



Annual Comprehensive Financial Report

For Fiscal Year Ended June 30, 2024

Western Riverside Council of Governments
Riverside, CA



Annual Comprehensive Financial Report

For Fiscal Year Ended June 30, 2024

Submitted by:
Fiscal Department
Western Riverside Council of Governments

WESTERN RIVERSIDE COUNTY | CALIFORNIA

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Introductory Section



Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Calimesa • City of Canyon Lake • City of Corona • City of Eastvale
City of Hemet • City of Jurupa Valley • City of Lake Elsinore • City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco
City of Perris • City of Riverside • City of San Jacinto • City of Temecula • City of Wildomar • Eastern Municipal Water District
Western Municipal Water District • Riverside County Superintendent of Schools

December 23, 2024

To the Western Riverside Council of Governments and Citizens of Western Riverside County:

Letter of Transmittal

The Annual Comprehensive Financial Report for the Western Riverside Council of Governments (WRCOG) for the fiscal year ended June 30, 2024 is hereby submitted in accordance with the provision of Section 6505 of the Government Code of the State of California (the State). The report contains financial statements that have prepared in conformity with generally accepted accounting principles (GAAP) in the United States prescribed for governmental entities. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Western Riverside Council of Governments (WRCOG). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and changes in financial position of the various funds of WRCOG. All disclosure necessary to enable the reader to gain an understanding of WRCOG's financial activities have been included. Because the cost of an internal control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of material misstatements.

Van Lant & Fankhanel, LLP has issued an unmodified opinion on WRCOG's financial statements for the year ended June 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

The management's discussion and analysis (MD&A) immediately follows the independent auditors report and provides a narrative, overview, and analysis of the basic financial statements. The MD&A was designed to complement this letter of transmittal and should be read in conjunction with it.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to WRCOG for its ACFR for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements.

Profile of the Government

WRCOG was formed in November 1989 as a California Joint Powers Authority under the Government Code Section 6500 et seq., of the State of California. WRCOG strives to unify Western Riverside County so that it can speak with a collective voice on important issues that affect its members. Representatives from 18 cities, the County of Riverside, the Eastern and Western Municipal Water Districts, and the Riverside County Superintendent of Schools have seats on WRCOG Executive Committee, the group that sets policy for the Agency. WRCOG's many areas of activity cover such programs as transportation, energy, community growth and development, and environment.

Major Initiatives

Transportation Uniform Mitigation Fee (TUMF) Program: WRCOG developed and administers the TUMF Program, a multi-jurisdictional fee program that ensures that new development in the subregion contributes their “fair share” to the sustaining of the regional transportation system. Over the life of the Program, fees paid by new residential and non-residential development will contribute to the construction of nearly \$3 billion in transportation and transit improvements in Western Riverside County. The TUMF Program has contributed to over 146 completed infrastructure projects since inception, with 67 in active development today. The Program also provides more than \$92 million for regional transit improvements, and nearly \$43 million for acquisition of sensitive habitat.

To date, WRCOG has received more than \$1 billion in TUMF revenue since the Program’s inception in 2003. Of the 67 active projects; 13 are under construction; 8 are in right-of-way acquisition; and 46 are in the planning, environmental, or engineering stages. The TUMF Program has helped to fund and deliver more than \$1 billion in critical transportation infrastructure.

The Local Transportation Fund (LTF): The Local Transportation Fund’s revenue is derived from ¼ cent of the general sales tax collected statewide, and then allocated by the State Board of Equalization (BOE). The Riverside County Transportation Commission (RCTC) receives an LTF allocation for the entire County, from the BOE, which they then divide among various groups. RCTC then allocates those funds to various projects and programs including an allocation for regional planning efforts. The regional planning efforts receive a small portion of the overall funds. RCTC then allocates those planning dollars among 3 parties (themselves, WRCOG, and CVAG). Per adopted RCTC policy, WRCOG receives 55% of those planning funds. To receive those funds, WRCOG must submit a work plan. The Work Plan is generally accepted by RCTC assuming that WRCOG can demonstrate that the work WRCOG is doing is consistent with regional planning purpose. Once the Work Plan has Staff and Commission approval, WRCOG can invoice RCTC for these funds and they are paid to WRCOG in a lump sum payment. WRCOG is then responsible for managing the LTF budget and the funds are mainly used to pay for staff time, staff benefits, agency overhead expenses, and consultant time.

Regional Early Action Planning (REAP) Grant: funds support regional agencies in their efforts to accelerate progress towards state housing goals and climate commitments through a strengthened partnership between the state, its regions, and local entities. The new funding for REAP, REAP 2.0, will accelerate infill housing development, reduce Vehicle Miles Traveled (VMT), increase housing supply at all affordability levels, affirmatively further fair housing (AFFH), and facilitate the implementation of adopted regional and local plans to achieve these goals. REAP funding is being provided to Metropolitan Planning Organizations, including the Southern California Association of Governments (SCAG). One of the programs SCAG developed is the Sub-Regional Partnership (SRP) Program in which COGs received a funding amount based on their respective Regional Housing Needs Assessment (RHNA) allocation. Utilizing this funding, WRCOG is able to: assist its member jurisdictions in implementing programs identified in their Housing Elements, provide assistance in achieving the state’s Prohousing Designation, and provide technical assistance on a variety of housing related activities.

Inland Regional Energy Network (I-REN) Program: In 2012, the California Public Utilities Commission (CPUC) authorized a new model for administering energy efficiency programs outside the traditional Investor-Owned Utility (IOU)-administered paradigm. These new models are known as Regional Energy Networks (RENs).

Since 2018 WRCOG has partnered and has been strategizing with the Coachella Valley Association

of Governments (CVAG) and San Bernardino Council of Governments (SBCOG) on development of a REN to service the Inland Counties of Riverside and San Bernardino, with WRCOG acting as the lead agency. This tri-COG group hereby collectively referred to as the Inland REN ("I-REN" or "I-REN Team") for the purposes of this program, has submitted a Business Plan to the CPUC, and has been approved to become a REN Program Administrator (PA), with the desire to address CPUC goals and objectives described in Rulemaking 13-11-005 concerning Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues. The I-REN Business Plan addresses three sectors – the Public Sector, the Codes & Standards Sector (C&S), and the Workforce, Education & Training Sector (WE&T). Throughout these sectors, there will be a strong focus on hard-to-reach communities and disadvantaged communities within the I-REN territory.

The I-REN Business Plan was approved by the CPUC on November 18, 2021, with a budget of \$65 million to be funded through program years 2022 to 2027.

Public Sector and related subprograms: I-REN has implemented two Public Sector programs for the purpose of achieving local and State Energy Efficiency goals.

Codes & Standards Sector and subprograms: I-REN has implemented two C&S programs to assist local government agencies in better understanding and enforcing energy building codes.

Workforce, Education & Training Sector and subprograms: I-REN has implemented two WE&T programs to ensure there is a trained workforce to support and realize energy efficiency savings goals across sectors.

Property Assessed Clean Energy Program (PACE) Program: In 2011, WRCOG launched the WRCOG PACE Program - a regional and statewide effort that provides financing to residential and commercial property owners for the installation of energy efficient, renewable energy, seismic strengthening, and water conservation improvements to homes and businesses - in the subregion and throughout California. Over 90,000 residential projects have been completed, representing approximately \$2 billion in funding. Since inception, roughly 46 commercial projects have been completed totaling over \$264.2 million.

Program participants complete an application and work with a contractor to make the improvements. Repayment occurs through the property owner's annual property tax bill, allowing property owners to pay the assessment over time. The Program includes multiple benefits. For property owners, energy and water conservation improvements will yield reduced utility bills and can improve property values. For Western Riverside County, the Program will create energy savings for the fast-growing region, reduce GHG emissions associated with energy use, and bring and retain needed jobs for area contractors.

The WRCOG PACE Program has also expanded throughout California. As of 2023, over 380 jurisdictions have joined the statewide Program, continuing to save billions of gallons of water, reducing millions of tons of GHG, and saving billions of kWh. This expansion has allowed commercial PACE to increase its presence and give business owners new financing opportunities, including new construction and retrofitting older buildings. PACE financing continues to offer commercial property owners alternative financing while offering renewable energy, water conservation, seismic strengthening improvements and energy efficient products.

During Fiscal Year (FY) 20/21, WRCOG's partner in the residential PACE Program (HERO), Renovate America, terminated its PACE product and subsequently filed for Chapter 11 Bankruptcy in December 2020, effectively ending the Program. Additionally, at the December 2020 WRCOG Executive Committee meeting, staff was directed to terminate the remaining

residential PACE administration agreements with the two other companies that have partnered with WRCOG, Renew Financial and PACE Funding Group.

While there are no longer new projects with the PACE residential Programs, WRCOG is still servicing the outstanding assessments (liens) related to the Program in the winddown phase. The Program still generates revenues from refunds, payoffs, delinquency selloffs, and the annual administrative fee.

Going forward, all WRCOG PACE Program updates will be focused solely on the commercial, or C-PACE, element of the Program.

On March 4, 2024, The WRCOG Executive committee authorized the expansion of C-PACE program to include Direct Capital Providers (DCP) that meet the requirements set forth in the WRCOG C-PACE. This would allow commercial and investment banks and other qualified capital providers that support energy efficiency projects to utilize this C-PACE / DCP funding resource. Staff are currently working on finalizing the DCP application workflow and project approval process. No DCP projects have been completed or funded at this time.

Used Oil and Filter Collection Program: WRCOG's Regional Used Oil Program helps protect groundwater and the environment from improperly disposed motor oil hazards. WRCOG's Used Oil and Oil Filter Exchange events have been an effective tool in educating and facilitating the proper recycling of used motor oil and used oil filters in various WRCOG jurisdictions. The primary objective of hosting the events is to educate individuals who change their oil, the Do-It-Yourself (DIYer), promoting the recycling of used oil and oil filters; therefore, an auto parts store is a great venue for educating the DIYer. In addition to promoting used oil/oil filter recycling, WRCOG staff informs the DIYer about the County-wide HHW Collection Program, which allows residents to drop off other automotive and household hazardous products for free.

Solid Waste Cooperative: California has continued to pass legislation (AB 341, AB 1826, AB 827, and SB 1383) requiring jurisdictions to implement processes that promote business and multi-family complex recycling and organics recycling programs. WRCOG's Solid Waste Committee works with its partners and the California Department of Resources Recycling and Recovery (CalRecycle) to discuss solid waste issues and ways to address mandates.

Love Your Neighborhood Program: The program is an "action-ready" stormwater pollution prevention initiative for Riverside County that spans 27 cities and three watersheds: Middle Santa Ana River, Santa Margarita, and Whitewater River watersheds. The program aims to increase pollution awareness and its impact on the environment through local cleanup efforts coordinated by partner cities and local agencies. The program obtains real-time data to track the number of pollutants removed from communities in support of stormwater mandates required by state permits.

Regional Food Rescue Program: Aligned with California's SB 1383 mandate, the WRCOG Regional Food Rescue Program is a collaborative initiative to reduce food waste and address food insecurity within Riverside County. Through the Careit app, the program connects surplus food from local businesses, institutions, and organizations with nonprofit partners and food banks, ensuring food is distributed to those in need rather than waste. Collaborating closely with environmental health authorities and five partner jurisdictions, the program during FY23/24 rescued 2,084.49 tons of food in its first year, contributing to community support and environmental sustainability by reducing food waste-related emissions.

Clean Cities Coalition (Coalition): WRCOG's Clean Cities Coalition is nationally recognized for promoting clean air by encouraging the use of alternative fuel vehicles and the development of alternative fuel infrastructure, technologies, and education. Through events, working groups, trainings, and other engagement efforts, the Coalition facilitates partnership building and resource sharing among transportation stakeholders in Western Riverside County and the broader Inland Empire. The Coalition also seeks resources to support the direct deployment of clean-fueled transportation technologies in fleets and communities. Coalition efforts bring together groups of leading policymakers, fleets, sustainability directors, legislators, and industry stakeholders, and projects and priorities are informed by a group of WRCOG member agencies who chose to support and participate in the program.

Streetlight Program: At the direction of the Executive Committee, WRCOG developed a Regional Streetlight Program that assisted 10 member agencies and a Community Services District to purchase streetlights which were previously owned and operated by Southern California Edison (SCE), within their jurisdictional boundaries. Once the streetlights were purchased by the member agency, the lamps were retrofitted to light-emitting diode (LED) technology to provide more economical operations (i.e., lower maintenance costs and reduced energy use). Local control of the streetlight system provides agencies with opportunities for future revenue generation such as digital-ready networks and telecommunications and information technology strategies. In order to identify and elaborate on these new opportunities, WRCOG developed a Smart Streetlights Implementation Plan and Broadband Assessment that could be applicable to all WRCOG member agencies.

The Program seeks to provide cost-efficiencies for local jurisdictions through the purchase, retrofit, and maintenance of streetlights within jurisdictional boundaries, without the need of additional jurisdictional resources. As a regional Program, WRCOG is providing continuous operations & maintenance (O&M) agreement that will enhance the level of service currently provided by SCE, working with agencies to update regional and community-specific streetlight standards, coordinating as-needed retrofits and additional LED conversion work, and are actively seeking and developing smart city opportunities that could be implemented by public agencies. The Regional Streetlight Program currently provides services to eight local government agencies in WRCOG's jurisdiction, including streetlight operations & maintenance services, project management, and as-needed technical assistance, for smart streetlight technologies, such as traffic sensors, and as needed support for broadband initiatives or projects.

Energy Resilience Plan 2.0 (ICARP Adaptation Planning Grant): Over the past few years, California residents and municipalities have lost power due to weather events and catastrophes either directly damaging electric infrastructure or necessitating power shutoffs to prevent further damage. As a response to power outages at government-owned facilities, WRCOG developed the Energy Resilience Plan which is a document and resource that can assist member agencies with developing and implementing energy resilience solutions at facilities and infrastructure to withstand power outages. The Energy Resilience Plan completes this in two core actions: 1) identifying and prioritizing critical facilities and infrastructure, and 2) designing for energy resilience.

In December 2022, the Executive Committee approved the WRCOG Energy Resilience Plan and directed staff to pursue funding opportunities to advance the identified projects further in the design process and conduct energy resilience planning activities. In 2023, WRCOG was awarded a \$471,000 grant from the Governor's Office of Land Use and Climate Innovation's ICARP Adaptation Planning Grant Program to develop an Energy Resilience Plan (ERP) 2.0.

The ERP 2.0 will conduct feasibility analyses to determine if microgrids and community resilience

centers can be implemented at existing member agency-owned facilities in western Riverside County. The ERP 2.0 would be completed in three phases: 1) establish a framework for integrating WRCOG member agencies and community members into the Plan; 2) consider and integrate community characteristics, strengths, and social / physical vulnerabilities when identifying project locations to ensure resilience strategies and resources are distributed equitably; and 3) develop an energy adaptation strategy that creates a series of replicable microgrids and resilience hubs that could provide a consistent supply of electricity for critical infrastructure and community assets.

SoCalGas Regional Energy Pathways Ambassador: The Southern California Gas Company (SoCalGas) continues to support public sector customers that previously participated in Local Government Partnerships through the Regional Energy Pathways (REP) Program. In an effort to build on experiences and successes with the Local Government Partnership model, SoCalGas transitioned the Local Government Partnerships model into a Regional Energy Pathways program model. SoCalGas updated their approach to ensure that they are providing valuable programs and services for all Public Sector customers. The objective of this model is to maintain and allow for more flexible engagement with all public sector customers that demonstrates the value of regional partnering while maintaining the direct relationships with existing partners as well as developing new relationships with public agencies.

One aspect of the REP Program is that SoCalGas contracts with regional agencies, known as REP Ambassadors, who will serve as an extension of staff to SoCalGas' REP team, ensuring public sector customers have a local "go-to" resource that supports their agencies' ability to increase energy efficiency. In 2023, SoCalGas hired WRCOG to serve as the Inland Empire REP Ambassador covering Riverside and San Bernardino Counties. As the Inland Empire REP Ambassador, WRCOG will be collaborating with SoCalGas to create awareness of SoCalGas' energy efficiency programs, assist public sector customers with developing and implementing gas energy efficiency projects through SoCalGas' programs, provide technical assistance, and promote long term energy efficiency practices.

Fellowship Program: In February 2016, the Executive Committee approved the creation of a one-year pilot Public Service Fellowship Program, to be administered by WRCOG in Western Riverside County, in partnership with the University of California, Riverside (UCR), and California Baptist University (CBU). The goal of this Program is to retain local students to fulfill the subregion's need for a robust public sector workforce and to combat the often-mentioned "brain drain" that Riverside County experiences when local students graduate but then leave the region to seek full-time employment elsewhere. The Fellowship Program is geared towards students or recent graduates who attend school, live, or work in the Western Riverside region to engage them in career opportunities with local governments and agencies in a way that is mutually beneficial to both the Fellows and the agency.

WRCOG is responsible for general Program administration and oversight, maintaining employment of the Fellows, soliciting interest from local government agencies, serving as the liaison between member agencies and the universities, providing Program funding, and coordinating payment of Fellowship stipends. WRCOG is also responsible for soliciting interest from students, reviewing applications and conducting interviews, recommending local government agency placements, and communicating regularly with Fellows. WRCOG also provides ongoing training to Fellows on career readiness and other theoretical topics during regular Networking Sessions to support their hands-on work experience.

Financial Planning

A successful fiscal year always starts during the creation of the budget process. Management staff will begin to gather data and discuss planning of the budget around January of every year. Management will describe their needs in terms of increased line items and justify that with any increases they foresee in revenues for the upcoming fiscal year.

