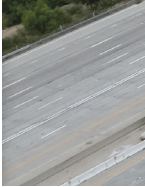




71/91 Interchange



Freeway Service Patrol



Downtown Riverside Station



15/91 Express Lanes
Connector



FISCAL YEAR ENDED
JUNE 30, 2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Riverside County Transportation Commission
Riverside County, California



Specialized Transit



RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2023

Submitted by:

Sergio Vidal
Chief Financial Officer



15/91 Express Lanes Connector

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RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

Introductory Section



October 31, 2023

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, 2023.

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, 2023. The independent auditor's report is located at the front of the financial section of this report.

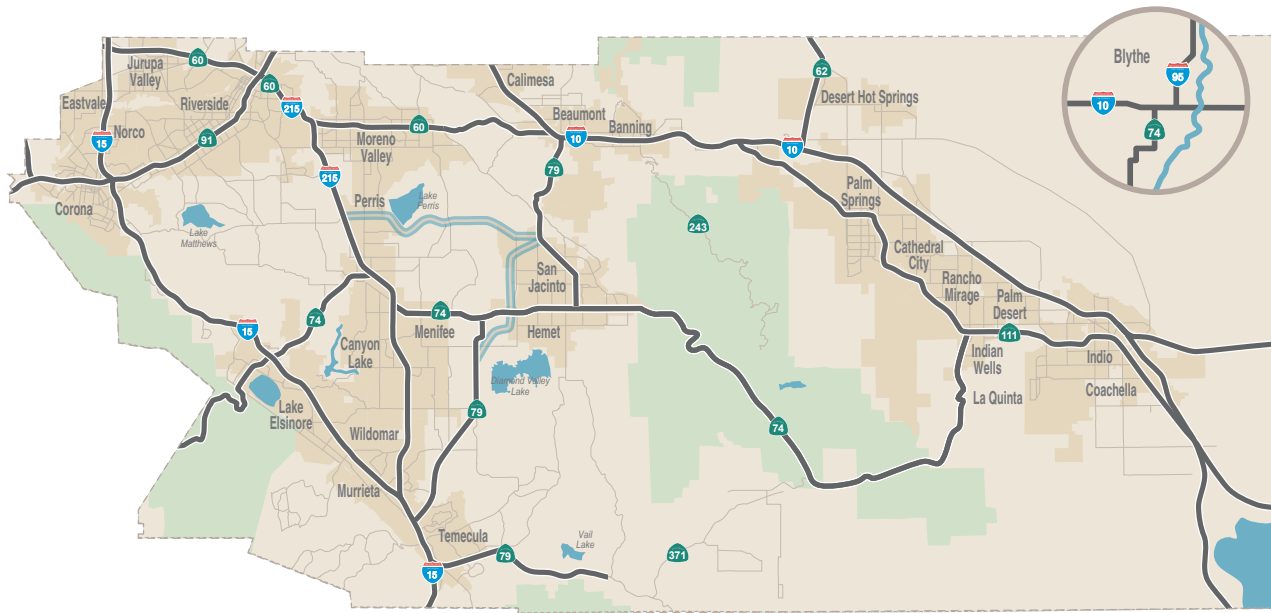
Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

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

Riverside county has demonstrated resiliency with unemployment nearing pre-pandemic levels of 5% and revenues continuing its upward trajectory. County local revenues including sales taxes and mitigation fees such as Transportation Uniform Mitigation Fees (TUMF) have outperformed budgetary expectations. 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 power 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, and expenditures, to actual amounts ensures that the Commission's expectations are realistic, and goals are achievable. Limited 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 approximately \$287 million exceeded the Commission's approved revised projection for FY 2022/23. For FY 2023/24, the Commission is cautiously optimistic for the future and thus continues projecting conservative assumptions in the upcoming fiscal year.

At the state level, transportation funding is a source of continuing debate regarding future priorities. Sustainability and vehicle mitigation 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 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 from new mitigation requirements.

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 Infrastructure Investment and Jobs Act or (IIJA).

Tolling is another important local funding source for the Commission, and it has largely recovered from the impacts resulting from the pandemic. Tolling on both 15 and 91 Express lanes surpassed forecasted expectations related to revenue while operating expenditures continue to be under-budget. During the upcoming fiscal year, RCTC will continue to monitor traffic patterns to ensure both facilities maintain consistent revenue patterns.

In looking to future funding decisions, providing, and ensuring equity to all will be an increasingly important priority and responsibility. Riverside County is home to a wide array of communities with differing needs. RCTC will place a special emphasis on education, 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 are also several notable completed projects – providing tangible examples of the Commission completing promises that were made to voters who approved Measure A such as the recent completion of the SR-60 truck lanes, continued improvements within the SR-91 Corridor and investments to the County's rail network and facilities. 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

The Commission continues to advance projects to meet both the short-term and long-term needs of County residents. Similar investments and resulting job creation can be seen throughout the County as seen in the recently completed highway and rail projects:

Regional Arterial Projects: The Commission recently awarded approximately \$130 million in regional arterial projects funded by both TUMF and Measure A. The award was distributed to areas within Western Riverside County for various street widening projects and local arterial extensions.

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. MCP project has expanded to include continued Right-of-Way purchases and begin design work for the 3rd phase of the project.

Smart Freeways: Another project on I-15 is the Smart Freeways project within the City of Temecula. The project includes ramp metering to ensure a consistent flow of vehicular traffic enters the freeway. The pilot project is in its preliminary phase during the upcoming budget year.

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. Estimated completion for this project late calendar year 2023.

71/91 Interchange: The Commission began work in early 2023 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 is anticipated to be completed in 2025.

Commuter Rail Improvements: The Commission continues to invest in rail infrastructure within the County, exemplified by the Moreno Valley/March Field (MV/MF) Station upgrade. The MV/MF project is slated to add an additional platform, rehabilitate, and replace an existing second track along with adding a new signal system. The project is expected to be completed in 2024 with an estimated total project cost of \$40 million.

Another exciting rail improvement is the Perris Valley Line project which will replace the second track and add a new traffic signal system. Project cost is estimated to be \$30 million with a completion date of 2025.

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.

79 Realignment: Another large 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 areas 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 productive relationship with the Orange County Transportation Authority (OCTA) regarding the operation of the 91 Express Lanes. During the recently completed fiscal year, RCTC also entered into an agreement with San Bernardino County Transportation Authority (SBCTA) in assigning 2.2 lanes miles of the existing I-15 Toll Facility. The assignment to SBCTA will not occur until the project nears completion during calendar year 2026.

Furthermore, the Commission is currently working on another direct connection project 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 following agencies: 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 also 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. As noted above, the Commission recently awarded approximately \$50.0 million to local areas with funding for their regional arterial programs. The funding reflects the partnership and investment within the County.

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. The network consists of eight lines serving six counties, including the new ARROW service. The system typically carried an average of slightly more than 40,000 passengers each weekday prior to COVID-19, however ridership dropped and is slowly recovering.

The Commission owns and operates nine stations served by the three Metrolink lines operating through the County, including four 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. Average daily ridership on the Riverside Line during fiscal year 2022-23 was 1,001.
- *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 in 1995, this service was described as the first suburb-to-suburb commuter rail service in the nation. Average daily ridership on the IEOC Line during fiscal year 2022-23 was 1,824. 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. Average daily ridership on the 91/Perris Valley Line during fiscal year 2022-23 was 1,585. This line also provides weekend service.

Coachella Valley-San Geronimo 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 to five 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) 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:

Ride matching 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 ride matches 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 2022-23, VanClub supported an average of 37 vans per month resulting in the reduction of more than an estimated 58,000 trips, 2.3 million miles, and 855 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 22 tow trucks roving along 11 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 2022-23, the FSP provided approximately 51,600 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 2022-23, call box operators answered approximately 782 calls from motorists.

Traveler Information: To further promote mobility, the Commission in collaboration with Southern California partners (LA Metro, OCTA, SBCTA, and VCTC), provides motorists with access to real-time freeway travel information and incident information on Southern California highways through its SoCal 511 Traveler Information system. SoCal 511 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 County, online at www.Go511.com, or the Go511

mobile app. SoCal 511 is funded with Riverside County SAFE funds. In FY 2022-23, SoCal 511 serviced 901,233 web visits across SoCal 511 partner regions and 72,689 phone calls within the Inland Empire.

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 in January 2021. 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 fiscal year 2022/23, public and nonprofit transit operators provided over 170,000 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 during fiscal year 2022/23. 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 bimonthly 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, 2023. This was the 30th 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, particularly the dedication, professional judgement, and prudence by the Finance department, led by the Deputy Director of Finance. 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



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
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Presented to

**Riverside County Transportation Commission
California**

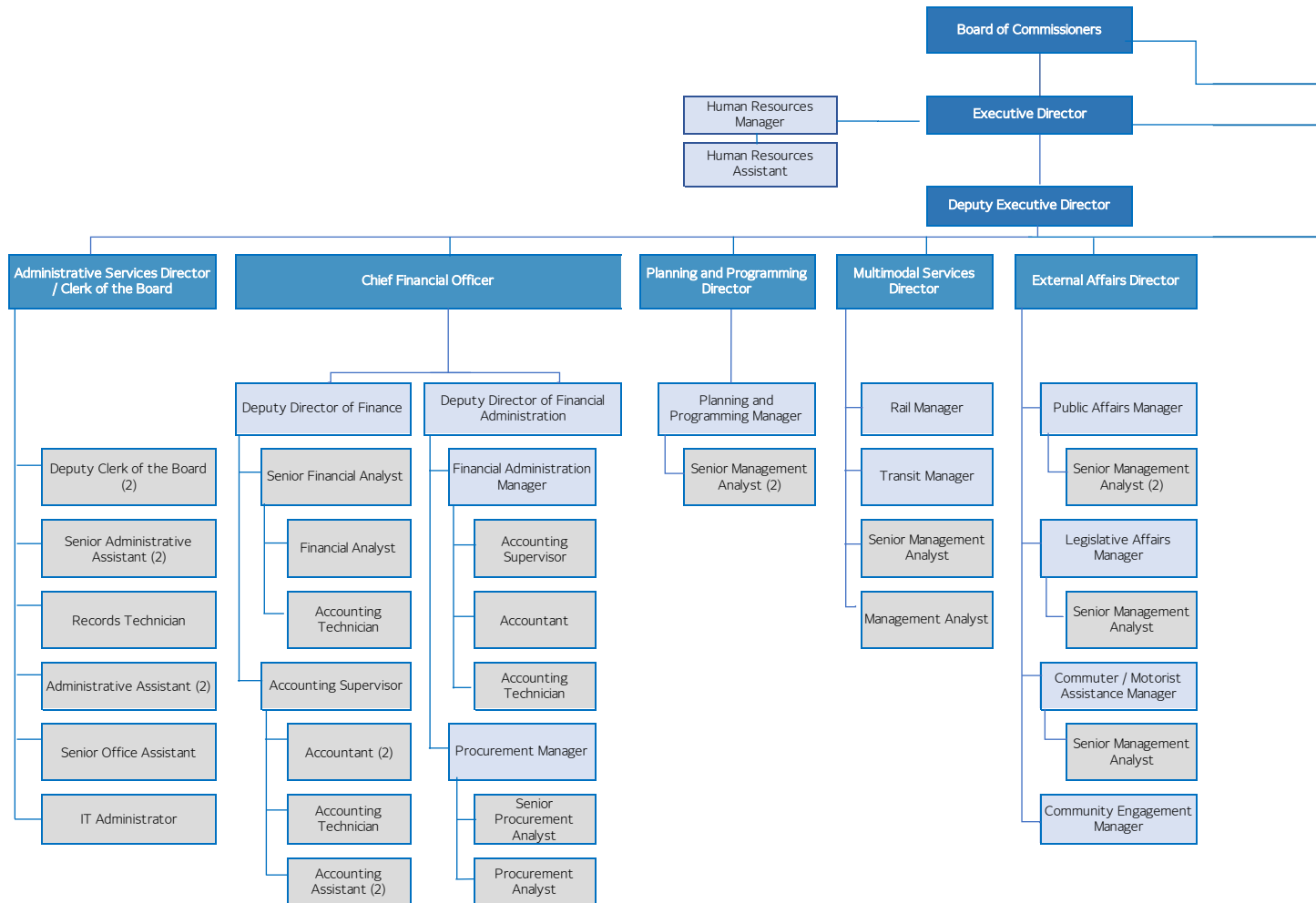
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

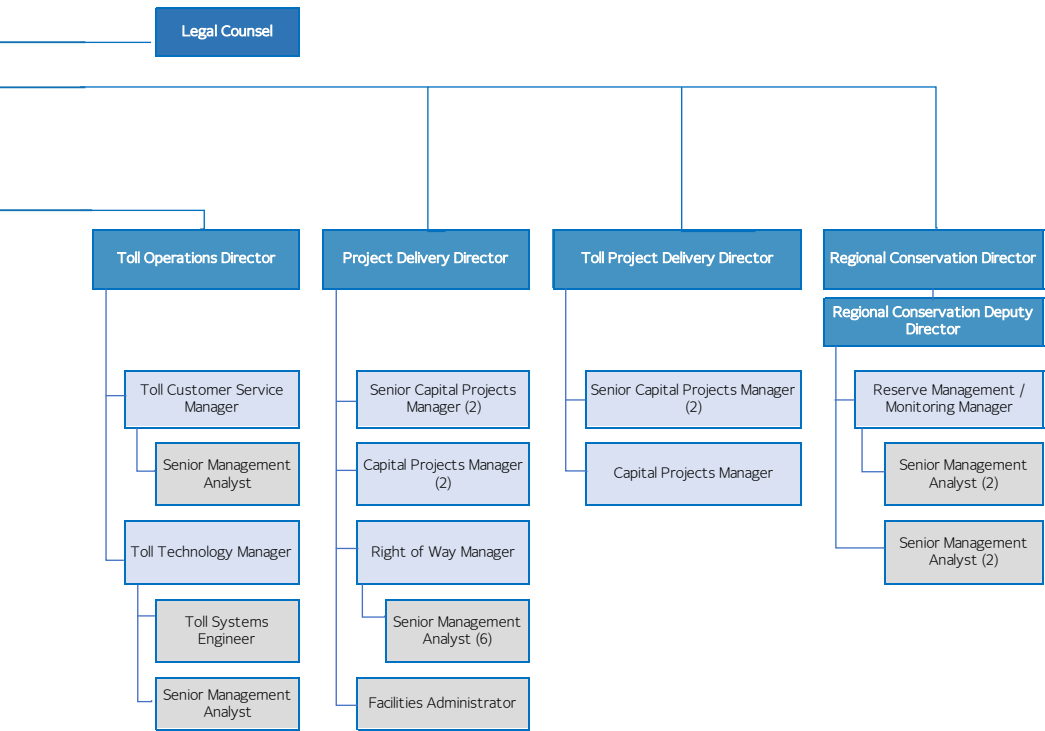


Executive Director/CEO

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	2nd Vice Chair (Commission)	County of Riverside, District 2
Chuck Washington	Member	County of Riverside, District 3
V. Manuel Perez	Member	County of Riverside, District 4
Yxstian Gutierrez	Member	County of Riverside, District 5
Sheri Flyn	Member	City of Banning
Lloyd White	Vice Chair (Commission)	City of Beaumont
Joseph DeConinck	Member	City of Blythe
Linda Molina	Vice Chair (Budget and Implementation)	City of Calimesa
Jeremy Smith	Chair (Budget and Implementation Committee)	City of Canyon Lake
Raymond Gregory	Member	City of Cathedral City
Steven Hernandez	Member	City of Coachella
Wes Speake	Vice Chair (Western Riverside County Programs and Projects Committee)	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	Chair (Western Riverside County Programs and Projects Committee)	City of Jurupa Valley
Kathleen Fitzpatrick	Member	City of La Quinta
Bob Magee	Chair (Commission)	City of Lake Elsinore
Bill Zimmerman	Member	City of Menifee
Ulises Cabrera	Member	City of Moreno Valley
Cindy Warren	Member	City of Murrieta
Katherine Aleman	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
Meg Marker	Member	City of Rancho Mirage
Chuck Conder	Member	City of Riverside
Alonso Ledezma	Member	City of San Jacinto
James Stewart	Member	City of Temecula
Joseph Morabito	Chair (Toll Policy and Operations Committee)	City of Wildomar
Catalino Pining	Governor's Appointee	Caltrans, District 8

MANAGEMENT STAFF

Anne Mayer, *Executive Director*
 Aaron Hake, *Deputy Executive Director*
 Jennifer Crosson, *Toll Operations Director*
 Erik Galloway, *Project Delivery Director*
 Jillian Guizado, *Planning and Programming Director*
 Aaron Gabbe, *Regional Conservation Deputy Executive Director*
 David Knudsen, *External Affairs Director*
 Lorelle Moe-Luna, *Multimodal Services Director*
 David Thomas, *Toll Project Delivery Director*
 Lisa Mobley, *Administrative Services Director/Clerk of the Board*
 Sergio Vidal, *Chief Financial Officer*



Riverside-Downtown Station



RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

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, 2023, 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, 2023, 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 Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, for the year ended June 30, 2023. Accordingly, a restatement has been made to the governmental activities as of July 1, 2022, 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 the 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 the 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 GAAS, 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 GAAS. 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.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Rancho Cucamonga, California
October 31, 2023

Riverside County Transportation Commission
Management's Discussion and Analysis
Year Ended June 30, 2023

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, 2023. 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 \$1,188,488,943 and consisted of net investment in capital assets of \$306,568,725; restricted other post-employment benefits net position of \$2,227,000, and restricted net position of \$1,392,072,851; and unrestricted net position (deficit) of (\$510,152,633).
- 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 \$239,673,908 during fiscal year (FY) 2022/23. An increase in net position from governmental activities of \$269,238,074 was primarily due to increases in capital grants and contributions due to funding received for a connector project in the City of Corona, continued strong economic activity within the County resulting in higher Measure A and TDA sales taxes. The increase is offset by higher expenditures and lower operating grants and contributions due to exhausting of pandemic relief funds. An increase in net position deficit from business-type activities of \$29,564,166 resulted from toll revenue increases, offset by increases in required repair and rehabilitation expenses for the 91 Express Lanes and transfers of 91 Express Lanes surplus funding for the 15/91 Express Lanes Connector project from the 91 Express Lanes.
- Total capital assets, net of accumulated depreciation and amortization, were \$1,351,213,184 at June 30, 2023, representing an increase of \$59,359,792 or 5%, from June 30, 2022. The increase in capital assets was primarily related to an increase in land for the SR-91 project, construction in progress on the 15/91 Express Lanes Connector and I-15 Express Lanes Southern Extension projects, including rail station improvements.
- The long-term obligations decreased of \$33,017,312, or 2% and is related to principal payments on the sales tax revenue bonds and amortization of sales tax revenue bonds premium; offset by the compounded and accreted interest on the TIFIA loans. Additionally, deferred inflows of resources show a decrease of \$3,517,944, or 37% and is related to lower leases, pension and other post-employment benefits (OPEB).
- The Commission's governmental funds reported combined ending fund balances of \$1,271,162,231, an increase of \$166,516,025 compared to FY 2021/22 primarily due to increases in sales taxes, intergovernmental revenues for reimbursement of projects costs, investment income, and transfers in, 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 22-33 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 38-83 of this report.

Other Information

Other information is in addition to the basic financial statements and accompanying notes to the financial statements. This report also presents certain required supplementary information concerning the Commission's budgetary results for the General fund and major Special Revenue funds as well as the schedules of proportionate share of net pension liability, pension contributions, changes in the net other post-employment benefits (OPEB) asset and related ratios, and OPEB contributions. Required supplementary information can be found on pages 86-95 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 99-112 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, 2023, the Commission's assets, including deferred outflows of resources, exceeded liabilities, and deferred outflow of inflows, by \$1,188,488,943, a \$239,673,908 increase from June 30, 2022. 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 27%, compared to 26% in FY 2021/22, 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 increase is related to construction in progress for the 15/91 Express Lanes Connector and I-15 Express Lanes Southern Extension projects, including rail station improvements, and the purchase of land, offset by the payment of debt.

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, 2023. Restricted net position from governmental activities increased by \$155,267,179, as a result of the increased sales tax and capital contributions, including investment income and transfers in, offset by a net increase in program expenses. Restricted net position deficit from business-type activities decreased \$23,762,657 primarily as a result of net revenues from operations, offset by increased repair and rehabilitation project costs on the 91 Express Lanes, higher than anticipated roll revenues, and continued transfer of surplus funding for the 15/91 Express Lanes Connector project.

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 \$540,884,718 at June 30, 2022 to \$510,152,633 at June 30, 2023. 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, 2023 and June 30, 2022:

Net Position	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$1,355,891,955	\$1,234,626,680	\$ 226,456,593	\$242,917,535	\$1,582,348,548	\$1,477,544,215
Capital assets not being depreciated	504,689,862	425,407,610	25,725,838	16,864,711	530,415,700	442,272,321
Capital assets, net of depreciation and amortization	240,059,671	251,238,636	580,737,813	597,217,318	820,797,484	848,455,954
Total assets	2,100,641,488	1,911,272,926	832,920,244	856,999,564	2,933,561,732	2,768,272,490
Deferred outflows of resources	38,837,345	42,331,367	15,546,499	16,053,065	54,383,844	58,384,432
Total assets and deferred outflows of resources	2,139,478,833	1,953,604,293	848,466,743	873,052,629	2,987,945,576	2,826,656,922
Long-term obligations	795,541,492	835,313,388	902,311,767	895,557,183	1,697,853,259	1,730,870,571
Other liabilities	79,610,619	119,963,133	15,891,978	17,389,461	95,502,597	137,352,594
Total liabilities	875,152,111	955,276,521	918,203,745	912,946,644	1,793,355,856	1,868,223,165
Deferred inflows of resources	5,403,507	8,642,631	697,270	976,090	6,100,777	9,618,721
Total liabilities and deferred inflows of resources	880,555,618	963,919,152	918,901,015	913,922,734	1,799,456,633	1,877,841,886
Net position:						
Net investment in capital assets	483,304,687	415,495,777	(176,735,962)	(171,314,772)	306,568,725	244,181,005
Restricted	1,285,771,161	1,115,074,082	106,301,690	130,444,666	1,392,072,851	1,245,518,748
Unrestricted (deficit)	(510,152,633)	(540,884,718)	-	-	(510,152,633)	(540,884,718)
Net position at end of year	\$1,258,923,215	\$ 989,685,141	\$ (70,434,272)	\$ (40,870,106)	\$1,188,488,943	\$ 948,815,035

Changes in Net Position

The Commission's total program and general revenues were \$872,004,711, while the total cost of all programs was \$632,330,803. Total revenues increased by 9%, and the total cost of all programs increased by 19%. Those who directly benefited from the programs or other governments that subsidized certain programs with grants and contributions paid approximately 56% of the costs of the Commission's programs in FY 2022/23, compared to 66% of the costs in FY 2021/22. Sales taxes ultimately financed a significant portion of the programs' net costs.

Governmental and business-type activities increased the Commission's net position by \$239,673,908 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 \$10,249,966, or 10%, due to slightly increased traffic volumes, including changes in toll rates on the RCTC 91 Express Lanes and 15 Express Lanes;
- Operating grants and contributions decreased by \$98,098,702, or 55%, primarily due to state reimbursements related to commuter rail operations, planning and programming, and freeway service patrol due to exhausting pandemic relief funds;
- Capital grants and contributions increased by \$86,389,822, or 120%, primarily due to federal and state reimbursements related to the project funding for 71/91 Connector, Mid County Parkway, and smart freeway projects;
- Measure A sales tax revenues increased by \$7,258,180, or 3%. This increase is primarily as a result of online sales, including sales from a diversified economic base in Riverside County;
- Transportation Development Act (TDA) sales taxes increased by \$17,208,847, or 10%, primarily as a result of increased economic activity, including sales from a diversified economic base in Riverside County;

- Unrestricted investment earnings increased \$49,135,935, or 277% due to unrealized gains in the portfolio compared to unrealized losses in FY 2021/22;
- Other miscellaneous revenues decreased \$96,774, or 4%, due primarily to the sale of rail and highway properties in the previous fiscal year;

Changes in Net Position	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 314,643	\$ 392,868	\$ 112,707,067	\$ 102,378,876	\$ 113,021,710	\$ 102,771,744
Operating grants and contributions	81,558,262	179,656,964	-	-	81,558,262	179,656,964
Capital grants and contributions	158,239,283	71,849,461	-	-	158,239,283	71,849,461
General revenues:						
Measure A sales taxes	287,428,762	280,170,582	-	-	287,428,762	280,170,582
TDA sales taxes	197,891,127	180,682,280	-	-	197,891,127	180,682,280
Unrestricted investment earnings (loss)	25,402,156	(14,295,090)	5,985,986	(3,452,703)	31,388,142	(17,747,793)
Other miscellaneous revenue	2,477,425	2,574,199	-	-	2,477,425	2,574,199
Total revenues	753,311,658	701,031,264	118,693,053	98,926,173	872,004,711	799,957,437
Expenses						
General government	3,381,001	(2,868,799)	-	-	3,381,001	(2,868,799)
Bicycle and pedestrian facilities	2,578,177	1,587,819	-	-	2,578,177	1,587,819
CETAP	1,046,199	5,181,055	-	-	1,046,199	5,181,055
Commuter assistance	4,187,763	3,229,524	-	-	4,187,763	3,229,524
Commuter rail	58,899,642	34,291,250	-	-	58,899,642	34,291,250
Highways	177,171,636	159,525,490	-	-	177,171,636	159,525,490
Local streets and roads	87,229,315	85,183,610	-	-	87,229,315	85,183,610
Motorist assistance	4,606,991	4,322,295	-	-	4,606,991	4,322,295
Planning and programming	8,099,856	4,774,012	-	-	8,099,856	4,774,012
Regional arterials	8,157,544	24,258,688	-	-	8,157,544	24,258,688
Regional conservation	10,243,763	1,492,799	-	-	10,243,763	1,492,799
Toll operations	-	-	102,562,700	96,696,426	102,562,700	96,696,426
Transit and specialized transportation	134,722,572	85,415,249	-	-	134,722,572	85,415,249
Interest expense	29,443,644	30,512,904	-	-	29,443,644	30,512,904
Total expenses	529,768,103	436,905,896	102,562,700	96,696,426	632,330,803	533,602,322
Excess (deficiency) of revenues over (under) expenses	223,543,555	264,125,368	16,130,353	2,229,747	239,673,908	266,355,115
Transfers	45,694,519	(11,165,147)	(45,694,519)	11,165,147	-	-
Increase (decrease) in net position	269,238,074	252,960,221	(29,564,166)	13,394,894	239,673,908	266,355,115
Net position at beginning of year	989,685,141	736,724,920	(40,870,106)	(54,265,000)	948,815,035	682,459,920
Net position at end of year	\$1,258,923,215	\$ 989,685,141	\$ (70,434,272)	\$ (40,870,106)	\$1,188,488,943	\$ 948,815,035

