



RIVERSIDE COUNTY
TRANSPORTATION
COMMISSION

I-15/SR-91 Interchange



FY 2019/20

BUDGET

Riverside County Transportation Commission
Riverside County, California

Moreno Valley - March Field station



Santa Ana River Trail



Specialized Transit



June 12, 2019

Honorable Commissioners
Riverside County Transportation Commission
Riverside, California

FY 2019/20 BUDGET INTRODUCTION

RCTC: Connecting Your Life

Thank you for reviewing the Fiscal Year (FY) 2019/20 budget for the Riverside County Transportation Commission (Commission or RCTC). This document provides an opportunity to evaluate the financial backbone of an innovative and active public transportation agency that connects the lives of Riverside County (County) residents every day. Riverside County continues to grow faster than any other area of the state of California (California), which makes our mission to provide transportation projects and services absolutely critical in protecting and improving the quality of life for 2.4 million residents.

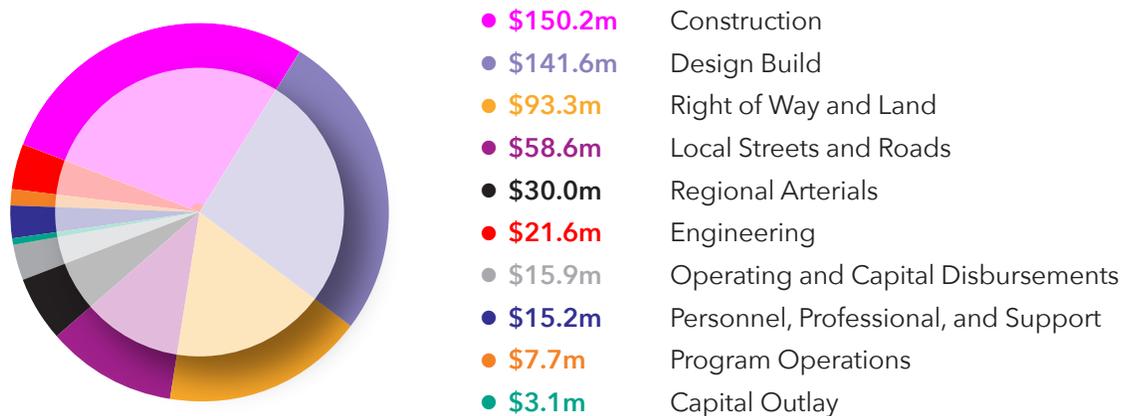
The upcoming fiscal year continues a concerted effort of investment and construction in the County's transportation infrastructure with construction intensifying on the Interstate (I) 15 Express Lanes project, construction ready to start on the State Route (SR) 60 truck lanes, and the I-215/Placentia interchange on the near-term horizon.

PEOPLE WORKING - BUILDING A BETTER FUTURE

The Commission and its project partners at the California Department of Transportation, local jurisdictions, and transit agencies are investing in transportation using a variety of local, state, and federal sources to build projects, plan and design new improvements, and get people working and contributing to the local economy.

During FY 2019/20, the Commission will invest \$537 million in capital projects (Chart 1) that include highway, regional arterial, local streets and roads, and rail projects.

CHART 1 - CAPITAL PROJECTS (IN MILLIONS \$)



In addition to the capital projects, the Commission's FY 2019/20 overall budget (Chart 2) of \$878 million includes funding of administration management, planning and programming, rail and transit operations, smaller programs such as motorist and commuter assistance, toll operations, and debt service.

CHART 2 - FY 2019/20 BUDGET (IN MILLIONS \$)



MEASURE A - THE FUNDING FOUNDATION

The Commission’s voter-approved half-cent sales tax program serves as the main funding source for transportation funding in Riverside County. Measure A sales tax revenues are stable with average annual growth of over 2.6% in the last decade; they are projected at \$193 million for FY 2019/20. Although Measure A revenues help to fund major projects including the I-15 Express Lanes project, Measure A also funds local transportation priorities and needs. In FY 2019/20, the Commission will return \$58.6 million in funding to local cities and the County for local street and road improvements.

The Coachella Valley Association of Governments and the Western Riverside Council of Governments (WRCOG) administer Transportation Uniform Mitigation Fee (TUMF) programs that serve local and regional arterial needs. In the Coachella Valley, arterials are funded through a combination of TUMF, Measure A, and additional local contributions. In Western Riverside County, TUMF dollars are equally split between WRCOG and the Commission with RCTC’s dollars allocated to regional arterials and new highway corridors.

Funding transportation projects and services requires a combination of funding sources, and the Commission receives and programs funding from state and federal sources. This includes California’s Transportation Development Act program dollars allocated primarily to the County’s major public transit providers. Measure A also pays its share by funding transit fare discounts; providing funds for programs for senior citizens, persons with disabilities, and individuals of limited means; allocating funds for commuter rail and intercity bus services; and operating a commuter assistance program that provides traveler information and ridesharing assistance to employers and commuters.

91 EXPRESS LANES SURPASSING EXPECTATIONS

On March 20, 2017, the Commission opened the extension of the 91 Express Lanes. The \$1.4 billion 91 Project primarily consisted of two tolled express lanes, a direct express lanes connector, and an additional general purpose lane in each direction of SR-91 between the Orange County line and I-15 in Corona. Usage and revenue continue to exceed original projections. As a result, the Commission received an upgrade in its long-term debt ratings from Fitch Ratings and S&P Global Ratings during this fiscal year.

The completion of the 91 Project also creates new responsibilities for the Commission as a toll facility operator. This year’s budget reflects the new revenues and expenses generated by the 91 Express Lanes. The transition into toll operations also serves as a precursor into a much broader role as a toll operator, with construction already underway on the I-15 Express Lanes project. This \$472 million effort adds one to two tolled express lanes to an approximately 15-mile section of I-15 between SR-60 and Cajalco Road. The new 15 Express Lanes will travel through the cities of Corona, Eastvale, Norco, and Jurupa Valley and open in 2020.

ADDITIONAL PROJECTS AND SERVICES

SR-60 Truck Lanes Ready for Construction

The Commission will break ground in mid-2019 on a much-needed eastbound truck-climbing lane and westbound truck-descending lane on SR-60 through the Badlands area of Western Riverside County. This 4.5-mile, \$134.6 million project will include a number of additional safety features including a wider median, a higher median barrier, and better visibility in curved areas of the highway.

New Vanpool Service Strengthens Transit

While RCTC primarily functions as a project-driven organization, the Commission's significant funding toward public transit, motorist services, and operation of a toll facility further increases its direct interaction with the public. The Commission launched a new incentive program to spur the creation of vanpools. Vanpools can be especially effective in providing transportation options in areas that are hard to serve by transit and can be an attractive amenity for employers. RCTC's VanClub offers as much as \$400 per month to eligible vanpools, and 75 vanpools have already formed countywide.

Freeway Service Patrol Expands to Serve More of I-15 and I-215

In September 2018, the Commission expanded its popular Freeway Service Patrol program on I-15 and I-215. The free program offers help to stranded motorists by changing flat tires, jump-starting dead batteries, cooling overheated engines, and performing other routine mechanical repairs to help get drivers safely back on their way. The approval and voter-ratification of a recent increase in the state gas tax (Senate Bill 1) enabled the Commission to provide peak-hour services on an additional 27 miles of the I-15 and 12 miles on the I-215 for drivers in Lake Elsinore, Wildomar, Menifee, Murrieta, and Temecula.

PLANNING FOR AN EXCITING AND UNCERTAIN FUTURE

Progress Continuing on State-Funded Riverside County Transportation Efficiency Corridor

In 2017, the California Legislature approved a special award of \$427 million in state funding for five projects in northwestern Riverside County. This provided funding needed to move forward on five important projects:

- An express lanes connector between the 91 Express Lanes and the future 15 Express Lanes north of SR-91;
- Railroad grade separations at Jurupa Road in Jurupa Valley and McKinley Street in Corona;
- An expanded interchange at I-15 and Limonite Avenue in Eastvale; and
- The replacement of the Hamner Avenue bridge over the Santa Ana River in Norco.

The Commission is working closely with agencies that are delivering the local projects but will also play the lead role on the construction of the express lanes connector that will benefit both the existing 91 Express Lanes and the future 15 Express Lanes. A design-build contract award is expected to be awarded in 2020.

Funding is but one piece of determining the future of transportation. In order to help guide the Commission through the challenges of population growth, changing demographics, economic needs, and technological change, RCTC has launched an effort to develop a long-range transportation plan for Riverside County. Overall, there are a number of long-range projects envisioned for the County including Mid County Parkway, realignment of SR-79, passenger rail service to the Coachella Valley, a variety of active transportation projects, and a new expressway along Ethanac Road. In addition to these projects, local streets and roads and new interchanges are equally important; a long-range plan will be useful in guiding the overall direction of transportation investment and development in the County.

A COMMITMENT TO RIVERSIDE COUNTY

Ensuring local funding for transportation will require ongoing outreach to the public and transparent oversight and management that ensures public confidence in the Commission's fiduciary, oversight, and visionary roles. This budget document is intended to demonstrate the Commission's commitment to the public as well as documenting the Commission's dedication to sound budget practices. This budget document is one of many ways the Commission works to ensure public accountability and full transparency of its actions.

The Commission has also expanded its commitment to communicate with the public and closely monitors its public engagement activities, which progress is reported on a quarterly basis. We welcome public input and participation and invite you to visit our website at www.rctc.org or to follow us on Facebook, Twitter and Instagram @theRCTC.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Riverside County Transportation Commission
California**

For the Fiscal Year Beginning
July 1, 2018

Christopher P. Morill
Executive Director

GFOA DISTINGUISHED BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Commission for its annual budget for the fiscal year beginning July 1, 2018. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device.

The award is valid for a period of one year only. The Commission believes this budget continues to conform to program requirements, and it will be submitted to GFOA to determine the Commission's eligibility for another award.

ACKNOWLEDGMENTS

The preparation of this budget has been a collaborative effort of the Commission's staff. The budget reflects the Commission's desire to communicate the components of the budget in terms that are easily understandable and supportable for the general public. Staff acknowledges and appreciates the guidance, inspiration and leadership of the Board of Commissioners in advancing the future of transportation in Riverside County.

Anne Mayer, Executive Director

Theresa Treviño, Chief Financial Officer



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COMMISSION INTRODUCTION

State of California (State or California) law created the Riverside County Transportation Commission (Commission or RCTC) in 1976 to oversee the funding and coordination of all public transportation services within Riverside County (County). The Commission's mission is to assume a leadership role in improving mobility in the County. The governing body consists of:

- All five members of the County Board of Supervisors;
- One elected official from each of the County's 28 cities; and
- One non-voting member appointed by the Governor of California.

The Commission is responsible for setting policies, establishing priorities, and coordinating activities among the County's various transit operators and other agencies. The Commission also programs and/or reviews the allocation of federal, state, and local funds for highway, transit, rail, non-motorized travel (bicycle and pedestrian), and other transportation activities.

The Commission is legally responsible for allocating Transportation Development Act (TDA) funds, the major source of funds for transit in the County. The TDA provides two sources of funding: the Local Transportation Fund (LTF), derived from a one-quarter of one-cent state sales tax, and State Transit Assistance (STA), derived from the statewide sales tax on diesel fuel.

The Commission serves as the tax authority and implementation agency for the voter approved Measure A Transportation Improvement Program (TIP). The County's electorate originally approved Measure A in 1988 to impose a one-half of one cent transaction and use tax (sales tax) to fund specific transportation programs that commenced in July 1989 (1989 Measure A). Voters approved the 1989 Measure A for 20 years, and it expired on June 30, 2009. On November 5, 2002, the voters of Riverside County approved the renewal of Measure A beginning in July 2009 through June 2039 (2009 Measure A).

Additionally, the Commission provides motorist aid services designed to expedite traffic flow. These services include:

- The Service Authority for Freeway Emergencies (SAFE), a program that provides call box service for motorists;
- The Freeway Service Patrol (FSP), a roving tow truck service to assist motorists with disabled vehicles on the main highways of the County during peak rush hour traffic periods; and
- A traveler information system.

The Commission provides these services at no charge to motorists. A \$1 surcharge on vehicle registrations, a state allocation, and a portion of Senate Bill 1's (SB 1) recent increase in the state gas tax fund these services.

The Commission is designated as the Congestion Management Agency (CMA) for the County. As the CMA, the Commission coordinates with local jurisdictions to establish congestion mitigation procedures for the County's roadway system.

In March 2017, the Commission commenced toll operations on the RCTC 91 Express Lanes following the substantial completion of the State Route (SR) 91 corridor improvement project (91 Project). Construction started on a second managed lanes project, the Interstate (I)-15 Express Lanes project, in FY 2017/18 with completion expected in 2020. The 15/91 Express Lanes connector, a tolled connector between the existing RCTC 91 Express Lanes and the future 15 Express Lanes north of SR-91, received an allocation of state funds in FY 2016/17. The Commission anticipates completion of this project by 2022.

RIVERSIDE COUNTY TRANSPORTATION COMMISSION

LIST OF PRINCIPAL OFFICIALS

BOARD OF COMMISSIONERS

NAME	TITLE	AGENCY
Kevin Jeffries	Member	County of Riverside, District 1
Karen Spiegel	Member	County of Riverside, District 2
Chuck Washington	Chair (Commission)	County of Riverside, District 3
V. Manuel Perez	Member	County of Riverside, District 4
Jeff Hewitt	Member	County of Riverside, District 5
Art Welch	Member	City of Banning
Lloyd White	Vice Chair (Budget and Implementation Committee)	City of Beaumont
Joseph DeConinck	Member	City of Blythe
Larry Smith	Member	City of Calimesa
Randall Bonner	Member	City of Canyon Lake
Raymond Gregory	Member	City of Cathedral City
Steven Hernandez	Member	City of Coachella
Wes Speake	Member	City of Corona
Scott Matas	Member	City of Desert Hot Springs
Clint Lorimore	Member	City of Eastvale
Linda Krupa	Chair (Budget and Implementation Committee)	City of Hemet
Dana Reed	Member	City of Indian Wells
Waymond Fermon	Member	City of Indio
Brian Berkson	Chair (Western Riverside County Programs and Projects Committee)	City of Jurupa Valley
Kathleen Fitzpatrick	Member	City of La Quinta
Bob Magee	Member	City of Lake Elsinore
Bill Zimmerman	Member	City of Menifee
Victoria Baca	Member	City of Moreno Valley
Scott Vinton	Member	City of Murrieta
Berwin Hanna	Member	City of Norco
Jan Harnik	2nd Vice Chair (Commission)	City of Palm Desert
Lisa Middleton	Member	City of Palm Springs
Michael M. Vargas	Vice Chair (Western Riverside County Programs and Projects Committee)	City of Perris
Ted Weill	Member	City of Rancho Mirage
Rusty Bailey	Member	City of Riverside
Andrew Kotyuk	Member	City of San Jacinto
Michael S. Naggar	Member	City of Temecula
Ben J. Benoit	Vice Chair (Commission)	City of Wildomar
Mike Beauchamp	Governor's Appointee	Caltrans, District 8

MANAGEMENT STAFF

NAME	TITLE
Anne Mayer	Executive Director
John Standiford	Deputy Executive Director
Michael Blomquist	Toll Program Director
Marlin Feenstra	Project Delivery Director
Aaron Hake	External Affairs Director
Shirley Medina	Planning and Programming Director
Lorelle Moe-Luna	Multimodal Director
Theresia Treviño	Chief Financial Officer

EXECUTIVE SUMMARY

INTRODUCTION

The budget for Fiscal Year (FY) 2019/20 is presented to the Board of Commissioners (Board) and the citizens of Riverside County. The budget outlines the projects and programs the Commission plans to undertake during the year and appropriates expenditures to accomplish these tasks. The budget also shows the funding sources and fund balances for these projects and programs. This document serves as the Commission's monetary guideline for the fiscal year. To provide the reader a better understanding of the projects and programs, staff included descriptive information regarding each department and major projects. The discussion in each department includes a review of accomplishments, major initiatives, and key assumptions.

POLICY GOALS AND OBJECTIVES

As approved at its March 13, 2019 meeting, the Commission is driven by four core mission statements and underlying goals for the people of Riverside County and the transportation system upon which they rely:

QUALITY OF LIFE

RCTC is focused on improving life for the people of Riverside County and empowering them to live life at their pace.

Choice	RCTC empowers the residents of Riverside County to choose how to get safely to where they are going.
Environmental Stewardship	RCTC protects and preserves the County's environment for our residents.
Mobility	RCTC provides access, equity, and choice in transportation; RCTC is a mobility partner.
Access	RCTC projects and programs are the connection to employment, schools, community institutions, parks, medical facilities and shopping in the community.
Goods Movement	RCTC facilitates the funding and delivery of projects that mitigate the impact of increased goods movement flow through Riverside County.

OPERATIONAL EXCELLENCE

RCTC is a responsible and conservative steward of taxpayer dollars.

State of Good Repair	RCTC invests in road safety and maintenance in its residents' neighborhoods.
Promises Fulfilled	Projects are completed on-time, on-budget; RCTC delivers on its promises as a steward of Riverside County residents' investment.
Innovation	Program and project delivery innovations drive results, savings, and greater economic opportunities for Riverside County residents.
Information	RCTC operations are transparent; customers get fast, timely, quality service.

CONNECTING THE ECONOMY

RCTC is a driver of economic growth in Riverside County.

Workforce Mobility	RCTC improves the economy by creating a robust workforce to workplace system; RCTC helps move the economy of Riverside County.
Population Growth	Since 1976, RCTC has been responsible for connecting our County's economy as the County's population has quadrupled from 550,000 to 2.3 million today.
Economic Impact	RCTC has invested \$4 billion in the County's economy thanks to Measure A and future toll revenues, which has a multiplier impact in terms of jobs and economic opportunity throughout Riverside County.

RESPONSIBLE PARTNER

RCTC partners with local, regional, and state governments to deliver road and transit projects.

Streets and Roads	RCTC invests in local priorities for maintaining streets and roads and fixing potholes.
Transit	RCTC is a partner with transit operators to provide residents mobility choices, flexibility, intercity and intercounty connectivity, and access.
Active Transportation Facilities	RCTC is a partner with agencies within the County to promote active transportation alternatives, including the building of regional trails and bicycle and pedestrian facilities in accordance with local general master and active transportation plans.
Grants	RCTC is a steward of state and federal grants to improve our communities.
Local Measure A Value	RCTC invests Measure A dollars into projects and programs that benefit local communities throughout the County.

Staff used these core mission statements and goals to prepare this budget and develop the following short-term objectives to guide further the development of the FY 2019/20 budget.

CAPITAL PROJECT DEVELOPMENT AND DELIVERY

- Continue design and construction of the 15 Express Lanes and development of the 71/91 interchange improvements, SR-60 truck lanes, and Mid County Parkway projects included in the Western Riverside County Delivery Plan.
- Commence development of the I-15 Express Lanes–Southern Extension project.
- Maintain and enhance communication and collaboration with the California Department of Transportation (Caltrans) to improve the Commission’s ability to deliver critical projects.
- Enhance corridor mobility and traveler choice with the operation of the express lanes and development of the next generation toll projects.
- Collaborate with local jurisdictions to implement the Transportation Uniform Mitigation Fee (TUMF) regional arterial program projects and facilitate the delivery of eligible arterial improvements in western Riverside County (Western County).
- Continue active engagement in state and federal efforts to streamline and modernize the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) to improve the Commission’s ability to deliver critical projects.

TOLL OPERATIONS

- Efficiently operate express lanes and achieve high customer satisfaction through reduction in congestion, mobility improvements, and management of demand.

REGIONAL PROGRAMS

- Maintain an active involvement in state and federal legislative matters to ensure that the Commission receives proper consideration for transportation projects and funding.
- Complete the development of a county-wide transportation plan and the first ten-year update of the 2009 Measure A Expenditure Plan, as required by the ordinance.
- Subsidize reliable and cost-effective Metrolink commuter rail service to and from Riverside County; Southern California Regional Rail Authority (SCRRA) is the operator of Metrolink.
- Provide leadership in the planning and development of the Coachella Valley-San Geronio Pass corridor rail service.
- Support innovative programs that provide transit assistance in hard to serve rural areas or for riders with special transit needs.
- Promote cost controls and operating efficiency for transit operators.
- Maintain effective partnerships among commuters, employers, and government to increase the efficiency of our transportation system by encouraging and promoting motorized and non-motorized transportation alternatives.
- Provide a motorist aid system that ensures safety and convenience to freeway motorists.

MANAGEMENT SERVICES

- Maintain close communication with Commissioners and educate policy makers on all issues of importance to the Commission.
- Develop and execute a communications and public engagement strategy for the purposes of education, information, and customer service.
- Maintain administrative program delivery costs below the policy threshold of 4% of Measure A revenues; the FY 2019/20 Management Services budget is 2.87% of Measure A revenues.
- Maintain administrative salaries and benefits at less than 1% of Measure A revenues; the FY 2019/20 administrative salaries and benefits is 0.73% of Measure A revenues before the one-time disbursement to pay off the Commission's California Public Employees' Retirement System (CalPERS) net pension liability. The administrative program share of the \$8.1 million net pension liability is \$2.5 million, or 31%. The inclusion of this one-time disbursement in FY 2019/20 results in the administrative salaries and benefits at 1.39% of Measure A revenues; however, the one-time disbursement to pay off the net pension liability is related to the projected benefits to employees for past service. Accordingly, the impact to the administrative salaries and benefits will be retroactively applied to prior fiscal years without exceeding the 1% limitation in FY 2019/20 or prior fiscal years.
- Maintain prudent cash reserves to provide some level of insulation for unplanned expenditures.
- Maintain current strong bond ratings with rating agencies.
- Establish and maintain revenues and reserves generated from toll operations to be available for debt service in accordance with toll supported debt agreements; maintenance, repair, rehabilitation, administration and operations; and capital projects within the corridor.

LINKING COMMISSION AND DEPARTMENTAL MISSION STATEMENTS

The following matrix (Table 1) illustrates the linkage of the Commission's core policy goals described in this section to the individual departmental goals and objectives included in Section 5.

TABLE 1 - RELATIONSHIP BETWEEN COMMISSION AND DEPARTMENTAL GOALS

Department	Quality of Life	Operational Excellence	Connecting the Economy	Responsible Partner
Management Services				
Executive Management	X	X	X	X
Administration		X		
External Affairs	X	X		X
Finance		X		
Regional Programs				
Planning and Programming	X	X	X	X
Rail Maintenance and Operations	X	X	X	X
Public and Specialized Transit	X	X	X	X
Commuter Assistance	X	X	X	X
Motorist Assistance	X	X		X
Capital Project Development and Delivery	X	X	X	X
Toll Operations	X	X	X	X

BUDGET OVERVIEW

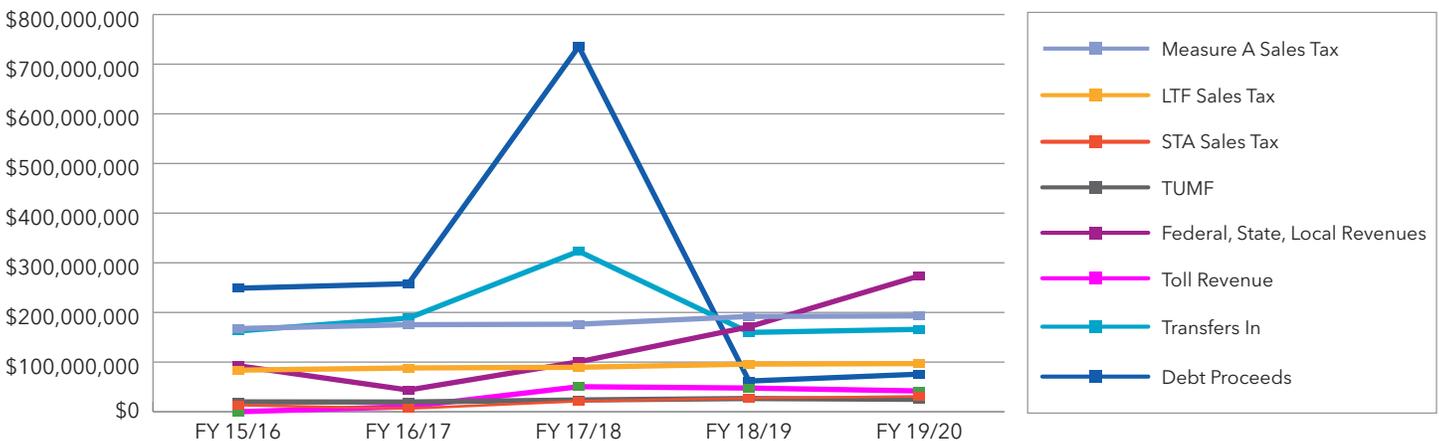
Total sources (Table 2) are budgeted at \$903,266,400, an increase of 15% over FY 2018/19 projected sources and a 1% decrease over the FY 2018/19 budget. Total sources are comprised of revenues of \$661,536,400, transfers in of \$166,027,000, and debt proceeds of \$75,703,000. The projected fund balance at June 30, 2019 available for expenditures/expenses (excluding amounts restricted for debt service of \$14,422,700 and advances receivable of \$22,986,000) is \$754,901,400. Accordingly, total funding available for the FY 2019/20 budget totals \$1,658,167,800.

TABLE 2 - SOURCES FY 2018-2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Measure A Sales Tax	\$ 176,301,700	\$ 192,000,000	\$ 192,000,000	\$ 193,000,000	\$ 1,000,000	1%
LTF Sales Tax	89,557,600	96,000,000	96,000,000	97,000,000	1,000,000	1%
STA Sales Tax	21,320,900	23,203,600	27,110,700	31,050,600	7,847,000	34%
Intergovernmental	88,207,000	249,188,300	160,549,900	260,272,700	11,084,400	4%
TUMF Revenue	23,699,800	25,922,200	26,672,200	25,000,000	(922,200)	-4%
Tolls, Penalties, and Fees	50,446,800	36,940,500	47,756,900	41,869,400	4,928,900	13%
Other Revenue	3,199,500	1,084,400	468,500	553,000	(531,400)	-49%
Investment Income	9,117,000	3,408,000	10,064,800	12,790,700	9,382,700	275%
Transfers In	323,263,800	182,214,300	159,759,000	166,027,000	(16,187,300)	-9%
Debt Proceeds	735,488,800	106,081,000	61,841,100	75,703,000	(30,378,000)	-29%
TOTAL Sources	\$ 1,520,602,900	\$ 916,042,300	\$ 782,223,100	\$ 903,266,400	\$ (12,775,900)	-1%

Riverside County has specific competitive advantages over nearby coastal counties (Los Angeles, Orange, and San Diego), including housing that is more available and affordable as well as plentiful commercial real estate and land available for development at lower costs. Riverside County's economy is benefitting from employment gains that are a function of the County's ability to attract businesses with lower commercial rents and a skilled labor force. Population migration to the Inland Empire (i.e., Riverside and San Bernardino counties) has occurred due to these employment opportunities and a lower cost of living compared to the coastal counties. Improvements in the local labor market and housing advantages have increased economic activity contributing to stable sales tax revenue growth as noted on Chart 3.

CHART 3 - SOURCES: FIVE-YEAR TREND

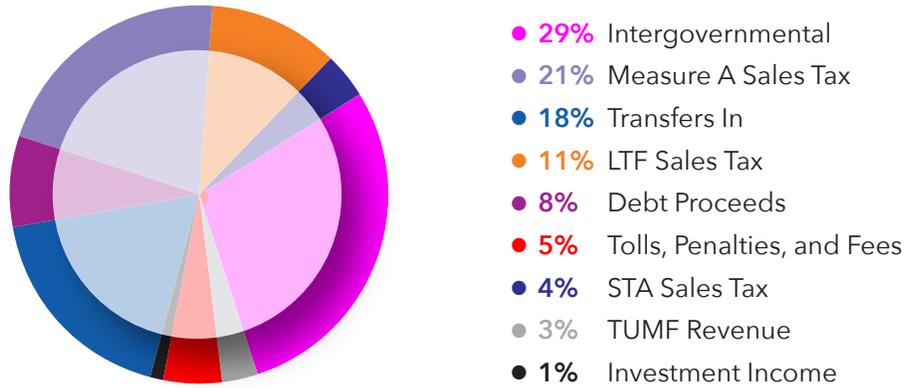


Sales tax revenues have continued to remain stable during the last five fiscal years. The Commission's economic outlook for FY 2019/20 continues to be cautiously optimistic; however, availability of state and federal funds could affect funding of the Commission's capital projects and programs. Should Measure A and LTF sales tax revenues fluctuate and the availability of federal and state revenues continue to be uncertain, the timing and scope of the Commission's projects and programs may be impacted.

Regardless of the future economic conditions, the Commission faces formidable ongoing challenges in terms of providing needed infrastructure enhancements to support a population and an economy that has outgrown the capacity of its existing infrastructure. Fortunately, the foundation of the regional economy continues to retain many of the fundamental positive attributes that fueled its earlier growth, including lower priced real estate with proximity to coastal communities, a large pool of skilled workers, and increasing wealth and education levels.

While the Commission’s primary revenues are the Measure A and LTF sales taxes, other revenues and financing sources are required to fund the Commission’s programs and projects as illustrated in Chart 4.

CHART 4 - SOURCES: MAJOR CATEGORIES



The California Department of Tax and Fee Administration (CDTFA), as statutorily created and authorized successor to the former California State Board of Equalization, recently provided to cities and other agencies its projections that statewide taxable sales over the next fiscal year will increase 3.6%. Continuing its conservative projection practices, the Commission also considers short- and long-term sales tax projections from its consultants to estimate sales tax revenues. After taking the state of the local economy, recent revenue trends, and the impact of CDTFA new automation system delays into consideration, staff projects Measure A sales tax revenues of \$193,000,000 for FY 2019/20. This is a 1% increase from the FY 2018/19 revised projection of \$192,000,000, which reflects FY 2017/18 sales tax revenues processed in FY 2018/19 due to CDTFA’s new system implementation issues. These issues caused a backlog of unprocessed sales tax returns at the end of FY 2017/18 that were processed and reflected in FY 2018/19. At midyear the Commission will reassess sales tax revenue projections based on the economy and revenue trends.

On behalf of the County, the Commission administers the LTF for public transportation needs, local streets and roads, and bicycle and pedestrian facilities. The majority of LTF funding received by the County and available for allocation is distributed to all public transit operators in the County. The Commission receives allocations for administration, planning, and programming in addition to funding for Western County rail operations included in the commuter rail Short Range Transit Plan (SRTP). The LTF sales tax revenue received from the State is budgeted at \$97,000,000, an increase of 1% from the FY 2018/19 revised projection of \$96,000,000. The CDTFA implementation issues also impacted LTF sales tax revenues in FY 2017/18 and FY 2018/19.

A statewide sales tax on motor vehicle diesel fuel generates STA funds, which the State Controller allocates by formula to the Commission for allocations to the County’s public transit operators. Beginning in FY 2017/18, SB 1 provides additional STA revenues, including State of Good Repair (SGR) funds for transit maintenance, rehabilitation, and capital projects. The FY 2019/20 STA/SGR allocations, based on recent State estimates, is \$31,050,600.

Intergovernmental revenues include reimbursement revenues from federal sources of \$89,718,700, state sources of \$160,596,100, and local agencies of \$9,957,900 for highway and rail capital projects, rail operations and station maintenance, commuter assistance, and motorist assistance programs as well as planning and programming activities. The increase of 4% in FY 2019/20 compared to the FY 2018/19 budget is related to increases in federal reimbursements offset by a decrease in state and local reimbursements. Senate Bill 132 (SB 132) provides state funding for the 15/91 Express Lanes connector and pass-through funding to the County for the I-15/Limonite interchange and Hamner Bridge widening and to the County and city of Corona for grade separation projects. Other state reimbursements will fund the SR-60 truck lanes, Pachappa underpass, and station rehabilitation projects. Federal reimbursements provide funding for the I-15 Express Lanes, I-15 Express Lanes–Southern Extension, SR-60 truck lanes, Pachappa underpass, and station rehabilitation projects. Reimbursement revenues vary from year to year depending on project activities and funding levels.

Based on an amended Memorandum of Understanding (MOU) with the Western Riverside Council of Governments (WRCOG), the Commission receives 45.7% of TUMF revenues (as updated by the most recent Nexus study). TUMF represents fees assessed on new residential and commercial development in Western County. The Commission projects FY 2019/20 TUMF fees will remain flat at \$25,000,000. The 4% decrease is related to additional TUMF zone reimbursements for the Lake Elsinore I-15/Railroad Canyon project in FY 2018/19.

FY 2018/19 marked the second complete fiscal year of toll operations for the RCTC 91 Express Lanes following substantial completion of the 91 Project in March 2017. Since toll revenues surpassed 2013 financing assumptions, the Commission obtained an updated Riverside County 91 Express Lanes Extension Investment Grade Traffic and Revenue Study in December 2018. The Commission conservatively estimates FY 2019/20 toll revenues, penalties and fees of \$41,869,400 based on current operations and the updated study.

Other revenue of \$553,000 includes property management generated from properties acquired in connection with various highway and rail properties.

The Commission anticipates a 275% increase in FY 2019/20 investment income due to extremely conservative investment yield projections in the FY 2018/19 budget. The FY 2019/20 budget projects investment income at a 2% investment yield, compared to less than 1% in prior year budgets.

Transfers in of \$166,027,000 relate primarily to the transfer of available debt proceeds for highway projects; LTF funding for general administration, planning and programming, rail operations, and grade separation project allocations; approved interfund allocations for specific projects and administrative cost allocations; and debt service requirements from highway, regional arterial, and local streets and roads funds. Debt proceeds consist of \$75,703,000 in drawdowns from the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan related to the I-15 Express Lanes project.

Total uses (Table 3), including transfers out of \$166,027,000, are budgeted at \$1,044,231,700, a 7% decrease from the prior year budget amount of \$1,123,634,900. Program expenditures and transfers out totaling \$943,160,800 represent 90% of total budgeted uses in FY 2019/20. Program costs decreased by 6% from \$1,003,365,500 in FY 2018/19 due to projects and programs identified below.

TABLE 3 - USES FY 2018-2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Capital Highway, Rail, and Regional Arterials	\$ 517,040,000	\$ 631,599,300	\$ 430,098,100	\$ 592,940,600	\$ (38,658,700)	-6%
Capital Local Streets and Roads	53,176,800	58,479,500	58,479,500	58,642,300	162,800	0%
Commuter Assistance	4,447,700	6,199,600	4,708,300	4,880,800	(1,318,800)	-21%
Debt Service	664,013,700	96,675,600	92,205,600	76,657,400	(20,018,200)	-21%
Management Services	22,184,500	23,593,800	19,784,300	24,413,500	819,700	3%
Motorist Assistance	4,909,300	10,004,600	7,946,300	9,364,500	(640,100)	-6%
Planning and Programming	4,293,800	20,464,700	6,045,300	14,512,900	(5,951,800)	-29%
Public and Specialized Transit	113,456,700	210,341,400	154,221,600	194,224,800	(16,116,600)	-8%
Rail Maintenance and Operations	24,161,700	41,119,800	34,413,400	46,228,500	5,108,700	12%
Toll Operations	11,849,700	25,156,600	21,695,000	22,366,400	(2,790,200)	-11%
TOTAL Uses	\$ 1,419,533,900	\$ 1,123,634,900	\$ 829,597,400	\$ 1,044,231,700	\$ (79,403,200)	-7%

Note: Management Services includes Executive Management, Administration, External Affairs, and Finance.

Capital highway, rail, and regional arterials budgeted uses of \$592,940,600 are 6% lower compared to the FY 2018/19 budget due to project activity on the I-15 Express Lanes, significant completion of a 2009 Measure A Western County Regional Arterial (MARA) project, and decreased transfers out related to debt proceeds from the capital projects fund to a special revenue fund to finance 2009 Measure A Western County highway projects.

Local streets and roads expenditures of \$58,642,300 reflect an increase of \$162,800 over the FY 2018/19 budget and represent the disbursements to local jurisdictions for the construction, repair, and maintenance of local streets and roads.

Commuter assistance budgeted expenditures of \$4,880,800 are 21% lower than FY 2018/19 budget due to transfers out for a transit incentive project in Western County in the prior year.

Debt service of \$76,657,400 decreased 21% due to \$20 million of toll-operation surplus revenues deposited to the 2013 TIFIA loan reserve fund in FY 2018/19 as required under the TIFIA loan agreement.

Management services expenditures of \$24,413,500 increased 3% primarily due to a one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability. Expenditures under management services include information technology equipment upgrades, robust communication and engagement efforts, financial advisory services, and debt service contribution.

Motorist assistance expenditures of \$9,364,500 decreased 6% due to higher SAFE matching transfers out for FSP services in FY 2018/19.

Planning and programming budgeted expenditures of \$14,512,900 reflect a 29% decrease from the FY 2018/19 budget due to decreased projects and operations activities in connection with LTF disbursements for planning and programming, other agency projects, and special studies.

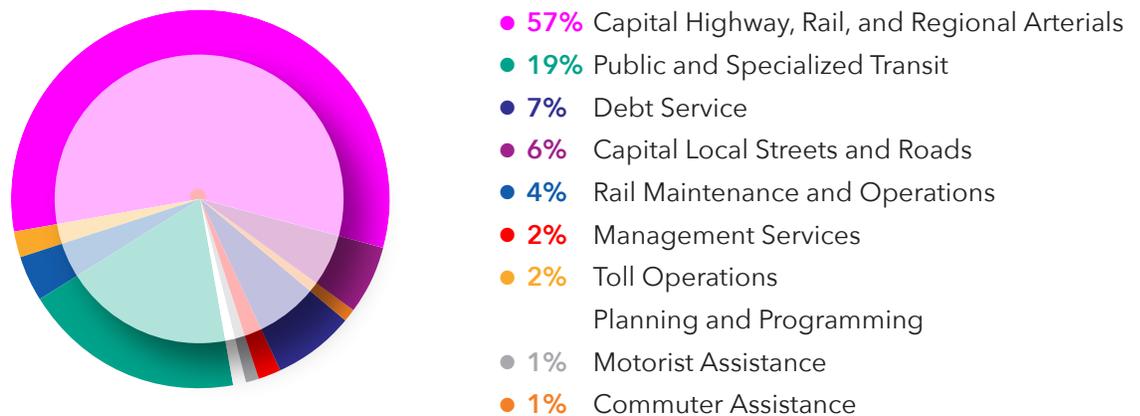
Public and specialized transit budgeted expenditures of \$194,224,800 are 8% lower than the FY 2018/19 budget due to decreased operating expenditures for public transit.

The rail maintenance and operations budgeted expenditures of \$46,228,500 are 12% higher than the FY 2018/19 budget due to funding received for the special event train platform in the city of Indio.

Toll operations expenses are budgeted at \$22,366,400 to manage the operations, maintenance, and capital support of the RCTC 91 Express Lanes and pay interest on toll revenue bonds. The 11% decrease is due to decreased transfers out related to toll operations surplus revenues to fund the 91 corridor operations project.

Chart 5 is an illustration of total uses included in the FY 2019/20 budget by major categories.

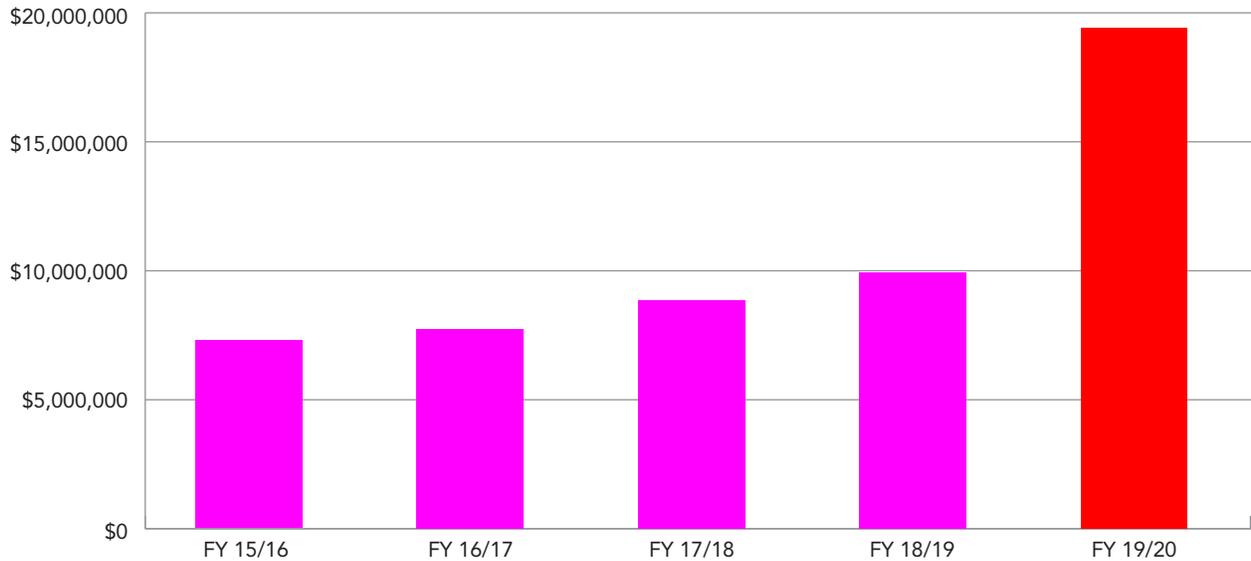
CHART 5 - USES: MAJOR CATEGORIES



COMMISSION PERSONNEL

The Commission's salaries and benefits total \$19,396,500 for FY 2019/20. This represents an increase of \$9,041,800 or 87% over the FY 2018/19 budget of \$10,354,700 (Chart 6). The increase relates primarily to the one-time disbursement to fund the CalPERS net pension liability of \$8.1 million. The FY 2019/20 budget also includes three additional full-time equivalents (FTE) and a 4% pool for performance merit-based salary increases. The Commission's salary schedule for FY 2019/20 is included in Appendix E and complies with Government Code §20636 "Compensation Earnable" and California Code of Register §570.5, "Requirements for a Publicly Available Pay Schedule."

CHART 6 - SALARIES AND BENEFITS COST: FIVE-YEAR COMPARISON



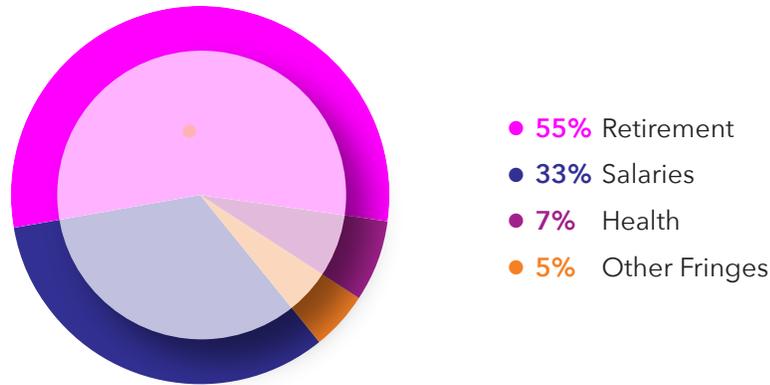
The FTE of 54 positions included in the FY 2019/20 budget (Table 4) reflects a 3.0 FTE increase related to the recruitment of a financial analyst and a toll senior management analyst in preparation for the opening of the 15 Express Lanes and an accounting supervisor. The Commission accomplished significant organization changes over the past few years related to various projects requiring substantial attention at many staff levels. Management continues to be firmly committed to the intent of the Commission’s enabling legislation requiring a lean organization. The Commission will continue providing staff the tools needed to ensure an efficient and productive work environment. However, small should not be viewed in an absolute context; it is relative to the required tasks and the demands to be met.

TABLE 4 - FULL-TIME EQUIVALENTS BY DEPARTMENT FY 2018–2020

	FY 17/18	FY 18/19	FY 19/20
Executive Management	0.6	0.6	0.6
Administration	5.7	5.6	5.8
External Affairs	4.5	3.7	4.0
Finance	8.3	8.3	9.1
Planning and Programming	4.2	5.3	5.4
Rail Maintenance and Operations	3.6	4.2	3.6
Public and Specialized Transit	2.2	2.5	2.8
Commuter Assistance	1.4	1.6	1.4
Motorist Assistance	0.9	1.2	1.0
Capital Project Development and Delivery	13.0	15.5	16.7
Toll Operations	2.6	2.5	3.6
TOTAL	47.0	51.0	54.0

The Commission provides a comprehensive package of benefits to employees. The package includes: health, dental, vision, life insurance, short and long-term disability, workers’ compensation, tuition assistance, sick and vacation leave, retirement benefits in the form of participation in the CalPERS, postretirement health care, deferred compensation, and employee assistance program. Chart 7 illustrates the compensation components.

CHART 7 - PERSONNEL SALARIES AND BENEFITS



In prior years, salaries represented more than half of personnel costs; however, in FY 2019/20, the Commission intends to make a one-time disbursement of \$8.1 million to fund the Commission’s CalPERS net pension liability. As a result, retirement costs in the FY 2019/20 budget represent 55% of the personnel salaries and benefits expenditures.

DEPARTMENT INITIATIVES

Staff prepared each department’s budget based on key assumptions, accomplishments in FY 2018/19, major initiatives for FY 2019/20, and department goals and related objectives. Tables 5 through 15 present the key initiatives and summary of expenditures/expenses for each department.

EXECUTIVE MANAGEMENT

- Continue project development and delivery as the key Measure A priority.
- Foster growth in usage of express lanes and ensure their financial success.
- Monitor SR-91 corridor operations and effectiveness.
- Complete a long-range transportation plan (LRTP) to guide future transportation priorities for the County.
- Continue planning efforts to advance passenger rail service in the Coachella Valley-San Gorgonio Pass corridor.
- Advocate for state and federal investments in transportation to fund needed transportation priorities in the County and stimulate the local economy.
- Maintain regional cooperation and collaboration as a significant effort consistent with the philosophy and mission of the Commission.
- Support a comprehensive social media outreach program to build awareness of the Commission and its role in the community.
- Maintain an effective mid-sized transportation agency with dedicated staff.

TABLE 5 - EXECUTIVE MANAGEMENT

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 284,600	\$ 253,000	\$ 252,700	\$ 445,100	\$ 192,100	76%
Professional	122,300	230,000	150,000	235,000	5,000	2%
Support	65,500	88,600	75,300	93,600	5,000	6%
Transfers Out	21,600	-	-	-	-	N/A
TOTAL	\$ 494,000	\$ 571,600	\$ 478,000	\$ 773,700	\$ 202,100	35%

ADMINISTRATION

- Provide high quality support services to the Commission and to internal and external customers.
- Maintain an accurate and efficient electronic records management system.
- Invest in an agenda management system to improve efficiencies and enhance transparency.
- Provide timely communications and high quality support services to Commissioners.
- Update technology to improve internal processes and interaction with the public.
- Support and develop a motivated workforce with a framework of activities and practices that comply with employment laws and regulations.
- Employ and recruit a dynamic and talented workforce.

TABLE 6 - ADMINISTRATION

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 677,000	\$ 723,700	\$ 686,700	\$ 1,483,800	\$ 760,100	105%
Professional	571,500	847,800	758,700	1,086,500	238,700	28%
Support	694,100	1,015,800	850,400	1,089,500	73,700	7%
Capital Outlay	381,900	511,300	508,000	461,000	(50,300)	-10%
Debt Service	24,900	-	-	-	-	N/A
Transfers Out	153,500	-	-	-	-	N/A
TOTAL	\$ 2,502,900	\$ 3,098,600	\$ 2,803,800	\$ 4,120,800	\$ 1,022,200	33%

EXTERNAL AFFAIRS

- Develop effective partnerships with transportation providers to communicate a unified message to Congress regarding mobility needs.
- Advocate positions in the State Legislature and in Congress that advance the County's transportation interests.
- Continue a leadership role in formulating a countywide direction on federal transportation policies.
- Prepare federal transportation funding reauthorization principles in preparation for congressional and administrative deliberations on the next surface transportation law.
- Conduct a concerted outreach effort to new federal and state representatives on local transportation issues.
- Utilize modern technology to support a robust public communication and engagement effort focusing on accessible and transparent communication of the Commission's projects.
- Develop marketing and communication plans for the RCTC 91 Express Lanes and the I-15 Express Lanes project.
- Continue the public outreach program, "Operation Lifesaver," targeting schools in close proximity to railroad tracks on rail safety education, engineering, and enforcement.

TABLE 7 - EXTERNAL AFFAIRS

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 855,100	\$ 849,100	\$ 848,900	\$ 1,542,000	\$ 692,900	82%
Professional	1,083,500	1,003,400	1,001,400	1,111,000	107,600	11%
Support	101,700	412,400	323,500	612,900	200,500	49%
Transfers Out	124,700	-	-	-	-	N/A
TOTAL	\$ 2,165,000	\$ 2,264,900	\$ 2,173,800	\$ 3,265,900	\$ 1,001,000	44%

FINANCE

- Continue appropriate uses of long- and short-term financing to advance the Commission's 2009 Measure A projects.
- Provide support to the 91 Express Lanes toll operations contractor back offices to ensure the proper accounting of toll revenues and operations and maintenance costs.
- Keep abreast of Governmental Accounting Standards Board (GASB) technical activities affecting the Commission's accounting and financial reporting activities and implement new pronouncements.
- Upgrade the Enterprise Resource Planning (ERP) system to benefit all staff in the management of accounting and project information and automation of a paperless workflow system.
- Manage a centralized procurements process in order to strengthen controls and ensure consistency in the application of procurement policies and procedures and adherence to applicable laws and regulations.
- Support outreach activities to encourage disadvantaged business enterprise (DBE) and small business enterprise (SBE) participation in various contracts.

TABLE 8 - FINANCE

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 1,146,000	\$ 1,182,300	\$ 1,138,600	\$ 2,511,300	\$ 1,329,000	112%
Professional	1,518,100	2,235,800	1,405,300	2,200,100	(35,700)	-2%
Support	369,600	543,500	431,400	608,800	65,300	12%
Capital Outlay	-	513,700	100,000	845,000	331,300	64%
Transfers Out	14,013,800	13,183,400	11,253,400	10,087,900	(3,095,500)	-23%
TOTAL	\$ 17,047,500	\$ 17,658,700	\$ 14,328,700	\$ 16,253,100	\$ (1,405,600)	-8%

PLANNING AND PROGRAMMING

- Monitor funding authority and responsibility related to the State Transportation Improvement Program (STIP).
- Ensure administration and implementation of STIP/Regional Improvement Program (RIP), Active Transportation Program (ATP), and other funded projects consistent with California Transportation Commission (CTC), Caltrans, and Southern California Association of Governments (SCAG) policies.
- Continue to strategically program projects for all local agencies countywide into the Federal Transportation Improvement Program (FTIP) and obligate funds in an expeditious manner for the maximum use of all available funding, including monitoring the use of such funding to prevent from lapsing.
- Monitor all projects programmed to receive 2009 Measure A, TUMF, state, and federal funds to ensure timely delivery and prevent funds from lapsing.
- Focus on interregional concerns and maintain effective working relationships involving various multi-county transportation issues, including goods movement.
- Coordinate planning efforts with regional and local agencies relating to the development of Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and greenhouse gas reduction (GHG) implementation guidelines.
- Participate in the CTC and Caltrans's forums in preparation and evaluation of ATP projects for the statewide and Metropolitan Planning Organization (MPO) funding programs to represent the County's best interest in program funding.
- Administer the Bicycle and Pedestrian Facilities Program (SB 821).
- Continue the development of a countywide integrated LRTP consistent with local, regional, and state planning requirements.

TABLE 9 - PLANNING AND PROGRAMMING

		FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$	1,008,000	\$ 1,037,400	\$ 887,900	\$ 2,186,800	\$ 1,149,400	111%
Professional		95,900	343,900	122,200	294,000	(49,900)	-15%
Support		22,100	19,500	16,800	21,600	2,100	11%
Projects and Operations		2,779,000	18,046,500	3,991,000	8,787,100	(9,259,400)	-51%
Transfers Out		388,800	1,017,400	1,027,400	3,223,400	2,206,000	217%
TOTAL	\$	4,293,800	\$ 20,464,700	\$ 6,045,300	\$ 14,512,900	\$ (5,951,800)	-29%

RAIL MAINTENANCE AND OPERATIONS

- As a member of the SCRRA, continue active participation in the governance and operations of the Metrolink commuter rail system.
- Continue the planning and implementation of capital improvements at the commuter rail stations in the County, including security and rehabilitation projects and parking requirements.
- Continue to support and evaluate activities related to the Perris Valley Line (PVL) service, such as promoting ridership.
- Establish the best approach to build, maintain, and operate cost effective and environmentally sustainable facilities that meet the public’s transportation needs.
- Lead the service development process and actively coordinate with all stakeholders along the Coachella Valley-San Gorgonio Pass corridor for intercity passenger rail service.
- Advance the next generation rail feasibility study to evaluate future growth opportunities for passenger rail in the County.
- Construct the special trains platform in the city of Indio to serve the music festival events and reduce congestion.

TABLE 10 - RAIL MAINTENANCE AND OPERATIONS

		FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$	586,000	\$ 820,900	\$ 628,500	\$ 1,184,000	\$ 363,100	44%
Professional		1,426,300	3,224,000	1,979,800	10,332,700	7,108,700	220%
Support		2,250,000	3,346,800	2,399,500	3,305,200	(41,600)	-1%
Projects and Operations		19,271,100	32,755,600	28,434,000	30,246,600	(2,509,000)	-8%
Capital Outlay		47,800	89,600	88,700	180,000	90,400	101%
Transfers Out		580,500	882,900	882,900	980,000	97,100	11%
TOTAL	\$	24,161,700	\$ 41,119,800	\$ 34,413,400	\$ 46,228,500	\$ 5,108,700	12%

PUBLIC AND SPECIALIZED TRANSIT

- Coordinate the operation of all public transportation services within the County by promoting program efficiency between transit operators.
- Continue public transit operator oversight and fiduciary responsibilities to ensure completion of annual fiscal audits and state triennial performance audits in accordance with TDA regulations.
- Support innovative programs that provide transit assistance in hard to serve rural areas or for riders having very special transit needs and monitor funding of these programs.
- Continue long-range planning activities to ensure that anticipated revenues are in line with projected levels of service by transit operators.
- Develop a TDA manual for transit operators receiving allocations from the Commission.

TABLE 11 - PUBLIC AND SPECIALIZED TRANSIT

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 391,700	\$ 450,200	\$ 462,000	\$ 895,100	\$ 444,900	99%
Professional	107,600	314,000	252,900	299,700	(14,300)	-5%
Support	50,300	63,900	64,000	69,200	5,300	8%
Projects and Operations	90,683,100	180,911,000	124,584,600	161,681,400	(19,229,600)	-11%
Transfers Out	22,224,000	28,602,300	28,858,100	31,279,400	2,677,100	9%
TOTAL	\$ 113,456,700	\$ 210,341,400	\$ 154,221,600	\$ 194,224,800	\$ (16,116,600)	-8%

COMMUTER ASSISTANCE

- Improve the suite of services and outreach to rideshare participants and employer partners, including personalized information and electronic access and distribution.
- Transition from a locally provided Inland Empire-based rideshare and vanpool system to a regional platform.
- Maintain and grow employer partnerships through value-added services and tools for ridesharing programs.
- Maintain the long-term partnership with San Bernardino County Transportation Authority (SBCTA) to manage and implement a “sister” commuter assistance program for residents and employers in San Bernardino County.
- Optimize park and ride facilities to support car/vanpool/buspool arrangements and facilitate transit connections.
- Operate a cost-effective program within the County that results in reduction of single occupant vehicles.

TABLE 12 - COMMUTER ASSISTANCE

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 258,300	\$ 290,000	\$ 289,900	\$ 436,500	\$ 146,500	51%
Professional	492,500	466,400	387,600	542,700	76,300	16%
Support	178,700	362,800	88,900	285,800	(77,000)	-21%
Projects and Operations	2,498,000	3,383,900	2,610,200	3,313,300	(70,600)	-2%
Transfers Out	1,020,200	1,696,500	1,331,700	302,500	(1,394,000)	-82%
TOTAL	\$ 4,447,700	\$ 6,199,600	\$ 4,708,300	\$ 4,880,800	\$ (1,318,800)	-21%

MOTORIST ASSISTANCE

- Fulfill the callbox upgrade and removal program as identified in the approved 2019 Callbox Optimization Plan.
- Maintain a high benefit-to-cost ratio related to the performance of the FSP program and expand service if funding opportunities arise.
- Transition from a locally provided IE511 system to a regional southern California 511 solution.
- Continue the call box system program to serve as a “safe net” for stranded motorists in the County.

TABLE 13 - MOTORIST ASSISTANCE

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 123,700	\$ 198,200	\$ 172,000	\$ 280,900	\$ 82,700	42%
Professional	352,300	528,200	276,100	522,000	(6,200)	-1%
Support	291,000	295,900	160,600	416,400	120,500	41%
Projects and Operations	2,848,900	5,161,800	3,517,100	5,397,000	235,200	5%
Transfers Out	1,293,400	3,820,500	3,820,500	2,748,200	(1,072,300)	-28%
TOTAL	\$ 4,909,300	\$ 10,004,600	\$ 7,946,300	\$ 9,364,500	\$ (640,100)	-6%

CAPITAL PROJECT DEVELOPMENT AND DELIVERY

- Continue project work on the Western Riverside County Delivery Plan projects, including the I-15 Express Lanes, SR-60 truck lanes, Mid County Parkway, and Pachappa underpass projects.
- Provide 2009 Measure A funding to the incorporated cities and the County for local streets and roads maintenance, repair, and construction and to the Coachella Valley Association of Governments (CVAG) for highways and regional arterials.
- Provide TUMF regional arterial funding and support to local jurisdictions for regional arterial project engineering, right of way acquisition, and construction.
- Maintain a right of way acquisition and management program in support of capital projects and in the most cost effective manner within project schedules, while adhering to federal and state regulations.
- Maintain and manage the access, use, safety, and security of Commission-owned properties including commuter rail stations, properties in acquisition process, and income-generating properties.
- Develop strategies to implement alternative financing structures including public express lanes.

TABLE 14 - CAPITAL PROJECT DEVELOPMENT AND DELIVERY

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 3,005,300	\$ 3,911,900	\$ 3,911,800	\$ 7,077,600	\$ 3,165,700	81%
Professional	7,664,400	8,907,200	5,218,600	6,833,600	(2,073,600)	-23%
Support	429,800	1,185,100	1,016,000	1,336,900	151,800	13%
Projects and Operations	274,246,400	542,145,700	363,457,700	518,936,700	(23,209,000)	-4%
Capital Outlay	2,177,200	7,224,800	6,336,700	3,052,000	(4,172,800)	-58%
Debt Service	656,868,900	69,555,700	65,085,700	69,537,500	(18,200)	0%
Transfers Out	282,693,700	126,704,100	108,636,800	114,346,100	(12,358,000)	-10%
TOTAL	\$ 1,227,085,700	\$ 759,634,500	\$ 553,663,300	\$ 721,120,400	\$ (38,514,100)	-5%

TOLL OPERATIONS

- Manage the operations of the RCTC 91 Express Lanes adhering to the Commission's 91 Express Lanes Toll Policy.
- Manage toll operations using investment grade traffic and revenue studies and cost estimate assumptions specific to each express lane facility.
- Continue 15 Express Lanes toll planning through development of business rules and agency agreements.
- Provide timely and effective reporting of toll operation metrics including revenue, transactions, carpool usage, and performance indicators.
- Participate in the California Toll Operators Committee to advance regional and statewide tolling initiatives, technology, interoperability, and coordination among California toll agencies.

TABLE 15 - TOLL OPERATIONS

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Personnel	\$ 510,300	\$ 638,000	\$ 638,000	\$ 1,353,400	\$ 715,400	112%
Professional	815,400	2,351,000	2,350,000	1,990,000	(361,000)	-15%
Support and Maintenance	2,793,400	4,576,700	3,936,800	4,543,300	(33,400)	-1%
Projects and Operations	6,661,400	8,786,100	8,507,900	10,670,200	1,884,100	21%
Capital Outlay	319,600	2,497,600	2,314,100	750,000	(1,747,600)	-70%
Debt Service	7,119,900	27,119,900	27,119,900	7,119,900	(20,000,000)	-74%
Transfers Out	749,600	6,307,200	3,948,200	3,059,500	(3,247,700)	-51%
TOTAL	\$ 18,969,600	\$ 52,276,500	\$ 48,814,900	\$ 29,486,300	\$ (22,790,200)	-44%

FUND BALANCES

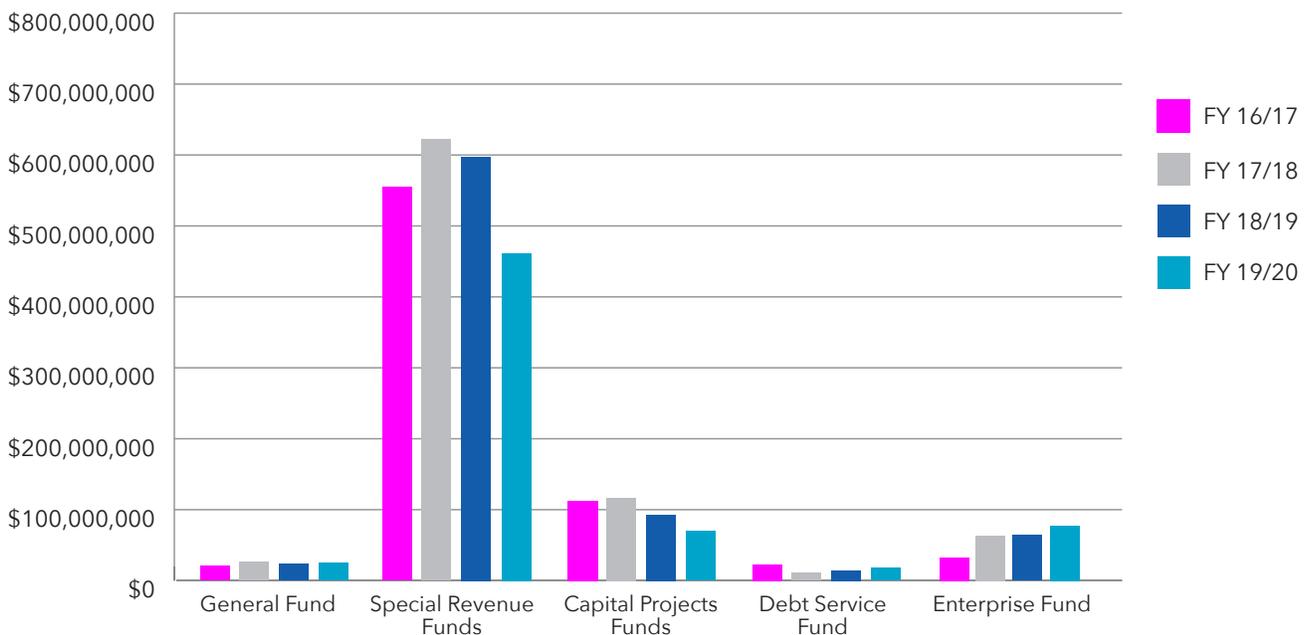
The projected total fund balance as of June 30, 2019 is \$792,310,100. The Commission's expects the FY 2019/20 budgeted activities to result in a \$140,965,300 decrease of total fund balance at June 30, 2020 to \$651,344,800. The primary cause of the decrease is project activities in FY 2019/20 related to the I-15 Express Lanes project, completion of the 91 Project, Mid County Parkway project, rail station maintenance, TUMF regional arterial projects, and public transit allocations. Table 16 presents the components of the projected fund balance by program at June 30, 2020.

TABLE 16 - PROJECTED FUND BALANCES BY FUND TYPE AND PROGRAM AT JUNE 30, 2020

	Measure A Sales Tax				Total
	Western County	Coachella Valley	Palo Verde	Other	
Restricted:					
Bond Financing	\$ 11,438,300	\$ -	\$ -	\$ -	\$ 11,438,300
Commuter Assistance	15,043,200	-	-	-	15,043,200
Debt Service	-	-	-	17,768,200	17,768,200
Economic Development	12,733,500	-	-	-	12,733,500
Highways	35,879,600	38,250,400	-	69,954,800	144,084,800
Local Streets and Roads	1,000	1,300	600	-	2,900
New Corridors	28,994,600	-	-	-	28,994,600
Planning and Programming	-	-	-	289,700	289,700
Public and Specialized Transit	7,866,700	887,100	-	140,857,600	149,611,400
Rail	28,898,100	-	-	20,486,100	49,384,200
CETAP	-	-	-	45,368,500	45,368,500
Regional Arterials	42,946,100	-	-	42,924,700	85,870,800
Motorist Assistance	-	-	-	8,958,000	8,958,000
Toll Operations	-	-	-	77,626,800	77,626,800
Assigned:					
Management Services	-	-	-	4,169,900	4,169,900
TOTAL Fund Balance	\$ 183,801,100	\$ 39,138,800	\$ 600	\$ 428,404,300	\$ 651,344,800

Chart 8 illustrates the actual and projected trends in fund balances for each governmental and enterprise fund type from FY 2016/17 through FY 2019/20.

CHART 8 - PROJECTED FUND BALANCE TRENDS BY FUND TYPE FY 2017 - 2020



BUDGET SUMMARY

The overall budget for FY 2019/20 is presented in Table 17 by summarized line items, Table 18 by operating and capital classifications, and Table 19 by fund type. Highway, rail, and regional arterial program expenditures by project are summarized in Table 20.

