

I-215 Placentia Avenue Bridge



RCTC

RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

FISCAL YEAR ENDED JUNE 30, 2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Riverside County
Transportation Commission
Riverside County, California

91 Corridor
Operations Project



Moreno Valley –
March Field Station



Specialized
Transit





**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

SR-60 Truck Lanes

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2022

Submitted by:

**Sergio Vidal
Chief Financial Officer**



SR-91 Green River to SR-241

CONTENTS

Introductory Section

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

Financial Section

Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	24
Statement of Activities	25
Fund Financial Statements	
Governmental Funds	
Balance Sheet–Governmental Funds.....	26
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	29
Statement of Revenues, Expenditures and Changes in Fund Balances	
–Governmental Funds.....	30
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances	
of Governmental Funds to the Statement of Activities	33
Proprietary Fund	
Statement of Fund Net Position	34
Statement of Revenues, Expenses and Changes in Fund Net Position.....	35
Statement of Cash Flows.....	36
Notes to Basic Financial Statements.....	38
Required Supplementary Information	
Budgetary Comparison Schedules	
General Fund	82
Major Special Revenue Funds.....	83
Schedule of Proportionate Share of Net Pension Liability	86
Schedule of Pension Contributions	87
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios	88
Schedule of OPEB Contributions.....	89
Notes to Required Supplementary Information.....	91
Other Supplementary Information	
Nonmajor Governmental Funds	
Combining Balance Sheet.....	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	98

Contents, Continued

Financial Section, Continued

Schedule of Revenues, Expenditures and Changes in Fund Balances–Budget and Actual:	
Nonmajor Special Revenue Funds	100
Capital Projects Funds.....	104
Debt Service Fund	105
Schedule of Expenditures for Local Streets and Roads by Geographic Area–All Special	
Revenue Funds.....	106
Schedule of Expenditures for Transit and Specialized Transportation by Geographic Area and	
Source–All Special Revenue Funds.....	107
Schedule of Uses of Debt Proceeds and Fund Balances.....	108

Statistical Section

Statistical Section Overview.....	109
Primary Government Net Position by Component.....	110
Changes in Primary Government Net Position.....	112
Fund Balances of Governmental Funds.....	116
Changes in Fund Balances of Governmental Funds	118
Sources of County of Riverside Taxable Sales by Business Type	120
Direct and Overlapping Sales Tax Rates	122
Principal Taxable Sales Generation by City	123
Measure A Sales Tax Revenues by Program and Geographic Area	124
Measure A Sales Tax by Economic Category	125
Measure A Revenues and Pledged Revenue Coverage	126
Ratios of Outstanding Debt by Type	128
Computation of Legal Debt Margin	130
Demographic and Economic Statistics for the County of Riverside.....	132
Employment Statistics by Industry for the County of Riverside	133
Full-time Equivalent Employees by Function/Program	134
Operating Indicators	136
Capital Asset Statistics by Program	139



RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION



I-15 in Temecula

INTRODUCTORY SECTION



October 31, 2022

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 Annual Comprehensive Financial Report (Annual Report) of the Commission for the fiscal year ended June 30, 2022.

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, 2022. The independent auditor's report is located at the front of the financial section of this report.

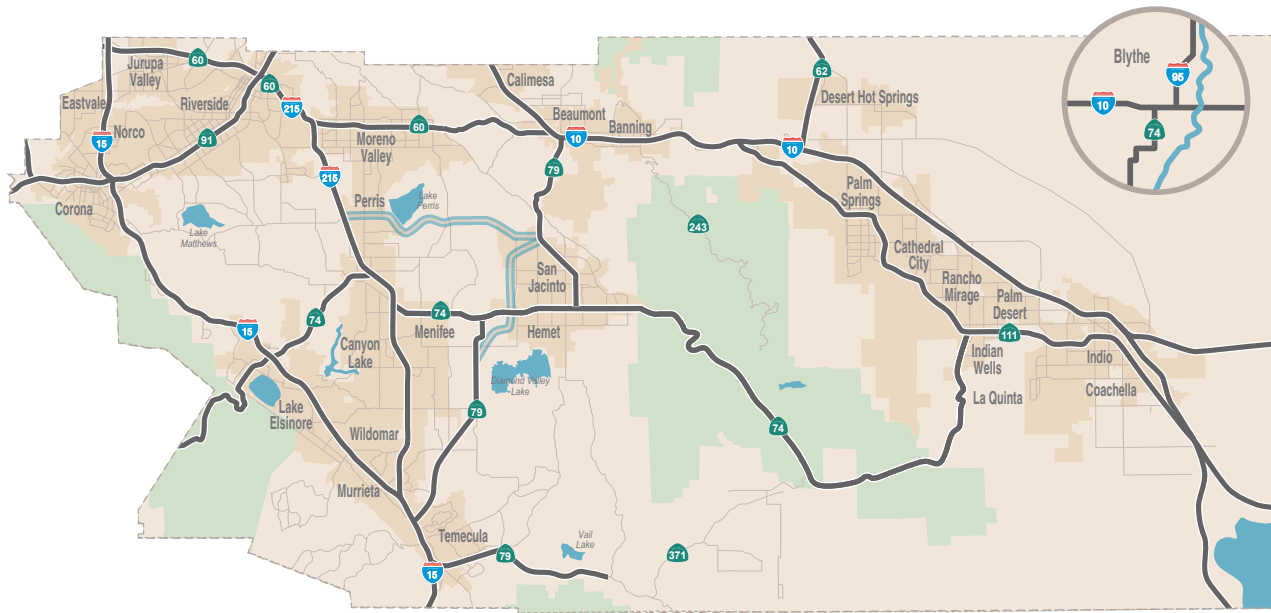
Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

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 opened in April 2021.

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, as the Service Authority for Freeway Emergencies (SAFE), the Commission provides motorist aid services designed to enhance safety and traffic flow. These services include emergency call boxes along rural highways 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

County local revenues including sales taxes and mitigation fees such as Transportation Uniform Mitigation Fees (TUMF) have largely been unaffected by the pandemic. Specifically, sales taxes have reached a new high due largely to increased e-commerce sales, higher than anticipated fuel prices, and a lower unemployment rate due to job increases in the logistics sector. As consumer behavior shifted from purchasing at brick-mortar locations to online, the County has experienced both more demand for its workforce within the logistics sector increasing the purchasing of residents and in turn robust sales tax performance.

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. It is anticipated housing prices within the County will remain strong, however property values may not experience robust increases on a year over year basis due to current market conditions such as higher interest rates.

For the Commission, formidable ongoing challenges remain in terms of providing needed infrastructure enhancements to support a population that has increased annually approximately one percent (1%) in the last ten (10) years and an economy that continues to outgrow the capacity of its existing infrastructure specifically within the logistics sector.

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. Measure A revenues of \$280.2 million exceeded the Commission's approved revised projection for FY 2021/22. For FY 2022/23, the Commission is cautiously optimistic for the future and thus continues projecting conservative assumptions in the upcoming year.

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 funding for many years. The State of California has established predictable funding streams such as continued increases 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.

Along with more predictable state funding, State of California has also approved transportation policy measures discouraging the expansion of highway capacity in favor of an added focus on public transit and active transportation. This policy direction will likely impact the Commission's ability in delivering highway projects due to added costs along with renewed emphasis in funding for operations of transit services.

Federal funding remains an important revenue source for various initiatives led by the Commission. Specifically, the Commission remains active in monitoring funding opportunities provided by the federal government including the newly passed Infrastructure Investment and Jobs Act or (IIJA) passed in November 2021.

Tolling is another important local funding source for the Commission, and it has largely recovered from the impacts resulting from the pandemic. Since RCTC's opening of the 91 Express Lanes in Corona in 2017, traffic and revenue along this highly used corridor exceeded projections with the exception during the onset of the pandemic. Furthermore, the Commission is entering the second full year in operating for the 15 Express Lanes. This project is publicly known as the Riverside Express and revenues have outpaced projections largely due to increased tolls within the southern segment of the facility within the City of Corona. The Commission will continue to monitor the number of transactions for the 15 Express Lanes to determine if actuals exceed projections in the upcoming fiscal year.

In looking to future funding decisions, providing and ensuring equity to all will be an increasingly important priority and responsibility for every transportation agency. Riverside County is home to a wide array of

communities with differing needs. RCTC will place a special emphasis on public outreach and policy direction with equity in mind to serve the entire county, including disadvantaged communities that need targeted transportation investments to serve the public and to grow and thrive.

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 operating during 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 soon. There is also several 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.

Progress Continues

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 recently completed highway and rail projects:

60 Truck Lanes: Completed in 2022 the project provides safety improvements, truck climbing and deceleration lanes while also preserving the local area habitat and species.

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. The new interchange is expected to open in 2022.

91 Freeway Corridor Operations Project: Another project that launched construction in the latter part of 2020 is the 91 Corridor Operations Project. The project adds an auxiliary lane on westbound State Route (SR) 91 from the Green River Road on-ramp to the southbound SR-241 connector. The project was completed in early 2022 and provides relief within this vital corridor between Riverside and Orange counties.

I-15 Railroad Canyon Interchange: The Commission serves as the lead agency to expand the Interstate (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. The project was completed in the Spring of 2022 providing reduced traffic buildup on I-15 and nearby arterial streets.

I-15 Interim Corridor Operations Project: Another project on I-15 is the I-15 Interim Corridor Operations Project and was completed in the Spring of 2022. This project adds 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.

I-15 Corridor Operations Project: The project is to add a southbound lane extension (TRAP lane) on the I-15 between Cajalco Road and Weirick Road interchanges. Features of the project include paving of the median, widening of Bedford Wash Bridge, and restriping to accommodate the new lane.

15/91 Express Lanes Connector: Construction began in early 2021 to build a new direct connection between the RCTC 91 Express Lanes and the 15 Express Lanes. With the design-build contract awarded in March 2020, the design-builder has advanced to construction activities. 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 2020 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 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 in 2020 as part of the comprehensive environmental review process.

71/91 Interchange: The Commission has secured funding for a new connector between the eastbound SR-91 and northbound SR-71 in the city of Corona. This approximate \$134 million project has environmental clearance and will begin the construction phase in 2022.

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.

Toll Connections with Neighboring Counties: RCTC has been successful in establishing a successful and productive relationship with the Orange County Transportation Authority (OCTA) regarding the operation of the 91 Express Lanes. The Commission is now faced with two additional connections between toll facilities. The Commission is currently working with the San Bernardino County Transportation Authority (SBCTA) to close a gap between the 15 Express Lanes in Riverside County and a planned express lane facility at the San Bernardino County Line. This project is referred to as the I-15 NEXT. Yet another planned facility is a direct connector between the 241 Toll Road operated by the Transportation Corridor Agencies (TCA) and the 91 Express Lanes. Operational issues for this future facility are currently being addressed among the TCA, OCTA, Caltrans, and RCTC.

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 is currently under construction, and one project continues pre-construction work.

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 Riverside Downtown Operations Control Center provides monitoring of closed-circuit televisions at the stations as well as facilities for train crews. Below is a summary of the commuter rail services provided in Riverside County:

- *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 2020. Metrolink ridership has not returned to pre-pandemic levels, however incremental increases for service has returned for commuters.

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 Coronavirus Aid, Relief, and Economic Security Act grant funds to address some of the revenue loss due to ridership declines and restore service as demand grows – although it is anticipated to take several years for ridership and revenues to fully recover.

Coachella Valley-San Geronio Pass Rail Service

The Commission in coordination with Caltrans and the Federal Railroad Administration, is working to bring passenger rail service as an alternate mode of travel across Southern California, connecting desert communities and attractions with Los Angeles County, Orange County, and the Inland Empire. The program proposes operating two daily roundtrips between Los Angeles Union Station and Indio or Coachella, with morning and evening departures from each end. Passenger service is expected to take about 3 hours and 15 minutes, which is comparable to trips made by cars on congested highways connecting these communities, such as I-5, SR-91, and I-10.

In July 2022 the Commission certified the Final Tier 1/Program Level Environmental Impact Report. Certification of the environmental report was a significant milestone for this project. The Commission has now focused its efforts in engaging local and federal rail officials to determine funding for the construction phase for this rail project. The eventual implementation of this service will provide another important link between the Coachella Valley and Western Riverside County along with the rest of Southern California.

Commuter / Motorist 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.

Commuter Assistance: 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 vehicle miles traveled and emissions from single occupant vehicle trips with the following programs and services:

Ridematching and Information Services: The Commission, in partnership with the SBCTA provides commuters and employer partners in the region with access to rideshare resources (IECommuter.org) and information to assist with finding rideshares for car/vanpool arrangements or transit options and to participate in incentives. A call center (866-RIDESHARE) is also available during business hours for commuters or employers who need more personal support.

Rideshare Incentives: The most popular commuter incentive continues to be the \$5 per day Rideshare Incentives, a short-term incentive that offers \$5 per day for each day commuters use an alternate mode of transportation in a three-month period (up to a max of \$125). Long-term commuter ride sharers and teleworking employees are recognized and rewarded for their continuing commitment to use alternate modes of transportation to and from work with access opportunities to win monthly prizes for reported rideshare and telework activity through monthly Rideshare Spotlight and Telework Spotlight programs.

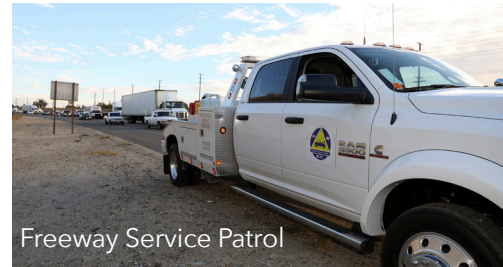
Vanpool Subsidies: The Commission provides ongoing subsidies to eligible vanpools commuting to employer worksites in Western County through its VanClub program. In FY 2021/22, VanClub supported an average of 30 vans per month resulting in the reduction of more than an estimated 50,000 trips, 1.9 million miles, and 728 tons of emissions throughout the region. A recovery toward pre-pandemic vanpools levels (80 vanpools) continued to be a challenge throughout the fiscal year; however, the program will be ready to continue as more workers return to various work sites.

Guaranteed Ride Home: Through the Commission's rideshare program, IE Commuter, a Guaranteed Ride Home (GRH) service is available to ridesharing commuters of employer partners. Should they experience an emergency and need to get home, they are reimbursed the cost of a Lyft/Uber or other transportation network company ride, rental car, taxi, or transit option used to get home. GRH also covers when an employee may miss his/her ride due to unexpected overtime. Eligible participants may claim up to two emergency rides home per year.

Park & 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. 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 2021/22, the FSP provided approximately 54,200 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 136 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 2021/22, call box operators answered approximately 935 calls from motorists.

Traveler Information: To further promote mobility, the Commission in partnership with the 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. IE511 is funded with Riverside County SAFE funds in addition to SBCTA reimbursements. In FY 2021/22, IE511 serviced 160,930 web visits and 77,868 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, and underserved areas of Riverside County in need of transit services. The Commission updated this plan during FY 2020/21. 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. During FY 2021/22, public and nonprofit transit operators provided over 108,000 one-way trips.

In addition to funding and planning, the Commission updated its bylaws and membership requirements for its TDA-required Social Services Transportation Advisory Council in FY 2021/22. The Citizens and Specialized Transit Advisory Committee (CSTAC) consists of 13 members of the public and two Consolidated Transportation Service Agency members, which were appointed by the Commission in March 2020 with terms and bylaws updated in April 2021. The CSTAC meets three times a year and provides 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 Annual Report for the fiscal year ended June 30, 2021. This was the 29th 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 Annual Report. 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 Annual Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Annual Report 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 Annual Report.

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.

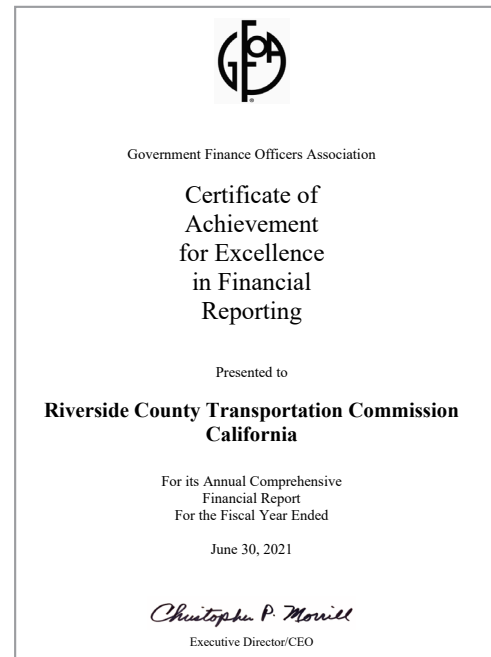
Very truly yours,



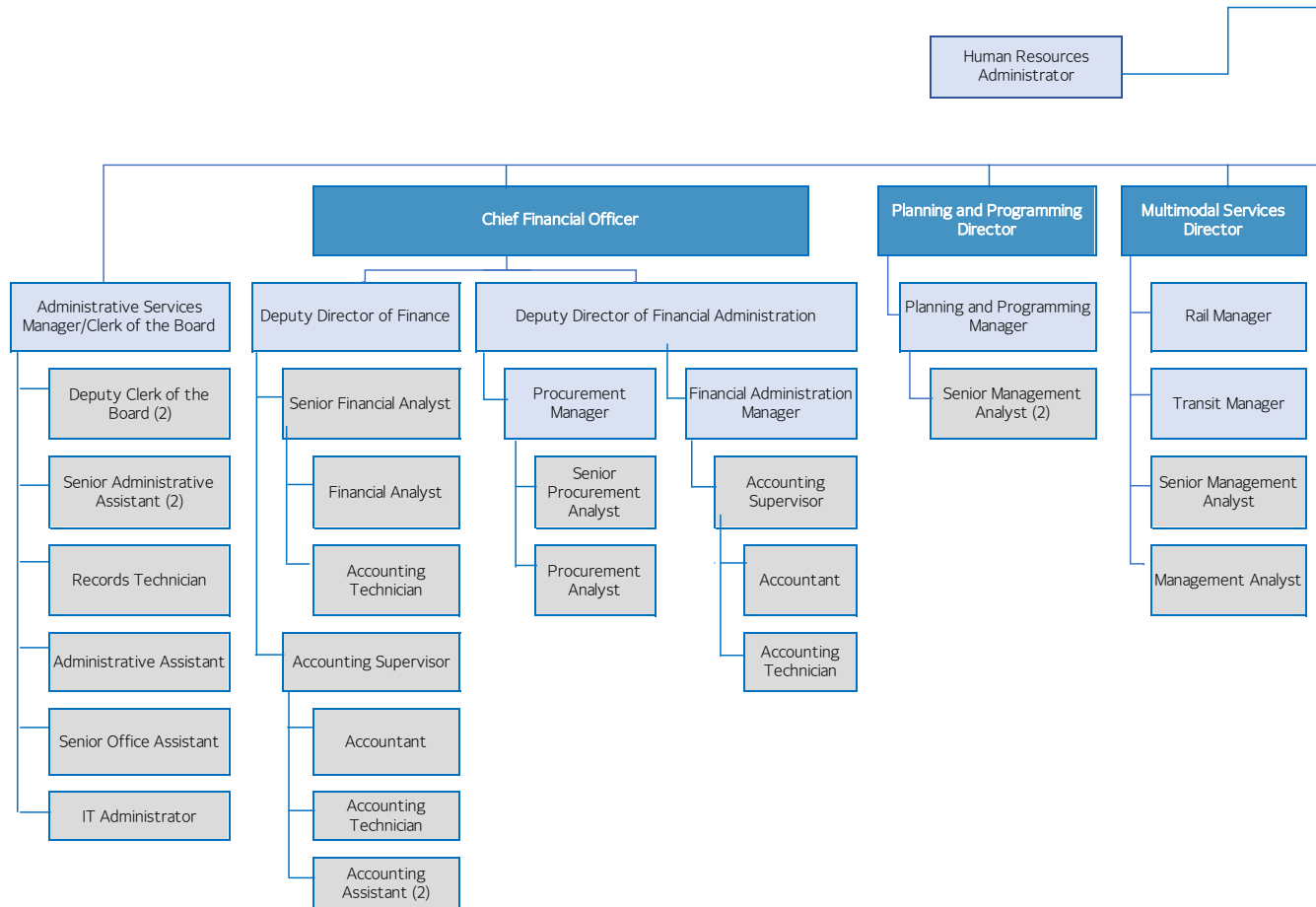
ANNE MAYER
Executive Director



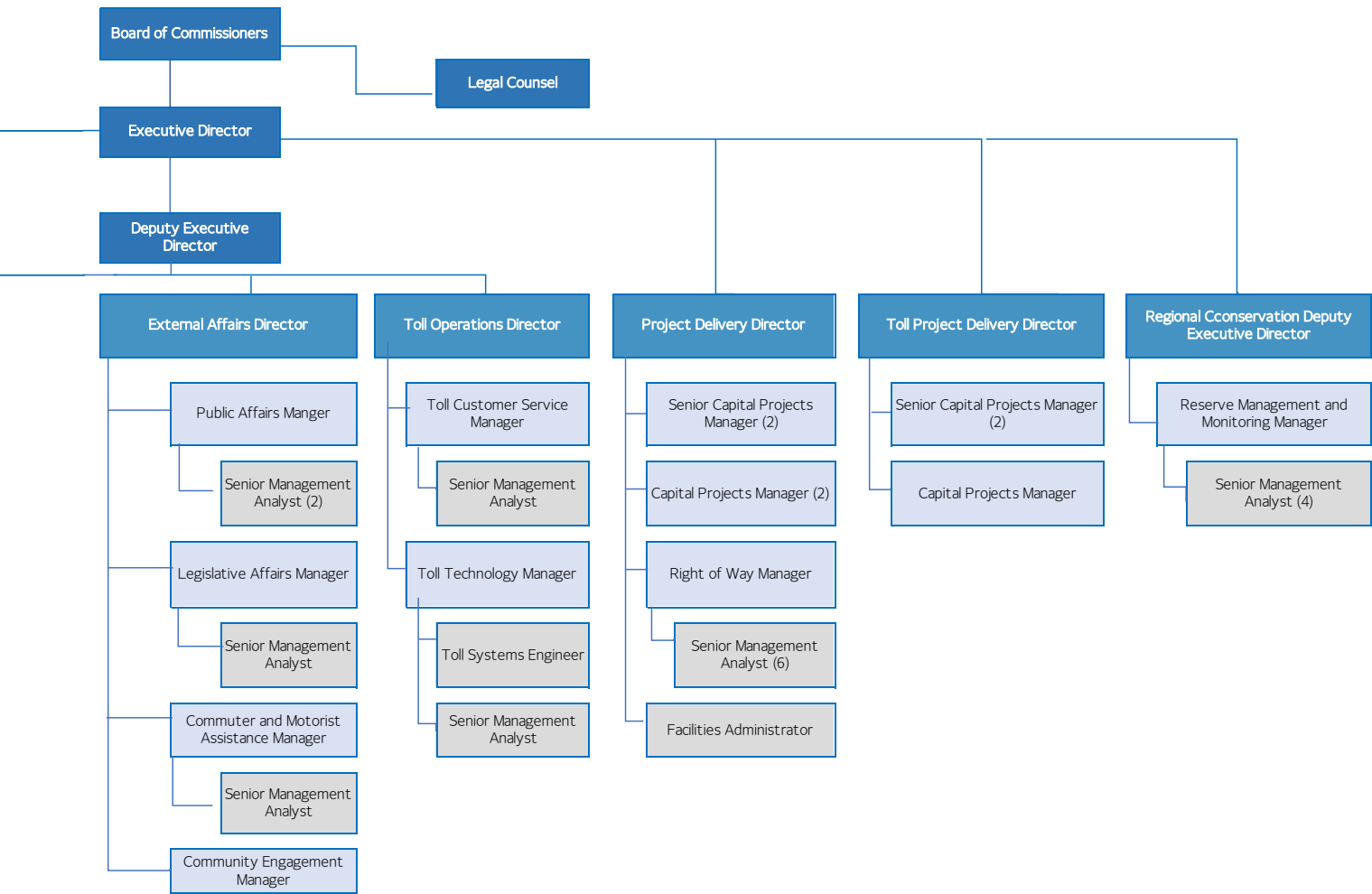
SERGIO VIDAL
Chief Financial Officer



Riverside County Transportation Commission Organization Chart



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	Chair (Commission)	County of Riverside, District 4
Jeff Hewitt	Member	County of Riverside, District 5
Mary Hamlin	Member	City of Banning
Lloyd White	2nd Vice Chair (Commission)	City of Beaumont
Joseph DeConinck	Member	City of Blythe
Linda Molina	Member	City of Calimesa
Jeremy Smith	Vice Chair (Budget and Implementation Committee)	City of Canyon Lake
Raymond Gregory	Chair (Budget and Implementation Committee)	City of Cathedral City
Steven Hernandez	Member	City of Coachella
Wes Speake	Member	City of Corona
Scott Matas	Member	City of Desert Hot Springs
Clint Lorimore	Member	City of Eastvale
Linda Krupa	Member	City of Hemet
Dana Reed	Member	City of Indian Wells
Waymond Fermon	Member	City of Indio
Brian Berkson	Vice Chair (Western Riverside County Programs and Projects Committee)	City of Jurupa Valley
Kathleen Fitzpatrick	Member	City of La Quinta
Bob Magee	Vice Chair (Commission)	City of Lake Elsinore
Bill Zimmerman	Member	City of Menifee
Yxstain Gutierrez	Member	City of Moreno Valley
Lisa DeForest	Member	City of Murrieta
Ted Hoffman	Member	City of Norco
Jan Harnik	Member	City of Palm Desert
Lisa Middleton	Member	City of Palm Springs
Michael M. Vargas	Vice Chair (Toll Policy and Operations Committee)	City of Perris
Ted Weill	Member	City of Rancho Mirage
Chuck Conder	Member	City of Riverside
Michael Heath	Member	City of San Jacinto
Maryann Edwards	Member	City of Temecula
Ben Benoit	Chair (Western Riverside County Programs and Projects Committee), Chair (Toll Policy and Operations Committee)	City of Wildomar
To Be Appointed	Governor's Appointee	Caltrans, District 8 Director

MANAGEMENT STAFF

Anne Mayer, *Executive Director*
 Aaron Hake, *Deputy Executive Director*
 Jennifer Crosson, *Toll Operations Director*
 Vacant, *Project Delivery Director*
 Jillian Guizado, *Planning and Programming Director*
 Vacant, *Regional Conservation Deputy Executive Director*
 David Knudsen, *Interim External Affairs Director*
 Lorelle Moe-Luna, *Multimodal Services Director*
 David Thomas, *Toll Project Delivery Director*
 Sergio Vidal, *Chief Financial Officer*

RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**



RCTC Van Club

FINANCIAL SECTION



Independent Auditor's Report

Board of Commissioners
Riverside County Transportation Commission
Riverside, California

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the 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, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of New Accounting Standard

As discussed in Note 14 to the financial statements, the Commission has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made to the governmental activities, business-type activities, Measure A Western County fund, Transportation Uniform Mitigation Fee fund, and 15 Express Lanes fund as of July 1, 2021, to restate beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedules of expenditures, and schedule of uses of debt proceeds and fund balances are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedules of expenditures, and schedule of uses of debt proceeds and fund balances are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

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

Rancho Cucamonga, California
October 31, 2022

Riverside County Transportation Commission
Management's Discussion and Analysis
Year Ended June 30, 2022

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, 2022. 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 23.

Financial Highlights

- Total net position of the Commission was \$948,815,035 and consisted of net investment in capital assets of \$243,845,427; restricted net position of \$1,245,854,326; and unrestricted net position (deficit) of (\$540,884,718).
- 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 \$266,355,115 during fiscal year (FY) 2021/22. An increase in net position from governmental activities of \$252,960,221 was primarily due to an increase in operating grants and contributions, including Measure A and Transportation Development Act sales taxes; a decrease in general government, bicycle and pedestrian facilities, Community and Environmental Transportation Acceptability Process (CETAP), commuter rail, motorist assistance, regional arterial, regional conservation, and interest expense program expenses; and offset by an increase in commuter assistance, highways, local streets and roads, planning and programming, and transit and specialized transportation program expenses. An increase in net position from business-type activities of \$13,394,894 was related to both a full year of operating for the 15 Express Lanes first full year of operations and higher than anticipated toll revenue for the 91 Express Lanes. Revenue increases were offset by increases in required repair and rehabilitation expenses for the 91 Express Lanes and a full year of operating expense for the 15 Express Lanes.
- Total capital assets, net of accumulated depreciation and amortization, were \$1,290,728,275 at June 30, 2022, representing an increase of \$53,272,309, or 4%, from June 30, 2021. The increase in capital assets was primarily related to an increase in construction in progress on the 15/91 Express Lanes Connector and I-15 Express Lanes Southern Extension projects, including toll infrastructure and toll facility franchise related to the I-15 Express Lanes and right to use lease assets, offset by the sale of excess land related to the State Route (SR) 91 Project.
- The long-term liabilities decreased of \$9,889,900, or less than 1% and is related to a Transportation Infrastructure Finance and Innovation Act (TIFIA) final loan drawn down of \$4,325,708 for the I-15 Express Lanes project, including compounded and accreted interest on the TIFIA loans; the issuance of the RCTC 91 Express Lanes 2021 Toll Refunding Bonds was used to refund a portion of the RCTC 91 Express Lanes 2013 Toll Revenue Bonds and refund and prepayment of the existing TIFIA loan; and principal payments on the sales tax revenue bonds and amortization of sales tax revenue bonds premium. Additionally, deferred inflows of resources shows an increase of \$2,617,774, or 42% and is related to the implementation of GASB Statement No. 87, Leases as well as increases for other post-employment benefits (OPEB).

- The Commission's governmental funds reported combined ending fund balances of \$1,104,646,206, an increase of \$135,854,506 compared to FY 2020/21 primarily due to increases in sales taxes, intergovernmental revenues for reimbursement of projects costs, and Transportation Uniform Mitigation Fee (TUMF) revenues, offset by a net increase in program expenditures. Approximately 57% 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, regional conservation, 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 24-25 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 17 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, 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 seven 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, Special Revenue funds, 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 20-33 of this report.

The proprietary fund consists of two enterprise funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements. The Commission uses enterprise funds 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 and 15 Express Lanes, which are major enterprise funds of the Commission.

The proprietary fund financial statements can be found on pages 34-37 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 38-80 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/asset, 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 81-91 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 92-108 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, 2022, the Commission's assets, including deferred outflows of resources, exceeded liabilities, including deferred outflow of inflows, by \$948,815,035, a \$266,355,115 increase from June 30, 2021. 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 26%, compared to 36% in FY 2020/21, 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, as a portion of the debt financed highway improvements on SR-91 for which title vests with Caltrans. The decrease is related to the sale of capital assets, offset by the issuance of refunding toll revenue debt for the RCTC 91 Express Lanes.

