

Support Material Agenda Item No. 22

Board of Directors Meeting

**January 6, 2021
10:00 a.m.**

MEETING ACCESSIBLE VIA ZOOM AT: <https://gosbcta.zoom.us/j/91593077869>

Teleconference

Dial: 1-669-900-6833

Meeting ID: 915 9307 7869

DISCUSSION CALENDAR

Administrative Matters

22. Presentation of the Comprehensive Annual Financial Report for Fiscal Year 2019/2020

Receive San Bernardino County Transportation Authority's Comprehensive Annual Financial Report, Audit of the State Transit Assistance Fund of the County of San Bernardino, Audit of the Local Transportation Fund of the County of San Bernardino, and Single Audit Compliance Report for Fiscal Year 2019/2020.

The following reports are being distributed separately from the agenda:

- *Comprehensive Annual Financial Report for year ended June 30, 2020*
- *San Bernardino County Transportation Authority Single Audit Compliance Report*
- *State Transit Assistance Fund Financial and Compliance Report*
- *Local Transportation Fund Financial and Compliance Report*
- *Report on Compliance with the Transportation Development Act*
- *State Transportation Improvement Program Examination Letter*
- *GANN Limit Calculator*

Comprehensive Annual Financial Report

For year ended June 30, 2020



**San Bernardino County Transportation Authority
San Bernardino Council of Governments**

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**San Bernardino County Transportation
Authority
San Bernardino, CA**

**Comprehensive
ANNUAL FINANCIAL REPORT**

For Year Ended June 30, 2020



Prepared by SBCTA, Finance Department



Population growth and traffic demand on State Route 210 has brought the need for the State Route 210 Widening Project in the Cities of San Bernardino, Highland, and Redlands.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

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A critical connector in the western portion of the City of San Bernardino, the Mt. Vernon Viaduct will receive critical improvements through a project partnership among SBCTA, the City of San Bernardino, and BNSF.

November 23, 2020

To the Citizens of San Bernardino County, California:

The Comprehensive Annual Financial Report (CAFR) of San Bernardino County Transportation Authority (SBCTA), California, for the fiscal year ended June 30, 2020, is submitted herewith. The CAFR is presented in conformity with generally accepted accounting principles in the United States (GAAP) and audited with generally accepted auditing standards. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with SBCTA. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly, the financial position and results of operations of the government-wide statements and various funds of SBCTA. All disclosures necessary to enable the reader to gain an understanding of SBCTA's financial activities are included.

The financial statements are the responsibility of SBCTA's management. Completeness and reliability of the information contained in this report is based upon a comprehensive framework of internal controls that is established for this purpose. The costs of internal control should not exceed the anticipated benefits. The objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Management's Discussion and Analysis (MD&A) interprets the financial reports by analyzing trends and by explaining changes, fluctuations, and variations in the financial data. Also, the MD&A includes disclosure of known significant events or decisions that affect the financial condition of SBCTA. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Independent Audit. SBCTA policy requires that its financial statements be audited by a certified public accountant. Crowe, LLP, Certified Public Accountants, has issued an unmodified opinion on SBCTA's financial statements for the fiscal year ended June 30, 2020. The auditor's report on the financial statements and required supplementary information is included in the financial section of this report.

The independent audit of the financial statements of SBCTA was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls over financial reporting and compliance with legal requirements, with special emphasis on internal controls over compliance with, and legal requirements involving the administration of federal awards. These reports are available in SBCTA's separately issued Single Audit Report.

Profile of the Government

San Bernardino Associated Governments (SANBAG) was formed in 1973 as a subregional council of government under a Joint Powers Agreement (JPA). The JPA currently includes the twenty-two cities and two towns in the county and the County of San Bernardino Board of Supervisors. The agency's mission statement, adopted on June 2, 1993 and revised on December 4, 2019, outlines the agencies objectives, which are to make all transportation modes as efficient, economical, and environmentally responsible as possible, envisioning the future, embracing emerging technology, and innovating to ensure our transportation options are successful and

sustainable, promoting collaboration among all levels of government, optimizing our impact in regional, state, and federal policy and funding decisions and using all revenue sources in the most responsible and transparent way.

In 2016, SBCTA known at the time as the SANBAG, sponsored Senate Bill 1305 (Morrell), consolidating the agency's transportation entities into a singular statutory entity. The bill passed through both houses and was signed by the Governor in August 2016. On January 1, 2017, the transportation entities of SANBAG, serving in each capacity as described below, became statutorily known as the San Bernardino County Transportation Authority (SBCTA).

SBCTA has included the following transportation authorities in the financial report:

County Transportation Commission. In 1976, the State, through Assembly Bill 1246, designated SANBAG as the County of San Bernardino's Transportation Commission. The most important function of the Commission is preparation of the bi-annual six-year State Transportation Improvement Program for state highway, preparation of the Transportation Improvement Program for San Bernardino County, and the advocacy of local projects before the California Transportation Commission.

County Transportation Authority. With the passage of Measure I in 1989, SANBAG became the County Transportation Authority. The Authority is responsible for administration of the voter-approved half-cent transportation transactions and use tax for funding of major freeway, interchange, arterial and grade separation construction, commuter rail service, local street and road improvements, special transit service for the elderly and disabled population, and traffic management and environmental enhancement efforts. In 2004, San Bernardino County voters overwhelmingly approved the extension of the Measure I sales tax through 2040.

Service Authority for Freeway Emergencies. In 1986, SANBAG became the Service Authority for Freeway Emergencies (SAFE). The SAFE is responsible for the implementation and operation of a motorist aid call box system on state freeways and highways in the county.

Congestion Management Agency. In 1990, SANBAG became the Congestion Management Agency (CMA) as required under Assembly Bill 1971 and is responsible for the development and implementation of the Congestion Management Plan for all of San Bernardino County. The CMA manages the performance level of the regional transportation system in a manner which ensures consideration of the impacts from new development and promotes air quality through implementation of strategies in the adopted air quality plans.

Subregional Planning Agency. SBCTA represents the San Bernardino County sub-region and assists the Southern California Association of Governments in carrying out its function as the metropolitan planning organization. SBCTA performs studies and develops consensus relative to input into regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.

In addition, the JPA will continue to exist for the remaining purpose of performing council of government functions for the County of San Bernardino, currently referred to as the ***San Bernardino Council of Governments (SBCOG) and SANBAG.*** The financial statements for SANBAG are included as a blended component unit of SBCTA due to its governing body being the same as SBCTA, and the demonstrated financial benefit relationship between the two entities.

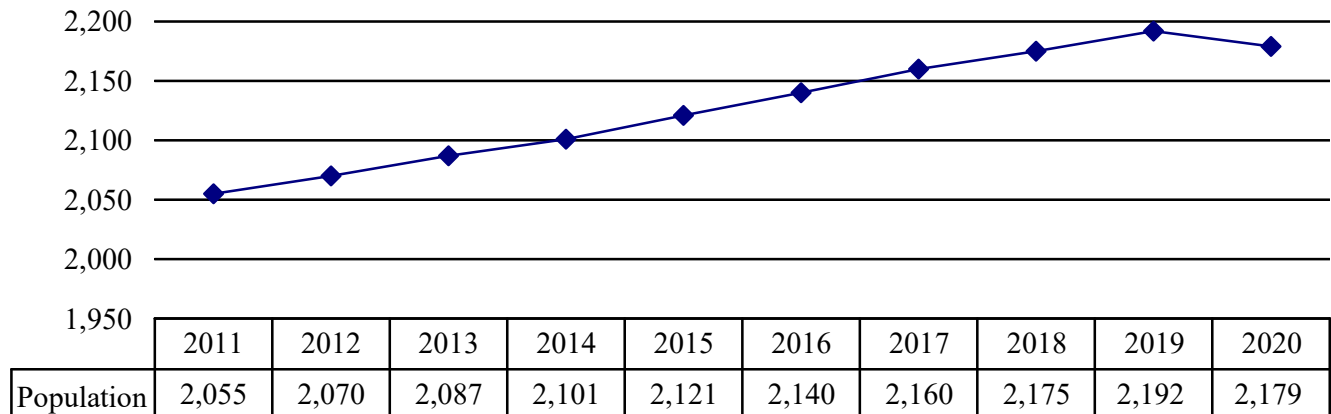
SBCTA is required to adopt a budget prior to the beginning of each fiscal year. The annual budget serves as the foundation for SBCTA's financial planning and control. The budget is prepared by funding source, program and task. Management may transfer resources within each task and between tasks within the same program and funding source. The Executive Director has the authority to substitute funding sources approved with the adopted budget within a program, not-to-exceed \$1 million. Changes in the total expenditures for a program require Board approval.