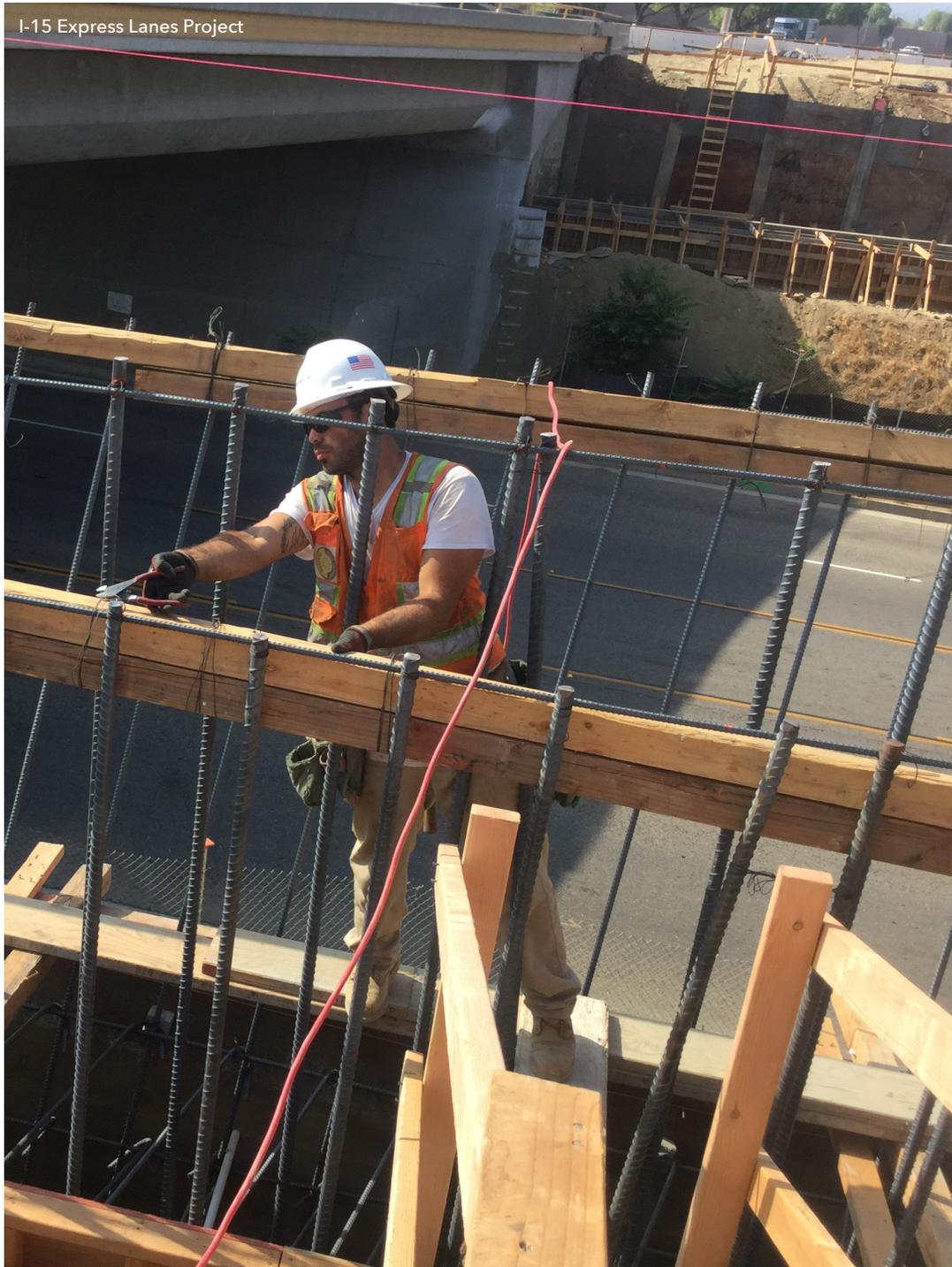


TABLE 17 - BUDGET COMPARATIVE BY SUMMARIZED LINE ITEM FY 2018–2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Revenues						
Measure A Sales Tax	\$ 176,301,700	\$ 192,000,000	\$ 192,000,000	\$ 193,000,000	\$ 1,000,000	1%
LTF Sales Tax	89,557,600	96,000,000	96,000,000	97,000,000	1,000,000	1%
STA Sales Tax	21,320,900	23,203,600	27,110,700	31,050,600	7,847,000	34%
Federal Reimbursements	71,468,000	59,105,700	74,419,800	89,718,700	30,613,000	52%
State Reimbursements	11,952,100	166,590,100	80,409,200	160,596,100	(5,994,000)	-4%
Local Reimbursements	4,786,900	23,492,500	5,720,900	9,957,900	(13,534,600)	-58%
TUMF Revenue	23,699,800	25,922,200	26,672,200	25,000,000	(922,200)	-4%
Tolls, Penalties, and Fees	50,446,800	36,940,500	47,756,900	41,869,400	4,928,900	13%
Other Revenue	3,199,500	1,084,400	468,500	553,000	(531,400)	-49%
Investment Income	9,117,000	3,408,000	10,064,800	12,790,700	9,382,700	275%
TOTAL Revenues	461,850,300	627,747,000	560,623,000	661,536,400	33,789,400	5%
Expenditures/Expenses						
Personnel Salaries and Benefits	8,846,000	10,354,700	9,917,000	19,396,500	9,041,800	87%
Professional and Support						
Professional Services	14,249,800	20,451,700	13,902,600	25,447,300	4,995,600	24%
Support Costs	7,246,200	11,911,000	9,363,200	12,383,200	472,200	4%
TOTAL Professional and Support Costs	21,496,000	32,362,700	23,265,800	37,830,500	5,467,800	17%
Projects and Operations						
Program Operations	24,298,500	27,893,500	23,575,800	30,447,100	2,553,600	9%
Engineering	8,155,100	36,537,600	13,617,300	22,436,000	(14,101,600)	-39%
Construction	21,408,500	131,796,700	73,057,200	156,718,000	24,921,300	19%
Design Build	123,999,200	183,818,300	146,305,000	141,583,000	(42,235,300)	-23%
Right of Way/Land	39,048,100	95,615,000	35,950,600	93,498,500	(2,116,500)	-2%
Operating and Capital Disbursements	111,707,000	224,661,000	157,582,100	204,286,400	(20,374,600)	-9%
Special Studies	1,458,300	1,842,000	1,535,000	1,421,000	(421,000)	-23%
Local Streets and Roads	53,176,800	58,479,500	58,479,500	58,642,300	162,800	0%
Regional Arterials	15,736,400	30,547,000	25,000,000	30,000,000	(547,000)	-2%
TOTAL Projects and Operations	398,987,900	791,190,600	535,102,500	739,032,300	(52,158,300)	-7%
Debt Service						
Principal Payments	62,141,000	25,965,000	21,495,000	27,245,000	1,280,000	5%
Interest Payments	57,726,800	50,710,600	50,710,600	49,412,400	(1,298,200)	-3%
Cost of Issuance	2,256,100	-	-	-	-	N/A
TOTAL Debt Service	122,123,900	76,675,600	72,205,600	76,657,400	(18,200)	0%
Capital Outlay	2,926,500	10,837,000	9,347,500	5,288,000	(5,549,000)	-51%
TOTAL Expenditures/Expenses	554,380,300	921,420,600	649,838,400	878,204,700	(43,215,900)	-5%
Excess (deficiency) of Revenues over (under) Expenditures/Expenses	(92,530,000)	(293,673,600)	(89,215,400)	(216,668,300)	77,005,300	-26%
Other Financing Sources (Uses)						
Transfers In	323,263,800	182,214,300	159,759,000	166,027,000	(16,187,300)	-9%
Transfers Out	(323,263,800)	(182,214,300)	(159,759,000)	(166,027,000)	16,187,300	-9%
Debt Proceeds	615,775,000	-	-	-	-	N/A
TIFIA Loan Proceeds	-	106,081,000	61,841,100	75,703,000	(30,378,000)	-29%
Payment to Escrow Agent	(541,889,800)	(20,000,000)	(20,000,000)	-	20,000,000	-100%
Bond Premium	119,713,800	-	-	-	-	N/A
Net Financing Sources (Uses)	193,599,000	86,081,000	41,841,100	75,703,000	(10,378,000)	-12%
Excess (deficiency) of Revenues over (under) Expenditures/Expenses and Other Financing Sources (Uses)	101,069,000	(207,592,600)	(47,374,300)	(140,965,300)	66,627,300	-32%
Beginning Fund Balance	738,615,400	839,684,400	839,684,400	792,310,100	(47,374,300)	-6%
ENDING FUND BALANCE	\$ 839,684,400	\$ 632,091,800	\$ 792,310,100	\$ 651,344,800	\$ 19,253,000	3%

TABLE 18 - OPERATING AND CAPITAL BUDGET FY 2019/20

	FY 19/20 Operating Budget	FY 19/20 Capital Budget	FY 19/20 TOTAL Budget
Revenues			
Measure A Sales Tax	\$ 26,650,000	\$ 166,350,000	\$ 193,000,000
LTF Sales Tax	97,000,000	-	97,000,000
STA Sales Tax	31,050,600	-	31,050,600
Federal Reimbursements	9,480,000	80,238,700	89,718,700
State Reimbursements	14,487,200	146,108,900	160,596,100
Local Reimbursements	2,490,000	7,467,900	9,957,900
TUMF Revenue	-	25,000,000	25,000,000
Tolls, Penalties, and Fees	-	41,869,400	41,869,400
Other Revenue	-	553,000	553,000
Investment Income	4,136,500	8,654,200	12,790,700
TOTAL Revenues	185,294,300	476,242,100	661,536,400
Expenditures/Expenses			
Personnel Salaries and Benefits	10,764,000	8,632,500	19,396,500
Professional and Support			
Professional Services	16,592,700	8,854,600	25,447,300
Support Costs	6,501,900	5,881,300	12,383,200
TOTAL Professional and Support Costs	23,094,600	14,735,900	37,830,500
Projects and Operations			
Program Operations	11,688,900	18,758,200	30,447,100
Engineering	-	22,436,000	22,436,000
Construction	1,470,000	155,248,000	156,718,000
Design Build	-	141,583,000	141,583,000
Right of Way and Land	-	93,498,500	93,498,500
Operating and Capital Disbursements	188,436,400	15,850,000	204,286,400
Special Studies	1,421,000	-	1,421,000
Local Streets and Roads	-	58,642,300	58,642,300
Regional Arterials	-	30,000,000	30,000,000
TOTAL Projects and Operations	203,016,300	536,016,000	739,032,300
Debt Service			
Principal Payments	-	27,245,000	27,245,000
Interest Payments	-	49,412,400	49,412,400
TOTAL Debt Service	-	76,657,400	76,657,400
Capital Outlay	1,486,000	3,802,000	5,288,000
TOTAL Expenditures/Expenses	238,360,900	639,843,800	878,204,700
Excess (deficiency) of Revenues over (under) Expenditures/Expenses	(53,066,600)	(163,601,700)	(216,668,300)
Other Financing Sources (Uses)			
Transfers In	43,258,800	122,768,200	166,027,000
Transfers Out	(47,896,200)	(118,130,800)	(166,027,000)
TIFIA Loan Proceeds	-	75,703,000	75,703,000
Net Financing Sources (Uses)	(4,637,400)	80,340,400	75,703,000
Excess (deficiency) of Revenues over (under) Expenditures/Expenses and Other Financing Sources (Uses)	(57,704,000)	(83,261,300)	(140,965,300)
Beginning Fund Balance	262,128,600	530,181,500	792,310,100
ENDING FUND BALANCE	\$ 204,424,600	\$ 446,920,200	\$ 651,344,800

TABLE 19 - BUDGET BY FUND TYPE FY 2019/20

	General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise	FY 19/20 TOTAL Budget
Revenues						
Measure A Sales Tax	\$ -	\$ 193,000,000	\$ -	\$ -	\$ -	\$ 193,000,000
LTF Sales Tax	-	97,000,000	-	-	-	97,000,000
STA Sales Tax	-	31,050,600	-	-	-	31,050,600
Federal Reimbursements	8,000,000	78,915,500	-	2,803,200	-	89,718,700
State Reimbursements	3,664,700	156,931,400	-	-	-	160,596,100
Local Reimbursements	400	9,957,500	-	-	-	9,957,900
TUMF Revenue	-	25,000,000	-	-	-	25,000,000
Tolls, Penalties, and Fees	-	-	-	-	41,869,400	41,869,400
Other Revenue	-	553,000	-	-	-	553,000
Investment Income	499,400	9,049,000	1,371,700	348,500	1,522,100	12,790,700
TOTAL Revenues	12,164,500	601,457,000	1,371,700	3,151,700	43,391,500	661,536,400
Expenditures/Expenses						
Personnel Salaries and Benefits	9,324,600	8,718,500	-	-	1,353,400	19,396,500
Professional and Support						
Professional Services	5,013,600	18,443,700	-	-	1,990,000	25,447,300
Support Costs	2,877,000	4,962,900	-	-	4,543,300	12,383,200
TOTAL Professional and Support Costs	7,890,600	23,406,600	-	-	6,533,300	37,830,500
Projects and Operations						
Program Operations	2,000	19,774,900	-	-	10,670,200	30,447,100
Engineering	-	22,436,000	-	-	-	22,436,000
Construction	1,470,000	155,248,000	-	-	-	156,718,000
Design Build	-	141,583,000	-	-	-	141,583,000
Right of Way/Land	-	93,498,500	-	-	-	93,498,500
Operating and Capital Disbursements	27,005,000	177,281,400	-	-	-	204,286,400
Special Studies	1,421,000	-	-	-	-	1,421,000
Local Streets and Roads	-	58,642,300	-	-	-	58,642,300
Regional Arterials	-	30,000,000	-	-	-	30,000,000
TOTAL Projects and Operations	29,898,000	698,464,100	-	-	10,670,200	739,032,300
Debt Service						
Principal Payments	-	-	-	27,245,000	-	27,245,000
Interest Payments	-	-	-	42,292,500	7,119,900	49,412,400
TOTAL Debt Service	-	-	-	69,537,500	7,119,900	76,657,400
Capital Outlay	1,306,000	3,232,000	-	-	750,000	5,288,000
TOTAL Expenditures/Expenses	48,419,200	733,821,200	-	69,537,500	26,426,800	878,204,700
Excess (deficiency) of Revenues over (under) Expenditures/Expenses	(36,254,700)	(132,364,200)	1,371,700	(66,385,800)	16,964,700	(216,668,300)
Other Financing Sources (Uses)						
Transfers In	40,408,800	53,083,700	-	72,534,500	-	166,027,000
Transfers Out	(3,394,600)	(132,367,300)	(24,402,400)	(2,803,200)	(3,059,500)	(166,027,000)
TIFIA Loan Proceeds	-	75,703,000	-	-	-	75,703,000
Net Financing Sources (Uses)	37,014,200	(3,580,600)	(24,402,400)	69,731,300	(3,059,500)	75,703,000
Excess (deficiency) of Revenues over (under) Expenditures/Expenses and Other Financing Sources (Uses)	759,500	(135,944,800)	(23,030,700)	3,345,500	13,905,200	(140,965,300)
Beginning Fund Balance	23,699,700	597,480,600	92,985,500	14,422,700	63,721,600	792,310,100
ENDING FUND BALANCE	\$ 24,459,200	\$ 461,535,800	\$ 69,954,800	\$ 17,768,200	\$ 77,626,800	\$ 651,344,800

TABLE 20 - HIGHWAY, REGIONAL ARTERIAL, AND RAIL PROGRAMS FY 2019/20

Description	
HIGHWAY ENGINEERING	
60/215 Riverside – Moreno Valley express lanes	\$ 300,000
71/91 connector	2,500,000
Grade separation projects	4,100,000
Hamner Bridge widening	508,000
I-15 Express Lanes – Southern Extension	6,000,000
Mid County Parkway (MCP)	500,000
MCP I-215/Placentia interchange	300,000
MCP Sweeney mitigation	50,000
MCP construction contract package	2,000,000
Pachappa underpass	100,000
Riverside County-Santa Ana River Trail <i>(details presented in Sections 5.2 Planning and Programming and 5.3 Capital Projects)</i>	850,000
SR-60 Jurupa – Riverside express lanes	325,000
SR-74 corridor – Ethanac Road	1,157,700
SR-79 realignment	300,000
SR-91 downtown Riverside express lanes	325,000
General <i>(details presented in Section 5.3 Capital Projects)</i>	86,000
SUBTOTAL HIGHWAY ENGINEERING	19,401,700
REGIONAL ARTERIAL ENGINEERING	
I-15 Railroad Canyon Interchange	600,000
Various Western County MARA and TUMF regional arterial projects	364,300
SUBTOTAL REGIONAL ARTERIAL ENGINEERING	964,300
RAIL ENGINEERING	
Moreno Valley March Field station upgrade	900,000
Riverside Layover Facility	170,000
Riverside station track and platform	1,000,000
SUBTOTAL RAIL ENGINEERING	2,070,000
TOTAL HIGHWAY, REGIONAL ARTERIAL, AND RAIL ENGINEERING	\$ 22,436,000
HIGHWAY CONSTRUCTION	
15/91 Express Lanes connector	\$ 1,053,000
91 Project	1,471,000
I-15 Express Lanes	7,984,000
I-15/Limonite interchange	17,000,000
I-215 corridor improvements (central segment)/Scott Road to Nuevo Road	10,000
MCP I-215/Placentia interchange	13,000,000
MCP Sweeney mitigation	5,200,000
Pachappa underpass	15,900,000
Riverside County-Santa Ana River Trail <i>(details presented in Sections 5.2 Planning and Programming and 5.3 Capital Projects)</i>	5,000,000
SR-60 truck lanes	69,000,000
SUBTOTAL HIGHWAY CONSTRUCTION	135,618,000
REGIONAL ARTERIAL CONSTRUCTION	
I-15 Railroad Canyon Interchange	5,500,000
Various Western County MARA and TUMF regional arterial projects	8,400,000
SUBTOTAL REGIONAL ARTERIAL CONSTRUCTION	13,900,000
RAIL CONSTRUCTION	
Perris Valley Line and other related rail projects	30,000
Riverside layover facility	5,700,000
Other Riverside Downtown station mobility improvements <i>(costs and details presented in Section 5.2 Rail)</i>	1,470,000
SUBTOTAL RAIL CONSTRUCTION	7,200,000
TOTAL HIGHWAY, REGIONAL ARTERIAL, AND RAIL CONSTRUCTION	\$ 156,718,000

TABLE 20 - HIGHWAY, REGIONAL ARTERIAL, AND RAIL PROGRAMS FY 2019/20 (continued)

Description	
HIGHWAY DESIGN-BUILD	
15/91 Express Lanes connector	\$ 41,718,000
60/215 Riverside – Moreno Valley express lanes	200,000
91 corridor operations project	2,729,000
91 Project	6,923,000
I-15 Express Lanes	89,613,000
SR-60 Jurupa – Riverside express lanes	200,000
SR-91 downtown Riverside express lanes	200,000
TOTAL HIGHWAY DESIGN-BUILD	\$ 141,583,000
HIGHWAY RIGHT OF WAY AND LAND	
15/91 Express Lanes connector	\$ 495,000
60/215 East Junction high occupancy vehicle (HOV) lane connectors	10,000
71/91 connector	4,600,000
91 Project	16,722,000
Hamner bridge widening	149,000
I-15 Express Lanes	328,000
Jurupa Avenue grade separation	12,000,000
McKinley Avenue grade separation	14,000,000
MCP	10,400,000
MCP I-215/Placentia interchange	13,650,000
MSHCP land acquisition in Western County	3,000,000
Pachappa underpass	175,000
Riverside County-Santa Ana River Trail <i>(details presented in Sections 5.2 Planning and Programming and 5.3 Capital Projects)</i>	205,000
SR-74/I-15 to 7th Street	15,000
SR-91 HOV lanes/Adams Street to 60/91/215 interchange	505,000
General (details presented in Section 5.3 Capital Projects)	74,500
SUBTOTAL HIGHWAY RIGHT OF WAY AND LAND	76,328,500
REGIONAL ARTERIAL RIGHT OF WAY AND LAND	
I-15 Railroad Canyon interchange	2,200,000
Various Western County MARA and TUMF regional arterial projects	12,360,000
SUBTOTAL REGIONAL ARTERIAL RIGHT OF WAY AND LAND	14,560,000
RAIL RIGHT OF WAY AND LAND	
Riverside layover facility	210,000
Riverside Downtown station track and platform	2,250,000
General	150,000
SUBTOTAL RAIL RIGHT OF WAY AND LAND	2,610,000
TOTAL HIGHWAY, REGIONAL ARTERIAL, AND RAIL RIGHT OF WAY AND LAND	\$ 93,498,500
GRAND TOTAL HIGHWAY, REGIONAL ARTERIAL, AND RAIL PROGRAMS	\$ 414,235,500



SR-60 Truck Lanes Groundbreaking

GANN APPROPRIATIONS LIMIT

In November 1979, the voters of the State approved Proposition 4, commonly known as the Gann Initiative (Gann). The proposition created Article XIII B of the State Constitution, placing limits on the amount of revenue that can be spent by public agencies from the “proceeds of taxes.” In 1980, the State Legislature added Section 7910 to the Government Code, providing that the governing body of each local jurisdiction must establish, by resolution, an appropriations limit for the following year. The appropriations limit for any fiscal year is equal to the previous year’s limit adjusted for population changes and changes in the California per capita income.

The Commission is subject to the requirements of Article XIII B. Gann appropriations limits are calculated for and applied to the Commission. In accordance with the requirements of Article XIII B implementing legislation, the Board approved Resolution No. 19-010 on June 12, 2019, establishing appropriations limits for the Commission at \$487,698,077. The FY 2019/20 budget appropriated \$297,370,800 in taxes for the Commission, falling well within the limits set by the Gann. Based on historic trends and future projections, it appears the Commission’s use of the proceeds of taxes, as defined by Article XIII B, will continue to fall below the appropriations limit.

The calculation for the FY 2019/20 appropriations limit is as follows:

FY 2018/19 Appropriations Limit **\$464,186,785**

FY 2019/20 adjustment: **x 1.0506505**

- Change in California per capita personal income 1.0385% $((3.85 + 100) / 100 = 1.0385)$
- Change in Population, Riverside County 1.0117% $((1.17 + 100) / 100 = 1.0117)$

- Calculation of factor for FY 2019/20 1.0385 x 1.0117 = 1.0506505

FY 2019/20 Appropriations Limit **\$487,698,077**

- $\$464,186,785 \times 1.0506505 = \$487,698,077$

Source: *California per capita income - California Department of Finance*
Population, Riverside County - California Department of Finance





SECTION 1

Financial Overview

91 Express Lanes in the Santa Ana Canyon

FINANCIAL OVERVIEW

FISCAL ACCOUNTABILITY POLICIES

As the steward of local, state, and federal resources, RCTC maintains financial policies that promote fiduciary responsibility and organizational excellence.

FINANCIAL PLANNING	
Balanced Budget	RCTC adopts an annual budget in which operating and capital expenditures and other financing uses are equal to or less than identified revenues and other financing sources as well as available fund balances.
Administration	<p>Allocations from local and state sources and toll operations fund administrative costs, including salaries and benefits.</p> <ul style="list-style-type: none"> • Administrative salaries and benefits cannot exceed 1% of Measure A sales tax revenues. • Administrative costs will not exceed 4% of Measure A sales tax revenues (inclusive of the 1% salary limitation).
Retirement Benefits	RCTC contributes 100% of the annual requirement related to its proportionate share of the net pension liability and to the postretirement health care benefits.
Capital Projects	Multi-year capital projects are consistent with the strategic plan and budgeted by fiscal year, based on best available estimates.
Reserves	RCTC establishes and maintains reserves in accordance with Measure A and TDA policies as well as debt agreements.

REVENUES	
Sales Tax	RCTC prepares annual and mid-year revised revenue projections to ensure use of current and relevant data; staff may adjust amounts during the budget process to reflect the most current economic trends.
Tolls	<p>RCTC-adopted policies establish congestion pricing in order to optimize throughput on toll facilities while generating revenue to meet all financial commitments related to:</p> <ul style="list-style-type: none"> • Debt issued to construct or repair any portion of the toll facility, payment of debt service, and satisfaction of other covenants and obligations related to indebtedness of the toll facility, including applicable reserves; • Development, maintenance, repair, rehabilitation, improvement, reconstruction, administration, and operation of the toll facilities, including toll collection and enforcement and applicable reserves; and • Projects within the corridor that generated the revenue.
Funding Sources	RCTC uses local funding sources to maximize federal and state funding of projects.
Sale of Properties	RCTC returns proceeds from the disposition of excess properties to the programs that provided the funding sources for the property acquisition.

EXPENDITURES/EXPENSES

Priorities	RCTC reviews established priorities for planning and programming of capital projects annually.
Accountability	RCTC compares actual expenditures/expenses to the budget on at least a quarterly basis and appropriately notes, explains, and justifies significant deviations.
Procurement	RCTC ensures competitive, transparent, objective, and fair procurement selection processes in accordance with policies adopted on June 13, 2018.
Capital and Intangible Assets	<p>On a government-wide basis, RCTC records capital and intangible assets at historical costs, estimated historical costs if purchased or constructed, or estimated fair value at date of donation. RCTC maintains such assets in a state of good repair and safeguards them from misuse and misappropriation.</p> <ul style="list-style-type: none"> • RCTC generally does not capitalize infrastructure, which title will be vested with Caltrans or other governmental agency. • RCTC depreciates capital and amortizes intangible assets over the estimated useful life or service concession term.

DEBT MANAGEMENT

Debt Limitation	Outstanding sales tax revenue debt cannot exceed \$975 million, in accordance with Measure K approved by a majority of the voters in November 2010; RCTC can issue toll-supported debt for specific highway projects based on amounts authorized by the Commission.
Management	RCTC maintains and updates the Debt Management Policy, as adopted on September 14, 2016, and Interest Rate Swap Policy, as adopted July 12, 2006, for matters related to sales tax revenue and toll-supported indebtedness.
Coverage	RCTC maintains debt coverage ratios of 2.0x on all senior sales tax revenue debt and 1.3x on all toll-supported debt.
Issuance	RCTC issues debt for major capital projects including engineering, right of way, construction, and design-build; RCTC will not finance operating requirements except for initial toll operations. Costs of issuance, including the standard underwriter's discount, do not exceed 2% unless specifically authorized.
Maturity	All sales tax revenue debt matures prior to the termination of 2009 Measure A on June 30, 2039; all toll-supported debt matures prior to the expiration of toll facility agreements.

CASH MANAGEMENT

Management	RCTC invests funds in order of priority (safety, liquidity, and yield) in accordance with the Investment Policy, adopted on March 13, 2019, or debt agreements.
Receipts	Where possible, RCTC encourages receipt of funds by wire transfer to its accounts.
Payments	RCTC makes cash disbursements to local jurisdictions and vendors/consultants in a timely manner.
Operating Balances	RCTC maintains amounts in the bank operating account at the amount necessary to meet monthly expenditures/expenses.

ACCOUNTING AND FINANCIAL REPORTING

Accounting System	RCTC maintains an ERP system that integrates project and toll operations accounting needs and improves accounting efficiency.
Reporting	RCTC issues a Comprehensive Annual Financial Report (CAFR); separate financial reports for the LTF, STA, Proposition 1B Rehabilitation and Security Project Accounts, SB 1 SGR Program, Low Carbon Transit Operations Program (LCTOP), and toll operations; and the State Controller's Transportation Planning Agency Financial Transactions Report and Government Compensation in California Report.
Audits	An independent accounting firm conducts an annual audit of the Commission's accounting books and records; RCTC obtains audits of Measure A and TDA funding recipients for compliance and other matters in a timely manner.

FUNCTIONAL MANAGEMENT

Unlike many governments that provide direct services to the public, the Commission's overall responsibility is to manage transportation planning and funding for the County. As a result, its budget in terms of dollars, is comprised primarily of capital-related programs and projects; the operating component of the budget is related to toll operations and multimodal programs (transit planning, rail operations, and commuter and motorist assistance services). Management services, consisting of executive management, administration, external affairs, and finance, provide support to both capital and operating programs and projects. Chart 9 depicts the organization of the Commission's oversight and management functions.

CHART 9 - FUNCTIONAL ORGANIZATION CHART FY 2019/20

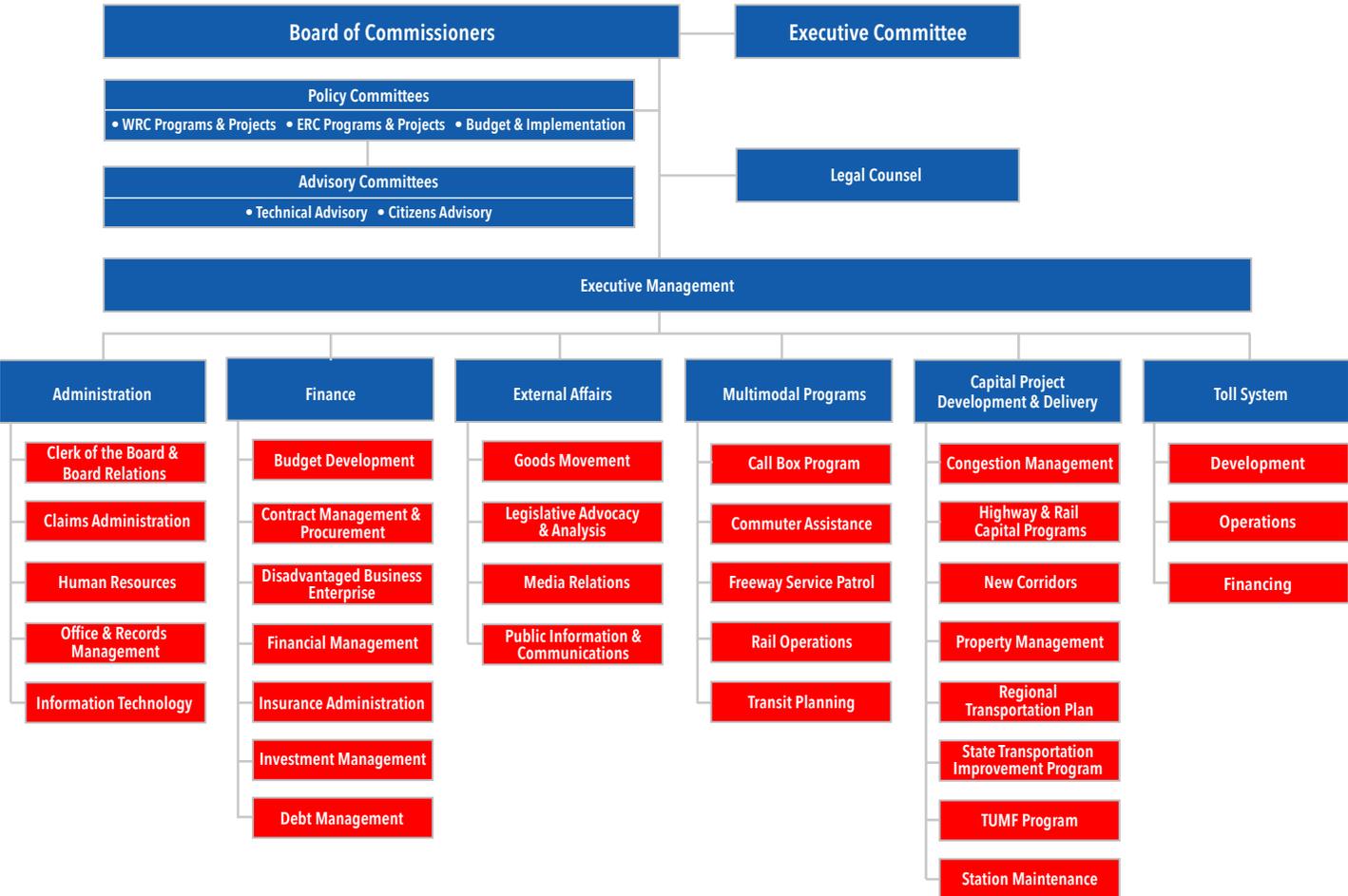


Chart 10 illustrates the relationship between the Commission’s functional management or departments and the Commission’s fund structure

CHART 10 - RELATIONSHIP OF FUNCTIONAL MANAGEMENT AND FUND STRUCTURE

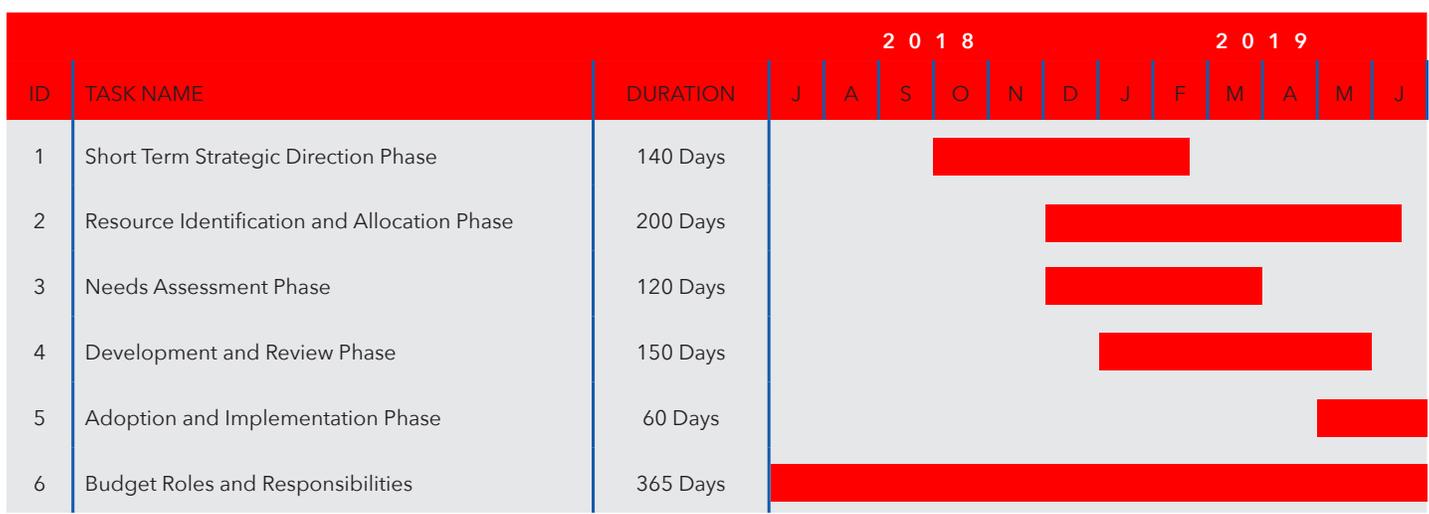
Functional Management Department	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Enterprise Fund
Management Services					
Executive Management	X				
Administration	X				
External Affairs	X				
Finance	X	X		X	
Regional Programs					
Planning and Programming Services	X	X			
Rail Maintenance and Operations	X	X			
Public and Specialized Transit	X	X			
Commuter Assistance		X			
Motorist Assistance		X			
Capital Projects Development & Delivery		X	X	X	
Toll Operations					X

BUDGET PROCESS

The budget is the primary performance tool used to measure and control accountability of public agencies for taxpayer dollars. The budget communicates to all stakeholders (i.e., elected officials, regional agencies, and citizens) how the investment they made will be put to use by providing detailed information on the specifics of resource allocation and uses. The Commission monitors progress on a monthly basis, and it makes revisions and updates as necessary to reflect changing dynamics and accommodate unplanned requests. This results in a budget document that is useful and meaningful as a benchmark against which to evaluate government accomplishments and/or challenges and to assess compliance with fiscal accountability.

The budget process consists of six primary tasks conducted in phases throughout the fiscal year. Chart 11 illustrates the budget process for the development of the FY 2019/20 budget and monitoring of the FY 2018/19 budget. Each task is summarized below.

CHART 11 - BUDGET PROCESS



SHORT-TERM STRATEGIC DIRECTION PHASE

The first phase of the budget process is to determine the direction of the Commission in the short-term and to integrate this with the Commission's long-term goals and objectives, including the Western Riverside County Delivery Plan as discussed in Section 5.3. Annually a workshop is held for the Board to evaluate and determine where the Commission plans to be and what it desires to accomplish over the next five to ten years. Annual reviews allow for timely responsiveness to any significant political, legislative, or economic developments that may occur locally, statewide, or nationally. Staff then adjusts its course based on the long-term strategic direction of the policy makers.

Staff convenes beginning in early January to both assess actual results, compared to the current year budget, and map changes in strategy for the ensuing fiscal year. Additionally staff reviews and, if necessary, updates Commission goals and departmental mission statements. Those goals, upon review by the Board, become the Commission's short-term strategic direction.

RESOURCE IDENTIFICATION AND ALLOCATION PHASE

Simultaneous with the short-term strategic direction phase, staff focuses on available funding sources and estimated carryover amounts from the current year. The Commission analyzes its fund balances, the excess of fund assets over fund liabilities, for available appropriation in the following fiscal year. In actuality, resource identification occurs throughout the year, but it is finalized in the upcoming fiscal year budget. In connection with the long-term strategic planning process, the Commission determines borrowing needs, but it adjusts such amounts in the annual budget to reflect current information.

NEEDS ASSESSMENT PHASE

Staff and consultants evaluate projects and studies for consideration in the next year. Project priority and sequencing set in the long-term strategic plan are the top candidates for budget submission. However, priorities may have changed due to economic necessities or political realities, resulting in rescheduling projects by acceleration or postponement. The Commission may add new projects or delete existing priorities.

DEVELOPMENT AND REVIEW PHASE

Using all the data and information gathered from the previously mentioned stages, department managers submit their desired budgets to the Finance Department. Finance staff compiles the information, along with staff and overhead allocations, into a preliminary or draft budget. After review by the Executive Director and inclusion of the desired changes, staff presents the draft budget to the Board for input.

ADOPTION AND IMPLEMENTATION PHASE

Staff submits the proposed budget to the Commission at its May meeting, which marks the opening of a hearing scheduled to allow for public comment on the proposed budget. The Commission may choose, after the public hearing, to adopt the budget or to request additional information and/or changes to the budget. The budget, including the salary schedule, must be adopted no later than June 15 of each year. Upon adoption by the Commission, staff enters the budget into the ERP system effective July 1 for the next fiscal year.

BUDGET DEVELOPMENT SUMMARY

Chart 12 summarizes the primary activities required for adoption of the budget.

CHART 12 - BUDGET DEVELOPMENT TIMELINE FY 2019/20



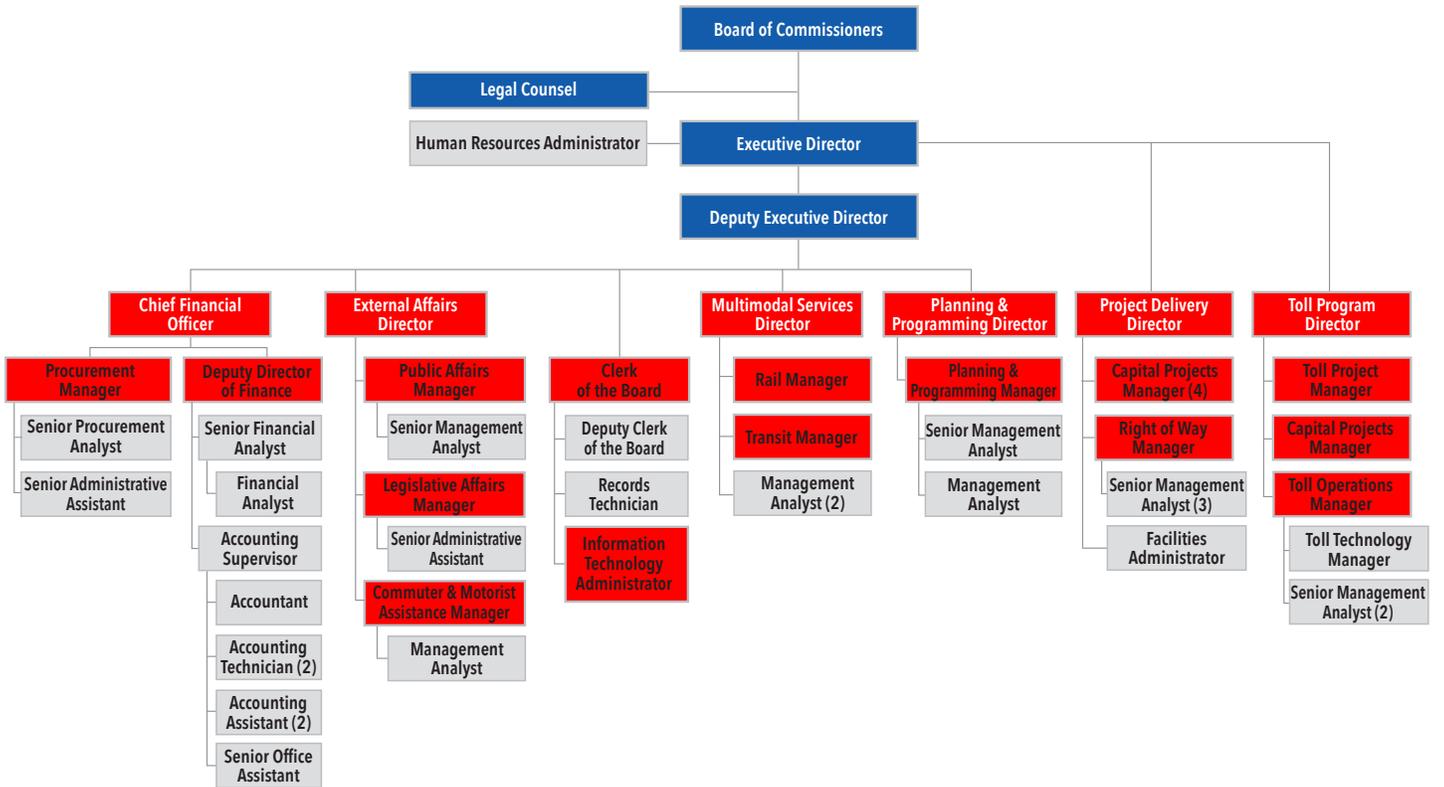
BUDGET ROLES AND RESPONSIBILITIES

Involvement in the budget permeates all staffing levels, as presented in Chart 13, at the Commission from clerical support staff to policy makers. Each program manager develops a detailed line item budget that consists of the operating and/or capital components and submits those budgets, by program, to the department director for review and concurrence. While all departments have operating components, Rail station operations and maintenance and Toll Operations represent the Commission's primary operation functions that consider long-range planning. Details on these operations are included in Section 5.2 and 5.4, respectively. The department managers submit their budgets to the Chief Financial Officer by mid-March, and the Finance Department compiles the department budgets. Both the capital and operating budgets are combined into the draft budget for the entire Commission. The Chief Financial Officer and Executive Director review the entire budget for overall consistency with both the short- and long-term strategic direction of the Commission, appropriateness of funding sources for the identified projects and programs, and reasonableness of the operating and capital budget expenditures/expenses.

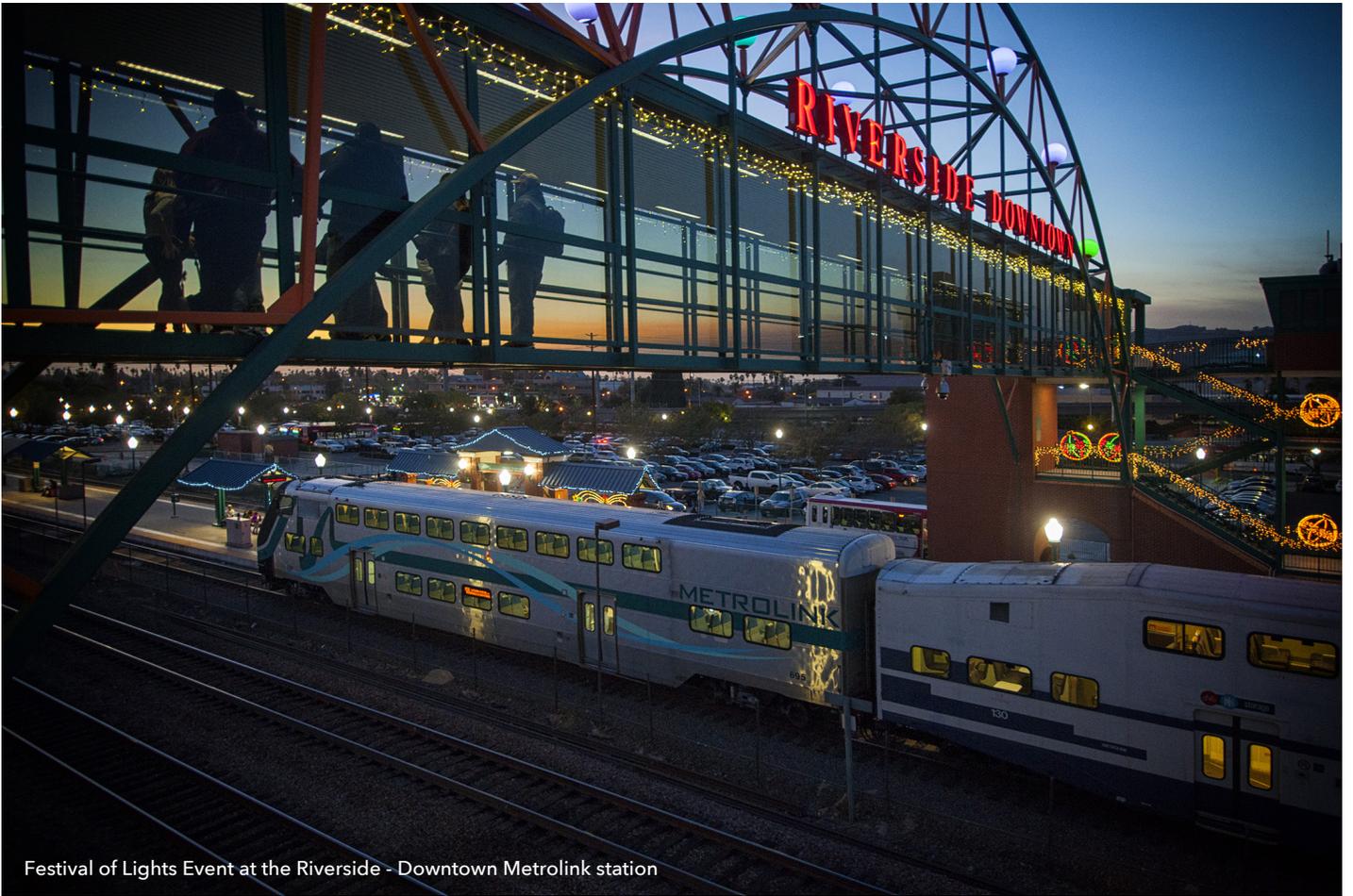
Expenditure/expense activities of the funds are controlled at the budgetary unit, which is the financial responsibility level (General, Measure A, Motorist Assistance, LTF, STA, TUMF, Other Agency Projects, Capital Projects, Debt Service Funds, and Enterprise Fund) for each function (i.e., administration, operations, programs, intergovernmental distributions, debt service, capital outlay, and other financing uses). These functions provide the legal level of budgetary control (i.e., the level at which expenditures/expenses cannot legally exceed the appropriated amount).

Budget-to-actual reports are available to program managers and directors on a real-time basis through the ERP system for informational and management purposes, including identification and evaluation of any significant budget variations. During the fiscal year, management has the discretion to transfer budgeted amounts within the financial responsibility unit according to function or may provide support for supplemental budget appropriations requests. Supplemental budget appropriation requests require the authorization of the Commission. The Commission may take action at any monthly meeting to amend the budget. In some years, the Finance Department may compile miscellaneous requests and submit a budget appropriations adjustment at mid-year to the Commission for approval. Those budget amendments approved by the Commission are incorporated into the budget, as they occur, and are reflected in the CAFR in the final budget amounts reported in the budgetary schedules.

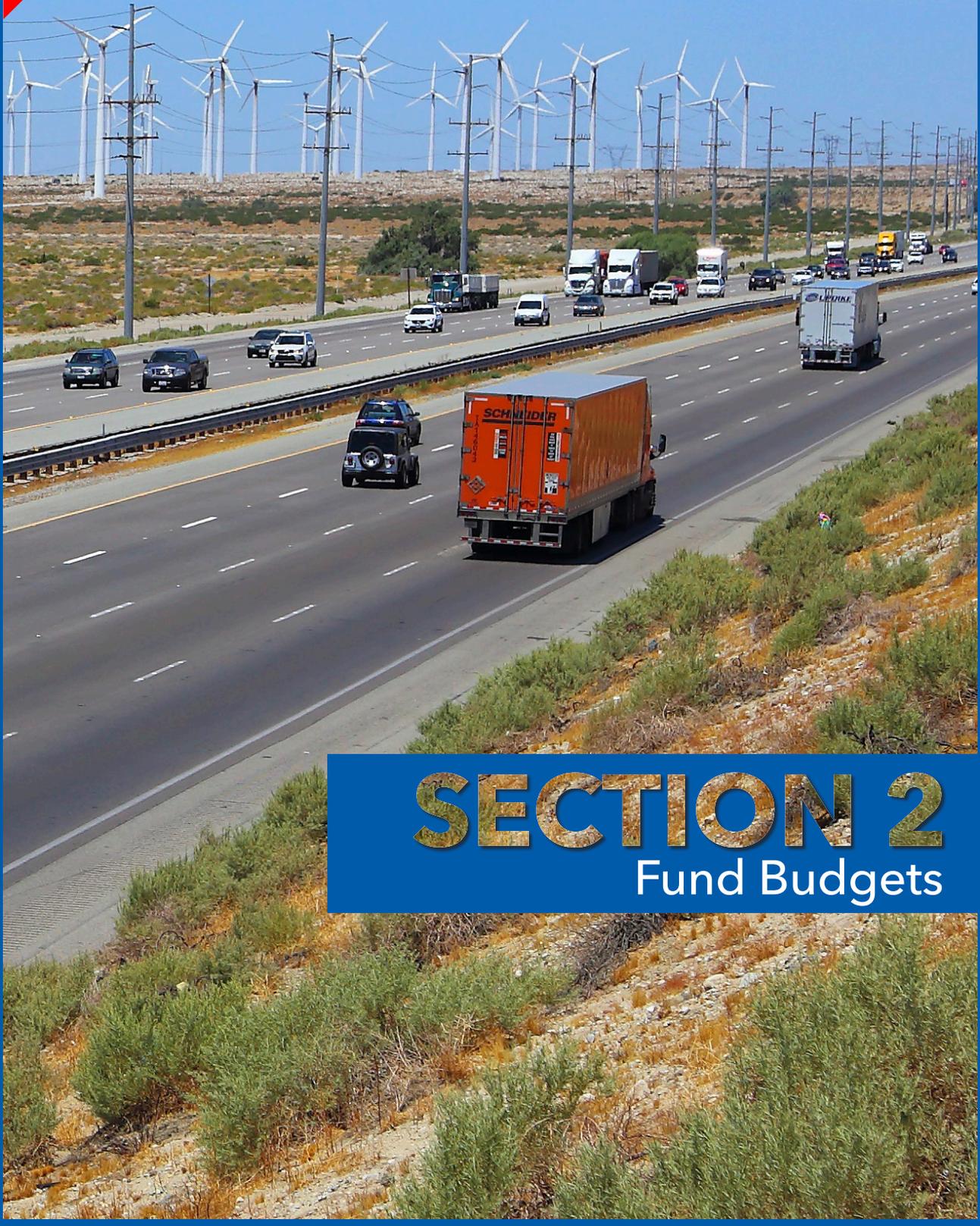
CHART 13 - STAFF ORGANIZATION CHART FY 2019/20



RCTC Staff



Festival of Lights Event at the Riverside - Downtown Metrolink station



SECTION 2

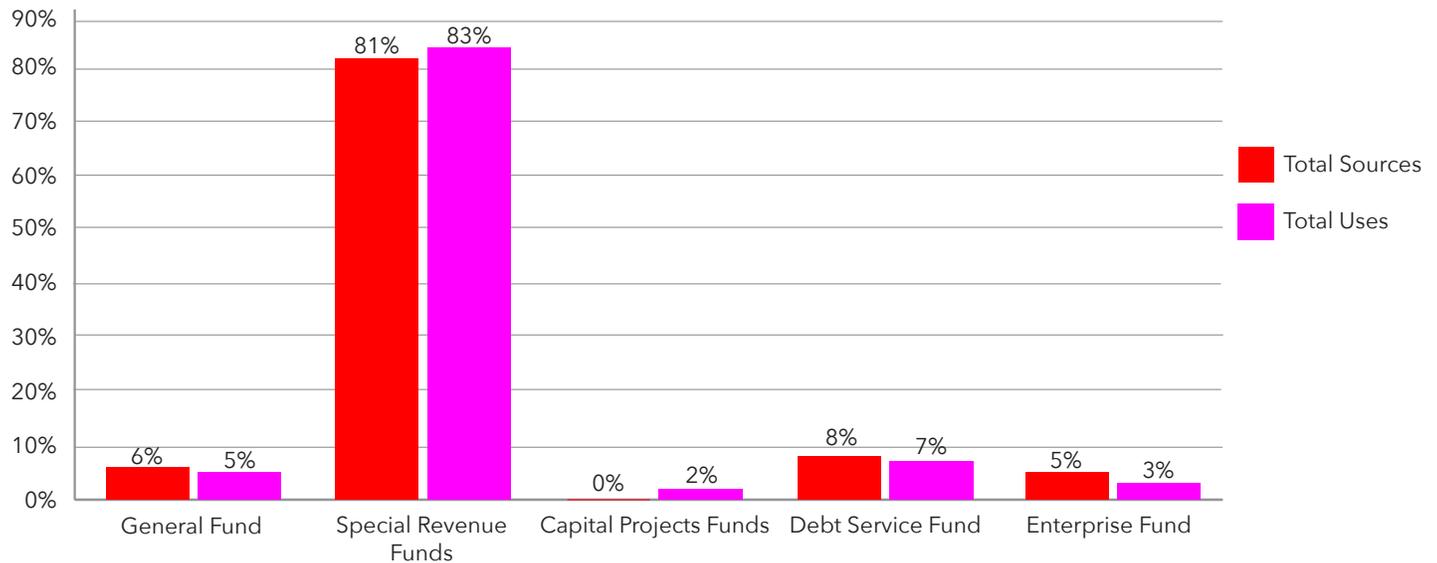
Fund Budgets

FUND BUDGETS

BUDGETARY BASIS

The Commission accounts for its budgeted funds using the modified and current financial resources measurement focus for governmental funds and the accrual basis of accounting and the economic resources measurement focus for enterprise funds. The basis of accounting is the same as the basis of budgeting. The Commission recognizes governmental fund revenues when measurable and available to meet current year obligations. Such revenues are available when guaranteed as to receipt, based on expenditure of funds (i.e., government matching funds), or certain to be received within 180 days of the end of the fiscal year. The Commission generally records governmental fund expenditures when it incurs a liability; however, debt service expenditures are recorded when the payment is due. Enterprise fund revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Chart 14 illustrates total sources and uses by fund type for the FY 2019/20 budget.

CHART 14 - TOTAL SOURCES AND USES BY FUND TYPE FY 2019/20



FUND STRUCTURE

The Commission accounts for its sources and uses in 31 funds (Chart 15) categorized into five fund types: General fund, special revenue funds, capital projects funds, debt service fund, and enterprise fund. All of the Commission's funds are budgeted. There are three funds reported in the General fund and 24 in the special revenue funds. Two capital projects funds are used to account for capital project expenditures financed with short- or long-term debt proceeds. The Commission has one debt service fund to account for debt-related activity. In addition, the Commission has one enterprise fund to account for the RCTC 91 Express Lanes operations.

CHART 15 - BUDGETED FUNDS STRUCTURE FY 2019/20

General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Enterprise Fund
Administration Rail Operations Planning & Programming	<p>1989 MEASURE A</p> <p>Western County Highway</p> <p>2009 MEASURE A</p> <p>Western County Highways Local Streets & Roads Public Transit Specialized Transit Bus Transit Rail Transit & Maintenance Commuter Assistance New Corridors Bond Financing Regional Arterials Economic Development</p> <p>Coachella Valley Highways & Regional Arterials Local Streets & Roads Specialized Transit</p> <p>Palo Verde Valley Local Streets & Roads</p> <p>FSP SAFE Local Transportation Funds State Transit Assistance State of Good Repair TUMF Coachella Valley Rail Other Agency Projects Fund SB132</p>	Commercial Paper Sales Tax Bonds		RCTC 91 Express Lanes

GENERAL FUND

OVERVIEW

The Commission’s General fund accounts for all activities not legally required or designated by Board action to be accounted for separately. For many public agencies, the General fund is the largest fund; however, it is less significant for the Commission. The Commission’s largest revenue source is Measure A, a locally levied sales tax that legally must be accounted for separately in special revenue funds. In addition to Commission administration and general operations, other General fund activities include commuter rail operations as well as planning and programming. Table 21 presents the FY 2019/20 budget for the General fund, followed by a discussion of significant components of the budget.

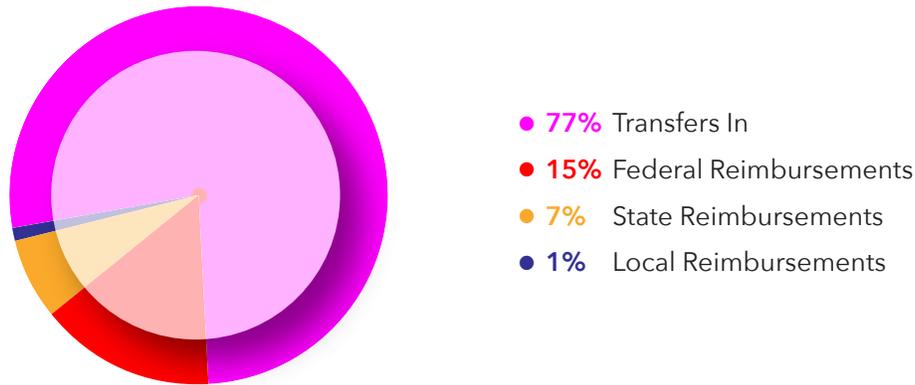
TABLE 21 - GENERAL FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Revenues						
Federal Reimbursements	\$ 4,226,900	\$ 3,978,000	\$ 7,855,000	\$ 8,000,000	\$ 4,022,000	101%
State Reimbursements	1,197,900	3,181,700	1,312,000	3,664,700	483,000	15%
Local Reimbursements	250,000	800,000	273,900	400	(799,600)	-100%
Other Revenue	286,700	313,100	-	-	(313,100)	-100%
Investment Income	138,400	98,600	97,600	499,400	400,800	406%
TOTAL Revenues	6,099,900	8,371,400	9,538,500	12,164,500	3,793,100	45%
Expenditures						
Personnel Salaries and Benefits	4,647,100	5,069,600	4,677,600	9,324,600	4,255,000	84%
Professional and Support						
Professional Services	3,211,800	4,719,400	3,367,800	5,013,600	294,200	6%
Support Costs	3,535,400	5,470,600	4,130,700	2,877,000	(2,593,600)	-47%
TOTAL Professional and Support Costs	6,747,200	10,190,000	7,498,500	7,890,600	(2,299,400)	-23%
Projects and Operations						
Program Operations	2,501,300	2,705,600	2,505,700	2,000	(2,703,600)	-100%
Engineering	-	1,650,000	-	-	(1,650,000)	-100%
Construction	-	1,800,000	50,000	1,470,000	(330,000)	-18%
Operating and Capital Disbursement	17,853,700	28,885,000	27,332,500	27,005,000	(1,880,000)	-7%
Special Studies	1,458,300	1,792,000	1,500,000	1,421,000	(371,000)	-21%
TOTAL Projects and Operations	21,813,300	36,832,600	31,388,200	29,898,000	(6,934,600)	-19%
Debt Service						
Principal Payments	21,000	-	-	-	-	N/A
Interest Payments	3,900	-	-	-	-	N/A
TOTAL Debt Service	24,900	-	-	-	-	N/A
Capital Outlay	429,700	1,114,600	696,700	1,306,000	191,400	17%
TOTAL Expenditures	33,662,200	53,206,800	44,261,000	48,419,200	(4,787,600)	-9%
Excess (deficiency) of Revenues over (under) Expenditures	(27,562,300)	(44,835,400)	(34,722,500)	(36,254,700)	8,580,700	-19%
Other Financing Sources (Uses)						
Transfers In	36,639,000	35,657,300	34,827,300	40,408,800	4,751,500	13%
Transfers Out	(2,162,300)	(1,265,600)	(2,445,600)	(3,394,600)	(2,129,000)	168%
Net Financing Sources (Uses)	34,476,700	34,391,700	32,381,700	37,014,200	2,622,500	8%
Excess (deficiency) of Revenues over (under) Expenditures and Other Financing Sources (Uses)	6,914,400	(10,443,700)	(2,340,800)	759,500	11,203,200	-107%
Beginning Fund Balance	19,126,100	26,040,500	26,040,500	23,699,700	(2,340,800)	-9%
ENDING FUND BALANCE	\$ 26,040,500	\$ 15,596,800	\$ 23,699,700	\$ 24,459,200	\$ 8,862,400	57%

The sources for the General fund (Chart 16) consist of:

- Various federal and state reimbursements for planning activities and commuter rail station operations;
- Investment income;
- Transfers from various funds for the allocation of administrative costs;
- Transfers of LTF sales tax revenues for planning, programming, and monitoring (PPM) activities; and
- Transfers of LTF Article 4 allocations for commuter rail operations and capital.

CHART 16 - GENERAL FUND SOURCES FY 2019/20



Federal reimbursements relate to rail station preventative maintenance and PVL operations. State reimbursements include station mobility improvements and PVL operations, as well as STIP funds for PPM activities. Local reimbursements relate to administrative activities.

The Commission allocates and transfers to the General fund a portion of LTF sales tax revenues for administration, planning and programming, and rail transit operations and capital for the following purposes:

- General fund administration allocations funded with LTF sales tax revenues of \$122,400 in FY 2019/20 reflect a 50% increase compared to the prior year.
- State law sets planning allocations at 3% of estimated LTF sales tax revenues. The FY 2019/20 budget for planning allocations is \$2,910,000. The FY 2018/19 revised budget of \$3,135,000 includes the effect of the mid-year projection adjustment that includes the unapportioned carryover amount, which is not determined until after the prior year's fiscal year end, and revised revenue projections.
- LTF sales tax revenues of \$936,100 in FY 2019/20 will fund General fund allocations for planning and programming activities.
- Commuter rail operating and capital needs determine the amount of LTF allocations to the extent that revenues and reserved fund balance are available. The FY 2019/20 budget includes \$23,000,000 in LTF allocations primarily to fund operating contribution expenditures to SCRRRA.

The Commission allocates administrative costs based on a cost allocation plan and recognizes reimbursements to the General fund from other funds as transfers in. The FY 2019/20 General fund administrative allocation of \$7,029,100 from Measure A may be adjusted based on actual expenditures, but in no event will it exceed 4% of total Measure A revenues (including administrative salaries and benefits). Administrative transfers in from STA, TUMF, motorist assistance, toll operations, SB 132, and other agency project funds of \$6,411,200 in FY 2019/20 increased from \$4,191,200 in FY 2018/19 due to a higher level of activity requiring administrative support.

CHART 17 - GENERAL FUND USES FY 2019/20

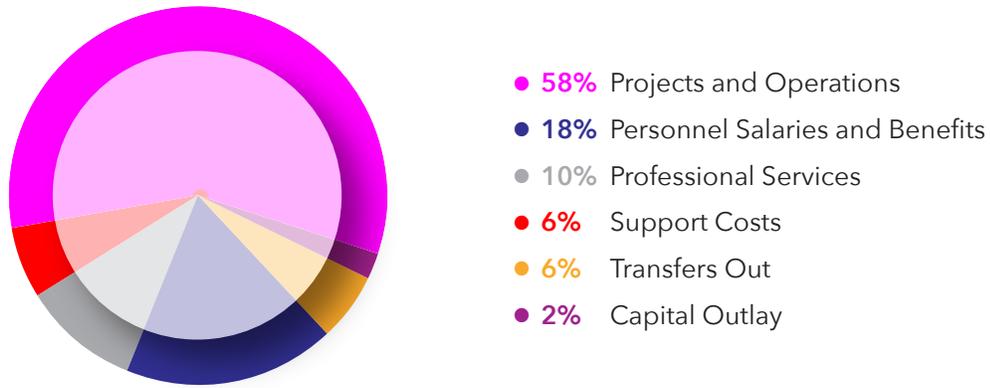


Chart 17 depicts General fund uses. Personnel salaries and benefits expenditures increased \$4,255,000 primarily due to a one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability. Professional costs increased 6% compared to the prior year due to increased information technology security upgrades and help-desk services. Support costs decreased 47% primarily due to station maintenance expenditures, historically funded by the General fund and now budgeted in the 2009 Measure A Western County rail special revenue fund effective FY 2019/20.

Program operations expenditures decreased 100% due to station maintenance expenditures, historically funded by the General fund and now budgeted in the 2009 Measure A Western County rail special revenue fund effective FY 2019/20. Engineering expenditures decreased 100% due to a grade separation project, historically budgeted in the General fund and now budgeted in the SB 132 fund due to a special allocation. Construction expenditures include Riverside Downtown station mobility improvements. The FY 2019/20 operating and capital disbursements budget includes allocations of \$27,005,000 for the Metrolink commuter rail subsidy. Special studies expenditures include long range transportation plan and next generation rail and toll studies. Capital outlay expenditures increased 17% due to information technology upgrades and station improvements. Transfers out of \$1,550,000 reflect amounts to the 2009 Measure A Western County highway fund for next generation tolling studies and \$1,844,600 to the General fund for administration from rail operations and planning and programming activities.

SPECIAL REVENUE FUNDS

OVERVIEW

The Commission's special revenue funds are legally restricted as to use for Measure A projects and programs, TUMF projects, motorist assistance services, other agency project coordination, and funding transit operations and capital in the County. Table 22 is a summary of the special revenue funds' budgets, and Tables 23 through 34 present the individual budgets along with respective discussions.

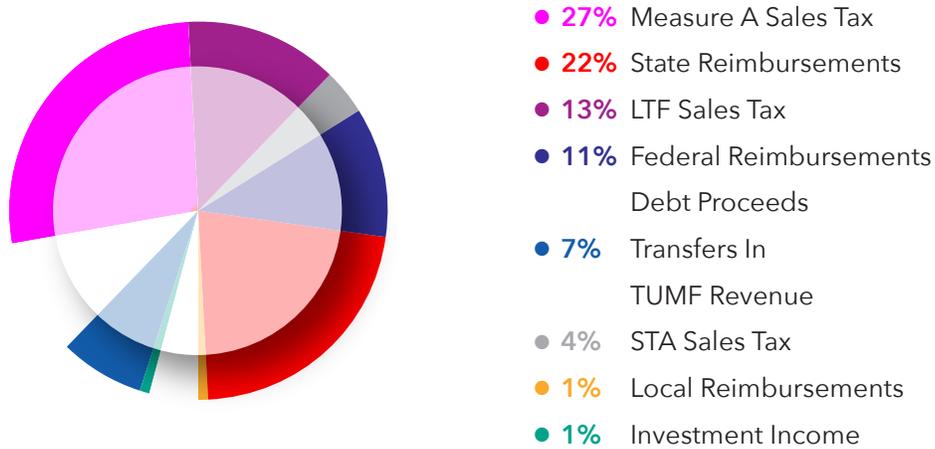


TABLE 22 - SPECIAL REVENUE FUNDS FY 2017 - 2019

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Revenues						
Measure A Sales Tax	\$ 176,301,700	\$ 192,000,000	\$ 192,000,000	\$ 193,000,000	\$ 1,000,000	1%
LTF Sales Tax	89,557,600	96,000,000	96,000,000	97,000,000	1,000,000	1%
STA Sales Tax	21,320,900	23,203,600	27,110,700	31,050,600	7,847,000	34%
Federal Reimbursements	64,455,900	52,327,500	63,770,600	78,915,500	26,588,000	51%
State Reimbursements	10,754,200	163,408,400	79,097,200	156,931,400	(6,477,000)	-4%
Local Reimbursements	4,536,900	14,192,500	5,445,000	9,957,500	(4,235,000)	-30%
TUMF Revenue	23,699,800	25,922,200	26,672,200	25,000,000	(922,200)	-4%
Other Revenue	2,912,800	771,300	468,500	553,000	(218,300)	-28%
Investment Income	5,124,300	2,049,800	5,147,100	9,049,000	6,999,200	341%
TOTAL Revenues	398,664,100	569,875,300	495,711,300	601,457,000	31,581,700	6%
Expenditures						
Personnel Salaries and Benefits	3,688,600	4,682,100	4,601,400	8,718,500	4,036,400	86%
Professional and Support						
Professional Services	9,298,000	13,671,300	8,184,800	18,443,700	4,772,400	35%
Support Costs	912,800	1,863,700	1,295,700	4,962,900	3,099,200	166%
TOTAL Professional and Support Costs	10,210,800	15,535,000	9,480,500	23,406,600	7,871,600	51%
Projects and Operations						
Program Operations	15,135,800	16,401,800	12,562,200	19,774,900	3,373,100	21%
Engineering	8,155,100	34,887,600	13,617,300	22,436,000	(12,451,600)	-36%
Construction	21,408,500	129,996,700	73,007,200	155,248,000	25,251,300	19%
Design Build	123,999,200	183,818,300	146,305,000	141,583,000	(42,235,300)	-23%
Right of Way/Land	39,048,100	95,615,000	35,950,600	93,498,500	(2,116,500)	-2%
Operating and Capital Disbursements	93,853,300	195,776,000	130,249,600	177,281,400	(18,494,600)	-9%
Special Studies	-	50,000	35,000	-	(50,000)	-100%
Local Streets and Roads	53,176,800	58,479,500	58,479,500	58,642,300	162,800	0%
Regional Arterials	15,736,400	30,547,000	25,000,000	30,000,000	(547,000)	-2%
TOTAL Projects and Operations	370,513,200	745,571,900	495,206,400	698,464,100	(47,107,800)	-6%
Capital Outlay	2,177,200	7,224,800	6,336,700	3,232,000	(3,992,800)	-55%
TOTAL Expenditures	386,589,800	773,013,800	515,625,000	733,821,200	(39,192,600)	-5%
Excess (deficiency) of Revenues over (under) Expenditures	12,074,300	(203,138,500)	(19,913,700)	(132,364,200)	70,774,300	-35%
Other Financing Sources (Uses)						
Transfers In	179,695,700	74,001,300	56,846,000	53,083,700	(20,917,600)	-28%
Transfers Out	(123,468,300)	(126,796,800)	(123,287,000)	(132,367,300)	(5,570,500)	4%
TIFIA Loan Proceeds	-	106,081,000	61,841,100	75,703,000	(30,378,000)	-29%
Net Financing Sources (Uses)	56,227,400	53,285,500	(4,599,900)	(3,580,600)	(56,866,100)	-107%
Excess (deficiency) of Revenues over (under) Expenditures and Other Financing Sources (Uses)	68,301,700	(149,853,000)	(24,513,600)	(135,944,800)	13,908,200	-9%
Beginning Fund Balance	553,692,500	621,994,200	621,994,200	597,480,600	(24,513,600)	-4%
ENDING FUND BALANCE	\$ 621,994,200	\$ 472,141,200	\$ 597,480,600	\$ 461,535,800	\$ (10,605,400)	-2%

The Commission accounts for Measure A and LTF sales taxes, STA allocations, Western County TUMF, state budgetary allocations, and vehicle registration fees in the 24 special revenue funds. Federal, state, and local reimbursements and transfers in consisting principally of debt proceeds supplement the Measure A sales tax revenues. Chart 18 illustrates the various special revenue fund sources.

CHART 18 - SPECIAL REVENUE FUNDS SOURCES FY 2019/20

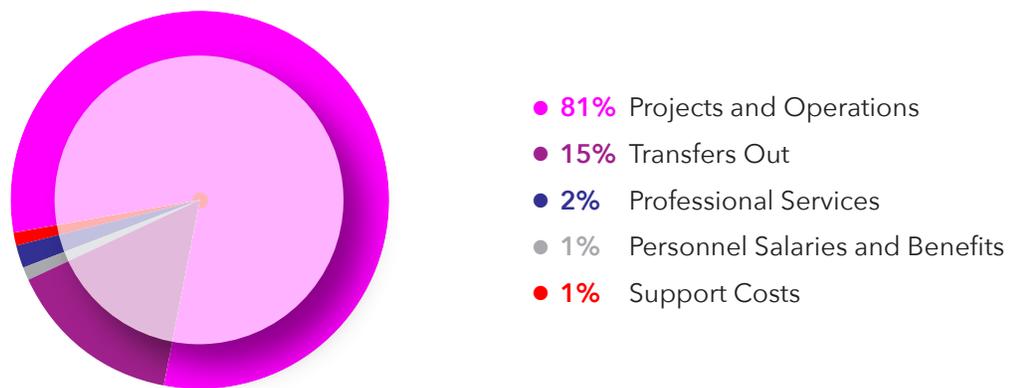


The Commission expends special revenue funds' resources on:

- County highway, rail, regional arterial, and new corridors engineering, right of way acquisition, construction, and design-build;
- Local streets and roads maintenance, repair, and construction;
- Economic development incentives;
- Sales tax bond financing;
- Bicycle and pedestrian facilities;
- Education and incentive programs to encourage use of alternate modes of transportation;
- Special social service transportation programs;
- Public transit operations and capital needs; and
- Motorist towing and freeway call box assistance.

As shown in Chart 19, projects and operations expenditures represent the primary use of special revenue fund resources.

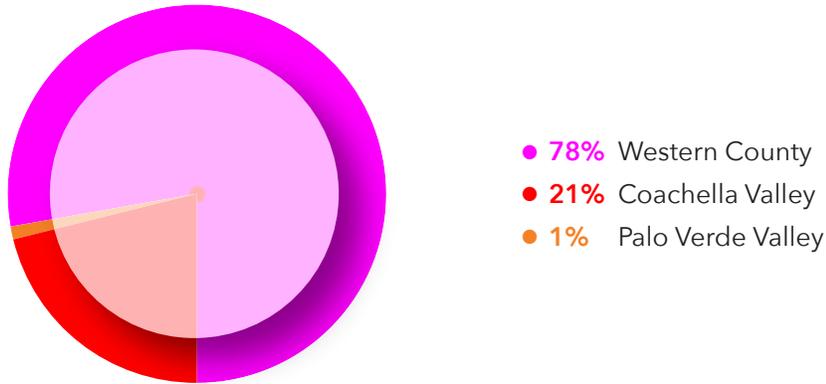
CHART 19 - SPECIAL REVENUE FUNDS USES FY 2019/20



MEASURE A SPECIAL REVENUE FUNDS

Measure A sales tax revenue, which is allocated to the three geographic areas of the County (Chart 20) primarily funds 15 of the special revenue funds. There is one 1989 Measure A and ten 2009 Measure A Western County funds, three 2009 Measure A Coachella Valley funds, and one 2009 Measure A Palo Verde Valley fund.

CHART 20 - MEASURE A SALES TAX REVENUES BY GEOGRAPHIC AREA



Since the 1989 Measure A terminated on June 30, 2009, the remaining 1989 Measure A Western County fund will be closed upon the completion of the specific highway projects. With the commencement of the 2009 Measure A on July 1, 2009, 14 funds will be in existence for the 30-year term. These funds account for all Measure A project and program expenditures and transfers of debt service for capital projects.

The Measure A special revenue funds expend monies on capital construction and improvements to highways, commuter rail, regional arterials, new corridors, and local streets and roads. Funding is also reserved for commuter assistance, public and specialized transit, and economic development incentives programs as well as bond financing costs. The Commission is a self-help county, and, as such on major highway projects, the Commission supplements the State's spending. Upon completion of most highway projects, Caltrans takes over the maintenance and operations of the projects.

The Commission pledged all Measure A sales tax revenues as security for the Commission's senior sales tax revenue bonds and subordinate commercial paper notes. Debt service on the bonds is recorded in the Sales Tax Bonds debt service fund, and Measure A special revenue funds provide most of the resources for debt service through transfers out.

WESTERN COUNTY MEASURE A FUNDS

The Western County Measure A special revenue funds account for Western County's approximately 78% share of the Measure A sales tax. As demonstrated in Table 23, most of the Commission's reimbursements flow through these funds, since the sales tax leverages state and federal dollars.



TABLE 23 - WESTERN COUNTY MEASURE A FUNDS FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Measure A Sales Tax						
Bond Financing	\$ 10,997,100	\$ 11,976,000	\$ 11,976,000	\$ 12,096,000	\$ 120,000	1%
Commuter Assistance	2,036,500	2,218,000	2,218,000	2,240,000	22,000	1%
Economic Development Incentives	1,629,200	1,774,000	1,774,000	1,792,000	18,000	1%
Highways	41,544,700	45,244,000	45,244,000	45,698,000	454,000	1%
Local Streets and Roads	39,508,100	43,025,000	43,025,000	43,458,000	433,000	1%
New Corridors	15,070,100	16,412,000	16,412,000	16,577,000	165,000	1%
Public Bus Transit	2,077,200	2,262,000	2,262,000	2,285,000	23,000	1%
Rail	8,308,900	9,049,000	9,049,000	9,140,000	91,000	1%
Regional Arterials	12,219,000	13,307,000	13,307,000	13,441,000	134,000	1%
Specialized Transit	3,462,100	3,771,000	3,771,000	3,808,000	37,000	1%
Total Measure A	136,852,900	149,038,000	149,038,000	150,535,000	1,497,000	1%
Federal Reimbursements	63,853,700	50,090,000	62,033,100	78,165,500	28,075,500	56%
State Reimbursements	1,787,700	39,933,100	751,600	46,797,100	6,864,000	17%
Local Reimbursements	2,770,900	2,087,900	3,058,000	2,266,000	178,100	9%
Other Revenue	2,515,800	539,000	450,500	535,000	(4,000)	-1%
Investment Income	2,475,100	753,500	2,453,700	3,603,100	2,849,600	378%
Transfers In	177,335,500	69,284,700	51,606,000	47,933,700	(21,351,000)	-31%
TIFIA Loan Proceeds	-	106,081,000	61,841,100	75,703,000	(30,378,000)	-29%
TOTAL Sources	387,591,600	417,807,200	331,982,000	405,538,400	(12,268,800)	-3%
Uses						
Personnel Salaries and Benefits	3,025,500	3,657,600	3,657,600	7,032,300	3,374,700	92%
Professional Services	6,808,900	7,848,200	4,359,400	5,853,000	(1,995,200)	-25%
Support Costs	614,700	1,489,700	1,101,800	4,513,500	3,023,800	203%
Projects and Operations						
Program Operations	11,806,100	10,230,900	8,076,400	12,556,500	2,325,600	23%
Engineering	3,296,600	14,129,100	2,701,400	15,127,700	998,600	7%
Construction	15,093,600	76,527,600	35,784,200	125,395,000	48,867,400	64%
Design Build	121,553,300	137,725,700	130,444,000	99,865,000	(37,860,700)	-27%
Right of Way/Land	20,660,300	59,616,400	18,468,500	41,915,500	(17,700,900)	-30%
Operating and Capital Disbursements	9,005,300	18,150,000	13,050,000	22,020,000	3,870,000	21%
Special Studies	-	50,000	35,000	-	(50,000)	-100%
Local Streets and Roads	39,005,500	42,943,300	42,943,300	43,350,400	407,100	1%
TOTAL Projects and Operations	220,420,700	359,373,000	251,502,800	360,230,100	857,100	0%
Capital Outlay	2,177,200	7,224,800	6,336,700	3,232,000	(3,992,800)	-55%
Transfers Out	99,058,000	91,744,900	87,497,500	95,400,000	3,655,100	4%
TOTAL Uses	332,105,000	471,338,200	354,455,800	476,260,900	4,922,700	1%
Excess (deficiency) of Sources over (under) Uses	\$ 55,486,600	\$ (53,531,000)	\$ (22,473,800)	\$ (70,722,500)	\$ (17,191,500)	32%

The budgeted Western County Measure A sales tax revenues reflect a 1% increase compared to the prior year due to Measure A sales tax projections. Taxable sales changes between jurisdictions within the County also periodically affect the geographic allocation formula from year to year.

