,736
Total Expenditures	<u>642,514</u>	<u>1,694,359</u>	<u>4,037,602</u>
NET CHANGES IN FUND BALANCES	<u>1,796,155</u>	<u>(504,681)</u>	<u>538,444</u>
Fund Balances - Beginning	<u>11,771,831</u>	<u>5,402,817</u>	<u>9,054,041</u>
Fund Balances - Ending	<u>\$ 13,567,986</u>	<u>\$ 4,898,136</u>	<u>\$ 9,592,485</u>

See accompanying note to the supplementary information.

Direct Local Distribution	Transit Oriented Development	Paratransit	Total 2000 Measure B Special Revenue Fund
\$ 89,439,711	\$ 301,678	\$ 2,270,527	\$ 97,546,758
-	-	-	2,475,426
-	34,125	105,942	333,592
-	-	1,483	2,083
<u>89,439,711</u>	<u>335,803</u>	<u>2,377,952</u>	<u>100,357,859</u>
-	-	-	842,780
-	-	95,034	95,034
-	-	1,483	2,083
48,014,501	-	1,158,141	50,867,001
41,425,210	972,279	-	46,234,225
<u>89,439,711</u>	<u>972,279</u>	<u>1,254,658</u>	<u>98,041,123</u>
-	(636,476)	1,123,294	2,316,736
-	2,650,491	7,465,786	36,344,966
<u>\$ -</u>	<u>\$ 2,014,015</u>	<u>\$ 8,589,080</u>	<u>\$ 38,661,702</u>

ALAMEDA COUNTY TRANSPORTATION COMMISSION

2014 MEASURE BB SPECIAL REVENUE FUND BALANCE SHEET BY PROGRAM JUNE 30, 2021

	Programs and Projects Mgmt Oversight	Transit Ops, Maintenance and Safety	Bicycle and Pedestrian
ASSETS			
Cash and investments	\$ 39,012,614	\$ 14,154,670	\$ 16,817,477
Sales tax receivable	4,445,684	750,242	632,999
Interest receivable	-	5,509	6,596
Total Assets	\$ 43,458,298	\$ 14,910,421	\$ 17,457,072
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ 198,428	\$ 39,843	\$ 646,453
Total Liabilities	198,428	39,843	646,453
Fund Balances			
Restricted			
Local programs	43,259,870	14,870,578	16,810,619
Total Fund Balances	43,259,870	14,870,578	16,810,619
Total Liabilities and Fund Balances	\$ 43,458,298	\$ 14,910,421	\$ 17,457,072

See accompanying note to the supplementary information.

Direct Local Distribution	Paratransit	Freight and Economic Development	Community Development	Technology	Total 2014 Measure BB Special Revenue Fund
\$ -	\$ 6,558,816	\$ 8,751,337	\$ (3,834,240)	\$ 8,589,699	\$ 90,050,373
17,662,173	316,500	316,500	1,265,998	316,500	25,706,596
-	2,571	3,436	-	3,371	21,483
<u>\$ 17,662,173</u>	<u>\$ 6,877,887</u>	<u>\$ 9,071,273</u>	<u>\$ (2,568,242)</u>	<u>\$ 8,909,570</u>	<u>\$ 115,778,452</u>
\$ 17,662,173	\$ 133,257	\$ -	\$ 3,240,931	\$ 211,675	\$ 22,132,760
<u>17,662,173</u>	<u>133,257</u>	<u>-</u>	<u>3,240,931</u>	<u>211,675</u>	<u>22,132,760</u>
-	6,744,630	9,071,273	(5,809,173)	8,697,895	93,645,692
-	6,744,630	9,071,273	(5,809,173)	8,697,895	93,645,692
<u>\$ 17,662,173</u>	<u>\$ 6,877,887</u>	<u>\$ 9,071,273</u>	<u>\$ (2,568,242)</u>	<u>\$ 8,909,570</u>	<u>\$ 115,778,452</u>

ALAMEDA COUNTY TRANSPORTATION COMMISSION

2014 MEASURE BB SPECIAL REVENUE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY PROGRAM FOR THE YEAR ENDED JUNE 30, 2021

	Programs and Projects Mgmt Oversight	Transit Ops, Maintenance and Safety	Bicycle and Pedestrian
REVENUES			
Sales tax - 2014 Measure BB	\$ 13,474,117	\$ 3,735,755	\$ 3,113,736
Investment income	-	54,852	68,496
Other income	-	-	600
Total Revenues	<u>13,474,117</u>	<u>3,790,607</u>	<u>3,182,832</u>
EXPENDITURES			
Current			
Administrative			
Salaries and benefits	1,107,073	112,241	-
Professional services	833,141	-	-
Other	903	-	600
Transportation improvements			
Public transit	-	229,282	-
Local transportation	-	-	616,453
Community development investments	-	-	-
Technology	-	-	-
Total Expenditures	<u>1,941,117</u>	<u>341,523</u>	<u>617,053</u>
NET CHANGES IN FUND BALANCES	11,533,000	3,449,084	2,565,779
Fund Balances - Beginning	31,726,870	11,421,494	14,244,840
Fund Balances - Ending	<u>\$ 43,259,870</u>	<u>\$ 14,870,578</u>	<u>\$ 16,810,619</u>

See accompanying note to the supplementary information.

Direct Local Distribution	Paratransit	Freight and Economic Development	Community Development	Technology	Total 2014 Measure BB Special Revenue Fund
\$ 86,880,617	\$ 1,556,868	\$ 1,556,868	\$ 6,227,473	\$ 1,556,868	\$ 118,102,302
-	26,075	35,408	12,798	34,772	232,401
-	1,486	-	-	-	2,086
<u>86,880,617</u>	<u>1,584,429</u>	<u>1,592,276</u>	<u>6,240,271</u>	<u>1,591,640</u>	<u>118,336,789</u>
-	-	-	-	-	1,219,314
-	95,034	-	-	-	928,175
-	1,483	-	-	-	2,986
49,564,946	190,634	-	-	-	49,984,862
37,315,671	-	-	-	-	37,932,124
-	-	-	8,454,586	-	8,454,586
-	-	-	-	(508,710)	(508,710)
<u>86,880,617</u>	<u>287,151</u>	<u>-</u>	<u>8,454,586</u>	<u>(508,710)</u>	<u>98,013,337</u>
-	1,297,278	1,592,276	(2,214,315)	2,100,350	20,323,452
-	5,447,352	7,478,997	(3,594,858)	6,597,545	73,322,240
<u>\$ -</u>	<u>\$ 6,744,630</u>	<u>\$ 9,071,273</u>	<u>\$ (5,809,173)</u>	<u>\$ 8,697,895</u>	<u>\$ 93,645,692</u>

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO THE SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2021

PURPOSE OF SCHEDULES

Schedule of the General Fund Balance Sheets by Program and Schedule of Revenues, Expenditures, and Changes in Fund Balances by Program

The schedule of the General Fund by Program Balance Sheets and Schedule of Revenues, Expenditures, and Changes in Fund Balances are included to provide information regarding the breakout of activity between the 2000 Measure B, 2014 Measure BB and Non-Sales Tax general programs.

Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

The Nonmajor Funds Combining Balance Sheet and the Nonmajor Funds Combining Statement of Revenues, Expenditures and Changes 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 Changes in Fund Balances which include the Transportation Fund for Clean Air, Vehicle Registration Fee Fund, I-580 Express Lanes Operations Fund, Non-Sales Tax Capital Project Fund, and the Debt Service Fund.

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

A schedule of Revenues, Expenditures and Changes in Fund Balances comparing budgeted and actual results is presented for each major capital project fund and all nonmajor funds included in this financial report.

2000 Measure B Combining Balance Sheet by Program and Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances by Program

The Combining Balance Sheet and the Schedule of Revenues, Expenditures, and Changes in Fund Balances of the 2000 Measure B Special Revenue Fund by Program are included to provide information regarding the individual programs 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 Changes in Fund Balances.

2014 Measure BB Combining Balance Sheet by Program and Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances by Program

The Combining Balance Sheet and the Schedule of Revenues, Expenditures, and Changes in Fund Balances of the 2014 Measure BB Special Revenue Fund by Program are included to provide information regarding the individual programs 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 Changes in Fund Balances.

STATISTICAL SECTION

This page left blank intentionally.

STATISTICAL SECTION

This section of the Annual Comprehensive Financial Report presents detailed information about Alameda CTC'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.

CONTENT

PAGE

Financial Trends

These schedules contain trend information to help the reader understand how Alameda CTC's financial performance changed over time.88

Revenue Capacity

These schedules contain information to help the reader assess Alameda CTC's primary local revenue source, sales tax.96

Debt Capacity

These schedules present information to help the reader assess the affordability of Alameda CTC's current level of outstanding debt and its ability to issue additional debt in the future.100

Demographic and Economic Information

These schedules contain demographic and economic indicators to assist the reader in understanding the environment within which Alameda CTC's financial activities take place.103

Operating Information

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.106

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - NET POSITION BY COMPONENT

	Fiscal Year Ending June 30,			
	2021	2020	2019	2018
Governmental Activities:				
Investment in capital assets	\$ 39,098,573	\$ 41,887,305	\$ 44,653,681	\$ 47,459,876
Restricted				
Local programs	132,307,394	109,667,206	109,963,150	82,529,488
Capital projects	258,412,469	231,985,073	240,304,832	194,791,549
Transportation fund for clean air	7,292,157	6,819,966	6,589,967	5,905,711
Vehicle registration fee	28,457,260	25,583,803	22,269,773	20,979,148
Technology projects	10,571,194	9,259,415	7,867,382	6,230,714
I-580 express lanes operations	45,015,386	42,004,235	34,582,900	22,314,181
Debt service	9,468,984	9,049,464	8,449,468	7,865,991
Unrestricted	97,811,540	85,486,041	72,990,251	60,081,448
Total Governmental				
Activities Net Position	<u>\$ 628,434,957</u>	<u>\$ 561,742,508</u>	<u>\$ 547,671,404</u>	<u>\$ 448,158,106</u>

Source: Alameda CTC Financial Statements

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - NET POSITION BY COMPONENT

Fiscal Year Ending June 30,					
2017	2016	2015	2014	2013	2012
\$ 50,256,187	\$ 44,850,165	\$ 516,003	\$ 621,809	\$ 50,632	\$ 110,699
56,777,932	34,586,049	16,297,397	10,637,471	9,131,614	9,252,256
157,503,964	124,660,946	63,030,769	108,759,745	175,060,226	200,229,225
5,670,367	5,416,522	5,042,326	4,273,148	3,707,742	3,387,914
18,731,188	16,981,130	13,802,656	11,227,612	9,721,681	5,156,748
-	-	-	-	-	-
11,052,018	2,033,206	-	-	-	-
9,030,344	14,247,927	12,943,342	18,551,776	-	-
50,939,272	40,356,855	31,773,323	28,991,665	21,571,596	23,056,207
<u>\$ 359,961,272</u>	<u>\$ 283,132,800</u>	<u>\$ 143,405,816</u>	<u>\$ 183,063,226</u>	<u>\$ 219,243,491</u>	<u>\$ 241,193,049</u>

-

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - CHANGES IN NET POSITION

EXPENSES	Fiscal Year Ending June 30,			
	2021	2020	2019	2018
Governmental activities:				
Administration	\$ 13,251,166	\$ 13,503,379	\$ 11,626,442	\$ 12,981,142
Transportation improvement	289,618,793	319,178,637	266,874,805	238,306,717
Congestion management	23,578,403	23,137,395	26,253,433	24,125,867
Interest expense	-	457,718	1,434,468	2,267,668
Total Expenses	326,448,362	356,277,129	306,189,148	277,681,394
REVENUES				
Program revenues:				
Operating grants and contributions	35,553,367	28,968,236	40,508,288	43,459,879
Total Program Revenues	35,553,367	28,968,236	40,508,288	43,459,879
Net (Expense) / Revenue	(290,894,995)	(327,308,893)	(265,680,860)	(234,221,515)
GENERAL REVENUES				
Governmental activities:				
Sales tax	341,232,100	310,277,308	334,012,463	302,627,128
Vehicle registration tax	13,243,187	12,972,634	13,335,640	13,033,527
Member agency fees	1,524,156	1,479,763	1,436,665	1,394,819
Interest and investment earnings	1,582,699	16,645,195	16,398,171	5,349,932
Gain on sale of land	-	-	-	-
Other and special items	5,302	5,097	11,219	12,943
Total General Revenues	357,587,444	341,379,997	365,194,158	322,418,349
Governmental Activities				
Change in Net Position	\$ 66,692,449	\$ 14,071,104	\$ 99,513,298	\$ 88,196,834

Source: Alameda CTC Financial Statements

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - CHANGES IN NET POSITION

Fiscal Year Ending June 30,					
2017	2016	2015	2014	2013	2012
\$ 14,600,744	\$ 17,189,024	\$ 13,869,399	\$ 12,512,161	\$ 12,113,890	\$ 11,338,750
223,711,625	192,752,798	189,982,051	178,731,827	141,467,019	135,067,898
34,374,422	32,360,073	55,012,153	39,072,897	41,535,414	46,950,008
2,951,669	3,159,367	3,184,830	1,005,686	-	-
275,638,460	245,461,262	262,048,433	231,322,571	195,116,323	193,356,656
50,110,490	53,087,661	46,144,569	52,000,104	38,222,024	43,762,091
50,110,490	53,087,661	46,144,569	52,000,104	38,222,024	43,762,091
(225,527,970)	(192,373,601)	(215,903,864)	(179,322,467)	(156,894,299)	(149,594,565)
285,943,387	274,797,697	164,496,789	127,095,900	121,084,780	112,568,093
13,075,120	13,020,822	12,929,589	12,669,464	12,065,055	12,242,126
1,394,819	1,394,818	1,394,818	1,394,821	1,394,818	1,315,867
1,929,285	1,988,371	913,416	755,915	172,499	956,225
-	13,641,051	-	-	-	-
13,831	27,257,826	141,507	1,226,102	227,589	412,178
302,356,442	332,100,585	179,876,119	143,142,202	134,944,741	127,494,489
\$ 76,828,472	\$ 139,726,984	\$ (36,027,745)	\$ (36,180,265)	\$ (21,949,558)	\$ (22,100,076)

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - FUND BALANCES, GOVERNMENTAL FUNDS

	Fiscal Year Ending June 30,			
	2021	2020	2019	2018
General Fund				
Nonspendable	\$ 195,704	\$ 166,022	\$ 146,144	\$ 233,593
Unassigned	95,306,486	83,225,825	71,243,753	58,753,101
Total General Fund	95,502,190	83,391,847	71,389,897	58,986,694
All Other Governmental Funds				
Restricted				
Measure B special revenue	38,661,702	36,344,966	31,893,423	25,586,531
Measure BB special revenue	93,645,692	73,322,240	78,069,727	56,942,957
Capital projects	285,404,044	285,758,630	319,705,371	298,934,070
Transportation fund for clean air	7,292,157	6,819,966	6,589,967	5,905,711
Vehicle registration fee	28,457,260	25,583,803	22,269,773	20,979,148
Technology projects	10,571,194	9,259,415	7,867,382	6,230,714
I-580 express lanes operations	45,015,386	42,004,235	34,582,900	22,314,181
Debt service	9,808,384	9,792,864	9,577,618	9,290,141
Assigned, reported in:				
Exchange fund	6,460,862	6,429,961	6,072,858	5,482,881
Total All Other Governmental Funds	\$ 525,316,681	\$ 495,316,080	\$ 516,629,019	\$ 451,666,334

Source: Alameda CTC Financial Statements

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - FUND BALANCES, GOVERNMENTAL FUNDS

2017	2016	2015	2014	2013	2012
\$ 134,988	\$ 71,604	\$ 69,366	\$ 207,546	\$ -	\$ -
48,731,379	38,158,009	29,530,071	23,798,828	20,357,986	18,321,401
<u>48,866,367</u>	<u>38,229,613</u>	<u>29,599,437</u>	<u>24,006,374</u>	<u>20,357,986</u>	<u>18,321,401</u>
19,493,987	15,283,511	12,546,374	10,637,471	9,131,614	9,252,256
36,365,451	18,591,593	3,030,050	-	-	-
281,451,082	272,929,125	214,039,271	265,418,810	175,060,226	200,229,225
5,670,367	5,416,522	5,042,326	4,273,148	3,707,742	3,387,914
18,731,188	16,981,130	13,802,656	11,227,612	9,721,681	5,156,748
-	-	-	-	-	-
11,052,018	2,033,206	-	-	-	-
10,723,094	16,148,377	14,843,792	20,379,253	-	-
5,172,660	5,061,439	4,929,549	4,985,291	1,213,610	4,762,721
<u>\$ 388,659,847</u>	<u>\$ 352,444,903</u>	<u>\$ 268,234,018</u>	<u>\$ 316,921,585</u>	<u>\$ 198,834,873</u>	<u>\$ 222,788,864</u>

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

	Fiscal Year Ending June 30,			
	2021	2020	2019	2018
REVENUES				
Sales tax	\$ 341,232,100	\$ 310,277,308	\$ 334,012,463	\$ 307,982,721
Project revenue	23,753,806	16,436,181	24,288,693	28,039,093
Member agency contributions	1,524,156	1,479,763	1,436,665	1,394,819
Vehicle registration tax	13,243,187	12,972,634	13,335,640	13,033,527
Investment income	866,917	16,645,195	16,398,171	5,349,932
Toll revenues	11,799,561	12,532,055	16,219,595	15,604,402
Other income	5,302	5,097	11,219	12,943
Total Revenues	392,425,029	370,348,233	405,702,446	371,417,437
EXPENDITURES				
Administrative				
Salaries and benefits	7,615,582	7,172,492	5,991,344	5,493,248
Office rent	1,106,010	1,037,718	1,011,045	956,747
Professional services	2,815,371	3,432,661	1,832,106	3,708,294
Planning and programming	311,637	308,249	901,427	1,129,989
Bond issuance costs	-	-	-	-
Other	1,475,816	1,603,229	1,677,677	774,238
Transportation improvements				
Highways and streets	64,450,340	104,526,920	64,605,397	48,114,813
Public transit	109,444,781	100,242,072	106,961,820	105,049,661
Local transportation	107,777,796	87,565,588	89,068,763	84,160,147
Freight and economic development	-	-	-	4,813
Community development investments	8,454,586	26,085,072	6,115,504	975,604
Technology	(508,710)	758,985	123,321	1,679
Congestion management	20,900,676	20,456,786	23,575,704	21,448,140
Debt Service				
Principal	24,240,000	23,085,000	22,200,000	21,395,000
Interest	2,230,200	3,384,450	4,272,450	5,078,250
Capital Outlay	-	-	-	-
Total Expenditures	350,314,085	379,659,222	328,336,558	298,290,623
OTHER FINANCING SOURCES				
Other sources	-	-	-	-
Total Other Financing Sources	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 42,110,944	\$ (9,310,989)	\$ 77,365,888	\$ 73,126,814
Debt service as a percentage of noncapital expenditures	8.17%	7.49%	8.77%	9.74%

Source: Alameda CTC Financial Statements

ALAMEDA COUNTY TRANSPORTATION COMMISSION

FINANCIAL TRENDS - CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Fiscal Year Ending June 30,					
2017	2016	2015	2014	2013	2012
\$ 284,791,244	\$ 274,586,311	\$ 160,504,725	\$ 127,095,900	\$ 121,084,780	\$ 112,568,093
36,595,429	50,117,225	45,960,953	52,000,104	38,222,024	53,762,091
1,394,819	1,394,818	1,394,818	1,394,821	1,394,818	1,315,867
13,075,120	13,020,822	12,929,589	12,669,464	12,065,055	12,242,126
1,929,285	1,988,371	913,416	755,915	172,499	956,225
13,331,445	2,970,436	-	-	-	-
13,831	142,104	141,507	1,226,102	227,589	412,178
351,131,173	344,220,087	221,845,008	195,142,306	173,166,765	181,256,580
4,869,409	3,504,893	3,694,333	4,215,750	4,271,217	4,191,318
922,461	874,728	840,414	1,067,830	903,841	912,888
4,077,407	4,729,026	2,478,972	2,328,134	2,923,255	2,528,606
3,558,212	5,995,874	4,771,585	2,603,119	1,561,829	2,484,552
-	-	-	592,542	-	-
789,379	1,226,384	2,506,165	2,275,963	2,421,596	1,184,867
48,959,255	30,452,003	25,149,896	29,986,834	29,930,950	39,801,038
101,238,399	93,599,729	124,454,786	113,514,703	78,389,108	91,981,235
73,513,971	68,701,066	40,377,369	35,230,290	33,146,961	36,777,134
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31,896,279	32,373,513	55,012,153	39,072,897	41,535,414	46,950,008
20,770,000	-	-	-	-	-
5,701,351	5,701,349	5,653,839	-	-	-
7,983,352	17,861,512	-	-	-	-
304,279,475	265,020,077	264,939,512	230,888,062	195,084,171	226,811,646
-	13,641,051	-	157,480,856	-	-
-	13,641,051	-	157,480,856	-	-
\$ 46,851,698	\$ 92,841,061	\$ (43,094,504)	\$ 121,735,100	\$ (21,917,406)	\$ (45,555,066)
9.81%	2.36%	2.18%	0.00%	0.00%	0.00%

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REVENUE CAPACITY - SALES TAX FOR THE COUNTY OF ALAMEDA

Fiscal Year Ended June 30:	Alameda CTC Sales Tax Rate ¹	2000 Measure B Sales Tax Revenue ¹	2014 Measure BB Sales Tax Revenue ¹	Sales Tax Revenue	Annual Growth	Total Taxable Sales in Alameda County (in thousands)
2021	1.0%	\$ 170,522,875	\$ 170,709,225	\$ 341,232,100	9.98%	34,123,210 ²
2020	1.0%	155,366,986	154,910,322	310,277,308	-7.11%	32,087,126 ³
2019	1.0%	167,221,955	166,790,508	334,012,463	8.45%	35,196,550 ³
2018	1.0%	154,489,199	153,493,522	307,982,721	8.14%	33,851,440 ³
2017	1.0%	142,937,416	141,853,828	284,791,244	3.72%	31,868,404 ³
2016	1.0%	137,289,997	137,296,314	274,586,311	71.35%	30,560,543 ³
2015	1.0%	132,537,037	27,708,768	160,245,805	26.08%	29,025,458 ³
2014	0.5%	127,095,900	-	127,095,900	4.96%	27,533,546 ³
2013	0.5%	121,084,780	-	121,084,780	7.57%	25,754,039 ³
2012	0.5%	112,568,093	-	112,568,093	6.81%	24,462,942 ³

¹ 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.

² Total Taxable Sales for 2020-2021 is estimated based on Alameda CTC's sales tax revenues divided by Alameda CTC's sales tax percentage.

³ Data for 2012-2020 was obtained from the California Department of Tax and Fee Administration.

