

**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE
dba WEST CONTRA COSTA TRANSPORTATION COMMISSION
BASIC FINANCIAL STATEMENTS**

For the Year Ended June 30, 2025

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WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
Basic Financial Statements
For the Year Ended June 30, 2025

Table of Contents

	Page
<i>Independent Auditor's Report</i>	1
<i>Management's Discussion and Analysis</i>	5
<i>Basic Financial Statements:</i>	
Government-wide Financial Statements:	
Statement of Net Position.....	18
Statement of Activities	19
Fund Financial Statements:	
General Fund:	
Balance Sheet.....	22
Statement of Revenues, Expenditures, and Changes in Fund Balances	23
Reconciliation of the Net Change in Fund Balances – Total Governmental Funds with the Statement of Activities.....	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	25
Notes to Basic Financial Statements.....	27
<i>Required Supplementary Information:</i>	
Schedule of WCCTAC's Proportionate Share of the Net Pension Liability – Miscellaneous Plan – Classic	47
Schedule of Contributions – Pension – Miscellaneous Plan – Classic.....	48
Schedule of Changes in the Net OPEB Liability and Related Ratios	49

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
West Contra Costa Transportation Advisory Committee
El Cerrito, California

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the West Contra Costa Transportation Advisory Committee (WCCTAC), California, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise WCCTAC's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund and the budgetary comparison listed as part of the basic financial statements in the Table of Contents 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WCCTAC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement 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.

Responsibilities 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WCCTAC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 generally accepted 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 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 generally accepted 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 WCCTAC'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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WCCTAC's ability to continue as a going concern for a reasonable period of time.

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

Accounting principles generally accepted in the United States of America require that the 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 is the responsibility of management and, 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.

Maze & Associates

Pleasant Hill, California
January 12, 2026

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MANAGEMENT’S DISCUSSION & ANALYSIS (MD&A)

The MD&A is a discussion and analysis of WCCTAC’s financial activities for the fiscal year ended June 30, 2025. Please read this document in conjunction with the accompanying Basic Financial Statements.

Organization

This MD&A provides a discussion and analysis of the following:

- Overview of the Financial Report
- WCCTAC’s Programs and Projects, and Activities and Accomplishments
- Entity-Wide Financial Statements – Statement of Net Position and Statement of Activities
- Fund Financial Statements – Balance Sheet, Revenues & Expenditures by Program and Agency-wide Budget vs. Actual
- Looking Ahead

Questions Regarding WCCTAC’s Financial Management

This Financial Report is intended to provide citizens, members, investors, and creditors with a general overview of WCCTAC’s finances. Questions about this Report should be directed to the WCCTAC at 6333 Potrero Avenue, El Cerrito, CA 94530.

OVERVIEW OF THE FINANCIAL REPORT

This Financial Report is presented in two parts:

- 1) Management's Discussion & Analysis (this part), and
- 2) The Basic Financial Statements, which include the Entity-wide and the Fund Financial Statements, along with the Notes to these financial statements.

The Basic Financial Statements

The Basic Financial Statements comprise the Entity-wide Financial Statements and the Fund Financial Statements, which provide two different views of WCCTAC's financial activities and financial position – long-term and short-term, respectively.

The Entity-wide Financial Statements provide a longer-term view of WCCTAC's activities and comprise the *Statement of Net Position* and the *Statement of Activities*. The Statement of Net Position provides information about the financial position of WCCTAC, including all of its capital assets and long-term liabilities on the full accrual basis, which means the flow of all economic resources, are measured. The Statement of Activities provides information about all of WCCTAC's revenues and expenses, also on the full accrual basis, with emphasis on measuring net revenues or expenses of each of WCCTAC's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All WCCTAC's programs are considered to be governmental activities. These programs are supported by program revenues such as grants and member contributions, as well as general revenues such as investment earnings.

The Fund Financial Statements report WCCTAC's operations in more detail than the entity-wide statements and focus primarily on the short-term activities of WCCTAC's General Fund. The Fund Financial Statements measure only current revenues and expenditures, current assets, liabilities, deferred outflows/inflows of resources and fund balances; they exclude capital assets, long-term debt, and other long-term amounts. Governmental Fund Financial Statements are prepared on a modified accrual basis, which means only current financial resources and uses are measured. Comparisons of Budget and Actual financial information are also presented for the General Fund.

WCCTAC'S PROGRAMS AND PROJECTS, AND ACTIVITIES AND ACCOMPLISHMENTS

The following provides a description of WCCTAC's fund categories that are analyzed in this Financial Report and lists the major activities and accomplishments during FY 2024-2025.

Fund Categories

WCCTAC's finances are organized around four major functions, all part of the General Fund, but each with its unique accounting needs:

Advisory Committee: This includes all work related to WCCTAC's function as the Regional Transportation Planning Committee for West County under Measure J, as well as local transportation planning efforts resulting from the agency's functions as a Joint Powers Authority (JPA). This program is funded with annual member agency contributions.

Transportation Demand Management (TDM): This includes all work aimed at reducing solo vehicle driving and promoting walking, bicycling, transit, carpooling, and vanpooling, which is coordinated with the larger countywide 511 Contra Costa Program. The program is funded on a reimbursement basis with Measure J and grants from the Air District that are administered by the countywide transportation authority.

Subregional Transportation Mitigation Fee Program (STMP): WCCTAC acts as the trustee for the developer impact fees collected by the West County cities and the unincorporated areas of the County to fund regionally significant transportation projects necessitated by new development. The STMP is a requirement under Measure J's Growth Management Element. WCCTAC administers the program, which comprises eleven capital projects that are managed by others.

Other Reimbursable Projects: As a JPA, WCCTAC can apply for and receive grants that facilitate various elements of transportation in West County. These grants usually flow on a reimbursement basis, and WCCTAC typically retains consultants to perform the work.

Activities and Accomplishments by Program

FY 2024-20245

Advisory Committee

- Completed the Richmond Parkway Transportation Plan in collaboration with Contra Costa County and the City of Richmond, laying the groundwork for future transportation improvements along this important corridor.
- Worked alongside CCTA, AC Transit, and the cities of El Cerrito, Richmond, and San Pablo to finalize the scope of work for Phase 3 of the San Pablo Avenue Multimodal Corridor Study, setting the stage for the next round of community engagement and concept development.
- Culminated a working group involving WCCTC, MTC/BART, Caltrans, CCTA, and Richmond with a set of detailed recommendations to mitigate cut-through traffic in Point Richmond stemming from I-580 congestion.
- Made several key IT improvements, including installing a backup power battery for the server, enhancing file backup capabilities through a new cloud service, and conducting ongoing cybersecurity training for all staff.
- Welcomed new Administrative Assistant Mia Carrasco following the retirement of long-serving staff member Valerie Jenkins.
- Fully executed the update to the Joint Exercise of Powers Agreement (JPA).

Transportation Demand Management (TDM)

- Hosted the largest number of energizer stations (13) in history of Bike to Work/Wherever Day in West County, with participation levels returning to pre-pandemic numbers.
- Transitioned Secure Your Cycle (\$20 BikeLink account incentive for commuters) from a physical card to a digital, app-based incentive.
- Prepared to transition Try Transit, Take 10, and Secure Your Cycle to West County-only programs (as opposed to Countywide) due to changes in CCTA's TFCA policy.
- Implemented a leaner staffing model and reduced cost structure in response to a loss of some TFCA funding historically used to support TDM efforts, maintaining operational sustainability.

