



Michael R. Blanks CPA  
Accountancy Corporation

**ALAMEDA COUNTY  
PUBLIC WORKS AGENCY**

REPORT ON AUDIT OF

ALAMEDA COUNTY TRANSPORTATION  
COMMISSION  
MEASURE B FUNDS

Year Ended June 30, 2013

(With Independent Auditor's Report Thereon)



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## **INDEPENDENT AUDITOR'S REPORT**

The Board of Supervisors  
Alameda County  
Oakland, CA 94612

We have audited the accompanying balance sheet of the Alameda County Transportation Commission Measure B funds ("Measure B Funds") of the Alameda County Department of Public Works (the County), as of June 30, 2013, and the related statement of revenues, expenditures and changes in fund balances for the year then ended.

### **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 an opinion 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 opinion.

### **Opinion**

In our opinion, the financial statements referred to above, present fairly in all material respects, the financial position of the Alameda County Transportation Commission Measure B funds ("Measure B Funds") of the Alameda County Department of Public Works (the County), as of June 30, 2013 and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America



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## **Independent Auditor's Report** (cont'd)

### **Emphasis of Matters**

As discussed in Note 1, the financial statements referred to above are intended to present the financial position and results of operations of only that portion of the financial reporting entity of the County that is attributable to the transactions of the Measure B funds.

### **Other Matters**

#### *Restricted Use*

This report is intended solely for the information and use of Alameda County management, others within the entity, and Alameda County Transportation Commission and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report which is a matter of public record.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2013, on our consideration of Alameda County Public Works Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Michael R. Blanks CPA  
Accountancy Corporation

*Michael R. Blanks CPA Accountancy Corporation*

Oakland, CA  
October 31, 2013

**ALAMEDA COUNTY PUBLIC WORKS AGENCY**  
**Alameda County Transportation Commission**  
**Measure B Funds**

Balance Sheet  
June 30, 2013

**MEASURE B PROGRAMS AND PROJECTS**

	Streets & Roads	Bike & Pedestrian	Bridges	Total
<b>ASSETS:</b>				
Cash and Investments	\$ (220,132)	\$ 404,051	\$ (181,551)	\$ 2,368
Accounts Receivable	462,700	102,632	181,551	746,883
<b>Total Assets</b>	<b>\$ 242,568</b>	<b>\$ 506,683</b>	<b>\$ -</b>	<b>\$ 749,251</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Temporarily Restricted Fund Balances	242,568	506,683	-	749,251
<b>Total Liabilities and Fund Balances</b>	<b>\$ 242,568</b>	<b>\$ 506,683</b>	<b>\$ -</b>	<b>\$ 749,251</b>

The accompanying notes are an integral part of these financial statements

**ALAMEDA COUNTY PUBLIC WORKS AGENCY**  
 Alameda County Transportation Commission  
 Measure B Funds

Statements of Revenues, Expenditures and Changes in Fund Balances  
 June 30, 2013

	<b>MEASURE B PROGRAMS AND PROJECTS</b>			
	<u>Streets &amp; Roads</u>	<u>Bike &amp; Pedestrian</u>	<u>Bridges</u>	<u>Total</u>
<b>REVENUES:</b>				
Measure B Taxes	\$ 1,813,402	\$ 402,234	\$ 711,529	\$ 2,927,165
Interest on Investments	13,692	3,026	-	16,718
<b>Total Revenues</b>	<u>\$ 1,827,094</u>	<u>\$ 405,260</u>	<u>\$ 711,529</u>	<u>\$ 2,943,883</u>
<b>EXPENDITURES</b>				
Public Works	\$ 484,085	\$ 338,246	\$ 711,529	\$ 1,533,860
Professional & Specialized Services	307,407	481	-	307,888
Construction	3,073,025	1,227,179	-	4,300,204
<b>Total Expenditures</b>	<u>\$ 3,864,517</u>	<u>\$ 1,565,906</u>	<u>\$ 711,529</u>	<u>\$ 6,141,952</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,037,423)	(1,160,646)	-	(3,198,069)
<b>FUND BALANCE</b>				
Beginning of Period	<u>2,279,991</u>	<u>1,667,329</u>	<u>-</u>	<u>3,947,320</u>
End of Period	<u>\$ 242,568</u>	<u>\$ 506,683</u>	<u>\$ -</u>	<u>\$ 749,251</u>

The accompanying notes are an integral part of these financial statements

**ALAMEDA COUNTY PUBLIC WORKS AGENCY**  
Alameda County Transportation Commission  
Measure B Funds

Notes to Financial Statements  
June 30, 2013

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**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***A. Nature of Activities***

Alameda County Voters approved Measure B Alameda County's half-cent transportation sales tax in November 2000. The tax is effective until March 31, 2022. The Alameda County Transportation Commission (Alameda CTC) is a joint powers authority and is responsible for distributing to local jurisdictions the Measure B funds for bicycle and pedestrian safety, local streets and roads, local transportation technology, mass transit, paratransit, and transit center development programs. In March 2012, the Alameda County Board of Supervisors approved a Master Program Funding Agreement (MPFA) between Alameda CTC and the County of Alameda. The MPFA serves as the contract for the distribution and receipt of Measure B Transportation Sales Tax Revenues.