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

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REVENUE CAPACITY - SALES TAX RATES BY INCORPORATED CITY IN ALAMEDA COUNTY

Sales Tax Rates by Incorporated City in Alameda County

City's effective rate on:	07/2020	04/2019	10/2018	07/2018	04/2018	04/2017	01/2017
Alameda	9.75%	9.75%	9.25%	9.25%	9.25%	9.25%	9.25%
Albany	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%
Berkeley	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
Dublin	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
Emeryville	9.50%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
Fremont	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
Hayward	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%
Livermore	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
Newark	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.25%
Oakland	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
Piedmont	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
Pleasanton	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
San Leandro	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%
Union City	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%

(Continued below)

City's effective rate on:	04/2015	07/2013	10/2012	07/2012	04/2012	04/2011
Alameda	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Albany	10.00%	9.50%	8.75%	8.75%	8.75%	9.75%
Berkeley	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Dublin	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Emeryville	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Fremont	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Hayward	10.00%	9.00%	8.75%	8.75%	8.75%	9.75%
Livermore	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Newark	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Oakland	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Piedmont	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
Pleasanton	9.50%	9.00%	8.75%	8.75%	8.75%	9.75%
San Leandro	10.00%	9.25%	9.00%	9.00%	9.00%	10.00%
Union City	10.00%	9.50%	9.25%	9.25%	9.25%	10.25%

Source: California Department of Tax and Fee Administration

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REVENUE CAPACITY - PRINCIPAL SALES TAX PAYERS BY SEGMENT FOR THE COUNTY OF ALAMEDA

Principal Revenue Payers	Rank	2020	
		Total Taxable Sales in Alameda County (in thousands)	Percentage of Taxable Sales
All Other Outlets	1	\$ 12,244,743	38.05%
Motor Vehicle and Parts Dealers	2	4,301,875	13.37%
Other Retail Group	3	4,080,577	12.68%
Food Services and Drinking Places	4	2,418,690	7.52%
Building Material and Garden Equipment and Supplies Dealers	5	2,013,946	6.26%
General Merchandise Stores	6	1,981,213	6.16%
Gasoline Stations	7	1,327,851	4.13%
Food and Beverage Stores	8	1,323,098	4.11%
Clothing and Clothing Accessories Stores	9	1,262,678	3.92%
Home Furnishings and Appliance Stores	10	1,221,330	3.80%
		<u>\$ 32,176,001</u>	

Principal Revenue Payers	Rank	2012	
		Total Taxable Sales in Alameda County (in thousands)	Percentage of Taxable Sales
All Other Outlets	1	\$ 9,400,222	37.33%
Motor Vehicle and Parts Dealers	2	2,823,697	11.21%
Food Services and Drinking Places	3	2,318,686	9.21%
Gasoline Stations	4	2,291,985	9.10%
General Merchandise Stores	5	1,887,477	7.49%
Building Material and Garden Equipment and Supplies	6	1,230,013	4.88%
Clothing and Clothing Accessories Stores	7	1,084,439	4.31%
Food and Beverage Stores	8	990,964	3.94%
Miscellaneous Store Retailers	9	988,889	3.93%
Electronics and Appliance Stores	10	625,589	2.48%
Sporting Goods, Hobby, Book, and Music Stores	11	487,666	1.94%
Furniture and Home Furnishings Stores	12	474,949	1.89%
Health and Personal Care Stores	13	440,239	1.75%
Nonstore Retailers	14	136,755	0.54%
		<u>\$ 25,181,570</u>	

Source: California Department of Tax and Fee Administration

ALAMEDA COUNTY TRANSPORTATION COMMISSION

REVENUE CAPACITY - VEHICLE REGISTRATION TAX

Fiscal Year Ended June 30:	Vehicle Registration Fee	Total Revenue ¹	Annual Growth	Vehicles Registered in Alameda County ²
2021	\$ 9.995	\$ 13,243,187	2.09%	1,324,981
2020	9.995	12,972,634	-2.72%	1,297,912
2019	9.995	13,335,640	2.32%	1,334,231
2018	9.995	13,033,527	-0.32%	1,304,005
2017	9.995	13,075,120	0.42%	1,308,166
2016	9.995	13,020,822	0.71%	1,302,734
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

¹ The 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 tax began in May 2011.
The California Department of Motor Vehicles collects a 0.05% administration fee.

² Number of vehicles registered in Alameda County is calculated based on VRF revenue collected by Alameda CTC divided by the per vehicle registration tax.
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

Fiscal Year Ended June 30:	Total Outstanding Debt	Total Taxable Sales in Alameda County ¹	Total Debt as a % of Taxable Sales	Total Personal Income ²	Total Debt as a % of Personal Income
2021	\$ 27,175,191	\$ 34,123,210,000	0.08%	\$141,144,368,000	0.02%
2020	53,957,173	32,087,125,502	0.17%	138,376,831,000	0.04%
2019	79,584,155	35,196,550,207	0.23%	135,663,560,000	0.06%
2018	104,326,137	33,851,440,020	0.31%	128,728,021,000	0.08%
2017	128,263,119	31,868,404,030	0.40%	119,446,412,000	0.11%
2016	151,575,101	30,560,542,547	0.50%	111,930,943,000	0.14%
2015	154,117,083	29,025,458,089	0.53%	104,465,851,000	0.15%
2014	156,659,065	27,533,546,412	0.57%	95,047,167,000	0.16%

Alameda CTC issued its first series of sales tax revenue bonds in February 2014.

¹ Total Taxable Sales for 2021 is estimated based on Alameda CTC's sales tax revenues divided by Alameda CTC's sales tax rate. Data for 2014-2020 was obtained from the California Department of Tax and Fee Administration.

² Total Personal Income for 2020-2021 is estimated based on a two percent annual increase over 2019. Data for 2014-2019 includes retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

DEBT CAPACITY - DEBT LIMITATIONS

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 - 2000 MEASURE B PLEDGED REVENUE COVERAGE

Fiscal Year Ended June 30:	Available Revenue	Annual Debt Service			Coverage
	Measure B Sales Tax Revenue	Principal	Interest	Total	
2021	\$ 170,522,875	\$ 24,240,000	\$ 2,230,200	\$ 26,470,200	6.4
2020	155,366,986	23,085,000	3,384,450	26,469,450	5.9
2019	167,221,955	22,200,000	4,272,450	26,472,450	6.3
2018	154,489,199	21,395,000	5,078,250	26,473,250	5.8
2017	142,937,416	20,770,000	5,701,350	26,471,350	5.4
2016	137,289,997	-	5,701,350	5,701,350	24.1
2015	132,537,037	-	5,653,839	5,653,839	23.4
2014	127,095,900	-	-	-	n/a ¹

¹ Debt service payments began September 1, 2014.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

DEMOGRAPHIC AND ECONOMIC INFORMATION - STATISTICS FOR THE COUNTY OF ALAMEDA

Fiscal Year Ended		Total	Per Capita	
June 30:	Population ¹	Personal Income (in thousands) ²	Personal Income ³	Unemployment Rate ⁴
2021	1,656,591	\$ 141,144,368	\$ 85,202	6.6%
2020	1,663,114	138,376,831	83,203	13.0%
2019	1,671,329	135,663,560	81,171	3.2%
2018	1,666,756	128,728,021	77,233	3.3%
2017	1,660,196	119,446,412	71,947	3.9%
2016	1,650,950	111,930,943	67,798	4.6%
2015	1,634,538	104,465,851	63,912	5.0%
2014	1,067,792	95,047,167	59,117	6.0%
2013	1,579,593	87,682,377	55,509	7.8%
2012	1,553,764	82,974,225	53,402	9.3%

¹ Population data for 2020-2021 are estimates from the State of California Department of Finance, Demographic Research Unit. Data for 2012-2019 includes retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

² Total Personal Income data for 2020-2021 is based on an estimated two percent annual increase over 2019. Data for 2012-2019 includes retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

³ Per Capita Personal Income for 2020-2021 is estimated based on Total Personal Income divided by Population. Data for 2012-2019 includes retroactive revisions by the U.S. Department of Commerce Bureau of Economic Analysis.

⁴ Data includes retroactive revisions by the State of California Employment Development Department.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

DEMOGRAPHIC AND ECONOMIC INFORMATION - TOP TEN PRINCIPAL EMPLOYERS IN ALAMEDA COUNTY

2021				
Employer	Type of Business	Rank	Number of Employees ¹	Percentage of Employment ²
University of California, Berkeley	Education	1	10000+	1.35%+
Western Digital Corporation	Computer Storage Devices (Mfrs)	2	10000+	1.35%+
County of Alameda	Local Government	3	5000-9999	0.67% - 1.35%
Lawrence Livermore National Laboratory	University-College Dept/Facility/Office	4	5000-9999	0.67% - 1.35%
Grifols Diagnostic Solution	Pharmaceutical Research Laboratories	5	5000-9999	0.67% - 1.35%
Lawrence Berkeley National Laboratory	Research and Development	6	5000-9999	0.67% - 1.35%
Bay Area Rapid Transit	Transportation	7	5000-9999	0.67% - 1.35%
California Department of Transportation	State Government	8	1000-4999	0.13% - 0.67%
East Bay Municipal Utility District	Water & Sewage Companies-Utility	9	1000-4999	0.13% - 0.67%
Kaiser Permanente	Hospital	10	1000-4999	0.13% - 0.67%
2011 ³				
Employer	Type of Business	Rank	Number of Employees	Percentage of Employment
University of California Berkeley	Education	1	21,341	3.14%
Kaiser Permanente Medical Group Inc.	Health and Medical	2	9,944	1.47%
State of California	State Government	3	9,265	1.37%
Safeway Inc.	Food	4	9,121	1.34%
County of Alameda	Local Government	5	8,843	1.30%
Lawrence Livermore National Laboratory	Energy Develop and Conservation	6	6,700	0.99%
United States Postal Service	Postal Service	7	5,917	0.87%
Wells Fargo Bank	Financial Services	8	5,632	0.83%
City of Oakland	Local Government	9	5,082	0.75%
Alta Bates Summit Medical Center	Hospitals	10	4,878	0.72%
			<u>86,723</u>	

¹ List of top employers provided by East Bay Economic Development Department Alliance, source used Analyst Resource Center (ARC), provided by Infogroup.

² 2021 percentages are calculated based on the average total employment of 741,100 during FY20-21 as reported by the California Employment Development Department

³ Information from the County of Alameda's FY2011/2012 Comprehensive Annual Financial Report, the most recent information available is as of June 30, 2011.

Percentage is calculated based on total employment of 678,700. (Source: California Employment Development Department)

This page left blank intentionally.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

OPERATING INFORMATION - EMPLOYEES

Function	Fiscal Year Ending June 30,			
	2021	2020	2019	2018
Executive	1.00	1.00	1.00	1.00
Administration	9.50	6.50	6.50	5.00
Finance	6.50	5.50	5.50	5.00
Policy, Public Affairs and Legislation	1.50	0.50	0.50	0.50
Planning and Programs	9.50	8.50	10.50	9.50
Programming and Projects	8.00	9.00	9.00	8.00
Express Lanes Operations	3.00	2.00	2.00	3.00
Total Employees	39.00	33.00	35.00	32.00

ALAMEDA COUNTY TRANSPORTATION COMMISSION**OPERATING INFORMATION - EMPLOYEES**

Fiscal Year Ending June 30,					
2017	2016	2015	2014	2013	2012
1.00	1.00	1.00	1.00	1.00	1.00
5.00	5.00	3.00	3.00	5.00	6.00
6.00	6.00	7.00	7.00	7.00	7.00
0.50	0.50	3.00	2.00	2.00	2.00
6.50	7.50	3.00	3.00	4.00	3.00
6.00	5.00	4.00	5.00	6.00	5.00
2.00	2.00	-	-	-	-
27.00	27.00	21.00	21.00	25.00	24.00

ALAMEDA COUNTY TRANSPORTATION COMMISSION**OPERATING INFORMATION - PROGRAM REVENUES**

Fiscal Year Ended June 30:	Federal Revenue	State Revenue	Regional Measure Revenue	Local Revenue	Total Project Revenues
2021	\$ 7,719,360	\$ 7,991,043	\$ -	\$ 8,043,403	\$ 23,753,806
2020	4,431,256	4,773,151	226,177	7,005,597	16,436,181
2019	3,924,425	2,584,211	1,727,503	16,052,554	24,288,693
2018	5,241,611	864,916	491,583	21,440,983	28,039,093
2017	6,385,239	7,882,452	1,298,380	21,029,358	36,595,429
2016	6,298,439	7,556,897	1,004,854	35,257,032	50,117,222
2015	9,364,425	9,499,895	4,547,696	22,548,937	45,960,953
2014	5,449,588	9,432,800	3,593,671	33,524,045	52,000,104
2013	5,774,570	12,007,467	3,049,072	17,390,918	38,222,027
2012	3,195,946	24,707,698	4,356,559	11,501,887	43,762,090

This page left blank intentionally.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

OPERATING INFORMATION - CAPITAL ASSETS

	Fiscal Year Ending June 30,			
	2021	2020	2019	2018
Capital assets, being depreciated				
Furniture and fixtures	\$ 360,635	\$ 360,635	\$ 360,635	\$ 360,635
Office equipment	510,456	510,456	477,572	477,572
Leasehold improvements	434,959	434,959	434,959	434,959
Toll lane revenue system	52,960,586	52,960,586	52,960,586	52,960,586
Total capital assets, being depreciated	54,266,636	54,266,636	54,233,752	54,233,752
Less accumulated depreciation				
Furniture and fixtures	(360,635)	(354,146)	(344,667)	(325,478)
Office equipment	(452,732)	(393,225)	(329,064)	(264,795)
Leasehold improvements	(338,736)	(293,727)	(248,716)	(203,706)
Toll lane revenue system	(14,015,960)	(11,338,233)	(8,657,624)	(5,979,897)
Total accumulated depreciation	(15,168,063)	(12,379,331)	(9,580,071)	(6,773,876)
Total Capital Assets, Net	<u>\$ 39,098,573</u>	<u>\$ 41,887,305</u>	<u>\$ 44,653,681</u>	<u>\$ 47,459,876</u>

ALAMEDA COUNTY TRANSPORTATION COMMISSION

OPERATING INFORMATION - CAPITAL ASSETS

Fiscal Year Ending June 30,					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 360,635	\$ 360,635	\$ 317,413	\$ 311,138	\$ 103,384	\$ 103,384
430,639	398,601	151,049	151,049	513,121	573,437
434,959	410,103	399,632	399,631	385,281	385,281
<u>52,960,586</u>	<u>44,977,234</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
54,186,819	46,146,574	868,094	861,818	1,001,786	1,062,102
(259,854)	(194,230)	(135,095)	(78,953)	(103,383)	(95,558)
(209,913)	(163,423)	(143,730)	(127,753)	(469,213)	(514,800)
(158,696)	(114,729)	(73,266)	(33,303)	(378,558)	(341,045)
<u>(3,302,170)</u>	<u>(824,027)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(3,930,633)</u>	<u>(1,296,409)</u>	<u>(352,091)</u>	<u>(240,009)</u>	<u>(951,154)</u>	<u>(951,403)</u>
<u><u>\$ 50,256,186</u></u>	<u><u>\$ 44,850,165</u></u>	<u><u>\$ 516,003</u></u>	<u><u>\$ 621,809</u></u>	<u><u>\$ 50,632</u></u>	<u><u>\$ 110,699</u></u>

This page left blank intentionally.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

This page left blank intentionally.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None Reported

Noncompliance material to financial statements noted?

 Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None Reported

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

 Yes X No

Identification of major program(s):

<u>CFDA#(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>20.200</u>	<u>Highway Research and Development Program</u>

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes No

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

Our audit did not disclose any significant deficiencies, or material weaknesses or instances of noncompliance material to the basic financial statements. We have also issued a separate Memorandum on Internal Control dated December 2, 2021 which is an integral part of our audits and should be read in conjunction with this report.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Our audit did not disclose any findings or questioned costs required to be reported in accordance with Uniform Guidance.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2021

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	
Congestion Management Planning			\$ 1,757,814
Safe Routes to School Program			1,734,418
Transportation Planning			68,243
Dublin Blvd: North Canyon Parkway from Fallon Rd to Doolan Rd			6,124
7th Street Grade Separation and Port Arterial Improvements Project			21,364
Program Subtotal			<u>3,587,963</u>
Highway Research and Development	20.200	Not available	
7th Street Grade Separation and Port Arterial Improvements Project			<u>4,131,397</u>
Total Expenditures of Federal Awards			<u>\$ 7,719,360</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

This page left blank intentionally.

ALAMEDA COUNTY TRANSPORTATION COMMISSION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – REPORTING ENTITY

The Schedule of Expenditures of Federal Awards (the Schedule) includes expenditures of federal awards for the Alameda CTC as disclosed in the notes to the Basic Financial Statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting refers to *when* revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Expenditures of federal awards reported on the Schedule are recognized when incurred.

Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COST ELECTION

The Commission has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

This page left blank intentionally.

INDEPENDENT AUDITOR'S REPORTS

This page left blank intentionally.

**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***

To the Honorable Members of the 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 governmental activities, each major fund, and the aggregate remaining fund information of Alameda County Transportation Commission (Alameda CTC) as of and for the year ended June 30, 2021, and have issued our report thereon dated December 2, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Alameda CTC's internal control over financial reporting (internal control) as a basis for designing 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 Alameda CTC's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 Alameda CTC's 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 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 financial statements. 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*.

We have also issued a separate Memorandum on Internal Control dated December 2, 2021 which is an integral part of our audit and should be read in conjunction with this report.

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 Alameda CTC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alameda CTC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze + Associates

Pleasant Hill, California
December 2, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Members of the Governing Board
Alameda County Transportation Commission
Oakland, California

Report on Compliance for Each Major Federal Program

We have audited Alameda County Transportation Commission's (Alameda CTC) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Alameda CTC's major federal programs for the year ended June 30, 2021. Alameda CTC's major federal programs are 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Alameda CTC's major federal programs 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 the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Alameda CTC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Alameda CTC's compliance.

Opinion on Each 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 each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of 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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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's internal control over compliance.

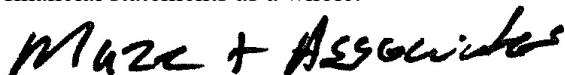
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Alameda CTC as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Alameda CTC's basic financial statements. We issued our report thereon dated December 2, 2021 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Pleasant Hill, California
December 2, 2021

This page left blank intentionally.



APPENDIX B

COUNTY OF ALAMEDA DEMOGRAPHIC AND ECONOMIC INFORMATION

Set forth below is certain demographic and economic information with respect to the County of Alameda, California (the “County”). Such information is provided as general information and has been obtained from sources that Alameda CTC believes to be reliable, but Alameda CTC makes no representation as to the accuracy or completeness of the information included.

The County was established on March 25, 1853. Located on the east side of the San Francisco Bay, the County extends from the cities of Albany and Berkeley in the north to the city of Fremont in the south. The County covers 813 square miles and contains 14 incorporated cities. The County is the seventh most populous county in the State, with a population of 1,651,979 as of January 1, 2022. The county seat is located in the City of Oakland.

Population

The following table sets forth the population of the County and the State for the years 2018 through 2022, based on the most recently published data available. Based on 2020 Census data, the County is the seventh largest County by population in California.

TABLE 1
COUNTY OF ALAMEDA AND STATE OF CALIFORNIA
ANNUAL POPULATION AND PERCENTAGE CHANGE
2018 THROUGH 2022

<i>Year</i>	<i>County</i>	<i>County Annual Percentage Change</i>	<i>State of California</i>	<i>State Annual Percentage Change</i>
2022	1,651,979	(0.60) %	39,185,605	(0.30) %
2021	1,662,370	(0.04)	39,303,157	(0.87)
2020	1,663,114	0.21	39,648,938	0.11
2019	1,659,608	0.47	39,605,361	0.22
2018	1,666,756	N/A	39,519,535	N/A

Source: State Department of Finance, Demographic Research Unit.

The following table lists the respective populations of the five largest cities and the unincorporated area in the County based on the most recently published data that have been made available.

TABLE 2
COUNTY OF ALAMEDA
POPULATION OF FIVE LARGEST CITIES AND UNINCORPORATED AREA
AS OF JANUARY 1, 2022

<i>City</i>	<i>Population</i>
Oakland	424,464
Fremont	229,476
Hayward	160,591
Berkeley	124,563
San Leandro	88,404
Unincorporated Area	149,506

Source: State Department of Finance, Demographic Research Unit.

Personal Income

The following table sets forth total personal income and per capita income figures for the years 2016 through 2020.

TABLE 3
COUNTY OF ALAMEDA, STATE OF CALIFORNIA AND UNITED STATES
TOTAL PERSONAL INCOME AND PER CAPITA INCOME
2016 THROUGH 2020

<i>Year</i>	<i>Area</i>	<i>Total Personal Income (in Thousands)</i>	<i>Per Capita Personal Income⁽²⁾</i>
2020 ⁽¹⁾	County	\$ 144,751,041	\$87,078
	State	2,763,311,977	70,192
	United States	19,607,447,000	59,510
2019	County	131,535,494	78,839
	State	2,544,234,978	64,513
	United States	18,402,004,000	56,047
2018	County	125,583,845	75,354
	State	2,431,821,953	61,663
	United States	17,681,159,000	54,098
2017	County	116,802,392	70,370
	State	2,318,644,417	58,942
	United States	16,845,028,000	51,811
2016	County	109,572,257	66,377
	State	2,218,457,774	56,667
	United States	16,092,713,000	49,812

⁽¹⁾ Most recent year for which annual data is available.

⁽²⁾ Per capita personal income is total personal income divided by Census Bureau midyear population estimates, which differ from the population estimates shown above in the preceding table.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table sets forth a comparison of per capita income figures for the calendar year 2020 for large counties, based on population, in California.

TABLE 4
2020 PER CAPITA INCOME IN LARGE CALIFORNIA COUNTIES

<i>Area (Population)</i>	<i>Per Capita Personal Income</i>
Santa Clara (1.9M)	\$123,661
Contra Costa (1.2M)	92,264
Alameda (1.7M)	87,078
Orange (3.2M)	74,618
California (39.2M)	70,192
Los Angeles (9.9M)	68,272
San Diego (3.3M)	66,266
Sacramento (1.6M)	58,307
Riverside (2.5M)	45,834

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Employment

The following table sets forth a comparison of labor force, employment and unemployment for the County, the State of California and the United States for the years 2017 through 2021. As of April 1, 2022, the unemployment rate in the County, the State of California, and the United States were 2.8%, 3.8%, and 3.6%, respectively.

TABLE 5
COUNTY OF ALAMEDA, STATE OF CALIFORNIA AND UNITED STATES
ANNUAL AVERAGE LABOR FORCE AND INDUSTRY EMPLOYMENT
2017 THROUGH 2021

<i>Year</i>	<i>Area</i>	<i>Civilian Labor Force</i>	<i>Employment</i>	<i>Unemployment</i>	<i>Unemployment Rate (Annual Averages)</i>
2021	County	810,000	760,900	49,100	6.1%
	California	18,923,200	17,541,900	1,381,200	7.3
	United States	161,204,000	152,581,000	8,623,000	5.3
2020	County	816,800	743,200	73,600	9.0%
	California	18,931,100	16,996,700	1,934,500	10.2
	United States	160,742,000	147,798,000	12,947,000	8.1
2019	County	842,600	817,400	25,300	3.0%
	California	19,409,400	18,612,600	796,800	4.1
	United States	163,539,000	157,538,000	6,001,000	3.7
2018	County	841,400	815,600	25,900	3.1%
	California	19,289,500	18,468,100	821,400	4.3
	United States	162,075,000	155,761,000	6,314,000	3.9
2017	County	838,200	807,100	31,100	3.7%
	California	19,185,400	18,258,100	927,300	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4

Source: For State and County information, State of California Employment Development Department, California Labor Market Information Division. For the U.S. information, U.S. Department of Labor, Bureau of Labor Statistics.

The following table sets forth the employment statistics for the County for Fiscal Year 2020 by industry type.

TABLE 6
COUNTY OF ALAMEDA
Employment Statistics by Industry – Fiscal Year 2020⁽¹⁾

<i>Industry Type</i>	<i>Number of Employees</i>	<i>Percentage of Total Employment</i>
Agricultural services, forestry and fishing	700	0.10%
Mining, Logging and Construction	46,600	6.21%
Manufacturing	83,000	11.07%
Transportation, warehousing and public utilities	33,400	4.45%
Wholesale trade	33,500	4.47%
Retail trade	62,000	8.27%
Professional and business services	128,800	17.18%
Education and health services	120,900	16.12%
Leisure and hospitality	52,900	7.05%
Information	19,900	2.65%
Finance, insurance and real estate	27,400	3.65%
Federal government-civilian	9,000	1.20%
State government	36,300	4.84%
Local government	73,100	9.75%
Other services	<u>22,400</u>	<u>2.99%</u>
Total	<u>749,900</u>	<u>100.00%</u>

⁽¹⁾ Most current information available.

Source: California Employment Development Department.