Federal reimbursements for highway and rail projects are higher in the FY 2019/20 budget and relate primarily to funding from the Federal Transit Administration (FTA) and Congestion Mitigation and Air Quality (CMAQ). The 56% increase in federal reimbursements is primarily attributable to federal funding for activity on the SR-60 truck lanes project, I-15 Express Lanes and related projects, Pachappa underpass project, and station rehabilitation and improvement projects. State reimbursements are higher by 17% compared to the FY 2018/19 budget and reflect funding from STIP and SB 1 funding for the SR-60 truck lanes project and Pachappa underpass project. Local reimbursements remained relatively flat from the prior year and are attributable to the commuter assistance program.

Other revenue remained flat from the prior year and is attributable to property management lease revenues. Investment income increased 378% compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget.

As in prior years, a significant portion of transfers in consists of sales tax revenue bonds proceeds of \$24,402,400 to fund the I-15 Express Lanes project. Other significant transfers in include:

- \$10,000,000 from the 2009 Measure A bond financing fund to fund a portion of Western County debt service;
- \$6,000,000 from the 1989 Measure A Western County highway fund to complete the 91 Project;
- \$2,359,000 from the RCTC 91 Express Lanes fund for the SR-91 corridor operations project;
- \$1,550,000 from the General fund for next generation toll projects;
- \$2,803,200 from the Debt Service fund for Build America Bonds (BABs) subsidy payments; and
- \$819,100 from the SGR fund for station rehabilitation and improvement project.

TIFIA loan proceeds of \$75,703,000 will fund eligible I-15 Express Lanes project expenditures.

Personnel salaries and benefits expenditures increased 92% from the prior year resulting primarily from the one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability and the addition of two new FTE's for a financial analyst and toll senior management analyst in preparation of 15 Express Lanes operations.

Measure A Western County professional services expenditures in FY 2019/20 consist of general legal services for the various programs and capital projects, specialized legal and financial advisory services related to the I-15 Express Lanes project, and other professional services for highway, rail capital and commuter assistance projects and the Commission's debt programs. The 25% decrease in FY 2019/20 reflects the prior year activity in legal and financial advisory services related to the 91 Project and I-15 Express Lanes project. Support costs related to highway and rail projects and property management as well as the commuter assistance program increased \$3,023,800, or 203%, from the prior year due to the inclusion of station maintenance in the 2009 Measure A Western County rail fund beginning in FY 2019/20, as this was historically funded by the General fund.

General program operations comprise the program management with outside consultants for the highway and rail capital and commuter assistance programs, permits required for capital projects, and subsidies and certificates for the commuter assistance program. Such levels of operations typically fluctuate as project activities transition to another phase.

Many of the Commission's Western County rail and highway projects funded by Measure A have been in various phases of engineering, construction, design-build, and right of way activity. The Commission expects engineering and construction to increase 7% and 64%, respectively, due to the I-15 Express Lanes, I-15 Express Lanes-Southern Expansion, 71/91 connector, SR-60 truck lanes, and Pachappa underpass projects. Design-build and right of way activities decreased 27% and 30%, respectively, compared to the prior year due to I-15 Express Lanes project activity and significant completion of the 91 Project.

The I-15 Express Lanes and 15/91 Express Lanes connector are major projects in the design-build phase, while the 91 Project design-build activities include close-out activities in FY 2019/20. Other design-build related activities during FY 2019/20 include the 91 corridor operations project and next generation toll projects.

Right of way acquisition, another major project activity, can be a lengthy process. Right of way acquisition activity, including utilities and railroad relocations, will benefit the I-15 Express Lanes project, 71/91 connector project, Mid County Parkway I-215/Placentia Interchange project, and the closeout of the 91 Project.

Operating and capital disbursements increased 21% compared to the FY 2018/19 budget and relate to Western County intercity bus service, specialized transit expenditures, and rail capital funded by Measure A. Special studies decreased 100% compared to the prior year due to completion of feasibility studies performed in the prior year. Local streets and

roads, or turn back payments to local jurisdictions and the County, increased because of higher Measure A sales tax revenues. Capital outlay includes equipment and improvements for the rail program and reflects a 55% decrease due to station rehabilitation and improvements in the prior fiscal year.

Significant transfers out from the Western County Measure A funds include:

- Funding for debt service payments of \$79,534,500;
- \$6,000,000 from the 1989 Measure A Western County highway fund to complete 91 Project close-out activities;
- \$3,000,000 loan from the 2009 Measure A Western County highway fund to establish the I-15 Express Lanes project TIFIA reserve;
- \$300,000 from the 2009 Measure A Western County highway fund for a TUMF regional arterial project; and
- \$6,565,500 for the administrative costs allocation.

COACHELLA VALLEY MEASURE A FUNDS

These special revenue funds account for Coachella Valley's 21% share of the Measure A sales tax (Table 24).

TABLE 24 - COACHELLA VALLEY MEASURE A FUNDS FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Measure A Sales Tax						
Highways & Regional Arterials	\$ 19,256,200	\$ 20,972,000	\$ 20,972,000	\$ 20,738,000	\$ (234,000)	-1%
Local Streets and Roads	13,479,300	14,679,000	14,679,000	14,516,000	(163,000)	-1%
Specialized Transit	5,776,800	6,291,000	6,291,000	6,221,000	(70,000)	-1%
Total Measure A	38,512,300	41,942,000	41,942,000	41,475,000	(467,000)	-1%
Investment Income	434,800	198,300	563,800	767,400	569,100	287%
Transfers In	159,400	-	-	-	-	N/A
TOTAL Sources	39,106,500	42,140,300	42,505,800	42,242,400	102,100	0%
Uses						
Personnel Salaries and Benefits	1,900	5,100	1,800	23,200	18,100	355%
Professional Services	47,300	49,300	14,200	29,300	(20,000)	-41%
Support Costs	100	200	100	200	-	0%
Projects and Operations						
Operating and Capital Disbursements	5,153,400	6,000,000	6,000,000	7,000,000	1,000,000	17%
Local Streets and Roads	13,271,800	14,597,300	14,597,300	14,408,400	(188,900)	-1%
Regional Arterials	15,736,400	30,547,000	25,000,000	30,000,000	(547,000)	-2%
TOTAL Projects and Operations	34,161,600	51,144,300	45,597,300	51,408,400	264,100	1%
Transfers Out	618,800	245,800	245,800	357,100	111,300	45%
TOTAL Uses	34,829,700	51,444,700	45,859,200	51,818,200	373,500	1%
Excess (deficiency) of Sources over (under) Uses	\$ 4,276,800	\$ (9,304,400)	\$ (3,353,400)	\$ (9,575,800)	\$ (271,400)	3%

Coachella Valley Measure A sales tax revenues decreased 1%, as taxable sales changes among the geographic areas can impact the geographic allocation formula from year to year.

Investment income increased 287% compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget.

Personnel salaries and benefits expenditures increased 355% from the prior year resulting primarily from the one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability.

The Coachella Valley operating and capital disbursements represent specialized transit funds distributed to SunLine Transit Agency (SunLine) for transit operations. Local streets and roads payments to local jurisdictions are directly affected by changes in Measure A sales tax revenues. Regional arterial projects are highway and regional arterial projects managed by CVAG.

The Commission accounts for debt service funding related to CVAG highway and regional arterial and the city of Indio local streets and roads projects, under advance funding agreements, in projects and operations in order to be consistent with the accounting in the ERP system.

Transfers out of \$357,100 relate to the administrative costs allocation.

PALO VERDE VALLEY MEASURE A FUND

This special revenue fund accounts for Palo Verde Valley's 1% share of the Measure A sales tax (Table 25).

TABLE 25 - PALO VERDE VALLEY MEASURE A FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Measure A Sales Tax						
Local Streets and Roads	\$ 936,500	\$ 1,020,000	\$ 1,020,000	\$ 990,000	\$ (30,000)	-3%
Uses						
Local Streets and Roads	899,500	938,900	938,900	883,500	(55,400)	-6%
TOTAL Projects and Operations	899,500	938,900	938,900	883,500	(55,400)	-6%
Transfers Out	37,000	81,100	81,100	106,500	25,400	31%
TOTAL Uses	936,500	1,020,000	1,020,000	990,000	(30,000)	-3%
Excess (deficiency) of Sources over (under) Uses	\$ -	\$ -	\$ -	\$ -	\$ -	N/A

Although total Measure A sales tax revenues decreased 3%, taxable sales changes among the geographic areas also impact the geographic allocation formula from year to year.

Local streets and roads represent the only expenditures in the Palo Verde Valley. The Commission accounts for debt service funding for the city of Blythe local streets and roads projects, under an advance funding agreement, in projects and operations in order to be consistent with the accounting in the ERP system. Transfers out of \$106,500 relate to the administrative costs allocation.



NON-MEASURE A SPECIAL REVENUE FUNDS

The non-Measure A special revenue funds account for LTF disbursements; TUMF Western County project costs; motorist assistance expenditures for towing service as well as freeway call box and 511 traveler information system operations; transit disbursements from STA and SGR funding; Coachella Valley rail planning and development; interagency project activities; and SB 132 project activities. These activities are budgeted in the LTF, TUMF, FSP, SAFE, STA, SGR, Coachella Valley Rail, Other Agency Projects, and SB 132 special revenue funds, respectively.

LOCAL TRANSPORTATION FUND

The LTF special revenue fund derives its revenue from one quarter of one cent of the state sales tax that is returned to source and provides for funding of public transit operations in the County, bicycle and pedestrian facility projects, planning, and administration (Table 26).

TABLE 26 - LOCAL TRANSPORTATION FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
LTF Sales Tax	\$ 89,557,600	\$ 96,000,000	\$ 96,000,000	\$ 97,000,000	\$ 1,000,000	1%
Local Reimbursements	200	-	-	-	-	N/A
Investment Income	825,100	375,600	804,800	1,077,700	702,100	187%
Transfers In	654,500	-	1,170,000	-	-	N/A
TOTAL Sources	91,037,400	96,375,600	97,974,800	98,077,700	1,702,100	2%
Uses						
Operating and Capital Disbursements	74,508,700	119,388,900	103,999,600	92,290,100	(27,098,800)	-23%
Transfers Out	21,268,300	27,566,600	26,270,000	28,968,500	1,401,900	5%
TOTAL Uses	95,777,000	146,955,500	130,269,600	121,258,600	(25,696,900)	-17%
Excess (deficiency) of Sources over (under) Uses	\$ (4,739,600)	\$ (50,579,900)	\$ (32,294,800)	\$ (23,180,900)	\$ 27,399,000	-54%

The Commission projects LTF sales tax revenue in FY 2019/20 to increase 1% from the prior year. Investment income increased 187% compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget.

In FY 2019/20, approximately 94% and 6% of the LTF transit expenditures of \$90,300,000 are for operating and capital purposes, respectively. LTF operating allocations, subject to approval in July 2019, are comprised of 77% to Western County, 22% to Coachella Valley, and 1% to Palo Verde Valley public bus operators. Other operating and capital disbursements include allocations for SB 821 bicycle and pedestrian projects of \$1,250,100 and planning and administration allocations of \$740,000 to the County Auditor-Controller and SCAG.

Transfers out include allocations to the Commission's General fund for planning and administration of \$2,820,000; rail operations of \$23,000,000; grade separation projects of \$2,000,000; \$1,026,100 for planning, programming, and agency share of the administrative costs; and \$122,400 for administrative costs allocation.

TRANSPORTATION UNIFORM MITIGATION FEE FUND

The TUMF fund accounts for the Commission's share of developer fee assessments on new residential and commercial developments in Western County for regional arterials and Community Environmental Transportation Acceptability Process (CETAP) corridors (Table 27).

TUMF revenues includes \$25,000,000 based on projected fees distributed to the Commission. Federal reimbursements decreased 100% in FY 2019/20 and will be replaced with state reimbursements of \$5,800,000 for a Lake Elsinore regional arterial project. Investment income increased 318% compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget. The FY 2019/20 transfers in of \$300,000 relate to funding for the SR-79 realignment project from the 2009 Measure A Western County highways special revenue fund.

TABLE 27 - TRANSPORTATION UNIFORM MITIGATION FEE FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Federal Reimbursements	\$ -	\$ 237,500	\$ 237,500	\$ -	\$ (237,500)	-100%
State Reimbursements	-	-	-	5,800,000	5,800,000	N/A
Local Reimbursements	1,315,000	-	307,600	-	-	N/A
TUMF Revenue	23,699,800	25,922,200	25,922,200	25,000,000	(922,200)	-4%
Other Revenue	25,200	-	18,000	18,000	18,000	N/A
Investment Income	664,000	414,400	222,400	1,731,300	1,316,900	318%
Transfers In	235,900	300,000	120,000	300,000	-	0%
TOTAL Sources	25,939,900	26,874,100	26,827,700	32,849,300	5,975,200	22%
Uses						
Personnel Salaries and Benefits	242,900	319,500	319,300	624,600	305,100	95%
Professional Services	407,900	455,100	163,900	141,000	(314,100)	-69%
Support Costs	3,600	63,000	27,900	27,900	(35,100)	-56%
Projects and Operations						
Program Operations	293,700	511,000	510,600	494,200	(16,800)	-3%
Engineering	2,818,200	6,738,800	3,464,900	1,850,300	(4,888,500)	-73%
Construction	6,314,900	5,199,100	1,365,000	6,800,000	1,600,900	31%
Right of Way/Land	18,302,100	15,743,600	5,702,100	24,734,000	8,990,400	57%
TOTAL Projects and Operations	27,728,900	28,192,500	11,042,600	33,878,500	5,686,000	20%
Transfers Out	620,200	1,562,000	2,043,800	1,524,300	(37,700)	-2%
TOTAL Uses	29,003,500	30,592,100	13,597,500	36,196,300	5,604,200	18%
Excess (deficiency) of Sources over (under) Uses	\$ (3,063,600)	\$ (3,718,000)	\$ 13,230,200	\$ (3,347,000)	\$ 371,000	-10%

Personnel salaries and benefits reflect an increase of 95% primarily due to the one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability. Professional services decreased 69% primarily related to legal services projected in the prior year for the Lake Elsinore regional arterial project. Support costs decreased 56% and relate to property maintenance on the Mid County Parkway project.

Projects and operations costs increased 20%, as many regional arterial projects move through various stages of engineering, right of way acquisition, and construction. Approximately 67% of the projects and operations costs are attributable to programmed regional arterial projects. The remaining 33% relates to CETAP projects such as the Mid County Parkway preliminary engineering and right of way acquisitions. Transfers out represent \$1,524,300 to the General fund related to the administrative cost allocation.

FREEWAY SERVICE PATROL FUND

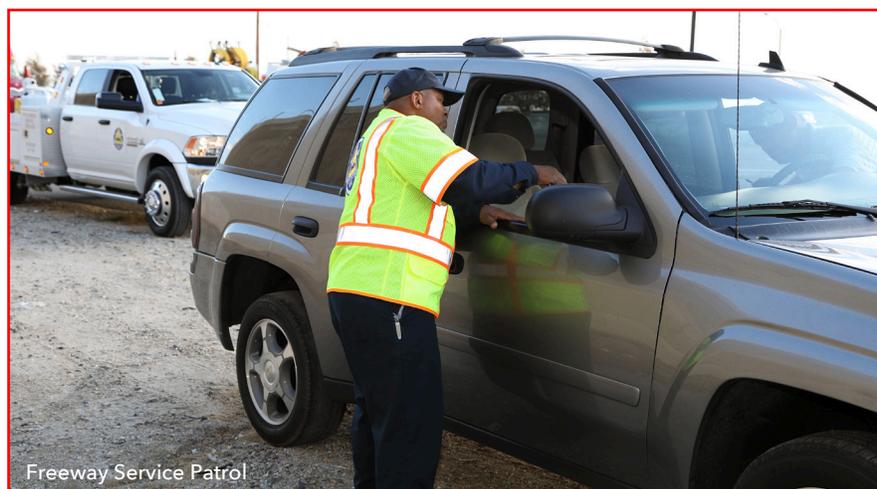
The FSP fund accounts for the state and local resources provided to cover the costs of servicing stranded motorists in covered service areas and construction zones by means of towing, changing tires, and providing fuel (Table 28).

The State's funding share of \$2,900,000 decreased 11% from the FY 2018/19 budget due to the state's direct reimbursement to the California Highway Patrol (CHP) in support of a portion of FSP services beginning in FY 2019/20. Local reimbursements of \$96,000 relate to local grants for weekend FSP services on SR-60. Investment income increased 620% compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget. Transfers in represent Commission match funds of \$2,400,000 from the SAFE special revenue fund.

TABLE 28 - FREEWAY SERVICE PATROL FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
State Reimbursements	\$ 1,613,200	\$ 3,256,900	\$ 3,256,900	\$ 2,900,000	\$ (356,900)	-11%
Local Reimbursements	-	-	224,300	96,000	96,000	N/A
Other Revenue	366,800	225,300	-	-	(225,300)	-100%
Investment Income	5,500	9,500	9,500	68,400	58,900	620%
Transfers In	1,083,600	3,600,000	3,600,000	2,400,000	(1,200,000)	-33%
TOTAL Sources	3,069,100	7,091,700	7,090,700	5,464,400	(1,627,300)	-23%
Uses						
Personnel Salaries and Benefits	110,600	154,400	134,600	212,200	57,800	37%
Professional Services	41,200	48,000	45,000	63,000	15,000	31%
Support Costs	79,700	59,100	46,700	64,000	4,900	8%
Projects and Operations						
Program Operations	2,831,400	5,144,200	3,500,000	5,378,000	233,800	5%
Transfers Out	179,000	146,400	146,400	216,600	70,200	48%
TOTAL Uses	3,241,900	5,552,100	3,872,700	5,933,800	381,700	7%
Excess (deficiency) of Sources over (under) Uses	\$ (172,800)	\$ 1,539,600	\$ 3,218,000	\$ (469,400)	\$ (2,009,000)	-130%

Personnel salaries and benefits increased 37% primarily due to the one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability. Professional services increased 31% and relates to general legal services. Support costs are comparable to the prior year's budget. Operating costs for towing services in FY 2019/20 are higher than the FY 2018/19 budget due to increased support levels needed on the I-15 Express Lanes, Pachappa underpass, and SR-60 truck lane projects. Transfers out to the General fund of \$216,600 are administrative cost allocations.



SERVICE AUTHORITY FOR FREEWAY EMERGENCIES FUND

The SAFE fund accounts for the \$1 per vehicle registration fee levied by the State on all registered vehicles within the County. It funds the installation and implementation of emergency aid call boxes located strategically on the highways throughout the County as well as the operations of the 511 traveler information system (Table 29).

TABLE 29 - SERVICE AUTHORITY FOR FREEWAY EMERGENCIES FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
State Reimbursements	\$ 2,012,000	\$ 1,800,000	\$ 1,979,800	\$ 1,980,000	\$ 180,000	10%
Local Reimbursements	155,600	224,600	113,700	227,600	3,000	1%
Other Revenue	5,000	7,000	-	-	(7,000)	-100%
Investment Income	64,100	26,900	66,400	107,200	80,300	299%
TOTAL Sources	2,236,700	2,058,500	2,159,900	2,314,800	256,300	12%
Uses						
Personnel Salaries and Benefits	13,200	45,600	37,400	68,700	23,100	51%
Professional Services	311,100	480,200	231,100	459,000	(21,200)	-4%
Support Costs	211,300	236,800	113,900	352,400	115,600	49%
Projects and Operations						
Program Operations	17,500	17,600	17,100	19,000	1,400	8%
Transfers Out	1,114,400	3,674,100	3,674,100	2,531,600	(1,142,500)	-31%
TOTAL Uses	1,667,500	4,454,300	4,073,600	3,430,700	(1,023,600)	-23%
Excess (deficiency) of Sources over (under) Uses	\$ 569,200	\$ (2,395,800)	\$ (1,913,700)	\$ (1,115,900)	\$ 1,279,900	-53%

Local reimbursements represent recoveries through a collection agency related to call box knockdowns and pass-through funds from SBCTA for its share of the 511 traveler information system operating costs. Investment income increased 299% compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget.

Personnel salaries and benefits increased 51% primarily due to the one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability. Professional services remained relatively flat from FY 2018/19. Support costs increased 49% due to the call box upgrade and removal program in FY 2019/20. Projects and operations costs remained flat. The transfers out reflect a \$2,400,000 match to the State's contribution for towing services in the FSP special revenue fund and \$131,600 to the General fund for administrative cost allocations.



STATE TRANSIT ASSISTANCE FUND

The STA fund accounts for the state budgetary allocation of gas tax revenues designated for rail and bus transit operations and capital requirements (Table 30). Estimates of diesel fuel sales tax revenues provided by the State Controller, subject to an annual state budget appropriation, serve as the basis for the allocation. These estimates now include funding from SB 1 for transit.

TABLE 30 - STATE TRANSIT ASSISTANCE FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
STA Sales Tax	\$ 17,608,000	\$ 19,506,600	\$ 23,406,500	\$ 27,253,800	\$ 7,747,200	40%
Investment Income	634,500	271,200	965,600	1,628,400	1,357,200	500%
TOTAL Sources	18,242,500	19,777,800	24,372,100	28,882,200	9,104,400	46%
Uses						
Professional Services	16,500	18,000	16,900	17,700	(300)	-2%
Operating and Capital Disbursements	5,185,900	48,601,800	7,200,000	50,110,000	1,508,200	3%
TOTAL Projects and Operations	5,185,900	48,601,800	7,200,000	50,110,000	1,508,200	3%
Transfers Out	329,600	431,700	431,700	572,400	140,700	33%
TOTAL Uses	5,532,000	49,051,500	7,648,600	50,700,100	1,648,600	3%
Excess (deficiency) of Sources over (under) Uses	\$ 12,710,500	\$ (29,273,700)	\$ 16,723,500	\$ (21,817,900)	\$ 7,455,800	-25%

Investment income increased 500% compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget.

The operating and capital disbursements consist of allocations primarily for bus capital purposes. In FY 2019/20, approximately 55% of the allocations are in Western County, 45% in Coachella Valley, and less than 1% in Palo Verde Valley. Similar to the LTF allocations, the STA allocations are subject to Commission approval in July 2019. Transfers out represent rail capital allocations of \$450,000 to the Coachella Valley Rail fund and \$122,400 to the General fund for administrative cost allocations.

STATE OF GOOD REPAIR FUND

The SGR fund accounts for additional STA funding under SB 1 (The Road Repair and Accountability Act of 2017) for transit infrastructure repair and service improvements (Table 31). These additional revenues fund eligible transit maintenance, rehabilitation, and capital projects.

TABLE 31 - STATE OF GOOD REPAIR FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
STA Sales Tax	\$ 3,712,900	\$ 3,697,000	\$ 3,704,200	\$ 3,796,800	\$ 99,800	3%
Investment Income	(13,500)	-	29,100	55,900	55,900	N/A
TOTAL Sources	3,699,400	3,697,000	3,733,300	3,852,700	155,700	4%
Uses						
Capital Disbursements	-	3,635,300	-	5,861,300	2,226,000	61%
Transfers Out	-	81,700	1,634,100	941,500	859,800	1052%
TOTAL Uses	-	3,717,000	1,634,100	6,802,800	3,085,800	83%
Excess (deficiency) of Sources over (under) Uses	\$ 3,699,400	\$ (20,000)	\$ 2,099,200	\$ (2,950,100)	\$ (2,930,100)	14651%

The capital disbursements consist of allocations for bus capital purposes. In FY 2019/20, 73% of the allocations are in Western County, 26% in Coachella Valley, and 1% in Palo Verde Valley. Similar to the LTF and STA allocations, Commission approval of the SGR allocations occurs in July 2019. Transfers out of \$819,100 relate to a station rehabilitation and improvement project in the 2009 Measure A Western County rail special revenue fund and \$122,400 to the General fund for administrative costs allocations.

COACHELLA VALLEY RAIL FUND

The Coachella Valley Rail fund accounts for state funding for the planning and development of the new Coachella Valley-San Gorgonio Pass corridor rail service (Table 32).

TABLE 32 - COACHELLA VALLEY RAIL FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Federal Reimbursements	\$ 602,200	\$ 2,000,000	\$ 1,500,000	\$ 750,000	\$ (1,250,000)	-63%
State Reimbursements	-	-	-	5,942,500	5,942,500	N/A
Investment Income	27,300	200	27,000	9,400	9,200	4600%
Transfers In	226,800	350,000	350,000	450,000	100,000	29%
TOTAL Sources	856,300	2,350,200	1,877,000	7,151,900	4,801,700	204%
Uses						
Personnel Salaries and Benefits	11,900	50,700	12,800	85,200	34,500	68%
Professional Services	838,800	2,210,000	1,582,300	9,673,200	7,463,200	338%
Support Costs	-	4,000	3,700	3,700	(300)	-8%
Projects and Operations						
Construction	-	2,400,000	-	-	(2,400,000)	-100%
TOTAL Projects and Operations	-	2,400,000	-	-	(2,400,000)	-100%
Transfers Out	47,700	300,600	300,600	155,300	(145,300)	-48%
TOTAL Uses	898,400	4,965,300	1,899,400	9,917,400	4,952,100	100%
Excess (deficiency) of Sources over (under) Uses	\$ (42,100)	\$ (2,615,100)	\$ (22,400)	\$ (2,765,500)	\$ (150,400)	6%

Federal reimbursements represent a Federal Rail Administration (FRA) grant of \$750,000 for rail station planning and development. State reimbursements of \$5,942,500 relate to State Rail Assistance (SRA) grant funds for the special train platform in the city of Indio. Investment income increased \$9,200 compared to the previous year's budget due to extremely conservative investment yield projections in the FY 2018/19 budget. Transfers in of \$450,000 reflect to STA allocations.

Personnel salaries and benefits increased 68% primarily due to the one-time disbursement in FY 2019/20 to fund the Commission's CalPERS net pension liability. Professional services increased 338% due to a special events train platform in the city of Indio. Construction decreased 100% due to continued planning and development of passenger rail options. These expenditures include detailed studies and station planning and development on the Coachella Valley-San Gorgonio Pass rail corridor. Transfers out to the General fund of \$155,300 relate to administrative costs allocations.

OTHER AGENCY PROJECTS FUND

The Other Agency Projects fund accounts for interagency cooperative planning and development of projects in the County (Table 33). The Commission entered into a MOU with the Riverside County Regional Park and Open Space District (District) for the Santa Ana River Trail projects. The projects are a joint effort with several public and private agencies including the counties of Orange and San Bernardino. The District is the lead agency for environmental compliance for NEPA and CEQA, and the Commission is responsible for project oversight and approval, final design, and construction.

TABLE 33 - OTHER AGENCY PROJECTS FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Local Reimbursements	\$ 295,200	\$ 11,880,000	\$ 1,741,400	\$ 7,367,900	\$ (4,512,100)	-38%
Investment Income	(400)	200	4,800	200	-	0%
Transfers In	-	466,600	-	-	(466,600)	-100%
TOTAL Sources	294,800	12,346,800	1,746,200	7,368,100	(4,978,700)	-40%
Uses						
Personnel Salaries and Benefits	65,600	62,000	56,000	201,500	139,500	225%
Professional Services	25,300	51,000	46,000	31,000	(20,000)	-39%
Support Costs	900	900	1,000	1,100	200	22%
Projects and Operations						
Program Operations	169,600	271,800	241,800	354,100	82,300	30%
Engineering	124,700	1,169,700	650,000	850,000	(319,700)	-27%
Construction	-	10,008,000	-	5,000,000	(5,008,000)	-50%
Right of Way/Land	85,700	255,000	280,000	205,000	(50,000)	-20%
TOTAL Projects and Operations	380,000	11,704,500	1,171,800	6,409,100	(5,295,400)	-45%
Transfers Out	-	466,600	466,600	725,200	258,600	55%
TOTAL Uses	471,800	12,285,000	1,741,400	7,367,900	(4,917,100)	-40%
Excess (deficiency) of Sources over (under) Uses	\$ (177,000)	\$ 61,800	\$ 4,800	\$ 200	\$ (61,600)	-100%

The District is responsible for 100% of the Santa Ana River Trail project costs. It will reimburse the Commission, including providing an advance deposit, for all salaries and benefits, professional services, support costs, project management, engineering, construction costs, and right of way.

SB 132 FUND

The SB 132 fund (Table 34) accounts for the \$427 million appropriation from the state highway account to the Riverside County Transportation Efficiency Corridor for five major projects in Western County:

- Commission’s 15/91 Express Lanes connector project;
- City of Corona’s McKinley Avenue grade separation project;
- County’s Jurupa Road grade separation project with the city of Jurupa Valley as its partner;
- County’s I-15/Limonite interchange project with the cities of Eastvale and Jurupa Valley as its partners; and
- County’s Hamner Bridge widening project with the city of Norco as its partner.



Without the state funding approved by the Governor and State Legislators in April 2017 as part package of legislation that passed with SB 1, these projects would not have been built for many years.

TABLE 34 - SB 132 FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
State Reimbursements	\$ 5,341,300	\$ 118,418,400	\$ 73,108,900	\$ 93,511,800	\$ (24,906,600)	-21%
Investment Income	7,800	-	-	-	-	N/A
Transfers In	-	-	-	2,000,000	2,000,000	N/A
TOTAL Sources	5,349,100	118,418,400	73,108,900	95,511,800	(22,906,600)	-19%
Uses						
Personnel Salaries and Benefits	217,000	387,200	381,900	470,800	83,600	22%
Professional Services	801,000	2,511,500	1,726,000	2,176,500	(335,000)	-13%
Support Costs	2,500	10,000	600	100	(9,900)	-99%
Projects and Operations						
Program Operations	17,500	226,300	216,300	973,100	746,800	330%
Engineering	1,915,600	12,850,000	6,801,000	4,608,000	(8,242,000)	-64%
Construction	-	35,862,000	35,858,000	18,053,000	(17,809,000)	-50%
Design Build	2,445,900	46,092,600	15,861,000	41,718,000	(4,374,600)	-9%
Right of Way/Land	-	20,000,000	11,500,000	26,644,000	6,644,000	33%
TOTAL Projects and Operations	4,379,000	115,030,900	70,236,300	91,996,100	(23,034,800)	-20%
Transfers Out	195,300	495,300	495,300	868,300	373,000	75%
TOTAL Uses	5,594,800	118,434,900	72,840,100	95,511,800	(22,923,100)	-19%
Excess (deficiency) of Sources over (under) Uses	\$ (245,700)	\$ (16,500)	\$ 268,800	\$ -	\$ 16,500	-100%

Personnel salaries and benefits increased 22% primarily due to the one-time disbursement in FY 2019/20 to fund the Commission’s CalPERS net pension liability. Professional services decreased 13% due to legal services, financial advisory, and traffic and revenue study activities primarily related to the 15/91 Express Lanes connector project. Support costs decreased 99% related to general supplies and materials. Projects and operations decreased \$23,034,800 primarily due to engineering, construction, and design-build activities on the 15/91 Express Lanes connector project; engineering and right of way activities on the McKinley Avenue grade separation project; and construction on the I-15/Limonite interchange project. Transfers out to the General fund of \$868,300 relate to the administrative costs allocations.

CAPITAL PROJECTS FUNDS

OVERVIEW

The capital projects funds account for all debt proceeds from commercial paper notes, sales tax revenue bonds, and toll revenue bonds (Table 35).

TABLE 35 - CAPITAL PROJECTS FUNDS FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Investment Income	\$ 3,646,400	\$ 955,400	\$ 3,349,600	\$ 1,371,700	\$ 416,300	44%
TOTAL Revenues	3,646,400	955,400	3,349,600	1,371,700	416,300	44%
Expenditures						
Professional Services	924,600	-	-	-	-	N/A
Support Costs	4,600	-	-	-	-	N/A
TOTAL Professional and Support Costs	929,200	-	-	-	-	N/A
Debt Service						
Principal Payments	30,000,000	-	-	-	-	N/A
Interest Payments	7,563,500	-	-	-	-	N/A
Cost of Issuance	2,256,100	-	-	-	-	N/A
TOTAL Debt Service	39,819,600	-	-	-	-	N/A
TOTAL Expenditures	40,748,800	-	-	-	-	N/A
Excess (deficiency) of Revenues over (under) Expenditures	(37,102,400)	955,400	3,349,600	1,371,700	416,300	44%
Other Financing Sources (Uses)						
Transfers In	38,917,000	-	-	-	-	N/A
Transfers Out	(193,939,000)	(45,044,500)	(27,284,000)	(24,402,400)	20,642,100	-46%
Debt and Refunding Debt Proceeds	615,775,000	-	-	-	-	N/A
Payment to Escrow Agent	(538,056,500)	-	-	-	-	N/A
Bond Premium	119,713,800	-	-	-	-	N/A
Net Financing Sources (Uses)	42,410,300	(45,044,500)	(27,284,000)	(24,402,400)	20,642,100	-46%
Excess (deficiency) of Revenues over (under) Expenditures and Other Financing Sources (Uses)	5,307,900	(44,089,100)	(23,934,400)	(23,030,700)	21,058,400	-48%
Beginning Fund Balance	111,612,000	116,919,900	116,919,900	92,985,500	(23,934,400)	-20%
ENDING FUND BALANCE	\$ 116,919,900	\$ 72,830,800	\$ 92,985,500	\$ 69,954,800	\$ (2,876,000)	-4%

As illustrated in the following charts for FY 2019/20, capital projects funds sources and uses consist of investment income (Chart 21) and transfers out (Chart 22), respectively. In prior years, these charts reflected debt proceeds, including bond premium, and transfers in for sources as well as debt service payments to escrow agent for uses. In FY 2017/18, the Commission issued sales tax revenue bonds to finance the I-15 Express Lanes project and 91 Project completion and to refund sales tax revenue bonds due to federal tax reform. The Commission does not anticipate any new sales tax revenue debt issuances, toll revenue debt issuances, or debt refundings in FY 2019/20.

CHART 21 - CAPITAL PROJECTS FUNDS SOURCES FY 2019/20

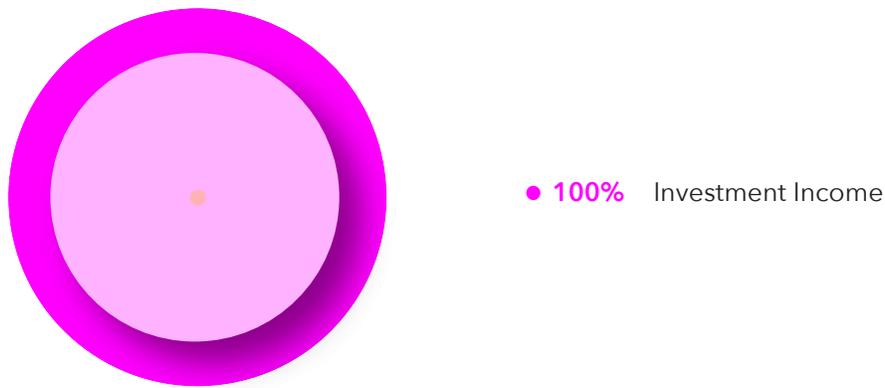
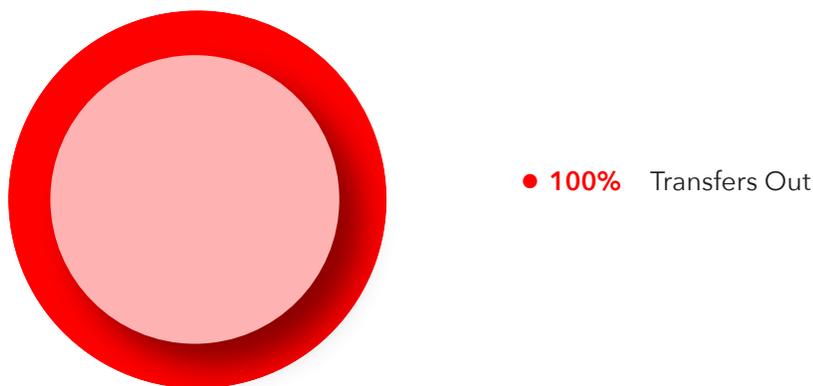


CHART 22 - CAPITAL PROJECTS FUNDS USES FY 2019/20



In FY 2019/20, the Commission expects to transfer out sales tax bond proceeds of \$24,402,400 to the 2009 Measure A Western County Highways special revenue fund for the I-15 Express Lanes project.

DEBT SERVICE FUND

OVERVIEW

Under the 2009 Measure A program, as amended by Measure K in November 2010, the Commission has the authority to issue sales tax revenue bonds subject to a debt limitation of \$975,000,000. The Debt Service fund of the Commission primarily accounts for all activities related to the sales tax revenue bonds debt incurred by the Commission (Table 36).

The Commission's largest single expenditure is debt service. The debt agreements require the trustees to hold all debt proceeds, a portion of the sales tax revenues intercepted from the CDTFA, and the toll revenues from express lanes operations and to segregate all funds into separate accounts. These monies are included in the restricted investments held by trustee in the capital projects funds, debt service fund, and enterprise fund. Under the sales tax indentures, the Commission may use sales tax revenues for any lawful purpose related to the Riverside County TIP after the trustee has satisfied debt service requirements. Under the toll indentures, which include the TIFIA loans, a separate flow of funds administered by the trustee prescribes the use of toll revenues for each facility.

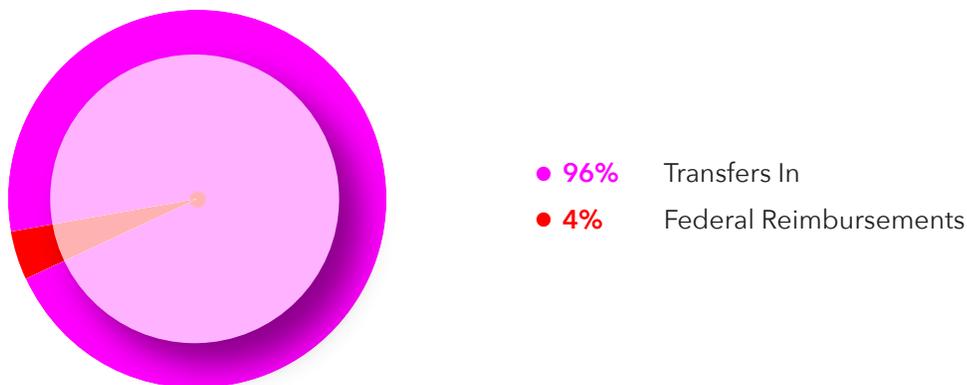
In order to advance project development activities, the Commission established a commercial paper program in 2005. Periodically the Commission issues commercial paper notes and retires some of the notes with proceeds from sales tax revenue bonds.

TABLE 36 - DEBT SERVICE FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Sources						
Federal Reimbursements	\$ 2,785,200	\$ 2,800,200	\$ 2,794,200	\$ 2,803,200	\$ 3,000	0%
Investment Income	240,600	162,900	339,800	348,500	185,600	114%
TOTAL Sources	3,025,800	2,963,100	3,134,000	3,151,700	188,600	6%
Expenditures						
Debt Service						
Principal Payments	32,120,000	25,965,000	21,495,000	27,245,000	1,280,000	5%
Interest Payments	43,039,500	43,590,700	43,590,700	42,292,500	(1,298,200)	-3%
TOTAL Debt Service	75,159,500	69,555,700	65,085,700	69,537,500	(18,200)	0%
TOTAL Expenditures	75,159,500	69,555,700	65,085,700	69,537,500	(18,200)	0%
Excess (deficiency) of Revenues over (under) Expenditures	(72,133,700)	(66,592,600)	(61,951,700)	(66,385,800)	206,800	0%
Other Financing Sources (Uses)						
Transfers In	68,012,100	72,555,700	68,085,700	72,534,500	(21,200)	0%
Transfers Out	(2,944,700)	(2,800,200)	(2,794,200)	(2,803,200)	(3,000)	0%
Payment to Escrow Agent	(3,833,300)	-	-	-	-	-
Net Financing Sources (Uses)	61,234,100	69,755,500	65,291,500	69,731,300	(24,200)	0%
Excess (deficiency) of Revenues over (under) Expenditures and Other Financing Sources (Uses)	(10,899,600)	3,162,900	3,339,800	3,345,500	182,600	6%
Beginning Fund Balance	21,982,500	11,082,900	11,082,900	14,422,700	3,339,800	30%
ENDING FUND BALANCE	\$ 11,082,900	\$ 14,245,800	\$ 14,422,700	\$ 17,768,200	\$ 3,522,400	25%

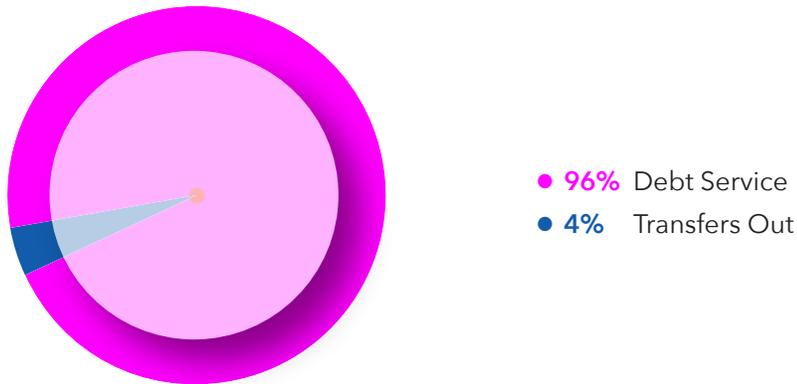
Reimbursements consist of federal cash subsidy payments related to the 2010 Series B Bonds (2010B Bonds) designated as BABs. The BABs subsidy payments reflect a reduction in the expected payments due to federal sequestration cuts. Investment income is higher than the previous fiscal year due to improved investment yields. Transfers in represent the primary source of funding for the debt service funds and reserves (Chart 23) and consist of funds from the 2009 Measure A Western County Highways and Bond Financing special revenue funds.

CHART 23 - DEBT SERVICE FUND SOURCES FY 2019/20



Debt Service fund uses (Chart 24) consist of debt service on the sales tax revenue bonds and transfer of the BABs subsidy payments to the 2009 Measure A Western County highways and 2009 Measure A Coachella Valley highway and regional arterials funds.

CHART 24 - DEBT SERVICE FUND USES FY 2019/20



SR-91 eastbound near Maple Street in Corona



ENTERPRISE FUND

OVERVIEW

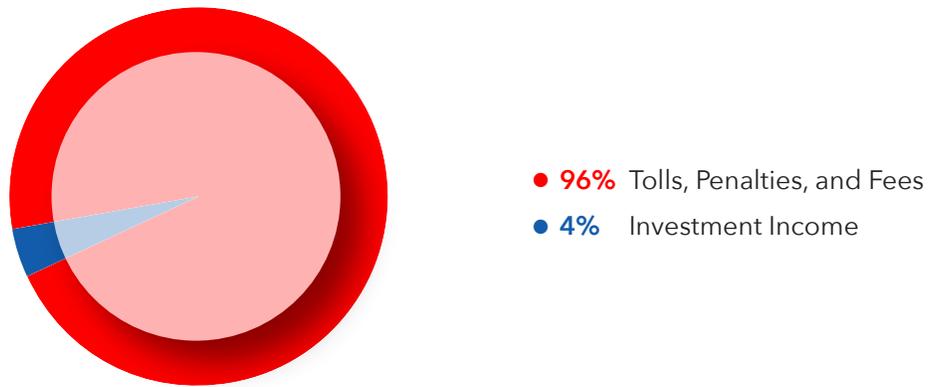
The RCTC 91 Express Lanes is a four-lane, eight-mile toll road in the median of SR-91 and a direct express lanes connector that extends the Orange County Transportation Authority (OCTA) 91 Express Lanes at the Orange County/Riverside County line to the SR-91/I-15 interchange. Toll revenues and non-toll revenues fund maintenance and operating costs, rehabilitation, capital expenses, and debt service (Table 37). The RCTC 91 Express Lanes toll collection system is all electronic transactions, with no toll collection booths. Commuters on SR-91 in Corona have a choice of using either the express lanes or the general purpose lanes.

TABLE 37 - ENTERPRISE FUND FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Revenues						
Local Reimbursements	\$ -	\$ 8,500,000	\$ 2,000	\$ -	\$ (8,500,000)	-100%
Tolls, Penalties, and Fees	50,446,800	36,940,500	47,756,900	41,869,400	4,928,900	13%
Investment Income	(32,700)	141,300	1,130,700	1,522,100	1,380,800	977%
TOTAL Revenues	50,414,100	45,581,800	48,889,600	43,391,500	(2,190,300)	-5%
Expenses						
Personnel Salaries and Benefits	510,300	603,000	638,000	1,353,400	750,400	124%
Professional and Support						
Professional Services	815,400	2,061,000	2,350,000	1,990,000	(71,000)	-3%
Support Costs	2,793,400	4,576,700	3,936,800	4,543,300	(33,400)	-1%
TOTAL Professional and Support Costs	3,608,800	6,637,700	6,286,800	6,533,300	(104,400)	-2%
Program and Operations						
Program and Operations	6,661,400	8,786,100	8,507,900	10,670,200	1,884,100	21%
Debt Service						
Interest Payments	7,119,900	7,119,900	7,119,900	7,119,900	-	0%
Capital Outlay	319,600	2,497,600	2,314,100	750,000	(1,747,600)	-70%
TOTAL Expenses	18,220,000	25,644,300	24,866,700	26,426,800	782,500	3%
Excess (deficiency) of Revenues over (under) Expenditures	32,194,100	19,937,500	24,022,900	16,964,700	(2,972,800)	-15%
Other Financing Sources (Uses)						
Transfers Out	(749,500)	(6,307,200)	(3,948,200)	(3,059,500)	3,247,700	-51%
Payment to Escrow Agent	-	(20,000,000)	(20,000,000)	-	20,000,000	-100%
Net Financing Sources (Uses)	(749,500)	(26,307,200)	(23,948,200)	(3,059,500)	23,247,700	-88%
Excess (deficiency) of Revenues over (under) Expenditures and Other Financing Sources (Uses)	31,444,600	(6,369,700)	74,700	13,905,200	20,274,900	-318%
Beginning Fund Balance	32,202,300	63,646,900	63,646,900	63,721,600	74,700	0%
ENDING FUND BALANCE	\$ 63,646,900	\$ 57,277,200	\$ 63,721,600	\$ 77,626,800	\$ 20,349,600	36%

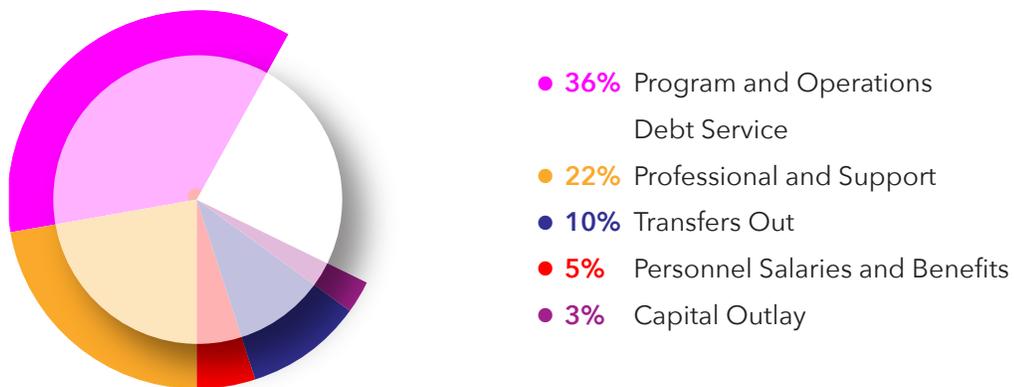
Local reimbursements budgeted in FY 2018/19 represented the anticipated proceeds from the sale of excess properties secured during the construction of the 91 Project. Tolls, penalties, and fees revenues represent the primary revenue source for the enterprise fund (Chart 25). Such revenues consist of toll revenues of \$36,138,300 based on estimated toll transactions and current RCTC 91 Express Lanes traffic and revenue data, while the balance of \$5,731,100 represents penalties and fees related to toll transactions and other customer account fees. Investment income represents earnings on operating and other restricted funds.

CHART 25 - ENTERPRISE FUND SOURCES FY 2019/20



Toll operations expenses in FY 2019/20 are necessary to manage the operations, maintenance, and capital support of the RCTC 91 Express Lanes (Chart 26). Personnel salaries and benefits represent 5% of the total budgeted uses. Professional and support costs is 22% of budgeted uses and includes system, equipment, and road maintenance; insurance; violation enforcement; consulting services; and marketing. Program and operations of \$10,670,200 consist of the contracted operators' expenses related to operating and maintaining the toll lane hardware and software and customer service center, toll processing, and violation collection processing. Debt service includes interest payments of \$7,119,900 for the current interest portion of the 2013 Toll Revenue Bonds (2013 Toll Bonds). Capital outlay of \$750,000 is related to the transition to new 6c transponder technology. The FY 2019/20 budget does not include accreted interest related to the capital appreciation portion of the 2013 Toll Bonds or compounded interest on the TIFIA loan executed in July 2013 for the 91 Project (2013 TIFIA Loan).

CHART 26 - ENTERPRISE FUND USES FY 2019/20



Transfers out include \$2,359,000 of surplus toll revenues to the 2009 Measure A Western County highways fund for the SR-91 Corridor Operations project and a traffic and revenue study and \$700,500 to the General fund for the administrative costs allocations.



RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION



SECTION 3

Revenues and Other Sources

Corona - North Main station

SECTION 3
REVENUES AND
OTHER SOURCES

REVENUES AND OTHER SOURCES

Total revenues and other sources are budgeted at \$903,266,400, and consist of:

- Measure A sales tax of \$193,000,000 (21% of total sources);
- LTF sales tax of \$97,000,000 (11% of total sources);
- STA revenues of \$31,050,600 (3% of total sources);
- Federal revenues of \$89,718,700 (10% of total sources);
- State revenues of \$160,596,100 (18% of total sources);
- TUMF of \$25,000,000 (3% of total sources);
- Debt proceeds of \$75,703,000 (8% of total sources);
- Transfers in of \$166,027,000 (18% of total sources);
- Toll revenues, penalties, and fees of \$41,869,400 (5% of total sources); and
- Other revenues of \$23,301,600 (3% of total sources).

Table 38 summarizes the specific revenue funding sources.

TABLE 38 - REVENUES AND OTHER SOURCES FY 2019/20

Department/Program	Sales Tax			Federal	State	Local/Toll/ Other	Funding Sources
	Measure A	LTF	STA				
Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,200	\$ 82,200
MEASURE A AND OTHER CAPITAL PROGRAMS							
Bond Financing	12,096,000	-	-	-	-	223,400	12,319,400
CETAP	-	-	-	-	-	13,407,600	13,407,600
Economic Development	1,792,000	-	-	-	-	249,700	2,041,700
Highways	66,436,000	-	-	56,138,700	133,266,900	3,499,100	259,340,700
Local Streets and Roads	58,964,000	-	-	-	-	-	58,964,000
New Corridors	16,577,000	-	-	-	7,042,000	578,100	24,197,100
Rail	9,140,000	-	-	24,850,000	5,942,500	876,000	40,808,500
Regional Arterials	13,441,000	-	-	-	5,800,000	14,183,800	33,424,800
REGIONAL PROGRAMS							
Public and Specialized Transit	12,314,000	97,000,000	31,050,600	-	-	2,933,700	143,298,300
Planning and Programming	-	-	-	-	668,000	7,373,600	8,041,600
Rail Station Maintenance/Operations	-	-	-	8,730,000	2,996,700	692,100	12,418,800
Commuter Assistance	2,240,000	-	-	-	-	2,181,000	4,421,000
Motorist Assistance	-	-	-	-	4,880,000	499,200	5,379,200
Toll Operations	-	-	-	-	-	43,391,500	43,391,500
OTHER FINANCING SOURCES							
Debt Proceeds	-	-	-	-	-	75,703,000	75,703,000
Transfers In	-	-	-	-	-	166,027,000	166,027,000
TOTAL Funding Sources	\$193,000,000	\$ 97,000,000	\$ 31,050,600	\$ 89,718,700	\$160,596,100	\$331,901,000	\$ 903,266,400

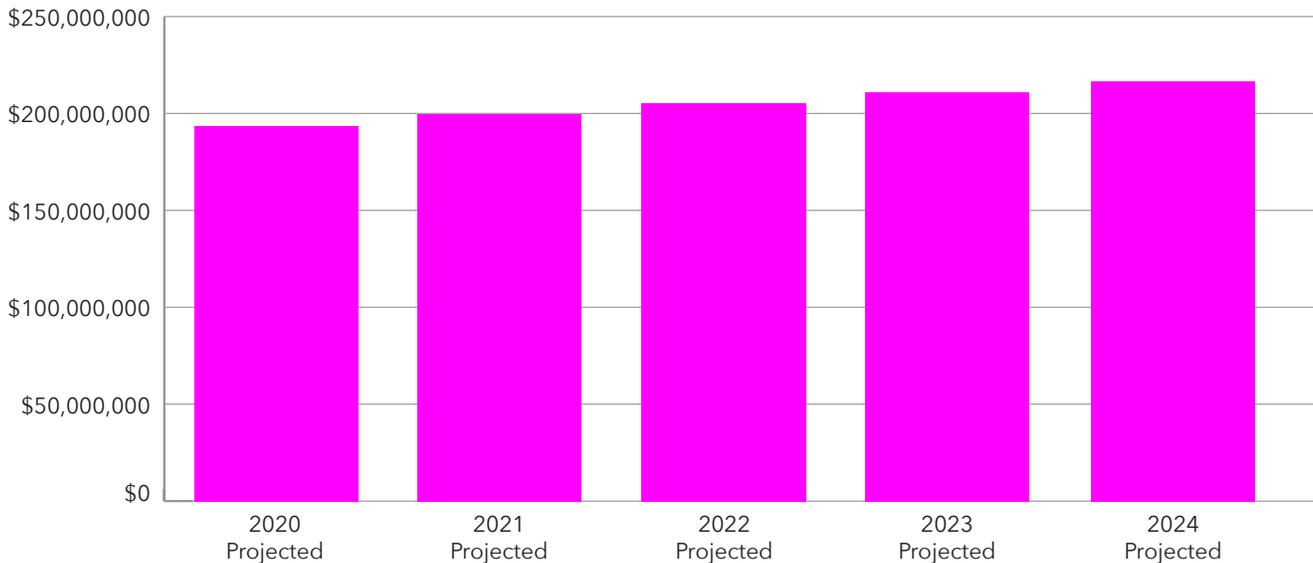
REVENUES—DEFINITIONS AND BACKGROUND

Measure A: Measure A is a one-half of one percent transactions and use tax that was first approved by Riverside County voters in 1988 and expired on June 30, 2009 after a 20-year term. On November 5, 2002, the voters of Riverside County approved the renewal of Measure A through 2039. The 2009 Measure A is expected to raise approximately \$8 billion (in nominal dollars) during its lifespan. The amount raised by the Measure A levy increased as the County and its economic base have grown during the past two decades, peaking in FY 2017/18 at \$176.3 million. Measure A revenues are projected to approximate \$192,000,000 and \$193,000,000 in FY 2018/19 and FY 2019/20, respectively.

Measure A requires that all sales taxes collected may only be used for transportation purposes including administration and the construction, capital acquisition, maintenance, and operation of streets, roads, highways, including state highways, and public transit systems and for related purposes. These purposes include expenditures for planning, environmental reviews, engineering and design costs, and related right of way acquisition.

The Commission historically obtains and updates Measure A revenue projections through consultants for budget and strategic project planning purposes. A consultant prepares a long-term economic forecast semiannually, and a sales tax services consultant provides Measure A revenue projections in connection with its quarterly sales tax analysis. Measure A revenue projections, based on such updates and other factors, for the next five fiscal years are presented in Chart 27 below.

CHART 27 - FORECASTED MEASURE A SALES TAX REVENUES 2020 - 2024



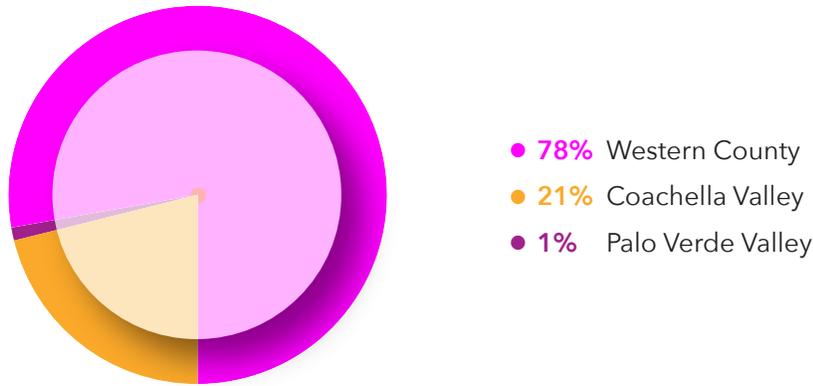
The Commission considered the following additional assumptions in the development of the Commission’s revenue forecast for FY 2019/20:

- The Inland Empire economy will continue to expand through FY 2019/20 due to steady gains in the Inland Empire’s labor market, population growth, and increased consumer and business spending.
- The State does not change the mix of items subject to the sales tax from what has been included historically.
- The relative sales and property tax rates of Riverside and surrounding counties do not change from historical levels.
- Internet sales will have minimal impact on revenue.

The Western Riverside County Delivery Plan financing strategy considers these Measure A sales tax revenue projections.

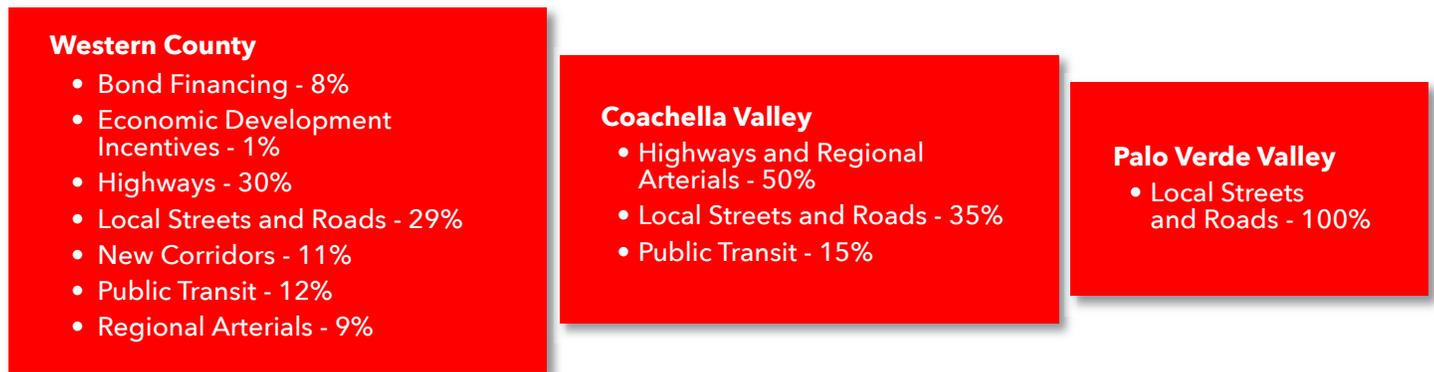
Geographic Allocation - Riverside County is comprised of three geographic areas: Western County, Coachella Valley, and Palo Verde Valley. The percentage of Measure A revenues allocated to each of these areas based on return to source is approximately 78% for Western County, 21% for Coachella Valley, and 1% for Palo Verde Valley (Chart 28). These percentages experience some slight variations from year to year based on changes in levels of taxable sales among the geographic areas.

CHART 28 - GEOGRAPHIC ALLOCATION OF MEASURE A SALES TAX REVENUES



Program Allocation - The 2009 Measure A TIP defines the manner in which the sales tax revenues are to be spent, as presented in the Table 39. In Western County, public transit includes funding for specialized transit, commuter rail, intercity bus service, and commuter assistance. For the Coachella Valley, public transit includes specialized transit and public bus services.

TABLE 39 - PROGRAM ALLOCATION OF 2009 MEASURE A SALES TAX REVENUES



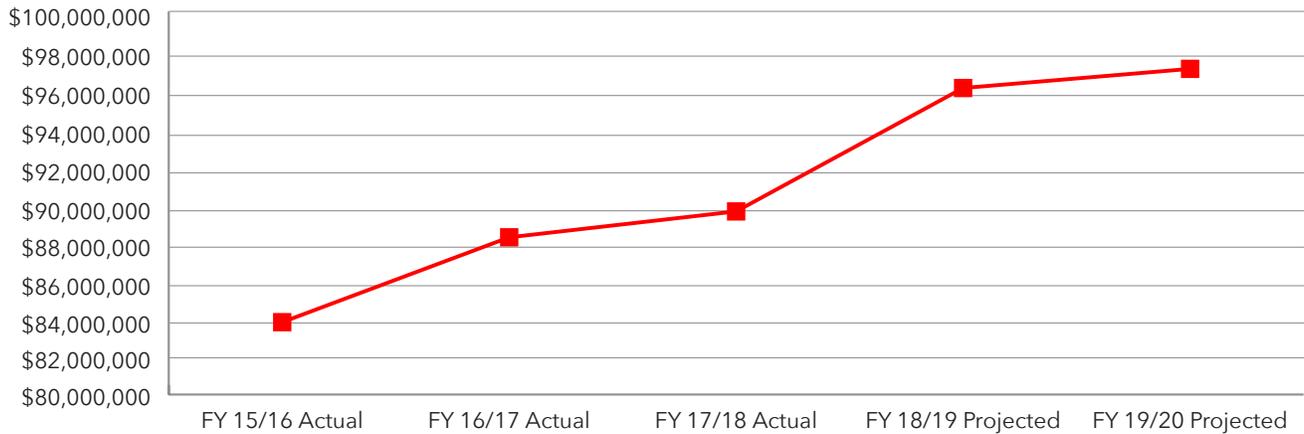
Population (in Western County and Palo Verde Valley) or dwelling units (in Coachella Valley) and taxable sales determine the local streets and roads allocations to the local jurisdictions within each geographic area. Based on the projected Measure A sales tax revenues of \$193,000,000 for FY 2019/20, the geographic and program allocations are presented in Table 40.

TABLE 40 - GEOGRAPHIC ALLOCATION OF MEASURE A SALES TAX REVENUES BY PROGRAM FY 2019/20

Program	Western County	Coachella Valley	Palo Verde Valley	Total
Bond Financing	\$ 12,096,000	\$ -	\$ -	\$ 12,096,000
Economic Development Incentives	1,792,000	-	-	1,792,000
Highways	45,698,000	-	-	45,698,000
Highways and Regional Arterials	-	20,738,000	-	20,738,000
Local Streets and Roads	43,458,000	14,516,000	990,000	58,964,000
New Corridors	16,577,000	-	-	16,577,000
Public Transit	17,473,000	6,221,000	-	23,694,000
Regional Arterials	13,441,000	-	-	13,441,000
TOTAL	\$ 150,535,000	\$ 41,475,000	\$ 990,000	\$ 193,000,000

Local Transportation Fund: One-quarter of one cent of the State’s 7.25% sales tax funds LTF, established in state law by the TDA. The legislation provided a dependable revenue stream for public transportation operations in California. Based upon an annual projection of LTF sales taxes that considers economic forecast revenue projections prepared by a consultant, local economic factors, and monthly receipt trends, the Commission allocates the vast majority of LTF revenue in the County to the eight public transit operators, including the Commission for its share of Metrolink operations costs. Much like Measure A revenue, LTF increased with the County’s growth and its economy (Chart 29); the CDTFA processing issues affecting FY 2017/18 Measure A actual results and FY 2018/19 projections also affected LTF revenues.

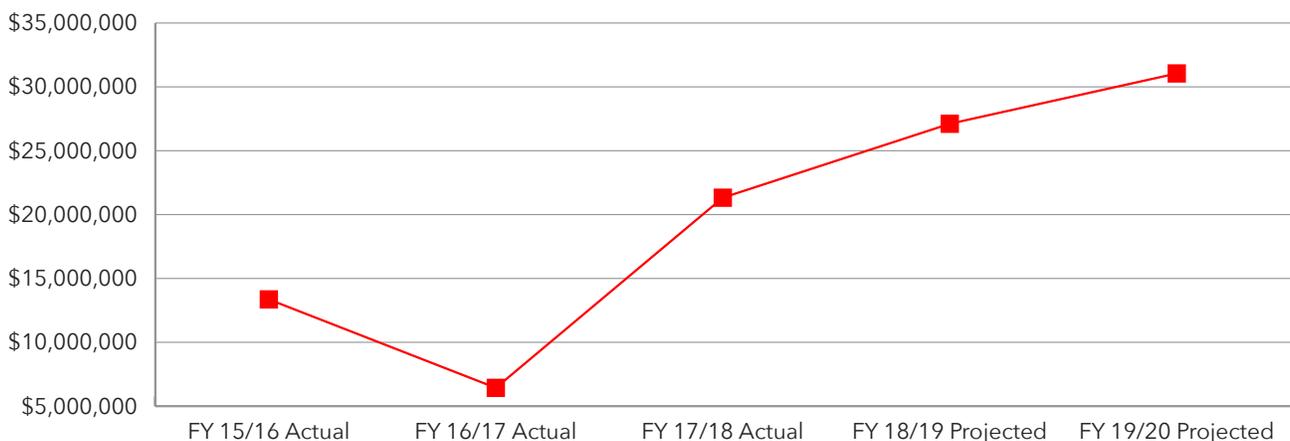
CHART 29 - LOCAL TRANSPORTATION FUND SALES TAX REVENUE TREND 2016 - 2020



The Commission allocates LTF revenues for regional and local transportation planning, program administration, SB 821 bicycle and pedestrian facilities projects, public bus transit, and rail transit, including the Commission’s share for commuter rail operations in Western County. The Commission administers these funds on behalf of the County in a special revenue fund.

State Transit Assistance, including State of Good Repair: STA provides additional TDA state funding of transit operations and capital for urban counties, including the County’s eight public transit operators (Chart 30). Sales taxes on diesel fuels historically generated the STA funding; however, beginning in FY 2017/18, SB 1 provides additional STA revenues for transit operations, maintenance, rehabilitation, and capital projects.

CHART 30 - STATE TRANSIT ASSISTANCE SALES TAX REVENUE TREND 2016 - 2020



State Transportation Improvement Program: The CTC administers and funds the STIP, California’s primary transportation fund, through state and federal gas tax dollars. The State’s revenues are generated by an excise tax on gasoline, including SB 1 revenues from increased taxes on motor fuels and vehicle fees that took effect in November 2017. Dollars are allocated to each county based on a formula that takes into consideration population and highway centerline miles. Local transportation agencies such as the Commission make project programming decisions for 75% of STIP dollars. As a result of alternative fuel vehicles, overall vehicle fuel efficiency, and lower gas prices, traditional STIP revenues steadily declined until SB 1. STIP reimbursement estimates are based on budgeted expenditures for specific projects with STIP allocations approved by the CTC.

SB 132: Caltrans administers the \$427 million appropriation from the state highway account to the Riverside County Transportation Efficiency Corridor projects in Western Riverside County as part of a package of legislation that passed with SB 1 in April 2017. SB 132 reimbursements represent budgeted expenditures for specific projects with SB 132 allocations.

Cap and Trade Program: State legislation in 2006 requires a reduction of GHG emissions in the State. A key element of the GHG reduction program is the Cap and Trade Program in which entities regulated under the program can “trade” or buy and sell a portion of emission allowances issued by the California Air Resources Board (CARB) at auctions held during the year. The revenues generated for the State through these auctions are appropriated for infrastructure investments that include LCTOP and road programs, high speed rail projects, and transit and intercity rail projects. State reimbursement revenues include LCTOP revenues for commuter rail operations.

Department of Motor Vehicles (DMV) Registration Fees: State law allows county SAFE agencies to impose a \$1 surcharge on vehicle registrations within the County to pay for call box purchases and operations; excess SAFE revenues may be used for 511 operations and as a match for FSP operations. The call boxes enable motorists to summon help should they encounter mechanical or emergency problems while on the road, whereas the 511 system provides real-time traffic and transit trip information available via the internet or telephone.

Caltrans Freeway Service Patrol Allocations: Caltrans is the primary sponsor of the FSP and provides the majority of funding for the program; the Commission funds towing services in construction zones for projects in which the Commission is the lead agency. The State provides nearly 80% of the funding for the FSP program based on population, freeway miles, and level of congestion throughout the State. Beginning in FY 2017/18, State allocations increased as a result of FSP funding provided by SB 1. The Commission administers and implements the program along with the CHP and Caltrans.

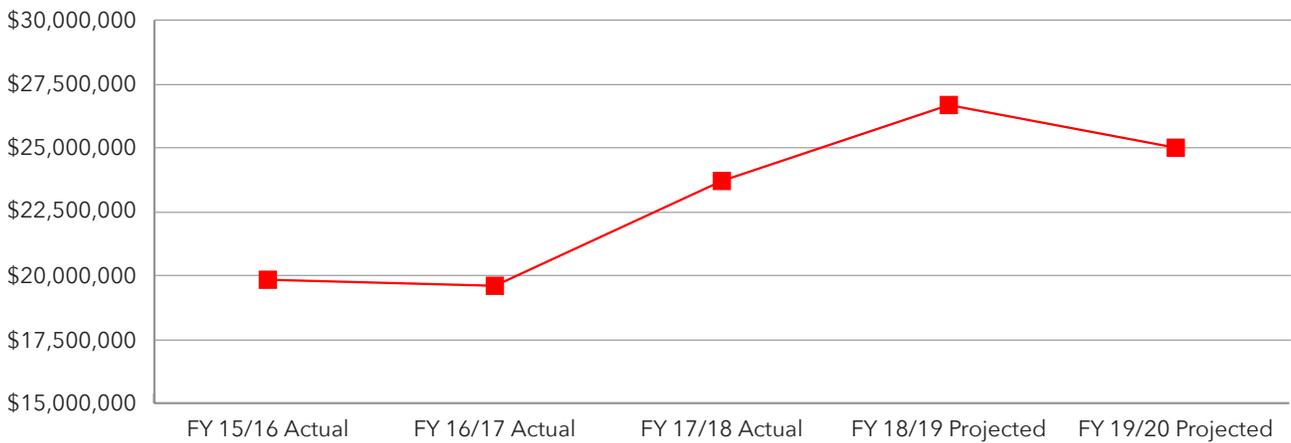
Congestion Mitigation and Air Quality: The federally funded CMAQ program targets transportation improvements in areas with air quality problems. This program pays for improvements that reduce congestion while improving air quality. The Commission also uses CMAQ dollars for commuter assistance programs, high occupancy vehicle (HOV) lanes, and transit projects. CMAQ reimbursement estimates represent budgeted expenditures for specific projects with CMAQ allocations.



Federal Transit Administration: The federal government generally allocates FTA funds annually to urbanized areas based on calculated miles of service. On a reimbursement basis, the federal government provides funding to the Commission for qualified capital investments in rail facilities, track, and vehicles.

Transportation Uniform Mitigation Fee: In connection with the 2009 Measure A, the TUMF program was established in the Western County to provide additional funding for regional arterial projects. WRCOG administers the TUMF program. The Commission receives a significant portion of the TUMF revenues, divided equally between the regional arterial and CETAP programs, based on a MOU with WRCOG. WRCOG maintains TUMF revenues for regional arterial zone improvements and disburses funds for regional transit facilities to Riverside Transit Agency (RTA). The Commission projects TUMF revenue (Chart 31) based on monthly receipt trends and consideration of local housing and commercial construction activity in the County. Occasionally, the Commission receives TUMF regional arterial zone reimbursements for TUMF projects in which the Commission is the lead agency.

