



**WESTERN CONTRA COSTA  
TRANSIT AUTHORITY  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
FOR THE YEAR ENDED JUNE 30, 2024**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Western Contra Costa Transit Authority  
Pinole, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities of the Western Contra Costa Transit Authority (Authority), California, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority'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 financial position of the business-type activities of the Authority as of June 30, 2024, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the Authority 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 opinions.

#### *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 the 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 the Authority'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 opinions. 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 the Authority'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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Mazze + Associates*

Pleasant Hill, California  
September 23, 2024

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**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2024**

**INTRODUCTION**

The purpose of Management's Discussion and Analysis (MD&A) is to provide an objective and easily understandable analysis of the Western Contra Costa Transit Authority's (Authority's) financial activities and financial status based on currently known facts, conditions, or decisions as of June 30, 2024.

**FINANCIAL STATEMENTS**

The Authority's financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are tracked separately and are depreciated over their useful lives.

The basic financial information regarding the Authority's performance, financial position, and financial status for fiscal years 2024 and 2023 is presented in tabular form in the following two sections. The "Financial Position" table summarizes the major categories of the Authority's assets, liabilities, and total net position for fiscal years 2024 and 2023. The "Financial Operations" table presents a more detailed breakdown of operating and non-operating revenues and expenses.

**FINANCIAL POSITION SUMMARY**

Total net position may serve as a useful indicator of the Authority's financial position over time. The Authority's assets exceeded liabilities by about \$12,509,135 at June 30, 2024, a decrease of \$1,887,478 from June 30, 2023.

A condensed summary of the Authority's statement of net position on June 30, 2024, and 2023 is shown below:

## Summary of Net Position

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
<b>ASSETS:</b>		
Current Assets	\$ 9,044,444	\$ 8,904,513
Capital Assets (Net of Accumulated Depreciation)	<u>12,946,099</u>	<u>14,881,400</u>
Total Assets	21,990,543	23,785,913
Deferred Outflows of Resources:		
Pension Related	<u>577,661</u>	<u>584,389</u>
<b>LIABILITIES:</b>		
Current Liabilities	8,690,399	8,862,289
Deferred Capital Funds	266,922	170,653
Net Pension Liability	<u>1,047,592</u>	<u>894,101</u>
Total Liabilities	10,004,913	9,927,043
Deferred Inflows of Resources:		
Pension Related	<u>54,156</u>	<u>46,646</u>
<b>NET POSITION:</b>		
Net Investment in Capital Assets	12,946,099	14,881,400
Unrestricted	<u>(436,964)</u>	<u>(484,787)</u>
<b>Total Net Position</b>	<b><u>\$12,509,135</u></b>	<b><u>\$14,396,613</u></b>

The most significant portion of the Authority's net position represents its investment in capital assets (e.g., land, buses, buildings, improvements, and equipment). The Authority uses these capital assets to provide services to its passengers and employees; consequently, these assets are not available for future spending. Since funding for capital acquisition comes primarily from Federal Transit Administration (FTA) sources outside of the Authority's operating budget, the Authority's change in net position value will typically increase dramatically in years new or replacement vehicles are acquired and decline at a relatively steady rate in years the Authority acquires no capital. Capital assets, net of accumulated depreciation, decreased by about \$1,935,301 during the year ended June 30, 2024, because capital assets purchased were less than the depreciation expense of \$2,259,997. Capital assets purchased decreased from \$604,153 in 2023 to \$ 324,696 in 2024.

The net pension liability of \$1,047,592 is recognized on June 30, 2024, along with the related deferred outflows and inflows of resources, per GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The unrestricted net position of (\$436,964) represents the unfunded pension liability as of June 30, 2024.

## FINANCIAL OPERATIONS SUMMARY

A condensed summary of the Authority's revenues, expenses, and changes in net position for the years ended June 30, 2024, and 2023 is shown below:

### Summary of Revenues, Expenses, and Changes in Net Position

	<u>FY 2024</u>	<u>FY 2023</u>
Operating Revenues	\$ 1,352,020	\$ 1,223,400
Operating Expenses:		
Operations	10,754,846	9,776,355
General and Administrative	1,483,025	1,401,566
Maintenance – Vehicles	1,997,657	1,560,152
Maintenance – Other	480,926	433,867
Depreciation	2,259,997	2,325,560
Total Operating Expenses	<u>16,976,451</u>	<u>15,497,500</u>
Non-Operating Revenues (Expenses):		
Interest Income	88,838	63,137
Other Non-Operating Revenue	35,548	0
Operating Assistance from Governmental Agencies	12,867,529	11,885,404
Capital Contributions	372,519	709,519
Total Non-Operating Revenues	<u>13,364,434</u>	<u>12,658,060</u>
Change in Net Position	(1,887,478)	(1,616,040)
Total Net Position - Beginning	<u>14,396,613</u>	<u>16,012,653</u>
<b>Total Net Position - Ending</b>	<b><u>\$12,509,135</u></b>	<b><u>\$14,396,613</u></b>

