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AMENDED AGENDA

San Mateo County Transit District

Measure W Citizens' Oversight Committee (COC) Meeting

March 2, 2026, 4:00 pm

Primary Location:

Bacciocco Auditorium, 2nd Floor
1250 San Carlos Avenue, San Carlos, CA 94070

Alternate Location:

2405 Kalaniana'ole PH-11
Hilo, Hawaii 96720

Members of the public may attend in-person or participate remotely via Zoom at:

<https://us02web.zoom.us/j/81102343501?pwd=WiSMGeSaUGoPgSagsPi0Av1A0BnIt0.1>

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Public Comments: Written public comments may be emailed to publiccomment@samtrans.com or mailed to 1250 San Carlos Avenue, San Carlos, CA 94070, and will be compiled and posted with any COC correspondence. Any written public comments received within two hours prior to the start of the meeting will be included in the following COC correspondence reading file, posted online at: <https://www.samtrans.com/meetings>.

Oral public comments will also be accepted during the meeting in person and through Zoom* or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Participants using Zoom over the Internet should use the Raise Hand feature to request to speak. For participants calling in, dial *67 if you do not want your telephone number to appear on the live broadcast. Callers may dial *9 to use the Raise Hand feature for public comment. Each commenter will be recognized to speak and callers should dial *6 to unmute themselves when recognized to speak.

San Mateo County Transit District Measure W Citizens' Oversight Committee Members: Rosanne Foust (Chair), Adrian Brandt (Vice Chair), John Baker, James Chan, Rich Hedges, Karen Kuklin, Sandra Lang, Ben Mangiafico, Gus Mattammal, Seema Patel, Mario Rendon, Malcolm Robinson, John Selin, Gabriel Terry, Michael Wooley-Ousdahl

Staff Liaisons: Peter Skinner, Chief, Transportation Authority
Charlsie Chang, Government Affairs Officer

COC Secretary:
Lauryn Ko

Each public comment is limited to three minutes or less. The COC Chair has the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

The video live stream will be available after the meeting at <https://www.samtrans.com/about-samtrans/video-board-directors-cac-and-measure-w-coc>.

Measure W Citizens' Oversight Committee: The Measure W Citizens' Oversight Committee (COC) oversees administration of Measure W funds to ensure tax proceeds have been invested in a way that is consistent with the Measure's Congestion Relief Plan.

The Measure W COC has the following responsibilities:

1. Receive the San Mateo County Transit District's annual audit report on receipts and expenditures of Measure W tax proceeds and expenditures under the Congestion Relief Plan during the prior fiscal year.
2. Hold an annual public hearing on the audit report.
3. Issue an annual report on the audit results.

Monday, March 2, 2026

4:00 pm

-
1. Call to Order / Pledge of Allegiance
 2. Roll Call
 3. Election of Chair and Vice Chair for One-Year Terms Motion
 4. Approval of Meeting Minutes for November 3, 2025 Motion
 5. Public Hearing: Annual Audit of Measure W Tax Revenues and Expenditures in Accordance with Congestion Relief Plan for Fiscal Year 2025 (July 1, 2024 – June 30, 2025)
 - a. Open Public Hearing Motion
 - b. Independent Auditor's Presentation Informational
 - c. Committee Questions Informational
 - d. Public Comment
 - e. Close Public Hearing Motion
 - f. Committee Comments Informational
 - g. Committee Discussion on Drafting of Committee Report Informational

Note: All items appearing on the agenda are subject to action by the Committee.

6. Update on Measure W Citizens' Oversight Committee Membership - Informational
Recruitment for Vacancies and Terms Ending in 2026
7. Public Comment on Items Not on the Agenda
At this time, persons in the audience may speak on any matter within the jurisdiction of the Committee. The Brown Act (the State local agency open meeting law) prohibits the Committee from acting on any matter that is not on the agenda. Comments by each individual speaker shall be limited to three (3) minutes.
8. Committee Member Comments/Communications Regarding Transportation Matters
9. Date / Time / Location of Next Meeting: Monday, May 11, 2026, at 4:00 pm
The meeting will be accessible via Zoom and in person at the San Mateo County Transit District, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070. Dates or location may be subject to change. Beginning July 2026 or later, in-person meetings will be conducted at 166 Rollins Avenue, Millbrae, CA 94030. Any changes to the meeting location will be posted in advance in compliance with the Brown Act.
10. Adjournment

Information for the Public

All items appearing on the agenda are subject to action by the Committee. If you have questions about the agenda, please contact Charlsie Chang, Government Affairs Officer, at changc@samtrans.com. Agendas are available on the SamTrans website at <https://www.samtrans.com/meetings>. Communications to the Board of Directors can be emailed to board@samtrans.com.