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 represents the majority of the total governmental activities net position at June 30, 2022 and 2021, respectively. Restricted net position from governmental activities increased by \$137,881,148, as a result of the increased sales tax and operating and capital contributions, offset by a net increase in program expenses. Restricted net position from business-type activities increased \$130,444,666 primarily as a result of net revenues from operations, including the first full year of operations for the I-15 Express Lanes.

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 deficit was reduced from a \$593,657,822 at June 30, 2021 to a \$544,282,734 at June 30, 2022. 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.



The following is condensed financial data related to net position at June 30, 2022 and June 30, 2021:

Net Position	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$1,234,626,680	\$1,069,643,907	\$ 242,917,535	\$ 193,653,204	\$1,477,544,215	\$1,263,297,111
Capital assets not being depreciated	425,407,610	350,067,778	16,864,711	28,078,568	442,272,321	378,146,346
Capital assets, net of depreciation and amortization	251,238,636	258,810,011	597,217,318	600,499,609	848,455,954	859,309,620
Total assets	1,911,272,926	1,678,521,696	856,999,564	822,231,381	2,768,272,490	2,500,753,077
Deferred outflows of resources	42,331,367	40,071,578	16,053,065	641,814	58,384,432	40,713,392
Total assets and deferred outflows of resources	1,953,604,293	1,718,593,274	873,052,629	822,873,195	2,826,656,922	2,541,466,469
Long-term obligations	835,313,388	873,444,721	895,557,183	867,315,750	1,730,870,572	1,740,760,471
Other liabilities	119,963,133	102,632,421	17,389,461	9,329,796	137,352,594	111,962,217
Total liabilities	955,276,521	976,077,142	912,946,645	876,645,546	1,868,223,166	1,852,722,688
Deferred inflows of resources	8,642,631	5,791,212	976,090	492,649	9,618,721	6,283,861
Total liabilities and deferred inflows of resources	963,919,152	981,868,354	913,922,735	877,138,195	1,877,841,887	1,859,006,549
Net position:						
Net investment in capital assets	415,495,777	353,189,808	(171,314,772)	(109,184,608)	243,845,427	244,005,200
Restricted	1,115,074,082	977,192,934	130,444,666	54,919,608	1,245,518,748	1,032,112,542
Unrestricted (deficit)	(540,884,718)	(593,657,822)	-	-	(540,884,718)	(593,657,822)
Net position at end of year	\$ 989,685,141	\$ 736,724,920	\$ (40,870,106)	\$ (54,265,000)	\$ 948,815,035	\$ 682,459,920

Changes in Net Position

The Commission's total program and general revenues were \$799,957,437, while the total cost of all programs was \$533,602,322. Total revenues increased by 18%, and the total cost of all programs increased by 22%. Those who directly benefited from the programs or other governments that subsidized certain programs with grants and contributions paid approximately 66% of the costs of the Commission's programs in FY 2021/22, compared to 64% of the costs in FY 2020/21. Sales taxes ultimately financed a significant portion of the programs' net costs.

Governmental and business-type activities increased the Commission's net position by \$266,355,115 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 increased by \$50,594,242, or 97%, due to increased traffic volumes due to COVID-19 pandemic recovery, including changes in toll rates on the RCTC 91 Express Lanes. Additionally, the I-15 Express Lanes, which opened in April 2021, experienced its first full year of toll operations in FY 2021/22;
- Operating grants and contributions increased by \$24,839,205, or 16%, primarily due to state reimbursements related to the Jurupa and McKinley Avenue grade separation projects funded by SB132;
- Capital grants and contributions increased by \$313,047, or less than 1%, primarily due to state reimbursements related to 15/91 Express Lanes Connector funded by SB132;
- Measure A sales tax revenues increased by \$37,226,742, or 15%. This increase is primarily as a result of online sales, including sales from a diversified economic base in Riverside County that have exceeded expectations considering the COVID-19 pandemic recovery;
- Transportation Development Act (TDA) sales taxes increased by \$34,066,651, or 23%, primarily as a result of online sales, including sales from a diversified economic base in Riverside County that have exceeded expectations considering the COVID-19 pandemic recovery;

- Unrestricted investment earnings (loss) decreased \$20,398,294 due to unrealized losses in the portfolio;
- Other miscellaneous revenues decreased \$3,191,274, or 55%, due primarily to the sale of rail and highway properties in the previous fiscal year;
- Gain on sale of capital asset, net decreased \$1,100,189, or 100%, related to the sale of excess SR-91 project properties recorded as capital assets in the previous fiscal year. The sale of land in FY 2021/22 resulted in a loss on sale of capital assets;

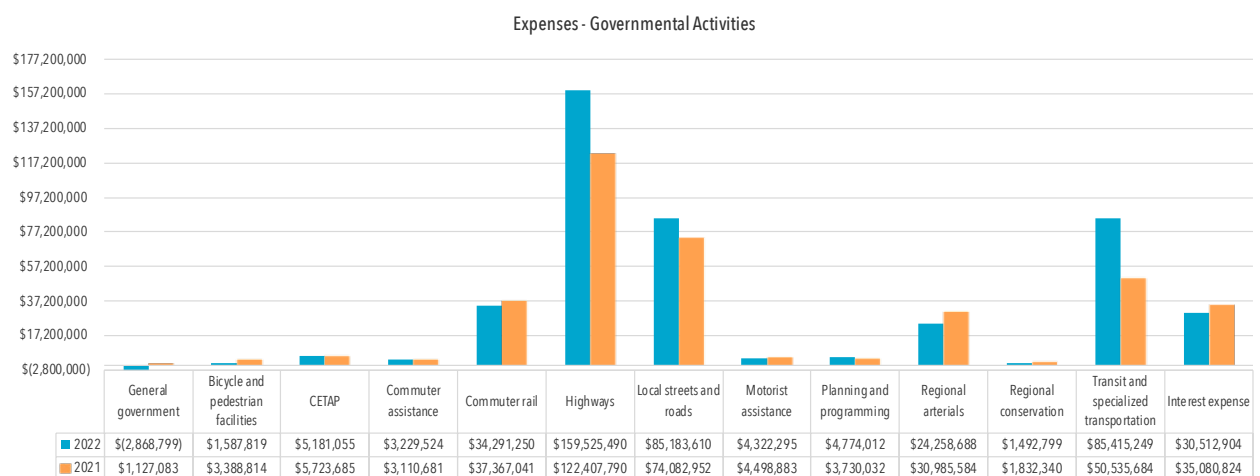
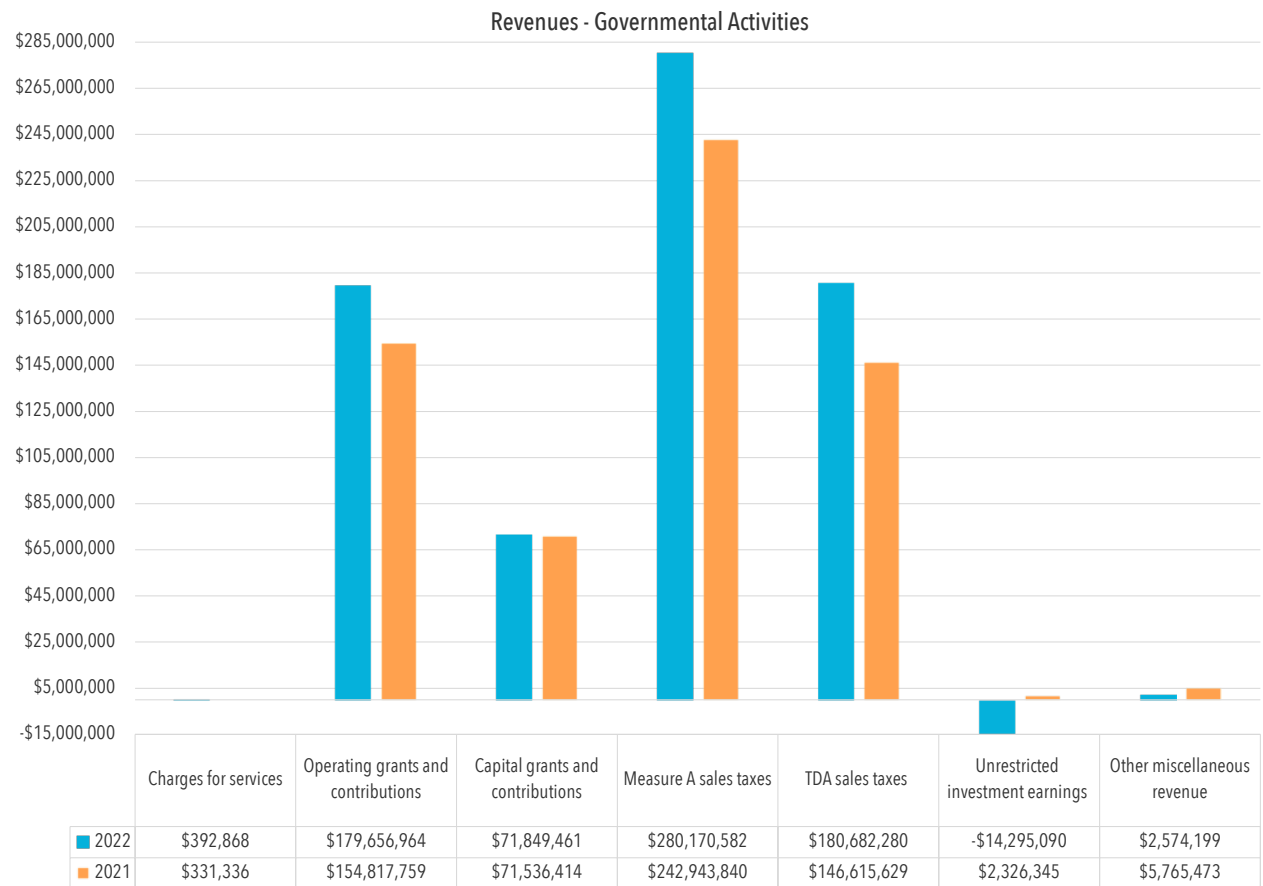
Changes in Net Position	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	\$ 392,868	\$ 331,336	\$ 102,378,876	\$ 51,846,166	\$ 102,771,744	\$ 52,177,502
Operating grants and contributions	179,656,964	154,817,759	-	-	179,656,964	154,817,759
Capital grants and contributions	71,849,461	71,536,414	-	-	71,849,461	71,536,414
General revenues:						
Measure A sales taxes	280,170,582	242,943,840	-	-	280,170,582	242,943,840
TDA sales taxes	180,682,280	146,615,629	-	-	180,682,280	146,615,629
Unrestricted investment earnings (loss)	(14,295,090)	2,326,345	(3,452,703)	324,156	(17,747,793)	2,650,501
Other miscellaneous revenue	2,574,199	5,765,473	-	-	2,574,199	5,765,473
Gain on sale of capital assets, net	-	-	-	1,100,189	-	1,100,189
Total revenues	701,031,264	624,336,796	98,926,173	53,270,511	799,957,437	677,607,307
Expenses						
General government	(2,868,799)	1,127,083	-	-	(2,868,799)	1,127,083
Bicycle and pedestrian facilities	1,587,819	3,388,814	-	-	1,587,819	3,388,814
CETAP	5,181,055	5,723,685	-	-	5,181,055	5,723,685
Commuter assistance	3,229,524	3,110,681	-	-	3,229,524	3,110,681
Commuter rail	34,291,250	37,367,041	-	-	34,291,250	37,367,041
Highways	159,525,490	122,407,790	-	-	159,525,490	122,407,790
Local streets and roads	85,183,610	74,082,952	-	-	85,183,610	74,082,952
Motorist assistance	4,322,295	4,498,883	-	-	4,322,295	4,498,883
Planning and programming	4,774,012	3,730,032	-	-	4,774,012	3,730,032
Regional arterials	24,258,688	30,985,584	-	-	24,258,688	30,985,584
Regional conservation	1,492,799	1,832,340	-	-	1,492,799	1,832,340
Toll operations	-	-	96,696,426	61,852,151	96,696,426	61,852,151
Transit and specialized transportation	85,415,249	50,535,684	-	-	85,415,249	50,535,684
Interest expense	30,512,904	35,080,824	-	-	30,512,904	35,080,824
Total expenses	436,905,896	373,871,393	96,696,426	61,852,151	533,602,322	435,723,544
Excess (deficiency) of revenues over (under) expenses	264,125,368	350,465,403	2,229,747	(8,582,640)	266,355,115	241,883,763
Transfers	(11,165,147)	(230,548,696)	11,165,147	230,548,696	-	-
Increase (decrease) in net position	252,960,221	19,916,707	13,394,894	221,967,056	266,355,115	241,883,763
Net position at beginning of year	736,724,920	716,808,213	(54,265,000)	(276,232,056)	682,459,920	440,576,157
Net position at end of year	\$ 989,685,141	\$ 736,724,920	\$ (40,870,106)	\$ (54,265,000)	\$ 948,815,035	\$ 682,459,920

- General government expenses decreased by \$3,995,882, or 355%, primarily due to the recognition of the pension and OPEB actuarial asset that is recognized as a deferred outflow of pension and OPEB contributions;
- Bicycle and pedestrian facilities expenses decreased by \$1,800,995, or 53%, due to a decrease in claims submitted for approved projects;
- CETAP expenses decreased \$542,630, or 9%, due to Mid County Parkway project right of way acquisition support services in the previous fiscal year;

- Commuter assistance expenses increased \$118,843, or 4%, primarily due to an increase in program management services;
- Commuter rail expenses decreased by \$3,075,791 or 8%, as a result decreased operating contributions to the Southern California Regional Rail Authority (SCRRA) due to COVID-19 impacts and availability of federal COVID-19 relief funds to SCRRA;
- Highway expenses increased by \$37,117,700, or 30%, due primarily to the 15/91 Express Lanes Connector and Jurupa and McKinley Avenue grade separation projects funded by SB132;
- Local streets and roads expenses increased by \$11,100,658 or 15%, because of an increase in the overall Measure A sales tax revenue have a corresponding allocation increase to the local jurisdictions;
- Motorist assistance expenses decreased by \$176,588, or 4%, due primarily to reduced freeway service patrol activities;
- Planning and programming expenses increased by \$1,043,980, or 28%, due to LTF planning allocations and various next generation express lanes and transit-oriented communities strategic plan development studies;
- Regional arterial expenses decreased by \$6,726,896, or 22%, as a result of a net decrease in reimbursements to local jurisdictions for approved regional arterial projects;
- Regional conservation expenses decreased by \$339,541, or 19%, primarily due to the recognition of the pension and OPEB actuarial asset that is recognized as a deferred outflow of pension and OPEB contributions;
- Toll operations expenses increased by \$34,844,275, or 56%, due primarily to the first full year of toll operations on the 15 Express Lanes and required repair and rehabilitation activities on the 91 Express Lanes;
- Transit and specialized transportation expenses increased by \$34,879,565, or 69%, due to an increase in bus transit operating and capital claims in Western County and Coachella Valley geographic areas resulting from the availability of federal COVID-19 relief funds for transit operators in the previous year;
- Interest expense related to governmental activities decreased by \$4,567,920, or 13%, 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 \$219,383,549, or 95%, due to the previous year activity related to the contribution of capital and intangible assets offset by the transfer of toll-supported long-term debt from governmental activities to the 15 Express Lanes Enterprise fund as a result of the I-15 Express Lanes project substantial completion in April 2021.



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, 2022 and June 30, 2021:



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, 2022 and June 30, 2021:



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, 2022, the Commission's governmental funds reported combined ending fund balances of \$1,104,646,206, an increase of \$135,854,506 compared to FY 2020/21. Less than 1%, or \$3,647,563, is nonspendable fund balance related to prepaid amounts; \$3,049,765 is assigned fund balance for general government administration activities; and an unassigned deficit of \$389,756 is related to a deficit fund balance in the SB132 Special Revenue fund and Nonmajor governmental fund. The remainder of the fund balance is restricted to indicate the following externally enforceable legal restrictions:

- \$8,347,486 in TDA funds that have been allocated to jurisdictions within the County for bicycle and pedestrian projects;
- \$57,995,729 of TUMF funds for new CETAP corridors in Western County;
- \$18,477,302 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;
- \$79,066,370 in TDA, Measure A, and Proposition 1B funds for commuter rail operations and capital projects and \$2,200,344 in TDA and Proposition 1B funds for the Coachella Valley/San Geronio Pass rail corridor;
- \$11,067,296 in 2009 Measure A funds available to pay sales tax revenue bonds debt service over the next year;
- \$322,432,486 for highway, economic development, and new corridor projects related to the 1989 Measure A and 2009 Measure A programs;
- \$12,426,049 in state funds for motorist assistance services;
- \$6,286,671 of TDA funds and \$11,696 intergovernmental funds for planning and programming activities;
- \$85,406,017 and \$61,355,194 for regional arterial projects in Western County related to the 2009 Measure A and TUMF programs, respectively;
- \$17,401,861 of Measure A funds for transit and specialized transportation in the Western County and \$4,426,863 for specialized transportation in the Coachella Valley; and
- \$411,437,270 in TDA funds available to the commuter rail and bus transit operations and capital in the County, including state of good repair.



The following table presents the changes in fund balances for the governmental funds for the fiscal years ended June 30, 2022 and 2021:

	Fund Balances Year Ended June 30		% Change
	2022	2021	
General fund	\$ 35,788,510	\$ 37,918,031	(6)%
Special Revenue major funds:			
Measure A Western County	379,440,191	323,627,591	17%
Measure A Coachella Valley	84,343,540	78,416,512	8%
Transportation Uniform Mitigation Fee	119,352,193	123,065,220	(3)%
Local Transportation Fund	276,854,895	184,546,422	50%
State Transit Assistance	131,655,414	128,582,178	2%
SB 132	(385,823)	(143,114)	170%
Capital Projects major funds:			
Commercial Paper	15,043,286	16,623,510	(10)%
Bonds	25,576,707	38,756,608	(34)%
Debt Service fund	11,067,296	11,529,992	(4)%
Nonmajor governmental funds	25,909,997	25,868,750	0%

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

- The 6% decrease in the General fund resulted from decreased commuter rail intergovernmental reimbursements, offset by the increase in planning and programming, and transit and specialized transportation program expenditures;
- The 17% increase in the Measure A Western County Special Revenue fund was attributed to excess 2009 Measure A revenues, offset by increased commuter assistance, local streets and roads, regional arterials, and transit and specialized transportation expenditures;
- The 8% increase in the Measure A Coachella Valley Special Revenue fund was attributed to excess 2009 Measure A revenues over expenditures for Coachella Valley highway, local streets and roads, and regional arterial projects;
- The 3% decrease in the TUMF Special Revenue fund was attributable to excess TUMF revenues over CETAP and regional arterial projects, offset by an increase in transfers out to the Measure A Western County Special Revenue fund for I-215/Placentia Interchange project;
- The 50% 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 2% increase in the State Transit Assistance fund resulted from the excess of sales tax revenues over claims of allocations for transit operations and capital projects;
- The 170% increase in the SB 132 fund deficit resulted from project costs not yet reimbursed by Caltrans;
- The 10% decrease in the Commercial Paper Capital Projects fund was attributed to the use of excess funds for the repayment of debt service;
- The 34% decrease in the Bonds Capital Projects fund was attributed to transfers out to the Measure A Western County Special Revenue fund and 15 Express Lanes Enterprise fund for project costs and ramp-up reserves, respectively;
- The 4% decrease in the Debt Service fund was attributable to an increase in transfers out to the Measure A Western County Special Revenue fund for federal subsidy reimbursements; and
- No change in nonmajor governmental funds remains consistent with the previous fiscal year.

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 \$40,870,106 at June 30, 2022. 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 \$263,000 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:

- \$34,000 increase to general government for various operations support services;
- \$1,420,000 decrease to the commuter rail program;
- \$485,300 decrease to the planning and programming program;
- \$3,700 decrease to transit and specialized transportation professional costs; and
- \$2,138,000 increase to capital outlay.

During the year, General fund revenues were lower than budgetary estimates by \$11,042,465; expenditures were less than budgetary estimates by \$35,394,657. General fund budgetary variances between the final amended budget and actual amounts are as follows:

General Fund Budgetary Variances	Year Ended June 30, 2022			
	Original Budget	Final Amended Budget	Actual	% Variance
Revenues				
Intergovernmental	\$ 19,015,500	\$ 19,015,500	\$ 7,209,094	\$ (11,806,406)
Investment income	17,600	17,600	(488,441)	(506,041)
Other	1,300	1,300	1,271,282	1,269,982
Total revenues	19,034,400	19,034,400	7,991,935	(11,042,465)
Expenditures				
Current				
General government	10,658,400	10,692,400	-	10,692,400
Commuter rail	32,492,700	31,072,700	8,326,444	22,746,256
Planning and programming	4,981,200	4,495,900	3,760,366	735,534
Transit and specialized transportation	1,329,800	1,326,100	823,213	502,887
Debt service	-	-	605,977	(605,977)
Capital outlay	1,230,000	3,368,000	2,044,443	1,323,557
Total expenditures	50,692,100	50,955,100	15,560,443	35,394,657
Other financing sources (uses)				
Transfers in	25,036,200	26,579,200	5,438,987	(21,140,213)
Transfers out	(1,618,100)	(1,618,100)	-	1,618,100
Total other financing sources (uses)	\$ 23,418,100	\$ 24,961,100	\$ 5,438,987	\$ (19,522,113)

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

- \$11,806,406 negative variance for intergovernmental revenues primarily related to lower eligible intergovernmental reimbursements due to lower commuter rail expenditures;
- \$506,041 negative variance for investment income includes lower investment yields and unrealized losses;
- \$1,269,982 positive variance for other revenues related to reimbursable other agency project costs;
- \$10,692,400 positive variance for general government expenditures primarily related to the administrative cost allocations process;
- \$22,746,256 positive variance for commuter rail expenditures related to lower Metrolink operations costs due to COVID-19 impacts and the availability of federal COVID-19 relief funds to SCRRRA and delay in various rail capital projects;
- \$735,534 positive variance for planning and programming expenditures related to lower professional services, construction, special studies, planning allocations, and other expenditures such as staff support;
- \$502,887 positive variance for transit and specialized transportation expenditures related to lower professional services, special studies, and other expenditures such as staff support;
- \$605,977 negative variance for debt service expenditures related to the implementation of GASB Statement No. 87 *Leases*;
- \$1,323,557 positive variance for capital outlay expenditures related to delay in implementation of replacement of finance enterprise resource planning system and rail station improvements;
- \$21,140,213 negative variance for transfers in related to the administrative cost allocations process and lower commuter rail activities than anticipated; and
- \$1,618,100 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, 2022, the Commission had \$1,290,728,275, 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; office improvements, furniture, equipment, and vehicles; and leased assets. The total increase in the Commission's total capital assets, net for FY 2021/22 was 4% and primarily attributable to construction in progress for the 15/91 Express Lanes Connector project.

Major capital asset additions during 2022 included construction in progress for the 15/91 Express Lanes Connector project, continued toll infrastructure and facility franchise activity on the 15 Express Lanes, rail station improvements, and construction easements on various projects. Capital assets includes the implementation of GASB Statement No. 87, *Leases*, reflecting the right to use assets for land, buildings, and equipment.

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

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Capital assets not being depreciated:						
Land and land improvements	\$ 170,015,793	\$ 170,315,513	\$ 11,990,286	\$ 25,608,011	\$ 182,006,079	\$ 195,923,524
Construction easements	4,202,495	4,167,671	259,657	53,350	4,462,152	4,221,021
Rail operating easements	63,846,199	63,846,199	-	-	63,846,199	63,846,199
Construction in progress	186,511,029	111,489,211	4,614,768	-	191,125,797	111,489,211
Development in progress	832,094	249,184	-	2,417,207	832,094	2,666,391
Total capital assets not being depreciated	425,407,610	350,067,778	16,864,711	28,078,568	442,272,321	378,146,346
Capital assets being depreciated and amortized, net of accumulated depreciation and amortization:						
Rail stations	122,988,654	129,369,739	-	-	122,988,654	129,369,739
Rail tracks	123,881,250	129,060,954	-	-	123,881,250	129,060,954
Temporary construction easements	740,774	39,573	-	-	740,774	39,573
Buildings and building improvements	-	-	6,027,357	6,854,220	6,027,357	6,854,220
Toll infrastructure	-	-	22,851,446	17,007,976	22,851,446	17,007,976
Transponders	-	-	9,888	87,888	9,888	87,888
Toll facility franchise	-	-	568,238,032	576,442,794	568,238,032	576,442,794
Office improvements, furniture, equipment, and vehicles	300,587	339,745	90,595	106,731	391,182	446,476
Total capital assets, net of accumulated depreciation and amortization	247,911,265	258,810,011	597,217,318	600,499,609	845,128,583	859,309,620
Right to use leased assets, net of accumulated amortization						
Land	16,803	-	-	-	16,803	-
Buildings	3,246,658	-	-	-	3,246,658	-
Equipment	63,910	-	-	-	63,910	-
Total right to use leased assets, net	3,327,371	-	-	-	3,327,371	-
Total capital assets	\$ 676,646,246	\$ 608,877,789	\$ 614,082,029	\$ 628,578,177	\$ 1,290,728,275	\$ 1,237,455,966

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. On April 10, 2021, the I-15 Express Lanes project was substantially completed and the 15 Express Lanes opened to motorists; the 15 Express Lanes began tolling on April 14, 2021. 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 I-15 between Cajalco Road in Corona and SR-60 in Jurupa Valley for 50 years from opening and commencement of tolling.

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

Debt Administration

As of June 30, 2022, the Commission had \$1,726,159,056 outstanding in sales tax and toll revenue bonds, including a TIFIA loan as follows:

Sales tax revenue bonds	\$ 830,738,739
Toll revenue bonds	733,034,464
TIFIA loan	<u>162,385,853</u>
Total outstanding sales tax and toll revenue bonds	<u>\$ 1,726,159,056</u>

The total debt decreased from the \$1,738,721,046 outstanding as of June 30, 2021, primarily due to the following:

	Balance June 30, 2021	Additions	Reduction	Balance June 30, 2022
Governmental activities				
Sales tax revenue bonds	\$ 777,315,000	\$ -	\$ (29,995,000)	\$ 747,320,000
Sales tax bonds premium	94,246,216	-	(10,827,477)	83,418,739
Business-type activities				
Toll revenue bonds	212,071,347	615,059,000	(148,464,395)	678,665,952
Toll revenue bonds discount	(1,855,227)	-	1,855,227	-
Toll revenue bonds premium	-	55,968,468	(1,599,956)	54,368,512
TIFIA loan	<u>656,943,710</u>	<u>8,780,334</u>	<u>(503,338,191)</u>	<u>162,385,853</u>
Total outstanding sales tax and toll revenue bonds	<u>\$ 1,738,721,046</u>	<u>\$ 679,807,802</u>	<u>\$ 692,369,792</u>	<u>\$ 1,726,159,056</u>

- Sales tax revenue bonds was reduced by \$40,822,477 due to reductions resulting from principal payments in the amount of \$29,995,000 and premium amortization of \$10,827,477; and
- Toll revenue bonds increased \$522,818,344 largely due to the issuance of the debt in connection with the 2021 toll bonds refinance (\$615,051,059) which paid both the existing Toll Revenue Bonds and TIFIA loan; and
- TIFIA loan decreased \$494,557,857 due largely to pay-off of the 91 Express Lanes loan and marginal increase related to TIFIA loan draws and compounded interest.

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 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, 2022, the Commission had \$0 in commercial paper notes outstanding.

As of June 30, 2022, outstanding debt for the Commission is \$747,200,000, which is \$227,800,000 under the debt limit of \$975,000,000 required by the 2009 Measure A ordinance. The Commission had 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 \$0. In March 2020, the Commission authorized the sale and issuance of not to exceed \$725 million of toll revenue refunding bonds and prepaid the TIFIA loan in October 2021. The Commission also authorized the issuance of a TIFIA loan, for the I-15 Express Lanes project not to exceed \$165,000,000, which is in excess of the total outstanding debt of \$162,385,853. TIFIA loans provided federal funding up to \$152,214,260 for the I-15 Express Lanes project on a senior lien basis.

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 2022 Commission meeting, the Commission adopted guiding principles for use in the preparation of the FY 2022/23 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 2022/23 annual budget on June 8, 2022. Approximately 43% of the \$903,559,500 balanced budget is related to capital project expenditures, including:

- \$17,722,200 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, including the eastbound lane to McKinley Avenue;
- \$12,387,800 for repair and rehabilitation of the 91 Express Lanes;
- \$2,710,000 for construction and engineering activities related to the 91 Corridor Operations project (COP), including the eastbound COP;
- \$3,449,000 for engineering, construction, design-build, and right of way activities related to the I-15 Express Lanes projects;
- \$80,123,000 for construction, design-build, and right of way activities related to the 15/91 Express Lanes Connector project;
- \$6,000,000 for engineering related to the I-15 Express Lanes-Southern Extension project;
- \$5,200,000 for engineering and construction related to the I-15 Corridor Operations project, including the interim project;
- \$1,360,000 for right of way support services, engineering, and construction related to the I-15/Railroad Canyon Interchange project;
- \$48,930,000 for engineering, right of way activities, and construction related to the 71/91 Connector project;
- \$99,512,000 for engineering, right of way activities, and construction related to the Western County SB 132 projects for which the Commission is not the lead agency;
- \$2,005,000 engineering and right of way activities related to the Santa Ana River Trail Extension projects for which the Commission is the lead agency for the Riverside County Regional Park and Open Space District;
- \$3,260,000 for engineering, construction and right of way related to the SR-60 Truck Lanes project;
- \$11,700,000 of engineering and construction related to the smart freeways project;
- \$39,704,000 for various Western County Measure A and TUMF regional arterial projects;
- \$32,370,000 for engineering, construction, and right of way acquisition/support services for the Mid County Parkway projects; and
- \$17,537,500 for engineering, construction, and right of way activities for various rail station upgrades.

Distributions to the local jurisdictions for local streets and roads are budgeted at \$77,101,900. Budgeted expenditures related to funding of public bus transit operations and capital projects in the County aggregate \$211,200,900. Debt service costs are \$91,756,300, or 10% of the 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.







