

RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**



Santa Ana River Trail

FISCAL YEAR ENDED JUNE 30, 2020

COMPREHENSIVE ANNUAL FINANCIAL REPORT



91 Express Lanes



Avenue 66 Grade Separation in Mecca

Riverside County Transportation Commission
Riverside County, California

RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2020

Submitted by:

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Chief Financial Officer

Michele Cisneros,
Deputy Director of Finance



I-15 Express Lanes Project at SR-91 interchange



Riverside Transit Agency Bus at Riverside Downtown Station

CONTENTS

Introductory Section

Letter of Transmittal	i
Organization Chart	x
List of Principal Officials and Management Staff	xi

Financial Section

Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statements	
Governmental Funds	
Balance Sheet—Governmental Funds.....	20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	23
Statement of Revenues, Expenditures and Changes in Fund Balances	
—Governmental Funds.....	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances	
of Governmental Funds to the Statement of Activities	27
Proprietary Fund	
Statement of Fund Net Position	28
Statement of Revenues, Expenses and Changes in Fund Net Position.....	29
Statement of Cash Flows.....	30
Notes to Basic Financial Statements.....	32
Required Supplementary Information	
Budgetary Comparison Schedules	
General Fund	75
Major Special Revenue Funds.....	76
Schedule of Proportionate Share of Net Pension Liability.....	79
Schedule of Pension Contributions	80
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios	81
Schedule of OPEB Contributions.....	82
Notes to Required Supplementary Information.....	83
Other Supplementary Information	
Nonmajor Governmental Funds	
Combining Balance Sheet.....	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	90

Contents, Continued

Financial Section, Continued

Schedule of Revenues, Expenditures and Changes in Fund Balances–Budget and Actual:	
Nonmajor Special Revenue Funds	92
Capital Projects Funds.....	95
Debt Service Fund	96
Schedule of Expenditures for Local Streets and Roads by Geographic Area–All Special	
Revenue Funds.....	97
Schedule of Expenditures for Transit and Specialized Transportation by Geographic Area and	
Source–All Special Revenue Funds.....	98
Schedule of Uses of Debt Proceeds and Fund Balances.....	99

Statistical Section

Statistical Section Overview.....	101
Primary Government Net Position by Component.....	102
Changes in Primary Government Net Position.....	104
Fund Balances of Governmental Funds.....	108
Changes in Fund Balances of Governmental Funds	110
Sources of County of Riverside Taxable Sales by Business Type	112
Direct and Overlapping Sales Tax Rates	114
Principal Taxable Sales Generation by City	115
Measure A Sales Tax Revenues by Program and Geographic Area	116
Measure A Sales Tax by Economic Category	117
Measure A Revenues and Pledged Revenue Coverage	118
Ratios of Outstanding Debt by Type	120
Computation of Legal Debt Margin	122
Demographic and Economic Statistics for the County of Riverside.....	124
Employment Statistics by Industry for the County of Riverside	125
Full-time Equivalent Employees by Function/Program	126
Operating Indicators	128
Capital Asset Statistics by Program	130

INTRODUCTORY Section



Northbound I-15 at SR-91 interchange



October 30, 2020

To the Riverside County Transportation Commission Commissioners
and Citizens of the County of Riverside:

Letter of Transmittal

State law requires that the Riverside County Transportation Commission (Commission or RCTC) publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by independent certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Commission for the fiscal year ended June 30, 2020.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report, based upon the Commission's comprehensive framework of internal controls established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Eide Bailly LLP has issued an unmodified opinion on the Commission's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

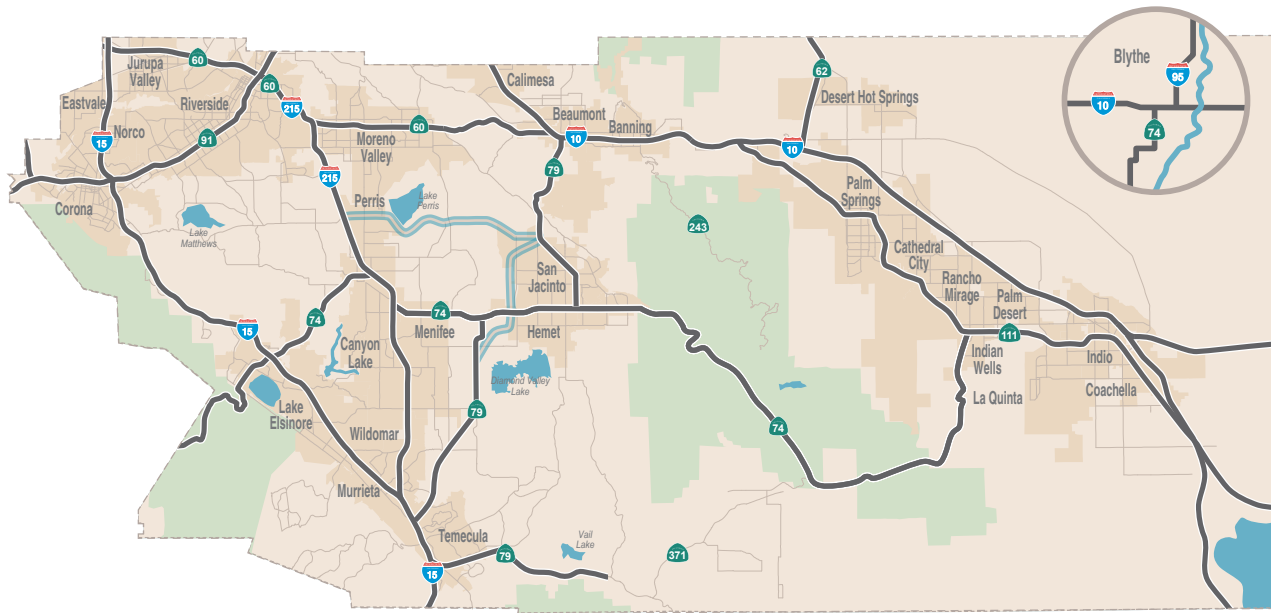
Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of RCTC's Governance and Responsibilities

State law established the Commission in 1976 to oversee the funding and coordination of all public transportation services within the county of Riverside (County). The Commission's mission is to assume a leadership role in improving mobility in Riverside County and to maximize the cost effectiveness of transportation dollars in the County. The governing body is the Board of Commissioners (Board), which 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. The Commission is responsible for setting policies, establishing priorities, and coordinating activities among the County's various transportation operators and 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 has developed two express lanes projects; the RCTC 91 Express Lanes opened in March 2017 and the 15 Express Lanes are expected to open during FY 2020/21.

The Commission also serves as the tax authority and implementation agency for the voter-approved Measure A Transportation Improvement Program, which imposes a half-cent sales tax to fund transportation improvements. Originally approved in 1988 (1989 Measure A), Riverside County's voters in 2002 approved a 30-year extension of Measure A commencing July 1, 2009 through June 30, 2039 (2009 Measure A).

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



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, and 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. The motorist aid program also includes the operation of the Inland Empire 511 (IE511) system which provides comprehensive real time traveler information for freeways, bus and rail transit, and rideshare services. All services are provided at no charge to motorists and are funded through a \$1 surcharge on vehicle registrations; FSP also receives state allocations. The Commission is financially accountable for SAFE, a legally separate entity that is blended within the Commission's financial statements.

Finally, the Commission has been designated as the Congestion Management Agency (CMA) for the County. As the CMA, the Commission coordinates with local jurisdictions in the establishment of congestion mitigation procedures for the County's roadway system.

The Commission is required to adopt a budget prior to the beginning of each fiscal year. The annual budget, which includes all funds, serves as the foundation for the Commission's financial planning and control regarding staffing, operations, and capital plans. The budget is prepared by fund (financial responsibility unit), department, and function. Management has the discretion to transfer budgeted amounts within the financial responsibility unit according to function. During the fiscal year, all budget amendments requiring Board approval are presented to the Board for consideration and adoption.

Local Economy

Any discussion of the local economy must acknowledge the current and future impacts of the COVID-19 pandemic. In mid-March the state of California (State) was forced to impose significant restrictions on a number of public and commercial activities. Restrictions continue, albeit with some easing; however, the pandemic is likely to lead to a significant increase in unemployment due to the loss of thousands of service-related jobs. Statistics demonstrate the impact – Riverside County's unemployment rate in April 2020 jumped to 15.3% compared to a rate of only 3.7% in April 2019.

Possibly due to the Federal Coronavirus Aid Relief and Economic Security (CARES) Act and a court decision and related state legislation in 2019 regarding the collection of internet sales taxes, the Commission's sales tax revenues decreased approximately 3% – less than revenue projections revised in May 2020.

In normal times, Riverside County has specific competitive advantages over nearby coastal counties (Los Angeles, Orange, and San Diego) including housing that was (and remains) more available and affordable, lower commercial real estate lease and purchase costs, and land available for development at lesser costs. Riverside County's economy has thrived, reflecting those specific competitive advantages over its neighboring counties, largely as a result of the County's continuing ability to draw jobs, residents, and affordable housing away from the Los Angeles, Orange, and San Diego county areas. As a result, the County's employment and commercial base has become more diversified, and the County's share of the regional economy has increased. So far, housing prices and property values in Riverside County remain strong, although it will be hard to predict the longer-term impact of the pandemic.

The foundation for continued economic growth during a recovery is certainly in place; however, 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.

Long-term Financial Planning

Proactive financial planning is a critical element for the success of the Commission as it builds for the future. Continually reviewing projected revenues, expenditures, and expenses to actual amounts ensures that the Commission's expectations are realistic and goals are achievable. Scarce resources, especially at the state and federal level, can be directed to projects of regional significance or, with additional funding, project priorities can be expanded to address unfunded project requirements or developing needs.

Local funding, and specifically the Commission's voter-approved sales tax program (Measure A) will continue to serve as RCTC's most significant source of funding. The program funds highway, street and road, public transit, and rail projects and new transportation corridors throughout the County. The program is established in a way to ensure funding for every geographic region within the County including the Palo Verde Valley, Coachella Valley and more heavily populated area of Western Riverside County. As mentioned earlier, revenues exceeded the Commission's approved revised projection for FY 2019/20 in spite of three and a half months of COVID-related closures. For FY 2020/21, the Commission made conservative projections and will be ready to make adjustments based on actual results.

Prior to the pandemic, the Commission actively considered seeking voter approval of another half-cent sales tax levy to fund a comprehensive Traffic Relief Plan. The pandemic scuttled immediate plans to go to take a ballot measure to the voters, but the Commission approved the Traffic Relief Plan in May 2020 after a comprehensive outreach and planning effort. The Traffic Relief Plan could serve as the foundation for a future, near-term election.

At the state level, transportation funding is a source of continuing debate regarding future priorities. Sustainability has become a statewide priority and will likely impact the direction of state funding for many years, and California has established a number of more predictable funding streams such as an increase in the gas tax, a cap and trade program from emissions trading, and encouragement of market-based approaches such as implementation of express lanes and toll facilities.

Tolling is another important local funding source for the Commission, and it has been negatively impacted by the pandemic. Since RCTC's opening the 91 Express Lanes in Corona in 2017, traffic and revenue along this highly-used corridor exceeded projections. This was disrupted late March and early April 2020, as the Commission experienced a drop in use of the RCTC 91 Express Lanes by approximately 79% since many workplaces and destinations closed due to the pandemic. Since mid-April, traffic and revenue have increased slowly and steadily. Overall use of the RCTC 91 Express Lanes now exceeds more than half of the levels prior to the pandemic and continue to climb. More importantly, overall traffic on the State Route (SR) 91 Corridor is growing steadily and has even reached a level of 90% of previous levels in peak periods. As the economy rebounds, the Commission expects that the performance of the RCTC 91 Express Lanes will also recover. In addition to this facility, the Commission anticipates to open the 15 Express Lanes in Spring 2021.

As that project opens, construction work on the 15/91 Express Connector will begin in mid-2021. The 15/91 Express Lanes Connector will be especially important to the Commission and provide a needed direct express lane to express lane connection between SR-91 and the northern portion of Interstate (I) 15. The Commission awarded a design-build agreement in March 2020 to ensure expedited delivery of the project.

The news on federal funding is uncertain and will continue to be prior to the November 2020 election. In December 2015, the comprehensive transportation bill known as Fixing America's Surface Transportation Act - or FAST Act - superseded Moving Ahead for Progress in the 21st Century (MAP-21) which originally expired in June 2014. The federal government continues to be a source of highway funding through the Surface Transportation Block Grant Program (formerly, Surface Transportation Program) and the Congestion Mitigation Air Quality program, since the FAST Act continues these programs at roughly the same funding level.

Capital Project Delivery and Implementation – Critical Workers Delivering Needed Infrastructure

The Capital Project Development and Delivery Department is responsible for major highway and rail capital projects from initial environmental study through preliminary engineering, final design, right of way acquisition, and construction.

The Commission is currently in the midst of an unprecedented era of transportation investment in Riverside County. The results can be seen with numerous projects under construction, increasingly popular and successful transit service, and promises of more on the way in the near future. There are also a number of notable completed projects - providing tangible examples of the Commission completing promises that were made to voters who approved Measure A. The Commission has developed a track record of success which is taking shape throughout the County as evidenced in the following project types.

Construction Keeps Going

At the beginning of the pandemic-related shutdowns in California, construction workers were identified as essential workers. Investing in infrastructure can be a critical component in protecting and growing the economy in uncertain jobs. For example, the 60 Truck Lanes project is projected to create as many as 2,490 jobs. Similar investments and resulting job creation can be seen throughout the county as seen in the following highway and rail projects:

60 Truck Lanes: In partnership with Caltrans, the Commission is the lead agency for the 60 Truck Lanes Project. With a total project cost estimated at \$138.4 million, construction of the project began in early 2019. The project is expected to be completed in 2022. In early 2020, a major construction milestone, which included a significant lane closure in the westbound connection, was completed and traffic was shifted to a newly constructed segment of the highway. The project adds truck climbing and deceleration lanes, wider shoulders, and additional safety improvements to a 4.5-mile segment of the highway.



Placentia Interchange to link I-215 and future Mid County Parkway: Construction work began in mid-2020 on the very first component of the Mid County Parkway (MCP), a new 16 mile east-west corridor between the cities of San Jacinto and Perris. This \$42 million project adds a new freeway interchange at Placentia Avenue that will link to the MCP and improve a segment of Placentia Avenue in the city of Perris.



I-15 Railroad Canyon Interchange: The Commission serves as the lead agency to expand the I-15 interchange at Railroad Canyon Road in the city of Lake Elsinore. The \$45 million project began construction in May 2020 and widens the street under the freeway and makes a number of needed improvements to increase capacity of the on- and off-ramps and auxiliary lanes.

91 Freeway Corridor Operations Project: Another project that will launch construction in the latter part of 2020 is the 91 Corridor Operations Project.

The project adds an auxiliary lane on westbound SR-91 from the Green River Road on-ramp to the southbound SR-241 connector. The new auxiliary lane, located next to the outside shoulder, will help relieve westbound traffic congestion through this heavily traveled corridor.

I-15 Express Lanes - Opening Soon: The I-15 Express Lanes Project is nearing completion and will open in FY 2020/21. The project adds two tolled express lanes of approximately 15 miles in length, in each direction in the median of I-15. The 15 Express Lanes will operate by offering multiple access points to enter and exit the express lanes. The 15 Express Lanes will also feature dynamic pricing, which is designed to adjust tolls throughout the day to reflect actual traffic conditions rather than being bound by a set time of day schedule.

15/91 Express Lanes Connector: Construction will begin in 2021 to build a new direct connection between the RCTC 91 Express Lanes and the 15 Express Lanes. With the design-build contract awarded, the design-builder started design, field surveys, and geotechnical services. The new connection will be provided from the eastbound 91 Express Lanes to the northbound 15 Express Lanes and from the southbound 15 Express Lanes to the westbound 91 Express Lanes.

Commuter Rail Improvements: The Commission began construction in mid-March to expand the Metrolink train layover facility at the Riverside-Downtown Station. The project will allow more trains to be housed at the station at the end of each night shift, resulting in more efficient service. Construction activities will include track improvements north of the train platform, drainage facilities, electrical systems, lighting fixtures, security fencing, access gates, utility relocations, and water and sewer connections.

Another station project currently in the environmental phase is construction of a new platform on the east side of the station. This will allow more trains to serve the Riverside-Downtown Station, which is one of the Metrolink system's most heavily used stations.

Projects for Future Construction

I-15 Express Lanes Southern Extension: Environmental work is already under way to extend the 15 Express Lanes an additional 14.5 miles to the city of Lake Elsinore. A series of public scoping meetings were held during the past year as part of the comprehensive environmental review process.

I-15 Corridor Operations Project: Another future project on I-15 about to enter project development is the I-15 Corridor Operations Project, or 15 COP. This project will add a non-tolled lane on southbound I-15 from the Cajalco Road on-ramp to the Weirick Road off-ramp, a segment slightly less than one mile. It will also widen the existing I-15 median, shift vehicles to this new pavement, and convert the existing outside lane to a new travel lane. Additionally, the 15 COP will widen the Bedford Canyon Wash Bridge and ease southbound traffic congestion on I-15 during peak hours.

71/91 Interchange: The Commission is diligently working to secure funding for a new connector between the eastbound SR-91 and northbound SR-71 in the city of Corona. This \$121 million project has environmental clearance and could begin the construction phase in 2021 if funding is secured.

79 Realignment Remains an Important Priority: Another large planning effort affecting the Hemet and San Jacinto communities is the realignment of SR-79. This 2009 Measure A project is undergoing early project development partially funded through the TUMF program and federal earmarks. An environmental document was approved in January 2017 to allow the realignment of SR-79 between Domenigoni Parkway, south of SR-74, and Gilman Springs Road, north of San Jacinto. The project will realign the highway to provide a more direct route within the San Jacinto Valley. Current work on this project includes acquisition of right of way needed for mitigation and to protect cultural sites.

Active Transportation: Non-motorized transportation options are becoming an increasingly important part of California's transportation infrastructure, and the Commission has taken a leadership role in assisting local jurisdictions by funding and advocating for projects vying for state funding. The Commission is also heading up project development for the Santa Ana River Trail – a multiuse facility that will provide a bike, pedestrian and equestrian trail to link San Bernardino, Riverside and Orange Counties for cyclists, pedestrians and equestrians.

TUMF Links Growth with Infrastructure

In the Coachella Valley, a TUMF program was established shortly after the passage of the 1989 Measure A. The program requires developers to pay a fee on new development to fund arterial improvements. Cities are required to participate in the program or forfeit Measure A local dollars to Coachella Valley Association of Governments, which oversees the arterial program and has been successful in funding a number of important arterial and freeway interchange projects.

With the passage of the 2009 Measure A, a TUMF program with participation requirements similar to that in the Coachella Valley is in place in Western County and administered by the Western Riverside Council of Governments. TUMF funds received by the Commission are split evenly between new corridors, including the MCP, and regional arterials, including local projects and the SR-79 realignment project. To date under the regional arterial program, 18 projects have been completed, one project will be under construction in 2020, and one project remains in pre-construction.

Rail Development, Operations and Support

As one of five funding partners in the Southern California Regional Rail Authority, which operates the Metrolink commuter rail service, the Commission is engaged in a continual exercise of consensus building with its partners to provide effective regional service. Now consisting of seven lines serving six counties, the system typically carried an average of slightly more than 40,000 passengers each weekday prior to COVID-19. The Commission owns and operates nine stations served by the three Metrolink lines operating through the County, including four new stations along the Perris Valley Line that commenced carrying passengers in June 2016.

The Commission's Perris-Downtown station is a multimodal facility also serving Riverside Transit Agency bus operations and providing park and ride spaces. It continues to serve as an important regional bus terminal. The Riverside Downtown Operations Control Center provides monitoring of closed circuit televisions at the stations as well as facilities for train crews.

- *Riverside Line:* Originates in the Riverside-Downtown station and stops at the Jurupa Valley-Pedley station before proceeding through Ontario, Pomona, Industry, and Montebello to Los Angeles Union Station. Pre-pandemic daily ridership averaged 3,961 riders.
- *Inland Empire Orange County (IEOC) Line:* Begins in nearby San Bernardino with stops at the Riverside-Downtown, Riverside-La Sierra, Corona-North Main, and Corona-West stations before entering Orange County with stops in Anaheim Canyon, Orange, Santa Ana, Tustin, Irvine, Laguna Niguel/Mission Viejo, San Juan Capistrano, San Clemente and Oceanside. When initiated, this service was described as the first suburb-to-suburb commuter rail service in the nation. Average daily ridership on the IEOC line was 4,784 prior to COVID-19. This line also provides weekend service.

- **91/Perris Valley Line:** Provides service from Perris to Los Angeles with stops in Perris-South, Perris-Downtown, Moreno Valley/March Field, Riverside-Hunter Park/UCR, Riverside-La Sierra, Corona-North Main, Corona-West, Fullerton, Buena Park, Norwalk, and Commerce before terminating at Union Station. Daily patronage on the line prior to COVID-19 averaged 3,731. A part of this line between Riverside and Los Angeles offers weekend service, and new weekend service from Perris started in October 2019.

COVID-19 Impact on Metrolink

The onset of COVID-19 has resulted in a significant drop in Metrolink ridership since mid-March. Up to that point, ridership and use had increased by approximately 3% since the previous year. Today daily ridership on Metrolink lines serving Riverside County is down by approximately 75% on the IEOC and 91/Perris Valley Lines and 89% on the Riverside Line when compared to a year ago.

Metrolink has responded to the challenge with a comprehensive series of strategies. One of Metrolink's first actions was a reduction in train schedules by 30% beginning on March 26, 2020. To address safety concerns, enhanced vehicle and station cleaning and sanitation efforts were implemented along with social distancing efforts. Metrolink conducted a Customer Survey that found that 81% of all riders are likely to return to Metrolink and that most current riders self-identify as "Essential Workers." Metrolink also is implementing a Recovery Plan to prioritize safety and protect employees and customers while also providing a phased approach to recovery. To assist with ridership recovery, Metrolink has introduced a five-day pass to improve fare flexibility along with Weekends Kids Ride Free, a new Loyalty Program, and an enhanced Corporate Partner Program focused on the healthcare industry.

Metrolink is utilizing Federal Transit Administration CARES grant funding to address some of the revenue loss due to ridership declines and will restore service as demand grows – although it is anticipated to take several years for ridership and revenues to fully recover.

Commuter Services

Acting in its capacity as the regional transportation planning agency (RTPA) and the SAFE for Riverside County, the Commission provides a variety of commuter services to increase mobility, safety, and air quality throughout the region. As the RTPA, the Commission applies Measure A funds to administer the Commuter Assistance Program to ease congestion, maximize the efficiency of its transportation investments, and reduce emissions from single occupant vehicle trips with the following programs and services:

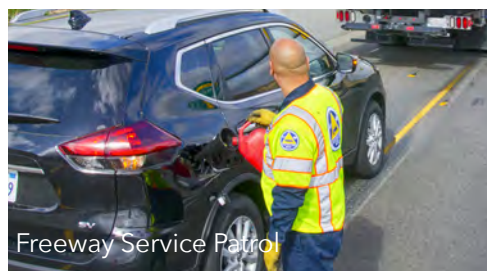
Rideshare Incentives: The most prominent commuter incentive continues to be the Rideshare Incentives, a short-term incentive that offers \$2 per day for each day new ride sharers use an alternate mode of transportation in a three-month period. Long-term ride sharers are recognized and rewarded for their continuing commitment to use alternate modes of transportation to and from work with access to discounts at over 360,000 nationwide merchants through Rideshare Plus.

Vanpool Subsidies: In May 2018, the Commission launched VanClub, which provides ongoing subsidies to eligible vanpools commuting to employer worksites in Western County. In FY 2019/20, VanClub supported an average of 67 vans per month resulting in the reduction of an estimated 122,470 trips, 4.3 million miles and 2,329 tons of emissions throughout the region. Due to the COVID-19 pandemic, a number of vans have been suspended; however, the program will be ready to continue as workers return to various work sites.

Park and Rides: Working in partnership with Caltrans, the Commission leases excess parking from business and civic institutional partners to facilitate ridesharing and to expand the system's park and ride capacity. There are more than 3,000 park and ride spaces available in Riverside County.

Motorist Assistance: As the SAFE, the Commission also administers the Motorist Assistance Program to provide the following services designed to promote mobility and safety for motorists traveling through Riverside County:

Freeway Service Patrol: The FSP program is a special team of 26 tow trucks roving along 12 beats on portions of SR-60, SR-91, I-15, and I-215 within the County during peak, weekday commuter hours to assist drivers when their vehicles break down or experience other mechanical problems. Thanks in part to the approval of Senate Bill 1 in April 2017, which provided more funding to FSP programs, the Commission has been able to expand the service to additional areas along the I-15 in southwestern Riverside County.



The purpose of the FSP is to clear debris and remove disabled vehicles from the freeway as quickly as possible to help keep freeway traffic moving during rush hour periods. Another effort augments existing FSP service with additional tow trucks in construction areas as another means of construction-related congestion mitigation. The Riverside County SAFE and the State fund the FSP. During FY 2019/20, the FSP provided approximately 49,050 assists. This includes incremental FSP weekend service, funded by the South Coast Air Quality Management District's Mobile Source Air Pollution Reduction and Review Committee, on segments of SR-91 and SR-60.

Call Boxes: In cooperation with the California Highway Patrol and Caltrans, the Commission assists motorists who experience accidents, mechanical breakdowns, or other unforeseen problems by providing access to cellular call boxes with enhanced reception along the County's major highways. In response to the proliferation and continued growth of cell phone usage and declining demand and use of call boxes, the Commission approved a substantial reduction to the call box system in 2017 and 2019. A cost effective backbone of 158 call box units will remain in place and serve more than 346 centerline miles of highways. The call box program is funded by Riverside County SAFE revenue, an annual \$1 surcharge added to vehicle registrations. In FY 2019/20, call box operators answered approximately 980 calls from motorists.

Traveler Information: To further promote mobility, the Commission in partnership with the San Bernardino County Transportation Authority (SBCTA), provides motorists with access to real-time freeway travel information and incident information on Southern California highways through its IE511 Traveler Information system. IE511 is designed to promote mobility by fostering more informed travel decisions to avoid congestion and is available via the telephone by dialing 511 from any landline or cell phone within Riverside or San Bernardino County, online at www.ie511.org, or the IE511 mobile app. To date, the IE511 mobile app has been downloaded by more than 70,000 users. IE511 is funded with Riverside County SAFE funds in addition to SBCTA reimbursements. In FY 2019/20, IE511 serviced approximately 296,340 web visits and 95,160 phone calls.

Specialized Transit

The Commission has maintained a long-term commitment to assist residents with specialized transit needs. Through its Specialized Transit Program, the Commission has provided millions of dollars to public and nonprofit transit operators that provide special transit services to improve the mobility of seniors, persons with disabilities and persons with low incomes. Along with traditional dial-a-ride services, the Commission supports innovative programs providing transit assistance in hard-to-serve rural areas or for riders having very special transit needs. With funding from this program, individuals can travel to work independently, shop at the neighborhood grocery stores, visit a doctor, and much more.

The Commission develops a Public Transit-Human Services Coordinated Plan every four years. This plan assists the Commission in identifying service gaps, additional qualifying populations as well as underserved areas of Riverside County in need of transit services. The Commission is in the process in updating this plan, with the last plan updated in 2016. To address some of these transit service needs identified in the Public Transit-Human Services Coordinated Plan, a portion of the Measure A sales tax in Western Riverside County is set aside for a Specialized Transit Call for Projects. This Specialized Transit Call for Projects is held every three years and provides funding awards for public and nonprofit transit operators. The 2018 Specialized Transit Call for Projects awarded approximately \$8.2 million to 18 public and nonprofit transit

operators over a three-year period from FY 2018/19 through FY 2020/21. During FY 2019/20, public and nonprofit transit operators provided over 225,000 one-way trips.

In addition to funding and planning, the Commission restructured its TDA-required Social Services Transportation Advisory Council in FY 2019/20, by updating the bylaws, changing the name of the council, and recruiting a new cohort of members. The council was renamed to the Citizens and Specialized Transit Advisory Council (CSTAC) with an updated set of roles and responsibilities as well as a defined meeting structure. The new cohort consists of 13 members of the public and two Consolidated Transportation Service Agency members which were appointed by the Commission in March 2020. The CSTAC is expected to meet two to four times a year and provide Commission staff additional insight into specialized transit needs throughout the County.

Awards and Acknowledgements

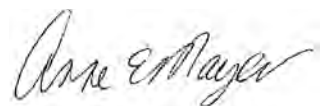
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commission for its CAFR for the fiscal year ended June 30, 2019. This was the 27th consecutive year the Commission has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

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

The CAFR each year is a collaborative effort by Commission staff and its independent auditors. The undersigned are grateful to all staff for their willingness to expend the effort necessary to ensure the financial information contained herein is informative and completed within established deadlines. Special thanks must be extended to the Finance staff, program management and staff, and Commission's auditors for the time, effort, and commitment so vital for the final completion of the CAFR.

In closing, without the leadership and the support of the Board, preparation of this report would not have been possible. Its prudent management must be credited for the strength of the Commission's fiscal condition, and its vision ensures that the Riverside County Transportation Commission will be on the move planning for and building a better future for Riverside County residents and commuters.

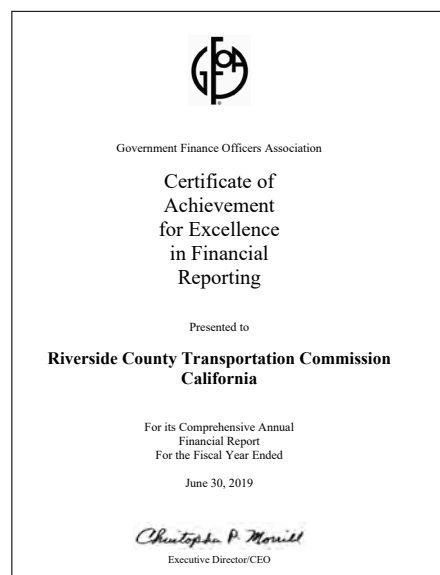
Very truly yours,



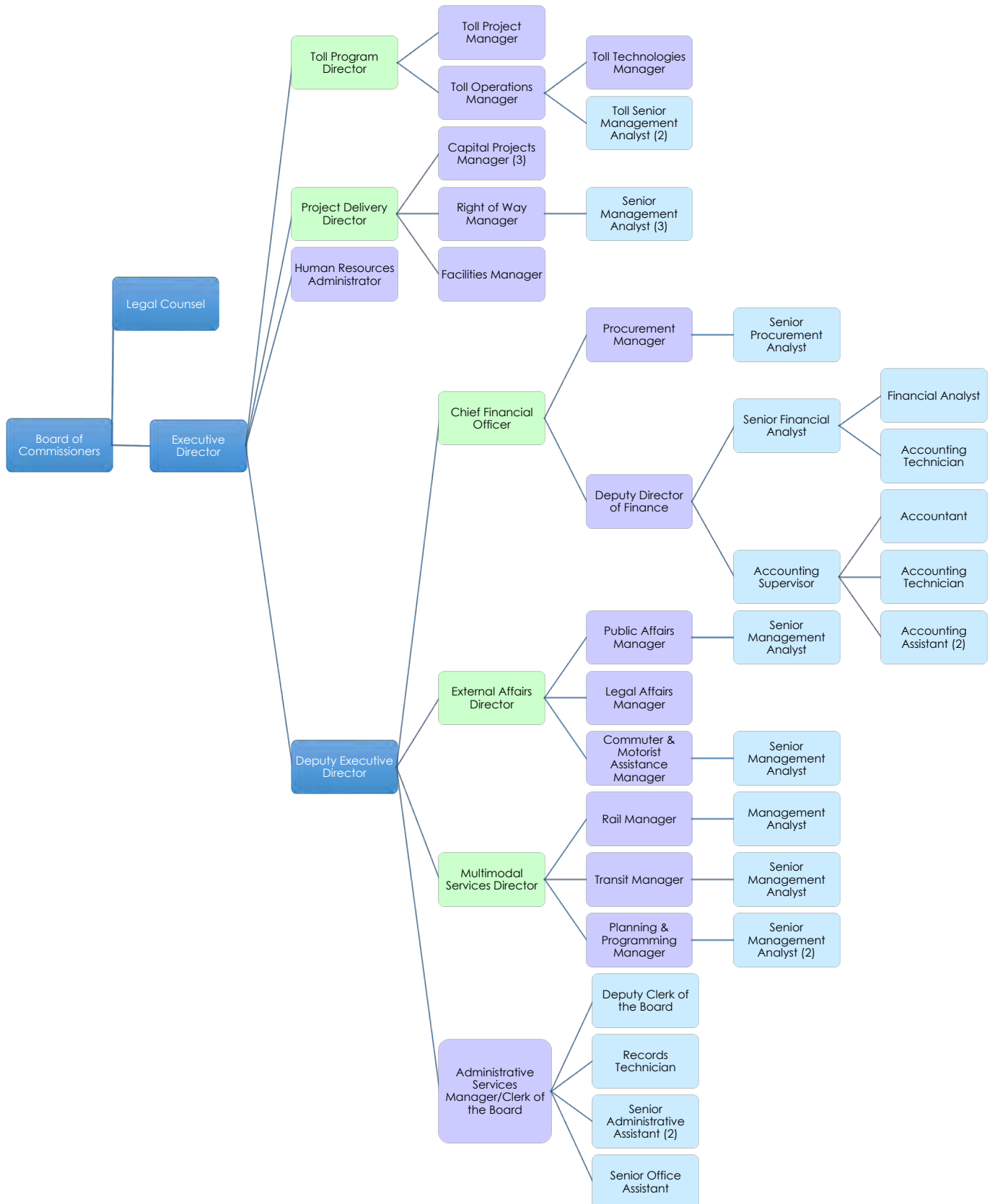
ANNE MAYER
Executive Director



THERESIA TREVIÑO
Chief Financial Officer



Riverside County Transportation Commission Organization Chart



**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	Member		County of Riverside, District 3
V. Manuel Perez	2 nd Vice Chair (Commission)		County of Riverside, District 4
Jeff Hewitt	Member		County of Riverside, District 5
Art Welch	Member		City of Banning
Lloyd White	Chair (Budget and Implementation Committee), Vice Chair (Toll Policy and Operations Committee)		City of Beaumont
Joseph DeConinck	Member		City of Blythe
Larry Smith	Member		City of Calimesa
Randall Bonner	Vice Chair (Budget and Implementation Committee)		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	Vice Chair (Western Riverside County Programs and Projects Committee)		City of Eastvale
Linda Krupa	Member		City of Hemet
Dana Reed	Member		City of Indian Wells
Waymond Fermon	Member		City of Indio
Brian Berkson	Chair (Toll Policy and Operations 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
Yxstain Gutierrez	Member		City of Moreno Valley
Scott Vinton	Member		City of Murrieta
Berwin Hanna	Member		City of Norco
Jan Harnik	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 Benoit	Chair (Commission)		City of Wildomar
Mike Beauchamp	Governor's Appointee		Caltrans, District 8 Director

Management Staff

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

FINANCIAL Section

FINANCIAL SECTION



60 Truck Lanes



Independent Auditor's Report

Board of Commissioners
Riverside County Transportation Commission
Riverside, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Riverside County Transportation Commission (Commission) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Commission, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of proportionate share of net pension liability, schedule of pension contributions, schedule of changes in the net OPEB liability/(asset) and related ratios, and the schedule of OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedules of expenditures, schedule of uses and debt proceeds and fund balance, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedules of expenditures, and schedule of uses and debt proceeds and fund balances are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedules of expenditures, and schedule of debt proceeds and fund balances are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

Riverside, California
October 30, 2020

Riverside County Transportation Commission
Management's Discussion and Analysis
Year Ended June 30, 2020

As management of the Riverside County Transportation Commission (Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the Commission's financial activities for the fiscal year ended June 30, 2020. We encourage readers to consider the information on financial performance presented here in conjunction with the transmittal letter on pages i-ix and the Commission's financial statements which begin on page 18.

Financial Highlights

- In early March, the federal government as well as California's Governor Newsom issued emergency declarations related to the COVID-19 pandemic. Further, on March 19, 2020, Governor Newsom issued Executive Order N-33-20, a stay at home order to protect the health and well-being of all Californians and to establish consistency across the state in order to slow the spread of COVID-19. The County of Riverside also issued a directive to county residents supporting the Governor's executive order. COVID-19 and the related "stay at home" orders have negatively impacted the local, regional, state, and federal economies; the magnitude and duration of these impacts is uncertain.
- Total net position of the Commission was \$440,576,157 and consisted of net investment in capital assets of \$578,176,767; restricted net position of \$860,313,222; and unrestricted net position (deficit) of (\$997,913,832).
- The governmental activities unrestricted net deficit results primarily from the recording of the debt issued for Measure A highway, local streets and roads, and regional arterial projects. As title to substantially most of those assets vests with the State of California (State) Department of Transportation (Caltrans) or local jurisdictions, there is no asset corresponding to the liability. Accordingly, the Commission does not have sufficient current resources on hand to cover current and long-term liabilities; however, future Measure A sales taxes are pledged to cover Measure A debt service payments when made.
- Total net position increased by \$101,030,228 during fiscal 2020. An increase in net position from governmental activities of \$102,665,984 was primarily due to an increase in operating grants and contributions; a decrease in general government, bicycle and pedestrian facilities, local streets and roads, regional arterials, and transit and specialized transportation program expenses; and offset by an increase in Community and Environmental Transportation Acceptability Process (CETAP), commuter assistance, commuter rail, highways, motorist assistance, planning and programming program expenses, as well as interest expense. A decrease in net position from business-type activities of \$1,635,756 was primarily due to a decrease in charges for services and internal transfers of surplus funds for the 91 Corridor Operations project, offset by an increase in investment earnings and interest expenses.
- Total capital assets, net of accumulated depreciation and amortization, were \$1,188,217,305 at June 30, 2020, representing an increase of \$128,605,868, or 12%, from June 30, 2019. The increase in capital assets was primarily related to construction in progress costs for the I-15 Express Lanes project, land acquisition, and rail station and building improvement costs.
- The long-term liabilities net increase of \$95,343,435 is related to a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan drawn down on the I-15 Express Lanes project and compounded and accreted interest on the TIFIA loans and 2013 Toll Revenue Bonds, respectively, offset by principal payments on sales tax revenue bonds, amortization of sales tax revenue bonds premium, and payment for the MSHCP funding liability.