Operating revenues increased by approximately \$128,620 during the year ended June 30, 2024, due to increased fare box receipts. Total operating expenses, not including depreciation, increased by \$1,544,514. Most of this resulted from increases of \$940,426 in purchased transportation, \$393,238 in vehicle maintenance costs, and \$207,281 in salaries and fringe benefits.

The growth in purchased transportation expenses was partly due to the annual contractual increases, additional billed hours, and an amendment to the Authority's agreement with MV Transportation, which was linked to an increase in operator, dispatcher, and road supervisor wages and a classroom trainer. This adjustment reflects the tightening labor market throughout the San Francisco Bay Area. Salary expenses increased to include the total annual cost for these positions. Purchased transportation costs also increased partly due to additional costs associated with providing an increased number of One Seat Ride trips reimbursed to the party carrying out those trips. The increase in maintenance costs was due to continued maintenance on an aging bus fleet, and the increase in salaries and fringe benefits was due to the addition of three new Authority staff members. The net increase in system expenses was offset by a \$65,563 decrease in depreciation, for a net increase of \$1,478,951, including depreciation.

Operating assistance, which increased by about \$982,125 in fiscal year 2024, primarily due to funds acquired to offset increased purchased transportation expenses, is a significant source of revenue for the Authority. Capital contributions available to the Authority decreased by about \$337,000 in fiscal year 2024. This decrease is due to this year's smaller capital program and the corresponding change in Federal and State capital funding. These details provide a comprehensive view of the Authority's financial support and impact on the financial operations.

### **CAPITAL ACQUISITIONS**

During FY24, the Authority made several significant capital acquisitions. These include the purchase of a 2016 Ford F550 shop truck (\$32,908), a necessary asset for the Authority's operations. The Authority also continued a multi-year facility maintenance and modernization project, which began in FY23 with upgrades to the driver's breakroom and some interior office spaces. FY24 was the second year of this multi-year project, which included additional interior office and maintenance shop upgrades, furniture and equipment (\$114,123), and completion of the bus wash project (\$4,340), all funded with prior-year TDA capital contributions. Additionally, the Authority purchased communications and information technology systems equipment (\$18,409) with prior-year TDA capital funds. The Authority also purchased two 2022 BraunAbility-Voyager road supervisor vans in FY24 with \$27,884 in prior-year TDA funds and \$127,029 in prior-year FTA 5307 funds. These acquisitions reflect the Authority's commitment to maintaining and improving its infrastructure, and their costs and funding sources provide insight into the Authority's financial management.

### **CURRENT FACTORS**

While all revenue sources available to the Authority are subject to year-to-year fluctuations in response to changes in regional, state, and national economic performance, the Authority cannot control and has little ability to predict such volatility. Several other factors, however, are also largely outside the Authority's control and may dramatically affect the Authority's long-term financial condition.

Funding levels remain uncertain; fluctuations in funding levels and regional needs, outside of the Authority's control, could impact all current funding programs that the Authority receives both for operational and capital needs. The Authority is scheduled to replace approximately one-fourth of its fixed route vehicle fleet over the next four years, and it will face a state mandate to transition to more expensive zero-emission vehicles. The Authority was the recipient of an FTA Low-No grant, which will help comply with the mandate, as the grant will fund necessary capital infrastructure improvements needed to operate zero-emission vehicles safely.

The Authority still faces many uncertainties in planning for a post-COVID future. These include the unknown future demand for public transportation. It is also unclear whether transit's traditional roles and priorities will have to evolve to respond to changes in travel patterns within the region (telecommuting, etc.). To this end, the Authority will undertake a Comprehensive Operations Analysis to look into the most effective and efficient way to deploy transit throughout the Authority's service area and the larger region that we serve.