Subregional Transportation Mitigation Fee Program (STMP)

- Began developing a scope for an update of the STMP Nexus Study, a task required by state law.
- Disbursed funds for Board-approved projects including the San Pablo Avenue Bridge in San Pablo and the San Pablo Avenue Bridge in Pinole.
- Continued essential work on STMP administration, including the development and maintenance of STMP funding agreements, responses to fee-related inquiries from local jurisdictions and developers, an evaluation of the impact of state legislation on fee collection, and monitoring fee collection and fund disbursement.

Other Reimbursable Projects

- Worked with CCTA to evaluate next steps for the Measure J-funded travel training program.
-

ENTITY-WIDE FINANCIAL STATEMENTS

Statement of Net Position

WCCTAC's net position increased by \$1,035,307 in FY 2024-25. This increase is explained in detail in the discussion of the Statement of Activities below. Financial highlights are as follows:

- Cash and investments available for WCCTAC's operations were \$17,295,586. All cash was invested with the City of San Pablo's investment pool.
- The Net Other Post-Employment Benefits (OPEB) Liability was \$131,725 at year end. The Net OPEB liability represents the contributions needed to fund WCCTAC's post-employment health care benefits of its employees.
- Other assets and liabilities included normal business receivables and payables.

Statement of Activities

The Statement of Activities presents program revenues and program expenses in detail, followed by general revenues.

WCCTAC's main revenue sources are member operating contributions, operating grants from the Contra Costa Transportation Authority (CCTA) for the Transportation Demand Management Program, STMP developer impact fees for capital projects, and other grant sources. In FY 2024-25, WCCTAC received \$600,461 in member contributions, \$510,820 in TDM grants, \$1,042,599 in STMP fees, and \$263,943 in other grants. Total program revenues in FY 2024-25 decreased \$2,616,026 from the prior year to \$3,067,545 due to a decrease in collections from STMP.

WCCTAC's expenses had a slight decrease by \$287,654 in FY 2024-25 to \$2,032,238.

In FY 2024-25, WCCTAC's program revenues of \$3,067,545 were higher than the program expenditures of \$2,032,238 which, overall resulted in an increase of \$1,035,307.

FUND FINANCIAL STATEMENTS

Balance Sheet

	Year Ended		Difference
	PY: 6/30/2024	CY: 6/30/2025	
ASSETS			
Cash & investments	\$ 16,097,012	\$ 17,295,586	\$ 1,198,574
Revenue receivable	\$ 414,528	\$ 47,451	\$ (367,077)
Total Assets	<u>\$ 16,511,540</u>	<u>\$ 17,343,037</u>	<u>\$ 831,497</u>
LIABILITIES			
Accounts payable	\$ 525,667	\$ 69,977	\$ (455,690)
Unearned revenue	\$ 40,001	\$ 40,001	\$ -
Total Liabilities	<u>\$ 565,668</u>	<u>\$ 109,978</u>	<u>\$ (455,690)</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET POSITION			
Restricted for:			
STMP	\$ 15,725,383	\$ 16,999,892	\$ 1,274,509
TDM	\$ 27,144	\$ 27,145	\$ 1
Assigned to:			
Unused Accumulated Vacation	\$ -	\$ -	\$ -
Unassigned	<u>\$ 193,345</u>	<u>\$ 206,022</u>	<u>\$ 12,677</u>
Total Fund Equity	<u>\$ 15,945,872</u>	<u>\$ 17,233,059</u>	<u>\$ 1,287,187</u>
Total Liabilities, Deferred Inflows of Resources & Fund Equity	<u>\$ 16,511,540</u>	<u>\$ 17,343,037</u>	<u>\$ 831,497</u>

Discussion

- Cash, investments, and liabilities increased, mainly due to Richmond Parkway Grant

Revenues, Expenditures, and Fund Balances by Program

Advisory Committee Program	Year Ended		Difference
	PY: 6/30/2024	CY: 6/30/2025	
REVENUES			
Intergovernmental			
Member contributions	\$ 584,874	\$ 600,461	\$ 15,587
Measure C/J & TFCA	\$ -	\$ -	\$ -
Subregional Trans. Fees	\$ -	\$ -	\$ -
Other grants	\$ -	\$ -	\$ -
Other contributions	\$ 46,653	\$ 128,836	\$ 82,183
Interest	\$ (3,789)	\$ 3,008	\$ 6,797
Total Revenues	\$ 627,738	\$ 732,305	\$ 104,567
EXPENDITURES			
Salary and benefits	\$ 530,829	\$ 517,997	\$ (12,832)
Consultants	\$ 75,872	\$ 78,452	\$ 2,580
Training & transportation	\$ 752	\$ 1,581	\$ 829
Office expenses & supplies	\$ 31,251	\$ 32,754	\$ 1,503
Other	\$ -	\$ -	\$ -
Total Expenditures	\$ 638,704	\$ 630,784	\$ (7,920)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			
	\$ (10,966)	\$ 101,521	\$ 112,487
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ -	\$ -
Transfers (out)	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCE			
	\$ (10,966)	\$ 101,521	\$ 112,487
Fund Balance (deficit) at beginning of year	\$ 115,467	\$ 104,501	\$ (10,966)
Fund Balance (deficit) at end of year	\$ 104,501	\$ 206,022	\$ 101,521

Discussion

- Member dues increased 2.6% from PFY.
- Revenues for FY 25 show a increase due to Richmond Parkway Study.
- Administrative position changed from 34 hours to 25 hours.
- Consultant contracts in FY25 include Legal Counsel, Accounting, and IT.

Revenues, Expenditures, and Fund Balances by Program (cont'd.)

Transportation Demand Management (TDM) Program	Year Ended		Difference
	PY: 6/30/2024	CY: 6/30/2025	
REVENUES			
Intergovernmental			
Member contributions	\$ -	\$ -	\$ -
Measure C/J & TFCA	\$ 527,172	\$ 510,820	\$ (16,352)
Subregional Trans. Fees	\$ -	\$ -	\$ -
Other grants	\$ -	\$ -	\$ -
Other contributions	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -
Total Revenues	\$ 527,172	\$ 510,820	\$ (16,352)
EXPENDITURES			
Salary and benefits	\$ 336,644	\$ 271,364	\$ (65,280)
Consultants and special department expense	\$ 162,286	\$ 207,169	\$ 44,883
Training & transportation	\$ 1,297	\$ 2,264	\$ 967
Office expenses & supplies	\$ 26,945	\$ 30,022	\$ 3,077
Other	\$ -	\$ -	\$ -
Total Expenditures	\$ 527,172	\$ 510,819	\$ (16,353)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			
	\$ -	\$ 1	\$ 1
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ -	\$ -
Transfers (out)	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCE			
	\$ -	\$ 1	\$ 1
Fund Balance (deficit) at beginning of year	\$ 27,144	\$ 27,144	\$ -
Fund Balance (deficit) at end of year	\$ 27,144	\$ 27,145	\$ 1

Discussion

- TDM revenue and expenditures show a decrease in FY25, but remain consistent.
- The TDM special department expense budget includes transit incentives (Try Transit), promotions, and ride vouchers for Guaranteed Ride Home Program (GRH) participants. The costs fluctuate year by year in large part due to the unpredictability of the number of GRH and Try Transit participants.