- The Commission's governmental funds reported combined ending fund balances of \$810,326,181, an increase of \$20,112,108 compared to fiscal 2019 primarily due to intergovernmental revenues for reimbursement of projects costs and TIFIA loan draw down on the I-15 Express Lanes project, offset by increased CETAP, commuter assistance, commuter rail, highways, motorist assistance, and planning and programming expenditures. Approximately 67% of the governmental fund balances represent amounts available for the Measure A program, including debt service and funding from the issuance of debt, and the TUMF program.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Commission's basic financial statements, which are comprised of three components consisting of government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Commission's assets, liabilities, and deferred outflows/inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The statement of activities presents information showing how the Commission's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements report the functions of the Commission that are principally supported by sales taxes and intergovernmental revenues, or governmental activities, from other functions that are intended to recover all or a significant portion of its costs through user fees and charges, or business-type activities. The governmental activities of the Commission include general government, the Measure A program, CETAP, commuter assistance, regional arterials, commuter rail, transit and specialized transportation services, planning and programming, bicycle and pedestrian facilities projects, and motorist assistance services. Measure A program services are divided within the three regions of Riverside County (County), namely Western County, Coachella Valley, and Palo Verde Valley. The business-type activities of the Commission include toll road operations.

The government-wide financial statements include only the Commission and its blended component unit. The government-wide financial statements can be found on pages 18-19 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. As a result, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental

fund balance sheet and related statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Commission maintains 16 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the related statement of revenues, expenditures and changes in fund balances for the Commission's major governmental funds comprised of the General fund; Measure A Western County, Measure A Coachella Valley, Transportation Uniform Mitigation Fee (TUMF), Local Transportation Fund (LTF), State Transit Assistance, and SB 132 Special Revenue funds; Commercial Paper and Bonds Capital Projects funds; and Debt Service fund. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplementary information section.

The Commission adopts an annual appropriated budget for the General fund, all Special Revenue funds, all Capital Projects funds, and the Debt Service fund. Budgetary comparison schedules have been provided for the General fund and major Special Revenue funds as required supplementary information and for the nonmajor Special Revenue funds and the Capital Projects and Debt Service funds as other supplementary information to demonstrate compliance with these budgets.

The governmental fund financial statements, including the reconciliation between the fund financial statements and the government-wide financial statements, can be found on pages 20-27 of this report.

The proprietary fund consists of an enterprise fund, which is used to report the same functions presented as business-type activities in the government-wide financial statements. The Commission uses an enterprise fund to account for its toll road operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate financial information of the RCTC 91 Express Lanes, which is a major enterprise fund of the Commission.

The proprietary fund financial statements can be found on pages 28-31 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-71 of this report.

Other Information

Other information is in addition to the basic financial statements and accompanying notes to the financial statements. This report also presents certain required supplementary information concerning the Commission's budgetary results for the General fund and major Special Revenue funds as well as the schedules of proportionate share of net pension liability, pension contributions, changes in the net other post-employment benefits (OPEB) asset and related ratios, and OPEB contributions. Required supplementary information can be found on pages 75-83 of this report.

Other supplementary information is presented immediately following the required supplementary information. Other supplementary information includes the combining statements referred to earlier relating to nonmajor governmental funds; budgetary results for the nonmajor Special Revenue funds, all Capital Projects funds, and the Debt Service fund; schedules of expenditures for local streets and roads and expenditures for transit and specialized transportation; and schedule of uses of debt proceeds and fund balances. This other supplementary information can be found on pages 87-99 of this report.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2020, the Commission's assets exceeded liabilities by \$440,576,157, a \$101,030,228 increase from June 30, 2019. Our analysis below focuses on the net position and changes in net position of the Commission's governmental and business-type activities.

Net Position

Approximately 131%, compared to 120% in 2019, of the Commission's net position reflects its net investment in capital assets (i.e., intangibles consisting of toll facility franchise, construction in progress; land and improvements; toll infrastructure; buildings; construction and rail operating easements; rail stations; rail tracks; building and office improvements; development in progress; transponders; and office furniture, equipment, and vehicles), less any related outstanding debt used to acquire those assets, primarily related to land and tolled express lane projects. The Commission uses these capital assets to provide transportation services to the residents and business community of the County. Although the Commission's investments in capital assets is reported net of related debt, the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. For business-type activities, the related debt for the RCTC 91 Express Lanes exceeded the capital assets, net of accumulated depreciation and amortization.

The most significant portion of the Commission's net position represents resources subject to external restrictions on how they may be used. Restricted net position from governmental activities represented approximately 114% and 129% of the total governmental activities net position at June 30, 2020 and 2019, respectively. Restricted net position from governmental activities increased by \$21,456,068, as a result of the increased operating contributions, offset by increased CETAP, commuter assistance, commuter rail, highways, motorist assistance, and planning and programming expenses.

Unrestricted net position represents the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net position from governmental activities changed from an \$887,668,580 deficit at June 30, 2019 to a \$997,913,832 deficit at June 30, 2020. The governmental activities deficit results primarily from the impact of recording of the Commission's long-term debt, consisting of bonds issued for Measure A highway, local street and road, and regional arterial projects. While a significant portion of the debt has been incurred to build these projects which are capital assets, upon completion most projects except for express lanes projects are transferred to Caltrans or the local jurisdiction. Accordingly, projects other than express lanes are not assets of the Commission that offset the long-term debt in the statement of net position. Upon completion, express lanes projects and related debt are transferred to business-type activities.



Certain reclassifications have been made to 2019 amounts to conform to the 2020 presentation. Such reclassifications had no effect on the previous reported change in net position.

The following is condensed financial data related to net position at June 30, 2020 and June 30, 2019:

Net Position	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 909,152,049	\$ 863,920,518	\$ 142,589,873	\$ 104,415,452	\$1,051,741,922	\$ 968,335,970
Capital assets not being depreciated	644,934,348	484,129,864	29,215,720	38,736,133	674,150,068	522,865,997
Capital assets, net of depreciation and amortization	267,716,233	279,626,359	246,351,004	257,119,081	514,067,237	536,745,440
Total assets	1,821,802,630	1,627,676,741	418,156,597	400,270,666	2,239,959,227	2,027,947,407
Deferred outflows of resources	45,804,298	40,172,143	937,279	277,686	46,741,577	40,449,829
Total assets and deferred outflows of resources	1,867,606,928	1,667,848,884	419,093,876	400,548,352	2,286,700,804	2,068,397,236
Long-term obligations	1,000,535,282	926,889,816	691,025,618	669,865,188	1,691,560,900	1,596,755,004
Other liabilities	149,377,226	126,193,666	4,227,899	5,236,536	153,605,125	131,430,202
Total liabilities	1,149,912,508	1,053,083,482	695,253,517	675,101,724	1,845,166,025	1,728,185,206
Deferred inflows of resources	886,207	623,173	72,415	42,928	958,622	666,101
Total liabilities and deferred inflows of resources	1,150,798,715	1,053,706,655	695,325,932	675,144,652	1,846,124,647	1,728,851,307
Net position:						
Net investment in capital assets	898,390,755	706,935,587	(320,213,988)	(299,852,425)	578,176,767	407,083,162
Restricted	816,331,290	794,875,222	43,981,932	25,256,125	860,313,222	820,131,347
Unrestricted (deficit)	(997,913,832)	(887,668,580)	-	-	(997,913,832)	(887,668,580)
Net position at end of year	\$ 716,808,213	\$ 614,142,229	\$ (276,232,056)	\$ (274,596,300)	\$ 440,576,157	\$ 339,545,929

Changes in Net Position

The Commission's total program and general revenues were \$569,431,829, while the total cost of all programs was \$468,401,601. Total revenues decreased by 2%, and the total cost of all programs increased by 7%. Those who directly benefited from the programs or other governments that subsidized certain programs with grants and contributions paid approximately 49% of the costs of the Commission's programs in 2020, compared to 51% of the costs in 2019. Sales taxes ultimately financed a significant portion of the programs' net costs.

Governmental and business-type activities increased the Commission's net position by \$101,030,228 and condensed financial data related to the change in net position is presented in the table below. Key elements of this increase are as follows:

- Charges for services decreased by \$1,961,447 or 3%, due to decreased traffic volumes on the RCTC 91 Express Lanes from March through June 2020 resulting from the COVID-19 pandemic. As a result of the COVID-19 pandemic, the RCTC 91 Express Lanes temporarily suspended account fees and stopped the escalation of outstanding violations to the collection agency, which are scheduled to resume October 1, 2020;
- Operating grants and contributions increased by \$32,640,957 or 35%, primarily due to state reimbursements related to the Pachappa underpass, Hamner bridge widening, and Jurupa and McKinley Avenue grade separation projects;
- Capital grants and contributions decreased by \$29,764,756 or 40%, primarily due to federal reimbursements in the previous year related to the I-15 Express Lanes;
- Measure A sales tax revenues decreased by \$6,168,674, or 3%. This decrease is primarily a result of the COVID-19 pandemic;
- Transportation Development Act (TDA) sales taxes decreased by \$2,941,076, or 2%, primarily as a result of the COVID-19 pandemic;

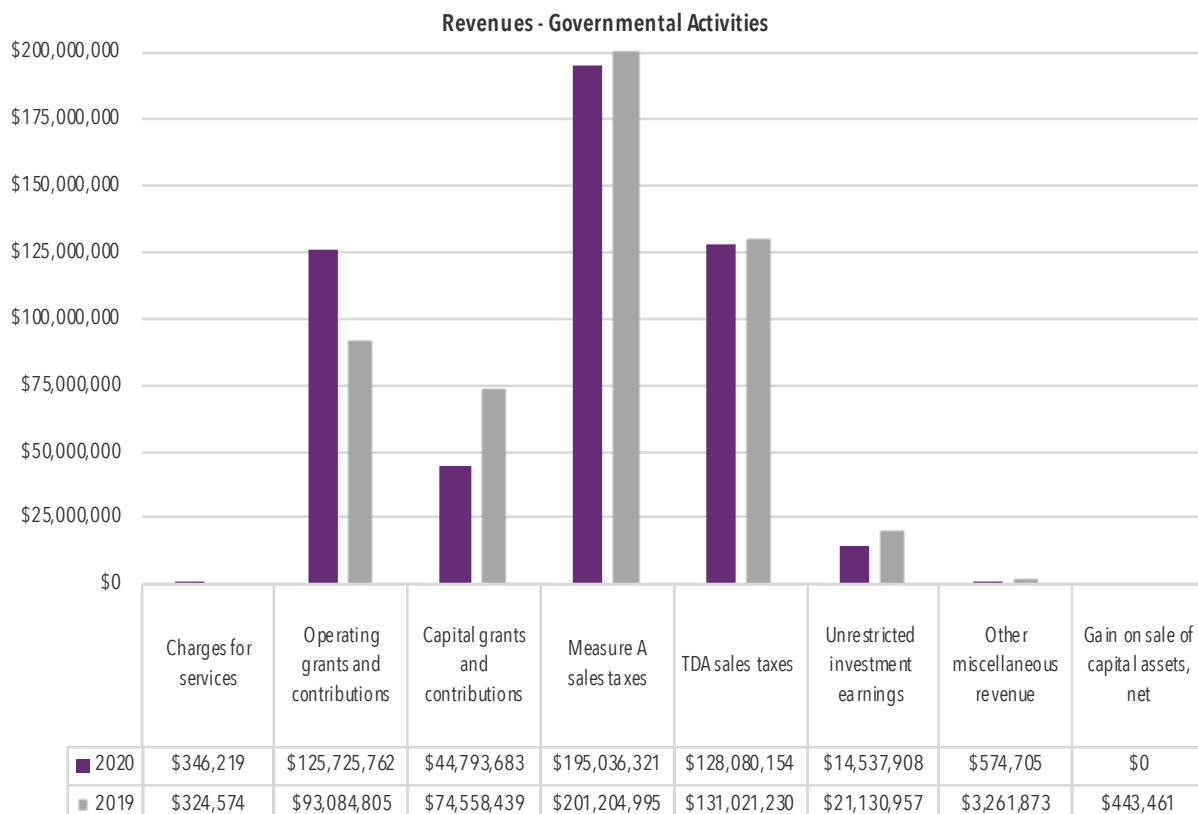
- Unrestricted investment earnings decreased \$5,460,478, or 23%, due to lower interest rates resulting from federal reserve interest rate cuts and the impacts of the COVID-19 pandemic as well as lower restricted investment cash balances;
- Other miscellaneous revenues decreased \$2,687,168, or 82%, due primarily to the sale in the previous year of rail and highway properties not included in capital assets;

	Governmental Activities		Business-Type Activities		Total	
Changes in Net Position	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 346,219	\$ 324,574	\$ 56,440,369	\$ 58,423,461	\$ 56,786,588	\$ 58,748,035
Operating grants and contributions	125,725,762	93,084,805	-	-	125,725,762	93,084,805
Capital grants and contributions	44,793,683	74,558,439	-	-	44,793,683	74,558,439
General revenues:						
Measure A sales taxes	195,036,321	201,204,995	-	-	195,036,321	201,204,995
TDA sales taxes	128,080,154	131,021,230	-	-	128,080,154	131,021,230
Unrestricted investment earnings	14,537,908	21,130,957	3,896,708	2,764,137	18,434,616	23,895,094
Other miscellaneous revenue	574,705	3,261,873	-	-	574,705	3,261,873
Gain on sale of capital assets, net	-	443,461	-	-	-	443,461
Total revenues	509,094,752	525,030,334	60,337,077	61,187,598	569,431,829	586,217,932
Expenses						
General government	(1,488,917)	1,295,384	-	-	(1,488,917)	1,295,384
Bicycle and pedestrian facilities	1,367,800	2,319,895	-	-	1,367,800	2,319,895
CETAP	1,441,976	1,398,238	-	-	1,441,976	1,398,238
Commuter assistance	3,673,416	3,612,855	-	-	3,673,416	3,612,855
Commuter rail	50,573,511	48,553,459	-	-	50,573,511	48,553,459
Highways	134,815,656	91,086,623	-	-	134,815,656	91,086,623
Local streets and roads	59,474,660	61,470,359	-	-	59,474,660	61,470,359
Motorist assistance	4,818,036	4,403,671	-	-	4,818,036	4,403,671
Planning and programming	7,798,197	4,340,660	-	-	7,798,197	4,340,660
Regional arterials	11,918,666	17,048,413	-	-	11,918,666	17,048,413
Toll operations	-	-	59,962,158	55,039,168	59,962,158	55,039,168
Transit and specialized transportation	99,413,296	117,766,548	-	-	-	117,766,548
Interest expense	34,633,146	33,663,673	-	-	-	33,663,673
Total expenses	408,439,443	386,959,778	59,962,158	55,039,168	468,401,601	441,998,946
Excess (deficiency) of revenues over (under) expenses	100,655,309	138,070,556	374,919	6,148,430	101,030,228	144,218,986
Transfers	2,010,675	2,977,396	(2,010,675)	(2,977,396)	-	-
Increase (decrease) in net position	102,665,984	141,047,952	(1,635,756)	3,171,034	101,030,228	144,218,986
Net position at beginning of year	614,142,229	473,094,277	(274,596,300)	(277,767,334)	339,545,929	195,326,943
Net position at end of year	\$ 716,808,213	\$ 614,142,229	\$ (276,232,056)	\$ (274,596,300)	\$ 440,576,157	\$ 339,545,929

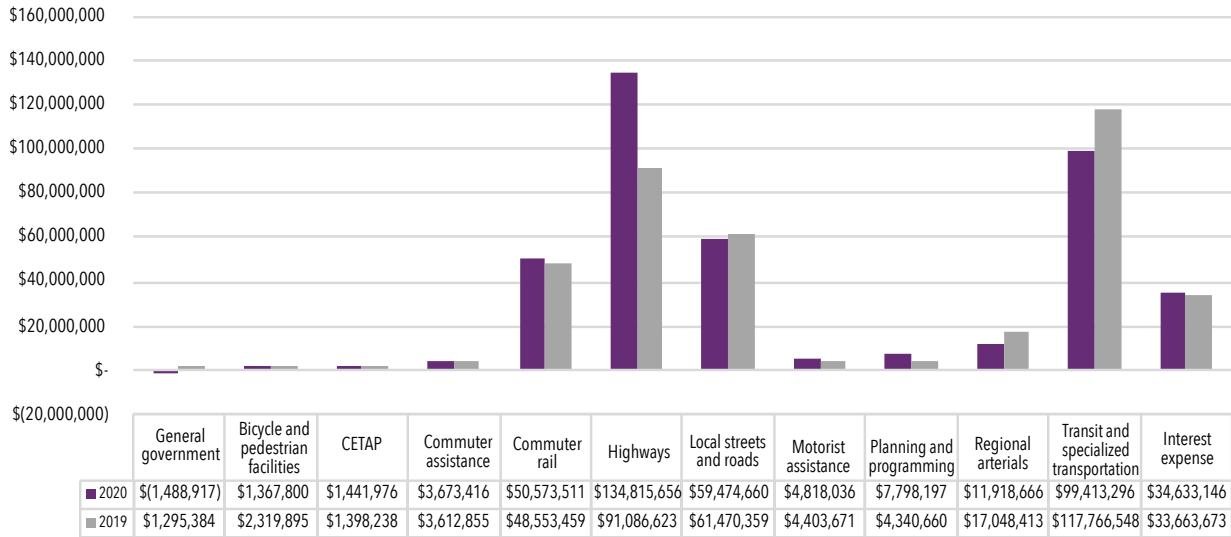
- General government expenses decreased by \$2,784,301, or 215%, primarily due to administrative cost allocations and the payoff of the pension unfunded actuary liability that is recognized as a deferred outflow of pension contributions subsequent to the measurement date;
- Bicycle and pedestrian facilities expenses decreased by \$952,095, or 41%, due to a decrease in claims submitted for approved projects;
- Commuter assistance expenses increased \$60,561, or 2%, primarily due to an increase in salaries and benefits and professional services;
- Commuter rail expenses increased by \$2,020,052, or 4%, as a result of commuter rail station operating and rehabilitation costs;

- Highway expenses increased by \$43,729,033, or 48%, due to SR-60 Truck Lanes, Pachappa underpass, I-15 Express Lanes, 15/91 Express Lanes Connector, I-15 Express Lanes southern extension, Hamner bridge widening, and Jurupa and McKinley Avenue grade separation projects;
- Local streets and roads expenses decreased by \$1,995,699 or 3%, because of a decrease in the overall Measure A sales tax revenue which affects the local streets and road distributions to local jurisdictions;
- Motorist assistance expenses increased by \$414,365, or 9%, due primarily to new freeway service patrol beats in south Western County and one-time expenses for interactive voice response platforms and upgrade of all call boxes to 4G;
- Planning and programming expenses increased by \$3,457,537, or 80%, due to signal synchronization projects and public outreach efforts;
- Regional arterial expenses decreased by \$5,129,747, or 30%, as a result of a net decrease in reimbursements to local jurisdictions for approved regional arterial projects;
- Toll operations expenses increased by \$4,922,990, or 9%, as a result of a net increase in operating and other financing-related costs, depreciation and amortization, and interest expense for the RCTC 91 Express Lanes, as well as the loss on sale of excess properties;
- Transit and specialized transportation expenses decreased by \$18,353,252, or 16%, due to a decrease in bus transit operating and capital claims in Western County and Coachella Valley geographic areas; and
- Interest expenses related to governmental activities increased by \$969,473 or 3%, primarily as a result of the net impacts of the current year's interest payments, amortization of the loss on refunding bonds, and amortization of sales tax bond premiums; and
- Internal transfers decreased \$966,721, or 32%, due to the transfer of surplus funds in the previous year for the 91 Corridor Operations and 15/91 Express Lanes Connector projects.

The graphs below present the program and general revenues by source and program expenses for the Commission's governmental activities for the fiscal years ended June 30, 2020 and June 30, 2019:

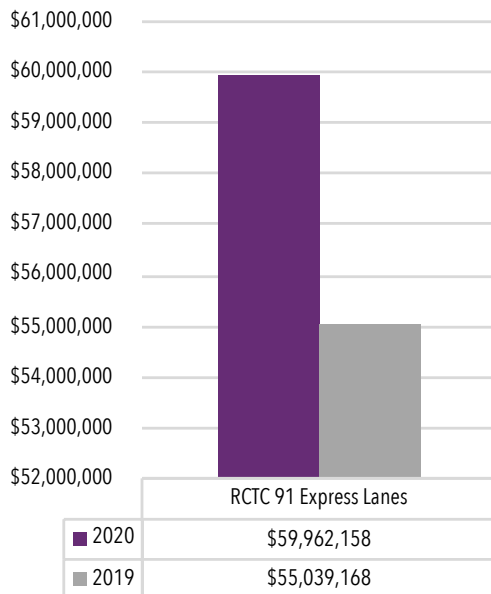


Expenses - Governmental Activities

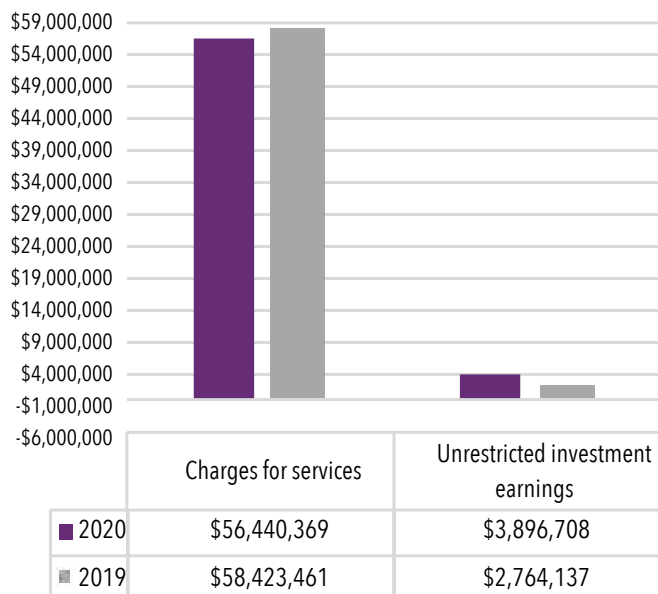


The graphs below present the program and general revenues by source and program expenses for the Commission's business-type activities for the fiscal years ended June 30, 2020 and June 30, 2019:

Expenses - Business-Type Activities



Revenue - Business-Type Activities



Financial Analysis of the Commission's Funds

Governmental Funds

The focus of the Commission's governmental funds is to provide information on a near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements.

As of June 30, 2020, the Commission's governmental funds reported combined ending fund balances of \$810,326,181, an increase of \$20,112,108 compared to 2019. Less than 1%, or \$3,169,991, is nonspendable fund balance related to prepaid amounts; \$3,267,803 is assigned fund balance for general government administration activities; an unassigned deficit of \$30,566 is related to a deficit fund balance in a nonmajor governmental fund. The remainder of the fund balance is restricted to indicate the following externally enforceable legal restrictions:

- \$8,303,262 in TDA funds that have been allocated to jurisdictions within the County for bicycle and pedestrian projects;
- \$53,511,289 of TUMF funds for new CETAP corridors in Western County;
- \$16,013,093 for Western County commuter assistance activities such as expansion of park-and-ride facilities and other projects and programs that encourage commuters to use alternative modes of transportation under the 2009 Measure A program;
- \$61,984,484 in TDA, Measure A, and Proposition 1B funds for commuter rail operations and capital projects and \$2,902,126 in TDA and Proposition 1B funds for the Coachella Valley/San Geronio Pass rail corridor;
- \$11,652,316 in 2009 Measure A funds available to pay sales tax revenue bonds debt service over the next year;
- \$289,081,089 for highway, economic development, and new corridor projects related to the 1989 Measure A and 2009 Measure A programs;
- \$413 for local streets and roads programs that are returned to the jurisdictions within the County for maintenance and construction of their roads and local arterials under the 2009 Measure A program;
- \$10,908,298 in state funds for motorist assistance services;
- \$2,507,188 of TDA funds for planning and programming activities;
- \$53,566,510 and \$64,025,819 for regional arterial projects in Western County related to the 2009 Measure A and TUMF programs, respectively;
- \$10,169,737 of Measure A funds for transit and specialized transportation in the Western County and \$1,705,158 for specialized transportation in the Coachella Valley; and
- \$217,588,171 in TDA funds available to the commuter rail and bus transit operations and capital in the County.

The following table presents the changes in fund balances for the governmental funds for the fiscal years ended June 30, 2020 and 2019:

	Fund Balances Year Ended June 30		% Change
	2020	2019	
General fund	\$ 25,862,291	\$ 29,124,269	11%
Special Revenue major funds:			
Measure A Western County	263,779,809	253,925,602	4%
Measure A Coachella Valley	63,573,136	56,410,474	13%
Transportation Uniform Mitigation Fee	117,537,108	109,653,332	7%
Local Transportation Fund	97,108,303	91,541,353	6%
State Transit Assistance	119,712,384	107,469,411	11%
SB 132	28,746	(1,272,356)	103%
Capital Projects major funds:			
Commercial Paper	18,123,165	23,091,659	(22)%
Bonds	70,028,781	88,561,805	(21)%
Debt Service fund	11,652,316	11,437,149	2%
Nonmajor governmental funds	22,920,142	20,271,375	13%

Key elements for the changes in fund balances are as follows:

- The 11% decrease in the General fund resulted from increased commuter rail and planning and programming expenditures, offset by decreased intergovernmental reimbursements;
- The 4% increase in the Measure A Western County Special Revenue fund was attributed to transfers from the capital project fund and the RCTC 91 Express Lanes fund for highway projects;
- The 13% increase in the Measure A Coachella Valley Special Revenue fund was attributed to excess 2009 Measure A revenues over expenditures for Coachella Valley highway and regional arterial projects;
- The 7% increase in the TUMF Special Revenue fund was attributable to excess TUMF revenues over CETAP and regional arterial projects;
- The 6% increase in the Local Transportation Fund resulted from the excess of sales tax revenues over claims of allocations for transit operations and capital projects and for bicycle and pedestrian facility projects;
- The 11% increase in the State Transit Assistance fund resulted from less claims for allocations for transit operations over sales tax revenues;
- The 103% increase in the SB 132 fund resulted from the reimbursements from the Department of Transportation for eligible project reimbursements;
- The 22% decrease in the Commercial Paper Capital Projects fund was attributed to the use of excess funds for the repayment of debt service;
- The 21% decrease in the Bonds Capital Projects fund was attributed to transfers out to the Measure A Western County Special Revenue fund for project costs;
- The 2% increase in the Debt Service fund was attributable to the increased federal subsidy received from the U.S. Treasury related to the 2010 Bonds; and
- The 13% increase in nonmajor governmental funds resulted primarily from the excess of sales tax revenues over claims of allocations for transit capital projects and an increase in motorist assistance revenues for freeway service patrol services.

Proprietary Fund

The Commission's proprietary fund provides the same type of information found in the government-wide financial statements. The net position of the proprietary fund totaled a deficit of \$276,232,056 at June 30, 2020. The deficit is related to the RCTC 91 Express Lanes toll-supported debt in excess of capital and intangible assets.

General Fund Budgetary Highlights

The \$2,491,500 increase in General Fund expenditure appropriations between the original budget and the final amended budget for the General fund was related to the following changes:

- \$62,400 increase to general government for various operations support services;
- \$54,000 increase to the commuter rail program for program management activities;
- \$2,470,500 increase to the planning and programming activities support costs;
- \$15,800 increase for debt service for capital lease payments; and
- \$111,200 decrease to capital outlay for furniture and equipment.

During the year, General fund revenues were lower than budgetary estimates by \$5,440,779; expenditures were less than budgetary estimates by \$19,532,733. General fund budgetary variances between the final amended budget and actual amounts are as follows:

General Fund Budgetary Variances	Year Ended June 30, 2020			
	Original Budget	Final Amended Budget	Actual	% Variance
Revenues				
Intergovernmental	\$ 11,664,700	\$ 11,664,700	\$ 5,338,528	(54)%
Investment income	499,400	276,100	285,148	3%
Other	400	400	876,745	219086%
Total revenues	12,164,500	11,941,200	6,500,421	(46)%
Expenditures				
Current				
General government	12,301,100	12,363,500	-	100%
Commuter rail	29,093,700	29,147,700	23,118,132	26%
Planning and programming	4,646,800	7,117,300	7,192,725	(1)%
Transit and specialized transportation	1,071,600	1,071,600	1,051,348	2%
Debt service	-	15,800	15,762	-
Capital outlay	1,306,000	1,194,800	-	100%
Total expenditures	48,419,200	50,910,700	31,377,967	62%
Other financing sources (uses)				
Transfers in	40,408,800	45,209,800	21,682,561	(52)%
Transfers out	(3,394,600)	(3,394,600)	(66,993)	98%
Total other financing sources (uses)	\$ 37,014,200	\$ 41,815,200	\$ 21,615,568	(48)%

Significant budgetary variances between the final amended budget and actual amounts are as follows:

- \$6,326,172 negative variance for intergovernmental revenues primarily related to lower intergovernmental reimbursements for commuter rail expenditures;
- \$876,345 positive variance for other revenues related to higher planning and programming reimbursements related to signal synchronization projects;
- \$12,363,500 positive variance for general government expenditures primarily related to administrative cost allocations process;
- \$6,029,568 positive variance for commuter rail expenditures related to lower station maintenance and repairs and Metrolink operations;
- \$1,194,800 positive variance for capital outlay expenditures related to administrative costs allocations;
- \$23,527,239 negative variance for transfers in related to the administrative cost allocations and lower commuter rail activities than anticipated; and
- \$3,327,607 positive variance for transfers out related to the administrative cost allocations process that affected commuter rail, planning and programming, and transit and specialized transportation activities.

Capital Assets

As of June 30, 2020, the Commission had \$1,188,217,305, net of accumulated depreciation and amortization, invested in a broad range of capital assets including development and construction in progress and easements; land and land improvements; construction rail operating easements, stations, and tracks; buildings; toll infrastructure; transponders; toll facility franchise; and office improvements, furniture, equipment, and vehicles. The total increase in the Commission's total capital assets, net for FY 2019/20 was 16% and primarily attributable to construction in progress related to the I-15 Express Lanes project, which is expected to be completed and open in Spring 2021.

Major capital asset additions during 2020 included construction in progress related to preliminary engineering, construction, and design-build costs for the I-15 Express Lanes and rail station improvements; land acquisitions; development in progress; rail stations; construction easements; buildings; and office improvements, furniture, equipment and vehicles.

The table below is a comparative summary of the Commission's capital assets, net of accumulated depreciation:

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Capital assets not being depreciated:						
Land and land improvements	\$ 179,433,422	\$ 169,894,576	\$ 29,215,720	\$ 38,736,133	\$ 208,649,142	\$ 208,630,709
Construction easements	4,221,021	1,221,021	-	-	4,221,021	1,221,021
Rail operating easements	63,846,199	63,846,199	-	-	63,846,199	63,846,199
Construction in progress	397,206,440	249,061,099	-	-	397,206,440	249,061,099
Development in progress	227,266	106,969	-	-	227,266	106,969
Total capital assets not being depreciated	644,934,348	484,129,864	29,215,720	38,736,133	674,150,068	522,865,997
Capital assets being depreciated and amortized, net of accumulated depreciation and amortization:						
Rail stations	129,708,580	136,390,623	-	-	129,708,580	136,390,623
Rail tracks	134,240,658	139,272,770	-	-	134,240,658	139,272,770
Temporary construction easements	57,815	289,076	-	-	57,815	289,076
Buildings and building improvements	3,148,989	2,935,656	1,124,381	1,280,972	4,273,370	4,216,628
Toll infrastructure	-	-	10,247,830	15,729,648	10,247,830	15,729,648
Transponders	-	-	178,652	269,416	178,652	269,416
Toll facility franchise	-	-	234,779,131	239,801,144	234,779,131	239,801,144
Office improvements, furniture, equipment, and vehicles	560,191	738,234	21,010	37,901	581,201	776,135
Total capital assets, net of accumulated depreciation and amortization	267,716,233	279,626,359	246,351,004	257,119,081	514,067,237	536,745,440
Total capital assets	\$ 912,650,581	\$ 763,756,223	\$ 275,566,724	\$ 295,855,214	\$ 1,188,217,305	\$ 1,059,611,437

On March 20, 2017, the 91 Project was substantially completed and the RCTC 91 Express Lanes opened to motorists. In connection with a toll facilities agreement with Caltrans, or service concession agreement, the Commission may collect tolls and operate and maintain a toll facility on SR-91 from the Orange/Riverside County line to I-15 for 50 years from opening.

More detailed information about the Commission's capital assets is presented in Note 4 to the financial statements.

Debt Administration

As of June 30, 2020, the Commission had \$1,730,325,877 outstanding in sales tax and toll revenue bonds and TIFIA loans. The total debt increased from the \$1,634,419,716 outstanding as of June 30, 2019, primarily due to the following:

- TIFIA loan draw of \$111,301,868 and \$1,668,411 compounded interest related to the I-15 Express Lanes project;
- Sales tax revenue bonds principal payments of \$27,245,000;
- Sales tax revenue bonds premium amortization of \$11,511,679;
- Toll revenue bonds capital appreciation bonds accretion of \$5,150,812;
- Toll revenue bonds discount amortization of \$73,073; and
- TIFIA compounded interest of \$16,468,676 on the RCTC 91 Express Lanes.

The Commission's sales tax revenue bonds received ratings of "AA+" from S&P Global Ratings (S&P), "Aa2" from Moody's Investors Service (Moody's), and "AA" from Fitch Ratings (Fitch), and the toll revenue bonds related to the 91 Project received ratings of "A" and "BBB+" from S&P and Fitch, respectively. The TIFIA loan related to the 91 Project received a rating of "BBB+" from Fitch, and the TIFIA loan related to the I-15 Express Lanes project received ratings of "BBB" from Kroll Bond Rating Agency and "BBB-" from Fitch.

In March 2005 the Commission established a commercial paper program, currently authorized at \$60,000,000 to provide advance funding for 2009 Measure A capital projects. The commercial paper notes are rated "A1" by S&P and "P1" by Moody's. As of June 30, 2020, the Commission had \$0 in commercial paper notes outstanding.

The sales tax revenue debt limitation for the Commission under the 2009 Measure A program is \$975,000,000 which exceeds the total outstanding debt of \$805,810,000. The Commission has also authorized the issuance of toll revenue bonds, including a TIFIA loan, for the 91 Project not to exceed \$900,000,000, which is in excess of the total outstanding debt of \$690,987,132. In March 2020, the Commission authorized the sale and issuance of not to exceed \$725 million of toll revenue refunding bonds related to the RCTC 91 Express Lanes; the Commission did not issue the refunding bonds prior to June 30, 2020. TIFIA loans provided federal funding up to \$421,054,409 for the 91 Project and \$152,214,260 for the I-15 Express Lanes project on a subordinate lien basis and a senior lien basis, respectively.

Additional information on the Commission's long-term debt can be found in Note 6 to the financial statements.

Economic Factors and Other Factors

During its March 2020 Commission meeting, the Commission adopted guiding principles for use in the preparation of the FY 2020/21 Budget. These principles have been incorporated in goals of the Commission and will continue to be updated annually in response to the ever-changing social, political, and economic environment. The principles are a business planning tool designed to assist the Commission in implementing its strategic goals and objectives and lays the foundation for future financial planning for the annual budget process.

The Commission adopted the FY 2020/21 annual budget on June 10, 2020. Approximately 31% of the \$1,291,574,800 balanced budget is related to capital project expenditures, including:

- \$14,482,100 for completion of right of way acquisition, construction, and design-build activities related to the 91 Project consisting of tolled express and general purpose lanes and interchange improvements;
- \$36,997,000 for preliminary engineering, construction and right of way activities related to the 91 Corridor Operations project;
- \$66,315,000 for construction and design-build activities related to the I-15 Express Lanes project;
- \$50,229,000 for right of way support services, construction, and design-build activities related to the 15/91 Express Lanes Connector project;
- \$26,425,000 for right of way support services, final design, and construction related to the I-15/ Railroad Canyon Interchange project;
- \$34,000,000 for preliminary engineering, right of way acquisition/support services, and construction related to the Western County SB 132 projects for which the Commission is not the lead agency;
- \$42,876,000 for preliminary, construction and right of way related to the SR-60 truck lanes project;
- \$14,102,000 for engineering support services, right of way acquisition/support services, and construction related to the Pachappa Underpass project;
- \$17,763,400 for various Western County Measure A and TUMF regional arterial projects; and
- \$57,755,000 for preliminary engineering, construction, and right of way acquisition/support services for the Mid County Parkway project.

