

**CITY OF ALAMEDA, CALIFORNIA**  
**PEDESTRIAN AND BICYCLE PROJECTS**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2020**

This Page Left Intentionally Blank

**CITY OF ALAMEDA  
PEDESTRIAN AND BICYCLE PROJECTS  
Financial Statements  
For the Year Ended June 30, 2020**

**Table of Contents**

|   | <b><u>Page</u></b> |
|---|--------------------|
| <b>Independent Auditor's Report .....</b>   | <b>1</b>           |
| Balance Sheet.....  | 3                  |
| Statement of Revenues, Expenditures and Changes in Fund Balance .....   | 4                  |
| Notes to Financial Statements.....  | 5                  |
| <b>Independent Auditor's Report on Internal Control Over Financial Reporting,<br/>on Compliance with the Transportation Development Act<br/>and Other Matters Based on an Audit of Financial Statements<br/>Performed in Accordance <i>with Government Auditing Standards</i> .....</b> | <b>7</b>           |

This Page Left Intentionally Blank

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council of the  
City of Alameda, California

### *Report on the Financial Statements*

We have audited the financial statements of the Pedestrian and Bicycle Projects (Projects) of the City of Alameda, as of and for the year ended June 30 2020 and the related notes to the 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 the 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 Projects' 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 Projects' 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.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Projects as of June 30, 2020 and the change in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the Projects and do not purport to, and do not present fairly the financial position of the City as of June 30, 2020 or the change in its financial position 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2020 on our consideration of the Projects' 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 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 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 Projects' internal control over financial reporting and compliance.

*Maye & Associates*

Pleasant Hill, California  
December 29, 2020

CITY OF ALAMEDA  
PEDESTRIAN AND BICYCLE PROJECTS  
BALANCE SHEET  
JUNE 30, 2020

|  | 2020  |   |   |           |
|--|---|---|---|-----------|
|  | Allocation<br>Instruction<br>Number<br>18001038 | Allocation<br>Instruction<br>Number<br>19001058 | Allocation<br>Instruction<br>Number<br>20001061 | Total     |
| <b>ASSETS</b>  |   |   |   |           |
| Due from Metropolitan Transportation Commission                      | \$348,196                                       | \$80,000  | \$81,800  | \$509,996 |
| <b>LIABILITIES</b>   |   |   |   |           |
| Due to the City  | \$348,196                                       | \$80,000  | \$81,800  | \$509,996 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                 |   |   |   |           |
| Unavailable Revenue  |   |   | 81,800  | 81,800    |
| FUND BALANCE (DEFICIT)   |   |   | (81,800)  | (81,800)  |
| Total Liabilities, Deferred Inflows of<br>Resources and Fund Balance | \$348,196                                       | \$80,000  | \$81,800  | \$509,996 |

See accompanying notes to financial statements

CITY OF ALAMEDA  
PEDESTRIAN AND BICYCLE PROJECTS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2020

|   | 2020  |   |   |                   |
|---|---|---|---|-------------------|
|   | Allocation<br>Instruction<br>Number<br>18001038 | Allocation<br>Instruction<br>Number<br>19001058 | Allocation<br>Instruction<br>Number<br>20001061 | Total             |
| REVENUES  |   |   |   |                   |
| TDA Article 3.0 (Note 2)  | \$348,196                                       | \$80,000  |   | \$428,196         |
| Total Revenues  | 348,196   | 80,000  |   | 428,196           |
| EXPENDITURES  |   |   |   |                   |
| Cross Alameda Trail: Main to Constitution<br>Active Transportation Plan | 348,196   | 80,000  | \$81,800  | 428,196<br>81,800 |
| Total Expenditures  | 348,196   | 80,000  | 81,800  | 509,996           |
| Excess of Revenues over Expenditures                                    |   |   | (81,800)  | (81,800)          |
| Fund balance at beginning of year                                       |   |   |   |                   |
| Fund balance (deficit) at end of year                                   |   |   | (\$81,800)                                      | (\$81,800)        |

See accompanying notes to financial statements



**CITY OF SANTA CLARA**  
**PEDESTRIAN AND BICYCLE PROJECTS**  
**Notes to the Financial Statements**  
**For the Year Ended June 30, 2020**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Alameda has developed the Pedestrian and Bicycle Projects (Projects) under the Transportation Development Act (TDA), Article 3.0, for the construction for pedestrian pathways, wheelchair ramps and bicycle master plan studies.

The TDA funds are distributed through the Metropolitan Transportation Commission (MTC), which is the agency responsible for allocation of funds to eligible claimants within the greater San Francisco Bay Area.

The Projects are included in the Capital Project Fund of the Comprehensive Annual Financial Report of the City. The financial statements are intended to present the financial position and results of operation for the Projects, and not those of the City as a whole.

**A. *Basis of Accounting***

Basis of accounting refers to when revenues and expenditures are recognized. The Projects are accounted for in a governmental fund type and the modified accrual basis of accounting is used. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when they are incurred.

**B. *Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of balance sheet may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Projects have only one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the balance sheet. The Projects report unavailable revenues from one source: accounts receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**C. *Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF SANTA CLARA  
PEDESTRIAN AND BICYCLE PROJECTS  
Notes to the Financial Statements  
For the Year Ended June 30, 2020**

**NOTE 2 - TDA ARTICLE 3.0 REVENUE**

As of June 30, 2020, the City had allocation instructions from the Metropolitan Transportation Commission for the following projects:

| Project Name                                 | Allocation<br>Instruction # | Grant<br>Amount | Expended from<br>Inception to<br>June 30, 2020 | Revenue Received<br>Inception to<br>June 30, 2020 |
|--|-----------------------------|-----------------|--|---|
| Cross Alameda Trail: Main to<br>Constitution | 18001038                    | \$348,196       | \$348,196                                      | \$348,196   |
| Cross Alameda Trail: Main to Constitution    | 19001058                    | 80,000          | 80,000   | 80,000  |
| Active Transportation Plan                   | 20001061                    | 81,800          | 81,800   | 0   |

**INDEPENDENT AUDITOR'S REPORT ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING,  
ON COMPLIANCE WITH THE TRANSPORTATION DEVELOPMENT ACT  
AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and City Council of the  
City of Alameda, 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 financial statements of the City of Alameda Pedestrian and Bicycle Projects (Projects), as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated December 29, 2020.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Projects' internal control over financial reporting (internal control) to determine the 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 the Projects' internal control. Accordingly, we do not express an opinion on the effectiveness of the Projects' Fund'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 Projects' 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 the Projects' 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 determination of financial statement amounts. Our procedures included the applicable audit procedures contained in §6666 of Title 21 of California Code of Regulations and tests of compliance with the applicable provisions of the Transportation Development Act and the Allocation Instructions and Resolutions of the Metropolitan Transportation Commission. 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*.

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

This report is intended solely for the information and use of the Metropolitan Transportation Commission, management, City Council, others within the City, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.



Pleasant Hill, California  
December 29, 2020