

**City of Pleasanton
Alameda County Transportation
Commission
Measure B Program**

Pleasanton, California

**Independent Auditors' Reports
and Financial Statements**

For the Year Ended June 30, 2024



City of Pleasanton
Alameda County Transportation Commission
Measure B Program
For the Year Ended June 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and the Members of the City Council
of the City of Pleasanton
Pleasanton, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the City of Pleasanton Alameda County Transportation Commission Measure B Program (the "Program") of the City of Pleasanton, California (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Program of the City as of June 30, 2024, and the change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

Financial Statements Presentation

As discussed in Note 1, the financial statements present only the Program and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2024, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibility of Management 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; and for 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed;
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

To the Honorable Mayor and the Members of the City Council
of the City of Pleasanton
Pleasanton, California
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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2024, on our consideration of the City'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 the City'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 the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California
December 27, 2024

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FINANCIAL STATEMENTS

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**City of Pleasanton
Alameda County Transportation Commission
Measure B Program
Balance Sheet
June 30, 2024**

	Bicycle and Pedestrian Special Revenue Fund
ASSETS	
Cash and investments	\$ 410,505
Interest receivable	948
Total assets	411,453
LIABILITIES AND FUND BALANCE	
Liabilities:	10,670
Accounts payable	10,670
Total liabilities	10,670
Fund Balance:	
Restricted for Measure B Programs and Projects	400,783
Total fund balance	400,783
Total liabilities and fund balance	\$ 411,453

City of Pleasanton
Alameda County Transportation Commission
Measure B Program
Statement of Revenues, Expenditures, and Change in Fund Balance
For the Year Ended June 30, 2024

	Bicycle and Pedestrian Special Revenue Fund
REVENUES:	
Other Measure B revenues:	
Investment earnings:	
Interest and earnings on fair market value of investments	\$ 56,434
Total revenues	56,434
EXPENDITURES:	
Measure B Direct Local Distribution Program Expenditures:	
Measure B Capital Outlay	140,726
Total expenditures	140,726
NET CHANGE IN FUND BALANCE	(84,292)
FUND BALANCE:	
Beginning of year	485,075
End of year	\$ 400,783

City of Pleasanton
Alameda County Transportation Commission
Measure B Program
Notes to the Financial Statements
For the Year Ended June 30, 2024

Note 1 – The Reporting Entity

All transactions of the Alameda County Transportation Commission – Measure B Program (the “Program”) of the City of Pleasanton, California (the “City”), are reported in a separate special revenue fund in the basic financial statements of the City.

Measure B funds are restricted for bicycle and pedestrian safety improvement projects around the City.

The accompanying financial statements are for the Program only and are not intended to fairly present the financial position of the City or the results of its operations.

Note 2 – Summary of Significant Accounting Policies

A. Basis of Accounting

The accompanying financial statements present only the Program and are not intended to present the financial position, and changes in financial position of the City in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

The accounting policies of the Program are in accordance with U.S. GAAP applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing accounting and financial reporting principles.

The accompanying financial statements of special revenue funds are prepared on the modified accrual basis of accounting. Measure B program revenues are generally recorded when measurable and available (generally 90 days after year-end), and expenditures are recorded when the related liabilities are incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a “*current financial resources*” measurement focus, wherein only current assets and current liabilities generally are included on the balance sheets. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

B. Description of Funds

The Program funds are Special Revenue Funds which are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Program accounts are maintained on the basis of fund accounting. A fund is a separate accounting entity with a self-balancing set of accounts.

The Program funds account for moneys received from voter-approved Measure B which is to be used for street construction, repair, and maintenance and for bicycle and pedestrian safety projects.

City of Pleasanton
Alameda County Transportation Commission
Measure B Program
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 2 – Summary of Significant Accounting Policies (Continued)

C. Cash and Investments

The Program's cash is pooled with the City's internal investment pool. The share of each fund in the pooled cash account was separately maintained and interest income was apportioned to the participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments at the end of each quarter.

D. Receivables

All receivables are shown net of an allowance for uncollectible amounts.

E. Fund Balance

Measure B fund balance is restricted. A restricted fund balance represents amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first.

F. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 3 – Cash and Investments

The Program's cash and investments are pooled with the City of Pleasanton in the amount of \$410,505. Each Fund's share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their daily cash balances to the total of the pooled cash and investments at the end of each quarter. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the Program's pooled cash and investments is included in the City's basic financial statements, which are available at the City of Pleasanton at 123 Main Street, Pleasanton, California 94566 or on the City's website at <https://www.cityofpleasantonca.gov>.

Note 4 – Commitments and Contingencies

The City participates in several grant programs. These programs may be subject to further examination by the grantors and the amount of expenditures, if any, which may be disallowed by the granting agencies, and cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

City of Pleasanton
Alameda County Transportation Commission
Measure B Program
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 5 – Measure B Funds

Under Measure B, approved by the voters of Alameda County in 1986 (Old Measure B) and in 2000, ACTC Measure B, the City received a portion of the proceeds of an additional one-half cent sales tax to be used for transportation-related expenditures. Measure B sales tax collections were in effect for 20 years from April 1, 2002 through March 31, 2022. As of June 30, 2024, the City is still in process of spending down its Measure B Bicycle and Pedestrian proceeds. Projects funded by Measure B during Fiscal Year 2023/24 included the West Las Positas Boulevard Multimodal Reconstruction Project under the City’s Bicycle and Pedestrian Safety Program.

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**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***

Independent Auditors' Report

To the Honorable Mayor and the Members of the City Council
of the City of Pleasanton
Pleasanton, California

We have audited, in accordance with the 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, the financial statements of the Alameda County Transportation Commission Measure B Program (“the Program”) of the City of Pleasanton, California (“City”), as of and for the year ended June 30, 2024, and the related notes to the financial statements and have issued our report thereon dated December 27, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City’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 or significant deficiencies may exist that were not identified.

To the Honorable Mayor and the Members of the City Council
of the City of Pleasanton
Pleasanton, California
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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of the Program are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with these 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*.

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

The Per Group, LLP

Santa Ana, California
December 27, 2024



REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Independent Auditors' Report

To the Honorable Mayor and the Members of the City Council
of the City of Pleasanton
Pleasanton, California

Report on Compliance for Alameda County Transportation Commission Measure B Program Required by Alameda County Transportation Commission

Opinion on Alameda County Transportation Commission Measure B Program

We have audited the Alameda County Transportation Commission Measure B Program (“the Program”) of the City of Pleasanton, California’s (the “City”) compliance with the types of compliance requirements described in the agreement with the Alameda County Transportation Commission, dated July 1, 2016 (the “Agreement”) for the year ended June 30, 2024.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the City’s compliance with the Agreement for the year ended June 30, 2024.

Basis for Opinion on Alameda County Transportation Commission Measure B Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (“GAAS”); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (“*Government Auditing Standards*”); and the audit requirements of the Agreement. Our responsibilities under those standards and the Agreement are further described in the Auditors’ Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the Program. Our audit does not provide a legal determination of the City’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Program.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Agreement will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the Agreement as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Agreement, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Agreement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 compliance requirement 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 compliance requirement of the Agreement 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 compliance requirement 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weakness or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

To the Honorable Mayor and the Members of the City Council
of the City of Pleasanton
Pleasanton, California
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Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

The PwC Group, LLP

Santa Ana, California
December 27, 2024

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