The County possesses a diverse economic base featuring a wide range of manufacturing industries (consisting of transportation, equipment, computer, food processing, fabricated metal products, non-electrical machinery, and stone-clay-glass products). The County has one of the most diversified manufacturing sectors in Northern California. The Port of Oakland ranks among the top five in the nation and top 20 in the world in terms of annual container traffic and is a major economic engine in the Bay Area.

The County has become one of the leading research centers in the country with research activities at the University of California Berkeley, Lawrence Berkeley National Laboratory, and Lawrence Livermore National Laboratory. Many private biotechnology firms have located near these research centers. Major private sector employers in the County include Kaiser Permanente Medical Group Inc., Safeway and Tesla Motors.

Major Employers

The table below sets forth the ten largest employers in the County in Fiscal Year 2021.

TABLE 7
COUNTY OF ALAMEDA
Major Employers – Fiscal Year 2021

<i>Employer</i>	<i>Number of Employees</i>	<i>% of Total</i>
University of California, Berkeley	10,000+	4.62%
Western Digital Corporation	10,000+	1.73
County of Alameda	5,000-9,000	1.30
Lawrence Livermore National Laboratory	5,000-9,000	1.26
Grifolis Diagnostic Solution	5,000-9,000	1.25
Lawrence Berkeley National Laboratory	5,000-9,000	0.84
Bay Area Rapid Transit	5,000-9,000	0.68
California Department of Transportation	1,000-4,999	0.68
East Bay Municipal Utility District	1,000-4,999	0.63
Kaiser Permanente	1,000-4,999	0.58

Source: Alameda CTC Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2021.

Construction Activity

The following tables reflect building permit valuations for the County for the five most recent calendar years for which information is available.

TABLE 8
COUNTY OF ALAMEDA
Building Permits and Valuation
(Dollars in Thousands)

	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
<u>Permit Valuation:</u>					
New Single-family	\$ 763,678	\$ 689,530	\$ 675,130	\$ 394,500	\$ 407,585
New Multi-family	1,307,094	1,431,985	782,536	722,038	829,822
Res. Alterations/Additions	<u>501,276</u>	<u>469,158</u>	<u>512,410</u>	<u>293,867</u>	<u>222,971</u>
Total Residential	2,572,048	2,590,674	1,970,076	1,410,405	1,460,379
Total Nonresidential	<u>1,587,834</u>	<u>1,762,395</u>	<u>1,794,925</u>	<u>991,251</u>	<u>1,316,988</u>
Total All Building	<u>\$ 4,159,882</u>	<u>\$ 4,353,069</u>	<u>\$ 3,765,001</u>	<u>\$ 2,401,656</u>	<u>\$ 2,777,367</u>
<u>New Dwelling Units:</u>					
Single Family	2,175	1,867	1,871	1,152	1,589
Multiple Family	<u>6,889</u>	<u>6,540</u>	<u>4,145</u>	<u>2,610</u>	<u>4,494</u>
Total	<u>9,064</u>	<u>8,407</u>	<u>6,016</u>	<u>3,762</u>	<u>6,083</u>

Note: Columns may not sum to totals due to independent rounding.

Source: Construction Industry Research Board: "Building Permit Summary."

Commercial Activity

The following table below sets forth the taxable sales in the County for calendar years 2017 through 2021.

TABLE 9
COUNTY OF ALAMEDA
TAXABLE SALES TRANSACTIONS
2017 THROUGH 2021
(in thousands)

<i>Type of Business</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>
Retail and Food Services					
Motor Vehicle and Parts Dealers	\$ 4,657,827	\$ 4,301,875	\$ 4,628,050	\$ 5,831,346	\$ 4,565,390
Home Furnishings and Appliance Stores	1,589,116	1,221,330	1,374,406	1,366,807	1,318,289
Building Materials and Garden	2,241,738	2,013,946	1,897,573	1,861,085	1,810,222
Food and Beverage Stores	1,317,684	1,323,098	1,277,945	1,257,774	1,243,767
Gasoline Stations	1,867,695	1,327,851	2,068,341	2,111,653	1,853,251
Clothing and Clothing Accessories Stores	1,766,085	1,262,678	1,874,869	1,824,581	1,723,977
General Merchandise Stores	2,235,074	1,981,213	2,130,021	2,110,422	2,046,788
Food Services and Drinking Places	3,300,955	2,418,690	3,699,924	3,512,894	3,382,643
Other Retail Group	<u>3,636,972</u>	<u>4,080,577</u>	<u>2,970,613</u>	<u>3,010,788</u>	<u>2,842,175</u>
Total Retail and Food Services	<u>\$ 22,613,147</u>	<u>\$ 19,931,259</u>	<u>\$ 21,921,743</u>	<u>\$ 22,857,349</u>	<u>\$ 20,786,502</u>
All Other Outlets	<u>\$ 15,280,535</u>	<u>\$ 12,244,743</u>	<u>\$ 13,194,421</u>	<u>\$ 12,215,953</u>	<u>\$ 11,915,581</u>
Total All Outlets	<u>\$ 37,893,682</u>	<u>\$ 32,176,002</u>	<u>\$ 35,116,164</u>	<u>\$ 35,073,302</u>	<u>\$ 32,702,083</u>

Totals may not add due to rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales in California.

Transportation

Surface and air transportation facilities serve County residents and businesses. Transbay bridges include the San Francisco-Oakland Bay Bridge, which extends Interstate 80 into San Francisco; the Richmond-San Rafael Bridge, leading into Marin County and northern areas; and the Hayward-San Mateo and Dumbarton Bridges connecting East Bay points with San Mateo and Palo Alto on the San Francisco Peninsula.

The Union Pacific Railroad operates rail terminal facilities in Oakland. Atchison, Topeka, and Santa Fe Railway serves the East Bay from its Richmond switching yards. Amtrak provides passenger service through its Oakland and Emeryville stations to Southern California, Sacramento, and other destinations.

Local motor coach transportation is provided by AC Transit, which serves East Bay cities and continues into San Francisco via the Bay Bridge. Other bus service is available through the Central Contra Costa Transit District, the Livermore Amador Valley Transit Authority and Greyhound bus lines. San Mateo County Transit District provides bus service between Hayward and the San Francisco Peninsula across the Hayward-San Mateo Bridge. Bay Area Rapid Transit (“BART”), a high-speed rail transit system, services the County, in addition to the counties of Contra Costa and San Francisco. Currently, BART stretches from San Francisco International Airport and Millbrae on the San Francisco Peninsula, through Oakland, to Richmond in the north, Pittsburg in the northeast, Fremont in the south, and Dublin/Pleasanton in the southeast.

The Oakland International Airport (the “Airport”) is located in the City of Oakland, about 6.5 miles southeast of downtown Oakland. The Airport is 2,600 acres, including 327 acres of wetlands under jurisdiction of the U.S. Army Corps of Engineers. Currently, the Airport has 32 boarding gates at two terminals, eight domestic and three international scheduled passenger airlines, with Southwest Airlines being the largest. The Airport is ranked among the top 20 airports in the U.S. by amount of air cargo handled, and is serviced by three major cargo carriers.

Education

Eighteen independent school districts provide educational programs for elementary and secondary public school children in the County. Thirteen of the County’s school districts also operate adult education programs.

There are three community college districts in the County with students at seven campuses. The County also operates four Regional Occupation Programs providing technical job training for high school students and adults.

Among the institutions of higher education offering bachelors and graduate programs in the County are the University of California at Berkeley, California State University East Bay, Graduate Theological Union, Holy Names University and Mills College.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture, as supplemented. Such summary is not intended to be complete or definitive, is supplemental to the summary of other provisions of the Indenture contained elsewhere in this Official Statement, and is qualified in its entirety by reference to the full terms of the Indenture. All capitalized terms used and not otherwise defined in this Official Statement shall have the meanings ascribed to such terms in the Indenture.

DEFINITIONS

“Accreted Value” means, with respect to any Capital Appreciation Bond, the principal amount thereof plus the interest accrued thereon, compounded at the approximate interest rate thereon on each date specified therein. The Accreted Value at any date shall be the amounts set forth in the Accreted Value Table as of such date, if such date is a compounding date, and if not, as of the immediately preceding compounding date plus the amount of daily interest accrued from such preceding compounding date to the date of determination.

“Accreted Value Table” means the table denominated as such which appears as an exhibit to, and to which reference is made in, a Supplemental Indenture providing for a Series of Capital Appreciation Bonds issued pursuant to such Supplemental Indenture.

“Act” means the Local Transportation Authority and Improvement Act, being Section 180000 *et seq.* of the Public Utilities Code of the State of California, as now in effect and as it may from time to time hereafter be amended or supplemented.

“Annual Debt Service” means, for any Fiscal Year, the aggregate amount (without duplication) of principal and interest on all Bonds and Parity Obligations becoming due and payable during such Fiscal Year calculated using the principles and assumptions set forth under the definition of Debt Service.

“Assumed Debt Service” means for any Fiscal Year the aggregate amount of principal and interest which would be payable on all Bonds if each Excluded Principal Payment were amortized on a substantially level debt service basis or other amortization schedule provided by Alameda CTC for a period commencing on the date of calculation of such Assumed Debt Service and ending on the earlier of (i) the date specified by Alameda CTC or (ii) the last date Alameda CTC is authorized to collect the Measure BB Sales Tax (as such tax may be extended), such Assumed Debt Service to be calculated on a level debt service basis or other amortization schedule provided by Alameda CTC, based on a fixed interest rate equal to the rate at which Alameda CTC could borrow for such period, as set forth in a certificate of a Consultant, delivered to the Trustee, who may rely conclusively on such certificate, such certificate to be delivered within 30 days of the date of calculation.

“Auditor-Controller” means the Deputy Executive Director of Finance and Administration of Alameda CTC.

“Authorized Denomination” means, with respect to any Series of Bonds, any denomination authorized by the Supplemental Indenture under which such Bonds are issued.

“Authorized Representative” means the Chair, the Vice Chair, the Executive Director and the Deputy Executive Director of Finance and Administration, and any other officer or employee of Alameda CTC designated in writing by the Executive Director or the Deputy Executive Director of Finance and Administration to represent Alameda CTC in a written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of Alameda CTC by an Authorized Representative.

“Beneficial Owner” means any Person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of any Bond, including, without limitation, any Person holding Bonds through nominees or depositories, including the Securities Depository.

“Bond” or **“Bonds”** means the Series 2022 Bonds and indebtedness and securities of any kind or class, including bonds, notes, bond anticipation notes and other obligations issued under the provisions of the Indenture. “Bond” or “Bonds” shall not include any subordinated obligations or junior subordinated obligations incurred by Alameda CTC.

“Bond Obligation” means, as of any given date of calculation, (1) with respect to any Outstanding Current Interest Bond, the principal amount of such Bond, and (2) with respect to any Outstanding Capital Appreciation Bond, the Accreted Value thereof.

“Bondholder” or **“Holder,”** whenever used in the Indenture with respect to a Bond, means the person in whose name such Bond is registered.

“Business Day” means, except as is otherwise provided in the Supplemental Indenture pursuant to which a Series of Bonds are issued, any day other than (1) a Saturday, Sunday, or a day on which banking institutions in the State, the State of New York or the jurisdiction in which the Corporate Trust Office of the Trustee is located are authorized or obligated by law or executive order to be closed, (2) for purposes of payments and other actions relating to Bonds secured by a Credit Enhancement or supported by a Liquidity Facility, a day upon which commercial banks in the city in which is located the office of the issuing bank at which demands for payment under the Credit Enhancement or Liquidity Facility, as applicable, are to be presented are authorized or obligated by law or executive order to be closed, (3) a day on which the New York Stock Exchange is closed, or (4) for so long as DTC is the Depository for any Series of Bonds, a day on which DTC’s money market instrument settlement services are closed.

“Capital Appreciation Bonds” means the Bonds of any Series designated as Capital Appreciation Bonds in the Supplemental Indenture providing for the issuance of such Series of Bonds and on which interest is compounded and paid at maturity or on prior redemption.

“Cede & Co.” means the nominee of DTC as the registered owner of the Bonds.

“CDTFA” means the California Department of Tax and Fee Administration, which collects the Measure BB Sales Tax.

“Certificate,” “Statement,” “Request,” “Requisition” and **“Order”** of Alameda CTC mean, respectively, a written certificate, statement, request, requisition or order signed in the name of Alameda CTC by an Authorized Representative.

“Code” means the Internal Revenue Code of 1986, and the regulations applicable thereto or issued thereunder, or any successor to the Internal Revenue Code of 1986. Reference to any particular Code section shall, in the event of such a successor Code, be deemed to be reference to the successor to such Code section.

“Commission” means the governing body of Alameda CTC.

“Consultant” means any accountant, attorney, consultant, municipal advisor or investment banker, or firm thereof, retained by Alameda CTC to perform acts and carry out the duties provided for such Consultant in the Indenture. Such accountant, attorney, consultant, municipal advisor or investment banker, or firm thereof, shall be nationally recognized within its profession for work of the character required, as determined in the sole discretion of Alameda CTC.

“Continuing Covenants Agreement” means a continuing covenants agreement, if any, or similar agreement between a Direct Lender, or any successor, and Alameda CTC, with respect to all or substantially all of a Series of Bonds or Parity Debt initially purchased thereunder.

“Continuing Covenants Rate” means, with respect to any Direct Lender Bonds, the interest rate per annum, if any, specified as applicable to such Direct Lender Bonds in the applicable Continuing Covenants Agreement.

“Continuing Disclosure Certificate” means, with respect to each Series of Bonds requiring an undertaking regarding disclosure under Rule 15c2-12, the Continuing Disclosure Certificate, dated on or about the date of issuance of such Series of Bonds, executed by Alameda CTC, as the same may be supplemented, modified or amended in accordance with its terms.

“Corporate Trust Office” or corporate trust office means the corporate trust office of the Trustee, or such other or additional offices as may be designated by the Trustee from time to time.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to Alameda CTC and related to the authorization, issuance, sale and delivery of a Series of Bonds, including but not limited to advertising and printing costs, costs of preparation and reproduction of documents, filing and recording fees, travel expenses and costs relating to rating agency meetings and other meetings concerning such Series of Bonds, general marketing expenses, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, municipal advisor fees and expenses, rating agency fees, fees and charges for preparation, execution, transportation and safekeeping of Bonds, surety, insurance, credit enhancement and liquidity costs, termination fees payable in connection with the termination of an Interest Rate Swap Agreement, and any other cost, charge or fee in connection with the initial delivery of a Series of Bonds or any Parity Obligations delivered in connection with a Series of Bonds.

“Costs of Issuance Fund” means a fund by that name established pursuant to the provisions of a Supplemental Indenture to pay Costs of Issuance with respect to a Series of Bonds being issued pursuant to such Supplemental Indenture.

“Costs” or **“Costs of the Project”** means, as applied to a Project or portion thereof financed under the Indenture, all or any part of the cost of construction and acquisition of all real or personal property, rights, rights-of-way, franchises, easements and interests acquired or used for a Project, the cost of demolishing or removing any structures on land so acquired, including the cost of acquiring any land to which the structures may be removed, the cost of all machinery and equipment, vehicles, rolling stock, financing charges, interest prior to, during and for a period after completion of construction as determined by Alameda CTC, provisions for working capital, reserves for principal and interest, and for extensions, enlargements, additions, replacement, renovations and improvements, the cost of architectural, engineering, financial and legal services, plans, specifications, estimates and administrative expenses and other expenses necessary or incidental to the determination of the feasibility of constructing any Project or incidental to the construction, acquisition or financing of any Project and, with respect to the use of Bond proceeds, such other costs and expenses as are permitted by the Act at the time such Bonds are issued.

“Counterparty” means an entity which has entered into an Interest Rate Swap Agreement with Alameda CTC.

“County” means the County of Alameda, California.

“Credit Enhancement” means, with respect to a Series of Bonds, any Insurance, letter of credit, line of credit, surety bond or other instrument, if any, which secures or guarantees the payment of principal of and interest on a Series of Bonds, issued by an insurance company, commercial bank or other financial institution,

and delivered or made available to the Trustee, as from time to time supplemented or amended pursuant to its terms.

“Credit Provider” means, with respect to a Series of Bonds, the Insurer, commercial bank or other financial institution issuing (or having primary obligation, or acting as agent for the financial institutions obligated, under) a Credit Enhancement then in effect with respect to such Series of Bonds.

“Current Interest Bonds” means the Bonds of any Series designated as Current Interest Bonds in the Supplemental Indenture providing for the issuance of such Series of Bonds and that pay interest to the Holders thereof on a periodic basis prior to maturity.

“Debt Service,” when used with respect to any Bonds or Parity Obligations (for purposes of this definition of “Debt Service,” collectively referred to as “Obligations”), means, as of any date of calculation and with respect to any Fiscal Year, the sum of (1) the interest becoming due on such Obligations during such Fiscal Year and (2) the principal or Mandatory Sinking Account Payments required with respect to such Obligations during such Fiscal Year; computed on the assumption that no portion of such Obligations shall cease to be Outstanding during such Fiscal Year except by reason of the application of such scheduled payments; provided, however, that for purposes of such computation:

(A) Excluded Principal Payments (and the interest related thereto provided such interest is being paid from the same source as the Excluded Principal Payments) shall be excluded from such calculation and Assumed Debt Service shall be included in such calculation;

(B) in determining the principal amount due in each Fiscal Year, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made in accordance with any amortization schedule established for such Obligations, including any Mandatory Sinking Account Payments or any scheduled redemption or payment of Obligations on the basis of Accreted Value, and for such purpose, the redemption payment or payment of Accreted Value shall be deemed a principal payment and interest that is compounded and paid as Accreted Value shall be deemed due on the scheduled redemption or payment date of such Capital Appreciation Bond;

(C) if any Obligations bear, or if any Obligations proposed to be issued will bear, interest at a variable interest rate for which an Interest Rate Swap Agreement is not in place and the interest on which is excluded or expected to be excluded from gross income for federal income tax purposes, the interest rate on such Obligations for periods when the actual interest rate cannot yet be determined shall be assumed to be equal to the average of the SIFMA Swap Index for the five years preceding such date of calculation;

(D) if any Obligations bear, or if any Obligations proposed to be issued will bear, interest at a variable interest rate for which an Interest Rate Swap Agreement is not in place and the interest on which is included or expected to be included in gross income for federal income tax purposes, the interest rate on such Obligations shall be calculated at an interest rate equal to the rate set forth in the Supplemental Indenture for such Obligations or, if such rate shall no longer be in general use, any financial industry-recognized successor that provides comparable rate quotations, as designated by Alameda CTC and its Municipal Advisor in writing in a Statement of Alameda CTC delivered to the Trustee, during the three years preceding such date of calculation or such higher rate as shall be specified in a Certificate of Alameda CTC in connection with the issuance of an additional Series of Bonds or Parity Obligations or any calculation of the Reserve Requirement;

(E) with respect to any Obligations bearing interest, or expected to bear interest, at a variable interest rate for which an Interest Rate Swap Agreement is in place providing for a fixed rate of interest to maturity or for a specific term with respect to such Obligations, the interest rate on such Obligations shall be assumed to be the synthetic fixed interest rate specified in such Interest Rate Swap Agreement for such term; provided that if, pursuant to a Certificate of Alameda CTC filed with the Trustee in connection with the issuance of an additional Series of Bonds or Parity Obligations or any calculation of the Reserve Requirement,

the sum of (i) interest payable on such Obligations, plus (ii) amounts payable by Alameda CTC under such Interest Rate Swap Agreement, less (iii) amounts receivable by Alameda CTC under such Interest Rate Swap Agreement, is expected to be greater than the interest payable on the Obligations to which such Interest Rate Swap Agreement relates (i.e., if such Interest Rate Swap Agreement is an “off-market” Interest Rate Swap Agreement), then, in such instance, such excess amounts expected to be payable by Alameda CTC under such Interest Rate Swap Agreement or in connection with such Obligations shall be included in the calculation of Debt Service;

(F) with respect to any Obligations bearing interest, or expected to bear interest, at a fixed interest rate for which an Interest Rate Swap Agreement is in place providing for a net variable interest rate with respect to such Obligations for a specific term, the interest rate on such Obligations shall be assumed to be equal for such term to the sum of (i) the fixed interest rate or rates to be paid on the Obligations, minus (ii) the fixed interest rate receivable by Alameda CTC under such Interest Rate Swap Agreement, plus (iii) the average interest rate of the index on which the Interest Rate Swap Agreement is based, as identified in a Certificate of Alameda CTC, or, if not based on an identifiable index, then the SIFMA Swap Index, in each case, over the five years preceding the date of calculation or such higher rate as shall be specified in a Certificate of Alameda CTC in connection with the issuance of an additional Series of Bonds or Parity Obligations or any calculation of the Reserve Requirement;

(G) if any Obligations feature an option on the part of the owners or an obligation under the terms of such Obligations to tender all or a portion of such Obligations to Alameda CTC, the Trustee or other fiduciary or agent, and requires that such Obligations or portion thereof be purchased if properly presented, then for purposes of determining the amounts of principal and interest due in any Fiscal Year on such Obligations, the options or obligations of the owners of such Obligations to tender the same for purchase or payment prior to the stated maturity or maturities shall be ignored and not treated as a principal maturity;

(H) principal and interest payments on Obligations shall be excluded to the extent such payments are to be paid from Pledged Revenues then held on deposit by the Trustee or from other amounts on deposit with the Trustee or other fiduciary in escrow specifically therefor and interest payments shall be excluded to the extent that such interest payments are to be paid from the proceeds of Obligations held by the Trustee or other fiduciary as capitalized interest specifically to pay such interest;

(I) with respect to Obligations bearing interest that is subject to Subsidy Payments and such Subsidy Payments are not included as Pledged Revenues but instead are applied directly to offset the interest due on such Obligations, the interest rate on such Obligations shall be assumed to be the rate net of such Subsidy Payments;

(J) if the Obligations are Paired Obligations, the interest rate on such Obligations shall be the resulting linked rate or effective fixed interest rate to be paid by Alameda CTC with respect to such Paired Obligations;

(K) any payment obligation under an Obligation that was or is optional or contingent (such as the obligation to make a termination payment under an Interest Rate Swap Agreement), whether or not the option is exercised or the contingency occurs, and any payments that are not scheduled payments, may be excluded; and

(L) if any of the Obligations are, or upon issuance will be, obligations payable in a currency other than lawful currency of the United States of America, then such obligations shall be assumed to be payable in lawful currency of the United States of America at the rate payable by Alameda CTC pursuant to Alameda CTC’s related currency swap or contract entered into in connection with such obligations or, in the absence of such swap or contract, at the rate determined by Alameda CTC using a currency market conversion factor selected by Alameda CTC.

“Defeasance Securities” means noncallable: (i) U.S. Treasury certificates, notes, bills and bonds, including State and Local Government Series securities; (ii) direct obligations of the U.S. Treasury; (iii) Resolution Funding Corp. securities (“REFCORP”); (iv) pre-refunded municipal bonds rated the same level as U.S. Treasury Notes and Bonds by Moody’s and by S&P, or only by S&P; provided, however, that if such municipal bonds are rated only by S&P, then such pre-refunded municipal bonds must have been pre-refunded with cash, direct United States obligations or United States guaranteed obligations; (v) obligations issued by the following agencies, which are backed by the full faith and credit of the United States: (a) Farmers Home Administration (FmHA) – certificates of beneficial ownership; (b) General Services Administration – participation certificates; (c) U.S. Maritime Administration – Guaranteed Title XI financing; (d) Small Business Administration guaranteed participation certificates and guaranteed pool certificates; (e) GNMA guaranteed MSB and participation certificates; and (f) U.S. Department of Housing and Urban Development (HUD) Local Commission Bonds, or (vi) obligations of government-sponsored agencies that are not backed by the full faith and credit of the United States limited to: (a) Federal Home Loan Mortgage Corp. (FHLMC) debt obligations; (b) Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks, and Banks for Cooperatives) consolidated system-wide bonds and notes; (c) Federal Home Loan Banks (FHL Banks) consolidated debt obligations; (d) Federal National Mortgage Association (FNMA) debt obligations; (e) Financing Corp. (FICO) debt obligations; and (f) other obligations approved by the applicable Rating Agencies for defeasance escrows.