Local Economy

San Bernardino County and Riverside County collectively comprise the Inland Empire. The Inland Empire is one of the largest economies in the United States. The competitive advantages of affordable housing and commercial real estate make the region an attractive magnet for new businesses and economic growth. Due to the negative impact of the COVID-19 pandemic, the United States and Inland Empire economies have experienced increase in unemployment and decrease in personal income and some local revenues. Future challenges continue to include strong growth in qualified workers and logistics, with firms migrating inland to reduce commuting for Inland Empire residents.

The population of San Bernardino County has grown by 6% over the last ten years.

**Population Growth
Last Ten Years
(In Thousands)**



The following table summarizes the civilian labor force, employment and unemployment, and the employment rate for the State of California and San Bernardino County for the calendar years 2016 through 2020. The figures for 2020 are as of nine months ending September 2020. Data for each of the years is not seasonally adjusted.

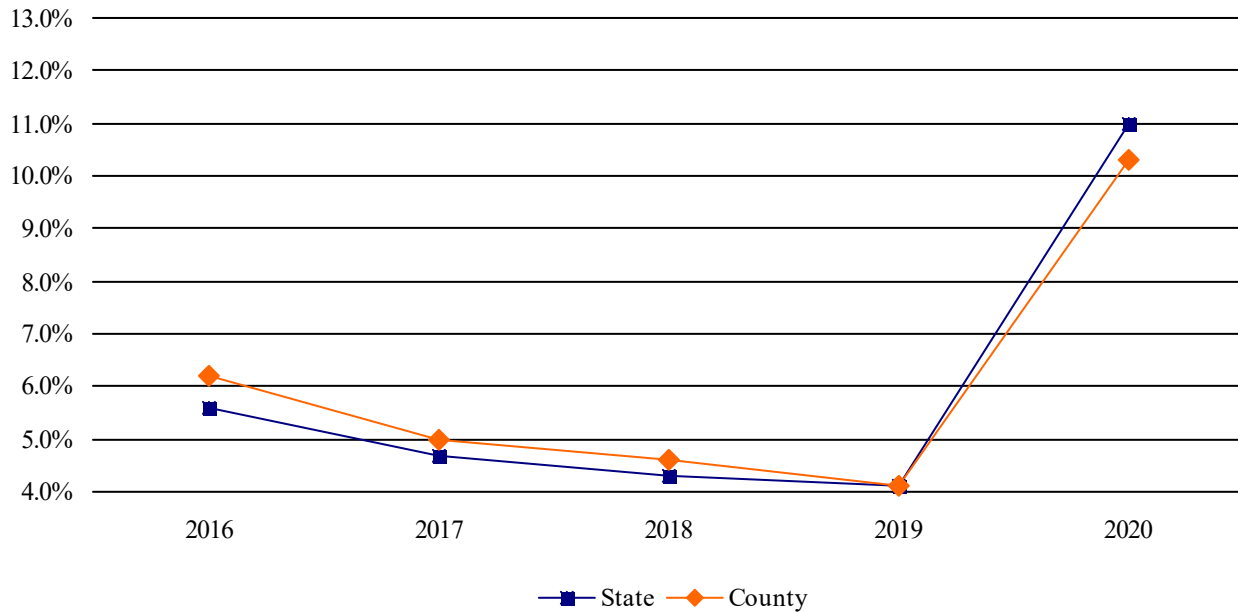
Labor force data is by place of residence and includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike. The County experienced a significant increase in unemployment of 10.3% in 2020 due to negative economic impact of the COVID-19 pandemic.

**Civilian Labor Force, Employment, Unemployment and Unemployment Rate-Annual Averages
(In Thousands)**

	2016		2017		2018		2019		2020	
	State	County	State	County	State	County	State	County	State	County
Civilian labor force	19,358	938.9	19,450	951.7	19,368	957.4	19,386	954.8	18,676	951.9
Employment	18,282	880.2	18,533	903.8	18,542	917.5	18,594	915.3	16,618	853.8
Unemployment	1,076	58.7	917	48.0	826	39.5	802	39.5	2,058	98.2
Unemployment rate	5.6%	6.2%	4.7%	5.0%	4.3%	4.6%	4.2%	4.1%	11.0%	10.3%

Source: Labor Market Information Division-California State Employment Development Department.

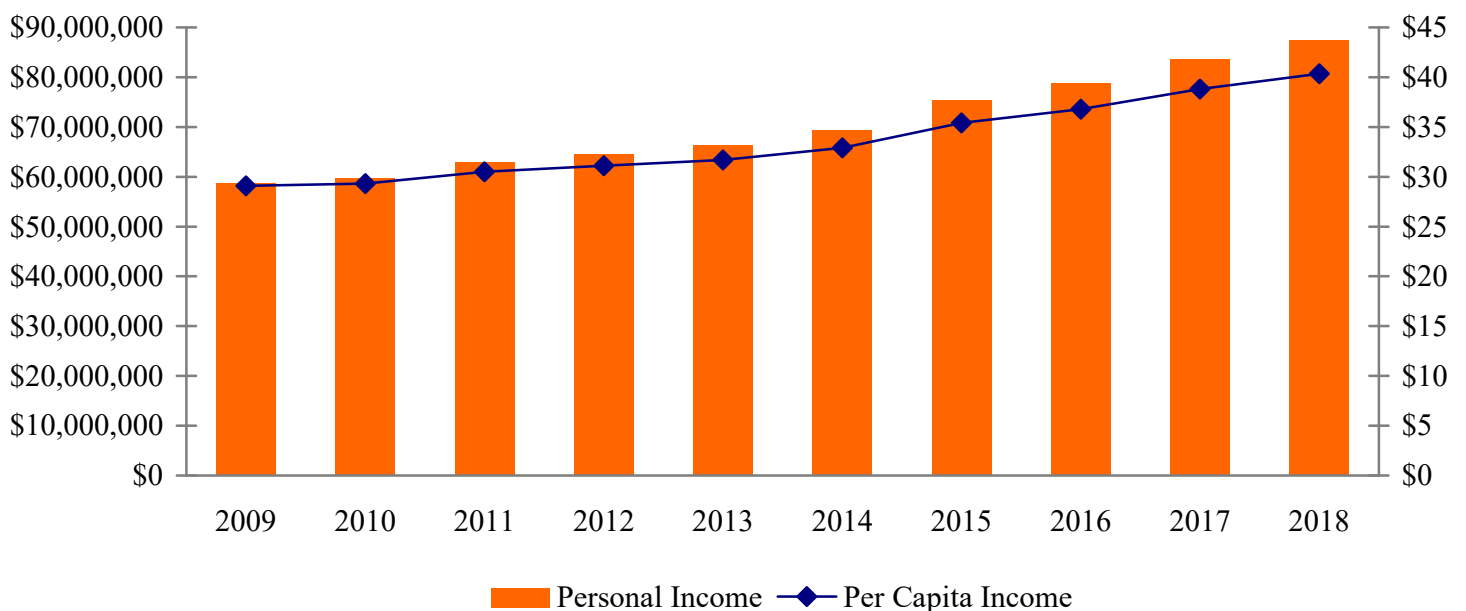
Unemployment Rate County versus State Last Five Years



Personal income increased from \$58.7 billion in 2009 to \$87.5 billion in 2018, reflecting a strong improvement in the local economy during that period. Personal income of also increased to \$40.3 thousand in 2018.