Distributions to the local jurisdictions for local streets and roads are budgeted at \$48,479,100. Budgeted expenditures related to funding of public bus transit operations and capital projects in the County aggregate \$135,422,700, and budgeted transfers out related to funding of commuter rail operations and capital are \$9,000,000. Debt service costs are \$575,345,900, or 45% of the budget.

The Commission considered the COVID-19 impacts on revenue projections in preparing its 2021 fiscal year budget.

There are obvious variables in terms of project financing available from federal and state funds. There is continuing uncertainty regarding long-term federal transportation funding for the Commission's capital projects and programs. The Commission continues to study alternative financing alternatives such as tolled express lane facilities and federal financing programs to support the delivery of 2009 Measure A projects.

Contacting the Commission's Management

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest in the government's finances and to show the Commission's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Finance Department at the Riverside County Transportation Commission, 4080 Lemon Street, 3rd Floor, P.O. Box 12008, Riverside, California 92502-2208.



Basic Financial Statements



Riverside County Transportation Commission
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 648,422,739	\$ 60,767,378	\$ 709,190,117
Receivables:			
Accounts	162,232,647	626,837	162,859,484
Advances to other governments	21,156,321	-	21,156,321
Interest	1,862,944	395,472	2,258,416
Internal balances	578,984	(578,984)	-
Due from other governments	233,847	-	233,847
Prepaid expenses and other assets	3,169,991	167,237	3,337,228
Restricted investments held by trustee	70,963,012	81,168,497	152,131,509
Net other post-employment benefits assets	531,564	43,436	575,000
Capital assets not being depreciated	644,934,348	29,215,720	674,150,068
Capital assets, net of accumulated depreciation and amortization	267,716,233	246,351,004	514,067,237
Total assets	1,821,802,630	418,156,597	2,239,959,227
Deferred outflows of resources			
Loss on refunding of bonds	34,333,948	-	34,333,948
Pension related	10,947,106	894,523	11,841,629
Other post-employment benefits related	523,244	42,756	566,000
Total deferred outflows of resources	45,804,298	937,279	46,741,577
Total assets and deferred outflows of resources	1,867,606,928	419,093,876	2,286,700,804
Liabilities			
Accounts payable	94,869,356	1,562,418	96,431,774
Interest payable	3,717,670	1,976,606	5,694,276
Other liabilities	2,526,220	434	2,526,654
Long-term liabilities:			
Due within one year - bonds, leases, and compensated absences	40,016,763	14,535	40,031,298
Due in more than one year			
Net pension liabilities	8,247,217	673,906	8,921,123
Bonds, leases, and compensated absences	1,000,535,282	691,025,618	1,691,560,900
Total liabilities	1,149,912,508	695,253,517	1,845,166,025
Deferred inflows of resources			
Pension related	401,790	32,832	434,622
Other post-employment benefits related	484,417	39,583	524,000
Total deferred inflows of resources	886,207	72,415	958,622
Total liabilities and deferred inflows of resources	1,150,798,715	695,325,932	1,846,124,647
Net position			
Net investment (deficit) in capital assets	898,390,755	(320,213,988)	578,176,767
Restricted for:			
Bicycle and pedestrian facilities	8,303,262	-	8,303,262
CETAP	53,511,289	-	53,511,289
Commuter assistance	16,013,093	-	16,013,093
Commuter rail	65,052,918	-	65,052,918
Debt service	11,652,316	-	11,652,316
Highways	301,257,991	-	301,257,991
Local streets and roads	413	-	413
Motorist assistance	10,908,798	-	10,908,798
Express lanes	-	43,981,932	43,981,932
Planning and programming	2,558,615	-	2,558,615
Regional arterials	117,592,329	-	117,592,329
Transit and specialized transportation	229,480,266	-	229,480,266
Unrestricted (deficit)	(997,913,832)	-	(997,913,832)
Total net position	\$ 716,808,213	\$ (276,232,056)	\$ 440,576,157

See notes to basic financial statements

Riverside County Transportation Commission

Statement of Activities

Year Ended June 30, 2020

		Net (Expense) Revenue and Changes in Net Position					
Functions/Programs	Expenses	Program Revenues					
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental Activities:							
General government	\$ (1,488,917)	\$ 133	\$ -	\$ -	\$ 1,489,050	\$ -	\$ 1,489,050
Bicycle and pedestrian facilities	1,367,800	-	-	-	(1,367,800)	-	(1,367,800)
CETAP	1,441,976	-	11,284,437	-	9,842,461	-	9,842,461
Commuter assistance	3,673,416	-	1,292,434	-	(2,380,982)	-	(2,380,982)
Commuter rail	50,573,511	251,084	6,684,033	5,111,184	(38,527,210)	-	(38,527,210)
Highways	134,815,656	95,002	86,788,602	39,682,499	(8,249,553)	-	(8,249,553)
Local streets and roads	59,474,660	-	-	-	(59,474,660)	-	(59,474,660)
Motorist assistance	4,818,036	-	5,192,595	-	374,559	-	374,559
Planning and programming	7,798,197	-	1,998,213	-	(5,799,984)	-	(5,799,984)
Regional arterials	11,918,666	-	12,484,950	-	566,284	-	566,284
Transit and specialized transportation	99,413,296	-	498	-	(99,412,798)	-	(99,412,798)
Interest expense	34,633,146	-	-	-	(34,633,146)	-	(34,633,146)
Total governmental activities	408,439,443	346,219	125,725,762	44,793,683	(237,573,779)	-	(237,573,779)
Business-type Activities:							
RCTC 91 Express Lanes	59,962,158	56,440,369	-	-	-	(3,521,789)	(3,521,789)
Total Primary Government	\$ 468,401,601	\$ 56,786,588	\$ 125,725,762	\$ 44,793,683	(237,573,779)	(3,521,789)	(241,095,568)

General Revenues:

Measure A sales taxes	195,036,321	-	195,036,321
Transportation Development Act sales taxes	128,080,154	-	128,080,154
Unrestricted investment earnings	14,537,908	3,896,708	18,434,616
Other miscellaneous revenue	574,705	-	574,705
Transfers	2,010,675	(2,010,675)	-
Total general revenues and transfers	340,239,763	1,886,033	342,125,796
Change in net position	102,665,984	(1,635,756)	101,030,228
Net position (deficit) at beginning of year	614,142,229	(274,596,300)	339,545,929
Net position (deficit) at end of year	\$ 716,808,213	\$ (276,232,056)	\$ 440,576,157

See notes to basic financial statements

Riverside County Transportation Commission

Balance Sheet - Governmental Funds

June 30, 2020

	Major Funds						
	Special Revenue						
		Measure A	Measure A	Transportation		State	
	General	Western	Coachella	Uniform	Local	Transit	
		County	Valley	Mitigation	Transportation	Assistance	SB 132
				Fee	Fund		
Assets							
Cash and investments	\$ 11,916,022	\$ 231,538,907	\$ 62,479,495	\$ 114,495,567	\$ 78,068,171	\$ 114,930,075	\$ -
Receivables							
Accounts	5,043,157	66,470,800	8,053,131	6,471,044	19,845,188	6,041,230	44,924,155
Advances	-	-	-	-	-	-	-
Interest	39,714	716,879	148,949	280,148	156,738	276,790	5,883
Due from other funds	10,783,060	1,920,138	142,164	159,113	360,000	-	13,934
Advances to other funds	-	6,000,000	-	-	-	-	-
Prepaid expenditures and other assets	136,038	2,964,826	-	-	17,200	-	-
Restricted investments held by trustee	-	-	-	-	-	-	-
Total assets	\$ 27,917,991	\$ 309,611,550	\$ 70,823,739	\$ 121,405,872	\$ 98,447,297	\$ 121,248,095	\$ 44,943,972
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	\$ 1,488,356	\$ 43,223,078	\$ 6,619,584	\$ 3,587,650	\$ 258,994	\$ 1,493,611	\$ 37,464,418
Due to other funds	367,586	1,793,673	631,019	279,687	1,080,000	42,100	7,450,808
Advances from other funds	-	-	-	-	-	-	-
Other liabilities	199,758	814,990	-	1,427	-	-	-
Total liabilities	2,055,700	45,831,741	7,250,603	3,868,764	1,338,994	1,535,711	44,915,226
Deferred inflows of resources - unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Nonspendable-prepaid amounts	136,038	2,964,826	-	-	17,200	-	-
Restricted for							
Bicycle and pedestrian facilities	-	-	-	-	8,303,262	-	-
CETAP	-	-	-	53,511,289	-	-	-
Commuter assistance	-	16,013,093	-	-	-	-	-
Commuter rail	19,951,262	42,033,222	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Highways	-	139,032,421	61,867,976	-	-	-	28,746
Local streets and roads	-	-	2	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-
Planning and programming	2,507,188	-	-	-	-	-	-
Regional arterials	-	53,566,510	-	64,025,819	-	-	-
Transit and specialized transportation	-	10,169,737	1,705,158	-	88,787,841	119,712,384	-
Assigned							
General government	3,267,803	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	25,862,291	263,779,809	63,573,136	117,537,108	97,108,303	119,712,384	28,746
Total liabilities and fund balances	\$ 27,917,991	\$ 309,611,550	\$ 70,823,739	\$ 121,405,872	\$ 98,447,297	\$ 121,248,095	\$ 44,943,972

See notes to basic financial statements

Riverside County Transportation Commission
Balance Sheet - Governmental Funds, Continued
June 30, 2020

	Major Funds				
	Capital Projects			Other	
	Commercial		Debt	Nonmajor	
	Paper	Bonds	Service	Governmental	Total
				Funds	
Assets					
Cash and investments	\$ 451,790	\$ 9,100,258	\$ 4,960,148	\$ 20,482,306	\$ 648,422,739
Receivables					
Accounts	-	-	1,408,604	3,975,338	162,232,647
Advances	18,259,767	2,896,554	-	-	21,156,321
Interest	3,273	177,169	11,138	46,263	1,862,944
Due from other funds	434,145	67,894	-	-	13,880,448
Advances to other funds	-	-	-	-	6,000,000
Prepaid expenditures and other assets	-	-	-	51,927	3,169,991
Restricted investments held by trustee	-	64,139,818	6,823,194	-	70,963,012
Total assets	\$ 19,148,975	\$ 76,381,693	\$ 13,203,084	\$ 24,555,834	\$ 927,688,102
Liabilities, deferred inflows of resources, and fund balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ 733,665	\$ 94,869,356
Due to other funds	-	-	1,550,768	105,823	13,301,464
Advances from other funds	-	6,000,000	-	-	6,000,000
Other liabilities	441,381	272,462	-	796,204	2,526,222
Total liabilities	441,381	6,272,462	1,550,768	1,635,692	116,697,042
Deferred inflows of resources - unavailable revenue	584,429	80,450	-	-	664,879
Fund balances					
Nonspendable-prepaid amounts	-	-	-	51,927	3,169,991
Restricted for					
Bicycle and pedestrian facilities	-	-	-	-	8,303,262
CETAP	-	-	-	-	53,511,289
Commuter assistance	-	-	-	-	16,013,093
Commuter rail	-	-	-	2,902,126	64,886,610
Debt service	-	-	11,652,316	-	11,652,316
Highways	18,123,165	70,028,781	-	-	289,081,089
Local streets and roads	-	-	-	411	413
Motorist assistance	-	-	-	10,908,298	10,908,298
Planning and programming	-	-	-	-	2,507,188
Regional arterials	-	-	-	-	117,592,329
Transit and specialized transportation	-	-	-	9,087,946	229,463,066
Assigned					
General government	-	-	-	-	3,267,803
Unassigned	-	-	-	(30,566)	(30,566)
Total fund balances	18,123,165	70,028,781	11,652,316	22,920,142	810,326,181
Total liabilities and fund balances	\$ 19,148,975	\$ 76,381,693	\$ 13,203,084	\$ 24,555,834	\$ 927,688,102

See notes to basic financial statements



Riverside County Transportation Commission
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2020

Total fund balances - Governmental funds page 21	\$ 810,326,181
Amounts reported for governmental activities in the statement of net position page 18 are different because:	
Amounts due from other governments are not an available resource and therefore, are not reported in the funds.	233,847
Deferred outflows of pension resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	10,947,106
Deferred inflows of pension resources are not due and payable in the current period and, therefore, are not reported in the funds.	(401,790)
Deferred outflows of other post-employment benefits resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	523,244
Deferred inflows of other post-employment benefits resources are not due and payable in the current period and, therefore, are not reported in the funds.	(484,417)
Capital assets, less related accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the funds.	912,650,581
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unearned revenue in the funds.	664,881
Interest payable on bonds outstanding is not due and payable in the current period and therefore is not reported in the funds.	(3,717,670)
Net other post-employment asset is not reported in the funds.	531,564
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
Net pension liability	(8,247,217)
Compensated absences	(1,171,479)
Capital lease obligation	(41,821)
Sales tax bonds payable	(805,810,000)
TIFIA loan	(128,092,018)
Loss on refunding of sales tax bonds	34,333,948
Premium on sales tax revenue bonds payable	(105,436,727)
Net adjustment	(1,014,465,314)
Net position of governmental activities page 18	\$ 716,808,213

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2020

	Major Funds						
	Special Revenue						SB 132
	General	Measure A Western County	Measure A Coachella Valley	Transportation Uniform Mitigation Fee	Local Transportation Fund	State Transit Assistance	
Revenues							
Sales taxes	\$ -	\$ 152,356,159	\$ 41,832,334	\$ -	\$ 100,283,641	\$ 23,910,447	\$ -
Transportation Uniform Mitigation Fee	-	-	-	23,257,905	-	-	-
Intergovernmental	5,338,528	53,356,973	-	527,029	-	498	77,527,098
Investment income	285,148	4,159,573	1,108,859	2,120,529	1,167,823	2,073,193	31,818
Other	876,745	1,197,392	-	25,212	-	-	-
Total revenues	6,500,421	211,070,097	42,941,193	25,930,675	101,451,464	25,984,138	77,558,916
Expenditures							
Current:							
General government	-	534,338	-	-	12,000	-	-
Bicycle and pedestrian facilities	-	-	-	-	1,367,800	-	-
CETAP	-	215	-	11,104,593	-	-	-
Commuter assistance	-	3,938,474	-	-	-	-	-
Commuter rail	23,118,132	16,744,864	-	-	-	-	-
Highways	-	194,736,575	14,793,955	-	-	-	76,424,673
Local streets and roads	-	43,985,055	14,642,656	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-
Planning and programming	7,192,725	-	-	-	817,000	-	-
Regional arterials	-	4,939,979	-	7,119,421	-	-	-
Transit and specialized transportation	1,051,348	6,145,842	6,484,084	-	72,016,819	13,291,165	-
Total programs	31,362,205	271,025,342	35,920,695	18,224,014	74,213,619	13,291,165	76,424,673
Debt service:							
Principal	8,683	-	-	-	-	-	-
Interest	7,079	-	-	-	-	-	-
Total debt service	15,762	-	-	-	-	-	-
Capital outlay	-	3,536,042	-	-	-	-	-
Total expenditures	31,377,967	274,561,384	35,920,695	18,224,014	74,213,619	13,291,165	76,424,673
Excess (deficiency) of revenues over (under) expenditures	(24,877,546)	(63,491,287)	7,020,498	7,706,661	27,237,845	12,692,973	1,134,243
Other financing sources (uses):							
Debt issuance	-	111,301,868	-	-	-	-	-
Transfers in	21,682,561	24,978,397	142,164	177,115	-	-	166,859
Transfers out	(66,993)	(62,934,771)	-	-	(21,670,895)	(450,000)	-
Total other financing sources (uses)	21,615,568	73,345,494	142,164	177,115	(21,670,895)	(450,000)	166,859
Net change in fund balances	(3,261,978)	9,854,207	7,162,662	7,883,776	5,566,950	12,242,973	1,301,102
Fund balances at beginning of year	29,124,269	253,925,602	56,410,474	109,653,332	91,541,353	107,469,411	(1,272,356)
Fund balances at end of year	\$ 25,862,291	\$ 263,779,809	\$ 63,573,136	\$ 117,537,108	\$ 97,108,303	\$ 119,712,384	\$ 28,746

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2020

	Major Funds				
	Capital Projects			Other Nonmajor Governmental Funds	Total
	Commercial Paper	Bonds	Debt Service		
Revenues					
Sales taxes	\$ -	\$ -	\$ -	\$ 4,733,894	\$ 323,116,475
Transportation Uniform Mitigation Fee	-	-	-	-	23,257,905
Intergovernmental	-	-	2,811,688	6,342,438	145,904,252
Investment income	1,231,115	1,815,206	268,946	332,700	14,594,910
Other	-	-	90	184,555	2,283,994
Total revenues	1,231,115	1,815,206	3,080,724	11,593,587	509,157,536
Expenditures					
Current:					
General government	-	-	-	-	546,338
Bicycle and pedestrian facilities	-	-	-	-	1,367,800
CETAP	-	-	-	-	11,104,808
Commuter assistance	-	-	-	-	3,938,474
Commuter rail	-	-	-	1,206,698	41,069,694
Highways	-	-	-	-	285,955,203
Local streets and roads	-	-	-	847,983	59,475,694
Motorist assistance	-	-	-	4,934,056	4,934,056
Planning and programming	-	-	-	818,478	8,828,203
Regional arterials	-	-	-	-	12,059,400
Transit and specialized transportation	-	-	-	787,947	99,777,205
Total programs	-	-	-	8,595,162	529,056,875
Debt service:					
Principal	-	-	27,245,000	-	27,253,683
Interest	-	211,804	42,292,488	-	42,511,371
Total debt service	-	211,804	69,537,488	-	69,765,054
Capital outlay	-	-	-	-	3,536,042
Total expenditures	-	211,804	69,537,488	8,595,162	602,357,971
Excess (deficiency) of revenues over (under) expenditures	1,231,115	1,603,402	(66,456,764)	2,998,425	(93,200,435)
Other financing sources (uses):					
Debt issuance	-	-	-	-	111,301,868
Transfers in	-	-	69,625,783	2,869,442	119,642,321
Transfers out	(6,199,609)	(20,136,426)	(2,953,852)	(3,219,100)	(117,631,646)
Total other financing sources (uses)	(6,199,609)	(20,136,426)	66,671,931	(349,658)	113,312,543
Net change in fund balances	(4,968,494)	(18,533,024)	215,167	2,648,767	20,112,108
Fund balances at beginning of year	23,091,659	88,561,805	11,437,149	20,271,375	790,214,073
Fund balances at end of year	\$ 18,123,165	\$ 70,028,781	\$ 11,652,316	\$ 22,920,142	\$ 810,326,181

See notes to basic financial statements



I-15 in Southwest Riverside County

**Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

Year Ended June 30, 2020

Net change in fund balances - Total governmental funds page 25 **\$ 20,112,108**

Amounts reported for governmental activities in the statement of activities page 19 are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over its estimated useful lives and reported as depreciation expense. The adjustment combines the net changes of the following amounts:

Capital outlay	161,733,607
Net loss on sale of assets	(24,794)
Depreciation expense	(12,814,455)
Net adjustments	148,894,358

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (56,752)

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The adjustment combines the net changes of the following amounts:

Principal payments for sales tax revenue refunding bonds	4,680,000
Principal payment for sales tax revenue bonds	22,565,000
TIFIA loan proceeds	(111,301,868)
Change in TIFIA loan accrued interest	(1,668,411)
Amortization of sales tax revenue bonds premium	11,511,679
Amortization of loss on 2017B Refunding Bonds	(1,807,050)
Capital lease payments	8,683
Change in accrued interest	(157,996)
Change in Multi-Species Habitat Conservation Plan funding liability	3,000,000
Net pension liability	(443,851)
Pension change in deferred outflows of resources	7,643,822
Pension change in deferred inflows of resources	56,726
Net other post-employment benefits asset	494,142
Other post-employment benefits change in deferred outflows of resources	(204,617)
Other post-employment benefits change in deferred inflows of resources	(319,760)
Net adjustments	(65,943,501)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The adjustment combines the net changes of the compensated absences. (340,229)

Change in net position of governmental activities page 19 **\$ 102,665,984**

See notes to basic financial statements

Riverside County Transportation Commission

Statement of Net Position

Proprietary Fund

June 30, 2020

	RCTC 91 Express Lanes Enterprise Fund
Assets	
Current assets:	
Cash and investments	\$ 60,767,378
Receivables	
Accounts	626,837
Interest	395,472
Due from Commission funds	6,084
Prepaid expenses	167,237
Total current assets	<u>61,963,008</u>
Noncurrent assets:	
Restricted investments held by trustee	81,168,497
Other post-employment benefits assets	43,436
Capital assets, net:	
Nondepreciable	29,215,720
Depreciable and amortizable	246,351,004
Total noncurrent assets	<u>356,778,657</u>
Total assets	<u>418,741,665</u>
Deferred outflows of resources	
Pension benefits	894,523
Other post-employment benefits	42,756
Total deferred outflows of resources	<u>937,279</u>
Total assets and deferred outflows of resources	<u>419,678,944</u>
Liabilities	
Current liabilities:	
Accounts payable	1,562,418
Interest payable	1,976,606
Due to Commission funds	585,068
Other liabilities	434
Compensated absences liability	14,535
Total current liabilities	<u>4,139,061</u>
Noncurrent liabilities:	
Net pension liabilities	673,906
Compensated absences liability	38,486
Bonds payable - due in more than one year	690,987,132
Total noncurrent liabilities	<u>691,699,524</u>
Total liabilities	<u>695,838,585</u>
Deferred inflows of resources	
Pension benefits	32,832
Other-post employment benefits	39,583
Total deferred inflows of resources	<u>72,415</u>
Total liabilities and deferred inflows of resources	<u>695,911,000</u>
Net position	
Net investment (deficit) in capital assets	(320,213,988)
Restricted for toll operations	43,981,932
Total net position (deficit)	<u><u>\$ (276,232,056)</u></u>

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2020

	RCTC 91 Express Lanes
	Enterprise Fund
Operating revenues	
Tolls, penalties, and fees	\$ 56,440,369
Operating expenses	
Management and operational services	10,288,241
Administrative overhead	912,800
Other operating expenses	960,208
Professional services	1,341,747
General and administrative expenses	249,768
Depreciation and amortization	10,784,109
Total operating expenses	<u>24,536,873</u>
Operating income	<u>31,903,496</u>
Nonoperating revenues (expenses)	
Investment earnings	3,896,708
Interest expense	(28,855,679)
Loss on sale of capital assets	(6,569,606)
Total nonoperating revenues (expenses)	<u>(31,528,577)</u>
Income before transfers	374,919
Transfers out to governmental funds	<u>(2,010,675)</u>
Total Transfers	<u>(2,010,675)</u>
Change in net position	(1,635,756)
Net position (deficit) at beginning of year	<u>(274,596,300)</u>
Net position (deficit) at end of year	<u><u>\$ (276,232,056)</u></u>

See notes to basic financial statements

Riverside County Transportation Commission

Statement of Cash Flows

Proprietary Fund

For the Year Ended June 30, 2020

	RCTC 91 Express Lanes
	Enterprise Fund
Cash flows from operating activities	
Receipts from customers and users	\$ 56,666,151
Payments to vendors	(12,049,889)
Payments to employees	(733,014)
Payments for RCTC interfund services used	(1,531,184)
Reimbursements received for shared costs	452,808
Net cash provided by operating activities	<u>42,804,872</u>
Cash flows from noncapital financing activities	
Transfers of surplus funds to governmental activities	(3,083,067)
Net cash used for noncapital financing activities	<u>(3,083,067)</u>
Cash flows from capital and related financing activities	
Interest paid on long-term debt	(7,119,938)
Reimbursements from other government for acquisition of capital assets	862,000
Proceeds from sale of capital assets	2,943,152
Net cash used for capital and related financing activities	<u>(3,314,786)</u>
Cash flows from investing activities	
Interest received	3,819,795
Net cash provided by investing activities	<u>3,819,795</u>
Net increase in cash and cash equivalents	40,226,814
Cash and cash equivalents at beginning of year	101,488,556
Cash and cash equivalents at end of year	<u><u>\$ 141,715,370</u></u>
Reconciliation of cash and cash equivalents to statement of net position	
Cash and investments	\$ 60,767,378
Less: fair value adjustment	(220,505)
	60,546,873
Restricted cash and investments	81,168,497
Total cash and cash equivalents	<u><u>\$ 141,715,370</u></u>

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Cash Flows, Continued
Proprietary Fund
For the Year Ended June 30, 2020

	RCTC 91 Express Lanes
	Enterprise Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities	
Operating income	\$ 31,903,496
Adjustments to reconcile operating income to net cash provided by (used for) operating activities	
Depreciation and amortization expense	10,784,109
(Increase) Decrease in other receivables, net	675,739
(Increase) Decrease due in from other funds	(6,084)
(Increase) Decrease in prepaid assets	34,065
Increase (Decrease) in pension and other-post employment benefits liabilities, net of deferred items	(534,597)
Increase (Decrease) in accounts payable	628,696
Increase (Decrease) in due to other funds	(681,180)
Increase (Decrease) in deposits payable	(96)
Increase (Decrease) in compensated absences liability	(1,829)
Increase (Decrease) in other liabilities	2,553
Total adjustments	10,901,376
Net cash provided by operating activities	<u>\$ 42,804,872</u>
Noncash capital, financing and investing activities	
Amortization of bond discount	\$ 73,073
Accreted and compounded interest	21,619,488
Net increase in the fair value of investments	125,702

See notes to basic financial statements

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies

Reporting entity: The Riverside County Transportation Commission (Commission) was formed in 1976 under Division 12 (commencing with Section 130000) of the California Public Utilities Code (PUC). The Commission is a special district governed by a 34-member board of commissioners (Board) consisting of one representative from each city in the county, all five county supervisors, and one nonvoting state representative.

The Commission provides short-range transportation planning and programming for Riverside County (County), which includes the administration of the Local Transportation Fund (LTF) and the State Transit Assistance (STA) programs created under the Transportation Development Act (TDA) by the State of California (State). The LTF is administered by the Commission on behalf of the County. The purpose of this program is to allocate funds for public transportation needs, local streets and roads, bicycle and pedestrian facilities, and multimodal transportation terminals. The STA program allocates funds for public transportation purposes to those geographic areas with special public transportation needs, which cannot be met otherwise.

On November 8, 1988, the Commission was empowered by the voters of the County, under Ordinance No. 88-1 (1989 Measure A), to collect a one-half of one percent sales tax for the purpose of improving the transportation system of the County. Measure A was enacted, in part, pursuant to the provisions of Division 25 (commencing with Section 240000) of the California Public Utilities Code and Section 7252.22 of the Revenue and Taxation Code. On November 12, 2002 Riverside County's voters approved a 30-year renewal of Measure A under Ordinance No. 02 001 (2009 Measure A). The voter action ensured the replacement of the 1989 Measure A program when it expired in 2009 with a new 30-year program that continues funding transportation improvements until June 2039.

In connection with the 2009 Measure A program, the County and cities in the Western County area implemented a Transportation Uniform Mitigation Fee (TUMF) program to fund a regional arterial system to handle the traffic demands in the Western Riverside County (Western County) area as a result of future development. Under the 2009 Measure A program, the Commission shall receive the first \$400 million of TUMF revenues to fund the regional arterial projects and new Community Environmental Transportation Acceptability Process (CETAP) corridors included in the 2009 Measure A Transportation Improvement Plan. Under the Memorandum of Understanding (MOU), the majority of net revenues are allocated in equal amounts to the Commission for regional arterial projects and to Western Riverside Council of Governments (WRCOG) for local arterial projects; a small percentage is allocated for public transit. In September 2008, the Commission approved an amendment to the MOU whereby the \$400 million cap was lifted and the Commission will continue to receive its share of TUMF revenues indefinitely.

In August 2008, the State amended the Commission's authority under the PUC to include authorization to set, levy and collect tolls, user fees, or other similar charges, payable for use of the toll lanes and other facilities on the portion of State Highway Route 91 (SR-91) between the Orange County and Riverside County line to the west and Interstate 15 (I-15) to the east and to issue bonds or other obligations payable from the proceeds of such tolls and other revenues that are pledged. In March 2017, the Commission achieved substantial completion of the SR-91 corridor improvement project (91 Project) and opened the RCTC 91 Express Lanes.

In September 2008, the State amended the Commission's authority under the State's Streets and Highways Code (Sections 149.7 through 149.8) to include authorization to set, levy and collect tolls, user fees, or other similar charges, payable for use of high-occupancy toll lanes and other facilities in the I-15 corridor in Riverside County and to issue bonds or other obligations payable from the proceeds of such tolls and other revenues that are pledged. The Commission commenced the design-build phase of the I-15 Express Lanes project in 2017 and anticipates substantial completion and opening of the 15 Express Lanes in December 2020.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Accounting principles generally accepted in the United States require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The basic financial statements include all funds of the Commission including those of the Service Authority for Freeway Emergencies (SAFE), a component unit, for which the Commission is considered financially accountable. SAFE was created under Chapter 14 (commencing with Section 2550) of Division 3 of the California Streets and Highways Code and Sections 2421.5 and 9250.1 of the Vehicle Code. SAFE receives monies from fees levied on registered vehicles to be used to implement and maintain an emergency motorist aid system, as specified, on portions of the California Freeway and Expressway System in the County. The governing body of SAFE is substantially identical to that of the Commission, and management of the Commission has operational responsibility for SAFE. SAFE is presented as a special revenue fund. Separate financial statements are not issued for SAFE.

There are many other governmental agencies, including the County of Riverside, providing services within the area served by the Commission. These other governmental agencies have independently elected governing boards and consequently are not under the direction of the Commission. Financial information for these agencies is not included in the accompanying financial statements.

Basis of presentation: The Commission's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide statements: The statement of net position and the statement of activities report information on all of the activities of the Commission. The effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated in consolidation. These statements report governmental activities, which normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on charges and fees for services.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other internally dedicated resources, which are properly not included among program revenues, are reported instead as general revenues.

Fund financial statements: The fund financial statements provide information about the Commission's governmental and proprietary funds; the Commission has no fiduciary funds. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. The Commission has categorized the Commercial Paper Capital Projects fund and Debt Service fund as major funds for public interest reasons. The Commission believes that these judgmentally determined major funds are particularly important to the financial statement users. All remaining governmental funds not reported as major funds are aggregated and reported as nonmajor funds.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

The Commission reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the Commission and accounts for financial resources not required to be accounted for in another fund.

Measure A Western County Special Revenue Fund: This fund accounts for the revenues from sales taxes which are restricted to expenditures for 1989 Measure A and 2009 Measure A Western County programs.

Measure A Coachella Valley Special Revenue Fund: This fund accounts for the revenues from sales taxes which are restricted to expenditures for 2009 Measure A Coachella Valley programs.

Transportation Uniform Mitigation Fee Special Revenue Fund: This fund accounts for TUMF revenues, which are restricted to expenditures for Western County regional arterial and CETAP projects.

Local Transportation Fund: This special revenue fund accounts for the one-quarter percent of the state sales tax collected within the County under TDA for planning and programming, bicycle and pedestrian facilities, and transit operations including the Commission's commuter rail operations.

State Transit Assistance Special Revenue Fund: This fund is used to account for revenues from sales taxes on diesel fuel restricted for transit projects.

SB 132 Special Revenue Fund: This fund is used to account for program revenues allocated by the State for the Riverside County Transportation Efficiency Corridor. The program comprises five projects in northwest Riverside County.

Commercial Paper Capital Projects Fund: This fund records proceeds from the issuance of commercial paper notes and the use of these proceeds for capital projects included in the 2009 Measure A.

Bonds Capital Projects Fund: This fund records proceeds from the issuance of sales tax and toll revenue bonds and the use of these proceeds for capital projects included in the 2009 Measure A.

Debt Service Fund: This fund accounts for the resources accumulated and payments made for principal and interest on the sales tax and toll revenue bonds.

The Commission reports the following major proprietary fund:

RCTC 91 Express Lanes Enterprise fund: This fund accounts for toll and non-toll revenues earned on the RCTC 91 Express lanes that extend on SR-91 from the Riverside/Orange County line to I-15. 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.

Measurement focus and basis of accounting: The government-wide financial statements and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Toll revenues are recognized when customers utilize the toll road facility and payment is collected. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred; however, principal and interest expenditures on long-term debt as well as compensated absences and claims and judgments are recorded only when payment is due. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include sales taxes collected and held by the State at year-end on behalf of the Commission, TUMF, intergovernmental revenues when all applicable eligibility requirements have been met, interest revenue, and vehicle registration user fees, and charges for services.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal and ongoing operations. The principal operating revenues of the Commission's proprietary fund are charges for services. Operating expenses for the proprietary fund include the cost of services, administrative expenses, and depreciation and amortization on capital and intangible assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Violations: Violations of the RCTC 91 Express Lanes that the Commission anticipates to collect consist of uncollected violation tolls and penalties. Unpaid violations of \$75,593,997 as of June 30, 2020 are not recognized as revenue until payment is received. Unpaid violations remain recorded for a period of four years in accordance with the statute of limitations, at which time, they will be deemed uncollectible.

Cash and investments: The Commission maintains cash and investments in accordance with an investment policy adopted initially by the Board in September 1995, and most recently amended in March 2019. The investment policy complies with, or is more restrictive than, applicable state statutes. This investment policy requires the Commission's investment program to meet three criteria in the order of their importance: safety, liquidity, and return on investments. Investments of bond and commercial paper proceeds as permitted by the applicable debt documents are maintained by U.S. Bank, as trustee or custodial bank, and the earnings for each bond and commercial paper issue are accounted for separately. Cash from other Commission revenue sources is commingled for investment purposes, with investment earnings allocated to the different funds based on average monthly dollar balances in the funds.

The Commission's investment policy is summarized in the table below; investments held by bond trustees are governed by the provisions of the Commission's bond indentures. Other investments permitted by the California Government Code (Code) are permitted but only with prior Board authorization; securities that could result in zero interest accrual if held to maturity are ineligible.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Authorized Investment Type	Maximum Effective Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Ratings
United States (U.S.) Treasury obligations	5 years	None	None	Not applicable
Federal agency securities	5 years	None	None	Not applicable
State/Municipal obligations	5 years	25%	10%	A1/A+
Mortgage and asset-backed securities	5 years	10%	10%	A3/A-/A-
Repurchase agreements	30 days	None	10%	A
U.S. corporate debt	5 years	25%	10%	A1/A+
Commercial paper notes	270 days	25%	10%	A
Banker's acceptances	180 days	40%	30%	Not applicable
Money market mutual funds	Not applicable	20%	10%	Not applicable
Riverside County Pooled Investment Fund (RCPIF)	Not applicable	None	Set by RCPIF	Not applicable
Local Agency Investment Fund (LAIF)	Not applicable	N/A	Set by LAIF	Not applicable
Negotiable certificates of deposit	1 year	30%	10%	P-1/A-1/F-1
Federally insured certificates of deposit	1 year	20%	10%	Not applicable
Collateralized certificates of deposit	1 year	15%	10%	Not applicable
Time deposits	5 years	None	10%	Not applicable

LAIF is regulated by Code Section 16429 and is under the management of the State Treasurer with oversight provided by the Local Agency Investment Advisory Board. There is a \$65 million deposit limit on regular LAIF accounts. Oversight of the RCPIF is conducted by the County Treasury Oversight Committee. All investments, except for those related to bond reserve funds, are subject to a maximum maturity of five years unless specific direction to exceed the limit is given by the Board. LTF moneys are legally required to be deposited in the RCPIF.

The RCPIF and the LAIF are carried at fair value, or the value of each participating dollar as provided by the RCPIF and LAIF, respectively. The fair value of the Commission's position in the RCPIF and LAIF is the same as the value of the pool shares. The pooled funds are not subject to Level 1, 2, or 3 of the fair value hierarchy prescribed by Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. Investments in U.S. Treasury, federal agency, mortgage and asset-backed, municipal, corporate, negotiable certificates of deposit, and commercial paper securities are carried at fair value based on quoted market prices. Money market mutual funds are carried at fair value based on each fund's share price.

Bank balances are secured by the pledging of a pool of eligible securities to collateralize the Commission's deposits with the bank in accordance with the Code.

Cash and cash equivalents: For the purposes of the statement of cash flows, the Commission considers all short-term investments with an initial maturity of three months or less to be cash equivalents. All deposits, commercial paper, money market funds, certificates of deposit, and the share of RCPIF represent cash and cash equivalents for cash flow purposes.

Accounts receivable: Accounts receivable consist primarily of Measure A and LTF sales tax revenues from the California Department of Tax and Fee Administration on all taxable sales within the County of Riverside, California through June 30, 2020.

Interfund transactions: During the course of operations, numerous transactions occur between individual funds involving goods provided or services rendered. There are also transfers of revenues from funds authorized to receive the revenue to funds authorized to expend it. Outstanding interfund balances are

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

reported as due from/to other funds; internal financing balances are reported as advances to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government wide financial statements as "internal balances".