“Direct Lender” means a bank or other financial institution that is the initial purchaser of all or substantially all of a Series of Bonds or Parity Debt pursuant to a Continuing Covenants Agreement.

“Direct Lender Bonds” means any Bonds or Parity Debt held by a Direct Lender, or any successor.

“DTC” means The Depository Trust Company, New York, New York, or any successor thereto.

“Electronic Means” means facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

“Event of Default” means any of the events specified in the Indenture as Events of Default.

“Excluded Principal Payment” means each payment of principal of Bonds or Parity Obligations which Alameda CTC determines (in a Certificate of Alameda CTC) that Alameda CTC intends to pay from future debt obligations of Alameda CTC, grants from the State or federal government, or any agency or instrumentality thereof, or any other source of funds of Alameda CTC, upon which determination of Alameda CTC the Trustee may conclusively rely. No such determination shall affect the security for such Bonds or the obligation of Alameda CTC to pay such payments from Pledged Revenues or amounts on deposit in the Reserve Fund, if any.

“Fees and Expenses Fund” means the fund by that name established pursuant to the Indenture.

“First Supplemental Indenture” means the First Supplemental Indenture, dated as of July 1, 2022, by and between Alameda CTC and the Trustee, supplementing and amending the Indenture.

“Fiscal Year” means the period beginning on July 1 of each year and ending on the next succeeding June 30, or any other twelve-month period hereafter selected and designated as the official fiscal year period of Alameda CTC, which designation shall be provided to the Trustee in a Certificate delivered by Alameda CTC.

“Fitch” means Fitch Inc., and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency selected by Alameda CTC.

“Gross Sales Tax” means the amount of Measure BB Sales Tax revenues collected by the CDTFA pursuant to the Ordinance, including CDTFA’s administrative fees.

“Holder” or **“Bondholder,”** whenever used in the Indenture with respect to a Bond, means the person in whose name such Bond is registered.

“Information Services” means the Electronic Municipal Market Access system (referred to as “EMMA”), a facility of the Municipal Securities Rulemaking Board, at www.emma.msrb.org; and, in accordance with the then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds and Alameda CTC may designate in a Request of Alameda CTC delivered to the Trustee.

“Interest Fund” means the fund by that name established pursuant to the Indenture.

“Interest Payment Date,” with respect to each Series of Bonds, shall have the meaning specified in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

“Interest Rate Swap Agreement” means an interest rate swap, cap, collar, option, floor, forward, derivative, or other hedging agreement, arrangement or security, however denominated, entered into between Alameda CTC and a Counterparty, in connection with or incidental to, the issuance or carrying of Bonds, including, without limitation, an interest rate swap, cap, collar, option, floor, forward, derivative, or other hedging agreement, arrangement or security entered into in advance of the issuance of Bonds and designated by Alameda CTC in a Certificate or Supplemental Indenture as a Parity Obligation.

“Investment Securities” means the following:

(i) United States Government Securities defined as direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the payment of principal and interest by the United States of America;

(ii) federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises or corporations;

(iii) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, and eligible for purchase and sale within the United States, rated “AA” or its equivalent or better by a nationally recognized statistical rating organization (referred to in this definition of Investment Securities as an “NRSRO”);

(iv) asset-backed securities, including any consumer receivable pass-through certificate, equipment lease-backed certificate, consumer receivable backed bond, or other pay-through bond with a maximum maturity of five years or less. Asset-backed securities shall be rated “AAA” or its equivalent by an NRSRO;

(v) corporate and depository institution debt securities with a maximum remaining maturity of five (5) years or less, issued by corporations, financial institutions, non-profits, or other entities organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States (not to include other investment securities), which have a long-term rating of “A” or its equivalent or better by an NRSRO;

(vi) obligations issued or guaranteed by any state, territory or possession of the United States, political subdivision, public corporation, authority, agency board, instrumentality or other unit of local government of any U.S. state and with a long-term of “A” or its equivalent or better by an NRSRO;

(vii) negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally- licensed or state-licensed branch of a foreign bank with a long-term rating of “A” or a short-term rating of “A-1” or their respective equivalents or better by an NRSRO;

(viii) bank deposits with a state or national bank, savings association or federal association, a state or federal credit union, or a federally insured industrial loan company, in California provided such deposits shall be either (a) continuously and fully insured by the Federal Deposit Insurance Corporation, or (b) continuously and fully secured by such securities and obligations as are described in Sections 53630 through 53686 of the California Government Code, and U.S. dollar denominated deposit accounts, federal funds, and banker’s acceptances with domestic commercial banks, which may include the Trustee, its parent holding company, if any, and their affiliates, which have a rating on their short-term certificates of deposit on the date of purchase of “A” or better by S&P, maturing no more than 360 days after the date of purchase, provided that ratings on holding companies are not considered as the rating of the bank;

(ix) commercial paper and asset-backed commercial paper rated “A-1” or better by an NRSRO, which purchases may not exceed two hundred seventy (270) days maturity;

(x) bankers’ acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System, the short-term obligations of which are rated “A-1” or better by two NRSROs, which purchases may not exceed one hundred eighty (180) days maturity;

(xi) Government money market funds as defined by Securities and Exchange Commission Rule 2a-7(a)(16) and money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm, which funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory or other management services;

(xii) Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 of the California Government Code. Investments shall be restricted to those pooled programs that seek to maintain a stable net asset value;

(xiii) The Local Agency Investment Fund, being the State of California managed investment pool;

(xiv) The pooled investment fund of the County of Alameda, California, which is administered in accordance with the investment policy of such County;

(xv) Shares in a California common law trust established pursuant to Title I, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by Section 53601 of Title 5, Division 2, Chapter 4 of the Government Code of California, as it may be amended;

(xvi) Repurchase agreements that meet the following criteria:

(1) Acceptable providers shall consist of (a) registered broker/dealers subject to Securities Investors’ Protection Corporation jurisdiction or commercial banks insured by the Federal Deposit Insurance Corporation (referred to in this definition of Investment Securities as “FDIC”), if such broker/dealer or bank has an uninsured, unsecured and unguaranteed rating of A3/ P- 1 or better by Moody’s and A-/A-1 or better by S&P, or (b) domestic structured investment companies rated Aaa by Moody’s and AAA by S&P; and

(2) The repurchase agreement shall limit acceptable securities specified in subsections (i) and (ii) above. The fair market value of the securities in relation to the amount of the repurchase obligation, including principal and accrued interest, is equal to a collateral level of at least 104% for investments specified in subsection (i) above and 105% for investments specified in subsection (ii) above. The repurchase agreement shall require:

(a) the Trustee or an independent third party acting solely as agent (referred to in this definition of Investment Securities as the “Agent”) for the Trustee to value the collateral securities no less frequently than weekly,

(b) the delivery of additional securities if the fair market value of the securities is below the required level on any valuation date, and

(c) liquidation of the repurchase securities if any deficiency in the required percentage is not restored within two (2) business days of such valuation.

(3) The repurchase securities shall be delivered free and clear of any lien to the Trustee or to the Agent, and the Trustee shall have received written confirmation from such third party that such third party holds such securities, free and clear of any lien, as agent for the Trustee; and

(4) A perfected first security interest in the repurchase securities shall be created for the benefit of the Trustee, and Alameda CTC and the Trustee shall receive an opinion of counsel as to the perfection of the security interest in such repurchase securities and any proceeds thereof.

(xvii) Investment agreements (also referred to as guaranteed investment contracts) that meet the following criteria:

(1) Acceptable providers of uncollateralized investment agreements shall consist of (a) domestic insurance companies, (b) domestic FDIC-insured commercial banks, or (c) U.S. branches of foreign banks, rated at least Aa3 by Moody’s and AA- by S&P;

(2) Acceptable providers of collateralized investment agreements shall consist of domestic insurance companies, domestic commercial banks, U.S. branches of foreign banks, or broker/dealers rated at least A3 or better by Moody’s and A- or better by S&P. Required collateral levels shall be as set forth in (xvi)(5) below;

(3) The investment agreement shall provide that if the provider’s ratings fall below Aa3 by Moody’s or AA- by S&P, the provider shall within ten (10) days either (a) repay the principal amount plus any accrued interest on the investment; or (b) deliver collateral described in (xvi)(5)(a) or (xvi)(5)(b) below (referred to in this definition of Investment Securities as “Permitted Collateral”);

(4) The investment agreement must provide for termination thereof if the provider’s ratings are suspended, withdrawn or fall below A3 from Moody’s or A- from S&P. Within ten (10) days, the provider shall repay the principal amount plus any accrued interest on the agreement, without penalty to Alameda CTC;

(5) The investment agreement shall provide for the delivery of Permitted Collateral which shall be maintained at the following collateralization levels at each valuation date:

(a) investments specified in subsection (i) above at 104% of principal plus accrued interest; or

(b) investments specified in subsection (ii) above at 105% of principal and accrued interest.

(6) The investment agreement shall require the Trustee or Agent to determine the market value of the Permitted Collateral not less than weekly and notify the investment agreement provider on the valuation day of any deficiency. Permitted Collateral may be released by the Trustee to the provider only to the extent that there are excess amounts over the required levels;

(7) Securities held as Permitted Collateral shall be free and clear of all liens and claims of third parties, held in a separate custodial account and registered in the name of the Trustee or the Agent; and

(8) The provider shall grant the Trustee or the Agent a perfected first security interest in any collateral delivered under an investment agreement. For investment agreements collateralized initially and in connection with the delivery of Permitted Collateral under (xvi)(5) above, the Trustee shall receive an opinion of counsel as to the perfection of the security interest in the collateral;

(xviii) Forward delivery agreements in which the securities delivered mature on or before each cash flow date that meet the following criteria;

(1) Acceptable providers shall be limited to domestic insurance companies, domestic commercial banks, U.S. branches of foreign banks, rated Baa3- or better by Moody's or BBB- or better by S&P;

(2) The forward delivery agreement shall provide for termination or assignment (to a qualified provider under the Indenture) of the agreement if the providers ratings are suspended, withdrawn or fall below Baa3 from Moody's or BBB- from S&P. Within ten (10) days, the provider shall fulfill any obligations it may have with respect to shortfalls in market value; and

(3) Permitted securities shall include the investments listed subsections in (i) and (ii) above.

(xix) Any other forms of investments, which at the time of investment are legal investments, under the California Government Code, for Alameda CTC's surplus funds;

Maturity of investments shall be governed by the following:

(1) Investments of monies (other than reserve funds) shall be in securities and obligations maturing not later than the dates on which such monies will be needed to make payments;

(2) Investments shall be considered as maturing on the first date on which they are redeemable without penalty at the option of the holder or the date on which the Trustee may require their repurchase pursuant to repurchase agreements; and

(3) Investments of monies in reserve funds not payable upon demand shall be restricted to maturities of five (5) years or less.

"Kroll" means Kroll Bond Rating Agency, LLC, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Kroll" shall be deemed to refer to any other nationally recognized securities rating agency selected by Alameda CTC.

“Letter of Credit Account” means an account by that name established to hold funds that are drawn on Credit Enhancement provided in the form of a letter of credit and that are to be applied to pay the principal of or interest on a Series of Bonds, which account shall be established pursuant to the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

“Liquidity Facility” means, with respect to a Series of Bonds, a line of credit, letter of credit, revolving credit facility, standby purchase agreement or similar liquidity facility securing or guaranteeing the payment of purchase price of such Series of Bonds and issued by a commercial bank, insurance company, pension fund or other financial institution, and delivered or made available to the Trustee, as from time to time supplemented or amended pursuant to its terms.

“Liquidity Facility Bonds” means any Bonds purchased with moneys drawn under (or otherwise obtained pursuant to the terms of) a Liquidity Facility, but excluding any Bonds no longer considered to be Liquidity Facility Bonds in accordance with the terms of the applicable Liquidity Facility.

“Liquidity Facility Rate” means, with respect to a Series of Bonds, the interest rate per annum, if any, specified as applicable to Liquidity Facility Bonds in the Liquidity Facility delivered in connection with such Series of Bonds.

“Liquidity Provider” means, with respect to a Series of Bonds, the commercial bank, insurance company, pension fund or other financial institution issuing (or having primary obligation, or acting as agent for the financial institutions obligated, under) a Liquidity Facility then in effect with respect to such Series of Bonds.

“Mandatory Sinking Account Payment” means, with respect to Bonds of any Series and maturity, the amount required by the Supplemental Indenture establishing the terms and provisions of such Series of Bonds to be deposited by Alameda CTC in a Sinking Account for the payment of principal of Term Bonds of such Series and maturity.

“Maturity Date” means, with respect to a Series of Bonds, the date of maturity or maturities specified in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

“Maximum Annual Debt Service” means the maximum amount of Annual Debt Service becoming due and payable on all Bonds Outstanding and all Parity Obligations outstanding during the period from the date of such calculation through the final maturity date of the Bonds and Parity Obligations, calculated utilizing the assumptions set forth under the definition of Debt Service.

“Maximum Interest Rate” means, with respect to all Bonds other than Liquidity Facility Bonds or Direct Lender Bonds, the lesser of (i) 12% per annum and (ii) the maximum rate of interest that may legally be paid on the Bonds from time to time, and means, with respect to Liquidity Facility Bonds or Direct Lender Bonds, the lesser of (x) the Liquidity Facility Rate or Continuing Covenants Rate, as applicable, and (ii) the maximum rate of interest that may legally be paid on the Liquidity Facility Bonds or Direct Lender Bonds, as applicable, from time to time.

“Measure BB Sales Tax” shall have the meaning ascribed to such term in the Recitals hereto.

“Moody’s” means Moody’s Investors Service, Inc., a corporation duly organized and existing under the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by Alameda CTC.

“Notice Parties” means, as and to the extent applicable, Alameda CTC, the Trustee, the Credit Provider, if any, for the Series of Bonds to which the notice being given relates, the auction agent, if any, for the Series of Bonds to which the notice being given relates, the broker-dealer, if any, for the Series of Bonds to which the notice being given relates, the Liquidity Provider, if any, for the Series of Bonds to which the notice being given relates, and the remarketing agent, if any, for the Series of Bonds to which the notice being given relates.

“Obligations” has the meaning given to such term in the definition of “Debt Service.”

“Opinion of Bond Counsel” means a written opinion of Norton Rose Fulbright US LLP, or another law firm of national standing in the field of public finance selected by Alameda CTC.

“Ordinance” shall have the meaning ascribed to such term in the Recitals hereto, and any amendments or extensions thereto, together with any future ordinance that is adopted pursuant to the Act from time to time and that is designated as the “Ordinance” under the Indenture pursuant to a Supplemental Indenture, as such future ordinance may be amended or extended pursuant to the Act or other applicable law.

“Other Lender Amounts” shall have the meaning set forth in the Indenture.

“Outstanding,” when used as of any particular time with reference to Bonds, means (subject to the provisions of the Indenture) all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under the Indenture except: (1) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (2) Bonds with respect to which all liability of Alameda CTC shall have been discharged in accordance with Section 10.02, including Bonds (or portions of Bonds) referred to in the Indenture; and (3) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee pursuant to the Indenture; provided, however, that in the event the principal of or interest due on any Bonds shall be paid by the Credit Provider pursuant to the Credit Enhancement issued in connection with such Bonds, such Bonds shall remain Outstanding for all purposes and shall not be considered defeased or otherwise satisfied or paid by Alameda CTC and the pledge of Pledged Revenues and all covenants, agreements and other obligations of Alameda CTC to the Holders shall continue to exist and shall run to the benefit of such Credit Provider and such Credit Provider shall be subrogated to the rights of such Holders.

“Paired Obligations” means any Series (or portion thereof) of Obligations designated as Paired Obligations in the Supplemental Indenture or other document authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts; and (ii) the interest rates which, taken together, result in an irrevocably fixed interest rate obligation of Alameda CTC for the term of such Obligations.

“Parity Obligations” means (i) any indebtedness, installment sale obligation, lease obligation or other obligation of Alameda CTC for borrowed money or (ii) any Interest Rate Swap Agreement (excluding fees and expenses and termination payments on Interest Rate Swap Agreements, which fees and expenses and termination payments shall be secured by a lien and charge on the Pledged Revenues subordinate to the lien and charge upon Pledged Revenues that secures the Bonds, any Parity Obligations and payment of principal of and interest on any Second Lien Obligations) entered into in connection with a Series of Bonds, in each case incurred in accordance with the Indenture, and in each case having an equal lien and charge upon the Pledged Revenues and therefore being payable on a parity with the Bonds (whether or not any Bonds are Outstanding).

“Participating Underwriter” means any of the original underwriters of a Series of Bonds required to comply with Rule 15c2-12.

“Person” means an association, corporation, firm, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“Pledged Revenues” means (i) all Pledged Tax Revenues and (ii) all Swap Revenues; provided, however, that after making the required monthly deposits of Pledged Revenues from the Revenue Fund, any remaining amounts transferred to Alameda CTC pursuant to the Indenture shall be released from the lien of the Indenture and shall no longer constitute Pledged Revenues under the Indenture. Pledged Revenues shall also include such additional sources of revenue, if any, pledged to pay the Bonds as set forth in a Supplemental Indenture.

“Pledged Tax Revenues” means Sales Tax Revenues, minus 4.0% administrative costs of Alameda CTC.

“Principal Fund” means the fund by that name established pursuant to the Indenture.

“Principal Office” means, with respect to the Trustee, the corporate trust office of the Trustee, or such other or additional offices as may be designated by the Trustee from time to time, and means, with respect to a Credit Provider or a Liquidity Provider, the office designated as such in writing by such party in a notice delivered to the Trustee and Alameda CTC.

“Project” means capital outlay expenditures for transportation purposes in the 2014 Transportation Expenditure Plan and also including, without limitation, administrative, engineering, inspection, legal, fiscal agent, financial consultant and other fees, bond and other reserve funds, working capital, bond or note interest estimated to accrue during the construction period and for a period of not to exceed three years thereafter, and expenses for all proceedings for the authorization, issuance and sale of Bonds or Parity Debt.

“Project Fund” means the fund or funds by that name established pursuant to the Indenture to hold the proceeds of a Series of Bonds or a portion thereof prior to expenditure on the portion of the Project being financed with the proceeds of such Series of Bonds.

“Proportionate Basis,” when used with respect to the redemption of Bonds, means that the amount of Bonds of each maturity to be redeemed shall be determined as nearly as practicable by multiplying the total amount of funds available for redemption by the ratio which the amount of Bond Obligation of Bonds of such maturity bears to the amount of all Bond Obligation of Bonds to be redeemed, provided, however that, any Bond may only be redeemed in an Authorized Denomination. For purposes of the foregoing, Term Bonds shall be deemed to mature in the years and in the amounts of the Mandatory Sinking Account Payments, and Capital Appreciation Bonds and Current Interest Bonds maturing or subject to Mandatory Sinking Account Payments in the same year shall be treated as separate maturities. When used with respect to the payment or purchase of a portion of Bonds, “Proportionate Basis” shall have the same meaning set forth above except that “pay” or purchase” shall be substituted for “redeem” or “redemption” and “paid” or “purchased” shall be substituted for “redeemed.”

“Purchase Fund” means a fund by that name established to hold funds to be applied to pay the purchase price of a Series of Bonds, which fund shall be established pursuant to the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

“Rating Agency” means each of Fitch, Moody’s, S&P and Kroll, or any other nationally recognized securities rating agency selected by Alameda CTC.

“Rating Category” means: (i) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier; and (ii) with respect to any short-term or commercial paper rating category, all ratings

designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

“Rebate Fund” means that fund by that name established pursuant to the Indenture.

“Rebate Instructions” means, with respect to any Series of Bonds, those calculations and directions required to be delivered to the Trustee by Alameda CTC pursuant to the Tax Certificate delivered in connection with such Series of Bonds.

“Rebate Requirement” means, with respect to any Series of Bonds, the Rebate Requirement determined in accordance with the Tax Certificate delivered in connection with such Series of Bonds.

“Record Date,” with respect to each Series of Bonds, shall have the meaning specified in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

“Redemption Fund” means the fund by that name established pursuant to the Indenture.

“Redemption Price” means, with respect to any Bond (or portion thereof) the Bond Obligation of such Bond (or portion thereof) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and the Indenture.

“Refunding Bonds” means a Series of Bonds or a portion of a Series of Bonds issued pursuant to the provisions set forth in the Indenture.

“Reserve Facility” means any insurance policy, letter of credit or surety bond issued by a Reserve Facility Provider, meeting the requirements set forth in the Supplemental Indenture establishing the related Reserve Fund, and delivered to the Trustee in satisfaction of all or a portion of the Reserve Requirement applicable to one or more Series of Bonds.

“Reserve Facility Provider” means any issuer of a Reserve Facility.

“Reserve Fund” means any fund by that name established with respect to one or more Series of Bonds pursuant to the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

“Reserve Requirement” with respect to a Series of Bonds for which Alameda CTC shall have established a Reserve Fund shall have the meaning specified in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds.

“Revenue Fund” means the Revenue Fund established pursuant to the Indenture.

“Rule 15c2-12” means Securities and Exchange Commission Rule 15c2-12, as supplemented and amended from time to time.

“Sales Tax Revenues” means Gross Sales Tax minus any refunds and any fees imposed by the CDTFA for the performance of functions incident to the administration and operation of the Ordinance.

“Second Lien Obligations” means any obligations of Alameda CTC issued or incurred in accordance with the Indenture, and secured by a lien and charge on Pledged Revenues subordinate to the lien and charge on Pledged Revenues that secures the Bonds and Parity Obligations and senior to the lien and charge on Pledge Revenues that secures the Third Lien Obligations.

“Second Lien Obligations Fund” means the fund by that name established pursuant to the Indenture.

“Securities Depository” means DTC, or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depository, or no such depositories, as Alameda CTC may designate in a Request of Alameda CTC delivered to the Trustee.

“Serial Bonds” means Bonds, maturing in specified years, for which no Mandatory Sinking Account Payments are provided.

“Series,” whenever used in the Indenture with respect to Bonds, means all of the Bonds designated as being of the same series, authenticated and delivered in a simultaneous transaction regardless of variations in maturity, interest rate, redemption and other provisions, and any Bonds thereafter authenticated and delivered upon transfer or exchange or in lieu of or in substitution for (but not to refund) such Bonds as provided in the Indenture.

“Series 2022 Bonds” means the Alameda County Transportation Commission Measure BB Senior Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2022, issued under the Indenture.

“SIFMA Swap Index” means, on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by the Securities Industry and Financial Markets Association (“SIFMA”) or by any Person acting in cooperation with or under the sponsorship of SIFMA and acceptable to the Trustee and effective from such date, or any other swap index selected by Alameda CTC and acceptable to the Trustee.

“Sinking Account” means an account by that name established in the Principal Fund pursuant to the Indenture for the payment of Term Bonds.

“S&P” means S&P Global Ratings, a business unit of S&P Global Inc., and its successors and assigns, except that if such entity or business shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by Alameda CTC.

“State” means the State of California.

“Subsidy Payments” means, with respect to a Series of Bonds issued under the Code that creates a direct-pay subsidy program, the amounts relating to such Series of Bonds which are payable by the federal government under the applicable Code provisions, which Alameda CTC has elected to receive under the Code.

“Supplemental Indenture” means any supplemental trust agreement hereafter duly executed and delivered, supplementing, modifying or amending the Indenture, but only if and to the extent that such supplemental trust agreement is authorized specifically under the Indenture.

“Swap Revenues” means all regularly-scheduled amounts (but not termination payments) owed or paid to Alameda CTC by any Counterparty under any Interest Rate Swap Agreement after offset for the regularly-scheduled amounts (but not termination payments) owed or paid by Alameda CTC to such Counterparty under such Interest Rate Swap Agreement.

“Tax Certificate” means each Tax Certificate delivered by Alameda CTC at the time of issuance and delivery of a Series of Bonds, as the same may be amended or supplemented in accordance with its terms.

“Term Bonds” means Bonds payable at or before their specified maturity date or dates from Mandatory Sinking Account Payments established for that purpose and calculated to retire such Bonds on or before their specified maturity date or dates.