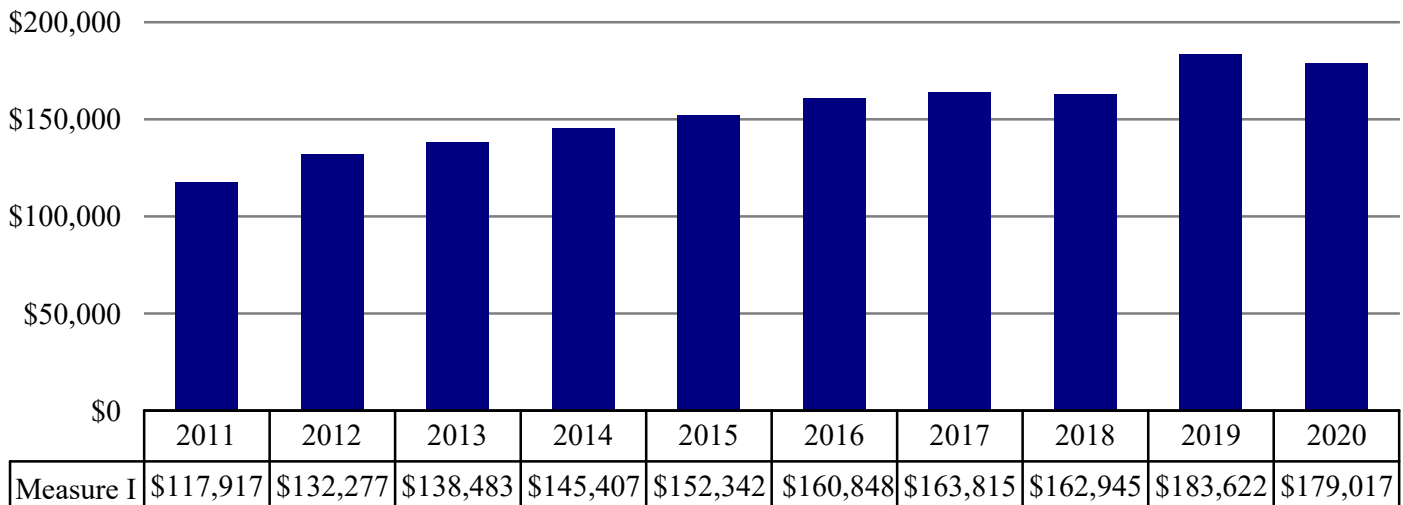
The unprecedented worldwide pandemic has had a negative impact on the economy and the figures for personal and per capita income are expected to decrease for 2020.

Personal Income and Per Capita Income Years 2009-2018 (In Thousands)



Measure I sales tax receipts have increased steadily over the last ten years due a strong recovery in the Inland Empire after a recession in 2008. Due to the negative impact of the COVID-19 pandemic, Measure I sales tax revenue for Fiscal Year 2020 decreased to \$179.0 million, in comparison with \$183.6 million from the prior fiscal year, reflecting a decrease of \$4.6 million or 2.51%. The decrease is significantly less than the expected negative impact of over 20% for the State and County. Sales tax revenue increased since certain retailers performed better than expected, the number of retailers that participated in the sales tax deferral program was lower than estimated, and retailers remitted sales tax payments on a timely basis.

**Measure I Sales Tax
Last Ten Years
(In Thousands)**



Measure I sales tax revenue will affect future bond financing and transportation project delivery. The economy is not expected to fully recover from the negative economic impact of the COVID-19 pandemic until the end of calendar year 2021. Even though unemployment has increased due to the COVID-19 pandemic, the region continues to retain a sound base for future economic growth, including lower priced real estate, a large pool of skilled workers, increasing wealth, and education levels. SBCTA maintains strong cash reserves and fund balances to maintain operations and delivery of projects without delay.

Long Term Planning

The new Measure I program began on April 1, 2010, after voters approved the extension/renewal of the local transaction and use tax in November 2004. SBCTA has adopted a strategic plan for the implementation of this 30-year extension, designed to improve transportation and goods movement. The 10-Year Delivery Plan was most recently updated in 2019, with next update in 2021, provides for the following:

- Revenue projections;
- Project scope, cost and schedule;
- Escalation and inflation; financial strategy; and
- Long-term bonding analysis

Freeway, interchange, grade separation, and transit and commuter rail project costs identified in the plan are estimated to be \$4.4 billion. Funding includes \$1.7 billion from Measure I sales tax revenue, and \$2.7 billion from federal, state, and local sources.

SBCTA continues to explore economically viable ways to advance transportation projects as early as possible. The detailed *Measure I 2010-2040 10-Year Delivery Plan* is posted on SBCTA's website.

State and Federal funding are an important component in the delivery of projects, but their availability has been steadily declining over the past twenty years. The passage of Senate Bill 1 (SB1) in 2017 created opportunities to compete for state grant funds in specific transportation categories. The bill provides a comprehensive and multi-modal funding package with revenue set-asides for highways, local streets and roads, goods movement projects, active transportation projects, and transit projects and services through a variety of formula and competitive programs managed by numerous State departments and agencies. SB1 augmented the State Transportation Improvement Program (STIP), replacing some of lost revenue streams. Working closely with California Transportation Commission (CTC) staff and Commissioners, SBCTA was successful in securing more than its guaranteed share in the first two years of the 2018 STIP, recuperating in part the deprogramming amount from the 2016 STIP.

SBCTA continues to actively pursue funding from various new sources, such as the Solutions for Congested Corridors Program (SCCP) for projects that implement specific transportation performance, improvements and are part of a comprehensive corridor plan; Local Partnership Program (LPP) for regional transportation agencies and local jurisdictions that have passed sales tax measures, developer fees, or other imposed transportation fees to fund road maintenance and rehabilitation, soundwalls, and other transportation improvement projects; Trade Corridor Enhancement Program (TCEP) for projects that more efficiently enhance the movement of goods along corridors that have a high freight volume; and State of Good Repair Program (SGR) that provides funding for capital assistance to rehabilitate and modernize California's existing local transit systems, with a focus on upgrading, repairing, and maintaining transit infrastructure in a state of good repair.

Major Initiatives

Some of the major highlights for the year included the following:

COUNCIL OF GOVERNMENTS

Grant Writing

SBCOG administers a contract with a grant writing firm. The services of this firm are used to find funds for regional initiatives of SBCOG and to support the efforts of SBCTA. Through our partnership with several local agencies, over \$30.8 million in grants have been awarded which support projects including affordable housing, active transportation, regional climate adaptation, as well as electric vehicle charging infrastructure readiness.

LEGISLATION AND PUBLIC AFFAIRS

Legislation

SBCTA's robust advocacy program was very active supporting important legislative initiatives such as Senate Bill 288 (Wiener) that would create CEQA exemptions for transit projects such as the transit tunnel to Ontario International Airport. Additionally, the team continues to provide enhanced awareness of a need to address goods movement along SR 60, Interstate 10 & 15 corridors, respectively, and ensure a thorough evaluation of all transportation projects brought into the region do not adversely impact disadvantaged communities. A key to this is to increase our elected delegation's awareness of SBCTA's innovative transit projects and our goal to bring several zero-emission projects (Redlands Passenger Rail, Ontario International Airport tunnel transit service, and the XpressWest high speed rail service) together in one multi-modal location.

Public Affairs

SBCTA's public affairs program activated its enhanced outreach services as a way of expanding the opportunities for citizen engagement, outreach, and education. These, in conjunction with other efforts, will result in greater awareness of SBCTA projects and more timely and consistent information about the agency's programs, projects, and services online, in newspaper, radio, and television mediums, and continued growth in social media following. A noticeable growth in our digital space opens the opportunity for engagement to groups outside of the county as well.

COMMUTER AND MOTORIST ASSISTANCE

Call Box Program

SBCTA operates approximately 779 call boxes along highways and freeways to assist motorists who have a flat tire or mechanical failure, were involved in an accident, or are in need of emergency or other assistance. SBCTA operates cellular call boxes and some satellite call boxes throughout the county. Due to their technology, call boxes have the ability to capture a cellular signal where a personal cell phone cannot, therefore allowing motorists to still seek assistance even though their personal cell phone is not able to work. Each call box is equipped with a Tele Type device (TTY) for the hearing impaired. SBCTA has recently upgraded the 3G cellular call boxes with call boxes equipped for 4G service.

