

DRAFT

Staff Report 21-520
Att.3.

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

MEASURE BB FUNDS

June 30, 2021

DRAFT
ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

MEASURE BB FUNDS
June 30, 2021

CONTENT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MEASURE BB FUNDS AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON COMBINING BALANCE SHEET, COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND SCHEDULE OF REVENUES AND EXPENSES.....	1
COMBINING BALANCE SHEET.....	3
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE	4
SCHEDULE OF REVENUES AND EXPENSES	5

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MEASURE BB FUNDS
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON COMBINING BALANCE
SHEET, COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES AND SCHEDULE OF REVENUES AND EXPENSES

Board of Directors
Alameda-Contra Costa Transit District
Oakland, California

Report on Compliance for Measure BB Funds

We have audited Alameda-Contra Costa Transit District's (the "District") compliance with the types of compliance requirements described in Measure BB 2014 Expenditure Plan, issued by the Alameda County Transportation Commission, that could have a direct and material effect on the District's compliance with the Measure BB Program for the year ended June 30, 2021.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, and the terms and conditions of its funds applicable to the Measure BB 2014 Expenditure Plan issued by the Alameda County Transportation Commission.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Measure BB funds 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 requirements specified in the Measure BB 2014 Expenditure Plan issued by the Alameda County Transportation Commission. Those standards and requirements 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 Measure BB Funds occurred. An audit includes examining, on a test basis, evidence about the District'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 the Measure BB Program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Measure BB Funds

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Measure BB Program for the year ended June 30, 2021.

(Continued)

Report on Internal Control over Compliance

Management of the District 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 the District's internal control over compliance with the types of requirements that could have a direct and material effect on the Measure BB Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Measure BB Program and to test and report on internal control over compliance with the requirements referred to above, 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 the District'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 the Measure BB 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 the Measure BB 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 the Measure BB 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, specified in the Measure BB 2014 Expenditure Plan issued by the Alameda County Transportation Commission. Accordingly, this report is not suitable for any other purpose.

Report on Combining Balance Sheet, Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances and Schedule of Revenues and Expenses

We have audited the financial statements of the business-type activities and fiduciary activities of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated **November XX, 2021**, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying combining balance sheet, combining schedule of revenues, expenditures, and changes in fund balance, and schedule of revenues and expenses are presented for purposes of additional analysis and are not a required part of the basic 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 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 combining balance sheet, combining schedule of revenues, expenditures, and changes in fund balance, and schedule of revenue and expenses are fairly stated in all material respects in relation to the basic financial statements as a whole.

Crowe LLP

San Francisco, California
November XX, 2021

DRAFT
ALAMEDA-CONTRA COSTA TRANSIT DISTRICT
MEASURE BB FUNDS
ALAMEDA COUNTY TRANSPORTATION COMMISSION
COMBINING BALANCE SHEET
June 30, 2021

	<u>Paratransit</u>	<u>Mass Transit</u>	<u>Total</u>
ASSETS			
Measure BB direct local program distribution receivable	\$ 1,484,216	\$ 6,200,726	\$ 7,684,942
Total assets	<u>\$ 1,484,216</u>	<u>\$ 6,200,726</u>	<u>\$ 7,684,942</u>
FUND BALANCES			
Restricted for:			
Paratransit programs	\$ 1,484,216	\$ -	\$ 1,484,216
Measure BB projects & programs	<u>-</u>	<u>6,200,726</u>	<u>6,200,726</u>
Total fund balances	<u>\$ 1,484,216</u>	<u>\$ 6,200,726</u>	<u>\$ 7,684,942</u>

DRAFT
 ALAMEDA-CONTRA COSTA TRANSIT DISTRICT
 MEASURE BB FUNDS
 ALAMEDA COUNTY TRANSPORTATION COMMISSION
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE
 For the year ended June 30, 2021

	<u>Paratransit</u>	<u>Mass Transit</u>	<u>Total</u>
REVENUES			
Measure BB direct local program distribution revenue	\$ 7,300,892	\$ 30,501,505	\$ 37,082,397
Total revenues	<u>7,300,892</u>	<u>30,501,505</u>	<u>37,802,397</u>
EXPENDITURES			
Paratransit Transportation and operations	<u>6,914,369</u>	<u>28,886,697</u>	<u>35,801,066</u>
Total expenditures	<u>6,914,369</u>	<u>28,886,697</u>	<u>35,801,066</u>
Revenues over/under expenditures	<u>386,523</u>	<u>1,614,808</u>	<u>2,001,331</u>
FUND BALANCES			
Beginning fund balance	<u>1,097,693</u>	<u>4,585,918</u>	<u>5,683,611</u>
Ending fund balance	<u>\$ 1,484,216</u>	<u>\$ 6,200,726</u>	<u>\$ 7,684,942</u>

DRAFT
ALAMEDA-CONTRA COSTA TRANSIT DISTRICT
MEASURE BB FUNDS
SCHEDULE OF REVENUES AND EXPENSES
For the year ended June 30, 2021

Revenues	
Paratransit - AC Transit	\$ 7,300,892
AC Transit Services	<u>30,501,505</u>
Total revenues	<u>\$ 37,802,397</u>
Operating expenses	
Paratransit - AC Transit	\$ 6,914,369
AC Transit Services	<u>28,886,697</u>
Total operating expenses	<u>\$ 35,801,066</u>