“Third Lien Obligations” means any obligations of Alameda CTC issued or incurred in accordance with the Indenture, and secured by a lien and charge on Pledged Revenues subordinate to the liens and charges on Pledged Revenues that secure the Bonds, the Parity Obligations and the Second Lien Obligations.

“Third Lien Obligations Fund” means the fund by that name established pursuant to the Indenture.

“Indenture” means the Indenture, dated as of July 1, 2022, between Alameda CTC and the Trustee, as originally executed or as it may from time to time be supplemented or amended by any Supplemental Indenture delivered pursuant to the provisions hereof.

“Trustee” means U.S. Bank Trust Company, National Association a national banking association duly organized and existing under and by virtue of the laws of the United States of America, or its successor, as Trustee as provided in the Indenture.

“Variable Rate Indebtedness” means any indebtedness, including Bonds, Parity Obligations, Second Lien Obligations and Third Lien Obligations, the interest rate on which is not fixed at the time of incurrence of such indebtedness, and has not at some subsequent date been fixed, at a numerical rate or rates for the entire term of such indebtedness.

“2014 Transportation Expenditure Plan” means the 2014 Transportation Expenditure Plan, dated January 2014, together with all amendments thereto.

THE BONDS

Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the register required to be kept pursuant to the provisions of the Indenture, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee.

Whenever any Bond or Bonds shall be surrendered for transfer, Alameda CTC shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, of the same Series, tenor, maturity and interest rate and a like aggregate principal amount; provided that, unless otherwise provided in any Supplemental Indenture, no registration of transfer may occur during the period established by the Trustee for selection of Bonds for redemption, or of any Bond or portion of a Bond so selected for redemption. The Trustee shall require the Bondholder requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

Exchange of Bonds. Bonds may be exchanged at the Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same Series, tenor, maturity and interest rate; provided that, unless otherwise provided in any Supplemental Indenture, no exchange may occur during the period established by the Trustee for selection of Bonds for redemption, or of any Bond or portion of a Bond so selected for redemption. The Trustee shall require the Bondholder requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange.

Bond Register. Unless otherwise provided in a Supplemental Indenture delivered in connection with a Series of Bonds, the Trustee will keep or cause to be kept, at its Corporate Trust Office sufficient books for the registration and transfer of each Series of Bonds (the “Bond Register”), which shall at all times be open to inspection during normal business hours by Alameda CTC and each Credit Provider upon reasonable prior notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, Bonds as provided in the Indenture.

Bonds Mutilated; Lost; Destroyed or Stolen. If any Bond shall become mutilated, Alameda CTC, at the expense of the Holder of said Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like Series, tenor, maturity and interest rate in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by the Trustee and delivered to, or upon the Order of, Alameda CTC. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to Alameda CTC and to the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to both shall be given, Alameda CTC, at the expense of the Holder, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like Series, tenor, maturity and interest rate in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall have been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of the aforementioned indemnity). Alameda CTC may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under the Indenture and of the expenses which may be incurred by Alameda CTC and the Trustee in the premises. Any Bond issued under the provisions of the Indenture in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of Alameda CTC whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of the Indenture with all other Bonds secured by the Indenture. Neither Alameda CTC nor the Trustee shall be required to treat both the original Bond and any replacement Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued under the Indenture or for the purpose of determining any percentage of Bonds Outstanding under the Indenture, but both the original and replacement Bond shall be treated as one and the same.

Issuance of Additional Bonds. Subsequent to the issuance of the Series 2022 Bonds, Alameda CTC may by Supplemental Indenture establish one or more additional Series of Bonds, payable from Pledged Revenues and secured by the pledge made under the Indenture equally and ratably with the Series 2022 Bonds, and Alameda CTC may issue, and the Trustee may authenticate and deliver to the purchasers thereof, Bonds of any Series so established, in such principal amount as shall be determined by Alameda CTC, but only, with respect to each additional Series of Bonds issued subsequent to the Series 2022 Bonds issued under the First Supplemental Indenture, upon compliance by Alameda CTC with the provisions of the Indenture and any additional requirements set forth in said Supplemental Indenture and subject to the specific conditions set forth below, each of which is hereby made a condition precedent to the issuance of any such additional Series of Bonds.

(A) No Event of Default shall have occurred and then be continuing, or such Event of Default shall be cured by the issuance of such additional Series of Bonds.

(B) Subject to the provisions of the Indenture, in the event a Supplemental Indenture providing for the issuance of such Series shall require either (i) the establishment of a Reserve Fund to provide additional security for such Series of Bonds or (ii) that the balance on deposit in an existing Reserve Fund be increased, forthwith upon the receipt of the proceeds of the sale of such Series, to an amount at least equal to the Reserve Requirement with respect to such Series of Bonds and all other Bonds secured by such Reserve Fund to be considered Outstanding upon the issuance of such additional Series of Bonds, the Supplemental Indenture providing for the issuance of such additional Series of Bonds shall require deposit of the amount necessary. Said deposit shall be made as provided in the Supplemental Indenture providing for the issuance of such additional Series of Bonds and may be made from the proceeds of the sale of such Series of Bonds or from other funds of Alameda CTC or from both such sources or may be made in the form of a Reserve Facility.

(C) The aggregate principal amount of Bonds issued under the Indenture shall not exceed any limitation imposed by the Ordinance or any other law or by any Supplemental Indenture. Alameda CTC shall file with the Trustee a Certificate of Alameda CTC certifying that the issuance of such additional Series of Bonds and the expected use of proceeds thereof is in compliance with the provisions of the Indenture.

(D) Alameda CTC shall file with the Trustee a certificate showing that the amount of Pledged Revenues (excluding Swap Revenues) collected during any 12 consecutive calendar months specified by Alameda CTC within the most recent 18 calendar months immediately preceding the date on which such additional Series of Bonds will become Outstanding shall have been at least equal to two times Maximum Annual Debt Service on all Series of Bonds and Parity Obligations then Outstanding and the additional Series of Bonds then proposed to be issued, which certificate in each case shall also set forth the computations upon which such certificate is based.

Nothing in the Indenture contained shall prevent or be construed to prevent the Supplemental Indenture providing for the issuance of an additional Series of Bonds from pledging or otherwise providing, in addition to the security given or intended to be given by the Indenture, additional security for the benefit of such additional Series of Bonds or any portion thereof.

If additional assets or revenues are included within the definition of “Pledged Revenues” by a Supplemental Indenture, such additional assets or revenues shall be included in the calculations to be provided in subsection (D) above as if Alameda CTC had received such additional assets or revenues as “Pledged Revenues” during all relevant periods of calculation.

Proceedings for Issuance of Additional Bonds. Subsequent to the issuance of the Series 2022 Bonds, before any additional Series of Bonds shall be issued and delivered, Alameda CTC shall file each of the documents identified below with the Trustee (upon which documents the Trustee may conclusively rely in determining whether the conditions precedent to the issuance of such Series of Bonds have been satisfied).

(A) A Supplemental Indenture authorizing such Series executed by Alameda CTC.

(B) A Certificate of Alameda CTC certifying that the requirements specified in the Indenture have been satisfied by Alameda CTC.

(C) A Certificate of Alameda CTC certifying (on the basis of computations made as of the date of sale of such Series of Bonds) that the requirements of the Indenture is satisfied.

(D) An Opinion of Bond Counsel to the effect that the Supplemental Indenture is being entered into in accordance with the Indenture and that such Series of Bonds, when duly executed by Alameda CTC and authenticated and delivered by the Trustee, will be valid and binding obligations of Alameda CTC.

Issuance of Refunding Bonds.

(A) Refunding Bonds may be authorized and issued by Alameda CTC without compliance with the provisions of the Indenture; provided, that the Trustee shall have been provided with either (i) a certificate to the effect that Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding following the issuance of such Refunding Bonds is less than or equal to Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding prior to the issuance of such Refunding Bonds or (ii) a certificate to the effect that issuance of such Refunding Bonds and the resulting refundings, prepayments and/or defeasances will generate present value savings. Such Refunding Bonds may be issued in an aggregate principal amount sufficient (together with any additional funds available or to become available) to provide funds for the payment of all or a portion of the following:

(1) the principal or Redemption Price of the Outstanding Bonds or outstanding Parity Obligations to be refunded;

(2) all expenses incident to the calling, retiring or paying of such Outstanding Bonds or outstanding Parity Obligations and the Costs of Issuance of such Refunding Bonds;

(3) any termination payment owed by Alameda CTC to a Counterparty after offset for any payments made to Alameda CTC from such Counterparty under any Interest Rate Swap Agreement that was entered into in connection with the Bonds or Parity Obligations to be refunded;

(4) interest on all Outstanding Bonds or outstanding Parity Obligations to be refunded to the date such Bonds or Parity Obligations will be called for redemption or paid at maturity;

(5) interest on the Refunding Bonds from the date thereof to the date of payment or redemption of the Bonds or Parity Obligations to be refunded; and

(6) funding a Reserve Fund for the Refunding Bonds, if required.

(B) Before such Series of Refunding Bonds shall be issued and delivered pursuant to the Indenture, Alameda CTC shall file each of the documents identified below with the Trustee (upon which documents the Trustee may conclusively rely in determining whether the conditions precedent to the issuance of such Series of Refunding Bonds have been satisfied).

(1) A Supplemental Indenture authorizing such Series of Refunding Bonds executed by Alameda CTC.

(2) A Certificate of Alameda CTC certifying that the requirements of the Indenture are satisfied.

(3) If any of the Bonds to be refunded are to be redeemed prior to their stated maturity dates, irrevocable instructions to the Trustee to give the applicable notice of redemption or a waiver of the notice of redemption signed by the Holders of all or the portion of the Bonds or Parity Obligations to be redeemed, or proof that such notice has been given by Alameda CTC; provided, however, that in lieu of such instructions or waiver or proof of notice of redemption, Alameda CTC may cause to be deposited with the Trustee all of the Bonds and Parity Obligations proposed to be redeemed (whether canceled or un-canceled) with irrevocable instructions to the Trustee to cancel said Bonds or Parity Obligations so to be redeemed upon the exchange and delivery of said Refunding Bonds; and provided further that no provision of the Indenture shall be construed to require the redemption of Bonds prior to their respective maturity dates in connection with the refunding thereof.

(4) An Opinion of Bond Counsel to the effect that the Supplemental Indenture is being entered into in accordance with the Indenture and that such Series of Refunding Bonds, when duly executed by Alameda CTC and authenticated and delivered by the Trustee, will be valid and binding obligations of Alameda CTC.

(5) The proceeds of the sale of the Refunding Bonds shall be applied by the Trustee according to the Order of Alameda CTC to the retirement of the Outstanding Bonds or Parity Obligations for the refunding of which said Refunding Bonds are to be issued, and the other expenses described in the Indenture. All Bonds or Parity Obligations purchased, redeemed or retired by use of funds received from the sale of Refunding Bonds, and all Bonds surrendered to the Trustee against the issuance of Refunding Bonds, shall be forthwith canceled and shall not be reissued.

Limitations on the Issuance of Obligations Payable from Pledged Revenues; Parity Obligations; Second Lien Obligations; Third Lien Obligations. Subsequent to the issuance of the Series 2022 Bonds, Alameda CTC will not, so long as any Bonds are Outstanding, issue or incur any obligations or securities, howsoever denominated, payable in whole or in part from Pledged Revenues except as set forth below.

- (A) Bonds authorized pursuant to the Indenture.
- (B) Refunding Bonds authorized pursuant to the Indenture.
- (C) Parity Obligations, provided that the following conditions to the issuance or incurrence of such Parity Obligations are satisfied:

- (1) Such Parity Obligations have been duly and legally authorized by Alameda CTC for any lawful purpose;

- (2) No Event of Default shall have occurred and then be continuing, or such Event of Default will be cured by the issuance or incurrence of such Parity Obligations, as evidenced by the delivery of a Certificate of Alameda CTC to that effect, which Certificate of Alameda CTC shall be filed with the Trustee;

- (3) Such Parity Obligations are being issued or incurred (i) for purposes of refunding in compliance with the requirements for the issuance of Refunding Bonds set forth in the Indenture or (ii) Alameda CTC shall have placed on file with the Trustee a Certificate of Alameda CTC certifying (on the basis of calculations made no later than the date of sale or incurrence of such Parity Obligations, as applicable) that the requirements set forth in the Indenture relating to the issuance of an additional Series of Bonds have been satisfied with respect to such Parity Obligations, which certificate shall also set forth the computations upon which such certificate is based; and

- (4) As and to the extent applicable, the Trustee shall be designated as paying agent or trustee for such Parity Obligations and Alameda CTC shall deliver to the Trustee a transcript of the proceedings providing for the issuance of such Parity Obligations (but the Trustee shall not be responsible for the validity or sufficiency of such proceedings or such Parity Obligations).

(D) Second Lien Obligations that are payable as to principal, premium, interest and reserve fund requirements, if any, only out of Pledged Revenues after the prior payment or deposit of all amounts then required to be paid or deposited under the Indenture from Pledged Revenues for principal, premium, interest and reserve fund requirements, if any, for all Bonds Outstanding, and all Parity Obligations outstanding, as the same become due and payable, and at the times and in the amounts as required in the Indenture and in the instrument or instruments pursuant to which any Second Lien Obligations were issued or incurred, and that are secured by a lien and charge on Pledged Revenues subordinate to the lien and charge on Pledged Revenues that secures the Bonds and Parity Obligations, provided that the following conditions to issuance or incurrence of such Second Lien Obligations are satisfied:

- (1) Such Second Lien Obligations have been duly and legally authorized by Alameda CTC for any lawful purpose; and

- (2) As and to the extent applicable, the Trustee shall be designated as paying agent or trustee for such Second Lien Obligations and Alameda CTC shall deliver to the Trustee a transcript of the proceedings providing for the issuance of such Second Lien Obligations (but the Trustee shall not be responsible for the validity or sufficiency of such proceedings or such Second Lien Obligations).

(E) Third Lien Obligations that are payable as to principal, premium, interest and reserve fund requirements, if any, only out of Pledged Revenues after the prior payment or deposit of all amounts then required to be paid or deposited under the Indenture from Pledged Revenues for principal, premium, interest, reserve fund requirements and similar obligations, if any, for all Bonds Outstanding, all Parity Obligations outstanding and all Second Lien Obligations outstanding, as the same become due and payable, and at the times and in the amounts as required in the Indenture and in the instrument or instruments pursuant to which any Third Lien Obligations were issued or incurred, and that are secured by a lien and charge on Pledged Revenues subordinate to the liens and charges on Pledged Revenues that secure the Bonds, the Parity Obligations and the Second Lien Obligations; provided, that the following conditions to issuance or incurrence of such Third Lien Obligations are satisfied:

(1) Such Third Lien Obligations have been duly and legally authorized by Alameda CTC for any lawful purpose; and

(2) As and to the extent applicable, the Trustee shall be designated as paying agent or trustee for such Third Lien Obligations and Alameda CTC shall deliver to the Trustee a transcript of the proceedings providing for the issuance of such Third Lien Obligations (but the Trustee shall not be responsible for the validity or sufficiency of such proceedings or such Third Lien Obligations).

(F) All Credit Provider, Liquidity Provider and Direct Lender fees, expenses and similar obligations, and all fees, expenses and similar obligations (other than swap termination payments) under Interest Rate Swap Agreements (collectively, "Other Lender Amounts"), may be secured by a lien and charge on Pledged Revenues subordinate to the liens and charges on Pledged Revenues that secure the Bonds, the Parity Obligations, the Second Lien Obligations and the Third Lien Obligations.

(G) Termination payments with respect to Interest Rate Swap Agreements may be secured by a lien and charge on Pledged Revenues subordinate to the lien and charge on Pledged Revenues that secures the Other Lender Amounts.

Calculation of Maximum Annual Debt Service with Respect to Bonds and Parity Obligations.

For purposes of the Indenture, Maximum Annual Debt Service with respect to Bonds shall be determined no later than the date of delivery of such Bonds, and no earlier than the 60th day preceding the date of pricing or sale of such Bonds, utilizing the assumptions set forth in the definition of Debt Service. For purposes of the Indenture, Maximum Annual Debt Service with respect to Parity Obligations shall be determined no later than the date of incurrence of such Parity Obligations utilizing the assumptions set forth in the definition of Debt Service; provided, however, that if a Parity Obligation is contingent upon funds being provided pursuant to such Parity Obligation to pay principal, or purchase price of, or interest on a Bond, such Parity Obligations shall not be considered outstanding until such payment is made thereunder.

PLEDGED REVENUES

Pledge of Pledged Revenues; Revenue Fund.

As security for the payment of all amounts owing on the Bonds and Parity Obligations, Alameda CTC hereby irrevocably pledges to the Trustee: (i) all Pledged Revenues; and (ii) all amounts, including proceeds of the Bonds, held on deposit in the funds and accounts established under the Indenture (except for amounts held in the Rebate Fund, any Letter of Credit Account and any Purchase Fund), subject to the provision of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture. The collateral identified above shall immediately be subject to this pledge, and this pledge shall constitute a first lien on and security interest in such collateral which shall immediately attach to the collateral and be effective, binding and enforceable against Alameda CTC and all others asserting the rights therein, to the extent set forth, and in accordance with, the Indenture irrespective of whether those parties have notice of this pledge and without the need for any physical delivery, recordation, filing or further act. The pledge of

Pledged Revenues and all amounts held on deposit in the funds and accounts established under the Indenture (except for amounts held in the Rebate Fund, any Letter of Credit Account and any Purchase Fund) made in the Indenture shall be irrevocable until all of the Bonds, all Parity Obligations and amounts owed in connection with the Bonds and Parity Obligations are no longer Outstanding. All Bonds and Parity Obligations shall be of equal rank without preference, priority or distinction of any Bonds and Parity Obligations over any other Bonds and Parity Obligations.

Alameda CTC shall cause Sales Tax Revenues to be transmitted by the CDTFA directly to the Trustee. From such Sales Tax Revenues the Trustee shall promptly transfer to Alameda CTC the amount required for Alameda CTC's administrative costs. The Trustee shall then deposit the remainder, i.e. Pledged Tax Revenues, in a trust fund, designated as the "Revenue Fund," which fund the Trustee shall establish and maintain under the Indenture. The Pledged Tax Revenues and all other amounts deposited into the Revenue Fund pursuant to the Indenture, shall be received and held in trust by the Trustee for the benefit of the Holders of the Bonds and the Parity Obligations and shall be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. Investment income on amounts held by the Trustee under the Indenture (other than amounts held in the Rebate Fund or for which particular instructions, such as with respect to a Project Fund, a Letter of Credit Account or a Purchase Fund, are provided in a Supplemental Indenture), shall also be deposited in the Revenue Fund. All moneys at any time held in the Revenue Fund shall be held in trust for the benefit of the Holders of the Bonds and the holders of Parity Obligations and shall be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. The obligation of Alameda CTC to make payments of principal of, interest on and redemption premium of Bonds and Parity Obligations shall be an absolute obligation and shall be payable prior to any allocation of such payments under the Ordinance.

Allocation of Pledged Tax Revenues.

So long as any Bonds are Outstanding and Parity Obligations, Second Lien Obligations and all other amounts payable under the Indenture remain unpaid, the Trustee shall set aside in each month following receipt of the Pledged Tax Revenues the moneys in the Revenue Fund in the following respective funds (each of which the Trustee shall establish, maintain and hold in trust for the benefit of the Holders of the Bonds and, as and to the extent applicable, the holders of Parity Obligations) in the following amounts, in the following order of priority, the requirements of each such fund (including the making up of any deficiencies in any such fund resulting from lack of Pledged Revenues sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any deposit is made to any fund subsequent in priority; provided that on a parity with such deposits the Trustee may set aside or transfer amounts with respect to any outstanding Parity Obligations as provided in the proceedings for such Parity Obligations delivered to the Trustee pursuant to the Indenture (which shall be proportionate in the event such amounts are insufficient to provide for all deposits required as of any date to be made with respect to the Bonds and such Parity Obligations); provided further that payments on Interest Rate Swap Agreements that are payable on a parity with the Bonds shall be payable from the Interest Fund and the required deposits below shall be adjusted to include payments on such Interest Rate Swap Agreements in accordance with the Indenture:

(1) **Interest Fund.** Following receipt of the Pledged Tax Revenues in each month, the Trustee shall deposit in the Interest Fund as soon as practicable in such month an amount equal to (a) one-sixth of the aggregate half-yearly amount of interest becoming due and payable on the Outstanding Current Interest Bonds (except for Bonds constituting Variable Rate Indebtedness which shall be governed by subparagraph (b) below) during the next ensuing six months (excluding any interest for which there are moneys deposited in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay such interest during said next ensuing six months), until the requisite half-yearly amount of interest on all such Outstanding Current Interest Bonds (except for Bonds constituting Variable Rate Indebtedness which shall be governed by subparagraph (b) below) is on deposit in such fund; provided that from the date of delivery of a Series of Current Interest Bonds until the first Interest Payment Date with respect to such Series of Bonds the amounts set aside in such fund with respect to such Series of Bonds shall be sufficient on a monthly

pro rata basis to pay the aggregate amount of interest becoming due and payable on said Interest Payment Date with respect to such Series of Bonds, plus (b) the aggregate amount of interest to accrue during that month on Outstanding Variable Rate Indebtedness, calculated, if the actual rate of interest is not known, at the interest rate specified in writing by Alameda CTC, or if Alameda CTC shall not have specified an interest rate in writing, calculated at the maximum interest rate borne by such Variable Rate Indebtedness during the month prior to the month of deposit plus 100 basis points (provided, however, that the amount of such deposit into the Interest Fund for any month may be reduced by the amount by which the deposit in the prior month exceeded the actual amount of interest accrued and paid during that month on said Outstanding Variable Rate Indebtedness and provided further that the amount of such deposit into the Interest Fund for any month shall be increased by the amount by which the deposit in the prior month was less than the actual amount of interest accruing during that month on said Outstanding Variable Rate Indebtedness). No deposit need be made into the Interest Fund if the amount contained therein is at least equal to the interest to become due and payable on the Interest Payment Dates falling within the next six months upon all of the Bonds issued under the Indenture and then Outstanding, and on March 1 and September 1 of each year any excess amounts in the Interest Fund not needed to pay interest on such date (and not held to pay interest on Bonds having Interest Payment Dates other than March 1 and September 1) shall be transferred to Alameda CTC (but excluding, in each case, any moneys on deposit in the Interest Fund from the proceeds of any Series of Bonds or other source and reserved as capitalized interest to pay interest on any future Interest Payment Dates following such Interest Payment Dates).

All Swap Revenues received by Alameda CTC with respect to Interest Rate Swap Agreements that are Parity Obligations shall be transferred by Alameda CTC to the Trustee and deposited in the Interest Fund and credited to the above required deposits. All Subsidy Payments received by Alameda CTC shall be transferred by Alameda CTC to the Trustee and deposited in the Interest Fund and credited to the above required deposits.

(2) Principal Fund; Sinking Accounts. Following receipt of the Pledged Tax Revenues in each month, the Trustee shall deposit in the Principal Fund as soon as practicable in such month an amount equal to at least (a) one-sixth of the aggregate semiannual amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having semiannual maturity dates within the next six months, plus (b) one-twelfth of the aggregate yearly amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having annual maturity dates within the next twelve months, plus (c) one-sixth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next six-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts have been created and for which semiannual mandatory redemption is required from said Sinking Accounts, plus (d) one-twelfth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next twelve-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts shall have been created and for which annual mandatory redemption is required from such Sinking Accounts; provided that from the date of delivery of a Series of Bonds until the first date principal is due with respect to such Series of Bonds, the amounts set aside in such fund with respect to such Series of Bonds shall be sufficient on a monthly pro rata basis to pay the aggregate amount of principal becoming due on said date with respect to such Series of Bonds; provided further that if Alameda CTC certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates, no amounts need be set aside towards such principal to be so refunded, except for amounts in any month to pay principal becoming due and payable in such month. All of the aforesaid deposits made in connection with future Mandatory Sinking Account Payments shall be made without priority of any payment into any one such Sinking Account over any other such payment.