Freeway Service Patrol (FSP)

SBCTA provides FSP services along specific designated areas of the freeways in the urbanized region of the San Bernardino Valley. There are nine (9) separate segments along the highway system, known as "Beats." FSP tow trucks patrol these Beats during the morning and evening rush hours to assist motorists or to tow broken down or stalled vehicles to a location off the freeway that has been designated by the California Highway Patrol (CHP). During this past fiscal year, SBCTA continued to offer weekend FSP service as part of a demonstration project on selected beats, and was able to provide extended hours in the afternoons during the summer months for the regular Beats. In addition, SBCTA implemented FSP services for the Cajon Pass area. In the past fiscal year, the San Bernardino FSP Program was able to perform more than 70,000 assists; receiving a 99 percent "excellent" rating from motorists provided FSP services.

REGIONAL AND SUBREGIONAL PLANNING

SBCTA completed a number of planning and analysis activities in Fiscal Year 2019/2020, the more significant of which include:

- Completed a draft of the Inland Empire Comprehensive Multimodal Corridor Plan (IE CMCP) in June 2020. The IE CMCP has multiple uses that will benefit local, regional, and state agencies as they deal with the balancing of infrastructure, livability, economic, and sustainability needs related to the transportation system. It is also required for receipt of Solutions for Congested Corridors Program (SCCP) funding under the California Transportation Commission's SB 1 program. The strategic partners on the IE CMCP included the Southern California Association of Governments (SCAG), California Department of Transportation (Caltrans) District 8, the Riverside County Transportation Commission (RCTC), SBCTA, and the Western Riverside Council of Governments (WRCOG).
- Grant applications were submitted for construction funding for three projects under the CTC's SB 1 Cycle 2 call-for-projects. The funding requests totaled slightly over \$200 million under both the SCCP and the Trade Corridor Enhancement Program (TCEP). The projects included: 1) West Valley Connector and Zero-Emission Bus Rapid Transit project (SCCP); Interstate 10 Eastbound Truck Climbing Lane (TCEP); and Interstate 15 Auxiliary Lanes and Express Lanes between Cantu-Galleano Ranch Road and Foothill Boulevard (SCCP and TCEP applications). The CTC will make grant funding awards in early December 2020.
- Continued work on the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) through the adoption of the RTP/SCS by SCAG in May 2020.

- Continued delivery of projects with Active Transportation Program (ATP) grants from ATP cycles 1-4 and provided assistance to jurisdictions on Cycle 5 applications. Over \$60 million in grants has been awarded to San Bernardino County jurisdictions in Cycles 1-4 of this program.
- A draft of the Regional Conservation Investment Strategy (RCIS) under Assembly Bill 2087 (AB2087) was submitted to the California Department of Fish and Wildlife. This Phase of the Habitat Preservation/Conservation Framework was funded by the County of San Bernardino and SCAG, with leadership from the Environment Element Group of the Countywide Vision. Additional grant funding was also received from the Wildlife Conservation Board for work on Phase 2 of the RCIP.
- Phase 2 of the San Bernardino County Sub-regional Greenhouse Gas Reduction Plan Update was continued.
- The Regional Climate Adaptation Toolkit was completed, with Western Riverside Council of Governments (WRCOG) as lead agency.
- The Senate Bill 743 (SB 743) Countywide Implementation Study was completed, preparing local jurisdictions for the use of Vehicle Miles Traveled (VMT) as the basis of traffic analysis going forward. The State mandated that the VMT-based approach be implemented statewide no later than July 2020.

TRANSIT

Transit Operations, Vanpool & Rideshare

Over the last year, coordination with the San Bernardino County transit operators, and administration of the Vanpool Program and Rideshare activities were consolidated in the Transit & Rail Department. The vanpool program provided subsidies for fifty-seven vanpools, serving 356 people for a combined 4,385,968 passenger miles. The IE Commuter website, IE511.com, was modernized and it has improved its ride-matching feature, as well as added resources for riders and employers in San Bernardino County. The new website offers commuters more robust rideshare tools and telework tips, including a newly launched telework Employer Assistance Program for employers. Metrolink continued the 25% fare discount on the San Bernardino Line which saw increased ridership until Covid-19 struck. All operators took measures to respond accordingly to Covid-19 by implementing service reductions, enhanced cleaning, and for a period of time ceased collecting fares to reduce contact. Omnitrans strategically implemented their Connect Forward Plan as part of their response to Covid-19.

Diesel Multiple Unit (DMU) to Zero-Emission Multiple Unit (ZEMU)

In 2018, SBCTA successfully secured a \$30 million Transit and Intercity Rail Capital Program grant to transform a DMU to a ZEMU. In July 2019, the SBCTA Board of Directors approved advancing a hydrogen fuel cell-battery hybrid propulsion unit, the first of its kind in North America. Stadler, the vehicle manufacturer, progressed through conceptual vehicle design and consultation with the Federal Railroad Administration.

Redlands Passenger Rail Project (RPRP)

Construction on the RPRP continued and approximately 50% of construction has been completed, including both the mainline construction and the vehicle maintenance facility. Design and manufacturing of the vehicles continued this year as well. The project will provide for a blended hybrid-rail passenger service with twenty-five (25) smaller multiple unit vehicle weekday roundtrips between the San Bernardino Transit Center and the University of Redlands as part of the Arrow Service, and the Southern California Regional Rail Authority (SCRRA) providing one (1) weekday roundtrip utilizing its larger locomotive-hauled coach as part of the traditional Metrolink Service. The agreement transferring operations of the new Arrow Service from Omnitrans to SCRRA was executed.

West Valley Connector Phase I

SBCTA and the Federal Transit Administration (FTA) environmentally approved the project, and final design and Right-of-Way (ROW) engineering commenced. The FTA previously granted entry into Project Development for the FTA Capital Investment Grant (CIG) program and monthly meetings were initiated with the FTA to coordinate submittal requirement for a future grant agreement under the CIG program. In addition, the project was awarded \$15 million of Transit and Intercity Rail Capital Program (TIRCP) grant funding for eighteen (18) electric buses. The memorandums of understandings were negotiated with the four host cities: Ontario, Montclair, Rancho Cucamonga, and Pomona.

Ontario International Airport Direct Connector at Rancho Cucamonga

SBCTA issued a request for proposals to proceed with an Alternative Analysis to connect the broader transit network to the Ontario International Airport (ONT). After receipt of an unsolicited proposal, for an emerging technology alternative at a fraction of the cost of a traditional surface rail connection, staff proceeded with development of an alternative competitive procurement process to deliver a connection from the Rancho Cucamonga Metrolink Station, targeting service by 2025. Further, SBCTA worked to negotiate a memorandum of understanding with Brightline West, formerly XpressWest, to coordinate a private high speed rail connection between the Rancho Cucamonga Metrolink Station and the Victor Valley within the same timeframe.

Railroad ROW

On-going ROW maintenance efforts such as weed abatement, trash removal and graffiti abatement were conducted on cyclical basis. As part of the on-going administration of the railroad ROW, twenty (20) grant of use agreements were executed in Fiscal Year 2019/2020.

PROJECT DELIVERY

Interstate 10 (I-10) Corridor Project Development, Multiple Cities

The Project Approval/Environmental Document (PA/ED) phase was completed in July 2017 for this project, which will add Express lanes along 33 miles of the I-10 corridor. The entire corridor construction cost is estimated at \$1.8 billion. Procurement for a Design-Build (DB) contractor was completed during Fiscal Year 2017/2018 for I-10 Contract 1, the portion of the corridor from the Los Angeles County line to Interstate 15. Design is nearly complete and construction started toward the end of Fiscal Year 2019/2020.