The first time the draft budget is presented publicly at WRCOG's sub-committee level. The Administration & Finance Committee, which is comprised of 11 of WRCOG's Executive Committee members, will review and discuss the budget, usually at its March or April meeting and make any recommendations and have it forwarded on to the Technical Advisory Committee (TAC), which is comprised of the City Managers and Agency Directors of WRCOG's member agencies. This meeting of the TAC usually occurs within the same month as the Administration & Finance Committee. After it is recommended for approval, the budget's next stop is at WRCOG's Executive Committee meeting (usually in June). Once approved by the Executive Committee, the budget is approved by the General Assembly. The General Assembly is usually held at an off-site location and generally on the fourth Thursday of every June. The General Assembly is comprised of a majority of all City Councils, County Board of Supervisors, and other Board Members that represent WRCOG.

The budget itself is presented at the fund level. This, along with greater budget detail and narrative descriptions, is intended to provide a more user-friendly document that meets the mandates of transparency, communication, and fiscal sustainability in a way that will allow even the most casual observer to understand WRCOG's programs and money flow. With the exception of the general government, each fund is self-sufficient and able to fund its own expenditures through revenue generated. The general government, however, does not bring in enough revenue to cover all the expenditures such as rent, legal, consulting, and payroll, and because of this, must charge overhead to offset the difference. The overhead is calculated during the budget process and allocated to each function in the most equitable method possible. This is usually based on the amount of revenue generated as a percentage of the total agency revenue.

Budget control levels establish the parameters for administrative budget transfers and amendments. Upon adoption of the budget resolution, budget control levels are by department within the General Fund and by Fund within all other funds. The goal of creating internal controls is to ensure that one person cannot create, approve, and issue a check, wire, or any other sensitive piece of information. WRCOG follows the policy that at least two, if not three, signatures are required to approve any check requests and the amount must be verified against the approved budget to ensure there are sufficient funds available to expend.

The Executive Committee of WRCOG has provided outstanding leadership and has provided staff with excellent resources, which are reflected in the programs delivered to the various members. WRCOG continues to be counted on to provide regional perspective while respecting local control.

WRCOG's Executive Committee approves all financial policies relevant to every aspect of the agency's accounting and as such, none of the policies approved during the year, or in year's past, had a significant impact on the current period's financial statements.

Awards and Acknowledgments

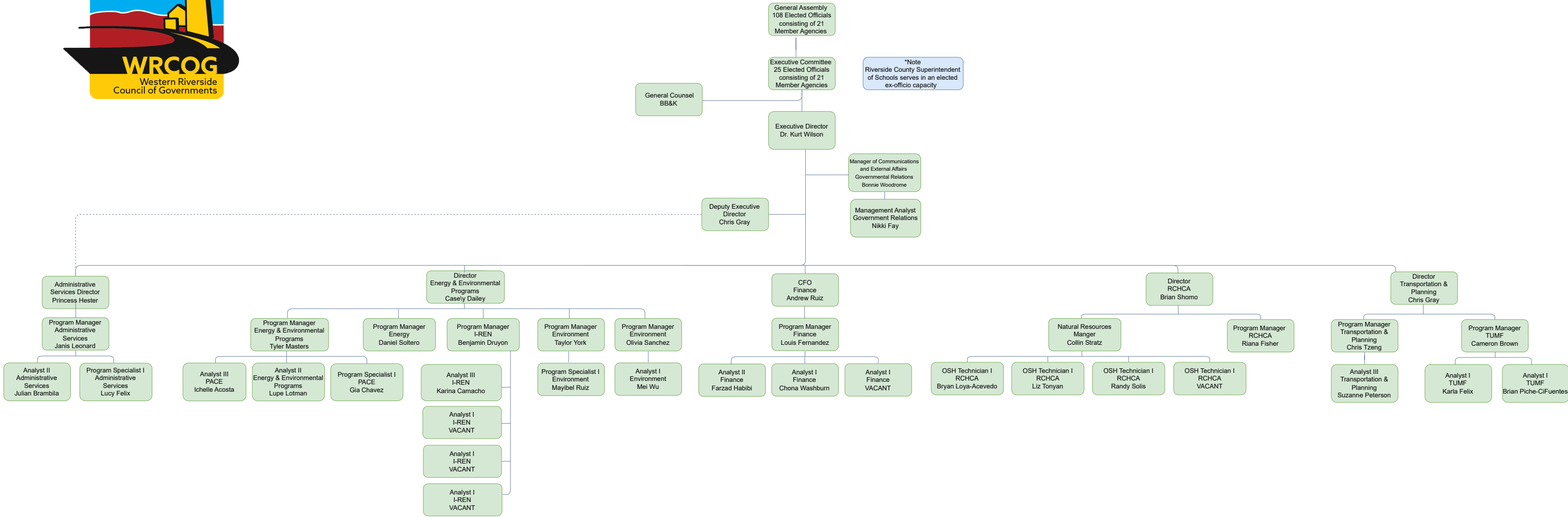
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Western Riverside Council of Governments for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the 11th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Ruiz'.

Andrew Ruiz
Chief Financial Officer



DocuSigned by:

559AA08D610412A
Dr. Kurt Wilson, Executive Director
Organizational Chart by Name
Effective April 16, 2024

Western Riverside Council of Governments

List of Principal Officials
As of June 30, 2024

Executive Committee Members

Name and Position	Title	Agency
Crystal Ruiz	Chair	City of San Jacinto
Chris Barajas	Vice-Chair	City of Jurupa Valley
Rita Rogers	2nd Vice-Chair	City of Perris
Reuben Gonzales	Member	City of Banning
Mike Lara	Member	City of Beaumont
Wendy Hewitt	Member	City of Calimesa
Mark Terry	Member	City of Canyon Lake
Jacque Casillas	Member	City of Corona
Christian Dinco	Member	City of Eastvale
Jackie Peterson	Member	City of Hemet
Brian Tisdale	Member	City of Lake Elsinore
Bob Karwin	Member	City of Menifee
Elena Baca-Santa Cruz	Member	City of Moreno Valley
Ron Holliday	Member	City of Murrieta
Kevin Bash	Member	City of Norco
Ronaldo Fierro	Member	City of Riverside
James Stewart	Member	City of Temecula
Joseph Morabito	Member	City of Wildomar
Kevin Jeffries	Member	County of Riverside, District 1
Karen Spiegel	Member	County of Riverside, District 2
Chuck Washington	Member	County of Riverside, District 3
Yxstian Gutierrez	Member	County of Riverside, District 5
Brenda Dennstedt	Member	Western Municipal Water Dist.
Phil Paule	Member	Eastern Municipal Water Dist.
Dr. Edwin Gomez	Member	Riverside County Supt. of Schools

Management Staff

Dr. Kurt Wilson, Executive Director
Chris Gray, Deputy Executive Director
Andrew Ruiz, Chief Financial Officer
Casey Dailey, Director of Energy & Environmental Programs
Princess Hester, Administrative Services Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Western Riverside Council of Governments
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



Financial Section

Independent Auditor's Report

Executive Committee
Western Riverside Council of Governments
Riverside, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Western Riverside Council of Governments (WRCOG), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the WRCOG'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 governmental activities, each major fund, and the aggregate remaining fund information of WRCOG, as of June 30, 2024, and the respective changes in financial position, 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 WRCOG 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 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 financial statements that are free from material misstatement, whether due to error or fraud.

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 WRCOG'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 WRCOG'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 WRCOG'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, budgetary comparison schedules, and pension and OPEB schedules, 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 WRCOG's basic financial statements. The accompanying combining statements and budgetary comparison schedules, as listed in the table of contents, 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 auditing standards generally accepted in the United States of America. In our opinion, the combining statements, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 23, 2024, on our consideration of WRCOG'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 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 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 WRCOG's internal control over financial reporting and compliance.

Van Lant & Fankhaed, LLP

December 23, 2024

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A Joint Powers Authority)

Management's Discussion and Analysis
For the Year Ended June 30, 2024

This section of the Western Riverside Council of Governments (WRCOG) Annual Comprehensive Financial Report presents a narrative overview and analysis of WRCOG's financial activities for the fiscal year ended June 30, 2024. Management encourages readers to consider the information presented here in conjunction with the Letter of Transmittal.

OVERVIEW OF THE FINANCIAL STATEMENTS

This management's discussion and analysis (MD&A) is intended to serve as an introduction to WRCOG's basic financial statements. WRCOG's basic financial statements include three components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Basic Financial Statements

The following required supplementary information has been included in this report:

- Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
 - General Fund
 - Local Transportation Special Revenue Fund
 - Regional Energy Network Special Revenue Fund
- Schedule of WRCOG's Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date
- Schedule of Plan Contributions
- Schedule of Changes in the Net OPEB Liability and Related Ratios
- Schedule of OPEB Contributions

The following other information has been included in this report:

- Supplementary Information
- Statistical Section

Government-Wide Financial Statements are designed to provide readers with a broad overview of WRCOG finances in a manner similar to private-sector business.

The *Statement of Net Position* presents information on all WRCOG's assets and deferred outflows of resources as well as liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position serve as a useful indicator of whether the financial position of WRCOG is improving or declining.

The *Statement of Activities* presents information showing how WRCOG's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (such as revenues pertaining to uncollected TUMF fees or expenses pertaining to earned but unused vacation and sick leave).

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Fund Financial Statements only utilize governmental funds. The focus of governmental fund financial statements is on major funds. Major funds are determined based on minimum criteria set forth by the Governmental Accounting Standards Board (GASB). Like other state and local governments, WRCOG uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting is also used to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental Funds are used to account for essentially the same functions as *governmental activities* in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements often have a budgetary orientation, are prepared on the modified accrual basis of accounting, and focus primarily on the sources, uses, and balances of current financial resources.

Because the focus of governmental funds is narrower than that of the governmental-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental funds' balance sheet and statement of revenues, expenditures, and changes in fund balances are accompanied by reconciliation to the government-wide financial statements in order to facilitate comparison between governmental funds and governmental activities.

WRCOG maintains three major governmental funds organized to their type (general and special revenue). The governmental fund statements present the financial information of each major fund in separate columns.

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support WRCOG's own programs. The basis of accounting for these funds is much like that used for proprietary funds. WRCOG reports two types of fiduciary funds (OPEB Trust Fund and Custodial Funds). The OPEB trust fund accounts for the activities of the PARS Pension Rate Stabilization Program Section 115 Trust. The custodial funds are used to account for deposits relating to the payoff of Property Assessed Clean Energy (PACE) program loans and Transportation Uniform Mitigation Fees (TUMF) received from developers as part of the fees assessed by member agencies. WRCOG changed the fund reporting type for the TUMF Custodial Fund.

Notes to the Basic Financial Statements provide additional information other than that displayed on the face of the financial statements and are essential for the fair presentation of the financial information in the government-wide and fund financial statements.

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Required Supplementary Information, in addition to this MD&A, presents schedules of the proportionate share of net pension liability, schedule of plan contributions, schedule of changes in net OPEB liability, schedule of OPEB contributions, plus budget and actual information.

FINANCIAL HIGHLIGHTS

- Total net position of WRCOG was \$10.8 million and consisted of net investment in capital assets of \$98,954, restricted net position of \$3.4 million, and unrestricted net position of \$7.3 million.
- At June 30, 2024, WRCOG's assets of \$23.2 million plus deferred outflows of resources of \$3.4 million was more than its liability of \$14.3 million and deferred inflows of resources of \$1.6 million resulting in a net position of \$10.8 million.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position – Net Position may serve as a useful indicator of a government's financial position. At the end of the current fiscal year, WRCOG reported net position, with total assets and deferred outflows of resources more than liabilities and deferred inflows of resources by \$10.8 million.

Net pension liability is the amount needed to fully fund WRCOG's defined benefit plan. The net pension liability at June 30, 2023 was \$3.7 million and increased to \$4 million at June 30, 2024.

Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources until then. WRCOG reports deferred outflows related to pensions and OPEB.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources until that time. WRCOG reports deferred inflows also related to pensions and OPEB.

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
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**Management's Discussion and Analysis
For the Year Ended June 30, 2024**

The table below provides summarized data from the Statement of Net Position for WRCOG as of June 30, 2024, as compared to the prior year:

**Statement of Net Position
As of June 30**

	<u>2024</u>	<u>2023</u>
Current and Other Assets	\$ 21,552,893	\$ 18,744,914
Capital Assets	<u>1,667,201</u>	<u>2,091,787</u>
Total Assets	<u>23,220,094</u>	<u>20,836,701</u>
Deferred Outflows of Resources	<u>3,400,961</u>	<u>3,330,470</u>
Current and Other Liabilities	5,475,585	4,310,275
Long-term Liabilities	<u>8,788,952</u>	<u>8,392,722</u>
Total Liabilities	<u>14,264,537</u>	<u>12,702,997</u>
Deferred Inflows of Resources	<u>1,578,222</u>	<u>1,783,721</u>
Net Position:		
Net Investment in Capital Assets	98,954	172,252
Restricted	3,416,409	3,321,749
Unrestricted	<u>7,262,933</u>	<u>6,186,452</u>
Total Net Position	<u>\$ 10,778,296</u>	<u>\$ 9,680,453</u>

WRCOG's total net position increased by 11.34%, or \$1.1 million, during fiscal year 2023-2024 compared to the prior year. The increase in net position was mostly due to an increase in current assets. Total assets increased 11.44%, or \$2.4 million, during fiscal year 2023-2024 compared to the prior year, mostly due to an increase of cash and investments. Total liabilities increased from \$12.7 million in FY 2022/2023 to \$14.3 million, or 12.29%. This increase in liabilities is attributable to an increase in unearned revenues. Below are the three components of net position and their respective fiscal year-end balances:

- **Net Investment in Capital Assets** represents 0.92%, or \$98,954 of WRCOG's total net position for fiscal year 2023-2024 compared to 1.78%, or \$172,252, for fiscal year 2022-2023. The decrease is attributable to the adjustment to the right-to-use leased office in capital assets.

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- **Restricted net position** accounts 31.70%, or \$3.4 million, of WRCOG's total net position for fiscal year 2023-2024 compared to 34.31%, or \$3.3 million, for fiscal year 2022-2023. This component of net position represents 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. The 2.61% decrease is attributable to the 3.47% increase in unrestricted net position.
- **Unrestricted net position** accounts for 67.38%, or \$7.3 million, of WRCOG's total net position for fiscal year 2023-2024 compared to 63.91%, or \$6.2 million for fiscal year 2022-2023. This component of WRCOG's total net position may be used to meet WRCOG's ongoing obligations to creditors.

Governmental Activities

Revenues: WRCOG's governmental activities rely on the following sources of revenue to finance ongoing operations:

- General revenue related to governmental activities primarily consists of fees, other revenues, and investment earnings. Investment earnings increased from \$316,879 to \$569,051 due to unrealized gains on market value of securities.
- Charges for services are revenues received related to the sponsorship of the PACE Program and TUMF administration fee collection. In addition, the PACE Program recording fees are included in the revenue balance. Charges for services increased by 16.90%, or \$804,786 from the prior year due to more PACE and TUMF revenues collected during the fiscal year.
- Operating Grants and Contributions are revenues received from parties outside of WRCOG, such as state agencies, and are generally restricted to one or more specific programs. Operating grants and contributions increased by \$3.6 million, or 65.5%, from \$5.5 million in fiscal year 2022-2023 to \$9.1 million in the current fiscal year. This increase was due to the increased IREN activity during the fiscal year.

Expenses: Total program expenses for governmental activities were \$14.1 million for the current fiscal year, an increase of 43.62%, or \$4.3 million compared to the prior fiscal year. This increase was due to the increased IREN activity during the fiscal year.

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**Management's Discussion and Analysis
For the Year Ended June 30, 2024**

The following table provides information from the Statement of Activities for WRCOG for the fiscal year 2023-2024, as compared to the prior year:

**STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30**

	2024	Percent of Total	2023	Increase (Decrease) From 2023	Percent Increase (Decrease)
Revenues					
Program Revenues:					
Charges for Services	\$ 5,566,893	37%	\$ 4,762,107	\$ 804,786	16.90%
Operating Grants and Contributions	9,095,038	60%	5,495,592	3,599,446	65.50%
General Revenues:					
Investment Income	569,051	4%	316,879	252,172	79.58%
Total Revenues	15,230,982	100%	10,574,578	4,656,404	44.03%
Expenses					
General Government	4,787,226	34%	4,483,666	303,560	6.77%
Energy	8,147,400	58%	4,603,005	3,544,395	77.00%
Environmental	1,165,939	8%	731,502	434,437	59.39%
Interest on Leases	32,574	0.2%	22,571	10,003	44.32%
Total Expenses	14,133,139	100%	9,840,744	4,292,395	43.62%
Change in Net Position	1,097,843		733,834	4,292,395	
Net Position, Beginning of Year	9,680,453		8,946,619	733,834	
Net Position, End of Year	\$ 10,778,296		\$ 9,680,453	\$ 1,097,843	11.34%

FINANCIAL ANALYSIS OF FUND STATEMENTS

As previously noted, WRCOG uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of WRCOG's governmental funds is to provide information on the sources, uses, and balances of spendable resources. Such information is useful in assessing WRCOG's short-term financial requirements. In particular, the total fund balance less the non-spendable amount may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The types of governmental funds reported by WRCOG include the General and Special Revenue Funds.