Free translation is available; Para traducción llama al 1.800.660.4287; 如需翻译 请电1.800.660.4287

Date and Time of Board, Committees, and Measure W Citizens' Oversight Committee Meetings

San Mateo County Transit District Board and Committees: First Wednesday of the month, 2:00 pm;
SamTrans Measure W Citizens' Oversight Committee (COC): Frequency of meetings to be determined.
Date, time and location of meetings may be changed as necessary. Meeting schedules for the Board, Committees, and COC are available on the website.

Location of Meeting

Members of the public may attend in-person or participate remotely via Zoom. Should Zoom not be operational, please check online at: <https://www.samtrans.com/meetings> for any updates or further instruction.

Public Comment

Members of the public are encouraged to participate remotely or in person. Public comments may be submitted by comment card in person and given to the Committee Secretary. Written public comments may be emailed to publiccomment@samtrans.com or mailed to 1250 San Carlos Avenue, San Carlos, CA 94070, and will be compiled and posted with any COC correspondence. Any written public comments received within two hours prior to the start of the meeting will be included in the COC correspondence reading file, posted online at: <https://www.samtrans.com/meetings>.

Oral public comments will also be accepted during the meeting through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Each public comment is limited to three minutes or less. Online commenters will be automatically notified when they are unmuted to speak. The Committee Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

Accessible Public Meetings/Translation

Upon request, SamTrans will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070; or email titlevi@samtrans.com; or request by phone at 650-622-7864 or TTY 650-508-6448.

Availability of Public Records

All public records relating to an open session item on this agenda that are not exempt from disclosure pursuant to the California Public Records Act and that are distributed to a majority of the legislative body will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070 at the same time that the public records are distributed or made available to the legislative body.

**San Mateo County Transit District
1250 San Carlos Avenue, San Carlos, California**

**Measure W Citizens' Oversight Committee (COC)
DRAFT Minutes of November 3, 2025**

Members Present: J. Baker, K. Kuklin, S. Lang, B. Mangiafico, G. Mattammal, S. Patel, M. Rendon (arrived at 4:06 pm), M. Robinson, G. Terry, A. Brandt (Vice Chair), R. Foust (Chair)

Members Present via Teleconference: Rich Hedges

Members Absent: M. Wooley-Ousdahl

Staff Present: C. Chang, L. Ko, L. Lumina-Hsu, P. Skinner, A. To, S. Van Hoften

1. Call to Order / Pledge of Allegiance

Chair Foust called the meeting to order at 4:01 pm and led the Pledge of Allegiance. Member Terry led the Pledge of Allegiance.

2. Roll Call

COC Secretary Loana Lumina-Hsu called the roll and confirmed a quorum was present.

Member Hedges invoked Assembly Bill (AB) 2449 to attend the meeting under emergency circumstances.

Motion/Second: Robinson/Lang

Ayes: Baker, Hedges, Kuklin, Lang, Mangiafico, Mattammal, Patel, Robinson, Terry, Brandt, Foust

Noes: None

Absent: Rendon, Wooley-Ousdahl

3. Approval of Meeting Minutes for May 6, 2025

Motion/Second: Robinson/Kuklin

Ayes: Baker, Hedges, Kuklin, Lang, Mangiafico, Mattammal, Patel, Robinson, Terry, Brandt, Foust

Noes: None

Absent: Rendon, Wooley-Ousdahl

Member Rendon arrived at 4:06 pm.