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**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

**ASSETS**

Current Assets:

Cash	\$4,580,436
Accounts Receivable	341,053
Grants Receivable	3,488,595
Prepaid Expenses	634,360
Total Current Assets	9,044,444

Non-Current Assets:

Capital Assets, depreciable (Net of Accumulated Depreciation)	12,946,099
Total Non-Current Assets	12,946,099

**Total Assets**

21,990,543

Deferred Outflows of Resources:

Pension related	577,661
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**LIABILITIES**

Current Liabilities:

Accounts Payable and Accrued Liabilities	1,068,793
Deferred Operating Funds	1,238,734
Payable to Metropolitan Transportation Commission	6,382,872
Total Current Liabilities	8,690,399

Non-Current Liabilities:

Deferred Capital Funds	266,922
Net Pension Liability	1,047,592
Total Non-Current Liabilities	1,314,514

**Total Liabilities**

10,004,913

Deferred Inflows of Resources:

Pension related	54,156
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**NET POSITION**

Net Investment in Capital Assets	12,946,099
Unrestricted	(436,964)

**Total Net Position**

\$12,509,135

See accompanying notes to financial statements.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For the Year Ended June 30, 2024**

**OPERATING REVENUES**

Passenger Fares	\$1,307,324
Advertising Revenues	44,696
<b>Total Operating Revenues</b>	1,352,020

**OPERATING EXPENSES**

Operations	10,754,846
General and Administrative	1,483,025
Maintenance - Vehicles	1,997,657
Maintenance - Non Vehicles	360,779
Maintenance - Other	120,147
Depreciation	2,259,997
<b>Total Operating Expenses</b>	16,976,451

**Operating Loss** (15,624,431)

**NON-OPERATING REVENUES (EXPENSES)**

Interest Revenue	88,838
Other Non-Operating Revenues	35,548
Operating Assistance:	
Bay Area Rapid Transit District	2,209,036
Transportation Development Act	4,784,865
State Transit Assistance	1,922,379
Low Carbon Transit Operations Program	14,086
Regional Measure 2	941,033
Regional Measure 3	350,512
Measure J	2,514,010
Federal Transit Administration	504,127
<b>Net Non-Operating Revenues</b>	13,364,434

**Loss Before Capital Contributions** (2,259,997)

**CAPITAL CONTRIBUTIONS** 372,519

**Change in Net Position** (1,887,478)

Net Position, July 1, 2023 14,396,613

**Net Position, June 30, 2024** **\$12,509,135**

See accompanying notes to financial statements.



**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended June 30, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from passengers	\$1,441,730
Payments to employees for services	(1,315,296)
Payments to suppliers for goods and services	(14,874,599)
Receipts from advertisers	44,696
<b>Cash Used by Operating Activities</b>	<u>(14,703,469)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	<u>88,838</u>
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**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Operating assistance received	<u>13,240,046</u>
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**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Purchase of capital assets	(324,694)
Sale of assets and other non-operating	35,548
Capital grants received	372,519
<b>Cash Received (Used) by Capital and Related Financing Activities</b>	<u>83,373</u>

<b>Increase (decrease) in cash</b>	(1,291,212)
Cash, July 1, 2023	<u>5,871,648</u>
<b>Cash, June 30, 2024</b>	<u><u>\$4,580,436</u></u>

**RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:**

Operating loss	(\$15,624,431)
Depreciation	2,259,997
Increase (decrease) in accounts receivable	134,406
Increase (decrease) in grants receivable	(1,079,384)
Increase (decrease) in prepaid expenses	(486,165)
Increase (decrease) in deferred outflows of resources - pensions	6,728
Decrease (increase) in accounts payable and accrued liabilities	(476,413)
Decrease (increase) in deferred operating funds	400,792
Decrease (increase) in net pension liabilities	153,491
Decrease (increase) in deferred inflows of resources - pensions	<u>7,510</u>
Net cash provided (used) by operating activities	<u><u>(\$14,703,469)</u></u>

See accompanying notes to financial statements.

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**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 – ORGANIZATION**

The Western Contra Costa Transit Authority (Authority) was organized as a separate legal entity in August 1977 by a Joint Exercise of Powers Agreement between Contra Costa County, City of Pinole and City of Hercules. The Authority is governed by a seven-member Board of Directors. Three board members are appointed by the County’s Board of Supervisors and two each are from the city councils of Hercules and Pinole.

The Authority provides fixed route and “dial-a-ride” public transit services throughout Western Contra Costa County. WestCAT, a service of the Authority, provides local, express, and regional service to the cities of Pinole and Hercules and the unincorporated communities of Montalvin Manor, Tara Hills, Bayview, Rodeo, Crockett, and Port Costa. The agency operates eight local fixed routes, and three express routes to BART. In addition, the agency operates three weekday only regional bus routes – service between Martinez and El Cerrito del Norte BART station, between Hercules and San Francisco, and from Hercules to Contra Costa College.

The Authority’s operations are funded primarily through Transportation Development Act (TDA) Article 4 funds, and State Transit Assistance funds. The Authority also receives TDA Article 4.5 funding to provide transportation for seniors and disabled passengers. The Authority has contracted with an independent contractor, MV Transportation, for most operating activities.