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The General Fund is the chief operating fund for WRCOG. At the end of the current fiscal year, the General fund's total fund balance was \$13 million, as compared to \$11.4 million for the prior fiscal year. The increase of \$1.6 million, or 14.4%, was mostly a net result of the increase of TUMF Mitigation Fee revenue and a decrease in general government expenditures in the current fiscal year. As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. The non-spendable portion of fund balance was \$176,560; restricted fund balance in the General Fund was \$369,074 which is funds held in a pension stabilization fund held in Section 115 Trust. WRCOG established the Trust in February 2020 and initially funded the trust in October 2020. The assigned portion was \$229,726 for the Fellowship Program, and the unassigned portion was \$12.3 million. The current year's unassigned fund balance is 244% of the total General Fund expenditures of \$5 million, as compared to 199% of the total General Fund expenditures for fiscal year 2022-2023. The total fund balance of the General fund for the current year is 259% of the total general fund expenditures as compared to 212% for the prior year.

The Local Transportation Fund (LTF) is a Special Revenue Fund for WRCOG. At the end of the current fiscal year, the LTF's total fund balance was \$2.8 million, as compared to \$2.7 million for the prior fiscal year. The increase of \$68,270, or 2.49%, was mostly a net result of the increase in revenues.

The Local Transportation Fund's revenue is derived from ¼ cent of the general sales tax collected statewide, and then allocated by the State Board of Equalization (BOE). The Riverside County Transportation Commission (RCTC) receives an LTF allocation for the entire County, from the BOE, which they then divide among various groups. RCTC then allocates those funds to various projects and programs including an allocation for regional planning efforts. The regional planning efforts receive a small portion of the overall funds. RCTC then allocates those planning dollars among 3 parties (themselves, WRCOG, and CVAG). Per adopted RCTC policy, WRCOG receives 55% of those planning funds. To receive those funds, WRCOG must submit a work plan. The Work Plan is generally accepted by RCTC assuming that WRCOG can demonstrate that the work WRCOG is doing is consistent with regional planning purpose. Once the Work Plan has Staff and Commission approval, WRCOG can invoice RCTC for these funds and they are paid to WRCOG in a lump sum payment. WRCOG is then responsible for managing the LTF budget and the funds are mainly used to pay for staff time, staff benefits, agency overhead expenses, and consultant time.

Inland Regional Energy Network (I-REN) Fund is a Special Revenue Fund for WRCOG. At the end of the current fiscal year, I-REN's total fund balance was \$1,892, as compared to (\$2.1 million) fund balance in the prior fiscal year. This increased fund balance is attributed to the prior year unavailable revenue of \$2,068,509 recognized during the current fiscal year.

Since 2018 WRCOG has partnered and has been strategizing with the Coachella Valley Association of Governments (CVAG) and San Bernardino Council of Governments (SBCOG) on development of a REN to service the Inland Counties of Riverside and San Bernardino, with WRCOG acting as the lead agency. These partners joined together and submitted a Business Plan to the California Public Utilities Commission (CPUC) to establish locally administered, designed, and delivered energy efficiency programs. I-REN's Business Plan was approved by the

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CPUC in November 2021 for three sectors: Public, Codes and Standards, and Workforce Education and Training

The CPUC-approved I-REN Business Plan established the 6-year budgeting parameters (program years 2022 to 2027) of I-REN in terms of the revenue amount and spending categories that can be authorized. As funds from the 6-year authorization (\$65.6m) are drawn down, the remaining funds are spread evenly over the remaining time. Lower spending levels in year one is offset by proportionally higher spending levels in future years. While the pace of spending fluctuates slightly from year to year, the cumulative spending total over the 6-year period is capped at \$65.6m. The annual spending amount is the result of that calculation and is codified through a procedural step with the CPUC (annual Advice Letter) as well as the WRCOG annual budget in which the I-REN funds are embedded because WRCOG serves as the Lead Administrative Agency.

GENERAL FUND FINANCIAL ANALYSIS

Revenues for the General Fund, including comparative amounts from the preceding year are shown in the following tabulation:

	<u>2024</u>	<u>Percent of Total</u>	<u>2023</u>	<u>Increase (Decrease) From 2023</u>	<u>Percent Increase (Decrease)</u>
Revenues					
Intergovernmental	\$ 1,431,554	21.5%	\$ 1,640,771	\$ (209,217)	-12.8%
TUMF Mitigation Fees	3,474,339	52.1%	2,924,554	549,785	18.8%
PACE Fees	1,120,607	16.8%	1,027,275	93,332	9.1%
Other Revenues	67,756	1.0%	60,141	7,615	12.7%
Investment Income	569,032	8.5%	316,858	252,174	79.6%
Total Revenues	<u>\$ 6,663,288</u>	<u>100%</u>	<u>\$ 5,969,599</u>	<u>\$ 693,689</u>	<u>11.6%</u>

Intergovernmental revenues are derived from various grants and member dues. Revenues decreased due to the decrease in the Regional Early Action Planning (REAP) in the current fiscal year. TUMF mitigation fees were higher because more permits were issued during the fiscal year. PACE fees increased due to the increase in early payoffs. These early payoffs require additional processing and additional fees are collected due to this. Other revenues remained consistent. Lastly, investment income increased in the general fund due to unrealized gains on fair market values on investments.

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For the Year Ended June 30, 2024**

Expenditures for the General Fund, including comparative amounts from the preceding year, are shown in the following tabulation:

	<u>2024</u>	<u>Percent of Total</u>	<u>2023</u>	<u>Increase (Decrease) From 2023</u>	<u>Percent Increase (Decrease)</u>
Expenditures					
General Government	\$ 2,325,081	46.3%	\$ 2,852,840	\$ (527,759)	-18.5%
Energy	1,836,825	36.5%	1,888,361	(51,536)	-2.7%
Environmental	481,117	9.6%	245,011	236,106	96.4%
Lease Principal	351,288	7.0%	370,629	(19,341)	-5.2%
Lease Interest	32,574	0.6%	22,571	10,003	44.3%
Total Expenditures	<u>\$ 5,026,885</u>	<u>100%</u>	<u>\$ 5,379,412</u>	<u>\$ (352,527)</u>	<u>-6.6%</u>

The decrease in the General Government and Energy expenditures is mostly attributable to a decrease in overhead costs. Lastly, the Environmental Department experienced an increase in expenditures due to more work performed in the Used Oil and Clean Cities programs.

LOCAL TRANSPORTATION FUND FINANCIAL ANALYSIS

Revenues for the LTF Fund, including comparative amounts from the preceding year are shown in the following tabulation:

	<u>2024</u>	<u>Percent of Total</u>	<u>2023</u>	<u>Increase (Decrease) From 2023</u>	<u>Percent Increase (Decrease)</u>
Revenues					
Intergovernmental	\$ 1,208,750	100%	\$ 1,002,500	\$ 206,250	20.6%
Total Revenues	<u>\$ 1,208,750</u>	<u>100%</u>	<u>\$ 1,002,500</u>	<u>\$ 206,250</u>	<u>20.6%</u>

The Local Transportation Fund's revenue is derived from ¼ cent of the general sales tax collected statewide, and then allocated by the State Board of Equalization. Revenues increased due to more taxes being collected, and a higher allocation compared to the prior year.

Expenditures for the LTF, including comparative amounts from the preceding year, are shown in the following tabulation:

	<u>2024</u>	<u>Percent of Total</u>	<u>2023</u>	<u>Increase (Decrease) From 2023</u>	<u>Percent Increase (Decrease)</u>
Expenditures					
General Government	\$ 1,140,480	100%	\$ 858,750	\$ 281,730	32.8%
Total Expenditures	<u>\$ 1,140,480</u>	<u>100%</u>	<u>\$ 858,750</u>	<u>\$ 281,730</u>	<u>32.8%</u>

The increase in LTF expenditures is due to more work performed in the program. LTF funds are mainly used to pay for staff time, staff benefits, agency overhead expenses, and consultant time.

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INLAND REGIONAL ENERGY NETWORK FUND FINANCIAL ANALYSIS

Revenues for the I-REN Fund, including comparative amounts from the preceding year are shown in the following tabulation:

The I-REN Fund's revenues are reimbursement based and correspond with the CPUC-approved I-REN Business Plan. As funds from the 6-year authorization \$65.6M are drawn down, the remaining funds are spread evenly over the remaining time. Lower spending levels in year one is offset by proportionally higher spending levels in future years. While the pace of spending fluctuates slightly from year to year, the cumulative spending total over the 6-year period is capped at \$65.6M. Revenues increased due to the higher program activity during the fiscal year. The difference in revenues and expenditures is attributable to the unavailable revenue reported in the prior fiscal year of \$2,068,509 and recognized in the current fiscal year.

	2024	Percent of Total	2023	Increase (Decrease) From 2023	Percent Increase (Decrease)
Revenues					
Charges for Services	\$ 8,380,976	100%	\$ 646,135	\$ 7,734,841	1197.1%
Total Revenues	<u>\$ 8,380,976</u>	<u>100%</u>	<u>\$ 646,135</u>	<u>\$ 7,734,841</u>	1197.1%

Expenditures for the I-REN Fund, including comparative amounts from the preceding year, are shown in the following tabulation:

	2024	Percent of Total	2023	Increase (Decrease) From 2023	Percent Increase (Decrease)
Expenditures					
Energy	\$ 6,310,575	100%	\$ 2,714,644	\$ 3,595,931	132.5%
Total Expenditures	<u>\$ 6,310,575</u>	<u>100%</u>	<u>\$ 2,714,644</u>	<u>\$ 3,595,931</u>	132.5%

The increase in I-REN expenditures is due to higher program activity during the fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences exist between final budgeted amounts versus actual amounts mostly due to the timing in which the fourth quarter budget amendments are taken to WRCOG's Administration & Finance Committee. To be finalized for the year end, the fourth quarter amendments are presented at the July Administration & Finance Committee and approved at the August Executive Committee meeting.

Because of this timing, each category of the budget for revenue has some variation with the largest occurring with the intergovernmental and TUMF Mitigation Fee revenues. When the final budget was presented to the Executive Committee, it was anticipated revenues in the General Fund would be \$6.5 million; however, the actual revenue amount was higher than anticipated at \$6.6 million, leaving a variance of \$156,730. This variance was primarily due to more TUMF mitigation fees and PACE fees collected than originally anticipated.

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On the expenditure side for the General Fund, it was anticipated expenditures would be \$6.1 million; however, actual expenditures were only \$5 million, leaving a variance of \$1.1 million. This variance was mostly due to the administrative department and fellowship program having less expenditures than originally anticipated.

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

As of June 30, 2024, WRCOG had capital assets of \$1,667,201, net of accumulated depreciation, invested in mostly office items such as furniture, computers, office improvements, and vehicles; as well as the Right to use Leased Office.

Additional information on WRCOG's capital assets can be found on Note 4 to the financial statements.

Long-term liabilities have increased from \$8.4 million in FY 2022/2023, to \$8.8 million, including net pension and net OPEB liabilities, in FY 2023/2024, or a increase of 4.7%. The increase in long-term liabilities can mostly be attributed to an increase in net pension and OPEB liabilities.

Additional information to WRCOG's long-term liabilities can be found on Note 5, Note 8, and Note 9 to the financial statements.

ECONOMIC FACTORS AND OTHER FACTORS

On June 20, 2024, WRCOG adopted the Fiscal Year 2024/2025 budget. The budget provides visibility into the programs and finances of WRCOG in a date-rich and user-friendly format, presented at the fund level.

The total WRCOG budget includes revenues and expenditures of \$20,449,609 and \$19,815,397 respectively. This excludes the Riverside County Habitat Conservation Agency (RCHCA) whose budget is managed by WRCOG but remains a separate entity. It also excludes the passthrough funds from the Transportation Uniform Mitigation Fee (TUMF) which amount to 96% of the collected funds. The General Fund revenues and expenditures are \$7,343,207 and \$6,747,514 respectively with a healthy fund balance of \$11.4 million (169% of annual General Fund expenditures). This amount protects against the volatile nature of programmatic revenues that comprise the General Fund.

The Unfunded Accrued Liability (UAL) is \$132,000 (87.5% funded) for PEPRA employees and \$3.9M (72.7% funded) for Classic employees. This is offset by a 115 Trust balance of \$337k. The Other Post Employment Benefit (OPEB) liability is \$2.2M (43% funded).

No new programs were proposed, and one program was removed from the 2025 budget. The Regional Early Access Program (REAP) 2.0 was originally budgeted as a \$1.6 million grant from the State in order to support integrated housing and climate goals. Those funds were frozen and proposed to be rescinded as part of the State's budget solution. While recent action has been encouraging, the final State action remains uncertain. Consequently, those funds were not included in this budget.

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For the Year Ended June 30, 2024**

The TUMF Program operates by collecting fees from developers and then redistributing funds to member agencies and other regional entities for projects. The TUMF Program budget only included the administrative fee, which is 4% of the total TUMF collections. The administrative fee has an anticipated budget of \$2.8M in revenues against \$2.1M in expenditures, which is based on \$70M in total collections. The most recent nexus study process is underway. When completed, that process will inform a decision about any changes to the current fee and consequently revenues. .

Most public agencies rely primarily on tax revenues (property or sales) to fund general government activities. Some single-purpose agencies rely primarily on fees charged to customers in exchange for services. In the case of WRCOG, the programs are funded by revenues related to those specific programs and the Administrative function is funded through a combination of Member Dues and overhead charged to programs for their incremental administrative burden. The Member Dues in the 2025 budget account for \$294k. In contrast, member dues in 2009 totaled \$320k. The decrease was the result of a policy decision to reduce fees during the Great Recession. Those fees have never been restored. No change in Member Dues was proposed in the 2025 budget. However, the Executive Committee has tasked the matter to the Technical Advisory Committee with evaluating the structure and amount of those fees. That process is underway and proposed changes are anticipated at a future time.

The Clean Cities Program is a partnership with the US Department of Energy. The program continues to work toward closing a long-standing structural funding gap and the budget includes an increase in member dues (paid by agencies that opt into the Program) by an average of \$2,310 per agency.

The Fellowship Program has successfully retained local talent by pairing recent graduates with public agency employers. It is funded through a combination of contributions from member agencies and WRCOG funds that operate similar to a wasting endowment. No new WRCOG funding source has been identified so, in order to prolong the program life, fewer Fellows have been included in the annual program. This has extended the program life but, the effects have been dampened by market changes that resulted in a wage increase for participating Fellows. In a future year, the program will lack funds to continue in its current form.

The HERO (residential PACE) Program continues its years-long wind down process where revenue declines outpace expenditure declines on an annual basis. This results in a negative net annual activity that is offset by decreasing Program expenditures and fund balance transfers. The HERO Program's fund balance has been separately assigned from the General Fund's unassigned fund balance as well as the Commercial PACE Program's fund balance in order to more clearly identify financial transactions related to the Program.

The Inland Regional Energy Network (I-REN) continues to grow toward full capacity. While Program spending ramps up, the revenues are adjusted to account for the gradual increase. Program revenues are allocated by the California Public Utilities Commission with a fixed number of \$65M spread over a six-year period. Slower spending in the early years are planned to be offset by higher spending in the out years with the goal of spending all available funds within the authorization period.

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A Joint Powers Authority)**

**Management's Discussion and Analysis
For the Year Ended June 30, 2024**

CONTACTING WRCOG'S MANAGEMENT

This financial report is designed to provide a general overview of WRCOG's finances for all those with an interest in the government's finances and to show WRCOG's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Finance Department at Western Riverside Council of Governments, 3390 University Avenue, Suite 200, Riverside, California 92501.