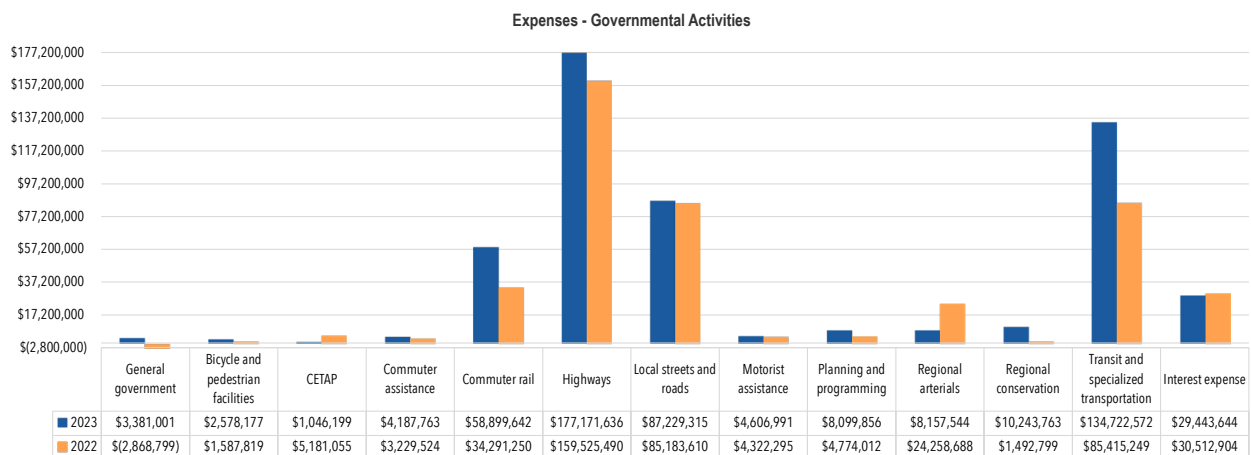
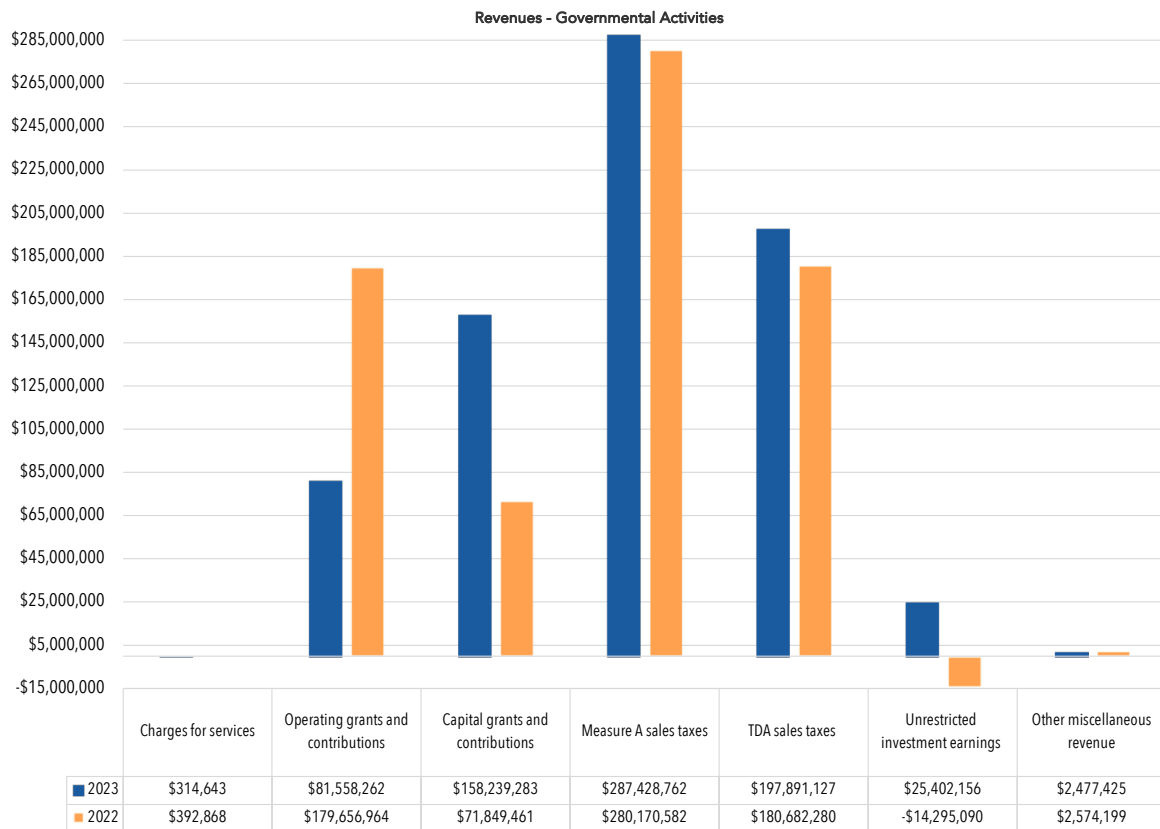
- General government expenses increased by \$6,249,800, or 218%, primarily due to the recognition of the pension actuarial liability compared to a pension actuarial asset in FY 2021/22 and is recognized as a deferred outflow of pension contributions;
- Bicycle and pedestrian facilities expenses increased by \$990,358, or 62%, due to an increase in claims submitted for approved projects;
- CETAP expenses decreased \$4,134,856, or 80%, due to Mid County Parkway project funding in the previous fiscal year;
- Commuter assistance expenses increased \$958,239, or 30%, primarily due to an increase in program management services;
- Commuter rail expenses increased by \$24,608,392 or 72%, as a result increased 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;

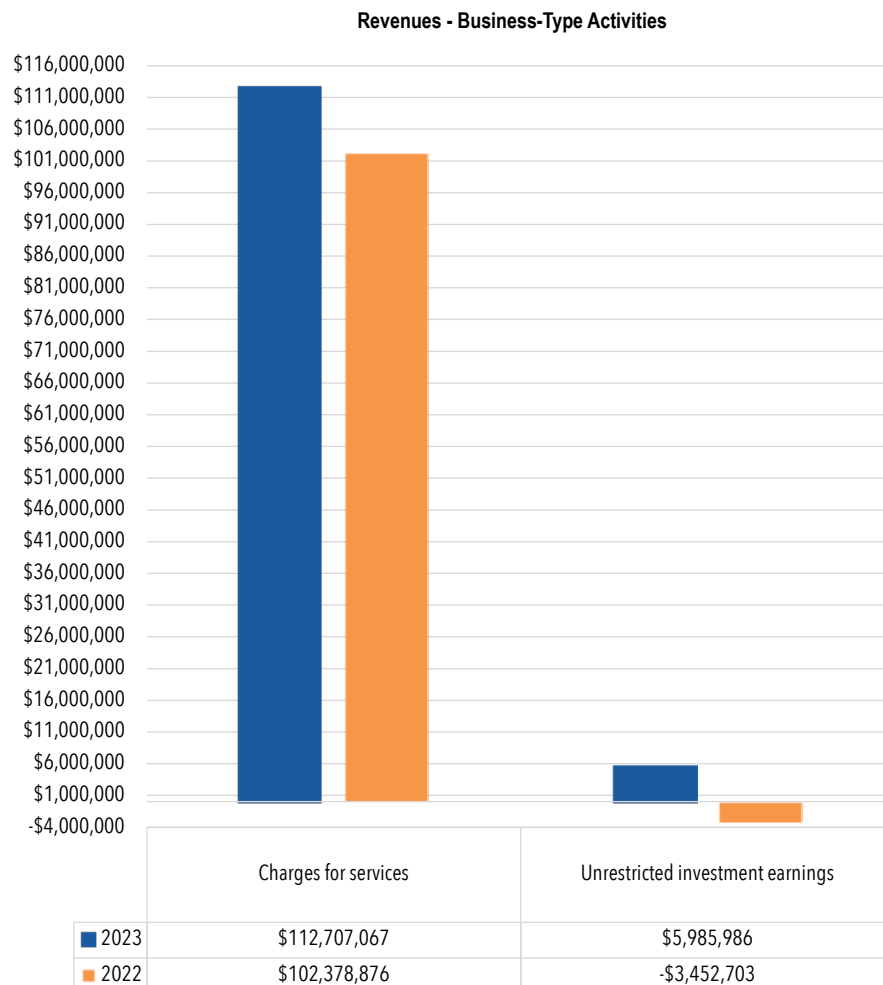
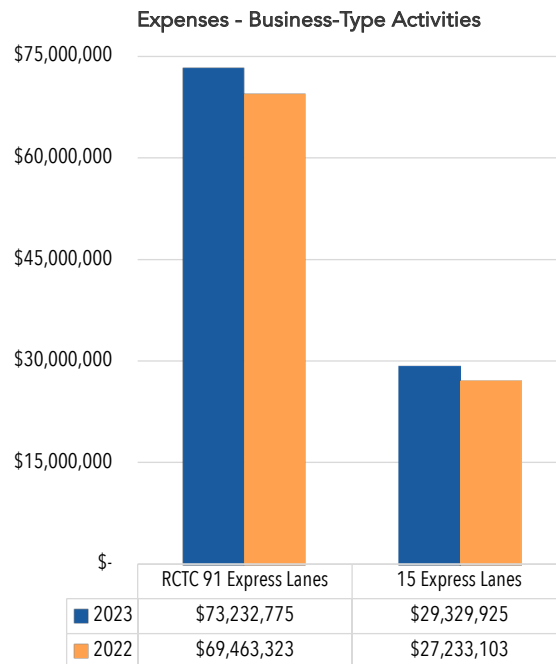
- Highway expenses increased by \$17,646,146, or 11%, due primarily to right of way activities on the SR-91 project;
- Local streets and roads expenses increased by \$2,045,705 or 2%, because of an increase in the overall Measure A sales tax revenue have a corresponding allocation increase to the local jurisdictions;
- Motorist assistance expenses increased by \$284,696, or 7%, due primarily to reduced freeway service patrol activities;
- Planning and programming expenses increased by \$3,325,844, or 70%, due to LTF planning allocations and various next generation express lanes and transit-oriented communities strategic plan development studies;
- Regional arterial expenses decreased by \$16,101,144 or 66%, as a result of a net decrease in reimbursements to local jurisdictions for approved regional arterial projects;
- Regional conservation expenses increased by \$8,750,964, or 586%, primarily due to the recognition of the pension actuarial liability that is recognized as a deferred outflow of pension and OPEB contributions, along with professional services, right of way support costs, and reimbursement for administrative cost allocations;
- Toll operations expenses increased by \$5,866,274, or 6%, due primarily to the required repair and rehabilitation activities on the 91 Express Lanes;
- Transit and specialized transportation expenses increased by \$49,307,323, or 58%, 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 \$1,069,260, or 4%, 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 increased \$56,859,666, or 509%, due to the surplus funding on the 15/91 Express Lanes Connector project from the 91 Express Lanes enterprise fund. Surplus funding is generated from prior year toll revenues. The 15/91 Express Lanes Connector project will be completed during FY 2023/24.



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, 2023 and June 30, 2022:



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, 2023 and June 30, 2022:



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, 2023, the Commission's governmental funds reported combined ending fund balances of \$1,271,162,231, an increase of \$166,516,025 compared to FY 2021/22. Less than 1%, or \$1,877,579, is nonspendable fund balance related to prepaid amounts; \$2,568,283 is assigned fund balance for general government administration activities; and an unassigned deficit of \$3,392 is related to a deficit fund balance in the Nonmajor governmental fund. The remainder of the fund balance is restricted to indicate the following externally enforceable legal restrictions:

- \$9,475,739 in TDA funds that have been allocated to jurisdictions within the County for bicycle and pedestrian projects;
- \$70,900,091 of TUMF funds for new CETAP corridors in Western County;
- \$22,565,325 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;
- \$81,104,176 in TDA, Measure A, and Proposition 1B funds for commuter rail operations and capital projects and \$2,257,390 in TDA and Proposition 1B funds for the Coachella Valley/San Geronio Pass rail corridor;
- \$11,871,675 in 2009 Measure A funds available to pay sales tax revenue bonds debt service over the next year;
- \$363,128,931 for highway, economic development, and new corridor projects related to the 1989 Measure A and 2009 Measure A programs;
- \$13,328,700 in state funds for motorist assistance services;
- \$8,631,578 of TDA funds and \$28,174 intergovernmental funds for planning and programming activities;
- \$102,340,390 and \$77,370,646 for regional arterial projects in Western County related to the 2009 Measure A and TUMF programs, respectively;
- \$20,022,394 of Measure A funds for transit and specialized transportation in the Western County and \$1,773,181 for specialized transportation in the Coachella Valley; and
- \$481,921,371 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 by fund category for the fiscal years ended June 30, 2023 and 2022:

	Fund Balances Year Ended June 30		% Change
	2023	2022	
General fund	\$ 37,100,151	\$ 35,788,510	4%
Special Revenue major funds:			
Measure A Western County	438,154,128	379,440,191	15%
Measure A Coachella Valley	96,210,303	84,343,540	14%
Transportation Uniform Mitigation Fee	148,270,737	119,352,193	24%
Local Transportation Fund	336,576,925	276,854,895	22%
State Transit Assistance	142,158,549	131,655,414	8%
SB 132	1,003,665	(385,823)	360%
Capital Projects major funds:			
Commercial Paper	13,392,732	15,043,286	-11%
Bonds	18,149,828	25,576,707	-29%
Debt Service fund	11,871,675	11,067,296	7%
Nonmajor governmental funds	28,273,538	25,909,997	9%
Total	\$1,271,162,231	\$1,104,646,206	

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

- The 4% increase in the General fund resulted from increased commuter rail TDA funds transfers, offset by the increase in commuter rail, planning and programming, and transit and specialized transportation program expenditures;
- The 15% increase in the Measure A Western County Special Revenue fund was attributed to excess 2009 Measure A revenues and interest income, offset by increased commuter assistance, commuter rail, local streets and roads, regional arterials, and transit and specialized transportation expenditures;
- The 14% 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 24% increase in the TUMF Special Revenue fund was attributable to excess TUMF revenues over CETAP and regional arterial expenditures;
- The 22% and 8% increase in the Local Transportation Fund and State Transit Assistance, respectively, 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 360% increase in the SB 132 fund resulted from reimbursement of project costs related to the 15/91 Express Lanes Connector project;
- The 11% decrease in the Commercial Paper Capital Projects fund was attributed to the use of excess funds for the repayment of debt service;
- The 29% 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 reimbursement of project costs;
- The 7% increase in the Debt Service fund was attributable to an increase in; and
- The 9% increase in nonmajor governmental funds resulted primarily from the excess of State of Good Repairs revenues over claims of allocations for transit operations and capital projects and excess Freeway Service Patrol funding over program expenditures.

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 \$70,434,272 at June 30, 2023. The deficit is related to the RCTC 91 Express Lanes toll-supported debt in excess of capital and intangible assets.

General Fund Budgetary Highlights

The \$2,419,800 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:

- \$812,400 decrease to general government for various operations support services;
- \$884,500 decrease to the commuter rail program;
- \$3,258,200 increase to the planning and programming program;
- \$1,900 increase to transit and specialized transportation professional costs;
- \$836,600 increase to lease and subscription IT debt service costs; and
- \$20,000 increase to capital outlay.

During the year, General fund revenues were lower than budgetary estimates by \$16,694,427; expenditures were less than budgetary estimates by \$30,940,103. General fund budgetary variances between the final amended budget and actual amounts are as follows:

General Fund Budgetary Variances	Year Ended June 30, 2023			
	Original Budget	Final Amended Budget	Actual	% Variance
Revenues				
Intergovernmental	\$ 22,610,600	\$ 22,610,600	\$ 5,225,498	\$ (17,385,102)
Investment income	36,400	36,400	725,357	688,957
Other	-	-	1,718	1,718
Total revenues	22,647,000	22,647,000	5,952,573	(16,694,427)
Expenditures				
Current				
General government	12,406,600	11,594,200	-	11,594,200
Commuter rail	44,997,700	44,113,200	30,738,018	13,375,182
Planning and programming	2,740,800	5,999,000	3,972,025	2,026,975
Transit and specialized transportation	1,590,100	1,592,000	911,442	680,558
Debt service	-	836,600	836,270	330
Capital outlay	3,343,900	3,363,900	101,042	3,262,858
Total expenditures	65,079,100	67,498,900	36,558,797	30,940,103
Other financing sources (uses)				
Transfers in	44,979,600	44,979,600	31,925,738	(13,053,862)
Transfers out	(2,990,800)	(2,990,800)	(7,873)	2,982,927
Total other financing sources (uses)	\$ 41,988,800	\$ 41,988,800	\$ 31,917,865	\$ (10,070,935)

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

- \$17,385,102 negative variance for intergovernmental revenues primarily related to lower eligible intergovernmental reimbursements due to lower commuter rail expenditures;
- \$688,957 positive variance for investment income includes higher investment yields and unrealized gains;
- \$1,718 positive variance for other revenues related to commuter rail offender fees;
- \$11,594,200 positive variance for general government expenditures related to the administrative cost allocations process;
- \$13,375,182 positive variance for commuter rail expenditures related to lower Metrolink operations costs due to the availability of federal relief funds to SCRRRA and delay in various rail capital projects;
- \$2,026,975 positive variance for planning and programming expenditures related to lower professional services, special studies, planning allocations, and other expenditures such as staff support;
- \$680,558 positive variance for transit and specialized transportation expenditures related to lower professional services, special studies, and other expenditures such as staff support;
- \$330 positive variance for debt service expenditures related to the GASB Statement No. 87 *Leases* and GASB Statement No. 96 *Subscriptions*;
- \$3,262,858 positive variance for capital outlay expenditures related to implementation of replacement of finance enterprise resource planning system and rail station improvements;
- \$13,053,862 negative variance for transfers in related to the administrative cost allocations process and lower commuter rail activities than anticipated; and
- \$2,982,927 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, 2023, the Commission had \$1,351,213,184, 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 and subscription IT assets. The total increase in the Commission's total capital assets, net for FY 2022/23 was 5% and primarily attributable to construction in progress for the 15/91 Express Lanes Connector project and right of way acquisition for the SR-91 project.

Major capital asset additions during 2023 included construction in progress for the 15/91 Express Lanes Connector project, rail station improvements, right of way acquisition, and construction easements on various projects. Capital assets includes the implementation of GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscriptions*, reflecting the right to use assets for land, buildings, equipment, and subscription IT.

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Capital assets not being depreciated:						
Land and land improvements	\$ 179,033,069	\$ 170,015,793	\$ 19,237,061	\$ 11,990,286	\$ 198,270,130	\$ 182,006,079
Construction easements	4,202,495	4,202,495	259,657	259,657	4,462,152	4,462,152
Rail operating easements	63,846,199	63,846,199	-	-	63,846,199	63,846,199
Construction in progress	256,932,495	186,511,029	6,229,120	4,614,768	263,161,615	191,125,797
Development in progress	675,604	832,094	-	-	675,604	832,094
Total capital assets not being depreciated	504,689,862	425,407,610	25,725,838	16,864,711	530,415,700	442,272,321
Capital assets being depreciated and amortized, net of accumulated depreciation and amortization:						
Rail stations	116,671,691	122,988,654	-	-	116,671,691	122,988,654
Rail tracks	118,701,546	123,881,250	-	-	118,701,546	123,881,250
Temporary construction easements	368,352	740,774	-	-	368,352	740,774
Buildings and building improvements	-	-	5,167,778	6,027,357	5,167,778	6,027,357
Toll infrastructure	-	-	17,231,726	22,851,446	17,231,726	22,851,446
Transponders	-	-	-	9,888	-	9,888
Toll facility franchise	-	-	558,282,209	568,238,032	558,282,209	568,238,032
Office improvements, furniture, equipment, and vehicles	737,440	300,587	56,100	90,595	793,540	391,182
Total capital assets, net of accumulated depreciation and amortization	236,479,029	247,911,265	580,737,813	597,217,318	817,216,842	845,128,583
Intangible right to use leased assets, net of accumulated amortization						
Land	8,401	16,803	-	-	8,401	16,803
Buildings	2,636,321	3,246,658	-	-	2,636,321	3,246,658
Equipment	33,795	63,910	-	-	33,795	63,910
Total intangible right to use leased assets, net of accumulated amortization	2,678,517	3,327,371	-	-	2,678,517	3,327,371
Intangible right to use subscription IT assets, net of accumulated amortization	902,125	1,125,117	-	-	902,125	1,125,117
Total capital assets	\$ 744,749,533	\$ 677,771,363	\$ 606,463,651	\$ 614,082,029	\$1,351,213,184	\$1,291,853,392

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 5 to the financial statements.

Debt Administration

As of June 30, 2023, the Commission had \$1,690,797,309 outstanding in sales tax and toll revenue bonds, including a TIFIA loan as follows:

Sales tax revenue bonds	\$ 788,875,246
Toll revenue bonds	734,891,709
TIFIA loan	<u>167,030,354</u>
Total outstanding sales tax and toll revenue bonds	<u>\$ 1,690,797,309</u>

The total debt decreased from the \$1,726,159,056 outstanding as of June 30, 2022 primarily due to the following:

	Balance June 30, 2022	Additions	Reduction	Balance June 30, 2023
Governmental activities				
Sales tax revenue bonds	\$ 747,320,000	\$ -	\$ (31,405,000)	\$ 715,915,000
Sales tax bonds premium	83,418,739	-	(10,458,493)	72,960,246
Business-type activities				
Toll revenue bonds	678,665,952	4,394,620	-	683,060,572
Toll revenue bonds premium	54,368,512	-	(2,537,375)	51,831,137
TIFIA loan	<u>162,385,853</u>	<u>4,644,501</u>	<u>-</u>	<u>167,030,354</u>
Total outstanding sales tax and toll revenue bonds	<u>\$ 1,726,159,056</u>	<u>\$9,039,121</u>	<u>\$44,400,868</u>	<u>\$ 1,690,797,309</u>

- Sales tax revenue bonds was reduced by \$41,863,493 due to reductions resulting from principal payments in the amount of \$31,405,000 and premium amortization of \$10,458,493; and
- Toll revenue bonds increased \$4,394,620 due to the accretion of the 2013 Toll Revenue Bonds and premium amortization of \$2,537,375; and
- TIFIA loan increased \$4,644,501 due to 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, 2023, the Commission had \$0 in commercial paper notes outstanding.

As of June 30, 2023, outstanding debt for the Commission is \$715,915,000, which is \$259,085,000 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, for the 91 Project not to exceed \$900,000,000, which is in excess of the total outstanding debt of \$683,060,572. 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 \$167,030,354 due to annual accrued compounding interest. 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 2023 Commission meeting, the Commission adopted guiding principles for use in the preparation of the FY 2023/24 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 2023/24 annual budget on June 14, 2023. Approximately 53% of the \$983,490,200 balanced budget is related to capital project expenditures, including:

- \$4,258,700 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;
- \$8,516,200 for repair and rehabilitation of the 91 Express Lanes;
- \$1,350,000 for repair and rehabilitation of the 15 Express Lanes;
- \$3,385,600 for construction and engineering activities related to the 91 Corridor Operations project (COP), including the eastbound COP;
- \$1,378,300 for engineering, construction, design-build, and right of way activities related to the I-15 Express Lanes projects;
- \$38,389,000 for construction, design-build, and right of way activities related to the 15/91 Express Lanes Connector project;
- \$13,439,000 for engineering related to the I-15 Express Lanes-Southern Extension project;
- \$4,999,500 for engineering and construction related to the I-15 Corridor Operations project, including the interim project;
- \$448,700 for right of way support services, engineering, and construction related to the I-15/Railroad Canyon Interchange project;
- \$66,221,900 for engineering, right of way activities, and construction related to the 71/91 Connector project;
- \$19,642,400 for right of way activities and construction related to the Western County SB 132 projects for which the Commission is not the lead agency;
- \$6,756,700 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;
- \$1,205,300 for engineering and right of way for the I-10/Highland Springs interchange;
- \$1,147,500 for engineering, construction and right of way related to the SR-60 Truck Lanes project;
- \$16,180,000 of engineering and construction related to the smart freeways project;
- \$193,544,800 for various Western County Measure A and TUMF regional arterial projects;
- \$33,694,700 for engineering, construction, and right of way acquisition/support services for the Mid County Parkway projects; and
- \$29,112,800 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 \$84,545,100. Budgeted expenditures related to funding of public bus transit operations and capital projects in the County aggregate \$252,272,300. Debt service costs are \$91,416,200, or 9% of the budget.

While capital and operating grants and contributions continue to be an important source of funding for Commission capital projects, they only represent 27% of total revenues as of June 30, 2023. General revenues along with charges for services represent the majority of revenues at 73%. Specifically, the increase in this revenue source is reflected in higher than anticipated sales tax and strong management of the Commission's express lanes via the receipt of higher than projected toll revenues. While the transportation needs for the

County continue to remain high, the Commission is poised to leverage its recent strong financial performance to meet its debt covenants and deliver on the projects outlined in the Measure A ordinance.

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.

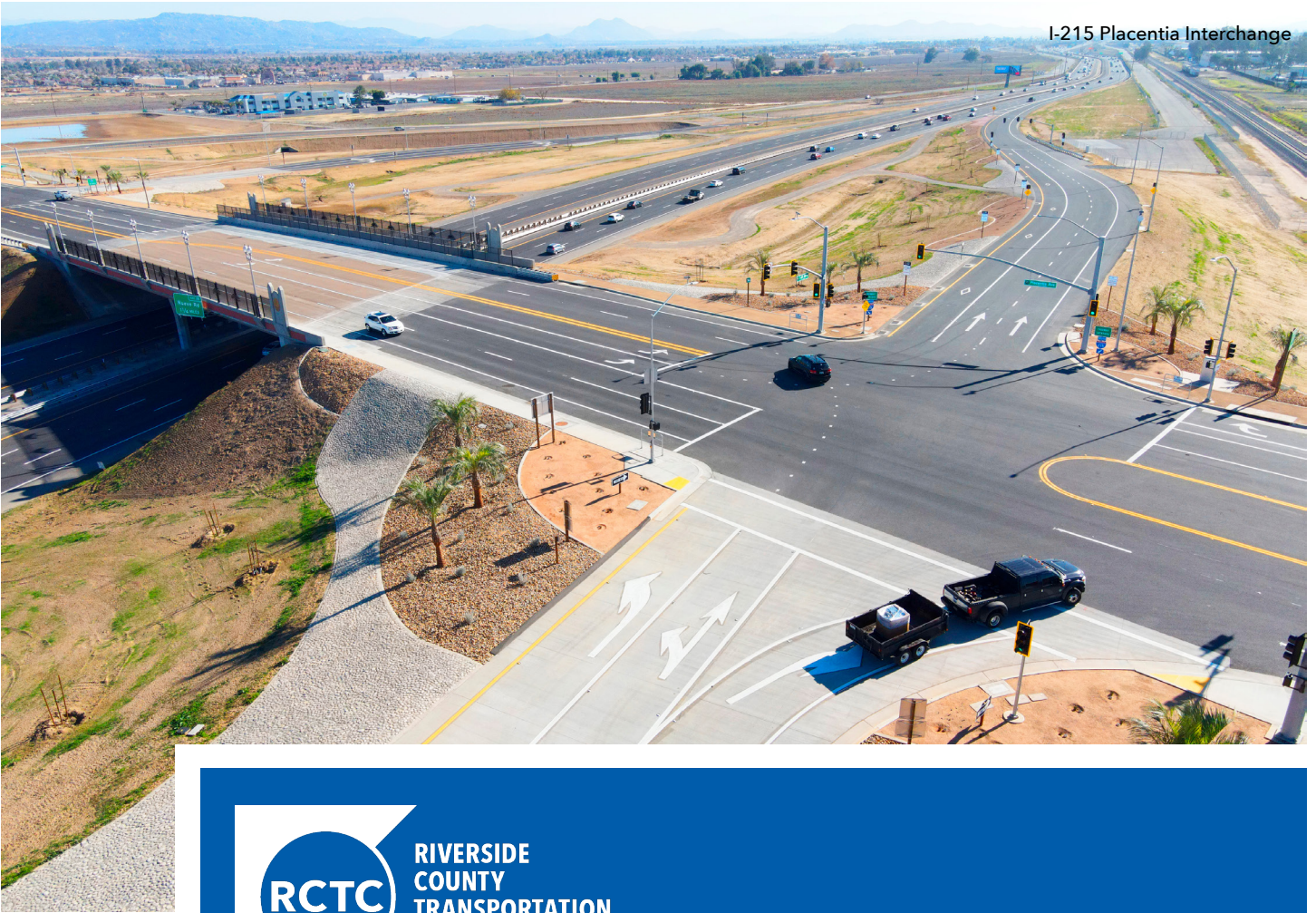
Contacting the Commission's Management

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.