Prepaid expenditures/expenses and other assets: Certain payments to vendors and condemnation payments with the State, which are related primarily to the 91 Project, reflect costs applicable to future accounting periods and are recorded as prepaid expenditures/expenses using the consumption method in both the government-wide and fund financial statements.

Restricted investments held by trustee: Restricted investments held by trustee represent unexpended bond proceeds, interest earnings thereon, and capitalized interest and reserve amounts for bonds. Under the related bond resolutions and indentures, any remaining bond proceeds are restricted for the use of future construction improvements to the respective projects, for debt service, or for reserve requirements in accordance with applicable debt covenants.

Capital assets: Capital assets consisting of land and land improvements; construction in progress; construction and rail easements; buildings; rail stations; rail tracks; office improvements; office furniture, equipment, and vehicles; development in progress; toll infrastructure; intangible assets, including a toll facility franchise; and transponders are reported in applicable governmental or business-type activities in the government-wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years and are primarily included within the function of current expenditures in the governmental fund financial statements. Such assets are recorded at historical costs or estimated historical costs if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Highway construction and certain purchases of right of way property, for which title vests with the California Department of Transportation (Caltrans), are included in highway program expenditures. Infrastructure consisting primarily of highway construction and right of way acquisition is generally not recorded as a capital asset, because the Commission does not have title to such assets or rights of way. However, costs related to the development of tolled express lanes are recorded as land and land improvements and construction in progress. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Rail stations, rail tracks, temporary construction easements, buildings, office improvements, furniture and equipment, vehicles, toll infrastructure, intangible assets, and transponders are depreciated and amortized using the straight-line method over the following estimated useful lives:

Asset Type	Useful Life
Rail stations	10 to 30 years
Rail tracks	30 years
Temporary construction easements	1 to 3 years
Buildings	10 to 20 years
Office improvements	7 to 10 years
Furniture and equipment	3 to 5 years
Vehicles	5 years
Toll facility franchise	50 years
Toll infrastructure	5 to 10 years
Transponders	5 years

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Project costs that have been incurred for the tolled express lanes projects, consisting of the 91 Project and the I-15 Express Lanes project, and are expected to remain the Commission's assets, are capitalized upon completion as intangible assets that will be amortized over the life of the toll facility franchise with Caltrans. These capitalizable costs have been accumulated in the capital assets as land and land improvements and construction in progress. The costs of the tolled express lanes projects that are not capitalized are expensed as incurred based on management's estimation which is generally based upon the allocation of Measure A and other funding sources, including toll-supported debt. As of June 30, 2020, the estimated project costs incurred but not capitalized related to the 91 Project is primarily right of way, or approximately \$113.5 million. All costs related to the I-15 Express Lanes project are considered capitalizable.

In May 2012 the Commission entered into a toll facility agreement with Caltrans and obtained authority to toll the State Route (SR) 91 from the Orange/Riverside County line to I-15. The Commission's 91 Project included the RCTC 91 Express Lanes, which opened on March 20, 2017. The toll facility is amortized over the remaining life of the toll facility agreement through March 2067.

Compensated absences: Vacation hours accumulated and not taken at year-end is reported as a long-term liability in the government-wide and proprietary fund financial statements. Sick leave is recorded as an expenditure or expense when taken by the employee. Employees with continuous five years of service have the option of being paid for sick leave accumulated in excess of 240 hours at a rate of 50% (i.e., one hour's pay for every two hours in excess of 240). Any sick leave in excess of 240 hours is accrued at fiscal year-end, and a liability is reported in the government-wide and proprietary fund financial statements. Sick leave that is due and payable at year-end is reported as an expenditure and a fund liability of the General fund.

Pensions: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Commission's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deduction from Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Post-employment Benefits Other Than Pensions: For purposes of measuring the net other post-employment benefits (OPEB) asset, deferred outflows/inflows of resources related to the OPEB asset and OPEB expense, information about the fiduciary net position of the Commission's OPEB plan, and additions to/deductions from the OPEB fiduciary net position have been determined on the same basis as they are reported by California Employers' Retiree Benefit Trust (CERBT) administered by CalPERS. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value, except for money markets and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which is reported at cost.

Risk management: The Commission is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to, or destruction of assets; and errors or omissions. The Commission protects itself against such losses by a balanced program of risk retention, risk transfers, and the purchase of commercial insurance. Loss exposures retained by the Commission are treated as normal expenditures and include any loss contingency not covered by the Commission's purchased insurance policies. Construction projects and rail properties are protected through a combination of commercial insurance, insurance required of Commission consultants, and a self-insurance fund established by the Southern California Regional Rail Authority (SCRRA). Settled claims have not exceeded insurance coverage in any of the past three fiscal years. The RCTC 91 Express Lanes Enterprise fund has purchased commercial property insurance, including business interruption, earthquake and flood coverage related to the RCTC 91 Express Lanes.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Deferred outflows of resources: In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources, or expenditure, until then. The Commission has eight items - loss on refunding of bonds, changes in pension assumptions, pension contributions subsequent to measurement date, differences between expected and actual pension experiences, differences between Commission's pension contributions and the proportionate share of pension contributions, pension changes in Commission's proportion, changes in OPEB assumptions, and OPEB contributions subsequent to measurement date - which qualify for reporting in this category in the applicable column for governmental and business-type activities on the statement of net position.

Deferred inflows of resources: In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources, or revenue, until then. The Commission has six items - changes in pension assumptions, pension changes in Commission's proportion, differences between expected and actual pension experiences, net differences between projected and actual earnings on pension plan investment, differences between expected and actual OPEB experiences, and net differences between projected and actual earnings on OPEB plan investments - which qualify for reporting in this category in the applicable governmental and business-type activities on the statement of net position. At the fund level, the Commission has deferred inflows of resources related to interest earned but not available.

Fund equity: In the fund financial statements, the governmental funds report fund balances in various categories based on the nature of any limitations requiring the use of the resources for specific purposes:

Nonspendable fund balances cannot be spent, because they are in nonspendable form such as prepaid expenditures or are required to be maintained intact.

Restricted fund balances are restricted for specific purposes by third parties or enabling legislation.

Committed fund balances include amounts that can be used only for specific purposes determined by adoption of a resolution of the Board. These committed amounts cannot be used for any other purpose unless the Commission removes or changes the specified use through the same type of formal action taken to establish the commitment.

Assigned fund balances comprise amounts intended to be used by the Commission for specific purposes but are not restricted or committed. The Board delegates the authority to assign amounts to be used for specific purposes to the Chief Financial Officer. Assignments generally only exist temporarily; an additional action does not have to be taken for the removal of an assignment.

Unassigned fund balance is residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories. In all other governmental funds, it is the negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

When both restricted and unrestricted resources are available for an incurred expenditure, it is the Commission's policy to spend restricted resources first and then unrestricted resources, as necessary. When unrestricted resources are available for an incurred expenditure, it is the Commission's policy to use committed amounts first, followed by assigned amounts, and then unassigned amounts. In June 2012, the Commission adopted a resolution to establish a policy on reporting and classifying fund balance in the General fund.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 1. Summary of Significant Accounting Policies, Continued

Net position (deficit): In the government-wide and proprietary fund financial statements, net position (deficit) represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows and is classified into three categories:

Net investment (deficit) in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets and excludes unspent debt proceeds.

Restricted–net position represents restricted assets less liabilities and deferred inflows of resources related to those assets. Restricted assets are recorded when there are limitations imposed by creditors (such as through debt covenants), contributions, or laws and regulations of other governments or constraints imposed by law through constitutional provisions or through enabling legislation.

Unrestricted–(deficit) represents the amount of unrestricted resources that will need to be provided for in future periods.

When both restricted and unrestricted resources are available for use, it is the Commission’s policy to use restricted–net position resources first and then unrestricted–net position resources, as they are needed.

Administration expenditures: The Commission’s staff and resources are used in the performance of its responsibilities relating to the activities of the Commission and its component unit. Accordingly, the Commission allocates salaries and benefits to each applicable fund on the basis of actual hours spent by activity, and other indirect overhead is allocated based on a systematic basis. Administrative salaries and benefits, net of administrative cost allocations of \$1,821,582 allocated to Measure A in 2020 were less than 1% of revenues and in compliance with the law.

Use of estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

Note 2. Cash and Investments

Cash and investments at June 30, 2020 consist of the following:

	Unrestricted			Restricted	
	Cash	Investments	Total	Investments	Total
Cash in bank	\$ 26,420,182	\$ -	\$ 26,420,182	\$ -	\$ 26,420,182
Petty cash	1,018	-	1,018	-	1,018
RCPIF	-	623,574,669	623,574,669	-	623,574,669
Operations pooled investments	-	55,285,028	55,285,028	-	55,285,028
LAIF	-	3,909,220	3,909,220	-	3,909,220
Investments with fiscal agents	-	-	-	152,131,509	152,131,509
Total cash and investments	\$ 26,421,200	\$ 682,768,917	\$ 709,190,117	\$ 152,131,509	\$ 861,321,626

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 2. Cash and Investments, Continued

Total cash and investments are reported in the following funds:

Unrestricted cash and investments	
Governmental funds	\$ 648,422,739
Enterprise fund	<u>60,767,378</u>
Subtotal	709,190,117
Restricted cash and investments	
Governmental funds	70,963,012
Enterprise fund	<u>81,168,497</u>
Subtotal	<u>152,131,509</u>
Total cash and investments	<u>\$ 861,321,626</u>

Restricted investments at June 30, 2020 represent investments held by bond trustees for project costs and debt service.

Fair Value Hierarchy: The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are based on similar observable assets either directly or indirectly, which may include inputs in markets that are not considered to be active; and Level 3 inputs are significant unobservable inputs (the Commission does not value any of its investments using Level 3 inputs).

The following is a summary of the fair value hierarchy of the fair value of investments of the Commission as of June 30, 2020:

Investments by fair value level:	June 30, 2020	Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments subject to fair value hierarchy:			
U.S. Treasury obligations	\$ 76,304,122	\$ 76,304,122	\$ -
Mortgage and asset-backed securities	47,628,154	-	47,628,154
Corporate notes	19,650,387	-	19,650,387
Money market mutual funds	27,780,048	27,780,048	-
U.S. agency securities	8,022,002	-	8,022,002
Municipal bonds	15,657,715	-	15,657,715
Commercial paper notes	10,148,692	-	10,148,692
Negotiable certificates of deposit	2,225,417	-	2,225,417
Total investments measured at fair value	207,416,537	\$ 104,084,170	\$ 103,332,367
Investments not subject to fair value hierarchy:			
LAIF	3,909,220		
RCPIF	623,574,669		
Total investments	\$ 834,900,426		

Investments classified in Level 1 of the value hierarchy, valued at \$104,084,170 are valued using quoted prices in active markets.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 2. Cash and Investments, Continued

Mortgage and asset-backed securities totaling \$47,628,154, corporate notes totaling \$19,650,387, U.S. agency securities totaling \$8,022,002, municipal bonds totaling \$15,657,715, commercial paper totaling \$10,148,692, and negotiable certificates of deposit totaling \$2,225,417 in 2020, classified in Level 2 of the fair value hierarchy, are valued using matrix pricing techniques maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by the custodian bank.

As of June 30, 2020, the Commission had the following investments:

Investments	Fair Value	Principal	Interest Rate Range	Maturity Range	Weighted Average Maturity (Year)
Unrestricted:					
RCPIF	\$ 623,574,669	\$ 621,306,491	0.050% - 2.724%	7/1/20 - 6/30/25	1.104
LAIF	3,909,220	3,890,108	1.47% - 2.45%	191 days	191 days or 0.523
Operations pooled investments:					
Corporate notes	11,658,524	11,403,903	0.399% - 3.501%	8/18/20 - 3/27/25	1.799
Money market mutual funds	415,444	415,444	0.006%	N/A	43 days or 0.118
Mortgage and asset-backed securities	5,389,199	5,287,071	0.827% - 3.522%	9/20/21 - 11/15/24	3.213
Municipal bonds	10,286,258	10,137,822	1.031% - 6.250%	7/1/20 - 8/1/23	1.518
U.S. agency securities	5,378,634	5,311,327	0.250% - 2.907%	8/1/21 - 1/21/25	2.677
U.S. Treasury obligations	22,156,969	21,736,805	0.125% - 2.782%	11/15/21 - 5/15/23	2.322
Total unrestricted investments	<u>\$ 682,768,917</u>	<u>\$ 679,488,971</u>			
			Unrestricted investment portfolio weighted average		1.65925
Restricted:					
Negotiable certificates of deposit	\$ 2,225,417	\$ 2,225,059	0.095% - 0.242%	7/14/20 - 8/19/20	0.019
Commercial paper notes	10,148,692	10,144,526	0.129% - 0.185%	7/8/20 - 9/8/20	0.032
Corporate notes	7,991,863	7,896,539	0.340% - 5.472%	7/1/20 - 5/11/23	0.593
Money market mutual funds	27,364,604	27,364,603	0.010%	N/A	43 days or 0.118
Mortgage and asset-backed securities	42,238,955	41,369,866	(0.464%) - 4.750%	7/20/20 - 9/16/55	4.006
Municipal bonds	5,371,457	5,361,533	0.150% - 1.804%	9/15/20 - 10/1/51	13.451
U.S. agency securities	2,643,368	2,554,967	0.171% - 0.872%	8/12/21 - 11/16/28	1.398
U.S. Treasury obligations	54,147,153	53,380,244	(0.822%) - 0.491%	7/31/20 - 1/15/29	0.979
Total restricted investments	<u>\$ 152,131,509</u>	<u>\$ 150,297,337</u>			
			Restricted investment portfolio weighted average		2.575

The weighted average maturity is calculated using the investment's effective duration weighted by the investment's fair value.

As of June 30, 2020, mortgage and asset-backed securities totaled \$47,628,154. The underlying assets are consumer receivables that include credit cards, auto/equipment, and home loans. The securities have a fixed interest rate and are rated AAA/Aaa by at least two of the three nationally recognized statistical rating organizations, except for \$1,163,810 which is rated P1/A1+ by S&P.

Interest rate risk: While the Commission does not have a formal policy related to the interest rate risk of investments, the Commission's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. In accordance with the Commission's investment policy, restricted investments are invested in accordance with the maturity provisions of the specific bond indenture, which may extend beyond five years.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 2. Cash and Investments, Continued

Custodial credit risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Commission's investment policy requires that a third party bank trust department hold all securities owned by the Commission. All trades are settled on a delivery versus payment basis through the Commission's safekeeping agent.

The Commission has deposits with a bank balance of \$26,420,182 with a financial institution; bank balances over \$5,000,000 are swept daily into a money market account. Of the bank balance, up to \$250,000 is federally insured under the Federal Depositary Insurance Corporation with balances in excess of \$250,000 collateralized in accordance with the Code; however, the collateralized securities are not held in the name of the Commission.

Credit risk: The Commission's investment policy as well as the specific bond indentures set minimum acceptable credit ratings for investments from any of the three nationally recognized statistical rating organizations. The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each category's fair value at June 30, 2020; securities denoted as NR are not rated by one of the nationally recognized statistical rating organizations.

Investments	Moody's	S&P	% of Portfolio
RCPIF	Aaa-bf	AAAF/S1	74.69%
LAIF	NR	NR	0.47%
Negotiable certificates of deposit			
Deposit	P-1	NR	0.26%
Commercial paper notes			
Various	P-2	A-2	0.27%
Various	P-1	A-1+	0.42%
Various	P-2	A-2	0.53%
Corporate			
Notes	A1	A	0.10%
Notes	A1	A+	0.05%
Notes	A1	AA-	0.17%
Notes	A2	A	0.10%
Notes	A2	A-	0.36%
Notes	A2	AA-	0.03%
Notes	A3	A-	0.17%
Notes	A3	BBB+	0.14%
Notes	Aa2	AA+	0.06%
Notes	AA1	AA	0.20%
Notes	AA1	AA+	0.09%
Notes	AA2	A+	0.20%
Notes	AA2	AA	0.21%
Notes	AA3	A	0.13%
Notes	AA3	A+	0.09%
Notes	AAA	AAA	0.03%
Notes	Aaa	NR	0.05%
Notes	Baa1	A-	0.03%
Notes	NR	AA	0.05%
Notes	A1	A	0.09%
Money market mutual funds			
Funds	Aaa	AAA	3.33%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 2. Cash and Investments, Continued

Investments	Moody's	S&P	% of Portfolio
Mortgage and asset-backed securities			
Securities	Aa1	AA	0.04%
Securities	Aaa	AA+	4.04%
Securities	AAA	AAA	0.51%
Securities	Aaa	NR	0.49%
Securities	NR	AAA	0.30%
Securities	NR	NR	0.18%
Securities	P-1	A-1+	0.14%
Municipal bonds			
Alameda County Joint Powers Authority Lease	AA1	AA+	0.07%
Bay Area Toll Authority	AA3	AA	0.08%
Bay Area Toll Authority	A1	AA-	0.01%
California State University	AA2	AA-	0.01%
Collin County, Texas	Aaa	AAA	0.02%
Colorado Housing and Finance Authority, Inc.	Aaa	AAA	0.23%
Contra Costa Community College District	AA1	AA+	0.04%
El Dorado Irrigation District	Aa3	AA-	0.02%
Garden Grove Unified School District	AA2	AA-	0.04%
Glendale Unified School District	AA1	NR	0.04%
Grand Parkway Transportation Corporation	Aa1	NR	0.07%
Los Altos School District	MIG1	SP-1+	0.05%
Mountain View Whisman School District	AAA	AA+	0.03%
New York City Transitional Finance Authority	Aa1	AAA	0.03%
Palo Alto Unified School District	NR	NR	0.04%
Port Authority of New York and New Jersey	Aa3	A+	0.03%
Riverside County Pension	A2	AA	0.02%
San Bernardino Community College District	AA1	AA	0.05%
San Diego Public Facilities Financing Authority	AA2	NR	0.01%
San Diego Public Health	NR	AA-	0.02%
San Diego Redevelopment Agency	NR	AA	0.03%
San Francisco Rapid Transit	NR	NR	0.01%
San Francisco Redevelopment Agency	NR	AA-	0.05%
San Francisco Redevelopment Agency	NR	NR	0.04%
San Jose Development Agency	NR	NR	0.02%
San Marcos Redevelopment Agency	NR	AA-	0.01%
Santa Ana Redevelopment Agency	NR	AA	0.03%
Santa Barbara County Solid Waste	A1	AA	0.02%
Santa Clara Valley Water District	AA1	NR	0.05%
Sonoma County Junior College District	AA2	AA	0.05%
State of California Build America Bonds	AA2	AA-	0.05%
State of California	AA2	AA-	0.06%
State of California Department of Water Resources	AA1	AA+	0.05%
State of California Health Facilities Financing Authority	AA3	AA-	0.06%
State of Connecticut	A1	A	0.06%
State of Hawaii	AA2	AA+	0.02%
State of Maine	AA2	AA	0.03%
State of Massachusetts Water Resources Authority	AA1	AA+	0.01%
State of Michigan Finance Authority	Aa3	AA-	0.03%
State of New York Urban Development Corporation	Aa1	NR	0.03%
State of North Dakota Housing Finance Agency	Aa1	NR	0.01%
State of Texas Water Financial	NR	NR	0.03%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 2. Cash and Investments, Continued

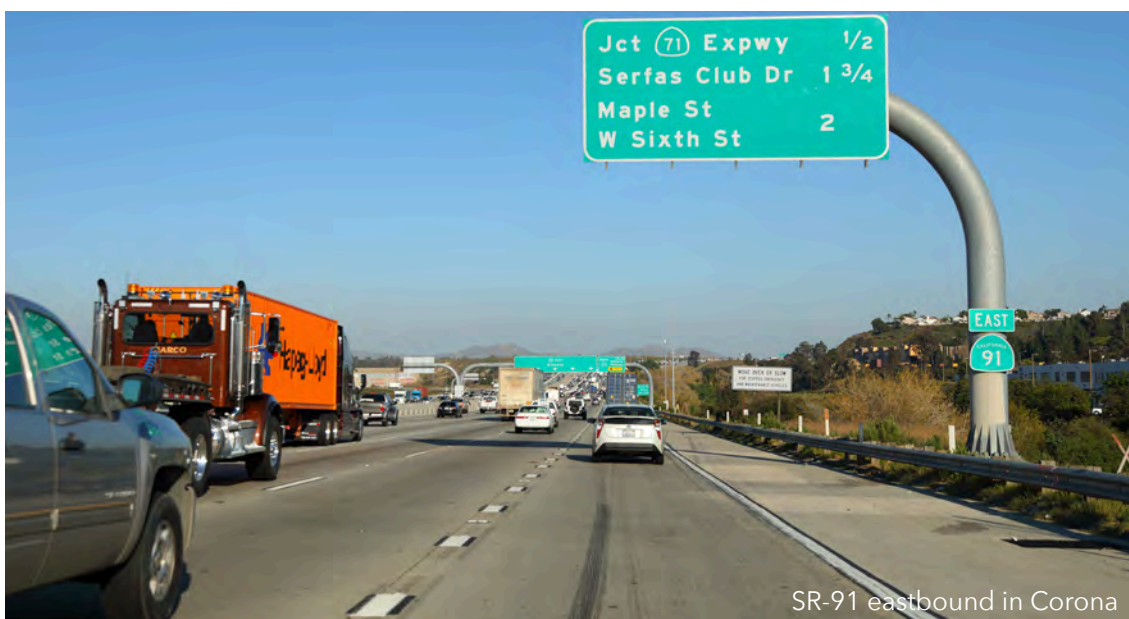
Investments	Moody's	S&P	% of Portfolio
State of Wisconsin Housing and Economic Development Authority	Aa2	AA+	0.16%
University of California	AA3	AA-	0.05%
University of New Jersey, Rutgers	Aa3	A+	0.01%
U.S. agency notes			
Notes	AAA	AA+	0.83%
Notes	NR	AA+	0.12%
Notes	NR	NR	0.01%
U.S. Treasuries			
Treasury	NR	NR	9.14%
Total			100.00%

Concentration of credit risk: The Commission's investment policy places a limit of 10% on the amount of investment holdings with any one non-U.S. Government or non-federal agency issuer. As of June 30, 2020, the Commission did not have investments in any one issuer that represent more than 5% of the Commission's total investments.

Note 3. Advances

The Commission approved interest-bearing advances, which may be funded by debt proceeds, to the Coachella Valley Association of Governments (CVAG) in the amount of \$43,300,000. CVAG pledged its share of 2009 Measure A highway and regional road revenue allocations in accordance with repayment terms specified in each agreement for actual advances. Repayment amounts are withheld from revenue allocations on a monthly basis. The final maturities of the CVAG advances are due on or before September 1, 2029. Interest rates range from .910% to 7.307%, excluding the portion of cash subsidy payments (as discussed in Note 6) that may be received by CVAG to reduce its repayment obligations.

The outstanding interest-bearing advances, including capitalized interest of \$664,879, as of June 30, 2020 were \$21,156,321.



Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 4. Capital Assets

Capital assets activity for the year ended June 30, 2020 was as follows:

Governmental activities	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated:				
Land and land improvements	\$ 169,894,576	\$ 9,569,669	\$ (30,823)	\$ 179,433,422
Construction in progress	249,061,099	148,492,841	(347,500)	397,206,440
Rail operating easements	63,846,199	-	-	63,846,199
Construction easements	1,221,021	3,000,000	-	4,221,021
Development in progress	106,969	120,297	-	227,266
Total capital assets not being depreciated	484,129,864	161,182,807	(378,323)	644,934,348
Capital assets being depreciated:				
Rail stations	202,774,271	619,409	(330,764)	203,062,916
Rail tracks	154,649,402	142,109	-	154,791,511
Construction easements	1,385,377	-	-	1,385,377
Buildings	3,315,135	-	-	3,315,135
Building improvements	-	423,303	-	423,303
Office improvements	408,898	25,289	-	434,187
Office furniture, equipment and vehicles	2,004,267	43,583	(31,000)	2,016,850
Total capital assets being depreciated	364,537,350	1,253,693	(361,764)	365,429,279
Less accumulated depreciation for:				
Rail stations	(66,383,648)	(6,970,688)	-	(73,354,336)
Rail tracks	(15,376,632)	(5,174,221)	-	(20,550,853)
Construction easements	(1,096,301)	(231,261)	-	(1,327,562)
Buildings	(379,479)	(164,616)	-	(544,095)
Building improvements	-	(45,354)	-	(45,354)
Office improvements	(137,203)	(46,470)	-	(183,673)
Office furniture, equipment and vehicles	(1,537,728)	(181,845)	12,400	(1,707,173)
Total accumulated depreciation	(84,910,991)	(12,814,455)	12,400	(97,713,046)
Total capital assets being depreciated, net	279,626,359	(11,560,762)	(349,364)	267,716,233
Governmental activities capital assets, net	\$ 763,756,223	\$ 149,622,045	\$ (727,687)	\$ 912,650,581

Business-type activities	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated:				
Land and land improvements	\$ 38,736,133	\$ -	\$ (9,520,413)	\$ 29,215,720
Total capital assets not being depreciated	38,736,133	-	(9,520,413)	29,215,720
Capital assets being depreciated and amortized:				
Toll infrastructure	27,899,996	-	-	27,899,996
Transponders	453,818	-	-	453,818
Buildings	1,607,626	16,032	-	1,623,658
Equipment, furniture, and fixtures	60,695	-	-	60,695
Toll facility franchise	250,692,492	-	-	250,692,492
Total capital assets being depreciated and amortized	280,714,627	16,032	-	280,730,659
Less accumulated depreciation and amortization for:				
Toll infrastructure	(12,170,348)	(5,481,818)	-	(17,652,166)
Transponders	(184,402)	(90,764)	-	(275,166)
Buildings	(326,654)	(172,623)	-	(499,277)
Equipment, furniture, and fixtures	(22,794)	(16,891)	-	(39,685)
Toll facility franchise	(10,891,348)	(5,022,013)	-	(15,913,361)
Total accumulated depreciation and amortization	(23,595,546)	(10,784,109)	-	(34,379,655)
Total capital assets being depreciated and amortized, net	257,119,081	(10,768,077)	-	246,351,004
Business-type activities capital assets, net	\$ 295,855,214	\$ (10,768,077)	\$ (9,520,413)	\$ 275,566,724

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 4. Capital Assets, Continued

On May 14, 2012, the Commission entered into a toll facilities agreement with Caltrans providing the Commission with authorization to toll the SR-91 from Orange/Riverside County line to I-15 for 50 years commencing as of the first day on which the RCTC 91 Express Lanes open for public use and toll operations. The agreement also set forth the Commission's leasehold rights to Caltrans' right of way and Caltrans' oversight role in the operations and maintenance of the RCTC 91 Express Lanes.

Depreciation and amortization expense was charged to functions/programs of the Commission's governmental and business-type activities during the year ended June 30, 2020 as follows:

Governmental activities:	
General government	\$ 225,236
Commuter rail	12,147,988
Highway	441,231
Total depreciation expense – governmental activities	<u>\$ 12,814,455</u>
Business-type activities:	
RCTC 91 Express Lanes	\$ 5,762,096
Toll facility franchise	5,022,013
Total depreciation and amortization expense – business-type activities	<u>\$ 10,784,109</u>



Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 5. Interfund Transactions

Due from/to other funds: The composition of balances related to due from other funds and due to other funds at June 30, 2020 is as follows:

Receivable Fund	Payable Fund	Amount	Explanation
General fund	Nonmajor Governmental funds	\$ 18,923	Fringe benefits allocation
General fund	Nonmajor Governmental funds	86,900	Administrative cost allocation
General fund	Transportation Uniform Mitigation Fee Special Revenue fund	253,900	Administrative cost allocation
General fund	Measure A Western County Special Revenue fund	1,320,300	Administrative cost allocation
General fund	Measure A Coachella Valley Special Revenue fund	126,400	Administrative cost allocation
General fund	RCTC 91 Express Lanes Enterprise fund	33,300	Administrative cost allocation
General fund	Local Transportation Fund	1,080,000	Administrative cost allocation
General fund	State Transit Assistance fund	42,100	Administrative cost allocation
General fund	Transportation Uniform Mitigation Fee Special Revenue fund	25,787	Fringe benefits allocation
General fund	Measure A Western County Special Revenue fund	294,166	Fringe benefits allocation
General fund	Measure A Coachella Valley Special Revenue fund	2,580	Fringe benefits allocation
General fund	SB 132 fund	9,038	Fringe benefits allocation
General fund	RCTC 91 Express Lanes Enterprise fund	36,230	Fringe benefits allocation
General fund	Measure A Western County Special Revenue fund	11,666	Commuter rail costs allocations
General fund	SB 132 fund	7,441,770	Cash deficit
Measure A Western County Special Revenue fund	RCTC 91 Express Lanes Enterprise fund	511,534	Highway project costs allocations
Measure A Western County Special Revenue fund	Debt Service fund	1,408,604	Subsidies available after debt service payment
Measure A Coachella Valley Special Revenue fund	Debt Service fund	142,164	Advance loan payment adjustment
Transportation Uniform Mitigation Fee Special Revenue fund	Measure A Western County Special Revenue fund	159,113	Regional arterial project costs allocations
Local Transportation Fund	General fund	360,000	Planning and programming allocation
SB 132 fund	General fund	7,586	Salaries and benefits adjustment
SB 132 fund	Measure A Western County Special Revenue fund	2,344	Administrative cost allocation reconciliation
SB 132 fund	RCTC 91 Express Lanes Enterprise fund	4,004	Surplus funds used for administrative cost allocation related to 15/91 Express Lanes Connector project
Commercial Paper Capital Projects fund	Measure A Coachella Valley Special Revenue fund	434,145	Advance loan payment adjustment
Bonds Capital Projects fund	Measure A Coachella Valley Special Revenue fund	67,894	Advance loan payment adjustment
RCTC 91 Express Lanes Enterprise fund	Measure A Western County Special Revenue fund	6,084	Project cost reimbursement
Total due from/to other funds		<u>\$ 13,886,532</u>	

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 5. Interfund Transactions, Continued

Advances to/from other funds: The Measure A Western County Special Revenue fund advanced \$6,000,000 to the Bonds Capital Projects fund to establish an \$18,000,000 Transportation Infrastructure Finance and Innovation Act (TIFIA) debt service reserve for the I-15 Express Lanes project as required no later than June 30, 2024. Capitalized interest as of June 30, 2020 was \$211,804. Repayment of this initial Commission advance is subject to satisfying certain conditions under the related indenture, including the occurrence of the second anniversary of the TIFIA debt service payment commencement date.

Interfund transfers: During 2020, interfund transfers were as follows:

Transfers Out	Transfers In	Amount	Explanation
General fund	Measure A Western County Special Revenue fund	\$ 47,551	Highway project costs allocations
General fund	Nonmajor Governmental funds	19,442	Highway project costs allocations
Measure A Western County Special Revenue fund	Transportation Uniform Mitigation Fee Special Revenue fund	177,115	Highway project costs allocations
Measure A Western County Special Revenue fund	Debt Service fund	62,583,135	Debt service funding related to highway projects for Western County and to advance agreements for Western County jurisdictions
Measure A Western County Special Revenue fund	General fund	11,666	Commuter rail costs allocations
Measure A Western County Special Revenue fund	SB 132 Special Revenue fund	162,855	Highway project costs allocations
Local Transportation Fund	General fund	21,670,895	Administration, planning and programming, commuter rail operating and station maintenance, and grade separation costs allocations
State Transit Assistance Fund	Nonmajor Governmental funds	450,000	Coachella Valley commuter rail costs allocations
Bonds Capital Projects fund	Measure A Western County Special Revenue fund	19,293,387	Highway project costs allocations
Bonds Capital Projects fund	Debt Service fund	843,039	Debt service funding
Commercial Paper fund	Debt Service fund	6,199,609	Debt service funding
Debt Service fund	Measure A Western County Special Revenue fund	2,811,688	Cash subsidies available after debt service payment
Debt Service fund	Measure A Coachella Valley Special Revenue fund	142,164	Share of cash subsidy related to CVAG advance agreement
Nonmajor Governmental funds	Measure A Western County Special Revenue fund	819,100	Commuter rail costs allocations
Nonmajor Governmental funds	Nonmajor Governmental funds	2,400,000	Call box program augmentation of freeway service patrol operations
RCTC 91 Express Lanes Enterprise fund	Measure A Western County Special Revenue fund	2,006,671	Surplus funds used for the 91 Corridor Operations project
RCTC 91 Express Lanes Enterprise fund	SB 132 Special Revenue fund	4,004	Surplus funds used for the 15/91 Express Lanes Connector project
Total transfers		<u>\$ 119,642,321</u>	

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations

The following is a summary of the changes in long-term obligations for the year ended June 30, 2020:

Governmental activities	Balance June 30, 2019	Additions / Accretion	Reductions	Balance June 30, 2020	Due Within One Year
Sales tax revenue bonds:					
2010 Bonds	\$ 112,370,000	\$ -	\$ -	\$ 112,370,000	\$ -
2013 Bonds	54,705,000	-	(12,690,000)	42,015,000	13,325,000
2016 Refunding Bonds	63,595,000	-	(5,185,000)	58,410,000	5,445,000
2017 Bonds, series A	150,580,000	-	(4,690,000)	145,890,000	4,835,000
2017 Refunding Bonds, series B	392,730,000	-	-	392,730,000	-
2018 Refunding Bonds	59,075,000	-	(4,680,000)	54,395,000	4,890,000
Total bonds payable	833,055,000	-	(27,245,000)	805,810,000	28,495,000
Sales tax revenue bonds premium	116,948,406	-	(11,511,679)	105,436,727	11,190,511
Total bonds payable, net	950,003,406		(38,756,679)	911,246,727	39,685,511
TIFIA Loan	15,121,739	112,970,279	-	128,092,018	-
MSHCP funding liability	3,000,000	-	(3,000,000)	-	-
Capital lease	50,504	-	(8,683)	41,821	10,099
Compensated absences liability	831,250	453,035	(112,806)	1,171,479	321,153
Total long-term obligations	\$ 969,006,899	\$ 113,423,314	\$ (41,878,168)	\$ 1,040,552,045	\$ 40,016,763

Business-type activities	Balance June 30, 2019	Additions / Accretion	Reductions	Balance June 30, 2020	Due Within One Year
Toll revenue bonds:					
2013 Bonds	\$ 201,425,284	\$ 5,150,812	\$ -	\$ 206,576,096	\$ -
Toll revenue bonds discount	(2,001,373)	-	73,073	(1,928,300)	-
Total bonds payable, net	199,423,911	5,150,812	73,073	204,647,796	-
TIFIA loan	469,870,660	16,468,676	-	486,339,336	-
Compensated absences liability	54,850	606	(2,435)	53,021	14,535
Total long-term obligations	\$ 669,349,421	\$ 21,620,094	\$ 70,638	\$ 691,040,153	\$ 14,535

The Commission has pledged a portion of future sales tax revenues through maturities of the bonds to repay \$805,810,000 in outstanding sales tax revenue bonds payable issued in November 2010 (2010 Bonds), July 2013 (2013 Sales Tax Bonds), September 2016 (2016 Refunding Bonds), July 2017 (2017A Sales Tax Bonds), December 2017 (2017B Refunding Bonds), and March 2018 (2018 Refunding Bonds) outstanding at June 30, 2020 plus related interest. The bonds are payable solely from the 2009 Measure A sales tax revenues on a senior and subordinate lien basis, respectively. Annual principal and interest payments on the bonds, are expected to require less than 36% of 2009 Measure A revenues. For the current year, interest paid on the bonds was \$42,292,488. Cash subsidies of \$2,811,688 related to the bonds were received from the U.S. Treasury during the current year and were recorded as intergovernmental revenues.

The toll revenue bonds issued in July 2013 (2013 Toll Bonds) are secured by a senior lien on the trust estate, which consists primarily of toll revenues and account revenues less operating and maintenance expenses of the RCTC 91 Express Lanes, which opened in March 2017. The Commission also executed a TIFIA loan agreement for up to \$421,054,409 in July 2013 secured on a subordinate basis to the 2013 Toll Bonds, except in the case of any bankruptcy related event, as defined in the toll indenture and TIFIA loan agreement, when the TIFIA loan automatically becomes a senior lien obligation. The TIFIA loan is evidenced by a toll revenue bond issued pursuant to the toll bond indentures; the amount outstanding under the TIFIA loan at June 30, 2020 is \$486,339,336, including compounded interest of \$65,284,927.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

Additionally, the Commission executed a TIFIA loan agreement for up to \$152,214,260 in July 2017 as a senior toll revenue bond on the trust estate, which consists primarily of toll revenues and account revenues less operating and maintenance expenses of the 15 Express Lanes, which are expected to open in 2020. The amount outstanding under the TIFIA loan at June 30, 2020 is \$128,092,018, including compounded interest of \$1,844,014.