BASIC FINANCIAL STATEMENTS

Western Riverside Council of Governments
Statement of Net Position
June 30, 2024

	Governmental Activities
ASSETS	
Cash and Investments	\$ 16,862,140
Receivables:	
Grants	3,430,775
Due From Other Governments	268,709
Annual PACE Fee Receivable	167,473
Mitigation Fees Receivable	94,270
Accounts	155,654
Restricted Cash and Investments	369,074
Prepaid Items	204,798
Capital Assets, Net of Accumulated Depreciation	1,667,201
Total Assets	<u>23,220,094</u>
DEFERRED OUTFLOWS OF RESOURCES	
OPEB Related Items	1,442,676
Pension Related Items	1,958,285
Total Deferred Outflows of Resources	<u>3,400,961</u>
LIABILITIES	
Accounts Payable	2,570,198
Deposits Payable	8,534
Accrued Wages Payable	212,498
Unearned Revenue	2,684,355
Noncurrent Liabilities:	
Due Within One Year	458,376
Due in More Than One Year	8,330,576
Total Liabilities	<u>14,264,537</u>
DEFERRED INFLOWS OF RESOURCES	
OPEB Related Items	1,438,101
Pension Related Items	140,121
Total Deferred Inflows of Resources	<u>1,578,222</u>
NET POSITION	
Net Investment in Capital Assets	98,954
Restricted for:	
Section 115 Trust	369,074
LTF	2,805,034
AB 2766	129,413
Foundation	112,713
Used Oil Block Grant	175
Unrestricted	7,262,933
Total Net Position	<u>\$ 10,778,296</u>

The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 4,787,226	\$ 4,303,442	\$ 1,579,272	\$ -	\$ 1,095,488
Energy	8,147,400	1,263,451	6,311,628	-	(572,321)
Environmental	1,165,939	-	1,204,138	-	38,199
Interest on Leases	32,574	-	-	-	(32,574)
Total Governmental Activities	<u>\$ 14,133,139</u>	<u>\$ 5,566,893</u>	<u>\$ 9,095,038</u>	<u>\$ -</u>	<u>528,792</u>
		General Revenues:			
		Investment Income			<u>569,051</u>
		Total General Revenues			<u>569,051</u>
		Change in Net Position			1,097,843
		Net Position - Beginning of Year			<u>9,680,453</u>
		Net Position - End of Year			<u>\$ 10,778,296</u>

The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Balance Sheet
Governmental Funds
June 30, 2024

		Special Revenue			
	General	Local	Regional Energy	Non-Major	Total
	Fund	Transportation	Network	Funds	Governmental
		Fund			Funds
ASSETS					
Cash and Investments	\$ 8,669,892	\$ 3,321,847	\$ 4,010,842	\$ 859,559	\$ 16,862,140
Restricted Cash and Investments	369,074	-	-	-	369,074
Receivables:					
Grants	78,233	-	3,352,542	-	3,430,775
Due from Other Governments	223,215	-	-	45,494	268,709
Annual PACE Fee Receivable	167,473	-	-	-	167,473
Mitigation Fees Receivable	94,270	-	-	-	94,270
Accounts	108,408	-	-	47,246	155,654
Due from Other Funds	4,017,405	-	-	62,579	4,079,984
Prepaid Items	176,560	-	13,238	15,000	204,798
Total Assets	<u>\$ 13,904,530</u>	<u>\$ 3,321,847</u>	<u>\$ 7,376,622</u>	<u>\$ 1,029,878</u>	<u>\$ 25,632,877</u>
LIABILITIES					
Accounts Payable	\$ 548,716	\$ 53,974	\$ 1,877,988	\$ 89,520	\$ 2,570,198
Deposits Payable	8,534	-	-	-	8,534
Accrued Wages Payable	212,498	-	-	-	212,498
Unearned Revenue	52,951	-	2,430,137	201,267	2,684,355
Due to Other Funds	53,750	462,839	3,066,605	496,790	4,079,984
Total Liabilities	<u>876,449</u>	<u>516,813</u>	<u>7,374,730</u>	<u>787,577</u>	<u>9,555,569</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	17,070	17,070
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,070</u>	<u>17,070</u>
FUND BALANCES					
Nonspendable:					
Prepaid Items	176,560	-	13,238	15,000	204,798
Restricted:					
Section 115 Trust	369,074	-	-	-	369,074
LTF	-	2,805,034	-	-	2,805,034
AB 2766	-	-	-	120,588	120,588
Foundation	-	-	-	88,427	88,427
Used Oil Block Grant	-	-	-	175	175
Assigned:					
Fellowship	229,726	-	-	1,041	230,767
Unassigned	12,252,721	-	(11,346)	-	12,241,375
Total Fund Balances	<u>13,028,081</u>	<u>2,805,034</u>	<u>1,892</u>	<u>225,231</u>	<u>16,060,238</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,904,530</u>	<u>\$ 3,321,847</u>	<u>\$ 7,376,622</u>	<u>\$ 1,029,878</u>	<u>\$ 25,632,877</u>

The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2024

Fund balances of governmental funds	\$	16,060,238
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds:

Capital Assets Being Depreciated		3,781,621
Accumulated Depreciation		(2,114,420)

Long-term debt obligations are not due and payable in the current period and, therefore, are not reported in the funds:

Lease Payable		(1,568,247)
Compensated Absences		(602,843)
Net Pension Liability		(4,004,349)
Net OPEB Liability		(2,613,513)

Amounts for deferred inflows and deferred outflows related to the City's Pension and OPEB Liabilities are not reported in the funds:

Deferred Outflows Related to Pensions		1,958,285
Deferred Inflows Related to Pensions		(140,121)
Deferred Outflows Related to OPEB		1,442,676
Deferred Inflows Related to OPEB		(1,438,101)

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

17,070

Net position of governmental activities	\$	<u>10,778,296</u>
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The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

		Special Revenue			
	General Fund	Local Transportation Fund	Regional Energy Network	Non-Major Funds	Total Governmental Funds
REVENUES					
Intergovernmental	\$ 1,431,554	\$ 1,208,750	\$ -	\$ 649,872	\$ 3,290,176
TUMF Mitigation Fees	3,474,339	-	-	-	3,474,339
PACE Fees	1,120,607	-	-	-	1,120,607
Other Revenues	67,756	-	-	397,425	465,181
Investment Income	569,032	-	-	19	569,051
Charges for Services	-	-	8,380,976	-	8,380,976
Total Revenues	6,663,288	1,208,750	8,380,976	1,047,316	17,300,330
EXPENDITURES					
Current:					
General Government	2,325,081	1,140,480	-	369,803	3,835,364
Energy	1,836,825	-	6,310,575	-	8,147,400
Environmental	481,117	-	-	684,822	1,165,939
Debt Service:					
Lease Principal	351,288	-	-	-	351,288
Lease Interest	32,574	-	-	-	32,574
Total Expenditures	5,026,885	1,140,480	6,310,575	1,054,625	13,532,565
Net Change in Fund Balances	1,636,403	68,270	2,070,401	(7,309)	3,767,765
Fund Balances, Beginning of Year	11,391,678	2,736,764	(2,068,509)	232,540	12,292,473
Fund Balances, End of Year	\$ 13,028,081	\$ 2,805,034	\$ 1,892	\$ 225,231	\$ 16,060,238

The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances - Governmental Funds to the Statement of Activities
Year Ended June 30, 2024

Net change in fund balances - total governmental funds	\$ 3,767,765
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense:

Capital Additions	-
Depreciation	(424,586)
Disposals	-

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the net change in unavailable revenue for the current period.	(2,069,348)
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Amounts for deferred inflows and deferred outflows related to WRCOG's Pension and OPEB Liabilities are not reported in the funds. This is the net change in deferred inflows and outflows related to these liabilities:

Deferred Outflows Related to Pensions	109,494
Deferred Inflows Related to Pensions	81,920
Deferred Outflows Related to Total OPEB Liability	(39,003)
Deferred Inflows Related to Total OPEB Liability	67,831

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Principal Paid on Leases	351,288
Compensated Absences	(60,613)
Net Pension Liability	(294,662)
Net OPEB Liability	(392,243)

Change in net position of governmental activities	\$ <u>1,097,843</u>
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The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	OPEB Trust Fund	Custodial Funds
ASSETS		
Cash and Investments	\$ 1,660,797	\$ 146,111,405
Cash and Investments with Fiscal Agents	-	70,927,382
Due from Other Governments	-	2,751,745
Assessments Receivable	-	23,995
Total Assets	1,660,797	219,814,527
LIABILITIES		
Accounts Payable	-	10,195,038
Refunds Payable	-	27,236
Deposits Payable	-	124,815
Long-term Liabilities		
Refund Liability	-	8,941,388
Total Liabilities	-	19,288,477
NET POSITION		
Restricted for OPEB	1,660,797	-
Restricted for other Organizations or Agencies	-	200,526,050
Total Net Position	\$ 1,660,797	\$ 200,526,050

The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2024

	OPEB Trust Fund	Custodial Funds
ADDITIONS		
Assessments Collected for Others	\$ -	\$ 392,471,630
Contributions:		
Employer Contributions	43,743	
Investment Income	167,705	7,077,334
	<u>211,448</u>	<u>399,548,964</u>
Total Additions		
	<u>211,448</u>	<u>399,548,964</u>
DEDUCTIONS		
General and Administrative	24,014	514,498
Payments to TUMF Members	-	75,972,733
Benefit Distributions	158,279	-
Distributions to Shareholders	-	308,759,154
	<u>182,293</u>	<u>385,246,385</u>
Total Deductions		
	<u>182,293</u>	<u>385,246,385</u>
Change in Net Position		
	<u>29,155</u>	<u>14,302,579</u>
Net Position, Beginning, as previously reported	1,631,642	157,702,360
Restatement for correction of an error	-	28,521,111
Net Position, Beginning, as restated	<u>1,631,642</u>	<u>186,223,471</u>
Net Position - Ending	<u>\$ 1,660,797</u>	<u>\$ 200,526,050</u>

The accompanying notes are an integral part of this statement.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Western Riverside Council of Governments (WRCOG) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of WRCOG's accounting policies are described below.

A) Reporting Entity

The Western Riverside Council of Governments (WRCOG) was formed in 1989 under the California Government Code Section 6500 et. seq. WRCOG is a special district governed by twenty-four Executive Committee Members consisting of seventeen members from the cities in Western Riverside County (excluding the City of Beaumont), four Riverside County Supervisors, two members, each from the Eastern and Western Municipal Water Districts, and one member from the Riverside County Superintendent of Schools.

Accounting principles generally accepted in the United States of America require that these financial statements present the accounts of WRCOG and any of its component units. Component units are legally separate entities for which WRCOG is considered to be financially accountable or otherwise has a relationship, which is such that the exclusion of the entity would cause the financial statements to be misleading. Blended component units are considered, in substance, part of WRCOG's operations so the accounts of these entities are to be combined with the data of WRCOG. Component units, which do not meet these requirements, are reported in the financial statements as discrete units to emphasize their separate legal status.

Blended Component Unit

WRCOG Supporting Foundation (the Foundation). WRCOG has created a foundation to support its mission and objectives under IRC 509(a)(3) as an organization that is supervised and controlled in connection with a publicly supported organization. All contributions to the Foundation are exempt under section 501(c)(3) of the Internal Revenue Code. WRCOG executive committee members are the governing board of the Foundation, and management of WRCOG has operational responsibility for the component unit. The Foundation is reported as a separate nonmajor fund in these financial statements. Separate financial statements are not prepared for the Foundation.

B) Basis of Presentation

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

These statements require that the financial statements described below be presented:

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on all activities of WRCOG. All fiduciary activities are reported only in the fund financial statements.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The effect of interfund activity has been removed from the government-wide financial statements. Governmental activities are supported by fees, taxes, and intergovernmental revenues and are not eliminated in the process of consolidation.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. General assembly revenues and other items that do not meet the definition of program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fund financial statements of the fiduciary funds. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Fund Financial Statements

Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. WRCOG considers all revenues reported in the governmental funds to be available if they are collected within 60 days after year end, except for cost reimbursement-based grants where due to the nature of these grants 180 days after year end is used. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

C) Fund Classifications

WRCOG reports the following major governmental funds:

General Fund. The general fund is WRCOG's primary operating fund. It accounts for all financial resources of WRCOG, except those required to be accounted for in another fund.

Local Transportation (LTF) Special Revenue Fund. This fund is used to account for the proceeds of the LTF funds which are legally restricted to expenditures for specified purposes.

Regional Energy Network (IREN) Special Revenue Fund. This fund is used to account for the proceeds of the Regional Energy funds which are legally restricted to expenditures for specified purposes.

Additionally, WRCOG reports the following fiduciary funds:

OPEB Trust Fund. Accounts for the prefunding of post-employment retirement benefits other than pensions.

Custodial Funds. WRCOG's custodial funds are used to account for deposits relating to the payoff of Property Assessed Clean Energy (PACE) program loans and Transportation Uniform Mitigation Fees (TUMF) received from developers as part of the fees assessed by member agencies.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for non-negotiable certificates of deposit and investment contracts that are reported at cost. These investments are not transferrable, and they have terms that are not affected by changes in market interest rate. Investment income includes interest earnings and the net increase (decrease) in fair value of investments. WRCOG categorized the fair value measurements for its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments classified in Level 2 of the fair value hierarchy are valued using of matrix pricing techniques maintained by the pricing vendors for these securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Restricted Cash and Investments

In February 2020, WRCOG established a funding policy for a Section 115 Pension Rate Stabilization Trust Fund (Pension Trust) to achieve long-term pension sustainability. The purpose of the Pension Trust is to generate a reasonable level of investment growth to responsibly manage pension costs and fund present and future pension obligations. As required, amounts are set aside in the General Fund. See Note 2 for additional information on the Pension Trust.

E) Interfund Balances and Transfers

Activities between funds that are representative of lending and borrowing arrangements outstanding at year end are referred to as amounts due to/from other funds.

F) Capital Assets

Capital assets, which include furniture and computers, are reported in the government-wide financial statements. WRCOG defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the estimated useful lives varying from five to ten years.

G) Compensated Absences

A total of 10 days of vacation per year may be accumulated by each employee with three years of service, 15 days with four years of service, and 20 days with ten or more years of service. However, employees are not paid for their accumulated sick leave upon retirement until they have been employed for five years, at which time 50% of accumulated sick leave hours is paid out. WRCOG accrued a liability for compensated absences, which meets the following criteria:

- WRCOG's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered,
- The obligation relates to rights that vest or accumulate,
- Payment of the compensation is probable,
- The amount can be reasonably estimated.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Compensated absences not expected to be liquidated with expendable available financial resources are reported in the government-wide financial statements.

H) Fund Balance – Governmental Funds

The following fund balance classifications describe the relative strength of the spending constraints on WRCOG's fund balances:

- Nonspendable fund balance – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, contributors, or laws or regulations of other governments).
- Committed fund balance – amounts constrained to specific purposes by WRCOG itself, using its highest level of decision-making authority (i.e., Executive Committee ordinance). To be reported as committed, amounts cannot be used for any other purpose unless WRCOG takes the same highest-level action to remove or change the constraint.
- Assigned fund balance – amounts WRCOG intends to use for a specific purpose. Intent is expressed by the Executive Committee.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts can only be reported in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, WRCOG considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, WRCOG considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Executive Committee or management has provided otherwise in its commitment or assignment actions.

I) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J) Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net investment in capital assets describes the portion of net position which is represented by the current net book value of WRCOG's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulation, laws, or other restrictions which WRCOG cannot unilaterally alter.

Unrestricted describes the portion of net position which is not restricted to use.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. WRCOG reports deferred outflows of resources relating to the Net Pension Liability.

In addition to liabilities, the statement of financial 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. WRCOG has certain items, which arise only under the modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from various receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, WRCOG reports deferred inflows relating to the Net Pension Liability.

L) Net Position Flow Assumption

Sometimes WRCOG will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is WRCOG's policy to consider restricted net position to have been depleted before unrestricted net position.

M) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

N) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the WRCOG'S plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

O) Leases

Lessee: WRCOG is a lessee for noncancellable leases of office space. WRCOG recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. WRCOG recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, WRCOG initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how WRCOG determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- WRCOG uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, WRCOG generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that WRCOG is reasonably certain to exercise.

WRCOG monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 16,862,140
Restricted Cash and Investments	369,074
Statement of Fiduciary Net Position:	
Cash and Investments	147,772,202
Cash and Investments with Fiscal Agent	70,927,382
Total Cash and Investments	<u>\$ 235,930,798</u>

Cash and Investments consist of the following:

Cash on Hand	\$ 350
Deposits with Financial Institutions	12,050,260
Investments	223,880,188
Total Cash and Investments	<u>\$ 235,930,798</u>

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

2) CASH AND INVESTMENTS - Continued

Investments Authorized by WRCOG's Investment Policy

The table below identifies the investment types that are authorized for WRCOG by the California Government Code (or WRCOG's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or WRCOG's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

This table does not address investments of fiscal agent accounts held by bond trustee that are governed by the provisions of debt agreements of WRCOG, rather than the general provisions of the California Government Code or the WRCOG's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity*</u>	<u>Maximum Percentage of Portfolio*</u>	<u>Maximum Investment In One Issuer*</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Supranational Obligations	5 years	30%	None
State of California Obligations	5 years	30%	5%
Local Agency Obligations	5 years	30%	5%
Asset-Backed Securities	5 years	20%	5%
Repurchase Agreements	1 year	20%	20%
Commercial Paper	270 days	30%	5%
Banker's Acceptances	180 days	40%	30%
Medium Term Notes	5 years	30%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Money Market Mutual Funds	N/A	20%	None
Local Government Investment Pool	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75 million

*Based on state law requirements or investment policy requirements, whichever is more restrictive.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will 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. As of the year end, the weighted average maturity of the investments contained in the Local Agency Investment Fund (LAIF) pool was approximately 200 days. WRCOG's investment policy recognizes the interest rate risk and therefore places maximum maturity limits (up to five years) on various types of allowable investments.

Information about the sensitivity of the fair values of WRCOG's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of WRCOG's investment by maturity:

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

2) CASH AND INVESTMENTS - Continued

Investment Type	Total	Remaining Maturity (in Months)		
		12 Months or Less	1 to 2 Years	2 to 5+ Years
U.S. Treasury Obligations	\$ 28,112,052	\$ -	\$ 11,673,714	\$ 16,438,338
U.S. Agency Securities	3,131,857	626,864	1,187,421	1,317,572
Municipal Bonds	416,541	78,206	338,335	-
Corporate Notes	11,465,305	1,212,967	5,225,876	5,026,462
Negotiable CD's	1,849,026	284,225	751,514	813,287
Asset Backed Securities	10,035,443	-	393,852	9,641,591
LAIF	897,578	897,578	-	-
CAMP	94,449,857	94,449,857	-	-
Money Market Mutual Funds	565,275	565,275	-	-
Restricted Section 115 Trust:				
U.S. Treasury Obligations	494,379	-	-	494,379
Corporate Note	726,602	-	71,435	655,167
Corporate Stock	449,241	449,241	-	-
Mutual Funds	298,505	298,505	-	-
Money Market Fund	61,145	61,145	-	-
Held by Bond Trustee:				
Money Market Mutual Funds	70,927,382	70,927,382	-	-
Total Pooled Investments	<u>\$ 223,880,188</u>	<u>\$ 169,851,245</u>	<u>\$ 19,642,147</u>	<u>\$ 34,386,796</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the WRCOG's investment policy, or debt agreements, and the actual Standard and Poor's rating as of year-end for each investment type.