Freeway Service Patrol





RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

Basic Financial Statements

Riverside County Transportation Commission
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 1,084,916,744	\$ 78,320,067	\$ 1,163,236,811
Receivables:			
Accounts	173,002,080	5,580,248	178,582,328
Violations	-	33,668	33,668
Advances to other governments	15,469,941	-	15,469,941
Interest	17,994,598	1,552,938	19,547,536
Leases	2,321,702	291,175	2,612,877
Internal balances	33,358,175	(33,358,175)	-
Due from other governments	234,345	-	234,345
Prepaid expenses and other assets	1,877,579	280,668	2,158,247
Restricted cash and investments	26,094,316	173,673,879	199,768,195
Net other post-employment benefits assets	622,475	82,125	704,600
Capital assets not being depreciated	504,689,862	25,725,838	530,415,700
Capital assets, net of accumulated depreciation and amortization	236,479,029	580,737,813	817,216,842
Intangible right to use lease asset, net of amortization	2,678,517	-	2,678,517
Intangible right to use subscription IT asset, net of amortization	902,125	-	902,125
Total assets	2,100,641,488	832,920,244	2,933,561,732
Deferred outflows of resources			
Loss on refunding of bonds	28,912,798	14,237,108	43,149,906
Pension related	8,112,517	1,070,321	9,182,838
Other post-employment benefits related	1,812,030	239,070	2,051,100
Total deferred outflows of resources	38,837,345	15,546,499	54,383,844
Total assets and deferred outflows of resources	2,139,478,833	848,466,743	2,987,945,576
Liabilities			
Accounts payable	71,762,407	11,642,456	83,404,863
Interest payable	3,079,003	3,550,248	6,629,251
Other liabilities	4,769,209	699,274	5,468,483
Long-term liabilities:			
Due within one year - bonds, leases, subscriptions, and compensated absences	43,013,742	2,642,026	45,655,768
Due in more than one year			
Net pension liabilities	1,650,549	217,764	1,868,313
Bonds, loans, leases, and compensated absences	750,877,201	899,451,977	1,650,329,178
Total liabilities	875,152,111	918,203,745	1,793,355,856
Deferred inflows of resources			
Pension related	2,681,898	353,835	3,035,733
Leases	2,254,532	281,812	2,536,344
Other post-employment benefits related	467,077	61,623	528,700
Total deferred inflows of resources	5,403,507	697,270	6,100,777
Total liabilities and deferred inflows of resources	880,555,618	918,901,015	1,799,456,633
Net position			
Net investment (deficit) in capital assets	483,304,687	(176,735,962)	306,568,725
Restricted for:			
Other post-employment benefits	1,967,428	259,572	2,227,000
Bicycle and pedestrian facilities	9,475,739	-	9,475,739
CETAP	70,900,091	-	70,900,091
Commuter assistance	22,566,548	-	22,566,548
Commuter rail	83,456,024	-	83,456,024
Debt service	11,871,675	-	11,871,675
Highways	380,100,982	-	380,100,982
Motorist assistance	13,341,945	-	13,341,945
Express lanes	-	106,042,118	106,042,118
Planning and programming	8,661,106	-	8,661,106
Regional arterials	179,711,036	-	179,711,036
Regional conservation	1,030	-	1,030
Transit and specialized transportation	503,717,557	-	503,717,557
Unrestricted (deficit)	(510,152,633)	-	(510,152,633)
Total net position	\$ 1,258,923,215	\$ (70,434,272)	\$ 1,188,488,943

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Activities
Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for	Operating Grants	Capital Grants	Governmental	Business-type	Total
		Services	and Contributions	and Contributions	Activities	Activities	
Primary Government							
Governmental Activities:							
General government	\$ 3,381,001	\$ 15	\$ -	\$ -	\$ (3,380,986)	\$ -	\$ (3,380,986)
Bicycle and pedestrian facilities	2,578,177	-	-	-	(2,578,177)	-	(2,578,177)
CETAP	1,046,199	-	16,507,426	-	15,461,227	-	15,461,227
Commuter assistance	4,187,763	-	4,278,521	-	90,758	-	90,758
Commuter rail	58,899,642	314,628	4,506,768	11,649,788	(42,428,458)	-	(42,428,458)
Highways	177,171,636	-	6,666,681	145,905,043	(24,599,912)	-	(24,599,912)
Local streets and roads	87,229,315	-	-	-	(87,229,315)	-	(87,229,315)
Motorist assistance	4,606,991	-	5,163,782	-	556,791	-	556,791
Planning and programming	8,099,856	-	2,978,987	-	(5,120,869)	-	(5,120,869)
Regional arterials	8,157,544	-	17,225,315	684,452	9,752,223	-	9,752,223
Regional conservation	10,243,763	-	8,474,565	-	(1,769,198)	-	(1,769,198)
Transit and specialized transportation	134,722,572	-	15,756,217	-	(118,966,355)	-	(118,966,355)
Interest expense	29,443,644	-	-	-	(29,443,644)	-	(29,443,644)
Total governmental activities	529,768,103	314,643	81,558,262	158,239,283	(289,655,915)	-	(289,655,915)
Business-type Activities:							
RTC 91 Express lanes	73,232,775	73,335,918	-	-	-	103,143	103,143
15 Express lanes	29,329,925	39,371,149	-	-	-	10,041,224	10,041,224
Total Business-type activities	102,562,700	112,707,067	-	-	-	10,144,367	10,144,367
Total Primary Government	\$ 632,330,803	\$ 113,021,710	\$ 81,558,262	\$ 158,239,283	(289,655,915)	10,144,367	(279,511,548)
General Revenues:							
Measure A sales taxes					287,428,762	-	287,428,762
Transportation Development Act sales taxes					197,891,127	-	197,891,127
Unrestricted investment earnings					25,402,156	5,985,986	31,388,142
Other miscellaneous revenue					2,477,425	-	2,477,425
Transfers					45,694,519	(45,694,519)	-
Total general revenues and transfers					558,893,989	(39,708,533)	519,185,456
Change in net position					269,238,074	(29,564,166)	239,673,908
Net position (deficit) at beginning of year					989,685,141	(40,870,106)	948,815,035
Net position (deficit) at end of year					\$ 1,258,923,215	\$ (70,434,272)	\$ 1,188,488,943

See notes to basic financial statements

Riverside County Transportation Commission

Balance Sheet - Governmental Funds

June 30, 2023

	Major Funds						
	Special Revenue						SB 132
	General	Measure A Western County	Measure A Coachella Valley	Transportation Uniform Mitigation Fee	Local Transportation Fund	State Transit Assistance	
Assets							
Cash and investments	\$ 12,016,655	\$ 369,783,953	\$ 96,845,437	\$ 139,921,289	\$ 301,716,823	\$ 132,737,758	\$ -
Receivables							
Accounts	7,165,495	93,848,197	9,782,995	10,465,104	32,272,361	9,675,159	3,843,106
Advances	-	-	-	-	-	-	-
Interest	427,409	6,223,895	1,459,588	2,111,831	4,459,925	1,994,314	733,822
Leases	-	2,104,852	-	216,850	-	-	-
Due from other funds	21,075,415	893,021	140,418	38,955	-	-	23,292,170
Advances to other funds	-	11,727,273	-	-	-	-	-
Prepaid expenditures and other assets	541,973	1,334,576	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-	-	-
Total assets	\$ 41,226,947	\$ 485,915,767	\$ 108,228,438	\$ 152,754,029	\$ 338,449,109	\$ 144,407,231	\$ 27,869,098
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	\$ 3,735,107	\$ 38,385,782	\$ 11,408,939	\$ 3,714,179	\$ 1,255,284	\$ 1,496,198	\$ 9,719,125
Advances payable	-	-	-	-	-	-	-
Due to other funds	7,872	1,394,342	609,196	560,510	616,900	752,484	17,146,308
Other liabilities	383,817	1,333,795	-	-	-	-	-
Total liabilities	4,126,796	41,113,919	12,018,135	4,274,689	1,872,184	2,248,682	26,865,433
Deferred inflows of resources							
Leases	-	2,045,929	-	208,603	-	-	-
Unavailable revenues	-	4,601,791	-	-	-	-	-
Total deferred inflows of resources	-	6,647,720	-	208,603	-	-	-
Fund balances							
Nonspendable							
Prepaid amounts	541,973	1,334,576	-	-	-	-	-
Restricted for							
Bicycle and pedestrian facilities	-	-	-	-	9,475,739	-	-
CETAP	-	-	-	70,900,091	-	-	-
Commuter assistance	-	22,565,325	-	-	-	-	-
Commuter rail	25,358,317	55,745,859	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Highways	-	236,145,584	94,437,122	-	-	-	1,003,665
Motorist assistance	-	-	-	-	-	-	-
Planning and programming	8,631,578	-	-	-	-	-	-
Regional arterials	-	102,340,390	-	77,370,646	-	-	-
Transit and specialized transportation	-	20,022,394	1,773,181	-	327,101,186	142,158,549	-
Assigned							
General government	2,568,283	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	37,100,151	438,154,128	96,210,303	148,270,737	336,576,925	142,158,549	1,003,665
Total liabilities, deferred inflows of resources, and fund balances	\$ 41,226,947	\$ 485,915,767	\$ 108,228,438	\$ 152,754,029	\$ 338,449,109	\$ 144,407,231	\$ 27,869,098

See notes to basic financial statements

Riverside County Transportation Commission

Balance Sheet - Governmental Funds, Continued

June 30, 2023

	Major Funds					
	Capital Projects			Other		
	Commercial		Debt	Non major		
	Paper	Bonds	Service	Governmental	Total	
				Funds		
Assets						
Cash and investments	\$ 425,254	\$ 66,504	\$ 4,544,533	\$ 26,858,538	\$ 1,084,916,744	
Receivables						
Accounts	-	-	-	5,949,663	173,002,080	
Advances	13,360,187	2,109,754	-	-	15,469,941	
Interest	26,673	43,674	82,751	430,716	17,994,598	
Leases	-	-	-	-	2,321,702	
Due from other funds	434,145	67,894	-	283,330	46,225,348	
Advances to other funds	-	-	-	-	11,727,273	
Prepaid expenditures and other assets	-	-	-	1,030	1,877,579	
Restricted cash and investments	-	18,709,507	7,384,809	-	26,094,316	
Total assets	\$ 14,246,259	\$ 20,997,333	\$ 12,012,093	\$ 33,523,277	\$ 1,379,629,581	
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ 2,047,793	\$ 71,762,407	
Advances payable	-	2,727,273	-	-	2,727,273	
Due to other funds	-	-	140,418	639,143	21,867,173	
Other liabilities	853,527	120,232	-	2,549,558	5,240,929	
Total liabilities	853,527	2,847,505	140,418	5,236,494	101,597,782	
Deferred inflows of resources						
Leases	-	-	-	-	2,254,532	
Unavailable revenues	-	-	-	13,245	4,615,036	
Total deferred inflows of resources	-	-	-	13,245	6,869,568	
Fund balances						
Nonspendable						
Prepaid amounts	-	-	-	1,030	1,877,579	
Restricted for						
Bicycle and pedestrian facilities	-	-	-	-	9,475,739	
CETAP	-	-	-	-	70,900,091	
Commuter assistance	-	-	-	-	22,565,325	
Commuter rail	-	-	-	2,257,390	83,361,566	
Debt service	-	-	11,871,675	-	11,871,675	
Highways	13,392,732	18,149,828	-	-	363,128,931	
Motorist assistance	-	-	-	13,328,700	13,328,700	
Planning and programming	-	-	-	28,174	8,659,752	
Regional arterials	-	-	-	-	179,711,036	
Transit and specialized transportation	-	-	-	12,661,636	503,716,946	
Assigned						
General government	-	-	-	-	2,568,283	
Unassigned	-	-	-	(3,392)	(3,392)	
Total fund balances	13,392,732	18,149,828	11,871,675	28,273,538	1,271,162,231	
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,246,259	\$ 20,997,333	\$ 12,012,093	\$ 33,523,277	\$ 1,379,629,581	

See notes to basic financial statements



Riverside County Transportation Commission
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2023

Total fund balances - Governmental funds page 27	\$ 1,271,162,231
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.	8,112,517
Deferred inflows of pension resources are not due and payable in the current period and, therefore, are not reported in the funds.	(2,681,898)
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.	1,812,030
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.	(467,077)
Capital and right to use leased and subscriptions assets, less related accumulated depreciation and amortization, used in governmental activities are not financial resources and therefore are not reported in the funds.	744,749,533
Certain revenues are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.	5,086,756
Interest payable on long-term debt outstanding is not due and payable in the current period and therefore is not reported in the funds.	(3,079,003)
Net other post-employment asset is not reported in the funds.	622,475
Net pension liabilities are not reported in the funds.	(1,650,549)
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	(1,302,661)
Intangible right to use lease and subscription IT assets	(3,713,036)
Sales tax bonds payable	(715,915,000)
Loss on refunding of sales tax bonds	28,912,798
Premium on sales tax revenue bonds payable	(72,960,246)
Net adjustment	(764,978,145)
Net position of governmental activities page 24	\$ 1,258,923,215

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, 2023

	Major Funds						
	Special Revenue						SB 132
	General	Measure A Western County	Measure A Coachella Valley	Transportation Uniform Mitigation Fee	Local Transportation Fund	State Transit Assistance	
Revenues							
Salestaxes	\$ -	\$ 230,590,476	\$ 55,658,839	\$ -	\$ 156,282,435	\$ 37,244,079	\$ -
Transportation Uniform Mitigation Fee	-	-	-	34,416,894	-	-	-
Intergovernmental	5,225,498	61,730,536	-	-	15,438,482	-	99,942,971
Investment income	725,357	7,059,918	1,958,771	2,860,762	5,616,669	2,874,905	1,003,838
Other	1,718	3,530,551	-	22,916	-	5,125	963,200
Total revenues	5,952,573	302,911,481	57,617,610	37,300,572	177,337,586	40,124,109	101,910,009
Expenditures							
Current:							
General government	-	336,045	-	-	12,000	-	-
Bicycle and pedestrian facilities	-	-	-	-	2,578,177	-	-
CETAP	-	-	-	1,011,752	-	-	-
Commuter assistance	-	4,030,094	-	-	-	-	-
Commuter rail	30,738,018	19,310,998	-	-	-	-	-
Highways	-	85,048,360	15,327,959	-	-	-	154,469,677
Local streets and roads	-	66,569,274	19,480,594	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-
Planning and programming	3,972,025	-	-	-	1,415,000	-	-
Regional arterials	-	4,626,056	-	3,466,066	-	-	-
Regional conservation	-	-	-	-	-	-	-
Transit and specialized transportation	911,442	7,100,026	11,082,712	-	85,870,179	25,904,190	-
Total programs	35,621,485	187,020,853	45,891,265	4,477,818	89,875,356	25,904,190	154,469,677
Debt service:							
Principal	787,736	22,361	-	-	-	-	-
Interest	48,534	559	-	-	-	-	-
Total debt service	836,270	22,920	-	-	-	-	-
Capital outlay	101,042	4,763,984	-	-	-	-	-
Total expenditures	36,558,797	191,807,757	45,891,265	4,477,818	89,875,356	25,904,190	154,469,677
Excess (deficiency) of revenues over (under) expenditures	(30,606,224)	111,103,724	11,726,345	32,822,754	87,462,230	14,219,919	(52,559,668)
Other financing sources (uses):							
Transfers in	31,925,738	15,103,584	140,418	70,362	-	-	53,949,156
Transfers out	(7,873)	(67,493,371)	-	(3,974,572)	(27,740,200)	(3,716,784)	-
Total other financing sources (uses)	31,917,865	(52,389,787)	140,418	(3,904,210)	(27,740,200)	(3,716,784)	53,949,156
Net change in fund balances	1,311,641	58,713,937	11,866,763	28,918,544	59,722,030	10,503,135	1,389,488
Fund balances at beginning of year	35,788,510	379,440,191	84,343,540	119,352,193	276,854,895	131,655,414	(385,823)
Fund balances at end of year	\$ 37,100,151	\$ 438,154,128	\$ 96,210,303	\$ 148,270,737	\$ 336,576,925	\$ 142,158,549	\$ 1,003,665

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, 2023

	Major Funds				
	Capital Projects			Other Nonmajor Governmental Funds	Total
	Commercial Paper	Bonds	Debt Service		
Revenues					
Salestaxes	\$ -	\$ -	\$ -	\$ 5,544,060	\$ 485,319,889
Transportation Uniform Mitigation Fee	-	-	-	-	34,416,894
Intergovernmental	-	-	2,812,132	15,873,944	201,023,563
Investment income	971,537	805,556	973,150	619,793	25,470,256
Other	-	-	-	-	4,523,510
Total revenues	971,537	805,556	3,785,282	22,037,797	750,754,112
Expenditures					
Current:					
General government	-	-	-	-	348,045
Bicycle and pedestrian facilities	-	-	-	-	2,578,177
CETAP	-	-	-	-	1,011,752
Commuter assistance	-	-	-	-	4,030,094
Commuter rail	-	-	-	283,331	50,332,347
Highways	-	-	-	-	254,845,996
Local streets and roads	-	-	-	1,179,447	87,229,315
Motorist assistance	-	-	-	4,507,515	4,507,515
Planning and programming	-	-	-	1,901,795	7,288,820
Regional arterials	-	-	-	-	8,092,122
Regional conservation	-	-	-	8,476,417	8,476,417
Transit and specialized transportation	-	-	-	3,554,081	134,422,630
Total programs	-	-	-	19,902,586	563,163,230
Debt service:					
Principal	-	-	31,405,000	-	32,215,097
Interest	-	-	38,150,288	-	38,199,381
Total debt service	-	-	69,555,288	-	70,414,478
Capital outlay	-	-	-	-	4,865,026
Total expenditures	-	-	69,555,288	19,902,586	638,442,734
Excess (deficiency) of revenues over (under) expenditures	971,537	805,556	(65,770,006)	2,135,211	112,311,378
Other financing sources (uses):					
Transfers in	-	-	69,526,935	3,083,330	173,799,523
Transfers out	(2,622,091)	(8,232,435)	(2,952,550)	(2,855,000)	(119,594,876)
Total other financing sources (uses)	(2,622,091)	(8,232,435)	66,574,385	228,330	54,204,647
Net change in fund balances	(1,650,554)	(7,426,879)	804,379	2,363,541	166,516,025
Fund balances at beginning of year	15,043,286	25,576,707	11,067,296	25,909,997	1,104,646,206
Fund balances at end of year	\$ 13,392,732	\$ 18,149,828	\$ 11,871,675	\$ 28,273,538	\$ 1,271,162,231

See notes to basic financial statements



15/91 Express Lanes Connector

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, 2023

Net change in fund balances - Total governmental funds page 31 \$ 166,516,025

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	89,320,442
Depreciation expense	(12,960,297)
Net adjustments	<u>76,360,145</u>
Intangible right to use leased assets amortization	(648,854)
Intangible right to use subscription IT assets amortization	(222,992)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 2,557,549

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	11,430,000
Principal payment for sales tax revenue bonds	19,975,000
Amortization of sales tax revenue bonds premium	10,458,493
Amortization of loss on 2017B Refunding Bonds	(1,807,050)
Change in accrued interest	104,295
Principal payment for intangible right to use lease assets	599,606
Principal payment for intangible right to use subscription IT assets	210,491
Net pension liability	(7,378,304)
Pension change in deferred outflows of resources	(1,792,060)
Pension change in deferred inflows of resources	1,320,485
Net other post-employment benefits asset	(1,703,701)
Other post-employment benefits change in deferred outflows of resources	822,174
Other post-employment benefits change in deferred inflows of resources	<u>1,072,929</u>
Net adjustments	33,312,358

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. (126,028)

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

Contribution of capital and intangible assets (8,510,129)

Change in net position of governmental activities page 25 \$ 269,238,074

Riverside County Transportation Commission
Statement of Net Position
Proprietary Fund
June 30, 2023

	Business-Type Activities		
	RCTC 91 Express Lanes Enterprise Fund	15 Express Lanes Enterprise Fund	Total
Assets			
Current assets:			
Cash and investments	\$ 74,321,586	\$ 3,998,481	\$ 78,320,067
Receivables			
Accounts	2,500,377	3,079,871	5,580,248
Interest	1,448,791	104,147	1,552,938
Lease	-	45,948	45,948
Violations	33,668	-	33,668
Due from Enterprise funds	-	9,364	9,364
Prepaid expenses	137,697	142,971	280,668
Total current assets	<u>78,442,119</u>	<u>7,380,782</u>	<u>85,822,901</u>
Noncurrent assets:			
Restricted cash and investments	94,326,728	79,347,151	173,673,879
Lease receivable	-	245,227	245,227
Other post-employment benefits assets	54,302	27,823	82,125
Capital assets, net:			
Nondepreciable	25,114,083	611,755	25,725,838
Depreciable and amortizable	224,618,462	356,119,351	580,737,813
Total noncurrent assets	<u>344,113,575</u>	<u>436,351,307</u>	<u>780,464,882</u>
Total assets	<u>422,555,694</u>	<u>443,732,089</u>	<u>866,287,783</u>
Deferred outflows of resources			
Pension benefits	707,709	362,612	1,070,321
Other post-employment benefits	158,076	80,994	239,070
Refunding bonds	14,237,108	-	14,237,108
Total deferred outflows of resources	<u>15,102,893</u>	<u>443,606</u>	<u>15,546,499</u>
Total assets and deferred outflows of resources	<u>437,658,587</u>	<u>444,175,695</u>	<u>881,834,282</u>
Liabilities			
Current liabilities:			
Accounts payable	9,276,311	2,366,145	11,642,456
Interest payable	1,852,837	1,697,411	3,550,248
Due to Commission funds	24,247,520	110,655	24,358,175
Due to Enterprise funds	9,364	-	9,364
Other liabilities	536	698,738	699,274
Compensated absences liability	69,199	35,452	104,651
Bonds payable - due in less than one year	2,537,375	-	2,537,375
Total current liabilities	<u>37,993,142</u>	<u>4,908,401</u>	<u>42,901,543</u>
Noncurrent liabilities:			
Net pension liabilities	143,988	73,776	217,764
Compensated absences liability	44,493	22,795	67,288
Advance from other Commission fund	-	9,000,000	9,000,000
Bonds payable - due in more than one year	732,354,334	167,030,355	899,384,689
Total noncurrent liabilities	<u>732,542,815</u>	<u>176,126,926</u>	<u>908,669,741</u>
Total liabilities	<u>770,535,957</u>	<u>181,035,327</u>	<u>951,571,284</u>
Deferred inflows of resources			
Pension benefits	233,960	119,875	353,835
Other post-employment benefits	40,746	20,877	61,623
Lease revenues	-	281,812	281,812
Total deferred inflows of resources	<u>274,706</u>	<u>422,564</u>	<u>697,270</u>
Total liabilities and deferred inflows of resources	<u>770,810,663</u>	<u>181,457,891</u>	<u>952,268,554</u>
Net position			
Net investment (deficit) in capital assets	(381,252,809)	204,516,847	(176,735,962)
Restricted for other post-employment benefits	171,632	87,940	259,572
Restricted for toll operations	47,929,101	58,113,017	106,042,118
Total net position (deficit)	<u>\$ (333,152,076)</u>	<u>\$ 262,717,804</u>	<u>\$ (70,434,272)</u>

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2023

	Business-Type Activities		
	RCTC 91 Express Lanes Enterprise Fund	15 Express Lanes Enterprise Fund	Total
Operating revenues			
Tolls, penalties, and fees	\$ 73,335,918	\$ 39,371,149	\$ 112,707,067
Operating expenses			
Management and operational services	11,153,921	9,729,858	20,883,779
Administrative overhead	1,759,600	337,800	2,097,400
Other operating expenses	26,681,088	191,108	26,872,196
Professional services	1,159,216	466,264	1,625,480
General and administrative expenses	1,592,122	896,386	2,488,508
Depreciation and amortization	6,271,563	12,652,913	18,924,476
Total operating expenses	48,617,510	24,274,329	72,891,839
Operating income	24,718,408	15,096,820	39,815,228
Nonoperating revenues (expenses)			
Investment earnings (loss)	4,391,910	1,594,076	5,985,986
Interest expense	(24,612,767)	(5,055,596)	(29,668,363)
Capital expenses	(2,498)	-	(2,498)
Total nonoperating revenues (expenses)	(20,223,355)	(3,461,520)	(23,684,875)
Income before contributions and transfers	4,495,053	11,635,300	16,130,353
Contributions from other governmental funds	7,246,775	1,263,354	8,510,129
Transfers in from other governmental funds	-	177,116	177,116
Transfers in from other Enterprise funds	43	-	43
Transfers to other Enterprise funds	-	(43)	(43)
Transfers to other governmental funds	(54,381,764)	-	(54,381,764)
Total contributions and transfers	(47,134,946)	1,440,427	(45,694,519)
Change in net position	(42,639,893)	13,075,727	(29,564,166)
Net position (deficit) at beginning of year	(290,512,183)	249,642,077	(40,870,106)
Net position (deficit) at end of year	\$ (333,152,076)	\$ 262,717,804	\$ (70,434,272)

See notes to basic financial statements

Riverside County Transportation Commission
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2023

	RCTC 91 Express Lanes Enterprise Fund	15 Express Lanes Enterprise Fund	Total
Cash flows from operating activities			
Receipts from customers and users	\$ 69,746,783	\$ 35,225,381	\$ 104,972,164
Payments to vendors	(34,870,474)	(3,994,037)	(38,864,511)
Payments to employees	(1,077,086)	(556,301)	(1,633,387)
Payments for RCTC interfund services used	(1,099,448)	(331,600)	(1,431,048)
Reimbursements received for lease costs	-	50,040	50,040
Net cash provided by operating activities	<u>32,699,775</u>	<u>30,393,483</u>	<u>63,093,258</u>
Cash flows from noncapital financing activities			
Transfers of surplus funds to governmental activities	(30,669,088)	-	(30,669,088)
Transfers from governmental activities for operations and maintenance	-	335,158	335,158
Net cash used for noncapital financing activities	<u>(30,669,088)</u>	<u>335,158</u>	<u>(30,333,930)</u>
Cash flows from capital and related financing activities			
Interest paid on long-term debt	(22,201,017)	-	(22,201,017)
Acquisition of capital assets	(2,739,025)	-	(2,739,025)
Payment for acquisition of capital asset	-	(3,966)	(3,966)
Net cash used for capital and related financing activities	<u>(24,940,042)</u>	<u>(3,966)</u>	<u>(24,944,008)</u>
Cash flows from investing activities			
Interest	3,075,499	1,385,014	4,460,513
Net cash provided by investing activities	<u>3,075,499</u>	<u>1,385,014</u>	<u>4,460,513</u>
Net increase in cash and cash equivalents	(19,833,856)	32,109,689	12,275,833
Cash and cash equivalents at beginning of year	190,032,778	51,315,666	241,348,444
Cash and cash equivalents at end of year	<u><u>\$ 170,198,922</u></u>	<u><u>\$ 83,425,355</u></u>	<u><u>\$ 253,624,277</u></u>
Reconciliation of cash and cash equivalents to statement of net position			
Cash and investments	\$ 74,321,586	\$ 3,998,481	\$ 78,320,067
Add: fair value adjustment	1,550,608	79,723	1,630,331
	<u>75,872,194</u>	<u>4,078,204</u>	<u>79,950,398</u>
Restricted cash and investments	94,326,728	79,347,151	173,673,879
Total cash and cash equivalents	<u><u>\$ 170,198,922</u></u>	<u><u>\$ 83,425,355</u></u>	<u><u>\$ 253,624,277</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, 2023

	RCTC 91 Express Lanes Enterprise Fund	15 Express Lanes Enterprise Fund	Total
Reconciliation of operating income to net cash provided by (used for) operating activities			
Operating income	\$ 24,718,408	\$ 15,096,820	\$ 39,815,228
Adjustments to reconcile operating income to net cash provided by (used for) operating activities			
Depreciation and amortization expense	6,271,563	12,652,913	18,924,476
(Increase) Decrease in violations receivables	10,198	-	10,198
(Increase) Decrease in other receivables, net	(75,839)	2,823,119	2,747,280
(Increase) Decrease in prepaid assets	20,096	50,400	70,496
Increase (Decrease) in pension and other post employment benefits liabilities, net of deferred items	472,182	330,306	802,488
Increase (Decrease) in lease receivable, net of deferred items	-	(9,216)	(9,216)
Increase (Decrease) in accounts payable	(1,387,424)	(885,541)	(2,272,965)
Increase (Decrease) in due to other funds	95,042	9,221	104,263
Increase (Decrease) in compensated absences liability	28,314	6,758	35,072
Increase (Decrease) in other liabilities	-	318,703	318,703
Total adjustments	<u>7,981,367</u>	<u>15,296,663</u>	<u>23,278,030</u>
Net cash provided by operating activities	<u>\$ 32,699,775</u>	<u>\$ 30,393,483</u>	<u>\$ 63,093,258</u>
Noncash capital, financing and investing activities			
Amortization of bond premium	\$ 2,537,375	\$ -	\$ 2,537,375
Amortization of loss on bond refunding	(547,581)	-	(547,581)
Accreted and compounded interest long-term debt	4,394,620	4,644,502	9,039,122
Compounded interest on advance from other Commission funds	-	400,253	400,253
Net increase (decrease) in the fair value of investments	169,727	(79,723)	90,004
Contribution of capital and intangible assets from governmental activities	7,246,775	1,263,354	8,510,129
Transfer in of accrued investment income from other Commission funds	-	177,116	177,116

See notes to basic financial statements

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

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, 2023

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, 2023, the Commission adopted Governmental Accounting Standards Board (GASB) Statement No. 91, *Conduit Debt Obligation* became effective but did not have an impact to these financial statements.

During the year ended June 30, 2023, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* became effective but did not have an impact to these financial statements.

During the year ended June 30, 2023, the Commission adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

During the year ended June 30, 2023 GASB Statement No. 99, *Omnibus 2022 (The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 30, 2022, and all reporting periods thereafter.)* became effective but did not have an impact to these financial statements.

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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

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.

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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

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.

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 \$65,411,641 and \$29,275,372, respectively, as of June 30, 2023 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 2022. 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

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.

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

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 is 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, 2023.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

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 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 \$100,000 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, 2023

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, 2023, 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 intangible right to use lease 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.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the Commission's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies based on individual subscription IT arrangements.

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.

Long-Term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease liabilities represent the Commission's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the Commission.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

Subscription liabilities represent the Commission's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments are discounted based on a borrowing rate determined by the Commission.

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

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

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

Risk management: The Commission is exposed to various risks of loss related to workers' compensation; torts; theft of, damage to, or destruction of assets; and errors or omissions. The Commission protects itself against such losses by a balanced program of risk retention, risk transfers, and the purchase of commercial insurance. Loss exposures retained by the Commission are treated as normal expenditures and include any loss contingency not covered by the Commission's purchased insurance policies. Construction projects and rail properties are protected through a combination of commercial insurance, insurance required of Commission consultants, and a self-insurance fund established by the Southern California Regional Rail Authority (SCRRA). 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, differences between projected and actual OPEB earnings, and OPEB contributions subsequent to measurement date – which qualify for

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

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, difference between projected and actual earnings on pension plan investments, the proportionate share of pension contributions, 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.