Subregional Transportation Mitigation Fee Program (STMP)	Year Ended		Difference
	PY: 6/30/2024	CY: 06/30/2025	
REVENUES			
Intergovernmental			
Member contributions	\$ -	\$ -	\$ -
Measure C/J & TFCA	\$ -	\$ -	\$ -
Subregional Trans. Fees	\$ 3,710,651	\$ 1,042,599	\$ (2,668,052)
Other grants	\$ -	\$ -	\$ -
Other contributions	\$ -	\$ -	\$ -
Interest	\$ 410,584	\$ 517,878	\$ 107,294
Total Revenues	\$ 4,121,235	\$ 1,560,477	\$ (2,560,758)
EXPENDITURES			
Salary and benefits	\$ 80,000	\$ 85,000	\$ 5,000
Consultants	\$ 676,467	\$ 200,968	\$ (475,499)
Training & transportation	\$ -	\$ -	\$ -
Office expenses & supplies	\$ -	\$ -	\$ -
Publications & communications	\$ -	\$ -	\$ -
Total Expenditures	\$ 756,467	\$ 285,968	\$ (470,499)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			
	\$ 3,364,768	\$ 1,274,509	\$ (2,090,259)
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ -	\$ -

Discussion

- STMP revenues decreased in FY25 due to less new development activity.
- Expenditures decreased from FY24, as the overall STMP reimbursement request was lower. The timing of STMP reimbursement requests is unpredictable and depends upon the timing of fund-recipient spending on projects.

Revenues, Expenditures, and Fund Balances by Program (cont'd.)

Other Reimbursable Program	Year Ended		Difference
	PY: 6/30/2024	CY: 6/30/2025	
REVENUES			
Intergovernmental			
Member contributions	\$ -	\$ -	\$ -
Measure C/J & TFCA	\$ -	\$ -	\$ -
Subregional Trans. Fees	\$ -	\$ -	\$ -
Other grants	\$ -	\$ -	\$ -
Other contributions	\$ 407,426	\$ 263,943	\$ (143,483)
Interest	\$ -	\$ -	\$ -
Total Revenues	\$ 407,426	\$ 263,943	\$ (143,483)
EXPENDITURES			
Salary and benefits	\$ -	\$ -	\$ -
Consultants and special department expense	\$ 318,582	\$ 352,787	\$ 34,205
Training & transportation	\$ -		\$ -
Office expenses & supplies	\$ -		\$ -
Publications & communications	\$ -	\$ -	\$ -
Total Expenditures	\$ 318,582	\$ 352,787	\$ 34,205
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	\$ 88,844	\$ (88,844)	\$ (177,688)
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ -	\$ -
Transfers (out)	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCE			
	\$ 88,844	\$ (88,844)	\$ (177,688)
Fund Balance (deficit) at beginning of year	\$ -	\$ 88,844	\$ 88,844
Fund Balance (deficit) at end of year	\$ 88,844	\$ -	\$ (88,844)

Discussion

- Activity in FY25 was comprised of the Student Bus Pass Program and Richmond Parkway.
- Richmond Parkway - Caltrans Grant reimbursement is due to the decrease in revenue and increase in expenditures as the grant was completed in February 2025.

Revenues, Expenditures, and Fund Balances – Agency-Wide Budget and Actual

	Year Ended		
	PY: 6/30/2024	CY: 6/30/2025	Difference
REVENUES			
Original	\$ 3,968,415	\$ 3,864,311	\$ (104,104)
Final	\$ 3,951,119	\$ 4,443,875	\$ 492,756
Actual	<u>\$ 5,683,571</u>	<u>\$ 3,067,545</u>	\$ (2,616,026)
Variance with Final Budget +/-(-)	<u>\$ 1,732,452</u>	<u>\$ (1,376,330)</u>	
EXPENDITURES			
Original	\$ 8,260,422	\$ 13,032,446	\$ 4,772,024
Final	\$ 7,679,222	\$ 13,009,646	\$ 5,330,424
Actual	<u>\$ 2,240,925</u>	<u>\$ 1,780,358</u>	\$ (460,567)
Variance with Final Budget +/-(-)	<u>\$ 5,438,297</u>	<u>\$ 11,229,288</u>	
CHANGE IN FUND BALANCE - ACTUAL	\$ 3,442,646	\$ 1,287,187	
Fund Balance (deficit) at beginning of year	<u>\$ 12,503,226</u>	<u>\$ 15,945,872</u>	
Fund Balance (deficit) at end of year	<u><u>\$ 15,945,872</u></u>	<u><u>\$ 17,233,059</u></u>	

Discussion

- In FY25 budget, overall revenues were lower than budget expectations, largely due to a decrease in STMP revenues. Expenditures were lower than budgeted, due to less STMP fund disbursements than expected.

LOOKING AHEAD

Financial Outlook by Fund Categories

WCCTAC remains financially solid despite the impacts to the agency's operating dollars brought about by changes to the countywide TDM program. The specific outlook by program for next year (Fiscal Year 2026) is as follows:

Advisory Committee: Salaries and benefits are projected to increase by approximately 4.7%, driven by a proposed 2.7% cost-of-living adjustment, a 14% increase in the Unfunded Accrued Liability (UAL) payment to CalPERS, and a slight reallocation of personnel expenses from TDM. With the completion of the Richmond Parkway Transportation Plan, WCCTAC will no longer receive Caltrans reimbursement funding. Most other operational costs are expected to remain stable or increase slightly. The proposed increase in member agency dues is 2.7% for the for the upcoming year.

TDM: Funding levels are expected to remain relatively stable, with both Measure J sales tax revenues and TFCA revenues anticipated to be consistent with current-year actuals. However, the TFCA allocation carries significant uncertainty due to CCTA's changed approach to distributing these funds. WCCTAC will maintain its leaner staffing model and reduced cost structure implemented in the current year. The reduced expenses for commute incentives and marketing reflect the agency's scaled-down TDM program.

STMP: Revenues are expected to be approximately \$1.3 million in FY26, based on current trends and input from member agency staff. Recent changes in state legislation could affect the timing of development fee payments, particularly for housing projects, potentially impacting revenue collection. Staff will undertake an update to the 2019 STMP Nexus Study to evaluate fees and eligible projects, with \$250,000 in STMP funds reserved for this effort. A new Call for Projects is anticipated during the year, with just under \$4-6 million projected to be available in STMP funds by year-end.

Other Reimbursable Projects: With the completion of the Richmond Parkway Transportation Plan, WCCTAC will no longer receive Caltrans reimbursements or issue consultant payments related to that project. WCCTAC will continue to serve as a pass-through for Measure J 21b funds to John Swett Unified School District for its portion of the Student Bus Pass Program (SBPP), and to West Contra Costa Unified School District (WCCUSD) for administrative support of the program. Staff and the Board may evaluate the future of the Travel Training Program during FY26, particularly in relation to evolving plans from CCTA.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
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STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES
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The Statement of Net Position and the Statement of Activities summarize WCCTAC's entire financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all of WCCTAC's assets and deferred outflows of resources and all its liabilities and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all of WCCTAC's transactions are taken into account, regardless of whether or when cash changes hands.

The Statement of Net Position reports the difference between WCCTAC's total assets and deferred outflows of resources and WCCTAC's total liabilities and deferred inflows of resources, including all WCCTAC's capital assets and all its long-term debt. The Statement of Net Position focuses the reader on the composition of WCCTAC's net position, by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources.

The Statement of Net Position summarizes the financial position of all WCCTAC's Governmental Activities in a single column. WCCTAC's Governmental Activities include the activities of its General Fund.

The Statement of Activities reports increases and decreases in WCCTAC's net position. It is also prepared on the full accrual basis, which means it includes all WCCTAC's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, current deferred inflows/outflows, available revenues and measurable expenditures.