If the Pledged Tax Revenues shall not be sufficient to make the required deposits so that moneys in the Principal Fund on any principal or mandatory redemption date are equal to the amount of Bond Obligation to become due and payable on the Outstanding Serial Bonds of all Series plus the Bond Obligation amount of and redemption premium on the Outstanding Term Bonds required to be redeemed or paid at maturity on such date, then such moneys shall be applied on a Proportionate Basis and in such proportion as said Serial Bonds and said Term Bonds shall bear to each other, after first deducting for such purposes from said Term Bonds any of said Term Bonds required to be redeemed annually as shall have been redeemed or purchased during the preceding twelve-month period and any of said Term Bonds required to be redeemed semiannually as shall have been redeemed or purchased during the six-month period ending on such date or the immediately preceding six-month period. If Pledged Tax Revenues shall not be sufficient to pay in full all Mandatory Sinking Account Payments required to be paid at any one time into all such Sinking Accounts, then payments into all such Sinking Accounts shall be made on a Proportionate Basis, in proportion that the respective Mandatory Sinking Account Payments required to be made into each Sinking Account during the then current twelve-month period bear to the aggregate of all of the Mandatory Sinking Account Payments required to be made into all such Sinking Accounts during such twelve-month period.

No deposit need be made into the Principal Fund so long as there shall be in such fund (i) moneys sufficient to pay the Bond Obligation of all Serial Bonds then Outstanding and maturing by their terms within the next 12 months plus (ii) the aggregate of all Mandatory Sinking Account Payments required to be made in such 12-month period, but less any amounts deposited into the Principal Fund during such 12-month period and theretofore paid from the Principal Fund to redeem or purchase Term Bonds during such 12-month period; provided that if Alameda CTC certifies to the Trustee that any principal payments in the following 12-month period are expected to be paid from amounts on deposit in a Reserve Fund that would be in excess of the Reserve Requirement applicable to such Reserve Fund upon such payment, no deposit need be made into the Principal Fund with respect to such principal payments. At the beginning of each Fiscal Year and in any event not later than March 1 of each year, the Trustee shall request from Alameda CTC a Certificate of Alameda CTC setting forth the principal payments for which deposits will not be necessary pursuant to the preceding sentence and the reason therefor. On March 1 of each year or as soon as practicable thereafter any excess amounts in the Principal Fund not needed to pay principal on such date (and not held to pay principal on Bonds having principal payment dates other than March 1) shall be transferred to Alameda CTC.

(3) Reserve Fund. Upon the occurrence of any deficiency in any Reserve Fund, the Trustee shall make such deposit to such Reserve Fund as is required pursuant to the Indenture, each such deposit to be made as soon as possible in each month, until the balance therein is at least equal to the applicable Reserve Requirement.

(4) Second Lien Obligations Fund. At the direction of Alameda CTC in a Certificate to the Trustee, the Trustee shall establish, maintain and hold in trust a separate fund designated as the "Second Lien Obligations Fund." As long as any Second Lien Obligations remain unpaid, any Pledged Revenues remaining in the Revenue Fund after the deposits described in (1), (2) and (3) above have been made shall be transferred on the same Business Day to the Second Lien Obligations Fund. After the Trustee has made any deposit or payment of Pledged Revenues as in the current month required by the instrument or instruments creating the Second Lien Obligations, the Trustee shall transfer any remaining Pledged Revenues back to the Revenue Fund.

(5) Third Lien Obligations Fund. At the direction of Alameda CTC in a Certificate to the Trustee, the Trustee shall establish, maintain and hold in trust a separate fund designated as the "Third Lien Obligations Fund." As long as any Third Lien Obligations remain unpaid, any Pledged Revenues remaining in the Revenue Fund after the deposits described in (1), (2), (3) and (4) above have been made shall be transferred on the same Business Day to the Third Lien Obligations Fund. After the Trustee has made any deposit or payment of Pledged Revenues as in the current month required by the instrument or instruments creating the Third Lien Obligations, the Trustee shall transfer any remaining Pledged Revenues back to the Revenue Fund.

(6) Fees and Expenses Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the “Fees and Expenses Fund.” At the direction of Alameda CTC, after the deposits described in (1), (2), (3), (4) and (5) above have been made, the Trustee shall deposit as soon as practicable in each month in the Fees and Expenses Fund (i) amounts necessary for payment of fees, expenses and similar charges (including fees, expenses and similar charges relating to any Liquidity Facility or Credit Enhancement for the Bonds or any Parity Obligations) owing in such month or the following month by Alameda CTC in connection with the Bonds or any Parity Obligations, and (ii) amounts necessary for payment of fees, expenses and similar charges owing in such month or the following month by Alameda CTC in connection with Second Lien Obligations. Alameda CTC shall inform the Trustee of such amounts, in writing, on or prior to the first Business Day of each month.

(7) Swap Termination Payments Fund. At the direction of Alameda CTC in a Certificate to the Trustee, the Trustee shall establish, maintain and hold in trust a separate fund designated as the “Swap Termination Payments Fund.” At the direction of Alameda CTC, after the deposits described in (1), (2), (3) and (4) above have been made, the Trustee shall deposit as soon as practicable in each month in the Swap Termination Payments Fund any amounts necessary to pay termination payments owing in such month or the following month by Alameda CTC in connection with any Interest Rate Swap Agreements. Alameda CTC shall inform the Trustee of such amounts, in writing, on or prior to the first Business Day of each month.

(H) Any Pledged Revenues remaining in the Revenue Fund after the foregoing deposits described in (1), (2), (3), (4), (5), (6) and (7) of subsection (A) above, except as Alameda CTC shall otherwise direct in writing or as is otherwise provided in a Supplemental Indenture, shall be transferred to Alameda CTC on the same Business Day or as soon as practicable thereafter, to be used by Alameda CTC for any lawful purpose and after such transfer to Alameda CTC shall be released from the lien of the Indenture and shall no longer constitute “Pledged Revenues” under the Indenture.

Application of Interest Fund. All amounts in the Interest Fund shall be used and withdrawn by the Trustee solely for the purposes of: (a) paying interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to the Indenture), or for reimbursing the Credit Provider for a drawing for such purposes made on Credit Enhancement provided in the form of an irrevocable, direct-pay letter of credit, and (b) making periodic payments on Interest Rate Swap Agreements, as provided in the Indenture.

Application of Principal Fund.

All amounts in the Principal Fund shall be used and withdrawn by the Trustee solely for the purposes of paying the Bond Obligation of the Bonds when due and payable, except that all amounts in the Sinking Accounts shall be used and withdrawn by the Trustee solely to purchase or redeem or pay at maturity Term Bonds, as provided in the Indenture, or for reimbursing the Credit Provider for a drawing for such purposes made on Credit Enhancement provided in the form of an irrevocable, direct-pay letter of credit.

The Trustee shall establish and maintain within the Principal Fund a separate account for the Term Bonds of each Series and maturity, designated as the “_____ Sinking Account,” inserting therein the Series and maturity designation of such Bonds. On or before the Business Day prior to any date upon which a Mandatory Sinking Account Payment is due, the Trustee shall transfer the amount of such Mandatory Sinking Account Payment (being the principal thereof, in the case of Current Interest Bonds, and the Accreted Value, in the case of Capital Appreciation Bonds) from the Principal Fund to the applicable Sinking Account. With respect to each Sinking Account, on each Mandatory Sinking Account Payment date established for such Sinking Account, the Trustee shall apply the Mandatory Sinking Account Payment required on that date to the redemption (or payment at maturity, as the case may be) of Term Bonds of such Series and maturity for which such Sinking Account was established, in the manner provided in the Indenture or the Supplemental Indenture

pursuant to which such Series of Bonds was created; provided that, at any time prior to giving such notice of such redemption, the Trustee shall, upon receipt of a Request of Alameda CTC, apply moneys in such Sinking Account to the purchase of Term Bonds of such Series and maturity at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Fund) as is directed by Alameda CTC, except that the purchase price (excluding accrued interest, in the case of Current Interest Bonds) shall not exceed the principal amount or Accreted Value thereof. If, during the twelve-month period (or six-month period with respect to Bonds having semi-annual Mandatory Sinking Account Payments) immediately preceding said Mandatory Sinking Account Payment date, the Trustee has purchased Term Bonds of such Series and maturity with moneys in such Sinking Account, or, during said period and prior to giving said notice of redemption, Alameda CTC has deposited Term Bonds of such Series and maturity with the Trustee, or Term Bonds of such Series and maturity were at any time purchased or redeemed by the Trustee from the Redemption Fund and allocable to said Mandatory Sinking Account Payment, such Term Bonds so purchased or deposited or redeemed shall be applied, to the extent of the full principal amount thereof, to reduce said Mandatory Sinking Account Payment. All Term Bonds purchased or deposited pursuant to the Indenture shall be cancelled by the Trustee and destroyed by the Trustee and a certificate of destruction shall be delivered to Alameda CTC by the Trustee. Any amounts remaining in a Sinking Account on March 1 of each year following the redemption as of such date of the Term Bonds for which such account was established shall be withdrawn by the Trustee and transferred as soon as practicable to Alameda CTC to be used for any lawful purpose. All Term Bonds purchased from a Sinking Account or deposited by Alameda CTC with the Trustee in a twelve-month period ending February 28 (or in a six-month period ending February 28 or August 31 with respect to Bonds having semi-annual Mandatory Sinking Account Payments) and prior to the giving of notice by the Trustee for redemption from Mandatory Sinking Account Payments for such period shall be allocated first to the next succeeding Mandatory Sinking Account Payment for such Series and maturity of Term Bonds, if any, occurring on the next March 1 or September 1, then as a credit against such future Mandatory Sinking Account Payments for such Series and maturity of Term Bonds as may be specified in a Request of Alameda CTC. All Term Bonds redeemed by the Trustee from the Redemption Fund shall be credited to such future Mandatory Sinking Account Payments for such Series and maturity of Term Bonds as may be specified in a Request of Alameda CTC.

Establishment, Funding and Application of Reserve Funds. Alameda CTC may at its sole discretion at the time of issuance of any Series of Bonds or at any time thereafter by Supplemental Indenture provide for the establishment of a Reserve Fund as additional security for a Series of Bonds. Any Reserve Fund so established by Alameda CTC shall be available to secure one or more Series of Bonds as Alameda CTC shall determine and shall specify in the Supplemental Indenture establishing such Reserve Fund. Any Reserve Fund established by Alameda CTC shall be held by the Trustee and shall comply with the requirements set forth in the Indenture. No Reserve Fund has been established for the Series 2022 Bonds.

(A) Subject to the Indenture, all amounts in any Reserve Fund (including all amounts which may be obtained from a Reserve Facility on deposit in such Reserve Fund) shall be used and withdrawn by the Trustee, as provided in the Indenture: (i) for the purpose of making up any deficiency in the Interest Fund or the Principal Fund relating to the Bonds of the Series to which such Reserve Fund relates; or (ii) together with any other moneys available therefor, (x) for the payment or redemption of all Bonds then Outstanding of the Series to which such Reserve Fund relates, (y) for the defeasance or redemption of all or a portion of the Bonds then Outstanding of the Series to which such Reserve Fund relates; provided, however, that if funds on deposit in any Reserve Fund are applied to the defeasance or redemption of a portion of the Series of Bonds to which such Reserve Fund relates, the amount on deposit in the Reserve Fund immediately subsequent to such partial defeasance or redemption shall equal the Reserve Requirement applicable to all Bonds of such Series Outstanding immediately subsequent to such partial defeasance or redemption, or (z) for the payment of the final principal and interest payment of the Bonds of such Series. Unless otherwise directed in a Supplemental Indenture, the Trustee shall apply amounts held in cash or Investment Securities in any Reserve Fund prior to applying amounts held in the form of Reserve Facilities in any Reserve Fund, and if there is more than one Reserve Facility being held on deposit in any Reserve Fund, shall, on a pro rata basis with respect to the portion of a Reserve Fund held in the form of a Reserve Facility (calculated by reference to the maximum

amount of such Reserve Facility), draw under each Reserve Facility issued with respect to such Reserve Fund, in a timely manner and pursuant to the terms of such Reserve Facility to the extent necessary to obtain sufficient funds on or prior to the date such funds are needed to pay the Bond Obligation of, Mandatory Sinking Account Payments with respect to, and interest on the Bonds of the Series to which such Reserve Fund relates when due. Unless otherwise specified in a Supplemental Indenture, if the Trustee has notice that any payment of principal of or interest on a Bond has been recovered from a Holder pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee, pursuant to the terms of, and if so provided by, the terms of the Reserve Facility, if any, securing the Bonds of such Series, shall so notify the issuer thereof and draw on such Reserve Facility to the lesser of the extent required or the maximum amount of such Reserve Facility to pay to such Holders the principal and interest so recovered.

(B) The Trustee shall notify Alameda CTC of any deficiency in any Reserve Fund (i) due to a withdrawal from such Reserve Fund for purposes of making up any deficiency in the Interest Fund or the Principal Fund relating to the Bonds of the Series to which such Reserve Fund relates or (ii) resulting from a valuation of Investment Securities held on deposit in such Reserve Fund pursuant to the Indenture and shall request that Alameda CTC replenish such deficiency or repay any and all obligations due and payable under the terms of any Reserve Facility comprising part of any Reserve Requirement. Unless otherwise specified in a Supplemental Indenture, upon receipt of such notification from the Trustee, Alameda CTC shall instruct the Trustee to commence setting aside in each month following receipt of Pledged Tax Revenues for deposit in the applicable Reserve Fund an amount equal to one-twelfth of the aggregate amount of each unreplenished prior withdrawal from such Reserve Fund or decrease resulting from a valuation pursuant to the Indenture and shall further instruct the Trustee to transfer to each Reserve Facility Provider providing a Reserve Facility satisfying a portion of the Reserve Requirement relating to the Bonds of the Series to which such Reserve Fund relates, an amount equal to one-twelfth of the aggregate amount of any unreplenished prior withdrawal on such Reserve Facility, such amount to be transferred by the Trustee as promptly as possible after receipt of the Pledged Tax Revenues each month, commencing with the month following Alameda CTC's receipt of notification from the Trustee of withdrawal or decrease resulting from a valuation, as applicable, until the balance on deposit in such Reserve Fund is at least equal to the Reserve Requirement relating to the Bonds of the Series to which such Reserve Fund relates.

(C) Unless Alameda CTC shall otherwise direct in writing, any amounts in any Reserve Fund in excess of the Reserve Requirement relating to the Bonds of the Series to which such Reserve Fund relates shall be transferred by the Trustee to Alameda CTC on the Business Day following March 1 of each year; provided that such amounts shall be transferred only from the portion of such Reserve Fund held in the form of cash or Investment Securities. In addition, amounts on deposit in any Reserve Fund shall be transferred by the Trustee to Alameda CTC upon the defeasance, retirement or refunding of Bonds of the Series to which such Reserve Fund relates or upon the replacement of cash on deposit in such Reserve Fund with one or more Reserve Facilities in accordance with the Indenture. The Reserve Requirement shall be calculated on each March 1 and upon the issuance or retirement of a Series of Bonds and upon the defeasance of all or a portion of a Series of Bonds.

(D) Unless otherwise specified in a Supplemental Indenture, in lieu of making a Reserve Requirement deposit in cash or in replacement of moneys then on deposit in a Reserve Fund (which shall be transferred by the Trustee to Alameda CTC) or in substitution of any Reserve Facility comprising part of a Reserve Requirement for any Bonds, Alameda CTC may, at any time and from time to time, deliver to the Trustee a Reserve Facility meeting the requirements in any Supplemental Indenture for the issuance of the Bonds, securing an amount which, together with moneys, Investment Securities, or other Reserve Facilities then on deposit in a Reserve Fund, is no less than the Reserve Requirement relating to the Bonds to which such Reserve Fund relates.

Application of Second Lien Obligations Fund. All moneys in the Second Lien Obligations Fund shall be applied to the payment of principal of and interest on Second Lien Obligations in accordance with the Indenture.

Application of Third Lien Obligations Fund. All moneys in the Third Lien Obligations Fund shall be applied to the payment of principal of and interest on Third Lien Obligations in accordance with the Indenture.

Application of Fees and Expenses Fund. All amounts in the Fees and Expenses Fund shall be used and withdrawn by the Trustee solely for the purpose of paying fees, expenses and similar charges owed by Alameda CTC in connection with the Bonds, any Parity Obligations, Second Lien Obligations or Third Lien Obligations as such amounts shall become due and payable pursuant to a written Request by Alameda CTC signed by an Authorized Representative.

Establishment, Funding and Application of Project Fund. Proceeds of Bonds which are to be used to pay Costs of the Project shall be deposited into a Fund or Funds which individually and collectively shall be designated the “Alameda County Transportation Commission Measure BB Sales Tax Revenue Bonds Project Fund” (the “Project Fund”), which may be held either by Alameda CTC or the Trustee or part by Alameda CTC and part by the Trustee, all as provided by the Indenture and relevant Supplemental Indentures. All moneys in the Project Fund shall be held and disbursed as provided in the Supplemental Indenture or Supplemental Indentures under which such Fund or Funds were created.

Alameda CTC may by Supplemental Indenture create additional accounts and subaccounts within the subfunds described above. The Trustee shall transfer moneys between and among such subfunds, accounts and subaccounts to the extent held by it upon the receipt of a Request of Alameda CTC.

Rebate Fund.

(A) Upon receipt of funds to be applied to the Rebate Requirement, the Trustee shall establish and maintain a fund separate from any other fund established and maintained under the Indenture designated as the Rebate Fund. Within the Rebate Fund, the Trustee shall maintain such accounts as shall be necessary to comply with the terms and requirements of each Tax Certificate as directed in writing by Alameda CTC. Subject to the transfer provisions provided in paragraph (C) below, all money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement, for payment to the federal government of the United States of America, and neither the Trustee nor any Holder nor any other Person shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by the Indenture and by the applicable Tax Certificates. Alameda CTC hereby covenants to comply with the directions contained in each Tax Certificate and the Trustee hereby covenants to comply with all written instructions of Alameda CTC delivered to the Trustee pursuant to each Tax Certificate (which instructions shall state the actual amounts to be deposited in or withdrawn from the Rebate Fund and shall not require the Trustee to make any calculations with respect thereto). The Trustee shall be deemed conclusively to have complied with the provisions of the Indenture if it follows such instructions of Alameda CTC, and the Trustee shall have no liability or responsibility to enforce compliance by Alameda CTC with the terms of any Tax Certificate nor to make computations in connection therewith.

(B) Pursuant to each Tax Certificate, an amount shall be deposited in the Rebate Fund by Alameda CTC so that the balance of the amount on deposit thereto shall be equal to the Rebate Requirement applicable to the Series of Bonds to which such Tax Certificate relates. Computations of each Rebate Requirement shall be furnished by or on behalf of Alameda CTC to the Trustee in accordance with the applicable Tax Certificate.

(C) The Trustee shall invest all amounts held in the Rebate Fund, pursuant to written instructions of Alameda CTC, in Investment Securities, subject to the restrictions set forth in the applicable Tax Certificate. Money shall not be transferred from the Rebate Fund except as provided in paragraph (D) below.

(D) Upon receipt of Rebate Instructions, the Trustee shall remit part or all of the balances in the Rebate Fund to the United States of America, as so directed. In addition, if the Rebate Instructions so direct, the Trustee will deposit moneys into or transfer moneys out of the Rebate Fund from or into such accounts or funds as directed by the Rebate Instructions. Any funds remaining in the Rebate Fund after redemption and payment of all of a Series of Bonds and payment and satisfaction of any Rebate Requirement applicable to such Series of Bonds, shall be withdrawn and remitted to Alameda CTC in accordance with a Request of Alameda CTC.

(E) Notwithstanding any other provision of the Indenture, the obligation to remit the Rebate Requirement applicable to each Series of Bonds to the federal government of the United States of America and to comply with all other requirements of the Indenture and each Tax Certificate shall survive the defeasance or payment in full of the Bonds.

Payment Provisions Applicable to Interest Rate Swap Agreements. In the event Alameda CTC shall enter into an Interest Rate Swap Agreement, the amounts received by Alameda CTC, if any, pursuant to such Interest Rate Swap Agreement shall also be applied to the deposits required under the Indenture. If Alameda CTC so designates in a Supplemental Indenture establishing the terms and provisions of such Series of Bonds (or if such Interest Rate Swap Agreement is entered into subsequent to the issuance of such Series of Bonds, if Alameda CTC so designates in a Certificate of Alameda CTC delivered to the Trustee concurrently with the execution of such Interest Rate Swap Agreement), regularly-scheduled payments payable under such Interest Rate Swap Agreement (excluding termination payments in connection with Interest Rate Swap Agreements which shall in all cases be payable from, and secured by, Pledged Revenues on a subordinate basis to Bonds, Parity Obligations, Second Lien Obligations, Third Lien Obligations and Other Lender Amounts) shall constitute Parity Obligations under the Indenture, and, in such event, Alameda CTC shall pay or cause to be paid to the Trustee for deposit in the Interest Fund, at the times and in the manner provided by the Indenture, the amounts to be paid pursuant to such Interest Rate Swap Agreement, as if such amounts were additional interest due on Bonds, and the Trustee shall pay to the Counterparty to such Interest Rate Swap Agreement, to the extent required thereunder, from amounts deposited in the Interest Fund for the payment of interest on the Series of Bonds with respect to which such Interest Rate Swap Agreement was entered into.

Investment in Funds and Accounts. All moneys in any of the funds and accounts held by the Trustee and established pursuant to the Indenture shall be invested, as directed by Alameda CTC, solely in Investment Securities. All Investment Securities shall, as directed by Alameda CTC in writing or by telephone, promptly confirmed in writing, be acquired subject to the limitations set forth in the Indenture, the limitations as to maturities and such additional limitations or requirements consistent with the foregoing as may be established by Request of Alameda CTC. If and to the extent the Trustee does not receive investment instructions from Alameda CTC with respect to the moneys in the funds and accounts held by the Trustee pursuant to the Indenture, such moneys shall be held uninvested and the Trustee shall thereupon promptly request investment instructions from Alameda CTC for such moneys.

Unless otherwise provided in a Supplemental Indenture establishing such Reserve Fund, moneys in any Reserve Fund shall be invested in Investment Securities maturing in not more than five years, or having a put option or demand option providing funds upon request for the purpose of payment of the Bonds to which such Reserve Fund relates as provided in the Indenture. Moneys in the remaining funds and accounts shall be invested in Investment Securities maturing or available on demand not later than the date on which it is estimated that such moneys will be required by the Trustee.

Unless otherwise provided in a Supplemental Indenture establishing the terms and provisions of a Series of Bonds or a Request of Alameda CTC: (i) all interest, profits and other income received from the investment of moneys in the Interest Fund representing accrued interest or capitalized interest shall be retained in the Interest Fund and applied on the next Interest Payment Date; (ii) all interest, profits and other income received from the investment of moneys in a Reserve Fund shall be retained in such Reserve Fund to the extent of any deficiency therein, and otherwise shall be transferred to the Revenue Fund; (iii) all interest, profits and other income received from the investment of moneys in a Costs of Issuance Fund shall be transferred to the Interest Fund and applied on the next Interest Payment Date; (iv) all interest, profits and other income received from the investment of moneys in the Project Fund shall be retained in the Project Fund, unless Alameda CTC shall direct that such earnings be transferred to the Rebate Fund; (v) all interest, profits and other income received from the investment of moneys in the Rebate Fund shall be retained in the Rebate Fund, except as otherwise provided in the Indenture, (vi) all interest, profits and other income received from the investment of moneys in any Purchase Fund shall be retained in such Purchase Fund; and (vii) all interest, profits and other income received from the investment of moneys in any other fund or account shall be transferred to the Revenue Fund. Notwithstanding anything to the contrary contained in this paragraph, an amount of interest received with respect to any Investment Securities equal to the amount of accrued interest, if any, paid as part of the purchase price of such Investment Securities shall be credited to the fund or account from which such accrued interest was paid.