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

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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

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

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

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

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

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

Administration expenditures: The Commission's staff and resources are used in the performance of its responsibilities relating to the activities of the Commission and its component unit. Accordingly, the Commission allocates salaries and benefits to each applicable fund on the basis of actual hours spent by activity, and other indirect overhead is allocated based on a systematic basis. Administrative salaries and benefits, net of administrative cost allocations of \$2,281,983 allocated to Measure A in 2023 were less than 1% of revenues and in compliance with the law.

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

Note 2. Cash and Investments

Cash and investments at June 30, 2023 consist of the following:

	Unrestricted			Restricted			
	Cash	Investments	Total	Cash	Investments	Total	Total
Cash in bank	\$ 10,225,348	\$ -	\$ 10,225,348	\$ 849,310	\$ -	\$ 849,310	\$ 11,074,658
Petty cash	1,018	-	1,018	-	-	-	1,018
RCPIF	-	1,098,685,466	1,098,685,466	-	-	-	1,098,685,466
Operations pooled investments	-	54,324,979	54,324,979	-	-	-	54,324,979
Investments with fiscal agents	-	-	-	-	198,918,885	198,918,885	198,918,885
Total cash and investments	\$ 10,226,366	\$ 1,153,010,445	\$ 1,163,236,811	\$ 849,310	\$ 198,918,885	\$ 199,768,195	\$ 1,363,005,006

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 2. Cash and Investments, Continued

Total cash and investments are reported in the following funds:

Unrestricted cash and investments	
Governmental funds	\$ 1,084,916,744
Enterprise fund	<u>78,320,067</u>
Subtotal	1,163,236,811
Restricted cash and investments	
Governmental funds	26,094,316
Enterprise fund	<u>173,673,879</u>
Subtotal	199,768,195
Total cash and investments	<u>\$ 1,363,005,006</u>

Restricted cash and investments at June 30, 2023 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).

The following is a summary of the fair value hierarchy of the fair value of investments of the Commission as of June 30, 2023:

Investments by fair value level:		Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
	June 30, 2023		
Investments subject to fair value hierarchy:			
U.S. Treasury obligations	\$ 57,542,493	\$ 57,542,493	\$ -
Mortgage and asset-backed securities	29,798,575	-	29,798,575
Corporate notes	25,366,595	-	25,366,595
Money market mutual funds	110,907,960	110,907,960	-
U.S. agency securities	19,335,718	-	19,335,718
Municipal bonds	7,929,353	-	7,929,353
Commercial paper notes	2,363,170	-	2,363,170
Total investments measured at fair value		<u>\$ 168,450,453</u>	<u>\$ 84,793,411</u>
Investments not subject to fair value hierarchy:			
RCPIF	<u>1,098,685,466</u>		
Total investments	<u>\$ 1,351,929,330</u>		

Investments classified in Level 1 of the value hierarchy, valued at \$168,450,453 are valued using quoted prices in active markets.

Mortgage and asset-backed securities totaling \$29,798,575, corporate notes totaling \$25,366,595, U.S. agency securities totaling \$19,335,718, municipal bonds totaling \$7,929,353, and commercial paper totaling \$2,363,170 in 2023, classified in Level 2 of the fair value hierarchy, are valued using matrix pricing techniques

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 2. Cash and Investments, Continued

maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by the custodian bank.

As of June 30, 2023, the Commission had the following investments:

Investments	Fair Value	Principal	Interest Rate Range	Maturity Range	Weighted Average Maturity (Year)
Unrestricted:					
RCPIF	\$ 1,098,685,466	\$ 1,121,656,807	0.210% - 6.000%	6/30/23 - 6/30/28	1.300
Operations pooled investments:					
Corporate notes	12,514,597	12,844,593	0.426% - 6.148%	8/11/23 - 3/15/28	2.287
Money market mutual funds	437,122	437,126	4.934%	N/A	20 days or 0.055
Mortgage and asset-backed securities	740,095	458,466	2.912% - 5.446%	7/25/23 - 1/25/26	2.077
Municipal bonds	3,421,297	3,549,775	0.479% - 4.434%	8/1/23 - 5/1/26	1.512
U.S. agency securities	6,563,176	6,711,556	0.479% - 5.631%	7/8/24 - 5/1/26	1.814
U.S. Treasury obligations	30,648,692	31,478,556	0.128% - 4.649%	1/15/24 - 7/31/27	2.180
Total unrestricted investments	<u>\$ 1,153,010,445</u>	<u>\$ 1,177,136,879</u>			
			Unrestricted investment portfolio weighted average		1.604
Restricted:					
Commercial paper notes	2,363,170	2,350,442	5.477% - 5.653%	7/3/23 - 10/16/23	0.091
Corporate notes	12,851,998	13,022,768	0.350% - 6.226%	10/26/23 - 10/15/27	1.453
Money market mutual funds	110,470,838	110,470,838	4.556% - 4.706%	N/A	20 days or 0.055
Mortgage and asset-backed securities	29,058,480	30,301,341	0.983% - 6.020%	7/25/23 - 9/16/55	6.163
Municipal bonds	4,508,056	4,522,326	0.654% - 5.419%	7/1/23 - 10/1/48	5.615
U.S. agency securities	12,772,542	12,926,791	0.305% - 5.757%	7/11/23 - 11/16/28	1.371
U.S. Treasury obligations	26,893,801	27,185,849	0.126% - 5.379%	7/18/23 - 8/15/30	1.006
Total restricted investments	<u>\$ 198,918,885</u>	<u>\$ 200,780,355</u>			
			Restricted investment portfolio weighted average		2.251

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

As of June 30, 2023, mortgage and asset-backed securities totaled \$29,798,575. 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 2. Cash and Investments, Continued

The Commission has deposits with a bank balance of \$5,750,327 with financial institutions; bank balances over \$5,000,000 are swept daily into a money market fund. Of the bank balance, up to \$250,000 is federally insured under the Federal Depositary Insurance Corporation with balances in excess of \$250,000 collateralized in accordance with the Code; however, the collateralized securities are not held in the name of the Commission.

Credit risk: The Commission's investment policy as well as the specific bond indentures set minimum acceptable credit ratings for investments from any of the three nationally recognized statistical rating organizations. The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each category's fair value at June 30, 2023; 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	NR	81.27%
Commercial paper notes			
Various	P-1	NR	0.02%
Various	P-2	A-2	0.15%
Corporate			
Notes	A1	A	0.16%
Notes	A1	A-	0.25%
Notes	A1	A+	0.10%
Notes	A1	AA	0.02%
Notes	A1	AA-	0.00%
Notes	A1	BBB+	0.10%
Notes	A2	A	0.09%
Notes	A2	A-	0.10%
Notes	A2	A+	0.11%
Notes	A2	BBB+	0.06%
Notes	A3	A	0.12%
Notes	A3	A-	0.04%
Notes	Aa2	AA	0.06%
Notes	Aa2	AA-	0.03%
Notes	AA3	A+	0.02%
Notes	AA3	AA-	0.06%
Notes	AAA	AA+	0.05%
Notes	AAA	AAA	0.08%
Notes	AAA	NR	0.12%
Notes	BAA1	BBB+	0.01%
Notes	NR	AAA	0.24%
Notes	NR	P-1	0.00%
Notes	NR	A-1+	0.01%
Notes	NR	A	0.04%
Money market mutual funds			
Funds	AAA	AAA	8.20%
Mortgage and asset-backed securities			
Securities	AA+	NR	0.01%
Securities	AAA	AA+	0.02%
Securities	AAA	AA+u	0.05%
Securities	AAA	AAA	0.02%
Securities	AAA	NR	0.05%
Securities	NR	AA+	1.98%
Securities	NR	AAA	0.07%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 2. Cash and Investments, Continued

Investments	Moody's	S&P	% of Portfolio
Municipal bonds			
California State University	Aa2	AA-	0.01%
City of Corona	NR	AA+	0.01%
County of Riverside	NR	AA-	0.02%
County of San Diego Regional Airport Authority	A2	NR	0.03%
County of Santa Clara	NR	AAA	0.02%
Florida Housing Corporation	AAA	NR	0.04%
Forsyth County, Georgia School District	AAA	AAA	0.04%
Golden State Tobacco Securitization Corporation	AA3	A+	0.02%
Los Altos California School District Taxable GO	NR	AA+	0.03%
Los Angeles Municipal Improvement Corporation	NR	AA-	0.02%
Metropolitan Water District	NR	A-1	0.02%
Port Authority New York and New Jersey	AA3	AA-	0.05%
San Bernardino Community College District	AA1	AA	0.01%
Solano Community College District	Aa2	AA	0.02%
State of Connecticut	AA3	AA-	0.02%
State of Connecticut	AA3	AA-	0.01%
State of Massachusetts	AA1	NR	0.03%
State of New York Mortgage Agency	VMIG1	NR	0.01%
State of New York State Dormitory Authority	NR	AA+	0.03%
State of New York Thruway	A1	A	0.01%
State of Texas	VMIG1	A-1+	0.01%
State of Washington Port	A1	AA-	0.02%
State of Wisconsin	Aa2	NR	0.02%
State of Wisconsin Housing Economic Development Authority	VMIG1	A-1	0.06%
University of Texas	VMIG1	A-1+	0.01%
University of Washington	AAA	AA+	0.02%
U.S. agency notes			
Notes	AAA	AA+	1.33%
Notes	AAA	NR	0.08%
Notes	NR	A-1+	0.02%
U.S. Treasuries			
Treasury	NR	NR	4.26%
Total			100.00%

Concentration of credit risk: The Commission's investment policy places a limit of 10% on the amount of investment holdings with any one non-U.S. Government or non-federal agency issuer. As of June 30, 2023, 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 \$471,720, as of June 30, 2023 were \$15,469,941.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 4. Lease Receivable

For the year ended June 30, 2023, the financial statements include 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 6/30/2023, the value of the lease receivable is \$353,963. 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 6/30/2023 was \$336,434, and the Commission recognized lease revenue of \$28,160 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 6/30/2023, the value of the lease receivable is \$271,629. 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 6/30/2023 was \$266,200, 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 6/30/2023, the value of the lease receivable is \$400,447. 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 6/30/2023 was \$380,260, and the Commission recognized lease revenue of \$29,209 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 6/30/2023, the value of the lease receivable is \$0. The lessee is required to make annual fixed payments of \$3,933. The lease has an interest rate of 0.6240%. The value of the deferred inflow of resources as of 6/30/2023 was \$0, and the Commission recognized lease revenue of \$785 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 6/30/2023, the value of the lease receivable is \$5,047. 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 6/30/2023 was \$5,151, 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 6/30/2023, the value of the lease receivable is \$1,073,766. 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 6/30/2023 was \$1,057,743, and the Commission recognized lease revenue of \$31,682 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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 4. Lease Receivable, Continued

of 6/30/2023, the value of the lease receivable is \$216,850. 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 \$208,744, 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
2024	\$ 93,917	\$ 58,774	\$ 152,691
2025	97,650	56,475	154,125
2026	101,788	54,056	155,844
2027	106,665	51,519	158,184
2028	111,207	48,872	160,079
2029-2033	630,247	200,630	830,877
2034-2038	467,699	124,080	591,779
2039-2043	159,010	91,025	250,035
2044-2048	183,423	66,612	250,035
2049-2053	211,585	38,450	250,035
2054-2058	158,511	7,879	166,390
Total lease receivable	<u>\$ 2,321,702</u>	<u>\$ 798,372</u>	<u>\$ 3,120,074</u>

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, 2023, the value of the lease receivable is \$291,175. 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, 2023 was \$281,812 and the Fund recognized lease revenue of \$49,011.

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
2024	\$ 45,948	\$ 4,843	\$ 50,791
2025	47,975	4,018	51,993
2026	50,038	3,157	53,195
2027	51,989	2,259	54,248
2028	53,669	1,330	54,999
2029-2032	41,556	368	41,925
Total lease receivable	<u>\$ 291,175</u>	<u>\$ 15,975</u>	<u>\$ 307,151</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2023 was as follows:

Governmental activities	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Capital assets not being depreciated:					
Land and land improvements	\$ 170,015,793	\$ 16,264,051	\$ -	\$ (7,246,775)	\$ 179,033,069
Construction in progress	186,511,029	71,979,056	(294,236)	(1,263,354)	256,932,495
Rail operating easements	63,846,199	-	-	-	63,846,199
Construction easements	4,202,495	-	-	-	4,202,495
Development in progress	832,094	333,313	(489,803)	-	675,604
Total capital assets not being depreciated	425,407,610	88,576,420	(784,039)	(8,510,129)	504,689,862
Capital assets being depreciated:					
Rail stations	210,564,283	868,337	-	-	211,432,620
Rail tracks	154,791,511	-	-	-	154,791,511
Construction easements	1,921,470	-	-	-	1,921,470
Office improvements	536,982	-	-	-	536,982
Office furniture, equipment and vehicles	2,008,581	659,724	-	-	2,668,305
Total capital assets being depreciated	369,822,827	1,528,061	-	-	371,350,888
Less accumulated depreciation for:					
Rail stations	(87,575,629)	(7,185,300)	-	-	(94,760,929)
Rail tracks	(30,910,261)	(5,179,704)	-	-	(36,089,965)
Construction easements	(1,180,696)	(372,422)	-	-	(1,553,118)
Office improvements	(288,620)	(64,406)	-	-	(353,026)
Office furniture, equipment and vehicles	(1,956,356)	(158,465)	-	-	(2,114,821)
Total accumulated depreciation	(121,911,562)	(12,960,297)	-	-	(134,871,859)
Total capital assets being depreciated, net	247,911,265	(11,432,236)	-	-	236,479,029
Intangible right to use lease assets:					
Land	25,205	-	-	-	25,205
Building	3,856,996	-	-	-	3,856,996
Equipment	94,026	-	-	-	94,026
Total intangible right to use lease assets	3,976,227	-	-	-	3,976,227
Less accumulated amortization for:					
Land	(8,402)	(8,402)	-	-	(16,804)
Building	(610,338)	(610,337)	-	-	(1,220,675)
Equipment	(30,116)	(30,115)	-	-	(60,231)
Total accumulated amortization	(648,856)	(648,854)	-	-	(1,297,710)
Total intangible right to use lease assets, net	3,327,371	(648,854)	-	-	2,678,517
Total intangible right to use subscription IT assets	1,125,117	-	-	-	1,125,117
Less total accumulated amortization	-	(222,992)	-	-	(222,992)
Total intangible right to use subscription IT assets, net	1,125,117	(222,992)	-	-	902,125
Governmental activities capital assets, net	\$ 677,771,363	\$ 76,272,338	\$ (784,039)	\$ (8,510,129)	\$ 744,749,533

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 5. Capital Assets, Continued

Business-type activities	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Capital assets not being depreciated:					
Land and land improvements	\$ 11,990,286	\$ -	\$ -	\$ 7,246,775	\$ 19,237,061
Construction easements	259,657	-	-	-	259,657
Construction in progress	4,614,768	1,614,352	-	-	6,229,120
Total capital assets not being depreciated	16,864,711	1,614,352	-	7,246,775	25,725,838
Capital assets being depreciated and amortized:					
Toll infrastructure	54,213,315	1,124,674	(860,110)	-	54,477,879
Transponders	453,818	-	-	-	453,818
Buildings	7,615,825	-	-	-	7,615,825
Equipment, furniture, and fixtures	181,010	7,932	-	-	188,942
Toll facility franchise	602,925,531	860,110	-	1,263,354	605,048,995
Total capital assets being depreciated and amortized	665,389,499	1,992,716	(860,110)	1,263,354	667,785,459
Less accumulated depreciation and amortization for:					
Toll infrastructure	(31,361,869)	(5,884,284)	-	-	(37,246,153)
Transponders	(443,930)	(9,888)	-	-	(453,818)
Buildings	(1,588,468)	(859,579)	-	-	(2,448,047)
Equipment, furniture, and fixtures	(90,415)	(42,427)	-	-	(132,842)
Toll facility franchise	(34,687,499)	(12,079,287)	-	-	(46,766,786)
Total accumulated depreciation and amortization	(68,172,181)	(18,875,465)	-	-	(87,047,646)
Total capital assets being depreciated and amortized, net	597,217,318	(16,882,749)	(860,110)	1,263,354	580,737,813
Business-type activities capital assets, net	\$ 614,082,029	\$ (15,268,397)	\$ (860,110)	\$ 8,510,129	\$ 606,463,651

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, 2023 as follows:

Governmental activities:	
General government	\$ 880,994
Commuter assistance	8,402
Commuter rail	12,373,654
Highway	389,188
Planning and programming	179,905
Total depreciation expense - governmental activities	<u>\$ 13,832,143</u>
Business-type activities:	
RCTC 91 Express Lanes	\$ 1,200,539
Toll facility franchise	5,022,013
15 Express Lanes	5,595,639
Toll facility franchise	7,057,274
Total depreciation and amortization expense - business-type activities	<u>\$ 18,875,465</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 5. Capital Assets, Continued

The Commission has recorded intangible right to use assets. The assets are a right to use leased land, buildings, and equipment, including subscription IT. The related lease and subscription IT is discussed in the long-term obligations section. The right to use lease and subscription IT 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 \$46,225,348. The composition of balances related to due from other funds and due to other funds at June 30, 2023 is as follows:

Receivable Fund	Payable Fund	Amount	Explanation
General fund	Nonmajor Governmental funds	\$ 184,930	Fringe benefits allocation
General fund	Nonmajor Governmental funds	13	Project costs allocations
General fund	Nonmajor Governmental funds	454,200	Administrative cost allocation
General fund	Transportation Uniform Mitigation Fee Special Revenue fund	98,500	Administrative cost allocation
General fund	Measure A Western County Special Revenue fund	1,201,700	Administrative cost allocation
General fund	Measure A Western County Special Revenue fund	10	Project costs allocations
General fund	Measure A Coachella Valley Special Revenue fund	107,100	Administrative cost allocation
General fund	RCTC 91 Express Lanes Enterprise fund	459,400	Administrative cost allocation
General fund	15 Express Lanes Enterprise fund	78,200	Administrative cost allocation
General fund	Local Transportation Fund	616,900	Administrative cost allocation
General fund	State Transit Assistance fund	433,454	Rail operation costs allocations
General fund	State Transit Assistance fund	35,700	Administrative cost allocation
General fund	Transportation Uniform Mitigation Fee Special Revenue fund	9,469	Fringe benefits allocation
General fund	Measure A Western County Special Revenue fund	153,677	Fringe benefits allocation
General fund	Measure A Coachella Valley Special Revenue fund	57	Fringe benefits allocation
General fund	SB 132 fund	16,261	Fringe benefits allocation
General fund	RCTC 91 Express Lanes Enterprise fund	63,342	Fringe benefits allocation
General fund	15 Express Lanes Enterprise fund	32,455	Fringe benefits allocation
General fund	SB 132 fund	17,130,047	Cash deficit
Measure A Western County Special Revenue fund	Transportation Uniform Mitigation Fee Special Revenue fund	452,541	Highway project costs allocations
Measure A Western County Special Revenue fund	General fund	7,872	Highway project costs allocations
Measure A Western County Special Revenue fund	RCTC 91 Express Lanes Enterprise fund	432,608	Toll project costs allocations
Measure A Coachella Valley Special Revenue fund	Debt Service fund	140,418	Advance loan payment adjustment
Transportation Uniform Mitigation Fee Special Revenue fund	Measure A Western County Special Revenue fund	38,955	Regional arterial project costs allocations
SB 132 Special Revenue fund	RCTC 91 Express Lanes Enterprise fund	23,292,170	Toll 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
Nonmajor Governmental funds	State Transit Assistance fund	283,330	Rail project costs allocations
Total due from/to other funds		<u>\$ 46,225,348</u>	

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

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, 2023 was \$1,402,677. 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, 2023

Note 6. Interfund Transactions, Continued

Interfund transfers: During 2023, interfund transfers were as follows:

Transfers Out	Transfers In	Amount	Explanation
General fund	Measure A Western County Special Revenue fund	\$ 7,873	Highway project costs allocations
Measure A Western County Special Revenue fund	Transportation Uniform Mitigation Fee Special Revenue fund	70,362	Highway project costs allocations
Measure A Western County Special Revenue fund	Debt Service fund	66,494,789	Debt service funding related to highway projects for Western County and to advance agreements for Western County jurisdictions
Measure A Western County Special Revenue fund	General fund	752,084	Rail operation costs allocations
Measure A Western County Special Revenue fund	15 Express Lanes Enterprise fund	176,135	Accumulated interest earned on reserve fund
Transportation Uniform Mitigation Fee Special Revenue fund	Measure A Western County Special Revenue fund	3,974,572	Highway project costs allocations
Local Transportation Fund	General fund	27,740,200	Administration, planning and programming, commuter rail operating and station maintenance, and grade separation costs allocations
State Transit Assistance fund	Nonmajor Governmental funds	283,330	Coachella Valley commuter rail costs allocations
State Transit Assistance fund	General fund	3,433,454	Rail operation costs allocations
Commercial Paper fund	Debt Service fund	2,622,091	Debt service funding related to highway projects for Western County
Bonds Capital Projects fund	Measure A Western County Special Revenue fund	7,821,399	Highway project costs allocations
Bonds Capital Projects fund	15 Express Lanes Enterprise fund	981	Accumulated interest earned on TIFIA debt service reserve
Bonds Capital Projects fund	Debt Service fund	410,055	Debt service funding related to highway projects for Western County
Debt Service fund	Measure A Western County Special Revenue fund	2,812,132	Cash subsidies available after debt service payment
Debt Service fund	Measure A Coachella Valley Special Revenue fund	140,418	Share of cash subsidy related to CVAG advance agreement
Nonmajor Governmental funds	Measure A Western County Special Revenue fund	55,000	Commuter assistance costs allocations
Nonmajor Governmental funds	Nonmajor Governmental funds	2,800,000	Call box program augmentation of freeway service patrol operations
RCTC 91 Express Lanes Enterprise fund	Measure A Western County Special Revenue fund	432,608	Surplus funds used for the 91 Corridor Operations project
RCTC 91 Express Lanes Enterprise fund	SB 132 Special Revenue fund	53,949,156	Surplus funds used for the 15/91 Express Lanes Connector project
Total transfers		<u>\$ 173,976,639</u>	

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

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 \$1,263,354 of capital and intangible costs from the governmental activities to the 15 Express Lanes and in connection with the 91 Express Lanes, the Commission contributed \$7,246,775 of land from the governmental activities to the 91 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, 2023:

Governmental activities	Balance June 30, 2022	Additions / Accretion	Reductions	Balance June 30, 2023	Due Within One Year
Sales tax revenue bonds:					
2010 Bonds	\$ 112,370,000	\$ -	\$ -	\$ 112,370,000	\$ -
2013 Bonds	14,695,000	-	(14,695,000)	-	-
2016 Refunding Bonds	47,245,000	-	(6,005,000)	41,240,000	6,305,000
2017 Bonds, series A	135,980,000	-	(5,280,000)	130,700,000	5,540,000
2017 Refunding Bonds, series B	392,730,000	-	-	392,730,000	15,045,000
2018 Refunding Bonds	44,300,000	-	(5,425,000)	38,875,000	5,745,000
Total bonds payable	747,320,000	-	(31,405,000)	715,915,000	32,635,000
Sales tax revenue bonds premium	83,418,739	-	(10,458,493)	72,960,246	8,758,189
Total bonds payable, net	830,738,739	-	(41,863,493)	788,875,246	41,393,189
Lease liability	3,398,016	-	(599,606)	2,798,410	617,681
Subscription IT liability	1,125,117	-	(210,491)	914,626	210,002
Compensated absences liability	1,176,633	851,765	(725,737)	1,302,661	792,870
Total long-term obligations	\$ 836,438,505	\$ 851,765	\$ (43,399,327)	\$ 793,890,943	\$ 43,013,742

Business-type activities	Balance June 30, 2022	Additions / Accretion	Reductions	Balance June 30, 2023	Due Within One Year
Toll revenue bonds:					
2013 Bonds, Series B	\$ 63,606,952	\$ 4,394,620	\$ -	\$ 68,001,572	\$ -
2021 Bonds, Series A, B, C	615,059,000	-	-	615,059,000	-
Toll revenue bonds premium	54,368,512	-	(2,537,375)	51,831,137	2,537,375
Total bonds payable, net	733,034,464	4,394,620	(2,537,375)	734,891,709	2,537,375
TIFIA loan	162,385,853	4,644,501	-	167,030,355	-
Compensated absences liability	136,867	237,035	(201,963)	171,939	104,651
Total long-term obligations	\$ 895,557,184	\$ 9,276,156	\$ (2,739,338)	\$ 902,094,003	\$ 2,642,026

The Commission has pledged a portion of future sales tax revenues through maturities of the bonds to repay \$715,915,000 in outstanding sales tax revenue bonds payable issued in November 2010 (2010 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, 2023 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 24% of 2009 Measure A revenues. For the current year, interest paid on the bonds was \$38,150,288. 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, 2023

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, 2023 is \$152,214,260, and compounded interest of \$14,816,095.

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, 2023:

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 2023 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, 2023. The federal sequestration cuts may continue for an unknown duration.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

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
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	-	7,649,000	7,649,000	(2,982,100)	4,666,900
2029-2033	14,540,000	38,209,100	52,749,100	(14,897,900)	37,851,200
2034-2038	79,850,000	22,887,500	102,737,500	(9,470,800)	93,266,700
2039	17,980,000	1,224,100	19,204,100	(551,100)	18,653,000
	<u>\$ 112,370,000</u>	<u>\$ 100,565,700</u>	<u>\$ 212,935,700</u>	<u>\$ (39,830,300)</u>	<u>\$ 173,105,400</u>

2013 Sales Tax Revenue 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 \$6,305,000 to \$7,305,000 on various dates from June 1, 2024 through June 1, 2029 at interest rates ranging from 2.00% to 5.00%.

\$ 41,240,000

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

Year Ending June 30	Principal	Interest	Total
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	7,165,000	289,400	7,454,400
2029	7,305,000	146,100	7,451,100
	<u>\$ 41,240,000</u>	<u>\$ 3,481,300</u>	<u>\$ 44,721,300</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 \$5,540,000 to \$11,440,000 on various dates from June 1, 2024 to June 1, 2039 at interest rates ranging from 3.00% to 5.00%.

\$ 130,700,000

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

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
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	6,735,000	5,278,300	12,013,300
2029-2033	39,050,000	21,022,800	60,072,800
2034-2038	49,590,000	10,477,100	60,067,100
2039	11,440,000	571,900	12,011,900
	<u>\$ 130,700,000</u>	<u>\$ 61,522,000</u>	<u>\$ 192,222,000</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 \$35,045,000 on various dates from June 1, 2024 to June 1, 2039 at interest rates ranging from 4.00% to 5.00%.

\$ 392,730,000

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
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	18,290,000	16,123,800	34,413,800
2029-2033	143,745,000	62,225,000	205,970,000
2034-2038	134,865,000	27,783,300	162,648,300
2039	30,980,000	1,549,100	32,529,100
	<u>\$ 392,730,000</u>	<u>\$ 180,480,300</u>	<u>\$ 573,210,300</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, 2023, the unamortized deferred amount on refunding was approximately \$28,912,800.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

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 refunding was undertaken to eliminate certain risks associated with managing the Commission's variable rate debt. The outstanding 2018 Refunding Bonds mature in annual installments ranging from \$5,745,000 to \$7,290,000 on various dates from June 1, 2024 through June 1, 2029 at interest rates ranging from 4.00% to 5.00%.	<u>\$ 38,875,000</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
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	6,955,000	712,300	7,667,300
2029	7,290,000	364,400	7,654,400
	<u>\$ 38,875,000</u>	<u>\$ 7,078,200</u>	<u>\$ 45,953,200</u>

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. The amount outstanding on the 2013 Toll Revenue CABs at June 30, 2023 is \$20,347,880. 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

2013 Toll Revenue Bonds, Series B (Capital Appreciation 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 2023, the accretion amount was \$4,394,621; the aggregate accretion through June 30, 2023 is \$7,018,372.