Investment Type	Total	Minimum Legal Rating	Rating not Required			
			AAA	A/AA	BBB	
U.S. Treasury Obligations	\$ 28,112,052	N/A	\$ -	\$ 28,112,052	\$ -	\$ -
U.S. Agency Securities	3,131,857	N/A	-	3,131,857	-	-
Municipal Bonds	416,541	A	-	416,541	-	-
Corporate Notes	11,465,305	A	263,119	9,966,439	1,235,747	-
Negotiable CD's	1,849,026	N/A	-	1,849,026	-	-
Asset Backed Securities	10,035,443	AA	8,466,084	-	-	1,569,359
LAIF	897,578	N/A	-	-	-	897,578
CAMP	94,449,857	N/A	-	-	-	94,449,857
Money Market Mutual Funds	565,275	N/A	-	-	-	565,275
Restricted Section 115 Trust:						
U.S. Treasury Obligations	494,379	N/A	-	285,280	-	209,099
Corporate Note	726,602	A	-	655,167	71,435	-
Corporate Stock	449,241	N/A	-	-	-	449,241
Mutual Funds	298,505	N/A	-	-	-	298,505
Money Market Fund	61,145	N/A	-	-	-	61,145
Held by Bond Trustee:						
Money Market Mutual Funds	70,927,382	N/A	-	-	-	70,927,382
Total Pooled Investments	<u>\$ 223,880,188</u>		<u>\$ 8,729,203</u>	<u>\$ 44,416,362</u>	<u>\$ 1,307,182</u>	<u>\$ 169,427,441</u>

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

2) CASH AND INVESTMENTS - Continued

Concentration of Credit Risk

At June 30, 2024, WRCOG has no investments in any one issuer (other than U.S. Treasury securities and external investment pools) that represent 5% or more of WRCOG's total investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the WRCOG's policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits:

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure WRCOG deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF). As of June 30, 2024, none of WRCOG's investments were held by the broker-dealer (counterparty) that was used by WRCOG to purchase the securities. For investments identified herein as held by bond trustee, the bond trustee selects the investments under terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Fair Value

Fair value measurements are categorized based on the valuation inputs used to measure fair value. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments classified in Level 2 of the fair value hierarchy are valued using of matrix pricing techniques maintained by the pricing vendors for these securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

2) CASH AND INVESTMENTS - Continued

Fair value measurements for investments are as follows as of June 30, 2024:

Investment Type	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
U.S. Treasury Obligations	\$ 28,112,052	\$ 28,112,052	\$ -	\$ -
U.S. Agency Securities	3,131,857	-	3,131,857	-
Municipal Bonds	416,541	-	416,541	-
Corporate Notes	11,465,305	-	11,465,305	-
Negotiable CD's	1,849,026	-	1,849,026	-
Asset Backed Securities	10,035,443	-	10,035,443	-
Restricted Section 115 Trust:				
U.S. Treasury Obligations	494,379	-	494,379	-
Corporate Note	726,602	-	726,602	-
Total Investments at Fair Value Level	<u>\$ 56,231,205</u>	<u>\$ 28,112,052</u>	<u>\$ 28,119,153</u>	<u>\$ -</u>

Investments not subject to fair value hierarchy

LAIF	\$ 897,578
CAMP	94,449,857
Money Market Fund	565,275
Restricted Section 115 Trust:	
Corporate Stocks	449,241
Mutual Funds	298,505
Money Market Fund	61,145
Held by Bond Trustee:	
Money Market Mutual Funds	70,927,382
Total Investments	<u>\$ 167,648,983</u>

Investment in State Investment Pool

WRCOG is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The fair value of WRCOG's investment in this pool is reported in the accompanying financial statements at amounts based upon WRCOG'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 available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. All investments with LAIF are secured by the full faith and credit of the State of California. Separate LAIF financial statements are available from the California State Treasurer's Office on the Internet at www.treasurer.ca.gov.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

2) CASH AND INVESTMENTS - Continued

Investment in JPA Pool/CAMP

WRCOG is a voluntary participant in the CAMP Trust (Trust), which was established as a nontaxable investment portfolio under provisions of the California Joint Exercise of Powers Act to provide California Public Agencies with comprehensive investment management services. There are no minimum deposit requirements or limits on deposits and withdrawals. Dividends from net investment income are declared on a daily basis and paid on the last day of the month. Dividends paid are automatically reinvested in each account by the purchase of additional shares. The contract creating the Trust specifies the types of investments that can be made by the investment portfolio with available cash: U.S. Government securities, securities of federally sponsored agencies, repurchase agreements, banker's acceptances, negotiable certificates of deposit and commercial paper. The fair value of WRCOG's investment in this pool is reported in the accompanying financial statements at amounts based upon WRCOG's pro-rata share of the fair value provided by CAMP.

Section 115 Trust

In February 2020, WRCOG's board authorized participation in the PARS Pension Rate Stabilization Program Section 115 Trust in order to mitigate rising pension costs through CalPERS and to set aside funding for the OPEB Plan. The initial funding amount was \$350,000 for the pension trust and \$1,920,000 for the OPEB trust. The program has been established as a multiple employer trust so that public agencies regardless of size can join the program and receive the necessary economies of scale to keep administrative fees low and avoid any setup costs. The trust permits WRCOG, under Federal and State law, to invest in a more diversified array of investments to maximize investment returns long term. The balance of the Trust at June 30, 2024 is \$2,029,871 and is reported as restricted cash and investments.

3) INTERFUND RECEIVABLES AND PAYABLES

Due To/From Other Funds

Interfund receivables and payables at June 30, 2024 are as follows:

Due From (Receivable)	Due To (Payable)	Amount
General Fund	Regional Energy Network	\$ 3,066,605
	Local Transportation Fund	462,839
	Non-major Governmental Funds	487,961
Non-major Governmental Funds	General Fund	53,750
	Non-major Governmental Funds	8,829
Total		\$ 4,079,984

The outstanding short-term loans between funds are a result of lag between the dates that reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

4) CAPITAL ASSETS

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

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Being Depreciated:				
Furniture and Computer Equipment	\$ 829,260	\$ -	\$ -	\$ 829,260
Other Capital Assets	33,037	-	-	33,037
Right-to-use Leased Office	2,919,324	-	-	2,919,324
Total Depreciable Capital Assets	3,781,621	-	-	3,781,621
Less Accumulated Depreciation:				
Furniture and Computer Equipment	(744,510)	(59,671)	-	(804,181)
Other Capital Assets	(33,036)	-	-	(33,036)
Right-to-use Leased Office	(912,288)	(364,915)	-	(1,277,203)
Total Accumulated Depreciation	(1,689,834)	(424,586)	-	(2,114,420)
Capital Assets, Net of Accumulated Depreciation	\$ 2,091,787	\$ (424,586)	\$ -	\$ 1,667,201

Depreciation expense of \$424,586 was charged to the general government function of the governmental activities.

5) LONG-TERM LIABILITIES

The following is a summary of long-term liability activity for the year ended June 30, 2024:

Governmental Activities:	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due Beyond One Year
Net OPEB Liability	\$ 2,221,270	\$ 392,243	\$ -	\$ 2,613,513	\$ 43,743	\$ 2,569,770
Net Pension Liability	3,709,687	294,662	-	4,004,349	-	4,004,349
Compensated Absences	542,230	256,518	195,905	602,843	60,284	542,559
Lease Payable	1,919,535	-	351,288	1,568,247	354,349	1,213,898
Total	\$ 8,392,722	\$ 943,423	\$ 547,193	\$ 8,788,952	\$ 458,376	\$ 8,330,576

Compensated absences, net pension liability and net OPEB liability will be liquidated primarily by the General Fund.

Lease Payable

WRCOG, in a prior year, entered into lease agreement as lessee for office space for its administrative office. The lease terms are 8 years as of the inception date of the lease of January 1, 2021. As of June 30, 2024, the value of the lease liability was \$1,568,247, which is the present value of the future minimum lease payments. WRCOG is required to make monthly lease payments ranging from \$36,442 to \$35,455 through December 31, 2028. The amount of the right-to-use asset as of June 30, 2024 was \$2,919,324 and accumulated depreciation of \$1,277,203.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

5) LONG-TERM LIABILITIES - Continued

The following represents the future lease payments to be made:

Fiscal Year Ending June 30,	Lease Principal	Interest	Total
2025	\$ 351,349	\$ 44,097	\$ 395,446
2026	351,563	55,995	407,558
2027	351,466	68,203	419,669
2028	345,938	79,522	425,460
2029	167,931	44,799	212,730
Totals	<u>\$ 1,568,247</u>	<u>\$ 292,616</u>	<u>\$ 1,860,863</u>

6) FIDUCIARY FUND LONG-TERM DEBT

The following is a summary of long-term debt activity for WRCOG's fiduciary fund for the year ended June 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due Beyond One Year
Refund Liability	\$ 5,536,466	\$ 5,337,733	\$ 1,932,811	\$ 8,941,388	\$ -	\$ 8,941,388
City of Moreno Valley Agreement	3,493,500	-	3,493,500	-	-	-
Total	<u>\$ 9,029,966</u>	<u>\$ 5,337,733</u>	<u>\$ 5,426,311</u>	<u>\$ 8,941,388</u>	<u>\$ -</u>	<u>\$ 8,941,388</u>

Refund Liability

WRCOG maintains a listing of developers who are owed a refund for various reasons including expired permits, duplicate payments, and credit agreements entered into with the developer. Some of the refunds are included on the Transportation Improvement Program (TIP) and some are not but are generally not paid out until the zone has enough money to repay the refund. Each zone within the TIP maintains its own refund amounts and as funds become available, the refunds are paid out. No interest is calculated on refunds granted back to the developer. The refunds will be liquidated from the TUMF Custodial Fund.

City of Moreno Valley Agreement

In 2011, WRCOG entered into an agreement with the City of Moreno Valley to fund a portion of the Nason/SR-60 Interchange Project. Pursuant to the agreement, the City incurred project-related costs which will be reimbursed through TUMF as funds become available through the annual TUMF allocation process. The total authorized by the agreement was \$11,128,000. The remaining amount was reimbursed to the City during the fiscal year ended June 30, 2024.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

7) TRANSPORTATION UNIFORM MITIGATION FEES (TUMF)

WRCOG developed an ordinance and an administrative plan effective June 1, 2003, to implement the Transportation Uniform Mitigation Fee (TUMF). This ordinance and the administrative plan allows for the collection of mitigation fees over 25 years related to the planning and construction of a regional transportation system throughout the western region of Riverside County. The municipalities located within the western region of Riverside County (grouped by zones) and the County of Riverside collect these fees and remit them to WRCOG on a monthly basis. WRCOG is responsible for the administration of these fees, subject to certain restrictions, and approves plans that meet the goals (nexus) of the legislation.

WRCOG is entitled to an administration fee of up to 4% annually of TUMF revenues collected, with a maximum of 1% that can be used to offset salaries and benefits related to TUMF administration. In 2024, the total administration fee collected was 4%. Riverside Conservation Agency (RCA) also receives a percentage of the TUMF revenues collected of 1.47%, which is included as a deduction in the TUMF Fund.

The fees allocated among the zones, Riverside County Transportation Commission (RCTC), and Riverside Transit Authority (RTA) are 45.7%, 45.7% and 3.13%, respectively. These allocations are remitted monthly to RCTC and quarterly to RTA; however, the zones must submit project plans for approval to WRCOG before funds can be released. RCA must submit potential sites designated for conservation for approval before funds are released.

8) PENSION PLAN

General Information about the Defined Benefit Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. WRCOG sponsors two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and WRCOG resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

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 5 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.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

8) PENSION PLAN – Continued

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

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

	Miscellaneous	
	Classic	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8%	8.25%
Required employer contribution rates	17.16% + \$261,245	8.32%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law (PERL) 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. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis.

WRCOG's required contribution for the unfunded liability was \$261,245 in fiscal year 2024. WRCOG's contributions to the Plan for the year ended June 30, 2024 were \$717,543.

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

As of June 30, 2024, WRCOG reported a net pension liability for its proportionate shares of the net pension liability of the Plan of \$4,004,349. WRCOG's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 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. WRCOG's proportion of the net pension liability was based on a projection of WRCOG's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

8) PENSION PLAN - Continued

WRCOG's proportionate share of the net pension liability as of June 30, 2022, and 2023 was as follows:

Proportion - June 30, 2022 (measurement date)	0.07928%
Proportion - June 30, 2023 (measurement date)	0.08008%
Change - Increase (Decrease)	0.00080%

At June 30, 2024, WRCOG reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 717,543	\$ -
Differences between actual and expected experience	204,564	31,733
Changes in assumptions	241,760	-
Change in employer's proportion	27,873	96,045
Differences between employer's contributions and employer's proportionate share of contributions	118,205	12,343
Net differences between projected and actual earnings on plan investments	648,340	-
Total	<u>\$ 1,958,285</u>	<u>\$ 140,121</u>

\$717,543 reported as deferred outflows 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 and deferred inflows related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2025	\$ 332,554
2026	223,226
2027	526,237
2028	18,604
2029	-
Thereafter	-

Actuarial Assumptions – The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

8) PENSION PLAN - Continued

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Projected salary increase	(1)
Investment rate of return	6.90%
Mortality	(2)

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

(2) Derived using CalPERS' Membership Data for all Funds.

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 15 years of projected 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.

Long-term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of 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 as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return (1,2)
Global Equity - Cap Weighted	30%	4.54%
Global Equity - Non-Cap Weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%

(1) An expected inflation of 2.3% used for this period.

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

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

8) PENSION PLAN - Continued

Discount Rate – The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members 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.

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

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

1% Decrease		5.90%
Net Pension Liability/(Asset)	\$	6,177,631
Current Discount Rate		6.90%
Net Pension Liability/(Asset)	\$	4,004,349
1% Increase		7.90%
Net Pension Liability/(Asset)	\$	2,215,551

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

9) OTHER POSTEMPLOYMENT BENEFITS

General Information About the OPEB Plan

Plan Description - WRCOG has established an agent multiple employer plan that provides post-retirement health care benefits for retired employees and their dependents. Benefits are as follows:

Tier	Date of Hire	Benefit
1	< 1/1/98	100% of premium (ee + dep.)
2	1/1/98 - 6/30/01	Cost of Kaiser coverage (ee + dep.)
3	7/1/01 - 9/1/04	Up to employee + 1 Kaiser premium
4	> 9/1/04	50% weighted average of 4 top plans + 40% of weighted average for 1 dep. for top plans. Vesting is 50% of premium at 10 years graded to 100% at 20 years.

In April 2012 WRCOG joined the Public Agencies Post-Retirement Health Care Plan, a multiple-employer trust administered by the Public Agency Retirement Services.

Employees Covered by Benefit Terms – As of the June 30, 2023 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

Active employees	32
Inactive employees or beneficiaries current receiving benefits	10
	<u>42</u>

Contributions – Benefit provisions are established and may be amended by the Executive Committee. WRCOG contributes 100% of the cost of health insurance premiums for retirees.

Net OPEB Liability - WRCOG's total OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation dated June 30, 2023, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age, Level Percent of Pay
Asset Valuation Method	Market Value
Mortality	MacLeod Watts Scale 2022
Age at Retirement	50 to 75
Health Care Trend Rate	6.00% for 2023; 5.80% for 2022, ultimate rate of 4.80% by 2040
Inflation Rate	2.50%
Salary Changes	3.00%
Discount Rate	4.25% as of June 30, 2023; 3.90% as of June 30, 2022

Discount Rate – A discount rate of 4.25% was used in the valuation. This discount rate assumes the WRCOG continues to fully fund for its retiree health benefits.

Changes in the Net OPEB Liability

	Total OPEB Liability (TOL)	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2023 (June 30, 2022 measurement date)	\$ 3,910,438	\$ 1,689,168	\$ 2,221,270
Changes in the year:			
Service cost	298,171	-	298,171
Interest on the total OPEB liability	160,861	-	160,861
Expected Investment Income	-	85,698	(85,698)
WRCOG Contributions	-	45,152	(45,152)
Changes in assumptions or other inputs	(146,833)	-	(146,833)
Difference between expected and actual experience, changes of assumptions	188,797	-	188,797
Change due to Plan Experience	-	(418)	418
Administrative Expenses	-	(21,679)	21,679
Benefit payments	(167,939)	(167,939)	-
Net changes	333,057	(59,186)	392,243
Balance at June 30, 2024 (June 30, 2023 measurement date)	\$ 4,243,495	\$ 1,629,982	\$ 2,613,513

Changes of Assumptions

The discount rate increased from 3.90% to 4.25%.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to changes in the Discount Rate - The following presents the total OPEB liability of WRCOG if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (3.25%)	Discount Rate (4.25%)	1% Increase (5.25%)
Net OPEB liability	\$ 3,347,846	\$ 2,613,513	\$ 2,029,247

Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of WRCOG, as well as what WRCOG's Net OPEB would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Current Rates	1% Increase
Net OPEB liability	\$ 1,949,240	\$ 2,613,513	\$ 3,477,515

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the year ended June 30, 2024, WRCOG recognized OPEB expense of \$407,158. WRCOG reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 43,743	\$ -
Differences between actual and expected experience	170,030	1,098,331
Changes in assumptions	1,117,744	339,770
Net differences between projected and actual earnings on plan investments	111,159	-
Total	<u>\$ 1,442,676</u>	<u>\$ 1,438,101</u>

The \$43,743 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2024 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Year Ending June 30,	Amount
2025	\$ 9,398
2026	2,898
2027	41,013
2028	(19,174)
2029	(19,256)
Thereafter	(54,047)

OPEB Plan Fiduciary Net Position

PARS issues a publicly available financial report that may be obtained from the Public Agency Retirement Services, 4350 Von Karman Ave, Newport Beach, CA 92660.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

Other Benefits

WRCOG also provides a deferred compensation plan under Section 457 of the Internal Revenue Code. As a result of changes in tax law, these benefits have been placed in a trust for the exclusive benefit of the employees requesting such deferrals.