Sales tax revenue bonds payable: Under the provisions of the 2009 Measure A, as amended by Measure K approved by the voters in November 2010, the Commission has the authority to issue bonds subject to a bond debt limitation of \$975,000,000. The following is a summary of bonds issued and secured by 2009 Measure A revenues that are outstanding at June 30, 2020:

2010 Sales Tax Revenue Bonds (Limited Tax Bonds), Series B (Taxable Build America Bonds):	Outstanding
In November 2010, the Commission issued sales tax revenue bonds consisting of the \$37,630,000 Series A (2010A Bonds) and \$112,370,000 Series B (2010B Bonds), for a total issuance of \$150,000,000 (collectively, the 2010 Bonds). For the Series B Build America Bonds (BABs), \$44,800,000 was designated as recovery zone economic development bonds (RZEDBs). A portion of the 2010 Bonds was used to retire \$103,284,000 of the outstanding commercial paper notes with the remaining proceeds used to fund 2009 Measure A Western County and Coachella Valley capital projects and pay costs of issuance for the 2010 Bonds. In December 2017, the 2010A Bonds were refunded. The remaining 2010B Bonds mature in annual installments ranging from \$530,000 to \$17,980,000 on various dates from June 1, 2032 to June 1, 2039 at an interest rate of 6.807%. The Commission expects, but is not guaranteed, to receive a cash subsidy from the U.S. Treasury equal to 35% of the interest payable on the BABs or 45% of the interest payable on the 2010B Bonds additionally designated as RZEDBs.	<u>\$ 112,370,000</u>

During 2020 the cash subsidy related to the 2010 Bonds that was received from the U.S. Treasury was approximately \$2,811,688, or \$170,425 less than the amount anticipated. The subsidy reduction resulted from federal sequestration cuts of 5.9% for federal fiscal year ending September 30, 2020. The federal sequestration cuts may continue for an unknown duration.

In accordance with the bond maturity schedule, and assuming no subsidy reduction, the approximate annual debt service requirements to maturity for the 2010B Bonds payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Interest	Total	Subsidy	Total, net
2021	\$ -	\$ 7,649,000	\$ 7,649,000	\$ (2,982,100)	\$ 4,666,900
2022	-	7,649,000	7,649,000	(2,982,100)	4,666,900
2023	-	7,649,000	7,649,000	(2,982,100)	4,666,900
2024	-	7,649,000	7,649,000	(2,982,100)	4,666,900
2025	-	7,649,000	7,649,000	(2,982,100)	4,666,900
2026-2030	-	38,245,200	38,245,200	(14,910,500)	23,334,700
2031-2035	44,445,000	35,233,700	79,678,700	(13,856,600)	65,822,100
2036-2039	67,925,000	11,788,800	79,713,800	(5,099,000)	74,614,800
	<u>\$ 112,370,000</u>	<u>\$ 123,512,700</u>	<u>\$ 235,882,700</u>	<u>\$ (48,776,600)</u>	<u>\$ 187,106,100</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

2013 Sales Tax Revenue Bonds (Limited Tax Bonds), Series A (Tax-exempt)	Outstanding
<p>In July 2013, the Commission issued \$462,200,000 principal amount of serial bonds at a premium of \$38,328,775 to retire all, or \$60,000,000, of the outstanding principal amount of commercial paper notes, fund a portion of the 91 Project costs, pay capitalized interest during construction, and pay cost of issuance. In December 2017, the Commission refunded the callable portion of the outstanding 2013 Sales Tax Bonds. The remaining 2013 Sales Tax Bonds mature in annual installments ranging from \$13,325,000 to \$14,695,000 on various dates from June 1, 2021 through June 1, 2023 at an interest rate of 5.00%.</p>	
	\$ 42,015,000

In accordance with the bond maturity schedule, the approximate annual debt service requirements to maturity for the 2013 Sales Tax Bonds payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 13,325,000	\$ 2,100,800	\$ 15,425,800
2022	13,995,000	1,434,500	15,429,500
2023	14,695,000	734,600	15,429,600
	<u>\$ 42,015,000</u>	<u>\$ 4,269,900</u>	<u>\$ 46,284,900</u>

2016 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series A (Tax-exempt):	Outstanding
<p>In October 2016, the Commission issued sales tax revenue bonds of \$76,140,000. A portion of the 2016 Refunding Bonds was used to refund all of the outstanding Series A bonds issues in 2009, retire all of the outstanding commercial paper notes, finance a termination payment in connection with an interest rate swap agreement and pay costs of issuance. The outstanding 2016 Refunding Bonds mature in annual installments ranging from \$5,445,000 to \$7,305,000 on various dates from June 1, 2021 through June 1, 2029 at interest rates ranging from 2.00% to 5.00%.</p>	
	\$ 58,410,000

In accordance with the bond maturity schedule, the approximate annual debt service requirements to maturity for the 2016 Refunding Bonds payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Interest	Total
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	1,148,300	7,453,300
2025	6,620,000	833,100	7,453,100
2026-2029	28,315,000	1,499,900	29,814,900
	<u>\$ 58,410,000</u>	<u>\$ 8,671,400</u>	<u>\$ 67,081,400</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

2017 Sales Tax Revenue Bonds (Limited Tax Bonds), Series A (Tax-exempt):	Outstanding
In July 2017, the Commission issued sales tax revenue bonds of \$158,760,000 at a premium of \$28,931,909 to fund a portion of the I-15 Express Lanes project and complete the 91 Project. The outstanding 2017A Bonds mature in annual installments ranging from \$4,835,000 to \$11,440,000 on various dates from June 1, 2021 to June 1, 2039 at interest rates ranging from 3.00% to 5.00%.	<u>\$ 145,890,000</u>

In accordance with the bond maturity schedule, the approximate annual debt service requirements to maturity for the 2017A Sales Tax Bonds payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 4,835,000	\$ 7,181,300	\$ 12,016,300
2022	5,075,000	6,939,600	12,014,600
2023	5,280,000	6,736,600	12,016,600
2024	5,540,000	6,472,600	12,012,600
2025	5,820,000	6,195,600	12,015,600
2026-2030	33,760,000	26,311,300	60,071,300
2031-2035	42,980,000	17,088,100	60,068,100
2036-2039	42,600,000	5,454,400	48,054,400
	<u>\$ 145,890,000</u>	<u>\$ 82,379,500</u>	<u>\$ 228,269,500</u>

In connection with the issuance of the 2017A Sales Tax Bonds, the Commission provided for the establishment of an I-15 Trust Fund for deposits of sales tax revenues as required by the toll indenture for the I-15 Express Lanes project.

2017 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series B (Tax-exempt):	Outstanding
In December 2017, the Commission issued sales tax revenue bonds of \$392,730,000 at a premium of \$80,058,109 to refund all of the outstanding 2010A Bonds and refund a portion of the 2013 Sales Tax Bonds. The 2017B Refunding Bonds mature in annual installments ranging from \$15,045,000 to \$30,980,000 on various dates from June 1, 2024 to June 1, 2039 at interest rates ranging from 4.00% to 5.00%.	<u>\$ 392,730,000</u>

In accordance with the bond maturity schedule, the approximate annual debt service requirements to maturity for the 2017B Refunding Bonds payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ -	\$ 19,366,400	\$ 19,366,400
2022	-	19,366,300	19,366,300
2023	-	19,366,300	19,366,300
2024	15,045,000	19,366,300	34,411,300
2025	15,800,000	18,614,100	34,414,100
2026-2030	103,770,000	80,401,000	184,171,000
2031-2035	142,505,000	47,585,200	190,090,200
2036-2039	115,610,000	14,513,700	130,123,700
	<u>\$ 392,730,000</u>	<u>\$ 238,579,300</u>	<u>\$ 631,309,300</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

The refunding was undertaken to advance refund all of the outstanding 2010A Bonds and the callable portion of the outstanding 2013 Sales Tax Bonds in the amounts of \$37,630,000 and \$372,445,000, respectively, and reduce future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by approximately \$41,742,900. This amount is reflected as a deferred outflow of resources and amortized over the life of the old debt, which is the same as the 2017B Refunding Bonds obligation. At June 30, 2020, the unamortized deferred amount on refunding was \$34,333,948. The transaction also resulted in an economic gain (difference between the present values of the debt service payments on the old debt and the new debt) of approximately \$39,936,000 and a reduction in future debt payments of approximately \$52,013,000.

2018 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series A (Tax-exempt):	Outstanding
In April 2018, the Commission issued sales tax revenue bonds of \$64,285,000 at a premium of \$10,723,789 to refund all of the outstanding Series B and Series C bonds issued in 2009 and finance a termination payment in connection with an interest rate swap agreement with Bank of America. The outstanding 2018 Refunding Bonds mature in annual installments ranging from \$4,890,000 to \$7,290,000 on various dates from June 1, 2021 through June 1, 2029 at interest rates ranging from 4.00% to 5.00%.	<u>\$ 54,395,000</u>

In accordance with the bond maturity schedule, the approximate annual debt service requirements to maturity for the 2018 Refunding Bonds payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 4,890,000	\$ 2,719,800	\$ 7,609,800
2022	5,205,000	2,475,200	7,680,200
2023	5,425,000	2,215,000	7,640,000
2024	5,745,000	1,943,800	7,688,800
2025	5,970,000	1,656,500	7,626,500
2026-2029	27,160,000	3,477,900	30,637,900
	<u>\$ 54,395,000</u>	<u>\$ 14,488,200</u>	<u>\$ 68,883,200</u>

This refunding was undertaken to eliminate certain risks associated with managing the Commission's variable rate debt. The transaction resulted in a decrease in future debt payments of approximately \$802,000 and an economic gain of approximately \$746,000 (difference between the present value of the debt service payments on the old debt and the new debt). The reacquisition price and the net carrying amount of the old debt were the same.

Toll revenue bonds payable: In July 2010, the Commission authorized the issuance and sale of not to exceed \$900 million of toll revenue bonds related to the 91 Project. In May 2017, the Commission authorized the issuance and sale of not to exceed \$165,000,000 of toll revenue bonds, including a TIFIA loan related to the I-15 Express Lanes project. In March 2020, the Commission authorized the issuance and sale of not to exceed \$725 million of toll revenue refunding bonds related to the RCTC 91 Express Lanes.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

2013 Toll Revenue Bonds, Series A (Current Interest Obligation):	Outstanding
In July 2013, the Commission issued \$123,825,000 principal amount of serial current interest bonds (CIBs) at a discount of \$2,433,315 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 costs of issuance. 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%.	<u>\$ 123,825,000</u>

In accordance with the bond maturity schedule, the approximate annual debt service requirements to maturity for the 2013 Toll Bonds CIBs payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Interest	Total
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	-	7,119,900	7,119,900
2026-2030	-	35,599,700	35,599,700
2031-2035	-	35,599,700	35,599,700
2036-2040	-	35,599,700	35,599,700
2041-2045	39,315,000	33,339,100	72,654,100
2046-2048	84,510,000	12,148,500	96,658,500
	<u>\$ 123,825,000</u>	<u>\$ 187,886,200</u>	<u>\$ 311,711,200</u>

2013 Toll Revenue Bonds, Series B (Capital Appreciation Obligation):	Outstanding
In July 2013, the Commission issued \$52,829,600 principal amount of serial capital appreciation bonds (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 costs of issuance. The CABs will not pay current interest as interest will be compounded commencing December 2013 semiannually and paid at maturity. Therefore, the CABs will 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%. During 2020, the accretion amount was \$5,150,812; the aggregate accretion through June 30, 2020 is approximately \$29,921,500.	<u>\$ 82,751,096</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

In accordance with the bond maturity schedule, the approximate annual debt service requirements to maturity for the 2013 Toll Bonds CABs payable throughout the term of the bonds are as follows:

Year Ending June 30	Principal	Accreted Interest	Total
2022	\$ 2,396,700	\$ 1,423,300	\$ 3,820,000
2023	3,098,000	2,231,900	5,329,900
2024	3,739,200	3,245,900	6,985,100
2025	4,364,200	4,450,800	8,815,000
2026-2030	17,069,900	27,500,100	44,570,000
2031-2035	10,369,800	28,340,100	38,709,900
2036-2040	-	-	-
2041-2043	11,791,800	78,458,300	90,250,100
	<u>\$ 52,829,600</u>	<u>\$ 145,650,400</u>	<u>\$ 198,480,000</u>

2013 TIFIA Loan Agreement - 91 Project:

Outstanding

In July 2013, the Commission executed a TIFIA loan of up to \$421,054,409, which proceeds financed a portion of the costs 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 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 are expected to commence on December 1, 2021, which is five years after substantial completion of the 91 Project, through June 1, 2051. The interest rate of the TIFIA loan is 3.47%.

\$ 486,339,336

The TIFIA loan is a toll revenue bond that is subordinate to the senior toll revenue bonds per the 91 Project indenture.

In accordance with the TIFIA loan maturity schedule, the approximate annual mandatory debt service requirements to maturity for the TIFIA loan payable throughout the term of the loan are as follows:

Year ending June 30	Mandatory		
	Principal	Interest	Total
2022	\$ -	\$ 1,921,000	\$ 1,921,000
2023	-	1,921,000	1,921,000
2024	-	1,924,000	1,924,000
2025	-	1,919,000	1,919,000
2026-2030	50,000	41,117,000	41,167,000
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	9,564,000	330,000	9,894,000
Total	<u>503,338,000</u>	<u>\$ 292,141,000</u>	<u>\$ 795,479,000</u>
Future compounded interest	<u>(16,998,664)</u>		
Total TIFIA loan	<u>\$ 486,339,336</u>		

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

Year ending June 30	Mandatory		
	Principal	Interest	Total
2022	\$ -	\$ 1,921,000	\$ 1,921,000
2023	-	1,921,000	1,921,000
2024	-	1,924,000	1,924,000
2025	-	1,919,000	1,919,000
2026-2030	50,000	41,117,000	41,167,000
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	9,564,000	330,000	9,894,000
Total	503,338,000	\$ 292,141,000	\$ 795,479,000
Future compounded interest	(16,998,664)		
Total TIFIA loan	\$ 486,339,336		

Pursuant to the 91 Project toll indenture and TIFIA loan agreement, the Commission deposited with the trustee \$136,451,515 through 2017 into an equity account for payment of 91 Project costs.

In connection with the issuance of the 2013 Toll Bonds consisting of the CIBs and CABs, a debt service reserve of \$17,665,460 and an operations and maintenance fund of \$3,137,666 were established. Upon opening of the RCTC 91 Express Lanes in March 2017, the operations and maintenance fund was transferred from the trustee to the Commission for operations. Additionally, the toll indenture and TIFIA loan agreement require the Commission to establish a subordinate obligations reserve fund of \$20,000,000 with Measure A sales tax revenues no later than July 1, 2019, to the extent that the proceeds from the sales of excess right of way acquired by the Commission in connection with the 91 Project are insufficient. The \$20,000,000 reserve was funded in June 2019 from the proceeds of the sale of excess properties on the SR-91 and surplus funds.

2017 TIFIA Loan Agreement - I-15 Express Lanes:

Outstanding

In July 2017, the Commission executed a TIFIA loan of up to \$152,214,260, which proceeds will finance a portion of the costs for the I-15 Express Lanes 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 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 are expected to commence on June 1, 2025, which is five years after substantial completion of the I-15 Express Lanes project, through June 1, 2055. The interest rate of the TIFIA loan is 2.84%. During 2020, \$111,301,868 was drawn on the TIFIA loan and \$1,668,411 in interest was compounded.

\$ 128,092,018

The TIFIA loan is a senior toll revenue bond per the I-15 Express Lanes project indenture.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

In accordance with the projected TIFIA loan maturity schedule, the approximate annual mandatory debt service requirements to maturity for the TIFIA loan payable throughout the term of the loan are as follows:

Year ending June 30	Mandatory		
	Principal	Interest	Total
2025	\$ -	\$ 2,485,000	\$ 2,485,000
2026-2030	4,652,700	29,571,400	34,224,100
2031-2035	25,322,000	48,182,400	73,504,400
2036-2040	29,123,100	48,182,400	77,305,500
2041-2045	33,510,100	48,182,400	81,692,500
2046-2050	38,541,500	48,182,400	86,723,900
2051-2055	44,334,200	48,182,400	92,516,600
Total	175,483,600	\$ 272,968,400	\$ 448,452,000
Future compounded interest	(23,269,300)		
Total TIFIA loan	<u>\$ 152,214,300</u>		

Pursuant to the I-15 Express Lanes project toll indenture, the Commission will establish the following to support the 15 Express Lanes:

- A \$16.5 million ramp-up reserve prior to substantial completion and commencement of express lanes operations anticipated in Spring 2021;
- An \$18 million TIFIA loan reserve from an initial loan of Measure A sales tax revenues up to \$3 million per year from 2019 through 2024 to the extent that 15 Express Lanes revenues are not sufficient to fund the TIFIA loan reserve; and
- Up to a \$38.5 million backstop loan from Measure A sales tax revenues of up to \$3.85 million per year to the extent 15 Express Lanes revenues are not sufficient to cover operations and maintenance costs, TIFIA loan mandatory debt service, and TIFIA scheduled interest.

The Commission has funded \$6,000,000 required for the TIFIA loan reserve with a loan of Measure A sales tax revenues. The loan is included in advances from the Measure A Western County Special Revenue fund to the Bonds Capital Projects fund.

Commercial paper notes payable: In February 2005, the Commission authorized the issuance of tax-exempt commercial paper notes in an amount not to exceed \$200,000,000 for the primary purpose of financing right of way and mitigation land acquisition and project development costs of capital projects under the 2009 Measure A. The Commission reduced the authorization to \$60,000,000 in September 2013. As of June 30, 2020, \$0 was outstanding in commercial paper notes.

The source of revenue to repay the commercial paper notes and any subsequent long-term debt refinancing is the 2009 Measure A sales tax. Interest is payable on the respective maturity dates of the commercial paper notes, which is up to 270 days from the date of issuance. The maximum allowable interest rate on the commercial paper notes is 12%.

As a requirement for the issuance of the commercial paper notes, the Commission entered into a \$60,750,000 irrevocable direct draw letter of credit and reimbursement agreement with State Street Bank and Trust Company (State Street) as credit and liquidity support for the commercial paper notes through October 2025. The commitment fees paid to State Street were \$259,402 in 2020.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 6. Long-term Obligations, Continued

Funds are drawn under the letter of credit to pay debt service on the commercial paper notes, and the Commission is required to reimburse the bank for such drawings. Amounts drawn on the letter of credit and not reimbursed within 30 days are not due until five years after the date of such draw. Accordingly, the commercial paper notes are classified as long-term liabilities in the Commission's government-wide financial statements. There were no unreimbursed draws by the Commission on the remaining letter of credit during the year ended June 30, 2020, nor were there any amounts outstanding under the remaining letter of credit agreement at June 30, 2020.

The Commission's commercial paper program functions similar to bond anticipation notes for reporting purposes, as the commercial paper notes are issued and retired with long-term debt issuances. Commercial paper notes are classified as long-term debt as long as the Commission's letter of credit facility extends at least one year past its fiscal year end; otherwise, the commercial paper notes are classified as a fund liability.

Capital lease obligation: The Commission has entered into a lease agreement for financing the acquisition of office equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments. The office equipment book value of \$55,000 is recorded as a capital asset in the governmental activities. Total future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020 are as follows:

Year Ending June 30	Total
2021	\$ 15,762
2022	15,762
2023	15,762
2024	<u>6,567</u>
Total minimum lease payments	53,853
Less amount representing interest	<u>(12,032)</u>
Present value of minimum lease payments	<u>\$ 41,821</u>

Arbitrage rebate: The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds and commercial paper notes after August 31, 1986. In general, arbitrage regulations deal with the investment of all tax-exempt bond and commercial paper note proceeds at an interest yield greater than the interest yield paid to bondholders or noteholders. Failure to follow the arbitrage regulations could result in all interest paid to bondholders or noteholders retroactively rendered taxable. In accordance with the arbitrage regulations, if excess earnings were calculated, 90% of the amount calculated would be due to the Internal Revenue Service at the end of each five-year period. The remaining 10% would be recorded as a liability and paid after all bonds had been redeemed. During the current year, the Commission performed calculations of excess investment earnings on all bond and commercial paper financings. There was no arbitrage liability at June 30, 2020.

MSHCP funding liability: Under the 2009 Measure A, the Commission is required to provide \$153,000,000 of Measure A funding under the Western County MSHCP. Through the current year, the Commission has fulfilled approximately \$150,000,000 of the funding requirement. In March 2012, the Commission authorized a \$24,000,000 commitment to the Western Riverside County Regional Conservation Authority (RCA) to provide funding for its remaining obligation to the MSHCP for its covered activities. Under the terms of the agreement, the commitment will be paid over eight years at \$3,000,000 per year through December 2019. However, if, within the first two years of the agreement, the RCA received a federal loan guarantee related to the MSHCP or its revenues have returned to 2005 levels, the Commission may modify its commitment. The Commission did not modify its commitment within the first two-year period, and, accordingly, the remaining liability is \$0 as of June 30, 2020.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 7. Net Position and Fund Balances

Net position: Net investment in capital assets of \$578,176,767, as reported on the statement of net position, represents capital assets, net of accumulated depreciation and amortization, of \$1,188,217,305 less the related debt of \$610,040,538. The related debt includes the portion of the sales tax revenue and toll revenue bonds that was used for the development of tolled express lane capital assets. The deficit in business-type activities will be reduced by future toll revenues for the payment of outstanding toll obligations.

Net Investment in Capital Assets	Governmental Activities	Business-Type Activities	Total
Capital assets, net	\$ 912,650,581	\$ 275,566,724	\$ 1,188,217,305
Less: related debt	(14,259,826)	(595,780,712)	(610,040,538)
Total	\$ 898,390,755	\$ (320,213,988)	\$ 578,176,767

Additionally, the statement of net position reports \$860,313,222 of restricted net position, of which \$556,294,332 is restricted by enabling legislation.

Fund balances:

Measure A: Measure A sales tax revenues are allocated to the three defined geographic areas of Riverside County, consisting of Western County, Coachella Valley, and Palo Verde Valley in proportion to the funds generated within those areas. Revenues must then be allocated to the programs of the geographic areas according to percentages as defined by Measure A and are legally restricted for applicable program expenditures. Bond and commercial paper note proceeds are allocated to the geographic areas based on the estimated uses. Accordingly, the related fund balances are classified as follows:

Highways: Funds are to be used for project costs including engineering, right of way acquisitions, and construction of the Western County highways and Coachella Valley highways and regional arterials. Funds for new corridors are to be used for environmental clearance, right of way acquisition, and construction of four new Western County transportation corridors identified through CETAP. In order to attract commercial and industrial development and jobs in the Western County, funds are expended 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. Funds are also provided to support bond financing costs. These program funds are intended to supplement existing federal, state, and local resources. Coachella Valley highway and regional arterial funds are matched by TUMF revenues generated in the Coachella Valley. Accordingly, funds for highways, Coachella Valley regional arterials, new corridors, economic development, and bond financing are reflected as restricted for these specific purposes as stipulated by the 1989 Measure A and 2009 Measure A.

Commuter rail: Funds for rail operations and to match federal funds for capital are restricted as stipulated by the 2009 Measure A Western County public transit program. Certain state revenues are restricted for the planning and development of the new Coachella Valley/San Geronio Pass corridor rail service.

Regional arterials: Funds for regional arterials are used to implement the planned Western County regional arterial system, as defined by WRCOG.

Local streets and roads: Funds to be expended by local jurisdictions for the construction, repair, and maintenance of local streets and roads are reflected as restricted as stipulated by the 2009 Measure A. The County and local cities are required to supplement those expenditures with other previously dedicated revenue sources to maintain road improvements. Monies are disbursed to the jurisdictions which comply with the requirements to maintain the same level of funding for streets and roads as existed prior to the passage of the 2009 Measure A and participate in TUMF (as applicable in the Western County and

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 7. Net Position and Fund Balances, Continued

Coachella Valley areas) and the MSHCP in Western County and which annually submit a five-year capital improvement plan.

Commuter assistance and transit: Funds for public transit are used to promote and subsidize commuter assistance programs such as ridesharing and telecommuting and specialized transportation to guarantee reduced transit fares, expand existing transit services, and implement new transit services for seniors and persons with disabilities. These funds are restricted as stipulated by the 2009 Measure A. Funds for intercity bus services in Western County and bus replacement and more frequent service in the Coachella Valley are restricted as stipulated by the 2009 Measure A.

Debt service: Certain bond proceeds that have been used to make required sinking fund payments in the Debt Service fund as required by the bond agreements are classified as restricted. Amounts held by the trustee equal to the maximum annual debt service are recorded in the Debt Service fund as restricted.

Transportation Development Act: Restricted fund balance for the LTF represents the apportionments related to transit programs by geographic area, bicycle and pedestrian facilities, and planning and programming services and unapportioned revenues. Restricted fund balance for the STA and State of Good Repair represents the apportionments for transit by geographic area. The TDA restrictions at June 30, 2020 are as follows:

	Local Transportation Fund	State Transit Assistance	State of Good Repair	Total
Bicycle and pedestrian facilities	\$ 8,303,262	\$ -	\$ -	\$ 8,303,262
Transit and specialized transportation				
Western County:				
Bus transit:				
City of Banning	100,000	1,124,506	76,047	1,300,553
City of Beaumont	-	3,391,933	66,478	3,458,411
City of Corona	-	925,692	146,237	1,071,929
City of Riverside	-	303,649	295,247	598,896
Riverside Transit Agency	2,666,157	52,735,630	3,584,713	58,986,500
Apportioned and unallocated	56,865,176	11,665,388	2,392,713	70,923,277
Commuter rail:				
Commission	2,000,000	7,651,553	825,203	10,476,756
Apportioned and unallocated	6,955,536	25,617,488	26,949	32,599,973
Total Western County	68,586,869	103,415,839	7,413,587	179,416,295
Coachella Valley:				
BusTransit				
SunLine Transit Agency	2,543,247	14,922,353	781,307	18,246,907
Apportioned and unallocated	7,343,640	1,068,273	817,697	9,229,610
Commuter Rail				
Commission	-	-	-	-
Apportioned and unallocated	-	41,746	-	41,746
Total Coachella Valley	9,886,887	16,032,372	1,599,004	27,518,263
Palo Verde Valley:				
Palo Verde Valley Transit Agency	-	82,272	35,758	118,030
Apportioned and unallocated for transit and local streets and roads	1,214,146	181,901	39,597	1,435,644
Total Palo Verde Valley	1,214,146	264,173	75,355	1,553,674
Prepaid amounts	17,200	-	-	17,200
Unapportioned funds	9,099,939	-	-	9,099,939
Total transit and specialized transportation	\$ 97,108,303	\$ 119,712,384	\$ 9,087,946	\$ 225,908,633

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 7. Net Position and Fund Balances, Continued

Commuter rail: Restricted fund balances in the General fund and a nonmajor governmental fund represent TDA monies to be used for commuter rail operations and capital.

Transportation Uniform Mitigation Fee: TUMF revenues to be received by the Commission are to be used for new CETAP corridors and the regional arterial system in Western County and are restricted as follows:

CETAP: Funds for the development of new transportation corridors are used to provide congestion relief and mobility within the County and between the County and its neighboring Orange and San Bernardino counties. Funds will be matched by revenues of \$370 million generated from the 2009 Measure A.

Regional arterials: Funds for regional arterials are used to implement the planned Western County regional arterial system. Funds will be matched by revenues of \$300 million generated from the 2009 Measure A.

Prepaid amounts: Prepaid amounts are reported as nonspendable fund balance as they are in nonspendable form.

Motorist assistance: Funds in the Service Authority for Freeway Emergencies and Freeway Service Patrol Special Revenue funds, which are reported as nonmajor governmental funds of \$6,037,828 and \$4,870,970, respectively, to assist motorists on County roads are restricted as stipulated by the State.

General government: Funds allocated by Measure A, TUMF, LTF, motorist assistance, STA, Coachella Valley Rail, and SB 132 programs to the General Fund have been assigned by the Commission for general government administration.

RCTC 91 Express Lanes: Restricted net position for toll operations consists of net toll revenues from toll operations in the RCTC 91 Express Lanes Enterprise fund in accordance with the toll bond indenture.

Unassigned: The SB 132 Special Revenue fund and Other Agency Projects fund reported a negative unassigned fund balance of \$3,228,402 and \$30,566. The Commission anticipates future reimbursements from Caltrans will reduce the negative fund balance.

Note 8. Commitments and Contingencies

Operating lease: The Commission has entered into an operating lease agreement for office facilities. The term of the lease, as amended, is for a period of 10 years expiring in October 2027. Rental expenditures for the fiscal year ended June 30, 2020 were approximately \$556,600.

Year Ending June 30	Amount
2021	\$ 581,060
2022	598,493
2023	616,449
2024	634,945
2025	653,996
2026-2027	897,219
Total minimum rental commitment	<u>\$ 3,982,162</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 8. Commitments and Contingencies, Continued

Real property and project agreements: The Commission has entered into other agreements in the ordinary course of business with companies and other governmental agencies for the acquisition of real property as well as the engineering and construction of certain highway and commuter rail projects. These agreements, which are significant, are funded with available and future revenues and debt proceeds.

Litigation: Certain claims involving disputed construction costs and property acquisition costs, including goodwill claims, have arisen in the ordinary course of business. Additionally, the Commission is a defendant in lawsuits. Although the outcome of these matters is not presently determinable, management does not expect that the resolution of these matters will have a material adverse impact on the financial condition of the Commission.

Note 9. Joint Agreements

Joint ventures: The Commission is one of five members of the SCRRA, an independent joint powers authority created in June 1992. The SCRRA's board consists of one member from the Ventura County Transportation Commission; two each from the Orange County Transportation Authority (OCTA), the San Bernardino Associated Governments, and the Commission; and four members from the Los Angeles County Metropolitan Transportation Authority. The SCRRA is responsible for implementing and operating a regional commuter rail system (Metrolink) in five southern California counties. As a member of SCRRA, the Commission makes capital and operating contributions for its pro rata share of rail lines servicing the County. The Commission expended \$21,289,044 and \$2,996,937 during 2019 for its share of Metrolink operating and capital costs, respectively. As of June 30, 2019, cumulative capital contributions were \$56,361,657. Other funds for rail service are contributed to the SCRRA by the State from state rail bonds on behalf of the Commission. Separate financial statements are prepared by and available from the SCRRA, which is located at 900 Wilshire Boulevard, Suite 1500, Los Angeles, California 90017.

In May 2013 the Commission became a full voting member of the Los Angeles–San Diego–San Luis Obispo (LOSSAN) Rail Corridor Agency with the intent to have greater involvement in regional rail issues because of its legal ownership rights regarding passenger rail service between Fullerton and Los Angeles. The LOSSAN Rail Corridor Agency is a locally governed joint powers authority comprised of 13 agencies created to oversee the intercity passenger rail service in the travel corridor between San Diego and San Luis Obispo County. The Commission's share of administration costs is subject to future negotiations; however, during 2020 the Commission contributed \$0 for administration efforts.

In May 2017, the Commission became a member of the California Vanpool Authority (CalVans) to share resources and provide public vanpool transportation options for the traveling public. CalVans is a joint powers authority comprised of 13 agencies created to operate vanpool services within the territories of the member agencies. The Commission did not expend any funds during 2020 for CalVans.

RCTC 91 Express Lanes cooperative agreements: The RCTC 91 Express Lanes are jointly operated with the existing OCTA 91 Express Lanes and collectively referred to as the 91 Express Lanes.

Under the Orange-Riverside Cooperative Agreement, which was entered into in December 2011, the Commission and OCTA agreed on the use of the same initial toll operator, cost and revenue sharing, toll policies, business rules, interoperability of technology, and marketing activities as well as OCTA review of design plans and construction activities for the 91 Project.

In May 2013 the Commission entered into a three-party agreement with OCTA and the third-party toll operator, for the operations of the 91 Express Lanes. This ensures a streamlined and consistent intercounty travel for motorists on the OCTA 91 Express Lanes in Orange County and RCTC 91 Express Lanes in Riverside

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 9. Joint Agreements

County. The third-party toll operator provides operating services in the annual amount of \$6,942,600 plus inflation for three initial years with two one-year extension options, subject to Board of Commissioners approval. The third-party toll operator is responsible for the day-to-day operations of the toll facility; another contractor is responsible for maintaining the roadside toll collection system under a separate agreement with the Commission. The three-party agreement expires on December 31, 2021, as amended in September 2019.

In November 2019, the Commission awarded an agreement to the third-party operator to develop and install a new back office system and to provide express lane operator services, including the back office and customer services center. The third-party operator has a separate contract with OCTA. Each contract has a five-year term, plus two 3-year options, to operate both the OCTA and RCTC 91 Express Lanes. The operating term begins July 2021.

Note 10. Employees' Pension Plans

General Information about the CalPERS Pension Plan: The Commission contracts with CalPERS to provide its employees retirement as well as death and retirement disability benefits, which are paid by the CalPERS under a cost sharing multiple-employer plan. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be obtained from its executive office located at 400 P Street, Sacramento, California 95814, or by visiting the CalPERS website at www.calpers.ca.gov. All permanent Commission employees are eligible to participate in the Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by CalPERS. Benefit provisions under the Plan are established by State statute and Commission resolution.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Employees hired prior to January 1, 2013 and attaining the age of 55 with five years of credited California service (service) are eligible for normal retirement and are entitled to a monthly benefit of 2.7% of their final compensation for each year of service. Final compensation is defined as the highest annual salary earned. Retirement may begin at age 50 with a reduced benefit rate. The plan also credits employees for unused sick leave. Employees hired on or after January 1, 2013 who are not "classic" members and attaining the age of 62 with five years of credited service are eligible for normal retirement and are entitled to a monthly benefit of 2% of their three-year final compensation for each year of service. Retirement may begin at age 52 with a reduced benefit rate. Upon separation from the plan prior to retirement, members' accumulated contributions are refundable with interest credited through the date of separation. All members are eligible for non-duty disability benefits after 10 years of service. The pre-retirement death benefit is one of the following: the 1957 Survivor Benefit – level 3 or the Optional Settlement 2W Death Benefit. The post-retirement death benefit is one of the following: lump sum or survivor allowance. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan provisions and benefits in effect at June 30, 2020, are summarized as follows:

Hire date	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50 – 55	52 – 62
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required employee contribution rates	8%	7.25%
Required Commission contribution rates	15.388%	8.069%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 10. Employees' Pension Plans, Continued

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2020, the contributions recognized as part of pension expense for the Plan were as follows:

Miscellaneous	
Contributions - Commission	\$ 10,221,550
Contributions - Employee	479,952

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

As of June 30, 2020, the Commission reported a net pension liability for its proportionate shares of the net pension liability of the Plan as follows:

Proportionate Share of Net Pension Liability	
Miscellaneous	\$ 8,921,123

The Commission's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Commission's proportionate share of the net pension liability for the Plan as of June 30, 2018 and 2019 is as follows:

Miscellaneous	
Proportion - June 30, 2018	0.08656%
Proportion - June 30, 2019	0.08706%
Change - Increase (Decrease)	(0.0005%)

For the year ended June 30, 2020, the Commission recognized pension expense of \$2,435,492. At June 30, 2020, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 10,221,550	\$ -
Differences between actual and expected experiences	619,610	48,007
Changes in assumptions	425,400	150,801
Differences between contributions and the proportionate share of contributions	389,196	-
Changes in Commission's proportion	185,873	79,845
Net differences between projected and actual earnings on plan investments	-	155,969
Total	<u>\$ 11,841,629</u>	<u>\$ 434,622</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 10. Employees' Pension Plans, Continued

The \$10,221,550 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal years. Other amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	
2021	\$ 985,261
2022	32,791
2023	135,888
2024	31,517
	<u>\$ 1,185,457</u>

Actuarial Methods and Assumptions - The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by entry age and service
Investment Rate of Return	7.15% net of pension plan investment and administrative expenses, includes inflation
Mortality	Derived using CalPERS' membership data for all funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation were based on the results of a December 2017 actuarial experience study report (based on demographic data for the period 1997 to 2015). Further details of the experience study can be found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability was 7.15% for the Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11 years +) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 10. Employees' Pension Plans, Continued

the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the expected real rates of return by asset class.

Asset Class (a)	Current Target Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	–	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	–	(0.92%)
Total	100%		

- (a) Fixed income is included in Global Debt Securities; Inflation Assets are included in both Global Equity Securities and Global Debt Securities; and Liquidity is included in short-term investments.
(b) An expected inflation rate of 2.0% used for this period.
(c) An expected inflation rate of 2.92% used for this period.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate – The following presents the Commission's collective net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Commission's collective net pension liability would be if it were calculated using a discount rate that is 1% below or 1% higher than the current rate:

Miscellaneous	
1% Decrease	6.15%
Net Pension Liability	\$14,004,259
Current Discount Rate	7.15%
Net Pension Liability	\$8,921,123
1% Increase	8.15%
Net Pension Liability	\$4,725,354

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

Payable to the Pension Plan – At June 30, 2020, the Commission reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

401(a) plan: The Commission offers its employees a 401(a) single-employer defined contribution plan referred to as the Money Purchase Plan & Trust (Plan), which covers all permanent full-time employees. Employees are fully vested in the Plan after five years. The Plan, which is administered by the International City/County Management Association (ICMA), requires the Commission to make a contribution of 7.5% of the employees' earnings for the Plan year. Fiduciary responsibility and reporting of the Plan assets rests with ICMA. The Commission has the authority to amend the contribution requirements. Total payroll for covered employees for the current year was \$6,327,777. The Commission's contributions to the Plan were \$470,203 for the year ended June 30, 2020.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 11. Post-employment Benefits Other Than Pensions (OPEB)

Plan description – The Commission's OPEB plan through the CERBT, is an agent multiple-employer defined benefit plan for eligible retirees and their dependents. CERBT issues a publicly available financial report that can be obtained from its executive office or its website.