\$ 68,001,572

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	Interest	Total
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	5,145,400	8,457,900
2028	4,179,600	5,203,100	9,382,700
2029-2033	21,580,500	24,823,300	46,403,800
2034-2038	3,451,400	20,572,400	24,023,800
2039-2043	21,081,600	22,538,700	43,620,300
	<u>\$ 60,983,200</u>	<u>\$ 93,103,400</u>	<u>\$ 154,086,600</u>

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
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	-	2,725,300	2,725,300
2029-2033	12,415,000	13,071,200	25,486,200
2034-2038	61,715,000	6,795,900	68,510,900
2039-2041	14,605,000	1,461,500	16,066,500
	<u>\$ 88,735,000</u>	<u>\$ 34,955,100</u>	<u>\$ 123,690,100</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

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
2024	\$ -	\$ 16,065,800	\$ 16,065,800
2025	-	16,065,800	16,065,800
2026	-	16,065,800	16,065,800
2027	-	16,065,900	16,065,900
2028	-	16,065,900	16,065,900
2029-2033	-	80,329,200	80,329,200
2034-2038	66,740,000	79,076,600	145,816,600
2039-2043	134,480,000	53,619,200	188,099,200
2044-2048	200,760,000	25,800,200	226,560,200
2049	35,915,000	1,077,700	36,992,700
	<u>\$ 437,895,000</u>	<u>\$ 320,232,100</u>	<u>\$ 758,127,100</u>

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
2024	\$ -	\$ 382,000	\$ 382,000
2025	-	382,000	382,000
2026	-	382,000	382,000
2027	-	382,000	382,000
2028	-	382,000	382,000
2029-2033	-	1,910,100	1,910,100
2034-2038	-	1,910,100	1,910,100
2039-2043	-	1,910,100	1,910,100
2044-2048	12,734,000	1,520,300	14,254,300
	<u>\$ 12,734,000</u>	<u>\$ 9,160,600</u>	<u>\$ 21,894,600</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

2021 Toll Revenue Refunding Bonds, Series C:	Outstanding
<p>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%.</p>	
	\$ 75,695,000

Year Ending June 30	Principal	Interest	Total
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	-	3,027,800	3,027,800
2029-2033	-	15,139,000	15,139,000
2034-2038	-	15,139,000	15,139,000
2039-2043	-	15,139,000	15,139,000
2044-2047	75,695,000	9,786,800	85,481,800
	<u>\$ 75,695,000</u>	<u>\$ 70,342,800</u>	<u>\$ 146,037,800</u>

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 2023, \$0 was drawn on the TIFIA loan and \$4,644,501 in interest was compounded for a total compounded interest of \$14,816,095.</p>	
	\$ 167,030,355

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

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 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	-	5,025,800	5,025,800
2029-2033	4,017,700	24,942,900	28,960,600
2034-2038	17,483,200	23,762,300	41,245,500
2039-2043	21,475,000	20,852,900	42,327,900
2044-2048	40,678,500	17,012,300	57,690,800
2049-2053	64,144,700	9,709,600	73,854,300
2054-2055	28,922,600	1,291,600	30,214,200
Total	176,721,700	\$ 112,635,200	\$ 289,356,900
Future compounded interest	(9,691,345)		
Total TIFIA loan	\$ 167,030,355		

Pursuant to the I-15 Express Lanes project toll indenture, the Commission is required to establish the following reserve accounts 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. The balance at June 30, 2023 is approximately \$15.5 million and reflects a \$1 million withdrawal in accordance with the indenture and is not required to be replenished;
- 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 revenue and \$6 million was funded by 15 Express Lanes toll revenues for a total of \$15 million funded through FY 2022/23. The balance as of June 30, 2023 is approximately \$15.4 million; 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. Funding for this account is scheduled to begin in FY 2024/25.

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.

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, 2023, \$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%.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

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 2023.

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, 2023, nor were there any amounts outstanding under the remaining letter of credit agreement at June 30, 2023.

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, 2023.

Lease Liability: For the year ended June 30, 2023, the financial statements include GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about government's 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 underlying asset. Under this statement, a lessor is required to recognize a lease liability and an intangible right to use lease asset. The discount rate is based on the entity's incremental borrowing rate.

On 6/20/2011, the Commission entered into a 48-month lease for the use of Pedley Metrolink Station dark fiber. An initial lease liability was recorded in the amount of \$56,267. As of 06/30/2023, the value of the lease liability is \$28,452. The Commission is required to make monthly fixed payments of \$1,200. The lease has an interest rate of 1.1690%. The value of the right to use asset as of 06/30/2023 is \$56,267 with accumulated amortization of \$28,134.

On 11/8/2018, Commission entered into a 28-month lease for the use of Canon copiers. An initial lease liability was recorded in the amount of \$37,758. As of 06/30/2023, the value of the lease liability is \$6,555. The Commission is required to make monthly fixed payments of \$1,313. The lease has an interest rate of 0.7510%. The value of the right to use asset as of 06/30/2023 is \$37,758 with accumulated amortization of \$32,097.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 7. Long-term Obligations, Continued

On 3/27/2018, the Commission entered into a 75-month lease for the use of 4080 Lemon Street, 3rd Floor. An initial lease liability was recorded in the amount of \$3,856,996. As of 06/30/2023, the value of the lease liability is \$2,754,936. The Commission is required to make monthly fixed payments of \$48,220. The lease has an interest rate of 1.5130%. The value of the right to use asset as of 06/30/2023 of \$3,856,996 with accumulated amortization of \$1,220,676.

On 07/01/2021, the Commission entered into a 36-month lease for the use of Automobile Parking - Park & Ride. An initial lease liability was recorded in the amount of \$25,205. As of 06/30/2023, the value of the lease liability is \$8,467. The Commission is required to make quarterly fixed payments of \$2,130. The lease has an interest rate of 1.0030%. The value of the right to use asset as of 06/30/2023 is \$25,205 with accumulated amortization of \$16,803.

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
2024	\$ 617,681	\$ 37,966	\$ 655,646
2025	630,706	28,638	659,344
2026	645,270	19,022	664,292
2027	675,167	9,053	684,221
2028	229,586	724	230,310
Total lease liability	<u>\$ 2,798,410</u>	<u>\$ 95,403</u>	<u>\$ 2,893,813</u>

Subscription Liability: For the year ended 6/30/2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. The discount rate is based on the entity's incremental borrowing rate.

On 03/18/2021, the Commission entered into a 69-month subscription for the use of Cloud Based Data Base System. An initial subscription liability was recorded in the amount of \$296,843. As of 06/30/2023, the value of the subscription liability is \$256,619. The Commission is required to make annual fixed payments of \$62,400. The subscription has an interest rate of 2.4440%. The value of the right to use asset as of 06/30/2023 is \$296,843 with accumulated amortization of \$51,625. The Commission has 2 extension option(s), each for 24 months.

On 04/27/2022, the Commission entered into a 58-month subscription for the use of Questica Budget Software. An initial subscription liability was recorded in the amount of \$828,274. As of 06/30/2023, the value of the subscription liability is \$658,007. The Commission is required to make annual fixed payments of \$172,535. The subscription has an interest rate of 2.8360%. The value of the right to use asset as of 06/30/2023 is \$828,274 with accumulated amortization of \$171,367.

Year Ending June 30	Principal	Interest	Total
2024	\$ 210,002	\$ 24,933	\$ 234,935
2025	204,218	19,197	223,415
2026	215,005	13,586	228,591
2027	231,049	7,673	238,722
2028	54,352	1,328	55,680
Total subscription liability	<u>\$ 914,626</u>	<u>\$ 66,717</u>	<u>\$ 981,343</u>

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 8. Net Position and Fund Balances

Net position: Net investment in capital assets of \$306,568,725, as reported on the statement of net position, represents capital assets, net of accumulated depreciation and amortization, of \$1,351,213,184 less the related debt of \$1,044,644,459. 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	\$ 744,749,533	\$ 606,463,651	\$ 1,351,213,184
Less: related debt	(261,444,846)	(783,199,613)	(1,044,644,459)
Total	\$ 483,304,687	\$ (176,735,962)	\$ 306,568,725

Additionally, the statement of net position reports \$1,392,072,851 of restricted net position, of which \$587,911,389 is restricted by enabling legislation with the remaining balance reported as an unrestricted deficit of \$510,152,633.

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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 8. Net Position and Fund Balances, Continued

revenue sources to maintain road improvements. Monies are disbursed to the jurisdictions which comply with the requirements to maintain the same level of funding for streets and roads as existed prior to the passage of the 2009 Measure A and participate in TUMF (as applicable in the Western County and 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.



Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 8. Net Position and Fund Balances, Continued

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, 2023 are as follows:

	Local Transportation Fund	State Transit Assistance	State of Good Repair	Total
Bicycle and pedestrian facilities	\$ 9,475,739	\$ -	\$ -	\$ 9,475,739
Transit and specialized transportation				
Western County:				
Bus transit:				
City of Banning	19,286	6,189,762	45,722	6,254,770
City of Beaumont	100,000	6,699,391	175,671	6,975,062
City of Corona	-	1,270,193	407,250	1,677,443
City of Riverside	-	156,676	399,357	556,033
Riverside Transit Agency	2,421,098	28,951,416	2,997,849	34,370,363
Apportioned and unallocated	204,909,783	32,664,850	2,315,082	239,889,715
Commuter rail:				
Commission	-	9,536,494	964,074	10,500,568
Apportioned and unallocated	44,335,755	37,564,845	1,054,969	82,955,569
Total Western County	251,785,922	123,033,627	8,359,974	383,179,523
Coachella Valley:				
BusTransit				
SunLine Transit Agency	1,233,219	14,302,932	3,233,355	18,769,506
Apportioned and unallocated	46,517,910	3,470,750	911,576	50,900,236
Commuter rail:				
Commission	-	235,927	-	235,927
Apportioned and unallocated	-	381,133	-	381,133
Total Coachella Valley	47,751,129	18,390,742	4,144,931	70,286,802
Palo Verde Valley:				
Palo Verde Valley Transit Agency	-	526,5433	96,731	623,274
Apportioned and unallocated for transit	3,127,104	207,637	60,000	3,394,741
Total Palo Verde Valley	3,127,104	734,180	156,731	4,018,015
Unapportioned funds	24,437,031	-	-	24,437,031
Total transit and specialized transportation	\$ 336,576,925	\$ 142,158,549	\$ 12,661,636	\$ 491,397,110

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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 8. Net Position and Fund Balances, Continued

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

Motorist assistance: Funds in the Service Authority for Freeway Emergencies and Freeway Service Patrol Special Revenue funds are reported as nonmajor governmental funds of \$4,700,897 and \$8,627,803, 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 Regional Conservation Nonmajor fund reported a negative unassigned fund balance of \$3,392. The Commission anticipates future reimbursements from the Western Riverside County Regional Conversation Authority 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.

The Commission is party to an ongoing litigation which if settled, would be material to the governmental activity's enterprise fund. Due to the nature of the litigation, outlays, if any, would be recorded as a capital asset in the fiscal year paid.

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 \$26,339,318 and \$3,340,844 during 2023 for its share of Metrolink operating and capital costs, respectively. As of June 30, 2023, cumulative capital contributions were \$67,066,253. Other funds for

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 10. Joint Agreements, Continued

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 2023 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 2023 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.

I-15 Corridor Freight and Express Lanes Project: The Commission and San Bernardino County Transportation Agency (SBCTA) entered into a Cooperative Agreement (Agreement) on May 24, 2023, formalizing the coordination of the toll facilities between Riverside and San Bernadino counties; collectively referred to as the I-15 Corridor Freight and Express Lanes project or I-15 Next. Specifically, the Agreement requires the Commission to assign approximately 2.2 miles of its existing RCTC 15 Toll Lanes to SBCTA in exchange for annual toll revenue payments payable by SBCTA.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 10. Joint Agreements, Continued

The assignment is made by the Commission to SBCTA in preparation for planning and constructing a toll facility within the median of I-15. Construction by SBCTA is anticipated to begin during calendar year 2024 with an estimated completion date of summer 2026.

As of June 30, 2023, no impacts have been incurred by the existing RCTC 15 Express Lanes as a result of entering into this Agreement. However, SBCTA will reimburse RCTC 15 Express Lanes for any impacts during construction phase of the project. Furthermore, assignment of the RCTC 15 Express Lanes will not occur until sixty (60) days prior to project completion estimated to occur during calendar year 2026.

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 \$8,474,565 during the year ended June 30, 2023 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.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 11. Employees' Pension Plans, Continued

The Plan provisions and benefits in effect at June 30, 2023, 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	16.21%	8.03%

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, 2023, the contributions recognized as part of pension expense for the Plan were as follows:

Miscellaneous	
Contributions - Commission	\$ 1,304,460
Contributions - Employee	765,820

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

As of June 30, 2023, the Commission reported a net pension liability for its proportionate shares of the net pension liability of the Plan as follows:

Proportionate Share of Net Pension Liability	
Miscellaneous	\$ 1,868,313

The Commission's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Commission's proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 is as follows:

Miscellaneous	
Proportion - June 30, 2022	(0.33677%)
Proportion - June 30, 2023	0.03993%
Change - Increase (Decrease)	0.37670%

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 11. Employees' Pension Plans, Continued

For the year ended June 30, 2023, the Commission recognized pension expense of \$10,009,626. At June 30, 2023, 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	\$ 1,304,460	\$ -
Differences between actual and expected experiences	37,519	25,129
Changes in assumptions	191,448	-
Differences between contributions and the proportionate share of contributions	1,768,361	1,371,708
Changes in Commission's proportion	5,538,825	1,638,896
Net differences between projected and actual earnings on plan investments	342,225	-
Total	<u>\$ 9,182,838</u>	<u>\$ 3,035,733</u>

The \$1,304,460 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	
2024	\$ 1,838,248
2025	1,672,534
2026	1,122,546
2027	209,317
	<u>\$ 4,842,645</u>

Actuarial Methods and Assumptions - The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Miscellaneous	
Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increase	Varies by entry age and service
Investment Rate of Return	6.90% net of pension plan investment and administrative expenses, includes inflation
Mortality	Derived using CalPERS' membership data for all funds

The mortality table was developed based on CalPERS specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. Further details of the experience study can be found on the CalPERS website.

Changes in Actuarial Assumptions - For the measurement period ended June 30, 2022, the discount rate was reduced from 7.15% to 6.90%, the inflation rate was reduced from 2.50% to 2.30%, and the investment rate of return was reduced from 7.15% to 6.90%.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 11. Employees' Pension Plans, Continued

Discount Rate - The discount rate used to measure the total pension liability was 6.90% 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 - In determining the long-term expected rate of return, CalPERS considered long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates, are used to project compound (generic) returns over the long-term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

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

Asset Class (a)	Current Target Allocation	Real Return Years 1 - 10 (1,2)
Global equity - cap-weighted	30%	4.45%
Global equity - non-cap weighted	12%	3.84%
Private equity	13 %	7.28%
Treasury	5%	0.27%
Mortgage-backed securities	5%	0.50%
Investment grade corporates	10%	1.56%
High yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	(5%)	(0.59%)
Total	100%	

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

(2) Figures are based on the 2021/22 Asset Liability Management study

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	5.90%
Net Pension Liability	\$8,454,933
Current Discount Rate	6.90%
Net Pension Liability	\$1,868,313
1% Increase	7.90%
Net Pension Asset	(\$3,550,841)

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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 11. Employees' Pension Plans, Continued

Payable to the Pension Plan - At June 30, 2023, the Commission reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2023.

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 \$9,934,449. The Commission's contributions to the Plan were \$727,420 for the year ended June 30, 2023.

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

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

Benefits provided - The Commission provides post-employment health benefits for eligible retirees and their dependents at retirement. For employees hired on or after January 1, 2007, retirees must have a minimum of 10 years of PERS service and no less than five years of Commission service in order to receive post-employment health benefits in accordance with PERS as per Government Code Section 22893. For employees hired prior to January 1, 2007, retirees are not required to meet the eligibility criteria and may receive post-employment health benefits at the monthly health benefit rate paid for active employees, which was \$1,500 at June 30, 2023. 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, 2023 are as follows:

Inactive employees or beneficiaries currently receiving benefit payments	31
Inactive employees entitled to but not yet receiving benefits	3
Active employees	71
Total	<u>105</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, 2023, the Commission's average contribution rate was 10.8% of covered-employee payroll. Employees are not required to contribute to the plan.

Net OPEB Asset - The Commission's net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

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

Actuarial assumptions – The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions	June 30, 2022 Measurement Date
Inflation	2.75% per annum
Discount rate	5.25% per annum
Salary increases	3.00% aggregate
Investment rate of return	5.25%
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, 2022 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2021 to June 30, 2022.

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.

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 Strategy 2	Expected Real Rate of Return
Global equity	34%	4.56%
Fixed income	41%	1.56%
TIPS	5%	(0.08%)
Commodities	3%	1.22%
REITs	17%	4.06%
Assumed long-term rate of inflation		2.75%
Expected long-term net rate of return		5.25%

Changes in Actuarial Assumptions – For the measurement period ended June 30, 2022, the discount rate was reduced from 7.15% to 6.90%, the inflation rate was reduced from 2.50% to 2.30%, and the investment rate of return was reduced from 7.15% to 6.90%.

Discount rate – The discount rate to measure the total OPEB asset 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 asset.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

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

Changes in the Net OPEB Liability (Asset) – The changes in the net OPEB liability (asset) from the measurement date of June 30, 2021 to June 30, 2022 are as follows:

	Increase (Decrease)		
	Total OPEB Liability (Asset)	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances at June 30, 2021 (measurement date)	\$ 8,738,200	\$ 11,335,200	\$ (2,597,000)
Changes for the year:			
Service cost	641,500	-	641,500
Interest	482,900	-	482,900
Assumption changes	150,300	-	150,300
Contributions – employer	-	884,100	(884,100)
Experience	-	-	-
Net investment income	-	(1,500,000)	1,500,000
Benefit payments	(366,400)	(366,400)	-
Administrative expense	-	(1,800)	1,800
Net changes	908,300	(984,100)	1,892,400
Balances at June 30, 2022 (measurement date)	\$9,646,500	\$ 10,351,100	\$ (704,600)

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	\$724,500
Current Discount Rate	5.25%
Net OPEB Asset	(\$704,600)
1% Increase	6.25%
Net OPEB Asset	(\$1,865,300)

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

Changes in the Healthcare Cost Trend Rate	
1% Decrease	1% Decrease
Net OPEB Asset	(\$2,085,300)
Current Healthcare Trend Rate	Current Trend
Net OPEB Asset	(\$704,600)
1% Increase	1% Increase
Net OPEB Liability	\$1,029,700

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

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

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

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 \$717,400. At June 30, 2023 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	\$ 961,600	\$ -
Changes in assumptions	181,600	88,900
Differences between actual and expected experiences	-	439,800
Net differences between projected and actual earnings on plan investments	907,900	-
Total	<u>\$ 2,051,100</u>	<u>\$ 528,700</u>

The \$961,600 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	
2024	\$ 71,700
2025	96,900
2026	88,000
2027	368,300
2028	(38,400)
Thereafter	(25,700)
	<u>\$ 560,800</u>

Payable to the OPEB Plan – At June 30, 2023 the Commission reported a payable of \$0 for the outstanding amount of contributions to CERBT required for the year ended June 30, 2023.

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. 96, *Subscription-Based Information Technology Arrangements*

As of July 1, 2022, the Commission adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The implementation of this standard establishes that a subscription IT arrangement results in a right to use subscription IT asset – an intangible asset, and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of subscription IT arrangements. The Statement required recognition of certain subscription IT assets and liabilities for subscription IT that previously were recognized as outflows of resources based on the payment provisions of the contract. As a result of implementing this standard, the Commission recognized a right to use subscription IT asset and subscription IT liability of \$1,125,117 and \$1,125,117, respectively within governmental activities as of July 1, 2022. As a result of these adjustments there was no effect on beginning net position. The additional disclosures required by this standard are included in Notes 5 and 7.

Riverside County Transportation Commission
Notes to Basic Financial Statements
June 30, 2023

Note 15. Pronouncements Issued, Not Yet Effective

The GASB pronouncements issued prior to June 30, 2023 that have an effective date that may impact future financial presentations include:

- GASB Statement No. 99, *Omnibus 2022* (The requirements related to financial guarantees and the classification and reporting derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter).
- 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 beginning after December 15, 2023







RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

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, 2023

	General			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Intergovernmental	\$ 22,610,600	\$ 22,610,600	\$ 5,225,498	\$ (17,385,102)
Investment income(loss)	36,400	36,400	725,357	688,957
Other	-	-	1,718	1,718
Total revenues	22,647,000	22,647,000	5,952,573	(16,694,427)
Expenditures				
Current:				
General government	12,406,600	11,594,200	-	11,594,200
Commuter rail	44,997,700	44,113,200	30,738,018	13,375,182
Planning and programming	2,740,800	5,999,000	3,972,025	2,026,975
Transit and specialized transportation	1,590,100	1,592,000	911,442	680,558
Total programs	61,735,200	63,298,400	35,621,485	27,676,915
Debt service:				
Principal	-	788,000	787,736	264
Interest	-	48,600	48,534	66
Total debt service	-	836,600	836,270	330
Capital outlay	3,343,900	3,363,900	101,042	3,262,858
Total expenditures	65,079,100	67,498,900	36,558,797	30,940,103
Excess (deficiency) of revenues over (under) expenditures	(42,432,100)	(44,851,900)	(30,606,224)	14,245,676
Other financing sources (uses)				
Transfers in	44,979,600	44,979,600	31,925,738	(13,053,862)
Transfers out	(2,990,800)	(2,990,800)	(7,873)	2,982,927
Total other financing sources (uses)	41,988,800	41,988,800	31,917,865	(10,070,935)
Net change in fund balances	\$ (443,300)	\$ (2,863,100)	1,311,641	\$ 4,174,741
Fund balances at beginning of year			35,788,510	
Fund balances at end of year			\$ 37,100,151	

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, 2023

	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	\$ 204,086,000	\$ 220,619,000	\$ 230,590,476	\$ 9,971,476	\$ 49,894,000	\$ 53,252,000	\$ 55,658,839	\$ 2,406,839
Transportation Uniform Mitigation Fee	-	-	-	-	-	-	-	-
Intergovernmental	119,201,300	120,007,500	61,730,536	(58,276,964)	67,300	67,300	-	(67,300)
Investment income (loss)	349,700	349,700	7,059,918	6,710,218	-	-	1,958,771	1,958,771
Other	589,000	589,000	3,530,551	2,941,551	-	-	-	-
Total revenues	324,226,000	341,565,200	302,911,481	(38,653,719)	49,961,300	53,319,300	57,617,610	4,298,310
Expenditures								
Current:								
General government	565,900	565,900	336,045	229,855	-	-	-	-
Bicycle and pedestrian facilities	-	-	-	-	-	-	-	-
CETAP	-	-	-	-	-	-	-	-
Commuter assistance	4,385,400	4,362,700	4,030,094	332,606	-	-	-	-
Commuter rail	29,061,400	29,511,300	19,310,998	10,200,302	-	-	-	-
Highways	139,812,900	134,825,300	85,048,360	49,776,940	30,009,400	30,985,700	15,327,959	15,657,741
Local streets and roads	58,774,300	66,386,700	66,569,274	(182,574)	17,250,300	19,298,000	19,480,594	(182,594)
Planning and programming	-	-	-	-	-	-	-	-
Regional arterials	24,494,300	24,183,300	4,626,056	19,557,244	-	-	-	-
Transit and specialized transportation	8,422,500	8,426,300	7,100,026	1,326,274	10,900,000	10,900,000	11,082,712	(182,712)
Total programs	265,516,700	268,261,500	187,020,853	81,240,647	58,159,700	61,183,700	45,891,265	15,292,435
Debt service:								
Principal	-	22,400	22,361	39	-	-	-	-
Interest	-	600	559	41	-	-	-	-
Total debt service	-	23,000	22,920	80	-	-	-	-
Capital outlay	2,848,500	6,586,400	4,763,984	1,822,416	-	-	-	-
Total expenditures	268,365,200	274,870,900	191,807,757	83,063,143	58,159,700	61,183,700	45,891,265	15,292,435
Excess (deficiency) of revenues over (under) expenditures	55,860,800	66,694,300	111,103,724	44,409,424	(8,198,400)	(7,864,400)	11,726,345	19,590,745
Other financing sources (uses)								
Transfers in	30,799,100	31,899,100	15,103,584	(16,795,516)	-	-	140,418	140,418
Transfers out	(93,595,200)	(93,595,200)	(67,493,371)	26,101,829	(428,100)	(428,100)	-	428,100
Total other financing sources (uses)	(62,796,100)	(61,696,100)	(52,389,787)	9,306,313	(428,100)	(428,100)	140,418	568,518
Net change in fund balances	\$ (6,935,300)	\$ 4,998,200	58,713,937	\$ 53,715,737	\$ (8,626,500)	\$ (8,292,500)	11,866,763	\$ 20,159,263
Fund balances at beginning of year			379,440,191				84,343,540	
Fund balances at end of year			\$ 438,154,128				\$ 96,210,303	

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, 2023

	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	\$ -	\$ -	\$ -	\$ -	\$ 130,000,000	\$ 150,000,000	\$ 156,282,435	\$ 6,282,435
Transportation Uniform Mitigation Fee	31,000,000	31,000,000	34,416,894	3,416,894	-	-	-	-
Intergovernmental	359,600	359,600	-	(359,600)	240,100	240,100	15,438,482	15,198,382
Investment income(loss)	107,600	107,600	2,860,762	2,753,162	-	-	5,616,669	5,616,669
Other	18,000	18,000	22,916	4,916	-	-	-	-
Total revenues	31,485,200	31,485,200	37,300,572	5,815,372	130,240,100	150,240,100	177,337,586	27,097,486
Expenditures								
Current:								
General government	-	-	-	-	12,000	12,000	12,000	-
Bicycle and pedestrian facilities	-	-	-	-	1,600,000	1,600,000	2,578,177	(978,177)
CETAP	3,854,700	4,207,600	1,011,752	3,195,848	-	-	-	-
Commuter assistance	-	-	-	-	-	-	-	-
Commuter rail	-	-	-	-	-	-	-	-
Highways	-	-	-	-	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	1,415,000	1,415,000	1,415,000	-
Regional arterials	18,392,300	15,383,400	3,466,066	11,917,334	-	-	-	-
Transit and specialized transportation	-	-	-	-	101,613,000	102,053,000	85,870,179	16,182,821
Total programs	22,247,000	19,591,000	4,477,818	15,113,182	104,640,000	105,080,000	89,875,356	15,204,644
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	22,247,000	19,591,000	4,477,818	15,113,182	104,640,000	105,080,000	89,875,356	15,204,644
Excess (deficiency) of revenues over (under) expenditures	9,238,200	11,894,200	32,822,754	20,928,554	25,600,100	45,160,100	87,462,230	42,302,130
Other financing sources (uses)								
Transfers in	273,600	273,600	70,362	(203,238)	-	-	-	-
Transfers out	(29,180,100)	(29,180,100)	(3,974,572)	25,205,528	(26,313,800)	(28,072,800)	(27,740,200)	332,600
Total other financing sources (uses)	(28,906,500)	(28,906,500)	(3,904,210)	25,002,290	(26,313,800)	(28,072,800)	(27,740,200)	332,600
Net change in fund balances	\$ (19,668,300)	\$ (17,012,300)	28,918,544	\$ 45,930,844	\$ (713,700)	\$ 17,087,300	59,722,030	\$ 42,634,730
Fund balances at beginning of year			119,352,193				276,854,895	
Fund balances at end of year			\$ 148,270,737				\$ 336,576,925	

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, 2023

	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	\$ 26,585,600	\$ 26,585,600	\$ 37,244,079	\$ 10,658,479	\$ -	\$ -	\$ -	\$ -
Transportation Uniform Mitigation Fee	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	84,486,900	84,486,900	99,942,971	15,456,071
Investment income(loss)	120,100	120,100	2,874,905	2,754,805	-	-	1,003,838	1,003,838
Other	-	-	5,125	5,125	-	-	963,200	963,200
Total revenues	26,705,700	26,705,700	40,124,109	13,418,409	84,486,900	84,486,900	101,910,009	17,423,109
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Bicycle and pedestrian facilities	-	-	-	-	-	-	-	-
CETAP	-	-	-	-	-	-	-	-
Commuter assistance	-	-	-	-	-	-	-	-
Commuter rail	-	-	-	-	-	-	-	-
Highways	-	-	-	-	182,000,300	172,300,300	154,469,677	17,830,623
Local streets and roads	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	-	-	-	-
Regional arterials	-	-	-	-	-	-	-	-
Transit and specialized transportation	36,736,100	36,736,100	25,904,190	10,831,910	-	-	-	-
Total programs	36,736,100	36,736,100	25,904,190	10,831,910	182,000,300	172,300,300	154,469,677	17,830,623
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	36,736,100	36,736,100	25,904,190	10,831,910	182,000,300	172,300,300	154,469,677	17,830,623
Excess (deficiency) of revenues over (under) expenditures	(10,030,400)	(10,030,400)	14,219,919	24,250,319	(97,513,400)	(87,813,400)	(52,559,668)	35,253,732
Other financing sources (uses)								
Transfers in	-	-	-	-	97,513,400	97,513,400	53,949,156	(43,564,244)
Transfers out	(4,033,900)	(5,133,900)	(3,716,784)	1,417,116	-	-	-	-
Total other financing sources (uses)	(4,033,900)	(5,133,900)	(3,716,784)	1,417,116	97,513,400	97,513,400	53,949,156	(43,564,244)
Net change in fund balances	\$ (14,064,300)	\$ (15,164,300)	10,503,135	\$ 25,667,435	\$ -	\$ 9,700,000	1,389,488	\$ (8,310,512)
Fund balances at beginning of year			131,655,414				(385,823)	
Fund balances at end of year			\$ 142,158,549				\$ 1,003,665	

See notes to required supplementary information

Riverside County Transportation Commission

Schedule of Proportionate Share of Net Pension Liability

Last Ten Fiscal Years¹

June 30, 2023

	Fiscal Year								
	2023	2022	2021	2020	2019	2018	2017	2016	2015 ¹
Measurement Date	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability/(asset)	0.03993%	-0.11824%	0.00482%	0.08706%	0.08656%	0.08794%	0.08829%	0.09176%	0.08559%
Proportionate share of the net pension liability/(asset)	\$ 1,868,313	\$ (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)	\$ 9,301,613	\$ 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	20.09%	-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)	84.58%	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. Represents most recent data available.