10) COMMITMENTS AND CONTINGENCIES

WRCOG has participated in various federal and state assisted grant programs. These programs are subject to financial and compliance audits by the grantor or their representatives, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Management believes that any liability for reimbursement, which may arise as a result of these audits, is not material.

11) PROPERTY ASSESSED CLEAN ENERGY PROGRAM

In 2011, WRCOG launched the Property Assessed Clean Energy (PACE) Program, a regional effort that provides financing to residential and commercial property owners to install energy- efficient, renewable energy, and water conservation improvements to homes and businesses in the subregion.

Program participants complete an application, select a contractor, and make the improvements. Repayment occurs through the owner's annual property tax bill, and in most cases, the assessment stays with the property, to be assumed by the next owner upon sale of the property. For property owners, energy and water conservation improvements will yield reduced utility bills. For Western Riverside County, the Program will create energy savings for the fast-growing region, reduce greenhouse gas emissions associated with energy use, and bring and retain jobs for area contractors.

The PACE Program has expanded statewide; over 380 municipalities throughout California have joined the Program. What makes the PACE Program particularly unique is that the financing is provided entirely by private investment funds to implement the Program.

Under the PACE Program, a contractual assessment is entered into by the property owner. The amount of the contractual assessment is equal to the cost to pay for the eligible improvements, the issuance of the bonds that will finance the program, and the costs to administer the program. The assessments are billed and collected on the County property tax bill. Repayments made by the property owners flow through the County to the trustee to fund the debt service. WRCOG does not receive the special assessments. As the sponsor of the PACE program, WRCOG receives a percentage of the amount financed for its participation in the program.

During Fiscal year 20/21, WRCOG's partner in the residential HERO Program, Renovate America, terminated its HERO product and subsequently filed for Chapter 11 Bankruptcy in December 2020, effectively ending the Program. Additionally, at the December 2020 WRCOG Executive Committee meeting, staff was directed to terminate the remaining residential PACE administration agreements with the two other companies that have partnered with WRCOG, Renew Financial and PACE Funding Group. Going forward, all WRCOG PACE Program updates will be focused solely on the commercial, or C-PACE, element of the Program.

While there are no longer new projects with the PACE residential Programs, WRCOG is still servicing the outstanding assessments (liens) related to the Program in the winddown phase. The Program still generates revenues from refunds, payoffs, delinquency sell-offs, and the annual administrative fee. For FY 23/24, PACE commercial program revenue totaled \$241,987 while residential revenue totaled \$878,620.

Western Riverside Council of Governments
Notes to Financial Statements
Year Ended June 30, 2024

12) FELLOWSHIP PROGRAM

In November 2015, WRCOG launched the Fellowship Program. The Fellowship Program is administered in partnership with the University of California, Riverside and California Baptist University, but also works with other schools in Southern California. The purpose of the program is to encourage students to seek careers in public policy and local government. Based on available funding and member agency's needs, each member agency is provided with a student intern who is employed by WRCOG, to be used to support local government departments.

The Fellowship Program was historically funded by net PACE Program revenues, however in FY 20/21, WRCOG began to request a Member contribution to offset the Programs costs, as its funding source is no longer available. Additionally, as previously disclosed in FY 19/20, the BEYOND Program, which was also funded by net PACE revenues, ceased to operate and an unspent portion of BEYOND was re-assigned to the Fellowship Program. In the fiscal year ended June 30, 2024. Fellowship Program expenses incurred by WRCOG totaled to \$58,764.

13) RISK MANAGEMENT

WRCOG is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; and natural disasters which are covered through the purchase of insurance policies.

At June 30, 2024, WRCOG's insurance policies are as follows:

- Errors & Omission/ Employment Practices Liability: WRCOG is insured up to \$2,000,000 per occurrence and \$10,000 deductible per occurrence.
- Office Equipment: WRCOG is insured up to \$1,000,000 per occurrence and \$122,000 personal property and \$1,000 deductible per occurrence.
- Crime Insurance: WRCOG is insured up to \$5,000,000 per occurrence and \$25,000 deductible per occurrence.
- Excess Liability: WRCOG is insured up to \$4,000,000 per occurrence.
- Workers Compensation: WRCOG is insured up to \$1,000,000 per occurrence.
- Employee Dishonest Bond: WRCOG is insured up to \$25,000 bond limit.
- Business Auto Policy: WRCOG is insured up to \$1,000,000 liability limit with a \$1,000 deductible.
- Commercial Cyber Insurance: WRCOG is insured up to \$1,000,000 per occurrence and a \$5,000 deductible.

There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

14) ERROR CORRECTION

The beginning net position of the PACE Custodial fund was increased by \$28,521,111 for fiscal agent cash not reported in prior years. The error correction is as follows:

	PACE Custodial Fund	Custodial Funds
Beginning Net Position	\$ 44,135,698	\$ 157,702,360
Error Correction	28,521,111	28,521,111
Restated Net Position	<u>\$ 72,656,809</u>	<u>\$ 186,223,471</u>

REQUIRED SUPPLEMENTARY INFORMATION

Western Riverside Council of Governments
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 1,592,598	\$ 1,949,131	\$ 1,431,554	\$ (517,577)
TUMF Mitigation Fees	2,052,000	2,952,000	3,474,339	522,339
PACE Fees	912,472	1,005,427	1,120,607	115,180
Other Revenues	100,000	100,000	67,756	(32,244)
Investment Income	200,000	500,000	569,032	69,032
Total Revenues	4,857,070	6,506,558	6,663,288	156,730
EXPENDITURES				
Current:				
General Government	3,032,002	3,032,111	2,325,081	707,030
Energy	1,519,968	2,066,798	1,836,825	229,973
Environmental	233,490	535,148	481,117	54,031
Debt Service:				
Lease Principal	431,000	431,000	351,288	79,712
Lease Interest	-	-	32,574	(32,574)
Total Expenditures	5,216,460	6,065,057	5,026,885	1,038,172
Net Change in Fund Balances	(359,390)	441,501	1,636,403	1,194,902
Fund Balances, Beginning of Year	11,391,678	11,391,678	11,391,678	-
Fund Balances, End of Year	\$ 11,032,288	\$ 11,833,179	\$ 13,028,081	\$ 1,194,902

Western Riverside Council of Governments
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Local Transportation Special Revenue Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,208,750	\$ 1,208,750	\$ 1,208,750	\$ -
Total Revenues	1,208,750	1,208,750	1,208,750	-
EXPENDITURES				
Current:				
General Government	1,203,060	1,202,715	1,140,480	62,235
Total Expenditures	1,203,060	1,202,715	1,140,480	62,235
Net Change in Fund Balances	5,690	6,035	68,270	62,235
Fund Balances, Beginning of Year	2,736,764	2,736,764	2,736,764	-
Fund Balances, End of Year	<u>\$ 2,742,454</u>	<u>\$ 2,742,799</u>	<u>\$ 2,805,034</u>	<u>\$ 62,235</u>

Western Riverside Council of Governments
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Regional Energy Network Special Revenue Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 10,478,589	\$ 8,978,589	\$ 8,380,976	\$ (597,613)
Total Revenues	10,478,589	8,978,589	8,380,976	(597,613)
EXPENDITURES				
Current:				
Energy	9,835,414	8,335,414	6,310,575	2,024,839
Total Expenditures	9,835,414	8,335,414	6,310,575	2,024,839
Net Change in Fund Balances	643,175	643,175	2,070,401	1,427,226
Fund Balances, Beginning of Year	(2,068,509)	(2,068,509)	(2,068,509)	-
Fund Balances, End of Year	\$ (1,425,334)	\$ (1,425,334)	\$ 1,892	\$ 1,427,226

**Western Riverside Council of Governments
Required Supplementary Information
Year Ended June 30, 2024**

**Schedule of WRCOG's Proportionate Share of the Net Pension Liability
Last 10 Years**

Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a % of Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2023	0.08008%	\$ 4,004,349	\$ 3,107,328	128.87%	75.08%
2022	0.07928%	3,709,687	2,591,751	143.13%	75.85%
2021	0.09274%	1,760,940	2,610,410	67.46%	86.73%
2020	0.02880%	3,129,775	2,504,167	124.98%	62.87%
2019	0.02800%	2,873,074	2,530,409	113.54%	75.21%
2018	0.02720%	2,621,376	2,413,255	108.62%	75.93%
2017	0.02710%	2,689,185	2,062,647	130.38%	74.33%
2016	0.02650%	2,297,048	1,760,643	130.47%	78.40%
2015	0.02630%	1,808,565	1,616,828	111.86%	78.40%
2014	0.02290%	1,421,911	1,422,424	99.96%	79.82%

Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability

Benefit Changes: None

Changes in Assumptions: For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2022, the accounting discount rate changed from 7.15% to 6.90%. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

**Western Riverside Council of Governments
Required Supplementary Information
Year Ended June 30, 2024**

**Schedule of Plan Contributions
Last 10 Years**

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2024	\$ 717,543	\$ (717,543)	\$ -	\$ 3,436,912	20.88%
2023	643,730	(643,730)	-	3,107,328	20.72%
2022	577,461	(577,461)	-	2,591,751	22.28%
2021	523,824	(523,824)	-	2,610,410	20.07%
2020	466,492	(466,492)	-	2,504,167	18.63%
2019	236,092	(236,092)	-	2,530,409	9.33%
2018	345,428	(345,428)	-	2,413,255	14.31%
2017	323,200	(323,200)	-	2,062,647	15.67%
2016	305,212	(305,212)	-	1,760,643	17.34%
2015	294,471	(294,471)	-	1,616,828	18.21%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/2013, 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

Western Riverside Council of Governments
Required Supplementary Information
Year Ended June 30, 2024

Schedule of Changes in the Net OPEB Liability and Related Ratios
for the Measurement Periods Ended June 30
Last 10 Years*

	Measurement Period		
	2023	2022	2021
Total OPEB Liability			
Service cost	\$ 298,171	\$ 314,558	\$ 197,412
Interest on total OPEB liability	160,861	140,383	174,529
Changes in assumptions	(146,833)	(259,809)	934,215
Changes in benefits	-	-	-
Differences between expected and actual experience	188,797	-	(313,855)
Benefit payments, including refunds	(167,939)	(198,087)	(167,719)
Net change in total OPEB liability	333,057	(2,955)	824,582
Total OPEB liability - beginning	3,910,438	3,913,393	3,088,811
Total OPEB liability - ending (a)	<u>\$ 4,243,495</u>	<u>\$ 3,910,438</u>	<u>\$ 3,913,393</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 45,152	\$ 57,247	\$ 47,459
Net Investment Income	85,280	(196,491)	295,055
Benefit payments	(167,939)	(198,087)	(167,719)
Administrative Expense	(21,679)	(28,446)	(26,274)
Net change in plan fiduciary net position	(59,186)	(365,777)	148,521
Plan fiduciary net position - beginning	1,689,168	2,054,945	1,906,424
Plan fiduciary net position - ending (b)	<u>\$ 1,629,982</u>	<u>\$ 1,689,168</u>	<u>\$ 2,054,945</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 2,613,513</u>	<u>\$ 2,221,270</u>	<u>\$ 1,858,448</u>
Plan fiduciary net position as a percentage of the total OPEB liability	38.4%	43.2%	52.5%
Covered - employee payroll	3,708,227	3,188,032	2,794,918
Net OPEB liability as a percentage of covered-employee payroll	70.48%	69.68%	66.49%

Notes to Schedule of Changes

The discount rate from the 2019 Actuarial Valuation to the 2021 Actuarial Valuation changed from 5.45% to 3.40%. The discount rate from the 2021 Actuarial Valuation to the 2023 Valuation changed from 3.40% to 4.25%.

*OPEB schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

Western Riverside Council of Governments
Required Supplementary Information
Year Ended June 30, 2024

Measurement Period Measurement Period

2020	2019	2018	2017
\$ 180,222	\$ 150,146	\$ 171,367	\$ 108,879
165,457	173,314	160,645	159,498
105,642	763,070	-	-
-	-	-	-
-	(836,051)	-	(156,922)
(170,086)	(131,557)	(84,617)	(113,278)
281,235	118,922	247,395	(1,823)
2,807,576	2,688,654	2,441,259	2,443,082
<u>\$ 3,088,811</u>	<u>\$ 2,807,576</u>	<u>\$ 2,688,654</u>	<u>\$ 2,441,259</u>
\$ 140,657	\$ 106,392	\$ 120,000	\$ -
72,852	97,620	(5,368)	104,450
(170,086)	(131,557)	(84,617)	(105,916)
-	(7,570)	(6,574)	(7,361)
43,423	64,885	23,441	(8,827)
1,863,001	1,798,116	1,774,675	1,783,502
<u>\$ 1,906,424</u>	<u>\$ 1,863,001</u>	<u>\$ 1,798,116</u>	<u>\$ 1,774,675</u>
<u>\$ 1,182,387</u>	<u>\$ 944,575</u>	<u>\$ 890,538</u>	<u>\$ 666,584</u>
61.7%	66.4%	66.9%	72.7%
2,664,693	2,817,402	2,617,222	2,211,299
44.37%	33.53%	34.03%	30.14%

**Western Riverside Council of Governments
Required Supplementary Information
Year Ended June 30, 2024**

**Schedule of Plan Contributions
for WRCOG's OPEB Plan
Last 10 Years***

<u>Fiscal Year</u>	<u>Actuarially Determined Contributions</u>	<u>Contributions in Relation to the Actuarially Determined Contributions</u>	<u>Contribution Deficiency/ (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2024	\$ 369,414	\$ (43,743)	\$ 325,671	\$ 4,257,149	1.03%
2023	348,026	(45,152)	302,874	3,708,227	1.22%
2022	280,846	(57,247)	223,599	3,188,032	1.80%
2021	274,960	(47,459)	227,501	2,974,918	1.60%
2020	256,928	(140,657)	116,271	2,664,693	5.28%
2019	202,857	(202,857)	-	2,817,402	7.20%
2018	185,075	(185,075)	-	2,617,222	7.07%

Notes to the Schedule: None

*Fiscal year 2017-18 was the first year of implementation. Additional years to be presented as information becomes available.

**Western Riverside Council of Governments
Notes to Required Supplementary Information
Year Ended June 30, 2024**

1. Budgets and Budgetary Accounting

By state law, WRCOG's Governing Board must approve a tentative budget no later than July 1 and adopt a final budget no later than September 15. A public hearing must be conducted to receive comments prior to adoption. WRCOG's Governing Board satisfied these requirements. A budget is adopted for all expenditures by financial responsibility for the General Fund. All budgets are adopted on a basis consistent with generally accepted accounting principles.

WRCOG is entitled to an administration fee of up to 4% annually of TUMF revenues collected, with a maximum of 1% that can be used to offset salaries and benefits related to TUMF administration. In 2024, the total administration fee collected was 4%. Riverside Conservation Agency (RCA) also receives a percentage of the TUMF revenues collected of 1.47%, which is included as an expense in the TUMF Fund.

The fees allocated among the zones, Riverside County Transportation Commission (RCTC), and Riverside Transit Authority (RTA) are 45.7%, 45.7% and 3.13%, respectively. These allocations are remitted monthly to RCTC and quarterly to RTA; however the zones must submit project plans for approval to WRCOG before funds can be released. RCA must submit potential sites designated for conservation for approval before funds are released.