I-15 Railroad
Canyon Interchange

Basic Financial Statements

Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 978,370,947	\$ 95,964,043	\$ 1,074,334,990
Receivables:			
Accounts	182,314,407	8,327,528	190,641,935
Violations	-	43,866	43,866
Advances to other governments	17,480,280	-	17,480,280
Interest	2,725,309	329,403	3,054,712
Leases	2,411,579	335,578	2,747,157
Internal balances	6,981,900	(6,981,900)	-
Due from other governments	234,345	-	234,345
Prepaid expenses and other assets	3,647,563	351,164	3,998,727
Restricted cash and investments	32,406,419	143,610,179	176,016,598
Net pension asset	5,727,755	666,850	6,394,605
Net other post-employment benefits assets	2,326,176	270,824	2,597,000
Capital assets not being depreciated	425,407,610	16,864,711	442,272,321
Capital assets, net of accumulated depreciation and amortization	247,911,265	597,217,318	845,128,583
Right of use lease asset, net of amortization	3,327,371	-	3,327,371
Total assets	1,911,272,926	856,999,564	2,768,272,490
Deferred outflows of resources			
Loss on refunding of bonds	30,719,848	14,784,689	45,504,537
Pension related	10,621,663	1,153,132	11,774,795
Other post-employment benefits related	989,856	115,244	1,105,100
Total deferred outflows of resources	42,331,367	16,053,065	58,384,432
Total assets and deferred outflows of resources	1,953,604,293	873,052,629	2,826,656,922
Liabilities			
Accounts payable	113,866,028	13,871,019	127,737,047
Interest payable	3,183,298	3,137,870	6,321,168
Other liabilities	2,913,807	380,572	3,294,379
Long-term liabilities:			
Due within one year - bonds, leases, and compensated absences	43,029,751	2,603,289	45,633,040
Due in more than one year			
Bonds, loans, leases, and compensated absences	792,283,637	892,953,895	1,685,237,532
Total liabilities	955,276,521	912,946,645	1,868,223,166
Deferred inflows of resources			
Pension related	4,719,469	465,974	5,185,443
Leases	2,383,156	330,822	2,713,978
Other post-employment benefits related	1,540,006	179,294	1,719,300
Total deferred inflows of resources	8,642,631	976,090	9,618,721
Total liabilities and deferred inflows of resources	963,919,152	913,922,735	1,877,841,887
Net position			
Net investment (deficit) in capital assets	415,495,777	(171,650,350)	243,845,427
Restricted for:			
Bicycle and pedestrian facilities	8,347,486	-	8,347,486
CETAP	57,995,729	-	57,995,729
Commuter assistance	18,486,677	-	18,486,677
Commuter rail	81,367,989	-	81,367,989
Debt service	11,067,296	-	11,067,296
Highways	339,054,288	-	339,054,288
Motorist assistance	12,427,443	-	12,427,443
Express lanes	-	130,780,244	130,780,244
Planning and programming	6,298,699	-	6,298,699
Regional arterials	146,762,481	-	146,762,481
Transit and specialized transportation	433,265,994	-	433,265,994
Unrestricted (deficit)	(540,884,718)	-	(540,884,718)
Total net position	\$ 989,685,141	\$ (40,870,106)	\$ 948,815,035

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental Activities:							
General government	\$ (2,868,799)	\$ -	\$ -	\$ -	\$ 2,868,799	\$ -	\$ 2,868,799
Bicycle and pedestrian facilities	1,587,819	-	-	-	(1,587,819)	-	(1,587,819)
CETAP	5,181,055	5,313	17,727,164	-	12,551,422	-	12,551,422
Commuter assistance	3,229,524	-	1,431,332	-	(1,798,192)	-	(1,798,192)
Commuter rail	34,291,250	250,000	1,932,014	14,584,145	(17,525,091)	-	(17,525,091)
Highways	159,525,490	137,555	122,344,806	57,265,316	20,222,187	-	20,222,187
Local streets and roads	85,183,610	-	-	-	(85,183,610)	-	(85,183,610)
Motorist assistance	4,322,295	-	5,235,615	-	913,320	-	913,320
Planning and programming	4,774,012	-	2,543,503	-	(2,230,509)	-	(2,230,509)
Regional arterials	24,258,688	-	22,455,245	-	(1,803,443)	-	(1,803,443)
Regional conservation	1,492,799	-	3,974,222	-	2,481,423	-	2,481,423
Transit and specialized transportation	85,415,249	-	2,013,063	-	(83,402,186)	-	(83,402,186)
Interest expense	30,512,904	-	-	-	(30,512,904)	-	(30,512,904)
Total governmental activities	436,905,896	392,868	179,656,964	71,849,461	(185,006,603)	-	(185,006,603)
Business-type Activities:							
RCTC 91 Express Lanes	69,463,323	65,119,434	-	-	-	(4,343,889)	(4,343,889)
15 Express Lanes	27,233,103	37,259,442	-	-	-	10,026,339	10,026,339
Total Business-type activities	96,696,426	102,378,876	-	-	-	5,682,450	5,682,450
Total Primary Government	\$ 533,602,322	\$ 102,771,744	\$ 179,656,964	\$ 71,849,461	(185,006,603)	5,682,450	(179,324,153)
General Revenues:							
Measure A sales taxes					280,170,582	-	280,170,582
Transportation Development Act sales taxes					180,682,280	-	180,682,280
Unrestricted investment earnings					(14,295,090)	(3,452,703)	(17,747,793)
Other miscellaneous revenue					2,574,199	-	2,574,199
Transfers					(11,165,147)	11,165,147	-
Total general revenues and transfers					437,966,824	7,712,444	445,679,268
Change in net position					252,960,221	13,394,894	266,355,115
Net position (deficit) at beginning of year					736,724,920	(54,265,000)	682,459,920
Net position (deficit) at end of year					\$ 989,685,141	\$ (40,870,106)	\$ 948,815,035

See notes to basic financial statements

Riverside County Transportation Commission
Balance Sheet - Governmental Funds
June 30, 2022

	Major Funds						
	Special Revenue						
		Measure A	Measure A	Transportation			
	General	Western	Coachella	Uniform	Local	State	
		County	Valley	Mitigation	Transportation	Transit	SB 132
				Fee	Fund	Assistance	
Assets							
Cash and investments	\$ 18,763,691	\$ 339,566,401	\$ 88,202,879	\$ 127,031,131	\$ 249,779,594	\$ 124,637,846	\$ -
Receivables							
Accounts	4,861,763	63,763,257	9,547,689	10,347,735	28,505,370	7,321,448	54,314,280
Advances	-	-	-	-	-	-	-
Interest	59,962	1,443,373	162,333	247,254	421,281	240,241	26,424
Leases		2,181,791	-	229,788	-	-	-
Due from other funds	17,564,212	11,910,843	124,086	6,433	-	-	-
Advances to other funds	-	11,727,273	-	-	-	-	-
Prepaid expenditures and other assets	479,416	3,165,483	-	1,270	-	-	-
Restricted cash and investments	-	-	-	-	-	-	-
Total assets	\$ 41,729,044	\$ 433,758,421	\$ 98,036,987	\$ 137,863,611	\$ 278,706,245	\$ 132,199,535	\$ 54,340,704
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	\$ 5,538,020	\$ 45,499,209	\$ 13,090,008	\$ 6,080,288	\$ 1,071,563	\$ 510,321	\$ 40,698,853
Advances payable	-	-	-	-	-	-	-
Due to other funds	-	3,829,390	603,439	12,205,381	779,787	33,800	14,027,674
Other liabilities	402,514	842,836	-	-	-	-	-
Total liabilities	5,940,534	50,171,435	13,693,447	18,285,669	1,851,350	544,121	54,726,527
Deferred inflows of resources							
Leases	-	2,157,407	-	225,749	-	-	-
Unavailable revenues	-	1,989,388	-	-	-	-	-
Total deferred inflows of resources	-	4,146,795	-	225,749	-	-	-
Fund balances							
Nonspendable							
Prepaid amounts	479,416	3,165,483	-	1,270	-	-	-
Leases	-	-	-	-	-	-	-
Restricted for							
Bicycle and pedestrian facilities	-	-	-	-	8,347,486	-	-
CETAP	-	-	-	57,995,729	-	-	-
Commuter assistance	-	18,477,302	-	-	-	-	-
Commuter rail	25,972,658	53,093,712	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Highways	-	201,895,816	79,916,677	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-
Planning and programming	6,286,671	-	-	-	-	-	-
Regional arterials	-	85,406,017	-	61,355,194	-	-	-
Transit and specialized transportation	-	17,401,861	4,426,863	-	268,507,409	131,655,414	-
Assigned							
General government	3,049,765	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(385,823)
Total fund balances	35,788,510	379,440,191	84,343,540	119,352,193	276,854,895	131,655,414	(385,823)
Total liabilities, deferred inflows of resources, and fund balances	\$ 41,729,044	\$ 433,758,421	\$ 98,036,987	\$ 137,863,611	\$ 278,706,245	\$ 132,199,535	\$ 54,340,704

See notes to basic financial statements

Riverside County Transportation Commission
Balance Sheet - Governmental Funds, Continued
June 30, 2022

	Major Funds				
	Capital Projects			Other Nonmajor Governmental Funds	
	Commercial Paper	Bonds	Debt Service		Total
Assets					
Cash and investments	\$ 427,586	\$ 67,829	\$ 4,619,952	\$ 25,274,038	\$ 978,370,947
Receivables					
Accounts	-	-	-	3,652,865	182,314,407
Advances	15,093,224	2,387,056	-	-	17,480,280
Interest	2,606	65,118	8,677	48,040	2,725,309
Leases	-	-	-	-	2,411,579
Due from other funds	434,145	67,894	-	-	30,107,613
Advances to other funds	-	-	-	-	11,727,273
Prepaid expenditures and other assets	-	-	-	1,394	3,647,563
Restricted cash and investments	-	25,843,666	6,562,753	-	32,406,419
Total assets	\$ 15,957,561	\$ 28,431,563	\$ 11,191,382	\$ 28,976,337	\$ 1,261,191,390
Liabilities, deferred inflows of resources, and fund balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ 1,377,766	\$ 113,866,028
Advances payable	-	2,727,273	-	-	2,727,273
Due to other funds	-	-	124,086	522,156	32,125,713
Other liabilities	914,275	127,583	-	1,166,418	3,453,626
Total liabilities	914,275	2,854,856	124,086	3,066,340	152,172,640
Deferred inflows of resources					
Leases	-	-	-	-	2,383,156
Unavailable revenues	-	-	-	-	1,989,388
Total deferred inflows of resources	-	-	-	-	4,372,544
Fund balances					
Nonspendable					
Prepaid amounts	-	-	-	1,394	3,647,563
Leases	-	-	-	-	-
Restricted for					
Bicycle and pedestrian facilities	-	-	-	-	8,347,486
CETAP	-	-	-	-	57,995,729
Commuter assistance	-	-	-	-	18,477,302
Commuter rail	-	-	-	2,200,344	81,266,714
Debt service	-	-	11,067,296	-	11,067,296
Highways	15,043,286	25,576,707	-	-	322,432,486
Motorist assistance	-	-	-	12,426,049	12,426,049
Planning and programming	-	-	-	11,696	6,298,367
Regional arterials	-	-	-	-	146,761,211
Transit and specialized transportation	-	-	-	11,274,447	433,265,994
Assigned					
General government	-	-	-	-	3,049,765
Unassigned	-	-	-	(3,933)	(389,756)
Total fund balances	15,043,286	25,576,707	11,067,296	25,909,997	1,104,646,206
Total liabilities, deferred inflows of resources, and fund balances	\$ 15,957,561	\$ 28,431,563	\$ 11,191,382	\$ 28,976,337	\$ 1,261,191,390

See notes to basic financial statements



Corona North Main Metrolink Station

Riverside County Transportation Commission
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2022

Total fund balances - Governmental funds page 27	\$ 1,104,646,206
Amounts reported for governmental activities in the statement of net position page 24 are different because:	
Amounts due from other governments are not an available resource and therefore, are not reported in the funds.	234,345
Deferred outflows of pension resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	9,904,577
Deferred inflows of pension resources are not due and payable in the current period and, therefore, are not reported in the funds.	(4,002,383)
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.	989,856
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.	(1,540,006)
Capital and right to use leased assets, less related accumulated depreciation and amortization, used in governmental activities are not financial resources and therefore are not reported in the funds.	676,646,246
Certain revenues are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.	2,529,207
Interest payable on long-term debt outstanding is not due and payable in the current period and therefore is not reported in the funds.	(3,183,298)
Net other post-employment asset is not reported in the funds.	2,326,176
Net pension asset is not reported in the funds.	5,727,755
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
Compensated absences	(1,176,633)
Lease liabilities	(3,398,016)
Sales tax bonds payable	(747,320,000)
Loss on refunding of sales tax bonds	30,719,848
Premium on sales tax revenue bonds payable	(83,418,739)
Net adjustment	(804,593,540)
Net position of governmental activities page 24	\$ 989,685,141

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, 2022

	Major Funds						
	Special Revenue						
		Measure A	Measure A	Transportation	Local	State	
	General	Western	Coachella	Uniform	Transportation	Transit	SB 132
		County	Valley	Mitigation	Fund	Assistance	
				Fee			
Revenues							
Sales taxes	\$ -	\$ 224,230,486	\$ 54,599,526	\$ -	\$ 150,693,950	\$ 25,773,517	\$ -
Transportation Uniform Mitigation Fee	-	-	-	35,509,031	-	-	-
Intergovernmental	7,209,094	68,884,142	-	4,673,378	1,996,063	-	118,238,582
Investment income(loss)	(488,441)	(4,451,865)	(1,396,589)	(2,081,895)	(3,996,140)	(2,038,954)	(372,119)
Other	1,271,282	1,607,074	-	29,285	-	-	348,800
Total revenues	7,991,935	290,269,837	53,202,937	38,129,799	148,693,873	23,734,563	118,215,263
Expenditures							
Current:							
General government	-	329,937	-	-	12,000	-	-
Bicycle and pedestrian facilities	-	-	-	-	1,587,819	-	-
CETAP	-	-	-	5,279,295	-	-	-
Commuter assistance	-	3,434,404	-	-	-	-	-
Commuter rail	8,326,444	12,079,835	-	-	-	-	-
Highways	-	108,061,204	21,137,761	-	-	-	118,457,972
Local streets and roads	-	64,733,206	19,109,834	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-
Planning and programming	3,760,366	-	-	-	1,173,000	-	-
Regional arterials	-	3,207,422	-	21,171,922	-	-	-
Regional conservation	-	-	-	-	-	-	-
Transit and specialized transportation	823,213	6,810,521	7,152,400	-	48,173,594	20,241,793	-
Total programs	12,910,023	198,656,529	47,399,995	26,451,217	50,946,413	20,241,793	118,457,972
Debt service:							
Principal	556,019	22,192	-	-	-	-	-
Interest	49,958	728	-	-	-	-	-
Total debt service	605,977	22,920	-	-	-	-	-
Capital outlay	2,044,443	3,905,970	-	-	-	-	-
Total expenditures	15,560,443	202,585,419	47,399,995	26,451,217	50,946,413	20,241,793	118,457,972
Excess (deficiency) of revenues over (under) expenditures	(7,568,508)	87,684,418	5,802,942	11,678,582	97,747,460	3,492,770	(242,709)
Other financing sources (uses):							
Transfers in	5,438,987	37,291,327	124,086	41,511	-	-	-
Transfers out	-	(69,163,145)	-	(15,433,120)	(5,438,987)	(419,534)	-
Total other financing sources (uses)	5,438,987	(31,871,818)	124,086	(15,391,609)	(5,438,987)	(419,534)	-
Net change in fund balances	(2,129,521)	55,812,600	5,927,028	(3,713,027)	92,308,473	3,073,236	(242,709)
Fund balances at beginning of year	37,918,031	323,627,591	78,416,512	123,065,220	184,546,422	128,582,178	(143,114)
Fund balances at end of year	\$ 35,788,510	\$ 379,440,191	\$ 84,343,540	\$ 119,352,193	\$ 276,854,895	\$ 131,655,414	\$ (385,823)

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, Continued
Year Ended June 30, 2022

	Major Funds				
	Capital Projects			Other	
	Commercial		Debt	Nonmajor	
	Paper	Bonds	Service	Governmental	Total
Revenues					
Sales taxes	\$ -	\$ -	\$ -	\$ 5,555,383	\$ 460,852,862
Transportation Uniform Mitigation Fee	-	-	-	-	35,509,031
Intergovernmental	-	-	2,812,132	9,994,613	213,808,004
Investment income(loss)	1,028,470	13,447	(62,751)	(383,937)	(14,230,774)
Other	-	-	118	17,853	3,274,412
Total revenues	1,028,470	13,447	2,749,499	15,183,912	699,213,535
Expenditures					
Current:					
General government	-	-	-	-	341,937
Bicycle and pedestrian facilities	-	-	-	-	1,587,819
CETAP	-	-	-	-	5,279,295
Commuter assistance	-	-	-	-	3,434,404
Commuter rail	-	-	-	813,548	21,219,827
Highways	-	-	-	-	247,656,937
Local streets and roads	-	-	-	1,340,570	85,183,610
Motorist assistance	-	-	-	4,474,970	4,474,970
Planning and programming	-	-	-	768,665	5,702,031
Regional arterials	-	-	-	-	24,379,344
Regional conservation	-	-	-	3,974,222	3,974,222
Transit and specialized transportation	-	-	-	2,723,296	85,924,817
Total programs	-	-	-	14,095,271	489,159,213
Debt service:					
Principal	-	-	29,995,000	-	30,573,211
Interest	-	-	39,599,288	-	39,649,974
Total debt service	-	-	69,594,288	-	70,223,185
Capital outlay	-	-	-	-	5,950,413
Total expenditures	-	-	69,594,288	14,095,271	565,332,811
Excess (deficiency) of revenues over (under) expenditures	1,028,470	13,447	(66,844,789)	1,088,641	133,880,724
Other financing sources (uses):					
Transfers in	-	272,727	69,591,038	2,672,892	115,432,568
Transfers out	(2,608,694)	(13,466,075)	(3,208,945)	(3,720,286)	(113,458,786)
Total other financing sources (uses)	(2,608,694)	(13,193,348)	66,382,093	(1,047,394)	1,973,782
Net change in fund balances	(1,580,224)	(13,179,901)	(462,696)	41,247	135,854,506
Fund balances at beginning of year	16,623,510	38,756,608	11,529,992	25,868,750	968,791,700
Fund balances at end of year	\$ 15,043,286	\$ 25,576,707	\$ 11,067,296	\$ 25,909,997	\$ 1,104,646,206

See notes to basic financial statements



Pachappa Underpass

Riverside County Transportation Commission
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2022

Net change in fund balances - Total governmental funds page 31

\$ 135,854,506

Amounts reported for governmental activities in the statement of activities page 25 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	90,660,525
Loss on sale of assets	(357,020)
Depreciation expense	(12,723,490)
Net adjustments	<u>77,580,015</u>
Right to use leased assets amortization	(648,856)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

1,925,072

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	10,925,000
Principal payment for sales tax revenue bonds	19,070,000
Amortization of sales tax revenue bonds premium	10,827,477
Amortization of loss on 2017B Refunding Bonds	(1,807,050)
Change in accrued interest	148,365
Principal payment for lease liabilities	578,211
Net pension asset	6,210,676
Pension change in deferred outflows of resources	3,122,338
Pension change in deferred inflows of resources	1,320,194
Net other post-employment benefits asset	1,644,929
Other post-employment benefits change in deferred outflows of resources	227,415
Other post-employment benefits change in deferred inflows of resources	(1,071,371)
Net adjustments	<u>51,196,184</u>

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.

192,229

The effect of contributions and transfers between the Governmental and Business-type activities.

Contribution of capital and intangible assets

(13,138,929)

Change in net position of governmental activities page 25

\$ 252,960,221

See notes to basic financial statements

Riverside County Transportation Commission

Statement of Net Position

Proprietary Fund

June 30, 2022

	Business-Type Activities		
	RCTC 91 Express Lanes Enterprise Fund	15 Express Lanes Enterprise Fund	Total
Assets			
Current assets:			
Cash and investments	\$ 91,652,700	\$ 4,311,343	\$ 95,964,043
Receivables			
Accounts	2,424,538	5,902,990	8,327,528
Interest	302,067	27,336	329,403
Lease	-	44,403	44,403
Violations	43,866	-	43,866
Due from Commission funds	2,547,235	-	2,547,235
Due from Enterprise funds	-	4,755	4,755
Prepaid expenses	157,793	193,371	351,164
Total current assets	97,128,199	10,484,198	107,612,397
Noncurrent assets:			
Restricted cash and investments	96,659,743	46,950,436	143,610,179
Lease receivable	-	291,175	291,175
Pension asset	415,964	250,886	666,850
Other post-employment benefits assets	168,933	101,891	270,824
Capital assets, net:			
Nondepreciable	16,252,956	611,755	16,864,711
Depreciable and amortizable	229,712,374	367,504,944	597,217,318
Total noncurrent assets	343,209,970	415,711,087	758,921,057
Total assets	440,338,169	426,195,285	866,533,454
Deferred outflows of resources			
Pension benefits	719,294	433,838	1,153,132
Other post-employment benefits	71,886	43,358	115,244
Refunding bonds	14,784,689	-	14,784,689
Total deferred outflows of resources	15,575,869	477,196	16,053,065
Total assets and deferred outflows of resources	455,914,038	426,672,481	882,586,519
Liabilities			
Current liabilities:			
Accounts payable	10,619,333	3,251,686	13,871,019
Interest payable	1,851,551	1,286,319	3,137,870
Due to Commission funds	427,701	101,434	529,135
Due to Enterprise funds	4,755	-	4,755
Other liabilities	537	380,035	380,572
Compensated absences liability	41,117	24,797	65,914
Bonds payable - due in less than one year	2,537,375	-	2,537,375
Total current liabilities	15,482,369	5,044,271	20,526,640
Noncurrent liabilities:			
Compensated absences liability	44,261	26,692	70,953
Advance from other Commission fund	-	9,000,000	9,000,000
Bonds payable - due in more than one year	730,497,089	162,385,853	892,882,942
Total noncurrent liabilities	730,541,350	171,412,545	901,953,895
Total liabilities	746,023,719	176,456,816	922,480,535
Deferred inflows of resources			
Pension benefits	290,663	175,311	465,974
Other post-employment benefits	111,839	67,455	179,294
Lease revenues	-	330,822	330,822
Total deferred inflows of resources	402,502	573,588	976,090
Total liabilities and deferred inflows of resources	746,426,221	177,030,404	923,456,625
Net position			
Net investment (deficit) in capital assets	(387,552,790)	215,902,440	(171,650,350)
Restricted for toll operations	97,040,607	33,739,637	130,780,244
Total net position (deficit)	\$ (290,512,183)	\$ 249,642,077	\$ (40,870,106)

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, 2022

	Business-Type Activities		
	RCTC 91 Express Lanes Enterprise Fund	15 Express Lanes Enterprise Fund	Total
Operating revenues			
Tolls, penalties, and fees	\$ 65,119,434	\$ 37,259,442	\$ 102,378,876
Operating expenses			
Management and operational services	10,471,038	10,514,267	20,985,305
Administrative overhead	1,127,200	305,200	1,432,400
Other operating expenses	4,140,069	173,980	4,314,049
Professional services	1,751,986	499,955	2,251,941
General and administrative expenses	4,323	(19,871)	(15,548)
Depreciation and amortization	9,713,760	10,899,738	20,613,498
Total operating expenses	27,208,376	22,373,269	49,581,645
Operating income	37,911,058	14,886,173	52,797,231
Nonoperating revenues (expenses)			
Investment earnings (loss)	(3,022,688)	(430,015)	(3,452,703)
Interest expense	(24,395,855)	(4,859,834)	(29,255,689)
Cost of issuance	(3,783,480)	-	(3,783,480)
Loss on refunding	(6,733,662)	-	(6,733,662)
Gain (loss) on sale of capital assets, net	(7,341,950)	-	(7,341,950)
Total nonoperating revenues (expenses)	(45,277,635)	(5,289,849)	(50,567,484)
Income before contributions and transfers	(7,366,577)	9,596,324	2,229,747
Contributions from other governmental funds	-	13,138,929	13,138,929
Transfers in from other governmental funds	2,547,235	35,380	2,582,615
Transfers to other governmental funds	(230,689)	(4,325,708)	(4,556,397)
Total contributions and transfers	2,316,546	8,848,601	11,165,147
Change in net position	(5,050,031)	18,444,925	13,394,894
Net position (deficit) at beginning of year	(285,462,152)	231,197,152	(54,265,000)
Net position (deficit) at end of year	\$ (290,512,183)	\$ 249,642,077	\$ (40,870,106)

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2022

	RCTC 91 Express Lanes Enterprise Fund	15 Express Lanes Enterprise Fund	Total
Cash flows from operating activities			
Receipts from customers and users	\$ 62,741,773	\$ 34,048,840	\$ 96,790,613
Payments to vendors	(12,923,546)	(9,835,736)	(22,759,282)
Payments to employees	(840,113)	(485,583)	(1,325,696)
Payments for RCTC interfund services used	(979,800)	(285,400)	(1,265,200)
Payments for shared costs	(665,945)	-	(665,945)
Reimbursements received for lease costs	-	48,988	48,988
Net cash provided by operating activities	<u>47,332,369</u>	<u>23,491,109</u>	<u>70,823,478</u>
Cash flows from capital and related financing activities			
Principal paid on long-term debt	(635,248,737)	-	(635,248,737)
Cash defeasance on long-term debt	(28,918,779)	-	(28,918,779)
Interest paid on long-term debt	(13,998,974)	-	(13,998,974)
Loss on refunding	(6,733,622)	-	(6,733,622)
Proceeds from the issuance of long-term debt	655,437,555	-	655,437,555
Debt issuance costs	(927,067)	-	(927,067)
Proceeds from sale of capital assets	6,623,248	-	6,623,248
Acquisition of capital assets	(2,504,722)	-	(2,504,722)
Payment for acquisition of capital asset	-	(15,775)	(15,775)
Net cash used for capital and related financing activities	<u>(26,271,098)</u>	<u>(15,775)</u>	<u>(26,286,873)</u>
Cash flows from investing activities			
Interest	(685,106)	(367,719)	(1,052,825)
Net cash provided by investing activities	<u>(685,106)</u>	<u>(367,719)</u>	<u>(1,052,825)</u>
Net increase in cash and cash equivalents	20,376,165	23,107,615	43,483,780
Cash and cash equivalents at beginning of year	169,656,613	28,208,051	197,864,664
Cash and cash equivalents at end of year	<u><u>\$ 190,032,778</u></u>	<u><u>\$ 51,315,666</u></u>	<u><u>\$ 241,348,444</u></u>
Reconciliation of cash and cash equivalents to statement of net position			
Cash and investments	\$ 91,652,700	\$ 4,311,343	\$ 95,964,043
Add: fair value adjustment	1,720,335	53,887	1,774,222
	<u>93,373,035</u>	<u>4,365,230</u>	<u>97,738,265</u>
Restricted cash and investments	96,659,743	46,950,436	143,610,179
Total cash and cash equivalents	<u><u>\$ 190,032,778</u></u>	<u><u>\$ 51,315,666</u></u>	<u><u>\$ 241,348,444</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, 2022

	RCTC 91 Express Lanes	15 Express Lanes	Total
	Enterprise Fund	Enterprise Fund	
Reconciliation of operating income to net cash provided by (used for) operating activities			
Operating income	\$ 37,911,058	\$ 14,886,173	\$ 52,797,231
Adjustments to reconcile operating income to net cash provided by (used for) operating activities			
Depreciation and amortization expense	9,713,760	10,899,738	20,613,498
(Increase) Decrease in violations receivables	(43,866)	-	(43,866)
(Increase) Decrease in other receivables, net	(759,819)	(3,772,815)	(4,532,634)
(Increase) Decrease in due from other funds	(2,547,235)	-	(2,547,235)
(Increase) Decrease in prepaid assets	30,934	424,881	455,815
Increase (Decrease) in pension and other post employment benefits liabilities, net of deferred items	(823,615)	(571,131)	(1,394,746)
Increase (Decrease) in lease receivable, net of deferred items	-	(9,511)	(9,511)
Increase (Decrease) in accounts payable	4,360,688	1,348,182	5,708,870
Increase (Decrease) in due to other funds	(490,907)	20,283	(470,624)
Increase (Decrease) in compensated absences liability	(18,629)	40,658	22,029
Increase (Decrease) in other liabilities	-	224,651	224,651
Total adjustments	<u>9,421,311</u>	<u>8,604,936</u>	<u>18,026,247</u>
Net cash provided by operating activities	<u>\$ 47,332,369</u>	<u>\$ 23,491,109</u>	<u>\$ 70,823,478</u>
Noncash capital, financing and investing activities			
Amortization of bond discount	\$ 1,855,227	\$ -	\$ 1,855,227
Amortization of bond premium	1,599,956	-	1,599,956
Amortization of loss on bond refunding	(390,058)	-	(390,058)
Accreted and compounded interest long-term debt	4,279,344	4,475,122	8,754,466
Compounded interest on advance from other Commission funds	-	384,712	384,712
Net increase (decrease) in the fair value of investments	(1,736,437)	53,887	(1,682,550)
Contribution of capital and intangible assets from governmental activities	-	13,138,929	13,138,929
Transfer in of accrued investment income from other Commission funds	-	35,380	35,380

See notes to basic financial statements

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

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; in April 2021, the Commission achieved substantial completion of the I-15 Express Lanes project and opened the 15 Express Lanes.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

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.

During the year ended June 30, 2022, the Commission adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*.

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, Bonds 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, 2022

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.

15 Express Lanes Enterprise fund: This fund accounts for toll and non-toll revenues earned on the 15 Express Lanes. The 15-mile stretch includes two lanes in each direction of the center median along I-15 corridor between Cajalco Road in Corona and SR-60 in Jurupa Valley. 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

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.

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, leases, and claims and judgments are recorded only when payment is due.

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 that the Commission anticipates to collect consist of uncollected violation tolls and penalties. Unpaid violations of the RCTC 91 Express Lanes and 15 Express Lanes in the amounts of \$59,410,312 and \$17,580,047, respectively, as of June 30, 2022 are not recognized as revenue until payment is received. Unpaid violations will 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 December 2021. 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, 2022

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 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, 2022.

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, 2022

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; right to use assets; 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, 2022

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, 2022, 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.

The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease asset into place. The right to use assets are amortized on a straight-line basis over the life of the related lease.

In May 2012 the Commission entered into a toll facility agreement with Caltrans and obtained authority to toll the 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.

In September 2016 the Commission entered into a toll facility agreement with Caltrans and obtained authority to toll the I-15 from Cajalco Road in Corona to SR-60 in Jurupa Valley. The Commission's I-15 Express Lanes Project included the 15 Express Lanes, which opened to motorists on April 10, 2021 and commenced tolling on April 14, 2021. The toll facility is amortized over the remaining life of the toll facility agreement through April 2071.

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 asset 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

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 and 15 Express Lanes Enterprise funds have purchased commercial property insurance, including business interruption, earthquake and flood coverage related to the RCTC 91 Express Lanes and 15 Express Lanes.

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 assets that applies to future periods and will not be recognized as an outflow of resources, or expenditure, until then. The Commission has the following items—loss on refunding of bonds, net differences between projected and actual pension earnings, pension contributions subsequent to measurement date, differences between expected and actual pension experiences, 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 assets that applies to future periods and will not be recognized as an inflow of resources, or revenue, until then. The Commission has the following items—leases, changes in pension assumptions, pension changes in Commission's proportion, pension changes in Commission's proportion, changes in OPEB assumptions, 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 and leases 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

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.