4. Discuss Work Plan for Fiscal Year 2025 (July 1, 2024 – June 30, 2025) Annual Audit of Measure W Tax Revenues and Expenditures in Accordance with the Congestion Relief Plan

Peter Skinner, Executive Officer, Transportation Authority, discussed the draft schedule development for two 2026 meetings: to review audit report with the auditors and to review and accept annual report

The Committee had a discussion and staff provided further clarification in response to the Committee comments and questions, which included the following:

- Scheduling difficulties and teleconference accommodations
- By-laws and materials posting
- Sub-committee comprised of Mattammal, Robinson, Kuklin, and Mangiafico to plan review of annual report
- Next dates: March 2 and May 11, 2026, at 4:00pm

5. Update on Measure W Citizens' Oversight Committee Membership - Recruitment for Vacancies and Terms Ending in 2025

Charlsie Chang, Government Affairs Officer, noted the following:

- Vacancies and seats with terms expiring representing:
 - People with Disabilities
 - San Mateo County Supervisor District 1
 - San Mateo County Supervisor District 4
 - Senior Community
 - San Mateo County Transit District (SamTrans) Citizens Advisory Committee
 - Peninsula Corridor Joint Powers Board (Caltrain) Citizens Advisory Committee representing San Mateo County
- Recruitment period open October 16 through November 15, 2026
- Current members can apply for reappointment to same seat or apply to represent a different seat

6. Public Comment on Items Not on the Agenda – There were none.

7. Committee Member Comments / Communications Regarding Transportation Matters

- Senate Bill 63
- Grand Boulevard Initiative project initiation
- Southern Skyline Boulevard Ridge Trail Extension open as part of Bay Area Ridge Trail

8. Date / Time / Location of Next Meeting: To be Announced

March 2, 2026 at 4:00pm at the San Mateo County Transit District, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.

9. Adjournment – The meeting adjourned at 4:28 pm.

**San Mateo County Transit District
Staff Report**

To: Measure W Citizens' Oversight Committee

Through: April Chan, General Manager/CEO

From: Kate Jordan Steiner, Chief Financial Officer

Subject: **Public Hearing: Annual Audit of Measure W Tax Revenues and Expenditures in Accordance with Congestion Relief Plan for Fiscal Year 2025 (July 1, 2024 – June 30, 2025)**

Action

Staff proposes the Measure W Citizens' Oversight Committee (COC):

1. Receive the San Mateo County Transit District's (District) Financial Audit of Measure W Funds (Measure W Audit) for the Fiscal Year ended June 30, 2025;
2. Conduct a public hearing on the Measure W Audit and receive public comments; and
3. Provide direction on the report to be drafted on behalf of the COC to provide County residents with information on how Measure W tax proceeds are being spent.

Significance

On July 11, 2018, the District adopted and sought voter approval to implement an ordinance imposing a half-cent retail transactions and use tax to implement the San Mateo County Congestion Relief Plan (Measure W Ordinance). The County's voters approved Measure W on November 6, 2018. The Measure W Ordinance requires the District to have an independent auditor annually review the receipts and expenditures of tax proceeds under the Congestion Relief Plan. The COC must then receive and hold a public hearing on the Measure W Audit and issue a report to provide County residents with information regarding how tax proceeds are being spent.

Budget Impact

There is no impact on the Budget.

Background

The District contracts with an independent auditor, Eide Bailly LLP, to conduct the Measure W 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 of America.

The Measure W Audit is prepared in accordance with the guidelines set forth by the Government Accounting Standards Board and consists of an Independent Auditor’s Report, Financial Statements, Notes to Financial Statements, Supplementary Information, and Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. The Independent Auditor’s Report has an unmodified “clean” audit opinion. The Financial Statements, Notes to Financial Statements, and Supplementary Information provide the detail as well as the perspective with which to assess the Measure W Funds’ financial condition and project expenses.

Notice of this public hearing was posted at the District's administrative offices and on the District's web page, sent out via press release, and distributed via the District's social media accounts. Public input was invited for submittal in advance and will also be accepted during the hearing.

Prepared By:	Kyle Huie	Manager, Accounting	650-551-6180
	Danny Susantin	Interim Director, Accounting	650-622-8073

Financial Statements
Measure W Fund
For the Years Ended June 30, 2025
and June 30, 2024

San Mateo County Transit District

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Independent Auditor's Report

Governing Board and
Citizens Oversight Committee
San Mateo County Transit District
San Carlos, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Measure W (Measure W) (Fund) of the San Mateo County Transit District (District), as of and for the years ended June 30, 2025 and June 30, 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Measure W of the San Mateo County Transit District's (District), as of June 30, 2025 and June 30, 2024, and the changes in its financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1, the financial statements of the Measure W are intended to present the financial position and the changes in financial position attributable to the transactions of that Fund. They do not purport to, and do not, present fairly the financial position of the District as of June 30, 2025 and June 30, 2024, the changes in its financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's Measure W activity. The Measure W Disbursements and Expenses, current Year District Measure W Projects, Measure W Core Principles, and the Current Year Transportation Authority Measure W Projects are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to 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 GAAS. In our opinion, the Measure W Disbursements and Expenses, Current Year District Measure W Projects, Measure W Core Principles, and the Current Year Transportation Authority Measure W Projects are 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 XXX XX, 2026, on our consideration of the Measure W'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 Measure W'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 Measure W's internal control over financial reporting and compliance.