Interstate 15 (I-15) Corridor Project Development, Multiple Cities

The preliminary engineering and environmental studies were completed for the addition of two Express Lanes in each direction of the I-15 from State Route 60 (SR 60) to State Route 210 (SR 210), a distance of approximately 14 miles. The environmental document and project report were approved in December 2018. Procurement for final design services occurred in fall 2020 with a target for starting construction at the end of 2023.

I-10 Cedar Avenue Interchange, County of San Bernardino

A cooperative agreement was executed between the County of San Bernardino and SBCTA. Under the cooperative agreement SBCTA is responsible for management of the project design phase which is ongoing. ROW acquisitions are underway and commencement of construction is expected in June 2022.

SR 210 Pepper Avenue Interchange, Rialto

The project started construction in April 2017, and was open for beneficial use in May 2018. Ramps were added at Pepper Avenue and the roadway was widened to 2 lanes in each direction; Landscaping was included with a 1-year plant establishment period which concluded in August 2019 and immediately followed by a 4-year Establish Existing Planting contract. This is the final interchange planned for the SR 210 freeway expansion.

Interstate 215 (I-215) University Parkway Interchange, San Bernardino

The environmental phase was completed in July 2020 for a Diverging Diamond Interchange concept on the I-215 University Parkway to improve traffic flow through the interchange. Design and ROW phases have begun and construction is estimated to start in June 2022. The new interchange is expected to open to traffic in April 2023.

I-215 Barton Road Interchange, Grand Terrace

This project employed the Construction Manager/General Contractor (CMGC) delivery method. The method enables the contractor to assist Caltrans during the project design phase to improve constructability. A roundabout was incorporated to maintain access to Frontage Road at the request of the local residents and business owners. The project was opened to traffic in July 2020.

Archibald Avenue Improvement Project, Ontario

This project provides greater turning capacity for movement onto and from the freeway. Design of the Archibald Avenue Improvement Project at State Route 60 was completed in June 2019. Construction is underway and the project will be open to traffic in April 2021.

US 395 Widening Project, Victorville and Adelanto

Design for the five-mile widening of the US 395 Widening Project was completed in October 2018. A construction contract was awarded in February 2019, and construction started in May 2019. The project is largely completed as of the signing of this letter.

Mt. Vernon Viaduct, San Bernardino

The objective of this project is the demolition and replacement of the existing bridge. The structure will be built to meet current design standards. DB delivery is being used on the project to expedite replacement of the bridge. Procurement for this \$200 million project started in 2018. A DB contract was awarded in May 2020, and the new bridge is expected to be complete and open to traffic in the middle of 2024.

Metrolink Accessibility Improvement Project, San Bernardino, Rialto, Fontana, Rancho Cucamonga, Upland and Montclair (phase 1)

Construction was completed in August 2018, with the project providing safe pedestrian/bicycle access and improvements to connect the Pacific Electric Trail to Metrolink Stations for the cities listed above.

Metrolink Accessibility Improvement Project, San Bernardino, Fontana, Rancho Cucamonga, Upland and Montclair (phase 2)

Design procurement is underway with contract award expected in late 2020.

FUND ADMINISTRATION

In addition to administration of Measure I, SBCTA is responsible for the allocation of most state and federal funds available for transportation projects in San Bernardino County. This involves coordination with member jurisdictions, Caltrans, and transit operators in the County to ensure that funds are available for priority projects underway and that that funding projections are maintained for future needs. The onset of Covid-19 introduced much uncertainty for future projects and hit transit systems especially hard. The Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020, and in May 2020, SBCTA was able to allocate \$118 million in CARES Act funds to the transit operators in the County to ensure public transportation systems could continue to provide services to the people who depend on them. Additionally, by coordinating delivery of federal funds throughout the County, SBCTA received \$15 million in federal funds in excess of the County's formula share.

SPECIAL PROJECTS AND STRATEGIC INITIATIVES

Risk Management

In an effort to simplify the processing of claims, while still meeting Government Code and SBCOG's bylaws, SBCTA approved a revision to its Claims Policy. The revised policy defines the delegation of authority for approving, compromising and/or settling claims.

Special Projects

SBCTA initiated the Consolidation Study between Omnitrans and SBCTA and the Innovative Transit Review of the Metro-Valley area with the goal of identifying the pros/cons of consolidation and aligning the changing demand for transportation with the funding available. The first two reports provided an overview of Omnitrans performance for the past five years and an agency functional assessment of both organizations with a preliminary list of pros/cons of consolidation.

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 SBCTA for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This is the eight consecutive year that SBCTA has received this prestigious award.

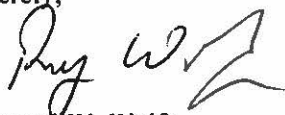
In order to be awarded a Certificate of Achievement, the government needs to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable program requirements.

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

SBCTA received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2019. To qualify for the award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communicative device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. Special recognition is given to Lisa Lazzar, Chief of Fiscal Resources, for the preparation of the report. Credit also must be given to the SBCTA Board of Directors for their unfailing continuous support for maintaining the highest standards of professionalism and transparency in the management and reporting of SBCTA's finances.

Sincerely,



Raymond W. Wolfe
Executive Director



Hilda E. Flores
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**San Bernardino County Transportation Authority
California**

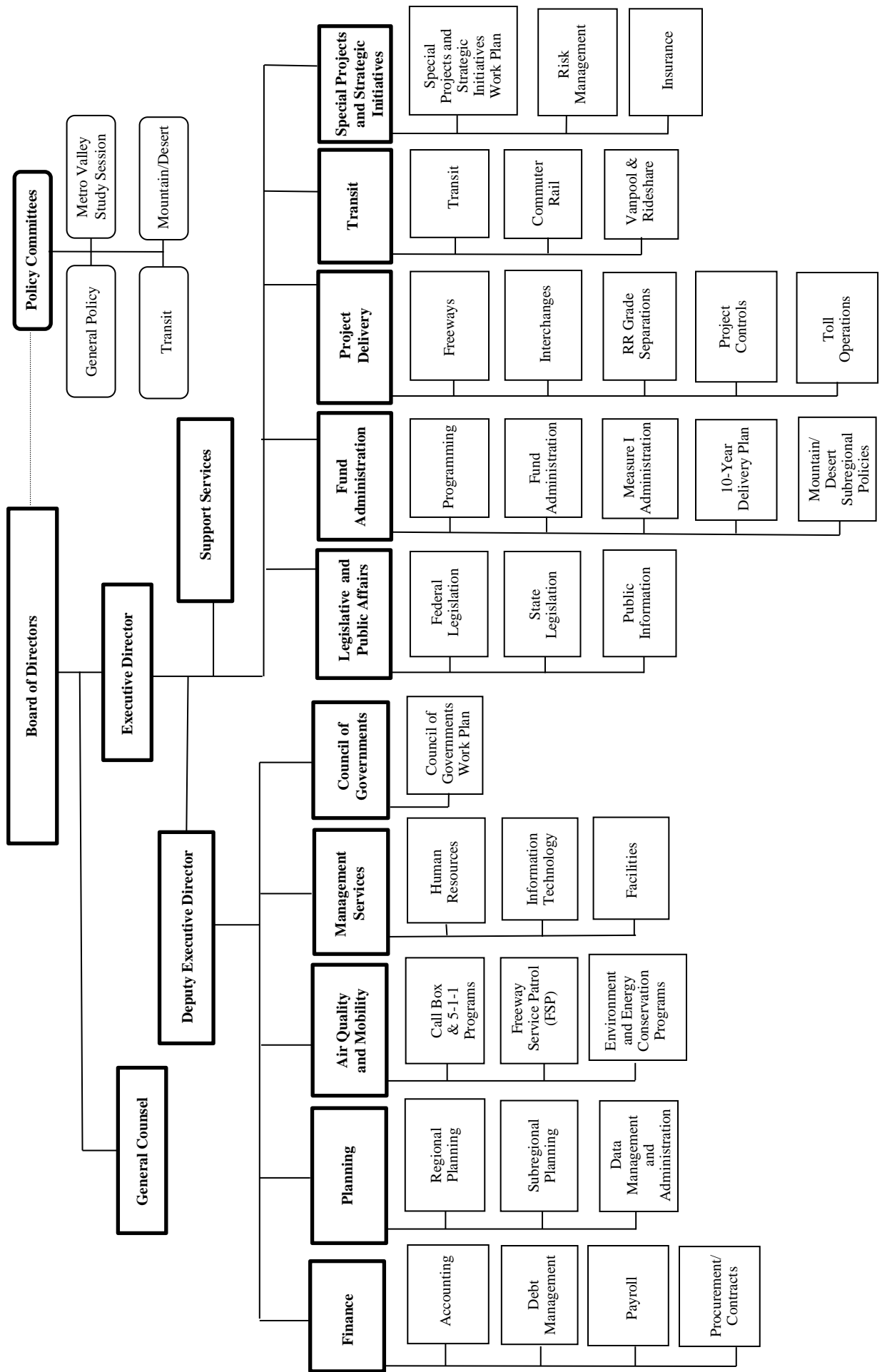
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