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 \$1,800,143 allocated to Measure A in 2022 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 2. Cash and Investments

Cash and investments at June 30, 2022 consist of the following:

	Unrestricted			Restricted			Total
	Cash	Investments	Total	Cash	Investments	Total	
Cash in bank	\$ 24,638,763	\$ -	\$ 24,638,763	\$ 502,883	\$ -	\$ 502,883	\$ 25,141,646
Petty cash	1,018	-	1,018	-	-	-	1,018
RCPIF	-	995,595,777	995,595,777	-	-	-	995,595,777
Operations pooled investments	-	54,099,432	54,099,432	-	-	-	54,099,432
Investments with fiscal agents	-	-	-	-	175,513,715	175,513,715	175,513,715
Total cash and investments	<u>\$ 24,639,781</u>	<u>\$ 1,049,695,209</u>	<u>\$ 1,074,334,990</u>	<u>\$ 502,883</u>	<u>\$ 175,513,715</u>	<u>\$ 176,016,598</u>	<u>\$ 1,250,351,588</u>

Total cash and investments are reported in the following funds:

Unrestricted cash and investments	
Governmental funds	\$ 978,370,947
Enterprise fund	95,964,043
Subtotal	<u>1,074,334,990</u>
Restricted cash and investments	
Governmental funds	32,406,419
Enterprise fund	143,610,179
Subtotal	<u>176,016,598</u>
Total cash and investments	<u>\$ 1,250,351,588</u>

Restricted cash and investments at June 30, 2022 represent investments held by bond trustees for project costs and debt service and for cash held by a bank for the 15 Express Lanes toll customer deposits.

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).



Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 2. Cash and Investments, Continued

The following is a summary of the fair value hierarchy of the fair value of investments of the Commission as of June 30, 2022:

Investments by fair value level:	June 30, 2022	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	\$ 57,889,926	\$ 57,889,926	\$ -
Mortgage and asset-backed securities	38,584,562	-	38,584,562
Corporate notes	29,396,647	-	29,396,647
Money market mutual funds	84,785,339	84,785,339	-
U.S. agency securities	4,687,623	-	4,687,623
Municipal bonds	12,994,621	-	12,994,621
Commercial paper notes	1,049,528	-	1,049,528
Negotiable certificates of deposit	224,901	-	224,901
Total investments measured at fair value	229,613,147	\$ 142,675,265	\$ 86,937,882
Investments not subject to fair value hierarchy:			
RCPIF	995,595,777		
Total investments	\$ 1,225,208,924		

Investments classified in Level 1 of the value hierarchy, valued at \$143,178,148 are valued using quoted prices in active markets.

Mortgage and asset-backed securities totaling \$38,584,562, corporate notes totaling \$29,396,647, U.S. agency securities totaling \$4,687,623, municipal bonds totaling \$12,994,621, commercial paper totaling \$1,049,528, and negotiable certificates of deposit totaling \$224,901 in 2022, 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.



Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 2. Cash and Investments, Continued

As of June 30, 2022, the Commission had the following investments:

Investments	Fair Value	Principal	Interest Rate Range	Maturity Range	Weighted Average Maturity (Year)
Unrestricted:					
RCPIF	\$ 995,595,777	\$ 1,014,566,542	0.125% - 4.700%	7/1/22 - 6/30/27	1.190
Operations pooled investments:					
Corporate notes	12,256,875	12,671,469	0.409% - 3.966%	8/16/22 - 6/22/26	2.220
Money market mutual funds	1,231,112	1,231,746	0.010% - 0.980%	N/A	23 days or 0.063
Municipal bonds	7,155,170	7,300,458	0.386% - 3.307%	7/1/22 - 6/15/25	0.940
U.S. agency securities	2,724,522	2,834,360	0.481% - 3.319%	1/25/23 - 2/12/26	1.725
U.S. Treasury obligations	30,731,753	31,793,353	0.127% - 2.777%	1/31/23 - 5/15/25	1.554
Total unrestricted investments	<u>\$ 1,049,695,209</u>	<u>\$ 1,070,397,928</u>			
			Unrestricted investment portfolio weighted average		1.282
Restricted:					
Negotiable certificates of deposit	\$ 224,901	\$ 225,000	0.202%	9/27/22	0.244
Commercial paper notes	1,049,528	1,049,140	0.000%	7/5/22 - 7/15/22	0.029
Corporate notes	17,139,773	17,434,915	0.000% - 4.081%	7/1/22 - 11/20/45	1.318
Money market mutual funds	83,554,228	83,554,228	0.010% - 0.980%	N/A	23 days or 0.063
Mortgage and asset-backed securities	38,584,562	39,162,400	0.170% - 5.909%	7/25/22 - 9/16/55	4.866
Municipal bonds	5,839,452	5,902,764	0.453% - 4.199%	7/1/22 - 6/1/45	2.436
U.S. agency securities	1,963,101	2,035,548	0.311% - 3.994%	10/27/23 - 11/16/28	2.704
U.S. Treasury obligations	27,158,170	27,626,436	0.000% - 2.289%	9/30/22 - 8/15/30	1.541
Total restricted investments	<u>\$ 175,513,715</u>	<u>\$ 176,990,431</u>			
			Restricted investment portfolio weighted average		1.650

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

As of June 30, 2022, mortgage and asset-backed securities totaled \$38,584,562. 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.

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.

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 \$24,638,763 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 Depository Insurance Corporation with balances in excess of \$250,000

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 2. Cash and Investments, Continued

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, 2022; 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	81.23%
Negotiable certificates of deposit			
Deposit	A-1	P-1	0.02%
Commercial paper notes			
Various	A-2	P-2	0.03%
Various	A-1	P-1	0.06%
Corporate			
Notes	A1	A	0.28%
Notes	A1	A-	0.22%
Notes	A1	A+	0.24%
Notes	A1	AA	0.30%
Notes	A1	AA-	0.17%
Notes	A1	BBB+	0.08%
Notes	A2	A	0.12%
Notes	A2	A-	0.07%
Notes	A2	A+	0.07%
Notes	A2	BBB+	0.02%
Notes	A3	A-	0.02%
Notes	A3	A+	0.04%
Notes	A3	BBB+	0.03%
Notes	AA2	AA	0.04%
Notes	AA2	AA-	0.08%
Notes	AAA	AA	0.02%
Notes	AAA	AA+	0.02%
Notes	AAA	AAA	0.14%
Notes	AAA	NR	0.19%
Notes	BAA1	BBB	0.15%
Notes	BAA1	BBB+	0.03%
Notes	NR	AAA	0.07%
Notes			
Money market mutual funds			
Funds	Aaa-mf	AAAm	6.95%
Mortgage and asset-backed securities			
Securities	NR	AA2	0.03%
Securities	NR	AAA	0.40%
Securities	A-1+	P-1	0.01%
Securities	A-1+	NR	0.01%
Securities	AA	AAA	0.04%
Securities	AA+	NR	1.52%
Securities	AA+	NR	0.36%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 2. Cash and Investments, Continued

Investments	Moody's	S&P	% of Portfolio
Securities	AAA	AAA	0.71%
Securities	AAA	NR	0.03%
Securities	P-1	F1+	0.01%
Securities	NR	NR	0.02%
Municipal bonds			
Alameda County Joint Powers Authority	AA1	AA+	0.05%
Bay Area Toll Authority Toll Bridge	AA3	AA	0.05%
California State University	AA2	AA-	0.05%
City of Corona	NR	AA+	0.04%
City of Dallas Area Rapid Transit	AA2	AA+	0.04%
City of Houston Airport System	A1	A	0.01%
City of San Antonio	AAA	AAA	0.05%
City of San Diego Redevelopment Agency Successor	NR	AA	0.02%
City of San Francisco Redevelopment Agency	NR	AA-	0.04%
Contra Costa Community College District	AA1	AA+	0.07%
County of Riverside	NR	AA-	0.03%
County of Riverside	A1	AA	0.05%
County of San Diego Regional Airport Authority	A2	NR	0.02%
Forsyth County, Georgia School District	AAA	AAA	0.02%
Glendale Unified School District	AA1	NR	0.03%
Golden State Tobacco Securitization Corporation	AA3	A+	0.03%
Los Altos School District	NR	AA+	0.03%
Los Angeles Municipal Impact Corporation	NR	AA-	0.04%
Mountain View Whisman School District	AAA	AA+	0.02%
Port Authority of New York and New Jersey	AA3	AA-	0.01%
San Bernardino Community College District	AA1	AA	0.02%
San Diego Community College District	AAA	AAA	0.01%
Southern California Public Power Authority	NR	AA-	0.01%
State of Connecticut	AA3	A+	0.04%
State of Massachusetts	NR	NR	0.02%
State of Massachusetts Clean Energy Cooperative Corporation	A1	NR	0.02%
State of Michigan Building Authority	AA2	NR	0.02%
State of New York Dormitory Authority	NR	AA+	0.03%
State of New York	AA2	AA	0.01%
State of New York Housing Finance Authority	VMIG1	NR	0.02%
State of Oklahoma Capitol Impact Authority	NR	AA-	0.04%
State of Oregon	AA1	AA+	0.02%
State of Texas	VMIG1	A-1+	0.01%
University of Washington	AAA	AA+	0.01%
Upper Santa Clara Valley Joint Power Authority	NR	AA	0.01%
Virginia Port Authority	AA1	AA+	0.07%
U.S. agency notes			
Notes	AAA	AA+	0.23%
Notes	AAA	NR	0.04%
Notes	NR	AA+	0.11%
U.S. Treasuries			
Treasury	NR	NR	4.73%
Total			100.00%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 2. Cash and Investments, Continued

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, 2022, 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 \$539,819, as of June 30, 2022 were \$17,480,280.

Note 4. Lease Receivable

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use and an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

On 6/23/2015, the Commission entered into a 60-month lease as lessor for the use of 6001 Pedley Road, Jurupa Valley, Ca. An initial lease receivable was recorded in the amount of \$391,784. As of 6/30/2022, the value of the lease receivable is \$372,687. The lessee is required to make monthly fixed payments of \$2,251. The lease has an interest rate of 2.2610%. The value of the deferred inflow of resources as of 6/30/2022 was \$363,694, and the Commission recognized lease revenue of \$28,090 during the fiscal year. The lessee has three extension option(s), each for 60 months.

On 10/10/2016, the Commission entered into a 240-month lease as lessor for the use of real property adjacent to the SR-91. An initial lease receivable was recorded in the amount of \$306,635. As of 6/30/2022, the value of the lease receivable is \$289,034. The lessee is required to make monthly fixed payments of \$2,000. The lease has an interest rate of 2.3460%. The value of the deferred inflow of resources as of 6/30/2022 was \$286,417, and the Commission recognized lease revenue of \$20,218 during the fiscal year. The lessee has two extension option(s), each for 60 months.

On 10/31/2016, the Commission entered into a 60-month lease as lessor for the use of 2550 Cajalco Road, Corona, Ca. An initial lease receivable in the amount of \$437,708. As of 6/30/2022, the value of the lease receivable is \$419,774. The lessee is required to make monthly fixed payments of \$2,251. The lease has an interest rate of 2.4320%. The value of the deferred inflow of resources as of 6/30/2022 was \$409,469, and the Commission recognized lease revenue of \$28,239 during the fiscal year. The lessee has three extension option(s), each for 60 months.

On 10/31/2017, the Commission entered into a 60-month lease as lessor for the use of the San Jacinto Branch Line right of way. An initial lease receivable was recorded in the amount of \$3,925. As of 6/30/2022, the value of the lease receivable is \$0. The lessee is required to make annual fixed payments of \$3,933. The

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 4. Lease Receivable, Continued

lease has an interest rate of 0.6240%. The value of the deferred inflow of resources as of 6/30/2022 was \$785, and the Commission recognized lease revenue of \$3,140 during the fiscal year.

On 8/3/2015, the Commission entered into a 120-month lease as lessor for the use of 202 North State Street, Hemet, Ca. An initial lease receivable was recorded in the amount of \$10,083. As of 6/30/2022, the value of the lease receivable is \$7,526. The lessee is required to make annual fixed payments of \$2,568. The lease has an interest rate of 1.1690%. The value of the deferred inflow of resources as of 6/30/2022 was \$7,617, and the Commission recognized lease revenue of \$2,466 during the fiscal year.

On 12/20/2021, the Commission entered into a 419-month lease as lessor for the use of real property adjacent to the SR-60/SR-91/I-215 Interchange. An initial lease receivable was recorded in the amount of \$1,106,235. As of 6/30/2022, the value of the lease receivable is \$1,092,768. The lessee is required to make monthly fixed payments of \$4,167. The lease has an interest rate of 2.8600%. The value of the deferred inflow of resources as of 6/30/2022 was \$1,089,426, and the Commission recognized lease revenue of \$16,809 during the fiscal year. The lessee has one extension option for 168 months

On 7/13/2015, the Commission entered into a 240-month lease as lessor for real property adjacent to I-215, north of Orange Avenue, Perris, Ca. An initial lease receivable was recorded in the amount of \$242,894. As of 6/30/2022, the value of the lease receivable is \$229,788. The lessee is required to make monthly fixed payments of \$1,500. The lease has an interest rate of 2.2610%. The value of the deferred inflow of resources as of 6/30/2022 was \$225,748, and the Commission recognized lease revenue of \$17,145 during the fiscal year.

In accordance with the standard, the principal and interest expected to maturity for governmental activities is as follows:

Year ending June 30	Principal	Interest	Total
2023	\$ 89,724	\$ 60,982	\$ 150,706
2024	93,613	58,778	152,391
2025	97,646	56,479	154,125
2026	101,784	54,060	155,844
2027	106,661	51,523	158,184
2028-2032	604,878	215,635	820,513
2033-2037	575,278	137,145	712,423
2038-2042	154,532	95,503	250,035
2043-2047	178,258	71,777	250,035
2048-2052	205,626	44,409	250,035
2053-2057	203,579	13,118	216,697
Total lease receivable	\$ 2,411,579	\$ 859,409	\$ 3,270,988

On November 1, 2019, the 15 Express Lanes fund entered a 120-month lease for the use of 301 Corporate Terrace Circle, Corona, Ca with the Orange County Transportation Authority. An initial lease receivable was recorded in the amount of \$379,833. As of June 30, 2022, the value of the lease receivable is \$335,578. The lessee is required to make quarterly fixed payments of \$12,171. The lease has an interest rate of 1.7670%. The value of the deferred inflow of resources as of June 30, 2022 was \$330,823 and the Fund recognized lease revenue of \$49,011.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 4. Lease Receivable, Continued

In accordance with the standard, the principal and interest expected to maturity for business-type activities is as follows:

Year ending June 30	Principal	Interest	Total
2023	\$ 44,402	\$ 5,637	\$ 50,039
2024	45,947	4,843	50,790
2025	47,975	4,018	51,993
2026	50,038	3,157	53,195
2027	51,989	2,259	54,248
2028-2032	95,227	1,698	96,925
Total lease receivable	\$ 335,578	\$ 21,612	\$ 357,190

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2022 was as follows:

Governmental activities	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land and land improvements	\$ 170,315,513	\$ 364,645	\$ (664,365)	\$ -	\$ 170,015,793
Construction in progress	111,489,211	88,356,190	(195,443)	(13,138,929)	186,511,029
Rail operating easements	63,846,199	-	-	-	63,846,199
Construction easements	4,167,671	34,824	-	-	4,202,495
Development in progress	249,184	582,910	-	-	832,094
Total capital assets not being depreciated	350,067,778	89,338,569	(859,808)	(13,138,929)	425,407,610
Capital assets being depreciated:					
Rail stations	209,736,141	828,142	-	-	210,564,283
Rail tracks	154,791,511	-	-	-	154,791,511
Construction easements	1,027,663	899,084	(5,277)	-	1,921,470
Office improvements	434,187	102,795	-	-	536,982
Office furniture, equipment and vehicles	2,008,581	-	-	-	2,008,581
Total capital assets being depreciated	367,998,083	1,830,021	(5,277)	-	369,822,827
Less accumulated depreciation for:					
Rail stations	(80,366,402)	(7,209,227)	-	-	(87,575,629)
Rail tracks	(25,730,557)	(5,179,704)	-	-	(30,910,261)
Construction easements	(988,090)	(192,606)	-	-	(1,180,696)
Office improvements	(232,058)	(56,562)	-	-	(288,620)
Office furniture, equipment and vehicles	(1,870,965)	(85,391)	-	-	(1,956,356)
Total accumulated depreciation	(109,188,072)	(12,723,490)	-	-	(121,911,562)
Total capital assets being depreciated, net	258,810,011	(10,893,469)	(5,277)	-	247,911,265
Right to use leased assets:					
Land	25,205	-	-	-	25,205
Building	3,856,996	-	-	-	3,856,996
Equipment	94,026	-	-	-	94,026
Total right to use leased assets	3,976,227	-	-	-	3,976,227
Less accumulated amortization for:					
Land	-	(8,402)	-	-	(8,402)
Building	-	(610,338)	-	-	(610,338)
Equipment	-	(30,116)	-	-	(30,116)
Total accumulated amortization	-	(648,856)	-	-	(648,856)
Total right to use leased assets, net	-	(648,856)	-	-	3,327,371
Governmental activities capital assets, net	\$ 612,854,016	\$ 77,796,244	\$ (865,085)	\$ (13,138,929)	\$ 676,646,246

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 5. Capital Assets, Continued

Business-type activities	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Capital assets not being depreciated:					
Land and land improvements	\$ 25,608,011	\$ -	\$(13,617,725)	\$ -	\$11,990,286
Construction easements	53,350	206,307	-	-	259,657
Construction in progress	-	4,614,768	-	-	4,614,768
Development in progress	2,417,207	-	(2,417,207)	-	-
Total capital assets not being depreciated	28,078,568	4,821,075	(16,034,932)	-	16,864,711
Capital assets being depreciated and amortized:					
Toll infrastructure	40,786,274	4,093,335	-	9,333,706	54,213,315
Transponders	453,818	-	-	-	453,818
Buildings	7,382,207	31,614	-	-	7,413,821
Equipment, furniture, and fixtures	162,691	18,319	-	-	181,010
Toll facility franchise	599,120,308	-	-	3,805,223	602,925,531
Total capital assets being depreciated and amortized	647,905,298	4,143,268	-	13,138,929	665,187,495
Less accumulated depreciation and amortization for:					
Toll infrastructure	(23,778,298)	(7,583,571)	-	-	(31,361,869)
Transponders	(365,930)	(78,001)	1	-	(443,930)
Buildings	(527,987)	(858,476)	(1)	-	(1,386,464)
Equipment, furniture, and fixtures	(55,960)	(34,455)	-	-	(90,415)
Toll facility franchise	(22,677,514)	(12,009,985)	-	-	(34,687,499)
Total accumulated depreciation and amortization	(47,405,689)	(20,564,488)	-	-	(67,970,177)
Total capital assets being depreciated and amortized, net	600,499,609	(16,421,220)	-	-	597,217,318
Business-type activities capital assets, net	\$ 628,578,177	\$ (11,600,145)	\$ (16,034,932)	\$ 13,138,929	\$ 614,082,029

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. On September 29, 2016, the Commission entered into a toll facilities agreement with Caltrans providing the Commission with authorization to toll the I-15 from Cajalco Road to SR-60 for 50 years commencing as of the first day on which the 15 Express Lanes open for public use and toll operations. The agreements also set forth the Commission's rights to Caltrans' right of way and Caltrans' oversight role in the operations and maintenance of the RCTC 91 Express Lanes and 15 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, 2022 as follows:

Governmental activities:	
General government	\$ 135,333
Commuter rail	12,387,577
Highway	200,580
Total depreciation expense - governmental activities	<u>\$ 12,723,490</u>
Business-type activities:	
RCTC 91 Express Lanes	\$ 4,642,736
Toll facility franchise	5,022,014
Lease asset	49,011
15 Express Lanes	3,911,767
Toll facility franchise	6,987,971
Total depreciation and amortization expense - business-type activities	<u>\$ 20,613,499</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 5. Capital Assets, Continued

The Commission has recorded right to use assets. The assets are a right to use leased land, buildings, and equipment. The related lease is discussed in the long-term obligations section. The right to use lease assets are amortized on a straight-line basis over the terms of the related lease agreement.

Note 6. Interfund Transactions

Due from/to other funds: The total due from other funds and due to other funds of \$32,654,848, specifically \$30,107,613 and \$2,547,235 in Governmental fund and Enterprise fund, respectively. The composition of balances related to due from other funds and due to other funds at June 30, 2022 is as follows:

Receivable Fund	Payable Fund	Amount	Explanation
General fund	Nonmajor Governmental funds	\$ 158,356	Fringe benefits allocation
General fund	Nonmajor Governmental funds	363,800	Administrative cost allocation
General fund	Transportation Uniform Mitigation Fee Special Revenue fund	281,700	Administrative cost allocation
General fund	Measure A Western County Special Revenue fund	1,113,600	Administrative cost allocation
General fund	Measure A Coachella Valley Special Revenue fund	101,400	Administrative cost allocation
General fund	RCTC 91 Express Lanes Enterprise fund	378,900	Administrative cost allocation
General fund	15 Express Lanes Enterprise fund	72,000	Administrative cost allocation
General fund	Local Transportation Fund	565,900	Administrative cost allocation
General fund	Local Transportation Fund	213,887	Planning and programming project cost allocation
General fund	State Transit Assistance fund	33,800	Administrative cost allocation
General fund	Transportation Uniform Mitigation Fee Special Revenue fund	12,838	Fringe benefits allocation
General fund	Measure A Western County Special Revenue fund	162,122	Fringe benefits allocation
General fund	SB 132 fund	14,444	Fringe benefits allocation
General fund	RCTC 91 Express Lanes Enterprise fund	48,801	Fringe benefits allocation
General fund	15 Express Lanes Enterprise fund	29,434	Fringe benefits allocation
General fund	SB 132 fund	14,013,230	Cash deficit
Measure A Western County Special Revenue fund	Transportation Uniform Mitigation Fee Special Revenue fund	11,910,843	Highway project costs allocations
Measure A Coachella Valley Special Revenue fund	Debt Service fund	124,086	Advance loan payment adjustment
Transportation Uniform Mitigation Fee Special Revenue fund	Measure A Western County Special Revenue fund	6,433	Regional arterial project costs allocations
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	2,547,235	Project costs allocations returned
Total due from/to other funds		<u>\$ 32,654,848</u>	

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 6. Interfund Transactions, Continued

Advances to/from other funds: The Measure A Western County Special Revenue fund advanced \$9,000,000 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. Upon opening of the 15 Express Lanes in April 2021, the TIFIA debt service reserve funded to date and the related advance due to the Measure A Western County Special Revenue fund recorded in the Bonds Capital Projects fund were transferred to the 15 Express Lanes Enterprise fund. Capitalized interest on the advance as of June 30, 2022 was \$969,509. 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. Additionally, the Measure A Western County Special Revenue fund has advanced \$2,727,273 to the Bonds Capital Projects fund in the event that the 15 Express Lanes does not have sufficient funds to meet the annual TIFIA debt service reserve.



Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 6. Interfund Transactions, Continued

Interfund transfers: During 2022, interfund transfers were as follows:

Transfers Out	Transfers In	Amount	Explanation
Measure A Western County Special Revenue fund	Transportation Uniform Mitigation Fee Special Revenue fund	\$ 41,511	Highway project costs allocations
Measure A Western County Special Revenue fund	Debt Service fund	66,574,399	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	RCTC 91 Express Lanes Enterprise fund	2,547,235	Surplus funds returned for the 91 Corridor Operations project
Transportation Uniform Mitigation Fee Special Revenue fund	Measure A Western County Special Revenue fund	15,433,120	Highway project costs allocations
Local Transportation Fund	General fund	5,438,987	Administration, planning and programming, commuter rail operating and station maintenance, and grade separation costs allocations
State Transit Assistance Fund	Nonmajor Governmental funds	412,892	Coachella Valley commuter rail costs allocations
State Transit Assistance Fund	Measure A Western County Special Revenue fund	6,642	Western County commuter rail costs allocations
Commercial Paper fund	Debt Service fund	2,608,694	Debt service funding
Bonds Capital Projects fund	Measure A Western County Special Revenue fund	11,960,026	Highway project costs allocations
Bonds Capital Projects fund	Debt Service fund	407,945	Debt service funding
Bonds Capital Projects fund	Measure A Western County Special Revenue fund	1,062,724	Ramp up reserves for operations
Bonds Capital Projects fund	15 Express Lanes Enterprise fund	35,380	Accumulated interest earned on TIFIA debt service reserve
Debt Service fund	Measure A Western County Special Revenue fund	2,812,132	Cash subsidies available after debt service payment
Debt Service fund	Bonds Capital Projects fund	272,727	TIFIA debt service reserve allocations
Debt Service fund	Measure A Coachella Valley Special Revenue fund	124,086	Share of cash subsidy related to CVAG advance agreement
Nonmajor Governmental funds	Measure A Western County Special Revenue fund	1,438,262	Commuter rail costs allocations
Nonmajor Governmental funds	Measure A Western County Special Revenue fund	20,000	Commuter assistance costs allocations
Nonmajor Governmental funds	Measure A Western County Special Revenue fund	2,024	Interest allocation adjustment
Nonmajor Governmental funds	Nonmajor Governmental funds	2,260,000	Call box program augmentation of freeway service patrol operations
RCTC 91 Express Lanes Enterprise fund	Measure A Western County Special Revenue fund	230,689	Surplus funds used for the 91 Corridor Operations project
15 Express Lanes Enterprise fund	Measure A Western County Special Revenue fund	4,325,708	TIFIA loan proceeds for project costs
Total transfers		<u>\$ 118,015,183</u>	

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 6. Interfund Transactions, Continued

In connection with the substantial completion of the 15 Express Lanes project in April 2021 and the commencement of toll operations on the 15 Express Lanes, the Commission contributed \$13,138,929 of capital and intangible costs from the governmental activities to the 15 Express Lanes.

Note 7. Long-term Obligations

The following is a summary of the changes in long-term obligations for the year ended June 30, 2022:

Governmental activities	Balance June 30, 2021	Additions / Accretion	Reductions	Balance June 30, 2022	Due Within One Year
Sales tax revenue bonds:					
2010 Bonds	\$ 112,370,000	\$ -	\$ -	\$ 112,370,000	\$ -
2013 Bonds	28,690,000	-	(13,995,000)	14,695,000	14,695,000
2016 Refunding Bonds	52,965,000	-	(5,720,000)	47,245,000	6,005,000
2017 Bonds, series A	141,055,000	-	(5,075,000)	135,980,000	5,280,000
2017 Refunding Bonds, series B	392,730,000	-	-	392,730,000	-
2018 Refunding Bonds	49,505,000	-	(5,205,000)	44,300,000	5,425,000
Total bonds payable	777,315,000	-	(29,995,000)	747,320,000	31,405,000
Sales tax revenue bonds premium	94,246,216	-	(10,827,477)	83,418,739	10,458,492
Total bonds payable, net	871,561,216	-	(40,822,477)	830,738,739	41,863,492
Lease liability	3,976,227	-	(578,211)	3,398,016	599,606
Compensated absences liability	1,368,862	695,051	(887,280)	1,176,633	566,653
Total long-term obligations	\$ 876,906,305	\$ 695,051	\$ (42,319,690)	\$ 835,313,388	\$ 43,029,751

Business-type activities	Balance June 30, 2021	Additions / Accretion	Reductions	Balance June 30, 2022	Due Within One Year
Toll revenue bonds:					
2013 Bonds	\$ 212,071,347	\$ 4,279,344	\$ (152,743,739)	\$ 63,606,952	\$ -
2021 Bonds	-	615,059,000	-	615,059,000	-
Toll revenue bonds premium	-	55,968,468	(1,599,956)	54,368,512	2,537,375
Toll revenue bonds discount	(1,855,227)	-	1,855,227	-	-
Total bonds payable, net	210,216,120	675,306,812	(152,488,468)	733,034,464	2,537,375
TIFIA loan	656,943,710	15,240,301	(509,798,158)	162,385,853	-
Compensated absences liability	114,838	255,025	(232,996)	136,867	65,914
Total long-term obligations	\$ 8867,274,668	\$ 690,802,138	\$ (662,519,622)	\$ 895,557,184	\$ 2,603,289

The Commission has pledged a portion of future sales tax revenues through maturities of the bonds to repay \$747,320,000 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, 2022 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 27% of 2009 Measure A revenues. For the current year, interest paid on the bonds was \$39,599,288. Cash subsidies of \$2,812,132 related to the bonds were received from the U.S.

Treasury during the current year and were recorded as intergovernmental revenues.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

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 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. In October 2021, the Commission authorized the issuance of toll revenue refunding bonds (2021 Toll Refunding Bonds) consisting of \$88,735,000 senior lien federally taxable bonds, \$450,629,000 senior lien tax-exempt bonds, and \$75,695,000 second lien tax-exempt bonds. The proceeds of the 2021 Toll Refunding Bonds were used to refund a portion of the RCTC 91 Express Lanes 2013 Toll Revenue CIBs, pay the purchase price of the 2013 Toll Revenue CIBs accepted tender for cash, refund and prepay the TIFIA loan, fund capitalized interest, make deposits to required reserves, and pay costs of issuance. Certain senior lien tax-exempt bonds issued were exchanged for certain 2013 Toll Revenue CIBs accepted for exchange. Additionally, the Commission deposited available funds with an escrow agent to defease approximately \$28,919,000 in accreted value of the 2013 Toll Revenue CABs maturing in the years 2022 through 2025 and 2027 through 2029. Cost of issuance of \$3.8 million was expended in connection with the issuance of the 2021 Toll Refunding Bonds. Loss on refunding of \$6.7 million was recognized in connection with the issuance of the 2021 Toll Refunding Bonds.

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. The 15 Express Lanes opened to motorists on April 10, 2021, and tolling commenced on April 14, 2021. The amount outstanding under the TIFIA loan at June 30, 2022 is \$152,214,260, including compounded interest of \$10,171,593.

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, 2022:

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 2022 the cash subsidy related to the 2010 Bonds that was received from the U.S. Treasury was approximately \$2,812,132, or \$169,968 less than the amount anticipated. The subsidy reduction resulted from federal sequestration cuts of 5.7% for federal fiscal year ending September 30, 2022. The federal sequestration cuts may continue for an unknown duration.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

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
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	-	7,649,000	7,649,000	(2,982,100)	4,666,900
2027	-	7,649,000	7,649,000	(2,982,100)	4,666,900
2028-2032	530,000	38,245,100	38,775,100	(14,910,600)	23,864,500
2033-2037	76,530,000	28,096,900	104,626,900	(11,358,700)	93,268,200
2038-2039	35,310,000	3,627,700	38,937,700	(1,632,600)	37,305,100
	<u>\$ 112,370,000</u>	<u>\$ 108,214,700</u>	<u>\$ 220,584,700</u>	<u>\$ (42,812,400)</u>	<u>\$ 177,772,300</u>

2013 Sales Tax Revenue Bonds (Limited Tax Bonds), Series A (Tax-exempt):

Outstanding

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 an annual installment of \$14,695,000 on June 1, 2023 at an interest rate of 5.00%.