Menlo Park, California
XXX XX, 2026

San Mateo County Transit District
Measure W Fund
Statement of Net Position
June 30, 2025 and June 30, 2024 (In thousands)

Table #1 : Statement of Net Position

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 234,237	\$ 207,075
Accounts receivable	9,287	9,917
Total assets	243,524	216,992
Liabilities		
Current Liabilities		
Accounts payable	1,554	2,417
Total liabilities	1,554	2,417
Net Position		
Net investment in capital assets Restricted for Measure W projects	241,970	214,575
Total net position	\$ 241,970	\$ 214,575

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San Mateo County Transit District
Measure W Fund
Statement of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2025 and June 30, 2024 (In thousands)

Table #2 : Statement of Revenues, Expenses, and Changes in Net Position

	2025	2024
Revenues		
Measure W sales tax (100%)	\$ 114,011	\$ 115,367
Total operating revenues	114,011	115,367
Expenses		
County Public Transportation Systems (50%)	36,927	24,449
Disbursements to Transportation Authority		
Countywide Highway Congestion Relief Improvements (22.5%)	25,652	25,958
Grade Separations (2.5%)	2,850	2,884
Bicycle and Pedestrian (5%)	5,701	5,768
Regional Transit Connections (10%)	11,401	11,537
Disbursements to Cities/Counties		
Local Investment Share (10%)	11,401	11,537
Total expenses and disbursements	93,932	82,133
Operating income	20,079	33,234
Nonoperating revenues		
Interest income	7,316	4,703
Total nonoperating revenues	7,316	4,703
Change in Net Position	27,395	37,937
Net Position - Beginning	214,575	176,638
Net Position - Ending	\$ 241,970	\$ 214,575



San Mateo County Transit District
Measure W Fund

Statement of Cash Flows

Years Ended June 30, 2025 and June 30, 2024 (In thousands)

Table #3: Statement of Cash Flows

	2025	2024
Cash Flows from Operating Activities		
Cash received from California Department of Tax and Fee Administration	\$ 114,641	\$ 115,496
Payments to vendors for goods and services	(21,100)	(18,958)
Payments for employee wages	(16,689)	(4,570)
Capital Transfers to the Transportation Authority	(57,005)	(57,684)
Net Cash Provided by Operating Activities	19,846	34,284
Cash Flows from Investing Activities		
Investment income received	7,316	4,703
Net cash provided by investing activities	7,316	4,703
Net change in cash and cash equivalents	27,163	38,987
Cash and Cash Equivalents, Beginning of Year	207,075	168,088
Cash and Cash Equivalents, End of Year	\$ 234,238	\$ 207,075
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	\$ 20,079	\$ 33,234
Adjustments to reconcile operating income to net cash provided by operating activities		
Accounts receivable	630	129
Accounts payable and accrued liabilities	(863)	921
Net Cash Provided for Operating Activities	\$ 19,846	\$ 34,284

Note 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

Measure W was approved by the voters of San Mateo County in 2018 to enable the San Mateo County Transit District (District) to impose a half-cent transactions and use tax to fund local transportation operations, projects, and improvements. The tax proceeds must be spent in accordance with a Congestion Relief Plan included in the Measure. The District retains control over the 50% share of Measure W revenues specified for countywide public transit. The District has authorized the San Mateo County Transportation Authority to administer the remaining 50% of Measure W revenues specified for Countywide Highway Congestion Relief Improvements, Grade Separations, Bicycle and Pedestrian Improvements, Regional Transit Connections, and Local Investment Share.

The financial statements of the fund do not purport to, and do not, present the financial position of the District as of June 30, 2025, 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. The activities of the Fund are reported within the District's enterprise fund. The projects funded by Measure W represent a portion of the activities of the District and, as such, are included in the District's financial statements.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Net Position

Net position is reported on the statement of net position as "restricted net position." This category represents net position that may only be used to support activities and costs allowable per the Measure W enabling legislation.

Spending Order

The accounting policy is to first consume the most restricted resources when multiple resources are available for the same purpose.