CHART 31 - TRANSPORTATION UNIFORM MITIGATION FEE REVENUE TREND 2016 - 2020



Rail and Highway Licenses: The Commission owns parcels of land and right of way for highway, rail, and regional arterial projects in selected areas throughout the County. The ownership provides licensing and leasing opportunities for fiber-optic cable, advertising signs, and business tenants. The amount of funding received from the licenses and leases supports the cost of owning and maintaining the Commission’s land and facilities.

Toll Revenue: The Commission and the OCTA entered into a cooperative agreement in 2011 for the RCTC 91 Express Lanes and OCTA 91 Express Lanes to be interoperable and operated by the same toll operator. A subsequent agreement executed in 2013 among the Commission, OCTA, and the operator results in a single operator providing most operations and first line maintenance services for a single 91 Express Lanes system in Riverside and Orange counties. Notwithstanding their physical connection and use of the same toll operator, the RCTC 91 Express Lanes and OCTA 91 Express Lanes are independent enterprises; each agency charges independent tolls for its express lanes. FY 2019/20 toll revenues represent projected tolls for the RCTC 91 Express Lanes based on estimated toll transactions and traffic and revenue data.

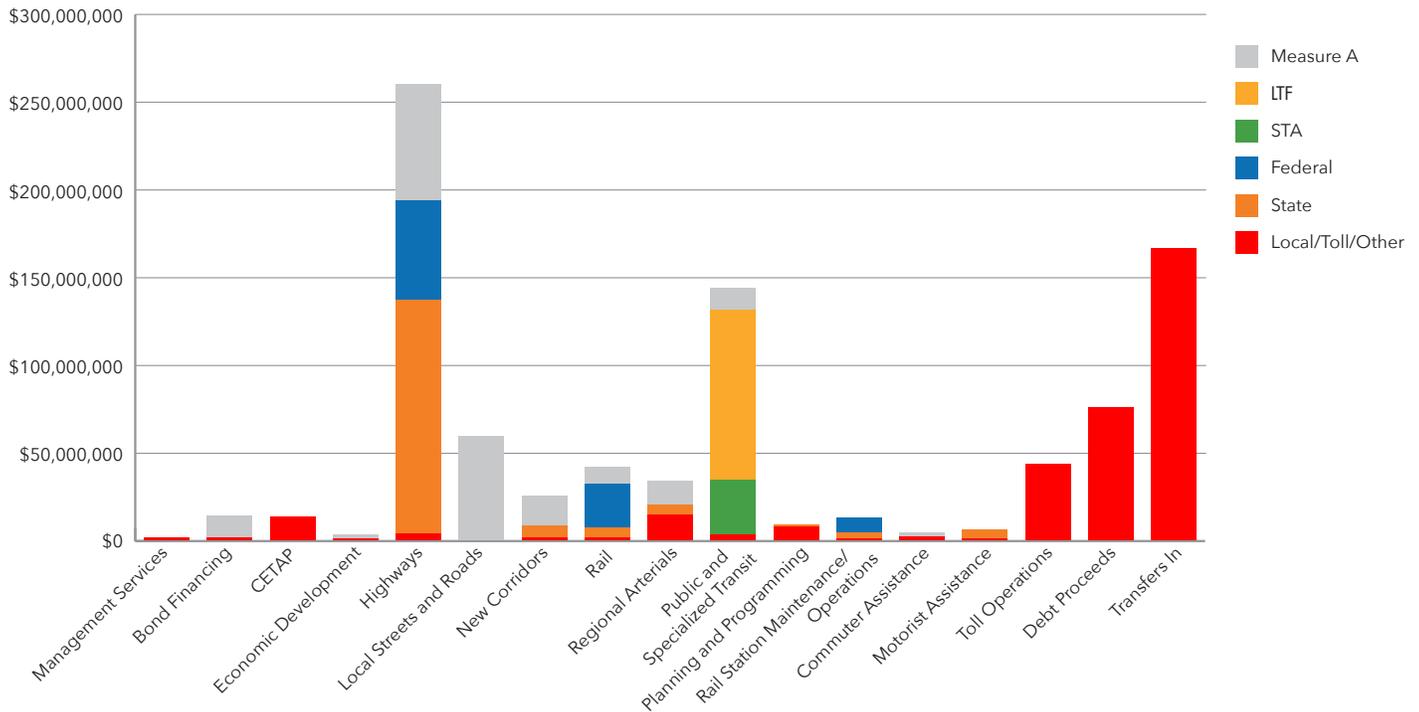
Non-toll Revenues: The 2011 cooperative agreement between the Commission and OCTA regarding the 91 Express Lanes also included cost and revenue sharing among other provisions. Non-toll revenues consist of revenues not attributable directly to toll transactions but are derived from transaction-based fees and account-based fees. The Commission estimated FY 2019/20 non-toll revenues based on current data from the RCTC 91 Express Lanes.

Investment Income: The Commission established a prudent investment policy that is intended to provide absolute safeguards on principal and liquidity as well maximize return, as noted in Section 1. The Commission estimated interest earnings on the State and County investment pools and funds held by the trustee for debt service and projects at 2%.

PROGRAM REVENUES AND OTHER SOURCES

The Commission allocated revenues and other financing sources for FY 2019/20 as follows:

CHART 32 - PROGRAM REVENUES FY 2019/20



MANAGEMENT SERVICES

The primary funding sources for management services are transfers in of Measure A of \$7,029,100, LTF of \$122,400 and \$6,411,200 from TUMF, SAFE, FSP, STA, SB 132, Coachella Valley Rail, toll operations, and other agency projects for administrative costs. Local and other revenues include \$400 related to reimbursements for administrative activities and investment revenues of \$81,800.

BOND FINANCING

Measure A Western County revenues of \$12,096,000 will be used to support bond financing costs. Investment revenues are \$223,400.

CETAP

The Western County CETAP program anticipates \$12,500,000 from TUMF for development of new CETAP corridors. Local and other revenues include \$18,000 for property lease revenues and \$889,600 representing investment income.

ECONOMIC DEVELOPMENT

In order to attract commercial and industrial development and jobs to locate in the Western County area, Measure A Western County revenues of \$1,792,000 will be used to create an infrastructure improvement bank to improve and construct interchanges, provide public transit linkages or stations, and make other improvements to the transportation system. Investment earnings are \$249,700.

HIGHWAYS

Funding for the highway program includes 2009 Measure A sales tax revenues of \$66,436,000 for Western County highways and Coachella Valley highways and regional arterial programs. The 2009 Measure A Western County sales tax revenues will be used primarily to fund debt service related to the financing of the 91 Project and I-15 Express Lanes project. Unexpended 1989 Measure A Western County revenues from prior years will be used on remaining eligible projects such as the Pachappa underpass project and close-out activities on the 91 Project.

Federal funds for highway projects include:

- \$447,100 in CMAQ funds for the SR-91 HOV lanes;
- \$8,255,200 and \$2,303,200 in CMAQ and federal earmarks, respectively for the Pachappa underpass project;
- \$2,704,000 in Surface Transportation Block Grant (STBG) funds for the I-15 Express Lanes project;
- \$6,000,000 in CMAQ funds for the I-15 Express lanes–Southern Extension project;
- \$33,626,000 in CMAQ funds for the SR-60 truck lanes project; and
- \$2,803,200 for BABs subsidy payments related to the 2010B Bonds.

State funds for highway projects include:

- STIP funding of \$109,100 for the I-215 corridor improvements;
- STIP funding of \$31,066,600 and State Highway Operation and Protection Program (SHOPP) funding of \$4,307,400 for the SR-60 truck lanes;
- SB 1 Local Partnership Program revenues of \$4,272,000 for the Pachappa underpass project; and
- \$93,511,800 of SB 132 funding for the 15/91 Express Lanes connector, I-15/Limonite interchange, McKinley and Jurupa Avenue grade separation, and Hamner Bridge widening projects.

Additional local funding includes \$225,400 in lease revenues, \$100,000 in local reimbursements related to carpool violations, and investment revenue of \$3,173,700.

In FY 2019/20, the Commission anticipates \$75,703,000 in a federal TIFIA loan drawdown to fund the I-15 Express Lanes project.

Transfers in include:

- \$24,402,400 in sales tax bond proceeds to fund the I-15 Express Lanes project;
- \$6,000,000 in 1989 Measure A Western County highways funds for the completion of the 91 Project;
- \$69,534,500 to the Sales Tax Bonds debt service fund for Measure A Western County and Coachella Valley highways debt service;
- \$3,000,000 to the Debt Service fund as a Commission loan to fund a TIFIA Loan reserve for the I-15 Express Lanes project;
- \$2,000,000 LTF allocation to fund grade separation projects in the County and city of Corona;
- \$2,359,000 to the 2009 Measure A Western County highways fund from the RCTC 91 Express Lanes fund for the 91 corridor operations project;
- \$1,550,000 LTF allocation to the 2009 Measure A Western County highways fund for next generation toll projects; and
- \$10,000,000 and \$2,803,200 to the 2009 Measure A Western County highways fund from the 2009 Measure A Western County bond financing fund and federal cash subsidy from the Debt Service fund, respectively, for debt service.

LOCAL STREETS AND ROADS

The Commission anticipates the allocation and distribution of \$58,964,000 in Measure A funds for the local streets and roads program to the cities and the County for local street repairs, maintenance, and construction.

NEW CORRIDORS

To leverage local, state, and federal funding for four new transportation corridors identified through CETAP, Measure A Western County revenues of \$16,577,000 will be available for environmental clearance, right of way acquisition, and construction of these new corridors. State funds include SB 1 Local Partnership Program revenues of \$7,042,000 for the Mid County Parkway/I-215 Placentia Interchange project. Additional local and other funds includes \$9,600 in lease revenues and \$568,500 in investment revenues.

RAIL

The Commission expects the allocation of \$9,140,000 in 2009 Measure A Western County public transit program funds for rail. Federal funds consist of \$17,000,000 and \$7,100,000 for station rehabilitation and improvement projects and SCRRRA capital projects, respectively, and \$750,000 for the development of Coachella Valley-San Gorgonio Pass corridor rail service. State funds include \$5,942,500 for the special trains platform in the city of Indio. Local and other revenues include \$300,000 for property lease revenues and \$576,000 in investment revenue. Transfers in consist of \$1,269,100 from the STA fund for the development of Coachella Valley-San Gorgonio Pass corridor rail service.

REGIONAL ARTERIALS

The Western County regional arterial program expects Measure A and TUMF revenues of \$13,441,000 and \$12,500,000, respectively. The new TUMF revenues along with unexpended TUMF revenues from prior years will be the primary source of funding TUMF regional arterial projects. State revenues consist of \$5,800,000 for a Lake Elsinore regional arterial project managed by the Commission. Other local revenues consist of investment income of \$1,683,800. Transfers in consist of \$300,000 from the 2009 Measure A Western County highway fund for the SR-79 realignment project.

PUBLIC AND SPECIALIZED TRANSIT

The Commission anticipates LTF sales tax revenues of \$97,000,000 allocated primarily for public bus and rail transit operations and capital in the County. The Commission allocates a small portion of these revenues for planning and administration as well as SB 821 bicycle and pedestrian facilities grants. The Commission also expects STA allocations of \$31,050,600 for the County's public transit operators. For the FY 2019/20 budget, the Commission will use unexpended LTF and STA revenues from prior years to fund transit operations as well as bicycle and pedestrian facilities grants.

Under the 2009 Measure A, the Commission estimates public transit funding of \$12,314,000 for Western County specialized transit and intercity bus services and Coachella Valley specialized and public transit services. Transfers in consist of \$252,900 LTF for administrative costs. Local revenues represent investment income of \$2,933,700.

PLANNING AND PROGRAMMING

STIP of \$668,000 will fund PPM activities of the Commission and CVAG. Local and other revenues consist of \$7,367,900 for the District's projects and investment income of \$5,700.

Planning and programming transfers in consist of:

- An off-the-top allocation of \$2,820,000, or three percent of estimated LTF revenues, for transportation planning studies; and
- A LTF allocation of \$773,200 for administrative costs.

RAIL STATION MAINTENANCE AND OPERATIONS

Rail operations include Metrolink operating and capital contributions, station maintenance, and support. The Commission will fund these rail activities with LTF allocation transfers in of \$23,000,000. Federal CMAQ funds of \$4,730,000 relate to SCRRRA security costs and operations at the PVL stations and FTA funds of \$4,000,000 for station preventative maintenance. State reimbursements of \$2,996,700 will fund operations at the PVL stations and station improvements. In addition to investment revenues of \$412,100, local and other revenues include \$280,000 in reimbursements for Metrolink violator citations and miscellaneous vending machine revenues.

COMMUTER ASSISTANCE

The Commission anticipates funding of \$2,240,000 from 2009 Measure A Western County public transit to the commuter assistance program for services to commuters and employers in promoting use of alternate modes of transportation in Western County. Local and other revenues consist of investment income of \$295,000, \$1,285,000 from SBCTA for support of the San Bernardino County commuter assistance program and regional ridematching, and a \$601,000 Mobile Source Air Pollution Reduction Review Committee (MSRC) grant for the vanpool program.

MOTORIST ASSISTANCE

DMV registration fees of \$1,980,000 and Caltrans state highway account allocations of \$2,900,000 will fund SAFE and FSP services, respectively. The Commission will also receive local reimbursements of \$224,600 to support SBCTA's share of the 511 traveler information system operations and cost recoveries of \$99,000 from responsible parties related to call box knockdowns. Investment income is \$175,600. An operating transfer in from SAFE of \$2,400,000 serves as a match to the State's FSP contribution.

TOLL OPERATIONS

Tolls, penalties, and fees of \$41,869,400 will fund the RCTC 91 Express Lanes toll operations. Local and other revenues include \$1,522,100 for investment income.





RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

I-15/Railroad Canyon Road



SECTION 4

Commission Debt

SECTION 4
COMMISSION DEBT

COMMISSION DEBT

The Commission incurred debt for highway (non-tolled and tolled), new corridor, regional arterial, and local streets and roads projects for which title usually vests or, upon completion, will vest with Caltrans or local jurisdictions for ongoing operations and maintenance. The financed projects are not assets of the Commission for which the Commission will have operating responsibilities, except for the intangible rights to operate the express lanes on SR-91 and I-15. Accordingly, future operating costs related to the non-capitalized projects cannot be determined since they are not the Commission's responsibility and are not applicable to the annual budget. Operating budget impacts for the Commission's toll assets and non-financed rail assets are included in the annual budget.

The Commission pledged future Measure A sales taxes as security for Measure A debt service payments on the sales tax revenue bonds and commercial paper notes. Toll revenues generated on the RCTC 91 Express Lanes are pledged to pay debt service on the 2013 Toll Bonds and 2013 TIFIA Loan for the 91 Project; future toll revenues generated on the I-15 Express Lanes are pledged to pay debt service on the federal TIFIA loan executed in 2017 (2017 TIFIA Loan) for the I-15 Express Lanes project.

Table 41 presents a summary of the anticipated changes in the Commission's debt during FY 2019/20. The Commission excludes accretion amounts related to capital appreciation bonds and compounded interest on the TIFIA loans, as they do not affect the annual budget activities.

TABLE 41 - CHANGES IN COMMISSION DEBT

	Projected Balance July 1, 2019	Additions	(Reductions)	Projected Balance June 30, 2020
2010B Sales Tax Bonds	\$ 112,370,000	\$ -	\$ -	\$ 112,370,000
2013 Sales Tax Bonds	54,705,000	-	(12,690,000)	42,015,000
2013 Toll Bonds	176,654,600	-	-	176,654,600
2016 Sales Tax Refunding Bonds	63,595,000	-	(5,185,000)	58,410,000
2017A Sales Tax Bonds	150,580,000	-	(4,690,000)	145,890,000
2017B Sales Tax Refunding Bonds	392,730,000	-	-	392,730,000
2018 Sales Tax Refunding Bonds	59,075,000	-	(4,680,000)	54,395,000
2013 TIFIA Loan - 91 Express Lanes	421,054,400	-	-	421,054,400
2017 TIFIA Loan - I-15 Express Lanes	61,841,100	75,703,000	-	137,544,100
	\$ 1,492,605,100	\$ 75,703,000	\$ (27,245,000)	\$ 1,541,063,100

COMMERCIAL PAPER

In March 2005, the Commission established a commercial paper program to advance project development and land and right of way acquisition under the 2009 Measure A TIP. The current commercial paper program authorization is \$60,000,000. The Commission generally rolls over commercial paper note maturities to new note issuances unless refinanced with long-term sales tax bond issuances. The Commission currently maintains a P-1 and an A-1+ rating from Moody's Investors Service (Moody's) and S&P Global Ratings (S&P), respectively, on the commercial paper notes.

Available commercial paper proceeds or sales tax revenues fund commercial paper interest payments. The Commission projects no issuances of commercial paper notes in FY 2018/19 or FY 2019/20 – resulting in \$0 outstanding amount of commercial paper projected at June 30, 2020. Accordingly, the FY 2019/2020 budget includes no commercial paper interest payments. The Commercial Paper capital projects fund accounts for commercial paper activities.

As credit and liquidity support for the commercial paper notes, the Commission has an irrevocable direct draw letter of credit in the amount of \$60,750,000 and reimbursement agreement with State Street Bank and Trust Company (State Street Bank), which expires in October 2020. The costs for the liquidity support are reflected in the 2009 Measure A Western County Bond Financing special revenue fund.

SALES TAX REVENUE BONDS

Under the provisions of the 2009 Measure A, the Commission has the authority to issue sales tax revenue bonds subject to a debt limitation of \$975 million, reflecting an increase from the original authorization of \$500 million because of the November 2010 voter approval of Measure K. The sales tax revenue bonds are limited tax bonds secured by a pledge of the 2009 Measure A revenues (Limited Tax Bonds). All sales tax revenue bonds mature on or before June 2039, prior to the expiration of the 2009 Measure A.

As a means to achieve a greater level of interest rate stability, the Commission entered into two interest rate swaps for a total notional amount of \$185,000,000 at a fixed rate for 20 years effective October 2009. In connection with the commencement of the interest rate swaps in October 2009, the Commission issued \$185,000,000 in variable rate sales tax revenue bonds to retire outstanding commercial paper notes, refund bonds issued in 2008, fund a portion of the debt service reserve, and pay issuance costs. The Commission terminated these swaps at a termination cost and refinanced all of the related variable rate sales tax bonds by issuing fixed rate refunding sales tax revenue bonds in September 2016 and April 2018.

In November 2010, the Commission issued \$37,630,000 in fixed rate tax-exempt sales tax revenue bonds (2010A Bonds) and \$112,370,000 in fixed rate taxable 2010B Bonds designated as BABs under the American Recovery and Reinvestment Act. The Commission used proceeds from the aggregate amount issued of \$150,000,000 to retire outstanding commercial paper notes, provide funds for 2009 Measure A Western County capital projects, and pay issuance costs. The Commission refunded all of the outstanding 2010A Bonds in December 2017. The Commission designated a portion of the BABs as recovery zone economic development bonds (RZEDBs). The Commission expects to receive a cash subsidy from the United States Treasury equal to 35% of the interest payable on the BABs or 45% of the interest payable on the 2010B Bonds designated as RZEDBs. However, reductions in the BABs subsidies occurred in recent years due to federal sequestration cuts. If sequestration continues, the Commission anticipates a reduction in the FY 2019/20 BABs subsidy of 6.0%. Estimated net debt service payments for the 2010B Bonds in FY 2019/20 are \$0 for principal and \$7,649,000 for interest payments. Federal reimbursement include the \$2,803,200 projected cash subsidy payment.

In July 2013, the Commission issued \$462,200,000 in fixed rate sales tax revenue bonds (2013 Sales Tax Bonds), at a premium, in connection with the 91 Project. The Commission used the proceeds of the 2013 Sales Tax Bonds to fund a substantial portion of the 91 Project costs, retire outstanding commercial paper notes, pay capitalized interest through December 2017, and pay issuance costs. The Commission refunded the callable portion of the 2013 Sales Tax Bonds in December 2017. Estimated debt service payments in FY 2019/20 for the remaining 2013 Sales Tax Bonds are \$12,690,000 for principal and \$2,735,200 for interest payments.

In September 2016, the Commission issued \$76,140,000 in fixed rate sales tax revenue refunding bonds (2016 Refunding Bonds), at a premium, to refund all of the outstanding Series A bonds issued in 2009, retire all of the commercial paper notes, and pay issuance costs. Estimated debt service payments for the 2016 Refunding Bonds are \$5,185,000 for principal and \$2,266,100 for interest payments.

In July 2017, the Commission issued \$158,760,000 in fixed rate sales tax revenue bonds (2017A Bonds), at a premium, to fund the I-15 Express Lanes project and completion of the 91 Project. The Commission used the proceeds of the 2017A Bonds to fund I-15 Express Lanes project costs, completion of the 91 Project, retire outstanding commercial paper notes, and pay issuance costs. Estimated debt service payments for the 2017A Bonds in FY 2019/20 are \$4,690,000 for principal and \$7,322,000 for interest payments.

In December 2017 as a result of pending federal tax reform legislation that eliminated advance refundings, the Commission issued \$392,730,000 in fixed rate sales tax revenue refunding bonds (2017B Refunding Bonds), at a premium, to refund all of the outstanding 2010A Bonds and the callable portion of the 2013 Sales Tax Bonds and pay issuance costs. Estimated debt service payments for the 2017B Refunding Bonds in FY 2019/20 are \$0 for principal and \$19,366,400 for interest payments.

In April 2018 due to federal tax reform legislation impacts, the Commission issued \$64,285,000 in fixed rate sales tax revenue refunding bonds (2018 Refunding Bonds), at a premium, to refund all of the outstanding Series B and Series C bonds issued in 2009, finance the related swap termination payment, and pay issuance costs. Estimated debt service payments for the 2018 Refunding Bonds are \$4,680,000 for principal and \$2,953,800 for interest payments.

The Commission received long-term debt ratings of Aa2, AA+, and AA from Moody's, S&P, and Fitch Ratings (Fitch), respectively on its currently outstanding sales tax revenue bonds

TOLL REVENUE BONDS AND TIFIA LOANS

91 PROJECT

In July 2010, the Commission authorized the issuance of up to \$900,000,000 in toll revenue bonds in anticipation of the financing requirements for the 91 Project.

In July 2013, the Commission issued \$176,654,600 in 2013 Toll Bonds, at a discount, that consist of \$123,825,000 in current interest bonds (CIBs) and \$52,829,600 in capital appreciation bonds (CABs). The CIBs have maturity dates through June 2048, while the CABs mature at the accreted value commencing June 2022 through June 2043. Estimated debt service payments for the 2013 Toll Bonds in FY 2019/20 are \$0 for principal and \$7,119,900 for interest payments. The 2013 Toll Bonds are secured by a lien on the trust estate, which consists primarily of toll revenues and non-toll transaction and account revenues less operating and maintenance expenses of the RCTC 91 Express Lanes.

In July 2013, the Commission executed the 2013 TIFIA Loan with the United States Department of Transportation (U.S. DOT) in an amount up to \$421,054,400, which provided the final puzzle piece needed for the full funding of the 91 Project. The 2013 TIFIA Loan is a toll revenue bond subordinate to the 2013 Toll Bonds unless and until the occurrence of a bankruptcy related event. The Commission obtained proceeds on the full amount of the 2013 TIFIA Loan through FY 2016/17 after meeting certain conditions. Interest on outstanding disbursements is 3.47% and is compounded semiannually. The 2013 TIFIA Loan matures in June 2051. Interest payments commence on the fifth anniversary of the substantial completion date (March 2017) or the first interest payment date occurring prior to the fifth anniversary date. Accordingly, semiannual interest payments commence December 2021; principal payments commence annually in June 2030. The RCTC 91 Express Lanes trust estate also secures the 2013 TIFIA Loan, similar to the 2013 Toll Bonds. The Commission funded a \$20,000,000 TIFIA debt service reserve in June 2019 from sale proceeds of excess land acquired for the 91 Project and surplus toll revenues. The Commission included the 2013 TIFIA Loan reserve funding in the enterprise fund.

The 2013 Toll Bonds and the 2013 TIFIA Loan long-term ratings from S&P and Fitch were upgraded to BBB during FY 2018/19 as a result of the strong performance compared to initial rating projections.

I-15 EXPRESS LANES PROJECT

In May 2017, the Commission authorized the issuance of up to \$165,000,000 in toll revenue bonds in anticipation of the financing requirements for the I-15 Express Lanes project.

In July 2017, the Commission executed the 2017 TIFIA Loan with the U.S. DOT in an amount up to \$152,214,260. The 2017 TIFIA Loan as well as the 2017 Bonds, \$110,000,000 in federal funds, and project expenses already paid from 2009 Measure A revenues provided the full funding of the I-15 Express Lanes project. The 2017 TIFIA Loan is a senior toll revenue bond, and proceeds of the 2017 TIFIA Loan may be drawn upon after certain conditions are met. Interest on outstanding disbursements is 2.84% and is compounded semiannually. The 2017 TIFIA loan is expected to mature on the earlier of 35 years after substantial completion of the I-15 Express Lanes project or June 1, 2056. Interest payments are expected to commence on the fifth anniversary of the substantial completion date or the first interest payment date occurring prior to the fifth anniversary date. Accordingly, semiannual interest payments are anticipated to commence June 2025; principal payments are expected to commence in June 2030.

The Commission is required to fund an \$18,000,000 TIFIA debt service reserve no later than June 30, 2024 from toll revenues and a Commission loan from sales tax revenues to the extent that toll revenues are insufficient. The FY 2019/20 budget includes a \$3,000,000 transfer from the 2009 Measure A Western County highway fund as a loan to the Debt Service fund to establish the initial reserve funding. The Commission also anticipates providing additional liquidity support in the form of a Commission backstop loan from sales tax revenues in the annual amount up to \$3,850,000 up to a maximum total amount of \$38,500,000 from FY 2024/25 through FY 2038/2039. The Commission loans will be repaid from available toll revenues after meeting certain blocked payment tests. The 2017 TIFIA Loan is secured by a lien on the trust estate, which consists primarily of toll revenues and non-toll revenues (including account and violations revenues) less operating and maintenance expenses of the 15 Express Lanes.

DEBT CAPACITY ANALYSIS

SALES TAX DEBT

The Commission is legally prohibited from issuing additional sales tax revenue debt if its debt coverage ratio is less than 1.5 to 1 on all senior sales tax revenue debt. The Commission adopted a higher standard of 2 to 1 as part of its debt management policy. As Chart 33 and Table 42 indicate, the Commission successfully met its policy standard for sales tax revenue debt issued under the 2009 Measure A. The 1989 Measure A related debt consistently exceeded the Commission’s standard, and coverage for the 2009 Measure A related debt of 2.9 is anticipated for FY 2019/20. Any coverage less than 2 to 1 would necessitate using other program funding to cover all debt service expenditures.

CHART 33 - MEASURE A SALES TAX DEBT CAPACITY ANALYSIS

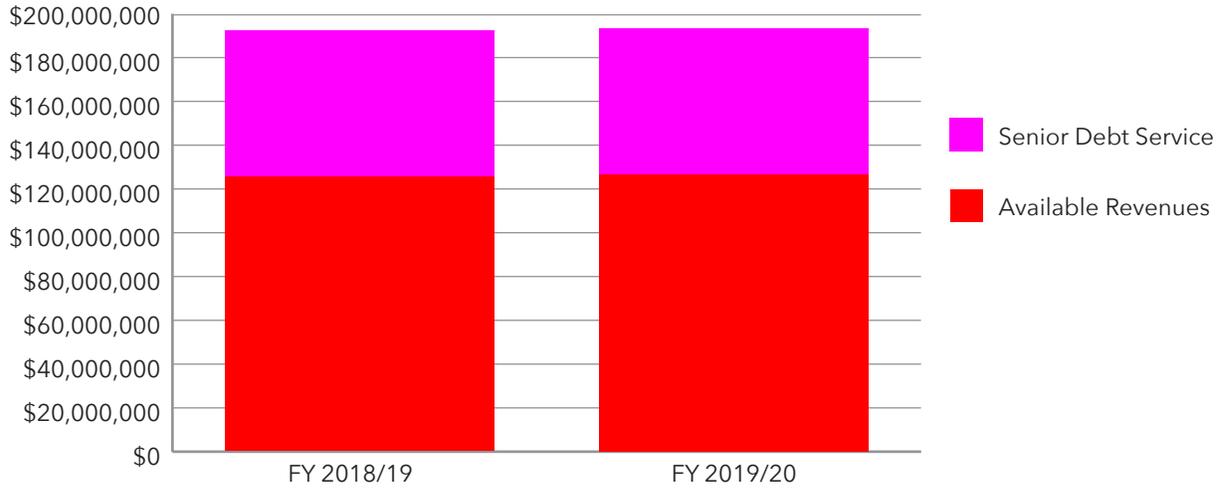


TABLE 42 - MEASURE A SALES TAX DEBT CAPACITY ANALYSIS

	FY 18/19	FY 19/20
Sales Tax Revenues	\$ 192,000,000	\$ 193,000,000
Senior Debt Service, Net of Subsidy	\$ 66,755,500	\$ 66,734,300
Coverage Ratio - Senior Debt	2.9	2.9
Long-Term Debt Rating	Aa2/AA+/AA	Aa2/AA+/AA
Commercial Paper Rating	P-1/A-1+	P-1/A-1+

TOLL DEBT

Upon the execution of the 2017 TIFIA Loan, the toll-supported debt consists of the 2013 Toll Bonds and 2017 TIFIA Loan as senior debt and the 2013 TIFIA Loan as subordinate debt.

Beginning in the first full fiscal year following substantial completion of the express lanes projects, the Commission is required to establish and collect tolls in connection with the toll road to produce net revenues equal to or in excess of the following ratios:

Coverage Ratios	2013 Toll Bonds/ 2013 TIFIA Loan	2017 TIFIA Loan
Senior lien debt	150%	130%
Total debt	130%	130%
Total debt plus reserve deposits and certain other funds established under the applicable indenture	100%	100%

The Commission expects to exceed the toll coverage ratio requirements for the 2013 Toll Bonds and 2013 TIFIA Loan with a coverage ratio of 328% for FY 2019/20.

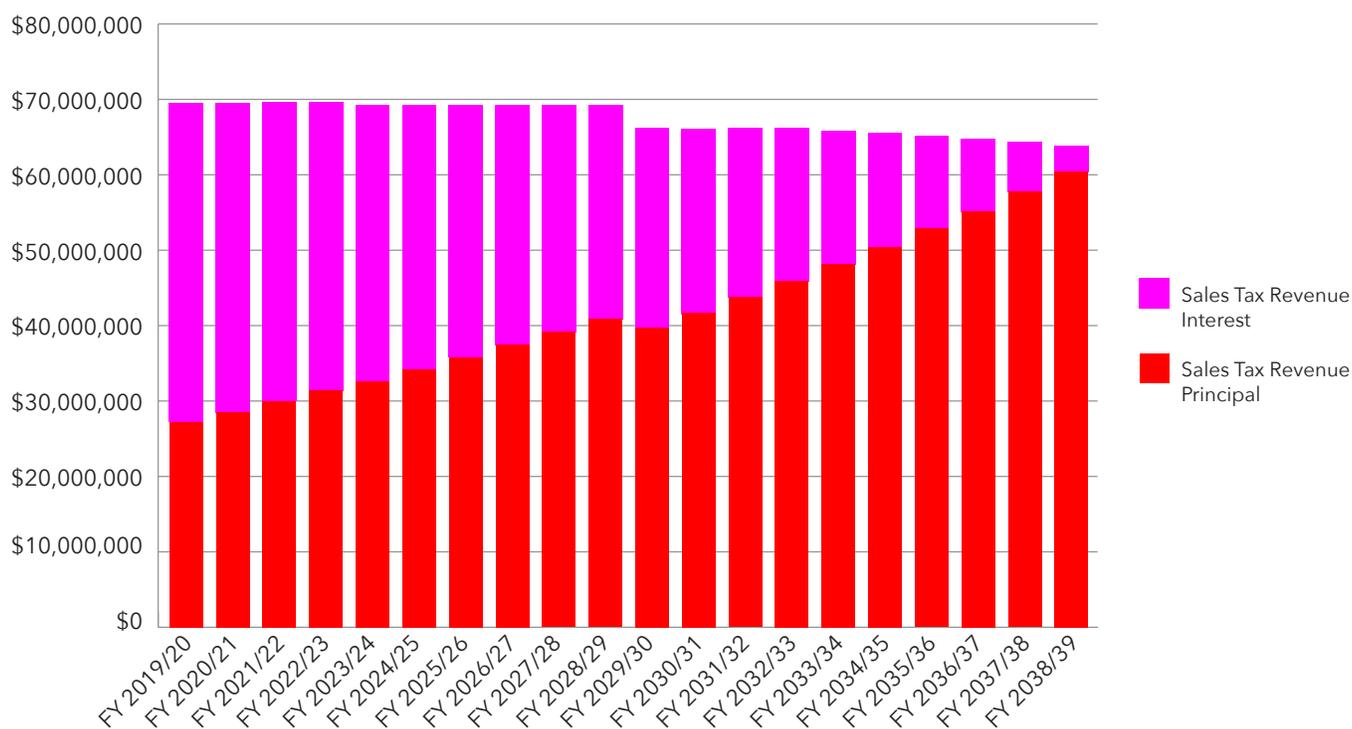
AGGREGATE DEBT SERVICE SCHEDULE FOR SALES TAX BONDS

Debt service requirements (Table 43 and Chart 34) for the sales tax revenue bonds are based on amortization schedules for the 2010B Bonds, net of the BABs subsidy; 2013A Sales Tax Bonds; 2016 Refunding Bonds; 2017A Bonds; 2017B Refunding Bonds; and 2018 Refunding Bonds.

TABLE 43 - COMMISSION SALES TAX REVENUE BONDS AGGREGATE NET DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Subsidy Payments	Net Debt Service
2020	\$ 27,245,000	\$ 42,292,500	\$ (2,803,200)	\$ 66,734,300
2021	28,495,000	41,024,200	(2,982,100)	66,537,100
2022	29,995,000	39,599,300	(2,982,100)	66,612,200
2023	31,405,000	38,150,300	(2,982,100)	66,573,200
2024	32,635,000	36,580,100	(2,982,100)	66,233,000
2025-2029	187,520,000	158,397,800	(14,910,500)	331,007,300
2030-2034	219,185,000	111,360,400	(14,551,500)	315,993,900
2035-2039	276,575,000	46,789,600	(7,385,900)	315,978,700
Total	\$ 833,055,000	\$ 514,194,200	\$ (51,579,500)	\$ 1,295,669,700

CHART 34 - COMMISSION SALES TAX REVENUE BONDS AGGREGATE DEBT SERVICE THROUGH MATURITY



OUTSTANDING DEBT AND DEBT SERVICE REQUIREMENTS FOR SALES TAX DEBT AS OF JUNE 30, 2020

The following is a summary of debt issued and secured by 2009 Measure A sales tax revenues, receipt of which began in FY 2009/10:

2005 Commercial Paper Notes (Limited Tax Bonds), Series A: In February 2005, the Commission authorized a \$200 million commercial paper program. In March 2005, the Commission established the program for \$185,000,000 Commercial Paper Notes (Limited Tax Bonds), Series A and B. In October 2010, the Commission reduced the program to \$120 million; in September 2013, the Commission further reduced the program to \$60 million. The repayment of principal and interest on the commercial paper notes is secured by an irrevocable direct draw letter of credit issued by

State Street Bank, and the Measure A sales tax revenues secure such repayment. Maturities of the commercial paper notes may range from one to 270 days, and interest rates are variable and dependent on current market conditions. The Commission anticipates no outstanding commercial paper notes at June 30, 2020.

The note agreements require the trustee to hold all note proceeds and a portion of sales tax revenues and to segregate all funds into separate accounts as required by the indentures.

2010 Sales Tax Revenue Bonds (Limited Tax Bonds), Series A Tax-Exempt and Series B Taxable: In November 2010, the Commission issued \$150,000,000 principal amount of serial bonds to retire all of the outstanding principal amount of the commercial paper notes, fund project costs, and pay issuance costs. The Commission refunded the 2010A Bonds in December 2017. The outstanding 2010B Bonds mature in annual installments ranging from \$530,000 to \$17,980,000 on various dates from June 1, 2032 through June 1, 2039. The interest rate for the 2010B Bonds is 6.807%. The Commission expects to receive BAB cash subsidies from the U.S. Treasury related to the 2010B Bonds; however, sequestration cuts may continue to affect the subsidy amounts. The 2010B Bond agreements require the trustee to hold all bond proceeds and a portion of sales tax revenues and to segregate all funds into separate accounts as required by the indentures. Table 44 summarizes the debt service requirements, net of subsidy payments for the 2010B Bonds.

TABLE 44 - 2010 SALES TAX REVENUE BONDS NET DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Subsidy	Net Debt Service
2020	\$ -	\$ 7,649,000	\$ (2,803,200)	\$ 4,845,800
2021	-	7,649,000	(2,982,100)	4,666,900
2022	-	7,649,000	(2,982,100)	4,666,900
2023	-	7,649,000	(2,982,100)	4,666,900
2024	-	7,649,000	(2,982,100)	4,666,900
2025-2029	-	38,245,000	(14,910,500)	23,334,500
2030-2034	29,170,000	37,219,200	(14,551,500)	51,837,700
2035-2039	83,200,000	17,452,100	(7,385,900)	93,266,200
Total	\$ 112,370,000	\$ 131,161,300	\$ (51,579,500)	\$ 191,951,800

2013 Sales Tax Revenue Bonds (Limited Tax Bonds), Series A Tax-Exempt: In July 2013, the Commission issued \$462,200,000 principal amount of serial bonds at a premium of \$38,328,800 to retire all of the outstanding principal amount of commercial paper notes, fund a portion of the 91 Project costs, pay capitalized interest during construction, and pay issuance costs. In December 2017, the Commission refunded the callable portion of the outstanding 2013 Sales Tax Bonds. The bonds mature in annual installments ranging from \$12,690,000 to \$14,695,000 on various dates from June 1, 2020 through June 1, 2023; the interest rate is 5.00%. The 2013 Sales Tax Bond agreements require the trustee to hold all bond proceeds and a portion of sales tax revenues and to segregate all funds into separate accounts as required by the indentures. Table 45 summarizes debt service requirements for the 2013 Sales Tax Bonds.

TABLE 45 - 2013 SALES TAX REVENUE BONDS DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Total Debt Service
2020	\$ 12,690,000	\$ 2,735,200	\$ 15,425,200
2021	13,325,000	2,100,800	15,425,800
2022	13,995,000	1,434,500	15,429,500
2023	14,695,000	734,800	15,429,800
Total	\$ 54,705,000	\$ 7,005,300	\$ 61,710,300

2016 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series A Tax Exempt: In September 2016, the Commission issued \$76,140,000 in fixed rate sales tax revenue refunding bonds, at a premium of \$8,414,007, to refund all of the outstanding Series A bonds issued in 2009, retire all of the commercial paper notes, and pay issuance costs. The bonds mature in annual installments ranging from \$5,185,000 to \$7,305,000 on various dates from June 1, 2020 through June 1, 2029 with interest rates ranging from 2.00% to 5.00%. Table 46 summarizes debt service requirements for the 2016 Refunding Bonds.

TABLE 46 - 2016 SALES TAX REVENUE REFUNDING BONDS DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Total Debt Service
2020	\$ 5,185,000	\$ 2,266,100	\$ 7,451,100
2021	5,445,000	2,006,900	7,451,900
2022	5,720,000	1,734,600	7,454,600
2023	6,005,000	1,448,600	7,453,600
2024	6,305,000	1,148,400	7,453,400
2025-2029	34,935,000	2,333,000	37,268,000
Total	\$ 63,595,000	\$ 10,937,600	\$ 74,532,600

2017 Sales Tax Revenue Bonds (Limited Tax Bonds), Series A Tax Exempt: In July 2017, the Commission issued \$158,760,000 principal amount, at a net premium of \$28,931,909, to primarily fund the I-15 Express Lanes project and completion of the 91 Project. The bonds mature in installments ranging from \$4,690,000 to \$11,440,000 on various dates from June 1, 2020 through June 1, 2039 with interest rates ranging from 3.00% to 5.00%. Table 47 summarizes debt Service requirements for the 2017A Bonds.

TABLE 47 - 2017 A SALES TAX REVENUE BONDS DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Total Debt Service
2020	\$ 4,690,000	\$ 7,322,000	\$ 12,012,000
2021	4,835,000	7,181,300	12,016,300
2022	5,075,000	6,939,500	12,014,500
2023	5,280,000	6,736,500	12,016,500
2024	5,540,000	6,472,500	12,012,500
2025-2029	32,155,000	27,919,100	60,074,100
2030-2034	40,965,000	19,103,400	60,068,400
2035-2039	52,040,000	8,027,200	60,067,200
Total	\$ 150,580,000	\$ 89,701,500	\$ 240,281,500

2017 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series B Tax Exempt: In December 2017, the Commission issued \$392,730,000 in fixed rate sales tax revenue refunding bonds, at a premium of \$80,058,109, to refund all of the outstanding 2010A Bonds, refund a portion of the 2013 Sales Tax Bonds, and pay issuance costs. The bonds mature in annual installments ranging from \$15,045,000 to \$30,980,000 on various dates from June 1, 2024 through June 1, 2039 with interest ranging from 4.00% to 5.00%. Table 48 summarizes the debt service requirements for the 2017B Refunding Bonds.

TABLE 48 - 2017 B SALES TAX REVENUE REFUNDING BONDS DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Total Debt Service
2020	\$ -	\$ 19,366,400	\$ 19,366,400
2021	-	19,366,400	19,366,400
2022	-	19,366,400	19,366,400
2023	-	19,366,400	19,366,400
2024	15,045,000	19,366,400	34,411,400
2025-2029	87,300,000	84,766,100	172,066,100
2030-2034	149,050,000	55,037,800	204,087,800
2035-2039	141,335,000	21,310,300	162,645,300
Total	\$ 392,730,000	\$ 257,946,200	\$ 650,676,200

2018 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series A Tax Exempt: In April 2018, the Commission issued \$64,285,000 in fixed rate sales tax revenue refunding bonds, at a premium of \$10,723,789, to refund all of the outstanding Series B and Series C bonds issued in 2009, finance the swap termination payment, and pay issuance costs. The bonds mature in annual installments ranging from \$4,680,000 to \$7,290,000 on various dates from June 1, 2020 through June 1, 2029 with interest rates ranging from 4.00% to 5.00%. Table 49 summarizes debt service requirements for the 2018 Refunding Bonds.

TABLE 49 - 2018 SALES TAX REVENUE REFUNDING BONDS DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Total Debt Service
2020	\$ 4,680,000	\$ 2,953,800	\$ 7,633,800
2021	4,890,000	2,719,800	7,609,800
2022	5,205,000	2,475,300	7,680,300
2023	5,425,000	2,215,000	7,640,000
2024	5,745,000	1,943,800	7,688,800
2025-2029	33,130,000	5,134,600	38,264,600
Total	\$ 59,075,000	\$ 17,442,300	\$ 76,517,300

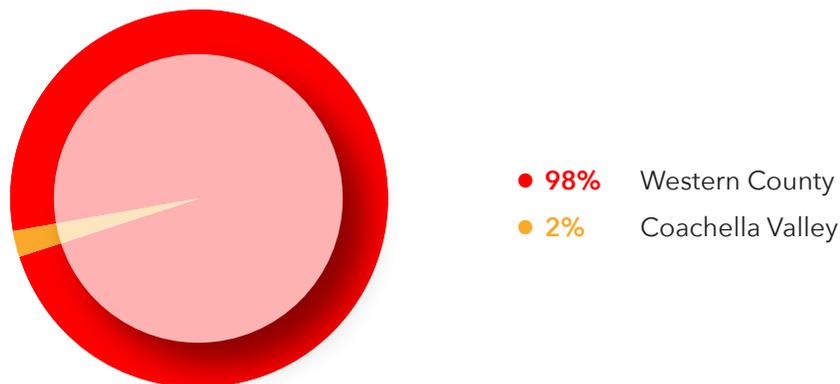
Chart 35 presents the allocation of the sales tax revenue bonds to the 2009 Measure A programs. A significant portion of the sales tax revenue bonds funded highway and regional arterial projects in the Western County and Coachella Valley; however, less than 1% funded local streets and roads projects in the Coachella Valley and Palo Verde Valley.

CHART 35 - PROGRAM LONG-TERM DEBT



Chart 36 presents the allocation of the sales tax revenue bonds by the benefiting geographic area.

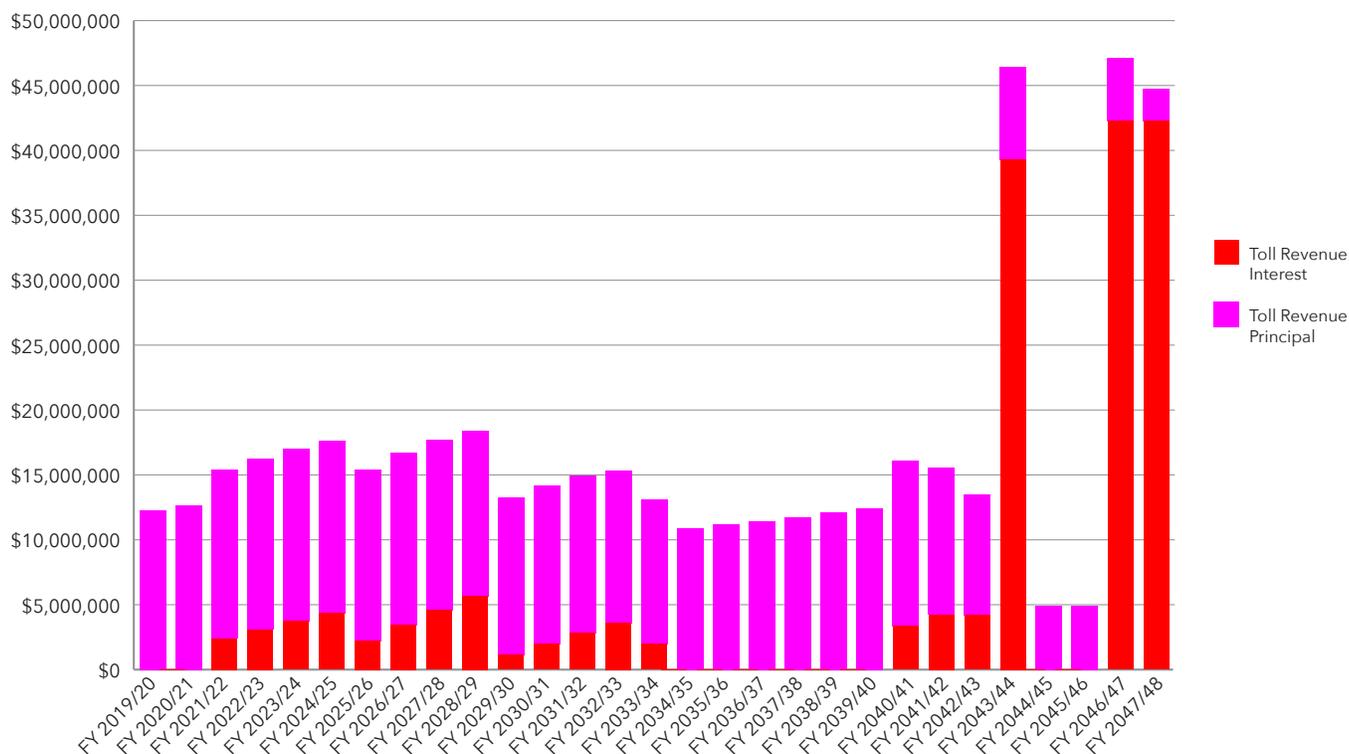
CHART 36 - LONG-TERM DEBT BY GEOGRAPHIC AREA



OUTSTANDING DEBT AND DEBT SERVICE REQUIREMENTS FOR TOLL REVENUE BONDS AS OF JUNE 30, 2020

Chart 37 depicts the debt service requirements for the 2013 Toll Bonds. The 2013 Toll Bond agreements require the trustee to hold all bond proceeds and segregate funds into separate accounts as required by the indenture.

CHART 37 - TOLL REVENUE BONDS DEBT SERVICE THROUGH MATURITY



2013 Toll Revenue Bonds, Series A (Current Interest Obligations): In July 2013, the Commission issued \$123,825,000 principal amount of serial CIBs to fund a portion of the 91 Project, pay capitalized interest during construction, fund a debt service reserve fund, fund an initial amount for an operations and maintenance fund, and pay issuance costs. The CIBs consist of a serial bond maturing on June 1, 2044 in the amount of \$39,315,000 at an interest rate of 5.75% and a term bond due on June 1, 2048 in the amount of \$84,510,000 with annual sinking funds payments of \$42,255,000 on June 1, 2047 and June 1, 2048 at an interest rate of 5.75%. Table 50 summarizes the debt service requirements for the 2013 Toll Revenue CIBs.

TABLE 50 - 2013 TOLL REVENUE CURRENT INTEREST OBLIGATION BONDS DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Interest	Total Debt Service
2020	\$ -	\$ 7,119,900	\$ 7,119,900
2021	-	7,119,900	7,119,900
2022	-	7,119,900	7,119,900
2023	-	7,119,900	7,119,900
2024	-	7,119,900	7,119,900
2025-2029	-	35,599,500	35,599,500
2030-2034	-	35,599,500	35,599,500
2035-2039	-	35,599,500	35,599,500
2040-2044	39,315,000	35,599,500	74,914,500
2045-2048	84,510,000	17,008,600	101,518,600
Total	\$ 123,825,000	\$ 195,006,100	\$ 318,831,100

2013 Toll Revenue Bonds, Series B (Capital Appreciation Obligations): In July 2013, the Commission issued \$52,829,600 principal amount of serial CABs to fund a portion of the 91 Project, pay capitalized interest during construction, fund a debt service reserve fund, fund an initial amount for an operations and maintenance fund, and pay issuance costs. The CABs do not pay current interest as interest is compounded semiannually and paid at maturity. Therefore, the CABs increase in value, or accrete, by the accumulation of such compounded interest from its initial principal amount to the maturity value in installments ranging from \$3,440,000 to \$34,220,000 on various dates from June 1, 2022 through June 1, 2043. Interest rates and yield to maturity range from 5.30% to 7.15%. Table 51 summarizes the debt service requirements for the 2013 Toll Revenue CABs.

TABLE 51 - 2013 TOLL REVENUE CAPITAL APPRECIATION OBLIGATION BONDS DEBT SERVICE REQUIREMENTS

Fiscal Year	Principal	Accreted Interest	Total Debt Service
2020	\$ -	\$ 5,150,800	\$ 5,150,800
2021	-	5,495,300	5,495,300
2022	2,396,700	5,846,900	8,243,600
2023	3,098,100	6,025,400	9,123,500
2024	3,739,100	6,123,000	9,862,100
2025-2029	20,311,000	29,836,100	50,147,100
2030-2034	11,492,900	23,583,100	35,076,000
2035-2039	-	21,612,800	21,612,800
2040-2043	11,791,800	17,206,300	28,998,100
Total	\$ 52,829,600	\$ 120,879,700	\$ 173,709,300

2013 TIFIA Loan - 91 Project: In July 2013, the Commission executed a TIFIA loan of up to \$421,054,400 for the 91 Project. In FY 2016/17, the Commission drew down the balance of the TIFIA loan for the 91 Project. During construction and for a period of up to five years following substantial completion, interest is compounded and added to the initial TIFIA loan. The 2013 TIFIA loan requires mandatory debt service payments at a minimum and scheduled debt service payments to the extent additional funds are available. TIFIA debt service payments commence on December 1, 2021 through June 1, 2051. The 2013 TIFIA Loan interest rate is 3.47%. Table 52 presents mandatory debt service on the 2013 TIFIA Loan.

TABLE 52 - 2013 TIFIA LOAN (91 PROJECT) DEBT SERVICE REQUIREMENTS

Fiscal Year	Mandatory		
	Principal	Interest	Total
2020-2025	\$ -	\$ 7,683,000	\$ 7,683,000
2026-2030	51,000	41,117,000	41,168,000
2031-2035	28,991,000	86,968,000	115,959,000
2036-2040	132,279,000	74,338,000	206,617,000
2041-2045	99,107,000	55,153,000	154,260,000
2046-2050	233,347,000	26,550,000	259,897,000
2051-2055	9,563,000	332,000	9,895,000
Total	503,338,000	\$ 292,141,000	\$ 795,479,000
Accretion	(82,283,600)		
Initial Loan	\$ 421,054,400		

In connection with the 2013 financing for the 91 Project, the Commission covenanted to deposit amounts with the toll trustee as an equity contribution of \$136,451,515 to the 91 Project through FY 2016/17.

2017 TIFIA Loan - I-15 Express Lanes: In July 2017, the Commission executed the 2017 TIFIA Loan up to \$152,214,260 for the I-15 Express Lanes project. The Commission anticipates draws of \$61,841,100 in FY 2018/19 and \$75,703,000 in FY 2019/20 on the 2017 TIFIA Loan. During construction and for a period of up to five years following substantial completion, interest is compounded and added to the initial TIFIA loan. The 2017 TIFIA Loan requires mandatory debt service payments at a minimum and scheduled debt service payment to the extent additional funds are available. TIFIA debt service payments are expected to commence on June 1, 2025, which is five years after the projected substantial completion date of the I-15 Express Lanes project, through June 1, 2053. The interest rate of the TIFIA loan is 2.84%.

Based on a projected draw schedule, Table 53 presents an estimate of mandatory debt service requirements.

TABLE 53 - 2017 TIFIA LOAN (I-15 EXPRESS LANES) DEBT SERVICE REQUIREMENTS

Fiscal Year	Mandatory		
	Principal	Interest	Total
2020-2025	\$ -	\$ 2,527,000	\$ 2,527,000
2026-2030	-	25,340,900	25,340,900
2031-2035	8,380,700	24,958,100	33,338,800
2036-2040	21,484,400	22,892,000	44,376,400
2041-2045	26,283,400	19,809,600	46,093,000
2046-2050	52,708,100	14,681,500	67,389,600
2051-2055	69,600,100	6,059,100	75,659,200
Total	178,456,700	\$ 116,268,200	\$ 294,724,900
Accretion	(26,242,400)		
Initial Loan	\$ 152,214,300		

OUTSTANDING SALES TAX DEBT AND LEGAL DEBT MARGIN AT JUNE 30, 2020

Table 54 presents a summary of the Commission's outstanding debt secured by Measure A sales tax revenues and related legal debt margin projected at June 30, 2019:

TABLE 54 - LEGAL DEBT MARGIN

	2009 Measure A
Authorized Sales Tax Revenue Debt	\$ 975,000,000
2010B Bonds	112,370,000
2013 Sales Tax Bonds	42,015,000
2016 Refunding Bonds	58,410,000
2017A Bonds	145,890,000
2017B Refunding Bonds	392,730,000
2018 Refunding Bonds	54,395,000
Total Outstanding Debt	805,810,000
Legal Debt Margin	\$ 169,190,000

I-15 Express Lanes construction



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SECTION 5

Department Budgets



I-15 Express Lanes Project

SECTION 5
DEPARTMENT BUDGETS

TABLE 55 - BUDGET COMPARISON BY DEPARTMENT FY 2018 - 2020

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Revenues						
Measure A Sales Tax	\$ 176,301,700	\$ 192,000,000	\$ 192,000,000	\$ 193,000,000	\$ 1,000,000	1%
LTF Sales Tax	89,557,600	96,000,000	96,000,000	97,000,000	1,000,000	1%
STA Sales Tax	21,320,900	23,203,600	27,110,700	31,050,600	7,847,000	34%
Federal Reimbursements	71,468,000	59,105,700	74,419,800	89,718,700	30,613,000	52%
State Reimbursements	11,952,100	166,590,100	80,409,200	160,596,100	(5,994,000)	-4%
Local Reimbursements	4,786,900	23,492,500	5,720,900	9,957,900	(13,534,600)	-58%
TUMF Revenue	23,699,800	25,922,200	26,672,200	25,000,000	(922,200)	-4%
Tolls, Penalties, and Fees	50,446,800	36,940,500	47,756,900	41,869,400	4,928,900	13%
Other Revenue	3,199,500	1,084,400	468,500	553,000	(531,400)	-49%
Investment Income	9,117,000	3,408,000	10,064,800	12,790,700	9,382,700	275%
Total Revenues	461,850,300	627,747,000	560,623,000	661,536,400	33,789,400	5%
Expenditures/Expenses						
Management Services:						
Executive Management	472,400	571,600	478,000	773,700	202,100	35%
Administration	2,324,500	3,098,600	2,803,800	4,120,800	1,022,200	33%
External Affairs	2,040,300	2,264,900	2,173,800	3,265,900	1,001,000	44%
Finance	3,033,700	4,475,300	3,075,300	6,165,200	1,689,900	38%
Total Management Services	7,870,900	10,410,400	8,530,900	14,325,600	3,915,200	38%
Regional Programs:						
Planning and Programming Services	3,905,000	19,447,300	5,017,900	11,289,500	(8,157,800)	-42%
Rail Maintenance and Operations	23,581,200	40,236,900	33,530,500	45,248,500	5,011,600	12%
Public and Specialized Transit	91,232,700	181,739,100	125,363,500	162,945,400	(18,793,700)	-10%
Commuter Assistance	3,427,500	4,503,100	3,376,600	4,578,300	75,200	2%
Motorist Assistance	3,615,900	6,184,100	4,125,800	6,616,300	432,200	7%
Total Regional Programs	125,762,300	252,110,500	171,414,300	230,678,000	(21,432,500)	-9%
Capital Project Development and Delivery	287,523,100	563,374,700	379,940,800	537,236,800	(26,137,900)	-5%
Toll Operations	11,100,100	18,849,400	17,746,800	19,306,900	457,500	2%
Debt Service:						
Principal Payments	62,141,000	25,965,000	21,495,000	27,245,000	1,280,000	5%
Interest Payments	57,726,800	50,710,600	50,710,600	49,412,400	(1,298,200)	-3%
Cost of Issuance	2,256,100	-	-	-	-	N/A
Total Debt Service	122,123,900	76,675,600	72,205,600	76,657,400	(18,200)	0%
Total Expenditures/Expenses	554,380,300	921,420,600	649,838,400	878,204,700	(43,215,900)	-5%
Excess (deficiency) of Revenues over (under) Expenditures/Expenses	(92,530,000)	(293,673,600)	(89,215,400)	(216,668,300)	77,005,300	-26%
Other Financing Sources (Uses)						
Transfers In	323,263,800	182,214,300	159,759,000	166,027,000	(16,187,300)	-9%
Transfers Out	(323,263,800)	(182,214,300)	(159,759,000)	(166,027,000)	16,187,300	-9%
Debt Proceeds	615,775,000	-	-	-	-	N/A
TIFIA Loan Proceeds	-	106,081,000	61,841,100	75,703,000	(30,378,000)	-29%
Payment to Escrow Agent	(541,889,800)	(20,000,000)	(20,000,000)	-	20,000,000	-100%
Bond Premium	119,713,800	-	-	-	-	N/A
Net Financing Sources (Uses)	193,599,000	86,081,000	41,841,100	75,703,000	(10,378,000)	-12%
Excess (deficiency) of Revenues over (under) Expenditures/Expenses and Other Financing Sources (Uses)	101,069,000	(207,592,600)	(47,374,300)	(140,965,300)	66,627,300	-32%
Beginning Fund Balance	738,615,400	839,684,400	839,684,400	792,310,100	(47,374,300)	-6%
Ending Fund Balance	\$ 839,684,400	\$ 632,091,800	\$ 792,310,100	\$ 651,344,800	\$ 19,253,000	3%



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**RIVERSIDE
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SECTION 5.1

Management Services



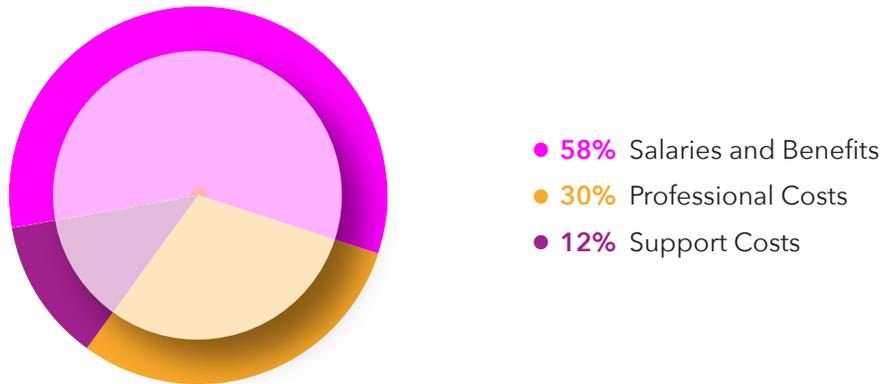
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EXECUTIVE MANAGEMENT

MISSION STATEMENT:

Executive Management maintains the highest level of achievement and professionalism while managing the activities of the Commission to effectuate sound transportation policies, projects, and services to meet Riverside County's mobility needs.

CHART 38 - EXECUTIVE MANAGEMENT



EXPENDITURES

Executive Management has a budget of \$773,700 (Table 56) for oversight of all Commission functions. The 76% increase in salaries and benefits reflects the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs of \$235,000 include legal fees and organizational consulting services. Support costs include various membership dues and staff-related travel costs of \$93,600.

TABLE 56 - EXECUTIVE MANAGEMENT EXPENDITURE DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 284,600	\$ 253,000	\$ 252,700	\$ 445,100	\$ 192,100	76%
Professional Costs						
Legal Services	95,300	175,000	100,000	175,000	-	0%
Professional Services - General	27,000	55,000	50,000	60,000	5,000	9%
Total Professional Costs	122,300	230,000	150,000	235,000	5,000	2%
Support Costs	65,500	88,600	75,300	93,600	5,000	6%
Transfers Out	21,600	-	-	-	-	N/A
TOTAL Executive Management	\$ 494,000	\$ 571,600	\$ 478,000	\$ 773,700	\$ 202,100	35%

EXECUTIVE MANAGEMENT STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Deputy Executive Director	0.10	0.10	0.10
Executive Director	0.38	0.32	0.38
Senior Administrative Assistant	0.00	0.03	0.01
Senior Office Assistant	0.15	0.15	0.15
FTE	0.63	0.60	0.64

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

The Executive Director is responsible for developing and implementing new strategies at the local, regional, and statewide levels to assure delivery of transportation improvements and programs throughout the County. Furthermore, Executive Management is committed to fostering a positive and supportive work environment for staff that emphasizes quality work and encourages teamwork and open communication, with a commitment to serving the public. This is accomplished through a productive and collaborative effort with the members of the Commission and the oversight of the Commission's Executive Committee.

KEY ASSUMPTIONS FOR FY 2019/20

- The Executive Director will play a prominent role with external audiences and an emphasis on working with Congress, the California Legislature, Riverside County business organizations, southern California transportation agencies, and local governments regarding advancing transportation policy in California. Policy concerns include the need for ongoing transportation investment, flexibility in project delivery methods, streamlining environmental processes, and a renewed focus of the connection between transportation projects and the overall quality of life in the County.
- Project delivery will be a top priority in FY 2019/20 with construction continuing along the I-15 – a project that travels through the cities of Jurupa Valley, Eastvale, Norco, and Corona. This project will generally construct two express lanes in each direction between SR-60 and Cajalco Road.
- Another large-scale construction project which launches in mid-2019 and will continue throughout FY 2019/20 is the addition of truck lanes in both directions of SR-60 through the Badlands area of the San Geronio Pass. The 4.5 mile SR-60 truck lanes project provides a number of safety improvements along a key corridor which links Western Riverside County and the Coachella Valley.
- The long-awaited Mid County Parkway project also launches construction in early 2020 with the construction of a new freeway interchange at I-215 and Placentia Avenue.
- Promoting the use of public transit will be an important Commission priority which will include marketing of the Metrolink Perris Valley Line extension and express bus service that utilizes the 91 Express Lanes.
- There will be a continued focus on enhanced cost-effective Metrolink and Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor service along with continuing development of a Service Development Plan (SDP) and environmental document for intercity rail service for the Coachella Valley-San Geronio Pass corridor.
- The advancement of projects will require a requisite increase in public outreach for traditional and social media. This will be part of a continued effort to enhance awareness of the Commission's activities and service to the public at large.
- As part of a regionwide effort, the Commission will work with local governments and stakeholders to advance active transportation projects such as bicycling, walking, and transit use.
- The Commission will remain an active participant in a concerted statewide effort to seek, protect and utilize transportation funding – most notably implementing and advocating projects funded by SB 1, the state gas tax increase approved in April 2017.
- The Commission will continue preconstruction activities for the 15/91 Express Lanes connector project, which received funding from SB 132.
- The Commission will also coordinate the implementation of other SB 132-funded Riverside County Transportation Efficiency Corridor projects with the respective lead agencies to ensure timely completion.

ACCOMPLISHMENTS IN FY 2018/19

FY 2018/19 witnessed extraordinary accomplishments at the Commission, placing it in the top tier of California transportation organizations. In several areas, the Commission stood by itself in successful advocacy, innovation, and leadership.

- Successfully operated the RCTC 91 Express Lanes since its opening in March 2017. The facility continues to surpass usage and revenue expectations.
- Completed improvements to congestion hot spots located at the two-end points and on the direct connector from I-15 to the RCTC 91 Express Lanes.

- Improved ridership on the Metrolink PVL extension through additional marketing and a discount program.
- Continued construction on the I-15 Express Lanes project which is scheduled to open in 2020.
- Participated in continued efforts to seek funding and approvals for special event trains for Coachella and Stagecoach music festivals and for additional phases of the environmental work necessary to offer future intercity rail service to the Coachella Valley-San Gorgonio Pass corridor.
- Successfully resolved litigation challenging the development of the Mid County Parkway and SR-60 truck lanes project.
- Launched a new vanpool program known as the RCTC VanClub, whose numbers now total 75 work-oriented vanpool arrangements throughout the County.
- Conducted a proactive public outreach process known as Reboot My Commute which included a new website and opportunities for the public to provide input on transportation issues through social media as well as traditional communication methods.
- Commenced the design-build procurement process for the 15/91 Express Lanes connector project.
- Actively engaged in statewide advocacy efforts regarding legislation impacting transportation funding, processes, and/or programs and in federal transportation policy development.
- Actively engaged in Metrolink budget, operations, and service discussions to ensure increased service for Riverside County Metrolink users and to effectively manage administrative costs.
- Focused on collaborative efforts with other transportation agencies including RTA, Sunline, SBCTA, OCTA, WRCOG, CVAG, SCAG, and Western Riverside County Regional Conservation Authority (RCA).
- Partnered with Caltrans management at District 8 and headquarters to maintain progress on initiatives and projects.
- Continued to fund the acquisition of needed habitat for the Western Riverside County Multi-Species Habitat Conservation Plan (MSHCP) as outlined in the 2009 Measure A Expenditure Plan.

MAJOR INITIATIVES IN FY 2019/20

FY 2019/20 will bring active construction of yet another major express lanes facility much closer to completion. The 15 Express Lanes are scheduled to open in 2020 and construction has proceeded via a design-build contract which has shortened traditional construction times and provided flexibility for the project to be built in close proximity with local interchange improvements in the cities of Corona, Jurupa Valley, and Eastvale. Thanks to its location in the center median of the existing freeway and a proactive outreach campaign, community impacts during construction have been addressed and will not require extensive right of way acquisitions. Construction impacts to the community will be much less pronounced.

The Commission is now a toll road operator with new responsibilities for maintenance, operations, debt service, and marketing of the RCTC 91 Express Lanes, which opened in March 2017. The responsibilities will expand in 2020 with the opening of the 15 Express Lanes and in 2022 with the opening of the 15/91 Express Lanes connector from the RCTC 91 Express Lanes to the northern segment of I-15.

Construction will also ramp up on the SR-60 truck lanes project which adds new safety improvements along 4.5 miles of SR-60 through the Badlanes area of the San Gorgonio Pass. This project is expected to open to traffic in 2022.

In looking toward the future, the Commission is conducting a LRTP to guide future transportation priorities for the County. The technical work and public outreach for the plan will be completed in anticipation of Commission approval in late 2019.

In addition to the technical work, the success of many of these efforts will rely on proactive external communications. While traditional media relations will continue to be used, the Commission will continue implementation of a comprehensive social media outreach program to build awareness of the Commission and its role in the community. A key part of this effort includes completion of a revamped website that will be easier to use, more informative, and compatible with mobile devices. An expanding and systematic outreach to business and civic groups, focusing on Commission efforts in terms of funding, construction, and services, will be the central feature of the communications program.

The communications and outreach effort has been titled as “Reboot My Commute” and is part of an overall effort to raise the Commission’s profile and to evaluate public support for additional transportation revenue. This could lead to seek voter approval of another sales tax measure in 2020, although that decision will not be made until the completion of the outreach program and public polling.

Regarding public transit, the Commission will continue alternatives analysis and planning efforts to advance the goal of additional passenger rail service to serve the Coachella Valley-San Gorgonio Pass corridor. The Commission is seeking state and federal funding to support the second phase of the project to develop an environmental impact report and conceptual service plan. The Commission also serves as the oversight agency for state and federal transit funding in Riverside County. Local transit providers such as RTA, SunLine, and the Palo Verde Valley Transit Agency (PVVTA) provide excellent transit service to their constituencies. In the past year, there have been notable successes such as RTA's Route 200 to Orange County and the PVVTA's Blythe Wellness Express.

As a member of Metrolink, funding and providing public transit connections for commuters is an important priority for the Commission. The Commission funded and completed construction on the PVL extension in 2016. While ridership on that line is steadily growing, a continued marketing and discount ticket effort will remain in place for the upcoming year.

The Commission is taking an active role throughout the County to advance active transportation projects for bicyclists and pedestrians. Working in partnership with the District, the Commission will continue to provide project delivery support services for Santa Ana River Trail projects. The Commission will also advocate and support funding of the CV Link project in the Coachella Valley. The focus on these type of projects remains consistent with southern California's RTP which seeks to limit GHG emissions.

In terms of advancing policy, a major concern in moving forward is the State's financial position and commitment to funding infrastructure and transportation. The Commission will continue to take an aggressive and active role in protecting existing transportation funding and advocating for State investments in transportation. The April 2017 approval of SB 132 to fund five key transportation projects in Riverside County was achieved thanks to the work of State Senator Richard Roth and Assemblywoman Sabrina Cervantes, who worked closely with Board commissioners and staff. The Commission is an active member of the Self-Help Counties Coalition (SHCC), California Association of Councils of Governments (CALCOG), and Mobility 21.

Federal funding is also an important issue for the Commission's future, and the Commission will play an active role in allocating and competing for funding which has been made available by the current transportation bill, Fixing America's Surface Transportation Act (FAST Act). Anticipating a new emphasis on infrastructure investment, the Commission will work closely with Congressional members and the U.S. DOT should new opportunities arise for funding on the federal front.

While actively participating in all of these major endeavors, the Executive Director will maintain and improve administrative efficiency and fiscally sound practices characteristic of the Commission. With 54 staff positions included in the FY 2019/20 budget, the Commission's organization remains consistent with the Commission's direction.

The Commission must continue to be competitive in the employment market and retain capable staff as well as attract high quality applicants. Staff training, development, and succession planning will continue, enabling our small and dedicated staff to enhance skills, productivity, and value. The Commission's goal is to maintain the most effective mid-sized transportation agency in California.

DEPARTMENT GOALS

EM1 - Focus on timely and effective completion of capital projects and implementation of needed transportation services. (Policy Goals: *Quality of Life, Responsible Partner*)

OBJECTIVES:

- Successfully manage financial responsibilities and investments for the RCTC 91 Express Lanes as a toll operator.
- Continue implementation of Toll Program management strategy with active construction of the I-15 Express Lanes project and development of the 15/91 Express Lanes connector project.
- Provide successful Metrolink service and bolster ridership on the PVL extension.
- Complete and adopt the LRTP to establish integrated transportation visions and priorities.
- Continue progress and outreach for the Coachella Valley-San Gorgonio Pass corridor rail service study.
- Complete the logistics-related truck impact study.
- Maintain Metrolink coordination and engage in collaborative efforts to address significant funding and organizational challenges.