San Bernardino County Transportation Authority Organization Chart



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

List of Principal Officials

June 30, 2020

Board of Directors		
Name	Jurisdiction	Title
Darcy McNaboe	Mayor-City of Grand Terrace	Board President
Frank Navarro	Mayor-City of Colton	General Policy Committee Vice Chair
		Board Vice-President
		General Policy Committee Chair
Gerardo Hernandez	Mayor Pro Tem-City of Adelanto	Legislative Policy Committee Chair
Art Bishop	Council Member-Town of Apple Valley	
Julie McIntyre	Mayor -City of Barstow	Legislative Policy Committee Vice Chair
Bill Jahn	Council Member-City of Big Bear Lake	Transit Committee Chair
Eunice Ulloa	Mayor-City of Chino	
Ray Marquez	Council Member-City of Chino Hills	
Acquanetta Warren	Mayor-City of Fontana	
Rebekah Swanson	Council Member-City of Hesperia	
Larry McCallon	Mayor-City of Highland	
Rhodes Rigsby	Council Member-City of Loma Linda	
John Dutrey	Mayor-City of Montclair	
Edward Paget	Vice Mayor-City of Needles	
Alan Wapner	Council Member-City of Ontario	
L. Dennis Michael	Mayor-City of Rancho Cucamonga	Transit Committee Vice Chair
Toni Momberger	Council Member-City of Redlands	
Deborah Robertson	Mayor-City of Rialto	
John Valdivia	Mayor-City of San Bernardino	
Joel Klink	Mayor-City of Twentynine Palms	
Debbie Stone	Mayor-City of Upland	
Jim Cox	Council Member, City of Victorville	
David Avila	Mayor-City of Yucaipa	
Rick Denison	Council Member-Town of Yucca Valley	Mountain/Desert Committee Chair
Robert A. Lovingood	Supervisor-County of San Bernardino	Mountain/Desert Committee Vice Chair
Janice Rutherford	Supervisor-County of San Bernardino	
Dawn Rowe	Supervisor-County of San Bernardino	Metro Valley Study Session Vice Chair
Curt Hagman	Supervisor-County of San Bernardino	Metro Valley Study Session Chair
Josie Gonzales	Supervisor-County of San Bernardino	

Appointed Officials

Raymond Wolfe, Executive Director*

Julianna Tillquist, General Counsel*

Marleana Roman, Clerk of the Board/Administrative Supervisor

Duane Baker, Deputy Executive Director

Hilda Flores, Chief Financial Officer

Andrea Zureick, Director of Fund Administration

Otis Greer, Director of Legislative and Public Affairs

Steve Smith, Director of Planning

Beatriz Valdez, Director of Special Projects and Strategic Initiatives

Carolyn Schindler, Director of Transit and Rail Programs

Paula Beauchamp, Director of Project Delivery and Toll Operations

*Appointed by the Board of Directors

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the SBCTA's basic financial statements. The combining and individual fund financial statements and schedules, introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, as listed in the table of contents, are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2020 on our consideration of SBCTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SBCTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SBCTA's internal control over financial reporting and compliance.


Crowe LLP

Costa Mesa, California
November 23, 2020

Management's Discussion and Analysis

Our discussion and analysis of the San Bernardino County Transportation Authority (SBCTA) financial performance provides an overview of the financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the accompanying transmittal letter and basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets plus deferred outflows of resources of SBCTA exceeded its liabilities plus deferred inflows of resources at the close of the fiscal year by \$787,514,545 (*net position*).
- The unrestricted net position (deficit) of (\$255,676,190) is the result of issuance of long-term debt to finance freeways, freeway interchanges, rail, and major streets which are owned and vested by the California Department of Transportation and other local jurisdictions. Therefore, there is no corresponding asset to the long-term liability. Although SBCTA does not have sufficient current resources to cover long-term liabilities, future Measure I sales tax revenues are pledged to cover future debt service obligations.
- SBCTA's net position increased by \$166,569,503 from the previous fiscal year, mainly as a result from operations, and the increase in capital assets of over \$98.3 million net of accumulated depreciation.
- The total cost of all SBCTA's activities was \$458,111,923 for the current fiscal year. Net cost of all activities was \$130,656,291.
- The total fund balances of SBCTA's governmental funds were \$660,281,503 at the close of the fiscal year. A majority of the fund balances were restricted, committed and assigned.
- General fund revenues and other financing sources exceeded expenditures by \$599,844 for the fiscal year ended. This was mainly due to transfers from other funds to fund general indirect costs and set reserves.
- The total fund balance of the general fund was \$11,654,417 for the fiscal year; \$5,698,586 nonspendable, \$5,455,831 assigned, and \$500,000 unassigned. The nonspendable amount consists of noncash assets such as deposits receivable and prepaid items. The assigned amounts are set aside for general administration, capital improvements for SBCTA owned assets, and regional and subregional planning activities. The unassigned amount is set aside for emergency purposes.
- Total capital assets, net of accumulated depreciation, increased by \$98,284,510 or 51.4% over June 30, 2019. This increase in capital assets is primarily due to the progress made on the I-10 Corridor Contract I and the Redlands Passenger Rail projects.
- SBCTA's total outstanding long-term bonded debt including unamortized premiums decreased by \$5,194,092 due to principal payment and amortization of bond premiums.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to SBCTA's basic financial statements. SBCTA's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) 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 SBCTA's finances, in a manner similar to a private-sector business.

Statement of Net Position

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

Statement of Activities

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

The Statement of Activities distinguishes functions of SBCTA that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges or operating grants and contributions. The governmental activities of SBCTA include general government, commuter and motorist assistance, environment and energy conservation, regional and subregional planning, transit, project delivery, fund administration, express lanes, and interest and fiscal charges.

The government-wide financial statements include only the financial information for SBCTA and its blended component unit, San Bernardino Council of Governments. The government-wide financial statements can be found on pages 15-16.

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. SBCTA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. For Fiscal Year 2019/2020, SBCTA does not have any proprietary or fiduciary funds to report.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as 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.

Because 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. By doing so, readers may better understand the long-term impact of the governments near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

SBCTA maintains twenty six (26) individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for its major governmental funds which consist of: the general fund, federal highway, federal transit administration, state highway, proposition 1B, local transportation fund, state transit assistance fund, 1990-2010 Measure I, and 2010-2040 Measure I special revenue funds; debt service fund and capital projects fund.

Information for the remaining sixteen (16) nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund data of these nonmajor governmental funds is provided in the form of *combining statements* in the supplementary information section of the report.

SBCTA adopts an annual appropriated budget for all of the governmental funds. Budgetary comparison schedules have been provided in the required supplementary information section for the general and major special revenue funds to demonstrate compliance with the budget. Budgetary comparison schedules have been provided in the supplementary information section for the nonmajor governmental and remaining major funds.

The basic governmental fund financial statements can be found on pages 18-25 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 26-66 of this report.

In addition to the basic financial statements and accompanying notes to the financial statements, this report also presents certain required supplementary information concerning SBCTA's actuarial determined contribution rates, and the note to required supplementary information. Required supplementary information can be found on pages 67-77 of this report.