Cash and Cash Equivalents

For purpose of the statement of cash flows, the District considers all highly liquid investments with an initial maturity of 90 days or less when purchased to be cash equivalents.

Investments

The District's investments are generally carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end and includes the effects of these adjustments as a component of interest and investment income for that fiscal year.

Transactions and Use Tax (Sales Tax) Revenues

Revenues from sales taxes are recognized in the fiscal year when the underlying exchange occurs and any uncollected amount is reported as a receivable.

Operating and Nonoperating Revenues and Expenses

For purposes of reporting operating and nonoperating revenues and expenses, operating revenues comprise sales tax revenues and operating expenses comprise costs related to Measure W distributions. All other revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Note 2 - Cash and Investments

Policies

All Measure W Program cash and investments are deposited in the District's Treasury pool managed by Public Financial Management and District staff. The pool is unrated. Investments in the pool are made in accordance with the District's investment policy as approved by the Board. Investments are stated at fair value. However, the value of the pool shares in the District's Treasury pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair value of the Measure W Program's position in the pool.

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code or the District's investment policy, whichever is more restrictive, that addresses interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the District's investment policy.

Authorized Investment Type	Minimum Credit Rating	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	15 years	100%	N/A
U.S. Agency Securities	None	15 years	100%	N/A
Banker's Acceptances	None	180 days	40%	30%
Commercial Paper (\$500 Mil. Min. Assets)	A1/P1/F1	270 days	40%	10%
Negotiable Certificates of Deposit	None	5 years	30%	N/A
Repurchase Agreements	None	1 year	100%	N/A
Reverse Repurchase Agreements	None	92 days	20%	N/A
Medium-term Notes	A	5 years	30%	10%
Shares of beneficial interest issued by diversified management companies	None	N/A	20%	10%
Local Government Investment Pools	None	N/A	100%	N/A
Asset-backed and Mortgage-backed securities	AA	5 years	20%	N/A
Municipal Obligations	None	10 years	100%	N/A
Supranational Obligations	AA	5 years	30%	N/A
Local Agency Investment Fund (LAIF)	None	N/A	None	\$75M
San Mateo County Investment Pool	None		Up to the current state limit	

Interest Rate Risk

Interest rate risk is the risk incurred when market interest rates adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Note 3 - Accounts Receivable

The receivable amounts reported in the financial statements represent sales tax revenues not received by fiscal year end for \$9,287,000 and \$9,917,000, from California Department of Tax and Fee Administration, for fiscal years ended June 30, 2025 and June 30, 2024, respectively.

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Supplementary Information
June 30, 2025

San Mateo County Transit District

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San Mateo County Transit District
Measure W Disbursements and Expenses
Through June 30, 2025

The following table shows the total Measure W allocations and amount reported as expended by the District and the Authority from inception to June 30, 2025.

Table #4: Measure W Disbursements and Expenses
(In thousands)

Sources of Funds	Inception to Date as of June 30, 2025		
	Measure W Allocations ¹	Measure W Expenses ^{2,4}	Unexpended Amounts
District			
County Public Transportation Systems	\$ 320,291	\$ 99,643	\$ 220,647
Interest income (loss) ³	21,322	-	21,322
Disbursements to Transportation Authority			
Countywide Highway Congestion Relief Improvements	144,131	7,747	136,385
Local Investment Share	64,058	64,058	-
Grade Separations	16,015	-	16,015
Bicycle and Pedestrian	32,029	6,405	25,625
Regional Transit Connections	64,058	800	63,258
Interest income (loss) ³	17,296	168	17,128
Total - restricted for Measure W	\$ 679,201	\$ 178,821	\$ 500,380

Footnote

¹ Amount reflects cumulative program allocation revenues from inception-to-date.

² Amount reflects cumulative program expenses from inception-to-date.

³ Amount reflects unrealized losses calculated from the fair market value for accounting purposes only.

⁴ Expended amounts reflect cumulative expenditures recognized as of June 30, 2025. Committed or allocated amounts not yet incurred or disbursed, including amounts pending project sponsor reimbursement requests are included in unexpended amounts.

San Mateo County Transit District
Current Year District's Measure W Projects
For the year ended June 30, 2025

The tables below show the current year Measure W project expenses for the District and the Authority, respectively.