Unless otherwise provided in a Supplemental Indenture establishing such Reserve Fund, all Investment Securities credited to any Reserve Fund shall be valued (at market value) as of March 1 of each year (or the next succeeding Business Day if such day is not a Business Day), such market value to be determined by the Trustee in the manner then currently employed by the Trustee or in any other manner consistent with corporate trust industry standards. Notwithstanding anything to the contrary in the Indenture, in making any valuations of investments under the Indenture, the Trustee may utilize and rely on computerized securities pricing services that may be available to it, including those available through its regular accounting system.

The Trustee may commingle any of the funds or accounts established pursuant to the Indenture (except the Rebate Fund and any Purchase Fund) into a separate fund or funds for investment purposes only, provided that all funds or accounts held by the Trustee under the Indenture shall be accounted for separately as required by the Indenture. The Trustee may act as principal or agent in the making or disposing of any investment and, with the prior written consent of Alameda CTC may impose its customary charge therefor. The Trustee may sell at the best price obtainable, or present for redemption, any Investment Securities so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Investment Securities are credited. The Trustee shall not be liable or responsible for any loss resulting from any investment made in accordance herewith.

Alameda CTC acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant Alameda CTC the right to receive brokerage confirmations of security transactions as they occur, Alameda CTC waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish Alameda CTC periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee under the Indenture.

COVENANTS OF THE AUTHORITY

Punctual Payments. Alameda CTC will punctually pay or cause to be paid the principal or Redemption Price of and interest on all the Bonds, in strict conformity with the terms of the Bonds and of the Indenture, according to the true intent and meaning thereof, and shall punctually pay or cause to be paid all Mandatory Sinking Account Payments, but in each case only out of Pledged Revenues as provided in the Indenture.

Extension of Payment of Bonds. Alameda CTC will not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any Bonds or claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under the Indenture, to the benefits of the Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest thereon which shall not have been so extended. Nothing in the Indenture shall be deemed to limit the right of Alameda CTC to issue bonds for the purpose of refunding any Outstanding Bonds, and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Waiver of Laws. Alameda CTC will not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension of law now or at any time hereafter in force that may affect the covenants and agreements contained in the Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by Alameda CTC to the extent permitted by law.

Further Assurances. Alameda CTC will make, execute and deliver any and all such instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture and for the better assuring and confirming unto the Holders of the Bonds of the rights and benefits provided in the Indenture.

Against Encumbrances. Alameda CTC will not create any pledge, lien or charge upon any of the Pledged Tax Revenues having priority over or having parity with the lien of the Bonds except only as permitted in the Indenture.

Accounting Records. Alameda CTC will at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with generally accepted accounting principles, in which complete and accurate entries shall be made of all transactions relating to the Pledged Revenues. Such books of record and account shall be available for inspection by the Trustee at reasonable hours and under reasonable circumstances; provided, the Trustee shall have no duty or obligation to inspect such books of record and account.

Collection of Pledged Tax Revenues.

(A) Alameda CTC covenants and agrees that it has duly levied the Measure BB Sales Tax in accordance with the Act, pursuant to and in accordance with the Ordinance, duly passed and adopted by Alameda CTC. The Ordinance will not be amended, modified or altered so long as any of the Bonds are Outstanding in any manner which would reduce the amount of or timing of receipt of Pledged Tax Revenues, and Alameda CTC will continue to levy and collect the Measure BB Sales Tax to the full amount permitted by law. Alameda CTC further covenants that it has entered into an agreement with the CDTFA under and pursuant to which the CDTFA will process and supervise collection of the Measure BB Sales Tax and will transmit Pledged Tax Revenues directly to the Trustee. Such agreement will be continued in effect so long as any Bonds are Outstanding and shall not be amended, modified or altered without the written consent of the Trustee so long as any of the Bonds are Outstanding. Alameda CTC will receive and hold in trust for (and remit immediately to) the Trustee any Pledged Tax Revenues paid to Alameda CTC by the CDTFA.

(B) Pledged Tax Revenues received by the Trustee shall be transmitted to Alameda CTC pursuant to the Indenture; provided that, during the continuance of an Event of Default, any Pledged Tax Revenues received by the Trustee shall be applied as set forth in the Indenture.

(C) Alameda CTC covenants and agrees to separately account for all Pledged Revenues and to provide to the Trustee access to such accounting records at reasonable hours and under reasonable circumstances.

(D) Alameda CTC covenants that so long as the Bonds or Parity Obligations are Outstanding, it will not, to the best of its ability, suffer or permit any change, modification or alteration to be made to the Act which would materially and adversely affect the rights of Bondholders.

Tax Covenants. Alameda CTC covenants that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of, or any federal subsidy with respect to, the interest on the Bonds under section 103 of the Code; provided, that prior to the issuance of any Series of Bonds, Alameda CTC may exclude the application of the covenants contained in the Indenture to such Series of Bonds. Alameda CTC will not directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of Alameda CTC, or take or omit to take any action that would cause the Bonds to be “arbitrage bonds” within the meaning of section 148(a) of the Code. To that end, Alameda CTC will comply with all requirements of the Tax Certificate relating to each Series of the Bonds. If at any time Alameda CTC is of the opinion that for purposes of the Indenture it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee under the Indenture, Alameda CTC shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

Without limiting the generality of the foregoing, Alameda CTC agrees that there shall be paid from time to time all amounts required to be rebated to the federal government of the United States of America pursuant to section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Bonds from time to time. Alameda CTC specifically covenants to pay or cause to be paid to the federal government of the United States of America the Rebate Requirement with respect to each Series of Bonds at the times and in the amounts determined under and as described in the Tax Certificate executed and delivered in connection with such Series of Bonds.

Continuing Disclosure. Upon the issuance of any Series of Bonds requiring an undertaking regarding continuing disclosure under Rule 15c2-12, Alameda CTC hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate executed and delivered in connection with such Series of Bonds. Notwithstanding any other provision of the Indenture, failure of Alameda CTC to comply with the provisions of any Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee shall, at the written request of any Participating Underwriter or of the Holders of at least 25% aggregate principal amount of any Series of Bonds then Outstanding (but only to the extent funds in an amount satisfactory to the Trustee have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges and fees of the Trustee whatsoever, including, without limitation, reasonable fees and expenses of its attorneys), or any Holder or beneficial owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause Alameda CTC to comply with its obligations under the Indenture.

Compliance with Allocation and Expenditure Requirements of the Ordinance. Alameda CTC hereby covenants and agrees that it shall comply with the Ordinance. In conformance with Section 7 of the Ordinance, Alameda CTC hereby covenants and agrees that it shall account for the expenditure of proceeds of the Bonds and Parity Obligations in the Project Fund in accordance with the expenditure allocation categories defined in the Ordinance.

EVENTS OF DEFAULT AND REMEDIES

Events of Default. The following events shall be Events of Default:

(A) default in the due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, or default in the redemption from any Sinking Account of any Bonds in the amounts and at the times provided therefor;

(B) default in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(C) if Alameda CTC shall fail to observe or perform any covenant, condition, agreement or provision in the Indenture on its part to be observed or performed, other than as referred to in subsection (A) or (B) above, for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, has been given to Alameda CTC by the Trustee or by any Credit Provider, Liquidity Provider or Direct Lender; except that, if such failure can be remedied but not within such 60-day period and if Alameda CTC has taken all action reasonably possible to remedy such failure within such 60-day period, such failure shall not become an Event of Default for so long as Alameda CTC shall diligently proceed to remedy the same in accordance with and subject to any directions or limitations of time established by the Trustee;

(D) if any payment default shall exist under any agreement governing any Parity Obligations and such default shall continue beyond the grace period, if any, provided for with respect to such default;

(E) if Alameda CTC files a petition in voluntary bankruptcy for the composition of its affairs or for its corporate reorganization under any state or federal bankruptcy or insolvency law, or makes an assignment for the benefit of creditors, or admits in writing to its insolvency or inability to pay debts as they mature, or consents in writing to the appointment of a trustee or receiver for itself;

(F) if a court of competent jurisdiction shall enter an order, judgment or decree declaring Alameda CTC insolvent, or adjudging it bankrupt, or appointing a trustee or receiver of Alameda CTC, or approving a petition filed against Alameda CTC seeking reorganization of Alameda CTC under any applicable law or statute of the United States of America or any state thereof, and such order, judgment or decree shall not be vacated or set aside or stayed within 60 days from the date of the entry thereof; or

(G) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of Alameda CTC or of the Pledged Revenues, and such custody or control shall not be terminated within 60 days from the date of assumption of such custody or control.

Application of Pledged Revenues and Other Funds After Default; No Acceleration. If an Event of Default shall occur and be continuing, the Trustee shall apply all Pledged Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of the Indenture (excluding the Rebate Fund and any Purchase Fund and except as otherwise provided in the Indenture) as follows and in the following order:

(1) to the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Holders of the Bonds and Parity Obligations, including the costs and expenses of the Trustee and the Bondholders in declaring such Event of Default, and payment of reasonable fees and expenses of the Trustee (including reasonable fees and disbursements of its counsel and other agents) incurred in and about the performance of its powers and duties under the Indenture;

(2) to the payment of the whole amount of Bond Obligation then due on the Bonds and Parity Obligations (upon presentation of the Bonds and Parity Obligations to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of the Indenture, with interest on such Bond Obligation, at the rate or rates of interest borne by the respective Bonds and on Parity Obligations, to the payment to the persons entitled thereto of all installments of interest then due and the unpaid principal or Redemption Price of any Bonds and Parity Obligations which shall have become due, whether at maturity, by call for redemption or otherwise, in the order of their due dates, with interest on the overdue Bond Obligation and Parity Obligations at the rate borne by the respective Bonds and Parity Obligations, and, if the amount available shall not be sufficient to pay in full all the Bonds and Parity Obligations due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal or Accreted Value (plus accrued interest) due on such date to the persons entitled thereto, without any discrimination or preference;

(3) to the extent Pledged Revenues are available therefor, to be transferred to the trustee for the Second Lien Obligations in the amount necessary for payment of Second Lien Obligations;

(4) to the extent Pledged Revenues are available therefor, to be transferred to the trustee for the Third Lien Obligations in the amount necessary for payment of Third Lien Obligations; and

(5) to the payment of all other obligations payable under the Indenture.

Notwithstanding anything in the Indenture to the contrary, in no event are the Bonds or any Parity Obligations subject to acceleration if an Event of Default occurs and is continuing; provided, however, that the term-out payment of Liquidity Facility Bonds or Direct Lender Bonds or reimbursement obligations relating to Liquidity Facility Bonds or term-out provisions in any Liquidity Facility or Continuing Covenants Agreement shall not be considered an acceleration for purposes of this paragraph.

Trustee to Represent Bondholders. The Trustee is hereby irrevocably appointed (and the successive respective Holders of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Holders of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Holders under the provisions of the Bonds, the Indenture, the Act and applicable provisions of any other law. Upon the occurrence and continuance of an Event of Default or other occasion giving rise to a right in the Trustee to represent the Bondholders, the Trustee in its discretion may, and, with respect to any Series of Bonds for which a Credit Enhancement has been provided, upon the written request of the Credit Provider providing such Credit Enhancement, or if such Credit Provider is then failing to make a payment required pursuant to such Credit Enhancement, upon the written request of the Holders of not less than a majority in aggregate amount of Bond Obligation of the Bonds then Outstanding, and upon being indemnified to its satisfaction therefor, shall proceed to protect or enforce its rights or the rights of such Holders by such appropriate action, suit, mandamus or other proceedings as it shall deem most effectual to protect and enforce any such right, at law or in equity, either for the specific performance of any covenant or agreement contained in the Indenture, or in aid of the execution of any power in the Indenture granted, or for the enforcement of any other appropriate legal or equitable right or remedy vested in the Trustee or in such Holders under the Indenture, the Act or any other law; and upon instituting such proceeding, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver of the Pledged Tax Revenues and other assets pledged under the Indenture, pending such proceedings; provided, however, that, with respect to any Series of Bonds for which a Credit Enhancement has been provided, the Trustee may only act with the consent of the Credit

Provider providing such Credit Enhancement; provided further, that, with respect to any Series of Bonds for which a Liquidity Facility has been provided, the Trustee may only act with the consent of the Liquidity Provider providing such Liquidity Facility; provided further, that with respect to any Series of Bonds for which a Direct Lender is a Holder, the Trustee may only act with the consent of such Direct Lender. All rights of action under the Indenture or the Bonds or otherwise may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Holders of such Bonds, subject to the provisions of the Indenture.

Bondholders' Direction of Proceedings. Anything in the Indenture to the contrary (except provisions relating to the rights of a Credit Provider to direct proceedings as set forth in the Indenture) notwithstanding, the Holders of a majority in aggregate amount of Bond Obligation of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee and upon furnishing the Trustee with indemnification satisfactory to it, to direct the method of conducting all remedial proceedings taken by the Trustee under the Indenture; provided that such direction shall not be otherwise than in accordance with law and the provisions of the Indenture, that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders or holders of Parity Obligations not parties to such direction.

Limitation on Bondholders' Right to Sue. No Holder of any Bond shall have the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under the Indenture, the Act or any other applicable law with respect to such Bond, unless: (1) such Holder shall have given to the Trustee written notice of the occurrence of an Event of Default; (2) the Holders of not less than a majority in aggregate amount of Bond Obligation of the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers granted in the Indenture or to institute such suit, action or proceeding in its own name; (3) such Holder or said Holders shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (4) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee; provided, however, that the written consent of a Credit Provider providing a Credit Enhancement with respect to a Series of Bonds shall be required if such Credit Enhancement is in full force and effect and if such Credit Provider is not then failing to make a payment as required in connection therewith; provided, further, that the written consent of a Liquidity Provider providing a Liquidity Facility with respect to a Series of Bonds shall be required if such Liquidity Facility is in full force and effect and if such Liquidity Provider has not failed to honor any properly conforming drawings.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Holder of Bonds of any remedy under the Indenture or under law; it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Indenture or the rights of any other Holders of Bonds, or to enforce any right under the Indenture, the Act or other applicable law with respect to the Bonds, except in the manner provided in the Indenture, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner provided in the Indenture and for the benefit and protection of all Holders of the Outstanding Bonds, subject to the provisions of the Indenture.

Absolute Obligation of Alameda CTC. Nothing in the Indenture, or in the Bonds, contained shall affect or impair the obligation of Alameda CTC, which is absolute and unconditional, to pay the principal or Redemption Price of and interest on the Bonds to the respective Holders of the Bonds at their respective dates of maturity, or upon call for redemption, as provided in the Indenture, but only out of the Pledged Revenues and other assets pledged in the Indenture therefor, or affect or impair the right of such Holders, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

Termination of Proceedings. In case any proceedings taken by the Trustee, any Credit Provider or any one or more Bondholders on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, any Credit Provider or the Bondholders, then in every such case Alameda CTC, the Trustee, each Credit Provider and the Bondholders, subject to any determination in such proceedings, shall be restored to their former positions and rights under the Indenture, severally and respectively, and all rights, remedies, powers and duties of Alameda CTC, the Trustee, each Credit Provider and the Bondholders shall continue as though no such proceedings had been taken.

Remedies Not Exclusive. No remedy conferred in the Indenture upon or reserved to the Trustee, to any Credit Provider or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given under the Indenture or now or hereafter existing at law or in equity or otherwise.

No Waiver of Default. No delay or omission of the Trustee, any Credit Provider or of any Holder of the Bonds to exercise any right or power arising upon the occurrence of any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by the Indenture to the Trustee, to any Credit Provider or to the Holders of the Bonds may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default under the Indenture, whether by Trustee or by any Credit Provider or by the Bondholders, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Credit Provider Direction of Proceedings. Anything in the Indenture to the contrary notwithstanding, if any Credit Enhancement is in full force and effect with respect to a Series of Bonds and the Credit Provider providing such Credit Enhancement is not then failing to make a payment as required in connection therewith, the Credit Provider shall have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture with respect to such Series of Bonds, including, without limitation, the right to approve all waivers of any Event of Default with respect to such Series of Bonds; provided that such direction shall not be otherwise than in accordance with law and the provisions of the Indenture.

THE TRUSTEE

Accounting Records and Monthly Statements. The Trustee shall keep proper books of record and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the moneys related to the Bonds, including proceeds of each Series of Bonds and moneys derived from, pledged to, or to be used to make payments on each Series of Bonds. Such records shall specify the account or fund to which each deposit and each investment (or portion thereof) held by the Trustee is allocated and shall set forth, in the case of each investment security, (a) its purchase price, (b) identifying information, including par amount, coupon rate, and payment dates, (c) the amount received at maturity or its sale price, as the case may be, including accrued interest, (d) the amounts and dates of any payments made with respect thereto, and (e) the dates of acquisition and disposition or maturity. The Trustee shall furnish Alameda CTC with a monthly statement which shall include a summary of all deposits and all investment transactions related to each Series of Bonds then Outstanding, such statement to be provided to Alameda CTC no later than the fifth Business Day of the month following the month to which such statement relates, the first such monthly statement to be provided by the fifth Business Day of the month immediately following the month in which the Series 2022 Bonds are delivered by the Trustee pursuant to the provisions of the Indenture. Upon Alameda CTC's election, such statements shall be delivered by the Trustee's online service and upon electing such service, paper statements will be provided to Alameda CTC only upon request by Alameda CTC to the Trustee.

Liability of Trustee.

(A) The recitals of facts in the Indenture and in the Bonds contained shall be taken as statements of Alameda CTC, and the Trustee assumes no responsibility for the correctness of the same (other than the certificate of authentication of the Trustee on each Bond), and makes no representations as to the validity or sufficiency of the Indenture, or of the Bonds, as to the sufficiency of the Pledged Revenues or the priority of the lien of the Indenture thereon, or as to the financial or technical feasibility of any portion of the Project and shall not incur any responsibility in respect of any such matter, other than in connection with the duties or obligations expressly in the Indenture or in the Bonds assigned to or imposed upon it. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties under the Indenture, except for its own negligence, willful misconduct or breach of the express terms and conditions of the Indenture. The Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Holder of a Bond may be entitled to take, with like effect as if the Trustee was not the Trustee under the Indenture. The Trustee may in good faith hold any other form of indebtedness of Alameda CTC, own, accept or negotiate any drafts, bills of exchange, acceptances or obligations of Alameda CTC and make disbursements for Alameda CTC and enter into any commercial or business arrangement therewith, without limitation.

(B) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts. The Trustee may execute any of the trusts or powers of the Indenture and perform the duties required of it under the Indenture by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty under the Indenture.

(C) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under the Indenture.

(D) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request, order or direction of any Credit Provider or any of the Bondholders pursuant to the provisions of the Indenture, including, without limitation, the provisions of the Indenture, unless such Credit Provider or such Bondholders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby; provided, however, that no security or indemnity shall be requested or required for the Trustee to deliver a notice to obtain funds under the Credit Enhancement delivered in connection with any Series of Bonds to pay principal of and interest on such Series of Bonds.

(E) No provision of the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties under the Indenture or in the exercise of its rights or powers.

(F) The Trustee shall not be deemed to have knowledge of, and shall not be required to take any action with respect to, any Event of Default (other than an Event of Default described in subsections (A) or (B) of the Event of Default section of the Indenture) or event that would, with the giving of notice, the passage of time or both, constitute an Event of Default, unless the Trustee shall have actual knowledge of such event or shall have been notified of such event by Alameda CTC, any Credit Provider then providing a Credit Enhancement for a Series of Bonds or the Holders of twenty-five percent (25%) of the Bond Obligation Outstanding. Without limiting the generality of the foregoing, the Trustee shall not be required to ascertain, monitor or inquire as to the performance or observance by Alameda CTC of the terms, conditions, covenants or agreements set forth in the Indenture (including, without limitation, the covenants of Alameda CTC set forth

in the Indenture, other than the covenants of Alameda CTC to make payments with respect to the Bonds when due as set forth in the Indenture and to file with the Trustee when due, such reports and certifications as Alameda CTC is required to file with the Trustee under the Indenture.

(G) No permissive power, right or remedy conferred upon the Trustee under the Indenture shall be construed to impose a duty to exercise such power, right or remedy.

(H) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, requisition, bond, debenture, coupon or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of Alameda CTC, personally or by agent or attorney.

(I) The Trustee shall not be responsible for:

(1) the application or handling by Alameda CTC of any Pledged Revenues or other moneys transferred to or pursuant to any Requisition or Request of Alameda CTC in accordance with the terms and conditions of the Indenture;

(2) the application and handling by Alameda CTC of any other fund or account designated to be held by Alameda CTC under the Indenture;

(3) any error or omission by Alameda CTC in making any computation or giving any instruction pursuant to the Indenture and may rely conclusively on the Rebate Instructions and any computations or instructions furnished to it by Alameda CTC in connection with the requirements of the Indenture and each Tax Certificate;

(4) the construction, operation or maintenance of any portion of the Project by Alameda CTC.

(J) Whether or not therein expressly so provided, every provision of the Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of the Indenture.

MODIFICATION OR AMENDMENT OF THE INDENTURE

Amendments Permitted.

The Indenture and the rights and obligations of Alameda CTC, the Holders of the Bonds and the Trustee may be modified or amended from time to time and at any time by a Supplemental Indenture, which Alameda CTC and the Trustee may enter into when the consent of the Holders of a majority in aggregate amount of Bond Obligation of the Bonds (or, if such Supplemental Indenture is only applicable to a Series of Bonds, such Series of Bonds) then Outstanding shall have been filed with the Trustee; provided that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any particular maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Bonds Outstanding under the Indenture. If the amendment is proposed prior to the issuance of Bonds, the initial and subsequent Holders of such Bonds shall be deemed to have consented to such amendment by the purchase of the Bonds and no formal consent shall be required of such Holders. During any time that all Outstanding Bonds shall be payable under any Credit Enhancement, the Indenture and the rights and obligations of Alameda CTC, the Owners of the Bonds and the Trustee may be modified or amended without the consent of any Owners of the Bonds from time to

time and at any time by a Supplemental Indenture, which Alameda CTC and the Trustee may enter into which shall become binding when the written consent of each Credit Provider shall have been filed with the Trustee.