Other Information

Other supplementary information is presented immediately following the required supplementary information. This information includes the following:

- Combining balance sheet and schedule of revenues, expenditures and changes in fund balances relating to nonmajor governmental funds.
- Budgetary comparison schedules for nonmajor special revenue governmental funds.
- Combining balance sheet and schedule of revenues, expenditures and changes in fund balances relating to state transit assistance fund special revenue fund.
- Budgetary comparison schedules for state transit assistance special revenue governmental funds.
- Budgetary comparison schedules for remaining debt service and capital projects major funds.
- Combining balance sheet and schedule of revenues, expenditures and changes in fund balances for the 1990-2010 Measure I special revenue fund.
- Combining balance sheet and schedule of revenues, expenditures and changes in fund balances for the 2010-2040 Measure I special revenue fund.
- Combining balance sheet and schedule of revenues, expenditures and changes in fund balances for the debt service fund.
- Combining balance sheet and schedule of revenues, expenditures and changes in fund balances for the capital projects fund.

Supplementary information can be found on pages 79-129 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of SBCTA's financial position. At June 30, 2020, SBCTA's assets exceeded liabilities by \$787,514,545. The following is condensed financial data related to net position at June 30, 2020 and June 30, 2019:

Condensed Statement of Net Position

	Governmental Activities	
	2020	2019
Current and other assets	\$ 809,331,446	\$ 766,358,163
Capital assets-net of depreciation	289,334,867	191,050,357
Total assets	1,098,666,313	957,408,520
Deferred outflows of resources	6,478,738	7,137,458
Long-term liabilities outstanding	196,978,439	201,989,786
Net pension liability	16,515,328	14,996,039
Other liabilities	103,356,385	124,844,017
Total liabilities	316,850,152	341,829,842
Deferred inflows of resources	780,354	1,771,094
Net position:		
Net investment in capital assets	281,471,627	183,187,117
Restricted	761,719,108	682,600,483
Unrestricted	(255,676,190)	(244,842,558)
Total net position	\$ 787,514,545	\$ 620,945,042

Net Position

Net investment in capital assets represents 35.7% of the net position of SBCTA. Capital assets include the Santa Fe Depot facility, the San Bernardino Downtown Maintenance facility, 50% of the Rialto Station, land improvements, Construction in progress that includes the Redlands Passenger Rail project and the I-10 Toll Lanes project. and rail operating land easements. Capital assets were acquired with the use of federal grants and local revenues and no outstanding debt was used for acquisition. SBCTA utilizes the capital assets for general government, commuter and motorist assistance, environment and energy conservation, regional and subregional planning, transit, project delivery, and fund administration activities for residents and businesses of San Bernardino County.

The largest portion of SBCTA's net position is subject to external restrictions. Restrictions include federal, state and local statutes, and bond covenants.

The unrestricted net position represents the portion of net position that can be used to finance day-to-day operations without constraints established by bond covenants, enabling legislation, or other legal requirements. Unrestricted net deficit is \$255,676,190 as of June 30, 2020. This amount results in part from the impact of SBCTA's debt on the statement of net position. The deficit is also the result of expenditures incurred for construction of freeways, freeway interchanges and major streets which are owned and vested by the California Department of Transportation (Caltrans) and other local jurisdictions. Accordingly, these capital projects are not reported as assets to offset the corresponding long-term liability.

SBCTA's change in net position reflects an increase of \$166,569,503 as a result of revenues exceeding expenses. The total cost of SBCTA activities was \$458,111,923 for the fiscal year. Net cost of all activities was \$130,656,291. Net cost represents program expenditures less program revenues.

The following is condensed financial data related to changes in net position for the year ended June 30, 2020 and June 30, 2019:

Condensed Statement of Changes in Net Position

	Governmental Activities	
	2020	2019
Revenues		
Program revenues:		
Charges for services	\$ 722,766	\$ 855,693
Operating grants and contributions	120,385,010	124,767,642
Capital grants and contributions	206,347,856	79,983,912
General revenues:		
Sales tax-Measure I	179,016,883	183,621,992
Sales tax-Local Transportation Fund	102,753,612	106,927,206
Unrestricted investment earnings	15,090,815	16,901,051
Miscellaneous	364,484	421,971
Gain (loss) on sale of assets	-	101,467
Total revenues	<u>\$ 624,681,426</u>	<u>\$ 513,580,934</u>
	Governmental Activities	
	2020	2019
Expenses		
General government	\$ 11,023,588	\$ 5,388,051
Environment and energy conservation	2,082,833	5,992,817
Commuter and motorist assistance	7,289,594	6,910,089
Regional and subregional planning	1,859,252	2,803,421
Transit	182,437,414	141,450,567
Project delivery	199,386,546	194,496,081
Fund administration	46,395,221	95,419,251
Express Lanes	-	167,101
Interest and fiscal charges	7,637,475	7,788,659
Total expenses	<u>458,111,923</u>	<u>460,416,037</u>
Change in net position	<u>166,569,503</u>	<u>53,164,897</u>
Net position at the beginning of year	<u>620,945,042</u>	<u>567,780,145</u>
Net position at the end of year	<u><u>\$ 787,514,545</u></u>	<u><u>\$ 620,945,042</u></u>

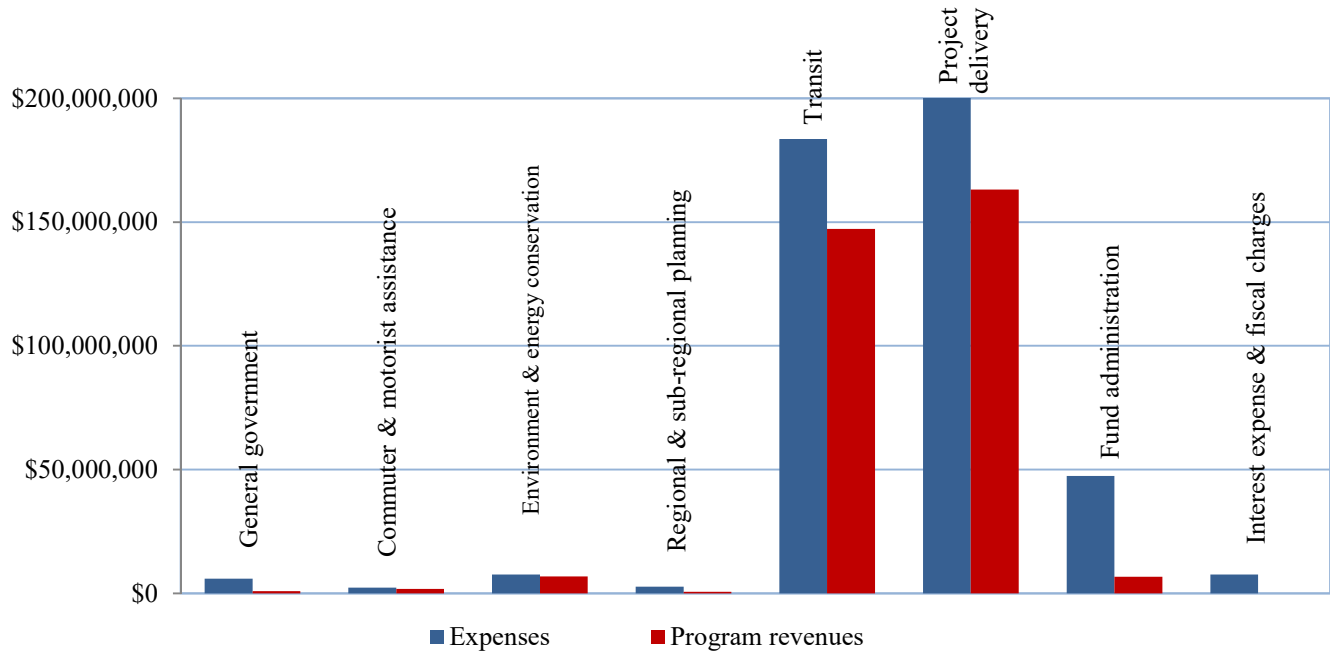
Changes in Net Position

Revenues increased by \$111,100,492, primarily attributed to additional funds from federal and state capital grants and contributions. The net increase of \$126,363,944 in capital grants, is related to more reimbursable expenditures in the project delivery program due to several projects currently under construction. A decrease of \$8,778,703 in Measure I and Local transportation fund sales tax revenue is the result of the Covid-19 pandemic. Express Lanes program was combined with Measure I Freeway program in 2020 since operations have not commenced.