Benefits provided – The Commission provides post-employment health benefits for eligible retirees and their dependents at retirement. For employees hired on or after January 1, 2007, retirees must have a minimum of 10 years of PERS service and no less than five years of Commission service in order to receive post-employment health benefits in accordance with PERS as per Government Code Section 22893. For employees hired prior to January 1, 2007, retirees are not required to meet the eligibility criteria and may receive post-employment health benefits at the monthly health benefit rate paid for active employees, which is currently at \$750. The Commission's contributions toward premiums for retiree health insurance are coordinated with Medicare and other benefits provided by federal and state law, when available, to the extent it reduces the cost of insurance premiums.

Employees covered by benefit terms at June 30, 2020 are as follows:

Inactive employees or beneficiaries currently receiving benefit payments	22
Inactive employees entitled to but not yet receiving benefit payments	1
Active employees	<u>44</u>
Total	<u>67</u>

Contributions – The contribution requirements of plan members are established and may be amended by the Commission. The Commission has adopted a policy to fund 100% of the actuarially determined amount. For the year ended June 30, 2020, the Commission's average contribution rate was 8% of covered-employee payroll. Employees are not required to contribute to the plan.

Net OPEB Liability – The Commission's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions – The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions		June 30, 2019 Measurement Date
Inflation	2.75% per annum	
Salary increases	3.00% aggregate	
Investment rate of return	5.75%	
Healthcare cost trend rates	Non-Medicare: 7.5% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare: 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years	

Mortality rates are based on projected fully generational with Scale MP-2018.

The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2019.

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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11 years +) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

Asset Class	Target Allocation	Expected Real Rate of Return
	Strategy 2	
Global equity	40%	4.82%
Fixed income	43%	1.47%
TIPS	5%	1.29%
Commodities	4%	0.84%
REITs	8%	3.76%
Assumed long-term rate of inflation		2.75%
Expected long-term net rate of return		5.75%

Discount rate – The discount rate to measure the total OPEB liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that contributions from the Commission will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plan's fiduciary net position was projected to be available to make projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability – The changes in the net OPEB liability (asset) from the measurement date of June 30, 2018 to June 30, 2019 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances at June 30, 2018 (measurement date)	\$ 7,326,000	\$ 7,366,000	\$ (40,000)
Changes for the year:			
Service cost	477,000	-	477,000
Interest	462,000	-	462,000
Changes in benefit terms	80,000	-	80,000
Actual vs. expected experience	(338,000)	-	(338,000)
Assumption changes	137,000	-	137,000
Contributions – employer	-	778,000	(778,000)
Net investment income	-	577,000	(577,000)
Benefit payments	(229,000)	(229,000)	-
Administrative expense	-	(2,000)	2,000
Net changes	589,000	1,124,000	(535,000)
Balances at June 30, 2019 (measurement date)	\$ 7,915,000	\$ 8,490,000	\$ (575,000)

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

Sensitivity of the net OPEB liability to changes in the discount rate – The following table presents the Commission's net OPEB liability (asset), as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate that is 1% below or 1% higher than the current discount rate:

Changes in the Discount Rate	
1% Decrease	4.75%
Net OPEB Liability	\$652,000
Current Discount Rate	5.75%
Net OPEB Liability	(\$575,000)
1% Increase	6.75%
Net OPEB Asset	(\$1,564,000)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following table presents the net OPEB liability (asset) as well as what the Commission's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% below or 1% higher than the current healthcare cost trend rates:

Changes in the Healthcare Cost Trend Rate	
1% Decrease	1% Decrease
Net OPEB Asset	(\$1,684,000)
Current Healthcare Trend Rate	Current Trend
Net OPEB Liability	(\$575,000)
1% Increase	1% Increase
Net OPEB Liability	\$826,000

OPEB plan fiduciary net position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial reports at <https://www.calpers.ca.gov/page/employers/benefit-programs/cerbt>.

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended June 30, 2020, the Commission recognized OPEB expense of \$473,000. At June 30, 2020 the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	\$ 448,000	\$ –
Changes in assumptions	118,000	–
Differences between actual and expected experiences	–	291,000
Net differences between projected and actual earnings on plan investments	–	233,000
Total	<u>\$ 566,000</u>	<u>\$ 524,000</u>

The \$448,000 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal years. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2020

Note 11. Postemployment Benefits Other Than Pensions (OPEB), Continued

Year Ending June 30	
2021	\$ (90,000)
2022	(128,000)
2023	(74,000)
2024	(53,000)
2025	(28,000)
Thereafter	(33,000)
	<u>\$ (406,000)</u>

Payable to the OPEB Plan – At June 30, 2020 the Commission reported a payable of \$0 for the outstanding amount of contributions to CERBT required for the year ended June 30, 2020.

Note 12. Measure A Conformance Requirements

Measure A requires that the 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.

Note 13. Pronouncements Issued, Not Yet Effective

In May 2020, the Commission adopted GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authority Guidance*. In light of the COVID-19 pandemic and effective immediately, this statement provides temporary relief to governments and other stakeholders with a delay in the effective dates of several GASB statements. The GASB pronouncements issued prior to June 30, 2020 that have an effective date impacting future financial presentations include:

- GASB Statement No. 87, *Leases*, effective for the fiscal year that ends June 30, 2022;
- GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, effective for fiscal years beginning after December 31, 2021;
- GASB Statement No. 91, *Conduit Debt Obligations*, effective for fiscal years beginning after December 31, 2022;
- Implementation Guide No. 2019-1, *Implementation Guidance Update – 2019*, effective for the fiscal year that ends June 30, 2021; and
- Implementation Guide No. 2019-3, *Leases*, effective for the fiscal year that ends June 30, 2022.



Required Supplementary Information



Metrolink riders



Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2020

	General			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 11,664,700	\$ 11,664,700	\$ 5,338,528	\$ (6,326,172)
Investment income	499,400	276,100	285,148	9,048
Other	400	400	876,745	876,345
Total revenues	12,164,500	11,941,200	6,500,421	(5,440,779)
Expenditures				
Current:				
General government	12,301,100	12,363,500	-	12,363,500
Commuter rail	29,093,700	29,147,700	23,118,132	6,029,568
Planning and programming	4,646,800	7,117,300	7,192,725	(75,425)
Transit and specialized transportation	1,071,600	1,071,600	1,051,348	20,252
Total programs	47,113,200	49,700,100	31,362,205	18,337,895
Debt service:				
Principal	-	8,700	8,683	17
Interest	-	7,100	7,079	21
Total debt service	-	15,800	15,762	38
Capital outlay	1,306,000	1,194,800	-	1,194,800
Total expenditures	48,419,200	50,910,700	31,377,967	19,532,733
Excess (deficiency) of revenues over (under) expenditures	(36,254,700)	(38,969,500)	(24,877,546)	14,091,954
Other financing sources (uses)				
Transfers in	40,408,800	45,209,800	21,682,561	(23,527,239)
Transfers out	(3,394,600)	(3,394,600)	(66,993)	3,327,607
Total other financing sources (uses)	37,014,200	41,815,200	21,615,568	(20,199,632)
Net change in fund balances	\$ 759,500	\$ 2,845,700	(3,261,978)	\$ (6,107,678)
Fund balances at beginning of year			29,124,269	
Fund balances at end of year			\$ 25,862,291	

See notes to required supplementary information

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Major Special Revenue Funds

Year Ended June 30, 2020

	Measure A Western County				Measure A Coachella Valley			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues								
Sales taxes	\$ 150,535,000	\$ 138,834,000	\$ 152,356,159	\$ 13,522,159	\$ 41,475,000	\$ 38,253,000	\$ 41,832,334	\$ 3,579,334
Transportation Uniform Mitigation Fee	-	-	-	-	-	-	-	-
Intergovernmental	126,247,600	126,247,600	53,356,973	(72,890,627)	-	-	-	-
Investment income	3,603,100	2,472,800	4,159,573	1,686,773	767,400	562,800	1,108,859	546,059
Other	1,516,000	1,516,000	1,197,392	(318,608)	-	-	-	-
Total revenues	281,901,700	269,070,400	211,070,097	(58,000,303)	42,242,400	38,815,800	42,941,193	4,125,393
Expenditures								
Current:								
General government	718,500	739,000	534,338	204,662	-	-	-	-
Bicycle and pedestrian facilities	-	-	-	-	-	-	-	-
CETAP	-	300	215	85	-	-	-	-
Commuter assistance	4,578,300	4,691,000	3,938,474	752,526	-	-	-	-
Commuter rail	36,616,000	36,626,300	16,744,864	19,881,436	-	-	-	-
Highways	278,348,200	290,781,700	194,736,575	96,045,125	30,044,800	27,031,300	14,793,955	12,237,345
Local streets and roads	43,350,400	43,985,100	43,985,055	45	14,408,400	14,642,700	14,642,656	44
Planning and programming	-	-	-	-	-	-	-	-
Regional arterials	7,430,700	7,431,200	4,939,979	2,491,221	-	-	-	-
Transit and specialized transportation	6,586,800	6,587,600	6,145,842	441,758	7,007,900	7,007,900	6,484,084	523,816
Total programs	377,628,900	390,842,200	271,025,342	119,816,858	51,461,100	48,681,900	35,920,695	12,761,205
Capital outlay	3,232,000	4,509,700	3,536,042	973,658	-	-	-	-
Total expenditures	380,860,900	395,351,900	274,561,384	120,790,516	51,461,100	48,681,900	35,920,695	12,761,205
Excess (deficiency) of revenues over (under) expenditures	(98,959,200)	(126,281,500)	(63,491,287)	62,790,213	(9,218,700)	(9,866,100)	7,020,498	16,886,598
Other financing sources (uses)								
Debt issuance	75,703,000	75,703,000	111,301,868	35,598,868	-	-	-	-
Transfers in	47,933,700	44,863,300	24,978,397	(19,884,903)	-	142,200	142,164	(36)
Transfers out	(95,400,000)	(88,775,400)	(62,934,771)	25,840,629	(357,100)	(691,300)	-	691,300
Total other financing sources (uses)	28,236,700	31,790,900	73,345,494	41,554,594	(357,100)	(549,100)	142,164	691,264
Net change in fund balances	\$ (70,722,500)	\$ (94,490,600)	9,854,207	\$ 104,344,807	\$ (9,575,800)	\$ (10,415,200)	7,162,662	\$ 17,577,862
Fund balances at beginning of year			253,925,602				56,410,474	
Fund balances at end of year			<u>\$ 263,779,809</u>				<u>\$ 63,573,136</u>	

See notes to required supplementary information

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Major Special Revenue Funds, Continued

Year Ended June 30, 2020

	Transportation Uniform Mitigation Fee				Local Transportation Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues								
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ 97,000,000	\$ 91,000,000	\$ 100,283,641	\$ 9,283,641
Transportation Uniform Mitigation Fee	25,000,000	16,240,000	23,257,905	7,017,905	-	-	-	-
Intergovernmental	5,800,000	5,800,000	527,029	(5,272,971)	-	-	-	-
Investment income	1,731,300	1,205,900	2,120,529	914,629	1,077,700	713,300	1,167,823	454,523
Other	18,000	18,000	25,212	7,212	-	-	-	-
Total revenues	32,549,300	23,263,900	25,930,675	2,666,775	98,077,700	91,713,300	101,451,464	9,738,164
Expenditures								
Current:								
General government	-	-	-	-	12,000	12,000	12,000	-
Bicycle and pedestrian facilities	-	-	-	-	1,250,100	1,367,800	1,367,800	-
CETAP	11,700,000	11,740,000	11,104,593	635,407	-	-	-	-
Commuter assistance	-	-	-	-	-	-	-	-
Commuter rail	-	-	-	-	-	-	-	-
Highways	-	-	-	-	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	728,000	817,000	817,000	-
Regional arterials	22,972,000	23,171,500	7,119,421	16,052,079	-	-	-	-
Transit and specialized transportation	-	-	-	-	90,300,000	101,150,300	72,016,819	29,133,481
Total programs	34,672,000	34,911,500	18,224,014	16,687,486	92,290,100	103,347,100	74,213,619	29,133,481
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	34,672,000	34,911,500	18,224,014	16,687,486	92,290,100	103,347,100	74,213,619	29,133,481
Excess (deficiency) of revenues over (under) expenditures	(2,122,700)	(11,647,600)	7,706,661	19,354,261	5,787,600	(11,633,800)	27,237,845	38,871,645
Other financing sources (uses)								
Debt issuance	-	-	-	-	-	-	-	-
Transfers in	300,000	300,000	177,115	(122,885)	-	-	-	-
Transfers out	(1,524,300)	(1,524,300)	-	1,524,300	(28,968,500)	(33,769,500)	(21,670,895)	12,098,605
Total other financing sources (uses)	(1,224,300)	(1,224,300)	177,115	1,401,415	(28,968,500)	(33,769,500)	(21,670,895)	12,098,605
Net change in fund balances	<u>\$ (3,347,000)</u>	<u>\$ (12,871,900)</u>	<u>7,883,776</u>	<u>\$ 20,755,676</u>	<u>\$ (23,180,900)</u>	<u>\$ (45,403,300)</u>	<u>5,566,950</u>	<u>\$ 50,970,250</u>
Fund balances at beginning of year			109,653,332				91,541,353	
Fund balances at end of year			<u>\$ 117,537,108</u>				<u>\$ 97,108,303</u>	

See notes to required supplementary information

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Major Special Revenue Funds, Continued

Year Ended June 30, 2020

	State Transit Assistance				SB 132			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues								
Sales taxes	\$ 27,253,800	\$ 27,253,800	\$ 23,910,447	\$ (3,343,353)	\$ -	\$ -	\$ -	\$ -
Transportation Uniform Mitigation Fee	-	-	-	-	-	-	-	-
Intergovernmental	-	-	498	498	93,511,800	93,511,800	77,527,098	(15,984,702)
Investment income	1,628,400	1,143,000	2,073,193	930,193	-	-	31,818	31,818
Other	-	-	-	-	-	-	-	-
Total revenues	28,882,200	28,396,800	25,984,138	(2,412,662)	93,511,800	93,511,800	77,558,916	(15,952,884)
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Bicycle and pedestrian facilities	-	-	-	-	-	-	-	-
CETAP	-	-	-	-	-	-	-	-
Commuter assistance	-	-	-	-	-	-	-	-
Commuter rail	-	-	-	-	-	-	-	-
Highways	-	-	-	-	94,643,500	96,300,200	76,424,673	19,875,527
Local streets and roads	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	-	-	-	-
Regional arterials	-	-	-	-	-	-	-	-
Transit and specialized transportation	50,127,700	50,127,700	13,291,165	36,836,535	-	-	-	-
Total programs	50,127,700	50,127,700	13,291,165	36,836,535	94,643,500	96,300,200	76,424,673	19,875,527
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	50,127,700	50,127,700	13,291,165	36,836,535	94,643,500	96,300,200	76,424,673	19,875,527
Excess (deficiency) of revenues over (under) expenditures	(21,245,500)	(21,730,900)	12,692,973	34,423,873	(1,131,700)	(2,788,400)	1,134,243	3,922,643
Other financing sources (uses)								
Debt issuance	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	2,000,000	2,000,000	166,859	(1,833,141)
Transfers out	(572,400)	(678,300)	(450,000)	228,300	(868,300)	(868,300)	-	868,300
Total other financing sources (uses)	(572,400)	(678,300)	(450,000)	228,300	1,131,700	1,131,700	166,859	(964,841)
Net change in fund balances	\$ (21,817,900)	\$ (22,409,200)	12,242,973	\$ 34,652,173	\$ -	\$ (1,656,700)	1,301,102	\$ 2,957,802
Fund balances at beginning of year			107,469,411				(1,272,356)	
Fund balances at end of year			\$ 119,712,384				\$ 28,746	

See notes to required supplementary information

Riverside County Transportation Commission
Schedule of Proportionate Share of Net Pension Liability
Last Ten Fiscal Years ¹
June 30, 2020

	Fiscal Year					
	2020	2019	2018	2017	2016	2015 ¹
Measurement Date	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability/(asset)	0.08706%	0.08656%	0.08794%	0.08829%	0.09176%	0.08559%
Proportionate share of the net pension liability/(asset)	\$ 8,921,123	\$ 8,340,905	\$ 8,721,456	\$ 7,639,639	\$ 6,298,052	\$ 5,325,565
Covered payroll (measurement year)	\$ 5,870,876	\$ 5,653,205	\$ 5,536,781	\$ 5,287,151	\$ 4,792,270	\$ 4,316,567
Proportionate share of the net pension liability/(asset) as percentage of covered payroll	151.96%	147.54%	157.52%	144.49%	131.42%	123.38%
Plan fiduciary net position as a percentage of the total pension liability	75.26%	75.26%	73.31%	74.06%	78.40%	78.21%

See notes to required supplementary information

¹ Fiscal year 2015 was the first year of implementation, therefore, only six years are shown. Represents most recent data available.

Riverside County Transportation Commission

Schedule of Pension Contributions

Last Ten Fiscal Years ¹

June 30, 2020

	Fiscal Year					
	2020	2019	2018	2017	2016	2015 ¹
Contractually required contribution (actuarially determined)	\$ 1,675,734	\$ 1,507,484	\$ 1,321,564	\$ 1,222,802	\$ 1,101,641	\$ 1,044,018
Contributions in relation to the actuarially determined contributions	(10,221,550)	(1,443,593)	(1,308,877)	(1,238,891)	(1,132,393)	(1,125,317)
Contribution deficiency (excess)	<u>\$ (8,545,816)</u>	<u>\$ 63,891</u>	<u>\$ 12,687</u>	<u>\$ (16,089)</u>	<u>\$ (30,752)</u>	<u>\$ (81,299)</u>
Covered payroll	\$ 6,327,777	\$ 5,870,876	\$ 5,653,205	\$ 5,536,781	\$ 5,287,151	\$ 4,792,270
Contributions as a percentage of covered payroll	161.53%	24.59%	23.15%	22.38%	21.42%	23.48%
Valuation date	6/30/17	6/30/16	6/30/15	6/30/14	6/30/13	6/30/12

Actuarial cost method	Entry age normal cost method
Amortizations method	Level of percentage of payroll
Remaining amortization period	20 years as of valuation date
Asset valuation method	15 year smoothed market
Inflation	2.50%
Projected salary increases	Varies by entry age and service
Discount rate	7.15% (net of administrative expenses)
Retirement age	55 years
Mortality	Society of Actuaries Scale 90% of scale MP 2016

See notes to required supplementary information

¹ Fiscal year 2015 was the first year of implementation, therefore, only six years are shown. Represents most recent data available.

Riverside County Transportation Commission
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios
Last Ten Fiscal Years ¹
June 30, 2020

	Fiscal Year			
	2020	2019	2018	2017 ¹
	2019	2018	2017	2016
Measurement date				
Total OPEB liability (asset)				
Service cost	\$ 477,000	\$ 463,000	\$ 449,000	\$ 437,000
Interest	462,000	416,000	377,000	338,000
Changes of benefit terms	80,000	74,000	-	-
Differences between expected and actual experience	(338,000)	-	-	-
Changes of assumptions	137,000	-	-	-
Benefit payments	(229,000)	(192,000)	(172,000)	(155,000)
Net change in total OPEB liability (asset)	589,000	761,000	654,000	620,000
Beginning total OPEB liability (asset)	7,326,000	6,565,000	5,911,000	5,291,000
Ending total OPEB liability (asset)	<u>\$ 7,915,000</u>	<u>\$ 7,326,000</u>	<u>\$ 6,565,000</u>	<u>\$ 5,911,000</u>
Plan fiduciary net position				
Employer contributions	\$ 778,000	\$ 725,000	\$ 666,000	\$ 634,000
Net investment income	577,000	522,000	597,000	86,000
Benefit payments	(229,000)	(192,000)	(172,000)	(155,000)
Administrative expense	(2,000)	(12,000)	(3,000)	(2,000)
Net change in plan fiduciary net position	1,124,000	1,043,000	1,088,000	563,000
Beginning fiduciary net position	7,366,000	6,323,000	5,235,000	4,672,000
Ending fiduciary net position	<u>\$ 8,490,000</u>	<u>\$ 7,366,000</u>	<u>\$ 6,323,000</u>	<u>\$ 5,235,000</u>
Ending net OPEB liability (asset)	<u>\$ (575,000)</u>	<u>\$ (40,000)</u>	<u>\$ 242,000</u>	<u>\$ 676,000</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	107.26%	100.55%	96.31%	88.56%
Covered payroll (measurement year)	\$ 5,870,876	\$ 5,653,205	\$ 5,536,781	\$ 5,287,151
Net OPEB liability (asset) as a percentage of covered payroll	-9.79%	-0.71%	4.37%	12.79%

See notes to required supplementary information

¹ Fiscal year 2017 was the first year of implementation, therefore, only four years are shown. Represents most recent data available.

Riverside County Transportation Commission
Schedule of OPEB Contributions
Last Ten Fiscal Years ¹
June 30, 2020

	Fiscal Year			
	2020	2019	2018	2017 ¹
Actuarially determined contribution	\$ 399,000	\$ 549,000	\$ 533,000	\$ 494,000
Contributions in relation to the actuarially determined contribution	448,000	778,000	725,000	666,000
Contribution deficiency (excess)	<u>\$ (49,000)</u>	<u>\$ (229,000)</u>	<u>\$ (192,000)</u>	<u>\$ (172,000)</u>
Covered payroll	\$ 6,327,777	\$ 5,870,876	\$ 5,653,205	\$ 5,536,781
Contributions as a percentage of covered-employee payroll	7.08%	13.25%	12.82%	12.03%

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal - level percentage of payroll
Amortization method	Level percentage of payroll
Amortization period	Ten years
Asset valuation method	Investment gains and losses spread over five-year rolling period
Inflation	2.75%
Healthcare cost trend rates	Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare: 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years
Salary increases	3.00% aggregate
Investment rate of return	6.00%
Retirement age	Classic employees: 50 - 55 Public Employees' Pension Reform Act: 52 - 62
Mortality	Mortality projected fully generational with Scale MP-2018

See notes to required supplementary information

¹ Fiscal year 2017 was the first year of implementation, therefore, only four years are shown. Represents most recent data available.

Riverside County Transportation Commission
Notes to Required Supplementary Information
June 30, 2020

Budgetary Data

In February of each year, department heads begin the process of compiling budget data for the upcoming fiscal year. Budget numbers along with supporting documentation are provided to the Chief Financial Officer by March 15. That budget data is compiled and presented to the Executive Director for review and approval and is submitted to the Budget and Implementation Committee at its April meeting. After review by the Budget and Implementation Committee, the proposed budget is scheduled for preliminary review and comment as well as public hearing at the Commission's May meeting. The final budget for the new fiscal year is then adopted by motion of the Board of Commissioners (Board) no later than June 15 of the current year. This appropriated budget covers substantially all Commission expenditures by financial responsibility unit [e.g., General fund and Measure A (for each of the three county areas), Local Transportation Fund, and Transportation Uniform Mitigation Fee special revenue funds] by fund. All appropriated amounts are as originally adopted or as amended by the Commission. Unexpended appropriations lapse at year-end. All budgets are adopted on a basis consistent with generally accepted accounting principles.

As adopted by the Board, expenditure activities of the funds with adopted budgets are controlled at the budgetary unit, which is the financial responsibility level, for each function (i.e., administration, programs, intergovernmental distributions, and capital outlay). These functions provide the legal level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount). Management has the discretion to transfer the budgeted amounts within the financial responsibility unit according to function. Supplemental budget appropriations were necessary during the year.

Pension Plan

Schedule of Proportionate Share of Net Pension Liability - The schedule provides the proportion (percentage) of the collective net pension liability, proportionate share (amount) of the collective net pension liability, the Commission's covered payroll, proportionate share (amount) of the collective net pension liability as a percentage of Commission's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Schedule of Pension Contributions - The schedule provides the Commission's actuarially determined contributions to the pension plan, the Commission's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered payroll.

Postemployment Benefits Other Than Pensions

Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios - The schedule provides the schedule of changes in the net OPEB liability (asset), the plan fiduciary net position as a percentage of the total OPEB liability (asset), the Commission's covered payroll, and the net OPEB liability(asset) as a percentage of covered payroll.

Schedule of OPEB Contributions - The schedule provides the Commission's actuarially determined contributions to the OPEB plan, the Commission's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered payroll.



RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

Other Supplementary Information





**Riverside County Transportation Commission
Nonmajor Governmental Funds Description**

Special Revenue Funds

Measure A Palo Verde Valley: This fund is used to account for the revenues from sales taxes which are restricted to expenditures for Palo Verde Valley programs and activities.

Freeway Service Patrol: This fund is used to record the revenues received from state funds for the purpose of implementing a freeway service patrol for motorists.

Service Authority for Freeway Emergencies: This fund is used to record the revenues received from Department of Motor Vehicle user registration fees for the purpose of implementing an emergency call box system for motorists.

State of Good Repair: This fund is used to account for revenues from sales taxes on gasoline and vehicle fee revenues restricted for transit projects.

Coachella Valley Rail: This fund is used to account for revenues from state funds for the planning and development of the new Coachella Valley/San Geronio Pass corridor rail service.

Other Agency Projects: This fund is used to account for revenues from the Riverside County Regional Park and Open Space District for the interagency cooperative planning and development of projects in the County.

Riverside County Transportation Commission

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2020

Special Revenue				
	Measure A Palo Verde Valley	Freeway Service Patrol	Service Authority for Freeway Emergencies	State of Good Repair
Assets				
Cash and investments	\$ 532	\$ 3,488,028	\$ 5,585,306	\$ 8,404,947
Receivables:				
Accounts	163,215	1,904,402	487,897	670,728
Interest	1	7,917	12,114	19,025
Prepaid expenditures and other assets	-	-	500	-
Total assets	\$ 163,748	\$ 5,400,347	\$ 6,085,817	\$ 9,094,700
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 152,935	\$ 470,132	\$ 33,888	\$ 4,454
Due to other funds	10,402	59,245	14,101	2,300
Other liabilities	-	-	-	-
Total liabilities	163,337	529,377	47,989	6,754
Fund balances:				
Nonspendable-prepaid amounts	-	-	500	-
Restricted for:				
Commuter rail	-	-	-	-
Local streets and roads	411	-	-	-
Motorist assistance	-	4,870,970	6,037,328	-
Transit and specialized transportation	-	-	-	9,087,946
Unassigned:	-	-	-	-
Total fund balances	411	4,870,970	6,037,828	9,087,946
Total liabilities and fund balances	\$ 163,748	\$ 5,400,347	\$ 6,085,817	\$ 9,094,700

Riverside County Transportation Commission
Combining Balance Sheet - Nonmajor Governmental
Funds, Continued
June 30, 2020

	Special Revenue		
	Coachella Valley Rail	Other Agency Projects	Total Nonmajor Governmental Funds
Assets			
Cash and investments	\$ 2,678,662	\$ 324,831	\$ 20,482,306
Receivables:			
Accounts	249,096	500,000	3,975,338
Interest	6,361	845	46,263
Prepaid expenditures and other assets	-	51,427	51,927
Total assets	<u>\$ 2,934,119</u>	<u>\$ 877,103</u>	<u>\$ 24,555,834</u>
Liabilities and fund balances			
Liabilities:			
Accounts payable	\$ 17,578	\$ 54,678	\$ 733,665
Due to other funds	14,415	5,360	105,823
Other liabilities	-	796,204	796,204
Total liabilities	<u>31,993</u>	<u>856,242</u>	<u>1,635,692</u>
Fund balances:			
Nonspendable-prepaid amounts	-	51,427	51,927
Restricted for:			
Commuter rail	2,902,126	-	2,902,126
Local streets and roads	-	-	411
Motorist assistance	-	-	10,908,298
Transit and specialized transportation	-	-	9,087,946
Unassigned:	-	(30,566)	(30,566)
Total fund balances	<u>2,902,126</u>	<u>20,861</u>	<u>22,920,142</u>
Total liabilities and fund balances	<u>\$ 2,934,119</u>	<u>\$ 877,103</u>	<u>\$ 24,555,834</u>

Riverside County Transportation Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2020

	Special Revenue			
	Measure A Palo Verde Valley	Freeway Service Patrol	Service Authority for Freeway Emergencies	State of Good Repair
Revenues				
Sales taxes	\$ 847,828	\$ -	\$ -	\$ 3,886,066
Intergovernmental	-	2,773,907	2,234,133	-
Investment income	4	45,045	103,703	128,371
Other	-	184,555	-	-
Total revenues	847,832	3,003,507	2,337,836	4,014,437
Expenditures				
Current:				
Commuter rail	-	-	-	-
Local streets and roads	847,983	-	-	-
Motorist assistance	-	4,208,360	725,696	-
Planning and programming	-	-	-	-
Transit and specialized transportation	-	-	-	787,947
Total expenditures	847,983	4,208,360	725,696	787,947
Excess (deficiency) of revenues over (under) expenditures	(151)	(1,204,853)	1,612,140	3,226,490
Other financing sources (uses):				
Transfers in	-	2,400,000	-	-
Transfers out	-	-	(2,400,000)	(819,100)
Total other financing sources (uses)	-	2,400,000	(2,400,000)	(819,100)
Net change in fund balances	(151)	1,195,147	(787,860)	2,407,390
Fund balances at beginning of year	562	3,675,823	6,825,688	6,680,556
Fund balances at end of year	\$ 411	\$ 4,870,970	\$ 6,037,828	\$ 9,087,946

Riverside County Transportation Commission
Combining Statement of Revenues, Expenditures, and Changes
Nonmajor Governmental Funds, Continued
Year Ended June 30, 2020

	Special Revenue		
	Coachella Valley Rail	Other Agency Projects	Total Nonmajor Governmental Funds
Revenues			
Sales taxes	\$ -	\$ -	\$ 4,733,894
Intergovernmental	535,994	798,404	6,342,438
Investment income	51,101	4,476	332,700
Other	-	-	184,555
Total revenues	587,095	802,880	11,593,587
Expenditures			
Current:			
Commuter rail	1,206,698	-	1,206,698
Local streets and roads	-	-	847,983
Motorist assistance	-	-	4,934,056
Planning and programming	-	818,478	818,478
Transit and specialized transportation	-	-	787,947
Total expenditures	1,206,698	818,478	8,595,162
Excess (deficiency) of revenues over (under) expenditures	(619,603)	(15,598)	2,998,425
Other financing sources (uses):			
Transfers in	450,000	19,442	2,869,442
Transfers out	-	-	(3,219,100)
Total other financing sources (uses)	450,000	19,442	(349,658)
Net change in fund balances	(169,603)	3,844	2,648,767
Fund balances at beginning of year	3,071,729	17,017	20,271,375
Fund balances at end of year	\$ 2,902,126	\$ 20,861	\$ 22,920,142

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Nonmajor Special Revenue Funds
Year Ended June 30, 2020

	Measure A Palo Verde Valley				Freeway Service Patrol			
	Original	Final		Variance with	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget	Budget	Budget	Actual	Final Budget
				Positive				Positive
				(Negative)				(Negative)
Revenues								
Sales taxes	\$ 990,000	\$ 913,000	\$ 847,828	\$ (65,172)	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	2,900,000	3,200,000	2,773,907	(426,093)
Investment income	-	-	4	4	68,400	37,100	45,045	7,945
Other	-	-	-	-	96,000	96,000	184,555	88,555
Total revenues	990,000	913,000	847,832	(65,168)	3,064,400	3,333,100	3,003,507	(329,593)
Expenditures								
Current:								
Commuter rail	-	-	-	-	-	-	-	-
Local streets and roads	883,500	848,000	847,983	17	-	-	-	-
Motorist assistance	-	-	-	-	5,717,200	5,714,700	4,208,360	1,506,340
Planning and programming	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	-	-	-	-
Total expenditures	883,500	848,000	847,983	17	5,717,200	5,714,700	4,208,360	1,506,340
Excess (deficiency) of revenues over (under) expenditures	106,500	65,000	(151)	(65,151)	(2,652,800)	(2,381,600)	(1,204,853)	1,176,747
Other financing sources (uses)								
Transfers in	-	-	-	-	2,400,000	2,400,000	2,400,000	-
Transfers out	(106,500)	(32,900)	-	32,900	(216,600)	(243,800)	-	243,800
Total other financing sources (uses)	(106,500)	(32,900)	-	32,900	2,183,400	2,156,200	2,400,000	243,800
Net change in fund balances	\$ -	\$ 32,100	(151)	\$ (32,251)	\$ (469,400)	\$ (225,400)	1,195,147	\$ 1,420,547
Fund balances at beginning of year			562				3,675,823	
Fund balances at end of year			\$ 411				\$ 4,870,970	

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Nonmajor Special Revenue Funds, Continued
Year Ended June 30, 2020

	Service Authority for Freeway Emergencies				State of Good Repair			
	Original	Final		Variance with	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget	Budget	Budget	Actual	Final Budget
				Positive				Positive
				(Negative)				(Negative)
Revenues								
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,796,800	\$ 3,796,800	\$ 3,886,066	\$ 89,266
Intergovernmental	2,204,600	2,204,600	2,234,133	29,533	-	-	-	-
Investment income	107,200	71,200	103,703	32,503	55,900	47,200	128,371	81,171
Other	3,000	3,000	-	(3,000)	-	-	-	-
Total revenues	2,314,800	2,278,800	2,337,836	59,036	3,852,700	3,844,000	4,014,437	170,437
Expenditures								
Current:								
Commuter rail	-	-	-	-	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Motorist assistance	899,100	922,700	725,696	197,004	-	-	-	-
Planning and programming	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	5,861,300	5,861,300	787,947	5,073,353
Total expenditures	899,100	922,700	725,696	197,004	5,861,300	5,861,300	787,947	5,073,353
Excess (deficiency) of revenues over (under) expenditures	1,415,700	1,356,100	1,612,140	256,040	(2,008,600)	(2,017,300)	3,226,490	5,243,790
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(2,531,600)	(2,504,400)	(2,400,000)	104,400	(941,500)	(849,300)	(819,100)	30,200
Total other financing sources (uses)	(2,531,600)	(2,504,400)	(2,400,000)	104,400	(941,500)	(849,300)	(819,100)	30,200
Net change in fund balances	\$ (1,115,900)	\$ (1,148,300)	(787,860)	\$ 360,440	\$ (2,950,100)	\$ (2,866,600)	2,407,390	\$ 5,273,990
Fund balances at beginning of year			6,825,688				6,680,556	
Fund balances at end of year			\$ 6,037,828				\$ 9,087,946	

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Nonmajor Special Revenue Funds, Continued
Year Ended June 30, 2020

	Coachella Valley Rail				Other Agency Projects			
	Original	Final		Variance with	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget	Budget	Budget	Actual	Final Budget
				Positive				Positive
				(Negative)				(Negative)
Revenues								
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,692,500	6,692,500	535,994	(6,156,506)	7,367,900	7,367,900	798,404	(6,569,496)
Investment income	9,400	9,400	51,101	41,701	200	200	4,476	4,276
Other	-	-	-	-	-	-	-	-
Total revenues	6,701,900	6,701,900	587,095	(6,114,805)	7,368,100	7,368,100	802,880	(6,565,220)
Expenditures								
Current:								
Commuter rail	9,762,100	9,765,600	1,206,698	8,558,902	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	6,642,700	6,642,700	818,478	5,824,222
Transit and specialized transportation	-	-	-	-	-	-	-	-
Total expenditures	9,762,100	9,765,600	1,206,698	8,558,902	6,642,700	6,642,700	818,478	5,824,222
Excess (deficiency) of revenues over (under) expenditures	(3,060,200)	(3,063,700)	(619,603)	2,444,097	725,400	725,400	(15,598)	(740,998)
Other financing sources (uses)								
Transfers in	450,000	450,000	450,000	-	-	19,500	19,442	(58)
Transfers out	(155,300)	(155,300)	-	155,300	(725,200)	(725,200)	-	725,200
Total other financing sources (uses)	294,700	294,700	450,000	155,300	(725,200)	(705,700)	19,442	725,142
Net change in fund balances	<u>\$ (2,765,500)</u>	<u>\$ (2,769,000)</u>	<u>(169,603)</u>	<u>\$ 2,599,397</u>	<u>\$ 200</u>	<u>\$ 19,700</u>	<u>3,844</u>	<u>\$ (15,856)</u>
Fund balances at beginning of year			3,071,729				17,017	
Fund balances at end of year			<u>\$ 2,902,126</u>				<u>\$ 20,861</u>	

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Capital Projects Funds

Year Ended June 30, 2020

	Capital Projects Funds							
	Commercial Paper				Bonds			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	456,900	456,900	1,231,115	774,215	914,800	914,400	1,815,206	900,806
Other	-	-	-	-	-	-	-	-
Total revenues	456,900	456,900	1,231,115	774,215	914,800	914,400	1,815,206	900,806
Expenditures								
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	211,900	211,804	96
Total debt service	-	-	-	-	-	211,900	211,804	96
Excess (deficiency) of revenues over (under)								
expenditures	456,900	456,900	1,231,115	774,215	914,800	702,500	1,603,402	900,902
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(6,199,600)	(6,199,609)	(9)	(24,402,400)	(24,402,400)	(20,136,426)	4,265,974
Total other financing sources (uses)	-	(6,199,600)	(6,199,609)	(9)	(24,402,400)	(24,402,400)	(20,136,426)	4,265,974
Net change in fund balances	\$ 456,900	\$ (5,742,700)	(4,968,494)	\$ 774,206	\$ (23,487,600)	\$ (23,699,900)	(18,533,024)	\$ 5,166,876
Fund balances at beginning of year			23,091,659				88,561,805	
Fund balances at end of year			\$ 18,123,165				\$ 70,028,781	