The Authority has an agreement with the Bay Area Rapid Transit District (BART) whereby the Authority operates express bus service in the Interstate 80 corridor of western Contra Costa County to and from BART. The agreement requires BART to provide sufficient funding annually, through the Metropolitan Transportation Commission (MTC), to cover the annual operating and capital costs of the service.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the related liability is incurred, regardless of the timing of the related cash flows.

The accounts of the Authority are organized on the basis of an enterprise fund. Its activities are accounted for with a set of self-balancing accounts that comprise the Authority’s assets, liabilities, net position, revenues and expenses. Enterprise funds account for activities: (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; (ii) that are required by laws or regulations that the activity’s cost of providing services, including capital costs (such as depreciation or debt service) be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with an enterprise fund’s principal ongoing operations. The principal operating revenues of the Authority are charges to passengers for transportation services provided. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Cash Equivalents**

For purposes of the statement of cash flows, the Authority’s deposits in the Local Agency Investment Fund (LAIF) are, in substance, demand deposits and are therefore considered cash equivalents. Restricted investments are not considered a cash equivalent.

**Accumulated Vacation and Sick Leave**

By Authority policy, employees can carry up to twenty days of vacation benefits. The Authority has accrued \$11,400 for this liability at June 30, 2024.

Sick leave benefits are accumulated up to 30 days for each employee. The employees do not gain a vested right to accumulated sick leave. Accumulated employee sick leave benefits are not recognized as liabilities of the Authority since payment of such benefits is not probable. Sick leave benefits are recorded as expenses in the period that sick leave is taken.

**Operating Assistance**

Grants are reported as non-operating revenue as soon as all eligibility requirements have been met.

**Net Position**

Net Position is reported in the following categories:

- Net Investment in Capital Assets – This category groups all capital assets into one category. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.
- Unrestricted Net Position – This category represents net position of the Authority, not restricted for any project or other purpose.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Deferred Outflows/Inflows of Resources**

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

**Lease and Subscription-Based Information Technology Arrangements (SBITA) Accounting**

A lease or SBITA is defined as a contract that conveys control of the right to use another entity's nonfinancial assets (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land vehicles, equipment and software. The Authority's policy is to evaluate leases and SBITAs annually. Any material lease or SBITA, defined as having a net present value greater than one percent (1.0%) of the five-year average of annual total assets, shall be reported in accordance with GASB Statement No. 87 (GASB 87) and GASB Statement No. 96 (GASB 96) as appropriate. As of June 30, 2024 the Authority did not have any leases or SBITAs meeting this threshold.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 – CASH AND INVESTMENTS**

Cash and investments at June 30, 2024 consisted of the following:

Cash in bank and on hand	\$1,233,652
Cash with Local Agency Investment Fund (LAIF)	<u>3,346,784</u>
Total Cash and Investment	<u><u>\$4,580,436</u></u>

Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation. The remainder of these cash deposits are entirely collateralized by the bank holding the deposit. California law requires banks to pledge government securities with a market value of 110% of the deposit as collateral for all public agency deposits. This collateral remains with the institution, but is considered to be held in the Authority’s name and places the Authority ahead of general creditors of the bank.

The Authority is a voluntary participant in LAIF that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Town’s investment in this pool as reported in the accompanying financial statements is based upon the Entity’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF’s investment portfolio are U.S. Treasuries, Federal Agency obligations, time deposits, negotiable certificates of deposits, commercial paper, corporate bonds, and security loans. At June 30, 2024, the average life on investment funds invested by LAIF was 217 days.

**NOTE 4 – CAPITAL ASSETS**

Capital assets of the Authority consist of transit facilities, transportation equipment and other equipment. Capital assets are recorded at historical cost and depreciated over their estimated useful lives. The Authority's policy is to capitalize all assets when acquired with capital contributions.

Depreciation of capital assets in service 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.

The Authority has assigned the useful lives as follows:

	Useful life
Building and Improvements	5 - 31.5 Years
Transit Vehicles	5 - 16 Years
Shop, office and other equipment	3 - 10 years

**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 – CAPITAL ASSETS (Continued)**

Capital asset activity for the year ended June 30, 2024, were as follows:

	Balance June 30, 2023	Additions / Adjustments	Retirements	Balance June 30, 2024
Facilities	\$9,765,898	\$73,910		\$9,839,808
Transportation Equipment	28,613,834	154,912	(\$3,193,306)	25,575,440
Other Equipment	504,769	95,874	(793)	599,850
Total Capital Assets	38,884,501	324,696	(3,194,099)	36,015,098
Less Accumulated Depreciation	(24,003,101)	(2,259,997)	3,194,099	(23,068,999)
Capital assets, net	<u>\$14,881,400</u>	<u>(\$1,935,301)</u>		<u>\$12,946,099</u>

**NOTE 5 – OPERATING AND CAPITAL ASSISTANCE**

**Bay Area Rapid Transit District** – Operating funds from BART consist of \$1,982,905 in State Transit Assistance (STA) funds and \$226,131 in Transportation Development Act funds.