- Continue engagement in rail discussions regarding Metrolink, LOSSAN, and high-speed rail to ensure protection of Riverside service and the Commission's rights.
- Support CVAG's transportation initiatives and projects.
- Continue collaboration with member agencies on planning, funding and construction of local and regional bike, trail, and pedestrian facilities.
- Update the 2008 Transit Vision to address long-term transit funding challenges.
- Implement the Commission's adopted state and federal legislative platforms.
- Pursue all funding opportunities to keep projects funded.
- Ensure the Commission's active participation in RTP implementation.
- Place a high priority in working with neighboring counties in San Bernardino, Orange, and San Diego to address commuting needs that impact highway and transit facilities.
- Continue collaborative efforts with local agencies regarding priorities; communicate effectively and timely with community groups and leaders.
- Continue to expand the vanpool program to provide a new and flexible commute.

EM2 - Maximize funding for transportation improvements in Riverside County through legislative advocacy. (Policy Goal: Quality of Life)

OBJECTIVES:

- Place an emphasis on implementing federally authorized and funded projects and services that are consistent with the federal transportation bill and the Commission's ongoing project priorities.
- Continue to advocate for federal investment in freight and goods movement infrastructure with the goal of mitigating community impacts while increasing capacity and local job creation and economic development.
- Advocate for additional funding from the state's Cap and Trade programs for projects in Riverside County.
- Pursue SB 1 funding of discretionary programs.

EM3 - Support regional transportation solutions in cooperation with surrounding counties that are of benefit to Riverside County. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Partner with OCTA on the administration and operation of the 91 Express Lanes in both counties. This also includes careful consideration of any improvements regarding the connections between the SR-241 Toll Road and the 91 Express Lanes.
- Work with neighboring counties regarding corridor improvements on SR-91 and I-15.
- Maintain an effective working relationship with the agencies that comprise Metrolink to ensure that the County commuter rail needs are served in an efficient, effective, and safe manner.
- Partner with SBCTA to enhance and publicize the Inland Empire Commuter (IE Commuter) system and work with agencies in San Diego, Orange, and Los Angeles counties to provide effective, regional 511 traveler information services.
- Play an active role in the implementation of intercity rail and commuter rail service in the LOSSAN rail corridor.
- Be an active participant in discussions involving high-speed rail, especially concerning connectivity investments in the overall rail system in southern California.
- Advocate for and take an active effort for additional intercity rail service to the Coachella Valley-San Geronio Pass corridor.

EM4 - Maintain effective working relationships with Commissioners to strengthen and expand the Commission’s leadership in transportation policy decision-making at all levels of government and raise the Commission’s profile in the community. (Policy Goals: Quality of Life, Operational Excellence)

OBJECTIVES:

- Facilitate Commissioner participation at the regional, state, and federal levels to raise the interests of the Commission and seek favorable action.
- Continue regular communication between the Executive Director, senior staff, and the Board.
- Continue collaborative efforts with member agency staff regarding local priorities and funding challenges.
- Work with other levels of local government such as the County’s Transportation and Land Management Agency, County Health Department, District, and local universities on quality of life issues that are connected to transportation such as air quality and the environment.
- Provide assistance to Commissioners who serve on outside boards such as SCAG, Metrolink, LOSSAN, and MSRC to assist their efforts to represent the County.
- Upgrade the Commission’s website to be easier to use, more informative, and compatible with mobile devices.

EM5 - Promote the Commission’s effectiveness by improving and developing staff skills, using state-of-the-art working tools, and fostering an environment that encourages and rewards individual and team effort. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Make needed investments in information technology to ensure staff efficiency.
- Continue to maintain a well-documented employee appraisal process that provides clear, understandable, and measurable performance criteria for all employees.
- Maintain and encourage staff morale and seek continuous improvement of staff effectiveness.
- Retain quality staff and evaluate staff retention strategies and options.
- Implement organizational initiatives.

EM6 - Develop the framework for a Commission culture that enhances productivity, encourages regular and open communication among staff, and promotes the mutual achievement of individual and organizational goals and objectives. (Policy Goal: Operational Excellence)

OBJECTIVE:

- Facilitate open communications and coordination between management, professional staff, and support staff through regular meetings.

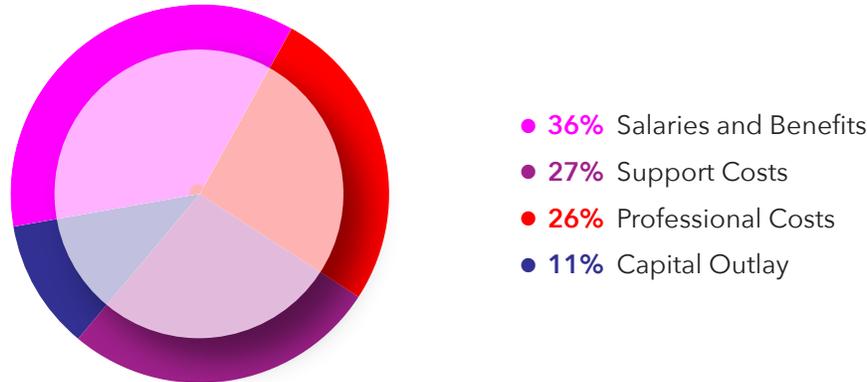
ID	Executive Management Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
EM1 EM3	Expenditures/Expenses	\$ 623,575,500	\$ 554,380,300	\$ 649,838,400	\$ 878,204,700
EM5 EM6	Staffing levels	50	47	51	54
EM5	Administration costs as percentage of expenditures / expenses	1.29%	1.42%	1.31%	1.63%

ADMINISTRATION

MISSION STATEMENT:

Comprised of office operations, information technology, clerk of the board, and human resources, Administration provides quality and efficient services to the Board of Commissioners, staff, and external customers in compliance with applicable federal, state, and local requirements.

CHART 39 - ADMINISTRATION



EXPENDITURES

As noted in Table 57, the Administration Department's total budget is \$4,120,800 for office operations including management of office space, lease, and equipment; records; Commission and committee meetings; special events; and the Clerk of the Board and Human Resources functions.

Salaries and benefits expenditures of \$1,483,800 reflect an increase of 105% for the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs of \$1,086,500 cover various services including, but not limited to, Commissioners' per diem, legal fees, and consultant and other professional services and reflect an increase of 28% related to information technology services. Support costs of \$1,089,500 cover administrative overhead including office maintenance; information technology updates, support, and maintenance; and recruitments. Capital outlay of \$461,000 covers office space improvements, information technology improvements and upgrades, and equipment upgrades.

TABLE 57 - ADMINISTRATION EXPENDITURE DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 677,000	\$ 723,700	\$ 686,700	\$ 1,483,800	\$ 760,100	105%
Professional Costs						
Commissioner Per Diem	56,600	65,000	50,000	65,000	-	0%
Legal Services	85,400	119,000	118,700	95,000	(24,000)	-20%
Professional Services - General	429,500	663,800	590,000	926,500	262,700	40%
Total Professional Costs	571,500	847,800	758,700	1,086,500	238,700	28%
Support Costs	694,100	1,015,800	850,400	1,089,500	73,700	7%
Capital Outlay	381,900	511,300	508,000	461,000	(50,300)	-10%
Debt Service	24,900	-	-	-	-	N/A
Transfers Out	153,500	-	-	-	-	N/A
TOTAL Administration	\$ 2,502,900	\$ 3,098,600	\$ 2,803,800	\$ 4,120,800	\$ 1,022,200	33%

ADMINISTRATION STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Clerk of the Board	1.00	1.00	1.00
Deputy Clerk of the Board	1.00	1.00	1.00
Deputy Executive Director	0.03	0.00	0.03
Facilities Administrator	0.00	0.10	0.02
Human Resources Administrator	1.00	1.00	1.00
IT Administrator	1.00	0.87	1.00
Procurement Manager	0.00	0.00	0.01
Records Technician	1.00	1.00	1.00
Senior Administrative Assistant	0.10	0.08	0.10
Senior Management Analyst	0.00	0.00	0.04
Senior Office Assistant	0.58	0.59	0.55
Senior Procurement Analyst	0.01	0.00	0.02
FTE	5.72	5.64	5.77

DEPARTMENT BUDGET OVERVIEW - OFFICE OPERATIONS

DEPARTMENT DESCRIPTION

Office Operations oversees the daily maintenance needs of the Commission's office facilities and staff; manages information technology and records management systems; oversees the office lease with the County; purchases office supplies and equipment; posts public notices on the website and local newspaper; maintains a safe working environment for Board members, staff, and consultants; and provides support services.

KEY ASSUMPTIONS FOR FY 2019/20

- Support will be provided to 54 full-time Commission staff at the Commission's Riverside office and other project-related facilities.
- Information technology staff in coordination with an information technology consultant will maintain the Commission's investments in a state of good repair and secure manner to ensure efficient and effective operations.
- The Commission will maintain an accurate and efficient records management system.
- Staff will respond to requests for public records in accordance with the California Public Records Act.

ACCOMPLISHMENTS IN FY 2018/19

- Executed a new lease with the County that includes additional office space for co-location of staff and capital program management in the Commission's Riverside office.
- Maintained a disaster recovery plan to ensure uninterrupted Commission operations.
- Responded to public records requests in accordance with the California Public Records Act.
- Posted legal notices on the website and in local newspapers in a timely manner.
- Implemented a new records management system to ensure accurate and efficient processing of incoming and outgoing correspondence and documents as well as to enhance accessibility.

MAJOR INITIATIVES IN FY 2019/20

The Commission will invest in an agenda management system to improve efficiencies internally while enhancing transparency.

Office Operations will continue to provide high quality support services to the Board and to internal and external customers by providing a work environment that enhances the overall mission of the Commission. The Commission moved to its current office in Riverside in 2002. In connection with the expansion of the office space to co-locate staff and capital program management, the Commission will complete an update of the office and workspaces to provide a productive and efficient environment in a prudent and economical manner.

DEPARTMENT GOALS - OFFICE OPERATIONS

OO1 - Ensure quality service that demonstrates responsiveness and flexibility and provides services at the most reasonable cost. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Support 54 full-time Commission staff.
- Manage the Commission's information technology systems.
- Continue to improve administrative efficiency through automation of records processing.
- Post legal notices on the Commission's website and in the newspapers on a timely basis and in accordance with applicable federal, state, and local regulations.
- Provide office supplies, equipment, and services consistent with intended quality and capabilities at the most advantageous price afforded in the market.

OO2 - Facilitate access to Commission information and records. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Respond to requests for records and information on a timely basis and in accordance with state law.
- Maintain Commission agreements, amendments, MOUs, resolutions, and ordinances.

DEPARTMENT BUDGET OVERVIEW - CLERK OF THE BOARD

DEPARTMENT DESCRIPTION

The Clerk of the Board provides support services to the Board of Commissioners and its alternates and for Commission and committee meetings. It serves as an important resource for the Commission and has the responsibility for:

- Recording, publishing, preserving, and filing meeting proceedings of documents acted upon by the Commission and its committees;
- Processing claims against the Commission;
- Fulfilling requirements of the Commission and the committees as it relates to the Conflict of Interest Code;
- Serving as the Filing Officer for Economic Interest and Campaign Disclosure statements and legal claims against the Commission;
- Coordinating Commission special events and meetings; and
- Performing all duties required by law, rules, or order of the Board.

As such, this department has a direct link and responsibility to serve local taxpayers and the public while supporting the actions of the Commission. The need to be accountable to the public at large is further amplified by the need to comply with federal and state law requiring prompt responses to California Public Records Act requests.

KEY ASSUMPTIONS FOR FY 2019/20

- The Clerk of the Board will provide staff support and meeting services to 34 Commissioners and their alternates, the Commission, standing committees, and a number of ad hoc committees.
- Staff will publish and distribute monthly agenda packets and supporting documents in accordance with the Brown Act.
- The Clerk of the Board will keep officers and members of the Commission informed by providing them with the most current and accurate data to assist them and facilitate their decision-making responsibilities.
- Frequent communication with Commissioners will continue in order to provide news and updates on Commission items and transportation-related meetings.
- Available technology will be used to provide simplified access to agenda items and Commission actions to the public, local agencies, and staff.

ACCOMPLISHMENTS IN FY 2018/19

- Updated the web page and the bulletin board for the agenda, minutes, and supporting documents.
- Regularly advised officers and members of the Commission and their staff on changes to Commission meetings and other transportation-related meetings.
- Arranged Commission and committee meetings and special events of the Commission.
- Processed and transmitted Commission-approved resolutions to appropriate agencies in a timely manner.
- Implemented Laserfiche, a comprehensive records management system.

MAJOR INITIATIVES IN FY 2019/20

Each year, local agencies make changes to their appointments regarding representation on the Commission. Staff will continue to ensure that the newly appointed representatives, as well as their respective staff, are aware of operational policies of the Commission and other transportation-related meetings. There will be continued emphasis on the utilization of electronic mail with Commissioners for more efficient communications.

Clerk of the Board staff will continue to provide high quality support services to the Board. Staff will also continue to update technology to streamline processes and procedures for easier access to Commission actions, minutes, resolutions, and ordinances, including electronic agenda distribution.

DEPARTMENT GOALS - CLERK OF THE BOARD

CB1 - Ensure coordination and documentation of Commission and committee meetings and provide public accessibility to agenda items as required by state regulations. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Provide accurate, high quality agenda packets for Commission and committee meetings.
- Continue to provide support to Commission members, staff, and attendees of Commission and committee meetings.
- Post meeting agendas and supporting documents in compliance with Brown Act requirements.
- Maintain an accurate list of Commissioners and alternates and submit membership roster changes to the Secretary of State.
- Maintain and file all Commission and committee meetings and official records of the Commission.
- Perform all duties within mandated deadlines.
- Maintain and promote good Commission and staff relations.

CB2 - Facilitate access to Commission meetings and activities. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Implement an agenda program that is compatible with a new records management system and other Commission software.
- Coordinate special activities, meetings, events, and conferences as requested by the Executive Director and the Commission.

DEPARTMENT BUDGET OVERVIEW - HUMAN RESOURCES

DEPARTMENT DESCRIPTION

Human Resources responsibilities include:

- Planning, administering, and implementing human resources programs, including the recruitment, selection, and appraisal process;
- Employee training and development;
- Classification and compensation studies;
- Benefits administration;
- Employee relations; and
- Recommending, implementing and maintaining personnel policies, procedures, and practices.

KEY ASSUMPTIONS FOR FY 2019/20

- Staff will maintain quality service levels in all Human Resources programs.
- The assessment of Human Resources policies, practices and procedures will continue.
- Continuous improvement in communication with employees regarding Human Resources information will be an ongoing process.
- The Commission will comply with state and federal labor law regulations.

ACCOMPLISHMENTS IN FY 2018/19

- Maintained the employee performance appraisal system.
- Conducted annual benefits open enrollments with all employees.
- Completed a classification study for select classification in various departments.
- Regularly provided information to employees on changes to health insurance, 401(a) defined contribution, 457 deferred compensation plans, and the personnel policies and procedures manual through the Commission's intranet.
- Recruited and filled two temporary employees, four service retirements, and six new hires in full-time positions.
- Coordinated training sessions on effective communications and continuous web-based training on software, leadership skills, time management, and conflict resolution.
- Disclosed employees' compensation on the Commission's website in compliance with the State Controller's Office and CalPERS.

MAJOR INITIATIVES IN FY 2019/20

Human Resources focuses on managing employees and consists of a framework of activities and practices that support and develop a motivated workforce, complying with legislation and regulations that govern the employer/employee relationship, and ensuring parameters for fair and consistent decision-making and good workplace practices. Staff uses written position descriptions and performance expectations in order to obtain a clear and consistent understanding of what is expected.

DEPARTMENT GOALS - HUMAN RESOURCES

HR1 - Administer human resources policies, procedures, and programs in order to align personnel laws and the Commission's policies with continuous improvement principles. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Review and update personnel policies and procedures to comply with federal and state requirements.
- Provide information to enhance the employee's knowledge of current personnel policies and procedures in various forms including electronic access, workshops, and printed information.
- Ensure that employee personnel records are documented and updated timely for various personnel actions.

HR2 - Continue to employ and recruit a dynamic and talented workforce. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Maintain a compensation program that ensures internal equity and external competitiveness within the pay structure for Commission employees.
- Exercise care in making high-quality, diverse appointments to fill staff positions.
- Maintain a comprehensive new employee orientation program.

HR3 - Develop people to be their best in order to meet the needs of the organization. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Build and maintain an effective performance system to include timely performance evaluations, personal development, and a supportive work environment.
- Provide appropriate and timely training to meet the demands of the organization and professional growth and development of all staff members.
- Foster teamwork through cooperative efforts and support for shared success.

HR4 - Understand and consistently deliver excellent customer service to all employees. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Focus on “employee as customer” and consistently strive to exceed expectations by supporting and maintaining individual respect, appreciation, management accessibility, and communication.
- Determine system requirements and identify options for an employee intranet.
- Assist employees in utilizing employer-provided benefits to enhance their health, wellness, and quality of life.

HR5 - Improve the quality of the work culture. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Develop and maintain a safe and healthy working environment by retaining open lines of communication throughout the organization; complying with established federal, state, and local regulations; and implementing best practices to promote safety and prevent legal risks.
- Provide a safe working environment with the maintenance of an injury and illness prevention program.
- Maintain a proactive employee relations process by facilitating a collaborative, professional working environment with all staff members.
- Promote a work/family balance.
- Recognize and reward individual contributions, innovation, and learning from experience.

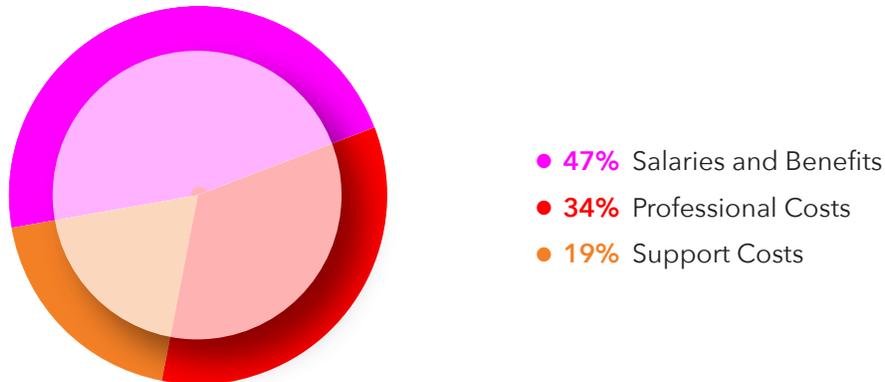
ID	Administration Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
OO1	Staff supported: Regular full-time	50	47	51	54
OO2	Legal notices	25	20	22	25
CB1, CB2	Commission, Committee, and Ad Hoc meetings	47	43	50	50
CB1	Commissioners supported (including alternates)	62	62	62	62
HR1, HR4	Employee rules/Benefits review sessions held	2	2	2	2
HR2	Recruitments	6	8	6	6
HR2	Positions filled	6	8	6	6

EXTERNAL AFFAIRS

MISSION STATEMENT:

External Affairs communicates, engages in, and develops relationships with the public, key stakeholders, and governmental decision-makers to connect the lives of Riverside County residents.

CHART 40 - EXTERNAL AFFAIRS



EXPENDITURES

The External Affairs Department has a total budget of \$3,265,900 (Table 58), an overall 44% increase. Salaries and benefits reflect an increase of 82% due to the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs of \$1,111,000 includes legislative advocacy, graphic design, and website updates. Legislative advocacy costs remain unchanged from FY 2018/19. Overall, professional costs reflect an increase of 11% due to multimedia public outreach and engagement. Support costs of \$612,900 include advertising, various membership dues, and subscriptions to business software products and journalistic publications. Support costs also include staff-related travel costs, which remain at flat levels, to Sacramento, Washington, D.C., and professional conferences. Support costs reflect a 49% increase primarily due to planned public engagement and education efforts undertaken at the Commission's direction, a large component of which includes social media and online marketing, as well as restarting the Commission's Annual Report distributed to the citizens of Riverside County.

TABLE 58 - EXTERNAL AFFAIRS EXPENDITURE DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 855,100	\$ 849,100	\$ 848,900	\$ 1,542,000	\$ 692,900	82%
Professional Costs						
Legal Services	55,500	41,500	41,500	45,000	3,500	8%
Professional Services - General	1,028,000	961,900	959,900	1,066,000	104,100	11%
Total Professional Costs	1,083,500	1,003,400	1,001,400	1,111,000	107,600	11%
Support Costs	101,700	412,400	323,500	612,900	200,500	49%
Transfers Out	124,700	-	-	-	-	N/A
TOTAL External Affairs	\$ 2,165,000	\$ 2,264,900	\$ 2,173,800	\$ 3,265,900	\$ 1,001,000	44%

EXTERNAL AFFAIRS STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Deputy Executive Director	0.59	0.55	0.48
External Affairs Director	0.84	0.66	0.78
Legislative Affairs Manager	0.95	0.89	0.96
Public Affairs Manager	0.67	0.25	0.48
Senior Administrative Assistant	0.69	0.45	0.75
Senior Management Analyst	0.64	0.76	0.48
Senior Procurement Analyst	0.15	0.12	0.03
FTE	4.53	3.68	3.96

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

The External Affairs Department manages two core functions: legislative affairs and public affairs. These are public-facing functions with high impact on how citizens, stakeholders, and decision-makers interact with the Commission.

LEGISLATIVE AFFAIRS

Improved mobility for Riverside County residents requires the financial resources and public policy to implement transportation projects and programs. Through proactive advocacy at all levels of government, the Commission exercises leadership to advance the agenda of Riverside County taxpayers. The Commission's legislative engagement takes many forms including, but not limited to:

- Seeking specific items in state or federal budgets;
- Changing the law;
- Shaping rules and regulations;
- Educating elected, appointed, and career government officials, as well as interest groups; and
- Pursuing grant funds.

Coverage of the many policy and funding issues that affect mobility within Riverside County requires a team approach. The Commission's historically effective and savvy approach to legislative advocacy is consistent with the Commission's overall theme of a lean staff and utilizing consultants in their areas of expertise. The Commission retains legislative consultants with decades of experience on transportation policy and funding based in Washington, D.C. and Sacramento, providing day-to-day representation and insights that help guide staff. The consultants, often referred to as legislative advocates or lobbyists, are procured every few years through a competitive and transparent process that seeks to acquire the greatest talent and the best value for the Commission. The FY 2019/20 budget does not contemplate any increases in retainer fees for legislative consulting services, as the 2016 procurement of these consultants yielded level overall fees compared to FY 2018/19.

Staff, in consultation with the legislative advocates, provides recommendations and support to Commissioners, who set legislative policy priorities and are often the Commission's most effective advocates in Washington, D.C. and Sacramento. Commissioner engagement takes the form of actions such as adopting a legislative platform; taking positions on individual bills; and communicating with government decision-makers in writing, verbally, or through physical trips to capital cities. Thus, the Commission's team approach for legislative advocacy is best likened to a three-legged stool held up by Commissioners, professional staff, and professional legislative consultants.

An essential component of the Commission's legislative affairs program is participation in formal and informal coalitions of similarly-interested agencies and stakeholders. Examples of formal coalitions are:

- Mobility 21 - a coalition of public agencies, the Automobile Club of Southern California, and business advocacy groups in southern California;
- SHCC - an alliance of all California counties with voter-approved sales taxes for transportation projects;

- CALCOG - a diverse alliance of transportation and planning agencies that are impacted by the State's laws and regulations on land use, air quality, and transportation;
- California Toll Operators Committee (CTOC) - an industry group of tolling agencies that collaborate on matters of common interest pertaining to operations, technology, finance and public policy; and
- International Bridge, Tunnel, and Turnpike Association - an industry group of public and private stakeholders in the tolling industry that focuses on federal policy and developing best business practices within the tolling community.

Although participation in these coalitions requires staff and consultant time, they leverage the collective strength of more voices beyond the Commission, which is often necessary to affect policy change. Additionally, members of these coalitions may have expertise and resources outside of the Commission's current capability that can contribute significant value to the Commission.

Active engagement by the Commission in the development and implementation of significant federal infrastructure legislation will be necessary to ensure Riverside County taxpayers receive a proportional benefit to any federal investment. Moreover, implementation of the federal FAST Act will continue, meaning significant rulemakings and release of grant funding opportunities are anticipated.

A key recommendation of the Commission's Strategic Assessment is for the Commission to pursue state and federal funding for priority projects, given the yawning gap of funding for Riverside County's long-term mobility needs. In pursuit of executing this recommendation, in 2017, the Commission developed an on-call grant writing bench comprised of four highly qualified firms. This bench was utilized in FY 2017/18 and FY 2018/19 to pursue competitive state and federal funding from SB 1 and the U.S. DOT. The bench will continue to be called upon in FY 2019/20 and beyond to pursue additional competitive grant funding opportunities.

PUBLIC AFFAIRS

The Commission's commitment to engage and educate residents, business operators, and motorists requires a comprehensive public affairs program. The Commission continues to develop relationships with the public and major stakeholders through many channels, including:

- Participating in or hosting public meetings;
- Interacting with communities of interest and stakeholder groups, such as chambers of commerce, industry associations, service clubs, and other community-based organizations and businesses;
- Producing and providing resource materials, such as fact sheets, brochures, and newsletters in print and digital form;
- Maintaining and enhancing the RCTC.org website and supporting other Commission project-related websites;
- Communicating with news media outlets through news releases, radio and television interviews, advertisements, and cable television recordings;
- Engaging in two-way dialogue with the public via RCTC's Facebook, Twitter and Instagram platforms, with a focus on thoughtful, quick responses to questions and comments, and an increasing number of short videos;
- Building awareness and support for Commission's projects, services, and funding challenges through a comprehensive, data-driven public engagement program, with tools to receive public feedback about transportation priorities and funding;
- Producing annual reports to the citizens of Riverside County in both digital and print formats; and
- Measuring public affairs activities to assess progress toward goals and determining the most effective means of reaching various stakeholders.

The Commission will place continued emphasis on providing communications support to major projects, such as:

- I-15 Express Lanes
- SR-60 truck lanes
- I-15/Railroad Canyon interchange
- Mid County Parkway (I-215 Placentia interchange)
- 91 corridor operations
- I-15 Express Lanes–Southern Extension

- SR-79 realignment
- 71/91 connector
- 91/PVL Metrolink passenger marketing
- Coachella Valley-San Geronio Pass corridor rail service

The Commission will also continue to promote high-value public services such as FSP, VanClub, and other motorist and commuter assistance programs.

Further, the Commission will educate the public about the importance of rail safety, through Operation Lifesaver International (Operation Lifesaver). Operation Lifesaver teaches target audiences, especially schoolchildren and their families, how to remain safe around train tracks, with the goal of reducing injuries and fatalities associated with trains.

The Commission's communications efforts also will focus on marketing and customer service for public transit operations including Metrolink service, the RCTC 91 Express Lanes, and the future 15 Express Lanes. The Commission has a significant stake in ensuring positive experiences by the public with these transit and toll services.

A major emphasis for the Commission is increased digital communications. The FY 2019/20 budget will include major investments to improve the Commission's engagement in online and mobile communications with its customers and constituents. The public can expect to see increased information from *The Point*, the Commission's e-newsletter and blog; RCTC.org, the Commission's website; and social media accounts. Staff will continue to produce quarterly reports to monitor the effectiveness of these digital communication activities.

Last year, based on direction provided by the Commission at the January 2018 workshop, staff began a robust public engagement program to ascertain public priorities and provide information about the Commission's stewardship of taxpayer dollars. The Commission is gathering public feedback related to transportation priorities and the \$12.6 billion shortfall that exists to fund capital improvements through 2039. Using consultant services, the Commission is using an array of tools to assess public opinion, including digital advertising, social media, focus groups, and polling. Results from the public engagement program will guide the Commission's future decision to place a sales tax measure on the ballot for voter approval.

KEY ASSUMPTIONS FOR FY 2019/20

- The Commission will continue to implement recommendations of the RCTC Strategic Assessment.
- The Commission will continue its countywide multi-media public engagement program to ascertain transportation priorities and needs of Riverside County residents and stakeholders.
- The failure of Proposition 6 last year will allow continued funds from SB 1, the \$5.2 billion transportation funding package adopted in April 2017, requiring policy engagement and public communications from the External Affairs Department.
- The External Affairs Department will continue to support efforts to deliver SB 132 projects and communicate progress to key state and local officials.
- The Commission will adopt federal transportation funding reauthorization principles and will engage in policy and funding advocacy with Congress and the Trump Administration.
- The Commission will remain an engaged party in public policy and funding matters at the state and federal levels.
- Toll operations on the RCTC 91 Express Lanes and future 15 Express Lanes will necessitate focused attention on public affairs and marketing regarding the new express lanes.
- Construction of the I-15 Express Lanes and SR-60 truck lanes as well as the advancement of other Commission projects will require ongoing public outreach and engagement.
- The External Affairs Department will work internally to inform, coordinate, and support initiatives across all Commission departments to ensure a high level of collaboration and cohesiveness, especially related to external-facing work products.
- The External Affairs Department will carry out an intensive overall work program, consistent with the reorganization that took place in FY 2017/18, under the leadership of the External Affairs Director with guidance from the Deputy Executive Director and Executive Director.

ACCOMPLISHMENTS IN FY 2018/19

LEGISLATIVE AFFAIRS

- Sought state and federal grant funding for Commission projects such as I-15/Railroad Canyon interchange, 71/91 connector, 15/91 Express Lanes connector, 91 corridor operations project, and Coachella Valley-San Gorgonio Pass corridor rail service.
- Supported the I-15 Express Lanes project team by communicating with legislators and their staffs regarding project status.
- Maintained communication with Sacramento officials regarding SB 132 projects.
- Developed FAST Act reauthorization principles.
- Assumed position of Chair of the Southern California Legislative Roundtable, a coalition of legislative advocates representing southern California transportation agencies.
- Supported SB 1 education efforts across Riverside County.
- Authored numerous letters of correspondence to governmental decision-makers detailing the Commission's positions.
- Participated in advocacy by coalitions of which the Commission is a member.
- Partnered with local business advocacy groups on advocacy trips to Washington, D.C. and Sacramento.
- Provided technical assistance and policy briefings to legislators representing Riverside County.

PUBLIC AFFAIRS

- Produced quarterly metrics reports to the Commission on data related to social media, *The Point* newsletter and blog, and website activity. Met or exceeded goals set for public engagement through these tools.
- Continued updates and publicly launched the Commission's updated website, RCTC.org, to meet modern standards and expectations, creating a more transparent and accessible platform for visitors to receive information about multiple transportation projects and services.
- As a result of construction of the I-15 Express Lanes, engaged the community through open houses, the project website, videos, construction updates, social media platforms, project helpline, emergency responder and public information officer briefings, and neighborhood canvassing.
- Informed motorists of multiple weekend closures of the RCTC 91 Express Lanes and general-purpose lanes for restriping and tolling technology changes.
- Created consistent branding for project fact sheets to help boost the Commission's brand and identity.
- Secured constituent support for federal grant funding for the 71/91 connector project using RCTC.org.
- Continued the Operation Lifesaver rail safety program throughout the County.
- Hosted informational booths and gave presentations to numerous service clubs and business groups and at town hall meetings for cities and County supervisors.
- Promoted the 91/PVL and special trains, including the Angels Express, Football Train, and service to the Mission Inn Festival of Lights, and supported school and senior center tours on public transit and other similar efforts.
- Assisted with inquiries and marketing of the RCTC 91 Express Lanes, which marked its second year of service in March 2019.
- Conducted public education program for SB 1 funding, using city-specific fact sheets and social media posts about projects delivered through this gas tax revenue.
- Began Public Engagement Program activities, including digital advertising, videos, social media posts, development of an interactive web tool, and establishment of a digital "annual report."
- Participated in industry gatherings, such as the Mobility 21 summit and SHCC Focus on the Future - providing informational materials and discussing the Commission's work within the transportation industry.
- Supported the Rail Department with technical advisory committee meetings for the proposed Coachella Valley-San Gorgonio Pass corridor rail service and regional briefings for the Next Generation Rail Study.

- Issued 12 news releases to media outlets and responded to media inquiries regarding various Commission projects and issues.
- Marked 25 years of FSP operations and Metrolink service in Riverside through various awareness activities.

MAJOR INITIATIVES IN FY 2019/20

LEGISLATIVE AFFAIRS

The Legislative Affairs team will continue monitoring and engaging in individual legislation that moves through Congress and the State Legislature, plus policies emerging from the Gubernatorial and Presidential Administrations. The team will also aggressively pursue grant funding opportunities in collaboration with other Commission departments and external partners.

It is possible that a federal infrastructure funding package will move forward in FY 2019/20. If such a package begins to move forward, significant Commission engagement will be necessary to ensure Riverside County is able to receive its fair share of funding.

In the meantime, the Legislative Affairs team will prepare federal transportation funding reauthorization principles in preparation for congressional and administrative deliberations on the next surface transportation law that will succeed the FAST Act in 2020.

In Sacramento, the Legislative Affairs team will focus on implementation of SB 1, pursuant to the Commission's adopted state legislative platform.

A priority issue in both Washington, D.C. and Sacramento will be implementation of a pilot program in the FAST Act that allows states such as California to substitute its environmental law for federal environmental law. This pilot program has the potential to save time on future Commission projects.

Finally, the Legislative Affairs team will continue to manage the consultant contracts that assist the Commission in applying for state, federal, and regional grant funds and provide advocacy services in Washington, D.C. and Sacramento.

PUBLIC AFFAIRS

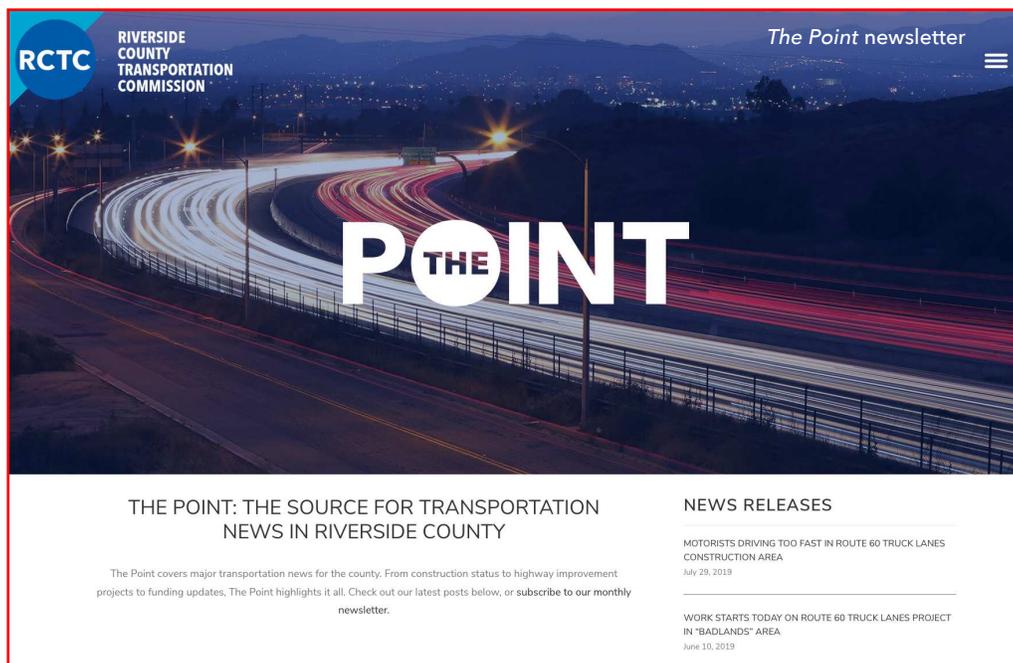
An ambitious year is planned for the Commission's Public Affairs program. Staff will continue its robust and transparent communication efforts across Riverside County to enhance Commission's brand awareness and to engage in two-way dialogue with constituents. The Commission's focus is using modern technology to reach as many people as possible. Accordingly, major Public Affairs initiatives for FY 2019/20 include:

- Preparing fresh content for RCTC.org and *The Point* newsletter and blog to reflect Commission priorities and updates to projects and programs. Staff will increase engagement with residents by soliciting support for various funding initiatives.
- Continuing community outreach for construction of the 1-15 Express Lanes, including weekly construction updates, videos, social media activity, presentations, roundtable meetings with partner agencies, and rapid response to questions from motorists and residents.
- Using the input from the #RebootMyCommute campaign to gain a greater understanding of the needs of residents countywide, improve Commission's communication with the public, help inform the development of the new Measure A Expenditure Plan, and provide data for potential future funding initiatives.
- Continuing Operation Lifesaver's effective rail safety education campaign at Riverside County schools and community sites.
- Assisting the Rail Department with Metrolink marketing efforts to educate county residents about the commuting and recreational benefits of riding Metrolink.
- Initiating public outreach activities for the start of construction of the SR-60 truck lanes between Moreno Valley and Beaumont. Heavy emphasis will be placed on the six-month westbound lane closure, which may begin in late summer 2019.
- Tracking construction start dates and planning for upcoming projects: I-215/Placentia interchange, Pachappa underpass, 91 corridor operations, 71/91 connector, 15/91 Express Lanes connector, I-15/Railroad Canyon interchange, and I-15 Express Lanes–Southern Extension.
- Measuring public engagement activities by tracking social media likes, followers, engagement, and impressions; overall social media sentiment; subscribers to *The Point* newsletter; website visitors; and other metrics.

DEPARTMENT GOALS

The External Affairs Department plays a unique role by providing broad internal support to all Commission departments while also being the conduit for a wide variety of external stakeholders to receive information and advance the public's general interest in better mobility in Riverside County. To that extent, the External Affairs Department's goals truly are the Commission-wide goals of quality of life, operational excellence, connecting the economy, and being a responsible partner. The External Affairs Department will adapt to ensure achievement of these broader organizational aims.

External Affairs Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
Legislative action submittals to Commission	8	9	8	8
Commission-adopted legislative positions	N/A	9	8	8
State/federal/regional grants pursued	3	3	1	3
Items of state or federal legislation sponsored by the Commission	1	1	0	0
Speakers bureau/stakeholder presentations/events	116	120	100	110
Social media postings per week (average)	5	6	6	6
Facebook "Likes"	7,467	7,774	8,000	8,500
Twitter followers	992	994	1,200	1,300
Instagram followers	170	265	500	600
"The Point" postings per month (average)	2	3	4	4
"The Point" subscribers	800	1,484	2,000	2,500
Website visitors per month (average)	10,000	11,244	12,000	13,000
Operation Lifesaver school and community presentations/events	65	69	65	65

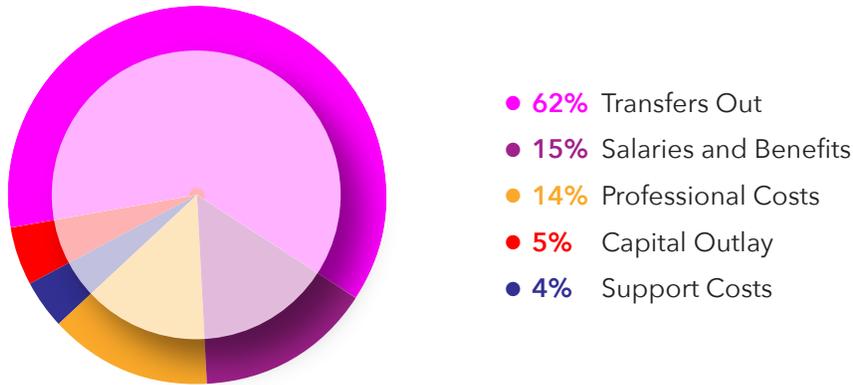


FINANCE

MISSION STATEMENT:

Finance safeguards the Commission’s assets and maintains strong and prudent fiscal controls in accounting, budgeting, procurements, debt financing, investing, and financial reporting including ongoing disclosure to all interested parties. Finance seeks financing alternatives that complement the Commission’s strategic direction.

CHART 41 - FINANCE



EXPENDITURES

The Finance Department’s total budget is \$16,253,100 (Table 59) and reflects an 8% decrease over the prior year’s budget. Department staffing costs will total \$2,511,300 and reflect the one-time disbursement to fund the Commission’s CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs of \$2,200,100 include various services related to general and specialized legal, financial and investment advisory, audits, debt management, CAFR and annual budget graphic design and publication, and procurement. Support costs of \$608,800 include insurance, printing, and staff training. Capital outlay of \$845,000 includes ERP updates. Transfers out of \$10,000,000 and \$87,900 are related to funding a portion of the debt service interest payments and administrative costs to the General fund, respectively, from the 2009 Measure A Western County bond financing program.

TABLE 59 - FINANCE EXPENDITURE DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 1,146,000	\$ 1,182,300	\$ 1,138,600	\$ 2,511,300	\$ 1,329,000	112%
Professional Costs						
Legal Services	34,000	155,000	150,000	270,000	115,000	74%
Audit Services	441,000	427,500	427,500	573,700	146,200	34%
Financial Advisory	181,100	150,000	200,200	250,000	100,000	67%
Professional Services - General	862,000	1,503,300	627,600	1,106,400	(396,900)	-26%
Total Professional Costs	1,518,100	2,235,800	1,405,300	2,200,100	(35,700)	-2%
Support Costs	369,600	543,500	431,400	608,800	65,300	12%
Capital Outlay	-	513,700	100,000	845,000	331,300	64%
Transfers Out	14,013,800	13,183,400	11,253,400	10,087,900	(3,095,500)	-23%
TOTAL Finance	\$ 17,047,500	\$ 17,658,700	\$ 14,328,700	\$ 16,253,100	\$ (1,405,600)	-8%

FINANCE STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Accountant	0.98	0.98	0.94
Accounting Assistant	2.00	2.00	2.00
Accounting Supervisor	0.00	0.00	1.00
Accounting Technician	2.00	2.00	2.00
Chief Financial Officer	0.63	0.65	0.62
Deputy Director of Finance	0.90	0.91	0.94
Procurement Manager	0.19	0.12	0.16
Senior Administrative Assistant	0.65	0.65	0.67
Senior Financial Analyst	0.59	0.60	0.42
Senior Management Analyst	0.00	0.00	0.01
Senior Office Assistant	0.27	0.26	0.30
Senior Procurement Analyst	0.11	0.10	0.08
FTE	8.32	8.27	9.14

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

FINANCE AND ACCOUNTING

Commission resources are allocated to assure financial stability and fiscal accountability. Finance activities include investing the Commission's cash resources, planning and directing financial transactions, and subsequent monitoring of legal and regulatory requirements. Adequate cash flow must be maintained while at the same time prudently investing operating and capital funds. Borrowing needs are carefully planned using both short- and long-term debt. Once debt is issued, there are ongoing responsibilities including interaction with financial advisors, bankers, dealers and remarketing agents, underwriters, bond counsel, bond insurers, trustees, issuing and paying agents, arbitrage consultants, investment managers, and rating agencies as well as providing regular and consistent information disclosure to investors.

Fiscal accountability involves receiving all funds due the Commission, paying all Commission obligations, maintaining the general ledger, reporting regularly on the Commission's fiscal results, and preparing and monitoring the budget. Fiscal accountability requires the coordination of budget planning and monitoring and the accurate and timely accounting for all funding sources, including compliance with all applicable laws and regulations governing those funds. Accounting encompasses cash receipt and disbursement functions, maintenance of the general ledger including project cost accounting, payroll processing, debt and investment management, quarterly and annual financial reporting, and retention of and coordination with independent auditors.

The Commission also recognizes the importance of accountability for the organization. As a result, the Commission is highly regarded by individuals, peers, other organizations, and government officials at a local, regional, state, and national basis. A formal organizational accountability program is in place to address fraud risk, ethical conduct, and financial and operational disclosure and to maintain the public's confidence in the Commission. Accordingly, measures have been implemented based on a conceptual framework related to oversight, reporting, fraud, internal control, and ethics.

PROCUREMENT MANAGEMENT

Procurement management is responsible for the purchase of all goods and services, in accordance with the Commission's Procurement Policy Manual and federal and state funding requirements to ensure the implementation of the Commission's projects and programs. The procurement process is centralized and includes conducting outreach, issuing solicitations, oversight of the proposal evaluation process, conducting contract negotiations, recommending contract award, and updating procurement policies and procedures as required. After contract award and during the contract lifetime, contract administration activities include issuing contract task orders and amendments; ensuring compliance with contract terms, conditions, and deliverables; and monitoring contract balances to prevent contract overruns.

Procurement management also includes oversight of the Commission's DBE and SBE program. This includes developing DBE contract goals, attending various DBE/SBE outreach events to encourage participation on Commission contracts, monitoring DBE participation achievement, and ensuring all vendors have an equal opportunity to provide the Commission with goods and services.

Risk management includes identifying Commission insurance needs to protect the Commission's assets, such as its commuter rail stations, toll facilities, and vacant land, and to ensure that insurance requirements for services purchased with public funds are applied in the Commission's best interests. Activities also include reviewing scopes of work to ensure insurance limits are adequate, tracking consultant insurance certificates, managing claims, and annually reviewing and renewing the Commission's insurance policies.

KEY ASSUMPTIONS FOR FY 2019/20

- The commercial paper letter of credit facility will be maintained with strong short-term ratings.
- The Commission will maintain strong AA category long-term credit ratings related to its sales tax bonds and investment grade ratings related to its toll bonds and TIFIA loans.
- Proceeds from the 2017A Bonds, 2017 TIFIA Loan, and federal funds will be used to fund the I-15 Express Lanes project.
- A consultant will perform annual arbitrage calculations related to the outstanding debt issues.
- The Commission will continue development of an innovative financing option to fund Western County highway project priorities.
- The Commission will pay 100% of the actuarially determined contribution related to postretirement health care benefits based on a current actuarial valuation.
- The Commission will fund 100% of its CalPERS retirement net pension liability.
- Finance will commence migration and implementation of a new cloud-based ERP system and will implement a comprehensive budget software tool.
- The Commission will implement GASB Statement No. 87 related to the accounting and financial reporting for leases following a review of the Commission's leases with right of way staff.
- Directors and program managers will continue to have adequate project budget and accounting information to make informed decisions.
- Toll operations accounting information will be processed and provided by the toll operations contractor's back office, and a service organization report, or SOC1-Type 2 report, will be obtained annually.
- Construction fund bond proceeds will be invested in securities that mature in accordance with the construction draw schedule. Operating funds will be invested in state and local agency investment pools for short-term liquidity purposes and in mid-term treasury and federal agency securities as available funds are identified. The overall interest rate is conservatively projected to be 2.00% for operating funds managed by state and County investment pools as well as an investment management firm and 2.00% for debt service and construction funds managed by an investment management firm.
- Procurements will be conducted in accordance with the Commission's procurement policy manual.
- Procurement will continue to maintain a standardized procurement filing system and centralized procurement files.
- Procurement will conduct outreach activities to encourage DBE and SBE participation in various contracts and projects.

ACCOMPLISHMENTS IN FY 2018/19

- Received rating upgrades (from BBB- to BBB) related to the 91 Project toll revenue debt from Fitch and S&P due to strong performance of the 91 Express Lanes.
- Prepared and submitted to TIFIA the Financial Plan Annual Updates for the I-15 Express Lanes project and the 91 Project.
- Prepared and submitted required continuing disclosure reports related to the 91 Project and I-15 Express Lanes project financings to TIFIA and/or the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) System, as applicable.

- Fulfilled other continuing disclosure requirements with timely filings to EMMA.
- Worked with Toll Operations staff, OCTA, and the 91 Express Lanes operator to ensure that proper accounting and financial reporting processes were maintained for the 91 Express Lanes operations.
- Presented an update to the rating agencies of the Commission's sales tax and toll financing programs.
- Obtained financial reporting excellence award from the Government Finance Officers Association (GFOA) (26th year) related to the CAFR for the fiscal year ended June 30, 2018.
- Obtained GFOA distinguished budget award (23rd year) for annual budget for the fiscal year beginning July 1, 2018.
- Generated approximately \$9.2 million in additional Measure A sales tax revenue since the engagement of a firm in January 2008 to provide sales tax audit services in order to detect and correct sales tax reporting errors.
- Updated the Procurement Policy Manual.
- Promoted the Commission's DBE/SBE program by attending various small business networking events.

MAJOR INITIATIVES IN FY 2019/20

FINANCE AND ACCOUNTING

The commercial paper program has been in place for 14 years and provides short-term, advance funding for projects included in the 2009 Measure A and related Western Riverside County Delivery Plan. The current credit and liquidity support for the commercial paper program is \$60,000,000, and the existing letter of credit and reimbursement agreement with State Street Bank expires in October 2020. The Commission will monitor the credit quality of State Street Bank for any actions that may affect the short-term ratings of the commercial paper program.

The Commission will continue to invest project finance funds with the advice and assistance of an investment management and advisory firm. Operating funds available for investment are coordinated with the assistance of a second investment management and advisory firm. The Commission invests its funds in accordance with the Commission's priorities of safety, liquidity, and then yield. Staff in consultation with the investment managers and advisors will continuously review the Commission's investment policy for any required updates and other recommendations.

Staff maintains a comprehensive financing plan to support the highway and rail capital projects and to assess future financing requirements. This financing plan incorporates revised sales tax revenue forecasts as well as other potential federal, state, and local revenue sources, including tolls. Based on the updated cost estimates for these projects and identified revenues, potential project funding shortfalls may result in project deferrals or require alternative financing strategies. Financing alternatives to be considered include commercial paper, long-term bond issues to finance Measure A and toll projects, federal loan programs; and leveraging surplus toll revenues.

To ensure that the Commission receives the proper amount of Measure A sales taxes, the Commission will continue to engage a firm to conduct sales tax audit services. The firm will also provide quarterly sales tax analysis and reporting services, of which a summary report is presented to the Commission on a quarterly basis. The Commission will also continue to engage a consultant to provide semi-annual sales tax forecasts for use in the development of revenue projections for the annual budget process and comprehensive financing plan updates.

The Finance Department will continue to keep abreast of GASB technical activities affecting the Commission's accounting and financial reporting activities, including implementation related to the accounting for leases. The Finance Department will continue to assess financial policies, procedures, and reporting and ensure proper internal control. Consultants may be engaged to assist staff in the development of efficient accounting and reporting processes.

As a result of staff's analysis of recent and proposed state legislation as well as options related to the amortization of the Commission's net pension liability, the Commission recently approved a plan to payoff the net pension liability of approximately \$8.1 in FY 2019/20. The estimated \$7.5 million of interest charge savings from this plan will provide funding for future Commission programs and capital projects.

The Finance Department will update its ERP system to integrate data processing across the Commission, automate administrative processes, and embrace data integration. The continued ERP efficiency gains include an automated paperless workflow system, advanced project accounting, budgeting, multi-year contract management, grant tracking, and readily available scanned images that retrievable by all users. Additionally, a comprehensive budget software tool will be procured and implemented to replace current spreadsheet compilation processes and provide efficiencies for the budget process across all departments.

PROCUREMENT MANAGEMENT

A centralized procurements process will continue to be maintained to manage requests for proposals, qualifications, invitations for bids, small purchases, and related contract administration issues. The Procurement Policy Manual reflects best practices and applicable federal, state, and local laws and regulations. The procurement system has strengthened controls to ensure consistency in the development and application of procurement policies and procedures and adherence to applicable laws and regulations, especially those related to federal and state grants.

Procurement utilizes PlanetBids to assist staff in its efforts to administer and manage an efficient procurement process and conduct outreach to small businesses and DBEs for Commission projects and programs. PlanetBids is a web-based vendor and bid-management software. The PlanetBids e-procurement application helps streamline the complete bidding process and enables the collection and analysis of all aspects of vendor data, purchasing activities, and corresponding history. PlanetBids provides a better service and convenience to vendors and automatically notifies potential vendors of bid alerts. In order to improve the efficiency and productivity of resources, the Commission will continue to outsource the administration of the insurance certificate tracking process related to agreements.

Procurement Management is responsible for developing, implementing, and monitoring DBE and SBE program requirements in coordination with contractors and other appropriate officials. Duties and responsibilities include:

- Establishing DBE attainment goals;
- Monitoring reporting and utilization by contractors;
- Gathering and reporting statistical data and other information as required;
- Reviewing third-party contracts and purchase requisitions for compliance with the program;
- Ensuring that bid notices and requests for proposals are made available to DBEs and SBEs in a timely manner;
- Reporting to and advising the Executive Director and Commission on DBE and SBE matters; and
- Providing outreach to DBEs and SBEs to fully advise them of contracting opportunities.

Additionally, the Commission recognizes the vital role that local businesses play in the County, and it strongly encourages, supports, and promotes the participation of local businesses in providing goods and services to the Commission. Procurement is committed to providing contracting opportunities to local businesses to strengthen the County's local economy and to promote the development of the small, local business community. During FY 2019/20, the Commission will jointly participate in other outreach events in order to acquaint potential local, small, and disadvantaged businesses with the Commission's procurement procedures and opportunities.

Staff also consults with the Commission's insurance broker in procuring competitive quotes, on an annual basis, for various insurance coverages secured by the Commission in order to provide cost effective solutions to meet its diverse insurance needs. During FY 2019/20, staff will conduct a review and assessment of the Commission's insurance program and risks to ensure that the Commission's assets are properly protected with appropriate insurance coverage.

DEPARTMENT GOALS

F1 - Protect the Commission's cash resources by regular monitoring of investment practices to ensure consistency with established investment policy. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Utilize investment management and advisory services to prudently invest operating and capital funds in accordance with the Commission's investment policies.
- Achieve a rate of return at least equal to the County of Riverside Treasury Pool rate for operating funds.
- Establish an appropriate benchmark for the investment of debt proceeds and excess operating funds.

F2 - Manage the Commission's outstanding debt ensuring compliance with applicable laws and regulations and continued investor awareness and receptivity to the Commission's program. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Provide an annual update and review of the debt programs with at least three of the rating agencies no later than June 30, 2020.
- Meet continuing disclosure requirements of the sales tax and toll revenue debt programs and comply with the TIFIA loan and sales tax and toll revenue bonds reporting requirements.

- Maintain the financial information on the Commission’s website to provide timely and useful information to investors.
- Prepare arbitrage calculations as required.

F3 - Ensure the Commission and funding recipients comply with Measure A and TDA laws and regulations as they relate to the annual financial and compliance audits as well as close cooperation and coordination with independent auditors. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Minimize the number of audit adjustment, substantive management letter comments, and compliance findings requiring corrective action by the Commission.
- Maintain appropriate fiduciary review and monitoring procedures for Measure A recipient and TDA claimant audits.

F4 - Maintain fiscal and budgetary control through monitoring of periodic results and ensuring consistency with the Commission’s strategic direction. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Obtain the GFOA Distinguished Budget Award for the FY 2019/20 budget.
- Facilitate a comprehensive budgeting approach that effectively involves management staff, requiring full accountability for all department expenditures.
- Fund 100% of the actuarially determined contribution related to the postretirement health care benefits.
- The Commission will fund 100% of its CalPERS retirement net pension liability.

F5 - Assure fiscal accountability for Commission funds with general ledger accounting and financial reporting consistent with generally accepted accounting principles. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Ensure proactive communication and timely responses to any noted errors, corrections, and budget transfers related to program and project management reviews of accounting and budget information.
- Obtain an unmodified opinion on the basic financial statements.
- Receive financial reporting excellence award from the GFOA related to the preparation and issuance of the CAFR.
- Stay abreast of finance, accounting, and financial reporting developments by attending training and conferences in these general areas or in specialized areas applicable to job duties.
- Update and maintain the fiscal policies and procedures manual.
- Update and maintain complete accounting desk procedures manual for ERP system to facilitate cross training.
- Support staff and consultants with training opportunities in order to effectively utilize the ERP system capabilities.
- Assist local governments with Measure A funding by providing timely allocation of funds for eligible projects and programs.
- Maintain ERP system to reflect technical updates and current technology.

F6 - Develop and maintain an organizational accountability program encompassing financial and operational functions. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Establish and implement measures related to oversight, fraud, internal control, and ethics.
- Issue annual disclosure statements related to financial and operational responsibilities.
- Continue to revise and develop finance and accounting policies and procedures that reflect the requirements of federal, state, and local requirements and the Commission’s operating practices.

F7 - Procure goods and services from qualified consultants, contractors, and other vendors in accordance with laws and regulations at a competitive price. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Assist departments and programs to procure and obtain goods and services in a cost effective and efficient manner.
- Ensure that procurements are conducted in accordance with the Procurement Policy Manual.
- Ensure that agreements, amendments, and MOUs are entered into with appropriate legal considerations.
- Process agreements, amendments, and MOUs in a timely and efficient manner.
- Ensure that consistent procedures, processes, and tools are used for procurements.

F8 - Review existing procurement policies and procedures. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Ensure that the procurement policies reflect Commission requirements and practices.
- Segregate policies and procedures so that procedures can be easily updated without Commission approval.
- Ensure that procurement policies and procedures reflect the requirements of the Commission’s federal, state, and other funding sources.
- Continue to provide an easy to read desktop quick procurement policies reference guide for use by Commission staff.
- Maximize the value received for the Commission’s expenditure of public funds.
- Provide all vendors an equal opportunity to provide needed goods and/or services.

F9 - Protect the Commission’s assets by ensuring appropriate insurance is obtained. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Ensure adequate types of insurance and limits are obtained for Commission properties and contracts.
- Ensure consultant compliance with contract insurance requirements.

ID	Finance Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
F2	Sales tax revenue bonds rating	Aa2/AA+/AA	Aa2/AA+/AA	Aa2/AA+/AA	Aa2/AA+/AA
F2	Toll revenue bond rating	BBB-/BBB	BBB-/BBB	BBB/BBB	BBB/BBB
F2	TIFIA loan rating: 2013 TIFIA Loan 2017 TIFIA Loan	BBB- BBB-/BBB	BBB- BBB-/BBB	BBB BBB-/BBB	BBB BBB-/BBB
F2	Commercial paper rating	P-1/A-1+	P-1/A-1+	P-1/A-1+	P-1/A-1+
F1	Average yield on investments	0.50% operating/ 0.75% debt proceeds	1.82% operating/ 2.69% debt proceeds	2.00% operating and debt proceeds	2.00% operating and debt proceeds
F5	GFOA Certificate of Achievement	Awarded	Awarded	Awarded	Awarded
F4	GFOA Distinguished Budget Award	Proficient	Proficient	Proficient	Proficient
F5	Accounts payable invoices processed	7,700	8,016	8,100	8,100
F5	Accounts payable checks processed	4,300	4,411	4,500	4,500
F3	Audit adjustments	0	0	0	0
F5	Payroll hours processed	96,400	96,812	97,000	112,300
F5	Accounts receivable invoices processed	200	200	210	210
F7	Agreements processed	260	292	250	275

RCTC

RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION



SECTION 5.2

Regional Programs

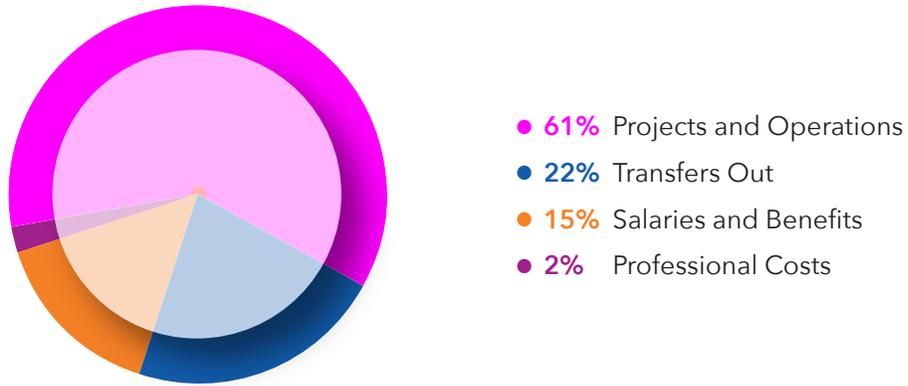
RTA bus at Perris - Downtown station

PLANNING AND PROGRAMMING

MISSION STATEMENT:

Planning and Programming exerts leadership in transportation planning and the programming of funds to improve mobility, foster environmental stewardship, expedite project delivery, and form partnerships with local, regional, state, and federal agencies resulting in maximum returns on local investment. Planning and Programming also supports a coordinated regional approach to solve transportation funding issues.

CHART 42 - PLANNING AND PROGRAMMING



EXPENDITURES

Planning and Programming expenditures of \$14,512,900 decreased 29% from last year's budget (Table 60). Salaries and benefits represent 16% of total uses and reflect the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional services totaling \$294,000 decreased 15% due to a reduction in congestion management programming. Professional services include air quality analysis; project database management; local, state, and regional planning activities; on-call goods movement consultants; and legal services. Support costs increased 11% or \$2,100 and include various membership dues and staff-related travel costs. Projects and operations costs decreased 51% primarily due to engineering and construction work for the Santa Ana River Trail project for the District, operating disbursements to local agencies, and regional transportation model update in the previous year. Transfers out of \$1,550,000 and \$1,673,400 are related to LTF funding for the next generation toll feasibility studies to the Western County Measure A Special Revenue fund and administrative costs to the General fund, respectively.



TABLE 60 - PLANNING AND PROGRAMMING EXPENDITURE DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 1,008,000	\$ 1,037,400	\$ 887,900	\$ 2,186,800	\$ 1,149,400	111%
Professional Costs						
Legal Services	21,300	76,500	76,000	73,000	(3,500)	-5%
Audit Services	17,900	20,000	15,000	15,000	(5,000)	-25%
Financial Advisory	1,600	-	-	-	-	N/A
Professional Services - General	55,100	247,400	31,200	206,000	(41,400)	-17%
Total Professional Costs	95,900	343,900	122,200	294,000	(49,900)	-15%
Support Costs	22,100	19,500	16,800	21,600	2,100	11%
Projects and Operations						
Program Operations	174,000	271,800	243,500	356,100	84,300	31%
Engineering	124,700	2,819,700	650,000	850,000	(1,969,700)	-70%
Construction	-	10,508,000	-	5,000,000	(5,508,000)	-52%
Right of Way	85,700	255,000	280,000	205,000	(50,000)	-20%
Special Studies	1,272,600	1,372,000	1,250,000	921,000	(451,000)	-33%
Operating and Capital Disbursements	1,122,000	2,820,000	1,567,500	1,455,000	(1,365,000)	-48%
Total Projects and Operations	2,779,000	18,046,500	3,991,000	8,787,100	(9,259,400)	-51%
Transfers Out	388,800	1,017,400	1,027,400	3,223,400	2,206,000	217%
TOTAL Planning and Programming	\$ 4,293,800	\$ 20,464,700	\$ 6,045,300	\$ 14,512,900	\$ (5,951,800)	-29%

PLANNING AND PROGRAMMING STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Capital Construction Manager	0.00	0.20	0.08
Capital Projects Manager	0.17	0.20	0.26
Chief Financial Officer	0.02	0.02	0.00
Deputy Executive Director	0.07	0.05	0.10
Executive Director	0.46	0.43	0.43
External Affairs Director	0.03	0.06	0.04
Management Analyst	0.00	1.00	0.95
Multimodal Services Director	0.00	0.05	0.40
Planning and Programming Director	0.95	0.91	0.82
Planning and Programming Manager	1.00	0.98	0.93
Procurement Manager	0.06	0.00	0.07
Project Delivery Director	0.02	0.00	0.04
Public Affairs Manager	0.00	0.00	0.02
Right of Way Manager	0.00	0.02	0.01
Senior Administrative Assistant	0.21	0.20	0.20
Senior Management Analyst	1.04	1.03	0.94
Senior Procurement Analyst	0.03	0.15	0.05
Toll Operations Manager	0.01	0.00	0.00
Toll Program Director	0.10	0.00	0.08
Toll Project Manager	0.02	0.00	0.00
FTE	4.19	5.30	5.42

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

The Commission is responsible for short- and long-range transportation planning and programming. Short-range planning and programming involves the development of the five-year STIP and preparation of the six-year FTIP for the County. These programming documents identify projects funded from Measure A, TUMF, transit operators' SRTPs, state and federally funded projects, locally funded regionally significant projects, and local jurisdiction Capital Improvement Plans (CIPs).

The Commission is responsible for approving projects for RIP funds in Western County and coordinating with Caltrans on the selection of Interregional Improvement Program funds as part of the STIP approved by the CTC every two years. The Commission delegated the authority to nominate projects for RIP funds in the Coachella Valley to CVAG. A MOU between the city of Blythe, representing Palo Verde Valley, and the Commission allows the city to trade RIP funds for local Measure A sales tax funds.

The Commission's involvement with long-range planning efforts includes the coordination and input into planning efforts throughout the County, southern California region, and statewide. These efforts involve participation in local, bi-county, and regional corridor plans and studies, including the continued development of the CETAP corridors.

- The Commission commenced its first Countywide LRTP in 2017 with completion anticipated in late 2019. The LRTP will provide a vision of Riverside County's future integrated transportation system and will serve as a document to advocate for changes to transportation policy, legislation, and funding. It will also include a comprehensive review of projects, including highways, arterials, grade separations, transit, and active transportation improvements.
- The RTP is a 25-year transportation plan developed by SCAG in conjunction with county transportation commissions, sub-regional agencies, local agencies, transit operators, and other interested parties within the SCAG six-county region. The SCAG 2016 RTP incorporates SCS as required under SB 375. The SCS component establishes goals for projects, programs, and land-use designed to reduce GHG emissions.
- Statewide planning efforts involve participation in the development of the California Transportation Plan, freight/goods movement, interregional highways, and air quality plans, to name a few.

The Commission also serves as the CMA for the County and is responsible for developing and updating the Congestion Management Program (CMP). The CMP was developed to meet federal Congestion Management System requirements since state CMP is a voluntary program. The CMP's highways and regional arterials are regularly monitored to ensure that they are operating at acceptable levels (above Level of Service "F"). If a deficiency occurs along the CMP system, the Commission will review the cause of congestion and determine the projects and programs that can alleviate the congestion along with potential funding.

In November 2006, the voters of California approved Proposition 1B, which provided \$20 billion in transportation infrastructure funding and established various program categories including a \$2 billion infusion into the STIP. Other competitive program categories included Corridor Mobility Improvement Account (CMIA) and Trade Corridors Improvement Fund (TCIF). The County succeeded in receiving CMIA funding for the SR-91 HOV lanes and I-215 widening projects, which were completed with the exception of the Pachappa underpass portion of the SR-91 HOV lanes project. The Pachappa underpass project was split off as a separate project and will be funded with SB 1 Local Partnership Program formula funding. TCIF funding was approved for 11 grade separation projects and a ground access improvement project at the I-215/Van Buren interchange. All grade separation projects were completed with the exception of the Avenue 66 Grade Separation Bypass, which is anticipated to commence construction in fall 2019.

The FAST Act, signed into law in December 2015, established a new formula freight fund under the National Highway Freight Program for a five-year period. The CTC is responsible for allocating these funds. In October 2017, the CTC finalized guidelines for a call for projects that was combined with funding established for the Trade Corridor Enhancement Program (TCEP) under SB 1. The CTC adopted the TCEP projects in May 2018.

The State Legislature and Governor approved SB 1 in April 2017. This gasoline tax provides approximately \$5.2 billion in annual revenues for transportation purposes statewide, with more than \$113 million to Riverside County.

The Commission is responsible for allocating the following local, state, and federal funding sources:

LOCAL SOURCES	STATE SOURCES	FEDERAL SOURCES
1989 and 2009 Measure A	SB 821 for pedestrian and bicycle projects	STBG
2009 Western County MARA	STIP-RIP	CMAQ
Western County TUMF regional arterial program	ATP MPO County share	Transportation Alternatives Program (TAP)*
	SB 1 Local Partnership Program Formula Share	
	MSRC	

*TAP funds are combined with State/MPO ATP Call for Projects administered by CTC.

Programming specifically involves the development, review, and approval of projects for various funding programs, particularly those where the Commission has a responsibility for project nominations. Additionally, programming involves the monitoring of projects from project selection through construction close-out. In order to receive federal funds and approvals, all projects funded with federal and state dollars, or local projects that are regionally significant, must be included in the RTP and FTIP in accordance with project delivery schedules and financial constraint requirements.

SCAG, as the MPO, is responsible for incorporating all six-county (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura) transportation improvement programs into one regional programming document or the RTP/SCS. SCAG also conducts a conformity analysis with the adopted air plans to ensure compliance with the National Ambient Air Quality Standards, as stipulated by Environmental Protection Agency's Transportation Conformity Rule, and GHG reduction targets adopted by CARB. The RTP/SCS is updated every four years, and the FTIP update effort is performed every 18 to 24 months. Multiple amendments occur within each FTIP cycle; RTP amendments are less frequent as they require air quality conformity analyses. FTIP amendments can occur for minor project changes that do not affect the conformity determination.

Partnership development, public and private, is critical to the Commission's continued success in affecting positive transportation decisions to meet future demands. Commission staff works in close coordination with its partners to advocate for federal, state, and local funding to improve mobility, mitigate the impacts of goods movement, and streamline the programming and project delivery process.

KEY ASSUMPTIONS FOR FY 2019/20

- The Commission will continue its efforts to work with transportation partners to streamline and improve project delivery.
- The Commission will maintain consultant contracts to provide assistance with the CMP, air quality analysis, LRTP, on-call grant writing, and other related planning activities.
- The Commission will utilize all available funding sources on transportation projects identified in the 2009 Measure A as well as other regional high priority projects, including TUMF regional arterial projects and grade separation projects.
- The Commission will continue participation in local, bi-county, regional and state planning efforts representing the interests of the County, including, but not limited to, the development of the Riverside County transportation model (RIVCOM) and Inland Empire Comprehensive Multimodal Corridor Plan.
- The Commission will work with the CTC, Caltrans, SCAG, South Coast Air Quality Management District (SCAQMD), and local project sponsors to implement projects funded with STIP/RIP, SB 1, ATP, or other available fund sources to ensure that the programming and allocations are consistent with project schedules.
- The Commission will continue to assist local project sponsors with the processing of state and federal funding approvals/obligations/allocations and overall project delivery.
- The Commission will participate in the development/updates of planning guidelines and funding program guidelines to ensure competitiveness and equitable processes are incorporated.

ACCOMPLISHMENTS IN FY 2018/19

- Facilitated the process of over 25 CTC actions that consisted of, but were not limited to ATP Cycle 3 awards, financial allocations, and extensions of time.
- Completed two local agency agreements/amendments for the implementation of TUMF regional arterial projects.
- Processed over 128 project amendments into the 2017 and 2019 FTIPs.
- Coordinated with Caltrans and project sponsors monthly regarding the obligation of federal and state funding, met obligation deadlines, and prevented loss of funding to the County.
- Monitored federal funding expenditures of inactive projects to ensure funds were not deobligated.
- Advised local agencies and coordinated the use of toll credits and local match waiver for federally funded projects funded at the maximum reimbursement level, saving the Commission and local agencies up to \$5,860,000 in local match funds programmed in FY2018/19.
- Reviewed and approved the Measure A five-year CIPs for each local agency in the County.
- Worked with SCAG and southern California agencies to develop ATP Cycle 4 Augmentation funding distribution recommendations for the MPO region programming \$10.937 million for Riverside County projects.
- Collaborated with local agencies and community organizations, such as the Active Transportation Network, Safe Routes to School Partnership, and Active Transportation Resource Team, to provide resources for active transportation projects.
- Continued to work collaboratively with other regional and statewide working groups, such as the Transportation Conformity Working Group and California Federal Programming Group, to share information and more effectively stay abreast of changes to federal and state program guidelines.
- Continued to work collaboratively with Mobility 21, SCAG's Southern California National Freight Gateway Collaboration, and other regional transportation planning agencies (RTPAs) on goods movement and freight issues.
- Represented the Commission at monthly MSRC Technical Advisory Committee (TAC) meetings to monitor and track funding programs and opportunities.
- Continued efforts related to the development of the LRTP.
- Completed the Regional Truck Fee Study.
- Released the 2019 SB 821 Call for Projects and allocated approximately \$3.8 million in funds.
- Facilitated the 2019 SB 821 Bicycle and Pedestrian Facilities Call for Projects and processed 23 claims/extension requests.
- Revised the current ATP MPO Regional Program 10-point policy to 20 points, per SCAG guidelines, which allows the Commission to add up to 20 points to each project application.
- Approved and monitored all 29 member agency Measure A CIPs and amendments, totaling over \$55 million.