The Statement of Activities presents WCCTAC's expenses first, listed by program. Program revenues — that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental program. WCCTAC's general revenues are then listed in the Governmental Activities column, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
STATEMENT OF NET POSITION
JUNE 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and investments (Note 2)	\$17,295,586
Program revenue receivable	<u>47,451</u>
Total Assets	<u>17,343,037</u>
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions (Note 4)	277,254
Related to OPEB (Note 5)	<u>33,851</u>
Total Deferred Outflows of Resources	<u>311,105</u>
LIABILITIES	
Unearned revenue	40,001
Accounts payable	69,977
Accrued compensated absences (Note 1H)	152,465
Net pension liability (Note 4)	1,130,251
Total OPEB liability (Note 5)	<u>131,725</u>
Total Liabilities	<u>1,524,419</u>
DEFERRED INFLOWS OF RESOURCES	
Related to pensions (Note 4)	57,699
Related to OPEB (Note 5)	<u>69,271</u>
Total Deferred Inflows of Resources	<u>126,970</u>
NET POSITION (Note 6)	
Restricted for:	
STMP	16,999,892
Transportation Systems Management	27,145
Other Reimbursable Projects	
Unrestricted	<u>(1,024,284)</u>
Total Net Position	<u><u>\$16,002,753</u></u>

See accompanying notes to financial statements

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

				Net (Expense) Revenue and Changes in Net Position
		Program Revenues		
		Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Functions/Programs	Expenses			
Governmental Activities:				
Advisory Committee	\$882,664	\$729,297		(\$153,367)
Transportation Demand Management	510,819	510,820		1
STMP	285,968		\$1,042,599	756,631
Other reimbursable projects	352,787		263,943	(88,844)
Total Governmental Activities	<u>\$2,032,238</u>	<u>\$1,240,117</u>	<u>\$1,306,542</u>	514,421
General revenues:				
Investment earnings				<u>520,886</u>
Total General Revenues				<u>520,886</u>
Change in Net Position				1,035,307
Net Position - Beginning				<u>14,967,446</u>
Net Position - Ending				<u>\$16,002,753</u>

See accompanying notes to financial statements

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WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
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FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

WCCTAC's **General Fund**, which accounts for all administrative, operating and other expenditures incurred by WCCTAC, and to account for member charges and project reimbursements, is its only fund and is therefore a major fund.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
GENERAL FUND
BALANCE SHEET
JUNE 30, 2025

ASSETS

Cash and investments (Note 2)	\$17,295,586
Program revenue receivable	<u>47,451</u>
Total Assets	<u><u>\$17,343,037</u></u>

LIABILITIES

Unearned revenue	\$40,001
Accounts payable	<u>69,977</u>
Total Liabilities	<u>109,978</u>

FUND BALANCE

Fund Balance (Note 6)	
Restricted for:	
Transportation Demand Management	27,145
STMP	16,999,892
Unassigned	<u>206,022</u>
Total Fund Balance	<u>17,233,059</u>
Total Liabilities and Fund Balance	<u><u>\$17,343,037</u></u>

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

FUND BALANCE	\$17,233,059
--------------	--------------

LONG TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Fund:

Net OPEB liability and deferred outflows/inflows related to OPEB	(167,145)
Non-current portion of compensated absences	(152,465)
Net pension liability and deferred outflows/inflows related to pensions	<u>(910,696)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$16,002,753</u></u>
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See accompanying notes to the financial statements

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

	Programs			General
	Advisory	Transportation	Other	Fund
	Committee	Demand	Reimbursable	Total
		Management	Projects	
		STMP		
REVENUES				
Intergovernmental (Note 1B):				
Member contributions	\$600,461			\$600,461
Measure C/J and AB434/TFCA		\$510,820		510,820
Subregional transportation fees			\$1,042,599	1,042,599
Other contributions	128,836		\$263,943	392,779
Interest	3,008		517,878	520,886
Total Revenues	<u>732,305</u>	<u>510,820</u>	<u>263,943</u>	<u>3,067,545</u>
EXPENDITURES				
Current:				
Salary and benefits	517,997	271,364	85,000	874,361
Consultants	78,452	207,169	200,968	839,376
Training	1,581	2,264		3,845
Office expense and supplies	32,754	30,022		62,776
Total Expenditures	<u>630,784</u>	<u>510,819</u>	<u>352,787</u>	<u>1,780,358</u>
NET CHANGE IN FUND BALANCES	101,521	1	1,274,509	1,287,187
Program/Fund balances at beginning of year	<u>104,501</u>	<u>27,144</u>	<u>15,725,383</u>	<u>15,945,872</u>
Program/Fund balances at end of year	<u>\$206,022</u>	<u>\$27,145</u>	<u>\$16,999,892</u>	<u>\$17,233,059</u>

See accompanying notes to the financial statements

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$1,287,187
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Amounts reported for governmental activities in the Statement of Activities
are different because of the following:

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of
current financial resources and therefore are not reported as revenue or expenditures in
governmental funds (net change):

Net OPEB liability and deferred outflows/inflows of resources related to OPEB	(4,936)
Compensated absences	(108,209)
Net pension liability and deferred outflows/inflows of resources related to pensions	<div style="border-top: 1px solid black;">(138,735)</div>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$1,035,307</div>
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See accompanying notes to financial statements

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental:				
Member contributions	\$600,461	\$600,461	\$600,461	
Measure C/J and AB434/TFCA	536,850	1,151,064	510,820	(\$640,244)
Subregional transportation fees	2,063,000	2,063,000	1,042,599	(1,020,401)
Other contributions	589,000	536,850	392,779	(144,071)
Interest	75,000	92,500	520,886	428,386
Total Revenues	<u>3,864,311</u>	<u>4,443,875</u>	<u>3,067,545</u>	<u>(1,376,330)</u>
EXPENDITURES				
Current:				
Salary and benefits	872,277	862,759	874,361	(11,602)
Consultants	12,086,769	12,086,778	839,376	11,247,402
Training	7,500	7,500	3,845	3,655
Office expense and supplies	65,900	52,609	62,776	(10,167)
Total Expenditures	<u>13,032,446</u>	<u>13,009,646</u>	<u>1,780,358</u>	<u>11,229,288</u>
CHANGE IN FUND BALANCE	<u>(\$9,168,135)</u>	<u>(\$8,565,771)</u>	1,287,187	<u>\$9,852,958</u>
Fund balance at beginning of year			<u>15,945,872</u>	
Fund balance at end of year			<u>\$17,233,059</u>	

See accompanying notes to financial statements

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WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Organization*

The West Contra Costa Transportation Advisory Committee (WCCTAC) was formed in 1990 for the purpose of creating a city, county and transit district transportation advisory committee which would protect and advance the interests of the West Contra Costa County communities with regard to transportation issues in general and the utilization of Measure “C” and State Assembly Bill 434 funds in particular; and State Transportation funds for the Richmond Intermodal Station Project. Measure “C” expired in March 2009 and was replaced by Measure “J.” The current members of WCCTAC are the Cities of El Cerrito, Hercules, Pinole, Richmond, and San Pablo; Alameda - Contra Costa Transit District, County of Contra Costa, San Francisco Bay Area Rapid Transit District, and the Western Contra Costa Transit Authority.

WCCTAC is controlled by a Governing Board consisting of eleven members--three members of the City Council of the City of Richmond, one member each of the City Councils of the Cities of El Cerrito, Hercules, Pinole and San Pablo, one member from Contra Costa County Board of Supervisors, one member of the governing body of rail transit districts operating within WCCTAC’s boundaries, and one member of the governing body of each of the bus transit districts operating within WCCTAC’s boundaries.

Oversight responsibility and control of WCCTAC’s affairs is exercised by its Governing Board. Officers of WCCTAC include the Chair, Vice Chair, Treasurer and Secretary. The Finance Director of the City of Pablo serves as WCCTAC’s Treasurer. The City of San Pablo maintains custody of all monies and funds, and maintains related accounting records.

B. *Programs*

WCCTAC’s General Fund activity is separated into four programs.

WCCTAC general operations, including transportation planning, congestion management and project oversight, are accounted for in the **Advisory Committee Program**. These activities are funded through WCCTAC member contributions, which are a proportionate share of expenses incurred based upon a formula/dollar amount outlined in the Joint Exercise of Powers Agreement. No additional charges may be assessed without the written consent of the members, \$600,461 in charges were assessed for fiscal year 2024/2025.