**Transportation Development Act** – The Transportation Development Act (TDA) creates in each California local jurisdiction a Local Transportation Fund that is funded by ¼ cent from the 7.25 percent retail sales tax collected statewide. The California Board of Equalization returns these funds to the local jurisdiction according to the amount of sales taxes collected in that jurisdiction. TDA funds are allocated to the Authority from Contra Costa County to meet, in part, the Authority’s operating requirements. The allocation is based on population within the Authority’s service area.

**State Transit Assistance** – State Transit Assistance (Proposition 111) funds are allocated to the Authority based on the portion of the Authority’s qualifying revenues as a portion of qualifying revenues statewide and the population of the areas that the Authority serves. The qualifying revenues are property taxes, Measure J funds and other funds generated at the local level, excluding state or federal subsidies.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 5 – OPERATING AND CAPITAL ASSISTANCE(Continued)**

**State Transit Assistance- State of Good Repair Program Funds**– STA-State of Good Repair (SGR) Program Senate Bill (SB) 1 established the State of Good Repair (SGR) Program. The funds from the SGR Program follow the same state-wide distribution policies as the regular STA program, with a Revenue-Based and Population-Based program. The Authority did not spend any of its available STA-SGR capital funds in fiscal year ended June 30, 2024.

Project Name	Grant Amount	Interest Earned		Expended in Fiscal		Unearned Revenue
		Prior Years	2023-24	Prior Years	2023-24	
SGR Programs						
FY 22 Local Match Vehicle Purchase	\$82,512	\$2,033	\$3,396			\$87,941
FY 23 Local Match Vehicle Purchase	85,510	569	3,387			89,466
FY 24 Local Match Vehicle Purchase	88,704		811			89,515
Total State of Good Repair	<u>\$256,726</u>	<u>\$2,602</u>	<u>\$7,594</u>			<u>\$266,922</u>
Total Unearned Revenues						<u>\$266,922</u>

**Regional Measure 2** – Regional Measure 2 (RM2) raised the toll on the seven State-owned toll bridges in the San Francisco Bay Area by \$1.00. This extra dollar is to fund various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004). Specifically, RM2 establishes the Regional Traffic Relief Plan and identifies specific transit operating assistance and capital projects and programs eligible to receive RM2 funding.

**Regional Measure 3** – Regional Measure 2 (RM2) raised the toll on the seven State-owned toll bridges in the San Francisco Bay Area by \$1.00. This extra dollar is to fund various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in Regional Measure 3 Expenditure Plan.

**Measure J** – The Authority has entered into an agreement with the Contra Costa Transportation Authority (CCTA) pursuant to Contra Costa County Measure J for improvement of bus transit and para-transit services. The Authority must apply funds received under the agreement, including any interest earned thereon, for the specific routes, services, or capital acquisitions approved annually by CCTA.

**Federal Transit Administration** – The Authority received 5307 funds as operating assistance to help support the Authority’s paratransit services and capital assistance for the Authority’s purchase of two 2022 BraunAbility-Voyager road supervisor vans - (FTA 5307 \$127,029).

**Low Carbon Transit Operations Program** – The Authority did not spend any funds in operating funds for the Spare the Air program during the year ended June 30, 2024.



**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 6 – PAYABLE TO METROPOLITAN TRANSPORTATION COMMISSION**

TDA regulations require the Authority to return excess operating revenues over operating costs, as defined in section 6634 of the California Code of Regulations, to MTC. Due to uncertainties surrounding the revenue available to fund ongoing operating costs through the Authority’s traditional funding sources, the Authority maintains a rolling three-year period in which it returns any unused portions of the TDA Articles 4 and 4.5 funds (two subsections: 99260(a) and 99275) of the California Public Utilities Code it received. According to the underlying TDA allocation instructions issued by the Metropolitan Transportation Commission (MTC), eligible costs must be incurred on or before June 30 of the fiscal year for which funds are allocated. Unused portions must be returned to the County’s Local Transportation Fund (LTF). As of June 30, 2024, the Authority returned \$1,101,691 to the County’s LTF comprising of FY21 funds.