\$ 14,695,000

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
2023	\$ 14,695,000	\$ 734,600	\$ 15,429,600

2016 Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), Series A (Tax-exempt):

Outstanding

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 \$6,005,000 to \$7,305,000 on various dates from June 1, 2023 through June 1, 2029 at interest rates ranging from 2.00% to 5.00%.

\$ 47,245,000

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

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
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	6,820,000	634,500	7,454,500
2027	7,025,000	429,900	7,454,900
2028-2029	14,470,000	435,500	14,905,500
	<u>\$ 47,245,000</u>	<u>\$ 4,929,900</u>	<u>\$ 52,174,900</u>

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 \$5,280,000 to \$11,440,000 on various dates from June 1, 2023 to June 1, 2039 at interest rates ranging from 3.00% to 5.00%.

\$ 135,980,000

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
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	6,110,000	5,904,600	12,014,600
2027	6,415,000	5,599,100	12,014,100
2028-2032	37,220,000	22,850,800	60,070,800
2033-2037	47,260,000	12,810,700	60,070,700
2038-2039	22,335,000	1,688,600	24,023,600
	<u>\$ 135,980,000</u>	<u>\$ 68,258,600</u>	<u>\$ 204,238,600</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%.

\$ 392,730,000

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

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
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	16,590,000	17,824,100	34,414,100
2027	17,415,000	16,994,600	34,409,600
2028-2032	138,690,000	69,159,500	207,849,500
2033-2037	128,700,000	33,948,100	162,648,100
2038-2039	60,490,000	4,573,600	65,063,600
	<u>\$ 392,730,000</u>	<u>\$ 199,846,600</u>	<u>\$ 592,576,600</u>

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, 2022, the unamortized deferred amount on refunding was \$30,719,848. 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 \$5,425,000 to \$7,290,000 on various dates from June 1, 2023 through June 1, 2029 at interest rates ranging from 4.00% to 5.00%.	<u>\$ 44,300,000</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
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	6,295,000	1,358,000	7,653,000
2027	6,620,000	1,043,200	7,663,200
2028-2029	14,245,000	1,076,700	15,321,700
	<u>\$ 44,300,000</u>	<u>\$ 9,293,200</u>	<u>\$ 53,593,200</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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

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 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. In October 2021, the Commission authorized the issuance of toll revenue refunding bonds (2021 Toll Refunding Bonds) consisting of \$88,735,000 senior lien federally taxable bonds, \$450,629,000 senior lien tax-exempt bonds, and \$75,695,000 second lien tax-exempt bonds. The proceeds of the 2021 Toll Refunding Bonds were used to refund a portion of the RCTC 91 Express Lanes 2013 Toll Revenue capital interest bonds (CIBs), pay the purchase price of the 2013 Toll Revenue CIBs accepted for tender for cash, refund and prepay the TIFIA loan, fund capitalized interest, make deposits to required reserves, and pay costs of issuance. Certain senior lien tax-exempt bonds issued were exchanged for certain 2013 Toll Revenue CIBs accepted for exchange. Additionally, the Commission deposited available funds with an escrow agent to defease approximately \$28,919,000 in accreted value of the 2013 Toll Revenue capital appreciation bonds (CABs) maturing in the years 2022 through 2025 and 2027 through 2029. Cost of issuance of \$3.8 million was expended in connection with the issuance of the 2021 Toll Refunding Bonds. Loss on refunding of \$6.7 million was recognized in connection with the issuance of the 2021 Toll Refunding Bonds.

2013 Toll Revenue Bonds, Series B (Current Interest Obligation):	Outstanding
In July 2013, the Commission issued \$52,829,602 principal amount of serial CABs to fund a portion of the 91 Project, pay capitalized interest during construction, fund a debt service reserve fund, fund an initial amount for an operations and maintenance fund, and pay costs of issuance. In October 2021, the Commission refunded a portion of the 2013 Series B Senior Bonds. The CABs will not pay current interest as interest will be compounded commencing December 2021 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 \$4,580,000 to \$34,220,000 on various dates from June 1, 2025 through June 1, 2043. Interest rates and yield to maturity range from 3.00% to 4.00%. During 2022, the accretion amount was \$2,623,752; the aggregate accretion through June 30, 2022 is \$2,623,752.	<u>\$ 63,606,952</u>

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
2023	\$ -	\$ 4,394,600	\$ 4,394,600
2024	-	4,699,700	4,699,700
2025	3,696,600	5,025,700	8,722,300
2026	3,681,000	5,095,100	8,776,100
2027	3,312,500	7,702,600	11,015,100
2028-2032	19,427,100	22,822,600	42,249,700
2033-2037	9,784,400	20,630,800	30,415,200
2038-2042	13,594,300	24,805,100	38,399,400
2043	7,487,300	2,321,800	9,809,100
	<u>\$ 60,983,200</u>	<u>\$ 97,498,000</u>	<u>\$ 158,481,200</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

2021 Toll Revenue Refunding Bonds, Series A:

Outstanding

In October 2021, the Commission issued \$88,735,000 principal amount to (i) refund a portion of the Commission's outstanding Toll Revenue Senior Lien Bonds, 2013 Series A (current interest obligations), (ii) fund capitalized interest with respect to the 2021 Series A Senior Bonds, (iii) make a deposit to the 2013 Bonds Reserve Account (which secured the 2021 Series A Senior Bonds and the 2013 Series B Senior Bonds), and (iv) pay certain costs of issuance of the 2021 Series A Senior Bonds. The outstanding 2021 Toll Revenue Refunding Bonds, Series A mature in annual installments ranging from \$2,305,000 to \$27,750,000 on various dates from June 1, 2030 to June 1, 2041 at interest rates from 2.477% to 3.335%.

\$ 88,735,000

Year Ending June 30	Principal	Interest	Total
2023	\$ -	\$ 2,725,300	\$ 2,725,300
2024	-	2,725,300	2,725,300
2025	-	2,725,300	2,725,300
2026	-	2,725,300	2,725,300
2027	-	2,725,300	2,725,300
2028-2032	9,865,000	13,327,300	23,192,300
2033-2037	64,265,000	8,778,100	73,043,100
2038-2041	14,605,000	1,948,500	16,553,500
	<u>\$ 88,735,000</u>	<u>\$ 37,680,400</u>	<u>\$ 126,415,400</u>

2021 Toll Revenue Refunding Bonds, Series B-1:

Outstanding

In October 2021, the Commission issued \$437,895,000 principal amount at a premium of \$46,512,600 to (i) refund and prepay a portion of the Commission's outstanding Toll Revenue Subordinate Bonds, 2013 TIFIA Series by prepaying a corresponding portion of its obligations under the related TIFIA Loan Agreement, (ii) pay the purchase price of 2013 Series A Senior Bonds accepted for tender for cash, (iii) make a deposit to the 2021 Series B Senior Bonds Reserve Account, and (iv) pay certain costs of issuance of the 2021 Series B Senior Bonds. The outstanding 2021 Toll Revenue Refunding Bonds, Series B-1 mature in annual installments ranging from \$5,010,000 to \$65,105,000 on various dates from June 1, 2037 to June 1, 2049 at interest rates from 3.000 to 4.000%.

\$ 437,895,000

Year Ending June 30	Principal	Interest	Total
2023	\$ -	\$16,065,850	\$16,065,850
2024	-	16,065,850	16,065,850
2025	-	16,065,850	16,065,850
2026	-	16,065,850	16,065,850
2027	-	16,065,850	16,065,850
2028-2032	-	80,329,250	80,329,250
2033-2037	31,315,000	80,329,250	111,644,250
2038-2042	150,160,000	59,625,650	209,785,650
2043-2047	155,400,000	31,576,450	186,976,450
2048-2049	101,020,000	4,108,050	105,128,050
	<u>\$ 437,895,000</u>	<u>\$ 336,297,900</u>	<u>\$ 774,192,900</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

2021 Toll Revenue Refunding Bonds, Series B-2:

Outstanding

In October 2021, the Commission issued \$12,734,000 principal amount together with the 2021 Series B-1 Senior Bonds, the 2021 Series B Senior Bonds exchanged for the 2013 Series A Senior Bonds accepted a tender for exchange. The outstanding 2021 Toll Revenue Refunding Bonds, Series B-2 mature in annual installments ranging from \$1,894,000 to \$5,420,000 on various dates from June 1, 2044 to June 1, 2048 at an interest rates of 3.000%.

\$ 12,734,000

Year Ending June 30	Principal	Interest	Total
2023	\$ -	\$ 382,000	\$ 382,000
2024	-	382,000	382,000
2025	-	382,000	382,000
2026	-	382,000	382,000
2027	-	382,000	382,000
2028-2032	-	1,910,100	1,910,100
2033-2037	1,910,100	1,910,100	1,910,100
2038-2042	1,910,100	1,910,100	1,910,100
2043-2047	7,314,000	1,739,600	9,053,600
2048	5,420,000	162,700	5,582,700
	<u>\$ 12,734,000</u>	<u>\$ 9,542,600</u>	<u>\$ 22,276,600</u>

2021 Toll Revenue Refunding Bonds, Series C:

Outstanding

In October 2021, the Commission issued \$75,695,000 principal amount at a premium of \$9,455,800, to (i) refund and prepay the remaining portion of the Commission's outstanding TIFIA Obligations and (ii) pay certain costs of issuance of the 2021 Series C Second Lien Bonds. The outstanding 2021 Toll Revenue Refunding Bonds, Series C mature in annual installments ranging from \$17,585,000, to \$58,110,000 on various dates from June 1, 2046 to June 1, 2047 at an interest rate of 4.000%.

\$ 75,695,000

Year Ending June 30	Principal	Interest	Total
2023	\$ -	\$ 3,027,800	\$ 3,027,800
2024	-	3,027,800	3,027,800
2025	-	3,027,800	3,027,800
2026	-	3,027,800	3,027,800
2027	-	3,027,800	3,027,800
2028-2032	-	15,139,000	15,139,000
2033-2037	-	15,139,000	15,139,000
2038-2042	-	15,139,000	15,139,000
2043-2047	75,695,000	12,814,600	88,509,600
	<u>\$ 75,695,000</u>	<u>\$ 73,370,600</u>	<u>\$ 149,065,600</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

2017 TIFIA Loan Agreement - I-15 Express Lanes:	Outstanding
<p>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 2022, \$4,325,708 was drawn on the TIFIA loan and \$4,454,626 in interest was compounded for a total compounded interest of \$10,171,593.</p>	
	<u>\$ 162,385,853</u>

The TIFIA loan is a senior toll revenue bond per the I-15 Express Lanes project indenture. In accordance with the projected TIFIA loan maturity schedule, the approximate annual 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
2026	\$ -	\$ 5,018,900	\$ 5,018,900
2027	-	5,018,900	5,018,900
2028-2032	2,308,000	25,074,900	27,382,900
2033-2037	14,139,900	24,157,100	38,297,000
2038-2042	21,264,400	21,456,800	42,721,200
2043-2047	35,455,400	18,015,200	53,470,600
2048-2052	60,861,300	11,443,800	72,305,100
2053-2055	42,692,700	2,449,600	45,142,300
Total	176,721,700	\$ 112,635,200	\$ 289,356,900
Future compounded interest	(14,335,800)		
Total TIFIA loan	<u>\$ 162,385,900</u>		

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

- A \$16.5 million ramp-up reserve was funded prior to substantial completion and commencement of express lanes operations;
- An \$18 million TIFIA loan reserve from an advance 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. Through FY 2020/21 \$9 million was funded by Measure A Sales Tax revenues and \$3 million was funded by 15 Express Lanes toll revenues for a total of \$12 million funded through FY 2021/22; 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 \$9,000,000 required for the TIFIA loan reserve with an advance of Measure A sales tax revenues. The loan is included in advances from the Measure A Western County Special Revenue fund to the 15 Express Lanes Enterprise fund.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 7. Long-term Obligations, Continued

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, 2022, \$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 \$258,694 in 2022.

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, 2022, nor were there any amounts outstanding under the remaining letter of credit agreement at June 30, 2022.

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.

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, 2022.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 8. Net Position and Fund Balances

Net position: Net investment in capital assets of \$243,845,427, as reported on the statement of net position, represents capital assets, net of accumulated depreciation and amortization, of \$1,290,728,275 less the related debt of \$1,046,882,848. 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	\$ 676,646,246	\$ 614,082,029	\$ 1,290,728,275
Less: related debt	(261,150,469)	(785,732,379)	(1,046,882,848)
Total	\$ 415,495,777	\$ (171,650,350)	\$ 243,845,427

Additionally, the statement of net position reports \$1,245,854,326 of restricted net position, of which \$529,039,259 is restricted by enabling legislation with the remaining balance reported as an unrestricted deficit of \$540,884,718.

Fund balances:

Governmental Funds:

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 the Measure A ordinance 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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 8. Net Position and Fund Balances, Continued

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 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, 2022 are as follows:

	Local Transportation Fund	State Transit Assistance	State of Good Repair	Total
Bicycle and pedestrian facilities	\$ 8,347,486	\$ -	\$ -	\$ 8,347,486
Transit and specialized transportation				
Western County:				
Bus transit:				
City of Banning	19,286	3,159,278	45,722	3,224,286
City of Beaumont	-	4,983,218	235,653	5,218,871
City of Corona	-	1,270,193	433,130	1,703,323
City of Riverside	-	283,361	404,448	687,809
Riverside Transit Agency	2,458,675	47,479,550	4,393,403	54,331,628
Apportioned and unallocated	149,268,100	19,882,507	1,348,193	170,498,800
Commuter rail:				
Commission	-	1,893,358	968,068	2,861,426
Apportioned and unallocated	37,098,886	40,154,995	-	77,253,881
Total Western County	188,844,947	119,106,460	7,828,617	315,780,024
Coachella Valley:				
BusTransit				
SunLine Transit Agency	1,361,560	10,038,917	2,428,349	13,828,826
Apportioned and unallocated	37,462,926	1,880,037	907,935	40,250,898
Commuter rail:				
Commission	-	35,447	-	35,447
Apportioned and unallocated	-	194,421	-	194,421
Total Coachella Valley	38,824,486	12,148,822	3,336,284	54,309,592
Palo Verde Valley:				
Palo Verde Valley Transit Agency	-	98,151	58,546	156,697
Apportioned and unallocated for transit and local streets and roads	2,220,581	301,981	51,000	2,573,562
Total Palo Verde Valley	2,220,581	400,132	109,546	2,730,259
Unapportioned funds	38,617,395	-	-	38,617,395
Total transit and specialized transportation	\$ 276,854,895	\$ 131,655,414	\$ 11,274,447	\$ 419,784,756

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 8. 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.

Leases: Leases 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 are reported as nonmajor governmental funds of \$5,482,971 and \$6,944,472, 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.

Unassigned: The SB 132 Special Revenue fund and Regional Conservation Nonmajor fund reported a negative unassigned fund balance of \$385,823 and \$3,933, respectively. The Commission anticipates future reimbursements from Caltrans will reduce the negative fund balance.

Proprietary Funds:

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.

15 Express Lanes: Restricted net position for toll operations consist of net toll revenues from toll operations in the 15 Express Lanes Enterprise fund in accordance with the toll bond indenture.

Note 9. Commitments and Contingencies

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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 10. 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 \$2,437,202 and \$4,732,401 during 2022 for its share of Metrolink operating and capital costs, respectively. As of June 30, 2022, cumulative capital contributions were \$63,725,409. 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 2022 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 12 agencies created to operate vanpool services within the territories of the member agencies. The Commission did not expend any funds during 2022 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 County. The third-party toll operator provides operating services in the annual amount of \$6,087,538 plus inflation for five initial years with two 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 expired on March 6, 2022 and was amended March 7, 2022 for an initial five-year term, with two 36 month options, not to exceed 13 years.

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 agreement is a three-party contract including OCTA. The contract has a five-year term beginning upon completion and implementation of the new back-office system, plus two 3-year options, to operate both the OCTA and RCTC 91 Express Lanes. The operating term began on March 7, 2022 with the conversion to the new back-office system.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 10. Joint Agreements, Continued

Management services agreement: The Commission and RCA entered into an Implementation and Management Services Agreement effective January 1, 2021. Under the agreement, the Commission shall administer, coordinate, and supervise the activities of the RCA as set forth in the RCA Joint Exercise of Powers Agreement and shall act for RCA in accomplishing its purposes. The RCA oversees and administers the Multiple Species Habitat Conservation Plan (MSHCP), one of America's most ambitious environmental efforts, in support of its member agencies. The MSHCP is a comprehensive, multi-jurisdictional habitat conservation plan focusing on the permanent conservation of 500,000 acres and the protection of 146 covered species, including 33 that are currently listed as threatened or endangered. RCA reimbursed the Commission \$3,974,222 during the year ended June 30, 2022 in connection with the management services provided under this agreement.

Note 11. 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, 2022, 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	8.00%	8.00%
Required Commission contribution rates	16.18%	7.90%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 11. 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, 2022, the contributions recognized as part of pension expense for the Plan were as follows:

Miscellaneous	
Contributions - Commission	\$ 1,203,364
Contributions - Employee	708,067

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

As of June 30, 2022, the Commission reported a net pension asset for its proportionate shares of the net pension asset of the Plan as follows:

Proportionate Share of Net Pension Liability	
Miscellaneous	\$ 6,394,605

The Commission's net pension asset for the Plan is measured as the proportionate share of the net pension asset. The net pension asset of the Plan is measured as of June 30, 2021, and the total pension asset for the Plan used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The Commission's proportion of the net pension asset 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 asset for the Plan as of June 30, 2020 and 2021 is as follows:

Miscellaneous	
Proportion - June 30, 2021	0.00482%
Proportion - June 30, 2022	(0.11824%)
Change - Increase (Decrease)	(0.12305%)

For the year ended June 30, 2022, the Commission recognized pension expense/(credit) of (\$10,720,764). At June 30, 2022, 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	\$ 1,203,364	\$ -
Differences between actual and expected experiences	-	717,086
Differences between contributions and the proportionate share of contributions	4,030,875	780,840
Changes in Commission's proportion	958,404	3,687,517
Net differences between projected and actual earnings on plan investments	5,582,152	-
Total	\$ 11,774,795	\$ 5,185,443

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 11. Employees' Pension Plans, Continued

The \$1,203,364 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 year. 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	
2023	\$ 1,292,034
2024	1,275,377
2025	1,275,959
2026	1,542,619
	<u>\$ 5,385,989</u>

Actuarial Methods and Assumptions - The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
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, 2020 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 considered 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 11. Employees' Pension Plans, Continued

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)
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Public Equity	50.0%	4.80%	5.98%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	-	(0.92%)
Total	100%		

(a) In the CalPERS annual report, 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/(asset) for the Plan, calculated using the discount rate for the Plan, as well as what the Commission's collective net pension asset 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	(\$540,175)
Current Discount Rate	7.15%
Net Pension Liability	(\$6,394,605)
1% Increase	8.15%
Net Pension Liability	(\$11,234,379)

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, 2022, the Commission reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

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 \$9,301,613. The Commission's contributions to the Plan were \$672,801 for the year ended June 30, 2022.

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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 12. Post-employment Benefits Other Than Pensions (OPEB)

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 was \$750 at June 30, 2022. 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, 2022 are as follows:

Inactive employees or beneficiaries currently receiving benefit payments	29
Active employees	67
Total	<u>96</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, 2022, the Commission's average contribution rate was 10.7% 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, 2021, 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, 2021 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions		June 30, 2021 Measurement Date
Inflation	2.75% per annum	
Salary increases	3.00% aggregate	
Investment rate of return	5.75%	
Healthcare cost trend rates	Non-Medicare: 7.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare: 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076 and later years	

Mortality rates are based on projected fully generational with Scale MP-2020.

The actuarial assumptions used in the June 30, 2021 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2020 to June 30, 2021.

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.

In determining the long-term expected rate of return, CalPERS considered 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 12. Post-employment Benefits Other Than Pensions (OPEB), Continued

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%	4.56%
Fixed income	43%	0.78%
TIPS	5%	(0.08%)
Commodities	4%	1.22%
REITs	8%	4.06%
Assumed long-term rate of inflation		2.75%
Expected long-term net rate of return		5.25%

Discount rate – The discount rate to measure the total OPEB liability was 5.25%. 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, 2020 to June 30, 2021 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances at June 30, 2020 (measurement date)	\$ 8,363,400	\$ 9,102,600	\$ (739,200)
Changes for the year:			
Service cost	421,100	-	421,100
Interest	496,000	-	496,000
Assumption changes	161,400	-	161,400
Contributions – employer	-	728,300	(728,300)
Experience	(388,000)	-	(388,000)
Net investment income	-	1,825,700	(1,825,700)
Benefit payments	(315,700)	(315,700)	-
Administrative expense	-	(5,700)	5,700
Net changes	374,800	2,232,600	(1,857,800)
Balances at June 30, 2021 (measurement date)	\$ 8,738,200	\$ 11,335,200	\$ (2,597,000)

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	4.25%
Net OPEB Liability	(\$1,307,600)
Current Discount Rate	5.25%
Net OPEB Liability	(\$2,597,000)
1% Increase	6.25%
Net OPEB Asset	(\$3,644,000)

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 12. Post-employment Benefits Other Than Pensions (OPEB), Continued

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 Net OPEB Asset	1% Decrease (\$3,726,900)
Current Healthcare Trend Rate Net OPEB Liability	Current Trend (\$2,597,000)
1% Increase Net OPEB Liability	1% Increase (\$1,188,000)

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 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, 2022, the Commission recognized OPEB expense/(income) of (\$40,700). At June 30, 2022 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	\$ 884,100	\$ -
Changes in assumptions	221,000	108,700
Differences between actual and expected experiences	-	535,900
Net differences between projected and actual earnings on plan investments	-	1,074,700
Total	<u>\$ 1,105,100</u>	<u>\$ 1,719,300</u>

The \$884,100 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 year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	
2023	\$ (371,300)
2024	(350,300)
2025	(325,100)
2026	(334,000)
2027	(53,500)
Thereafter	(64,100)
	<u>\$ (1,498,300)</u>

Payable to the OPEB Plan – At June 30, 2022 the Commission reported a payable of \$0 for the outstanding amount of contributions to CERBT required for the year ended June 30, 2022.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2022

Note 13. 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 14. Adoption of GASB Statement No. 87, Leases

As of July 1, 2021, the Commission adopted GASB Statement No. 87, *Leases*. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Beginning balances of lease receivables, assets, liabilities, and deferred inflows were restated to adopt the provisions of GASB Statement No. 87, *Leases* as follows:

	Governmental Activities	Measure A Western County	Transportation Uniform Mitigation Fee
Net position / fund balance at July 1, 2021, as previously reported	\$ 736,724,900	\$ 78,416,512	\$ 123,065,220
Recognition of right to use lease asset	3,976,227	-	-
Recognition of lease receivable	-	1,150,135	242,894
Recognition of lease liability	(3,976,227)	-	-
Recognition of deferred inflows from leases	-	(1,150,135)	(242,894)
Net position / fund balance at July 1, 2021, as adjusted	<u>\$ 736,724,900</u>	<u>\$ 78,416,512</u>	<u>\$ 123,065,220</u>

	Business-Type Activities	15 Express Lanes
Net position / fund balance at July 1, 2021, as previously reported	\$ (54,265,000)	\$ 231,197,152
Recognition of right to use lease asset	-	-
Recognition of lease receivable	379,833	379,833
Recognition of lease liability	-	-
Recognition of deferred inflows from leases	(379,833)	(379,833)
Net position / fund balance at July 1, 2021, as adjusted	<u>\$ (54,265,000)</u>	<u>\$ 231,197,152</u>

Note 15. Pronouncements Issued, Not Yet Effective

The GASB pronouncements issued prior to June 30, 2022 that have an effective date that may impact future financial presentations include:

- GASB Statement No. 91, *Conduit Debt Obligations*, effective for fiscal years beginning after December 31, 2022;
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for the fiscal year that ends June 30, 2023;
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the fiscal year that ends June 30, 2023;
- GASB Statement No. 99, *Omnibus 2022 (The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.)*, effective for fiscal years beginning after June 15, 2022;
- GASB Statement No. 100, *Accounting Changes and Error Corrections*, effective for fiscal years beginning after June 15, 2023; and
- GASB Statement No. 101, *Compensated Absences*, effective for fiscal year ending June 30, 2024.

RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

15/91 Express Lanes Connector

Required Supplementary Information

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2022

	General			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 19,015,500	\$ 19,015,500	\$ 7,209,094	\$ (11,806,406)
Investment income(loss)	17,600	17,600	(488,441)	(506,041)
Other	1,300	1,300	1,271,282	1,269,982
Total revenues	19,034,400	19,034,400	7,991,935	(11,042,465)
Expenditures				
Current:				
General government	10,658,400	10,692,400	-	10,692,400
Commuter rail	32,492,700	31,072,700	8,326,444	22,746,256
Planning and programming	4,981,200	4,495,900	3,760,366	735,534
Transit and specialized transportation	1,329,800	1,326,100	823,213	502,887
Total programs	49,462,100	47,587,100	12,910,023	34,677,077
Debt service:				
Principal	-	-	556,019	(556,019)
Interest	-	-	49,958	(49,958)
Total debt service	-	-	605,977	(605,977)
Capital outlay	1,230,000	3,368,000	2,044,443	1,323,557
Total expenditures	50,692,100	50,955,100	15,560,443	35,394,657
Excess (deficiency) of revenues over (under) expenditures	(31,657,700)	(31,920,700)	(7,568,508)	24,352,192
Other financing sources (uses)				
Transfers in	25,036,200	26,579,200	5,438,987	(21,140,213)
Transfers out	(1,618,100)	(1,618,100)	-	1,618,100
Total other financing sources (uses)	23,418,100	24,961,100	5,438,987	(19,522,113)
Net change in fund balances	\$ (8,239,600)	\$ (6,959,600)	(2,129,521)	\$ 4,830,079
Fund balances at beginning of year			37,918,031	
Fund balances at end of year			<u>\$ 35,788,510</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

Year Ended June 30, 2022

	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	\$ 164,100,000	\$ 195,357,000	\$ 224,230,486	\$ 28,873,486	\$ 44,980,000	\$ 53,549,000	\$ 54,599,526	\$ 1,050,526
Transportation Uniform Mitigation Fee	-	-	-	-	-	-	-	-
Intergovernmental	124,945,700	124,945,700	68,884,142	(56,061,558)	-	-	-	-
Investment income(loss)	259,600	259,600	(4,451,865)	(4,711,465)	49,000	49,000	(1,396,589)	(1,445,589)
Other	11,084,600	11,084,600	1,607,074	(9,477,526)	-	-	-	-
Total revenues	300,389,900	331,646,900	290,269,837	(41,377,063)	45,029,000	53,598,000	53,202,937	(395,063)
Expenditures								
Current:								
General government	667,500	668,500	329,937	338,563	-	-	-	-
Bicycle and pedestrian facilities	-	-	-	-	-	-	-	-
CETAP	-	-	-	-	-	-	-	-
Commuter assistance	4,487,100	4,487,100	3,434,404	1,052,696	-	-	-	-
Commuter rail	26,344,200	26,195,200	12,079,835	14,115,365	-	-	-	-
Highways	188,026,300	200,925,000	108,061,204	92,863,796	30,019,300	25,399,300	21,137,761	4,261,539
Local streets and roads	47,260,700	64,563,900	64,733,206	(169,306)	15,627,700	18,940,500	19,109,834	(169,334)
Planning and programming	-	-	-	-	-	-	-	-
Regional arterials	5,568,600	8,036,600	3,207,422	4,829,178	-	-	-	-
Transit and specialized transportation	12,788,500	12,791,500	6,810,521	5,980,979	7,000,000	7,000,000	7,152,400	(152,400)
Total programs	285,142,900	317,667,800	198,656,529	119,011,271	52,647,000	51,339,800	47,399,995	3,939,805
Debt service:								
Principal	-	-	22,192	(22,192)	-	-	-	-
Interest	-	-	728	(728)	-	-	-	-
Total debt service	-	-	22,920	(22,920)	-	-	-	-
Capital outlay	4,949,700	4,811,000	3,905,970	905,030	-	-	-	-
Total expenditures	290,092,600	322,478,800	202,585,419	119,893,381	52,647,000	51,339,800	47,399,995	3,939,805
Excess (deficiency) of revenues over (under) expenditures	10,297,300	9,168,100	87,684,418	78,516,318	(7,618,000)	2,258,200	5,802,942	3,544,742
Other financing sources (uses)								
Debt issuance	6,919,000	6,919,000	-	(6,919,000)	-	-	-	-
Lease liabilities issued	-	-	-	-	-	-	-	-
Transfers in	57,753,200	57,753,200	37,291,327	(20,461,873)	-	-	124,086	124,086
Transfers out	(104,840,700)	(104,840,700)	(69,163,145)	35,677,555	(345,800)	(345,800)	-	345,800
Total other financing sources (uses)	(40,168,500)	(40,168,500)	(31,871,818)	8,296,682	(345,800)	(345,800)	124,086	469,886
Net change in fund balances	\$ (29,871,200)	\$ (31,000,400)	55,812,600	\$ 86,813,000	\$ (7,963,800)	\$ 1,912,400	5,927,028	\$ 4,014,628
Fund balances at beginning of year			323,627,591				78,416,512	
Fund balances at end of year			\$ 379,440,191				\$ 84,343,540	

See notes to required supplementary information

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

Year Ended June 30, 2022

	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	\$ -	\$ -	\$ -	\$ -	\$ 105,000,000	\$ 127,000,000	\$ 150,693,950	\$ 23,693,950
Transportation Uniform Mitigation Fee	11,000,000	30,000,000	35,509,031	5,509,031	-	-	-	-
Intergovernmental	-	-	4,673,378	4,673,378	-	-	1,996,063	1,996,063
Investment income(loss)	50,300	50,300	(2,081,895)	(2,132,195)	174,400	174,400	(3,996,140)	(4,170,540)
Other	18,000	18,000	29,285	11,285	-	-	-	-
Total revenues	11,068,300	30,068,300	38,129,799	8,061,499	105,174,400	127,174,400	148,693,873	21,519,473
Expenditures								
Current:								
General government	-	-	-	-	12,000	12,000	12,000	-
Bicycle and pedestrian facilities	-	-	-	-	2,500,000	2,500,000	1,587,819	912,181
CETAP	9,290,200	8,280,200	5,279,295	3,000,905	-	-	-	-
Commuter assistance	-	-	-	-	-	-	-	-
Commuter rail	-	-	-	-	-	-	-	-
Highways	-	-	-	-	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	788,000	1,173,000	1,173,000	-
Regional arterials	26,162,600	26,172,600	21,171,922	5,000,678	-	-	-	-
Transit and specialized transportation	-	-	-	-	64,613,000	64,613,000	48,173,594	16,439,406
Total programs	35,452,800	34,452,800	26,451,217	8,001,583	67,913,000	68,298,000	50,946,413	17,351,587
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	35,452,800	34,452,800	26,451,217	8,001,583	67,913,000	68,298,000	50,946,413	17,351,587
Excess (deficiency) of revenues over (under) expenditures	(24,384,500)	(4,384,500)	11,678,582	16,063,082	37,261,400	58,876,400	97,747,460	38,871,060
Other financing sources (uses)								
Debt issuance	-	-	-	-	-	-	-	-
Lease liabilities issued	-	-	-	-	-	-	-	-
Transfers in	125,000	125,000	41,511	(83,489)	-	-	-	-
Transfers out	(28,133,100)	(28,133,100)	(15,433,120)	12,699,980	(13,258,100)	(14,801,100)	(5,438,987)	9,362,113
Total other financing sources (uses)	(28,008,100)	(28,008,100)	(15,391,609)	12,616,491	(13,258,100)	(14,801,100)	(5,438,987)	9,362,113
Net change in fund balances	\$ (52,392,600)	\$ (32,392,600)	(3,713,027)	\$ 28,679,573	\$ 24,003,300	\$ 44,075,300	92,308,473	\$ 48,233,173
Fund balances at beginning of year			123,065,220				184,546,422	
Fund balances at end of year			\$ 119,352,193				\$ 276,854,895	

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, 2022

	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	\$ 19,657,800	\$ 19,657,800	\$ 25,773,517	\$ 6,115,717	\$ -	\$ -	\$ -	\$ -
Transportation Uniform Mitigation Fee	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	167,914,400	167,914,400	118,238,582	(49,675,818)
Investment income(loss)	112,400	112,400	(2,038,954)	(2,151,354)	-	-	(372,119)	(372,119)
Other	-	-	-	-	-	-	348,800	348,800
Total revenues	19,770,200	19,770,200	23,734,563	3,964,363	167,914,400	167,914,400	118,215,263	(49,699,137)
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Bicycle and pedestrian facilities	-	-	-	-	-	-	-	-
CETAP	-	-	-	-	-	-	-	-
Commuter assistance	-	-	-	-	-	-	-	-
Commuter rail	-	-	-	-	-	-	-	-
Highways	-	-	-	-	209,874,400	204,990,700	118,457,972	86,532,728
Local streets and roads	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	-	-	-	-
Regional arterials	-	-	-	-	-	-	-	-
Transit and specialized transportation	29,661,700	29,661,700	20,241,793	9,419,907	-	-	-	-
Total programs	29,661,700	29,661,700	20,241,793	9,419,907	209,874,400	204,990,700	118,457,972	86,532,728
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	29,661,700	29,661,700	20,241,793	9,419,907	209,874,400	204,990,700	118,457,972	86,532,728
Excess (deficiency) of revenues over (under) expenditures	(9,891,500)	(9,891,500)	3,492,770	13,384,270	(41,960,000)	(37,076,300)	(242,709)	36,833,591
Other financing sources (uses)								
Debt issuance	-	-	-	-	-	-	-	-
Lease liabilities issued	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	41,932,000	41,932,000	-	(41,932,000)
Transfers out	(2,204,500)	(2,463,500)	(419,534)	2,043,966	-	-	-	-
Total other financing sources (uses)	(2,204,500)	(2,463,500)	(419,534)	2,043,966	41,932,000	41,932,000	-	(41,932,000)
Net change in fund balances	\$ (12,096,000)	\$ (12,355,000)	3,073,236	\$ 15,428,236	\$ (28,000)	\$ 4,855,700	(242,709)	\$ (5,098,409)
Fund balances at beginning of year			128,582,178				(143,114)	
Fund balances at end of year			\$ 131,655,414				\$ (385,823)	

See notes to required supplementary information

Riverside County Transportation Commission
Schedule of Proportionate Share of Net Pension Liability

Last Ten Fiscal Years¹

June 30, 2022

Measurement Date	Fiscal Year							
	2022	2021	2020	2019	2018	2017	2016	2015¹
	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability/(asset)	-0.11824%	0.00482%	0.08706%	0.08656%	0.08794%	0.08829%	0.09176%	0.08559%
Proportionate share of the net pension liability/(asset)	\$(6,394,605)	\$ 524,003	\$ 8,921,123	\$8,340,905	\$8,721,456	\$7,639,639	\$6,298,052	\$5,325,565
Covered payroll (measurement year)	\$ 7,470,675	\$6,327,777	\$ 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	-85.60%	8.28%	151.96%	147.54%	157.52%	144.49%	131.42%	123.38%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	88.29%	75.10%	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 seven years are shown. Represents most recent data available.