No such modification or amendment shall (a) extend the maturity of any Bond, or reduce the amount of principal thereof, or extend the time of payment or reduce the amount of any Mandatory Sinking Account Payment provided for the payment of any Bond, or reduce the rate of interest thereon, or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, without the consent of the Holder of each Bond so affected, or (b) reduce the aforesaid percentage of Bond Obligation the consent of the Holders of which is required to effect any such modification or amendment, or permit the creation of any lien on the Pledged Revenues and other assets pledged under the Indenture prior to or on a parity with the lien created by the Indenture, or deprive the Holders of the Bonds of the lien created by the Indenture on such Pledged Revenues and other assets (in each case, except as expressly provided in the Indenture), without the consent of the Holders of all of the Bonds then Outstanding. It shall not be necessary for the consent of the Bondholders to approve the particular form of any Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Promptly after the execution and delivery by Alameda CTC and the Trustee of any Supplemental Indenture pursuant to the Indenture, the Trustee shall mail a notice, setting forth in general terms the substance of such Supplemental Indenture to the Holders of the Bonds at the addresses shown on the registration books of the Trustee. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

The Indenture and the rights and obligations of Alameda CTC, of the Trustee and of the Holders of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which Alameda CTC and the Trustee may enter into without the consent of any Bondholders, but only to the extent that such modification or amendment is permitted by the Act and does not materially and adversely affect the interests of the Holders of the Bonds and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of Alameda CTC in the Indenture contained other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power in the Indenture reserved to or conferred upon Alameda CTC;

(2) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Indenture, or in regard to matters or questions arising under the Indenture, as Alameda CTC may deem necessary or desirable, and which shall not materially and adversely affect the interests of the Holders of the Bonds;

(3) to modify, amend or supplement the Indenture in such manner as to permit the qualification of the Indenture under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and which shall not materially and adversely affect the interests of the Holders of the Bonds;

(4) to provide for the issuance of an additional Series of Bonds pursuant to the provisions of the Indenture;

(5) to make modifications or adjustments necessary, appropriate or desirable to provide for the issuance or incurrence, as applicable, of Capital Appreciation Bonds, Parity Obligations, Second Lien Obligations or Variable Rate Indebtedness, with such interest rate, payment, maturity and other terms as Alameda CTC may deem desirable; subject to the provisions of the Indenture;

(6) to make modifications or adjustments necessary, appropriate or desirable to provide for change from one interest rate mode to another in connection with any Series of Bonds;

(7) to make modifications or adjustments necessary, appropriate or desirable to accommodate Credit Enhancements, Liquidity Facilities and Reserve Facilities;

(8) to make modifications or adjustments necessary, appropriate or desirable to provide for the appointment of an auction agent, a broker-dealer, a remarketing agent, a tender agent and/or a paying agent in connection with any Series of Bonds;

(9) to modify the auction provisions applicable to any Series of Bonds in accordance with the terms and provisions set forth in the Supplemental Indenture establishing the terms and provisions of such Series of Bonds;

(10) to provide for any additional covenants or agreements necessary to maintain the tax-exempt status of, or any federal subsidy with respect to, interest on any Series of Bonds;

(11) to provide for the issuance of Bonds in book-entry form or bearer form and/or to modify or eliminate the book-entry registration system for any Series of Bonds;

(12) to modify, alter, amend or supplement the Indenture in any other respect, including amendments that would otherwise be described in the Indenture, if the effective date of such amendments is a date on which all Bonds affected thereby are subject to mandatory tender for purchase pursuant to the provisions of the Indenture or if notice of the proposed amendments is given to Holders of the affected Bonds at least 30 days before the proposed effective date of such amendments and, on or before such effective date, such Holders have the right to demand purchase of their Bonds pursuant to the provisions of the Indenture or if all Bonds affected thereby are in an auction mode and a successful auction is held following notice of such amendment; and

(13) for any other purpose that does not materially and adversely affect the interests of the Holders of the Bonds.

Any Supplemental Indenture entered into pursuant to the Indenture shall be deemed not to materially adversely affect the interest of Holders to the extent that (i) such Holders' Bonds are secured by Credit Enhancement and (ii) the relevant Credit Provider shall have given its written consent to such Supplemental Indenture as provided in the Indenture; provided that such Credit Provider is not in default of its obligations under such Credit Enhancement.

Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective, the Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of Alameda CTC, the Trustee and all Holders of Bonds Outstanding shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

DEFEASANCE

Discharge of Indenture. Bonds of any Series or a portion thereof may be paid by Alameda CTC in any of the following ways:

(A) by paying or causing to be paid the Bond Obligation of and interest on such Outstanding Bonds, as and when they become due and payable;

(B) by depositing with the Trustee, an escrow agent or other fiduciary, in trust, at or before maturity, money or securities in the necessary amount (as provided in the Indenture) to pay or redeem such Outstanding Bonds; or

(C) by delivering to the Trustee, for cancellation by it, such Outstanding Bonds.

If Alameda CTC shall pay all Series of Bonds that are Outstanding and also pay or cause to be paid all other sums payable under the Indenture by Alameda CTC, then and in that case, at the election of Alameda CTC (evidenced by a Certificate of Alameda CTC, filed with the Trustee, signifying the intention of Alameda CTC to discharge all such indebtedness and the Indenture), and notwithstanding that any Bonds shall not have been surrendered for payment, the Indenture and the pledge of Pledged Revenues and other assets made under the Indenture and all covenants, agreements and other obligations of Alameda CTC under the Indenture shall cease, terminate, become void and be completely discharged and satisfied. In such event, upon Request of Alameda CTC, the Trustee shall cause an accounting for such period or periods as may be requested by Alameda CTC to be prepared and filed with Alameda CTC and shall execute and deliver to Alameda CTC all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver to Alameda CTC all moneys or securities or other property held by it pursuant to the Indenture which, as evidenced by a verification report, upon which the Trustee may conclusively rely, from an independent certified public accountant, a firm of independent certified public accountants or other independent consulting firm, are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Discharge of Liability on Bonds. Upon the deposit with the Trustee, escrow agent or other fiduciary, in trust, at or before maturity, of money or securities in the necessary amount (as provided in the Indenture) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as in the Indenture provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of Alameda CTC in respect of such Bond shall cease, terminate and be completely discharged, provided that the Holder thereof shall thereafter be entitled to the payment of the principal of and premium, if any, and interest on the Bonds, and Alameda CTC shall remain liable for such payment, but only out of such money or securities deposited with the Trustee as aforesaid for their payment.

If the Bonds being discharged are Variable Rate Indebtedness, (i) the Bonds shall be redeemed at the first possible redemption date or purchase date applicable to such Bonds and to the extent the rate of interest payable on such Bonds prior to such redemption or purchase date is not known, such rate of interest shall be assumed to be the maximum rate payable thereon or (ii) the Trustee shall receive a confirmation from the Rating Agency then rating the Bonds that the defeasance will not result in the reduction or withdrawal of the then-current ratings on the Bonds.

Alameda CTC may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which Alameda CTC may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Notwithstanding anything in the Indenture to the contrary, if the principal of or interest on a Series of Bonds shall be paid by a Credit Provider pursuant to the Credit Enhancement issued in connection with such Series of Bonds, the obligations of Alameda CTC shall not be deemed to be satisfied or considered paid by Alameda CTC by virtue of such payments, and the right, title and interest of Alameda CTC in the Indenture and the obligations of Alameda CTC under the Indenture shall not be discharged and shall continue to exist and to run to the benefit of such Credit Provider, and such Credit Provider shall be subrogated to the rights of the Holders of the Bonds of such Series.

Deposit of Money or Securities. Whenever in the Indenture it is provided or permitted that there be deposited with or held in trust money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established pursuant to the Indenture and shall be:

(A) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as in the Indenture provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount or Redemption Price of such Bonds and all unpaid interest thereon to the redemption date; or

(B) Defeasance Securities the principal of and interest on which when due will, in the opinion of an independent certified public accountant, a firm of independent certified public accountants or other independent consulting firm delivered to the Trustee (as confirmed by a verification report upon which verification report the Trustee may conclusively rely), provide money sufficient to pay the principal or Redemption Price of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal or Redemption Price and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in the Indenture provided or provision satisfactory to the Trustee shall have been made for the giving of such notice; provided, in each case, that the Trustee shall have been irrevocably instructed (by the terms of the Indenture or by Request of Alameda CTC) to apply such money to the payment of such principal or Redemption Price and interest with respect to such Bonds.

Payment of Bonds After Discharge of Indenture. Any moneys held by the Trustee in trust for the payment of the principal, Redemption Price, or interest on any Bond and remaining unclaimed for one year after such principal, Redemption Price, or interest has become due and payable (whether at maturity or upon call for redemption as provided in the Indenture), if such moneys were so held at such date, or one year after the date of deposit of such principal, Redemption Price or interest on any Bond if such moneys were deposited after the date when such Bond became due and payable, shall be repaid to Alameda CTC free from the trusts created by the Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to Alameda CTC as aforesaid, the Trustee may (at the cost of Alameda CTC) first mail to the Holders of any Bonds remaining unpaid at the addresses shown on the registration books maintained by the Trustee a notice, in such form as may be deemed appropriate by the Trustee, with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to Alameda CTC of the moneys held for the payment thereof. All moneys held by or on behalf of the Trustee for the payment of principal or Accreted Value of or interest or premium on Bonds, whether at redemption or maturity, shall be held in trust for the account of the Holders thereof and the Trustee shall not be required to pay Holders any interest on, or be liable to the Holders or any other person (other than Alameda CTC) for interest earned on, moneys so held. Any interest earned thereon shall belong to Alameda CTC and shall be deposited upon receipt by the Trustee into the Revenue Fund.

MISCELLANEOUS

Liability of Alameda CTC Limited to Pledged Revenues. Notwithstanding anything in the Indenture or in the Bonds contained, Alameda CTC shall not be required to advance any moneys derived from any source other than the Pledged Revenues and other assets pledged under the Indenture for any of the purposes in the Indenture mentioned, whether for the payment of the principal or Redemption Price of or interest on the Bonds or for any other purpose of the Indenture.

Limitation of Rights. Nothing in the Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any Person other than Alameda CTC, the Trustee, each Credit Provider, each Liquidity Provider, each Direct Lender, each Reserve Facility Provider, the Holders of the Bonds and the holders of any Parity Obligations, including each Counterparty, any legal or equitable right, remedy or claim under or in respect of the Indenture or any covenant, condition or provision therein or in the Indenture contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of Alameda CTC, the Trustee, each Credit Provider, each Liquidity Provider, each Direct Lender, each Reserve Facility Provider, the Holders of the Bonds and the holders of any Parity Obligations, including each Counterparty. Each Credit Provider, each Liquidity Provider and each Direct Lender is an express third party beneficiary of the Indenture.

Evidence of Rights of Bondholders. Any request, consent or other instrument required or permitted by the Indenture to be signed and executed by Bondholders may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bondholders in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or the holding by any Person of Bonds transferable by delivery, shall be sufficient for any purpose of the Indenture and shall be conclusive in favor of the Trustee and of Alameda CTC if made in the manner provided in the Indenture.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer.

The ownership of Bonds shall be proved by the bond registration books held by the Trustee. The Trustee may establish a record date as of which to measure consent of the Holders to determine whether the requisite consents are received.

Any request, consent, or other instrument or writing of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or Alameda CTC in accordance therewith or reliance thereon.

Disqualified Bonds. In determining whether the Holders of the requisite aggregate Bond Obligation of Bonds have concurred in any demand, request, direction, consent or waiver under the Indenture, Bonds that are owned or held by or for the account of Alameda CTC, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, Alameda CTC or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of the Indenture if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlled by, or under direct or indirect common control with, Alameda CTC. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

Money Held for Particular Bonds. The money held by the Trustee for the payment of the interest, principal, Redemption Price or purchase price due on any date with respect to particular Bonds (or portions of Bonds in the case of registered Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto, subject, however, to the provisions of the Indenture.

Limitations on Rights of Credit Providers, Liquidity Providers, Reserve Facility Providers. A Supplemental Indenture establishing the terms and provisions of a Series of Bonds may provide that any Credit Provider, Liquidity Provider or Reserve Facility Provider may exercise any right under the Indenture given to the Holders of the Bonds to which such Credit Enhancement, Liquidity Facility or Reserve Facility relates. All provisions under the Indenture authorizing the exercise of rights by a Credit Provider, a Liquidity Provider or a Reserve Facility Provider with respect to consents, approvals, directions, waivers, appointments, requests or other actions, shall be deemed not to require or permit such consents, approvals, directions, waivers, appointments, requests or other actions and shall be read as if the Credit Provider, Liquidity Provider or Reserve Facility Provider were not mentioned therein (i) during any period during which there is a default by such Credit Provider, Liquidity Provider or Reserve Facility Provider under the applicable Credit Enhancement, Liquidity Facility or Reserve Facility or (ii) after the applicable Credit Enhancement, Liquidity Facility or Reserve Facility shall at any time for any reason cease to be valid and binding on the provider thereof, or shall be declared to be null and void by final, non-appealable judgment of a court of competent jurisdiction, or after the Credit Enhancement, Liquidity Facility or Reserve Facility has been rescinded, repudiated by the provider thereof or terminated, or after a receiver, conservator or liquidator has been appointed for the provider thereof. All provisions relating to the rights of a Credit Provider, Liquidity Provider or Reserve Facility Provider shall be of no further force and effect if all amounts owing to such Credit Provider, Liquidity Provider or Reserve Facility Provider shall have been paid pursuant to the terms of the applicable Credit Enhancement, Liquidity Facility or Reserve Facility and such Credit Enhancement, Liquidity Facility or Reserve Facility shall no longer be in effect.

Business Day. Except as specifically set forth in the Indenture or a Supplemental Indenture, transfers which would otherwise become due on any day which is not a Business Day shall become due or shall be made on the next succeeding Business Day with the same effect as if made on such prior date.

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”), dated July 14, 2022, is executed and delivered by the Alameda County Transportation Commission (“Alameda CTC”) in connection with the issuance of \$124,030,000 aggregate principal amount of Alameda County Transportation Commission Measure BB Senior Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2022 (the “Bonds”). The Bonds are being issued pursuant to an Indenture, dated as of July 1, 2022, as supplemented by a First Supplemental Indenture, dated as of July 1, 2022 (together, the “Indenture”), each between Alameda CTC and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Pursuant to the Indenture, Alameda CTC covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by Alameda CTC for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by Alameda CTC pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Disclosure Representative” shall mean the designee of Alameda CTC to act as the Disclosure Representative.

“Dissemination Agent” shall mean an entity selected and retained by Alameda CTC, or any successor thereto selected by Alameda CTC. The initial Dissemination Agent shall be U.S. Bank Trust Company, National Association, as Trustee under the Indenture.

“EMMA” shall mean the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for Municipal Securities disclosures, maintained on the internet at <http://emma.msrb.org>.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate and any other event legally required to be reported pursuant to the Rule.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the Official Statement of Alameda CTC, dated June 29, 2022, relating to the Bonds, as amended or supplemented.

“Participating Underwriters” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean, until otherwise designated by the SEC, EMMA.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” shall mean the U.S. Securities and Exchange Commission.

“State” shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) Alameda CTC shall provide to the Repository not later than 270 days after the end of Alameda CTC’s fiscal year, commencing with the fiscal year ending June 30, 2022, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate. Not later than fifteen (15) Business Days prior to said date, Alameda CTC shall provide the Annual Report to the Dissemination Agent. Alameda CTC shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by Alameda CTC hereunder. The Dissemination Agent may conclusively rely upon such certification of Alameda CTC.

(b) If by fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact Alameda CTC to determine if Alameda CTC is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the Repository by the date required in subsection (a), the Dissemination Agent shall send a notice to the MSRB in the manner prescribed by the MSRB.

(d) If the Dissemination Agent is other than Alameda CTC, the Dissemination Agent shall file a report with Alameda CTC certifying that the Disclosure Report has been provided to the MSRB through the EMMA System pursuant to this Disclosure Certificate.

SECTION 4. Content of Annual Reports. Alameda CTC’s Annual Report shall contain or include by reference the following:

(a) The audited financial statements of Alameda CTC for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If Alameda CTC’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds (the “Official Statement”), and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) An update (as of the most recently ended fiscal year of Alameda CTC) for the table entitled “Alameda County Transportation Commission Historical Measure BB Sales Tax Revenues” set forth in the Official Statement under the caption “THE MEASURE BB SALES TAX — Historical Sales Tax Revenues.”

(c) An update (as of the most recently ended fiscal year of Alameda CTC) for the Coverage Ratio set forth on page 21 of the Official Statement.

(d) A summary of all Bonds and Parity Obligations Outstanding as of the most recently ended fiscal year of Alameda CTC.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which Alameda CTC is an “obligated person” (as defined by the Rule), which have been filed with the Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. Alameda CTC shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Alameda CTC shall provide (or cause to be provided) notice to the MSRB of the occurrence of any of the following events numbered 1-10 with respect to Bonds and in a timely manner but not later than ten business days after the occurrence of the event. The notice shall be in an electric format and contain such identifying information as is prescribed by the MSRB.

- (1) Principal and interest payment delinquencies;
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) Substitution of credit or liquidity providers, or their failure to perform;
- (5) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (6) Tender offers;
- (7) Defeasances;
- (8) Rating changes;
- (9) Bankruptcy, insolvency, receivership or similar event of the obligated person; or

Note: for the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

- (10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of Alameda CTC, any of which reflect financial difficulties.

(b) Alameda CTC shall provide (or cause to be provided) to the MSRB notice of the occurrence of any of following events numbered 11-17 with respect to Bonds, if material and in a timely manner but not later

than ten business days after the occurrence of the event. Such notice shall be in an electric format and contain such identifying information as is prescribed by the MSRB.

- (11) Modifications to rights of Bondholders;
- (12) Bond calls;
- (13) Release, substitution, or sale of property securing repayment of Bonds;
- (14) Non-payment related defaults;
- (15) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- (16) Appointment of a successor or additional trustee or the change of name of a trustee; or
- (17) Incurrence of a financial obligation of Alameda CTC, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of Alameda CTC, any of which affect Bondholders, if material.

(c) For purposes of the events identified in paragraphs (a)(10) and (b)(17) above, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(d) Alameda CTC acknowledges that it must make a determination whether a Specified Event listed in subsection (b) is material under applicable federal securities laws in order to determine whether a filing is required under subsection (b).

SECTION 6. Termination of Reporting Obligation. The obligations of Alameda CTC and the Dissemination Agent under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, Alameda CTC shall give notice of such termination in the same time and manner as for a Listed Event under Section 5(f) hereof.

SECTION 7. Dissemination Agent. Alameda CTC may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign at any time by providing at least 30 days’ notice in writing to Alameda CTC.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, Alameda CTC may amend this Disclosure Certificate, provided no amendment increasing or affecting the obligations or duties of the Dissemination Agent shall be made without the consent of such party, and any provision of this Disclosure Certificate may be waived if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to Alameda CTC and the Dissemination Agent to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent Alameda CTC from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If Alameda CTC chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, Alameda CTC shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of Alameda CTC to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions, as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause Alameda CTC to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of Alameda CTC to comply with this Disclosure Certificate shall be an action to compel performance. This is the first continuing disclosure undertaking by Alameda CTC.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and Alameda CTC agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in connection with the exercise or performance of their respective powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall also be entitled to any further protections and limitations from liability afforded to the Trustee under Article VIII of the Indenture, as if such provisions were fully set forth herein. The Dissemination Agent shall be paid compensation by Alameda CTC for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for Alameda CTC, the Bondholders, or any other party. The obligations of Alameda CTC under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of Alameda CTC, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

ALAMEDA COUNTY
TRANSPORTATION COMMISSION

By: _____
Executive Director

Receipt Acknowledged By:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Dissemination Agent

By: _____
Authorized Officer

APPENDIX E

BOOK-ENTRY SYSTEM

The information in this Appendix E concerning The Depository Trust Company, New York, New York (“DTC”), and DTC’s Book-Entry System has been obtained from DTC. Alameda CTC, the Trustee and the Underwriters take no responsibility for the completeness or accuracy thereof.

Alameda CTC, the Trustee and the Underwriters cannot and do not give any assurances that DTC, DTC Participants or Indirect Participants (each as defined below) or others will distribute any (a) payments of principal or purchase price or interest with respect to the Series 2022 Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Series 2022 Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Series 2022 Bonds, or that they will do so on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC. Alameda CTC, the Trustee and the Underwriters are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a beneficial owner with respect to the Series 2022 Bonds or an error or delay relating thereto.

DTC will act as securities depository for the Series 2022 Bonds. The Series 2022 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each series of the Series 2022 Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on this website is not incorporated by reference herein.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2022 Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2022 Bonds are to be accomplished

by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Series 2022 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2022 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2022 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2022 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2022 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2022 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the Series 2022 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee, on a payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or Alameda CTC, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2022 Bonds at any time by giving reasonable notice to the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

Alameda CTC may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

APPENDIX F

PROPOSED FORM OF BOND COUNSEL OPINION

[Closing Date]

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

Re: \$124,030,000 Alameda County Transportation Commission Measure BB Senior Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2022

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance of \$124,030,000 Alameda County Transportation Commission Measure BB Senior Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2022 (the “Series 2022 Bonds”) by the Alameda County Transportation Commission (“Alameda CTC”). The Series 2022 Bonds are being issued by Alameda CTC pursuant to the authority granted under Division 19 of the Public Utilities Code of the State of California (Section 180000 *et seq.*) (the “Act”), Ordinance No. 2014-1 adopted on June 26, 2014 pursuant to the provisions of Section 180000 through Section 180264 inclusive of the Act, and are payable from and secured by an Indenture, dated as of July 1, 2022, as supplemented and amended from time to time pursuant to its terms, including as supplemented by a First Supplemental Indenture, dated as of July 1, 2022 (together, the “Indenture”), between Alameda CTC and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Indenture.

The Series 2022 Bonds are being issued: (i) to finance and/or reimburse Alameda CTC for certain costs of implementing a portion of the transportation improvements consisting of the capital projects outlined in the 2014 Transportation Expenditure Plan and (ii) to pay costs of issuance of the Series 2022 Bonds.

The Series 2022 Bonds are limited obligations of Alameda CTC payable from and secured by certain revenues (the “Pledged Revenues”) pledged under the Indenture, including revenues derived from an aggregate one percent retail transactions and use tax, known as Measure BB, imposed in the County of Alameda in accordance with the Act and Part 1.6 of Division 2 of the Revenue and Taxation Code of the State of California, net of any refunds and any fees imposed by the California Department of Tax and Fee Administration for the performance of functions incident to the administration and operation of Ordinance 2014-1, and a four percent administrative cost allocation for Alameda CTC.

In our capacity as Bond Counsel, we have reviewed originals or copies certified or otherwise identified to our satisfaction of such documents, certificates, opinions and other matters as we deemed necessary or appropriate to render the opinions set forth herein. In rendering the opinions set forth herein, we have relied upon certifications and representations of Alameda CTC with respect to certain material facts solely within the knowledge of Alameda CTC, without undertaking to verify the same by independent investigation. Further, we have assumed, but have not independently verified, the genuineness of all documents, certificates and opinions presented to us, including the signatures on such documents.

We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents. Further, we have assumed compliance with all covenants

and agreements contained in the Indenture. The opinions herein are limited to the laws of the State of California and federal law

Based on and subject to the foregoing, and in reliance thereon, and subject to the limitations and qualifications herein specified, as of the date hereof, we are of the following opinions:

1. The Series 2022 Bonds constitute valid and binding limited obligations of Alameda CTC as provided in the Indenture, and are entitled to the benefits of the Indenture.
2. The Indenture has been duly and validly authorized, executed and delivered by Alameda CTC and, assuming the enforceability thereof against the Trustee, constitutes the legally valid and binding obligation of Alameda CTC, enforceable against Alameda CTC in accordance with its terms. The Indenture creates a valid pledge, to secure the payment of principal of and interest on the Series 2022 Bonds, of the Pledged Revenues and other amounts held by the Trustee in certain funds and accounts established pursuant to the Indenture, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.
3. Under existing statutes, regulations, rulings and judicial decisions, assuming continuing compliance by Alameda CTC with certain covenants in the Indenture and other documents pertaining to the Series 2022 Bonds and requirements of the Internal Revenue Code of 1986 regarding the use, expenditure and investment of proceeds of the Series 2022 Bonds and the timely payment of certain investment earnings to the United States, interest on the Series 2022 Bonds is not includable in the gross income of the owners of the Series 2022 Bonds for purposes of federal income taxation.
4. Under existing law, interest on the Series 2022 Bonds is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax.
5. Under existing law, interest on the Series 2022 Bonds is exempt from personal income taxes of the State of California.

Other than as provided in paragraphs 3, 4 and 5 above, we have not addressed, and are not opining on, the tax consequences to any person of the investment in, or of the receipt or accrual of interest on, the Series 2022 Bonds. Further, certain requirements and procedures contained or referred to in the Indenture or in other documents pertaining to the Series 2022 Bonds may be changed, and certain actions may be taken, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. We express no opinion as to the effect of any change to any document pertaining to the Series 2022 Bonds or of any action taken or not taken where such change is made or action is taken or not taken without our approval or in reliance upon the advice of counsel other than ourselves with respect to the exclusion from gross income of the interest on the Series 2022 Bonds for federal income tax purposes.

The opinions expressed in paragraphs 1 and 2 above are qualified to the extent the enforceability of the Series 2022 Bonds and the Indenture may be limited by applicable bankruptcy, insolvency, debt adjustment, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally or as to the availability of any particular remedy. The enforceability of the Series 2022 Bonds and the Indenture is subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, to the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the limitations on legal remedies against governmental entities in the State of California.

No opinion is expressed herein on the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement or other offering material relating to the Series 2022 Bonds.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective.

Respectfully submitted,

[THIS PAGE INTENTIONALLY LEFT BLANK]