The **Transportation Demand Management (TDM) Program** is responsible for educating local employers, residents and retailers on transportation issues and alternatives. The **TDM Program** assists with developing, marketing and implementing alternative transportation programs. The **TDM Program** is funded by State of California Assembly Bill 434 funds distributed by the Bay Area Air Quality Management District through the Program Manager through the Transportation Fund for Clean Air (TFCA) by Contra Costa County Measures “C” and “J” transportation sales tax funds. Prior to fiscal year 2008, this program was called the Transportation System Management Program.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The **Subregional Transportation Mitigation Program (STMP)** is a new program for WCCTAC. This program was established in 1997 and, until fiscal year 2007, it was administered by the Contra Costa Transportation Authority. During fiscal year 2007 the administration for the program was transferred to WCCTAC. STMP fees are collected by Contra Costa County along with the cities of El Cerrito, Hercules, Pinole, Richmond and San Pablo and remitted to WCCTAC. The fees are to be used for transportation improvements to serve the WCCTAC area.

The **Other Reimbursable Projects Program** is used for projects administered by WCCTAC that are fully reimbursed by other agencies.

C. Reporting Entity

WCCTAC is the only entity included in these financial statements.

D. Basis of Presentation

WCCTAC's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Standards require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (WCCTAC). These statements include the financial activities of the overall government. Governmental activities generally are financed through intergovernmental revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues of each function of WCCTAC's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about WCCTAC's funds. The emphasis of fund financial statements is on major individual governmental funds.

E. Major Fund

WCCTAC's major governmental-type funds are required to be identified and presented separately in the fund financial statements. WCCTAC's **General Fund**, which accounts for all administrative, operating and other expenditures incurred by WCCTAC, and to account for member charges and project reimbursements, is its only fund and is therefore a major fund.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable and available*. WCCTAC considers all revenues reported in the governmental funds to be available if the revenues are collected within forty-five days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are interest and intergovernmental revenues.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, WCCTAC may fund certain programs with a combination of cost-reimbursement grants and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. WCCTAC's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or 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 net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. WCCTAC has two items that qualify for reporting in this category related to pensions and OPEB as discussed in Note 4 and Note 5, respectively.

In addition to liabilities, the statement of net position and balance sheet may report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. WCCTAC has two items that qualify for reporting in this category related to pensions and OPEB as discussed in Note 4 and Note 5, respectively.

H. Compensated Absences

Compensated absences comprise unpaid vacation and certain compensated time off, which are accrued as earned. The liability for compensated absences is determined annually and is recorded in the Statement of Net Position.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The changes in compensated absences were as follows:

Beginning Balance	\$44,256
Additions	172,025
Payments	<u>(63,816)</u>
Ending Balance	<u>\$152,465</u>

I. *Estimates and Assumptions*

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.

J. *New Governmental Accounting Standards Board Statements*

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement is effective for reporting periods beginning after December 15, 2024, or the fiscal year 2024-25. WCCTAC implemented the provisions of this Statement during fiscal year 2025. The implementation of this Statement did not have a material impact on the financial statements.

GASB Statement No. 102 – In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. This Statement is effective for reporting periods beginning after December 15, 2024, or the fiscal year 2024-25. WCCTAC implemented the provisions of this Statement during fiscal year 2025. The implementation of this Statement did not have a material impact on the financial statements.

NOTE 2 – CASH AND INVESTMENTS

WCCTAC's cash is controlled and invested by the City of San Pablo, which also provides working capital when required. WCCTAC pools cash from all sources and all funds with the City of San Pablo so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. The City's Investment Policy and the California Government Code permits investments in Securities of the U.S. Government and its Agencies, Certificates of Deposit (Time Deposits with Commercial Banks or Savings and Loans), Bankers Acceptances, Commercial Paper, State of California Local Agency Investment Fund (LAIF Pool), Repurchase Agreements (Collateralized by U.S. Treasury Securities), and Money Market and Mutual Funds. The details of the City of San Pablo's investment pool can be found in the City's Basic Financial Statements.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 2 – CASH AND INVESTMENTS (Continued)

WCCTAC's investment in the City of San Pablo investment pool is stated at fair value, as required by generally accepted accounting principles. Each program's cash and investment (overdraft) balance at June 30, 2025 was as follows:

Advisory Committee	\$179,639
Transportation Demand Management	24,227
STMP	17,091,720
Other Reimbursable Projects	
	<u>\$17,295,586</u>

WCCTAC categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City of San Pablo, which WCCTAC investments are pooled, as of June 30, 2025:

Investment Type	Level 2	Fair Value Total
Investments by Fair Value:		
U.S. Treasury Notes	\$9,384,074	\$9,384,074
U.S. Government Agencies	11,973,123	11,973,123
Medium Term Notes	9,775,420	9,775,420
Total Investments at Fair Value	<u>\$31,132,617</u>	31,132,617
Investments Measured at Amortized Cost:		
<i>Held by Trustee:</i>		
Money Market Funds		1,514,214
Vantage Point MP Long Term Growth Mutual Fund (Equities)		<u>17,109,452</u>
Investments Exempt from Fair Value Hierarchy:		
PARS Target Index PLUS Fund		1,153,264
Local Agency Investment Fund		<u>56,711,170</u>
Total Investments		107,620,717
<i>Cash with Banks and Petty Cash - City of San Pablo</i>		23,287,329
<i>Cash with Banks - Economic Development Corporation</i>		<u>3,544,974</u>
Total Cash and Investments		<u>\$134,453,020</u>

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 3 – CAPITAL ASSETS

Capital assets used in governmental fund type operations are accounted for in the Statement of Net Position, rather than in governmental funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. WCCTAC has assigned the useful lives and capitalization thresholds listed below to capital assets.

	Useful Lives Years
Equipment	5
Furniture	5

There were no additions or retirements to WCCTAC's capital assets during fiscal year 2025, and since July 1, 2003, WCCTAC's capital assets have been fully depreciated. Capital assets at June 30 comprise the following:

	Balance at June 30, 2025
<i>Governmental activities</i>	
Capital assets being depreciated:	
Equipment	\$9,327
Furniture	4,729
Total capital assets being depreciated	<u>14,056</u>
Less accumulated depreciation for:	
Equipment	(9,327)
Furniture	(4,729)
Total accumulated depreciation	<u>(14,056)</u>
Governmental activity capital assets, net	<u><u> </u></u>

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 4 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description – Prior to January 1, 2014, WCCTAC’s employees participated in the City of San Pablo’s Miscellaneous Employee Pension Plan offered by California Public Employees Retirement System (CalPERS), an agent multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefit provisions under the Plan were established by State statute and City resolution.

In September 2013, WCCTAC adopted a Resolution of Intention to separate from the City of San Pablo retirement system and enter into a separate contract with CalPERS for a retirement program. The contract was executed in October 2013 and as of January 1, 2014, WCCTAC’s employees transferred to a cost-sharing multiple employer defined benefit pension plan administered by CalPERS.

All qualified permanent, probationary and part-time employees are eligible to participate in the WCCTAC’s Miscellaneous Employee Pension 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 WCCTAC 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.

Participants included in the pension plan include 4 active employees, 3 separated employees and 4 retirees.

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. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All 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, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees’ Retirement Law. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CALPERS, and hired after December 31, 2012, and not subject to grandfathering into the previously existing Plan.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 4 – PENSION PLAN (Continued)

The Plan's provisions and benefits in effect at June 30, 2025, are summarized as follows:

	Miscellaneous	
	Classic Tier	PEPRA Tier
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8%	7.75%
Required employer contribution rates	14.13%	7.87%
Required UAL contribution	\$90,839	\$906

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on a monthly basis or can be paid in a lump sum at a reduced amount. WCCTAC elected to make the lump sum contributions and the required contribution amount for the unfunded liability was \$91,745 in fiscal year 2025, as shown in the table above.