**Riverside County Transportation Commission
Schedule of Pension Contributions**

Last Ten Fiscal Years¹

June 30, 2022

	Fiscal Year						
	2022	2021	2020	2019	2018	2017	2015 ¹
Contractually required contribution (actuarially determined)	\$ - ²	\$ 1,525,557	\$ 1,675,734	\$ 1,507,484	\$ 1,321,564	\$ 1,222,802	\$ 1,101,641
Contributions in relation to the actuarially determined contributions	(1,203,364)	(925,486)	(10,221,550) ²	(1,443,593)	(1,308,877)	(1,238,891)	(1,125,317)
Contribution deficiency (excess)	<u>\$ (1,203,364)</u>	<u>\$ 600,071</u>	<u>\$ (8,545,816)</u>	<u>\$ 63,891</u>	<u>\$ 12,687</u>	<u>\$ (16,089)</u>	<u>\$ (30,752)</u>
Covered payroll	\$ 9,301,613	\$ 7,470,675	\$ 6,327,777	\$ 5,870,876	\$ 5,653,205	\$ 5,536,781	\$ 4,792,270
Contributions as a percentage of covered payroll	12.94%	12.39%	161.53%	24.59%	23.15%	22.38%	21.42%
Valuation date	6/30/19	6/30/18	6/30/17	6/30/16	6/30/15	6/30/14	6/30/13

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 seven years are shown. Represents most recent data available.

² In FY 2019/20 the Commission paid off the California Public Employees' Retirement System net pension liability of \$8.1 million, resulting in \$0 required actuarially determined contribution beginning in FY 2021/22.

Riverside County Transportation Commission
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios
Last Ten Fiscal Years¹
June 30, 2022

	Fiscal Year					
	2022	2021	2020	2019	2018	2017 ¹
	2021	2020	2019	2018	2017	2016
Measurement date						
Total OPEB liability (asset)						
Service cost	\$ 421,100	\$ 408,900	\$ 477,000	\$ 463,000	\$ 449,000	\$ 437,000
Interest	496,000	470,500	462,000	416,000	377,000	338,000
Changes of benefit terms	-	-	80,000	74,000	-	-
Differences between expected and actual experience	(388,000)	-	(338,000)	-	-	-
Changes of assumptions	161,400	(148,300)	137,000	-	-	-
Benefit payments	(315,700)	(282,700)	(229,000)	(192,000)	(172,000)	(155,000)
Net change in total OPEB liability (asset)	374,800	448,400	589,000	761,000	654,000	620,000
Beginning total OPEB liability (asset)	8,363,400	7,915,000	7,326,000	6,565,000	5,911,000	5,291,000
Ending total OPEB liability (asset)	<u>\$ 8,738,200</u>	<u>\$ 8,363,400</u>	<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	\$ 728,300	\$ 448,000	\$ 778,000	\$ 725,000	\$ 666,000	\$ 634,000
Net investment income	1,825,700	452,700	577,000	522,000	597,000	86,000
Benefit payments	(315,700)	(282,700)	(229,000)	(192,000)	(172,000)	(155,000)
Administrative expense	(5,700)	(5,400)	(2,000)	(12,000)	(3,000)	(2,000)
Net change in plan fiduciary net position	2,232,600	612,600	1,124,000	1,043,000	1,088,000	563,000
Beginning fiduciary net position	9,102,600	8,490,000	7,366,000	6,323,000	5,235,000	4,672,000
Ending fiduciary net position	<u>\$ 11,335,200</u>	<u>\$ 9,102,600</u>	<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>\$ (2,597,000)</u>	<u>\$ (739,200)</u>	<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)	129.72%	108.84%	107.26%	100.55%	96.31%	88.56%
Covered payroll (measurement year)	\$ 7,470,675	\$ 6,327,777	\$ 5,870,876	\$ 5,653,205	\$ 5,536,781	\$ 5,287,151
Net OPEB liability (asset) as a percentage of covered payroll	-34.76%	-11.68%	-9.79%	-0.71%	4.37%	12.79%

Riverside County Transportation Commission
Schedule of OPEB Contributions
Last Ten Fiscal Years¹
June 30, 2022

	Fiscal Year					
	2022	2021	2020	2019	2018	2017 ¹
Actuarially determined contribution	\$ 517,000	\$ 412,000	\$ 399,000	\$ 549,000	\$ 533,000	\$ 494,000
Contributions in relation to the actuarially determined contribution	884,100	728,300	448,000	778,000	725,000	666,000
Contribution deficiency (excess)	<u>\$ (367,100)</u>	<u>\$ (316,300)</u>	<u>\$ (49,000)</u>	<u>\$ (229,000)</u>	<u>\$ (192,000)</u>	<u>\$ (172,000)</u>
Covered payroll	\$ 9,301,613	\$ 7,470,675	\$ 6,327,777	\$ 5,870,876	\$ 5,653,205	\$ 5,536,781
Contributions as a percentage of covered-employee payroll	9.50%	9.75%	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: 7.0% for 2022, 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	5.25%
Retirement age	Classic employees: 50 - 55 Public Employees' Pension Reform Act: 52 - 62
Mortality	Mortality projected fully generational with Scale MP-2020

See notes to required supplementary information

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



Riverside County Transportation Commission
Notes to Required Supplementary Information
June 30, 2022

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 (asset), proportionate share (amount) of the collective net pension liability (asset), the Commission's covered payroll, proportionate share (amount) of the collective net pension liability (asset) as a percentage of Commission's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability (asset).

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.





Coachella Valley

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: TThis 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.

Regional Conservation: This fund is used to account for revenues related to management and oversight services provided to the RCA.

Riverside County Transportation Commission
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2022

	Special Revenue			
	Measure A Palo Verde Valley	Freeway Service Patrol	Service Authority for Freeway Emergencies	State of Good Repair
Assets				
Cash and investments	\$ 104,635	\$ 6,243,968	\$ 5,140,229	\$ 10,694,456
Receivables:				
Accounts	234,422	1,181,177	393,038	725,768
Interest	-	12,184	9,247	21,309
Prepaid expenditures and other assets	-	1,394	-	-
Total assets	\$ 339,057	\$ 7,438,723	\$ 5,542,514	\$ 11,441,533
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 323,757	\$ 431,619	\$ 49,618	\$ 133,286
Due to other funds	15,300	62,632	9,925	33,800
Other liabilities	-	-	-	-
Total liabilities	339,057	494,251	59,543	167,086
Fund balances:				
Nonspendable-prepaid amounts	-	1,394	-	-
Restricted for:				
Commuter rail	-	-	-	-
Motorist assistance	-	6,943,078	5,482,971	-
Planning and programming	-	-	-	-
Transit and specialized transportation	-	-	-	11,274,447
Unassigned:	-	-	-	-
Total fund balances	-	6,944,472	5,482,971	11,274,447
Total liabilities and fund balances	\$ 339,057	\$ 7,438,723	\$ 5,542,514	\$ 11,441,533

Riverside County Transportation Commission
Combining Balance Sheet - Nonmajor Governmental Funds, Continued
June 30, 2022

	Special Revenue			Total
	Coachella Valley Rail	Other Agency Projects	Regional Conservation	Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 2,256,897	\$ 648,763	\$ 185,090	\$ 25,274,038
Receivables:				
Accounts	-	292,000	826,460	3,652,865
Interest	3,987	1,069	244	48,040
Prepaid expenditures and other assets	-	-	-	1,394
Total assets	<u>\$ 2,260,884</u>	<u>\$ 941,832</u>	<u>\$ 1,011,794</u>	<u>\$ 28,976,337</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 51,872	\$ 261,265	\$ 126,349	\$ 1,377,766
Due to other funds	8,668	2,453	389,378	522,156
Other liabilities	-	666,418	500,000	1,166,418
Total liabilities	<u>60,540</u>	<u>930,136</u>	<u>1,015,727</u>	<u>3,066,340</u>
Fund balances:				
Nonspendable-prepaid amounts	-	-	-	1,394
Restricted for:				
Commuter rail	2,200,344	-	-	2,200,344
Motorist assistance	-	-	-	12,426,049
Planning and programming	-	11,696	-	11,696
Transit and specialized transportation	-	-	-	11,274,447
Unassigned:	-	-	(3,933)	(3,933)
Total fund balances	<u>2,200,344</u>	<u>11,696</u>	<u>(3,933)</u>	<u>25,909,997</u>
Total liabilities and fund balances	<u>\$ 2,260,884</u>	<u>\$ 941,832</u>	<u>\$ 1,011,794</u>	<u>\$ 28,976,337</u>

Riverside County Transportation Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022

	Special Revenue			
	Measure A Palo Verde Valley	Freeway Service Patrol	Service Authority for Freeway Emergencies	State of Good Repair
Revenues				
Sales taxes	\$ 1,340,570	\$ -	\$ -	\$ 4,214,813
Intergovernmental	-	2,964,449	2,271,166	17,000
Investment income(loss)	(17)	(98,577)	(77,356)	(159,532)
Other	-	17,853	-	-
Total revenues	1,340,553	2,883,725	2,193,810	4,072,281
Expenditures				
Current:				
Commuter rail	-	-	-	-
Local streets and roads	1,340,570	-	-	-
Motorist assistance	-	4,045,869	429,101	-
Planning and programming	-	-	-	-
Regional conservation	-	-	-	-
Transit and specialized transportation	-	-	-	2,723,296
Total expenditures	1,340,570	4,045,869	429,101	2,723,296
Excess (deficiency) of revenues over (under) expenditures	(17)	(1,162,144)	1,764,709	1,348,985
Other financing sources (uses):				
Transfers in	-	2,260,000	-	-
Transfers out	-	-	(2,280,000)	(1,438,262)
Total other financing sources (uses)	-	2,260,000	(2,280,000)	(1,438,262)
Net change in fund balances	(17)	1,097,856	(515,291)	(89,277)
Fund balances at beginning of year	17	5,846,616	5,998,262	11,363,724
Fund balances at end of year	\$ -	\$ 6,944,472	\$ 5,482,971	\$ 11,274,447

Riverside County Transportation Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds, Continued
Year Ended June 30, 2022

	Special Revenue			
	Coachella Valley Rail	Other Agency Projects	Regional Conservation	Total Nonmajor Governmental Funds
Revenues				
Sales taxes	\$ -	\$ -	\$ -	\$ 5,555,383
Intergovernmental	-	767,776	3,974,222	9,994,613
Investment income(loss)	(34,491)	(9,826)	(4,138)	(383,937)
Other	-	-	-	17,853
Total revenues	(34,491)	757,950	3,970,084	15,183,912
Expenditures				
Current:				
Commuter rail	813,548	-	-	813,548
Local streets and roads	-	-	-	1,340,570
Motorist assistance	-	-	-	4,474,970
Planning and programming	-	768,665	-	768,665
Regional conservation	-	-	3,974,222	3,974,222
Transit and specialized transportation	-	-	-	2,723,296
Total expenditures	813,548	768,665	3,974,222	14,095,271
Excess (deficiency) of revenues over (under) expenditures	(848,039)	(10,715)	(4,138)	1,088,641
Other financing sources (uses):				
Transfers in	412,892	-	-	2,672,892
Transfers out	(2,024)	-	-	(3,720,286)
Total other financing sources (uses)	410,868	-	-	(1,047,394)
Net change in fund balances	(437,171)	(10,715)	(4,138)	41,247
Fund balances at beginning of year	2,637,515	22,411	205	25,868,750
Fund balances at end of year	\$ 2,200,344	\$ 11,696	\$ (3,933)	\$ 25,909,997

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual–Nonmajor Special Revenue Funds
Year Ended June 30, 2022

	Measure A Palo Verde Valley				Freeway Service Patrol			
	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	\$ 920,000	\$ 1,094,000	\$ 1,340,570	\$ 246,570	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	3,012,000	3,012,000	2,964,449	(47,551)
Investment income(loss)	-	-	(17)	(17)	5,600	5,600	(98,577)	(104,177)
Other	-	-	-	-	95,000	95,000	17,853	(77,147)
Total revenues	920,000	1,094,000	1,340,553	246,553	3,112,600	3,112,600	2,883,725	(228,875)
Expenditures								
Current:								
Commuter rail	-	-	-	-	-	-	-	-
Local streets and roads	813,900	1,296,900	1,340,570	(43,670)	-	-	-	-
Motorist assistance	-	-	-	-	5,518,500	5,518,500	4,045,869	1,472,631
Planning and programming	-	-	-	-	-	-	-	-
Regional conservation	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	-	-	-	-
Total expenditures	813,900	1,296,900	1,340,570	(43,670)	5,518,500	5,518,500	4,045,869	1,472,631
Excess (deficiency) of revenues over (under) expenditures	106,100	(202,900)	(17)	202,883	(2,405,900)	(2,405,900)	(1,162,144)	1,243,756
Other financing sources (uses)								
Transfers in	-	-	-	-	2,260,000	2,260,000	2,260,000	-
Transfers out	(106,100)	(106,100)	-	106,100	(199,100)	(199,100)	-	199,100
Total other financing sources (uses)	(106,100)	(106,100)	-	106,100	2,060,900	2,060,900	2,260,000	199,100
Net change in fund balances	\$ -	\$ (309,000)	(17)	\$ 308,983	\$ (345,000)	\$ (345,000)	1,097,856	\$ 1,442,856
Fund balances at beginning of year			17				5,846,616	
Fund balances at end of year			\$ -				\$ 6,944,472	

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, 2022

	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	\$ -	\$ -	\$ -	\$ -	\$ 4,204,400	\$ 4,251,300	\$ 4,214,813	\$ (36,487)
Intergovernmental	2,241,600	2,241,600	2,271,166	29,566	477,000	1,033,500	17,000	(1,016,500)
Investment income(loss)	4,600	4,600	(77,356)	(81,956)	6,500	6,500	(159,532)	(166,032)
Other	-	-	-	-	230,000	-	-	-
Total revenues	2,246,200	2,246,200	2,193,810	(52,390)	4,917,900	5,291,300	4,072,281	(1,219,019)
Expenditures								
Current:								
Commuter rail	-	-	-	-	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Motorist assistance	670,900	670,900	429,101	241,799	-	-	-	-
Planning and programming	-	-	-	-	-	-	-	-
Regional conservation	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	7,296,400	7,297,100	2,723,296	4,573,804
Total expenditures	670,900	670,900	429,101	241,799	7,296,400	7,297,100	2,723,296	4,573,804
Excess (deficiency) of revenues over (under) expenditures	1,575,300	1,575,300	1,764,709	189,409	(2,378,500)	(2,005,800)	1,348,985	3,354,785
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(2,708,100)	(2,708,100)	(2,280,000)	428,100	(2,452,200)	(2,452,200)	(1,438,262)	1,013,938
Total other financing sources (uses)	(2,708,100)	(2,708,100)	(2,280,000)	428,100	(2,452,200)	(2,452,200)	(1,438,262)	1,013,938
Net change in fund balances	<u>\$ (1,132,800)</u>	<u>\$ (1,132,800)</u>	<u>(515,291)</u>	<u>\$ 617,509</u>	<u>\$ (4,830,700)</u>	<u>\$ (4,458,000)</u>	<u>(89,277)</u>	<u>\$ 4,368,723</u>
Fund balances at beginning of year			5,998,262				11,363,724	
Fund balances at end of year			<u>\$ 5,482,971</u>				<u>\$11,274,447</u>	

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, 2022

	Coachella Valley Rail				Other Agency Projects			
	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	2,374,400	2,374,400	767,776	(1,606,624)
Investment income(loss)	1,300	1,300	(34,491)	(35,791)	-	-	(9,826)	(9,826)
Other	-	-	-	-	-	-	-	-
Total revenues	1,300	1,300	(34,491)	(35,791)	2,374,400	2,374,400	757,950	(1,616,450)
Expenditures								
Current:								
Commuter rail	1,307,600	1,586,600	813,548	773,052	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	2,374,400	2,374,400	768,665	1,605,735
Regional conservation	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	-	-	-	-
Total expenditures	1,307,600	1,586,600	813,548	773,052	2,374,400	2,374,400	768,665	1,605,735
Excess (deficiency) of revenues over (under) expenditures	(1,306,300)	(1,585,300)	(848,039)	737,261	-	-	(10,715)	(10,715)
Other financing sources (uses)								
Transfers in	189,300	448,300	412,892	(35,408)	-	-	-	-
Transfers out	(130,600)	(130,600)	(2,024)	128,576	-	-	-	-
Total other financing sources (uses)	58,700	317,700	410,868	93,168	-	-	-	-
Net change in fund balances	<u>\$ (1,247,600)</u>	<u>\$ (1,267,600)</u>	<u>(437,171)</u>	<u>\$ 830,429</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(10,715)</u>	<u>\$ (10,715)</u>
Fund balances at beginning of year			<u>2,637,515</u>				<u>22,411</u>	
Fund balances at end of year			<u><u>\$ 2,200,344</u></u>				<u><u>\$ 11,696</u></u>	

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, 2022

	Regional Conservation			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Sales taxes	\$ -	\$ -	\$ -	-
Intergovernmental	5,527,400	5,527,400	3,974,222	(1,553,178)
Investment income(loss)	-	-	(4,138)	(4,138)
Other	-	-	-	-
Total revenues	5,527,400	5,527,400	3,970,084	(1,557,316)
Expenditures				
Current:				
Commuter rail	-	-	-	-
Local streets and roads	-	-	-	-
Motorist assistance	-	-	-	-
Planning and programming	-	-	-	-
Regional conservation	4,113,500	4,113,500	3,974,222	139,278
Transit and specialized transportation	-	-	-	-
Total expenditures	4,113,500	4,113,500	3,974,222	139,278
Excess (deficiency) of revenues over (under) expenditures	1,413,900	1,413,900	(4,138)	(1,418,038)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,413,900)	(1,413,900)	-	1,413,900
Total other financing sources (uses)	(1,413,900)	(1,413,900)	-	1,413,900
Net change in fund balances	\$ -	\$ -	(4,138)	\$ (4,138)
Fund balances at beginning of year			205	
Fund balances at end of year			<u>\$ (3,933)</u>	

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

Year Ended June 30, 2022

Capital Projects Funds

	Commercial Paper				Bonds			
	Original	Final		Variance with	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget	Budget	Budget	Actual	Final Budget
				Positive				Positive
				(Negative)				(Negative)
Revenues								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income(loss)	19,000	19,000	1,028,470	1,009,470	41,300	41,300	13,447	(27,853)
Other	-	-	-	-	-	-	-	-
Total revenues	19,000	19,000	1,028,470	1,009,470	41,300	41,300	13,447	(27,853)
Expenditures								
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	19,000	19,000	1,028,470	1,009,470	41,300	41,300	13,447	(27,853)
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	272,727	272,727
Transfers out	-	-	(2,608,694)	(2,608,694)	(16,685,300)	(16,685,300)	(13,466,075)	3,219,225
Total other financing sources (uses)	-	-	(2,608,694)	(2,608,694)	(16,685,300)	(16,685,300)	(13,193,348)	3,491,952
Net change in fund balances	\$ 19,000	\$ 19,000	(1,580,224)	\$ (1,599,224)	\$ (16,644,000)	\$ (16,644,000)	(13,179,901)	\$ 3,464,099
Fund balances at beginning of year			16,623,510				38,756,608	
Fund balances at end of year			<u>\$ 15,043,286</u>				<u>\$ 25,576,707</u>	

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Debt Service Fund
Year Ended June 30, 2022

	Debt Service Fund			
	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 2,809,100	\$ 2,809,100	\$ 2,812,132	\$ 3,032
Investment income(loss)	11,700	11,700	(62,751)	(74,451)
Other	-	-	118	118
Total revenues	2,820,800	2,820,800	2,749,499	(71,301)
Expenditures				
Debt service:				
Principal	29,995,000	29,995,000	29,995,000	-
Interest	39,599,300	39,599,300	39,599,288	12
Total expenditures	69,594,300	69,594,300	69,594,288	12
Excess (deficiency) of revenues over (under) expenditures	(66,773,500)	(66,773,500)	(66,844,789)	(71,289)
Other financing sources (uses)				
Transfers in	69,594,300	69,594,300	69,591,038	(3,262)
Transfers out	(2,809,100)	(2,809,100)	(3,208,945)	(399,845)
Total other financing sources (uses)	66,785,200	66,785,200	66,382,093	(403,107)
Net change in fund balances	\$ 11,700	\$ 11,700	(462,696)	\$ (474,396)
Fund balances at beginning of year			11,529,992	
Fund balances at end of year			\$ 11,067,296	

Riverside County Transportation Commission
Schedule of Expenditures for Local Streets and Roads
by Geographic Area - All Special Revenue Funds
Year Ended June 30, 2022

Western County:	
City of Banning	\$ 939,198
City of Beaumont	1,657,131
City of Calimesa	300,718
City of Canyon Lake	286,884
City of Corona	6,274,539
City of Eastvale	2,188,250
City of Hemet	2,773,454
City of Jurupa Valley	3,897,841
City of Lake Elsinore	2,175,035
City of Menifee	2,899,174
City of Moreno Valley	6,257,359
City of Murrieta	3,818,410
City of Norco	1,019,731
City of Perris	3,288,621
City of Riverside	11,240,015
City of San Jacinto	1,435,546
City of Temecula	4,515,210
City of Wildomar	1,017,090
Riverside County	8,579,600
Other	169,400
	<u>64,733,206</u>
Coachella Valley:	
City of Cathedral City	2,074,478
City of Coachella	825,442
City of Desert Hot Springs	679,935
City of Indian Wells	278,348
City of Indio	2,672,415
City of La Quinta	2,031,006
City of Palm Desert	3,483,227
City of Palm Springs	3,184,660
City of Rancho Mirage	1,209,568
Riverside County	2,501,355
Other	169,400
	<u>19,109,834</u>
Palo Verde Valley:	
City of Blythe	1,029,850
Riverside County	267,020
Other	43,700
	<u>1,340,570</u>
Total local streets and roads expenditures	<u><u>\$ 85,183,610</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, 2022

	Sales Taxes				Total
	Measure A	Local Transportation Fund	State Transit Assistance	State of Good Repair	
Western County:					
Boys and Girls Club of Menifee Valley	\$ 92,948	\$ -	\$ -	\$ -	\$ 92,948
Boys and Girls Club of Southwest County	109,122	-	-	-	109,122
Care-A-Van	108,187	-	-	-	108,187
CareConnexus	183,694	-	-	-	183,694
City of Banning	-	1,767,714	-	(4,122)	1,763,592
City of Beaumont	124,000	2,411,849	161,226	51,999	2,749,074
City of Corona	-	746,710	1,629	28,510	776,849
City of Norco	62,862	-	-	-	62,862
City of Riverside	-	4,239,596	-	-	4,239,596
Community Connect	(4,889)	-	-	-	(4,889)
Exceed	85,384	-	-	-	85,384
Friends of Moreno Valley Center, Inc	94,477	-	-	-	94,477
Forest Folk	54,784	-	-	-	54,784
Independent Living Partnership	430,446	-	-	-	430,446
Michelle's Place	8,695	-	-	-	8,695
Operation Safehouse	37,082	-	-	-	37,082
Riverside University Health Systems	843,947	-	-	-	843,947
Riverside Transit Agency	4,000,000	-	16,086,240	2,541,575	22,627,815
United States Veterans Initiative	48,657	-	-	-	48,657
Voices for Children	86,062	-	-	-	86,062
Other	445,063	211,600	121,705	101,600	879,968
	6,810,521	9,377,469	16,370,800	2,719,562	35,278,352
Coachella Valley:					
SunLine Transit Agency	7,000,000	8,814,552	3,819,663	3,734	19,637,949
Riverside County Transportation Commission	-	29,164,619	-	-	29,164,619
Other	152,400	-	-	-	152,400
	7,152,400	37,979,171	3,819,663	3,734	48,954,968
Palo Verde Valley:					
Palo Verde Valley Transit Agency	-	816,954	51,330	-	868,284
	-	816,954	51,330	-	868,284
Total transit and specialized transportation expenditures	\$ 13,962,921	\$ 48,173,594	\$ 20,241,793	\$ 2,723,296	\$ 85,101,604

Riverside County Transportation Commission

Schedule of Uses of Debt Proceeds and Fund Balances

Year Ended June 30, 2022

	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	\$ 1,028,470	\$ 13,447	\$ 1,041,917
Total revenues	1,028,470	13,447	1,041,917
Other financing sources (uses)			
Transfers in			
Accumulated interest payable related to advance to establish TIFIA debt service reserve	-	272,727	272,727
Transfers out			
Debt service offset	(2,608,694)	(407,945)	(3,016,639)
I-15 Express Lanes ramp up reserve	-	(1,062,724)	(1,062,724)
Requisitions to reimburse Commission funds			
Salaries and benefits	-	(163,864)	(163,864)
Professional services	-	(334,902)	(334,902)
Support services	-	(669,831)	(669,831)
Program operations	-	(147,653)	(147,653)
Construction	-	(2,386,746)	(2,386,746)
Right of way	-	(778)	(778)
Design-build	-	(7,342,818)	(7,342,818)
Building improvements	-	(913,434)	(913,434)
Total other financing sources (uses)	(2,608,694)	(13,193,348)	(15,802,042)
Net change in fund balance	(1,580,224)	(13,179,901)	(14,760,125)
Fund balances at beginning of year	16,623,510	38,756,608	55,380,118
Fund balances at end of year	\$ 15,043,286	\$ 25,576,707	\$ 40,619,993

RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**



Riverside La Sierra Metrolink Station

STATISTICAL SECTION

Riverside County Transportation Commission Statistical Section Overview

This part of the Riverside County Transportation Commission's annual comprehensive 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				
	2022	2021	2020	2019	2018
Governmental activities:					
Net Investment in capital assets	\$ 415,495,777	\$ 353,189,808	\$ 552,756,477	\$ 706,935,587	\$ 529,178,100
Restricted	1,115,074,082	977,192,934	816,331,290	794,875,222	801,401,752
Unrestricted (deficit)	(540,884,718)	(593,657,822)	(652,278,554)	(887,668,580)	(857,485,575)
Total governmental activities net position	<u>\$ 989,685,141</u> ⁷	<u>\$ 736,724,920</u>	<u>\$ 716,809,213</u> ⁶	<u>\$ 614,142,229</u>	<u>\$ 473,094,277</u>
Business-type activities:					
Net Investment (deficit) in capital assets	\$ (171,650,350)	\$ (109,184,608) ⁶	\$ (320,213,988)	\$ (299,852,425)	\$ (286,349,191)
Restricted	130,780,244	54,919,608	43,981,932	25,256,125	8,581,857 ⁴
Unrestricted (deficit)	-	-	-	-	- ⁴
Total business-type activities net position (deficit)	<u>\$ (40,870,106)</u> ⁷	<u>\$ (54,265,000)</u> ^{5,6}	<u>\$ (276,232,056)</u>	<u>\$ (274,596,300)</u>	<u>\$ (277,767,334)</u>

Source: Finance Department

¹ Net investment in capital assets increased in 2014 primarily as a result of construction related to the Perris Valley Line project.