Riverside County Transportation Commission

Schedule of Pension Contributions

Last Ten Fiscal Years¹

June 30, 2023

	Fiscal Year								
	2023	2022	2021	2020	2019	2018	2017	2016	2015¹
Contractually required contribution (actuarially determined)	\$ -	\$ - ²	\$1,525,557	\$ 1,675,734	\$ 1,507,484	\$1,321,564	\$ 1,222,802	\$ 1,101,641	\$1,044,018
Contributions in relation to the actuarially determined contributions	(1,304,460)	(1,203,364)	(925,486)	(10,221,550) ²	(1,443,593)	(1,308,877)	(1,238,891)	(1,132,393)	(1,125,317)
Contribution deficiency (excess)	<u><u>\$(1,304,460)</u></u>	<u><u>\$ (1,203,364)</u></u>	<u><u>\$ 600,071</u></u>	<u><u>\$(8,545,816)</u></u>	<u><u>\$ 63,891</u></u>	<u><u>\$ 12,687</u></u>	<u><u>\$ (16,089)</u></u>	<u><u>\$ (30,752)</u></u>	<u><u>\$ (81,299)</u></u>
Covered payroll	\$ 9,934,449	\$ 9,301,613	\$7,470,675	\$ 6,327,777	\$ 5,870,876	\$5,653,205	\$ 5,536,781	\$ 5,287,151	\$4,792,270
Contributions as a percentage of covered payroll	13.13%	12.94%	12.39%	161.53%	24.59%	23.15%	22.38%	21.42%	23.48%
Valuation date	6/30/20	6/30/19	6/30/18	6/30/17	6/30/16	6/30/15	6/30/14	6/30/13	6/30/12

Actuarial cost method	Entry age normal cost method
Amortizations method	Level of percentage of payroll
Remaining amortization period	20 years as of valuation date
Asset valuation method	15 year smoothed market
Inflation	2.30%
Projected salary increases	Varies by entry age and service
Discount rate	6.90% (net of administrative expenses)
Retirement age	55 years
Mortality	Derived using CalPERS membership data for all funds

See notes to required supplementary information

¹ Fiscal year 2015 was the first year of implementation. 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, 2023

	Fiscal Year						
	2023	2022	2021	2020	2019	2018	2017 ¹
Measurement date	2022	2021	2020	2019	2018	2017	2016
Total OPEB liability(asset)							
Service cost	\$ 641,500	\$ 421,100	\$ 408,900	\$ 477,000	\$ 463,000	\$ 449,000	\$ 437,000
Interest	482,900	496,000	470,500	462,000	416,000	377,000	338,000
Changes of benefit terms	150,300	-	-	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	(366,400)	(315,700)	(282,700)	(229,000)	(192,000)	(172,000)	(155,000)
Net change in total OPEB liability(asset)	908,300	374,800	448,400	589,000	761,000	654,000	620,000
Beginning total OPEB liability(asset)	8,738,200	8,363,400	7,915,000	7,326,000	6,565,000	5,911,000	5,291,000
Ending total OPEB liability(asset)	<u>\$ 9,646,500</u>	<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	\$ 884,100	\$ 728,300	\$ 448,000	\$ 778,000	\$ 725,000	\$ 666,000	\$ 634,000
Net investment income	(1,500,000)	1,825,700	452,700	577,000	522,000	597,000	86,000
Benefit payments	(366,400)	(315,700)	(282,700)	(229,000)	(192,000)	(172,000)	(155,000)
Administrative expense	(1,800)	(5,700)	(5,400)	(2,000)	(12,000)	(3,000)	(2,000)
Net change in plan fiduciary net position	(984,100)	2,232,600	612,600	1,124,000	1,043,000	1,088,000	563,000
Beginning fiduciary net position	11,335,200	9,102,600	8,490,000	7,366,000	6,323,000	5,235,000	4,672,000
Ending fiduciary net position	<u>\$ 10,351,100</u>	<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>\$ (704,600)</u>	<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)	107.30%	129.72%	108.84%	107.26%	100.55%	96.31%	88.56%
Covered payroll (measurement year)	\$ 9,301,613	\$ 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	-7.58%	-34.76%	-11.68%	-9.79%	-0.71%	4.37%	12.79%

See notes to required supplementary information

¹ Fiscal year 2017 was the first year of implementation. Represents most recent data available.

Riverside County Transportation Commission

Schedule of OPEB Contributions

Last Ten Fiscal Years¹

June 30, 2023

	Fiscal Year						
	2023	2022	2021	2020	2019	2018	2017¹
Actuarially determined contribution	\$ 533,000	\$ 517,000	\$ 412,000	\$ 399,000	\$ 549,000	\$ 533,000	\$ 494,000
Contributions in relation to the actuarially determined contribution	961,600	884,100	728,300	448,000	778,000	725,000	666,000
Contribution deficiency (excess)	<u>\$ (428,600)</u>	<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	\$9,934,449	\$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	9.68%	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
Discount rate	5.25%
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. Represents most recent data available.



Riverside County Transportation Commission
Notes to Required Supplementary Information
June 30, 2023

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).

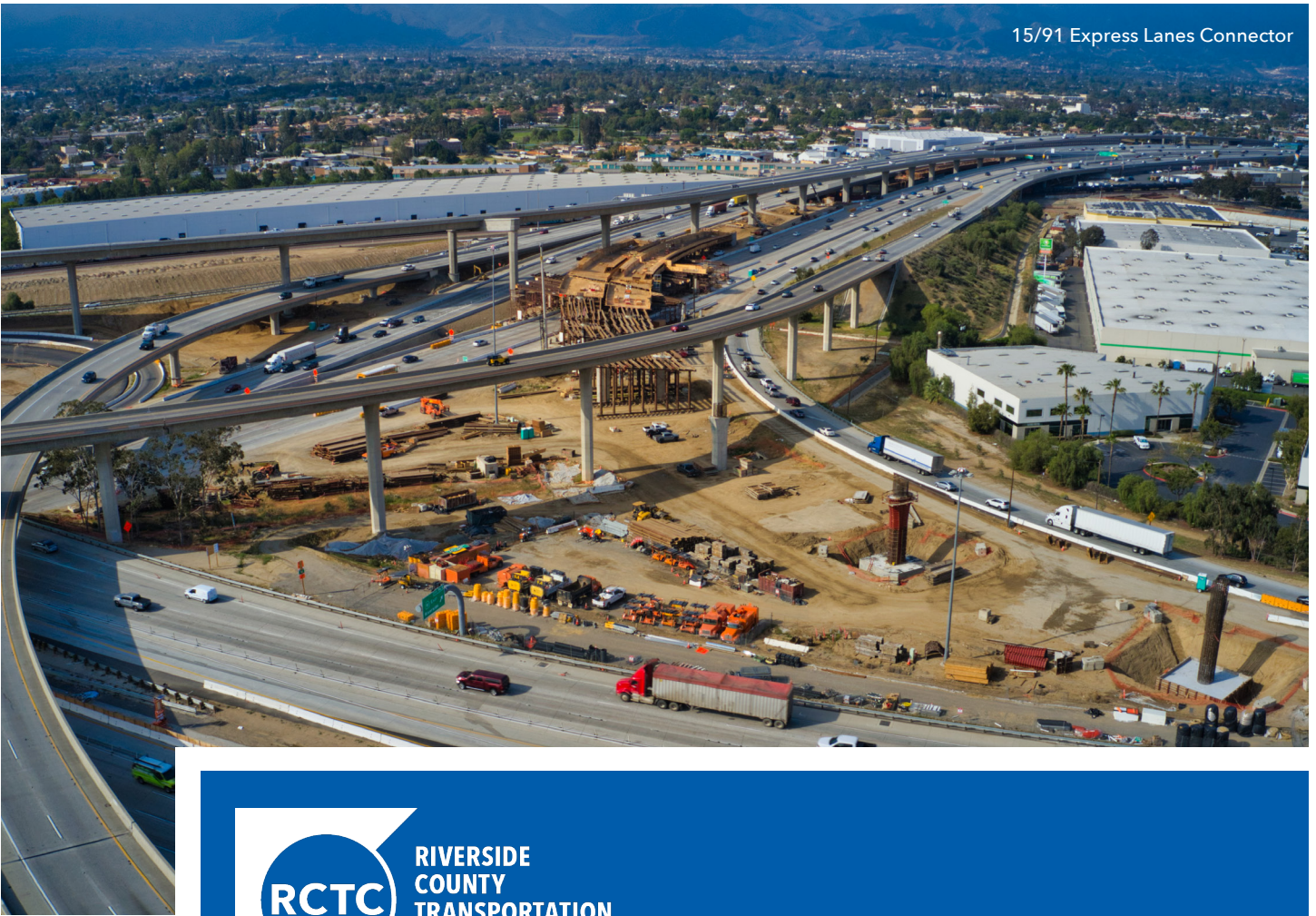
Schedule of Pension Contributions - The schedule provides the Commission's actuarially determined contributions to the pension plan, the Commission's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered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





RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION

Other Supplementary Information



Riverside County Transportation Commission
Nonmajor Governmental Funds Description

Special Revenue Funds

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

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

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

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

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

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

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, 2023

	Special Revenue			
	Measure A Palo Verde Valley	Freeway Service Patrol	Service Authority for Freeway Emergencies	State of Good Repair
Assets				
Cash and investments	\$ -	\$ 7,062,278	\$ 4,275,088	\$ 11,746,919
Receivables:				
Accounts	207,308	1,948,875	388,564	1,041,273
Interest	-	89,854	93,490	190,250
Due from other funds	-	-	-	-
Prepaid expenditures and other assets	-	-	-	-
Total assets	\$ 207,308	\$ 9,101,007	\$ 4,757,142	\$ 12,978,442
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 193,808	\$ 398,484	\$ 49,889	\$ 281,106
Due to other funds	13,500	61,475	6,356	35,700
Other liabilities	-	-	-	-
Total liabilities	207,308	459,959	56,245	316,806
Deferred inflows of resources				
Unavailable revenues	-	13,245	-	-
Total deferred inflows of resources	-	13,245	-	-
Fund balances:				
Nonspendable-prepaid amounts	-	-	-	-
Restricted for:				
Commuter rail	-	-	-	-
Motorist assistance	-	8,627,803	4,700,897	-
Planning and programming	-	-	-	-
Transit and specialized transportation	-	-	-	12,661,636
Unassigned:	-	-	-	-
Total fund balances	-	8,627,803	4,700,897	12,661,636
Total liabilities and fund balances	\$ 207,308	\$ 9,101,007	\$ 4,757,142	\$ 12,978,442

Riverside County Transportation Commission
Combining Balance Sheet - Nonmajor Governmental Funds, Continued
June 30, 2023

	Special Revenue			Total
	Coachella Valley Rail	Other Agency Projects	Regional Conservation	Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 1,955,980	\$ 509,422	\$ 1,308,851	\$ 26,858,538
Receivables:				
Accounts	-	810,000	1,553,643	5,949,663
Interest	32,565	8,974	15,583	430,716
Due from other funds	283,330	-	-	283,330
Prepaid expenditures and other assets	-	-	1,030	1,030
Total assets	\$ 2,271,875	\$ 1,328,396	\$ 2,879,107	\$ 33,523,277
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 9,077	\$ 470,437	\$ 644,992	\$ 2,047,793
Due to other funds	5,408	5,844	510,860	639,143
Other liabilities	-	823,941	1,725,617	2,549,558
Total liabilities	14,485	1,300,222	2,881,469	5,236,494
Deferred inflows of resources				
Unavailable revenues	-	-	-	13,245
Total deferred inflows of resources	-	-	-	13,245
Fund balances:				
Nonspendable-prepaid amounts	-	-	1,030	1,030
Restricted for:				
Commuter rail	2,257,390	-	-	2,257,390
Motorist assistance	-	-	-	13,328,700
Planning and programming	-	28,174	-	28,174
Transit and specialized transportation	-	-	-	12,661,636
Unassigned:	-	-	(3,392)	(3,392)
Total fund balances	2,257,390	28,174	(2,362)	28,273,538
Total liabilities and fund balances	\$ 2,271,875	\$ 1,328,396	\$ 2,879,107	\$ 33,523,277

Riverside County Transportation Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2023

	Special Revenue			
	Measure A Palo Verde Valley	Freeway Service Patrol	Service Authority for Freeway Emergencies	State of Good Repair
Revenues				
Sales taxes	\$ 1,179,447	\$ -	\$ -	\$ 4,364,613
Intergovernmental	-	2,999,818	2,185,474	312,610
Investment income(loss)	-	117,409	161,071	264,047
Total revenues	1,179,447	3,117,227	2,346,545	4,941,270
Expenditures				
Current:				
Commuter rail	-	-	-	-
Local streets and roads	1,179,447	-	-	-
Motorist assistance	-	4,233,896	273,619	-
Planning and programming	-	-	-	-
Regional conservation	-	-	-	-
Transit and specialized transportation	-	-	-	3,554,081
Total expenditures	1,179,447	4,233,896	273,619	3,554,081
Excess (deficiency) of revenues over (under) expenditures	-	(1,116,669)	2,072,926	1,387,189
Other financing sources (uses):				
Transfers in	-	2,800,000	-	-
Transfers out	-	-	(2,855,000)	-
Total other financing sources (uses)	-	2,800,000	(2,855,000)	-
Net change in fund balances	-	1,683,331	(782,074)	1,387,189
Fund balances at beginning of year	-	6,944,472	5,482,971	11,274,447
Fund balances at end of year	\$ -	\$ 8,627,803	\$ 4,700,897	\$ 12,661,636

Riverside County Transportation Commission
Combining Statement of Revenues, Expenditures, and Changes in Fund
Nonmajor Governmental Funds, Continued
Year Ended June 30, 2023

	Special Revenue			
	Coachella Valley Rail	Other Agency Projects	Regional Conservation	Total Nonmajor Governmental Funds
Revenues				
Sales taxes	\$ -	\$ -	\$ -	\$ 5,544,060
Intergovernmental	-	1,901,477	8,474,565	15,873,944
Investment income (loss)	57,047	16,796	3,423	619,793
Total revenues	57,047	1,918,273	8,477,988	22,037,797
Expenditures				
Current:				
Commuter rail	283,331	-	-	283,331
Local streets and roads	-	-	-	1,179,447
Motorist assistance	-	-	-	4,507,515
Planning and programming	-	1,901,795	-	1,901,795
Regional conservation	-	-	8,476,417	8,476,417
Transit and specialized transportation	-	-	-	3,554,081
Total expenditures	283,331	1,901,795	8,476,417	19,902,586
Excess (deficiency) of revenues over (under) expenditures	(226,284)	16,478	1,571	2,135,211
Other financing sources (uses):				
Transfers in	283,330	-	-	3,083,330
Transfers out	-	-	-	(2,855,000)
Total other financing sources (uses)	283,330	-	-	228,330
Net change in fund balances	57,046	16,478	1,571	2,363,541
Fund balances at beginning of year	2,200,344	11,696	(3,933)	25,909,997
Fund balances at end of year	\$ 2,257,390	\$ 28,174	\$ (2,362)	\$ 28,273,538

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual–Nonmajor Special Revenue Funds
Year Ended June 30, 2023

	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	\$ 1,220,000	\$ 1,129,000	\$ 1,179,447	\$ 50,447	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	3,200,000	3,200,000	2,999,818	(200,182)
Investment income(loss)	-	-	-	-	6,200	6,200	117,409	111,209
Total revenues	1,220,000	1,129,000	1,179,447	50,447	3,206,200	3,206,200	3,117,227	(88,973)
Expenditures								
Current:								
Commuter rail	-	-	-	-	-	-	-	-
Local streets and roads	1,077,300	1,136,400	1,179,447	(43,047)	-	-	-	-
Motorist assistance	-	-	-	-	5,692,400	5,706,900	4,233,896	1,473,004
Planning and programming	-	-	-	-	-	-	-	-
Regional conservation	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	-	-	-	-
Total programs	1,077,300	1,136,400	1,179,447	(43,047)	5,692,400	5,706,900	4,233,896	1,473,004
Excess (deficiency) of revenues over (under) expenditures	142,700	(7,400)	-	7,400	(2,486,200)	(2,500,700)	(1,116,669)	1,384,031
Other financing sources (uses)								
Transfers in	-	-	-	-	2,800,000	2,800,000	2,800,000	-
Transfers out	(142,700)	(142,700)	-	142,700	(217,900)	(217,900)	-	217,900
Total other financing sources (uses)	1,220,000	(142,700)	-	142,700	2,582,100	2,582,100	2,800,000	217,900
Net change in fund balances	\$ 1,362,700	\$ (150,100)	-	\$ 150,100	\$ 95,900	\$ 81,400	1,683,331	\$ 1,601,931
Fund balances at beginning of year							6,944,472	
Fund balances at end of year			\$ -				\$ 8,627,803	

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, 2023

	Service Authority for Freeway Emergencies				State of Good Repair			
	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	\$ -	\$ -	\$ -	\$ -	\$ 4,379,000	\$ 4,379,000	\$ 4,364,613	\$ (14,387)
Intergovernmental	2,100,000	2,100,000	2,185,474	85,474	372,200	372,200	312,610	(59,590)
Investment income(loss)	3,500	3,500	161,071	157,571	12,000	12,000	264,047	252,047
Total revenues	2,103,500	2,103,500	2,346,545	243,045	4,763,200	4,763,200	4,941,270	178,070
Expenditures								
Current:								
Commuter rail	-	-	-	-	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Motorist assistance	412,300	410,900	273,619	137,281	-	-	-	-
Planning and programming	-	-	-	-	-	-	-	-
Regional conservation	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	5,029,200	5,029,200	3,554,081	1,475,119
Total programs	412,300	410,900	273,619	137,281	5,029,200	5,029,200	3,554,081	1,475,119
Excess (deficiency) of revenues over (under) expenditures	1,691,200	1,692,600	2,072,926	380,326	(266,000)	(266,000)	1,387,189	1,653,189
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(3,214,300)	(3,214,300)	(2,855,000)	359,300	(142,700)	(142,700)	-	142,700
Total other financing sources (uses)	(3,214,300)	(3,214,300)	(2,855,000)	359,300	(142,700)	(142,700)	-	142,700
Net change in fund balances	\$ (1,523,100)	\$ (1,521,700)	(782,074)	\$ 739,626	\$ (408,700)	\$ (408,700)	1,387,189	\$ 1,795,889
Fund balances at beginning of year			5,482,971				11,274,447	
Fund balances at end of year			\$ 4,700,897				\$ 12,661,636	

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, 2023

	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	-	-	-	-	2,370,800	2,370,800	1,901,477	(469,323)
Investment income(loss)	900	900	57,047	56,147	-	-	16,796	16,796
Total revenues	900	900	57,047	56,147	2,370,800	2,370,800	1,918,273	(452,527)
Expenditures								
Current:								
Commuter rail	499,600	499,600	283,331	216,269	-	-	-	-
Local streets and roads	-	-	-	-	-	-	-	-
Motorist assistance	-	-	-	-	-	-	-	-
Planning and programming	-	-	-	-	2,370,800	2,720,800	1,901,795	819,005
Regional conservation	-	-	-	-	-	-	-	-
Transit and specialized transportation	-	-	-	-	-	-	-	-
Total programs	499,600	499,600	283,331	216,269	2,370,800	2,720,800	1,901,795	819,005
Excess (deficiency) of revenues over (under)								
expenditures	(498,700)	(498,700)	(226,284)	272,416	-	(350,000)	16,478	366,478
Other financing sources (uses)								
Transfers in	441,200	441,200	283,330	(157,870)	-	-	-	-
Transfers out	(85,300)	(85,300)	-	85,300	-	-	-	-
Total other financing sources (uses)	355,900	355,900	283,330	(72,570)	-	-	-	-
Net change in fund balances	\$ (142,800)	\$ (142,800)	57,046	\$ 199,846	\$ -	\$ (350,000)	16,478	\$ 366,478
Fund balances at beginning of year			2,200,344				11,696	
Fund balances at end of year			\$ 2,257,390				\$ 28,174	

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, 2023

	Regional Conservation			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Sales taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	10,353,700	9,194,500	8,474,565	(719,935)
Investment income(loss)	-	-	3,423	3,423
Total revenues	10,353,700	9,194,500	8,477,988	(716,512)
Expenditures				
Current:				
Commuter rail	-	-	-	-
Local streets and roads	-	-	-	-
Motorist assistance	-	-	-	-
Planning and programming	-	-	-	-
Regional conservation	10,799,100	9,641,700	8,476,417	1,165,283
Transit and specialized transportation	-	-	-	-
Total programs	10,799,100	9,641,700	8,476,417	1,165,283
Excess (deficiency) of revenues over (under) expenditures	(445,400)	(447,200)	1,571	448,771
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,869,400)	(1,869,400)	-	1,869,400
Total other financing sources (uses)	(1,869,400)	(1,869,400)	-	1,869,400
Net change in fund balances	\$ (2,314,800)	\$ (2,316,600)	1,571	\$ 2,318,171
Fund balances at beginning of year			(3,933)	
Fund balances at end of year			<u>\$ (2,362)</u>	

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Capital Projects Funds
Year Ended June 30, 2023

	Capital Projects Funds							
	Commercial Paper				Bonds			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income(loss)	17,800	17,800	971,537	953,737	23,900	23,900	805,556	781,656
Other	-	-	-	-	-	-	-	-
Total revenues	17,800	17,800	971,537	953,737	23,900	23,900	805,556	781,656
Expenditures								
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	17,800	17,800	971,537	953,737	23,900	23,900	805,556	781,656
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	(2,622,091)	(2,622,091)	(3,036,900)	(3,036,900)	(8,232,435)	(5,195,535)
Total other financing sources (uses)	-	-	(2,622,091)	(2,622,091)	(3,036,900)	(3,036,900)	(8,232,435)	(5,195,535)
Net change in fund balances	\$ 17,800	\$ 17,800	(1,650,554)	\$ (1,668,354)	\$ (3,013,000)	\$ (3,013,000)	(7,426,879)	\$ (4,413,879)
Fund balances at beginning of year			15,043,286				25,576,707	
Fund balances at end of year			<u>\$ 13,392,732</u>				<u>\$ 18,149,828</u>	

Riverside County Transportation Commission
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual—Debt Service Fund
Year Ended June 30, 2023

	Debt Service Fund			
	Original	Final		Variance with
	Budget	Budget	Actual	Final Budget
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 2,812,100	\$ 2,812,100	\$ 2,812,132	\$ 32
Investment income(loss)	11,500	11,500	973,150	961,650
Other	-	-	-	-
Total revenues	2,823,600	2,823,600	3,785,282	961,682
Expenditures				
Debt service:				
Principal	31,405,000	31,405,000	31,405,000	-
Interest	38,150,300	38,150,300	38,150,288	12
Total expenditures	69,555,300	69,555,300	69,555,288	12
Excess (deficiency) of revenues over (under)				
expenditures	(66,731,700)	(66,731,700)	(65,770,006)	961,694
Other financing sources (uses)				
Transfers in	69,555,300	69,555,300	69,526,935	(28,365)
Transfers out	(2,812,100)	(2,812,100)	(2,952,550)	(140,450)
Total other financing sources (uses)	66,743,200	66,743,200	66,574,385	(168,815)
Net change in fund balances	\$ 11,500	\$ 11,500	804,379	\$ 792,879
Fund balances at beginning of year			11,067,296	
Fund balances at end of year			\$ 11,871,675	

Riverside County Transportation Commission
Schedule of Expenditures for Local Streets and Roads
by Geographic Area - All Special Revenue Funds
Year Ended June 30, 2023

Western County:	
City of Banning	\$ 914,578
City of Beaumont	764,669
City of Calimesa	323,492
City of Canyon Lake	294,400
City of Corona	5,769,916
City of Eastvale	3,417,628
City of Hemet	2,901,824
City of Jurupa Valley	3,463,400
City of Lake Elsinore	2,378,785
City of Menifee	3,119,910
City of Moreno Valley	6,639,058
City of Murrieta	3,740,275
City of Norco	1,002,380
City of Perris	2,958,085
City of Riverside	11,110,303
City of San Jacinto	1,540,966
City of Temecula	4,517,458
City of Wildomar	1,026,180
Riverside County	9,356,364
WRCOG (60% share of city of Beaumont)	1,147,004
Other	182,600
	<u>66,569,274</u>
Coachella Valley:	
City of Cathedral City	2,101,271
City of Coachella	827,136
City of Desert Hot Springs	734,443
City of Indian Wells	296,540
City of Indio	2,652,397
City of La Quinta	2,036,267
City of Palm Desert	3,562,513
City of Palm Springs	3,274,168
City of Rancho Mirage	1,216,269
Riverside County	2,596,990
Other	182,600
	<u>19,480,594</u>
Palo Verde Valley:	
City of Blythe	880,063
Riverside County	256,284
Other	43,100
	<u>1,179,447</u>
Total local streets and roads expenditures	<u>\$ 87,229,315</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, 2023

	Sales Taxes				Total
	Measure A	Local Transportation Fund	State Transit Assistance	State of Good Repair	
Western County:					
Boys and Girls Club of Menifee Valley	\$ 127,223	\$ -	\$ -	\$ -	\$ 127,223
Boys and Girls Club of Southwest County	151,463	-	-	-	151,463
Care-A-Van	263,927	-	-	-	263,927
CareConnexus	230,589	-	-	-	230,589
City of Banning	-	1,866,500	114,516	24,903	2,005,919
City of Beaumont	140,000	2,449,617	473,828	60,000	3,123,445
City of Corona	-	1,456,060	(574)	25,880	1,481,366
City of Menifee	2,500	-	-	-	2,500
City of Norco	90,293	-	-	-	90,293
City of Riverside	-	4,797,327	206,685	5,091	5,009,103
Exceed	127,197	-	-	-	127,197
Friends of Moreno Valley Center, Inc	123,636	-	-	-	123,636
Forest Folk	55,942	-	-	-	55,942
Independent Living Partnership	374,309	-	-	-	374,309
Michelle's Place	10,052	-	-	-	10,052
Operation Safehouse	37,826	-	-	-	37,826
Riverside University Health Systems	720,780	-	-	-	720,780
Riverside Transit Agency	4,000,000	49,796,652	23,710,608	2,895,554	80,402,814
United States Veterans Initiative	51,126	-	-	-	51,126
Voices for Children	141,618	-	-	-	141,618
Other	451,545	182,600	153,534	426,909	1,214,588
	7,100,026	60,548,756	24,658,597	3,438,337	95,745,716
Coachella Valley:					
SunLine Transit Agency	10,900,000	24,585,854	1,219,985	102,929	36,808,768
Other	182,712	-	-	-	182,712
	11,082,712	24,585,854	1,219,985	102,929	36,991,480
Palo Verde Valley:					
Palo Verde Valley Transit Agency	-	735,569	25,608	12,815	773,992
	-	735,569	25,608	12,815	773,992
Total transit and specialized transportation expenditures	\$ 18,182,738	\$ 85,870,179	\$ 25,904,190	\$ 3,554,081	\$ 133,511,188

Riverside County Transportation Commission

Schedule of Uses of Debt Proceeds and Fund Balances

Year Ended June 30, 2023

	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	\$ 971,537	\$ 805,556	\$ 1,777,093
Total revenues	971,537	805,556	1,777,093
Other financing sources (uses)			
Transfers out			
Debt service offset	(2,622,091)	(410,055)	(3,032,146)
Accumulated interest earned on TIFIA debt service reserve	-	(981)	(981)
Requisitions to reimburse Commission funds			
Salaries and benefits	-	(49,489)	(49,489)
Professional services	-	(163,063)	(163,063)
Support services	-	(23,265)	(23,265)
Program operations	-	(73,882)	(73,882)
Construction	-	(6,963,249)	(6,963,249)
Design-build	-	(548,451)	(548,451)
Total other financing sources (uses)	(2,622,091)	(8,232,435)	(10,854,526)
Net change in fund balance	(1,650,554)	(7,426,879)	(9,077,433)
Fund balances at beginning of year	15,043,286	25,576,707	40,619,993
Fund balances at end of year	\$ 13,392,732	\$ 18,149,828	\$ 31,542,560



RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

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				
	2023	2022	2021	2020	2019
Governmental activities:					
Net Investment in capital assets	\$ 483,304,687	\$ 415,495,777	\$ 353,189,808	\$ 552,756,477	\$ 706,935,587
Restricted	1,285,771,161	1,115,074,082	977,192,934	816,331,290	794,875,222
Unrestricted (deficit)	(510,152,633)	(540,884,718)	(593,657,822)	(652,278,554)	(887,668,580)
Total governmental activities net position	<u>\$ 1,258,923,215</u>	<u>\$ 989,685,141 ⁷</u>	<u>\$ 736,724,920</u>	<u>\$ 716,809,213 ⁶</u>	<u>\$ 614,142,229</u>
Business-type activities:					
Net Investment (deficit) in capital assets	\$ (176,735,962)	\$ (171,650,350)	\$ (109,184,608) ⁶	\$ (320,213,988)	\$ (299,852,425)
Restricted	106,301,690	130,780,244	54,919,608	43,981,932	25,256,125
Unrestricted (deficit)	-	-	-	-	-
Total business-type activities net position (deficit)	<u>\$ (70,434,272)</u>	<u>\$ (40,870,106) ⁷</u>	<u>\$ (54,265,000) ^{5,6}</u>	<u>\$ (276,232,056)</u>	<u>\$ (274,596,300)</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.