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 the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans 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. WCCTAC is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2025, WCCTAC made contributions to the Plan of \$67,106.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 4 – PENSION PLAN (Continued)

B. *Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to 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 the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

As of June 30, 2025, WCCTAC reported a net pension liability for its proportionate share of the net pension liability as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	<u><u>\$1,130,251</u></u>

WCCTAC's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2024, 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, 2023 rolled forward to June 30, 2024 using standard update procedures. WCCTAC's proportion of the net pension liability was based on a projection of WCCTAC's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. WCCTAC's proportionate share of the net pension liability for the Plan as of June 30, 2023 and 2024 was as follows:

	<u>Miscellaneous Classic</u>
Proportion - June 30, 2023	0.02264%
Proportion - June 30, 2024	0.02337%
Change - Increase (Decrease)	<u><u>0.00073%</u></u>

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 4 – PENSION PLAN (Continued)

For the year ended June 30, 2025, WCCTAC recognized pension expense of \$138,735. At June 30, 2025, WCCTAC 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	\$67,106	
Differences between actual and expected experience	97,721	(\$3,813)
Changes of assumptions	29,050	
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions		(42,881)
Changes in proportions	18,310	(11,005)
Net differences between projected and actual earnings on plan investments	65,067	
Total	<u>\$277,254</u>	<u>(\$57,699)</u>

\$67,106 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2026	\$52,873
2027	129,281
2028	(7,408)
2029	(22,297)
Total	<u>\$152,449</u>

WCCTAC's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the following page.

<p style="text-align: center;">WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE NOTES TO BASIC FINANCIAL STATEMENTS For the Year Ended June 30, 2025</p>
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<p>NOTE 4 – PENSION PLAN (Continued)</p>

Actuarial Assumptions – The total pension liability as of the June 30, 2024 measurement date were determined using the following actuarial assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	(1)
Investment Rate of Return	6.90% (2)
Mortality	Derived using CalPERS Membership Data for all Funds (3)
Post Retirement Benefit Increase	Lesser of Contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

(1) Depending on age, service and type of employment.

(2) Net of pension plan investment expenses, including inflation.

(3) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2023 valuation were based on the results of a November 2021 actuarial experience study for the period 2001 to 2019. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for each Plan was 6.90%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for each Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 4 – PENSION PLAN (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market returns expectations. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points..

The expected real rate of return by asset class are as follows:

Asset Class (1)	Assumed Asset Allocation	Real Return (1), (2)
Global Equity-Cap Weighted	30.0%	4.54%
Global Equity-Non-Cap Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	<u>100%</u>	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 4 – PENSION PLAN (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents WCCTAC’s proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the WCCTAC’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous Classic
1% Decrease	5.90%
Net Pension Liability	\$1,643,931
Current Discount Rate	6.90%
Net Pension Liability	\$1,130,251
1% Increase	7.90%
Net Pension Liability	\$707,418

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 5 – POST RETIREMENT HEALTHCARE BENEFITS

A. General Information about WCCTAC’s Other Post Employment Benefit (OPEB) Plan

Prior to January 1, 2017, WCCTAC’s employees participated in the City of San Pablo’s Retiree Health Savings Plan, an agent multiple-employer defined benefit healthcare plan.

As of January 1, 2017, WCCTAC established its own single employer Health Savings Plan (the Plan). Coverage is also provided for spouses of employees having a minimum of 20 years of service at retirement. The Plan provisions and benefits in effect at June 30, 2025 are summarized as follows:

Benefit Types Provided	Medical Only
Duration of Benefits	To age 65
Required Service	15 years
Minimum Age	50
Dependent Coverage	Yes
Employer Contribution	100% to cap
Contribution Cap per Month (Basic)	\$135

For the year ended June 30, 2025, WCCTAC’s contributions to the Plan were \$3,034.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 5 – POST RETIREMENT HEALTHCARE BENEFITS (Continued)

Employees Covered by Benefit Terms – Membership in the Plan consisted of the following at the measurement date of June 30, 2024:

Active employees	4
Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	0
Total	6

B. Net OPEB Liability

Actuarial Methods and Assumptions – WCCTAC’s net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2023, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age
Actuarial Assumptions:	
Discount Rate	3.93%, net of expenses
Inflation	2.50%
Payroll Growth	2.75%
Mortality Rate	2021 CalPERS Mortality for Miscellaneous and Schools Employees
Retirement Rates	Hired 2013 and later: 2021 CalPERS 2.0% @ 62 Rates for Miscellaneous Employees Hired 2012 and earlier: 2021 CalPERS 2.5% @ 55 Rates for Miscellaneous Employees
Pre-Retirement Turnover	2021 CalPERS Turnover for Miscellaneous Employees
Healthcare Trend Rate	4%

Changes in Assumptions – During the measurement year of June 30, 2024, the discount rate changed from 3.65% to 3.93%.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.93%. The projection of cash flows used to determine the discount rate assumed that WCCTAC’s contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years. The discount rate was set using a municipal bond rate, Bond Buyer 20 Index, at June 30, 2024.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 5 – POST RETIREMENT HEALTHCARE BENEFITS (Continued)

C. Changes in Net OPEB Liability

The changes in the net OPEB liability follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2023	\$124,449		\$124,449
Changes Recognized for the Measurement Period:			
Service Cost	9,945		9,945
Interest on the total OPEB liability	4,690		4,690
Differences between expected and actual experience			
Changes of assumptions	(5,511)		(5,511)
Contributions from the employer		\$1,848	(1,848)
Benefit payments	(1,848)	(1,848)	
Net changes	7,276		7,276
Balance at June 30, 2024 (Measurement Date)	\$131,725		\$131,725

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 WCCTAC's 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 ICMA-RC. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. The Plan does not issue separate financial statements.

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of WCCTAC, as well as what the WCCTAC's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

Net OPEB Liability		
Discount Rate -1% (2.93%)	Discount Rate (3.93%)	Discount Rate +1% (4.93%)
\$152,503	\$131,725	\$115,004

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 5 – POST RETIREMENT HEALTHCARE BENEFITS (Continued)

The following presents the net OPEB liability of WCCTAC, as well as what WCCTAC's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3%) or 1-percentage-point higher (5%) than the current healthcare cost trend rates:

Net OPEB Liability		
1% Decrease	Healthcare Cost Trend Rates	1% Increase
(3.0%)	(4.0%)	(5.0%)
\$109,965	\$131,725	\$159,913

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2025, WCCTAC recognized OPEB expense of \$4,936. At June 30, 2025, WCCTAC reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$3,034	
Differences between actual and expected experience		(\$42,061)
Changes of assumptions	30,817	(27,210)
Total	<u>\$33,851</u>	<u>(\$69,271)</u>

\$3,034 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 in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30	Annual Amortization
2026	(\$5,003)
2027	(6,067)
2028	(7,954)
2029	(5,622)
2030	(7,327)
Thereafter	(6,481)
Total	<u>(\$38,454)</u>

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 6 – NET POSITION AND FUND BALANCES

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash, receivables and deferred outflows of resources, less its liabilities and deferred inflows of resources.

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis, as explained in Note 1D.

A. Net Position

Net Position is the excess of all WCCTAC's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into two captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which WCCTAC cannot unilaterally alter.

Unrestricted describes the portion of Net Position which is not restricted as to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash, receivables and deferred outflows of resources, less its liabilities and deferred inflows of resources.