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Western Riverside Council of Governments
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Special Revenue			Total Nonmajor Governmental Funds
	Clean Cities	Used Oil Block Grant	WRCOG Foundation	
ASSETS				
Cash and Investments	\$ 483,279	\$ 242,451	\$ 133,829	\$ 859,559
Receivables:				
Accounts	-	-	47,246	47,246
Due From Other Governments	45,494	-	-	45,494
Due From Other Funds	-	53,749	8,830	62,579
Prepaid Items	-	-	15,000	15,000
Total Assets	<u>\$ 528,773</u>	<u>\$ 296,200</u>	<u>\$ 204,905</u>	<u>\$ 1,029,878</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 2,062	\$ 87,458	\$ 89,520
Unearned Revenue	-	201,267	-	201,267
Due to Other Funds	399,360	92,696	4,734	496,790
Total Liabilities	<u>399,360</u>	<u>296,025</u>	<u>92,192</u>	<u>787,577</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	8,825	-	8,245	17,070
Total Deferred Inflows of Resources	<u>8,825</u>	<u>-</u>	<u>8,245</u>	<u>17,070</u>
FUND BALANCES				
Nonspendable	-	-	15,000	15,000
Restricted	120,588	175	88,427	209,190
Assigned	-	-	1,041	1,041
Total Fund Balances	<u>120,588</u>	<u>175</u>	<u>104,468</u>	<u>225,231</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 519,948</u>	<u>\$ 296,200</u>	<u>\$ 196,660</u>	<u>\$ 1,029,878</u>

Western Riverside Council of Governments
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Non-Major Governmental Funds
Year Ended June 30, 2024

	Special Revenue			Total Nonmajor Governmental Funds
	Clean Cities	Used Oil Block Grant	WRCOG Foundation	
REVENUES				
Intergovernmental	\$ 429,119	\$ 220,753	\$ -	\$ 649,872
Other Revenues	-	-	397,425	397,425
Investment Income	-	-	19	19
Total Revenues	429,119	220,753	397,444	1,047,316
EXPENDITURES				
Current:				
General Government	-	-	369,803	369,803
Environmental	464,069	220,753	-	684,822
Total Expenditures	464,069	220,753	369,803	1,054,625
Net Change in Fund Balances	(34,950)	-	27,641	(7,309)
Fund Balances (Deficit), Beginning of Year	155,538	175	76,827	232,540
Fund Balances (Deficit), End of Year	\$ 120,588	\$ 175	\$ 104,468	\$ 225,231

Western Riverside Council of Governments
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Clean Cities Special Revenue Fund
Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 540,637	\$ 429,119	\$ (111,518)
Total Revenues	<u>540,637</u>	<u>429,119</u>	<u>(111,518)</u>
EXPENDITURES			
Current:			
Environmental	<u>540,423</u>	<u>464,069</u>	<u>76,354</u>
Total Expenditures	<u>540,423</u>	<u>464,069</u>	<u>76,354</u>
Net Change in Fund Balance	214	(34,950)	(35,164)
Fund Balance, Beginning of Year	<u>155,538</u>	<u>155,538</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 155,752</u></u>	<u><u>\$ 120,588</u></u>	<u><u>\$ (35,164)</u></u>

Western Riverside Council of Governments
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Used Oil Special Revenue Fund
Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 220,753	\$ 220,753	\$ -
Total Revenues	<u>220,753</u>	<u>220,753</u>	<u>-</u>
EXPENDITURES			
Current:			
Environmental	<u>220,752</u>	<u>220,753</u>	<u>(1)</u>
Total Expenditures	<u>220,752</u>	<u>220,753</u>	<u>(1)</u>
Net Change in Fund Balance	1	-	(1)
Fund Balance, Beginning of Year	<u>175</u>	<u>175</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 176</u></u>	<u><u>\$ 175</u></u>	<u><u>\$ (1)</u></u>

Western Riverside Council of Governments
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - WRCOG Foundation Special Revenue Fund
Year Ended June 30, 2024

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Other Revenues	\$ 331,500	\$ 397,425	\$ 65,925
Investment Income	-	19	19
	<u>331,500</u>	<u>397,444</u>	<u>65,944</u>
Total Revenues	<u>331,500</u>	<u>397,444</u>	<u>65,944</u>
EXPENDITURES			
Current:			
General Government	<u>329,750</u>	<u>369,803</u>	<u>(40,053)</u>
	<u>329,750</u>	<u>369,803</u>	<u>(40,053)</u>
Total Expenditures	<u>329,750</u>	<u>369,803</u>	<u>(40,053)</u>
Net Change in Fund Balance	1,750	27,641	25,891
Fund Balance, Beginning of Year	<u>76,827</u>	<u>76,827</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 78,577</u></u>	<u><u>\$ 104,468</u></u>	<u><u>\$ 25,891</u></u>

CUSTODIAL FUNDS

Western Riverside Council of Governments
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024

	Custodial Funds		
	PACE	TUMF	Totals
ASSETS			
Cash and Investments	\$ 528,575	\$ 145,582,830	\$ 146,111,405
Cash and Investments with Fiscal Agents	70,927,382	-	70,927,382
Due from Other Governments	-	2,751,745	2,751,745
Assessments Receivable	23,995	-	23,995
Total Assets	71,479,952	148,334,575	219,814,527
LIABILITIES			
Accounts Payable	400,519	9,794,519	10,195,038
Refunds Payable	27,236	-	27,236
Deposits Payable	124,815	-	124,815
Long-term Liabilities			
Refund Liability	-	8,941,388	8,941,388
Total Liabilities	552,570	18,735,907	19,288,477
NET POSITION			
Restricted for other Organizations or Agencies	70,927,382	129,598,668	200,526,050
Total Net Position	\$ 70,927,382	\$ 129,598,668	\$ 200,526,050

Western Riverside Council of Governments
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended June 30, 2024

	Custodial Funds		
	PACE	TUMF	Totals
ADDITIONS			
Assessments Collected for Others	\$ 307,461,342	\$ 85,010,288	\$ 392,471,630
Investment Income	69,885	7,007,449	7,077,334
Total Additions	307,531,227	92,017,737	399,548,964
DEDUCTIONS			
General and Administrative	501,500	12,998	514,498
Payments to TUMF Members	-	75,972,733	75,972,733
Distributions to Shareholders	308,759,154	-	308,759,154
Total Deductions	309,260,654	75,985,731	385,246,385
Net Change in Fiduciary Net Position	(1,729,427)	16,032,006	14,302,579
Net Position, Beginning, as previously reported	44,135,698	113,566,662	157,702,360
Restatement for correction of an error	28,521,111	-	28,521,111
Net Position, Beginning, as restated	72,656,809	113,566,662	186,223,471
Net Position, End of Year	\$ 70,927,382	\$ 129,598,668	\$ 200,526,050



Statistical Section

STATISTICAL SECTION

This section of the Western Riverside Council of Government's Annual Comprehensive Financial Report presents additional detail, historical perspective, and context to assist annual financial report users in understanding the financial statements, note disclosures, required supplementary information, and assessing WRCOG's financial condition.

CONTENTS	PAGE
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	64
Revenue Capacity These schedules contain information to help the reader assess WRCOG's most significant local revenue source, Member Dues and Mitigation Fees.	72
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the government's financial activities take place.	73
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	75
Debt Capacity This schedule contains information to help the reader assess WRCOG's outstanding debt.	79

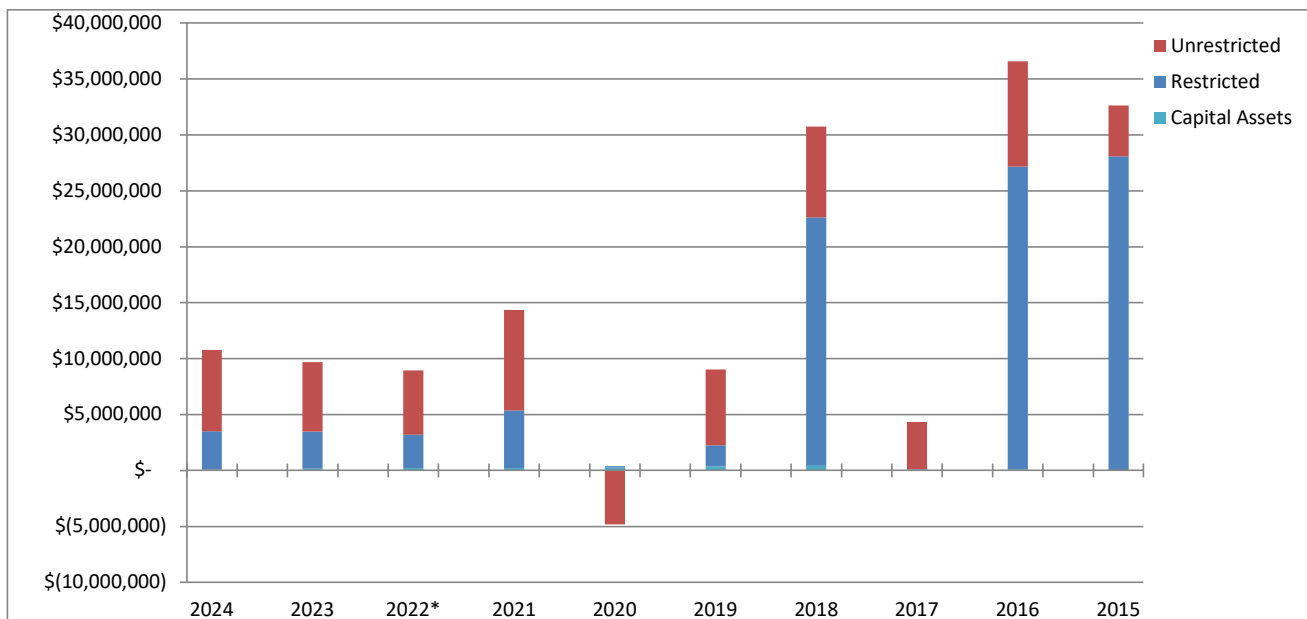
**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)**

**Net Position by Component
Last Ten Fiscal Years
(Accrual Basis)**

	Fiscal Year			
	<u>2024</u>	<u>2023</u>	<u>2022*</u>	<u>2021</u>
Governmental activities:				
Net investment in				
Capital Assets	\$ 98,954	\$ 172,252	\$ 230,209	\$ 218,171
Restricted	3,416,409	3,321,749	2,963,656	5,164,059
Unrestricted	7,262,933	6,186,452	5,752,754	8,965,785
Total governmental activities net position/(deficit)	<u>\$ 10,778,296</u>	<u>\$ 9,680,453</u>	<u>\$ 8,946,619</u>	<u>\$ 14,348,015</u>

* Due to GASB 84 implementation, WRCOG changed the fund reporting type for the TUMF Custodial Fund, in prior years this was reported as a special revenue fund.

Source: Finance Department



Fiscal Year					
<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 293,345	\$ 362,054	\$ 413,343	\$ 93,875	\$ 100,296	\$ 54,038
111,838	1,907,303	22,211,582	11,702	27,079,334	28,033,173
(4,815,321)	6,771,505	8,130,795	4,232,803	9,385,943	4,556,290
<u>\$ (4,410,138)</u>	<u>\$ 9,040,862</u>	<u>\$ 30,755,720</u>	<u>\$ 4,338,380</u>	<u>\$ 36,565,573</u>	<u>\$ 32,643,501</u>

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)**

**Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis)**

	Fiscal Year Ended June 30,			
	<u>2024</u>	<u>2023</u>	<u>2022*</u>	<u>2021</u>
Expenses				
Governmental activities:				
General government	\$ 4,787,226	\$ 4,483,666	\$ 4,391,339	\$ 4,150,530
Transportation	-	-	-	42,583,401
Energy	8,147,400	4,603,005	6,086,935	3,110,304
Environmental	1,165,939	731,502	559,545	707,125
Interest on Lease	32,574	22,571	12,315	
Total primary government expenses	<u>14,133,139</u>	<u>9,840,744</u>	<u>11,050,134</u>	<u>50,551,360</u>
Program Revenues				
Governmental activities:				
General government	5,813,203	5,469,546	5,370,744	447,393
Transportation	-	-	-	63,706,655
Energy	7,644,590	3,848,082	4,574,850	3,962,842
Environmental	1,204,138	940,071	569,943	673,823
Total primary government program revenues	<u>14,661,931</u>	<u>10,257,699</u>	<u>10,515,537</u>	<u>68,790,713</u>
Net (Expense)/Revenue				
Total primary government net expense	<u>528,792</u>	<u>416,955</u>	<u>(534,597)</u>	<u>18,239,353</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Other revenues				-
Investment income	569,051	316,879	(27,181)	(243,696)
Loss on sale of capital assets	-	-	-	-
Total primary government	<u>569,051</u>	<u>316,879</u>	<u>(27,181)</u>	<u>(243,696)</u>
Changes in Net Position				
Total primary government	<u>\$ 1,097,843</u>	<u>\$ 733,834</u>	<u>\$ (561,778)</u>	<u>\$ 17,995,657</u>

* Due to GASB 84 implementation, WRCOG changed the fund reporting type for the TUMF Custodial Fund, in prior years this was reported as a special revenue fund.

Source: Finance Department

Fiscal Year Ended June 30,					
<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 3,674,580	\$ 6,966,676	\$ 5,416,418	\$ 4,028,482	\$ 2,520,688	\$ 2,031,313
63,456,285	85,033,676	34,971,790	74,542,061	41,631,788	33,114,224
2,349,851	2,779,274	6,333,946	5,622,980	5,629,560	4,926,278
704,465	533,897	570,687	513,137	423,667	531,945
<u>70,185,181</u>	<u>95,313,523</u>	<u>47,292,841</u>	<u>84,706,660</u>	<u>50,205,703</u>	<u>40,603,760</u>
341,563	569,301	567,640	512,876	513,188	349,268
50,389,714	66,842,236	67,483,341	42,731,611	43,508,888	37,430,113
2,966,193	3,364,946	6,003,534	9,316,452	9,779,134	7,473,816
758,394	542,592	515,141	528,775	464,885	620,836
<u>54,455,864</u>	<u>71,319,075</u>	<u>74,569,656</u>	<u>53,089,714</u>	<u>54,266,095</u>	<u>45,874,033</u>
<u>(15,729,317)</u>	<u>(23,994,448)</u>	<u>27,276,815</u>	<u>(31,616,946)</u>	<u>4,060,392</u>	<u>5,270,273</u>
-	-	-	-	36,112	241,763
2,356,692	2,262,464	273,559	(12,645)	509,228	552,021
(78,375)	-	-	-	-	-
<u>2,278,317</u>	<u>2,262,464</u>	<u>273,559</u>	<u>(12,645)</u>	<u>545,340</u>	<u>793,784</u>
<u>\$ (13,451,000)</u>	<u>\$ (21,731,984)</u>	<u>\$ 27,550,374</u>	<u>\$ (31,629,591)</u>	<u>\$ 4,605,732</u>	<u>\$ 6,064,057</u>

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)**

**Fund Balance of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis)**

	Fiscal Year				
	<u>2024</u>	<u>2023</u>	<u>2022*</u>	<u>2021</u>	<u>2020</u>
<u>GENERAL FUND</u>					
General fund:					
Nonspendable					
Prepaid Expenses	\$ 176,560	\$ 149,872	\$ 119,789	\$ 61,060	\$ 209,708
Restricted					
Section 115 Pension Trust	369,074	337,620	326,257	366,611	-
LTF	-	-	-	-	-
Assigned					
BEYOND Program	-	-	-	-	702,559
Fellowship Program	229,726	219,878	218,375	219,839	609,412
Unassigned	12,252,721	10,684,308	10,137,070	13,015,251	10,291,851
Total general fund	<u>\$ 13,028,081</u>	<u>\$ 11,391,678</u>	<u>\$ 10,801,491</u>	<u>\$ 13,662,761</u>	<u>\$ 11,813,530</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>					
All other governmental funds:					
Nonspendable					
Prepaid Expenses	\$ 28,238	\$ -	\$ -	\$ -	\$ -
Restricted					
Transportation	-	-	-	17,187,489	2,483,852
AB 2766	120,588	155,538	17,206	45,325	-
Foundation	88,427	76,827	12,179	11,721	111,838
Used Oil	175	175	-	-	-
Assigned					
LTF	2,805,034	2,736,764	2,593,014	-	-
Fellowship Program	1,041	-	-	-	-
Unassigned	(11,346)	(2,068,509)	-	-	-
Total all other governmental funds	<u>\$ 3,032,157</u>	<u>\$ 900,795</u>	<u>\$ 2,622,399</u>	<u>\$ 17,244,535</u>	<u>\$ 2,595,690</u>

* Due to GASB 84 implementation, WRCOG changed the fund reporting type for the TUMF Custodial Fund, in prior years this was reported as a special revenue fund.

Source: Finance Department

Fiscal Year				
<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 96,486	\$ 43,859	\$ 167,212	\$ 90,762	\$ 82,987
-	-	-	-	-
-	-	-	-	-
-	-	11,702.00	-	-
702,559	2,533,866	3,305,419.00	1,556,763.00	-
304,733	514,732	121,272.00	400,000.00	-
9,613,033	8,233,431	8,988,826	7,888,825	5,415,947
<u>\$ 10,716,811</u>	<u>\$ 11,325,888</u>	<u>\$ 12,594,431</u>	<u>\$ 9,936,350</u>	<u>\$ 5,498,934</u>
\$ -	\$ -	\$ -	\$ -	\$ -
15,073,913	38,098,604	9,373,801	51,540,293	53,379,614
-	-	-	-	-
72,145.00	11,733	-	11,690	11,695
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 15,146,058</u>	<u>\$ 38,110,337</u>	<u>\$ 9,373,801</u>	<u>\$ 51,551,983</u>	<u>\$ 53,391,309</u>

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)**

**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis)**

	Fiscal Year			
	<u>2024</u>	<u>2023</u>	<u>2022*</u>	<u>2021</u>
Revenues				
Intergovernmental	\$ 3,290,176	\$ 3,268,269	\$ 2,881,203	\$ 1,504,000
TUMF Mitigation fees	3,474,339	2,924,554	3,031,817	60,897,468
Pace fees	1,120,607	1,027,275	3,713,297	3,340,417
Other revenues	465,181	359,976	323,530	3,048,828
Investment income (loss)	569,051	316,879	(27,181)	(243,696)
Chrges for Services	8,380,976	646,135	510,762	
Total revenues	<u>17,300,330</u>	<u>8,543,088</u>	<u>10,433,428</u>	<u>68,547,017</u>
Expenditures				
Current:				
General Government	3,835,364	3,946,798	3,524,632	3,903,224
Programs:				
Transportation	-	-	-	45,090,784
Energy	8,147,400	4,603,005	6,086,935	3,110,304
Environmental	1,165,939	731,502	559,545	707,125
Debt service	383,862	393,200	422,820	-
Total expenditures	<u>13,532,565</u>	<u>9,674,505</u>	<u>10,593,932</u>	<u>52,811,437</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,767,765</u>	<u>(1,131,417)</u>	<u>(160,504)</u>	<u>15,735,580</u>
Net change in fund balances	<u>\$ 3,767,765</u>	<u>\$ (1,131,417)</u>	<u>\$ (160,504)</u>	<u>\$ 15,735,580</u>
Debt service as a percentage of noncapital expenditures	<u>2.84%</u>	<u>4.06%</u>	<u>3.99%</u>	<u>0.00%</u>

* Due to GASB 84 implementation, WRCOG changed the fund reporting type for the TUMF Custodial Fund, in prior years this was reported as a special revenue fund.