A summary of the portion to be returned to the County’s LTF as of the fiscal year ended June 30 follows:

June 30, 2024	\$51,727
June 30, 2023	3,653,045
June 30, 2022	<u>2,678,100</u>
Total	<u><u>\$6,382,872</u></u>

Such refundable is reported as a reduction of TDA revenues.

**NOTE 7 – INSURANCE/JOINT POWERS AGREEMENT**

The Authority secures vehicular, property damage, Employment Risk Management Authority and general liability coverage of up to \$100,000 per incident through its bus operations contractor. Coverage above this amount up to \$25 million per incident is secured through the Authority’s participation in the California Transit Insurance Pool (CalTIP), a Joint Powers Authority. Losses over \$25 million per incident are uninsured. CalTIP was formed May 1987 to provide to its members comprehensive and economical insurance for public liability, property and other risks. CalTIP is governed by a board consisting of a representative from each of the 35 member agencies. CalTIP is independent of influence by the member agencies beyond the representation on the governing board. There has been no reduction in the Authority’s insurance coverage from the prior year, and no settlement amounts have exceeded insurance coverage for the last three years.

The Authority pays a premium commensurate with the level of coverage requested. Member agencies share surpluses and deficits proportionately to their participation in the CalTIP. During the year ended June 30, 2024, the Authority paid \$374,080 to CalTIP.

Financial information of CalTIP as of and for the year ended April 30, 2023 (the most recent available) was as follows:

Total Assets	\$ 45,725,105
Total Liabilities	\$ 18,975,774
Net Position	\$ 26,749,331
Total Revenues	\$ 16,002,192
Total Expenses	\$ 16,201,284

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 8 – PENSION PLAN**

**A. General Information about the Pension Plan**

***Plan Description***

All qualified permanent and probationary employees are eligible to participate in the Authority’s separate Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Authority’s resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

***Benefits Provided***

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 each plan are applied as specified by the Public Employees' Retirement Law.

The Plan provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% at 55	2% at 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	1.426% - 2.418%	1.000% - 2.50%
Required employee contribution rates	7.00%	7.75%
Required employer contribution rates	11.84%	7.68%

***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. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 8 – PENSION PLAN (Continued)**

For the year ended June 30, 2024, the contributions recognized as part of pension expense for the Plan were as follows:

	<u>Miscellaneous</u>
Contributions - employer	\$147,831

***B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions***

As of June 30, 2024, the Authority reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$1,047,592

The Authority's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2023, 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, 2022 rolled forward to June 30, 2023 using standard update procedures. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Authority's proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2022	0.0077%
Proportion - June 30, 2023	0.0084%
Change - Increase (Decrease)	0.0007%

For the year ended June 30, 2024, the Authority recognized pension expense of \$304,628. At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$147,831	
Differences between expected and actual experience	53,517	(\$8,302)
Changes of assumptions	63,248	
Change in proportion and differences between employer contributions and proportionate share of contributions	143,450	(45,854)
Net difference between projected and actual earnings on pension plan investments	169,615	
Total	<u>\$577,661</u>	<u>(\$54,156)</u>

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 8 – PENSION PLAN (Continued)**

\$147,831 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, 2025. 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
2025	\$145,367
2026	92,034
2027	133,406
2028	4,867
Total	\$375,674

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
<b>Actuarial Assumptions:</b>	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increases	Varies by entry age and service (1)
Investment Rate of Return	6.90% (2)
Mortality Rate Table	Derived using CalPERS' membership data for all funds (3)
Post Retirement Benefit Increase	The 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 for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that 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, the 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.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 8 – PENSION PLAN (Continued)**

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical and forecasted information for 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 the assumed administrative expenses of 10 basis points.

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

Asset Class (a)	New Strategic Allocation	Real Return (a), (b)
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 Estate	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

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

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

***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

– The following presents the Authority's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Authority'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:

	<u>Miscellaneous</u>
1% Decrease	5.90%
Net Pension Liability	\$1,747,057
Current Discount Rate	6.90%
Net Pension Liability	\$1,047,592
1% Increase	7.90%
Net Pension Liability	\$471,872

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 8 – PENSION PLAN (Continued)**

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

**NOTE 9 – DEFERRED COMPENSATION PLAN**

For employees hired before May 1, 2007 the Authority contributes 1% of all employees’ salaries to International City Managers Association (ICMA), now MissionSquare Retirement, a defined contribution benefit system that administers deferred compensation plans for participating public entities within the State of California. For new hires, the Authority contributes 7% of their salaries to MissionSquare Retirement for the first 1,000 hours of employment, after which, the employees are enrolled in CalPERS. The Plan’s trust administrator is Mission Square Retirement, P.O. Box 96220, Washington, DC 20090-6220. There were three new employees hired during the fiscal year 2024.