WCCTAC's fund balances are classified based on spending constraints imposed on the use of resources. For programs with multiple funding sources, WCCTAC prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendable represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by formal action of the Board of Directors which may be altered only by formal action of the Board of Directors. Encumbrances and nonspendable amounts subject to Board commitments are included along with spendable resources.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 6 – NET POSITION AND FUND BALANCES (Continued)

Assigned fund balances are amounts constrained by WCCTAC's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Board or its designee, the Executive Director, and may be changed at the discretion of the Board or its designee. This category includes encumbrances and nonspendables when it is WCCTAC's intent to use proceeds or collections for a specific purpose.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance.

C. *Contingency Arrangement*

WCCTAC's General Fund Reserve Policy requires WCCTAC to maintain an Emergency Reserve of \$10,000 to handle any unforeseen contingencies in the future to be used only upon approval of the Executive Director. As of June 30, 2025, the Emergency Reserve balance, which is reported within the unassigned fund balance of the General Fund, was \$10,000.

D. *Minimum Fund Balance Policy*

WCCTAC's General Fund Reserve Policy requires WCCTAC to strive to maintain \$120,000, or the equivalent of two months of expenses, in the General Fund's Unassigned Fund Balance to mitigate current and future risks and preserve service levels. The balance of Unassigned Fund Balance, including the Emergency Reserve discussed above, comprised the following as of June 30, 2025:

Advisory Committee:	
Emergency Reserve	\$10,000
Unassigned	196,022
Unassigned Fund Balance	<u><u>\$206,022</u></u>

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 7 – INSURANCE

Beginning January 31, 2014, WCCTAC entered into an agreement with Special Districts Risk Management Authority. The Authority provides coverage against the following types of loss risks under the terms of a joint-powers agreement with WCCTAC and several other governmental agencies as follows:

Type of Coverage (Deductible)	Coverage Limits
Liability (None, except \$500 on property damage, per occurrence and \$1,000 on auto damage, per occurrence)	\$2,500,000 per occurrence
Employer's Liability (no deductible)	\$5,000,000
Worker's Compensation (no deductible)	Statutory Limit
Property (\$1,000 per occurrence)	\$1,000,000,000
Boiler & Machinery (\$1,000 per occurrence)	\$100,000,000
Employee Dishonesty (no deductible)	\$1,000,000 per loss
Public Officials Personal Liability (\$1,000 per claim)	\$500,000 per occurrence, with annual aggregate of \$500,000 per elected/appointed official

SDRMA is governed by a Board consisting of representatives from member municipalities. The Board of Directors' responsibilities include establishing policy, providing oversight, and setting direction and vision to ensure SDRMA meets its mission, obligations and commitment to its members.

WCCTAC's deposits with the SDRMA are in accordance with formulas established by SDRMA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Audited financial statements for SDRMA are available from SDRMA, 1112 I Street, Suite 300, Sacramento, CA 95814.

No claims have been filed against WCCTAC to date.

WEST CONTRA COSTA TRANSPORTATION ADVISORY COMMITTEE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2025

NOTE 8 – COMMITMENTS AND CONTINGENCIES

A. *Use of STMP Funds for Various Projects*

The WCCTAC Board approved the use of STMP funds to pay planning, studies and preliminary engineering costs. Total expenditures incurred for fiscal year 2025 of \$285,968 were spent on the following projects:

San Pablo Avenue Intersection 23rd St & Road 20	\$125,678
Administrative Costs	90,040
Hercules Regional Intermodal Transportation Center	65,103
Pinole's San Pablo Ave Bridge Replacement	5,148
	<u>\$285,969</u>

B. *Office Lease*

WCCTAC entered a new leasing agreement on July 22, 2019 with 6333 Potrero Avenue Associates LLC. The lease is effective through August 31, 2027 for a lease term of three years, with an optional extension of one year. Monthly base rent for the first year is \$2,957, increasing annually 1%.

Required Supplementary Information

Miscellaneous Plan, a Cost Sharing-Employer Defined Benefit Pension Plan
Last 10 Years

SCHEDULE OF WCCTAC'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Measurement Date	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Plan's Proportion of the Net Pension Liability (Asset)	0.01961%	0.01907%	0.01945%	0.01998%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$538,036	\$662,604	\$766,595	\$752,931
Plan's Covered Payroll	\$352,689	\$478,284	\$506,810	\$701,455
Plan's Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	152.55%	138.54%	151.26%	107.34%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability*	0.00%	0.00%	0.00%	0.00%
Measurement Date	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Plan's Proportion of the Net Pension Liability (Asset)	0.02048%	0.02106%	0.02757%	0.02232%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$820,212	\$888,188	\$523,582	\$1,044,436
Plan's Covered Payroll	\$539,218	\$565,043	\$552,931	\$572,283
Plan's Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	152.11%	157.19%	94.69%	182.50%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability*	0.00%	0.00%	0.00%	0.00%
Measurement Date	6/30/2023	6/30/2024		
Plan's Proportion of the Net Pension Liability (Asset)	0.02264%	0.02337%		
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$1,131,961	\$1,130,251		
Plan's Covered Payroll	\$622,286	\$503,276		
Plan's Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	181.90%	224.58%		
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability*	0.00%	0.00%		

* During fiscal year ended June 30, 2020, the actuary determined that plan assets previously reported as fiduciary plan assets did not apply to the defined benefit plan, therefore, these percentages have been updated appropriately.

Required Supplementary Information

WCCTAC Miscellaneous Plan - Classic Benefit Tier, a Cost Sharing-Employer Defined Pension Plan Last 10 Years

SCHEDULE OF CONTRIBUTIONS

Fiscal Year	2016	2017	2018	2019
Actuarially determined contribution	\$85,542	\$65,940	\$46,701	\$52,874
Contributions in relation to the actuarially determined contributions	(85,542)	(65,940)	(46,701)	(52,874)
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
Covered payroll	\$478,284	\$506,810	\$701,455	\$539,218
Contributions as a percentage of covered payroll	17.89%	13.01%	6.66%	9.81%
Fiscal Year	2020	2021	2022	2023
Actuarially determined contribution	\$59,095	\$65,367	\$64,051	\$69,522
Contributions in relation to the actuarially determined contributions	(59,095)	(65,367)	(64,051)	(69,522)
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
Covered payroll	\$565,043	\$552,931	\$572,283	\$622,286
Contributions as a percentage of covered payroll	10.46%	11.82%	11.19%	11.17%
Fiscal Year	2024	2025		
Actuarially determined contribution	\$74,973	\$67,106		
Contributions in relation to the actuarially determined contributions	(74,973)	(67,106)		
Contribution deficiency (excess)	\$0	\$0		
Covered payroll	\$503,276	\$484,336		
Contributions as a percentage of covered payroll	14.90%	13.86%		

Required Supplementary Information

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Post Retirement Health Care Defined Benefit Plan