² In FY2015, 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 In FY2017, the Commission reached substantial completion on the 91 Project and in March 2017 the RCTC 91 Express Lanes opened to motorists.

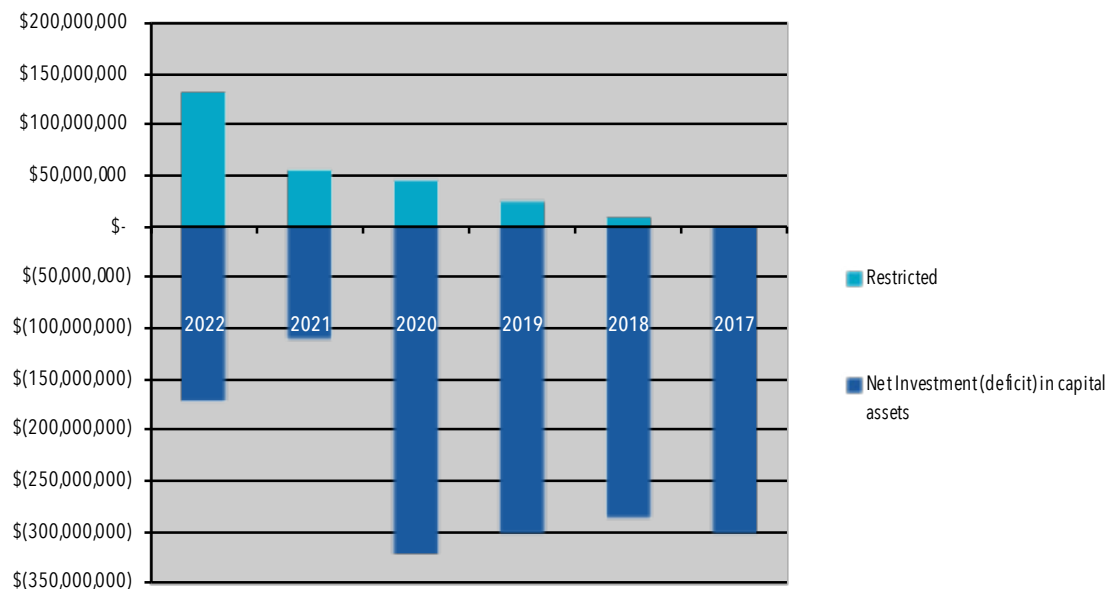
⁴ In FY2018, the Commission changed its presentation of net position related to intangible assets.

⁵ In FY2021, the Commission reached substantial completion on the I-15 Express Lanes project and in April 2021 the 15 Express Lanes opened to motorists.

⁶ Calculation of Net Investment in Capital Assets and Unrestricted (Deficit) was restated based on FY2021 calculation; prior year amounts in this presentation have not been revised to reflect this change.

⁷ In FY2022, the Commission implemented GASB Statement No. 87, *Leases*. Prior year amounts in this presentation have not been revised to reflect this change.

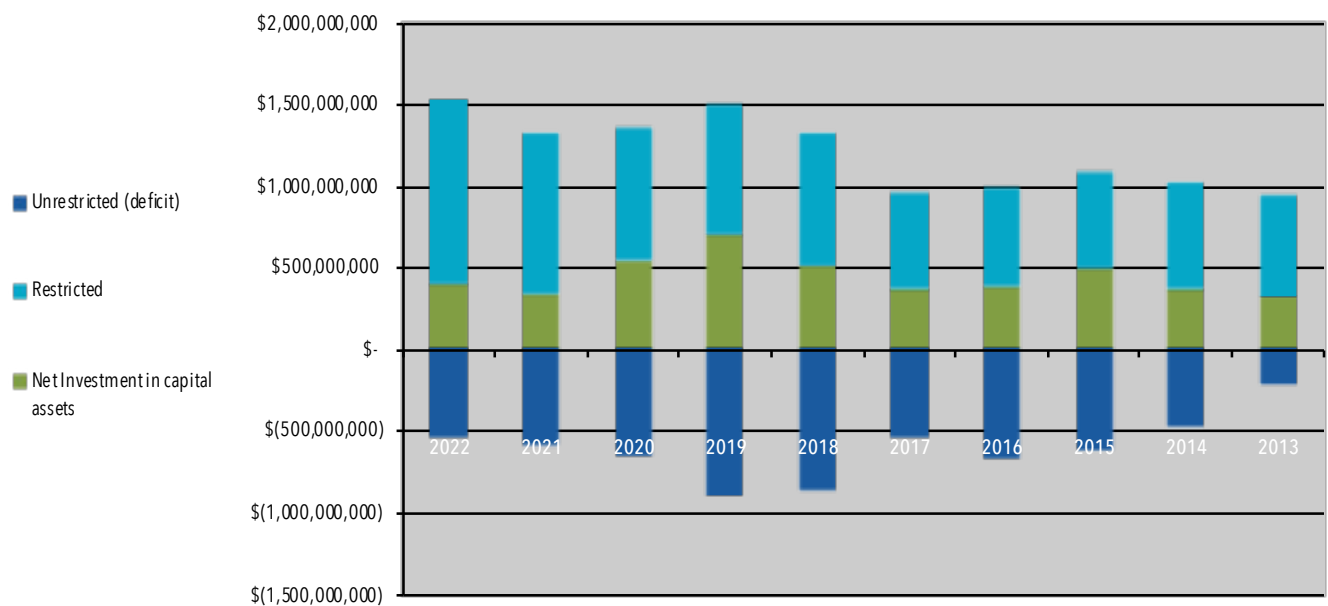
Business-type Activities Net Position by Component



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

	Fiscal Year				
	2017	2016	2015	2014	2013
Governmental activities:					
Net Investment in capital assets	\$ 377,309,766	\$ 389,646,370	\$ 509,106,481	\$ 381,796,683 ¹	\$ 336,834,025
Restricted	596,214,012	615,457,192	578,207,942	642,385,244	619,089,707
Unrestricted (deficit)	(538,356,445)	(668,395,594)	(623,769,876)	(470,327,554)	(216,162,697)
Total governmental activities net position	<u>\$ 435,167,333</u>	<u>\$ 336,707,968</u>	<u>\$ 463,544,547 ²</u>	<u>\$ 553,854,373</u>	<u>\$ 739,761,035</u>
Business-type activities:					
Net Investment (deficit) in capital assets	\$ (301,737,495)				
Restricted	242,134,144				
Unrestricted (deficit)	(234,075,489)				
Total business-type activities net position (deficit)	<u>\$ (293,678,840) ³</u>				

Governmental Activities Net Position by Component



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

	Fiscal Year Ended June 30				
	2022 ¹	2021 ²	2020	2019	2018
Expenses					
Governmental activities:					
General government	\$ (2,868,799)	\$ 1,127,083	\$ (1,488,917)	\$ 1,295,384	\$ 3,654,628
Bicycle and pedestrian projects	1,587,819	3,388,814	1,367,800	2,319,895	1,142,306
CETAP	5,181,055	5,723,685	1,441,976	1,398,238	22,285,913
Commuter assistance	3,229,524	3,110,681	3,673,416	3,612,855	3,668,307
Commuter rail	34,291,250	37,367,041	50,573,511	48,553,459	36,578,920
Highways	159,525,490	122,407,790	134,815,656	91,086,623	79,234,802
Local streets and roads	85,183,610	74,082,952	59,474,660	61,470,359	53,639,698
Motorist assistance	4,322,295	4,498,883	4,818,036	4,403,671	3,835,612
Planning and programming	4,774,012	3,730,032	7,798,197	4,340,660	4,758,503
Regional arterials	24,258,688	30,985,584	11,918,666	17,048,413	12,897,557
Regional conservation	1,492,799	1,832,340	-	-	-
Transit and specialized transportation	85,415,249	50,535,684	99,413,296	117,766,548	90,185,227
Interest expense	30,512,904	35,080,824	34,633,146	33,663,673	46,421,211
Total governmental activities expenses	<u>436,905,896</u>	<u>373,871,393</u>	<u>408,439,443</u>	<u>386,959,778</u>	<u>358,302,684</u>
Business-type activities:					
RCTC 91 Express Lanes	69,463,323	56,311,332	59,962,158	55,039,168	49,452,297
15 Express Lanes	27,233,103	5,540,819	-	-	-
Total primary government expenses	<u>\$ 533,602,322</u>	<u>\$ 435,723,544</u>	<u>\$ 468,401,601</u>	<u>\$ 441,998,946</u>	<u>\$ 407,754,981</u>
Program Revenues					
Governmental activities:					
Charges for services					
CETAP	\$ 5,313	\$ -	\$ -	\$ -	\$ -
Commuter assistance	-	-	-	-	-
Commuter rail	250,000	249,825	251,084	155,587	254,627
Highways	137,555	81,503	95,002	132,681	51,629
Motorist assistance	-	-	-	35,980	4,149
Planning and programming	-	-	-	-	-
Other	-	8	133	326	479
Operating grants and contributions	179,656,964	154,817,759	125,725,762	93,084,805	45,363,624
Capital grants and contributions	71,849,461	71,536,414	44,793,683	74,558,439	66,910,285
Total governmental activities program revenues	<u>251,899,293</u>	<u>226,685,509</u>	<u>170,865,664</u>	<u>167,967,818</u>	<u>112,584,793</u>
Business-type activities:					
Charges for services					
RCTC 91 Express Lanes	65,119,434	46,302,018	56,440,369	58,423,461	50,446,824
15 Express Lanes	37,259,442	5,544,148	-	-	-
Operating grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>102,378,876</u>	<u>51,846,166</u>	<u>56,440,369</u>	<u>58,423,461</u>	<u>50,446,824</u>
Total primary government revenues	<u>354,278,169</u>	<u>278,531,675</u>	<u>227,306,033</u>	<u>226,391,279</u>	<u>163,031,617</u>
Net Revenues (Expenses)					
Governmental activities	(185,006,603)	(147,185,884)	(237,573,779)	(218,991,960)	(245,717,891)
Business-type activities	5,682,450	(10,005,985)	(3,521,789)	3,384,293	994,527
Total primary government net expense	<u>\$ (179,324,153)</u>	<u>\$ (157,191,869)</u>	<u>\$ (241,095,568)</u>	<u>\$ (215,607,667)</u>	<u>\$ (244,723,364)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Measure A sales taxes	\$ 280,170,582	\$ 242,943,840	\$ 195,036,321	\$ 201,204,995	\$ 176,301,656
Transportation Development Act sales taxes	180,682,280	146,615,629	128,080,154	131,021,230	110,878,557
Unrestricted investment earnings (loss)	(14,295,090)	2,326,345	14,537,908	21,130,957	8,916,321
Other miscellaneous revenue	2,574,199	5,765,473	574,705	3,261,873	2,497,942
Gain on sale of capital assets	-	-	-	443,461	-
Transfers	(11,165,147)	(230,548,696)	2,010,675	2,977,396	(14,949,641)
Total governmental activities	<u>437,966,824</u>	<u>167,102,591</u>	<u>340,239,763</u>	<u>360,039,912</u>	<u>283,644,835</u>
Business-type activities:					
Unrestricted investment earnings (loss)	(3,452,703)	324,156	3,896,708	2,764,137	(32,662)
Gain on sale of capital assets	-	1,100,189	-	-	-
Transfers	11,165,147	230,548,696	(2,010,675)	(2,977,396)	14,949,641
Total business-type activities	<u>7,712,444</u>	<u>231,973,041</u>	<u>1,886,033</u>	<u>(213,259)</u>	<u>14,916,979</u>
Total primary government	<u>\$ 445,679,268</u>	<u>\$ 399,075,632</u>	<u>\$ 342,125,796</u>	<u>\$ 359,826,653</u>	<u>\$ 298,561,814</u>
Changes in Net Position					
Governmental activities	\$ 252,960,221	\$ 19,916,707	\$ 102,665,984	\$ 141,047,952	\$ 37,926,944
Business-type activities	13,394,894	221,967,056	(1,635,756)	3,171,034	15,911,506
Total primary government	<u>\$ 266,355,115</u>	<u>\$ 241,883,763</u>	<u>\$ 101,030,228</u>	<u>\$ 144,218,986</u>	<u>\$ 53,838,450</u>

Source: Finance Department

¹ In FY 2022 the Commission implemented GASB Statement No. 87, *Leases*. Prior year amounts in this presentation have not been revised to reflect this change.

² In FY 2021 the Commission reached substantial completion on the 15 Express Lanes project and in April 2021 the 15 Express Lanes opened to motorists. Additionally, the Commission became the managing agency for the Western Riverside County Regional Conservation Authority.

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

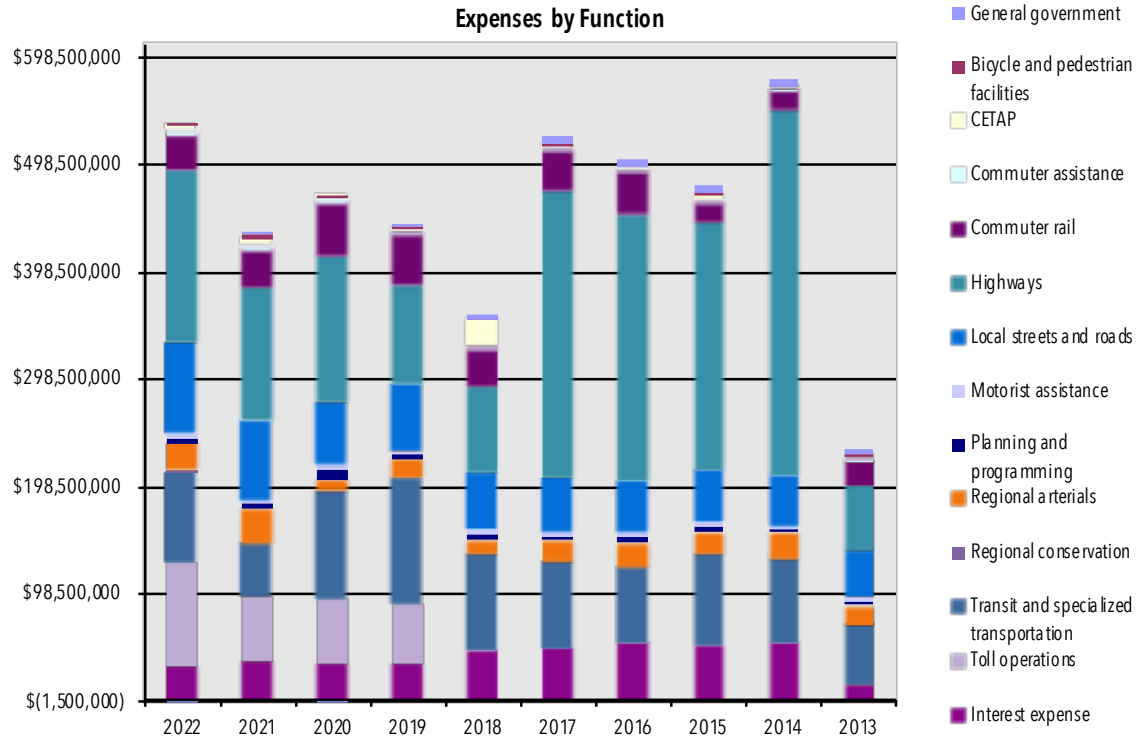
	Fiscal Year Ended June 30				
	2017 ³	2016	2015 ⁴	2014	2013
Expenses					
Governmental activities:					
General government	\$ 7,258,051	\$ 6,614,285	\$ 7,402,725	\$ 6,994,832	\$ 6,959,827
Bicycle and pedestrian projects	1,314,932	212,547	1,747,090	1,065,476	956,308
CETAP	2,489,440	1,871,426	4,130,374	2,195,074	954,700
Commuter assistance	2,658,782	2,615,610	2,914,990	3,171,842	2,904,048
Commuter rail	38,964,217	41,449,269	20,455,178	17,255,402	23,531,252
Highways	264,283,974	245,668,543	228,857,938	339,194,681	59,604,916
Local streets and roads	51,864,011	49,826,564	48,615,708	46,677,580	44,594,891
Motorist assistance	4,164,892	4,149,320	4,314,601	3,498,420	3,563,581
Planning and programming	3,141,759	3,965,071	3,064,115	3,216,441	3,725,703
Regional arterials	19,040,012	23,095,562	21,010,980	23,886,840	17,047,135
Regional conservatin	-	-	-	-	-
Transit and specialized transportation	80,724,591	70,611,967	86,712,958	78,723,898	55,659,188
Interest expense	49,214,579	53,558,472	50,037,270	52,939,762	15,364,677
Total governmental activities expenses	<u>525,119,240</u>	<u>503,638,636</u>	<u>479,263,927</u>	<u>578,820,248</u>	<u>234,866,226</u>
Business-type activities:					
RCTC 91 Express Lanes	13,260,254	-	-	-	-
15 Express Lanes	-	-	-	-	-
Total primary government expenses	<u>\$ 538,379,494</u>	<u>\$ 503,638,636</u>	<u>\$ 479,263,927</u>	<u>\$ 578,820,248</u>	<u>\$ 234,866,226</u>
Program Revenues					
Governmental activities:					
Charges for services					
CETAP	\$ -	\$ -	\$ -	\$ -	\$ -
Commuter assistance	-	-	-	-	1,500
Commuter rail	250,416	255,847	786,869	297,911	107,194
Highways	-	-	90,655	412,535	796,385
Motorist assistance	635,373	1,076,751	21,307	15,026	13,915
Other	447	421	450	999	14,873
Operating grants and contributions	35,611,287	42,568,860	57,784,238	61,767,456	46,567,900
Capital grants and contributions	16,451,903	54,062,314	70,133,121	71,744,926	4,897,301
Total governmental activities program revenues	<u>52,949,426</u>	<u>97,964,193</u>	<u>128,816,640</u>	<u>134,238,853</u>	<u>52,399,068</u>
Business-type activities:					
Charges for services					
RCTC 91 Express Lanes	10,123,572	-	-	-	-
15 Express Lanes	-	-	-	-	-
Operating grants and contributions	1,723	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>10,125,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government revenues	<u>63,074,721</u>	<u>97,964,193</u>	<u>128,816,640</u>	<u>134,238,853</u>	<u>52,399,068</u>
Net Revenues (Expenses)					
Governmental activities	(472,169,814)	(405,674,443)	(350,447,287)	(444,581,395)	(182,467,158)
Business-type activities	(3,134,959)	-	-	-	-
Total primary government net expense	<u>\$ (475,304,773)</u>	<u>\$ (405,674,443)</u>	<u>\$ (350,447,287)</u>	<u>\$ (444,581,395)</u>	<u>\$ (182,467,158)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Measure A sales taxes	\$ 175,320,207	\$ 167,630,239	\$ 163,092,776	\$ 156,355,894	\$ 149,428,124
Transportation Development Act sales taxes	94,639,514	97,134,594	94,816,814	91,953,554	86,999,018
Unrestricted investment earnings	4,262,323	8,383,732	6,060,400	9,794,662	1,664,789
Other miscellaneous revenue	5,859,819	4,950,964	1,643,078	556,049	604,181
Gain on sale of capital assets	-	738,335	-	14,574	-
Transfers	290,547,316	-	-	-	-
Total governmental activities	<u>570,629,179</u>	<u>278,837,864</u>	<u>265,613,068</u>	<u>258,674,733</u>	<u>238,696,112</u>
Business-type activities:					
Unrestricted investment earnings	3,435	-	-	-	-
Transfers	(290,547,316)	-	-	-	-
Total business-type activities	<u>(290,543,881)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 280,085,298</u>	<u>\$ 278,837,864</u>	<u>\$ 265,613,068</u>	<u>\$ 258,674,733</u>	<u>\$ 238,696,112</u>
Changes in Net Position					
Governmental activities	\$ 98,459,365	\$ (126,836,579)	\$ (84,834,219)	\$ (185,906,662)	\$ 56,228,954
Business-type activities	(293,678,840)	-	-	-	-
Total primary government	<u>\$ (195,219,475)</u>	<u>\$ (126,836,579)</u>	<u>\$ (84,834,219)</u>	<u>\$ (185,906,662)</u>	<u>\$ 56,228,954</u>

Source: Finance Department

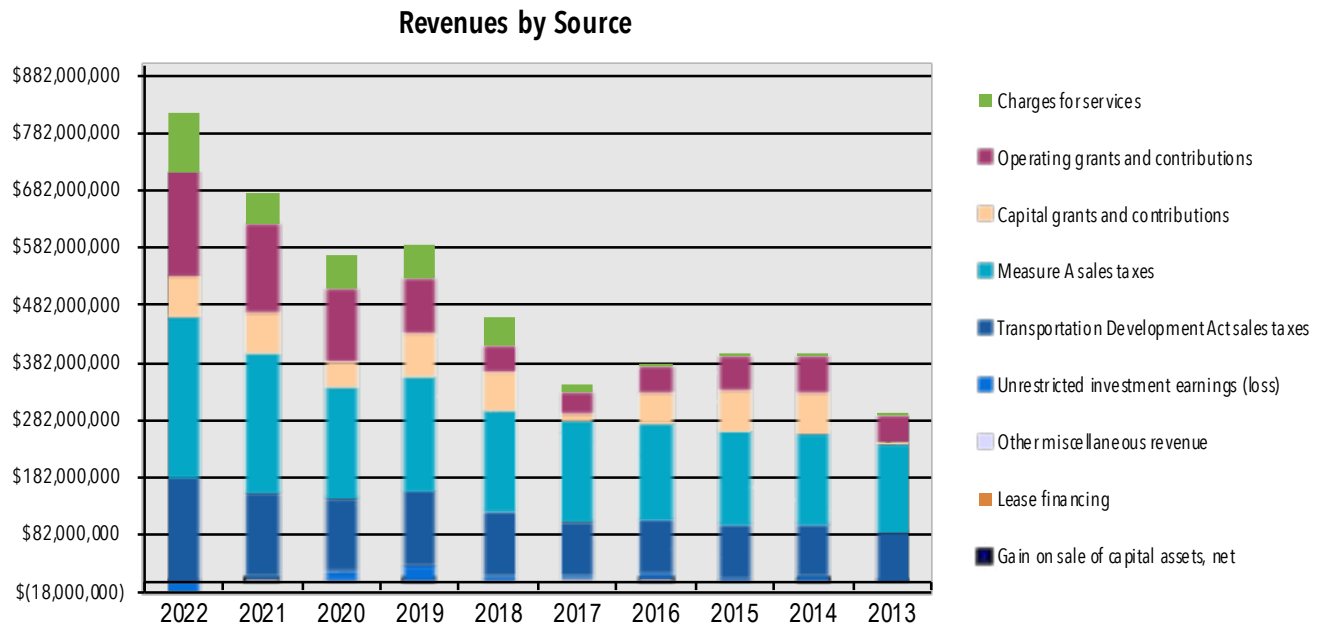
³ In FY 2017 the Commission reached substantial completion on the 91 Project and in March 2017 the RCTC 91 Express Lanes opened to motorists. Additionally, the Commission early implemented GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, and GASB Statement No. 85, *Omnibus 2017*.

⁴ 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.

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				
	2022	2021	2020	2019	2018
<u>GENERAL FUND</u>					
General fund:					
Nonspendable	\$ 479,416	\$ 164,621	\$ 136,038	\$ 345,881	\$ 232,793
Restricted	32,259,329	34,147,160	22,458,450	25,551,922	22,470,358
Assigned	3,049,765	3,606,250	3,267,803	3,226,466	3,337,343
Total general fund	<u>\$ 35,788,510</u>	<u>\$ 37,918,031</u>	<u>\$ 25,862,291</u>	<u>\$ 29,124,269</u>	<u>\$ 26,040,494</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>					
All other governmental funds:					
Nonspendable	\$ 3,168,147	\$ 3,393,790	\$ 3,033,953	\$ 3,675,091	\$ 4,627,240
Restricted	1,066,079,305	927,622,993	781,460,503	758,687,069	745,638,560
Unassigned	(389,756)	(143,114)	(30,566)	(1,272,356)	(268,754)
Total all other governmental funds	<u>\$ 1,068,857,696</u>	<u>\$ 930,873,669</u>	<u>\$ 784,463,890</u>	<u>\$ 761,089,804</u>	<u>\$ 749,997,046</u>

Source: Finance Department

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

	Fiscal Year				
	2017	2016	2015	2014	2013
<u>GENERAL FUND</u>					
General fund:					
Nonspendable	\$ 232,759	\$ 192,235	\$ 255,446	\$ 257,721	\$ 194,794
Restricted	16,321,159	7,143,844	5,680,411	5,073,685	7,412,686
Assigned	2,572,182	3,456,111	4,246,940	5,258,703	5,232,871
Total general fund	<u>\$ 19,126,100</u>	<u>\$ 10,792,190</u>	<u>\$ 10,182,797</u>	<u>\$ 10,590,109</u>	<u>\$ 12,840,351</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>					
All other governmental funds:					
Nonspendable	\$ 9,162,068	\$ 10,848,614	\$ 21,510,571	\$ 31,978,235	\$ 3,274,483
Restricted	678,147,954	718,780,598	772,109,076	988,908,077	606,072,061
Unassigned	(23,054)	-	-	-	-
Total all other governmental funds	<u>\$ 687,286,968</u>	<u>\$ 729,629,212</u>	<u>\$ 793,619,647</u>	<u>\$ 1,020,886,312</u>	<u>\$ 609,346,544</u>

Source: Finance Department

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

	Fiscal Year				
	2022	2021	2020	2019	2018
Revenues					
Sales taxes	\$ 460,852,862	\$ 389,559,469	\$ 323,116,475	\$ 332,226,225	\$ 287,180,213
Transportation Uniform Mitigation Fee	35,509,031	28,301,547	23,257,905	29,968,449	23,699,764
Intergovernmental	213,808,004	203,029,590	145,904,252	138,541,133	88,207,011
Investment income	(14,230,774)	2,387,089	14,594,910	21,311,968	9,149,672
Other	3,274,412	5,863,647	2,283,994	6,418,190	3,199,483
Total revenues	<u>699,213,535</u>	<u>629,141,342</u>	<u>509,157,536</u>	<u>528,465,965</u>	<u>411,436,143</u>
Expenditures					
Current:					
General Government	341,937	410,552	546,338	1,044,403	977,898
Programs:					
Bicycle and pedestrian facilities	1,587,819	3,388,814	1,367,800	2,319,895	1,142,306
CETAP	5,279,295	2,016,814	11,104,808	1,394,120	22,275,429
Commuter assistance	3,434,404	3,071,831	3,938,474	3,603,353	3,647,662
Commuter rail	21,219,827	29,379,805	41,069,694	40,805,316	37,700,157
Highways	247,656,937	197,817,830	285,955,203	203,662,390	187,087,621
Local streets and roads	85,183,610	74,082,952	59,475,694	61,470,359	53,639,698
Motorist assistance	4,474,970	4,486,182	4,934,056	4,398,842	3,825,722
Planning and programming	5,702,031	3,640,958	8,828,203	4,307,859	4,677,940
Regional arterials	24,379,344	30,972,795	12,059,400	17,042,375	12,888,439
Regional conservation	3,974,222	1,721,498	-	-	-
Transit and specialized transportation	85,924,817	50,489,119	99,777,205	117,748,091	90,153,923
Debt service:					
Principal	30,573,211	28,505,099	27,253,683	25,977,461	62,140,974
Interest	39,649,974	41,255,647	42,511,371	43,595,769	50,606,912
Cost of issuance	-	-	-	-	2,256,061
Payment to escrow agent	-	-	-	-	70,800,000
Capital outlay	5,950,413	4,750,342	3,536,042	5,663,109	2,606,851
Total expenditures	<u>565,332,811</u>	<u>475,990,238</u>	<u>602,357,971</u>	<u>533,033,342</u>	<u>606,427,593</u>
Excess (deficiency) of revenues over (under) expenditures	<u>133,880,724</u>	<u>153,151,104</u>	<u>(93,200,435)</u>	<u>(4,567,377)</u>	<u>(194,991,450)</u>
Other financing sources (uses):					
Refunding debt issuance	-	-	-	-	457,015,000
Debt issuance	-	15,660,996	111,301,868	14,946,136	158,760,000
Discount on debt issuance	-	-	-	-	-
Premium on debt issuance	-	-	-	-	119,713,807
Payment to refunded bond escrow agent	-	-	-	55,000	(471,089,840)
Transfers in	115,432,568	116,427,274	119,642,321	116,363,248	300,623,670
Transfers out	(113,458,786)	(126,773,855)	(117,631,646)	(112,620,474)	(300,406,715)
Total other financing sources (uses)	<u>1,973,782</u>	<u>5,314,415</u>	<u>113,312,543</u>	<u>18,743,910</u>	<u>264,615,922</u>
Net change in fund balances	<u>\$ 135,854,506</u>	<u>\$ 158,465,519</u>	<u>\$ 20,112,108</u>	<u>\$ 14,176,533</u>	<u>\$ 69,624,472</u>
Debt service as a percentage of noncapital expenditures	<u>14.8%</u>	<u>17.7%</u>	<u>15.8%</u>	<u>16.7%</u>	<u>23.7% ²</u>

Source: Finance Department

¹ 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.