Table #5: Current Year District's Measure W Projects

District's Measure W Operating Projects	Year-to-Date Budget (in thousands)	Year-to-Date Expenses (In thousands)	Core Principle(s)	
Fixed Route Services				
School Oriented Service	\$ 4,966	\$ 4,966	1, 2, 6, 8, 10	
Bus Operations and Maintenance Wages and Benefits	12,311	12,311	1, 2, 4	
Bus Operator Restroom Access and Accomodation	400	400	6, 7	
Paratransit				
Americans with Disabilities Act Operating Subsidy	4,139	4,139	2, 4, 5, 6, 7, 10	
Planning				
SamTrans Reimagine	3,764	3,764	1, 2	
Measure W Strategic Plan	327	327	2, 5	
El Camino Real Mid-County Transit and Multimodal Plan	25	25	1, 2, 5, 7, 8, 9, 11	
Emission Zero				
Hydrogen Supply and Infrastructure	213	213	3, 5, 8	
Electricity	222	222	3, 5, 8	
Measure W Administration				
SamTrans Operating Administration	7	7		
Total Operating Expenses	\$ 26,375	\$ 26,375		
District's Measure W Capital Projects	Inception-to- Date Budget (in thousands)	Year-to-Date Expenses (In thousands)	Inception-to- Date Expenses (In thousands)	Core Principle(s)
Emission Zero				
Zero Emission Bus Implementation and Deploy	\$ 8,674	\$ 3,978	\$ 7,462	2, 3, 5, 7, 8
South Base Switchgear Replace	5,917	1,580	4,475	2, 3, 5, 7, 8
Purchase 17 Battery Electric Buses	5,071	(764) ¹	2,354	2, 3, 5, 7, 8
Replace (55) 2002 North American Bus Industries buses	319	68	68	2, 3, 5, 7, 8
Purchase (6) Pilot Electric Buses and Charging Infrastructure	1,501	1,111	1,501	2, 3, 5, 7, 8
Replace (135) 2009 Gillig Buses	3,761	184	400	2, 3, 5, 7, 8
Hydrogen Supply and Infrastructure	7,366	3,023	6,123	3, 7, 8
Paratransit				
Paratransit Scheduling Software	570	200	492	2, 4, 5, 6, 7, 10
Planning				
El Camino Real Transit Capital Improvement Fund	3,300	331	389	1, 2, 5, 7, 8, 9, 11
Infrastructure				
Bus Stop Improvement Plan	2,598	595	676	2, 7, 8
Bus Operator Restroom Access Improvements	2,937	101	192	6, 7
Accessibility Improvements				
Bus Shelter Upgrade and Replacement Program	1,406	48	48	6, 7
Updated ADA Transition Plan and Phase 1 Improvements	1,225	96	481	6, 7
Total Capital Expenses	\$ 44,645	\$ 10,552	\$ 24,660	

Footnote

¹ Negative expense reflects the reclassification of prior year costs from Measure W to eligible Federal Transit Administration (FTA) grant funding.

#	Measure W Core Principles
1	Relieve traffic congestion countywide.
2	Invest in a financially sustainable public transportation system that increases ridership, embraces innovation, creates more transportation choices, improves travel experience, and provides quality, affordable transit options for youth, seniors, people with disabilities, and people with lower incomes.
3	Implement environmentally-friendly transportation solutions and projects that incorporate green stormwater infrastructure and plan for climate change.
4	Promote economic vitality, economic development, and the creation of quality jobs.
5	Maximize opportunities to leverage investment and services from public and private partners.
6	Enhance safety and public health.
7	Invest in repair and maintenance of existing and future infrastructure.
8	Facilitate the reduction of vehicle miles traveled, travel times and greenhouse gas emissions.
9	Incorporate the inclusion and implementation of complete street policies and other strategies that encourage safe accommodation of all people using the roads, regardless of mode of travel.
10	Incentivize transit, bicycle, pedestrian, carpooling and other shared-ride options over driving alone.
11	Maximize traffic reduction potential associated with the creation of housing in high-quality transit corridors.