Last 10 fiscal years*

Measurement Date	6/30/17	6/30/18	6/30/20	6/30/21
Total OPEB Liability				
Service Cost	\$4,180	\$4,295	\$9,530	\$13,135
Interest	5,625	3,399	3,689	3,194
Changes in benefit terms		48,368		
Differences between expected and actual experience			(40,570)	(6,378)
Changes of assumptions			26,182	1,176
Benefit payments	(3,146)	(3,272)	(1,650)	(1,923)
Net change in total OPEB liability	6,659	52,790	(2,819)	9,204
Total OPEB liability - beginning	82,268	88,927	141,717	138,898
Total OPEB liability - ending (a)	<u>\$88,927</u>	<u>\$141,717</u>	<u>\$138,898</u>	<u>\$148,102</u>
Plan fiduciary net position				
Contributions - employer	\$3,146		\$1,650	\$1,923
Contributions - employee		\$1,774		
Net investment income				
Administrative expense				
Benefit payments	(3,146)	(1,774)	(1,650)	(1,923)
Net change in plan fiduciary net position	0	0	0	0
Plan fiduciary net position - beginning (as restated)	0	0	0	0
Plan fiduciary net position - ending (b)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Net OPEB liability (asset) - ending (a)-(b)	<u>\$88,927</u>	<u>\$141,717</u>	<u>\$138,898</u>	<u>\$148,102</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered payroll	<u>\$506,810</u>	<u>\$701,455</u>	<u>\$595,192</u>	<u>\$590,054</u>
Net OPEB liability (asset) as a percentage of covered payroll	<u>17.55%</u>	<u>20.20%</u>	<u>23.34%</u>	<u>25.10%</u>
Measurement Date	6/30/22	6/30/23	6/30/24	
Total OPEB Liability				
Service Cost	\$13,810	\$10,347	\$9,945	
Interest	3,329	4,795	4,690	
Changes in benefit terms				
Differences between expected and actual experience		(18,126)		
Changes of assumptions	(32,034)	(1,724)	(5,511)	
Benefit payments	(1,800)	(2,250)	(1,848)	
Net change in total OPEB liability	(16,695)	(6,958)	7,276	
Total OPEB liability - beginning	148,102	131,407	124,449	
Total OPEB liability - ending (a)	<u>\$131,407</u>	<u>\$124,449</u>	<u>\$131,725</u>	
Plan fiduciary net position				
Contributions - employer	\$1,800	\$2,550	\$1,848	
Contributions - employee				
Net investment income				
Administrative expense				
Benefit payments	(1,800)	(2,550)	(1,848)	
Net change in plan fiduciary net position	0	0	0	
Plan fiduciary net position - beginning (as restated)	0	0	0	
Plan fiduciary net position - ending (b)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
Net OPEB liability (asset) - ending (a)-(b)	<u>\$131,407</u>	<u>\$124,449</u>	<u>\$131,725</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	
Covered payroll	<u>\$642,986</u>	<u>\$539,926</u>	<u>\$485,850</u>	
Net OPEB liability (asset) as a percentage of covered payroll	<u>20.44%</u>	<u>23.05%</u>	<u>27.11%</u>	

* Fiscal year 2018 was the first year of implementation.

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**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE
dba WEST CONTRA COSTA TRANSPORTATION COMMISSION**

MEMORANDUM ON INTERNAL CONTROL

FOR THE YEAR ENDED JUNE 30, 2025

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**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE**

MEMORANDUM ON INTERNAL CONTROL

For The Year Ended June 30, 2025

Table of Contents

	<u>Page</u>
<i>Memorandum on Internal Control</i>	1
Schedule of Other Matters	3

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MEMORANDUM ON INTERNAL CONTROL

To the Board of Directors of
West Contra Costa Transportation Advisory Committee
El Cerrito, California

In planning and performing our audit of the basic financial statements of the West Contra Costa Transportation Advisory Committee (WCCTAC), as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered WCCTAC'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 WCCTAC's internal control. Accordingly, we do not express an opinion on the effectiveness of WCCTAC'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 WCCTAC's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. 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.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe are opportunities for strengthening internal controls and operating efficiency.

This communication is intended solely for the information and use of management, Board of Directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads 'Maze & Associates'.

Pleasant Hill, California
January 12, 2026

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**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE
MEMORANDUM ON INTERNAL CONTROL**

SCHEDULE OF OTHER MATTERS

NEW GASB PRONOUNCEMENTS OR PRONOUNCEMENTS NOT YET EFFECTIVE

The following comment represents new pronouncements taking affect in the next few years. We have cited them here to keep you informed of developments.

EFFECTIVE FISCAL YEAR 2025/26:

GASB 103 – Financial Reporting Model Improvements

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues.

Management’s Discussion and Analysis – This Statement continues the requirement that the basic financial statements be preceded by management’s discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government’s financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that “boilerplate” discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

Unusual or Infrequent Items – This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position – This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary

GASB 103 – Financial Reporting Model Improvements (Continued)

**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE
MEMORANDUM ON INTERNAL CONTROL**

SCHEDULE OF OTHER MATTERS

fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

Major Component Unit Information – This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

Budgetary Comparison Information – This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

How the Changes in This Statement Will Improve Financial Reporting

The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A.

The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources.

The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from government to government, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position.

The requirement for presentation of major component unit information will improve comparability.

The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE
MEMORANDUM ON INTERNAL CONTROL**

SCHEDULE OF OTHER MATTERS

EFFECTIVE FISCAL YEAR 2026/27:

GASB 104 – Disclosure of Certain Capital Assets

State and local governments are required to provide detailed information about capital assets in notes to financial statements. GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with GASB Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

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**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE
dba WEST CONTRA COSTA TRANSPORTATION COMMISSION**

REQUIRED COMMUNICATIONS

**FOR THE YEAR ENDED
JUNE 30, 2025**

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**WEST CONTRA COSTA TRANSPORTATION
ADVISORY COMMITTEE
REQUIRED COMMUNICATIONS**

For the Year Ended June 30, 2025

Table of Contents

<i>Required Communications</i>	1
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Significant Audit Matters:

Qualitative Aspects of Accounting Practices.....	1
Difficulties Encountered in Performing the Audit.....	2
Corrected and Uncorrected Misstatements	2
Disagreements with Management	3
Management Representations.....	3
Management Consultations with Other Independent Accountants	3
Other Audit Findings or Issues	3
Other Matters.....	3

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REQUIRED COMMUNICATIONS

To the Board of Directors of
West Contra Costa Transportation Advisory Committee
El Cerrito, California

We have audited the basic financial statements of the West Contra Costa Transportation Advisory Committee (WCCTAC), California for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information with the our engagement letter dated June 20, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by WCCTAC are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year, except as follows.

The following pronouncements became effective, but did not have a material effect on the financial statements:

GASB 101 – *Compensated Absences*

GASB 102 – *Certain Risk Disclosures*

Unusual Transactions, Controversial or Emerging Areas – We noted no transactions entered into by WCCTAC during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates – Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significances to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the WCCTAC’s financial statements were:

Estimated Fair Value of Investments: As of June 30, 2025, WCCTAC held approximately \$17.3 million of cash and investments as measured by fair value as disclosed in Note 2 to the financial statements. Fair value is essentially market pricing in effect as of June 30, 2025. These fair values are not required to be adjusted for changes in general market conditions occurring subsequent to June 30, 2025.

Estimate of Depreciation: Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 3 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Estimate of Compensated Absences: Accrued compensated absences which are comprised of accrued vacation, holiday, and certain other compensating time is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year as disclosed in Note 1H to the financial statements. We evaluated the key factors and assumptions used to develop the accrued compensated absences in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Net Pension Liability and Pension-Related Deferred Outflows and Inflows of Resources: Management's estimate of the net pension liability and deferred outflows/inflows of resources are disclosed in Note 4 to the financial statements and are based on actuarial studies determined by a consultant, which are based on the experience of WCCTAC. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Net OPEB Liability and OPEB-Related Deferred Outflows and Inflows of Resources: Management's estimate of the net OPEB liability and deferred outflows/inflows of resources are disclosed in Note 5 to the financial statements and is based on actuarial study determined by a consultant, which is based on the experience of WCCTAC. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Disclosures – The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not propose any audit adjustments that, in our judgment, could have a significant effect, either individually or in the aggregate, on the City's financial reporting process.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the Board of Directors.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated January 12, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to WCCTAC's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as WCCTAC's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

This information is intended solely for the use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Maze & Associates

Pleasant Hill, California
January 12, 2026

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