² 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				
	2017	2016	2015	2014	2013
Revenues					
Sales taxes	\$ 269,959,721	\$ 264,764,833	\$ 257,909,590	\$ 248,309,448	\$ 236,427,142
Transportation Uniform Mitigation Fee	19,594,829	19,831,327	17,400,782	11,284,394	12,421,110
Intergovernmental	32,467,616	76,821,362	110,515,661	122,486,605	38,817,347
Investment income	4,483,174	8,592,753	6,258,226	9,979,912	1,769,709
Other	6,746,055	7,295,648	2,542,359	1,282,520	1,540,542
Total revenues	<u>333,251,395</u>	<u>377,305,923</u>	<u>394,626,618</u>	<u>393,342,879</u>	<u>290,975,850</u>
Expenditures					
Current:					
General Government	6,558,752	6,514,255	7,302,325	6,991,303	6,692,187
Programs:					
Bicycle and pedestrian facilities	1,314,932	233,815	1,747,090	1,065,476	956,308
CETAP	4,028,104	5,249,516	4,135,996	6,509,915	954,700
Commuter assistance	2,686,073	2,648,632	2,891,431	3,136,150	2,868,356
Commuter rail	32,820,139	95,717,909	112,424,851	68,072,414	27,118,480
Highways	250,383,800	372,657,029	325,128,109	299,398,122	118,750,336
Local streets and roads	51,864,011	49,826,564	48,615,815	46,677,580	44,594,891
Motorist assistance	4,177,349	4,159,520	4,317,961	3,498,420	3,563,581
Planning and programming	3,248,031	4,090,731	3,099,358	3,204,073	3,712,596
Regional arterials	19,056,339	23,111,109	21,016,097	23,886,840	17,047,135
Regional conservation	-	-	-	-	-
Transit and specialized transportation	80,764,125	70,652,804	86,725,394	78,723,898	55,659,188
Debt service:					
Principal	27,317,242	7,814,176	7,411,654	67,112,884	6,824,654
Interest	44,684,153	45,620,922	45,913,275	43,410,203	15,404,719
Cost of issuance	654,007	-	-	7,050,855	-
Payment to escrow agent	63,900,000	-	-	-	-
Capital outlay	5,670,356	1,182,208	475,334	143,888	220,443
Total expenditures	<u>599,127,413</u>	<u>689,479,190</u>	<u>671,204,690</u>	<u>658,882,021</u>	<u>304,367,574</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(265,876,018)</u>	<u>(312,173,267)</u>	<u>(276,578,072)</u>	<u>(265,539,142)</u>	<u>(13,391,724)</u>
Other financing sources (uses):					
Refunding debt issuance	-	-	-	-	-
Debt issuance	249,498,089	248,792,225	48,904,095	638,854,602	60,000,000
Discount on debt issuance	-	-	-	(2,433,315)	-
Premium on debt issuance	8,414,007	-	-	38,328,775	-
Payment to refunded bond escrow agent	-	-	-	-	-
Transfers in	182,713,859	162,708,720	232,626,156	481,987,735	133,065,312
Transfers out	(208,758,271)	(162,708,720)	(232,626,156)	(481,987,735)	(133,065,312)
Total other financing sources (uses)	<u>231,867,684</u>	<u>248,792,225</u>	<u>48,904,095</u>	<u>674,750,062</u>	<u>60,000,000</u>
Net change in fund balances	<u>\$ (34,008,334)</u>	<u>\$ (63,381,042)</u>	<u>\$ (227,673,977)</u>	<u>\$ 409,210,920</u>	<u>\$ 46,608,276</u>
Debt service as a percentage of noncapital expenditures	<u>12.2%</u>	<u>10.6%</u>	<u>11.0%</u>	<u>19.1% ¹</u>	<u>9.3%</u>

Source: Finance Department

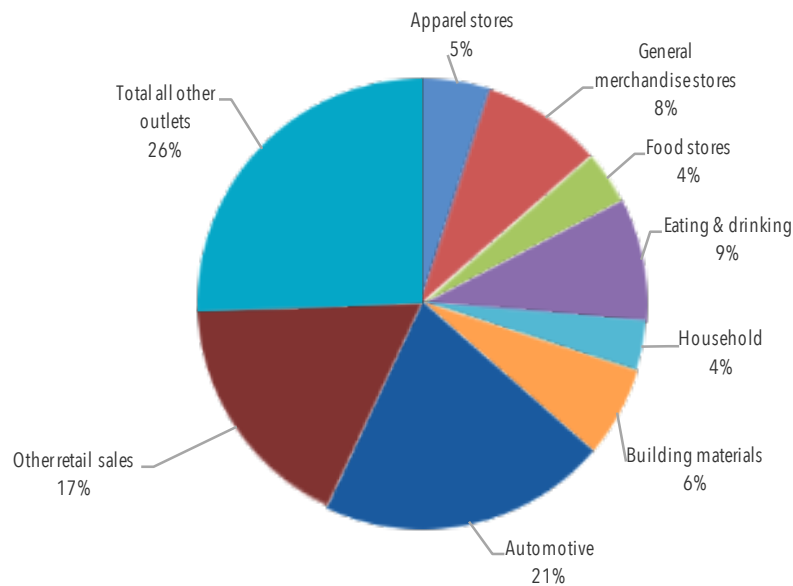
Riverside County Transportation Commission
Sources of County of Riverside Taxable Sales by Business Type
Last Ten Calendar Years (In Thousands)

	2021 ¹	2020	2019	2018	2017
Apparel stores	\$ 2,787,245	\$ 1,834,633	\$ 2,361,700	\$ 2,315,433	\$ 2,199,511
General merchandisestores	4,756,624	4,123,079	3,967,112	3,560,755	3,101,256
Food stores	2,121,729	1,953,653	1,822,075	1,790,507	1,666,910
Eating & drinking	4,936,088	3,615,577	4,282,201	4,004,657	3,852,674
Household	1,999,156	2,106,383	2,104,126	1,962,650	1,730,702
Building materials	3,598,728	3,103,094	2,500,049	2,346,508	2,161,593
Automotive	11,430,453	8,509,066	8,938,497	8,788,907	8,282,532
Other retail sales	9,700,524	5,076,176	3,087,294	3,273,276	2,586,770
Total all other outlets	14,204,649	11,991,812	11,563,944	10,876,806	10,550,866
	<u>\$ 55,535,196</u>	<u>\$ 42,313,473</u>	<u>\$ 40,626,998</u>	<u>\$ 38,919,499</u>	<u>\$ 36,132,814</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: California Department of Tax and Fee Administration, as successor to California State Board of Equalization

¹ Year represents most recent data available.

**Sources of County of Riverside Taxable Sales
by Business Type for 2021**



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

	2016	2015	2014	2013	2013
Apparel stores	\$ 2,190,228	\$ 2,136,728	\$ 1,989,623	\$ 1,771,603	\$ 1,771,603
General merchandise stores	3,052,409	3,040,244	3,289,057	3,298,920	3,298,920
Food stores	1,574,030	1,727,518	1,509,404	1,421,590	1,421,590
Eating & drinking	3,648,980	3,384,494	3,093,861	2,836,388	2,836,388
Household	1,386,985	1,135,235	1,030,455	996,484	996,484
Building materials	1,965,101	1,826,294	1,706,184	1,535,178	1,535,178
Automotive	7,751,812	7,693,173	7,844,773	7,421,523	7,421,523
Other retail sales	2,452,591	2,338,039	2,182,987	2,025,088	2,025,088
Total all other outlets	10,209,008	9,629,185	9,389,345	8,758,693	8,758,693
	<u><u>\$ 34,231,144</u></u>	<u><u>\$ 32,910,910</u></u>	<u><u>\$ 32,035,689</u></u>	<u><u>\$ 30,065,467</u></u>	<u><u>\$ 30,065,467</u></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

Fiscal Year	Measure A Direct Rate ¹	County of Riverside
2022	0.50%	7.75%
2021	0.50%	7.75%
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%

Source: Commission Finance Department and California Department of Tax and Fee Administration, as successor to 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.

Riverside County Transportation Commission

Principal Taxable Sales Generation by City

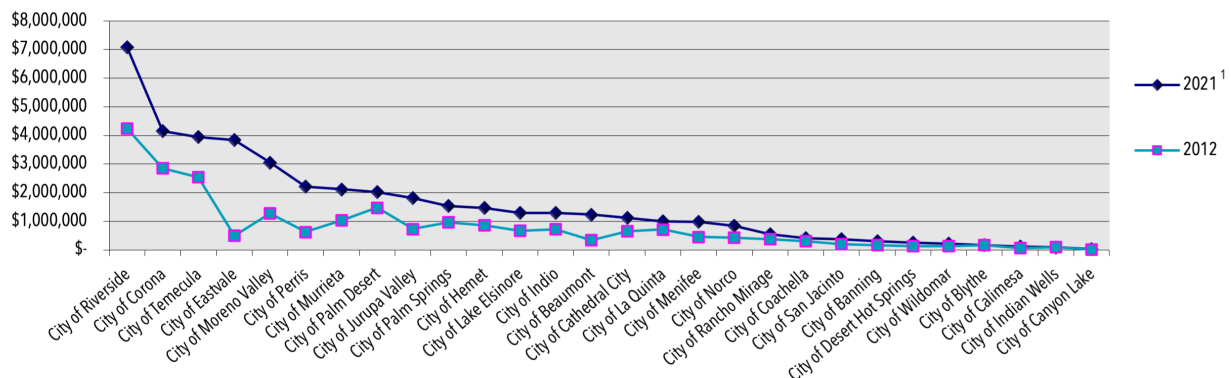
Current Year and Nine Years Ago

	2021 ¹			2012		
	Taxable Sales (in thousands)	Rank	Percentage of Total	Taxable Sales (in thousands)	Rank	Percentage of Total
City of Riverside	\$ 7,073,303	2	12.7%	\$ 4,238,975	2	15.1%
City of Corona	4,151,932	3	7.5%	2,855,833	3	10.2%
City of Temecula	3,943,889	4	7.1%	2,535,380	4	9.0%
City of Eastvale	3,833,112	5	6.9%	490,881	16	1.7%
City of Moreno Valley	3,047,751	6	5.5%	1,275,922	6	4.5%
City of Perris	2,202,950	7	4.0%	622,840	15	2.2%
City of Murrieta	2,113,469	8	3.8%	1,035,828	7	3.7%
City of Palm Desert	2,024,581	9	3.6%	1,470,982	5	5.3%
City of Jurupa Valley	1,814,595	10	3.3%	726,309	10	2.6%
City of Palm Springs	1,526,784	11	2.7%	955,731	8	3.4%
City of Hemet	1,467,550	12	2.6%	859,861	9	3.1%
City of Lake Elsinore	1,295,868	13	2.3%	665,409	13	2.4%
City of Indio	1,293,694	14	2.3%	724,256	11	2.6%
City of Beaumont	1,229,150	15	2.1%	334,876	20	1.2%
City of Cathedral City	1,111,885	16	2.0%	648,817	14	2.3%
City of La Quinta	996,048	17	1.8%	710,127	12	2.5%
City of Menifee	974,142	18	1.8%	449,121	17	1.6%
City of Norco	844,878	19	1.5%	429,119	18	1.5%
City of Rancho Mirage	548,912	20	1.0%	378,753	19	1.3%
City of Coachella	405,030	21	0.7%	302,053	21	1.1%
City of San Jacinto	366,451	22	0.7%	202,402	22	0.7%
City of Banning	305,168	23	0.5%	165,579	24	0.6%
City of Desert Hot Springs	254,521	24	0.5%	128,734	25	0.5%
City of Wildomar	223,007	25	0.4%	122,891	26	0.4%
City of Blythe	162,023	26	0.3%	169,341	23	0.6%
City of Calimesa	109,303	27	0.2%	60,894	28	0.2%
City of Indian Wells	86,759	28	0.2%	87,861	27	0.3%
City of Canyon Lake	32,372	29	0.1%	15,611	29	0.1%
Incorporated	43,439,127		78.2%	22,664,386		80.7%
Unincorporated	12,096,069	1	21.8%	5,431,623	1	19.3%
Countywide	\$ 55,535,196		100.0%	\$ 28,096,009		100.0%
California	\$ 862,712,178			\$ 558,387,250		

Source: California Department of Tax and Fee Administration, as successor to California State Board of Equalization, for the calendar year indicated.

¹ Year represents most recent data available.

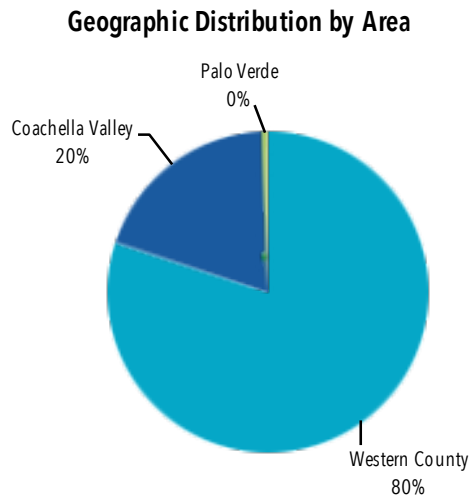
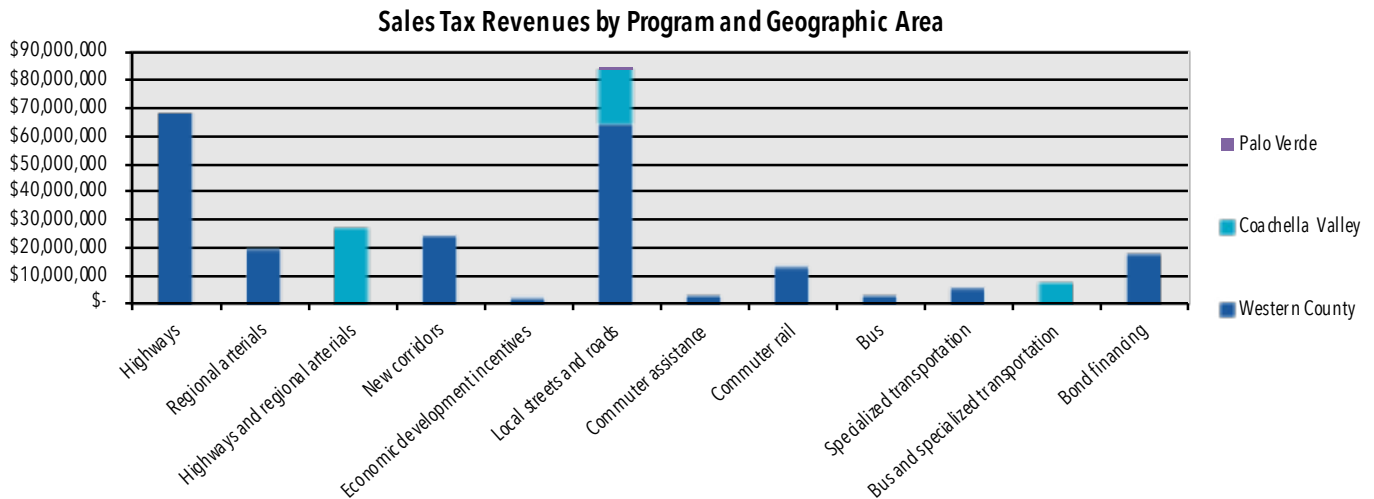
Taxable Sales by City



Riverside County Transportation Commission
Measure A Sales Tax Revenues by Program and Geographic Area
Year Ended June 30, 2022

	Special Revenue Funds			
	Western County	Coachella Valley	Palo Verde	Total
Highways	\$ 68,069,969	\$ -	\$ -	\$ 68,069,969
Regional arterials	20,020,579	-	-	20,020,579
Highways and regional arterials	-	27,299,763	-	27,299,763
New corridors	24,692,048	-	-	24,692,048
Economic development incentives	2,669,411	-	-	2,669,411
Local streets and roads	64,733,206	19,109,834	1,340,570	85,183,610
Public transit:				
Commuter assistance	3,336,763	-	-	3,336,763
Commuter rail	13,613,994	-	-	13,613,994
Bus	3,403,498	-	-	3,403,498
Specialized transportation	5,672,497	-	-	5,672,497
Bus and specialized transportation	-	8,189,929	-	8,189,929
Bond financing	18,018,521	-	-	18,018,521
	<u>\$ 224,230,486</u>	<u>\$ 54,599,526</u>	<u>\$ 1,340,570</u>	<u>\$ 280,170,582</u>

Source: Finance Department



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

Economic Category	% of Total									
	2021¹	2020	2019	2018	2017	2016	2015	2014	2013	2012
General retail	30.9	31.6	28.1	28.9	28.3	28.9	28.8	28.4	28.7	28.8
Transportation	24.0	22.4	24.2	24.6	25.3	25.1	25.9	26.6	27.0	26.9
Food products	15.8	15.2	17.7	17.8	17.6	17.7	17.3	16.6	16.1	16.2
Business to business	14.8	15.8	16.7	16.3	15.6	15.3	15.0	14.4	14.5	15.0
Construction	10.9	11.5	10.7	10.8	10.8	10.8	10.8	12.0	11.8	11.1
Miscellaneous	3.6	3.5	2.6	1.6	2.4	2.2	2.2	2.0	1.9	2.0
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., an Avenu Company

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 Revenues²	Measure A Sales Tax Revenue Growth (Decline) Rate	Total Debt Service	Total Debt Service Coverage Ratio	
2022	\$ 280,170,582	15.32%	\$ 69,594,288	4.03	
2021	242,943,840	24.56%	69,519,038	3.49	
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	

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 FY2020 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	Lease Liabilities ²	Capital Leases	TIFIA Loan
2022	\$ 830,738,739	\$ -	\$ -	\$ 3,398,016	\$ -	\$ -
2021	871,561,216	-	-	-	31,722	-
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	-

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 132 for personal income and population data.

² In FY 2022, the Commission implemented GASB Statement No. 87, *Leases*. Prior year amounts in this presentation have not been revised to reflect this change.

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, premium, and accretion	TIFIA Loan	Total Primary Government	Percentage of Personal Income ¹	Debt per Capita ¹	
2022	\$ 733,034,464	\$ 162,385,853	\$ 1,729,557,072	N/A	\$ 710.14	
2021	210,216,120	656,943,710	1,738,752,768	N/A	708.41	
2020	204,647,796	486,339,336	1,730,367,698	1.52%	708.50	
2019	199,423,911	469,870,660	1,637,470,220	1.56%	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	

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

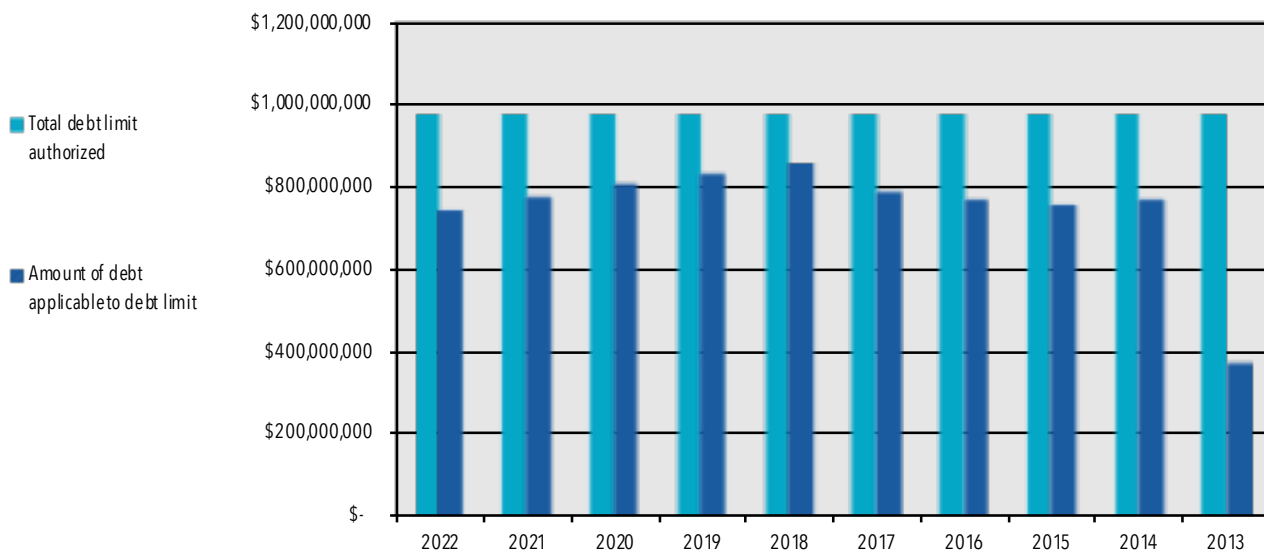
	Fiscal Year				
	2022	2021	2020	2019	2018
Measure A Ordinance No. 02-001, as amended by Ordinance No. 10-002²					
Total debt limit authorized	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000
Amount of debt applicable to debt limit	747,320,000	777,315,000	805,810,000	833,055,000	859,020,000
Legal debt margin	<u>\$ 227,680,000</u>	<u>\$ 197,685,000</u>	<u>\$ 169,190,000</u>	<u>\$ 141,945,000</u>	<u>\$ 115,980,000</u>
% of debt to legal debt limit	<u>76.6%</u>	<u>79.7%</u>	<u>82.6%</u>	<u>85.4%</u>	<u>88.1%</u>

Source: Finance Department

¹ The Commission's debt limit was approved by the voters of Riverside County as part of the sales tax ordinance and is 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				
	2017	2016	2015	2014	2013
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	786,240,000	771,300,000	759,100,000	766,500,000	371,400,000
Legal debt margin	<u>\$ 188,760,000</u>	<u>\$ 203,700,000</u>	<u>\$ 215,900,000</u>	<u>\$ 208,500,000</u>	<u>\$ 603,600,000</u>
% of debt to legal debt limit	<u>80.6%</u>	<u>79.1%</u>	<u>77.9%</u>	<u>78.6%</u>	<u>38.1%</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
2022	2,435,525	N/A	N/A	N/A
2021	2,454,453	N/A	N/A	7.3%
2020	2,442,304	\$ 114,090,413	\$ 45,834	10.2% ⁴
2019	2,440,124	104,794,676	42,418	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%

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 California State Employment Development Department. Represents most recent data available.

⁴ 2020 reflects the impacts from COVID-19 pandemic

Riverside County Transportation Commission
Employment Statistics by Industry for the County of Riverside
Calendar Year 2021 and Nine Years Prior

Industry Type	2021 ¹	% of Total Employment	2012	% of Total Employment
Agricultural services, forestry, fishing and other	11,600	1.5%	12,500	2.2%
Mining	400	0.1%	400	0.1%
Construction	70,600	9.2%	35,900	6.3%
Manufacturing	43,500	5.6%	39,400	6.9%
Transportation, warehousing, and public utilities	71,000	9.2%	21,000	3.7%
Wholesale trade	25,500	3.3%	20,700	3.6%
Retail trade	91,300	11.8%	81,400	14.2%
Professional & business services	75,900	9.8%	54,000	9.4%
Education & health services	124,000	16.1%	78,900	13.8%
Leisure & hospitality	88,100	11.4%	72,300	12.6%
Finance, insurance, and real estate	21,200	2.7%	19,300	3.3%
Information	5,300	0.7%	6,400	1.1%
Other services	21,400	2.9%	19,200	3.4%
Federal government, civilian	7,400	1.0%	6,800	1.3%
State government	18,300	2.4%	15,700	2.7%
Local government	95,900	12.4%	89,600	15.6%
Total employment	<u>771,400</u>	<u>100.0%</u>	<u>573,500</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

Function/Program	As of June 30									
	2022	2021 ¹	2020	2019	2018	2017	2016	2015	2014	2013
Management services and administration	21.1	18.5	18.7	18.0	19.2	17.1	14.7	16.2	13.8	14.1
Planning and programming	4.0	5.3	5.5	3.5	4.2	4.9	6.2	6.1	5.9	4.9
Rail operations and maintenance	3.8	4.4	3.5	3.4	4.1	4.3	4.5	4.0	3.1	2.9
Specialized transit/transportation	2.7	2.6	2.4	2.9	2.4	2.7	2.3	2.3	3.4	2.5
Commuter assistance	0.9	1.8	1.4	1.4	1.7	1.4	1.8	3.0	1.7	1.8
Motorist assistance	0.5	1.0	0.9	0.8	0.9	0.8	0.7	0.7	0.9	0.9
Capital project development and delivery and toll operations	20.7	16.6	17.6	16.0	15.5	15.8	15.8	13.7	15.2	13.9
Regional conservation	13.3	12.8	-	-	-	-	-	-	-	-
Total full-time equivalents	<u>67.0</u>	<u>63.0</u>	<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>

Source: Finance Department

¹ Effective January 1, 2021, RCTC became the managing agency for the Western Riverside County Regional Conservation Authority.



Riverside County Transportation Commission
Operating Indicators
Last Ten Fiscal Years

	As of June 30				
	2022	2021 ¹	2020	2019	2018
Toll operations:					
RCTC 91 Express Lanes					
Gross trips	16,778,526	13,025,785	13,119,123	15,143,222	14,518,302
Gross potential revenue	\$ 63,190,923	\$ 43,734,242	\$ 56,058,450	\$ 57,172,266	\$ 47,941,733
Average gross potential revenue per trip	\$ 3.77	\$ 3.36	\$ 4.12	\$ 3.78	\$ 3.30
15 Express Lanes					
Gross transactions	23,465,946	4,172,026	-	-	-
Gross potential revenue	\$ 29,850,618	\$ 5,361,524	-	-	-
Average gross potential revenue per transaction	\$ 1.27	\$ 1.29	-	-	-
Commuter rail operations: ²					
Growth of averaged daily ridership on commuter lines:					
Riverside line	N/A	469	3,961	3,868	3,863
IEOC line	N/A	1,028	4,784	4,656	4,874
91 line	N/A	685	3,731	3,293	3,109
Farebox recovery ratio:					
Riverside line	21.2%	6.6%	19.8%	43.0%	45.4%
IEOC line	15.8%	5.4%	21.1%	27.5%	29.2%
91 line	14.8%	5.7%	16.4%	24.1%	26.5%
Specialized transit/transportation:					
Specialized transit grants awarded	15	18	18	18	16
Commuter assistance: ²					
Rideshare Incentive members	203	97	519	526	573
Rideshare Plus Rewards members	88	107	630	917	1,114
Rideshare pledges	391	N/A	8,349	7,836	5,959
Rideguides produced	3,320	2,748	5,901	6,246	4,606
VanClub vanpools	33	29	32	67	31
Commuter Exchange events	N/A	N/A	N/A	N/A	N/A
Motorist assistance:					
Call boxes	158	158	158	231	241
Calls made from call boxes	935	936	979	1,384	1,598
Contracted Freeway Service Patrol vehicles	26	26	26	26	20
Assists by Freeway Service Patrol	54,217	59,711	49,051	44,607	41,417
IE511 web visits	160,930	204,259	296,339	213,689	408,021
IE511 call volumes	77,868	65,046	95,164	114,045	142,287
Transportation Uniform Mitigation Fee program:					
Approved regional arterial projects	25	23	23	23	20
Measure A program:					
Highways	\$ 129,198,965	\$ 123,154,255	\$ 209,530,745	\$ 148,387,823	\$ 180,565,301
Commuter rail	12,079,835	16,871,212	16,744,864	13,218,370	14,118,997
Regional arterials	3,207,422	1,249,823	4,939,979	12,533,037	6,158,736
Local streets and roads	85,183,610	74,082,952	59,475,694	61,470,359	53,639,698
Specialized transit and commuter assistance	17,397,325	11,629,836	16,568,400	16,708,843	15,197,859
Total program expenditures	<u>\$ 247,067,157</u>	<u>\$ 226,988,078</u>	<u>\$ 307,259,682</u>	<u>\$ 252,318,432</u>	<u>\$ 269,680,591</u>

Source: Commission Departments

¹ In FY2021, the Commission reached substantial completion on the I-15 Express Lanes project and in April 2021 the 15 Express Lanes opened to motorists.

² In FY2021, the decrease in commuter rail operations and commuter assistance is a result of the impacts of COVID-19 and stay at home orders.

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

	As of June 30				
	2017	2016	2015	2014	2013
Toll operations:					
RCTC 91 Express Lanes					
Gross trips	4,049,067	-	-	-	-
Gross potential revenue	\$ 9,618,429	-	-	-	-
Average gross potential revenue per trip	\$ 2.38	-	-	-	-
15 Express Lanes					
Gross transactions	-	-	-	-	-
Gross potential revenue	-	-	-	-	-
Average gross potential revenue per transaction	-	-	-	-	-
Commuter rail operations:					
Growth of average daily ridership on commuter lines:					
Riverside line	4,050	4,404	4,651	4,715	4,911
IEOC line	4,900	4,438	4,613	4,522	4,317
91 line	3,258	2,610	2,419	2,340	2,407
Farebox recovery ratio:					
Riverside line	47.2%	45.7%	49.6%	50.9%	57.0%
IEOC line	31.8%	33.4%	32.6%	37.6%	34.9%
91 line	26.5%	27.7%	38.6%	51.3%	42.2%
Specialized transit/transportation:					
Specialized transit grants awarded	17	17	20	22	22
Commuter assistance:					
Rideshare Incentive members	505	597	736	1,106	926
Rideshare Plus Rewards members	792	1,142	3,723	5,770	6,786
Rideshare pledges	4,886	4,249	11,180	11,661	12,765
Rideguides produced	5,219	8,607	6,527	10,059	14,813
VanClub vanpools	N/A	N/A	N/A	N/A	N/A
Commuter Exchange events	N/A	N/A	48	54	55
Motorist assistance:					
Call boxes	240	545	549	570	580
Calls made from call boxes	2,161	3,053	3,882	4,685	5,337
Contracted Freeway Service Patrol vehicles	20	21	21	21	21
Assists by Freeway Service Patrol	40,180	36,711	42,471	44,278	43,633
IE511 web visits	618,130	473,462	452,713	443,359	399,730
IE511 call volumes	201,099	233,895	263,757	306,108	351,161
Transportation Uniform Mitigation Fee program:					
Approved regional arterial projects	20	24	24	24	24
Measure A program:					
Highways	\$ 250,360,723	\$ 372,657,029	\$ 325,128,109	\$ 299,398,122	\$ 118,750,336
Commuter rail	8,528,984	75,831,961	98,302,229	56,148,017	15,895,661
Regional arterials	14,739,703	17,090,247	5,012,254	1,441	1,787
Local streets and roads	51,864,011	49,826,564	48,615,815	46,677,580	44,594,891
Specialized transit and commuter assistance	13,826,624	14,499,642	14,063,310	13,378,223	11,927,634
Total program expenditures	<u>\$ 339,320,045</u>	<u>\$ 529,905,443</u>	<u>\$ 491,121,717</u>	<u>\$ 415,603,383</u>	<u>\$ 191,170,309</u>

Source: Commission Departments



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

	As of June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Commuterail:										
Transit centers owned and managed	1	1	1	1	1	1	1	1	1	1
Commuterail stations owned and managed	9	9	9	9	9	9	9	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
Toll operations:										
RCTC 91 Express Lanes										
Storage and maintenance building	-	-	1	1	1	1	-	-	-	-
Customer service center	1	1	1	1	-	-	-	-	-	-
Toll utility buildings	2	2	3	3	3	3	-	-	-	-
Miles of express lanes	36	36	36	36	36	36	-	-	-	-
Toll collection system gantries	4	4	4	4	4	4	-	-	-	-
On-road closed circuit TV cameras	36	36	36	36	36	36	-	-	-	-
Traffic operations center system	1	1	1	1	1	1	-	-	-	-
Communications network	1	1	1	1	1	1	-	-	-	-
Changeable message signs	5	5	6	6	6	6	-	-	-	-
15 Express Lanes										
Storage and maintenance building	1	1	-	-	-	-	-	-	-	-
Customer service center	1	1	-	-	-	-	-	-	-	-
Regional operations center buildings	1	1	-	-	-	-	-	-	-	-
Miles of express lanes	56	56	-	-	-	-	-	-	-	-
Toll collection system gantries	8	8	-	-	-	-	-	-	-	-
On-road closed circuit TV cameras	27	27	-	-	-	-	-	-	-	-
Traffic detection monitoring devices	37	37	-	-	-	-	-	-	-	-
Traffic operations center system	1	1	-	-	-	-	-	-	-	-
Communications network	1	1	-	-	-	-	-	-	-	-
Changeable message signs	3	3	-	-	-	-	-	-	-	-
Variable toll message signs	12	12	-	-	-	-	-	-	-	-

Source: Commission Departments





RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

**Riverside County
Transportation Commission**

(951) 787-7141 · www.rctc.org
4080 Lemon Street, 3rd Floor
P.O. Box 12008 · Riverside, CA
92502-2208