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund
Budget and Actual—Debt Service Fund

Year Ended June 30, 2020

	Debt Service Fund			
	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 2,803,200	\$ 2,803,200	\$ 2,811,688	\$ 8,488
Investment income	348,500	250,700	268,946	18,246
Other	-	-	90	90
Total revenues	3,151,700	3,053,900	3,080,724	26,824
Expenditures				
Debt service:				
Principal	27,245,000	27,245,000	27,245,000	-
Interest	42,292,500	42,292,500	42,292,488	12
Total debt service	69,537,500	69,537,500	69,537,488	12
Excess (deficiency) of revenues over (under)				
expenditures	(66,385,800)	(66,483,600)	(66,456,764)	26,836
Other financing sources (uses)				
Transfers in	72,534,500	75,443,200	69,625,783	(5,817,417)
Transfers out	(2,803,200)	(2,953,900)	(2,953,852)	48
Total other financing sources (uses)	69,731,300	72,489,300	66,671,931	(5,817,369)
Net change in fund balances	\$ 3,345,500	\$ 6,005,700	215,167	\$ (5,790,533)
Fund balances at beginning of year			11,437,149	
Fund balances at end of year			\$ 11,652,316	

Riverside County Transportation Commission
Schedule of Expenditures for Local Streets and Roads
by Geographic Area - All Special Revenue Funds
Year Ended June 30, 2020

Western County:	
City of Banning	\$ 627,191
City of Beaumont	1,000,099
City of Calimesa	187,312
City of Canyon Lake	203,882
City of Corona	4,432,463
City of Eastvale	1,439,851
City of Hemet	1,864,026
City of Jurupa Valley	2,244,525
City of Lake Elsinore	1,421,629
City of Menifee	1,883,734
City of Moreno Valley	4,245,773
City of Murrieta	2,643,747
City of Norco	701,496
City of Perris	2,022,019
City of Riverside	7,880,715
City of San Jacinto	940,300
City of Temecula	3,374,987
City of Wildomar	684,635
Riverside County	5,956,830
Other	229,841
	<u>43,985,055</u>
Coachella Valley:	
City of Cathedral City	1,479,866
City of Coachella	636,862
City of Desert Hot Springs	504,781
City of Indian Wells	275,778
City of Indio	2,017,382
City of La Quinta	619,114
City of Palm Desert	2,869,576
City of Palm Springs	2,301,944
City of Rancho Mirage	946,296
Riverside County	1,821,835
Coachella Valley Association of Governments, including \$469,854 due to City of La Quinta	939,708
Other	229,514
	<u>14,642,656</u>
Palo Verde Valley:	
City of Blythe	641,777
Riverside County	173,271
Other	32,935
	<u>847,983</u>
Total local streets and roads expenditures	<u><u>\$ 59,475,694</u></u>

Riverside County Transportation Commission
Schedule of Expenditures for Transit and Specialized Transportation
by Geographic Area and Source - All Special Revenue Funds
Year Ended June 30, 2020

	Sales Taxes				Total
	Measure A	Local Transportation Fund	State Transit Assistance	State of Good Repair	
Western County:					
Blindness Support Services, Inc.	\$ 72,999	\$ -	\$ -	\$ -	\$ 72,999
Boys and Girls Club of Menifee Valley	88,864	-	-	-	88,864
Boys and Girls Club of Southwest County	102,985	-	-	-	102,985
Care-A-Van	266,568	-	-	-	266,568
Care Connexus	202,086	-	-	-	202,086
City of Banning	-	1,463,034	-	-	1,463,034
City of Beaumont	-	2,889,230	906,785	-	3,796,015
City of Corona	-	1,438,930	12,051	-	1,450,981
City of Norco	110,040	-	-	-	110,040
City of Riverside	-	2,737,241	24,000	-	2,761,241
Community Connect	136,359	-	-	-	136,359
Exceed	60,000	-	-	-	60,000
Friends of Moreno Valley Center, Inc	79,200	-	-	-	79,200
Forest Folk	58,678	-	-	-	58,678
Independent Living Partnership	348,073	-	-	-	348,073
Michelle's Place	9,999	-	-	-	9,999
Operation Safehouse	37,671	-	-	-	37,671
Riverside County Department of Mental Health	498,837	-	-	-	498,837
Riverside Transit Agency	3,263,300	45,933,944	5,716,167	126,877	54,913,411
United States Veterans Initiative	42,911	-	-	-	42,911
Voices for Children	109,564	-	-	-	109,564
Other	657,708	228,300	245,785	30,200	1,131,793
	6,145,842	54,690,679	6,904,788	157,077	67,741,309
Coachella Valley:					
SunLine Transit Agency	6,206,363	16,260,535	6,154,141	630,870	28,621,039
Other	277,721	-	-	-	277,721
	6,484,084	16,260,535	6,154,141	630,870	28,898,760
Palo Verde Valley:					
Palo Verde Valley Transit Agency	-	1,065,605	232,236	-	1,297,841
	-	1,065,605	232,236	-	1,297,841
Total transit and specialized transportation expenditures	\$ 12,629,926	\$ 72,016,819	\$ 13,291,165	\$ 787,947	\$ 97,937,910

Riverside County Transportation Commission
Schedule of Uses of Debt Proceeds and Fund Balances
Year Ended June 30, 2020

	Capital Projects		
	Commercial Paper Notes	Sales Tax Revenue Bonds	
	I-15 Express Lanes, advance agreements, and other	I-15 Express Lanes, 91 Project, advance agreements, and other	Total
Revenues			
Investment income	\$ 1,231,115	\$ 1,815,206	\$ 3,046,321
Total revenues	1,231,115	1,815,206	3,046,321
Expenditures			
Debt service	-	211,804	211,804
Total expenditures	-	211,804	211,804
Excess (deficiency) of revenues over (under) expenditures	1,231,115	1,603,402	2,834,517
Other financing sources (uses)			
Transfers out			
Debt service offset	(6,199,609)	(843,039)	(7,042,648)
Requisitions to reimburse Commission funds			
Salaries and benefits	-	(1,358,132)	(1,358,132)
Professional services	-	(501,264)	(501,264)
Support services	-	(297,446)	(297,446)
Program operations	-	(1,360,885)	(1,360,885)
Construction	-	(1,883,057)	(1,883,057)
Right of way	-	(1,241,329)	(1,241,329)
Design-build	-	(9,976,789)	(9,976,789)
Building improvements	-	(2,674,485)	(2,674,485)
Total other financing sources (uses)	(6,199,609)	(20,136,426)	(26,336,035)
Net change in fund balance	(4,968,494)	(18,533,024)	(23,501,518)
Fund balances at beginning of year	23,091,659	88,561,805	111,653,464
Fund balances at end of year	\$ 18,123,165	\$ 70,028,781	\$ 88,151,946



STATISTICAL Section



Riverside County Transportation Commission Statistical Section Overview

This part of the Riverside County Transportation Commission's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Commission's overall financial health.

Financial Trends: These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time. The schedules include:

- Net Position By Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity: These schedules contain information to help the reader assess the government's most significant local revenue source, the Measure A sales tax. These schedules include:

- Sources of County of Riverside Taxable Sales by Business Type
- Direct and Overlapping Sales Tax Rates
- Principal Taxable Sales Generation by City
- Measure A Sales Tax Revenues by Program and Geographic Area
- Measure A Sales Tax by Economic Category

Debt Capacity: These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. These schedules include:

- Pledged Revenue Coverage
- Ratios of Outstanding Debt by Type
- Computation of Legal Debt Margin

Demographic and Economic Information: These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place. These schedules include:

- Demographic and Economic Statistics for the County of Riverside
- Employment Statistics by Industry for the County of Riverside

Operating Information: These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. These schedules include:

- Full-time Equivalent Employees by Function/Program
- Operating Indicators
- Capital Asset Statistics by Program

Riverside County Transportation Commission
Primary Government Net Position by Component
Last Ten Fiscal Years
(Accrual Basis)

	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental activities:					
Net Investment in capital assets	\$ 898,390,755	\$ 706,935,587	\$ 529,178,100	\$ 377,309,766	\$ 389,646,370
Restricted	816,331,290	794,875,222	801,401,752	596,214,012	615,457,192
Unrestricted (deficit)	(997,913,832)	(887,668,580)	(857,485,575)	(538,356,445)	(668,395,594)
Total governmental activities net position	<u>\$ 716,808,213</u>	<u>\$ 614,142,229</u>	<u>\$ 473,094,277</u>	<u>\$ 435,167,333</u>	<u>\$ 336,707,968</u>
Business-type activities:					
Net Investment (deficit) in capital assets	\$ (320,213,988)	\$ (299,852,425)	\$ (286,349,191)	\$ (301,737,495)	
Restricted	43,981,932	25,256,125	8,581,857 ⁵	242,134,144	
Unrestricted (deficit)	-	-	- ⁵	(234,075,489)	
Total business-type activities net position (deficit)	<u>\$ (276,232,056)</u>	<u>\$ (274,596,300)</u>	<u>\$ (277,767,334)</u>	<u>\$ (293,678,840)⁴</u>	

Source: Finance Department

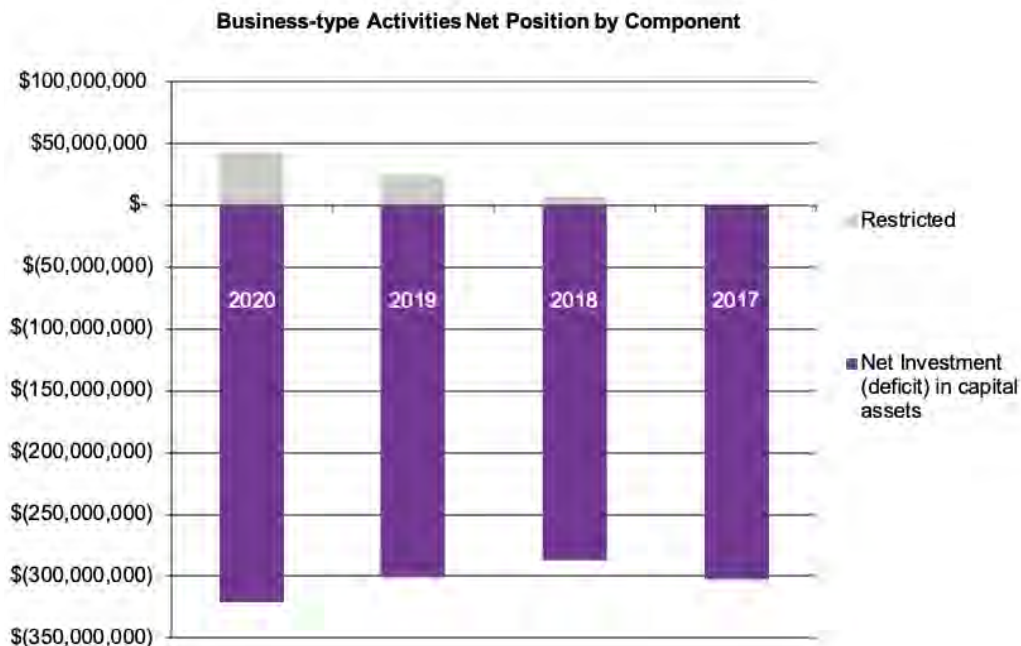
¹ Net investment in capital assets increased in 2011 primarily as a result of the planning and development of toll projects and right of way acquisition for the 91 Project and Perris Valley Line extension project.

² Net investment in capital assets increased in 2014 primarily as a result of construction related to the Perris Valley Line project.

³ In FY 2015, the Commission implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. Prior year amounts in this presentation have not been revised to reflect this change.

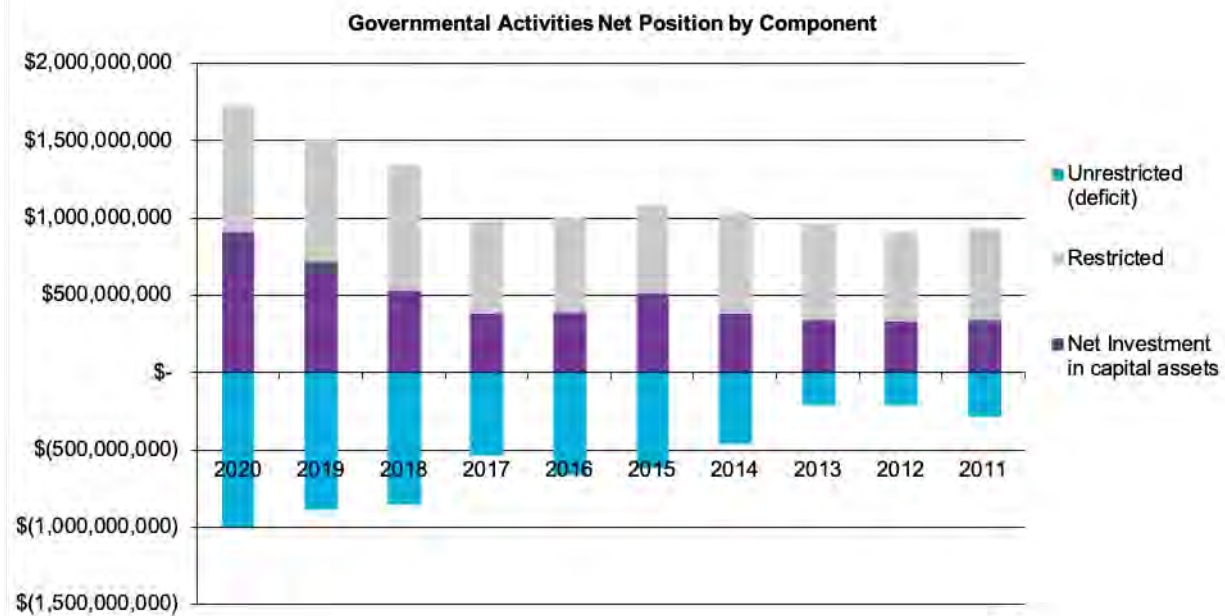
⁴ In FY 2017, the Commission reached substantial completion on the 91 Project and in March 2017 the RCTC 91 Express Lanes opened to motorists.

⁵ In FY 2018, the Commission changed its presentation of net position related to intangible assets.



Riverside County Transportation Commission
Primary Government Net Position by Component, Continued
Last Ten Fiscal Years
(Accrual Basis)

	Fiscal Year				
	2015	2014	2013	2012	2011
Governmental activities:					
Net Investment in capital assets	\$ 509,106,481	\$ 381,796,683 ²	\$ 336,834,025	\$ 327,277,502	\$ 341,912,094 ¹
Restricted	578,207,942	642,385,244	619,089,707	572,183,941	587,098,179
Unrestricted (deficit)	(623,769,876)	(470,327,554)	(216,162,697)	(215,929,362)	(293,146,251)
Total governmental activities net position	<u>\$ 463,544,547 ³</u>	<u>\$ 553,854,373</u>	<u>\$ 739,761,035</u>	<u>\$ 683,532,081</u>	<u>\$ 635,864,022</u>



Riverside County Transportation Commission

Changes in Primary Government Net Position

**Last Ten Fiscal Years
(Accrual Basis)**

	Fiscal Year Ended June 30				
	2020	2019	2018	2017	2016
Expenses					
Governmental activities:					
General government	\$ (1,488,917)	\$ 1,295,384	\$ 3,654,628	\$ 7,258,051	\$ 6,614,285
Bicycle and pedestrian projects	1,367,800	2,319,895	1,142,306	1,314,932	212,547
CETAP	1,441,976	1,398,238	22,285,913	2,489,440	1,871,426
Commuter assistance	3,673,416	3,612,855	3,668,307	2,658,782	2,615,610
Commuter rail	50,573,511	48,553,459	36,578,920	38,964,217	41,449,269
Highways	134,815,656	91,086,623	79,234,802	264,283,974	245,668,543
Local streets and roads	59,474,660	61,470,359	53,639,698	51,864,011	49,826,564
Motorist assistance	4,818,036	4,403,671	3,835,612	4,164,892	4,149,320
Planning and programming	7,798,197	4,340,660	4,758,503	3,141,759	3,965,071
Right of way management	-	-	-	-	-
Regional arterials	11,918,666	17,048,413	12,897,557	19,040,012	23,095,562
Transit and specialized transportation	99,413,296	117,766,548	90,185,227	80,724,591	70,611,967
Interest expense	34,633,146	33,663,673	46,421,211	49,214,579	53,558,472
Total governmental activities expenses	<u>408,439,443</u>	<u>386,959,778</u>	<u>358,302,684</u>	<u>525,119,240</u>	<u>503,638,636</u>
Business-type activities:					
RCTC 91 Express Lanes	59,962,158	55,039,168	49,452,297	13,260,254	-
Total primary government expenses	<u>\$ 468,401,601</u>	<u>\$ 441,998,946</u>	<u>\$ 407,754,981</u>	<u>\$ 538,379,494</u>	<u>\$ 503,638,636</u>
Program Revenues					
Governmental activities:					
Charges for services					
Commuter assistance	\$ -	\$ -	\$ -	\$ -	\$ -
Commuter rail	251,084	155,587	254,627	250,416	255,847
Right of way management	-	-	-	-	-
Highways	95,002	132,681	51,629	-	-
Motorist assistance	-	35,980	4,149	635,373	1,076,751
Other	133	326	479	447	421
Operating grants and contributions	125,725,762	93,084,805	45,363,624	35,611,287	42,568,860
Capital grants and contributions	44,793,683	74,558,439	66,910,285	16,451,903	54,062,314
Total governmental activities program revenues	<u>170,865,664</u>	<u>167,967,818</u>	<u>112,584,793</u>	<u>52,949,426</u>	<u>97,964,193</u>
Business-type activities:					
Charges for services					
RCTC 91 Express Lanes	56,440,369	58,423,461	50,446,824	10,123,572	-
Operating grants and contributions	-	-	-	1,723	-
Total business-type activities program revenues	<u>56,440,369</u>	<u>58,423,461</u>	<u>50,446,824</u>	<u>10,125,295</u>	<u>-</u>
Total primary government revenues	<u>227,306,033</u>	<u>226,391,279</u>	<u>163,031,617</u>	<u>63,074,721</u>	<u>97,964,193</u>
Net Revenues (Expenses)					
Governmental activities	(237,573,779)	(218,991,960)	(245,717,891)	(472,169,814)	(405,674,443)
Business-type activities	(3,521,789)	3,384,293	994,527	(3,134,959)	-
Total primary government net expense	<u>\$ (241,095,568)</u>	<u>\$ (215,607,667)</u>	<u>\$ (244,723,364)</u>	<u>\$ (475,304,773)</u>	<u>\$ (405,674,443)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Measure A sales taxes	\$ 195,036,321	\$ 201,204,995	\$ 176,301,656	\$ 175,320,207	\$ 167,630,239
Transportation Development Act sales taxes	128,080,154	131,021,230	110,878,557	94,639,514	97,134,594
Unrestricted investment earnings	14,537,908	21,130,957	8,916,321	4,262,323	8,383,732
Other miscellaneous revenue	574,705	3,261,873	2,497,942	5,859,819	4,950,964
Gain on sale of capital assets	-	443,461	-	-	738,335
Transfers	2,010,675	2,977,396	(14,949,641)	290,547,316	-
Total governmental activities	<u>340,239,763</u>	<u>360,039,912</u>	<u>283,644,835</u>	<u>570,629,179</u>	<u>278,837,864</u>
Business-type activities:					
Unrestricted investment earnings	3,896,708	2,764,137	(32,662)	3,435	-
Transfers	(2,010,675)	(2,977,396)	14,949,641	(290,547,316)	-
Total business-type activities	<u>1,886,033</u>	<u>(213,259)</u>	<u>14,916,979</u>	<u>(290,543,881)</u>	<u>-</u>
Total primary government	<u>\$ 342,125,796</u>	<u>\$ 359,826,653</u>	<u>\$ 298,561,814</u>	<u>\$ 280,085,298</u>	<u>\$ 278,837,864</u>
Changes in Net Position					
Governmental activities	\$ 102,665,984	\$ 141,047,952	\$ 37,926,944	\$ 98,459,365	\$ (126,836,579)
Business-type activities	(1,635,756)	3,171,034	15,911,506	(293,678,840)	-
Total primary government	<u>\$ 101,030,228</u>	<u>\$ 144,218,986</u>	<u>\$ 53,838,450</u>	<u>\$ (195,219,475)</u>	<u>\$ (126,836,579)</u>

Source: Finance Department

¹ In FY 2017 the Commission reached substantial completion on the 91 Project and in March 2017 the RCTC 91 Express Lanes opened to motorists. Additionally, the Commission early implemented GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, and GASB Statement No. 85, *Omnibus 2017*.

Riverside County Transportation Commission
Changes in Primary Government Net Position, Continued
Last Ten Fiscal Years
(Accrual Basis)

	Fiscal Year Ended June 30				
	2015 ²	2014	2013	2012 ⁴	2011
Expenses					
Governmental activities:					
General government	\$ 7,402,725	\$ 6,994,832	\$ 6,959,827	\$ 7,780,478	\$ 8,453,876
Bicycle and pedestrian projects	1,747,090	1,065,476	956,308	1,389,567	1,940,499
CETAP	4,130,374	2,195,074	954,700	4,464,387	5,490,993
Commuter assistance	2,914,990	3,171,842	2,904,048	3,193,172	2,868,630
Commuter rail	20,455,178	17,255,402	23,531,252	21,480,248	27,792,375
Highways	228,857,938	339,194,681	59,604,916	72,341,578	40,113,092
Local streets and roads	48,615,708	46,677,580	44,594,891	40,127,890	36,856,925
Motorist assistance	4,314,601	3,498,420	3,563,581	3,846,245	3,530,695
Planning and programming	3,064,115	3,216,441	3,725,703	3,924,413	4,683,272
Right of way management	-	-	-	- ³	1,270,487
Regional arterials	21,010,980	23,886,840	17,047,135	5,816,666	29,362,894
Transit and specialized transportation	86,712,958	78,723,898	55,659,188	51,221,772	44,699,650
Interest expense	50,037,270	52,939,762	15,364,677	15,221,031	11,799,586
Total governmental activities expenses	<u>479,263,927</u>	<u>578,820,248</u>	<u>234,866,226</u>	<u>230,807,447</u>	<u>218,862,974</u>
Business-type activities:					
RCTC 91 Express Lanes	-	-	-	-	-
Total primary government expenses	<u>\$ 479,263,927</u>	<u>\$ 578,820,248</u>	<u>\$ 234,866,226</u>	<u>\$ 230,807,447</u>	<u>\$ 218,862,974</u>
Program Revenues					
Governmental activities:					
Charges for services					
Commuter assistance	\$ -	\$ -	\$ 1,500	\$ -	\$ -
Commuter rail	786,869	297,911	107,194	145,735	-
Right of way management	-	-	-	-	184,010
Highways	90,655	412,535	796,385	-	-
Motorist assistance	21,307	15,026	13,915	-	-
Other	450	999	14,873	-	27,681
Operating grants and contributions	57,784,238	61,767,456	46,567,900	54,641,955	39,886,648
Capital grants and contributions	70,133,121	71,744,926	4,897,301	5,228,621	9,199,268
Total governmental activities program revenues	<u>128,816,640</u>	<u>134,238,853</u>	<u>52,399,068</u>	<u>60,016,311</u>	<u>49,297,607</u>
Business-type activities:					
Charges for services					
RCTC 91 Express Lanes	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government revenues	<u>128,816,640</u>	<u>134,238,853</u>	<u>52,399,068</u>	<u>60,016,311</u>	<u>49,297,607</u>
Net Revenues (Expenses)					
Governmental activities	(350,447,287)	(444,581,395)	(182,467,158)	(170,791,136)	(169,565,367)
Business-type activities	-	-	-	-	-
Total primary government net expense	<u>\$ (350,447,287)</u>	<u>\$ (444,581,395)</u>	<u>\$ (182,467,158)</u>	<u>\$ (170,791,136)</u>	<u>\$ (169,565,367)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Measure A sales taxes	\$ 163,092,776	\$ 156,355,894	\$ 149,428,124	\$ 134,984,307	\$ 123,439,833
Transportation Development Act sales taxes	94,816,814	91,953,554	86,999,018	80,044,131	60,772,795
Unrestricted investment earnings	6,060,400	9,794,662	1,664,789	4,196,452	4,411,122
Other miscellaneous revenue	1,643,078	556,049	604,181	1,287,981	2,694,370
Gain on sale of capital assets	-	14,574	-	-	-
Transfers	-	-	-	-	-
Total governmental activities	<u>265,613,068</u>	<u>258,674,733</u>	<u>238,696,112</u>	<u>220,512,871</u>	<u>191,318,120</u>
Business-type activities:					
Unrestricted investment earnings	-	-	-	-	-
Transfers	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 265,613,068</u>	<u>\$ 258,674,733</u>	<u>\$ 238,696,112</u>	<u>\$ 220,512,871</u>	<u>\$ 191,318,120</u>
Changes in Net Position					
Governmental activities	\$ (84,834,219)	\$ (185,906,662)	\$ 56,228,954	\$ 49,721,735	\$ 21,752,753
Business-type activities	-	-	-	-	-
Total primary government	<u>\$ (84,834,219)</u>	<u>\$ (185,906,662)</u>	<u>\$ 56,228,954</u>	<u>\$ 49,721,735</u>	<u>\$ 21,752,753</u>

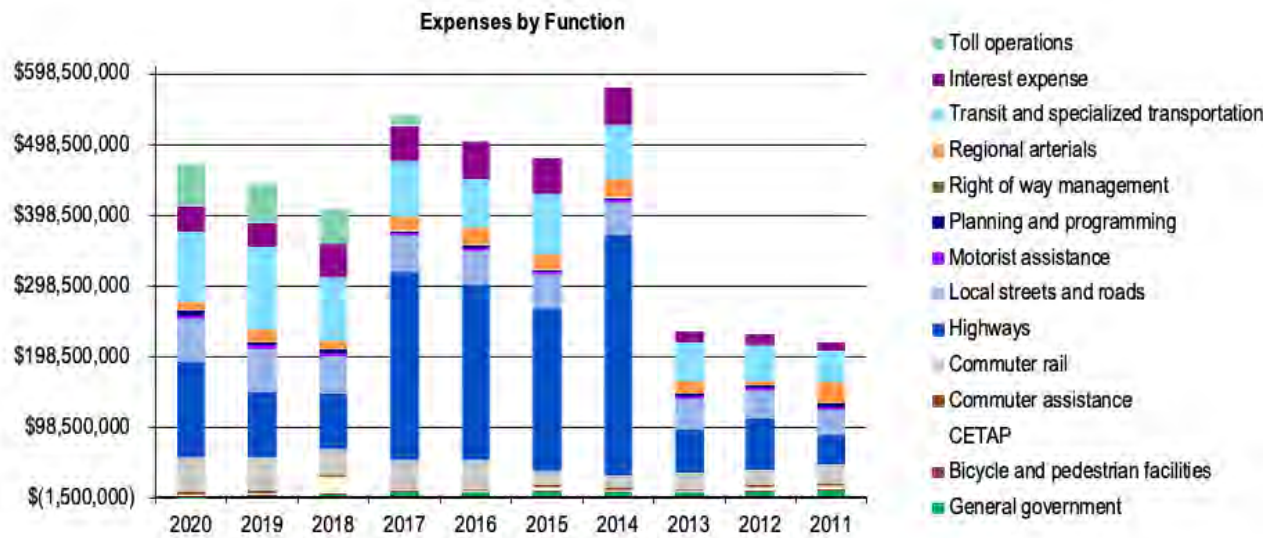
Source: Finance Department

² In FY 2015 the Commission implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. Prior year amounts in this presentation have not been revised to reflect this change.

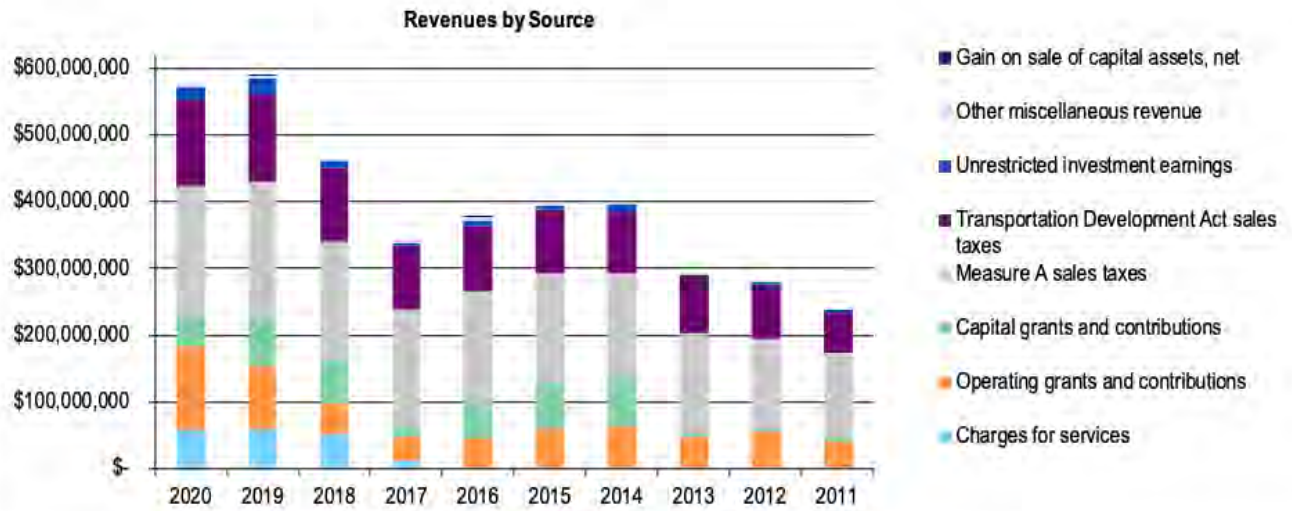
³ Right of way expenditures were classified as highways or commuter rail expenditures beginning in 2012.

⁴ In FY 2012 the Commission implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Prior year amounts in this presentation have not been revised to reflect this change.

Riverside County Transportation Commission
Changes in Primary Government Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis)



Riverside County Transportation Commission
Changes in Primary Government Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis)



Riverside County Transportation Commission
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis)

	Fiscal Year				
	2020	2019	2018	2017	2016
<u>GENERAL FUND</u>					
General fund:					
Nonspendable	\$ 136,038	\$ 345,881	\$ 232,793	\$ 232,759	\$ 192,235
Restricted	22,458,450	25,551,922	22,470,358	16,321,159	7,143,844
Assigned	3,267,803	3,226,466	3,337,343	2,572,182	3,456,111
Total general fund	<u>\$ 25,862,291</u>	<u>\$ 29,124,269</u>	<u>\$ 26,040,494</u>	<u>\$ 19,126,100</u>	<u>\$ 10,792,190</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>					
All other governmental funds:					
Nonspendable	\$ 3,033,953	\$ 3,675,091	\$ 4,627,240	\$ 9,162,068	\$ 10,848,614
Restricted	781,460,503	758,687,069	745,638,560	678,147,954	718,780,598
Unassigned	(30,566)	(1,272,356)	(268,754)	(23,054)	-
Total all other governmental funds	<u>\$ 784,463,890</u>	<u>\$ 761,089,804</u>	<u>\$ 749,997,046</u>	<u>\$ 687,286,968</u>	<u>\$ 729,629,212</u>

Source: Finance Department

Riverside County Transportation Commission
Fund Balances of Governmental Funds, Continued
Last Ten Fiscal Years
(Modified Accrual Basis)

	Fiscal Year				
	2015	2014	2013	2012	2011
<u>GENERAL FUND</u>					
General fund:					
Nondisposable	\$ 255,446	\$ 257,721	\$ 194,794	\$ 157,957	\$ 143,397
Restricted	5,680,411	5,073,685	7,412,686	8,114,440	7,110,013
Assigned	4,246,940	5,258,703	5,232,871	5,412,830	6,270,944
Total general fund	<u>\$ 10,182,797</u>	<u>\$ 10,590,109</u>	<u>\$ 12,840,351</u>	<u>\$ 13,685,227</u>	<u>\$ 13,524,354</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>					
All other governmental funds:					
Nondisposable	\$ 21,510,571	\$ 31,978,235	\$ 3,274,483	\$ 1,481,019	\$ 5,389,775
Restricted	772,109,076	988,908,077	606,072,061	560,412,373	570,450,515
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$ 793,619,647</u>	<u>\$ 1,020,886,312</u>	<u>\$ 609,346,544</u>	<u>\$ 561,893,392</u>	<u>\$ 575,840,290</u>

Source: Finance Department

Riverside County Transportation Commission
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis)

	Fiscal Year				
	2020	2019	2018	2017	2016
Revenues					
Sales taxes	\$ 323,116,475	\$ 332,226,225	\$ 287,180,213	\$ 269,959,721	\$ 264,764,833
Transportation Uniform Mitigation Fee	23,257,905	29,968,449	23,699,764	19,594,829	19,831,327
Intergovernmental	145,904,252	138,541,133	88,207,011	32,467,616	76,821,362
Investment income	14,594,910	21,311,968	9,149,672	4,483,174	8,592,753
Other	2,283,994	6,418,190	3,199,483	6,746,055	7,295,648
Total revenues	<u>509,157,536</u>	<u>528,465,965</u>	<u>411,436,143</u>	<u>333,251,395</u>	<u>377,305,923</u>
Expenditures					
Current:					
General Government	546,338	1,044,403	977,898	6,558,752	6,514,255
Programs:					
Bicycle and pedestrian facilities	1,367,800	2,319,895	1,142,306	1,314,932	233,815
CETAP	11,104,808	1,394,120	22,275,429	4,028,104	5,249,516
Commuter assistance	3,938,474	3,603,353	3,647,662	2,686,073	2,648,632
Commuter rail	41,069,694	40,805,316	37,700,157	32,820,139	95,717,909
Highways	285,955,203	203,662,390	187,087,621	250,383,800	372,657,029
Local streets and roads	59,475,694	61,470,359	53,639,698	51,864,011	49,826,564
Motorist assistance	4,934,056	4,398,842	3,825,722	4,177,349	4,159,520
Planning and programming	8,828,203	4,307,859	4,677,940	3,248,031	4,090,731
Right of way management	-	-	-	-	-
Regional arterials	12,059,400	17,042,375	12,888,439	19,056,339	23,111,109
Transit and specialized transportation	99,777,205	117,748,091	90,153,923	80,764,125	70,652,804
Debt service:					
Principal	27,253,683	25,977,461	62,140,974	27,317,242	7,814,176
Interest	42,511,371	43,595,769	50,606,912	44,684,153	45,620,922
Cost of Issuance	-	-	2,256,061	654,007	-
Payment to escrow agent	-	-	70,800,000	63,900,000	-
Capital outlay	3,536,042	5,663,109	2,606,851	5,670,356	1,182,208
Total expenditures	<u>602,357,971</u>	<u>533,033,342</u>	<u>606,427,593</u>	<u>599,127,413</u>	<u>689,479,190</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(93,200,435)</u>	<u>(4,567,377)</u>	<u>(194,991,450)</u>	<u>(265,876,018)</u>	<u>(312,173,267)</u>
Other financing sources (uses):					
Refunding debt issuance	-	-	457,015,000	-	-
Debt issuance	111,301,868	14,946,136	158,760,000	249,498,089	248,792,225
Discount on debt issuance	-	-	-	-	-
Premium on debt issuance	-	-	119,713,807	8,414,007	-
Payment to refunded bond escrow agent	-	55,000	(471,089,840)	-	-
Transfers in	119,642,321	116,363,248	300,623,670	182,713,859	162,708,720
Transfers out	(117,631,646)	(112,620,474)	(300,406,715)	(208,758,271)	(162,708,720)
Total other financing sources (uses)	<u>113,312,543</u>	<u>18,743,910</u>	<u>264,615,922</u>	<u>231,867,684</u>	<u>248,792,225</u>
Net change in fund balances	<u>\$ 20,112,108</u>	<u>\$ 14,176,533</u>	<u>\$ 69,624,472</u>	<u>\$ (34,008,334)</u>	<u>\$ (63,381,042)</u>
Debt service as a percentage of noncapital expenditures	<u>15.8%</u>	<u>16.7%</u>	<u>23.7% *</u>	<u>12.2%</u>	<u>10.6%</u>

Source: Finance Department

¹ Debt service as a percentage of noncapital expenditures in 2011 increased significantly as a result of the retirement of \$103,284,000 of commercial paper, which is included in principal payments.

² Right of way management expenditures were classified as highways or commuter rail expenditures beginning in 2012.

³ Debt service as a percentage of noncapital expenditures in 2014 increased significantly as a result of the retirement of \$60,000,000 of commercial paper, which is included in principal payments and interest payments and cost of issuance as a result of the issuance of \$638,854,602 in debt.

⁴ Debt service as a percentage of noncapital expenditures in 2018 increased significantly as a result of the retirement of commercial paper and a current refunding of debt, which included a swap termination payment.