***B. Financial Reporting Entity***

The accompanying financial statements have been prepared from the accounts and financial transactions of Alameda County Public Works Agency (County) Special Revenue Fund 21200. The fund is used to account for the County's share of revenues earned and expenses incurred in the County's *Local Streets and Roads, Bike and Pedestrian Ways and County Bridges* projects. The accompanying financial statements are for Measure B funds only and do not purport to and do not present the financial position or results of operations of the County.

***C. Basis of Presentation***

The accompanying financial statement has been prepared using a current financial resources measurement focus, and is maintained on the modified accrual basis of accounting for the year ended June 30, 2013. Under the modified accrual basis of accounting, revenues which are received as reimbursement for special purposes or projects, are recorded when susceptible to accrual (i.e; when they become both measurable and available to finance project expenditures of the current period). Expenditures are recognized in the accounting period in which the related project liability is incurred, if measurable.

***D. Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

***E. Fund Accounting***

The accounts are maintained using fund accounting. A fund is a separate accounting entity with a self-balancing set of accounts to ensure and demonstrate compliance with finance-related legal requirements. Measure B activities are accounted for in a special revenue road fund. This fund is used to account for state and local tax apportionments and other authorized revenues, the expenditures of which is restricted to street, road, highway and bridge projects.

**ALAMEDA COUNTY PUBLIC WORKS AGENCY**  
Alameda County Transportation Commission  
Measure B Funds

Notes to Financial Statements  
June 30, 2013

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**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

***F. Fund Balance***

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a funds cash and receivables, less its liabilities. At June 30, 2013, \$749,251 of Measure B funds were temporarily restricted for use in programs imposed by Alameda CTC stipulations. These stipulations may expire with time or may be satisfied and removed by the actions of Alameda CTC. Upon expiration, satisfaction or removal, the associated net assets are released from temporary restriction and reported as unrestricted fund balances.

**2 CASH AND INVESTMENTS**

Measure B funds received by the Alameda County Public Works Agency are deposited with the Treasurer of the County of Alameda. The Treasurer invests pooled cash and investments in accordance with policy guidelines established by the County. Information pertaining to the pooled cash and investments held by the Treasurer is included in the June 30, 2013 Comprehensive Annual Financial Report of the County (CAFR). These investments are subject to various types of risk. The required disclosure on the risks and fair values for these investments is made in the notes to the CAFR. Interest on pooled cash and investments is allocated quarterly to individual funds based on investment income and the average daily balance maintained by each fund.

**3 COUNTYWIDE BICYCLE AND PEDESTRIAN PLAN**

The Alameda CTC reviews and approves the Countywide Bicycle and Pedestrian Plan which serves as a strategic plan for prioritizing expenditure for Bicycle and Pedestrian projects. The Countywide Bicycle and Pedestrian Plan is subject to pre-approval via a public meeting process. The Plan was last updated on October 25, 2012.

**4 COMMITMENTS AND CONTINGENCIES**

Alameda County Public Works Agency 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. Management, upon advice of legal counsel handling such actions believes that the ultimate resolution of any such actions will not have a material adverse effect on the agency's financial position or results of operations.

**5 MEASURE B PROJECTS**

Major projects funded in part by Measure B consists primarily of bridge improvements (High & Park Street), bridge operations (Estuary Bridges), rehabilitation of pavement for various roadways, installation of pedestrian ramps and sidewalk & bike/ped pavement improvements.

**ALAMEDA COUNTY PUBLIC WORKS AGENCY**  
Alameda County Transportation Commission  
Measure B Funds  
Schedule of Current Year's Finding  
June 30, 2013

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There were no findings for the period from July 1, 2012 through June 30, 2013.



**ALAMEDA COUNTY PUBLIC WORKS AGENCY**  
Alameda County Transportation Commission  
Measure B Funds  
Status of Prior Year Findings  
June 30, 2013

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Based on the audit report for the year ended June 30, 2012, there were no findings.