MAJOR INITIATIVES IN FY 2019/20

Each county transportation commission throughout the State is responsible for programming RIP funds, which represents 75% of the total STIP funding available statewide for capital enhancement projects. The 75% funding level is then further distributed with 60% of the funds allocated to southern California and 40% to northern California. A population formula is then applied to determine county funding levels called "county shares." The Commission is responsible for ensuring that projects funded with STIP funding are administered and implemented consistent with CTC and Caltrans policies. It is the Commission's policy to set aside 2% off the top of new programming capacity for staff support to carry out STIP PPM activities. The remaining RIP funds are further distributed geographically among Western County, Coachella Valley, and Palo Verde Valley per the Commission's intra-county STIP formula. The Commission may also consider a call for projects for RIP discretionary funds when sufficient programming capacity is available. The CTC administers federal TAP funds similar to STIP funds under the State's ATP that was created by SB 99 and Assembly Bill (AB) 101 to encourage increased use of active modes of transportation, such as biking and walking. Federal TAP funds are not subject to general fund diversions; however, TAP funds are authorized each year by the passage of the state budget.

WRCOG administers the Western County TUMF program and collects the fees from participating jurisdictions. WRCOG disburses to the Commission approximately 46.4% of the TUMF funds collected. The Commission further distributes these funds equally to the Commission's TUMF CETAP corridors and regional arterial programs. In September 2004, the Commission established a program and approved the programming of 23 regional arterial projects. To date,

\$152 million has been programmed for TUMF regional arterial projects. Of the 23 TUMF regional arterial projects, 18 projects completed construction, four projects are currently under construction or in pre-construction, and one project is in the development phase and remains to be programmed for future TUMF funds. The Planning and Programming Department also manages the 2009 Western County MARA program, and to date approximately \$64 million has been programmed. The expenditures for these regional arterial capital projects are included in the Capital Project Development and Delivery Department budget.

TRANSPORTATION PLANNING

The Commission's planning role throughout the year will involve working with the Federal Highway Administration (FHWA), FTA, CTC, Caltrans, SCAG, councils of governments, local agencies, and the other county transportation commissions in the region on various planning efforts relative to:

- Implementation of the 2016 RTP/SCS;
- Development of 2020 RTP/SCS;
- Corridor and goods movement plans;
- 2020 STIP; and
- LRTP.

In addition, the LRTP will serve as a document to include regional projects and identify potential "bundling" of multimodal projects for a more systematic and holistic approach in applying for competitive grant opportunities. These planning efforts will be supported through consultant contracts in FY 2019/20 using LTF planning and STIP PPM funds.

TRANSPORTATION PROGRAMMING

As mentioned above, the Commission is responsible for programming and allocating various local, state and federal funds. These funds will be monitored to ensure that regulations are adhered to in order to prevent funds from lapsing. The following summarizes the status of these funding programs:

LOCAL FUNDING

WESTERN COUNTY TUMF REGIONAL ARTERIAL PROGRAM

Planning and Programming staff will monitor TUMF regional arterial projects based on the agreements between local agencies and the Commission. In addition, Commission staff will work with local agencies regarding amendments to agreements and any issues regarding project delivery. In May 2018, the I-15/Railroad Canyon Road Interchange was awarded \$15 million of SB 1 Local Partnership Competitive funding with an additional \$17 million of TUMF regional arterial funds committed to the project. To date, the Commission executed project agreements with local agencies for TUMF regional arterial funds totaling approximately \$152 million. By the end of FY 2019/20, the majority of expenditures will have been reimbursed to local agencies for TUMF regional arterial projects, which expenditures are included in the Capital Projects Development and Delivery Department. Staff will coordinate future programming of additional TUMF regional arterial projects with WRCOG and local jurisdiction staff.

2009 MEASURE A WESTERN COUNTY REGIONAL ARTERIAL PROGRAM

Prior to 2014, the Commission programmed \$40 million of MARA funds on six projects. During the 2014 multi-funding call for projects, the Commission approved five Western County projects for an additional \$24 million of MARA funds. Of the 11 MARA-funded projects, nine were completed and two are under construction.

2009 MEASURE A LOCAL STREETS AND ROADS

In order to receive Measure A local streets and roads funding each year, the Commission requires the local jurisdictions to submit a five-year CIP based on Measure A revenue projections. Additionally, the local jurisdictions are required to submit a Maintenance of Effort (MOE) certification consistent with adopted MOE guidelines and participate in the MSHCP and in the local agency's respective TUMF program, as applicable. The Planning and Programming Department processes administrative amendments to CIPs for minor changes that do not affect the total programmed amount or are within budget levels. Significant changes require Commission approval.

STATE FUNDING

SB 1

The CTC is responsible for administering the majority of the new SB 1 programs. The Commission received over \$13 million in Local Partnership Program formula funds covering FYs 2017/18 and 2018/19 and allocated the funds to the following projects:

- 71/91 interchange connector (environmental revalidation);
- Pachappa underpass (construction); and
- Temescal Canyon widening (construction).

For FY 2019/20, the CTC approved Cycle 2 Local Partnership Program Formula funding for the I-215/Placentia Interchange project.

The Commission also submitted two project applications for the following SB 1 competitive programs:

- Local Partnership Competitive Program - Lake Elsinore - I-15/Railroad Canyon interchange improvement (construction); and
- Solutions for Congested Corridors Program - 71/91 interchange connector (construction).

The CTC selected the Lake Elsinore - I-15/Railroad Canyon interchange improvement project for the award of Local Partnership Competitive Program funds in the amount of \$15 million.

STIP-RIP

In FY 2019/20 the Commission will work on the development of the 2020 STIP in addition to monitoring delivery of 2018 STIP projects to ensure the allocation and expenditure of projects by the respective deadlines. Staff will also be involved with the development and implementation of current and future SB 1 and ATP cycles, working with the CTC, Caltrans, SCAG, and RTPAs to ensure projects in the County are successful in these funding programs.

SB 821

SB 821, also known as TDA Article 3, projects are funded by 2% of LTF revenues; the expenditures under this program are included in the LTF special revenue fund and reflected in the Public and Specialized Transit Department since the LTF activities relate primarily to transit funding. For the last call for projects released in February 2017, the Commission awarded over \$3.3 million to 22 pedestrian and bicycle projects in the County. The Commission released its next call for projects in February 2019, and an estimated \$3.8 million will be available for programming.

FEDERAL FUNDING

CMAQ, STBG, AND TAP/ATP

The Commission is responsible for allocating CMAQ and STBG funds to transportation projects in the County. The Commission selects and approves CMAQ funds and STBG funds through a call for projects in addition to programming funds for Measure A and regional priority projects. The Commission delegates the selection of projects for CMAQ funds apportioned to the Salton Sea Air Basin to CVAG.

Through SB 99 and AB 101, the State developed the ATP, which consolidated federal and state funding that traditionally funded bicycle and pedestrian projects, including the federal TAP. The CTC administers the ATP, a program designed to encourage increased use of active modes of transportation such as biking and walking. The Planning and Programming Department has been involved with the development of the guidelines by participating in workshops and through the RTPA group to represent the County's best interest for each programming cycle.

PROJECT MONITORING

The high demand for reporting and monitoring the progress of projects is essential to prevent federal and state funds from lapsing. The Planning and Programming Department assists the Capital Project Development and Delivery Department and local agencies by participating in regular project delivery team meetings and preparing and submitting the request for authorization (RFA)/allocation of federal and state funding. In addition, staff monitors allocation and award deadlines, expenditures, project closeouts, and inactive projects of federal and state funded projects to prevent loss of funds. Monthly meetings with Caltrans Local Assistance are also held to coordinate and address any issues with federal funding obligations and state funding allocations.

REGIONAL ISSUES - FREIGHT

The Commission will continue to focus on facilitating ongoing commitments as well as being responsive to various emerging regional and statewide issues relating to freight/goods movement that traverse the southern California region. The Commission will continue working with partners from the Southern California Consensus Group (Ports of Long Beach and Los Angeles, Alameda Corridor Transportation Authority, Alameda Corridor East Construction Authority, SBCTA, OCTA, Los Angeles County Metropolitan Transportation Authority, Ventura County Transportation Commission, SCAG, and SCRRA) regarding goods movement issues. Recently the Commission coordinated with legislative staff and advocacy groups, such as Mobility 21 and SHCC, to secure funding through the FAST Act for goods movement-related needs such as the funding of Alameda Corridor East grade separations in the County. The authorization of \$10.8 billion in funding dedicated to freight and goods movement was a direct result of this effort nationally; \$6.3 billion will be available through an existing formula based on current apportionment data and \$4.5 billion will be allocated pursuant to a merit-based, multimodal competitive grant program.

In January 2017, the Commission approved a consultant contract to conduct a regional truck study to evaluate a logistics-related regional fee. The Commission adopted the results of the Logistics Mitigation Fee Nexus Study in May 2019.

DEPARTMENT GOALS

PP1 - Build upon relationships with local, state, and federal agencies to coordinate short- and long-range planning to ensure that transportation projects receive funding and approvals. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Work with CVAG, WRCOG, Caltrans, transit operators, local agencies, and SCAG to coordinate project amendments to the RTP and/or FTIP.
- Provide the Commissioners information to assist in advocating Commission projects.
- Continue programming CETAP funds related to intra-county corridor work.
- Continue working with the RCA to implement the MSHCP.
- Maintain maximum flexibility in project selection for FAST Act or state fund sources (i.e., STIP/SB 1) to serve the diverse needs of the County.

PP2 - Continue to seek a stronger role for county transportation commissions in state and regional transportation and air quality programs in order to direct funding for programs and projects that will improve air quality, mobility, and the economy in the County. (Policy Goals: Quality of Life, Connecting the Economy)

OBJECTIVES:

- Support efforts to seek additional funding at the local, state, and federal levels for projects and planning efforts.
- Support ongoing efforts to regulate federal emission sources.
- Support efforts that allow more flexibility in funding transit operating and capital costs.
- Continue participation in the development of guidelines for funding programs.

PP3 - Develop a countywide long-range transportation plan to serve as a guide for decision making and as input to SCAG's next RTP/SCS. (Policy Goals: Quality of Life, Responsible Partner)

OBJECTIVES:

- Complete the Commission's first LRTP.
- Direct consultant work on development of the second 10-year Western County Delivery Plan (2019-2029).
- Provide LRTP project and policy information to SCAG for the 2020 RTP/SCS.

PP4 - Support local, regional, and state planning efforts in cooperation with SCAG, WRCOG, CVAG, Caltrans, and local agencies including, but not limited to, transportation and air quality modeling updates/upgrades, corridor or focused area studies, development of active transportation plans, or any planning related to the implementation of the RTP/SCS and state and federal planning regulations. (Policy Goals: Quality of Life, Responsible Partner)

OBJECTIVES:

- Work with Caltrans and local agencies to review project alternatives that include travel demand management or integration of mode choices as required by the federal CMP for programming of federal STBG and CMAQ funds.
- Continue to work with Caltrans to monitor traffic conditions and focus transportation funds on congested corridors and system deficiencies.
- Work with local agencies, WRCOG, CVAG, and transportation and interest groups to develop project applications for ATP, state Cap and Trade, and SCAG planning funds.

PP5 - Continue to advocate for jobs/housing balance and attracting high income jobs to the County in addition to addressing intercounty congestion. (Policy Goal: Connecting the Economy)

OBJECTIVES:

- Participate in ongoing studies and activities to improve the job market and housing demand in Riverside County.
- Support the County interests pertaining to transportation planning as population, job, and housing forecasts are developed by SCAG and the State to ensure consistency with those local forecasts.
- Support efforts by local agencies to provide transportation improvement projects that will attract jobs.

PP6 - Maintain support of the SCAG regional FTIP and Caltrans project databases to allow for efficient monitoring of projects and funding obligations with the ability to share project information with local jurisdictions. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Work with SCAG and other county transportation commissions to refine and maintain the SCAG regional FTIP database including the ability to create customized reports.
- Coordinate with Caltrans to assure database compatibility and promote information-sharing including timely reporting of fund obligation information.

PP7 - Ensure maximum funding and flexibility for projects funded with STIP-RIP, SB 1, ATP, and federal FAST Act funds. (Policy Goal: Quality of Life)

OBJECTIVES:

- Participate in various state and federal forums to increase funding levels, streamline programming and allocation processes, and provide flexibility in obligating funds.
- Support efforts advocating the continuation and protection of state transportation funding and the payback of loans taken from state transportation accounts.
- Advocate that RIP county share reserves receive priority programming over counties that advance shares.
- Advocate that regions that program local and federal funds to replace state funding or advance an allocation due to state budget issues (or limited allocation capacity) be given high priority for repayment or in future programming in the next STIP programming cycle.
- Continue to strategically program and fund projects to meet local, state, and federal goals and to obligate and/or allocate funds in an expeditious manner for the maximum use of all available funding.
- Participate in Southern California Programming Roundtable meetings to ensure that 100% of federal obligation authority (OA) for CMAQ and STBG funding is obligated within the SCAG region.
- Participate at CTC and Caltrans forums in the preparation and evaluation of ATP projects for the statewide and MPO funding programs.
- Continue to monitor project implementation to maintain maximum funding levels for projects and prevent loss of funds to the County.
- Monitor and influence the development of the National Freight Network required under FAST Act, including updates to the California Freight Network System.
- Advocate to increase funding to regions based on distribution language in the FAST Act, or successor federal transportation legislation.

PP8 - Provide support to the Commission's Capital Project Development and Delivery and Finance departments to maintain project funding and schedules and minimize programming issues. (Policy Goals: Quality of Life, Operational Excellence)

OBJECTIVES:

- Provide input to the budget development process.
- Attend regular meetings with the Capital Projects Development and Delivery Department.
- Serve in an oversight role regarding project reporting, invoicing, and close-outs.
- Coordinate project RFA/OA packages.
- Monitor progress of project milestones and RFAs as they are processed through Caltrans headquarters and FHWA.
- Prepare CTC allocation requests, extensions, and amendments for STIP, SB 1, and other state-funded projects.

PP9 - Provide assistance to local agencies in the development of Measure A CIPs, program funding guidelines, and grant applications for local, regional, state, and local funding programs, including facilitating allocation and obligation processes required for project delivery. (Policy Goals: Quality of Life, Operational Excellence)

OBJECTIVES:

- Continue coordination of TAC meetings.
- Provide information regarding project programming data, including funding status, to project sponsors on a continuous basis via emails and TAC meeting agendas.
- Provide local agencies with recommendations on project programming to minimize unnecessary requirements and delays.
- Upon request, attend local agency project delivery team meetings to provide advice on programming issues.
- Meet regularly with Caltrans local assistance staff to monitor project submittals and resolve project implementation and obligation issues.
- Assist local jurisdictions to review and prepare grant applications, air quality conformity, RFAs, STIP submittals, and inactive reporting justifications.

PP10 - Continue to work with state and federal agencies to streamline processes for funding and project approvals. (Policy Goals: Quality of Life, Operational Excellence)

OBJECTIVES:

- Maintain relationships with key staff at regional, state, and federal agencies.
- Participate in SCAG's National Freight Gateway Collaboration to define a system that meets the region's long-term mobility, safety, environmental, and energy needs including developing a brand specific to goods movement projects in southern California.
- Identify problematic areas with project delivery and/or programming and work with state/federal lobbyists to develop solutions for streamlining and clarifying processes under FAST Act.
- Participate in regional, state, and federal forums addressing issues related to project programming, implementation, and air quality conformity.

PP11 - As a result of goods movement funding available under the FAST Act, determine where future efforts regarding addressing the County goods movement issues would prove most effective. (Policy Goal: Quality of Life)

OBJECTIVES:

- Work with SCAG, CTC, and Caltrans on FAST ACT freight guidelines and Critical Urban Freight Corridor/Critical Rural Freight Corridor corridors in Riverside County.
- Identify drivers of demand for goods movement services and performance of modal systems and services as well as public benefits, specific areas of inefficiency, and the impacts of goods movement on communities.
- Review the Commission's 2017 *Grade Separation Priority Update Study* and work with local jurisdictions to apply for funding programs such as TCEP.
- Review progress of remaining TCIF-funded projects.

PP12 - Facilitate public and private investments in clean air technology in support of the broader air quality programs for SCAG, SCAQMD, and the County's local entities. (Policy Goal: Quality of Life)

OBJECTIVES:

- Work with SCAG, SCAQMD, CARB, and academia in monitoring GHG emission reduction from light trucks and automobiles through the implementation of the 2016 RTP/SCS.
- Provide input and comments on guidelines developed by CARB, SCAQMD, and other state agencies regarding the implementation of AB 32/SB 375 and SB 743 CEQA implementation.
- Actively participate on the MSRC's TAC to ensure equitable funding is available in support of emissions reducing projects within the County.
- Work with local agencies to identify projects that can compete for state Cap and Trade funding programs.

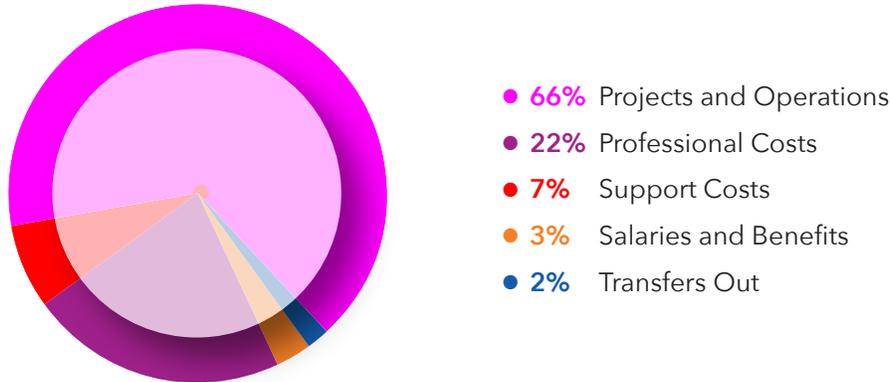
ID	Planning and Programming Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
PP7 PP8 PP9 PP10	Federal projects monitored for obligation authority delivery	17	24	9	10
PP8	TUMF regional arterial projects monitored for implementation/ expenditures	4	3	3	3
PP8	TUMF agreements/amendments	2	0	0	5
PP8	MARA projects monitored for implementation/expenditures	6	6	4	4
PP8	MARA agreements/amendments	1	2	0	5
PP1 PP6	RTP/FTIP amended projects	128	129	130	130
PP1 PP7	STIP/TCIF/SB 1/ATP programming, allocations, amendments, and extensions for Commission projects/ local agency projects	8	16	30	30
PP2	SB 821 projects awarded and monitored for extensions and reimbursements	33	36	23	28
PP9	2019 Measure A local streets and roads CIP projects	N/A	238	240	240
PP9	Reviewed/processed Measure A CIP project amendments and extension requests	8	6	8	10
PP12	MSRC projects	N/A	1	1	1
PP4	2020 RTP/SCS Update projects reviewed	N/A	N/A	747	N/A

RAIL

MISSION STATEMENT:

Rail develops and supports passenger rail transportation options for increased mobility within Riverside County and the region.

CHART 43 - RAIL



EXPENDITURES

Rail expenditures of \$46,228,500 include Metrolink operations and capital support as well as maintenance and operations of the nine Commission-owned and operated commuter rail stations (Table 61). Salaries and benefits reflect a 16% decrease due to the one-time disbursement to fund the Commission’s CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs, which include legal and consultant services, increased 220% primarily due to \$8.6 million in funding for the Indio special rail platform work. Support costs include station maintenance, media ads, printing services, and marketing incentives.

Projects and operations expenditures of \$30,246,600 decreased 8%. Projects and operations comprise rail state of good repair and an operating contribution increase to \$21 million for SCRRRA Metrolink operations including the PVL service. The Commission’s commuter rail program intends to utilize existing mechanisms within Metrolink to assess and monitor operations and budget performance. Program operations relate primarily to station operations. The “next generation” rail feasibility study is included in special studies. Capital outlay reflects a 101% increase and is due to a series of station related improvement projects and an increase in SCRRRA Metrolink capital needs. Transfers out of \$980,000 relate to administrative costs to the General fund.



TABLE 61 - RAIL EXPENDITURE DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 586,000	\$ 820,900	\$ 628,500	\$ 1,184,000	\$ 363,100	44%
Professional Costs						
Legal Services	88,600	170,000	116,300	225,000	55,000	32%
Professional Services - General	1,337,700	3,054,000	1,863,500	10,107,700	7,053,700	231%
Total Professional Costs	1,426,300	3,224,000	1,979,800	10,332,700	7,108,700	220%
Support Costs	2,250,000	3,346,800	2,399,500	3,305,200	(41,600)	-1%
Projects and Operations						
Program Operations	2,496,900	2,705,600	2,504,000	2,976,600	271,000	10%
Construction	-	3,700,000	50,000	1,470,000	(2,230,000)	-60%
Special Studies	185,700	420,000	250,000	250,000	(170,000)	-40%
Operating and Capital Disbursements	16,588,500	25,930,000	25,630,000	25,550,000	(380,000)	-1%
Total Projects and Operations	19,271,100	32,755,600	28,434,000	30,246,600	(2,509,000)	-8%
Capital Outlay	47,800	89,600	88,700	180,000	90,400	101%
Transfers Out	580,500	882,900	882,900	980,000	97,100	11%
TOTAL Rail Maintenance and Operations	\$ 24,161,700	\$ 41,119,800	\$ 34,413,400	\$ 46,228,500	\$ 5,108,700	12%

RAIL STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Capital Construction Manager	0.00	0.00	0.01
Chief Financial Officer	0.01	0.02	0.00
Deputy Executive Director	0.03	0.10	0.03
External Affairs Director	0.00	0.05	0.00
Facilities Administrator	1.00	0.90	0.79
Legislative Affairs Manager	0.00	0.01	0.00
Management Analyst	1.00	1.00	1.00
Multimodal Services Director	0.00	0.29	0.30
Procurement Manager	0.14	0.20	0.11
Project Delivery Director	0.03	0.00	0.00
Public Affairs Manager	0.02	0.15	0.05
Rail Manager	1.00	1.00	1.00
Senior Administrative Assistant	0.04	0.05	0.06
Senior Management Analyst	0.13	0.05	0.10
Senior Procurement Analyst	0.24	0.40	0.16
FTE	3.64	4.22	3.61

DEPARTMENT BUDGET OVERVIEW—RAIL OPERATIONS

DEPARTMENT DESCRIPTION

The Commission directs efforts in the areas of regional commuter rail, intercity passenger rail, high speed rail, and capital improvements to support enhanced passenger and freight rail service. The entire program includes elements of planning, programming, commuter and intercity rail development and support, station and corridor management, mitigation of community and environmental impacts, legislative and regulatory advocacy, and construction of capital projects. Other Commission departments, legal counsel, and consultants manage or support many of these elements. Departmental efforts contributing to the rail program are found throughout the budget document.

Coordination and consultation also occur with a variety of public and private entities including the California State Transportation Agency, CTC, Caltrans, California Public Utilities Commission, California High Speed Rail Authority (CHSRA), FRA, FTA, Amtrak, environmental agencies, University of California Riverside (UCR), transit providers, SCAG, WRCOG, CVAG, San Diego Association of Governments, LOSSAN, local governments, private freight railroads, businesses, and property owners.

The Commission participates in the ongoing funding and governance of Metrolink through SCRRA, a joint powers authority consisting of the county transportation commissions of Riverside, San Bernardino, Orange, Los Angeles, and Ventura counties. The Commission holds two voting positions on SCRRA's eleven-member board. The role of chair rotates between the member agencies every two years. Commission staff serves on the five-county Member Agency Advisory Committee (MAAC) that negotiates service and funding levels, based upon each county's established priorities. The MAAC provides technical assistance, coordination between various SCRRA and member agency departments, and linkages to local communities.

Of the seven commuter rail lines operated by Metrolink, three routes consisting of the Riverside, Inland Empire-Orange County (IEOC), and 91/PVL directly serve Western County. Unlike the other SCRRA member agencies, the Commission owns and operates the commuter rail stations serving the County: Riverside Downtown, Jurupa Valley – Pedley, Riverside – La Sierra, Corona – West, Corona – North Main, Riverside – Hunter Park/ UCR, Moreno Valley – March Field, Perris – Downtown, and Perris – South (Chart 44). The Riverside Downtown Operations Control Center (RDOCC), located at the west end of the Riverside Downtown station, provides monitoring of closed circuit televisions (CCTV) at the stations as well as facilities for train crews. Layover track facilities are located at the Riverside Downtown and Perris – South stations; however, SCRRA maintains the layover facilities. Station operation and maintenance costs are included in the Rail Department budget with services currently coordinated by the Capital Projects Development and Delivery Department through the Facilities Administrator. New and ongoing construction projects at these stations are described in the Capital Project Development and Delivery Department.

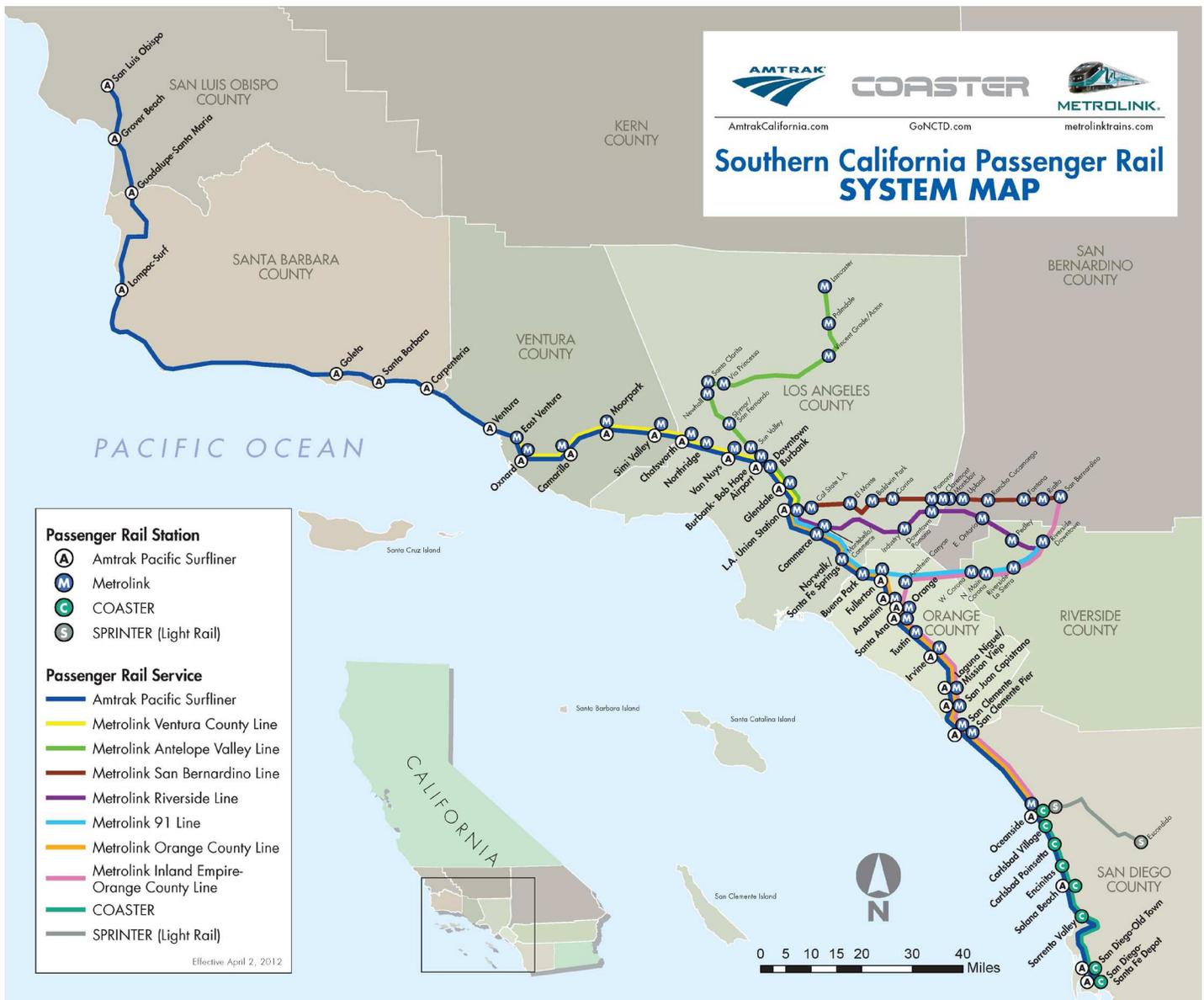


Riverside County Metrolink Service



In addition to Metrolink, the Commission participates in the governance of LOSSAN, a 351-mile network through a six-county coastal region in southern California that is the second busiest intercity passenger rail corridor in the United States (Chart 45). LOSSAN is a joint powers authority originally formed in 1989 to increase ridership, revenue, capacity, reliability, coordination, and safety on the coastal rail line between San Diego, Los Angeles, and San Luis Obispo. The Commission is the newest voting member of the 11-member Board of Directors composed of elected officials representing rail owners, operators, and planning agencies along the rail corridor. In recent years, LOSSAN has gained more local control over the management and coordination of the southern California rail services. The Commission is involved to promote travel options and connections for County residents and to be engaged in decisions impacting the rail track rights the Commission purchased for commuter rail service. Commission staff also participates in the TAC that provides technical assistance, service planning, and coordination between various agencies to improve customer service.

CHART 45 - SOUTHERN CALIFORNIA PASSENGER RAIL SYSTEM MAP



KEY ASSUMPTIONS FOR FY 2019/20

- The Commission and SCRRA adopt Metrolink’s preliminary FY 2019/20 budget. In the event that additional funds are needed during the budget year for Metrolink operations, staff will present a mid-year budget adjustment to the Commission for approval.
- Ridership and fare revenues will continue to grow slightly on the Riverside, IEOC, and 91/PVL lines.
- The 91/PVL extension will continue to grow ridership and provide additional options for the County’s commuters. There is an ongoing fare discount available for all the new PVL stations.
- LOSSAN will continue to demonstrate its effectiveness with local control, and the Commission will be an active voting member in the process.

ACCOMPLISHMENTS IN FY 2018/19

- Expanded marketing efforts to establish a ridership base for the PVL and other routes serving Riverside County.
- Built out the Riverside - La Sierra station with additional bus bays and parking to allow for more commuter buses and park and ride opportunities.

- To promote use of Metrolink for more than the regular commute, provided several successful special trains programs including the Festival of Lights Program and expanded Angels and Rams sporting events trains.
- Actively participated as a voting member on the LOSSAN board.
- Worked closely with Metrolink to secure funds for the Riverside Downtown station improvements through the Southern California Optimized Rail Expansion program, known as SCORE, and a California State Transportation Agency Transit and Intercity Rail Capital Program grant.

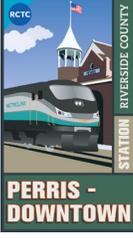
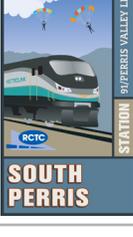
MAJOR INITIATIVES IN FY 2019/20

Over the last 26 years, the Commission has invested more than \$140 million in capital improvements to develop stations and secure access to support the Commission’s commuter rail services operations. The PVL and related projects added over \$250 million more to the Commission’s investment in commuter rail.

Unlike the other SCRRRA member agencies, the Commission owns and maintains the nine commuter rail stations and RDOCC serving the County. A general description of each of the Commission-owned rail station facilities is presented in Chart 46.

CHART 46 - COMMISSION-OWNED RAIL STATION FACILITIES

Location	In Service Date	Size	Transit Services	Primary Features
 Riverside Downtown (P244001) 4066 Vine Street, Riverside	June 1993	26.5 acres	Rail: 91/PVL IEOC Line Riverside Line Amtrak Bus: RTA OmniTrans SunLine Amtrak MegaBus	2 platforms with 4 boarding tracks 4 parking lots (1,240 spaces) Enclosed pedestrian bridge, elevators, stairwells
 Jurupa Valley-Pedley (P244002) 6001 Pedley Road, Jurupa Valley	June 1993	4.5 acres	Rail: Riverside Line Bus: RTA	Platform with boarding track Parking lot (288 spaces)
 Riverside-La Sierra (P244003) 10901 Indiana Avenue, Riverside	October 1995	24.69 acres	Rail: 91/PVL IEOC Line Bus: RTA	Platform with 2 boarding tracks Parking lot (1,065 spaces) Enclosed pedestrian bridge, elevators, stairwells
 Corona-West (P244004) 155 South Auto Center Drive, Corona	October 1995	5.49 acres	Rail: 91/PVL IEOC Line Bus: RTA Corona Cruiser	Platform with 2 boarding tracks Parking lot (564 spaces) Enclosed pedestrian bridge, elevators, stairwells

Location	In Service Date	Size	Transit Services	Primary Features
 Corona-North Main (P244006) 250 East Blaine Street, Corona	November 2002	6.72 acres	Rail: 91/PVL IEOC Line Bus: RTA Corona Cruiser	Platform with 2 boarding tracks Parking lot (579 spaces) Parking structure (1,000 spaces) Enclosed pedestrian bridge, elevators, stairwells
 Perris-Downtown (P244010) 121 South C Street, Perris	June 2016 (bus transit center opened 2010)	5.5 acres	Rail: 91/PVL Bus: RTA	Platform with boarding track Parking lot (444 spaces)
 Riverside-Hunter Park/UCR (P244020) 1101 Marlborough Avenue, Riverside	June 2016	9.35 acres	Rail: 91/PVL Bus: RTA	Platform with boarding track Parking lot (528 spaces)
 Moreno Valley/March Field (P244021) 14160 Meridian Parkway, Riverside	June 2016	14.47 acres	Rail: 91/PVL Bus: RTA Amtrak	Platform with boarding track Parking lot (476 spaces) Stairwell
 Perris-South (P244022) 1304 Case Road, Perris	June 2016	40.57 acres	Rail: 91/PVL Bus: RTA Amtrak	Platform with boarding track Parking lot (907 spaces)
RDOCC (P244024) 4344 Vine Street, Riverside 	April 2016	3,000 square feet	N/A	CCTV operations center Offices and meeting rooms

Station maintenance includes property management, utilities, grounds maintenance, repairs, cleaning, and security services at the Commission-owned rail stations, including the RDOCC. As a result of the new PVL service and increased stations, LTF allocations are now used for Metrolink operating contributions and 2009 Measure A Western County rail funds are used for station maintenance. Table 62 summarizes the rail station maintenance costs.

TABLE 62 - RAIL STATION MAINTENANCE SUMMARY

	FY 17/18 Actual	FY 18/19 Budget	FY 18/19 Projected	FY 19/20 Budget
Equipment Maintenance and Repairs	\$ 261,092	\$ 495,400	\$ 265,900	\$ 440,400
Grounds Maintenance and Repairs	784,007	989,100	894,600	1,196,900
Utilities and Support	398,582	527,600	413,300	484,700
Property Management and Operations	1,056,455	1,135,200	1,044,000	1,297,900
Security	2,143,931	2,351,600	2,163,200	2,449,200
Improvements	47,755	89,600	88,700	180,000
TOTAL Expenditures	\$ 4,691,822	\$ 5,588,500	\$ 4,869,700	\$ 6,049,100

In FY 2018/19, the Commission completed the parking lot and transit center expansion at the Riverside - La Sierra station. This major capital improvement increased park and ride opportunities and facilitated commuter bus operations at the station.

DEPARTMENT GOALS—RAIL OPERATIONS

RO1 - Improve utilization and increase efficiency of commuter rail lines serving the County. (Policy Goals: Quality of Life, Responsible Partner)

OBJECTIVES:

- Support improved Metrolink system safety and security initiatives.
- Implement enhanced safety and security features at all stations.
- Work with Metrolink staff to increase patronage on the County lines, including the 91/PVL.
- Collaborate with Metrolink and member agencies to expand service on Metrolink lines with increased train frequencies. Current efforts include extending weekend service to Perris and implementing two new round trips from Perris to Los Angeles.
- Coordinate with Metrolink staff to develop future service plans that best meet the needs of the County’s residents.
- Continue to monitor Metrolink’s financial performance to ensure efficient and responsible use of the County’s transportation funds. This includes multi-year budget planning and programming efforts to ensure fiscal sustainability.

RO2 - Maximize opportunities for public use of rail-related investment. (Policy Goals: Quality of Life, Responsible Partner)

OBJECTIVES:

- Support transit operator efforts to expand availability and use of connecting transit in order to improve access and reduce demand on parking capacity; currently the Commission budgets for and reimburses transit operators costs associated with transfers.
- Explore track rights opportunities.
- Expand opportunities with the Commuter Assistance Program’s park and ride operations for the designation of specific carpool/vanpool/buspool parking at commuter rail stations with available capacity.
- Increase opportunities for interline travel through coordination of schedules with LOSSAN and Amtrak intercity trains, such as the Sunset Limited, and other Metrolink lines, including encouraging joint ticketing options.

RO3 - Implement energy efficient systems and generate revenue to offset maintenance costs of rail properties. (Policy Goals: Quality of Life, Operational Excellence)

OBJECTIVES:

- Explore potential for joint development opportunities at stations.
- Evaluate the installation of cell phone towers as a revenue source to offset operating costs, such as the completed Jurupa Valley - Pedley station cell tower project.
- Explore additional revenue potential at the rail stations.
- Assess alternative and emergency power systems.

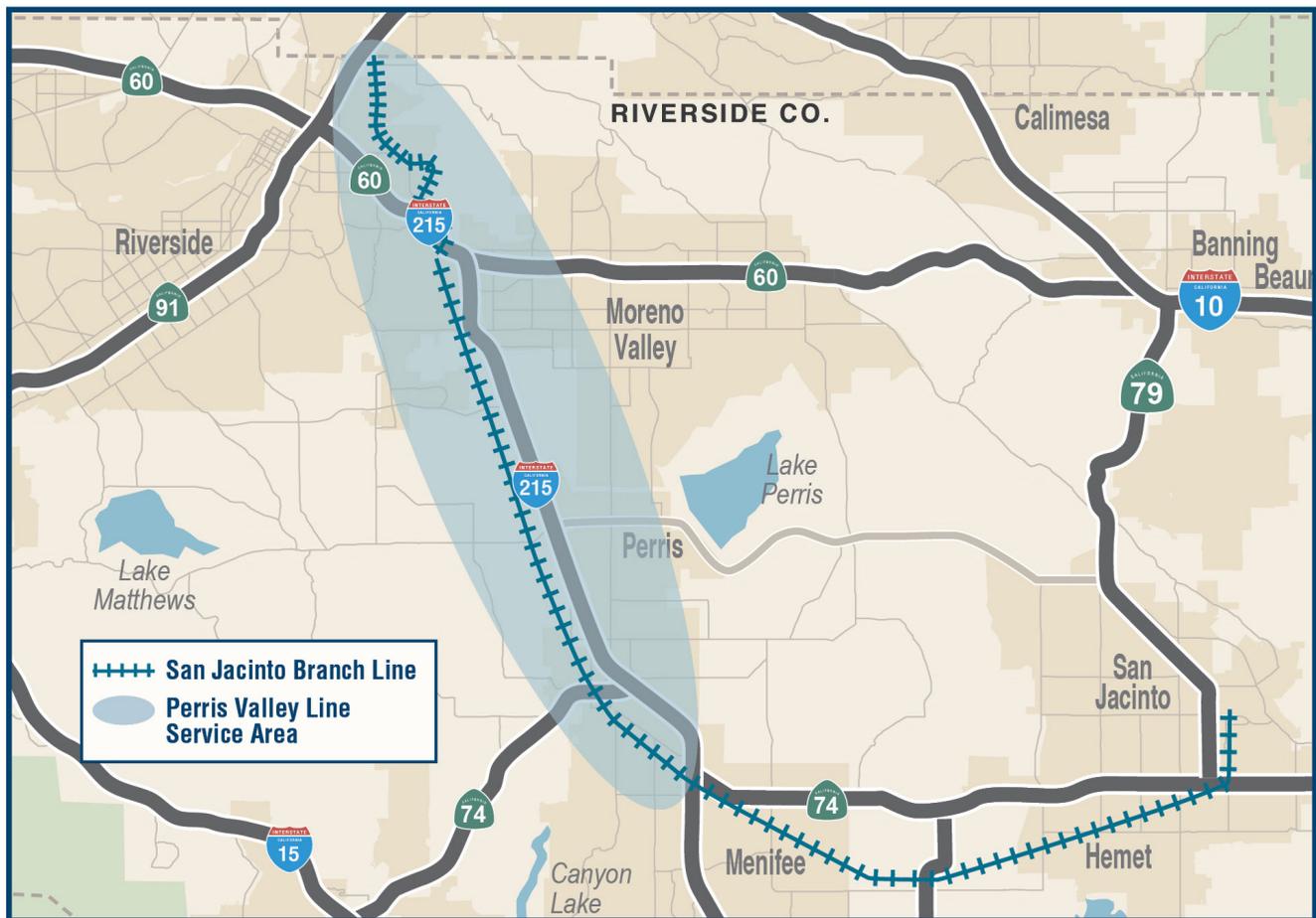
DEPARTMENT BUDGET OVERVIEW – RAIL DEVELOPMENT

In order to expand passenger rail options throughout the County, the Commission conducts feasibility studies to assess the viability of commuter rail expansion. Previously the Commission approved a commuter rail feasibility study that examined the viability of extending Metrolink commuter rail service largely within existing rail right of way on the San Jacinto Branch Line (SJBL). Although the Commission recommended advanced study of extensions to Hemet/San Jacinto and Murrieta/Temecula, the next phase of Alternatives Analysis for these corridors will be pursued in future years. The Commission engaged a consultant to perform a “next generation” rail feasibility study based on findings from the RCTC Strategic Assessment completed in January 2016. Significant planning efforts are also underway to explore intercity passenger rail service to the Coachella Valley-San Gorgonio Pass corridor.

SAN JACINTO BRANCH LINE

The Commission holds title to and manages the 38-mile SJBL (Chart 47) and several adjacent properties, preserved for future passenger rail service. BNSF Railway (BNSF) holds the freight rights in the corridor, providing service to local shippers, and performs maintenance on the line.

CHART 47 - SAN JACINTO BRANCH LINE



PERRIS VALLEY LINE PROJECT

The Commission substantially completed the PVL in September 2016, and operations commenced in June 2016. The construction project was a 24-mile extension of the 512-mile Metrolink commuter rail system. It extended the existing Metrolink 91 Line, which provides service between Riverside and Downtown Los Angeles via Fullerton. There are timed connections to the other routes out of the Riverside Downtown station. The project included the construction of four passenger stations at Riverside – Hunter Park/UCR, Moreno Valley/March Field, Perris – Downtown, and Perris – South; construction of a park-and-ride lot at each of the four new stations, totaling approximately 2,250 parking spaces; and a layover facility at Perris – South for vehicle storage and servicing. The hours of operation are from 4:30 a.m. to 8:00 p.m. on weekdays; the FY 2019/20 Metrolink operating contributions include funding to initiate expanded weekday service and new weekend service. Currently there are 12 trains a day between Perris – South and Riverside Downtown with connections to IEOC and Riverside line trains as well.



In recent years the Commission also focused attention on the creation of intercity passenger rail service between the Coachella Valley, the Pass Area, Riverside, and the Los Angeles basin through advocacy efforts with state, federal, and local government entities and negotiation with the freight railroads. The Commission ensured the corridor was prominently featured in the updated 2013 California State Rail Plan. In May 2013, the Caltrans Division of Rail completed the first phase of a planning study and initial alternatives analysis for the rail corridor. This planning study was very supportive of the potential for a viable service, and future studies can expand on this by determining ridership demand and better cost estimates. Caltrans also included an updated project description and analysis of the Coachella Valley-San Gorgonio Pass corridor rail service in the latest state rail plan, approved by the California State Transportation Agency on September 5, 2013. The 2018 California State Rail Plan update includes the Coachella Valley-San Gorgonio Pass corridor rail service as an integral part of future growth.

Since its inclusion of the project into the State Rail Plan, the Commission has led the planning elements required of the project in order to secure additional funding and project approvals at various state and federal levels. The Commission established a MOU with CVAG for its cooperation in the planning as well as funding through a new TDA bus/rail split for the Coachella Valley. This agreement also included the application of Proposition 1B funds toward the initial Phase I analysis that included public outreach, development of the project Purpose and Need Statement, and development of the Preliminary Alternatives Analysis Report. As part of this effort, the Commission secured a letter of agreement with Caltrans for its cooperation and modeling support. The Commission completed the Phase I planning efforts, including the Alternatives Analysis, and the FRA approved the Phase I work.

In the July 2010 Federal Register notice on High-Speed Intercity Passenger Rail (HSIPR) program, it clearly outlines the planning process needed to be eligible for HSIPR funds. This process identifies the need for a SDP with the following requirements:

- Clearly demonstrate the purpose and need;
- Analyze alternatives for the proposed passenger rail service;
- Identify the alternative that best meets the purpose and need;
- Identify the discrete capital projects required; and
- Demonstrate the operational and financial feasibility.

To continue the development of this project, the Commission partnered with Caltrans and successfully applied for and was awarded a \$2,900,000 FRA grant to complete the corridor study's SDP. This was the only rail corridor in the country awarded these planning grant funds. Staff worked through the multiple agreements needed in order to utilize this funding in coordination with the FRA and Caltrans. In order to expedite project development, a highly qualified consultant will prepare the SDP and lead the environmental process needed for the NEPA documentation. This project is ongoing and incorporated in the FY 2019/20 budget. The Commission prepares an annual SRTP for the Coachella Valley-San Gorgonio Pass corridor rail service project.

As the result of the many studies performed to date by both CVAG and the Commission, it was determined that using state-supported intercity trains presents the best alternative for developing service along the corridor. The 141-mile trip between Los Angeles and the Coachella Valley would cross four counties (Chart 48). Stops and station locations are yet to be determined. Due to the trip length and time of approximately three hours, Amtrak-style service with larger seats and food service would be more appealing to the riders. In addition, the service would operate over Union Pacific and BNSF tracks, and, in general, Amtrak has a greater ability to initiate service over freight railroads based on a national agreement. The initial service plan anticipates two daily round trips along the corridor. The approved Alternative Analysis recommended a preferred alignment.

CHART 48 - COACHELLA VALLEY-SAN GORGONIO PASS CORRIDOR RAIL SERVICE - PROPOSED ALTERNATIVE



HIGH SPEED RAIL

The Commission continues to play a proactive role in the development of a statewide, high speed passenger rail system, including routing of the backbone corridor through the Inland Empire with possible stations in the Riverside/ Corona and Murrieta/Temecula areas. With the passage of Proposition 1A in November 2008, there is a proposed funding mechanism to move the state high speed rail project forward. The CHSRA began work on a project level environmental assessment and corridor alignment study for the section between Los Angeles and San Diego via the Inland Empire. The Commission directed the review to include an alignment alternative along I-15 for analysis. The Commission entered into a MOU to be supportive in the development of this high speed rail project and participates in the Southern California Inland Corridor Group meetings. The Commission actively contributed to the development of the supplemental Alternatives Analysis efforts. Work on this effort has slowed down with the release of the latest business plan that extends the development of this Phase II section from Los Angeles to San Diego via the Inland Empire to beyond 2030. The Commission signed a MOU along with the other southern California transportation entities and SCAG to commit \$1 billion in unallocated Proposition 1A funds for early investment to be spent locally for rail transportation improvement projects. With recent developments related to the State's high speed rail project, staff will continue to monitor progress and look for opportunities to benefit the regional rail network.

KEY ASSUMPTION FOR FY 2019/20

- Progress on the development of the Coachella Valley-San Gorgonio Pass corridor rail service will continue.

ACCOMPLISHMENTS IN FY 2018/19

- Continued Phase II efforts for the Coachella Valley-San Gorgonio Pass corridor rail project and related environmental process.
- Completed the environmental technical documents to prepare for the Administrative Draft of the Environmental Impact Report/Environmental Impact Statement for the Coachella Valley-San Gorgonio Pass corridor rail project.
- Made significant progress and completed operations modeling for the SDP.
- Submitted two grant proposals for Coachella Valley rail efforts under the SRA Program, resulting in a \$5.9 million SRA grant award for a special event train platform in the city of Indio to serve the music festival events and reduce congestion.

MAJOR INITIATIVES IN FY 2019/20

During FY 2019/20, the Commission will continue progress on the Coachella Valley-San Geronio Pass corridor rail project's SDP and environmental work. Additionally, the Commission will develop the "next generation" rail feasibility study to evaluate future growth opportunities for passenger rail service in the County. In addition, work is planned to construct the special events train platform in the city of Indio with the intent to run service to the festivals as soon as the infrastructure is completed.

DEPARTMENT GOALS-RAIL DEVELOPMENT

RD1 - Identify and plan for capital improvements necessary to increase the scope, appeal, and reliability of commuter rail operations. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Build ridership on the 91/PVL through ongoing marketing and discounts.
- Explore passenger rail options and conduct detailed studies on the Coachella Valley-San Geronio Pass corridor.
- Monitor high speed rail plans and programs and look for opportunities for early investment that benefit existing passenger rail services.
- Evaluate future rail needs as part of the "next generation" rail feasibility study.

RD2 - Maintain efforts with local agencies, other southern California counties, and the state and federal governments to expand intercity passenger rail service into the County and the Coachella Valley. (Policy Goals: Quality of Life, Responsible Partner)

RD3 - Continue to monitor the state efforts in the creation of a high speed passenger rail system along an Inland Empire alignment through coordination with state and local agencies. In addition, continue to identify and advocate for high speed rail funding to be spent on beneficial local rail projects in the County. (Policy Goals: Quality of Life, Responsible Partner)

ID	Rail Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
RO1 RD1	Average daily ridership on existing commuter lines <ul style="list-style-type: none"> • Riverside Line • IEOC Line • 91/PVL 	3,795 4,599 2,925	3,880 4,632 3,121	3,721 4,624 3,330	3,962 4,784 3,256
RO1	Farebox recovery ratio <ul style="list-style-type: none"> • Riverside Line • IEOC Line • 91/PVL 	43.2% 30.0% 23.9%	48.7% 32.0% 27.9%	43.0% 31.9% 27.7%	43.7% 31.6% 26.5%

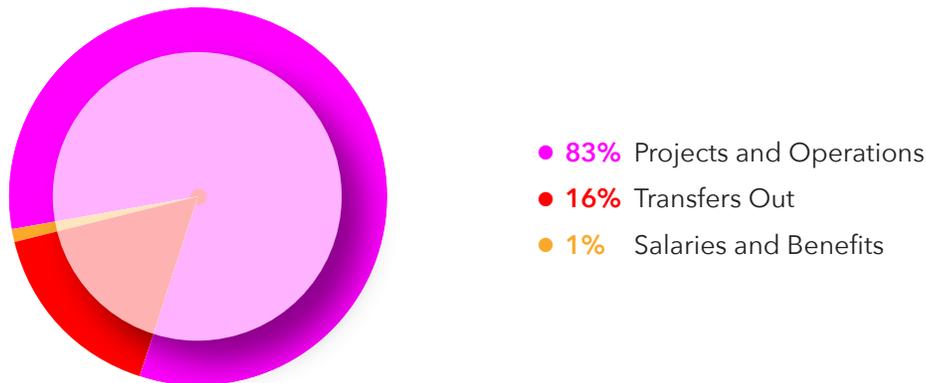


PUBLIC AND SPECIALIZED TRANSIT

MISSION STATEMENT:

Public and Specialized Transit coordinates the operation of all public transportation services within the County with a goal toward promoting compliance and improving mobility as well as program efficiency and effectiveness between transit operators. Public and Specialized Transit also maintains and improves, as resources allow, mobility options to meet travel needs of seniors, persons with disabilities, and persons of limited means to enhance quality of life through innovative solutions and better coordination of existing services.

CHART 49 - PUBLIC AND SPECIALIZED TRANSIT



EXPENDITURES

Public and specialized transit uses are budgeted at \$194,224,800 for FY 2019/20, as presented in Table 63, and consist primarily of capital projects and operations costs as well as transfers out to Commission funds for administration, planning, and rail purposes. The 99% increase in salaries and benefits reflects the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases.

LTF disbursements consist of transit operating and capital allocations to public transit operators of \$90,300,000; bicycle and pedestrian facilities allocations to cities and the County of \$1,250,100; and planning and administration allocations to other agencies of \$740,000. STA/SGR disbursements of \$55,971,300 are primarily for bus capital purposes in Western County, Coachella Valley, and Palo Verde Valley. The LTF, STA, and SGR transit allocations reflect the use of \$23,180,900, \$21,817,900, and \$2,950,100 in fund balances, respectively.

Measure A disbursements include \$2,720,000 for Western County specialized transit funding of the second year of the 2018 Call for Projects. The majority of other Measure A disbursements relates to other Measure A public transit programs:

- \$950,000 for Western County Consolidated Transportation Service Agency allocations;
- \$2,500,000 for Western County intercity bus services; and
- \$7,000,000 for Coachella Valley public and specialized transit.

The Commission disburses Measure A public transit allocations monthly to RTA and SunLine, the major transit providers in the Western County and Coachella Valley, respectively.

LTF, STA, and SGR transfers out comprise:

- \$23,000,000 for rail operations;
- \$2,000,000 for grade separations;
- \$2,820,000 for planning;
- \$1,026,100 for administration;
- \$819,100 for station rehabilitation and improvement project; and
- \$450,000 for Coachella Valley rail operations and capital.

Transfers out of \$1,164,200 relate to administrative costs to the General fund.

TABLE 63 - PUBLIC AND SPECIALIZED TRANSIT EXPENDITURE DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 391,700	\$ 450,200	\$ 462,000	\$ 895,100	\$ 444,900	99%
Professional Costs						
Legal Services	12,900	6,000	6,000	12,000	6,000	100%
Audit Services	-	100,000	100,000	70,000	(30,000)	-30%
Financial Advisory	15,300	16,000	15,400	16,000	-	0%
Professional Services - General	79,400	192,000	131,500	201,700	9,700	5%
Total Professional Costs	107,600	314,000	252,900	299,700	(14,300)	-5%
Support Costs	50,300	63,900	64,000	69,200	5,300	8%
Projects and Operations						
Special Studies	-	-	-	250,000	250,000	N/A
Operating and Capital Disbursements	90,683,100	180,911,000	124,584,600	161,431,400	(19,479,600)	-11%
Total Projects and Operations	90,683,100	180,911,000	124,584,600	161,681,400	(19,229,600)	-11%
Transfers Out	22,224,000	28,602,300	28,858,100	31,279,400	2,677,100	9%
TOTAL Public and Specialized Transit	\$ 113,456,700	\$ 210,341,400	\$ 154,221,600	\$ 194,224,800	\$ (16,116,600)	-8%

PUBLIC AND SPECIALIZED TRANSIT STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Accountant	0.02	0.02	0.06
Chief Financial Officer	0.05	0.03	0.15
Deputy Director of Finance	0.00	0.00	0.01
Deputy Executive Director	0.01	0.00	0.06
External Affairs Director	0.00	0.01	0.01
Management Analyst	1.00	1.00	1.00
Multimodal Services Director	0.00	0.31	0.30
Senior Administrative Assistant	0.09	0.14	0.04
Senior Management Analyst	0.01	0.00	0.02
Senior Procurement Analyst	0.00	0.00	0.12
Transit Manager	1.00	1.00	1.00
FTE	2.18	2.51	2.77

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

The Commission has public transit operator oversight and fiduciary responsibilities and ensures that annual fiscal audits and a state triennial performance audit are conducted in accordance with TDA regulations. The Commission also reviews public transit operator activities on an annual basis and recommends potential productivity improvements to lower operating costs. To ensure that specialized transit allocations are expended in accordance with funding agreements, the Commission engages audit firms to perform certain agreed-upon procedures for the Measure A specialized transit funding recipients.

PUBLIC TRANSIT

The Commission is responsible for short-range transit planning and programming within the County which includes the development of the countywide SRTPs for eight public transit operators consisting of:

- The cities of Banning, Beaumont, Corona, and Riverside;
- SCRRA's Metrolink commuter rail;
- PVVTA;
- RTA; and
- SunLine.

The Commission assists in coordinating the annual development, review, and approval of the operator SRTPs as well as allocates Measure A, LTF, STA, and FTA transit funding resources to public transit programs. The Commission disburses LTF, STA including SB 1 SGR, and Measure A funds for public transit. The Commission is responsible for coordinating with SCAG the approval of the FTA Section 5307 Program of Projects annually. Commission staff works closely with each transit operator to ensure that funds are properly programmed and included in the SRTP for inclusion into the FTIP and/or other major planning documents as necessary for allocation or obligation of funds.

Since 2015, the Commission coordinates with Riverside County transit operators the preparation and submission of transit projects to Caltrans for award of LCTOP funds under CARB's Cap and Trade Program. The LCTOP funds support operating and capital transit projects that reduce carbon emissions and improve mobility with a priority of serving disadvantaged communities. The State Controller's Office annually appropriates the LCTOP funds. Riverside County's share supported projects such as the construction of RTA's UCR Mobility Hub, station upgrades for the Commission's PVL to encourage active transportation, and installation and operation of a solar energy system in Palo Verde Valley. Funds may also be used to increase service frequency on selected bus routes that operate in disadvantaged communities in the Coachella Valley and city of Beaumont. The County's share of the annual allocations has fluctuated based on state appropriations.

SPECIALIZED TRANSIT

The 2009 Measure A Western County specialized transit program provides a valuable service to the community by serving the needs of residents, mainly seniors and persons with disabilities, whose transportation needs are not met by traditional services. Social service and nonprofit agencies typically administer specialized transit operations. The Commission awards 2009 Measure A Western County funds for specialized transit through a competitive call for projects. The 2015 Call for Projects, which provided funding for a three-year term, ended in June 2018. Under the new 2018 Call for Projects, Measure A funds will be utilized by projects until June 30, 2021.

KEY ASSUMPTIONS FOR FY 2019/20

- LTF, STA, and Measure A budgeted disbursements are based on projected allocations but may be adjusted after the Commission approves actual allocations in July 2019 through an approved SRTP amendment.
- Fluctuating LTF and Measure A sales tax revenues will continue to require efforts to streamline operating expenses by all operators while maintaining efficiency and quality of service.
- The Commission will approve the use of STA funds for operating purposes beginning FY 2019/20. Staff will continue to review other funding formulas and transit policies for potential changes and Commission consideration.

ACCOMPLISHMENTS IN FY 2018/19

- Oversaw the first-year implementation of specialized transit services related to the 2018 Measure A Call for Projects funding allocation process.
- Received approval notification of 17 capital projects awarded to nine successful County recipients of FTA Section 5310 urbanized area program FY 2014/15, FY 2015/16 and FY 2016/17 funding, in addition to three capital projects from two small urban and rural agencies.
- Continued assisting successful County recipients to implement their respective operating and capital projects. Projects were derived from the locally-developed Coordinated Public Transit-Human Services Transportation Plan.
- Approved the allocation of FY 2018/19 SB 1 SGR program funds for eligible replacement and rehabilitation projects identified by transit operators following release of program funding and guidelines by Caltrans.

- Incorporated FY 2017/18 LCTOP formula funds with transit operating and capital funding sources for development of the FY 2018/19 SRTPs following the release of program funding from Caltrans.
- Worked closely with the transit operators to develop a comprehensive LRTP.
- Evaluated and recommended revisions to existing transit policies and funding formulas for LTF, STA, and Measure A to meet the demand of future transit needs.
- Developed a plan to restructure the Citizens Advisory Committee (CAC) to improve information sharing with public and social service providers, as well users of specialized transit service such as seniors and persons with disabilities.
- Kicked off a Pass Area Transit Provider Analysis to identify how the public transit needs can be more efficiently and effectively met between the three transit operators in the area.

MAJOR INITIATIVES IN FY 2019/20

In connection with its oversight and fiduciary role under TDA, the Commission will enhance resources and guidance available to the public transit operators, including:

- Develop a TDA Manual to better explain the Commission’s role and process for allocations and reimbursements;
- Improve and revise the SRTP process to streamline the annual allocation submittals by the operators;
- Collaborate and work closely with operators on any funding formula or transit policy changes during this “transition year” to prepare for potential changes to be implemented beginning in FY 2020/21 or thereafter.

Further, the Commission will continue its oversight responsibilities related to the Western County specialized transit program with an emphasis on the:

- Evaluation of the existing Specialized Transit Call for Projects guidelines and eligibility requirements and possible recommendations for improvements to the program to strengthen the goals of increasing ridership and participation of travel training programs; and
- Continued administration and monitoring of approved specialized transit services under the 2018 Measure A Call for Projects.

The Commission will also continue to develop the CAC as an advisory body that more effectively distributes and promotes public and specialized transit information to various stakeholders.

DEPARTMENT GOALS

PST1 - Provide timely information to the public regarding Commission-implemented transit projects and support public relations activities of Measure A-funded transit programs by grant recipients. (Policy Goals: Operating Excellence, Responsible Partner)

OBJECTIVES:

- Produce and distribute public information materials as needed including press releases, flyers, brochures, marketing materials, and newspaper ads.
- Leverage the IE Commuter traveler information system in order to more fully market the availability of specialized transit programs.

PST2 - Allocate Measure A specialized transit and federal funds to support services that will maintain and/or enhance mobility by alleviating transportation barriers for seniors, persons with disabilities, and the truly needy. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Monitor performance of specialized transit grant recipients through analysis of their monthly performance reports.
- Support the consolidated FTA Section 5310 grant processes to improve mobility for seniors, persons with disabilities and individuals of limited means by working with Caltrans, public operators, and social service agencies to ensure a competitive process statewide for the allocation of federal transportation dollars for social service programs.
- Provide technical assistance and program support to agencies offering specialized transit programs to ensure the maximum benefit of funding for improved mobility for seniors, persons with disabilities, and individuals of limited means.

PST3 - Coordinate the operation of all public transportation services within the County with a goal toward promoting program efficiency and harmony between transit operators as outlined in state law. (Policy Goals: Quality of Life, Operational Excellence, Connecting the Economy, Responsible Partner)

OBJECTIVES:

- Review transit planning, resource allocation, and service implementation policy requirements including appropriate coordination of commuter rail, intercounty and intercity bus, local bus and paratransit, and social service transportation services to ensure convenient service for passengers.
- Implement recommendations resulting from the TDA-mandated triennial performance audits of the Commission and the seven County bus transit operators.
- Assure the ongoing effectiveness of the SRTP process and work with the County's eight transit operators to assure productivity and efficiency as well as compliance with the productivity improvement program.
- Coordinate regional transit connections among commuter rail, buses, and paratransit services to ensure convenient service for passengers.
- Monitor transit operators' quarterly capital grants reports.
- Monitor transit operators' performance through analysis of their quarterly performance reports using the TransTrack computer-based tracking program.
- Continue working with the transit operator partners in providing connecting bus services to the new PVL stations.

PST4 - Continue to provide staff resources to assist and support the coordination of transit services within the County and throughout the State. (Policy Goals: Quality of Life, Operational Excellence, Connecting the Economy, Responsible Partner)

OBJECTIVES:

- Participate and influence intercounty discussions between Riverside, Orange, San Diego, and San Bernardino counties regarding the enhancement of intermodal options. This includes additional transit services (rail and express bus) and rideshare services.
- Regularly participate in meetings that focus on the coordination of transit services, such as the California Association for Coordinated Transportation, SunLine's Access Committee, RTA's Americans with Disabilities Act (ADA) Committee, the Riverside County Foundation on Aging Board of Directors, Riverside Regional Coalition, and the Commission's Citizens Advisory Committee/Social Service Transportation Advisory Council.
- Continue the development of a marketing and distribution network for communicating specialized transit mobility options to seniors, the disabled, and persons of limited means.

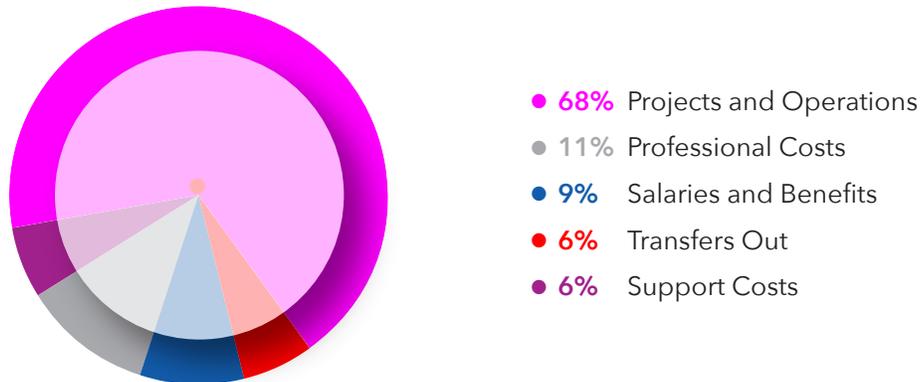
ID	Public and Specialized Transit Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
PST3	SRTPs submitted by operators and reviewed	9	9	9	9
PST3	SRTP amendments	3	3	3	4
PST2	Specialized Transit grants awarded/monitored	17	17	18	18
PST2	Specialized Transit site visits	0	0	18	9
PST1	Specialized Transit brochures distributed	N/A	N/A	3,500	3,500
PST3	Transit operator quarterly coordination meetings	N/A	N/A	16	32
PST4	Social service/partnering agencies monitored in database	N/A	N/A	412	416
PST4	Meetings attended with regional partners (i.e. Board meetings, CAC, SCAG working groups, workshops)	N/A	N/A	35	40

COMMUTER ASSISTANCE

MISSION STATEMENT:

Commuter Assistance helps constituents discover their best commute through meaningful employer and community engagement, rideshare incentives, and advancing technology in order to reduce drive alone trips, regional congestion and vehicle emissions.

CHART 50 - COMMUTER ASSISTANCE



EXPENDITURES

Commuter Assistance expenditures total \$4,880,800, which represents a 21% decrease from last year's budget (Table 64) due to sunset of Route 200/205 start-up funds. Salaries and benefits of \$436,500 reflect a 51% increase due to the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs of \$542,700 increased 16% over the prior year due to anticipated one-time expenditures for transitioning rideshare and vanpool systems to more regional-based system platforms. Support costs of \$285,800, which include mail and printing services, communications, and other office expenditures, decreased 21% due to reduced media outreach during transitioning rideshare and vanpool systems.

Projects and operations expenditures of \$3,313,300 consist of:

- Regional transportation consultant services totaling \$2,203,300 to manage and implement the program;
- Vanpool subsidies and commuter incentives valued at \$960,000; and
- Park and ride lease payments of \$150,000.

Reimbursements from SBCTA for rideshare services provided by the Commission are included in local revenues to offset a portion of these expenditures. Transfers out include \$302,500 for administrative costs and reflect a decrease of 82% due to funding for a transit incentive project in Western County in the prior year.

TABLE 64 - COMMUTER ASSISTANCE USES DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 258,300	\$ 290,000	\$ 289,900	\$ 436,500	\$ 146,500	51%
Professional Costs						
Legal Services	29,800	31,000	4,000	31,000	-	0%
Financial Advisory	7,600	8,000	7,800	8,000	-	0%
Professional Services - General	455,100	427,400	375,800	503,700	76,300	18%
Total Professional Costs	492,500	466,400	387,600	542,700	76,300	16%
Support Costs	178,700	362,800	88,900	285,800	(77,000)	-21%
Projects and Operations						
Program Operations	2,498,000	3,383,900	2,610,200	3,313,300	(70,600)	-2%
Transfers Out	1,020,200	1,696,500	1,331,700	302,500	(1,394,000)	-82%
TOTAL Commuter Assistance	\$ 4,447,700	\$ 6,199,600	\$ 4,708,300	\$ 4,880,800	\$ (1,318,800)	-21%

COMMUTER ASSISTANCE STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Chief Financial Officer	0.01	0.01	0.00
Commuter and Motorist Assistance Manager	0.71	0.65	0.65
Deputy Executive Director	0.01	0.02	0.01
External Affairs Director	0.02	0.00	0.10
Management Analyst	0.56	0.60	0.55
Multimodal Services Director	0.00	0.28	0.00
Procurement Manager	0.01	0.00	0.04
Public Affairs Manager	0.00	0.05	0.01
Senior Administrative Assistant	0.06	0.00	0.00
Senior Management Analyst	0.05	0.02	0.05
FTE	1.43	1.63	1.41

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

While much of the Commission's work focuses on enhancing transportation infrastructure, there is significant value in ensuring that the transportation systems are used efficiently. To foster a more efficient use of these systems, the Commission's Commuter Assistance Program seeks to increase the awareness of all commute options and incentives available to commuter constituents and to increase consideration for alternative modes of transportation such as riding a bus or train, carpooling, vanpooling, walking, bicycling, or telecommuting.

The Commuter Assistance Program, through its IE Commuter brand seeks to influence driver behavior by nurturing a mode-shifting decision at both the employer and commuter fronts via the following methods:

- Partner with and serve as a resource to employers to implement employer-based rideshare programs and incentives at worksites throughout the region;
- Leverage regional campaigns, local outreach, employer events, and social media to increase the awareness and consideration for transportation alternatives;
- Provide both online access (IECommuter.org) and personal support (866-RIDESHARE) to disseminate custom commute information services to commuters or employers interested in rideshare;
- Incentivize commuters for beginning and then maintaining a mode-shift/rideshare arrangement; and
- Leverage technology to deliver easy-to-use online resources and tools to more efficiently serve employer partners, their employees, and other commuters.

The Commission implemented the Commuter Assistance Program in Western County as a specific requirement under Measure A to address congestion mitigation. In addition to improving mobility overall, Commuter Assistance helps improve the quality of life on the commuter front, helps to lower costs and increase productivity on the employer front, and has a positive impact on the environment.

KEY ASSUMPTIONS FOR FY 2019/20

- In partnership with regional county transportation partners, the Commission will transition from a locally-provided Inland Empire based rideshare and vanpool system to a regional platform solution.
- The Commission will continue to contract with a consulting firm to administer an Inland Empire Commuter Assistance Program (IE Commuter) and Western County Vanpool Program (VanClub).
- Maintaining its long-term partnership with the Commission, SBCTA will contract with the Commission to manage and implement a "sister" Commuter Assistance Program for its residents and employers in San Bernardino County.

ACCOMPLISHMENTS IN FY 2018/19

- Provided rideshare services, support, and/or incentives to more than 500 worksites in Riverside County (133 employers) netting an estimated reduction of 14.1 million miles driven and 7.6 tons of emissions over a twelve-month period (based on survey data).
- Continued to grow the Commission's new vanpool subsidy program (VanClub), which compliments transit options and provides an attractive commute option for commuters traveling to worksites in Western Riverside County.
- Enhanced the IE Commuter rideshare system with a website refresh including a new design and on-line resources and tools for employers to more effectively manage employee commuters and market rideshare within their organizations.
- Garnered 7,836 participant pledges to rideshare as part of IE Commuter's 2018 "It's Your Life, Enjoy the Ride" Rideshare Week campaign - resulting in an estimated reduction of 195,488 miles driven and 245,380 pounds of emissions.
- Launched a new incentive, "Rideshare Spotlight", providing regular ridesharing commuters who log their trips in IE Commuter with opportunities to win monthly prizes and share their rideshare stories and to also serve as testimonials for alternative commutes.
- Continued leases for park and ride facilities at the following locations:

CITY	LOCATION
Corona	Canyon Community Church of the Nazarene
	Living Truth Christian Fellowship
	Corona Friends Church
	Tom's Farms
Lake Elsinore	Lake Elsinore Market
	Lake Elsinore Outlets
	Shepherd of Life
Murrieta	Mulligan's Family Fun Center
	Promise Lutheran Church
Temecula	Orchard Christian Fellowship
	St. Thomas of Canterbury
	United Methodist Church

MAJOR INITIATIVES IN FY 2019/20

A cornerstone of the Commuter Assistance Program is its continued partnership with commuters, employers, and government. The partnership, based on voluntary efforts, makes a collective difference to increase the efficiency of the County's transportation system—local roads, freeways, commuter rail, and public bus. The combined effort results in less congestion, decreased vehicle miles traveled, and improved air quality. The major initiatives to continue these partnerships and efforts in FY 2019/20 are described below.

- *Regionalize the Rideshare Platform:* In partnership with regional county transportation partners, the Commission will transition from a locally-provisioned Inland Empire-based rideshare and vanpool system to a regional platform solution. Transitioning to a regional system will expand the commuter database and improve the ridematching potential for those interested in sharing the ride to work via carpool or vanpool. Additionally, the regional platform will offer enhanced functionality and reporting that will better support program administration staff and employer worksite efforts to increase participation in alternative modes. This approach will also net additional cost savings for the Commission.