San Mateo County Transit District
 Current Year Transportation Authority's Measure W Projects
 For the year ended June 30, 2025

Table #6: Current Year Transportation Authority's Measure W Projects

Transportation Authority's Measure W Project Expenditures in FY 2025	Amount ¹ (In thousands)	Core Principle(s)
Countywide Highway Congestion Relief Improvements		
Highway Projects		
Route 1/Manor Drive Overcrossing Improvement Project	\$ 1,175	3,6,7, 9, 10
Town of Colma's El Camino Real Bike & Pedestrian Improvement	1,082	1,3,6,7, 8,9, 10
Moss Beach State Route 1 Congestion & Safety Improvements	788	1,3,6,7, 8, 9, 10
Administrative Overhead/Indirect Cost Allocation Plan	371	
US101/SR92 Interchange Area Improvements	21	1,3,6,7, 8, 9
Measure W Highway Oversight	8	
Half Moon Bay Highway 1 Corridor Study	1	1,3,6,7, 8, 9, 10
Alternative Congestion Relief and Transportation Demand Management (ACR/TDM)		
Burlingame's Bike Sharing Program	94	5,8,10
Millbrae's Bike Sharing Program	85	5,8,10
Half Moon Bay's Electric Bicycle Sharing Program	81	5,8,10
Half Moon Bay's Midcoast TDM Plan	37	1,5,8,10
Administrative Overhead/Indirect Cost Allocation Plan	27	
Town of Colma's Rideshare Voucher Program	20	5,8,10
Redwood City's Bicycle Parking Guidelines	11	5,8,9,10
Measure W TDM Oversight	6	
Commute.org's Jefferson Union High School District (JUHSD) Workforce Housing TDM	1	5,8,10,11
San Mateo County's Midcoastside TDM Plan	1	1,5,8,10
Local Investment Share		
Local investment share	11,401	3,4,6,7,9,10
Grade Separations		
N/A	-	
Bicycle and Pedestrian		
San Mateo County's Alpine Road Corridor Improvement Project	552	3,6,7,8,9,10
City of Pacifica's Esplanade & Palmetto Improvements	516	6,8,9,10
East Bayshore Road Pedestrian and Cyclists Safety Improvements	399	6,8,9,10
Redwood City Downtown Bikeway Corridors	160	6,8,9,10
Administrative Overhead/Indirect Cost Allocation Plan	148	
Menlo Park's Middle Avenue Project	132	6,8,9,10
Safe Routes to School	16	1,36,7,8,9,10
Menlo Park's Willow Road Pedestrian and Bicycle Safety project	3	6,7,8,9,10
Redwood City's Vision Zero Programs	1	6,8,9,10
Measure W Ped Bike OverSight	1	
Regional Transit Connections		
Regional Transit Connections Plan Development	161	1,2,5,8,10
Administrative Overhead/Indirect Cost Allocation Plan	85	
Measure W RTC Oversight	19	
Total	\$ <u>17,400</u>	

¹ Sources can be from various prior year allocations

² Administrative Overhead consists of administrative wages and benefits. Indirect Cost Allocation Plan (ICAP) calculates the indirect cost rate used to recover overhead costs related to agency indirect administrative

Independent Auditor's Report
For the Year ended June 30, 2025

San Mateo County Transit District

DRAFT

**Independent Auditor's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Governing Board and
Citizens Oversight Committee
San Mateo County Transit District
San Carlos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the San Mateo County Transit District's (District) Measure W Fund (Measure W) (Fund) as of and for the year ended June 30, 2025, and the related notes of the financial statements, and have issued our report thereon dated XXX XX, 2026.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Measure W Fund are intended to present the financial position, the changes in financial position, and cash flows attributable to the transactions of the Fund. They do not purport to, and do not, present fairly the financial position of San Mateo County Transit District as of June 30, 2025 and 2024, and the results of its operations for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Measure W's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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 Fund'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 Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Menlo Park, California
XXX XX, 2026

None reported.

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MEASURE W – SAN MATEO COUNTY TRANSIT DISTRICT

FISCAL YEAR ENDED JUNE 30, 2025

OUR RESPONSIBILITY IN ACCORDANCE WITH PROFESSIONAL STANDARDS

- Form and express an opinion about whether the financial statements which are the responsibility of management, are presented fairly, in all material respects, in accordance with U.S. GAAP.
- Our responsibility is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.
- We also reviewed internal control over financial reporting. Such considerations are solely for the purpose of determining our audit procedures
- Express an opinion on compliance of the expenditures with Measure W ballot language.

AUDITOR COMMUNICATIONS

Ethics and Independence

- We have complied with all relevant requirements regarding independence.

Significant Difficulties

- We encountered no difficulties in the performance of the audit.

Disagreements with Management

- No disagreements arose during the course of the audit



THANK YOU