All full time and regular part time Authority employees are eligible to participate in MissionSquare Retirement. Employees are allowed to defer a percentage of their salary into the plan. Employees determine how their account balance is invested within a certain array of investment options. Benefits vest immediately. Upon retirement, the employees can select from various payout options. During the fiscal year 2024, the Authority contributed \$10,059 to the plan.

**NOTE 10 – CONCENTRATIONS**

The Authority receives a significant amount of its support from funding administered by the State of California, including sales tax revenues from the Local Transportation Fund and diesel tax proceeds through the State Transit Assistance (STA) program. The STA program is also the source of payments made to the Authority by the BART system. A significant reduction in the level of this support, if this was to occur, may have a significant effect on the operations of the Authority.

**NOTE 11 – CONTINGENCIES**

The Authority receives funding from various governmental agencies that are subject to review and audit. Such audits could result in a request for reimbursement for expenses disallowed under the terms and conditions of the contracts. It is the opinion of management that no material liabilities will result from such potential audits.

**REQUIRED SUPPLEMENTARY INFORMATION**

WESTERN CONTRA COSTA TRANSIT AUTHORITY  
 Cost-Sharing Multiple-Employer Defined Pension Plan  
 Last 10 Years\*  
 SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE  
 NET PENSION LIABILITY AND RELATED RATIOS AS OF  
 THE MEASUREMENT DATE

Measurement Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Plan's proportion of the Net Pension Liability (Asset)	0.0138%	0.0295%	0.0151%	0.0136%	0.0138%	0.0151%	0.0164%	0.0116%	0.0077%	0.0084%
Plan's proportion share of the Net Pension Liability (Asset)	\$859,495	\$808,383	\$523,652	\$537,394	\$521,412	\$605,112	\$690,555	\$219,322	\$894,101	\$1,047,592
Plan's Covered Payroll	\$591,498	\$647,939	\$690,283	\$863,582	\$891,011	\$914,786	\$1,043,790	\$955,240	\$956,046	\$743,217
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	145.31%	124.76%	75.86%	62.23%	58.52%	66.15%	66.16%	22.96%	120.30%	140.95%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	61.20%	66.19%	80.31%	81.75%	83.50%	82.57%	82.03%	94.81%	80.46%	79.74%

Change in assumption - In 2022, the accounting discount rate decreased from 7.15% to 6.90%.

\*- Fiscal year 2015 was the 1st year of implementation.

Cost-Sharing Multiple Employer Defined Pension Plan  
 Last 10 Years\*  
 SCHEDULE OF CONTRIBUTIONS

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$156,188	\$178,760	\$158,462	\$81,063	\$89,072	\$102,498	\$127,032	\$152,322	\$136,899	\$147,831
Contributions in relation to the actuarially determined contributions	(156,188)	(178,760)	(506,339)	(81,063)	(\$89,072)	(\$102,498)	(\$127,032)	(\$152,322)	(\$136,899)	(\$147,831)
Contribution deficiency (excess)	\$0	\$0	(\$347,877)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Covered payroll	\$647,939	\$690,283	\$863,582	\$891,011	\$914,786	\$1,043,790	\$955,240	\$956,046	\$743,217	\$869,512
Contributions as a percentage of covered payroll	24.11%	25.90%	18.35%	9.10%	9.74%	9.82%	13.30%	15.93%	18.42%	17.00%

\*Fiscal year 2015 was the 1st year of implementation.



**SUPPLEMENTARY INFORMATION**

**WESTERN CONTRA COSTA TRANSIT AUTHORITY**  
**SCHEDULE OF REFUNDABLE TO METROPOLITAN TRANSPORTATION COMMISSION**  
**Year Ended June 30, 2024**

<b>OPERATING REVENUES</b>	
Passenger Fares	\$1,307,324
Advertising Revenue	44,696
	<hr/>
<b>Total Operating Revenues</b>	<b>1,352,020</b>
<b>OPERATING EXPENSES</b>	
Operations	10,754,846
General and Administrative	1,483,025
Maintenance – Vehicles	1,997,657
Maintenance - Non Vehicles	360,779
Maintenance – Other	120,147
	<hr/>
<b>Total Operating Expenses</b>	<b>14,716,454</b>
<b>Operating Loss</b>	<b>(13,364,434)</b>
<b>NON-OPERATING REVENUES</b>	
Interest Income	88,838
Other Non-Operating Revenues	35,548
Operating Assistance and Grants From Governmental Agencies:	
Bay Area Rapid Transit District	2,209,036
Transportation Development Act	4,836,592
State Transit Assistance	1,922,379
Low Carbon Transit Operations Program	14,086
Regional Measure 2	941,033
Regional Measure 3	350,512
Measure J	2,514,010
Federal Transit Administration	504,127
	<hr/>
<b>Total Non-Operating Revenues</b>	<b>13,416,161</b>
<b>Refundable to Metropolitan Transportation Commission for June 30, 2024 (see Note 6)</b>	<b>\$51,727</b>
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**COMPLIANCE SECTION**