- **Maximize Employer Partnerships:** Given that the highest percentage of rideshare arrangements is formed at work sites, voluntary employer participation is critical to address congestion and air quality goals. Employers are the conduit to directly influence their employees' personal transportation choices. The ongoing success of the core Western County rideshare program is a testament to the significance of employer partnerships. However, the prior economic downturn created a corporate culture of doing more with less. Many employer transportation coordinators (ETCs) feel spread too thin to commit to offering a rideshare program. Delivery of in person/worksites rideshare support value-added services and tools to make the ETC's job easier is a critical motivation to continue rideshare partnerships and development of new ones.
- **Expand with New Market Development:** The primary go-to-market strategy has been to leverage larger employer (250+) partnerships to cost effectively access and market to employee commuters. While this channel has historically proven to be efficient over the years, it results in a rather limited base of commuters compared to the broader universe of commuters available. Therefore, in addition to maximizing the number of employer partners and maximizing rideshare participation within those employers, a direct business-to-consumer strategy will continue to be phased in to expand the awareness and consideration of rideshare options.
- **Support Multimodal Travel:** In addition to ridematching, information services, and incentives to facilitate ridesharing, the Commuter Assistance Program also provides park and ride facilities to support ridesharing efforts. The last Caltrans park and ride facility in the County was built in 1999. The Commission leases park and ride spaces from property owners to supplement the network of park and ride spaces in the County. A continued focus for FY 2019/20 will be increasing the number of leased spaces and coordinating with ridesharers, transit/rail partners, and western Riverside County cities to identify areas where the lease program can help support car/vanpool arrangements and facilitate transit connections.

DEPARTMENT GOALS

CA1 - Operate a cost-effective Commuter Assistance Program resulting in a demonstrable reduction in single occupant vehicle trips, thus assisting with congestion mitigation and improving air quality. (Policy Goals: Quality of Life, Responsible Partner)

OBJECTIVES:

- Leverage Commuter Assistance Program resources to support outreach and transportation demand management objectives of major Commission projects, including but not limited to, the Commission's VanClub program, Metrolink's 91/PVL service, and express lanes facilities.
- Continue to enhance the IE Commuter user experience with improvements in functionality and services offered through the website.
- Continue to offer short-term incentives for commuters to try a transportation mode other than driving alone.
- Continue to provide a rewards program for long-term ridesharers to encourage their continued use of alternative modes of transportation.
- Ensure the effectiveness of the Commuter Assistance Program through program analysis and regular assessments of program participation and cost/benefit.
- Increase participation and use of online tools and resources available on the IE Commuter website to employer partners.
- Optimize the number of leased park and ride spaces and address gaps in the system.

CA2 - Ensure the coordination of ridesharing programs throughout the Inland Empire and the southern California region. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

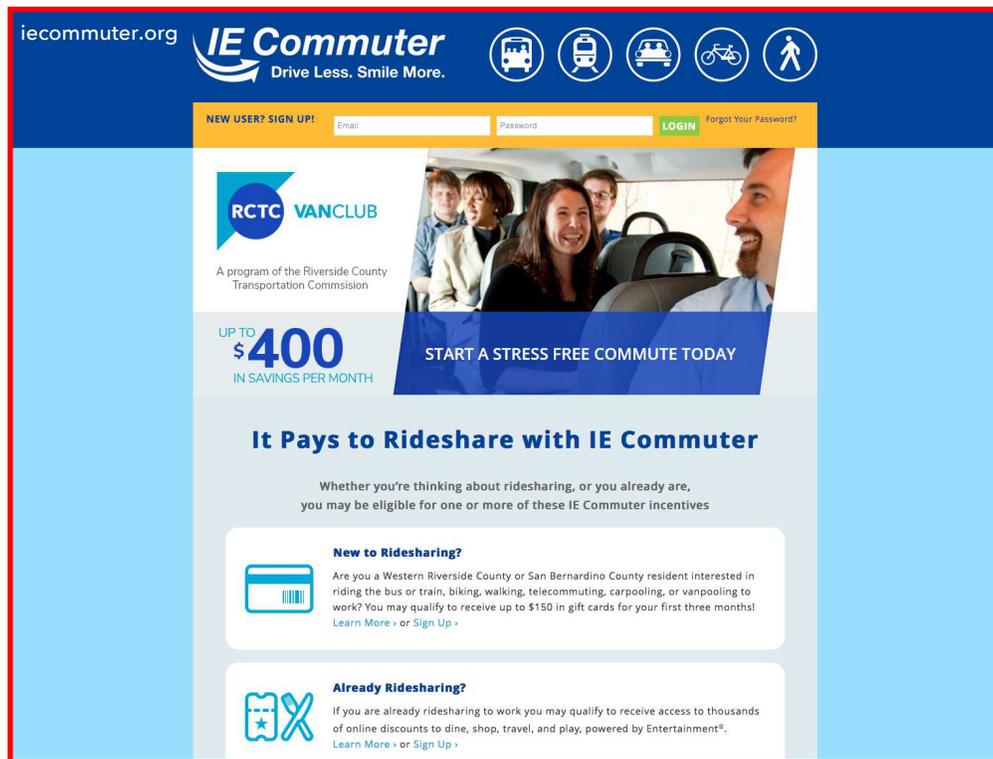
- Continue to administer a "sister" Commuter Assistance Program in San Bernardino County on a contract basis, thus expanding the reach and effectiveness of commuter programs throughout the Inland Empire area.
- Continue to provide leadership with the ongoing operation, maintenance, and enhancement of the bi-county ridematching system with regional reach.
- Continue to explore opportunities and implement regional programs, systems, and/or outreach with neighboring rideshare agencies and transit partners.

CA3 - Broaden the reach of the program to encourage alternative transportation modes amongst all travelers and continue to grow the core base of employers and their employees. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Continue to grow and support on-line resources and tools for employers to more effectively manage and market their organizations' rideshare programs.
- Provide program results to both commuter incentive participants and employer partners that translate individual or worksite rideshare participation into money saved, congestion reduced, and emissions reduced.
- Publicize the participation of local employers in the Commuter Assistance Program through various media channels.

ID	Commuter Assistance Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
CA1	Number of one-way single occupant vehicle trips reduced as a result of Rideshare Incentives	171,000	232,548	247,350	260,100
CA2	Number of Rideshare Plus Rewards Members	1,700	2,039	2,250	2,500
CA2	Number of incoming 1-866-RIDESHARE telephone calls	5,340	5,340	5,200	5,200
CA3	VanClub vanpools	N/A	49	75	90
	Number of services provided by IE Commuter to support employer trip reduction efforts at worksites:				
CA3	<ul style="list-style-type: none"> • Employer worksites requesting survey services 	177	152	155	160
CA3	<ul style="list-style-type: none"> • RideGuides produced 	12,100	35,080	36,000	37,000

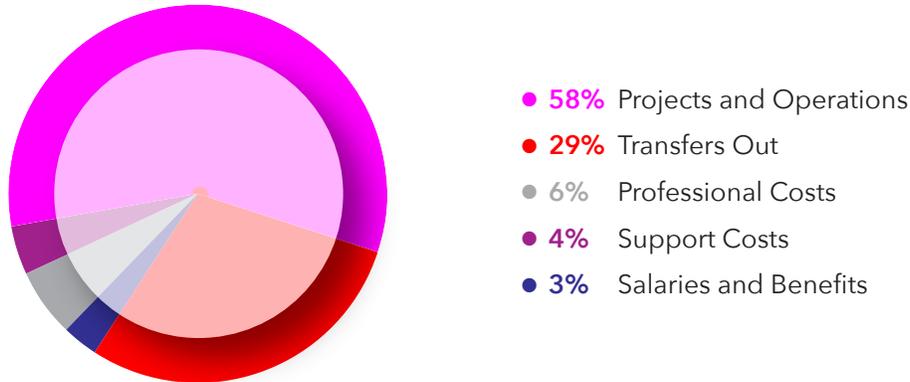


MOTORIST ASSISTANCE

MISSION STATEMENT:

Motorist Assistance improves safety, reduces congestion, and enhances access to traveler information for motorists through the provision of a comprehensive motorist aid system.

CHART 51 - MOTORIST ASSISTANCE



EXPENDITURES

Motorist Assistance expenditures and uses are budgeted at \$9,364,500, a decrease of 6% compared to the prior year budget (Table 65) due to reductions in transfers to FSP and incremental SB 1 FSP funding. Salaries and benefits reflect an increase of 42% due to the one-time disbursement to fund the Commission’s CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs of \$522,000 reflect a decrease of 1%. Support costs of \$416,400 increased \$120,500, or 41%, due to anticipated one-time expenditures for call box upgrades and removals. Reimbursement from SBCTA for half of all locally-provided 511 system related expenditures is included in local revenues.

Program operations include \$4,000,000 in towing contract costs for the FSP program. Projects and operations costs increased 5% due to FSP expansion into south Riverside County and incremental grant funded weekend service. Transfers out represent SAFE matching funds of \$2,400,000 for FSP services and a \$348,200 allocation for administrative costs.

TABLE 65 - MOTORIST ASSISTANCE USES DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 123,700	\$ 198,200	\$ 172,000	\$ 280,900	\$ 82,700	42%
Professional Costs						
Legal Services	15,500	30,500	29,000	44,500	14,000	46%
Professional Services - General	336,800	497,700	247,100	477,500	(20,200)	-4%
Total Professional Costs	352,300	528,200	276,100	522,000	(6,200)	-1%
Support Costs	291,000	295,900	160,600	416,400	120,500	41%
Projects and Operations						
Program Operations	2,848,900	5,161,800	3,517,100	5,397,000	235,200	5%
Transfers Out	1,293,400	3,820,500	3,820,500	2,748,200	(1,072,300)	-28%
TOTAL Motorist Assistance	\$ 4,909,300	\$ 10,004,600	\$ 7,946,300	\$ 9,364,500	\$ (640,100)	-6%

MOTORIST ASSISTANCE STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Commuter and Motorist Assistance Manager	0.29	0.35	0.35
External Affairs Director	0.00	0.08	0.00
Legislative Affairs Manager	0.04	0.05	0.00
Management Analyst	0.44	0.40	0.45
Multimodal Services Director	0.00	0.07	0.00
Procurement Manager	0.01	0.05	0.05
Public Affairs Manager	0.00	0.05	0.02
Senior Administrative Assistant	0.00	0.05	0.05
Senior Management Analyst	0.04	0.02	0.06
Senior Procurement Analyst	0.09	0.07	0.02
FTE	0.91	1.19	1.00

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

As a SAFE, the Commission is responsible for providing a motorist aid system for the County. This system is comprised of three components:

- The 511 traveler information system is a telephone, website, and mobile app-based service that delivers real-time traffic information, including incidents and travel times, bus and rail trip planning, and rideshare information;
- The FSP program clears debris in freeway lanes and assists stranded motorists on the most congested Riverside County freeways by towing, changing flat tires, and temporarily taping cooling system hoses at no charge to motorists. FSP service is also provided in construction zones through separate funding agreements with Caltrans and Commission-funded construction projects to help mitigate congestion; and
- The call box system allows motorists to call for assistance in the event of a mechanical breakdown, accident, or other emergency on the freeway.

KEY ASSUMPTIONS FOR FY 2019/20

- In partnership with regional county transportation partners, the Commission will transition from a locally-provided 511 system to a regional southern California 511 solution.
- The FSP will continue as long as state funding support is available.
- Tow truck contractor costs for the twelve existing FSP beats will be based on Commission-approved contracts.
- The call box upgrades and removals identified in the approved 2019 Call Box Optimization Plan will be fulfilled.
- The call box system program will continue to serve as a "safety-net" for stranded motorists in the County.

ACCOMPLISHMENTS IN FY 2018/19

- Expanded FSP service south along the I-15 and I-215 as a result of SB 1 funding. New service will benefit commuters traveling from and through Lake Elsinore, Wildomar, Menifee, Murrieta, and Temecula.
- Implemented incremental weekend FSP service within the SR-91 corridor in Riverside and along a segment of SR-60 in Moreno Valley.
- Provided special FSP service along the I-15 in the city of Lake Elsinore in response to heavy weekend traffic congestion caused by the 2019 Wildflower Super Bloom.
- Continued to achieve one of the highest benefit-to-cost ratio statewide for FSP in the latest statewide FSP Management Information System Report.

- Provided traveler information service through the locally-provided 511 system to support 17,000 monthly IE511.org web visits and 9,000 monthly 511 phone calls. To date, more than 66,000 users have downloaded the IE511 mobile application.
- Continued to coordinate with local transportation agencies to migrate the locally-provided 511 system to a regional traveler information system.

MAJOR INITIATIVES IN FY 2019/20

Since 2010, the Commission, along with its partner, SBCTA, has operated, maintained, and enhanced the 511 system which includes a website interface and an interactive voice response telephone system that serves Riverside and San Bernardino counties residents and commuters. While the system has served local commuters garnering thousands of monthly web visits and calls plus mobile application downloads, the program will transition to a regional and more cost effective 511 solution in partnership with local southern California transportation agencies.

Other initiatives will focus on long-term SAFE planning, system efficiencies, and evaluating and/or implementing new program services such as a mobile call box program. Staff will focus on maintaining a high benefit-to-cost ratio for FSP and maximize incremental SB 1 FSP funding to provide the greatest benefit.

DEPARTMENT GOAL

MA1 - Provide efficient delivery of a comprehensive motorist aid system (511, FSP, Call Box) and an outstanding level of service to the traveling public. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Reduce 511 costs and enhance access to real-time traveler information by transitioning to a regional 511 southern California solution.
- Maximize available FSP funding by continually evaluating opportunities to provide more efficient FSP coverage through changes in service days, service hours, or number of vehicles assigned to each beat.
- Review proposed construction projects with Commission, Caltrans, and local cities and coordinate the use of temporary construction tow service to mitigate congestion.
- Continue coordination with San Bernardino SAFE to monitor the operation of the call answering center contractor.

ID	Motorist Assistance Performance Measures and Results	FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
MA1	Number of call boxes	240	241	241	131
MA1	Number of call box calls	2,074	1,598	1,466	796
MA1	Number of vehicle assists	38,904	41,417	46,184	50,802
MA1	Number of 511 phone calls	162,000	142,287	108,000	92,000
MA1	Number of 511 web visits	425,000	286,260	205,000	225,000





RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION



SECTION 5.3

Capital Projects

SR-60 Truck Lanes Project area

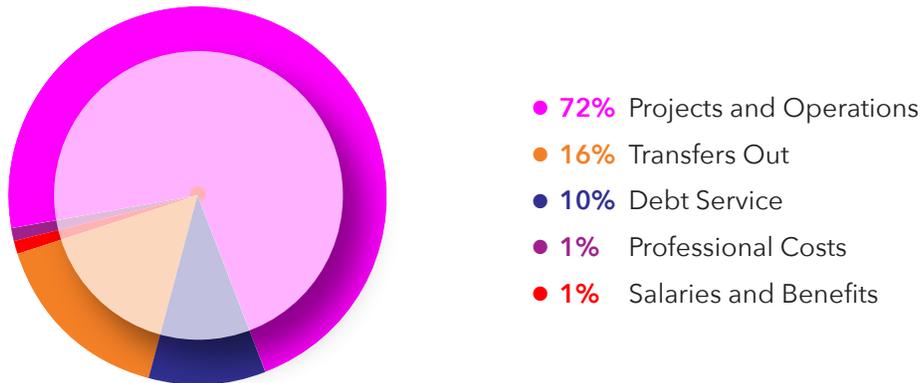
SECTION 5.3
CAPITAL PROJECTS

CAPITAL PROJECT DEVELOPMENT AND DELIVERY

MISSION STATEMENT:

Capital Project Development and Delivery (Capital Projects) keeps the Commission's contract with the voters of the County by accelerating the planning, programming, and implementation of projects and programs in the Measure A TIP, as enhanced by the Toll Program, to the extent that funds are available. Capital Projects ensures that capital projects are environmentally acceptable, expertly designed, and implemented in a cost effective manner. Capital Projects acquires and manages required right of way in the fairest, most economical, efficient, and timely manner possible.

CHART 52 - CAPITAL PROJECT DEVELOPMENT AND DELIVERY



EXPENDITURES

The budgeted expenditures and transfers out total \$721,120,400 to cover all of the Commission's major capital projects (Table 66). Salaries and benefits expenditures represent less than 1% of the budgeted uses and reflect an increase of 81% due to the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs, and performance merit-based salary increases. Professional costs of \$6,833,600 primarily relate to general legal costs, specialized legal and financial advisory services related to the toll program, public communications, and property management services. Support costs of \$1,336,900 consist primarily of services needed to maintain the Commission's real properties in a condition that complies with all local codes and regulations governing property maintenance.

General project costs of \$7,733,900 comprise program management provided by Bechtel Infrastructure (Bechtel) and permits for highway and rail capital projects.

Significant projects included in engineering expenditures of \$21,586,000 relate to the I-15 Express Lanes–Southern Extension project; Mid County Parkway; the 71/91 connector project; the I-15/Railroad Canyon interchange (on behalf of the city of Lake Elsinore); grade separation projects; various commuter rail improvement and rehabilitation projects; and various Western County TUMF regional arterial projects.

Construction expenditures of \$150,248,000 primarily relate to the I-15 Express Lanes project; 15/91 Express Lanes connector project; the I-15/Limonite interchange; SR-60 truck lanes; the Pachappa underpass; I-215 Placentia Avenue interchange, Mid County Parkway's first construction package; Mid County Parkway Sweeney mitigation site; various Western County Measure A and TUMF regional arterial projects; Santa Ana River Trail; and rail improvement and rehabilitation projects.

Design-build costs of \$141,583,000 pertain to the I-15 Express Lanes project, the 15/91 Express Lanes connector project, 91 corridor operations project, and completion of the 91 Project.

Right of way expenditures of \$93,293,500 on significant projects include the 91 Project; 71/91 connector project; Mid County Parkway; Mid County Parkway - I-215/Placentia interchange; McKinley Avenue and Jurupa Avenue grade separation projects; I-15/Railroad Canyon interchange (on behalf of the city of Lake Elsinore); and various Western County TUMF regional arterial projects. Funding will also be provided for MSHCP land mitigation.

Local turnback payments to jurisdictions and the County for local streets and roads repair, maintenance, and construction amount to \$58,642,300. Disbursements to CVAG for the 2009 Measure A Coachella Valley highway and regional arterial program comprise substantially all of the regional arterial expenditures. The Planning and Programming Department monitors the eligibility for local streets and roads funding and reviews reimbursement claims for Coachella Valley highway and regional arterial program expenditures.

Operating and capital disbursements of \$15,850,000 will be made for commuter rail capital projects.

Interest payments on outstanding sales tax revenue bonds (2010B Bonds, 2013 Sales Tax Bonds, 2016 Refunding Bonds, 2017A Bonds, 2017B Refunding Bonds, and 2018 Refunding Bonds) are \$42,292,500. The Commission will make principal payments of \$27,245,000 for the outstanding sales tax revenue bonds.

Significant transfers out consist of the following:

- \$6,000,000 in 1989 Measure A Western County highway fund to the 2009 Measure A County highway fund for the 91 Project completion;
- \$24,402,400 in sales tax revenue bond proceeds to fund the I-15 Express Lanes project;
- \$69,534,500 from 2009 Measure A Western County highway fund to the Debt Service fund for sales tax revenue bonds debt service;
- \$8,306,000 from Measure A, SB 132, and TUMF for the allocation of administrative costs to the General fund;
- \$3,000,000 from 2009 Measure A Western County highway fund to the Debt Service fund for the I-15 Express Lanes project TIFIA reserve;
- \$300,000 from 2009 Measure A Western County highway fund to the TUMF regional arterial fund for the SR-79 realignment project; and
- \$2,803,200 from the Debt Service fund to the 2009 Measure A Western County highway and Coachella Valley highway funds for BABs subsidy reimbursements.



SR-71/SR-91 interchange

TABLE 66 - CAPITAL PROJECT DEVELOPMENT AND DELIVERY USES DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 3,005,300	\$ 3,911,900	\$ 3,911,800	\$ 7,077,600	\$ 3,165,700	81%
Professional Costs						
Legal Services	4,625,700	4,228,200	3,591,200	3,400,300	(827,900)	-20%
Audit Services	7,300	27,000	29,000	35,000	8,000	30%
Financial Advisory	540,900	473,900	118,800	406,400	(67,500)	-14%
Professional Services - General	2,490,500	4,178,100	1,479,600	2,991,900	(1,186,200)	-28%
Total Professional Costs	7,664,400	8,907,200	5,218,600	6,833,600	(2,073,600)	-23%
Support Costs	429,800	1,185,100	1,016,000	1,336,900	151,800	13%
Projects and Operations						
Program Operations	9,619,300	7,584,300	6,193,100	7,733,900	149,600	2%
Engineering	8,030,400	33,717,900	12,967,300	21,586,000	(12,131,900)	-36%
Construction	21,408,500	117,498,700	73,007,200	150,248,000	32,749,300	28%
Design Build	123,999,200	183,908,300	146,305,000	141,583,000	(42,325,300)	-23%
Right of Way and Land	38,962,400	95,360,000	35,670,600	93,293,500	(2,066,500)	-2%
Local Streets and Roads	53,176,800	58,479,500	58,479,500	58,642,300	162,800	0%
Regional Arterials	15,736,400	30,547,000	25,000,000	30,000,000	(547,000)	-2%
Special Studies	-	50,000	35,000	-	(50,000)	-100%
Operating and Capital Disbursements	3,313,400	15,000,000	5,800,000	15,850,000	850,000	6%
Total Projects and Operations	274,246,400	542,145,700	363,457,700	518,936,700	(23,209,000)	-4%
Capital Outlay	2,177,200	7,224,800	6,336,700	3,052,000	(4,172,800)	-58%
Debt Service	656,868,900	69,555,700	65,085,700	69,537,500	(18,200)	0%
Transfers Out	282,693,700	126,704,100	108,636,800	114,346,100	(12,358,000)	-10%
TOTAL Capital Project Development and Delivery	\$ 1,227,085,700	\$ 759,634,500	\$ 553,663,300	\$ 721,120,400	\$ (38,514,100)	-5%



CAPITAL PROJECT DEVELOPMENT AND DELIVERY STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Capital Construction Manager	0.00	1.80	1.91
Capital Projects Manager	2.83	2.80	2.74
Chief Financial Officer	0.24	0.27	0.21
Deputy Director of Finance	0.04	0.06	0.02
Deputy Executive Director	0.10	0.08	0.17
Executive Director	0.15	0.25	0.17
External Affairs Director	0.11	0.12	0.07
Facilities Administrator	0.00	0.00	0.19
Financial Analyst	0.00	0.00	0.50
IT Administrator	0.00	0.03	0.00
Legislative Affairs Manager	0.01	0.05	0.04
Management Analyst	1.00	1.00	0.05
Planning and Programming Director	0.05	0.09	0.18
Planning and Programming Manager	0.00	0.02	0.07
Procurement Manager	0.51	0.48	0.54
Project Delivery Director	0.95	1.00	0.96
Public Affairs Manager	0.31	0.50	0.42
Right of Way Manager	1.00	0.98	0.99
Senior Administrative Assistant	0.16	0.35	0.12
Senior Financial Analyst	0.05	0.10	0.15
Senior Management Analyst	2.09	2.12	3.30
Senior Procurement Analyst	0.28	0.16	0.47
Toll Operations Manager	0.62	0.70	0.60
Toll Program Director	0.75	0.65	0.59
Toll Project Manager	0.98	1.00	1.00
Toll Senior Management Analyst	0.01	0.30	0.65
Toll Technology Manager	0.62	0.60	0.60
FTE	12.86	15.51	16.71

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

The primary responsibility of Capital Projects is the development and delivery of major highway and rail capital projects where the Commission is identified as the lead agency. The delivery of a capital project can include tasks such as feasibility studies, preliminary engineering, environmental clearance, final design, right of way acquisition, utility relocation, construction, construction management, and design-build in addition to the management of various types of agreements. Capital Projects also develops and delivers a limited number of highway and regional arterial projects on behalf of local jurisdictions; these efforts are funded by the local jurisdictions through funding agreements with the Commission. Approximately 70% of the Commission's FY 2019/20 budgeted expenditures originates in this department managed by the Toll Program and Project Delivery Directors responsible for the capital program.

Capital Projects accelerates delivery of the Measure A, toll, state, and federally funded highway, regional arterial, and rail capital improvement projects throughout the County. Highway improvements currently in progress include the addition of mixed flow, truck climbing and descending, and tolled express lanes; widening and realignment projects;

interchange improvements; and a new CETAP corridor. Commuter rail capital improvements include the expansion of commuter rail service in Western County and related station improvement and rehabilitation projects.

Regional arterial capital improvements include Western County TUMF and Measure A regional arterial projects administered by the Planning and Programming Department and reimbursements to CVAG related to the highway and regional arterial program that it administers in the Coachella Valley. Capital Projects may develop and deliver Western County regional arterial projects on behalf of local jurisdictions, as noted previously.

The 2009 Measure A program includes funding to the incorporated cities and the County unincorporated areas for local streets and roads maintenance, repair, and construction. The budgeted amount is set by formula established in the Measure A TIP. Each jurisdiction's respective allocation is based on population (Western County and Palo Verde Valley) or dwelling units (Coachella Valley) and the amount of sales tax generated. The Planning and Programming Department administers the local streets and roads funding eligibility reviews.

Capital Projects provides the necessary coordination between the Commission and Caltrans for the development of scope, cost, and project delivery schedules for Measure A projects that include STIP funding.

Given the support required to oversee and participate in the project development work, costs for Commission staff and related support are included in this department budget. The projects identified in the FY 2019/20 budget funded by Measure A, TUMF, state, or federal funds as well as existing and future toll revenues require the continued support of the Bechtel program management team which includes program managers, project engineers, construction engineers, inspectors, contracts administration, and support staff.

RIGHT OF WAY ACQUISITION AND SUPPORT SERVICES

The primary goal of the Right of Way Management Division is the delivery of right of way in the most cost-effective manner and within project schedules, while adhering to federal and state regulations. To implement the Commission's directive, the Commission maintains on-call agreements with right of way consultant services in the fields of right of way engineering and surveying, environmental assessment, appraisal and appraisal review, acquisition and relocation, feasibility studies and cost estimates, property management, and utility relocation. The Right of Way Management Division supervises and manages right of way services and related support for individual projects that are included in the Capital Projects Department budget.

PROPERTY MANAGEMENT

The Commission strives to manage its real property with the objective of maximizing existing and future public transportation benefits, safety, and income by means of professional property management policies and procedures. This includes issuing licenses and rights of entry for authorized third-party uses, as well as investigating and resolving issues regarding uses not authorized by the Commission. During FY 2014/15 the Commission performed a comprehensive analysis of existing licenses and encroachments. The Commission resolved private use and utility encroachments on the SJBL, resulting in additional licenses. The Commission will continue to monitor, identify and, if necessary, enter into new licenses or eliminate encroachments on SJBL. In certain limited situations, the Commission may also grant easements.

The property management scope of work on all Commission-owned properties consists of general maintenance activities and security measures. The property management function includes the demolition and clearance of structures and other improvements on acquired property, excluding commuter rail stations. Additionally, the Commission must manage real property acquired for a project until required for construction.

Since 1990, the Commission acquired property assets in the course of rail and highway project implementation. To date the rail properties number over 225 parcels. The Commission acquired approximately 500 parcels for the SR-74 widening project (Segments 1 and 2) and transferred to Caltrans most of these parcels, which were related to Segment 1. The Commission has closed or is in escrow for 23 of the 26 excess SR-74 parcels. In addition, properties have been acquired for SR-91 HOV lanes, Mid County Parkway, SR-79 realignment, I-215/Placentia interchange, 60/215 east junction HOV connectors, and I-15/Railroad Canyon Interchange.

Property acquisition for the 91 Project began in 2010 with all of the 197 required parcels acquired and delivered to the design-builder by June 2015; the Commission acquired 98 parcels through escrow and 97 parcels through eminent domain actions. The remaining 2 parcels acquired through condemnation actions are in active litigation. The Commission acquired fee and permanent easement rights that are in the process of being transferred primarily to Caltrans, the County, and the city of Corona.

Upon project completion, all remaining portions of properties within every project are reassessed and deemed surplus when it has been determined that the continued retention of the property no longer supports the Commission's policy

goals and objectives. In connection with the 2013 TIFIA Loan for the 91 Project, the Commission is required to establish a \$20 million TIFIA debt service reserve by June 30, 2019. The Commission used proceeds from the sales of excess properties related to the 91 Project through June 2019 to fund the reserve in addition to surplus revenues from the RCTC 91 Express Lanes.

LONG-TERM STRATEGIC PLANNING

The Commission completed a significant effort in December 2006 to develop an implementation plan strategy for the 2009 Measure A state highway program, with a focus on the first 10 years of the program through 2019. The effort, known as the Western County Highway Delivery Plan, included an objective-based assessment of the Western County portion of the 2009 Measure A TIP along with the prioritization of the program of projects. The Commission selected four highway corridors (I-215, I-15, I-10, and SR-91) as the priority focus for the first 10 years of the 2009 Measure A program, and long-term development work was approved for large-scale projects such as the development of the Mid County Parkway and realignment of SR-79.

Project development activities for these projects have been ongoing, including an update and reprioritization in January 2010 in response to the economic downturn. Since 2010, the Commission completed a scope reevaluation of the I-15 Express Lanes project and adopted a new scope of work that consists of tolled express lanes on the northern 15 miles of I-15 in the County. The Commission deferred the I-10 truck climbing lanes project several years and replaced it with added safety improvements on SR-60. For the strategic projects, the Commission completed preliminary engineering and environmental clearance for the Mid County Parkway, SR-79 realignment and the SR-60 truck lanes. Right of way acquisition for the first construction package of the Mid County Parkway is proceeding and acquisitions for the remainder of Mid County Parkway will be considered for extraordinary acquisitions on a pay-as-you-go basis. Project costs and anticipated funding for these projects are updated annually, and a status update has been included in each of the annual Commission workshops since 2011.

The Commission's Future Funding Initiatives ad hoc committee is developing a recommendation to update the capital project delivery plan for the second ten-year period of the 2009 Measure A, as required by the 2009 Measure A. CVAG developed a strategic plan for Coachella Valley highway and regional arterial projects based upon a transportation project prioritization study that is updated periodically.

The PVL project, included in the 1989 and 2009 Measure A programs, is now complete and in operation since June 2016. The Commission develops other rail capital projects in coordination with SCRRRA or based on a rail station plan that is updated periodically. Station operation costs are included in the Rail Department (Section 5.2).

Four new Western County transportation corridors were identified through CETAP and are eligible for 2009 Measure A Western County new corridor and TUMF CETAP funding. Given the size and anticipated cost of these new corridors, they are moving forward on varied schedules with the work on the internal corridors, the Mid County Parkway and I-215 corridor improvement project (south segment completed in 2013 and central segment completed fall 2016), being the most advanced.

Additionally, the Commission will participate in the improvement of a wildlife corridor crossing under SR-91, B Canyon, in collaboration with Caltrans, U.S. Fish and Wildlife, U.S. National Forest, California Department of Fish and Wildlife, and the California Department of Parks and Recreation.

These strategic planning activities play a significant part of the Commission's annual budget process, in particular the capital budget.

KEY ASSUMPTIONS FOR FY 2019/20

- The Commission will continue its emphasis on the closeout of the 1989 Measure A Western County highway projects, including Pachappa underpass and SR-91 HOV projects.
- The Western County Highway Delivery Plan, as updated for 2019-2029, will serve as the basis for defining capital project selection and prioritization.
- In connection with agreements for the advancement of 2009 Measure A funds with CVAG and cities participating in the Commission's debt programs, the Commission will deduct annual principal and interest payments for these loans from each agency's respective disbursements based on the terms of the loan agreements.
- The Commission will develop highway project costs based on engineers' estimates and scope agreements with Caltrans.
- The Commission will competitively bid construction projects to minimize costs and comply with public contracting law.

- The Commission will competitively procure design-build projects using a best value selection process to maximize value to the Commission.
- All projects will be built to required federal and state standards.
- Upon project completion, the Commission will transfer all highway projects, with the exception of tolled express lane facilities, to Caltrans; operation and maintenance of these facilities is the responsibility of Caltrans. The Commission will operate and maintain tolled express lane facilities, when completed, for the term agreed to by Caltrans and the Commission. Toll operations costs are included in Section 5.4 of this document.
- The Commission will develop strategies to implement innovative financing structures including public toll facilities.
- Construction of the Mid County Parkway will proceed based on construction packages carefully scoped to provide maximum immediate public benefit while also matching funding availability.
- The Planning and Programming Department administers the Western County TUMF regional arterial projects approved by the Commission in 2004; however, Capital Projects will continue project development of the I-15/Railroad Canyon Road interchange project on behalf of the city of Lake Elsinore.

ACCOMPLISHMENTS IN FY 2018/19

- Continued implementation of the Western County Highway Delivery Plan.
- Completed work on right of way acquisition, railroad agreement work, and design for the Pachappa underpass project.
- Completed 91 Project construction work, including submittal of the final Financial Plan annual update related to project completion, and obtained upgrades from two rating agencies related to the Commission's toll revenue bond ratings.
- Continued environmental study and preliminary engineering work and commenced final design work for the 91 corridor operations project authorized by the Commission in 2018.
- Continued right of way acquisition and performed utility relocations for the 71/91 connector project; submitted an application to the federal Infrastructure for Rebuilding America grant program for project construction funding.
- Continued to advance the development of the I-15 Express Lanes project in numerous areas:
 - Significantly advanced final design of the civil and toll improvements and continued construction;
 - Completed final design and construction of the toll Regional Operations Center; and
 - Reaffirmed the Commission's toll revenue bond ratings.
- Continued environmental study and preliminary engineering work for the 15/91 Express Lanes connector project and commenced a design-build procurement for the final design and construction of the civil improvements.
- Awarded a professional services contract for the Project Approval/Environmental Document phase of the I-15 Express Lanes-Southern Extension project from Cajalco Road to SR-74.
- Completed the Next Generation Toll Feasibility Study and obtained Commission approval to start project development on three new express lanes corridors.
- Acquired most of the property required for environmental mitigation for the Mid County Parkway project and commenced required cultural and biological resource mitigation for the project.
- Continued final design for the I-215/Placentia interchange project, the first construction package of Mid County Parkway.
- Continued post environmental impact report/environmental impact statement closeout tasks including cultural and biological resource mitigation for the SR-79 realignment project.
- Completed construction and substantially completed closeout of the PVL project that began service in June 2016.
- Completed design and construction of the Riverside - La Sierra station parking lot expansion project.
- Commenced construction of the Riverside Downtown station pedestrian improvements project.
- Completed design, right of way acquisition, and construction of the PVL station pedestrian shelters.
- Completed environmental approval and commenced construction management of the Riverside Layover Facility.

- Completed procurement of on-call design and environmental services and construction management and construction support services for rail projects.
- Awarded construction contract of SR-60 truck lanes project.
- Completed construction (plant establishment) of the I-215 central widening project.
- Continued final design and right-of-way phases for the I-15/Railroad Canyon interchange project for the city of Lake Elsinore.
- Continued preliminary engineering and environmental clearance work for the Santa Ana River Trail project for the District.
- Commenced preliminary engineering and environmental clearance work for the Santa Ana River Trail-Green River golf course trail project for the District.
- Supported public outreach activities by providing graphics from the right of way project management database for Commission presentations to facilitate public understanding of project issues.
- Continued to declare property no longer needed for transportation purposes as surplus and sold 41 surplus properties.

MAJOR INITIATIVES IN FY 2019/20

FY 2019/20 will mark the eleventh year of the 2009 Measure A program as the Commission closes out the 1989 Measure A highway program and continues project activities related to the 2009 Measure A programs. The highway, rail, regional arterial, and local streets and roads programs represent the majority of the Capital Project funding allocations. All of the 1989 Measure A highway projects have been completed, except for the Pachappa underpass project, which is a portion removed from the SR-91 HOV lanes project and will begin construction in FY 2019/20. Various stages of project development work for projects included in the Western County Highway Delivery Plan such as the I-15 Express Lanes project will continue in FY 2019/20.

Detailed descriptions of the capital projects, including local streets and roads funding, that are included in the FY 2019/20 budget follow the Performance Measures and Results.

DEPARTMENT GOALS

CAP1 - Build upon and strengthen the partnership with Caltrans toward timely delivery of identified Measure A, toll program, and STIP projects. (Policy Goals: Quality of Life, Connecting the Economy)

OBJECTIVES:

- Develop agreements with Caltrans and FHWA, as may be required, to finalize project scoping and cost issues for the STIP, toll, and Measure A funded highway projects in the County.
- Meet the project milestones identified in agreements between Commission, Caltrans, and the CTC.

CAP2 - To the extent permitted by law, pursue reasonable involvement of local DBE and SBE firms in contract work. (Policy Goal: Operational Excellence)

OBJECTIVE:

- Maintain and monitor goal for a minimum DBE participation in all federally-funded contracts.

CAP3 - Provide effective communication of project progress to the Board, city councils, the County Board of Supervisors, Caltrans, CTC, FTA and FHWA. (Policy Goal: Operational Excellence)

OBJECTIVE:

- Develop a strategy with Caltrans District 8 that would allow the Commission to advance specific projects identified in the Western County Highway Delivery Plan to take advantage of any unexpected state or federal funding which may become available through increased state or federal budget authorizations, federal stimulus, or potential loan programs to advance construction.

CAP4 - Work with Caltrans and other agencies toward completion of preliminary engineering and environmental clearance of all projects. (Policy Goal: Quality of Life)

OBJECTIVE:

- Work with Caltrans, the County, and the cities in the County to complete preliminary design and environmental clearance for Measure A projects that could be eligible to receive additional or early funding from various sources that could become available if a project is sufficiently developed.

CAP5 - Construct the highway projects identified in the budget. (Policy Goals: Quality of Life, Operational Excellence, Connecting the Economy)

OBJECTIVE:

- Achieve closeout of completed highway construction projects.

CAP6 - In coordination with the Rail Program Manager, construct capital improvements at existing commuter rail stations as identified in the budget. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Complete closeout activities related to the PVL.
- Commence or continue construction of rail station capital improvements and rehabilitation projects.

CAP7 - Acquire right of way for rail and highway projects identified in the budget. (Policy Goals: Quality of Life, Operational Excellence)

OBJECTIVES:

- Acquire right of way for the following projects: Mid County Parkway, 71/91 connector project, Pachappa underpass, I-15/Railroad Canyon interchange, and I-215/Placentia interchange.
- Protect and maintain properties acquired for future projects.
- Dispose of Commission-approved excess land in a timely manner and in accordance with applicable regulations.

CAP8 - Identify innovative financing strategies to fully fund projects identified in the Western County Highway Delivery Plan. (Policy Goals: Quality of Life, Operational Excellence)

OBJECTIVE:

- Continue the assessment and evaluation of available innovative financing strategies through the Future Funding Initiatives ad hoc Committee and other means, including federal credit assistance.

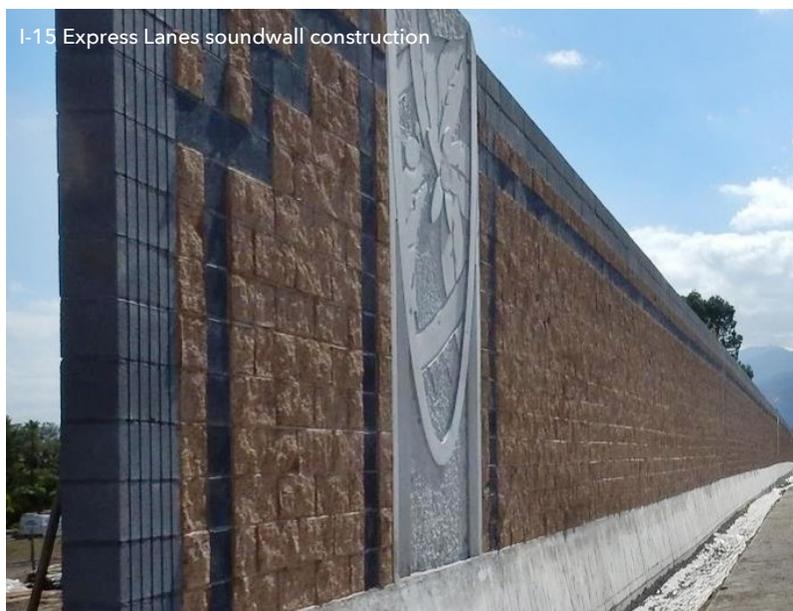
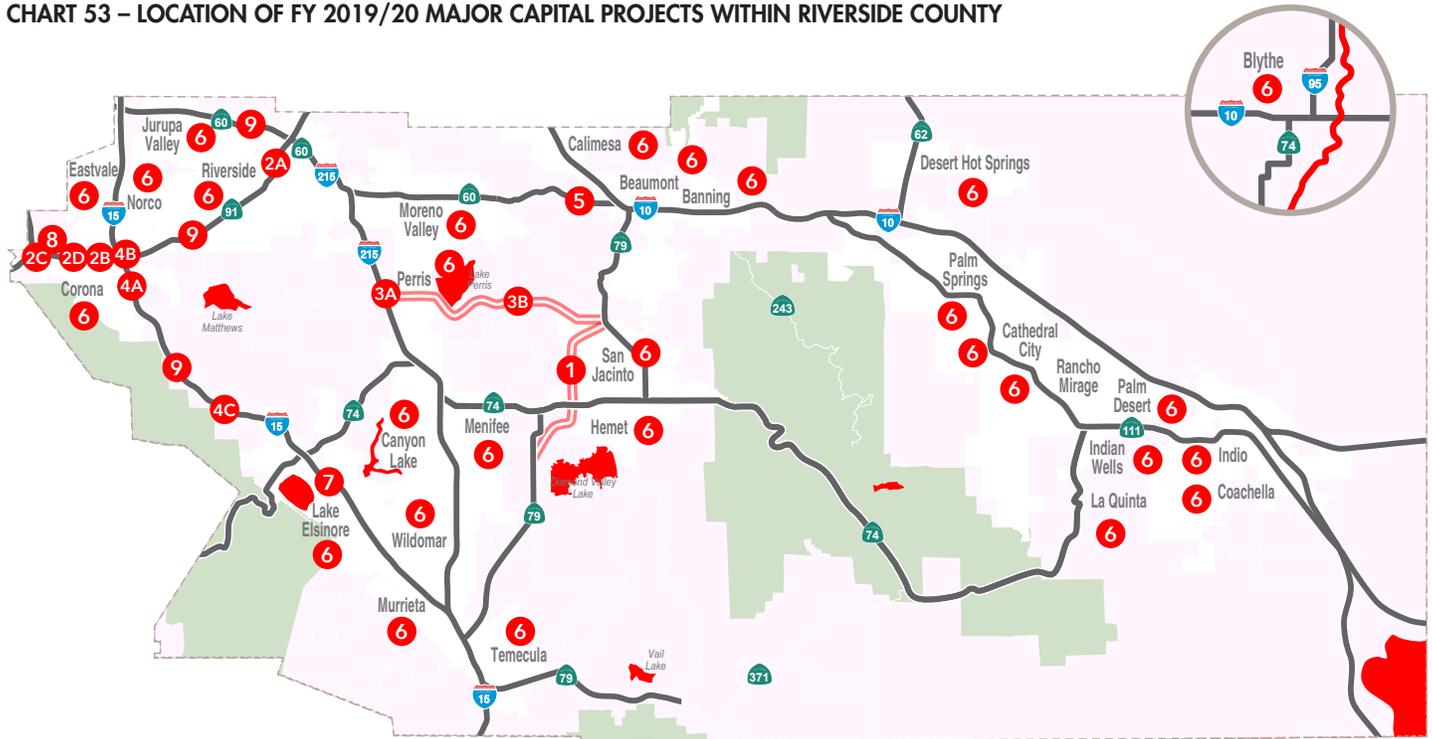


CHART 53 – LOCATION OF FY 2019/20 MAJOR CAPITAL PROJECTS WITHIN RIVERSIDE COUNTY



- 1 SR-79**
Continue preliminary engineering work for realignment between Gilman Springs Road and Domenigoni Parkway.
- 2 SR-91**
(A) Commence construction of the Pachappa underpass.
(B) Continue closeout activities for the 91 Project.
(C) Continue design and right of way activities of the 71/91 connector project.
(D) Continue design and advertise a construction contract for the 91 corridor operations project.
- 3 Mid County Parkway**
(A) Continue design and right of way and begin construction related to the I-215/Placentia interchange.
(B) Continue environmental permitting work and acquisition of property for environmental mitigation related to the entire length of the project.
- 4 I-15**
(A) Continue design-build and toll services activities for the tolled express lanes from SR-60 to Cajalco Road in Corona.
(B) Continue design-build and toll services development for the addition of the 15/91 Express Lanes connector.
(C) Begin environmental studies and preliminary engineering for the I-15 Express Lanes–Southern Extension project.
- 5 SR-60 Truck Lanes**
Begin construction of the safety improvements, including additional lanes.
- 6 Local Streets and Roads**
Allocate Measure A revenues to each city and the County to improve, maintain, and repair high priority local streets and roads.
- 7 I-15/Railroad Canyon Interchange**
Finalize design and right of way acquisition and begin construction for the modified interchange.
- 8 Santa Ana River Trail**
Complete environmental and design phases and begin construction of a multi-use trail.
- 9 Next Generation Express Lanes**
Start project development to develop express lanes in three new corridors.

91 PROJECT (P003028)

Continue to closeout right-of-way, soundwall construction, and other activities for the tolled express and mixed flow lanes project from the Orange County line to Pierce Street, including tolled express lanes connectivity to I-15 and improvements to the 15/91 interchange. Project development activities began in September 2007 and lanes were open to traffic in March 2017. The 91 Project cost is estimated at \$1.4 billion, including financing costs.

FY 2019/20 Cost	\$ 1,471,000	Construction
	\$ 16,722,000	Right of way acquisition/support services
	\$ 6,923,000	Design-build
	\$ 1,179,400	Other project-related costs

Measure A Budget Impact Costs funded using 2009 Measure A highway and new corridor funds including sales tax revenue bonds and commercial paper, toll revenue bonds, a federal TIFIA loan, STIP and State Local Partnership Program funds, and 1989 Measure A contribution.

Operating Budget Impact Operation and maintenance of the tolled express lanes facilities are the responsibility of the Commission, while all other state highway operations are the responsibility of Caltrans. Current estimates of annual operating and maintenance costs are \$19 million. Such costs are paid from the collection of toll revenues. Toll operating costs are included in Toll Operations, as discussed in Section 5.4.

71/91 CONNECTOR PROJECT (P003021)

Continue right of way acquisition and utility relocation work and environmental revalidation work for improvements to the 71/91 connector in anticipation of funding from the SB 1 programs. Final design began in March 2012. The total estimated project cost is \$118 million.

FY 2019/20 Cost	\$ 2,500,000	Final design
	\$ 4,600,000	Right of way acquisition/support services
	\$ 275,700	Other project-related costs

Measure A Budget Impact Costs for right of way acquisition and utility relocation work primarily funded using Congressionally-designated federal funding remaining from previous area projects. Other costs funded with 2009 Measure A highway funds.

Operating Budget Impact N/A; state highway operations are the responsibility of Caltrans.

SR-91 HOV LANES/ADAMS STREET TO 60/91/215 INTERCHANGE (P003005)

Construction of the project was completed in fall 2016. Project closeout has been completed except for right of way and utility relocation.

FY 2019/20 Cost	\$ 505,000	Right of way acquisition/support services, including utility relocation
	\$ 14,500	Other project-related costs

Measure A Budget Impact Remaining right of way costs funded with CMAQ and 1989 Measure A highway funds. Caltrans is the lead agency.

Operating Budget Impact N/A; state highway operations are the responsibility of Caltrans.

91 CORRIDOR OPERATIONS PROJECT (P623046)

Complete environmental approvals, final design, and advertise a construction contract for a westbound general purpose lane from the Green River Road on-ramp to SR-241 in Orange County. Project development activities began in May 2018, and construction is dependent on funding. The project cost is estimated at \$43,000,000, including contingency.

FY 2019/20 Cost	\$ 2,729,000	Design-build
	\$ 378,200	Other project-related costs

Measure A Budget Impact Costs for environmental and final design work will be funded using surplus toll revenues. The Commission's authorizing legislation, SB 1316, requires that all RCTC 91 Express Lanes surplus revenue be spent for transportation purposes within the SR-91 corridor.

Operating Budget Impact Operation and maintenance of the tolled express lanes facilities are the responsibility of the Commission (Section 5.4), while all other state highway operations are the responsibility of Caltrans.

I-15 EXPRESS LANES PROJECT (P003027)

Continue design-build and toll system design and construction to add two tolled express lanes in each direction from SR-60 to Cajalco Road in Corona. The project is using the design-build method of project delivery. Project development activities began in April 2008, and lanes are expected to be open to traffic in 2020. The estimated total project cost is \$472 million, including financing costs.

FY 2019/20 Cost	\$ 7,984,000	Construction/support services
	\$ 328,000	Right of way/support services
	\$ 89,613,000	Design-build
	\$ 4,884,400	Other project-related costs

Measure A Budget Impact Project development costs funded using 2009 Measure A highway funds. Federal CMAQ and STBG funds to fund interagency support and a portion of design-build costs. A federal TIFIA loan secured by the Commission will fund a portion of design-build and toll system costs. Proceeds from sales tax revenues debt completed the project financing.

Operating Budget Impact Operation and maintenance of future tolled express lanes facilities are the responsibility of the Commission, while all other federal and state highway operations are the responsibility of Caltrans. Preliminary estimates of annual operating and maintenance costs are \$14 million. Such costs will be paid from the collection of toll revenues.

15/91 EXPRESS LANES CONNECTOR (P003039)

Continue design and construction to add an express lanes connector between SR-91 and I-15 to the north. The project is using the design-build method of project delivery for some of the work through amendments to existing contracts related to the 91 Project (P003028) and the I-15 Express Lanes project (P003027), as permitted by AB 115 signed by the Governor in June 2017. The remaining work will be accomplished through a competitive design-build procurement that began March 2019. Project development activities began in May 2017, and lanes are expected to be open to traffic by 2023 or earlier. The estimated total project cost is \$210-230 million.

FY 2019/20 Cost	\$ 1,053,000	Construction
	\$ 495,000	Right of way/support services
	\$ 41,718,000	Design-build
	\$ 3,582,200	Other project-related costs

Measure A Budget Impact Costs funded primarily by state SB 132 funds with RCTC 91 Express Lanes surplus toll revenues or potential federal grants for the balance.

Operating Budget Impact Operation and maintenance of future tolled express lanes facilities are the responsibility of the Commission. Such costs will be paid from the collection of 15 Express Lanes toll revenues.

I-15 EXPRESS LANES–SOUTHERN EXTENSION (P003044)

Preliminary engineering and environmental studies commenced in May 2019 to add express lanes between SR-74 and Cajalco Road. The project seeks to extend express lanes south of the I-15 Express Lanes project (P003027) currently under construction. Project development activities began in September 2017 when the Board approved STIP funds for the next phase of project development.

FY 2019/20 Cost	\$ 6,000,000	Preliminary engineering
	\$ 1,522,400	Other project-related costs
Measure A Budget Impact	All project development costs funded by Federal CMAQ and Measure A funds. CMAQ funds subsequently replaced STIP funds.	
Operating Budget Impact	Operation and maintenance of future tolled express lanes facilities are the responsibility of the Commission, while all other federal and state highway operations are the responsibility of Caltrans. Commission costs will be paid from the collection of toll revenues.	

NEXT GENERATION EXPRESS LANES (P003047, P003048 & P003049)

In January 2019 the Commission approved starting the development of express lanes in three new corridors (SR-91 downtown Riverside, 60/215 Riverside-Moreno Valley, and SR-60 Jurupa-Riverside) through the development of Project Initiation Documents.

FY 2019/20 Cost	\$ 950,000	Preliminary engineering
	\$ 600,000	Design-build
	\$ 309,700	Other project-related costs
Measure A Budget Impact	All project development costs funded by State STIP PPM and/or LTF planning funds.	
Operating Budget Impact	Operation and maintenance of future tolled express lanes facilities are the responsibility of the Commission, while all other federal and state highway operations are the responsibility of Caltrans. Commission costs will be paid from the collection of toll revenues.	

I-15/RAILROAD CANYON INTERCHANGE (P005104)

Continue final design and right-of-way acquisition of Phase 1 for the city of Lake Elsinore. The estimated total project cost is \$35 million.

FY 2019/20 Cost	\$ 600,000	Final design
	\$ 5,500,000	Construction/construction support
	\$ 2,200,000	Right of way/support services
	\$ 469,500	Other project-related costs
Measure A Budget Impact	None; costs funded using TUMF, SB 1 Local Partnership Program, and STIP.	
Operating Budget Impact	N/A; federal highway operations are the responsibility of Caltrans.	

I-215 CORRIDOR IMPROVEMENTS/SCOTT ROAD TO NUEVO ROAD (CENTRAL SEGMENT) (P003023)

Project closeout has been completed. Project added one mixed flow lane in each direction. Preliminary engineering began in 2007 and was completed in 2011. Final design began in 2011 and was completed in December 2012; construction began in 2013 and was completed in 2016. The total project cost is estimated at \$120 million.

FY 2019/20 Cost	\$ 10,000	Construction/construction management/support services
	\$ 99,100	Other project-related costs
Measure A Budget Impact	Costs funded using CMIA, STIP-RIP, and 2009 Measure A highway funds.	
Operating Budget Impact	N/A; federal highway operations are the responsibility of Caltrans.	

MID COUNTY PARKWAY (P002302, P002324, P612317 & P612320)

Complete design and commence construction of I-215/Placentia interchange, the first construction package, commence design for the second construction package, and perform activities related to post-environmental/permitting, design and right of way for a new corridor from I-215 to SR-79. Construction of this new facility will be completed over many years as funding becomes available and is estimated to cost \$1.7 to \$1.9 billion.

FY 2019/20 Cost	\$ 2,850,000	Preliminary engineering/final design
	\$ 18,200,000	Construction/construction management/support services
	\$ 24,050,000	Right of way acquisition/support services
	\$ 1,924,600	Other project-related costs

Measure A Budget Impact Costs funded with TUMF CETAP funds and 2009 Measure A new corridor funds.

Operating Budget Impact N/A; responsibility for highway operations has not been determined.

PACHAPPA UNDERPASS (P003038)

Perform activities related to right of way and construction phases. Design was performed by Caltrans. Project will remove the Pachappa shoofly and construct the retaining wall, drainage, and track work for the permanent Pachappa underpass. The total project cost is estimated at \$18 million with an anticipated completion date in 2020.

FY 2019/20 Cost	\$ 100,000	Engineering support services
	\$ 15,900,000	Construction/construction management/support services
	\$ 175,000	Right of way acquisition/support services
	\$ 570,000	Other project-related costs

Measure A Budget Impact Costs funded with federal earmarks, CMAQ, and SB 1 Local Partnership funds.

Operating Budget Impact N/A; federal highway operations are the responsibility of Caltrans and railroad operations are the responsibility of Union Pacific Railroad.

VARIOUS WESTERN COUNTY RIVERSIDE COUNTY TRANSPORTATION EFFICIENCY CORRIDOR PROJECTS (P003040, P003041, P003042, P003043 & P003132)

Provide funding and support to local jurisdictions for the engineering, construction, and right of way activities related to four Western County projects including I-15/Limonite interchange, Hamner bridge widening, and Jurupa Avenue and McKinley grade separation projects funded by SB 132.

FY 2019/20 Cost	\$ 4,608,000	Preliminary engineering/final design
	\$ 17,000,000	Construction
	\$ 26,149,000	Right of way acquisition/support costs
	\$ 38,300	Other project-related costs

Measure A Budget Impact Costs funded using state SB 132 funds.

Operating Budget Impact N/A; federal highway operations are the responsibility of Caltrans; grade separation operations are the responsibility of the local jurisdiction.

SANTA ANA RIVER TRAIL (P007201 & P007202)

Provide support to the District for the Santa Ana River Trail project under a cooperative planning and development agreement. The District is the lead agency for environmental compliance for NEPA and CEQA, and the Commission is responsible for project oversight and approval, final design, and construction. The District is responsible for 100% of costs.

FY 2019/20 Cost	\$ 850,000	Preliminary engineering
	\$ 5,000,000	Construction/construction support services
	\$ 205,000	Right of way acquisition/support costs
	\$ 587,700	Other project-related costs

Measure A Budget Impact None; costs will be funded by the District.

Operating Budget Impact N/A; operations are the responsibility of the District.

Costs for this project are reported in the Planning and Programming Department; however, the project details are summarized in the Capital Projects Department as Capital Projects staff is providing the support for the project.

VARIOUS WESTERN COUNTY HIGHWAY PROJECTS (P003001, P003017, P005134, P623999, P613999, P615133, P622402 & P735000)

Provide funding and support for the engineering, construction, and right of way activities related to various Western County highway and grade separation projects, including the 60/215 East Junction HOV lane connectors, SR-74/I-15 to 7th Street, SR-74 corridor-Ethanac Road projects.

FY 2019/20 Cost	\$ 1,243,700	Engineering/final design
	\$ 99,500	Right of way acquisition/support costs
	\$ 2,968,700	Other project-related costs

Measure A Budget Impact Costs funded using primarily 1989 and 2009 Measure A highway funds.

Operating Budget Impact N/A; federal highway operations are the responsibility of Caltrans.

VARIOUS WESTERN COUNTY MEASURE A AND TUMF REGIONAL ARTERIAL PROJECTS (P005203, P005207 P005102, P005107, P005116, P005127, P725000, P665102 & P005200)

Provide Western County Measure A and TUMF funding and support through the Planning and Programming Department for the engineering, right of way, and construction activities related to various Western County Measure A and TUMF regional arterial projects approved by the Commission. Total project costs approved for MARA and TUMF regional arterial projects approximate \$143 million.

FY 2019/20 Cost	\$ 364,300	Engineering/material testing
	\$ 8,400,000	Construction
	\$ 12,360,000	Right of way acquisition/support costs
	\$ 163,000	Other project-related costs

Measure A Budget Impact Costs funded using TUMF regional arterial and 2009 Measure A regional arterial funds with various local jurisdictions as lead agency for their respective projects.

Operating Budget Impact N/A; regional arterial operations are the responsibility of the local jurisdictions.

MSHCP LAND ACQUISITION IN WESTERN COUNTY (P002800)

Provide funding and support for the acquisition of land as mitigation for the cumulative and indirect impacts associated with construction of future highway projects as required by 2009 Measure A. The annual commitment through December 2019 is \$3 million.

FY 2019/20 Cost	\$ 3,000,000	Land acquisition
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Measure A Budget Impact Costs funded using 2009 Measure A highway funds.

Operating Budget Impact N/A; land mitigation operations are the responsibility of RCA.

RAIL PROJECTS

PERRIS VALLEY LINE AND OTHER RAIL PROJECTS (P653823 & P004025)

Complete closeout of extension of commuter rail services to Perris. Project commenced in December 2007 when the Commission received approval from FTA to move into project development. Other rail projects include adding a fourth main track between the Riverside Downtown station to the connector to the SJBL branch line at Highgrove. Project was substantially completed in September 2016 for a total project cost of \$248.3 million, excluding other rail project costs. Revenue service commenced in June 2016.

FY 2019/20 Cost	\$ 30,000	Construction/construction management/support services
	\$ 48,000	Other project-related costs
Measure A Budget Impact	Costs will be funded using FTA, CMAQ, Surface Transportation Program, STIP, and 1989 Measure A Western County and 2009 Measure A Western County rail funds as well as proceeds from sales of surplus properties.	
Operating Budget Impact	Rail service and capital operations will be the responsibility of Metrolink and will be funded by the Commission with LTF and STA based on an allocation determined by Metrolink. Annual operating costs for nine stations and the RDOCC approximate \$6.2 million and are included in Rail Operations as discussed in Section 5.2. Station operations costs will be funded by the Commission with 2009 Measure A Western County rail funds and property management revenues.	

RIVERSIDE LAYOVER FACILITY (P653822)

Continue construction of improvements to Metrolink's West Layover Facility north of the Riverside Downtown station. Improvements include expansion of the facility to accommodate three storage tracks with an overall storage capacity of three 6-train sets. The total estimated project cost is \$6.3 million.

FY 2019/20 Cost	\$ 170,000	Engineering support services
	\$ 5,700,000	Construction/construction management
	\$ 210,000	Right of way support costs
	\$ 550,100	Other project-related costs
Measure A Budget Impact	Costs funded using FTA Section 5307 grant funds.	
Operating Budget Impact	Operations will be the responsibility of SCRRA.	

MORENO VALLEY - MARCH FIELD STATION UPGRADE (P004026)

Perform activities related to engineering and construction to add an additional platform and pedestrian overpass, rehabilitate and replace an existing second track, and add a new signal system. Engineering and construction are expected to be completed by 2022. The total project cost is estimated at \$40 million.

FY 2019/20 Cost	\$ 900,000	Final design/engineering support services
	\$ 123,400	Other project-related costs
Measure A Budget Impact	Costs funded using FTA Section 5307 grant funds.	
Operating Budget Impact	Operations will be the responsibility of the Commission and are funded using 2009 Measure A Western County rail funds.	

RIVERSIDE STATION TRACK AND PLATFORM (P004027)

Begin environmental studies for expanding operational flexibility through the construction of an additional center platform and associated tracks on the south side of the station, extend the existing pedestrian bridge, and add an additional elevator for the new platform. Engineering, construction, and right of way are expected to be completed by 2024. The total project cost is estimated at \$24 million.

FY 2019/20 Cost	\$ 1,000,000	Environmental engineering
	\$ 2,250,000	Right of way support costs
	\$ 212,500	Other project-related costs

Measure A Budget Impact Costs funded using FTA Section 5307 grant funds.

Operating Budget Impact Operations will be the responsibility of the Commission and are funded using 2009 Measure A Western County rail funds.

STATION REHABILITATION AND SECURITY (P004011 & P004017)

Provide funding and support for station upgrades, improvements and security at the Riverside Downtown, Riverside - La Sierra, Corona - North Main, West Corona, and Jurupa Valley - Pedley stations. Improvements include solar lighting project, parking lot repaving and restriping, elevator modernization, HD camera replacement, fencing, passenger drop off areas, signage, station painting and ADA access improvements. Construction began in FY 2017/18 with completion anticipated in FY 2020/21.

FY 2019/20 Cost	\$ 2,640,000	Property improvements (capital outlay)
	\$ 15,142,400	Other project-related costs

Measure A Budget Impact Costs funded using FTA, Proposition 1B security funds, and 2009 Measure A Western County rail funds.

Operating Budget Impact Operations will be the responsibility of the Commission and are funded using 2009 Measure A Western County rail funds.

VARIOUS WESTERN COUNTY RAIL PROJECTS (P654199, P653826 & P652402)

Provide Measure A funding and support for right of way activities related to various rail projects.

FY 2019/20 Cost	\$ 150,000	Right of way support services
	\$ 4,016,900	Other project-related costs

Measure A Budget Impact Costs funded using 2009 Measure A Western County rail funds.

Operating Budget Impact N/A; these rail projects may be improvements beyond the rail station boundaries that benefit local jurisdictions who are responsible for operations in those areas.

RAIL STATION MAINTENANCE (P244001, P244002, P244003, P244004, P244006, P244010, P244020, P244021, P244022, P244024 & P244199)

Provide maintenance, improvements, and security at the Riverside Downtown, Jurupa Valley - Pedley, Riverside - La Sierra, Corona - West, Corona - North Main, Perris - Downtown, Riverside - Hunter Park/UCR, Moreno Valley - March Field, Perris - South, and RDOCC.

FY 2019/20 Cost	\$ 180,000	Property improvements (capital outlay)
	\$ 6,212,700	Other project-related costs

Measure A Budget Impact Costs funded using 2009 Measure A Western County rail funds.

Operating Budget Impact Station maintenance is the responsibility of the Commission and are funded using 2009 Measure A Western County rail funds.

LOCAL STREETS AND ROADS

WESTERN COUNTY AREA

Distribute local return funding for local streets and roads projects in Western County.

FY 2019/20 Cost	\$	627,000	Banning
		1,000,000	Beaumont
		182,000	Calimesa
		197,000	Canyon Lake
		4,486,000	Corona
		1,436,000	Eastvale
		1,856,000	Hemet
		2,221,000	Jurupa Valley
		1,441,000	Lake Elsinore
		1,847,000	Menifee
		4,248,000	Moreno Valley
		2,577,000	Murrieta
		713,000	Norco
		2,003,000	Perris
		7,886,000	Riverside
		927,000	San Jacinto
		3,211,000	Temecula
		680,000	Wildomar
		<u>5,920,000</u>	Riverside County
		43,458,000	Total Western County
		(107,600)	Less: Allocation of administrative costs
	\$	<u>43,350,400</u>	Total Western County, net

Measure A Budget Impact
Operating Budget Impact

All costs distributed in accordance with 2009 Measure A local streets and roads funds.
N/A; local streets and roads operations are the responsibility of the local jurisdiction.



COACHELLA VALLEY AREA

Distribute local return funding for local streets and roads projects in Coachella Valley.

FY 2019/20 Cost	\$	1,537,000	Cathedral City
		628,000	Coachella
		507,000	Desert Hot Springs
		267,000	Indian Wells
		2,054,000	Indio
		1,590,000	La Quinta
		2,842,000	Palm Desert
		2,240,000	Palm Springs
		965,000	Rancho Mirage
		1,886,000	Riverside County
		<u>14,516,000</u>	Total Coachella Valley
		(107,600)	Less: Allocation of administrative costs
	\$	<u>14,408,400</u>	Total Coachella Valley, net

Measure A Budget Impact All costs distributed in accordance with 2009 Measure A local streets and roads funds.

Operating Budget Impact N/A; local streets and roads operations are the responsibility of the local jurisdiction.

PALO VERDE VALLEY AREA

Distribute local return funding for local streets and roads projects in Palo Verde Valley.

FY 2019/20 Cost	\$	782,000	Blythe
		208,000	Riverside County
		<u>990,000</u>	Total Palo Verde Valley
		(106,500)	Less: Allocation of administrative costs
	\$	<u>883,500</u>	Total Palo Verde Valley, net

Measure A Budget Impact All costs distributed in accordance with 2009 Measure A local streets and roads funds.

Operating Budget Impact N/A; local streets and roads operations are the responsibility of the local jurisdiction.



RCTC

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SECTION 5.4

Toll Operations



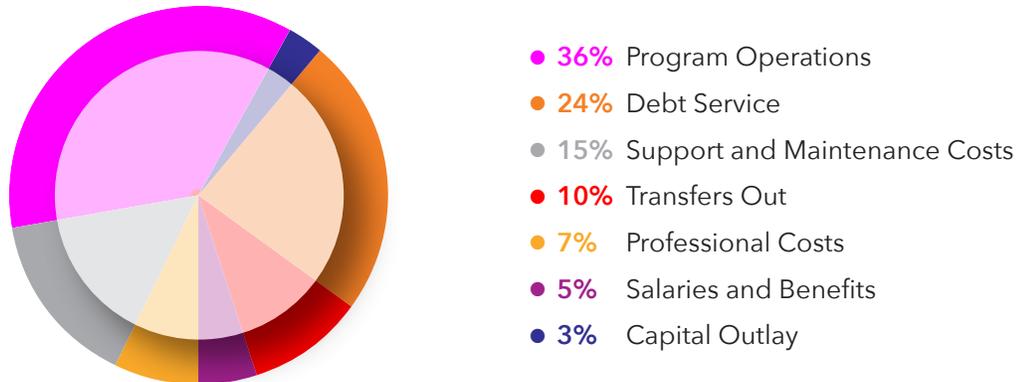
91 Express Lanes

TOLL OPERATIONS

MISSION STATEMENT:

Toll Operations efficiently operates express lanes with high customer satisfaction to reduce congestion, improve mobility, and manage demand.

CHART 54 - TOLL OPERATIONS



EXPENDITURES

Toll operations expenses of \$29,486,300 represent the third full year of operating expenses and debt service for the RCTC 91 Express Lanes (Table 67). The I-15 Express Lanes project capital expenditures are included in the Capital Project Development and Delivery Department. Approximately 52% of the expenses and other uses are comprised of operations, maintenance, and support costs. Salaries and benefits reflect an increase of 112% due to the one-time disbursement to fund the Commission's CalPERS retirement net pension liability, the net allocation of FTEs affected by two new toll-related positions, and performance merit-based salary increases. Professional costs of \$1,990,000, or 7% of expenses and other uses, consist of toll services consultants, traffic and revenue consultants, financial advisors, general and specialized legal counsel, audit and financial services, and rating agency and TIFIA loan servicing fees. Support and maintenance costs of \$4,543,300 include road and systems maintenance, insurance, credit card processing fees, violations enforcement, transponder costs, marketing, lease, travel, and other support costs. Program operations costs of \$10,670,200, or 36% of expenses and other uses, primarily includes the Commission's share of the toll contractor cost to operate the 91 Express Lanes, system changes to comply with statewide technology requirements, and FSP services. Debt service includes a \$7,119,900 interest payment for the 2013 Toll Bonds. Transfers out comprise \$2,359,000 of toll operations surplus revenues to fund the 91 corridor operations project and \$700,500 for the administrative cost allocation.



TABLE 67 - TOLL OPERATIONS USES DETAIL

	FY 17/18 Actual	FY 18/19 Revised Budget	FY 18/19 Projected	FY 19/20 Budget	Dollar Change	Percent Change
Salaries and Benefits	\$ 510,300	\$ 638,000	\$ 638,000	\$ 1,353,400	\$ 715,400	112%
Professional Costs						
Legal Services	58,700	300,000	300,000	350,000	50,000	17%
Audit Services	-	47,000	47,000	47,000	-	0%
Financial Advisory	34,800	75,000	75,000	75,000	-	0%
Professional Services - General	721,900	1,929,000	1,928,000	1,518,000	(411,000)	-21%
Total Professional Costs	815,400	2,351,000	2,350,000	1,990,000	(361,000)	-15%
Support and Maintenance Costs	2,793,400	4,576,700	3,936,800	4,543,300	(33,400)	-1%
Projects and Operations						
Program Operations	6,661,400	8,786,100	8,507,900	10,670,200	1,884,100	21%
Capital Outlay	319,600	2,497,600	2,314,100	750,000	(1,747,600)	-70%
Debt Service	7,119,900	27,119,900	27,119,900	7,119,900	(20,000,000)	-74%
Transfers Out	749,600	6,307,200	3,948,200	3,059,500	(3,247,700)	-51%
TOTAL Toll Operations	\$ 18,969,600	\$ 52,276,500	\$ 48,814,900	\$ 29,486,300	\$ (22,790,200)	-44%

TOLL OPERATIONS STAFFING SUMMARY

Position	FY 17/18	FY 18/19	FY 19/20
Chief Financial Officer	0.04	0.00	0.02
Deputy Director of Finance	0.06	0.03	0.03
Deputy Executive Director	0.06	0.10	0.02
Executive Director	0.01	0.00	0.02
External Affairs Director	0.00	0.02	0.00
Financial Analyst	0.00	0.00	0.50
IT Administrator	0.00	0.10	0.00
Procurement Manager	0.08	0.15	0.02
Senior Financial Analyst	0.36	0.30	0.43
Senior Procurement Analyst	0.09	0.00	0.05
Toll Operations Manager	0.37	0.30	0.40
Toll Program Director	0.15	0.35	0.33
Toll Senior Management Analyst	0.99	0.70	1.35
Toll Technology Manager	0.38	0.40	0.40
FTE	2.59	2.45	3.57

DEPARTMENT BUDGET OVERVIEW

DEPARTMENT DESCRIPTION

EXPRESS LANE FACILITY PLANNING HISTORY

In December 2006, the Commission adopted the Western Riverside County Delivery Plan that serves as a 10-year capital improvement plan from 2009-2019 for Western County freeways and highways. To address unprecedented population, economic, and travel demand growth in Western County, the Commission desired to provide freeway corridor improvements beyond what traditional funding sources would be able to provide. The Commission studied innovative funding sources, including tolling, in advance of the adoption of the Western Riverside County Delivery Plan as a means to provide more transportation improvements.

In 2006, the Commission conducted a toll feasibility study that determined that SR-91 and I-15 were both feasible corridors to introduce tolling via high occupancy toll lanes (now referred to as express lanes). The Western Riverside County Delivery Plan detailed ambitious improvements to the SR-91 and I-15 corridors including the addition of two tolled express lanes in each direction and the ability to operate and maintain these tolled express lanes for a long-term period. The Commission's commitment in 2006 to tolling also indicated its future intent to become an operating toll agency and establish the Toll Operations Department. In FY 2017/18, the Commission initiated a second toll feasibility study (Next Generation Toll Feasibility Study) to assist in the determination of the location and type of future toll projects. This study is more fully described in the Capital Project Development and Delivery Department in Section 5.3.