Riverside County Transportation Commission
Changes in Fund Balances of Governmental Funds, Continued
Last Ten Fiscal Years
(Modified Accrual Basis)

	Fiscal Year				
	2015	2014	2013	2012	2011
Revenues					
Sales taxes	\$ 257,909,590	\$ 248,309,448	\$ 236,427,142	\$ 215,028,438	\$ 184,212,628
Transportation Uniform Mitigation Fee	17,400,782	11,284,394	12,421,110	8,116,420	9,157,863
Intergovernmental	110,515,661	122,486,605	38,817,347	51,516,775	40,012,488
Investment income	6,258,226	9,979,912	1,769,709	4,308,395	4,524,219
Other	2,542,359	1,282,520	1,540,542	1,430,195	2,878,380
Total revenues	<u>394,626,618</u>	<u>393,342,879</u>	<u>290,975,850</u>	<u>280,400,223</u>	<u>240,785,578</u>
Expenditures					
Current:					
General Government	7,302,325	6,991,303	6,692,187	7,586,207	8,340,263
Programs:					
Bicycle and pedestrian facilities	1,747,090	1,065,476	956,308	1,389,567	1,940,499
CETAP	4,135,996	6,509,915	954,700	4,464,387	5,490,993
Commuter assistance	2,891,431	3,136,150	2,868,356	3,157,480	2,816,392
Commuter rail	112,424,851	68,072,414	27,118,480	39,870,670	35,482,511
Highways	325,128,109	299,398,122	118,750,336	111,049,502	75,011,698
Local streets and roads	48,615,815	46,677,580	44,594,891	40,127,890	36,856,925
Motorist assistance	4,317,961	3,498,420	3,563,581	3,846,245	3,530,695
Planning and programming	3,099,358	3,204,073	3,712,596	3,913,520	4,674,397
Right of way management	-	-	-	- ²	1,270,487
Regional arterials	21,016,097	23,886,840	17,047,135	5,816,666	29,362,894
Transit and specialized transportation	86,725,394	78,723,898	55,659,188	51,221,772	44,699,650
Debt service:					
Principal	7,411,654	67,112,884	6,824,654	46,523,931	109,607,230
Interest	45,913,275	43,410,203	15,404,719	15,008,695	11,296,268
Cost of Issuance	-	7,050,855	-	-	1,493,196
Payment to escrow agent	-	-	-	-	-
Capital outlay	475,334	143,888	220,443	209,716	147,297
Total expenditures	<u>671,204,690</u>	<u>658,882,021</u>	<u>304,367,574</u>	<u>334,186,248</u>	<u>372,021,395</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(276,578,072)</u>	<u>(265,539,142)</u>	<u>(13,391,724)</u>	<u>(53,786,025)</u>	<u>(131,235,817)</u>
Other financing sources (uses):					
Refunding debt issuance	-	-	-	-	-
Debt issuance	48,904,095	638,854,602	60,000,000	40,000,000	170,000,000
Discount on debt issuance	-	(2,433,315)	-	-	(967,467)
Premium on debt issuance	-	38,328,775	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Transfers in	232,626,156	481,987,735	133,065,312	123,977,167	185,354,839
Transfers out	(232,626,156)	(481,987,735)	(133,065,312)	(123,977,167)	(185,354,839)
Total other financing sources (uses)	<u>48,904,095</u>	<u>674,750,062</u>	<u>60,000,000</u>	<u>40,000,000</u>	<u>169,032,533</u>
Net change in fund balances	<u><u>\$(227,673,977)</u></u>	<u><u>\$ 409,210,920</u></u>	<u><u>\$ 46,608,276</u></u>	<u><u>\$ (13,786,025)</u></u>	<u><u>\$ 37,796,716</u></u>
Debt service as a percentage of noncapital expenditures	<u>11.0%</u>	<u>19.1%³</u>	<u>9.3%</u>	<u>22.5%</u>	<u>32.5%¹</u>

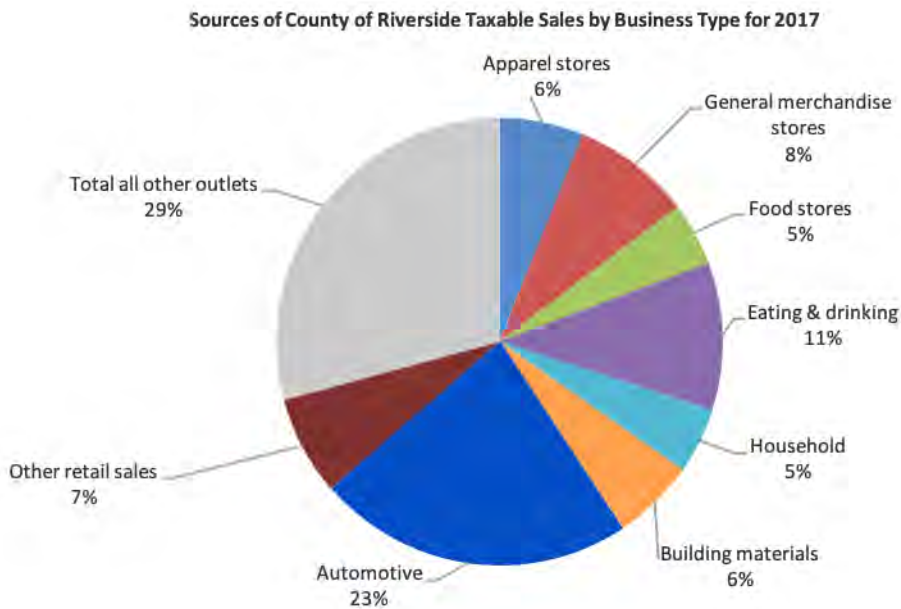
Source: Finance Department

Riverside County Transportation Commission
Sources of County of Riverside Taxable Sales by Business Type
Last Ten Calendar Years (In Thousands)

	<u>2017 ¹</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Apparel stores	\$ 2,199,511	\$ 2,190,228	\$ 2,136,728	\$ 1,989,623	\$ 1,771,603
General merchandise stores	3,101,256	3,052,409	3,040,244	3,289,057	3,298,920
Food stores	1,666,910	1,574,030	1,727,518	1,509,404	1,421,590
Eating & drinking	3,852,674	3,648,980	3,384,494	3,093,861	2,836,388
Household	1,730,702	1,386,985	1,135,235	1,030,455	996,484
Building materials	2,161,593	1,965,101	1,826,294	1,706,184	1,535,178
Automotive	8,282,532	7,751,812	7,693,173	7,844,773	7,421,523
Other retail sales	2,586,770	2,452,591	2,338,039	2,182,987	2,025,088
Total all other outlets	10,550,866	10,209,008	9,629,185	9,389,345	8,758,693
	<u>\$ 36,132,814</u>	<u>\$ 34,231,144</u>	<u>\$ 32,910,910</u>	<u>\$ 32,035,689</u>	<u>\$ 30,065,467</u>
Measure A direct sales tax rate (Ordinance 88-1 through 2009 and 02-001 thereafter)	0.50%	0.50%	0.50%	0.50%	0.50%

Source: State Board of Equalization

¹ Year represents most recent data available.



Riverside County Transportation Commission
Sources of County of Riverside Taxable Sales by Business Type, Continued
Last Ten Calendar Years (In Thousands)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Apparel stores	\$ 1,672,482	\$ 1,505,821	\$ 1,391,174	\$ 1,293,271	\$ 1,121,543
General merchandise stores	3,174,022	3,051,709	2,947,905	2,855,733	3,389,936
Food stores	1,356,148	1,304,731	1,267,758	1,251,220	1,254,366
Eating & drinking	2,668,324	2,473,339	2,317,486	2,266,853	2,340,554
Household	930,068	914,888	412,325	858,098	816,379
Building materials	1,364,513	1,303,073	1,232,145	1,237,518	1,435,337
Automotive	7,009,138	6,311,272	5,306,408	4,749,994	6,126,512
Other retail sales	1,841,973	1,711,453	1,951,385	1,442,875	3,250,335
Total all other outlets	8,079,341	7,065,212	6,326,194	6,272,315	6,268,633
	<u>\$ 28,096,009</u>	<u>\$ 25,641,498</u>	<u>\$ 23,152,780</u>	<u>\$ 22,227,877</u>	<u>\$ 26,003,595</u>
Measure A direct sales tax rate (Ordinance 88-1 through 2009 and 02-001 thereafter)	0.50%	0.50%	0.50%	0.50%	0.50%

Source: State Board of Equalization

Riverside County Transportation Commission
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Measure A Direct Rate ¹</u>	<u>County of Riverside</u>
2020	0.50%	7.75%
2019	0.50%	7.75%
2018	0.50%	7.75%
2017	0.50%	7.75%
2016	0.50%	8.00%
2015	0.50%	8.00%
2014	0.50%	8.00%
2013	0.50%	8.00%
2012	0.50%	7.75%
2011	0.50%	8.75%

³

²

Source: Commission Finance Department and California State Board of Equalization.

¹ The Measure A sales tax rate may be changed only with the approval of 2/3 of the voters.

² Effective July 1, 2011, the State of California decreased the state sales tax rate by 1%.

³ Effective January 1, 2013, the State of California increased the state sales tax rate by 0.25%.

Riverside County Transportation Commission
Principal Taxable Sales Generation by City
Current Year and Nine Years Ago

	2017 ¹			2008		
	Taxable Sales (in thousands)	Rank	Percentage of Total	Taxable Sales (in thousands)	Rank	Percentage of Total
City of Riverside	\$ 5,534,294	2	15.3%	\$ 4,093,218	2	15.7%
City of Corona	3,663,277	3	10.1%	2,994,438	3	11.5%
City of Temecula	3,209,066	4	8.9%	2,307,072	4	8.9%
City of Moreno Valley	1,652,123	5	4.6%	1,154,650	6	4.4%
City of Palm Desert	1,624,653	6	4.5%	1,447,663	5	5.6%
City of Murrieta	1,522,525	7	4.2%	972,575	7	3.7%
City of Perris	1,462,211	8	4.0%	562,025	14	2.2%
City of Palm Springs	1,149,888	9	3.2%	826,056	9	3.3%
City of Hemet	1,042,103	10	2.9%	840,655	8	3.2%
City of Indio	1,008,113	11	2.8%	673,527	11	2.6%
City of Jurupa Valley ⁴	968,336	12	2.7%	-	-	N/A
City of Lake Elsinore	821,250	13	2.3%	639,732	13	2.5%
City of Cathedral City	809,572	14	2.2%	649,612	12	2.5%
City of La Quinta	751,449	15	2.0%	731,831	10	2.9%
City of Eastvale ³	742,347	16	2.1%	-	-	N/A
City of Menifee ²	683,385	17	1.9%	-	-	N/A
City of Norco	603,813	18	1.7%	436,753	16	1.7%
City of Rancho Mirage	485,920	19	1.3%	438,400	15	1.7%
City of Beaumont	429,064	20	1.2%	270,480	18	1.0%
City of Coachella	307,443	21	0.9%	307,494	17	1.2%
City of San Jacinto	258,202	22	0.7%	192,541	20	0.7%
City of Banning	226,170	23	0.6%	193,333	19	0.7%
City of Blythe	152,961	24	0.4%	160,476	21	0.6%
City of Wildomar	152,142	25	0.4%	23,983	25	0.1%
City of Desert Hot Springs	138,947	26	0.4%	91,671	22	0.4%
City of Indian Wells	102,766	27	0.3%	91,534	23	0.4%
City of Calimesa	72,082	28	0.2%	54,285	24	0.2%
City of Canyon Lake	20,912	29	0.1%	12,300	26	0.0%
Incorporated	29,595,014		81.9%	20,166,304		77.7%
Unincorporated	6,537,800	1	18.1%	5,837,291	1	22.3%
Countywide	<u>\$ 36,132,814</u>		<u>100.0%</u>	<u>\$ 26,003,595</u>		<u>100.0%</u>
California	<u>\$ 672,486,581</u>			<u>\$ 531,653,540</u>		

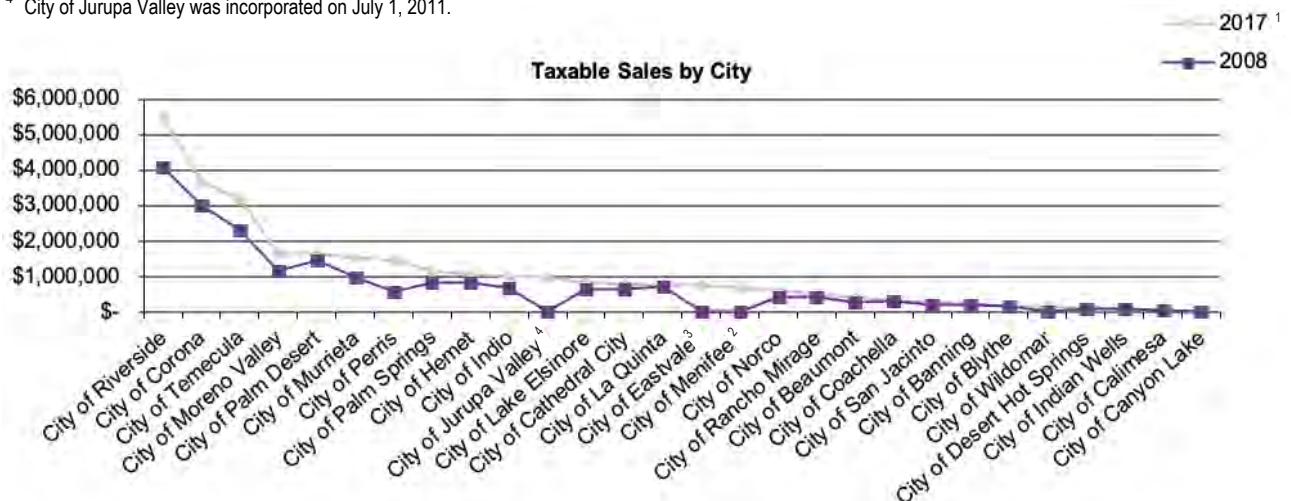
Source: California State Board of Equalization for the calendar year indicated.

¹ Year represents most recent data available.

² City of Menifee was incorporated on October 1, 2008.

³ City of Eastvale was incorporated on October 1, 2010.

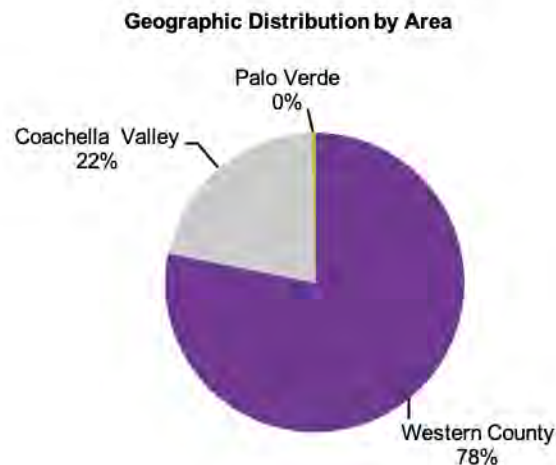
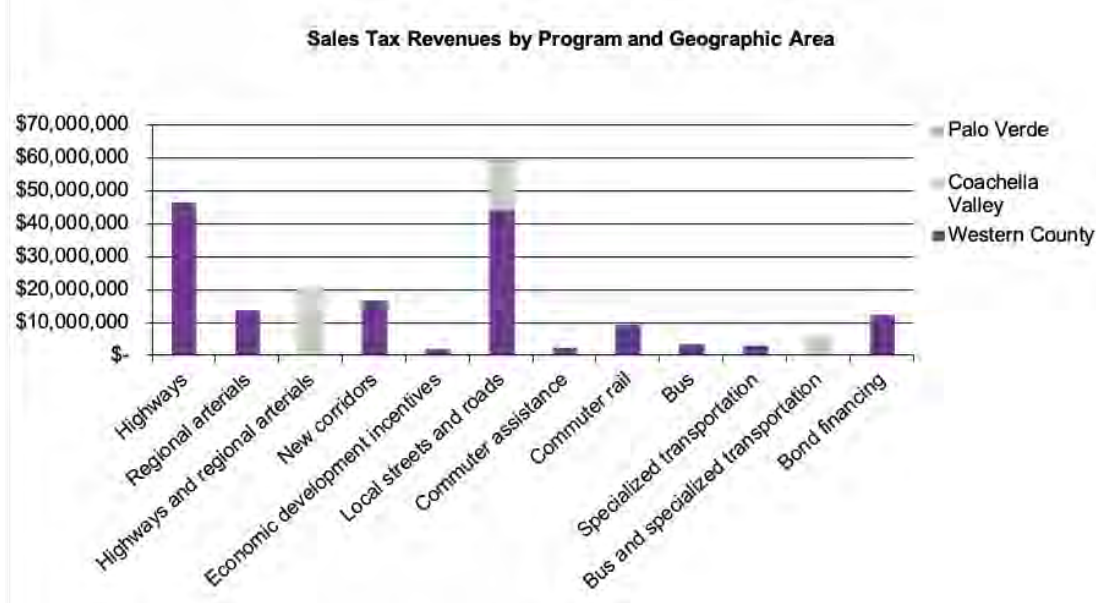
⁴ City of Jurupa Valley was incorporated on July 1, 2011.



Riverside County Transportation Commission
Measure A Sales Tax Revenues by Program and Geographic Area
Year Ended June 30, 2020

	Special Revenue Funds			Total
	Western County	Coachella Valley	Palo Verde	
Highways	\$ 46,250,977	\$ -	\$ -	\$ 46,250,977
Regional arterials	13,603,228	-	-	13,603,228
Highways and regional arterials	-	20,916,167	-	20,916,167
New corridors	16,777,315	-	-	16,777,315
Economic development incentives	1,813,764	-	-	1,813,764
Local streets and roads	43,983,772	14,641,317	847,828	59,472,917
Public transit:				
Commuter assistance	2,267,205	-	-	2,267,205
Commuter rail	9,250,195	-	-	9,250,195
Bus	3,276,111	-	-	3,276,111
Specialized transportation	2,890,686	-	-	2,890,686
Bus and specialized transportation	-	6,274,850	-	6,274,850
Bond financing	12,242,906	-	-	12,242,906
	<u>\$ 152,356,159</u>	<u>\$ 41,832,334</u>	<u>\$ 847,828</u>	<u>\$ 195,036,321</u>

Source: Finance Department



Riverside County Transportation Commission
Measure A Sales Tax by Economic Category
Last Ten Calendar Years

Economic Category	% of Total									
	2019¹	2018	2017	2016	2015	2014	2013	2012	2011	2010
General retail	28.1	28.9	28.3	28.9	28.8	28.4	28.7	28.8	29.8	30.9
Transportation	24.2	24.6	25.3	25.1	25.9	26.6	27.0	26.9	27.1	25.0
Food products	17.7	17.8	17.6	17.7	17.3	16.6	16.1	16.2	16.4	17.0
Business to business	16.7	16.3	15.6	15.3	15.0	14.4	14.5	15.0	14.1	14.5
Construction	10.7	10.8	10.8	10.8	10.8	12.0	11.8	11.1	10.5	10.5
Miscellaneous	2.6	1.6	2.4	2.2	2.2	2.0	1.9	2.0	2.1	2.1
Total	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

Source: MuniServices LLC. Prior years' information is not available.

¹ Year represents most recent data available.

Riverside County Transportation Commission
Measure A Revenues and Pledged Revenue Coverage ¹
Last Ten Fiscal Years

Sales Tax Revenue Bonds

Fiscal Year	Net Measure A Sales Tax Revenues ²	Measure A Sales Tax Revenue Growth (Decline) Rate	Total Debt Service	Total Debt Service Coverage Ratio
2020	\$ 195,036,321	-3.07% ³	\$ 69,537,488	2.80
2019	201,204,995	14.13%	69,555,738	2.89
2018	176,301,656	0.56%	75,159,543	2.35
2017	175,320,207	4.59%	51,889,982	3.38
2016	167,630,239	2.78%	53,400,019	3.14
2015	163,092,776	4.31%	53,300,072	3.06
2014	156,355,894	4.64%	50,499,417	3.10
2013	149,428,124	10.70%	22,156,116	6.74
2012	134,984,307	9.35%	21,503,582	6.28
2011	123,439,833	7.78%	12,651,386	9.76

Source: Finance Department

- ¹ This schedule meets the requirements for Continuing Disclosure of historical Measure A sales tax revenues.
- ² Sales tax revenue bonds are backed by the sales tax revenues, net of California Department of Tax and Fee Administration, as successor to Board of Equalization, administrative fees.
- ³ Sales tax revenues decreased in FY 2020 due to COVID-19 impacts.



Riverside County Transportation Commission

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Governmental Activities						
Year	Sales Tax Revenue Bonds, net of premium and discount	Commercial Paper	MSHCP Funding Liability	Capital Leases	TIFIA Loan	
2020	\$ 911,246,727	\$ -	\$ -	\$ 41,821	\$ 128,092,018	
2019	950,003,406	-	3,000,000	50,504	15,121,739	
2018	987,810,267	-	6,000,000	7,965	-	
2017	792,916,124	30,000,000	9,000,000	28,939	-	
2016	782,532,106	20,000,000	12,000,000	46,181	-	
2015	792,297,152	-	15,000,000	60,357	-	
2014	801,782,659	-	18,000,000	72,011	-	
2013	310,435,508	60,000,000	-	6,289	-	
2012	317,138,111	-	-	30,943	-	
2011	323,537,074	-	-	54,874	-	

Sources: Finance Department for outstanding debt for the fiscal year ended June 30 and California State Department of Finance for population as of January 1.

¹ See the Schedule of Demographic and Economic Statistics on page 124 for personal income and population data.

Riverside County Transportation Commission
Ratios of Outstanding Debt by Type, Continued
Last Ten Fiscal Years

Business-Type Activities					
Year	Toll Revenue Bonds, net of discount and accretion	TIFIA Loan	Total Primary Government	Percentage of Personal Income ¹	Debt per Capita ¹
2020	\$ 204,647,796	\$ 486,339,336	\$ 1,730,367,698	N/A	\$ 708.50
2019	199,423,911	469,870,660	1,637,470,220	N/A	671.06
2018	194,522,170	453,980,866	1,642,321,268	1.65%	689.29
2017	189,923,251	438,628,419	1,460,496,733	1.54%	612.42
2016	185,607,330	277,696,320	1,277,881,937	1.45%	551.30
2015	181,557,045	48,904,095	1,037,818,649	1.24%	436.30
2014	177,755,391	-	997,610,061	1.28%	423.81
2013	-	-	370,441,797	0.49%	167.47
2012	-	-	317,169,054	0.44%	142.38
2011	-	-	323,591,948	0.48%	145.91

Sources: Finance Department for outstanding debt for the fiscal year ended June 30 and California State Department of Finance for population as of January 1.

Riverside County Transportation Commission

Computation of Legal Debt Margin¹

Last Ten Fiscal Years

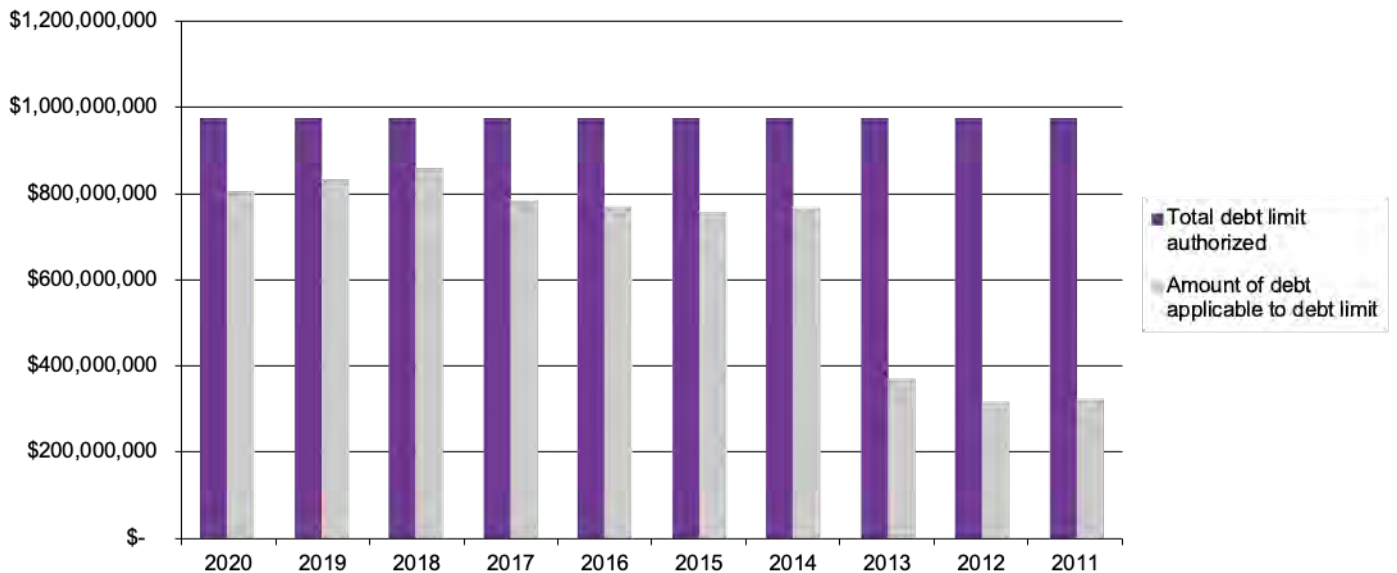
	Fiscal Year				
	2020	2019	2018	2017	2016
Measure A Ordinance No. 02-001, as amended by Ordinance No. 10-002²					
Total debt limit authorized	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000
Amount of debt applicable to debt limit	805,810,000	833,055,000	859,020,000	786,240,000	771,300,000
Legal debt margin	\$ 169,190,000	\$ 141,945,000	\$ 115,980,000	\$ 188,760,000	\$ 203,700,000
% of debt to legal debt limit	82.6%	85.4%	88.1%	80.6%	79.1%

Source: Finance Department

¹ The Commission's debt limits were approved by the voters of Riverside County as part of the sales tax ordinances and are specific to the Commission; accordingly, there are no overlapping debt considerations.

² Ordinance No. 02-001 was approved by a 2/3 majority of the voters in November 2002. In November 2010, a majority of the voters approved Ordinance No. 10-002 to increase the debt limit from \$500 million to \$975 million.

Measure A Ordinance No. 02-001, as amended by Ordinance No. 10-002



Riverside County Transportation Commission

Computation of Legal Debt Margin, Continued ¹

Last Ten Fiscal Years

	Fiscal Year				
	2015	2014	2013	2012	2011
Measure A Ordinance No. 02-001, as amended by Ordinance No. 10-002 ²					
Total debt limit authorized	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000
Amount of debt applicable to debt limit	759,100,000	766,500,000	371,400,000	318,200,000	324,700,000
Legal debt margin	<u>\$ 215,900,000</u>	<u>\$ 208,500,000</u>	<u>\$ 603,600,000</u>	<u>\$ 656,800,000</u>	<u>\$ 650,300,000</u>
% of debt to legal debt limit	<u>77.9%</u>	<u>78.6%</u>	<u>38.1%</u>	<u>32.6%</u>	<u>33.3%</u>

Source: Finance Department

Riverside County Transportation Commission
Demographic and Economic Statistics for the County of Riverside
Last Ten Calendar Years

Calendar Year	Population¹	Personal Income (thousands)²	Per Capita Personal Income²	Unemployment Rate³
2020	2,442,304	N/A	N/A	N/A
2019	2,440,124	N/A	N/A	4.2%
2018	2,415,955	\$ 99,591,680	\$ 40,637	4.4%
2017	2,382,640	95,140,992	39,261	5.2%
2016	2,347,828	87,827,068	36,782	6.1%
2015	2,317,924	84,025,987	35,589	6.7%
2014	2,329,271	78,239,388	33,590	8.2%
2013	2,255,059	76,289,477	33,278	10.3%
2012	2,227,577	72,015,057	31,742	12.2%
2011	2,217,778	67,024,780	29,927	12.4%

Sources:

¹ California State Department of Finance as of January 1.

² U.S. Department of Commerce Bureau of Economic Analysis. Represents most recent data available.

³ Riverside County Economic Development Agency. Represents most recent data available.

Riverside County Transportation Commission
Employment Statistics by Industry for the County of Riverside
Calendar Year 2018 and Nine Years Prior

Industry Type	2018 ¹	% of Total Employment	2009	% of Total Employment
Agricultural services, forestry, fishing and other	12,500	1.7%	12,400	2.2%
Mining	400	0.0%	500	0.1%
Construction	67,300	9.1%	40,400	7.3%
Manufacturing	44,400	6.0%	39,000	7.1%
Transportation, warehousing, and public utilities	46,000	6.2%	19,700	3.6%
Wholesale trade	24,900	3.4%	18,700	3.4%
Retail trade	92,700	12.4%	78,800	14.3%
Professional & business services	70,500	9.5%	53,700	9.7%
Education & health services	115,000	15.5%	71,300	12.9%
Leisure & hospitality	93,500	12.6%	68,700	12.5%
Finance, insurance, and real estate	22,000	3.0%	20,700	3.7%
Other services	22,600	3.0%	18,100	3.3%
Federal government, civilian	7,200	1.0%	6,900	1.3%
State government	17,700	2.4%	15,800	2.9%
Local government	105,500	14.2%	86,600	15.7%
Total employment	<u>742,200</u>	<u>100.0%</u>	<u>551,300</u>	<u>100.0%</u>

Source: State of California Economic Development Department

¹ Year represents most recent data available.

Riverside County Transportation Commission
Full-time Equivalent Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>As of June 30</u>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Management services and administration	18.7	18.0	19.2	17.1	14.7	16.2	13.8	14.1	13.9	12.7
Planning and programming	5.5	3.5	4.2	4.9	6.2	6.1	5.9	4.9	5.1	5.2
Rail operations and maintenance	3.5	3.4	4.1	4.3	4.5	4.0	3.1	2.9	3.3	3.1
Specialized transit/transportation	2.4	2.9	2.4	2.7	2.3	2.3	3.4	2.5	2.5	2.6
Commuter assistance	1.4	1.4	1.7	1.4	1.8	3.0	1.7	1.8	1.6	1.6
Motorist assistance	0.9	0.8	0.9	0.8	0.7	0.7	0.9	0.9	1.2	0.9
Capital project development and delivery	<u>17.6</u>	<u>16.0</u>	<u>15.5</u>	<u>15.8</u>	<u>15.8</u>	<u>13.7</u>	<u>15.2</u>	<u>13.9</u>	<u>12.3</u>	<u>11.9</u>
Total full-time equivalents	<u>50.0</u>	<u>46.0</u>	<u>48.0</u>	<u>47.0</u>	<u>46.0</u>	<u>46.0</u>	<u>44.0</u>	<u>41.0</u>	<u>40.0</u>	<u>38.0</u>

Source: Finance Department



Riverside County Transportation Commission

Operating Indicators

Last Ten Fiscal Years

	As of June 30				
	2020	2019	2018	2017	2016
Toll operations:					
Gross trips	13,119,123	15,143,222	14,518,302	4,049,067	-
Gross potential revenue	\$ 56,058,450	\$ 57,172,266	\$ 47,941,733	\$ 9,618,429	-
Average gross potential revenue per trip	\$ 4.12	\$ 3.78	\$ 3.30	\$ 2.38	-
Commuter rail operations:					
Growth of average daily ridership on commuter lines:					
Riverside line	3,961	3,868	3,863	4,050	4,404
IEOC line	4,784	4,656	4,874	4,900	4,438
91 line	3,731	3,293	3,109	3,258	2,610
Farebox recovery ratio:					
Riverside line	19.8%	43.0%	45.4%	47.2%	45.7%
IEOC line	21.1%	27.5%	29.2%	31.8%	33.4%
91 line	16.4%	24.1%	26.5%	26.5%	27.7%
Specialized transit/transportation:					
Specialized transit grants awarded	18	18	16	17	17
Commuter assistance:					
Rideshare Incentive members	519	526	573	505	597
Rideshare Plus Rewards members	630	917	1,114	792	1,142
Rideshare pledges	8,349	7,836	5,959	4,886	4,249
Rideguides produced	5,901	6,246	4,606	5,219	8,607
Van Club vanpools	32	67	31	N/A	N/A
Commuter Exchange events	N/A	N/A	N/A	N/A	N/A
Motorist assistance:					
Call boxes	158	231	241	240	545
Calls made from call boxes	979	1,384	1,598	2,161	3,053
Contracted Freeway Service Patrol vehicles	26	26	20	20	21
Assists by Freeway Service Patrol	49,051	44,607	41,417	40,180	36,711
IE511 web visits	296,339	213,689	408,021	618,130	473,462
IE511 call volumes	95,164	114,045	142,287	201,099	233,895
Transportation Uniform Mitigation Fee program:					
Approved regional arterial projects	23	23	20	20	24
Measure A program:					
Highways	\$209,530,745	\$ 148,387,823	\$180,565,301	\$ 250,360,723	\$ 372,657,029
Commuter rail	16,744,864	13,218,370	14,118,997	8,528,984	75,831,961
Regional arterials	4,939,979	12,533,037	6,158,736	14,739,703	17,090,247
Local streets and roads	59,475,694	61,470,359	53,639,698	51,864,011	49,826,564
Specialized transit and commuter assistance	16,568,400	16,708,843	15,197,859	13,826,624	14,499,642
Total program expenditures	\$307,259,682	\$ 252,318,432	\$269,680,591	\$ 339,320,045	\$ 529,905,443

Source: Commission Departments

Riverside County Transportation Commission
Operating Indicators, Continued
Last Ten Fiscal Years

	As of June 30				
	2015	2014	2013	2012	2011
Toll operations:					
Gross trips	-	-	-	-	-
Gross potential revenue	-	-	-	-	-
Average gross potential revenue per trip	-	-	-	-	-
Commuter rail operations:					
Growth of average daily ridership on commuter lines:					
Riverside line	4,651	4,715	4,911	5,279	5,177
IEOC line	4,613	4,522	4,317	4,142	3,855
91 line	2,419	2,340	2,407	2,254	2,289
Farebox recovery ratio:					
Riverside line	49.6%	50.9%	57.0%	58.5%	59.8%
IEOC line	32.6%	37.6%	34.9%	31.3%	31.1%
91 line	38.6%	51.3%	42.2%	49.7%	54.6%
Specialized transit/transportation:					
Specialized transit grants awarded	20	22	22	21	22
Commuter assistance:					
Rideshare Incentive members	736	1,106	926	1,056	1,061
Rideshare Plus Rewards members	3,723	5,770	6,786	4,848	5,518
Rideshare pledges	11,180	11,661	12,765	11,635	11,189
Rideguides produced	6,527	10,059	14,813	15,628	29,052
Van Club vanpools	N/A	N/A	N/A	N/A	N/A
Commuter Exchange events	48	54	55	52	52
Motorist assistance:					
Call boxes	549	570	580	594	613
Calls made from call boxes	3,882	4,685	5,337	5,043	5,251
Contracted Freeway Service Patrol vehicles	21	21	21	21	22
Assists by Freeway Service Patrol	42,471	44,278	43,633	42,748	45,751
IE511 web visits	452,713	443,359	399,730	341,716	244,277
IE511 call volumes	263,757	306,108	351,161	362,957	489,036
Transportation Uniform Mitigation Fee program:					
Approved regional arterial projects	24	24	24	24	24
Measure A program:					
Highways	\$ 325,128,109	\$ 299,398,122	\$ 118,750,336	\$ 111,049,502	\$ 75,011,698
Commuter rail	98,302,229	56,148,017	15,895,661	19,690,126	22,632,065
Regional arterials	5,012,254	1,441	1,787	124	8,638,637
Local streets and roads	48,615,815	46,677,580	44,594,891	40,127,890	36,856,925
Specialized transit and commuter assistance	14,063,310	13,378,223	11,927,634	11,930,437	11,262,588
Total program expenditures	<u>\$ 491,121,717</u>	<u>\$ 415,603,383</u>	<u>\$ 191,170,309</u>	<u>\$ 182,798,079</u>	<u>\$ 154,401,913</u>

Source: Commission Departments

Riverside County Transportation Commission
Capital Asset Statistics by Program
Last Ten Fiscal Years

	As of June 30									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Commuter rail:										
Transit centers owned and managed	1	1	1	1	1	1	1	1	1	-
Commuter rail stations owned and managed	9	9	9	9	9	5	5	5	5	5
Miles of commuter rail easements	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6	104.6
Commuter Assistance:										
Commuter Exchange Vehicle	-	-	-	-	-	-	1	1	1	1
Toll operations:										
Storage and maintenance building	1	1	1	1	-	-	-	-	-	-
Customer service center	1	1	-	-	-	-	-	-	-	-
Toll utility buildings	3	3	3	3	-	-	-	-	-	-
Regional operations center buildings	2	2	2	2	-	-	-	-	-	-
Miles of express lanes	36	36	36	36	-	-	-	-	-	-
Toll collection system	1	1	1	1	-	-	-	-	-	-
On-road closed circuit TV cameras	36	36	36	36	-	-	-	-	-	-
Traffic operations center system	1	1	1	1	-	-	-	-	-	-
Communications network	1	1	1	1	-	-	-	-	-	-
Changeable message signs	8	8	8	8	-	-	-	-	-	-

Source: Commission Departments

RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

**Riverside County
Transportation Commission**

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Santa Ana River Bridge at I-15