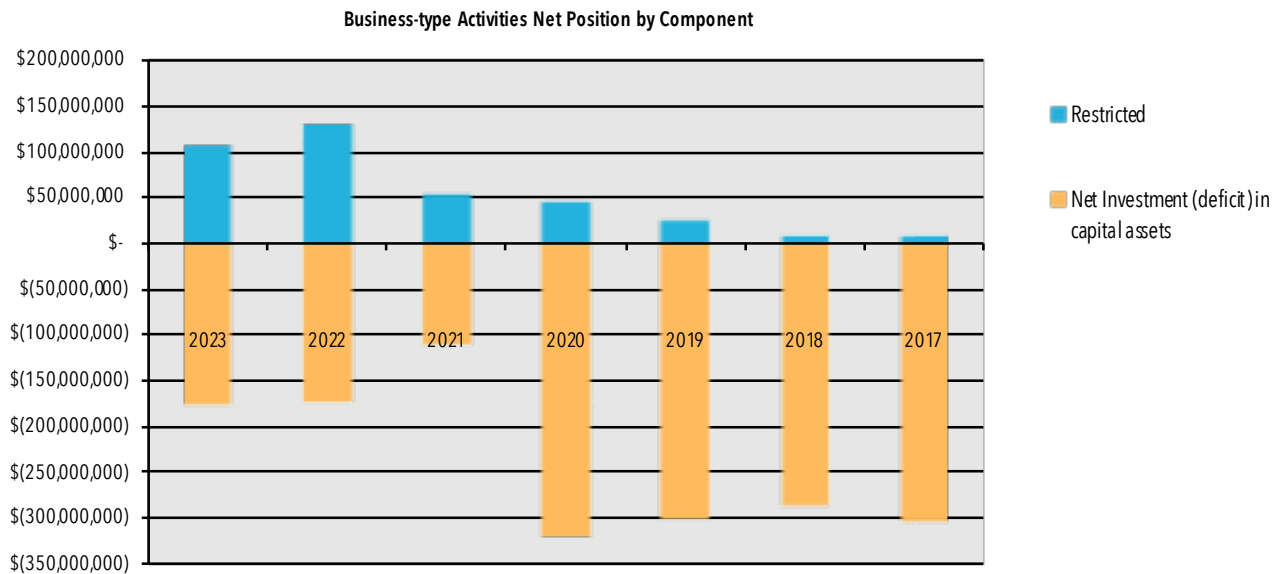
³ In FY2017, the Commission reached substantial completion on the 91 Project and in March 2017 the RCTC 91 Express Lanes opened to motorists.

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.

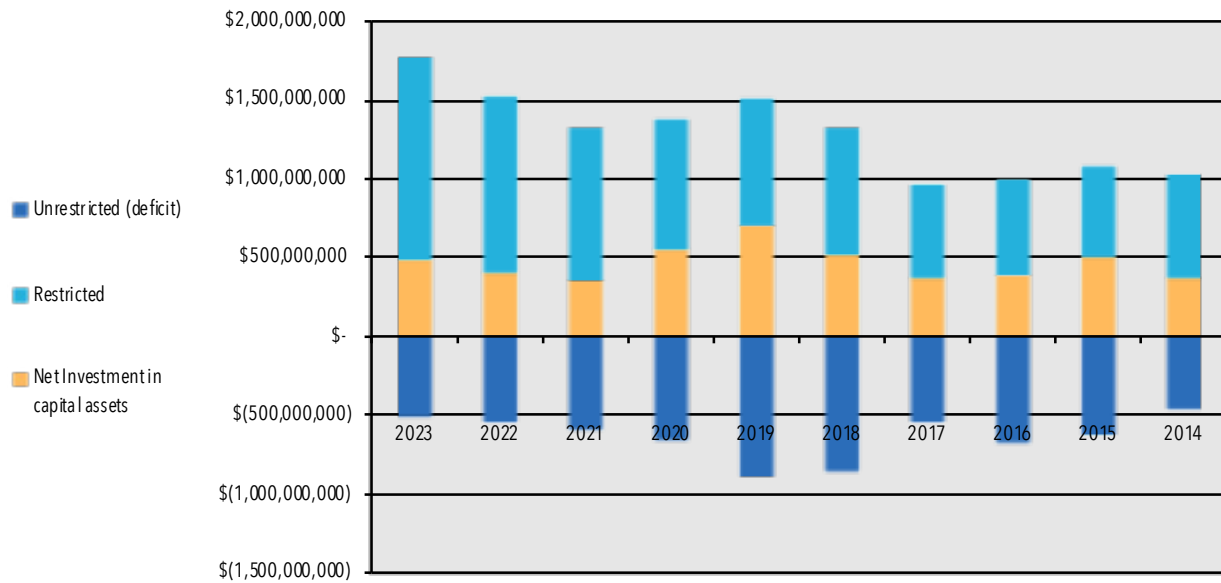
⁷ In FY2022, the Commission implemented GASB Statement No. 87, *Leases*. Prior year amounts in this presentation have not been revised to reflect this change.



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

	Fiscal Year				
	2018	2017	2016	2015	2014
Governmental activities:					
Net Investment in capital assets	\$ 529,178,100	\$ 377,309,766	\$ 389,646,370	\$ 509,106,481	\$ 381,796,683 ¹
Restricted	801,401,752	596,214,012	615,457,192	578,207,942	642,385,244
Unrestricted (deficit)	(857,485,575)	(538,356,445)	(668,395,594)	(623,769,876)	(470,327,554)
Total governmental activities net position	<u>\$ 473,094,277</u>	<u>\$ 435,167,333</u>	<u>\$ 336,707,968</u>	<u>\$ 463,544,547 ²</u>	<u>\$ 553,854,373</u>
Business-type activities:					
Net Investment (deficit) in capital assets	\$ (286,349,191)	\$ (301,737,495)			
Restricted	8,581,857 ⁴	242,134,144			
Unrestricted (deficit)	- ⁴	(234,075,489)			
Total business-type activities net position (deficit)	<u>\$ (277,767,334)</u>	<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				
	2023	2022 ¹	2021 ²	2020	2019
Expenses					
Governmental activities:					
General government	\$ 3,381,001	\$ (2,868,799)	\$ 1,127,083	\$ (1,488,917)	\$ 1,295,384
Bicycle and pedestrian projects	2,578,177	1,587,819	3,388,814	1,367,800	2,319,895
CETAP	1,046,199	5,181,055	5,723,685	1,441,976	1,398,238
Commuter assistance	4,187,763	3,229,524	3,110,681	3,673,416	3,612,855
Commuter rail	58,899,642	34,291,250	37,367,041	50,573,511	48,553,459
Highways	177,171,636	159,525,490	122,407,790	134,815,656	91,086,623
Local streets and roads	87,229,315	85,183,610	74,082,952	59,474,660	61,470,359
Motorist assistance	4,606,991	4,322,295	4,498,883	4,818,036	4,403,671
Planning and programming	8,099,856	4,774,012	3,730,032	7,798,197	4,340,660
Regional arterials	8,157,544	24,258,688	30,985,584	11,918,666	17,048,413
Regional conservation	10,243,763	1,492,799	1,832,340	-	-
Transit and specialized transportation	134,722,572	85,415,249	50,535,684	99,413,296	117,766,548
Interest expense	29,443,644	30,512,904	35,080,824	34,633,146	33,663,673
Total governmental activities expenses	529,768,103	436,905,896	373,871,393	408,439,443	386,959,778
Business-type activities:					
RCTC 91 Express Lanes	73,232,775	69,463,323	56,311,332	59,962,158	55,039,168
15 Express Lanes	29,329,925	27,233,103	5,540,819	-	-
Total primary government expenses	\$ 632,330,803	\$ 533,602,322	\$ 435,723,544	\$ 468,401,601	\$ 441,998,946
Program Revenues					
Governmental activities:					
Charges for services					
CETAP	\$ -	\$ 5,313	\$ -	\$ -	\$ -
Commuter assistance	-	-	-	-	-
Commuter rail	314,628	250,000	249,825	251,084	155,587
Highways	-	137,555	81,503	95,002	132,681
Motorist assistance	-	-	-	-	35,980
Planning and programming	-	-	-	-	-
Other	15	-	8	133	326
Operating grants and contributions	81,558,262	179,656,964	154,817,759	125,725,762	93,084,805
Capital grants and contributions	158,239,283	71,849,461	71,536,414	44,793,683	74,558,439
Total governmental activities program revenues	240,112,188	251,899,293	226,685,509	170,865,664	167,967,818
Business-type activities:					
Charges for services					
RCTC 91 Express Lanes	73,335,918	65,119,434	46,302,018	56,440,369	58,423,461
15 Express Lanes	39,371,149	37,259,442	5,544,148	-	-
Operating grants and contributions	-	-	-	-	-
Total business-type activities program revenues	112,707,067	102,378,876	51,846,166	56,440,369	58,423,461
Total primary government revenues	352,819,255	354,278,169	278,531,675	227,306,033	226,391,279
Net Revenues (Expenses)					
Governmental activities	(289,655,915)	(185,006,603)	(147,185,884)	(237,573,779)	(218,991,960)
Business-type activities	10,144,367	5,682,450	(10,005,985)	(3,521,789)	3,384,293
Total primary government net expense	\$ (279,511,548)	\$ (179,324,153)	\$ (157,191,869)	\$ (241,095,568)	\$ (215,607,667)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Measure A sales taxes	\$ 287,428,762	\$ 280,170,582	\$ 242,943,840	\$ 195,036,321	\$ 201,204,995
Transportation Development Act sales taxes	197,891,127	180,682,280	146,615,629	128,080,154	131,021,230
Unrestricted investment earnings (loss)	25,402,156	(14,295,090)	2,326,345	14,537,908	21,130,957
Other miscellaneous revenue	2,477,425	2,574,199	5,765,473	574,705	3,261,873
Lease financing	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	443,461
Transfers	45,694,519	(11,165,147)	(230,548,696)	2,010,675	2,977,396
Total governmental activities	558,893,989	437,966,824	167,102,591	340,239,763	360,039,912
Business-type activities:					
Unrestricted investment earnings (loss)	5,985,986	(3,452,703)	324,156	3,896,708	2,764,137
Other miscellaneous revenue	-	-	-	-	-
Gain on sale of capital assets	-	-	1,100,189	-	-
Transfers	(45,694,519)	11,165,147	230,548,696	(2,010,675)	(2,977,396)
Total business-type activities	(39,708,533)	7,712,444	231,973,041	1,886,033	(213,259)
Total primary government	\$ 519,185,456	\$ 445,679,268	\$ 399,075,632	\$ 342,125,796	\$ 359,826,653
Changes in Net Position					
Governmental activities	\$ 269,238,074	\$ 252,960,221	\$ 19,916,707	\$ 102,665,984	\$ 141,047,952
Business-type activities	(29,564,166)	13,394,894	221,967,056	(1,635,756)	3,171,034
Total primary government	\$ 239,673,908	\$ 266,355,115	\$ 241,883,763	\$ 101,030,228	\$ 144,218,986

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)

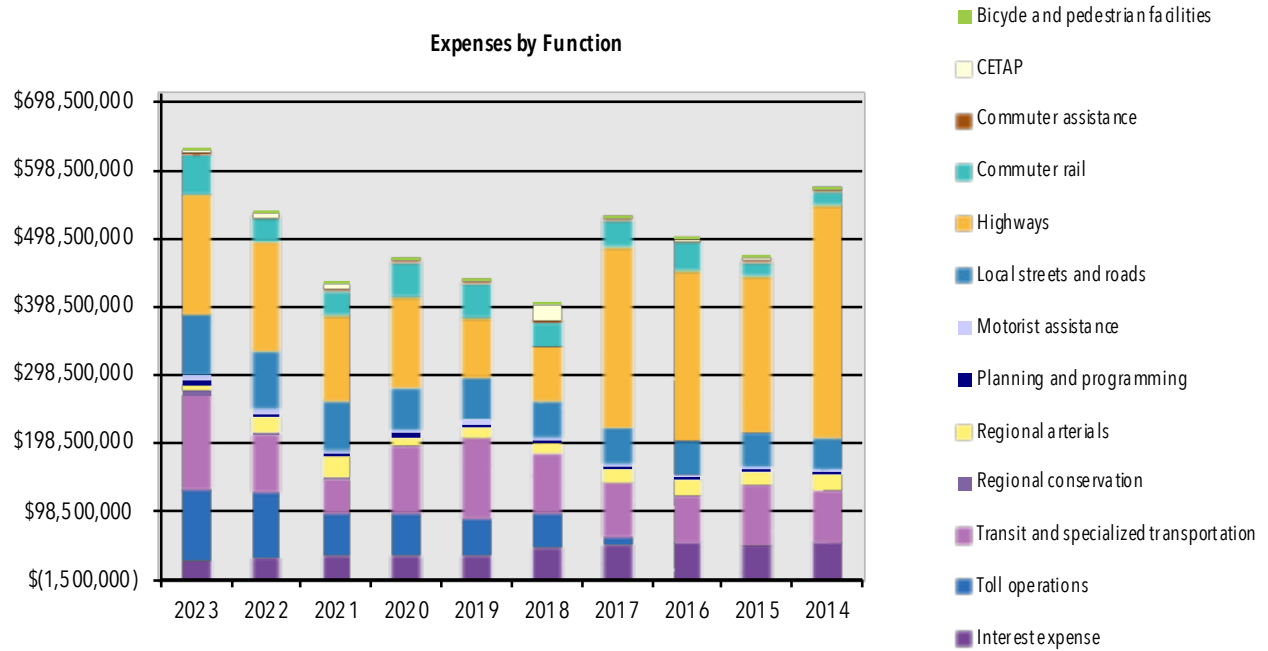
	Fiscal Year Ended June 30				
	2018	2017 ³	2016	2015 ⁴	2014
Expenses					
Governmental activities:					
General government	\$ 3,654,628	\$ 7,258,051	\$ 6,614,285	\$ 7,402,725	\$ 6,994,832
Bicycle and pedestrian projects	1,142,306	1,314,932	212,547	1,747,090	1,065,476
CETAP	22,285,913	2,489,440	1,871,426	4,130,374	2,195,074
Commuter assistance	3,668,307	2,658,782	2,615,610	2,914,990	3,171,842
Commuter rail	36,578,920	38,964,217	41,449,269	20,455,178	17,255,402
Highways	79,234,802	264,283,974	245,668,543	228,857,938	339,194,681
Local streets and roads	53,639,698	51,864,011	49,826,564	48,615,708	46,677,580
Motorist assistance	3,835,612	4,164,892	4,149,320	4,314,601	3,498,420
Planning and programming	4,758,503	3,141,759	3,965,071	3,064,115	3,216,441
Regional arterials	12,897,557	19,040,012	23,095,562	21,010,980	23,886,840
Regional conservation	-	-	-	-	-
Transit and specialized transportation	90,185,227	80,724,591	70,611,967	86,712,958	78,723,898
Interest expense	46,421,211	49,214,579	53,558,472	50,037,270	52,939,762
Total governmental activities expenses	358,302,684	525,119,240	503,638,636	479,263,927	578,820,248
Business-type activities:					
RCTC 91 Express Lanes	49,452,297	13,260,254	-	-	-
15 Express Lanes	-	-	-	-	-
Total primary government expenses	\$ 407,754,981	\$ 538,379,494	\$ 503,638,636	\$ 479,263,927	\$ 578,820,248
Program Revenues					
Governmental activities:					
Charges for services					
CETAP	\$ -	\$ -	\$ -	\$ -	\$ -
Commuter assistance	-	-	-	-	-
Commuter rail	254,627	250,416	255,847	786,869	297,911
Highways	51,629	-	-	90,655	412,535
Motorist assistance	4,149	635,373	1,076,751	21,307	15,026
Other	479	447	421	450	999
Operating grants and contributions	45,363,624	35,611,287	42,568,860	57,784,238	61,767,456
Capital grants and contributions	66,910,285	16,451,903	54,062,314	70,133,121	71,744,926
Total governmental activities program revenues	112,584,793	52,949,426	97,964,193	128,816,640	134,238,853
Business-type activities:					
Charges for services					
RCTC 91 Express Lanes	50,446,824	10,123,572	-	-	-
15 Express Lanes	-	-	-	-	-
Operating grants and contributions	-	1,723	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	50,446,824	10,125,295	-	-	-
Total primary government revenues	163,031,617	63,074,721	97,964,193	128,816,640	134,238,853
Net Revenues (Expenses)					
Governmental activities	(245,717,891)	(472,169,814)	(405,674,443)	(350,447,287)	(444,581,395)
Business-type activities	994,527	(3,134,959)	-	-	-
Total primary government net expense	\$ (244,723,364)	\$ (475,304,773)	\$ (405,674,443)	\$ (350,447,287)	\$ (444,581,395)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Measure A sales taxes	\$ 176,301,656	\$ 175,320,207	\$ 167,630,239	\$ 163,092,776	\$ 156,355,894
Transportation Development Act sales taxes	110,878,557	94,639,514	97,134,594	94,816,814	91,953,554
Unrestricted investment earnings	8,916,321	4,262,323	8,383,732	6,060,400	9,794,662
Other miscellaneous revenue	2,497,942	5,859,819	4,950,964	1,643,078	556,049
Lease financing	-	-	-	-	-
Gain on sale of capital assets	-	-	738,335	-	14,574
Transfers	(14,949,641)	290,547,316	-	-	-
Total governmental activities	283,644,835	570,629,179	278,837,864	265,613,068	258,674,733
Business-type activities:					
Unrestricted investment earnings	(32,662)	3,435	-	-	-
Other miscellaneous revenue	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-
Transfers	14,949,641	(290,547,316)	-	-	-
Total business-type activities	14,916,979	(290,543,881)	-	-	-
Total primary government	\$ 298,561,814	\$ 280,085,298	\$ 278,837,864	\$ 265,613,068	\$ 258,674,733
Changes in Net Position					
Governmental activities	\$ 37,926,944	\$ 98,459,365	\$ (126,836,579)	\$ (84,834,219)	\$ (185,906,662)
Business-type activities	15,911,506	(293,678,840)	-	-	-
Total primary government	\$ 53,838,450	\$ (195,219,475)	\$ (126,836,579)	\$ (84,834,219)	\$ (185,906,662)

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)

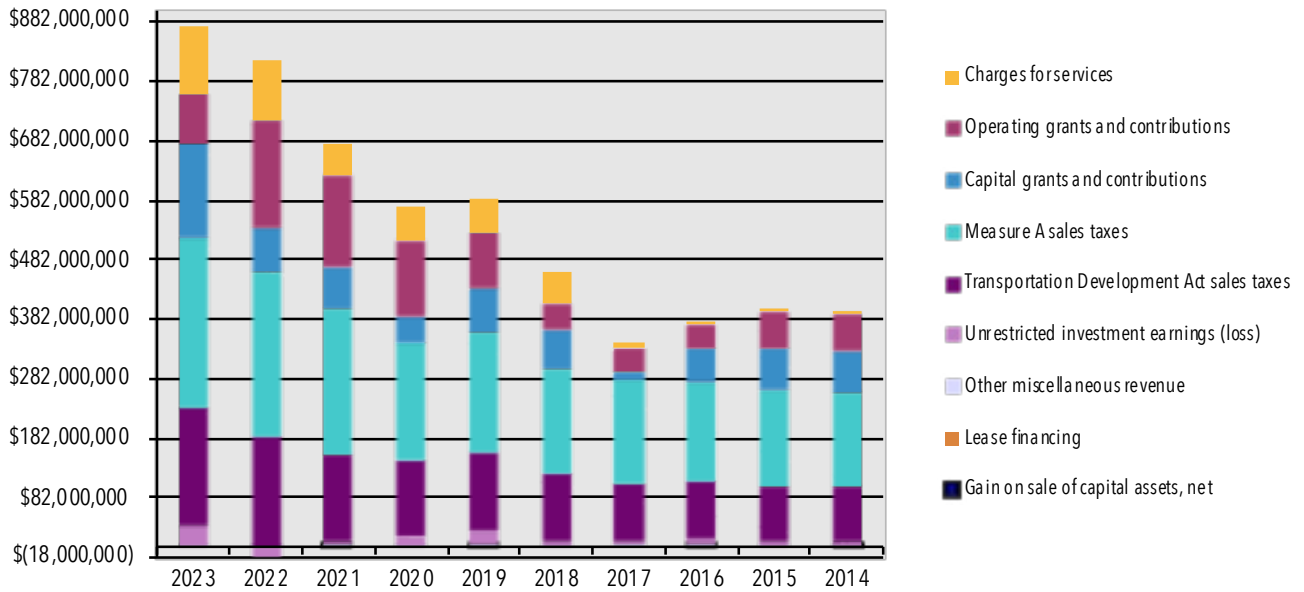


Changes in Primary Government Net Position (Continued)

Last Ten Fiscal Years

(Accrual Basis)

Revenues by Source



Riverside County Transportation Commission

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis)

	Fiscal Year				
	2023	2022	2021	2020	2019
<u>GENERAL FUND</u>					
General fund:					
Nondisposable	\$ 541,973	\$ 479,416	\$ 164,621	\$ 136,038	\$ 345,881
Restricted	33,989,895	32,259,329	34,147,160	22,458,450	25,551,922
Assigned	2,568,283	3,049,765	3,606,250	3,267,803	3,226,466
Total general fund	<u>\$ 37,100,151</u>	<u>\$ 35,788,510</u>	<u>\$ 37,918,031</u>	<u>\$ 25,862,291</u>	<u>\$ 29,124,269</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>					
All other governmental funds:					
Nondisposable	\$ 1,335,606	\$ 3,168,147	\$ 3,393,790	\$ 3,033,953	\$ 3,675,091
Restricted	1,232,729,866	1,066,079,305	927,622,993	781,460,503	758,687,069
Unassigned	<u>(3,392)</u>	<u>(389,756)</u>	<u>(143,114)</u>	<u>(30,566)</u>	<u>(1,272,356)</u>
Total all other governmental funds	<u>\$ 1,234,062,080</u>	<u>\$ 1,068,857,696</u>	<u>\$ 930,873,669</u>	<u>\$ 784,463,890</u>	<u>\$ 761,089,804</u>

Source: Finance Department

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

	Fiscal Year				
	2018	2017	2016	2015	2014
<u>GENERAL FUND</u>					
General fund:					
Nonspendable	\$ 232,793	\$ 232,759	\$ 192,235	\$ 255,446	\$ 257,721
Restricted	22,470,358	16,321,159	7,143,844	5,680,411	5,073,685
Assigned	3,337,343	2,572,182	3,456,111	4,246,940	5,258,703
Total general fund	<u>\$ 26,040,494</u>	<u>\$ 19,126,100</u>	<u>\$ 10,792,190</u>	<u>\$ 10,182,797</u>	<u>\$ 10,590,109</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>					
All other governmental funds:					
Nonspendable	\$ 4,627,240	\$ 9,162,068	\$ 10,848,614	\$ 21,510,571	\$ 31,978,235
Restricted	745,638,560	678,147,954	718,780,598	772,109,076	988,908,077
Unassigned	(268,754)	(23,054)	-	-	-
Total all other governmental funds	<u>\$ 749,997,046</u>	<u>\$ 687,286,968</u>	<u>\$ 729,629,212</u>	<u>\$ 793,619,647</u>	<u>\$ 1,020,886,312</u>

Source: Finance Department

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

	Fiscal Year				
	2023	2022	2021	2020	2019
Revenues					
Sales taxes	\$ 485,319,889	\$ 460,852,862	\$ 389,559,469	\$ 323,116,475	\$ 332,226,225
Transportation Uniform Mitigation Fee	34,416,894	35,509,031	28,301,547	23,257,905	29,968,449
Intergovernmental	201,023,563	213,808,004	203,029,590	145,904,252	138,541,133
Investment income	25,470,256	(14,230,774)	2,387,089	14,594,910	21,311,968
Other	4,523,510	3,274,412	5,863,647	2,283,994	6,418,190
Total revenues	<u>750,754,112</u>	<u>699,213,535</u>	<u>629,141,342</u>	<u>509,157,536</u>	<u>528,465,965</u>
Expenditures					
Current:					
General Government	348,045	341,937	410,552	546,338	1,044,403
Programs:					
Bicycle and pedestrian facilities	2,578,177	1,587,819	3,388,814	1,367,800	2,319,895
CETAP	1,011,752	5,279,295	2,016,814	11,104,808	1,394,120
Commuter assistance	4,030,094	3,434,404	3,071,831	3,938,474	3,603,353
Commuter rail	50,332,347	21,219,827	29,379,805	41,069,694	40,805,316
Highways	254,845,996	247,656,937	197,817,830	285,955,203	203,662,390
Local streets and roads	87,229,315	85,183,610	74,082,952	59,475,694	61,470,359
Motorist assistance	4,507,515	4,474,970	4,486,182	4,934,056	4,398,842
Planning and programming	7,288,820	5,702,031	3,640,958	8,828,203	4,307,859
Regional arterials	8,092,122	24,379,344	30,972,795	12,059,400	17,042,375
Regional conservation	8,476,417	3,974,222	1,721,498	-	-
Transit and specialized transportation	134,422,630	85,924,817	50,489,119	99,777,205	117,748,091
Debt service:					
Principal	32,215,097	30,573,211	28,505,099	27,253,683	25,977,461
Interest	38,199,381	39,649,974	41,255,647	42,511,371	43,595,769
Cost of issuance	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-
Capital outlay	4,865,026	5,950,413	4,750,342	3,536,042	5,663,109
Total expenditures	<u>638,442,734</u>	<u>565,332,811</u>	<u>475,990,238</u>	<u>602,357,971</u>	<u>533,033,342</u>
Excess (deficiency) of revenues over (under) expenditures	<u>112,311,378</u>	<u>133,880,724</u>	<u>153,151,104</u>	<u>(93,200,435)</u>	<u>(4,567,377)</u>
Other financing sources (uses):					
Refunding debt issuance	-	-	-	-	-
Debt issuance	-	-	15,660,996	111,301,868	14,946,136
Discount on debt issuance	-	-	-	-	-
Premium on debt issuance	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	55,000
Transfers in	173,799,523	115,432,568	116,427,274	119,642,321	116,363,248
Transfers out	(119,594,876)	(113,458,786)	(126,773,855)	(117,631,646)	(112,620,474)
Total other financing sources (uses)	<u>54,204,647</u>	<u>1,973,782</u>	<u>5,314,415</u>	<u>113,312,543</u>	<u>18,743,910</u>
Net change in fund balances	<u>\$ 166,516,025</u>	<u>\$ 135,854,506</u>	<u>\$ 158,465,519</u>	<u>\$ 20,112,108</u>	<u>\$ 14,176,533</u>
Debt service as a percentage of noncapital expenditures	<u>12.8%</u>	<u>14.8%</u>	<u>17.7%</u>	<u>15.8%</u>	<u>16.7%</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				
	2018	2017	2016	2015	2014
Revenues					
Sales taxes	\$ 287,180,213	\$ 269,959,721	\$ 264,764,833	\$ 257,909,590	\$ 248,309,448
Transportation Uniform Mitigation Fee	23,699,764	19,594,829	19,831,327	17,400,782	11,284,394
Intergovernmental	88,207,011	32,467,616	76,821,362	110,515,661	122,486,605
Investment income	9,149,672	4,483,174	8,592,753	6,258,226	9,979,912
Other	3,199,483	6,746,055	7,295,648	2,542,359	1,282,520
Total revenues	<u>411,436,143</u>	<u>333,251,395</u>	<u>377,305,923</u>	<u>394,626,618</u>	<u>393,342,879</u>
Expenditures					
Current:					
General Government	977,898	6,558,752	6,514,255	7,302,325	6,991,303
Programs:					
Bicycle and pedestrian facilities	1,142,306	1,314,932	233,815	1,747,090	1,065,476
CETAP	22,275,429	4,028,104	5,249,516	4,135,996	6,509,915
Commuter assistance	3,647,662	2,686,073	2,648,632	2,891,431	3,136,150
Commuter rail	37,700,157	32,820,139	95,717,909	112,424,851	68,072,414
Highways	187,087,621	250,383,800	372,657,029	325,128,109	299,398,122
Local streets and roads	53,639,698	51,864,011	49,826,564	48,615,815	46,677,580
Motorist assistance	3,825,722	4,177,349	4,159,520	4,317,961	3,498,420
Planning and programming	4,677,940	3,248,031	4,090,731	3,099,358	3,204,073
Regional arterials	12,888,439	19,056,339	23,111,109	21,016,097	23,886,840
Regional conservation	-	-	-	-	-
Transit and specialized transportation	90,153,923	80,764,125	70,652,804	86,725,394	78,723,898
Debt service:					
Principal	62,140,974	27,317,242	7,814,176	7,411,654	67,112,884
Interest	50,606,912	44,684,153	45,620,922	45,913,275	43,410,203
Cost of Issuance	2,256,061	654,007	-	-	7,050,855
Payment to escrow agent	70,800,000	63,900,000	-	-	-
Capital outlay	2,606,851	5,670,356	1,182,208	475,334	143,888
Total expenditures	<u>606,427,593</u>	<u>599,127,413</u>	<u>689,479,190</u>	<u>671,204,690</u>	<u>658,882,021</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(194,991,450)</u>	<u>(265,876,018)</u>	<u>(312,173,267)</u>	<u>(276,578,072)</u>	<u>(265,539,142)</u>
Other financing sources (uses):					
Refunding debt issuance	457,015,000	-	-	-	-
Debt issuance	158,760,000	249,498,089	248,792,225	48,904,095	638,854,602
Discount on debt issuance	-	-	-	-	(2,433,315)
Premium on debt issuance	119,713,807	8,414,007	-	-	38,328,775
Payment to refunded bond escrow agent	(471,089,840)	-	-	-	-
Transfers in	300,623,670	182,713,859	162,708,720	232,626,156	481,987,735
Transfers out	(300,406,715)	(208,758,271)	(162,708,720)	(232,626,156)	(481,987,735)
Total other financing sources (uses)	<u>264,615,922</u>	<u>231,867,684</u>	<u>248,792,225</u>	<u>48,904,095</u>	<u>674,750,062</u>
Net change in fund balances	<u>\$ 69,624,472</u>	<u>\$ (34,008,334)</u>	<u>\$ (63,381,042)</u>	<u>\$ (227,673,977)</u>	<u>\$ 409,210,920</u>
Debt service as a percentage of noncapital expenditures	<u>23.7% ²</u>	<u>12.2%</u>	<u>10.6%</u>	<u>11.0%</u>	<u>19.1% ¹</u>