FIRST EXPRESS LANES PROJECT

In FY 2018/19, the Commission completed its second full year of operation of the RCTC 91 Express Lanes. The completed 91 Project connects the OCTA 91 Express Lanes with the RCTC 91 Express Lanes using a two-mile long mixing area, which allows vehicles to use either or both sections of the 91 Express Lanes (Chart 55). The RCTC 91 Express Lanes continue approximately eight miles to the I-15 interchange in Riverside County. A two-lane (one lane in each direction) direct tolled connector approximating 2.8 miles provides the RCTC 91 Express Lanes with access/egress to I-15 south of the SR-91/I-15 interchange. The Commission has the authority to charge tolls on the RCTC 91 Express Lanes for 50 years following the March 2017 opening of the express lanes, based on a toll facility agreement between the Commission and Caltrans.

CHART 55 - RCTC 91 EXPRESS LANES



OCTA owns and operates the Orange County portion of the 91 Express Lanes. Under a cooperative agreement entered into in December 2011, the Commission and OCTA agreed on use of the same operator for the operation of the 91 Express Lanes. The joint operation of the 91 Express Lanes provides for cost sharing and a seamless customer experience.

Commission staff, as supported by the operator, operates and maintains the RCTC 91 Express Lanes from the existing Toll Operations Center and administrative offices in Anaheim and Customer Service Center in Corona. The operator's responsibilities for the RCTC 91 Express Lanes include processing of toll transactions, collection of revenue, opening

and management of customer accounts, violation processing, traffic operations center management, customer service, financial management, reporting, maintenance of the Revenue and Account Management System and toll lane system, and maintenance of the Anaheim and Corona facilities.

Toll Operations provides direct oversight to the operator and administers contracts with the CHP performing toll enforcement, Caltrans performing road maintenance, and various maintenance contracts that fall outside of the operator's scope of work. Staff coordinates ongoing joint 91 Express Lanes marketing efforts with OCTA; the Commission utilizes a marketing services consultant and CTOC for planning and implementing marketing efforts related to the RCTC 91 Express Lanes and future 15 Express Lanes. Toll Operations prepares and/or distributes all required reports and provides support for the annual financial audit of the RCTC 91 Express Lanes.

While the Commission and OCTA jointly operate and maintain the 91 Express Lanes, tolls for each of the RCTC 91 Express Lanes and the OCTA 91 Express Lanes are charged independently and reported separately. In connection with an agreement between the Commission, OCTA, and a master custodian, tolls related to the RCTC 91 Express Lanes and the Commission's portion of non-toll revenues are deposited with the Commission's trustee into the trust estate for the 2013 Toll Bonds and 2013 TIFIA Loan. The Commission uses these revenues to pay for operation and maintenance expenses and debt service related to the 2013 Toll Bonds and 2013 TIFIA Loan as well as fund repair and rehabilitation reserves.

FUTURE EXPRESS LANES PROJECTS

After securing the financing in July 2017, the Commission commenced design and construction of the I-15 Express Lanes project (Chart 56). A component of the project includes acquisition and development of a toll Regional Operations Center located in Corona for the 15 Express Lanes back office support, Toll Operations Center, and Customer Service Center. The Commission also is developing an express lanes connector to connect the RCTC 91 Express Lanes to the 15 Express Lanes north of the 15/91 interchange. Toll Operations supports project development by providing comprehensive input to the tolling concept of operations, contractor procurements, systems design, agency agreements, public outreach, toll Regional Operations Center development, creation of toll policies and business rules, and other support.

The costs for the development of the I-15 Express Lanes project, the 15/91 Express Lanes connector project, and the toll Regional Operations Center are included in the Capital Project Development and Delivery Department. The Commission's 15 Express Lanes are scheduled to open in 2020 with the 15/91 Express Lanes connector anticipated to open by the end of 2022, at which time the daily operations and maintenance and related costs will become part of the 15 Express Lanes and the responsibility of the Toll Operations Department. Under a toll facility agreement with Caltrans, similar to the RCTC 91 Express Lanes, the Commission will have the authority to charge tolls on the 15 Express Lanes for a 50-year period upon commencement of operations.



CHART 56 - FUTURE I-15 EXPRESS LANES



STATE AND REGIONAL TOLL EFFORTS

Toll Operations is also working on several important efforts related to tolling. The Commission is coordinating with SBCTA regarding its development of express lanes on the I-15 corridor that commence near the vicinity of the Riverside/San Bernardino County line to the north. Staff is actively involved in the CTOC, which addresses many statewide toll issues including toll technology to improve the customer experience across the state, create synergy among toll agencies, improve legislation related to tolling, and comply with State’s Title 21 transition to new 6c transponder technology.

KEY ASSUMPTIONS FOR FY FY 2019/20

- Construction of the I-15 Express Lanes project will continue with the 15 Express Lanes to open in 2020.
- Tolloed express lane facilities, when completed, will be operated and maintained by the Commission for the term agreed to by Caltrans and the Commission.
- The Commission will estimate RCTC 91 Express Lanes toll revenues based on actual performance and the recent update to the investment grade traffic and revenue study.
- The Commission will estimate RCTC 91 Express Lanes toll operation costs based on actual expenses from past operations and anticipated improvements.
- The Commission will maintain a small Toll Operations staff and contract for a significant portion of toll operation services.
- The Commission will hire a new Senior Management Analyst to support overall Toll Operations and a Financial Analyst to support toll accounting activities in advance of the 15 Express Lanes opening.

ACCOMPLISHMENTS IN FY 2018/19

- Successfully operated the RCTC 91 Express Lanes in its second full fiscal year.
- Supported presentations to the rating agencies regarding the successful operation of the RCTC 91 Express Lanes.
- Transitioned the RCTC 91 Express Lanes lane system to allow for the processing of statewide 6c technology.
- Procured new 6c transponders.
- Participated in the CTOC efforts to establish a statewide plan for transition to the 6C transponder technology, express lanes signage, statewide clean air vehicle processing, statewide marketing, toll enforcement legislation, and advancement of toll collection technology related to clean air vehicles.
- Performed extensive coordination with the I-15 Express Lanes and 15/91 Express Lanes connector project's toll services provider and design-builder for the toll system design.
 - Developed Riverside Express Lanes brand name and logo.
 - Developed proposal documents with OCTA for the reprocurement of the 91 Express Lanes back office operator.
 - Relocated the 91 Express Lanes customer call center and walk-in center to the Commission-owned building in Corona.
 - Made improvements to the toll facility and maintenance building, providing occupancy to the 15 Express Lanes toll services provider who also operates the RCTC 91 Express Lanes lane system. The toll services provider is preparing for the installation of the 15 Express Lanes and operates the 91 Express Lanes lanes systems.

MAJOR INITIATIVES IN FY 2019/20

Toll Operations will manage the operations of the RCTC 91 Express Lanes in a manner that adheres to the RCTC 91 Express Lanes Toll Policy:

- Provide a safe, reliable, and predictable commute for 91 Express Lanes customers;
- Optimize vehicle throughput at free flow speeds;
- Pay debt service and maintain debt service coverage;
- Increase average vehicle occupancy;
- Balance capacity and demand to serve customers who pay tolls as well as carpoolers with three or more persons who are offered discounted tolls;
- Generate sufficient revenue to sustain the financial viability of the RCTC 91 Express Lanes;
- Ensure all covenants in the financing documents are met; and
- Provide net revenues for Riverside freeway/SR-91 corridor improvements, as allowable under SB 1316.

Monitoring and reporting on actual toll transactions and related toll revenues is a primary responsibility for Toll Operations. Actual transactions and revenue will be compared to projected revenue utilizing the Riverside County 91 Express Lanes Extension Investment Grade Study update prepared by Stantec Consulting Services Inc. (Stantec) and adopted by the Commission in December 2018. Toll Operations projected the FY 2019/20 budgeted toll revenue of \$36,138,300 based on actual performance to date for a nine month period; accordingly, the budgeted FY 2019/20 toll revenues are conservative compared to the revised Stantec estimates.

Toll Operations projected FY 2019/20 non-toll revenues using actual results since opening and considering OCTA and Commission-approved changes to the 91 Express Lanes transponders and account plans as a result of the 6c transponder technology transition. Such changes are not expected to significantly affect the budgeted non-toll revenues.

For the third full year of operations, the Engineer's Technical Report assumed costs of approximately \$15.3 million, whereas the FY 2019/20 budget is approximately \$20.0 million, including an internal administrative cost allocation. The FY 2019/20 budget amount is \$4.7 million, or 30.7% above Engineer's Technical Report projection and related to the following:

- The statewide transition to 6c transponder technology;
- Higher credit card fees due to higher transactions than originally estimated;
- Costs related to the reprocurement of the 91 Express Lanes customer service system and back office operation; and
- The relocation of the toll equipment on the existing direct connector due to the I-15 Express Lanes project.

In addition to monitoring toll revenues, Toll Operations will monitor and analyze these operation and maintenance costs during the fiscal year.

Toll Operations will also continue to support the design and development of the I-15 Express Lanes and 15/91 Express Lanes connector projects, which will consist of facility design with the design-builder and toll system design with the toll systems provider. Toll Operations will also support the development of new express lane corridors recently approved by the Commission in January 2019. Consultant, Commission staff, and other costs for these projects and new express lane corridors are included in the Capital Project Development and Delivery Department.

Toll Operations will also continue efforts in the area of environmental management and public outreach.

Toll Operations will manage the operations and maintenance activities for the new Regional Operations Center and Facilities and Maintenance Building in Corona.

CASH FLOWS FROM TOLL OPERATIONS

The Commission pledged toll revenues as security for the toll-supported debt for the RCTC 91 Express Lanes. Information regarding the 2013 Toll Bonds and 2013 TIFIA Loan is included in Section 4, Commission Debt.

The Commission does not anticipate any deposits to the repair and rehabilitation fund nor does it expect any major repair and rehabilitation expenses permitted under the master indenture and 2013 TIFIA Loan agreement during the third full year of operations. The financial model for the 91 Project also did not assume such funding or expenses.

The projected cash flows for the RCTC 91 Express Lanes for the year ending June 30, 2020 are presented in Table 68. The cash balances at June 30, 2020 include surplus toll revenues.

TABLE 68 - RCTC 91 EXPRESS LANES PROJECTED CASH FLOWS FY 2019/20

Cash balance at July 1, 2019, as projected	\$ 63,721,600
Cash flows from operating activities:	
Sources of operating funds:	
Toll revenue	36,138,300
Non-toll revenue	5,731,100
Total sources of operating funds	41,869,400
Uses of funds for operations and maintenance:	
Salaries and benefits	1,353,400
Professional costs	1,990,000
Support and maintenance costs	4,543,300
Projects and operations	10,670,200
Capital outlay	750,000
Total uses of funds for operations and maintenance	19,306,900
Net cash provided by operations	22,562,500
Cash flows from non-capital financing activities:	
91 Corridor Operations project	(2,359,000)
Administrative allocation to General fund	(700,500)
Net cash used by non-capital financing activities	(3,059,500)
Cash flows from capital and related financing activities:	
Interest paid on 2013 Toll Bonds	(7,119,900)
Net cash used by capital and related financing activities	(10,179,400)
Cash flows from investing activities:	
Interest on investments	1,522,100
Net cash provided by investing activities	1,522,100
Net increase in cash	13,905,200
Available cash balance at June 30, 2020, as projected	\$ 77,626,800

DEPARTMENT GOALS

TO1 - Provide effective communication of project progress and toll operations to the Board members, city councils, County Board of Supervisors, Caltrans, CTC, FHWA, TIFIA, and bondholders. (Policy Goal: Operational Excellence)

OBJECTIVES:

- Provide timely and effective reporting of toll operation metrics including revenue, transactions, carpool usage, and other performance indicators.
- Share certain express lane traffic information with Caltrans and other agencies as requested.
- Comply with continuing disclosure requirements to bondholders and TIFIA regarding express lanes development and operations.

TO2 - Focus on timely and effective completion of toll-related capital projects and implementation of needed transportation services. (Policy Goals: Quality of Life, Connecting the Economy, Responsible Partner)

OBJECTIVES:

- Support the development of the Commission’s toll capital projects in all areas of planning, financing, design, and construction.
- Provide opportunity for expansion of express bus services to employment centers, as this will contribute to congestion relief on impacted corridors.

TO3 - Support regional transportation solutions in cooperation with toll operators in surrounding counties that are of benefit to Riverside County. (Policy Goals: Quality of Life, Operational Excellence, Responsible Partner)

OBJECTIVES:

- Coordinate with surrounding counties in their development of toll facilities in general and those toll facilities that impact the Commission’s toll operations in particular.
- Participate in CTOC to advance regional and statewide tolling initiatives, technology interoperability, and coordination among California toll agencies.

ID	Toll Operations Performance Measures and Results		FY 17/18 Estimated	FY 17/18 Actual	FY 18/19 Estimated	FY 19/20 Projected
TO1	Toll transactions		10,776,000	14,518,302	14,490,100	13,286,800
TO1	Toll revenues	\$	31,682,000	\$ 42,778,306	\$ 40,187,000	\$ 36,138,300
TO1	Non-toll revenues, excluding investment income	\$	5,259,000	\$ 7,668,518	\$ 7,569,900	\$ 5,731,100



RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

SECTION 6

Community Profile

SECTION 6
COMMUNITY PROFILE

SR-60/I-215 in Riverside County

COMMUNITY PROFILE

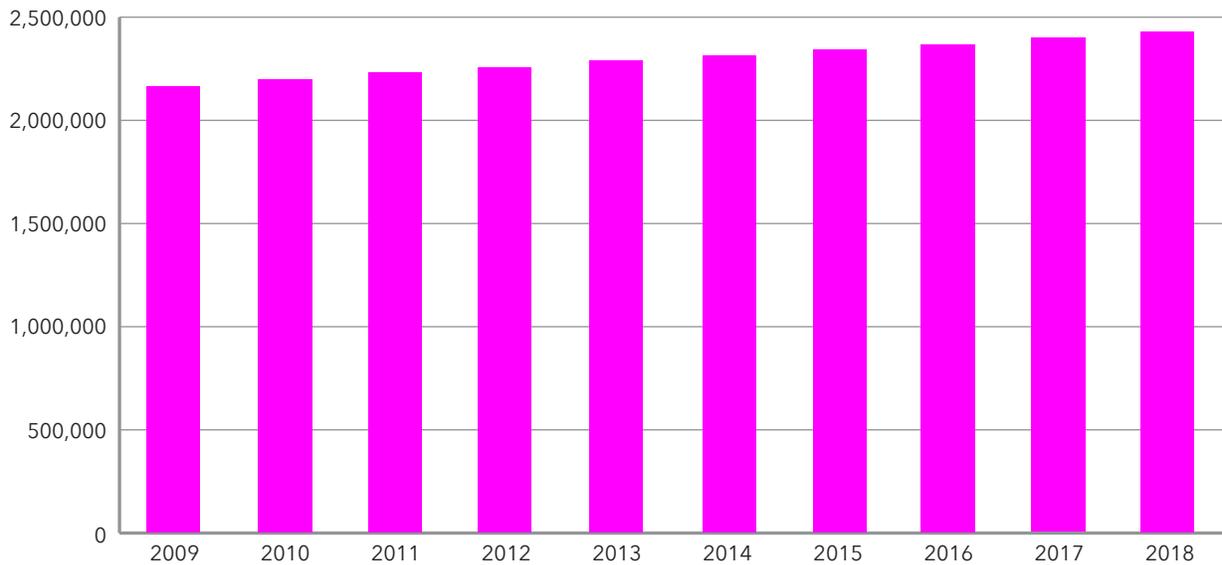
Riverside County is the fourth largest county in California, stretching westward nearly 200 miles from the Colorado River and comprising more than 7200 square miles that include 28 incorporated cities. The County can trace its beginning back to 1893 when voters approved the formation of a new county. The area was carved from parts of San Bernardino and San Diego counties.

Over its more than 126 years of existence, the County's economy has diversified and prospered. Originally, the County was a very agricultural area, known for a wide variety of crops grown on its fertile soils. The County remains a strong agricultural area, but it is increasingly becoming a leader in manufacturing, transportation, construction, and tourism.

DEMOGRAPHICS

The success of the area has brought dramatic population growth to the County (Chart 57). Since the 1980's, the County has been one of the fastest growing counties in the State.

CHART 57 - POPULATION - LAST TEN YEARS



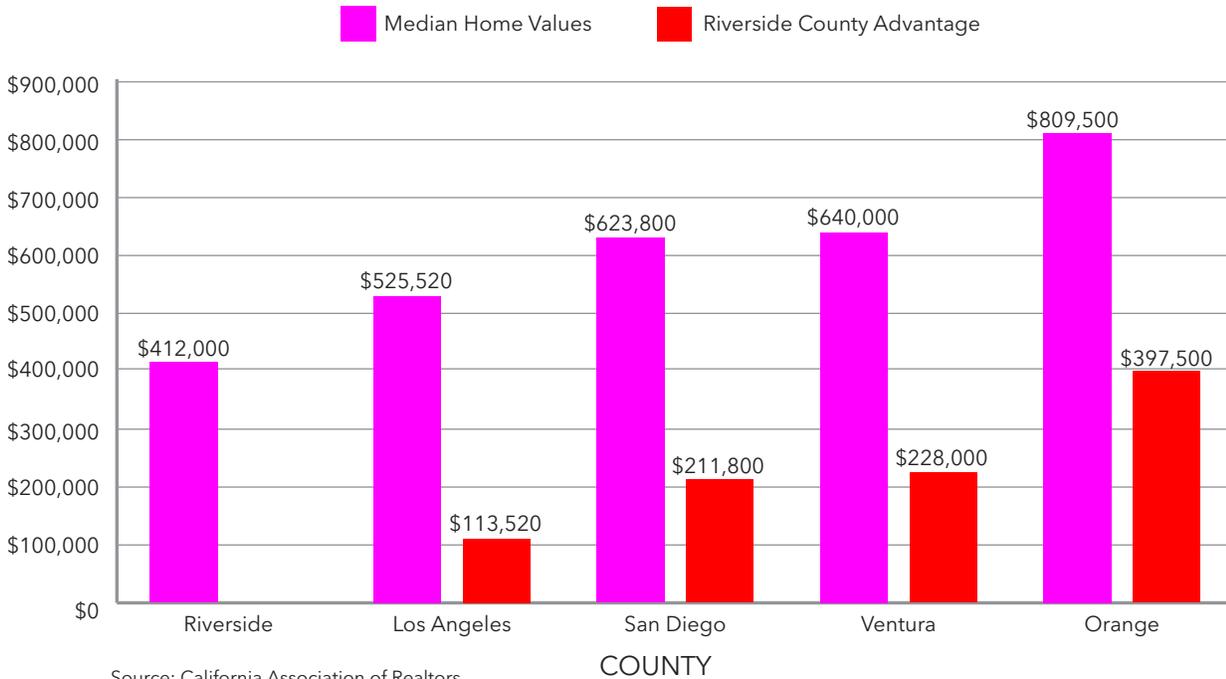
Source: California Department of Finance

The available and affordable housing in the County has attracted many people to the County (Chart 58); however, housing is gradually recovering from a slowdown due to the effect of the subprime mortgages, ensuing credit crisis, and last recession.



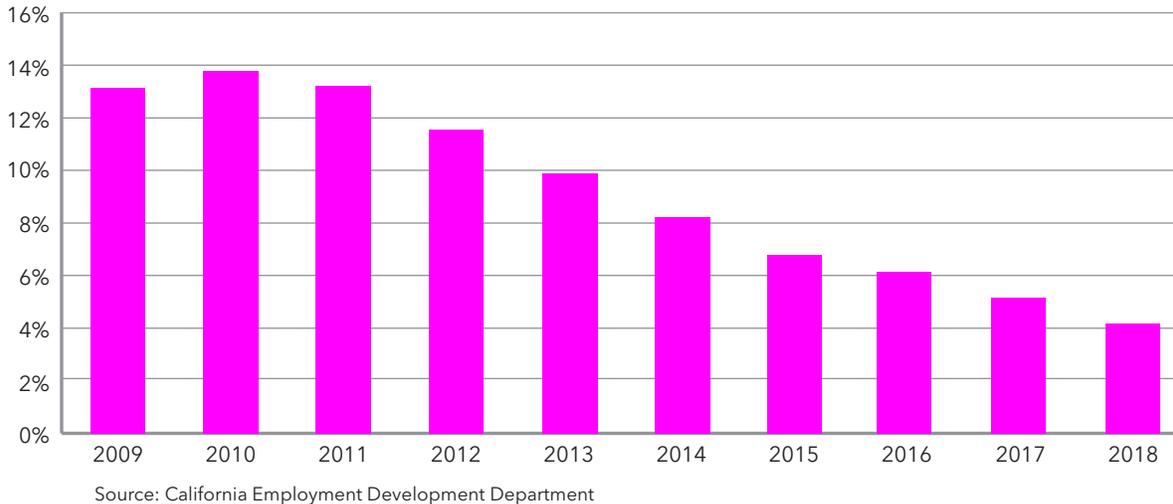
CHART 58 - HOME PRICE ADVANTAGE

Home Value Advantage
Riverside County and Southern California Markets (March, 2019)



During the growth period, jobs also increased as many firms relocated to the area and moved away from older communities. During the last recession, the County’s unemployment rate rose to an all-time high; however, the unemployment rate has decreased significantly during the recovery period (Chart 59).

CHART 59 - UNEMPLOYMENT RATE (%) - LAST TEN YEARS



The area is preparing for its future as well in supporting better education. The County is home to a number of colleges and universities including UCR. Riverside County’s economy is benefitting from employment gains. Population migration to the Inland Empire has occurred due to the area’s employment opportunities and a lower cost of living compared to the coastal counties. Although wage growth has been flat and centered on lower and moderate income, improvements in the local labor market with increased economic activity support stable sales tax revenue growth.

STATISTICAL INFORMATION

RETAIL SALES

As a result of demographic changes and growth, retail sales (Chart 60 and Table 69) in the County have shown continued improvements following the last recession.

CHART 60 - RETAIL SALES (%) - \$34 BILLION - 2017 DATA

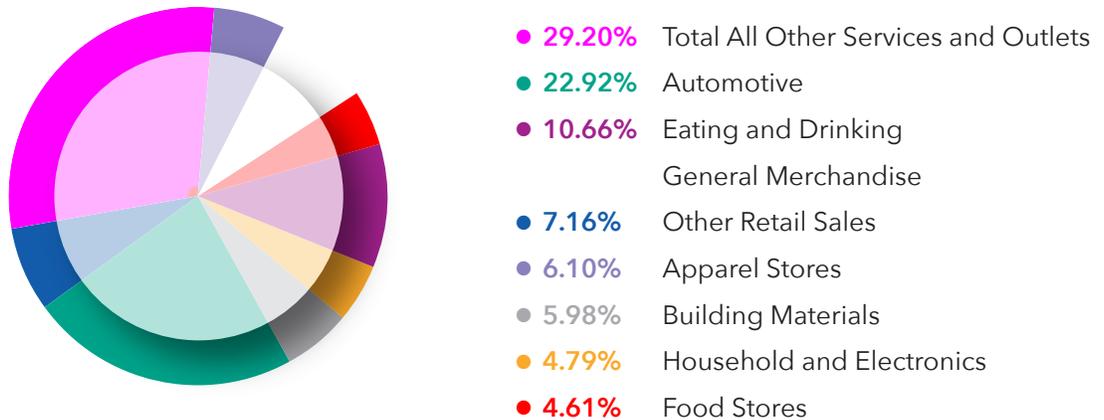


TABLE 69 - RIVERSIDE COUNTY TAXABLE SALES BY BUSINESS TYPE (IN 000'S) - LAST FIVE YEARS

	2017 ¹	2016	2015	2014	2013
Apparel Stores	\$ 2,199,512	\$ 2,190,228	\$ 2,136,727	\$ 1,989,623	\$ 1,771,603
General Merchandise	3,101,256	3,052,409	3,040,243	3,289,057	3,298,920
Food Stores	1,666,910	1,574,030	1,727,517	1,509,403	1,421,590
Eating & Drinking	3,852,674	3,648,980	3,384,494	3,093,862	2,836,388
Household & Electronics	1,730,702	1,386,985	1,135,234	1,030,454	996,484
Building Materials	2,161,593	1,965,101	1,826,293	1,706,183	1,535,178
Automotive	8,282,532	7,751,812	7,693,172	7,844,773	7,421,523
Other Retail Sales	2,586,770	2,452,591	2,338,039	2,182,987	1,781,754
Total all other services & outlets	10,550,866	10,209,008	9,629,185	9,389,345	9,002,027
	\$ 36,132,815	\$ 34,231,144	\$ 32,910,904	\$ 32,035,687	\$ 30,065,467

Source: State Board of Equalization

¹ Year represents most recent data available

The 2017 taxable sales generation by jurisdiction in the County, including ranking compared to 2006, is presented in Table 70.

TABLE 70 - TAXABLE SALES GENERATION BY JURISDICTION IN RIVERSIDE COUNTY FOR 2017¹

	Taxable Sales (in 000's)	% of Total ²	2017	2007
City of Riverside	\$ 5,534,294	15.3%	2	2
City of Corona	3,663,277	10.1%	3	3
City of Temecula	3,209,067	8.9%	4	4
City of Moreno Valley	1,652,123	4.6%	5	6
City of Palm Desert	1,624,653	4.5%	6	5
City of Murrieta	1,522,525	4.2%	7	7
City of Perris	1,462,211	4.0%	8	14
City of Palm Springs	1,149,888	3.2%	9	9
City of Hemet	1,042,103	2.9%	10	8
City of Indio	1,008,113	2.8%	11	12
City of Jurupa Valley	968,336	2.7%	12	N/A
City of Lake Elsinore	821,250	2.3%	13	13
City of Cathedral City	809,572	2.2%	14	11
City of La Quinta	751,449	2.1%	15	10
City of Eastvale	742,347	2.1%	16	N/A
City of Menifee	683,385	1.9%	17	N/A
City of Norco	603,813	1.7%	18	15
City of Rancho Mirage	485,920	1.3%	19	16
City of Beaumont	429,064	1.2%	20	18
City of Coachella	307,443	0.9%	21	17
City of San Jacinto	258,202	0.7%	22	21
City of Banning	226,170	0.6%	23	19
City of Blythe	152,961	0.4%	24	20
City of Wildomar	152,142	0.4%	25	N/A
City of Desert Hot Springs	138,947	0.4%	26	22
City of Indian Wells	102,766	0.3%	27	23
City of Calimesa	72,082	0.2%	28	24
City of Canyon Lake	20,912	0.1%	29	25
Incorporated	29,595,015	81.9%		
Unincorporated county area	6,537,798	18.1%	1	1
Countywide	\$ 36,132,814	100.0%		
California	\$ 672,486,581			

Source: California State Board of Equalization

¹ Year represents most recent data available

² Subject to rounding differences

MEASURE A SALES TAXES

Measure A is a one-half of one cent transaction and use tax for transportation improvements in the County. The County had an 8.00% sales tax rate including the Measure A rate through December 2016. In January 2017, it increased 0.25% to 8.25% and in April 2018, it decreased 0.50% to 7.75% (Table 71).

TABLE 71 - DIRECT AND OVERLAPPING SALES TAX RATES - LAST FIVE YEARS

Fiscal Year	Measure A Direct Rate	County of Riverside
2019	0.50%	7.75%
2018	0.50%	7.75%
2017	0.50%	8.25%
2016	0.50%	8.00%
2015	0.50%	8.00%

Source: Commission Finance Department and CDTFA

Since the end of the last recession, changes have occurred in the economic categories in which the Measure A sales tax was generated (Table 72). However, general retail and transportation continue to represent the two highest economic categories with approximately 53.5% of sales taxes generated in these categories through the fourth quarter of 2018. Transportation has decreased in recent years due to lower fuel prices offset by increases in new auto purchases.

TABLE 72 - SALES TAX BY ECONOMIC CATEGORY

Economic Category	2015/4	2016/4	2017/4	2018/4
	% of Total	% of Total	% of Total	% of Total
General Retail	28.8%	28.9%	28.3%	28.9%
Transportation	25.9%	25.1%	25.3%	24.6%
Food Products	17.3%	17.7%	17.6%	17.8%
Business to Business	15.1%	15.3%	15.6%	16.3%
Construction	10.8%	10.8%	10.8%	10.8%
Miscellaneous	2.1%	2.2%	2.4%	1.6%
Total	100.0%	100.0%	100.0%	100.0%

Source: MuniServices, LLC

Each economic category consists of several economic segments, which provide additional information regarding economic activity in the County. In 2012 the top six economic segments consisted of service stations, department stores, auto sales-new, restaurants, building materials-wholesale, and miscellaneous retail. Over the next six calendar years, auto sales-new, restaurants, and department stores moved into the top three economic segments. The top six economic segments in 2018 with comparisons to previous years are presented in Table 73.

TABLE 73 - SALES TAX BY ECONOMIC SEGMENT

Top Six Economic Segments (Category)	2015/4	2016/4	2017/4	2018/4
	% of Total	% of Total	% of Total	% of Total
Auto Sales - New (Transportation)	11.7%	11.8%	11.5%	11.2%
Restaurants (Food Products)	11.0%	11.4%	11.5%	11.2%
Department Stores (General Retail)	10.4%	10.1%	9.9%	9.6%
Service Stations (Transportation)	8.5%	7.2%	7.7%	7.8%
Miscellaneous Retail (Miscellaneous)	7.2%	7.4%	7.4%	9.0%
Building Materials - Wholesale (Construction)	6.2%	6.1%	6.0%	6.6%

Source: MuniServices, LLC

COMMISSION FACTS

PROGRAMS AND SERVICES

Measure A: The Commission administers Measure A, the local half-cent sales tax for new transportation projects in the County. Under Measure A, funding is used to improve highways, commuter rail, regional arterials, local streets and roads, transit and specialized transportation services including commuter assistance, economic development, new corridors, and Commission administration. Measure A expires in 2039.

Transportation Development Act: The TDA is comprised of two elements: Local Transportation Fund and State Transit Assistance funding. The Commission administers the LTF one-quarter of one cent of the state sales tax on behalf of the County. STA is generated from the statewide sales tax on diesel fuel and SB 1 gas tax and is allocated by the State to the Commission on the basis of population and as a percentage of transit fare revenues. TDA funding is allocated primarily to bus and rail transit operators for transit operating and capital needs. Additionally, LTF funding is available for bicycle and pedestrian facilities, planning, and administration and allocated to the Commission and local jurisdictions in the County.

Highways: The Commission assists with the planning and funding for highway improvements. State highway maintenance is generally the responsibility of Caltrans; however, the Commission will be responsible for the operations and maintenance of toll facilities during a 50-year term upon commencement of toll operations for each facility.

Local Streets and Roads: The Commission administers funding to local jurisdictions to improve streets, intersections, signal coordination, and pavement. Local streets and roads maintenance is the responsibility of the local jurisdictions.

Commuter Rail: The Commission funds and oversees Metrolink rail services within the County. The Commission's three Metrolink lines are the Riverside, IEOC, and 91/Perris Valley Lines. The Commission owns and maintains nine Metrolink stations and an operations control center located at:

- Riverside Downtown operations control center, 4344 Vine Street, Riverside
- Perris–South, 1304 Case Road, Perris
- Perris–Downtown, 121 South C Street, Perris
- Moreno Valley/March Field, 14160 Meridian Parkway, Riverside
- Riverside–Hunter Park/UCR, 1101 Marlborough Avenue, Riverside
- Riverside Downtown station, 4066 Vine Street, Riverside
- Riverside–La Sierra station, 10901 Indiana Avenue, Riverside
- Jurupa Valley–Pedley station, 6001 Pedley Road, Riverside
- Corona–North Main station, 250 East Blaine Street, Corona
- Corona–West station, 155 South Auto Center Drive, Corona

Motorist Assistance: The Commission provides emergency call boxes and the 511 traveler information system through the SAFE and offers emergency towing services through the FSP.

Commuter Assistance: The Commission provides a variety of rideshare services both to employers and commuters. Through voluntary participation, commuters and employers receive a direct benefit from their sales tax dollars, and the entire region benefits from reduced traffic congestion and improved air quality.

Specialized Transit: The Commission maintains a strong commitment to assist in the mobility of those with specialized transit needs. Through its Specialized Transit Program, the Commission has provided millions of dollars to public and nonprofit transit operators to assist in the provisions of special transit services to improve the mobility of seniors and persons with disabilities.

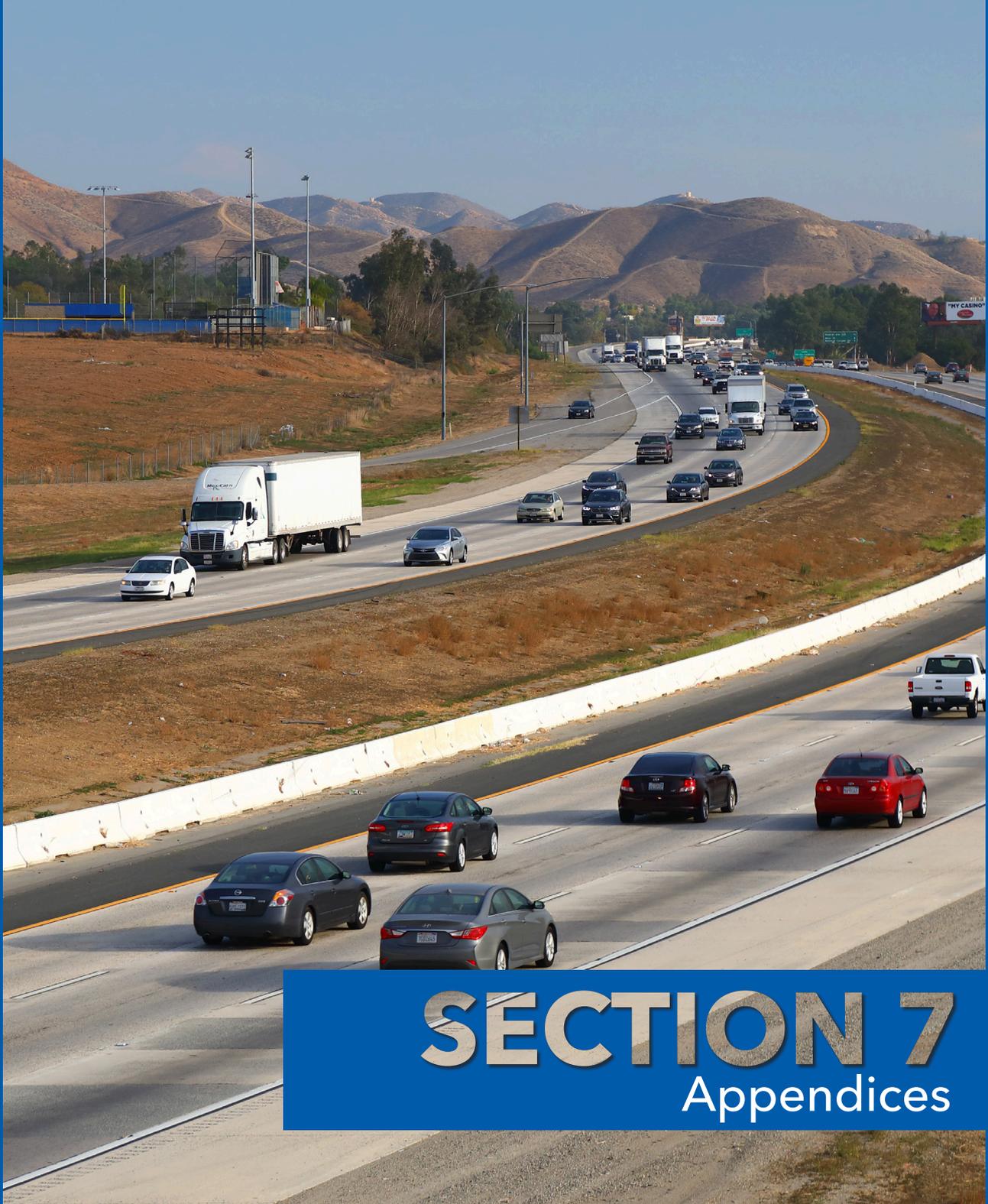
Tolled Express Lanes: In March 2017, the Commission opened its RCTC 91 Express Lanes, including a tolled direct connector from SR-91 to I-15 south, following the substantial completion of the 91 Project through the city of Corona. A second facility on I-15 from SR-60 to Cajalco Road in Corona is currently under construction with opening of the 15 Express Lanes expected in 2020. The Commission commenced project development for the 15/91 Express Lanes connector, a tolled direct connector from SR-91 to I-15 north; completion is expected prior to 2023. This connector's operations will be included in the 15 Express Lanes operations. In 2017, the Commission began preliminary engineering and environmental studies to add express lanes on I-15 between Cajalco Road and SR-74. In 2019, the Commission approved the start of project development for three new express lanes corridors.





RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

Future I-15 Express Lanes Southern Extension Project area



SECTION 7

Appendices

SECTION 7
APPENDICES

APPENDIX A – GLOSSARY OF ACRONYMS

AB	- Assembly Bill
ADA	- Americans with Disabilities Act
ATP	- Active Transportation Program
BABs	- Build America Bonds
Bechtel	- Bechtel Infrastructure
BNSF	- BNSF Railway
Board	- Board of Commissioners for the Riverside County Transportation Commission
CABs	- Capitalized Appreciation Bonds
CAC	- Citizens Advisory Committee
CAFR	- Comprehensive Annual Financial Report
CALCOG	- California Association of Councils of Governments
California	- State of California
CalPERS	- California Public Employees Retirement System
Caltrans	- California Department of Transportation
Capital Projects	- Capital Projects Development and Delivery, a RCTC department
CARB	- California Air Resources Board
CCTV	- Closed-Circuit Television
CDTFA	- California Department of Tax and Fee Administration
CEQA	- California Environmental Quality Act
CETAP	- Community Environmental Transportation Acceptability Process
CHP	- California Highway Patrol
CHSRA	- California High Speed Rail Authority
CIBs	- Current Interest Bonds
CIP	- Capital Improvement Plan
CMA	- Congestion Management Agency
CMAQ*	- Congestion Mitigation and Air Quality
CMIA*	- Corridor Mobility Improvement Account (Proposition 1B funding category)
CMP	- Congestion Management Program
Commission	- Riverside County Transportation Commission
County	- County of Riverside
CTC	- California Transportation Commission
CTOC	- California Toll Operators Committee
CVAG	- Coachella Valley Association of Governments
DBE	- Disadvantaged Business Enterprise
District	- Riverside County Regional Park and Open Space District
DMV	- Department of Motor Vehicles
EMMA	- Electronic Municipal Market Access system managed by the Municipal Securities Rulemaking Board
ERP	- Enterprise Resource Planning
ETC	- Employer Transportation Coordinators
FAST Act	- Fixing America's Surface Transportation Act
FHWA*	- Federal Highway Administration
Fitch	- Fitch Ratings
FRA	- Federal Railroad Administration

FSP	- Freeway Service Patrol
FTA*	- Federal Transit Administration
FTE	- Full-time Equivalent
FTIP	- Federal Transportation Improvement Program
FY	- Fiscal Year
Gann	- Gann Initiative approved by California voters in 1979
GASB	- Governmental Accounting Standards Board
GFOA	- Government Finance Officers Association
GHG	- Greenhouse Gas
HOV	- High Occupancy Vehicle (Carpool Lane)
HSIPR	- High Speed Intercity Passenger Rail
I	- Interstate
IE Commuter	- Inland Empire Commuter rideshare system
IEOC	- Inland Empire-Orange County Metrolink Service
Inland Empire	- Region covering Riverside and San Bernardino counties
LCTOP	- Low Carbon Transit Operations Programs
Limited Tax Bonds	- Indebtedness secured by a specified tax or group of taxes
LOSSAN	- Los Angeles-San Diego-San Luis Obispo, a rail corridor
L RTP	- Long Range Transportation Plan
LTF*	- Local Transportation Fund
MAAC	- Member Agency Advisory Committee
MARA	- 2009 Measure A Regional Arterial funding for Western County
MCP	- Mid County Parkway
Measure K	- Increase of sales tax revenue bonds debt limit to \$975 million approved by voters in November 2010
Metrolink	- Operating Name for SCRRA (see SCRRA)
MOE	- Maintenance of Effort
Moody's	- Moody's Investors Service
MOU	- Memorandum of Understanding
MPO	- Metropolitan Planning Organization
MSHCP	- Multi-Species Habitat Conservation Plan
MSRC	- Mobile Source Air Pollution Reduction Review Committee (AB2766)
NEPA	- National Environmental Policy Act
OA	- Obligation Authority
OCTA	- Orange County Transportation Authority
Operation Lifesaver	- Operation Lifesaver International, an education program regarding the importance of rail safety
Perris Valley Line	- Perris Valley Line Metrolink Extension Project
PPM	- Planning, Programming, and Monitoring
PVL	- Perris Valley Line Metrolink Extension Project
PVTA	- Palo Verde Valley Transit Agency
RCA	- Western Riverside County Regional Conservation Authority
RCTC	- Riverside County Transportation Commission
RCTC 91 Express Lanes	- Express lanes on SR-91 from the Orange County line to I-15 owned and operated by the Commission

RDOCC	- Riverside Downtown Operations Control Center
RFA	- Request for Authorization
RIP*	- Regional Improvement Program
RTA	- Riverside Transit Agency
RTP	- Regional Transportation Plan
RTPA	- Regional Transportation Planning Agencies
RZEDBs	- Recovery Zone Economic Development Bonds
S&P	- Standard & Poor's Rating Service
SAFE	- Service Authority for Freeway Emergencies
Sales tax	- Reference including transaction and use tax such as Measure A
SB	- Senate Bill
SB 1	- State legislation that increased state gas tax for transportation purposes and was signed by the Governor in April 2017
SB 132	- State appropriation approved in April 2017 that provides \$427 million in funding for five Riverside County Transportation Efficiency Corridor projects
SB 821	- State legislation that provides funding for bicycle and pedestrian projects through the TDA
SBCTA	- San Bernardino County Transportation Authority
SBE	- Small Business Enterprise
SCAG	- Southern California Association of Governments
SCAQMD	- Southern California Air Quality Management District
SCRRA	- Southern California Regional Rail Authority
SCS	- Sustainable Communities Strategy
SDP	- Service Development Plan
SGR	- State of Good Repair (SB 1 Program)
SHCC	- Self-Help Counties Coalition
SHOPP	- State Highway Operations and Protection Program
SJBL	- San Jacinto Branch Line
SR	- State Route
SRA	- State Rail Account
S RTP	- Short Range Transit Plan
STA*	- State Transit Assistance
Stantec	- Stantec Consulting Services Inc.
State	- State of California
State Street Bank	- State Street Bank and Trust Company
STBG*	- Surface Transportation Block Grant (replaced STP)
STIP*	- State Transportation Improvement Program
SunLine	- SunLine Transit Agency
TAC	- Technical Advisory Committee
TAP	- Transportation Alternatives Program
TCEP	- Trade Corridor Enhancement Program
TCIF*	- Trade Corridors Improvement Fund (Proposition 1B funding category)
TDA*	- Transportation Development Act
TIFIA*	- Transportation Infrastructure Finance and Innovation Act
TIP	- Transportation Improvement Plan

- TUMF* - Transportation/Traffic Uniform Mitigation Fee (Western County/Coachella Valley)
- U.S. DOT - United States Department of Transportation
- UCR - University of California at Riverside
- VanClub - RCTC's vanpool subsidy program
- Western County - Western area of Riverside County
- WRCOG - Western Riverside Council of Governments
- 91 Express Lanes - Tolled express lanes on SR-91 in Orange County operated by OCTA (OCTA 91 Express Lanes) and in Riverside County by the Commission (RCTC 91 Express Lanes)
- 91 Project - SR-91 corridor improvement project consisting of two tolled express lanes in each direction of SR-91 between the Orange County line and I-15, the addition of a general purpose lane between SR-71 and I-15, and other improvements
- 1989 Measure A* - Original 1/2 cent transportation sales tax measure approved by voters in November 1988 that expired in June 2009
- 2009 Measure A* - Extension of sales tax measure approved by voters in November 2002 which became effective upon expiration of original sales tax measure on July 1, 2009
- 2010A Bonds - Sales Tax Revenue Bonds, Series A Tax-exempt issued in November 2010
- 2010B Bonds - Sales Tax Revenue Bonds, Series B Taxable issued in November 2010
- 2013 Sales Tax Bonds - Sales Tax Revenue Bonds issued in July 2013 for the 91 Project
- 2013 TIFIA Loan - TIFIA Loan executed in July 2013 for the 91 Project
- 2013 Toll Bonds - Toll Revenue Bonds issued in July 2013 for the 91 Project
- 2016 Refunding Bonds - Sales Tax Revenue Refunding Bonds issued in September 2016 to refund the Series A portion of bonds issued in 2009
- 2017A Bonds - Sales Tax Revenue Bonds issued in July 2017 for the I-15 Express Lanes project and completion of the 91 Project
- 2017B Refunding Bonds - Sales Tax Revenue Refunding Bonds issued in December 2017 to refund all of the outstanding 2010A Bonds and a portion of the 2013 Sales Tax Bonds
- 2017 TIFIA Loan - TIFIA Loan executed in July 2017 for the I-15 Express Lanes project
- 2018 Refunding Bonds - Sales Tax Revenue Refunding Bonds issued in April 2018 to refund all of the Series B and Series C bonds issued in 2009

* Additional information provided in Funding Definitions.



I-15/Railroad Canyon Road interchange in Lake Elsinore

APPENDIX B - GLOSSARY OF FUNDING DEFINITIONS

FEDERAL FUNDING SOURCES

Transportation Infrastructure Finance and Innovation Act

The TIFIA program provides credit assistance for qualified projects of regional and national significance that are critical improvements to the nation's surface transportation system. It is designed to fill market gaps and leverage substantial private and non-federal co-investment by providing supplemental and subordinate capital. TIFIA credit assistance is often available on more advantageous terms than in the financial market making it possible to obtain financing, in the form of a secured loan, loan guarantee, and/or standby line of credit, for needed projects when it might not otherwise be possible.

Federal Transit Administration

Section 5307 formula funds made available to urbanized areas for operating subsidies, capital projects and planning. Operating match is up to 50% of the net operating cost; capital and planning match is 80% federal and 20% local.

Section 5309 discretionary funds generally provided to urbanized areas for funding new start rail projects, major bus fleet replacement, and transit facility construction. Matching ratios range from 50/50 to 80% federal and 20% local.

Section 5310 funds made available to states for providing capital support to private non-profit and, in certain circumstances, public transit operators. This is a state administered discretionary program providing funds on an 88.53% federal and 11.47% local basis.

Section 5311 funds provided to support rural transit operating subsidies and capital projects. Operating match is up to 50% of the net operating cost; capital match is 80% federal and 20% local.

Federal Highway Administration

In 1991, the Intermodal Surface Transportation Efficiency Act (ISTEA) was approved by Congress to replace the former Federal Aid Urban/Federal Aid System funding programs. ISTEA was established as a six-year funding program and was reauthorized for another six years in 1997. This new transportation act was renamed as the Transportation Equity Act of the Twenty-first Century (TEA21) and was extended through August 10, 2005 when the President signed into law the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Nine short-term extensions of SAFETEA-LU were passed until July 2012 when Moving Ahead for Progress in the 21st Century (MAP-21) was enacted. In December 2015, the Fixing America's Surface Transportation (FAST) Act was signed into law and became the first federal law in over a decade to provide long-term funding certainty for surface transportation infrastructure. Under these programs the following fund sources are allocated to each county, and the Commission further allocates these funds based on federal provisions.

Surface Transportation Block Grant (formerly Surface Transportation Program)

Funds allocated by the Commission and administered by Caltrans that provide funding for local street and road improvements. Current matching rate is 88.53% federal and 11.47% local.

Congestion Mitigation and Air Quality

Funds allocated by the Commission for transportation related air quality improvement projects in air quality non-attainment areas. Current matching rate is 88.53% federal and 11.47% local. Safety projects can qualify for 100% of CMAQ funding.

American Recovery and Reinvestment Act of 2009

Commonly referred to as the Stimulus or The Recovery Act, ARRA is an economic stimulus package "intended to create jobs and promote investment and consumer spending" during the recent recession. It includes domestic spending in infrastructure with investment transportation, environmental protection, and other infrastructure providing long-term economic benefits. ARRA also created the Build America Bond program, which authorized state and local governments to issue in 2009 and 2010 such bonds as taxable bonds to finance capital expenditures for which would otherwise be financed with tax-exempt governmental bonds. State and local governments issuing BABs receive a direct federal subsidy payment for a portion of their borrowing costs on BABs equal to 35 to 45 percent of the total coupon interest paid to investors. The BAB program was intended to assist state and local governments finance capital projects at lower borrowing costs and to stimulate the economy and create jobs.

STATE LOCAL FUNDING SOURCES

Transportation Development Act

The TDA is comprised of two elements: LTF and STA funds.

LTF funds are derived from 1/4 of one cent of the state sales tax and are returned to source. There are three areas of apportionment within Riverside County comprised of Western County, Coachella Valley, and Palo Verde Valley (Blythe). The Commission administers the LTF on behalf of the County of Riverside. Funds are provided for program administration, Southern California Association of Governments regional planning, local transportation planning, and transit services in Western County and the Coachella Valley. In the Palo Verde Valley, funds support transit services and local street and road improvements. Additionally, under SB 821, 2% of LTF funds are made available for bicycle and pedestrian projects.

STA funds are generated from the statewide sales tax on diesel fuel and are allocated by the state to the Commission based on population and as a percentage of transit fare revenue. The Commission has generally used these funds to support capital purchases and improvements as these funds have been subject to state budgetary actions.

State Transportation Improvement Program

The STIP consists of RIP and IIP funds. The RIP and IIP programs are mainly supported by Proposition 42 funding. The RIP component represents 75% of STIP funds available for capacity projects. Regional Transportation Planning Agencies are responsible for selection of projects proposed for RIP funds. The IIP component represents the remaining 25% of STIP funds available for capacity projects and Caltrans is responsible for the selection of IIP-funded projects. The Commission and Caltrans District 8 work closely in coordinating projects for these fund sources.

Senate Bill 1 (The Gas Tax) and Senate Bill 132

Commonly referred to as the Gas Tax, is the Road Repair and Accountability Act of 2017, SB 1 was approved by California's Legislature and Governor in April 2017. The Gas Tax generates funds for our transportation infrastructure through increased gasoline taxes and annual vehicle fees. SB 1 provides support for state and local systems to meet four critical needs: road rehabilitation, congestion relief, trade corridor improvements, and improved transit/rail travel. It began providing funds to cities and counties in November 2017. In June 2018, California voters approved Proposition 69, which amended the State Constitution to prevent SB 1 funds from being diverted or borrowed for other purposes.

SB 132 was part of a package of legislation that passed with SB 1 and provided state funding for five major transportation projects in Riverside County. These projects included in the Riverside County Transportation Efficiency Corridor would not be underway without this state funding. The projects are comprised of the Commission's 15/91 Express Lanes connector project; the County's I-15/Limonite Avenue interchange project with the cities of Eastvale and Jurupa Valley as its partners; the County's Jurupa Avenue grade separation project with the city of Jurupa Valley as its partner; the city of Corona's McKinley Avenue grade separation project; and the County's Hamner Bridge widening project with the city of Norco as its partner.

Cap and Trade

State legislation in 2006 requires GHG emissions in the State to be reduced. A key element of the GHG reduction program is the Cap and Trade Program in which entities regulated under the program can "trade" or buy and sell a portion of emission allowances issued by the CARB at auctions held during the year. The revenues generated for the State through these auctions are appropriated for infrastructure investments that include LCTOP and road programs, high speed rail projects, and transit and intercity rail projects.

Proposition 1B Program

In November 2006, the voters in California approved Proposition 1B, which will fund various transportation programs from bonds issued by the state of California. Programs to be funded include CMIA, transit capital, transit security, STIP supplement, goods movement (TCIF), State and Local Partnership Program funds, and cities and counties.

LOCAL FUNDING SOURCES

Measure A

Measure A is a half-cent local retail transaction and use tax that was initially approved by the voters in November 1988 for 20 years (Ordinance 88-1) and extended in November 2002 for an additional 30 years (Ordinance 02-001), through June 2039, to help fund key transportation improvements in Riverside County. It provides funds to improve highways, regional arterials, and local streets and roads; to develop new transportation corridors; to expand commuter rail, public transit, specialized transportation services, and commuter programs; develop a program of economic incentives to attract commercial and industrial development and jobs; and support bond financing. These types of improvements are needed to maintain and improve the quality of life in the County, reduce current congestion, and provide adequate transportation facilities to accommodate reasonable growth. Since existing state and federal sources provide only a limited amount of funding for a limited number of projects, Measure A will cover the shortfall for key projects with a funding source that is under local control. It will use the revenue generated in Western County, Coachella Valley, and Palo Verde Valley to meet the unique transportation needs of each of those areas.

Transportation Uniform Mitigation Fee

The TUMF program was adopted by all local jurisdictions in the Western County area of Riverside County in July 2003. Under this program, which is administered by the WRCOG, fees are assessed on new residential and commercial development in Western County to ensure that new development pays its fair share toward providing the needed infrastructure improvements on the regional system of highways and arterials. In accordance with the extension of Measure A in 2002 and an amended MOU with WRCOG, the Commission shall receive 48.7% of the TUMF revenues to fund equally the regional arterial system and the development of new corridors.

APPENDIX C – GLOSSARY OF PROGRAM TERMS

The following explanations of terms are presented to aid in understanding the various program terms used and discussed in the narrative.

Bicycle and Pedestrian

LTF provides revenues for the construction of bicycle and pedestrian facilities and related right-of-way costs.

Bond Financing

In order to accomplish the construction of the highway and rail projects and implementation of the local streets and roads and other programs identified in the Measure A TIP as soon as possible, some level of borrowing will be required. A portion of the revenues generated in the Western County will be made available for this purpose.

Commuter Assistance

The purpose of this program is to provide short-term incentives to encourage single occupant vehicle drivers to use alternate modes of transportation including carpools, vanpools, bus pools, public bus, commuter rail, walking, and bicycling.

Commuter Rail

Measure A provides operating and capital revenue for commuter rail service to Orange and Los Angeles counties. LTF provides revenue for commuter rail operations in Riverside County. These trains operate on existing railroad tracks parallel to major freeways. Commuter rail service provides a safe and reliable transit alternative to driving alone during the peak period. Plans to expand commuter rail service in Western Riverside County from Riverside to Perris via Moreno Valley are currently underway.

Economic Development

Measure A will be used to create an infrastructure improvement bank to improve existing interchanges, construct new interchanges, provide public transit linkages or stations, and make other improvements to the transportation system in Western County. These incentives are intended to attract commercial and industrial development and jobs to locate within the Western County area.

Highways

Measure A provides revenues to widen existing highways, expand interchanges, and improve remote freeways. These improvements are needed to control traffic congestion in Western County and improve access and safety in Coachella Valley. Costs of these improvements will be covered by funds from state and federal sources. Measure A revenue will be used to supplement—not replace—these other sources and to accelerate work on projects deferred for lack of funding.

Local Streets and Roads

Measure A provides revenues to local jurisdictions for the construction, repair, and maintenance of local streets and roads. The County and local cities are required to supplement those expenditures with other previously dedicated revenue sources to maintain road improvements at a level equal to or greater than the base year amount. LTF provides revenue for local street and road improvements in the Palo Verde Valley.

Metrolink

The Commission's commuter rail program is part of the regional network operated by SCRRRA operating under the name of Metrolink, a five-county joint powers agency composed of the transportation commissions of Los Angeles, San Bernardino, Orange, Riverside, and Ventura. The purpose of this agency is to manage the operation and maintenance of commuter rail in the five-county metropolitan area.

Motorist Assistance

The Motorist Assistance program has three elements. The FSP is a special team of tow trucks that travel on selected Riverside County freeways during peak commute hours to assist drivers when their cars break down. Another element is the call box system, which installation and operation is made possible with revenue provided by the public. Call boxes are being provided by the Commission, which serves as the County's SAFE. The third element is the 511 traveler information system. One dollar per year from every motor vehicle registration pays for the call boxes and their operation and maintenance, 511 operations, and matching funds for FSP.

New Corridors

Four new transportation corridors were identified through the CETAP. Measure A and TUMF funds will be used for environmental clearance, right of way, and construction of these new corridors.

Public Transit

The Commission is the agency responsible for short-range transportation planning and programming and coordinating the operation of all public transportation service within the County. The Commission allocates and disburses TDA as well as Measure A funds to the transit operators for operating and capital purposes.

Regional Arterials

Measure A funds generated within the Western County and Coachella Valley areas are used for major regional road projects. The system is to be implemented with a mix of funding required from new development under a Transportation Uniform Mitigation Fee to be paid by developers from new development and from Measure A funds returned to the Western County and Coachella Valley areas. The Transportation Uniform Mitigation Fee schedule shall be established in order to generate at least the equivalent of Measure A funding toward the regional arterial system.

Specialized Transit

Measure A provides public transit revenues to improve transportation services for seniors, persons with disabilities and commuters. For seniors and persons with disabilities, it provides dial-a-ride cab service at night for emergency purposes, guarantees half-price bus fares, and assists centers with their transit programs. For commuters, it improves express bus service and expands ridesharing programs. In the Coachella Valley, revenues also are available for bus replacement and local bus service.

Transportation Improvement Plan

This plan also acts as the County's expenditure plan and was prepared by the Commission for the proposed 1/2% local retail transaction and use tax for transportation purposes to be collected. This was proposed by the Commission as a means to fill the funding shortfall to implement needed highway, regional arterial, economic development incentives, and new corridors; local street and road programs; commuter rail projects and operations; public bus transit and specialized transportation improvements; commuter assistance programs; and bond financing.

APPENDIX D – GLOSSARY OF GENERAL TERMS

The following explanations of terms are presented to aid in understanding the narrative discussions and illustrations included in this budget document and the terminology generally used in governmental accounting, auditing, financial reporting, and budgeting.

Accountability

The state of being obliged to explain one's actions, to justify what one does. Accountability requires a government to answer to its citizenry to justify the raising of public resources and the purposes for which they are used.

Accounting System

The methods and records established to identify, assemble, analyze, classify, record, and report a government's transactions and to maintain accountability for the related assets and liabilities.

Accrual Basis of Accounting

The accounting of the financial effects of transactions, events, and interfund activities when they occur, regardless of when cash is received or paid.

Audit

A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities. The auditor obtains this evidential matter through inspection, observation, inquiries, and confirmations with third parties.

Balanced Budget

The identification of revenues and other financing sources as well as available fund balances to fund operating and capital expenditures and other financing uses on an annual basis.

Basis of Accounting

A term used to refer to when the effects of transactions or events are recognized for financial reporting purposes. For example, the timing of recognition can be when the transaction or event occurs (accrual basis) or when cash is received or paid (cash basis).

Bond

A written promise to pay a specified sum of money (face or principal amount) at a specified date or dates in the future (maturity date), together with periodic interest at a specified rate. Bonds are primarily used to finance capital projects.

Budget

A plan of financial activity for a specified period indicating all planned revenues and expenditures for the budget period. Annual budgets are usually required by law and are essential to sound financial management. The Commission prepares an annual budget that is applicable to a single fiscal year.

Budgetary Control

The control or management of a government in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Budget Document

The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating governing body.

Capital Outlay

Expenditures resulting in the acquisition of or addition to the government's capital assets or assets to be transferred to Caltrans, such as highway projects.

Capital Project

A long-term strategic project requiring relatively large sums of revenues, accumulated reserves, and/or financing to acquire, develop, construct, improve, and/or maintain a capital asset such as land, buildings, and infrastructure.

Capital Projects Fund

A governmental fund type created to account for financial resources to be used for the acquisition or construction of major capital projects. The Commission has two capital projects funds for Commercial Paper and Sales Tax Bonds to account for debt proceeds from 2009 Measure A commercial paper notes and sales tax revenue bonds related to highway, commuter rail, regional arterial, and local streets and roads projects.

Commercial Paper

An unsecured short-term promissory note issued primarily by corporations with maturities ranging from two to 270 days. The credit risk of almost all commercial paper is rated by a rating service.

Comprehensive Annual Financial Report

A financial report that encompasses all funds of the government. In the financial section of the CAFR are the basic financial statements and required supplementary information as well as combining and individual fund financial statements, as necessary. The CAFR also contains introductory information and statistical data.

Current Financial Resources Measurement Focus

A measurement focus that reports on the near-term or current inflows, outflows, and balances of spendable financial resources. This focus is unique to accounting and financial reporting for state and local governments and is used for reporting the financial position and results of operations of governmental funds.

Debt

An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, and notes.

Debt Coverage Ratio

The ratio of pledged revenues to related debt service for a given year.

Debt Limit

The maximum amount of outstanding gross or net debt legally permitted.

Debt Proceeds

The difference between the face amount of debt and the issuance discount or the sum of the face amount and the issuance premium. Debt proceeds differ from cash receipts to the extent issuance costs, such as underwriters' fees, are withheld by the underwriter.

Debt Service Fund

A governmental fund type created to account for the accumulation of resources for and payment of general long-term debt principal and interest. The Commission has one debt service fund for its sales tax revenue bonds.

Economic Resources Measurement Focus

A measurement focus that reports on all inflows, outflows, and balances affecting or reflecting the entity's net position. This focus is used for proprietary funds as well as for government-wide financial reporting.

Enterprise Fund

A proprietary fund type created to account for the toll and non-toll revenues earned on the Commission's express lanes. These revenues are restricted to pay operations and maintenance costs, repair and rehabilitation costs, debt service, and other in accordance with the toll bond indenture.

Expenditures

Represents decreases in net financial resources on the transfer of property or services for acquiring an asset, service, or settling a loss.

Financial Advisor

In the context of the issuance of debt, a consultant who advises the issuer on any of a variety of matters related to the issuance. The financial advisor sometimes also is referred to as the fiscal consultant.

Financial Audit

An audit made to provide independent assurance whether the financial statements of a government are presented fairly in conformity with generally accepted accounting principles.

Financial Resources

Resources that are or will become available for spending and include cash, resources ordinarily expected to be converted to cash such as receivables, inventory, and prepaid assets.

Fiscal Year

For the Commission, the 12-month period that begins July 1 and ends June 30 of the designated fiscal or operating year for accounting and budgeting purposes.

Fund

A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities, and residual equities or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance

The excess of a governmental fund's assets over its liabilities.

Fund Type

Any one of eleven classifications into which all funds are categorized in governmental accounting. Governmental fund types include general, special revenue, debt service, capital projects, and permanent funds. Proprietary fund types include enterprise and internal service funds. Fiduciary fund types include pension trust, investment trust, and private-purpose trust funds and agency funds.

GASB 68

Statement No. 68, Accounting and Financial Reporting for Pensions, issued by the Governmental Accounting Standards Board implemented by the Commission in FY 2014/15. GASB 48 requires reporting the net pension liability of the plan on the accrual accounting-based financial statements and enhancing the notes to the financial statements to provide a more comprehensive picture of the pension obligation and costs.

General Fund

The governmental fund type used to account for all financial resources, except those required to be accounted for in another fund.

General Ledger

A record containing the accounts needed to reflect the financial position and the results of operations of a government. In double-entry bookkeeping, debit balances equal the credit balances in the general ledger.

Generally Accepted Accounting Principles (GAAP)

Minimum standards and guidelines for financial accounting and reporting. GAAP encompasses the conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The GASB is the primary authoritative accounting and financial reporting standard-setting body on the application of GAAP to state and local governments.

Generally Accepted Auditing Standards (GAAS)

Rules and procedures established by the American Institute of Certified Public Accountants (AICPA) for the conduct of a financial audit. There are ten basic GAAS, classified into three broad categories: general standards, standards of fieldwork, and standards of reporting. The Auditing Standards Board of the AICPA publishes Statements on Auditing Standards (SAS) and related interpretations to comment and expand upon these basic standards.

Generally Accepted Government Auditing Standards (GAGAS)

Standards established by the General Accounting Office (GAO) in its publication, Government Auditing Standards, for the conduct and reporting of both financial and performance audits in the public sector. GAGAS set forth general standards applicable to both types of audits and separate standards of fieldwork and reporting for financial and performance audits. The GAGAS standards of fieldwork and reporting for financial audits incorporate and build upon GAAS.

Governmental Funds

Funds generally used to account for tax-supported activities. The Commission's governmental funds are comprised of general, special revenue, debt service, and capital projects funds.

Grant

A contribution by a government or other organization to support a particular function or program.

Independent Auditor

An auditor meeting the independence criteria set forth in GAAS and GAGAS.

Internal Control

Policies and procedures established to provide reasonable assurance that specific government objectives will be achieved.

Legal Level of Budgetary Control

The level at which a government's management may not reallocate resources without special approval from the legislative body.

Loans Receivable

An asset account reflecting amounts loaned to individuals or organizations external to the Commission, including notes taken as security for such loans.

Measurement Focus

The objective of a measurement that is what is being expressed in reporting a government's financial performance and position. A particular measurement focus considers not only which resources are measured (financial or economic), but also when the effects of transactions or events involving those resources are recognized (basis of accounting). The measurement focus of the Commission's government-wide and fiduciary fund financial statements is economic resources, whereas the measurement focus of governmental fund financial statements is current financial resources.

Modified Accrual Basis

The accrual basis of accounting adapted to the governmental funds' measurement focus according to which revenues and other financial resource increments (e.g., bond issue proceeds) are recognized when they become susceptible to accrual, that is when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the fund liability is incurred except for unmatured interest on general long-term debt and certain similar accrued obligations when due. The Commission's governmental funds are accounted for using the modified accrual basis of accounting.

Other Financing Sources

Amounts classified separately from revenues to avoid distorting revenue trends that represent an increase in current financial resources. Other financing sources generally include general long-term debt proceeds, amounts equal to the present value of minimum lease payments arising from capital leases, proceeds from the sale of capital assets, and transfers in.

Other Financing Uses

Amounts classified separately from expenditures to avoid distorting expenditure trends and represent a decrease in current financial resources. Other financing uses generally include transfers out and the amount of refunding bond proceeds deposited with the escrow agent.

Overhead

Indirect costs that cannot be specifically associated with a given service, program, or department and thus, cannot be clearly associated with a particular functional category.

Principal

In the context of bonds other than deep-discount debt, the face value or par value of a bond or issue of bonds payable on stated dates of maturity.

Program

Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

Program Budget

A budget wherein expenditures are based primarily on the functions or activities of a government rather than to specific items of cost or to specific departments.

Purchase Order

A document authorizing the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

Refunding Bonds

Bonds issued to retire bonds already outstanding. The proceeds of refunding bonds may be used to repay the previously issued debt (current refunding) or to be placed with an escrow agent and invested until used to pay principal and interest on old debt at a future date (advance refunding).

Reimbursement Grant

A grant for which a potential recipient must first incur qualifying expenditures to be eligible.

Restricted Fund Balance

Those portions of fund balance which are restricted for specific purposes by third parties or enabling legislation.

Special Revenue Fund

A governmental fund type used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. The Commission maintains special revenue funds for Measure A Western County, Coachella Valley, and Palo Verde Valley; Local Transportation Fund; State Transit Assistance; State of Good Repair; Transportation Uniform Mitigation Fee; Freeway Service Patrol; Service Authority for Freeway Emergencies; Coachella Valley/San Gorgonio Pass; SB 132; and Other Agency Projects.

Transfers

All interfund transfers representing flows of assets between funds of the government without equivalent flows of assets in return and without a requirement for repayments.

Trustee

A fiduciary holding property on behalf of another.

APPENDIX E - SALARY SCHEDULE EFFECTIVE 7/4/2019

Department/Position	FTE	Range No.	Monthly Minimum	Monthly Maximum	Exempt/ Non-Exempt
ADMINISTRATION					
Clerk of the Board	1.0	45	\$ 8,205	\$ 11,077	E
Deputy Clerk of the Board	1.0	32	\$ 5,973	\$ 8,064	NE
Human Resources Administrator	1.0	45	\$ 8,205	\$ 11,077	E
I.T. Administrator	1.0	45	\$ 8,205	\$ 11,077	E
Records Technician	1.0	17	\$ 4,144	\$ 5,595	NE
Senior Administrative Assistant	1.0	25	\$ 5,037	\$ 6,800	NE
Senior Office Assistant	1.0	13	\$ 3,759	\$ 5,074	NE
Administration Subtotal:	7.0				
CAPITAL PROJECT DEVELOPMENT AND DELIVERY					
Capital Projects Manager	5.0	53	\$ 9,973	\$ 13,464	E
Facilities Administrator	1.0	45	\$ 8,205	\$ 11,077	E
Project Delivery Director	1.0	67	\$ 14,034	\$ 18,945	E
Right of Way Manager	1.0	53	\$ 9,973	\$ 13,464	E
Senior Management Analyst	3.0	43	\$ 7,814	\$ 10,549	E
Capital Project Development and Delivery Subtotal:	11.0				
EXECUTIVE MANAGEMENT					
Deputy Executive Director	1.0	75	\$ 17,058	\$ 23,028	E
Executive Director	1.0	83	\$ 20,734	\$ 27,991	E
Executive Management Subtotal:	2.0				
FINANCE					
Accountant	1.0	33	\$ 6,123	\$ 8,266	E
Accounting Assistant	2.0	17	\$ 4,144	\$ 5,595	NE
Accounting Supervisor	1.0	44	\$ 8,005	\$ 10,807	E
Accounting Technician	2.0	25	\$ 5,037	\$ 6,800	NE
Chief Financial Officer	1.0	67	\$ 14,034	\$ 18,945	E
Deputy Director of Finance	1.0	57	\$ 10,996	\$ 14,844	E
Financial Analyst	1.0	35	\$ 6,429	\$ 8,679	E
Procurement Manager	1.0	53	\$ 9,973	\$ 13,464	E
Senior Financial Analyst	1.0	43	\$ 7,814	\$ 10,549	E
Senior Procurement Analyst	1.0	43	\$ 7,814	\$ 10,549	E
Finance Subtotal:	12.0				
EXTERNAL AFFAIRS					
External Affairs Director	1.0	63	\$ 12,729	\$ 17,184	E
Public Affairs Manager	1.0	51	\$ 9,498	\$ 12,823	E
Senior Administrative Assistant	1.0	25	\$ 5,037	\$ 6,800	NE
Senior Management Analyst	1.0	43	\$ 7,814	\$ 10,549	E
External Affairs Subtotal:	5.0				
MULTIMODAL SERVICES					
Commuter and Motorist Assistance Manager	1.0	51	\$ 9,498	\$ 12,823	E
Management Analyst	2.0	35	\$ 6,429	\$ 8,679	E
Multimodal Services Director	1.0	63	\$ 12,729	\$ 17,184	E
Transit Manager	1.0	51	\$ 9,498	\$ 12,823	E
Multimodal Services Subtotal:	5.0				
PLANNING AND PROGRAMMING SERVICES					
Management Analyst	1.0	35	\$ 6,429	\$ 8,679	E
Planning and Programming Director	1.0	63	\$ 12,729	\$ 17,184	E
Planning and Programming Manager	1.0	51	\$ 9,498	\$ 12,823	E
Senior Management Analyst	1.0	43	\$ 7,814	\$ 10,549	E
Planning and Programming Services Subtotal:	4.0				
RAIL MAINTENANCE AND OPERATIONS					
Rail Manager	1.0	51	\$ 9,498	\$ 12,823	E
Management Analyst	1.0	35	\$ 6,429	\$ 8,679	E
Rail Maintenance and Operations Subtotal:	2.0				
TOLL OPERATIONS					
Senior Management Analyst	2.0	43	\$ 7,814	\$ 10,549	E
Toll Operations Manager	1.0	63	\$ 12,729	\$ 17,184	E
Toll Program Director	1.0	71	\$ 15,472	\$ 20,887	E
Toll Project Manager	1.0	65	\$ 13,365	\$ 18,043	E
Toll Technology Manager	1.0	53	\$ 9,973	\$ 13,464	E
Toll Operations Subtotal:	6.0				

Total Authorized Positions	
Administration	7.0
Capital Project Development and Delivery	11.0
Executive Management	2.0
Finance	12.0
External Affairs	5.0
Multimodal Services	5.0
Planning and Programming Services	4.0
Rail Maintenance and Operations	2.0
Toll Operations	6.0
Total Authorized Positions	54.00







RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

**Riverside County
Transportation Commission**

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