

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 Fund of the San Mateo County Transit District (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.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinions on the basic financial statements are not affected by this missing.

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, 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 March 27, 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.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Menlo Park, California
March 27, 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		
Restricted for Measure W projects	241,970	214,575
Total net position	\$ 241,970	\$ 214,575

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

	<u>2025</u>	<u>2024</u>
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	<u>19,846</u>	<u>34,284</u>
 Cash Flows from Investing Activities		
Investment income received	<u>7,316</u>	<u>4,703</u>
Net cash provided by investing activities	<u>7,316</u>	<u>4,703</u>
 Net change in cash and cash equivalents	27,163	38,987
Cash and Cash Equivalents, Beginning of Year	<u>207,075</u>	<u>168,088</u>
 Cash and Cash Equivalents, End of Year	<u>\$ 234,238</u>	<u>\$ 207,075</u>
 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	<u>\$ 19,846</u>	<u>\$ 34,284</u>

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.

Supplementary Information
June 30, 2025

San Mateo County Transit District

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)	Inception to Date as of June 30, 2025			
	Sources of Funds	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	<u>\$ 679,201</u>	<u>\$ 178,821</u>	<u>\$ 500,380</u>	

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

<u>District's Measure W Operating Projects</u>	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 Fuel Supply for Fuel Cell Electric Buses	213	213	3, 5, 8
Electricity Charging Costs for Battery Electric Buses	222	222	3, 5, 8
Measure W Administration			
SamTrans Operating Administration	7	7	
Total Operating Expenses	<u>\$ 26,375</u>	<u>\$ 26,375</u>	

<u>District's Measure W Capital Projects</u>	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	<u>\$ 44,645</u>	<u>\$ 10,552</u>	<u>\$ 24,660</u>	

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

<u>Transportation Authority's Measure W Project Expenditures in FY 2025</u>	<u>Amount ¹</u> <u>(In thousands)</u>	<u>Core Principle(s)</u>
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	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	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 overhead and capital projects.

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

San Mateo County Transit District



**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 March 27, 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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Menlo Park, California
March 27, 2026

None reported.