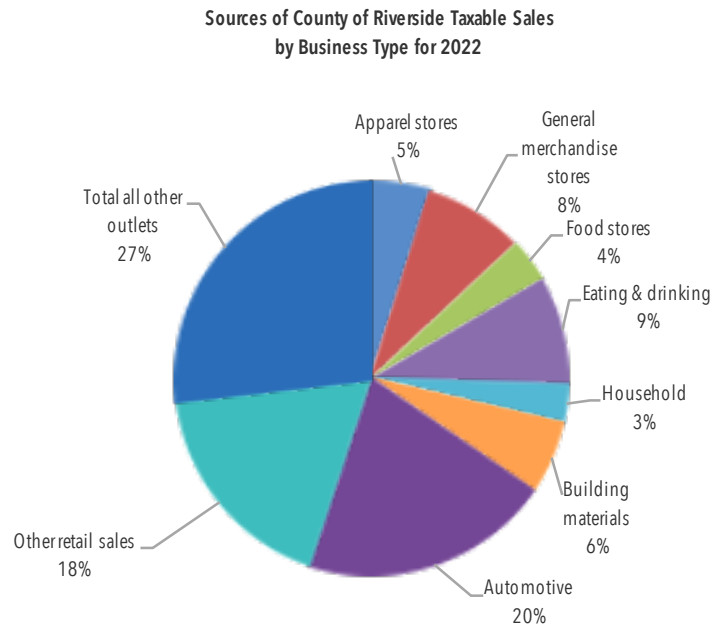
Source: Finance Department

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

	2022 ¹	2021	2020	2019	2018
Apparel stores	\$ 2,960,410	\$ 2,787,245	\$ 1,834,633	\$ 2,361,700	\$ 2,315,433
General merchandise stores	5,099,730	4,756,624	4,123,079	3,967,112	3,560,755
Food stores	2,258,142	2,121,729	1,953,653	1,822,075	1,790,507
Eating & drinking	5,523,671	4,936,088	3,615,577	4,282,201	4,004,657
Household	1,913,811	1,999,156	2,106,383	2,104,126	1,962,650
Building materials	3,739,593	3,598,728	3,103,094	2,500,049	2,346,508
Automotive	12,734,351	11,430,453	8,509,066	8,938,497	8,788,907
Other retail sales	11,239,330	9,700,524	5,076,176	3,087,294	3,273,276
Total all other outlets	16,648,116	14,204,649	11,991,812	11,563,944	10,876,806
	\$ 62,117,154	\$ 55,535,196	\$ 42,313,473	\$ 40,626,998	\$ 38,919,499
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.



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

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

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

Fiscal Year	Measure A Direct Rate ¹	County of Riverside
2023	0.50%	7.75%
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%

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

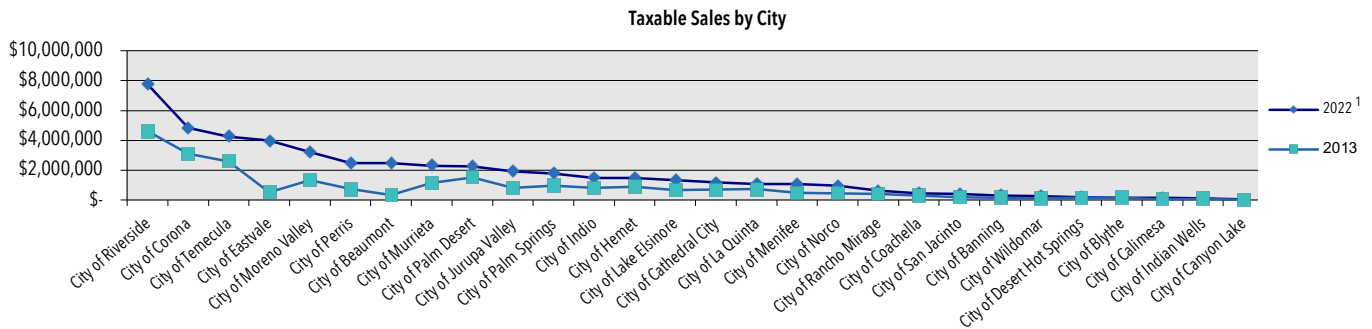
Principal Taxable Sales Generation by City

Current Year and Nine Years Ago

	2022 ¹			2013		
	Taxable Sales (in thousands)	Rank	Percentage of Total	Taxable Sales (in thousands)	Rank	Percentage of Total
City of Riverside	\$ 7,765,721	2	7.0%	\$ 4,612,948	2	8.5%
City of Corona	4,847,882	3	4.4%	3,111,998	3	5.7%
City of Temecula	4,264,227	4	3.8%	2,610,286	4	4.8%
City of Eastvale	3,996,374	5	3.6%	537,279	16	1.0%
City of Moreno Valley	3,207,163	6	2.9%	1,349,129	6	2.5%
City of Perris	2,479,214	7	2.2%	738,592	12	1.4%
City of Beaumont	2,472,075	8	2.2%	352,449	20	0.6%
City of Murrieta	2,305,656	9	2.1%	1,147,563	7	2.2%
City of Palm Desert	2,268,188	10	2.0%	1,530,512	5	2.8%
City of Jurupa Valley	1,943,397	11	1.8%	806,187	11	1.5%
City of Palm Springs	1,797,000	12	1.6%	985,824	8	1.8%
City of Indio	1,504,857	13	1.4%	806,604	10	1.5%
City of Hemet	1,500,683	14	1.4%	911,841	9	1.7%
City of Lake Elsinore	1,338,536	15	1.1%	688,483	15	1.3%
City of Cathedral City	1,190,322	16	1.1%	714,179	14	1.3%
City of La Quinta	1,088,208	17	1.0%	731,325	13	1.3%
City of Menifee	1,073,446	18	1.0%	474,050	17	0.9%
City of Norco	963,898	19	0.9%	468,781	18	0.9%
City of Rancho Mirage	627,021	20	0.6%	399,919	19	0.7%
City of Coachella	470,421	21	0.4%	309,858	21	0.6%
City of San Jacinto	412,702	22	0.4%	208,934	22	0.4%
City of Banning	317,280	23	0.3%	175,386	23	0.3%
City of Wildomar	266,301	24	0.2%	122,793	26	0.2%
City of Desert Hot Springs	206,004	25	0.2%	142,477	25	0.3%
City of Blythe	169,867	26	0.2%	168,254	24	0.3%
City of Calimesa	143,270	27	0.1%	61,980	28	0.1%
City of Indian Wells	139,373	28	0.1%	91,160	27	0.2%
City of Canyon Lake	33,525	29	0.0%	16,452	29	0.0%
Incorporated	48,792,611		44.0%	24,275,243		44.7%
Unincorporated	62,117,153	1	56.0%	30,065,467	1	55.3%
Countywide	\$ 110,909,762		100.0%	\$ 54,341,710		100.0%
California	\$ 951,775,364			\$ 586,839,618		

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.

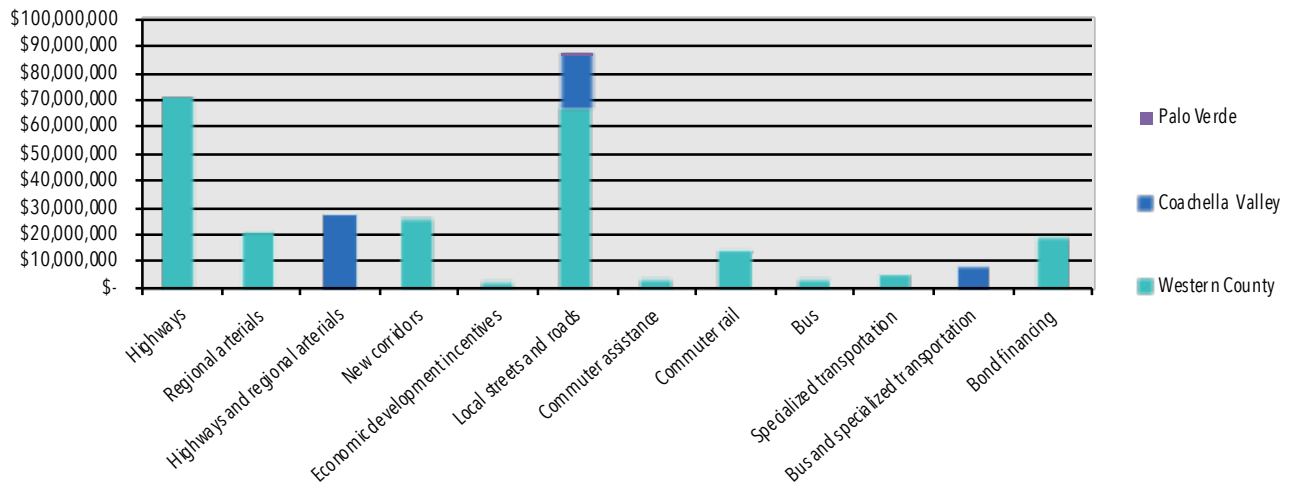


Riverside County Transportation Commission
Measure A Sales Tax Revenues by Program and Geographic Area
Year Ended June 30, 2023

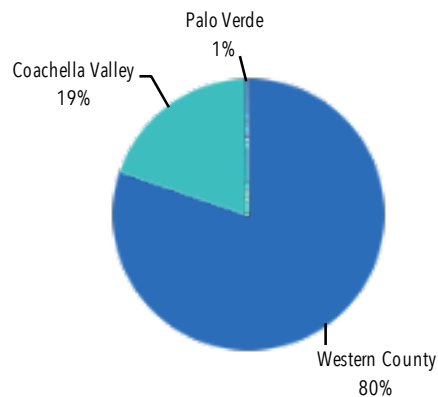
	Special Revenue Funds			Total
	Western County	Coachella Valley	Palo Verde	
Highways	\$ 70,000,680	\$ -	\$ -	\$ 70,000,680
Regional arterials	20,588,435	-	-	20,588,435
Highways and regional arterials	-	27,829,419	-	27,829,419
New corridors	25,392,404	-	-	25,392,404
Economic development incentives	2,745,125	-	-	2,745,125
Local streets and roads	66,569,274	19,480,594	1,179,447	87,229,315
Public transit:				
Commuter assistance	3,431,406	-	-	3,431,406
Commuter rail	14,000,136	-	-	14,000,136
Bus	3,500,034	-	-	3,500,034
Specialized transportation	5,833,390	-	-	5,833,390
Bus and specialized transportation	-	8,348,826	-	8,348,826
Bond financing	18,529,592	-	-	18,529,592
	<u>\$ 230,590,476</u>	<u>\$ 55,658,839</u>	<u>\$ 1,179,447</u>	<u>\$ 287,428,762</u>

Source: Finance Department

Sales Tax Revenues by Program and Geographic Area



Geographic Distribution by Area



Riverside County Transportation Commission

Measure A Sales Tax by Economic Category

Last Ten Calendar Years

Economic Category	% of Total									
	2022 ¹	2021	2020	2019	2018	2017	2016	2015	2014	2013
General retail	28.5	30.9	31.6	28.1	28.9	28.3	28.9	28.8	28.4	28.7
Transportation	24.3	24.0	22.4	24.2	24.6	25.3	25.1	25.9	26.6	27.0
Food products	16.2	15.8	15.2	17.7	17.8	17.6	17.7	17.3	16.6	16.1
Business to business	15.7	14.8	15.8	16.7	16.3	15.6	15.3	15.0	14.4	14.5
Construction	11.3	10.9	11.5	10.7	10.8	10.8	10.8	10.8	12.0	11.8
Miscellaneous	4.0	3.6	3.5	2.6	1.6	2.4	2.2	2.2	2.0	1.9
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
2023	\$ 287,428,762	2.59%	\$ 69,555,288	4.13
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

Source: Finance Department

¹ This schedule meets the requirements for Continuing Disclosure of historical Measure A sales tax revenues.

² Sales tax revenue bonds are backed by the sales tax revenues, net of California Department of Tax and Fee Administration, as successor to Board of Equalization, administrative fees.

³ Sales tax revenues decreased in FY 2020 due to COVID-19 impacts.



Riverside County Transportation Commission

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Year	Governmental Activities					
	Sales Tax Revenue Bonds, net of premium and discount	Commercial Paper	MSHCP Funding Liability	Lease and Subscription IT Liabilities ²	Capital Leases	TIFIA Loan
2023	\$ 788,875,246	\$ -	\$ -	\$ 3,713,036	\$ -	\$ -
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	-

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 for personal income and population data.

² In FY 2022, the Commission implemented GASB Statement No. 87, *Leases*. In FY 2023, the Commission implemented GASB No. 96, *Subscriptions*. 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

Year	Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Debt per Capita ¹
	Toll Revenue Bonds, net of discount, premium, and accretion	TIFIA Loan				
2023	\$ 734,891,709	\$ 167,030,354	\$ 1,694,510,345	N/A	\$ 694.69	
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	1.38%	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	

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

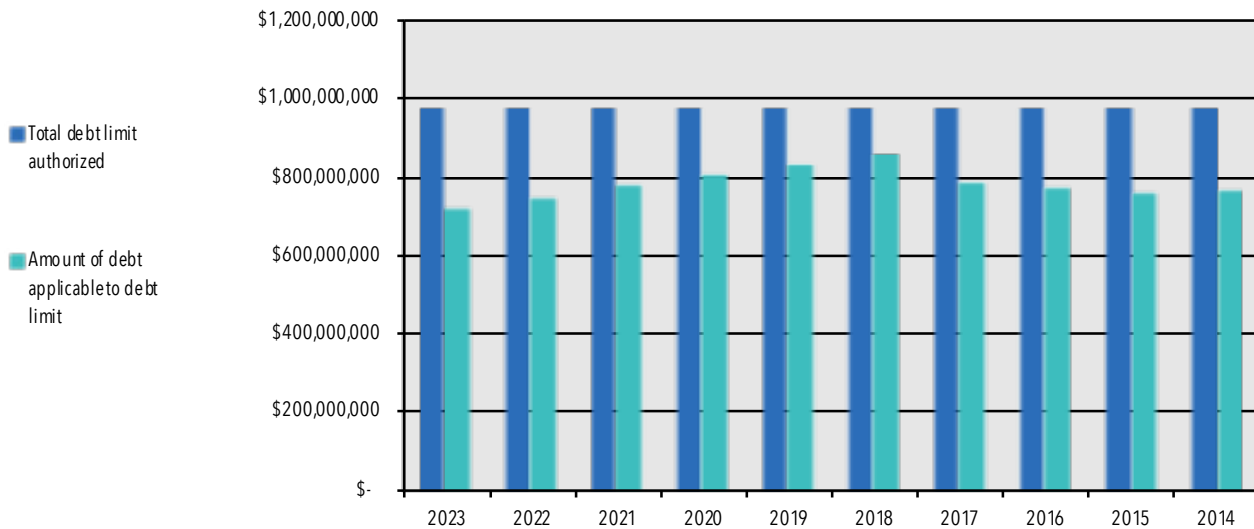
	Fiscal Year				
	2023	2022	2021	2020	2019
Measure A Ordinance No. 02-001, as amended by Ordinance No. 10-002²					
Total debt limit authorized	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000	\$ 975,000,000
Amount of debt applicable to debt limit	715,915,000	747,320,000	777,315,000	805,810,000	833,055,000
Legal debt margin	\$ 259,085,000	\$ 227,680,000	\$ 197,685,000	\$ 169,190,000	\$ 141,945,000
% of debt to legal debt limit	73.4%	76.6%	79.7%	82.6%	85.4%

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				
	2018	2017	2016	2015	2014
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	859,020,000	786,240,000	771,300,000	759,100,000	766,500,000
Legal debt margin	\$ 115,980,000	\$ 188,760,000	\$ 203,700,000	\$ 215,900,000	\$ 208,500,000
% of debt to legal debt limit	88.1%	80.6%	79.1%	77.9%	78.6%

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	Income ²	Unemployment Rate³
2023	2,430,976	N/A	N/A	N/A
2022	2,435,525	N/A	N/A	4.2%
2021	2,454,453	\$ 125,820,553	\$ 51,180	7.3%
2020	2,442,304	114,090,413	45,834	10.2%
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%

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 2022 and Nine Years Prior

Industry Type	2022 ¹	% of Total Employment	2013	% of Total Employment
Agricultural services, forestry, fishing and other	3,100	0.4%	2,600	0.4%
Mining	100	0.0%	200	0.0%
Construction	45,600	6.4%	27,100	4.6%
Manufacturing	23,200	3.3%	20,900	3.6%
Transportation, warehousing, and public utilities	24,500	3.4%	12,700	2.2%
Wholesale trade	17,700	2.5%	15,500	2.6%
Retail trade	63,400	8.9%	59,000	10.0%
Professional & business services	106,400	14.9%	86,100	14.6%
Education & health services	123,200	17.3%	91,200	15.5%
Leisure & hospitality	65,000	9.1%	53,700	9.1%
Finance, insurance, and real estate	32,900	4.6%	31,500	5.3%
Information	7,200	1.0%	11,000	1.9%
Other services	24,300	3.5%	19,600	3.4%
Federal government, civilian	10,600	1.5%	9,800	1.8%
State government	101,700	14.3%	83,600	14.2%
Local government	63,900	9.0%	63,400	10.8%
Total employment	<u>712,800</u>	<u>100.0%</u>	<u>587,900</u>	<u>100.0%</u>

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

Function/Program	As of June 30									
	2023	2022	2021 ¹	2020	2019	2018	2017	2016	2015	2014
Management services and administration	24.0	21.1	18.5	18.7	18.0	19.2	17.1	14.7	16.2	13.8
Planning and programming	4.6	4.0	5.3	5.5	3.5	4.2	4.9	6.2	6.1	5.9
Rail operations and maintenance	3.1	3.8	4.4	3.5	3.4	4.1	4.3	4.5	4.0	3.1
Specialized transit/transportation	2.6	2.7	2.6	2.4	2.9	2.4	2.7	2.3	2.3	3.4
Commuter assistance	1.2	0.9	1.8	1.4	1.4	1.7	1.4	1.8	3.0	1.7
Motorist assistance	1.2	0.5	1.0	0.9	0.8	0.9	0.8	0.7	0.7	0.9
Capital project development and delivery and toll operations	19.3	20.7	16.6	17.6	16.0	15.5	15.8	15.8	13.7	15.2
Regional conservation	17.0	13.3	12.8	-	-	-	-	-	-	-
Total full-time equivalents	<u>73.0</u>	<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>

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				
	2023	2022	2021 ¹	2020	2019
Toll operations:					
RCTC 91 Express Lanes					
Gross trips	16,689,809	16,778,526	13,025,785	13,119,123	15,143,222
Gross potential revenue	\$ 67,843,178	\$ 63,190,923	\$ 43,734,242	\$ 56,058,450	\$ 57,172,266
Average gross potential revenue per trip	\$ 4.06	\$ 3.77	\$ 3.36	\$ 4.12	\$ 3.78
15 Express Lanes					
Gross transactions	25,577,441	23,465,946	4,172,026	-	-
Gross potential revenue	\$ 30,348,550	\$ 29,850,618	\$ 5,361,524	-	-
Average gross potential revenue per transaction	\$ 1.19	\$ 1.27	\$ 1.29	-	-
Commuter rail operations: ²					
Growth of average daily ridership on commuter lines:					
Riverside line	1,001	742	469	3,961	3,868
IEOC line	1,824	1,636	1,028	4,784	4,656
91 line	1,585	1,206	685	3,731	3,293
Farebox recovery ratio:					
Riverside line	12.0%	21.2%	6.6%	19.8%	43.0%
IEOC line	9.8%	15.8%	5.4%	21.1%	27.5%
91 line	12.1%	14.8%	5.7%	16.4%	24.1%
Specialized transit/transportation:					
Specialized transit grants awarded	15	15	18	18	18
Commuter assistance: ²					
Rideshare Incentive members	1,613	203	97	519	526
Rideshare Plus Rewards members	N/A	88	107	630	917
Monthly spotlight participants	4,344	N/A	N/A	N/A	N/A
Rideshare pledges	1,261	391	N/A	8,349	7,836
Rideguides produced	4,293	3,320	2,748	5,901	6,246
VanClub vanpools	37	33	29	32	67
Commuter Exchange events	N/A	N/A	N/A	N/A	N/A
Motorist assistance:					
Call boxes	158	158	158	158	231
Calls made from call boxes	782	935	936	979	1,384
Contracted Freeway Service Patrol vehicles	22	26	26	26	26
Assists by Freeway Service Patrol	51,583	54,217	59,711	49,051	44,607
IE511 web visits	901,233 ³	160,930	204,259	296,339	213,689
IE511 call volumes	72,689	77,868	65,046	95,164	114,045
Transportation Uniform Mitigation Fee program:					
Approved regional arterial projects	8 ⁴	25	23	23	23
Measure A program:					
Highways	\$ 100,376,319	\$ 129,198,965	\$ 123,154,255	\$ 209,530,745	\$ 148,387,823
Commuterail	19,310,998	12,079,835	16,871,212	16,744,864	13,218,370
Regional arterials	4,626,056	3,207,422	1,249,823	4,939,979	12,533,037
Local streets and roads	87,229,315	85,183,610	74,082,952	59,475,694	61,470,359
Specialized transit and commuter assistance	22,212,832	17,397,325	11,629,836	16,568,400	16,708,843
Total program expenditures	<u>\$ 233,755,520</u>	<u>\$ 247,067,157</u>	<u>\$ 226,988,078</u>	<u>\$ 307,259,682</u>	<u>\$ 252,318,432</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.

³ In FY2023, the increase in Motorist Assistance IE511 website visits is a result of a new regional platform shared with LA Metro, SBCTA, OCTA, VCTC, and RCTC.

⁴ In FY2023, the decrease represents the remaining approved regional arterial projects to be funded.

Riverside County Transportation Commission

Operating Indicators, Continued

Last Ten Fiscal Years

	As of June 30				
	2018	2017	2016	2015	2014
Toll operations:					
RCTC 91 Express Lanes					
Gross trips	14,518,302	4,049,067	-	-	-
Gross potential revenue	\$ 47,941,733	\$ 9,618,429	-	-	-
Average gross potential revenue per trip	\$ 3.30	\$ 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	3,863	4,050	4,404	4,651	4,715
IEOC line	4,874	4,900	4,438	4,613	4,522
91 line	3,109	3,258	2,610	2,419	2,340
Farebox recovery ratio:					
Riverside line	45.4%	47.2%	45.7%	49.6%	50.9%
IEOC line	29.2%	31.8%	33.4%	32.6%	37.6%
91 line	26.5%	26.5%	27.7%	38.6%	51.3%
Specialized transit/transportation:					
Specialized transit grants awarded	16	17	17	20	22
Commuter assistance:					
Rideshare Incentive members	573	505	597	736	1,106
Rideshare Plus Rewards members	1,114	792	1,142	3,723	5,770
Monthly spotlight participants	N/A	N/A	N/A	N/A	N/A
Rideshare pledges	5,959	4,886	4,249	11,180	11,661
Rideguides produced	4,606	5,219	8,607	6,527	10,059
VanClub vanpools	31	N/A	N/A	N/A	N/A
Commuter Exchange events	N/A	N/A	N/A	48	54
Motorist assistance:					
Call boxes	241	240	545	549	570
Calls made from call boxes	1,598	2,161	3,053	3,882	4,685
Contracted Freeway Service Patrol vehicles	20	20	21	21	21
Assists by Freeway Service Patrol	41,417	40,180	36,711	42,471	44,278
IE511 web visits	408,021	618,130	473,462	452,713	443,359
IE511 call volumes	142,287	201,099	233,895	263,757	306,108
Transportation Uniform Mitigation Fee program:					
Approved regional arterial projects	20	20	24	24	24
Measure A program:					
Highways	\$ 180,565,301	\$ 250,360,723	\$ 372,657,029	\$ 325,128,109	\$ 299,398,122
Commuter rail	14,118,997	8,528,984	75,831,961	98,302,229	56,148,017
Regional arterials	6,158,736	14,739,703	17,090,247	5,012,254	1,441
Local streets and roads	53,639,698	51,864,011	49,826,564	48,615,815	46,677,580
Specialized transit and commuter assistance	15,197,859	13,826,624	14,499,642	14,063,310	13,378,223
Total program expenditures	<u>\$ 269,680,591</u>	<u>\$ 339,320,045</u>	<u>\$ 529,905,443</u>	<u>\$ 491,121,717</u>	<u>\$ 415,603,383</u>

Source: Commission Departments



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

	As of June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Commuter rail:										
Transit centers owned and managed	1	1	1	1	1	1	1	1	1	1
Commuter rail stations owned and managed	9	9	9	9	9	9	9	9	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
Toll operations:										
RCTC 91 Express Lanes										
Storage and maintenance building	-	-	-	1	1	1	1	-	-	-
Customer service center	1	1	1	1	1	-	-	-	-	-
Toll utility buildings	2	2	2	3	3	3	3	-	-	-
Miles of express lanes	36	36	36	36	36	36	36	-	-	-
Toll collection system gantries	4	4	4	4	4	4	4	-	-	-
On-road closed circuit TV cameras	36	36	36	36	36	36	36	-	-	-
Traffic operations center system	1	1	1	1	1	1	1	-	-	-
Communications network	1	1	1	1	1	1	1	-	-	-
Changeable message signs	5	5	5	6	6	6	6	-	-	-
15 Express Lanes										
Storage and maintenance building	1	1	1	-	-	-	-	-	-	-
Customer service center	1	1	1	-	-	-	-	-	-	-
Regional operations center buildings	1	1	1	-	-	-	-	-	-	-
Miles of express lanes	56	56	56	-	-	-	-	-	-	-
Toll collection system gantries	8	8	8	-	-	-	-	-	-	-
On-road closed circuit TV cameras	27	27	27	-	-	-	-	-	-	-
Traffic detection monitoring devices	37	37	37	-	-	-	-	-	-	-
Traffic operations center system	1	1	1	-	-	-	-	-	-	-
Communications network	1	1	1	-	-	-	-	-	-	-
Changeable message signs	3	3	3	-	-	-	-	-	-	-
Variable toll message signs	12	12	12	-	-	-	-	-	-	-

Source: Commission Departments





**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

**Riverside County
Transportation Commission**

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