Source: Finance Department

Fiscal Year					
<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,068,020	\$ 967,270	\$ 931,500	\$ 1,145,570	\$ 1,058,265	\$ 1,461,999
48,850,599	63,686,091	51,305,031	42,239,340	42,615,158	36,507,739
2,512,229	2,752,932	5,684,817	9,028,003	9,562,139	7,159,144
2,085,571	3,852,228	16,648,307	894,488	848,957	986,914
2,356,691	2,262,464	273,560	(12,645)	509,229	552,021
<u>56,873,110</u>	<u>73,520,985</u>	<u>74,843,215</u>	<u>53,294,756</u>	<u>54,593,748</u>	<u>46,667,817</u>
3,531,873	6,039,994	4,493,570	3,965,880	2,681,489	2,070,885
61,740,570	87,741,176	35,974,673	82,703,352	44,125,019	30,998,608
2,349,851	2,779,274	6,336,292	5,632,488	5,647,563	4,929,398
704,465	533,897	570,687	513,137	435,670	534,027
-	-	-	-	-	-
<u>68,326,759</u>	<u>97,094,341</u>	<u>47,375,222</u>	<u>92,814,857</u>	<u>52,889,741</u>	<u>38,532,918</u>
<u>(11,453,649)</u>	<u>(23,573,356)</u>	<u>27,467,993</u>	<u>(39,520,101)</u>	<u>1,704,007</u>	<u>8,134,899</u>
\$ <u>(11,453,649)</u>	\$ <u>(23,573,356)</u>	\$ <u>27,467,993</u>	\$ <u>(39,520,101)</u>	\$ <u>1,704,007</u>	\$ <u>8,134,899</u>
<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)

Revenue by Funds
Last Ten Fiscal Years
(Accrual Basis)

	Fiscal Year Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GENERAL FUND:										
Member dues:										
Banning	\$ 3,941	\$ 3,941	\$ 3,941	\$ 3,941	\$ 3,941	\$ 3,941	\$ 3,941	\$ 3,941	\$ 3,941	\$ 3,957
Beaumont	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000				\$ 5,255
Calimesa	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049		1,049	1,049	1,049	1,102
Canyon Lake	\$ 1,406	\$ 1,406	\$ 1,406	\$ 1,406	\$ 1,406	\$ 1,406	\$ 1,406	\$ 1,406	\$ 1,406	2,256
Corona	\$ 20,290	\$ 20,290	\$ 20,290	\$ 20,290	\$ 20,290	\$ 20,290	\$ 20,290	\$ 20,290	\$ 20,290	25,886
Eastvale	\$ 7,171	\$ 7,171	\$ 7,171	\$ 7,171.06	\$ 7,171	\$ 7,171	\$ 7,171	\$ 7,171	\$ 7,171	-
Hemet	\$ 9,797	\$ 9,797	\$ 9,797	\$ 7,425	\$ 9,797	\$ 9,797	\$ 9,797	\$ 9,797	\$ 9,797	10,386
Jurupa Valley	\$ 12,710	\$ 12,710	\$ 12,710	\$ 12,710	\$ 12,710	\$ 12,710	\$ 12,710	\$ 12,710	\$ 12,710	-
Lake Elsinore	\$ 6,933	\$ 6,933	\$ 6,933	\$ 6,933	\$ 6,933	\$ 6,933	\$ 6,933	\$ 6,933	\$ 6,933	7,904
Menifee	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	\$ 10,491	10,147
Moreno Valley	\$ 25,780	\$ 25,780	\$ 25,780	\$ 25,780	\$ 25,780	\$ 25,780	\$ 25,780	\$ 25,780	\$ 25,780	25,413
Murrieta	\$ 13,794	\$ 13,794	\$ 13,794	\$ 13,794.48	\$ 13,794	\$ 13,794	\$ 13,794	\$ 13,794	\$ 13,794	17,954
Norco	\$ 3,573	\$ 3,573	\$ 3,573	\$ 3,573.45	\$ 3,573	\$ 3,573	\$ 3,573	\$ 3,573	\$ 3,573	4,482
Perris	\$ 9,215	\$ 9,215	\$ 9,215	\$ 9,215	\$ 9,215	\$ 9,215	\$ 9,215	\$ 9,215	\$ 9,215	8,173
Riverside	\$ 40,512	\$ 40,512	\$ 40,512	\$ 40,512	\$ 40,512	\$ 40,512	\$ 40,512	\$ 40,512	\$ 40,512	42,894
San Jacinto	\$ 5,889	\$ 5,889	\$ 5,889	\$ 5,889	\$ 5,889	\$ 5,889	\$ 5,889	\$ 5,889	\$ 5,889	5,504
Temecula	\$ 13,424	\$ 13,424	\$ 13,424	\$ 13,424	\$ 13,424	\$ 13,424	\$ 13,424	\$ 13,424	\$ 13,424	18,714
Wildomar	\$ 4,298	\$ 4,298	\$ 4,298	\$ 4,298	\$ 4,298	\$ 4,298	\$ 4,298	\$ 4,298	\$ 4,298	4,863
County of Riverside	\$ 48,136	\$ 48,136	\$ 48,136	\$ 48,135.73	\$ 48,136	\$ 48,136	\$ 48,136	\$ 48,136	\$ 48,136	43,520
County of Riverside - Office of Superintendent	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	17,000
Eastern Municipal Water District	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	17,000
Western Municipal Water District	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	\$ 17,000	17,000
Morongo Band of Mission Indians	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,000	\$ 17,000	\$ 17,000	\$ 9,500	10,000
Total Member dues	\$ 294,410	\$ 294,410	\$ 294,410	\$ 292,038	\$ 294,410	\$ 311,410	\$ 306,410	\$ 306,410	\$ 298,910	\$ 299,410
ALL OTHER GOVERNMENTAL FUNDS										
Transportation Uniform Mitigation Fee (TUMF):										
Banning	1,930,127	1,564,235	485,142	90,905	16,719	12,165	\$ 16,040	\$ 40,930	\$ 6,326	\$ 54,738
Beaumont	992,769	2,875,352	3,203,910	1,044,450	661,889	1,133,974	514,351		-	-
Calimesa	-	(2,877)	16,407	84,328	357,530	188,577	4,055	103,835	10,359	133,217
Canyon Lake	152,378	32,323	18,470	35,410	41,949	44,605	38,832	18,525	20,583	27,055
Corona	305,950	581,220	1,457,134	766,323	500,855	2,599,705	140,921	1,153,262	2,743,488	1,989,728
Eastvale	233,157	22,485	130,265	988,078	819,704	660,354	1,735,201	1,249,621	1,705,338	1,241,685
Hemet	1,232,880	708,272	2,869,417	938,306	200,532	247,002	217,626	52,392	351,010	545,597
Jurupa Valley	3,970,655	1,773,071	2,136,682	629,122	1,707,104	1,919,323	995,072	2,400,109	2,302,649	1,738,387
Lake Elsinore	1,324,692	357,498	1,467,864	1,564,641	1,588,824	912,194	56,629	800,725	969,533	898,098
March JPA	-	1,331,232	703,107	222,156	1,503,832	1,196,382	1,668,406	765,627	222,482	239,874
Menifee	5,138,536	4,256,690	5,643,287	6,129,067	2,369,260	2,589,565	1,944,365	1,374,603	1,203,549	909,230
Moreno Valley	3,068,531	1,360,701	2,305,395	2,962,390	1,861,624	4,400,523	300,521	883,562	1,356,327	2,343,895
Murrieta	1,710,047	769,429	1,394,332	1,121,883	667,417	1,115,593	2,585,547	884,391	1,452,155	1,496,315
Norco	4,618	161,673	874,006	4,483	136,181	523,643	1,867,071	304,411	100,355	101,444
Perris	2,016,632	1,417,646	1,329,470	1,198,867	726,994	789,812	918,236	1,235,325	1,167,113	1,069,887
Riverside	1,354,048	1,825,929	1,407,394	823,662	1,928,733	3,018,415	1,484,544	3,113,205	1,852,839	1,461,429
San Jacinto	1,497,659	1,348,318	594,897	1,024,429	784,469	984,137	3,212,024	843,818	698,893	259,021
Temecula	952,597	1,267,900	1,272,118	445,363	676,132	646,123	1,448,549	810,938	809,664	679,386
Wildomar	1,683,714	1,044,123	326,357	170,292	316,900	134,061	87,114	826,659	384,865	83,178
County - Northwest	1,138,078	3,694,724	3,071,918	3,573,018	3,237,826	998,669	272,790	569,203	414,258	216,343
County - Southwest	6,019,157	2,044,268	1,747,903	2,576,214	1,421,458	730,000	1,643,915	863,473	636,493	1,529,926
County - Central	2,135,688	383,341	132,162	96,255	189,085	1,403,293	1,125,077	911,716	1,040,489	593,671
County - Pass	50,793	852,150	36,164	52,888	37,617	64,879	815,242	12,349	20,581	16,502
County - Hemet/San Jacinto	2,781,621	3,743,328	2,402,062	1,287,613	946,277	2,254,436	538,809	376,151	299,821	91,090
Regional Transit Authority	2,718,670	2,288,464	2,398,927	1,906,091	1,554,652	1,956,588	1,203,022	692,725	698,889	314,621
Riverside County Transportation Commission	39,694,326	33,413,031	35,025,864	27,830,143	22,698,912	28,567,429	23,630,936	19,594,830	19,769,172	17,480,991
WRCOG	3,474,339	2,924,554	3,065,721	2,435,899	1,986,776	2,500,431	2,056,290	1,689,574	1,704,607	2,076,008
MSHCP	1,276,820	1,074,774	1,126,653	895,193	730,140	918,909	783,850	667,382	673,319	602,662
Total TUMF	86,858,482	73,113,854	76,643,029	60,897,467	\$ 49,669,391	\$ 62,510,785	\$ 51,305,034	\$ 42,239,340	\$ 42,615,159	\$ 38,193,977

Source: Fiscal Department

Western Riverside Council of Governments
Demographic and Economic Statistics for the County of Riverside
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2024	2,510,643	180,515,232	71,900	6.20%
2023	2,494,626	186,049,207	74,580	5.20%
2022	2,473,902	188,179,830	76,066	4.10%
2021	2,454,453	114,090,413	45,834	6.30%
2020	2,442,304	104,794,676	42,418	14.90%
2019	2,440,124	95,140,992	39,261	4.60%
2018	2,415,955	87,827,068	36,782	4.70%
2017	2,390,702	88,000,000	35,883	5.80%
2016	2,317,924	89,500,000	31,762	6.90%
2015	2,329,271	83,500,000	31,344	8.40%

Sources:

California State Department of Finance as of January 1
FRED Economic Data Economic Research Federal Reserve Bank of St. Louis
U.S. Department of Commerce Bureau of Economic Analysis
State of California Employment Development Department as of June
Riverside County Economic Development Agency

Represents most recent data available

Data not available solely for Western Riverside County

<https://www.statista.com/statistics/200838/median-household-income-in-the-united-states/>

<https://www.google.com/search?q=riverside+county+ca+population+2024>

<https://labormarketinfo.edd.ca.gov/cgi/databrowsing/localAreaProfileQSResults.asp?selectedare>

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)**

**Employment Statistics by Industry for Riverside County
Calendar Years 2023 and Ten Calendar Years**

Industry Type	2023	% of Total Employment	2014	% of Total Employment
Agricultural service	10,900	1.3%	11,900	1.9%
Mining and logging	400	0.0%	300	0.0%
Construction	74,100	8.9%	47,500	7.6%
Manufacturing	45,200	5.4%	40,100	6.4%
Transportation, warehousing, and public utilities	74,500	9.0%	27,800	4.4%
Wholesale trade	27,700	3.3%	23,100	3.7%
Retail trade	94,400	11.3%	85,500	13.6%
Information	5,600	0.7%	6,300	1.0%
Finance and insurance	9,900	1.2%	11,500	1.8%
Real estate and rental and leasing	11,300	1.4%	8,900	1.4%
Professional & business services	76,300	9.2%	60,900	9.7%
Education & health services	143,900	17.3%	89,600	14.3%
Leisure and hospitality	104,200	12.5%	80,500	12.8%
Other services	25,500	3.1%	21,600	3.4%
Federal government, civilian	7,600	0.9%	6,800	1.1%
State government	15,500	1.9%	15,900	2.5%
Local government	105,000	12.6%	89,900	14.3%
Total	832,000	100.0%	628,100	100.0%

Source: State of California Economic Development Department

Represents most recent data available

Data not available solely for Western Riverside County

2014 & 2023 Source:

<https://labormarketinfo.edd.ca.gov/cgi/databrowsing/localAreaProfileQSResults.asp?selectedarea=Riverside+County&selectedindex=33&menuChoice=localAreaPro&state=true&geogArea=0604000065&countyName=>

Western Riverside Council of Governments
Full-time Equivalent Employees by Function/Program
Last Ten Fiscal Years

Function/Program	As of June 30			
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Management services and administration	12	9	10	9
Transportation & Planning	5	6	4	6
Energy	8	8	3	11
Environmental	4	3	8	2
RCHCA	7	7	6	4
Total full time equivalents	36	33	31	32

Source: Fiscal Department

Since FY 23/24 the amount reflected includes both WRCOG and RCHCA employees, since WRCOG provides administrative services to RCHCA per the service agreement.

As of June 30

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
7	7	7	9	8	7
6	7	4	4	6	5
11	7	14	15	8	7
2	3	5	2	1	3
5	0	0	0	0	0
31	24	30	30	23	23

**WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
(A JOINT POWERS AUTHORITY)**

**Economic Indicators by Function
Last Ten Fiscal Years**

	Fiscal Year				
	2024	2023	2022	2021	2020
Property Assessed Clean Energy Programs					
Energy Efficiency Products Installed	8	14	41	88	7,437
Solar Products Installed	1	0	3	50	2,049
Water Efficiency Products Installed	2	2	8	10	471
Energy Savings Programs					
Energy Savings (kWh)	n/a	n/a	n/a	n/a	n/a
Gas Savings (Therms)	n/a	n/a	n/a	4,000	n/a
Environmental Programs					
Gallons of Gasoline Equivalent Reduced	5,876,365	5,458,287	4,185,750	n/a	4,206,956
Tons Greenhouse Gas Emissions Reduced	86,571	13,265	7,440	n/a	6,728
Used Oil Gallons Recycled	447,913	425,077	350,515	n/a	391,902
Used Oil Filters Recycled	2,161	1,354	1,747	n/a	1,229
Solid Waste - Disposal Amount (tons):	1,284,126	1,348,860	2,249,971	n/a	1,327,618
Transportation Programs					
Single Family Home Permits Issued	5,644	4,425	5,118	4,604	3,150
Multi-family Home Permits Issued	2,258	1,717	984	958	1,044
New Retail Construction (square foot)	295,471	289,011	592,410	220,143	618,445
New Commercial Construction (square foot)	133,331	177,093	195,787	426,595	461,103
New Industrial Construction (square foot)	6,472,953	6,253,986	7,115,390	3,156,026	4,254,754

Source: Finance Department

Fiscal Year				
2019	2018	2017	2016	2015
15,700	51,700	92,300	80,300	48,100
6,543	23,500	28,900	36,000	27,000
1,263	4,131	8,655	7,284	2,526
14,443,467	2,534,586	152,304	n/a	n/a
52,547	n/a	9,862	n/a	n/a
9,688,567	9,630,272	9,747,951	9,730,702	8,963,115
16,730	15,703	15,610	15,255	12,829
390,453	207,996	230,000	328,686	157,556
1,435	1,036	1,428	1,418	194
786,538	723,493	708,996	637,811	617,666
3,659	3,580	3,179	2,916	2,360
1,990	557	450	1,032	1,199
428,260	622,387	479,982	366,654	265,173
482,308	613,916	512,886	691,077	269,918
7,540,010	6,083,631	4,089,710	2,906,471	3,045,491

**Western Riverside Council of Governments
Ratios of Outstanding Debt by Type
Last Ten Calendar Years**

Fiscal Year	<u>Governmental Activities</u>		Percentage of Personal Income (1)	Personal Income
	Capital Leases	Total Primary Government		
2024	\$ 1,568,247	\$ 1,568,247	0.0009%	180,515,231,700
2023	1,919,535	1,919,535	0.0010%	186,049,207,080
2022	2,290,164	2,290,164	0.0012%	188,179,829,532
2021	-	-	0.0000%	114,090,413,000
2020	-	-	0.0000%	104,794,676,000
2019	-	-	0.0000%	95,140,992,000
2018	-	-	0.0000%	87,827,068,000
2017	-	-	0.0000%	88,000,000,000
2016	-	-	0.0000%	89,500,000,000
2015	-	-	0.0000%	83,500,000,000

Sources: Finance Department

(1) See Demographic and Economic Information in statistical section for personal income and population data.

Details regarding WRCOG's outstanding debt can be found in Note 5 of the Notes of the Basic Financial Statements