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

To the Board of Directors  
Western Contra Costa Transit Authority  
Pinole, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Western Contra Costa Transit Authority (Authority), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority’s basic financial statements and have issued our report thereon dated September 23, 2024.

**Report on Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements including the applicable provisions of Section 6667 of Title 21 of California Code of Regulation and the allocation instructions of the Metropolitan Transportation Commission (MTC), noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated September 23, 2024 which is an integral part of our audit and should be read in conjunction with this report.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

*Maze + Associates*

Pleasant Hill, California  
September 23, 2024

**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
MEMORANDUM ON INTERNAL CONTROL  
AND  
REQUIRED COMMUNICATIONS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
MEMORANDUM ON INTERNAL CONTROL  
AND  
REQUIRED COMMUNICATIONS**

**For The Year Ended June 30, 2024**

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## MEMORANDUM ON INTERNAL CONTROL

To the Board of Directors  
Western Contra Costa Transit Authority  
Pinole, California

In planning and performing our audit of the basic financial statements of the Western Contra Costa Transit Authority (Authority) as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority'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 the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority'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, others within the organization, and agencies and pass-through entities requiring compliance with *Government Auditing Standards*, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Maze + Associates' in a cursive, stylized font.

Pleasant Hill, California  
September 23, 2024

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**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
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 cite them here to keep you informed of developments:

The following comment represents new pronouncements taking affect in the current and next few years. We cite them here to keep you informed of developments:

**EFFECTIVE FISCAL YEAR 2023/24:**

**GASB 100 – *Accounting for Changes and Error Corrections***

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
MEMORANDUM ON INTERNAL CONTROL**

**SCHEDULE OF OTHER MATTERS**

**EFFECTIVE FISCAL YEAR 2024/25:**

**GASB 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.

*Recognition And Measurement*

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

*Notes To Financial Statements*

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
MEMORANDUM ON INTERNAL CONTROL**

**SCHEDULE OF OTHER MATTERS**

**GASB 101 – Compensated Absences (Continued)**

***How the Changes in this Statement Will Improve Financial Reporting***

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

**GASB 102 – Certain Risk Disclosures**

State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint.
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements.
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
MEMORANDUM ON INTERNAL CONTROL**

**SCHEDULE OF OTHER MATTERS**

**GASB 102 – Certain Risk Disclosures (Continued)**

***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 that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

**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.



**WESTERN CONTRA COSTA TRANSIT AUTHORITY  
MEMORANDUM ON INTERNAL CONTROL**

**SCHEDULE OF OTHER MATTERS**

***GASB 103 – Financial Reporting Model Improvements (Continued)***

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 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.

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## REQUIRED COMMUNICATIONS

To the Board of Directors  
Western Contra Costa Transit Authority  
Pinole, California

We have audited the basic financial statements of the Western Contra Costa Transit Authority (Authority) for the year ended June 30, 2024. 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 in our letter to you dated September 23, 2024. 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 the Authority are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

*Unusual Transactions, Controversial or Emerging Areas* – We noted no transactions entered into by the Authority 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 significance 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 Authority’s financial statements were:

*Estimated Fair Value of Investments:* As of June 30, 2024, the Authority held approximately \$4.6 million of cash and investments as measured by fair value as disclosed in Note 3 to the financial statements. Fair value is essentially market pricing in effect as of June 30, 2024. These fair values are not required to be adjusted for changes in general market conditions occurring subsequent to June 30, 2024.

*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 4 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

*Estimated Net Pension Assets and Liabilities and Pension-Related Deferred Outflows and Inflows of Resources:* Management’s estimate of the net pension assets and liabilities and deferred outflows/inflows of resources are disclosed in Note 8 to the financial statements and are based on actuarial studies determined by a consultant, which are based on the experience of the Authority. We evaluated the key factors and assumptions used to develop the estimate and determined 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. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole.

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

***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 September 23, 2024.

***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 the Authority’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 the Authority’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.

We were engaged to report on the supplementary information, which accompanying the financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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This information is intended solely for the use of 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  
September 23, 2024

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