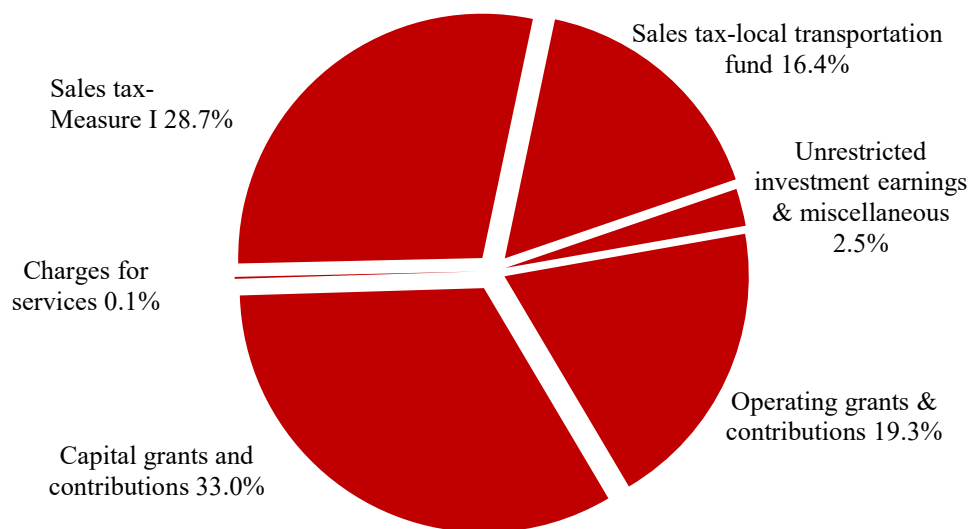
Expenses decreased by \$2,304,114 or 0.5% from the previous fiscal year. The decrease was primarily attributed to a decrease in fund administration offset by increase expenditures of project delivery and transit projects due to several projects under construction during the year.

Net expenses is a good indication of the extent to which the services provided by SBCTA were financed from sales tax paid by citizens and businesses of San Bernardino County as opposed to recovering the cost of these services with user fees, grants and other contributions. Project delivery recovers expenses primarily from program revenues. SBCTA is very aggressive in leveraging the Measure I sales tax to obtain federal and state funds. General government, commuter and motorist assistance, environmental and energy conservation, regional and subregional planning, transit, fund administration, and interest expense and fiscal charges are financed primarily from general revenues. Express lanes are currently funded through Measure I revenue but once the express lanes are in operation Measure I will be reimbursed for costs from toll revenues.

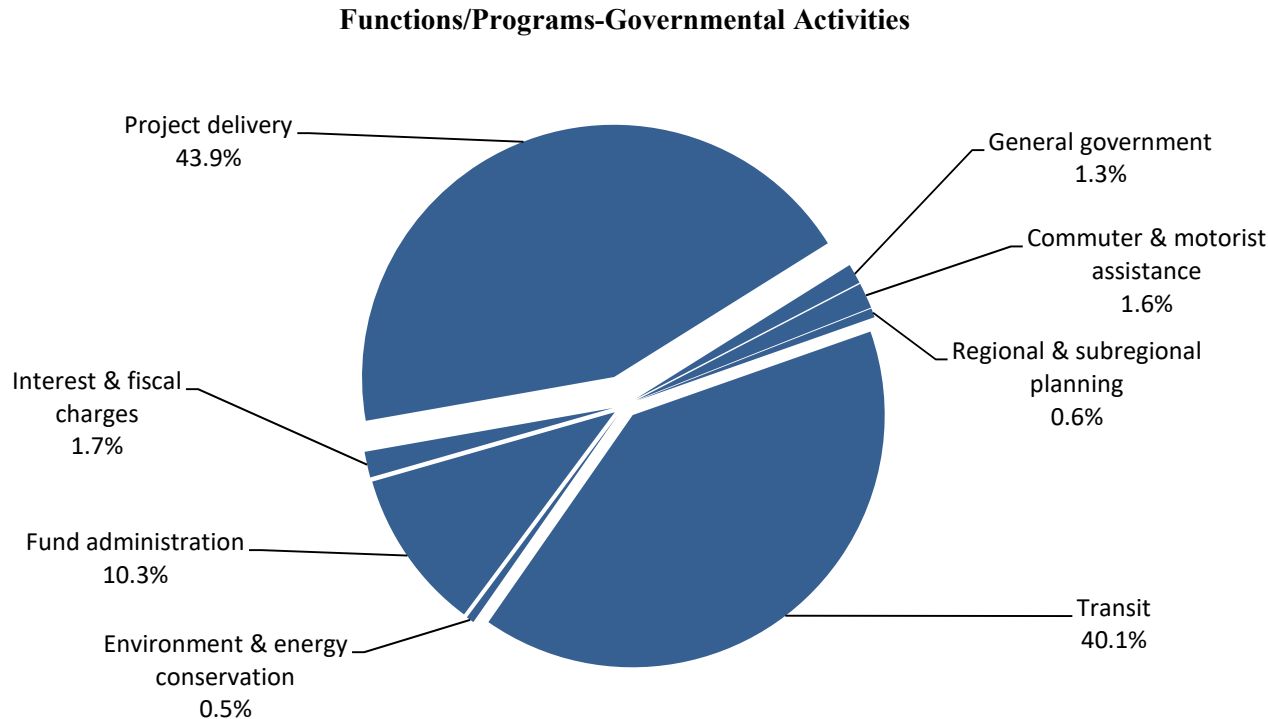
Expenses and Program Revenues-Governmental Activities



Revenue Sources-Governmental Activities



Measure I and local transportation fund sales tax revenues provided 45.1% of the overall revenue sources of the governmental activities. Another large source of revenue is capital grants and contributions which included various federal, state and local grants and reimbursements. SBCTA leveraged the Measure I sales tax revenue to obtain federal and state grants.



Project delivery, transit, and fund administration represented 94.3% of the programs of the governmental activities. Project delivery provided for the freeway, freeway interchange and grade separation projects, utilizing federal, state, and local revenues, and Measure I sales tax revenue. Transit provided projects for rail using various funding sources and provided for the apportionment and allocation of local transportation sales tax and state transit assistance fund revenues to transit operators. Each project is identified in the Measure I 2010-2040 expenditure plan and the ten-year delivery plan. Fund administration provided for the apportionment and allocation of Measure I sales tax for various local arterial projects, advance expenditure agreements (see note 8 of *notes to financial statements*), transit operator support, and local street pass-through payments.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

SBCTA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. This information assesses SBCTA’s financing requirements. *Unassigned fund balance* is a measure of SBCTA’s net resources available for designation or spending at the end of the fiscal year. It represents the portion of the fund balance which has not been limited for a particular purpose by either an external party, SBCTA itself, or individuals that have been delegated authority to assign resources limiting the use to certain purposes by the SBCTA’s Board of Directors.

SBCTA's governmental funds reported combined fund balances of \$660,281,503 at June 30, 2020. This represented a \$20,461,213 increase from the previous fiscal year mainly due to expenditures incurred less than appropriations. The total fund balance was either *nonspendable*, *restricted*, *committed*, *assigned* or *unassigned* as follows:

- Nonspendable for prepaids and deposits-\$5,703,586
- Restricted due to external and third party restrictions or regulations-\$692,204,990
- Committed for particular purposes by SBCTA board action-\$2,211,154
- Assigned for specific purposes-\$5,455,831
- Unassigned (general purpose and deficit)-(\$45,294,058)

The unassigned deficit was primarily related to deferred inflows of resources-unavailable grants and local reimbursements. Future grants and local reimbursements billings will offset the deficit.

The following information pertains to fund balances of the *major funds* of SBCTA.

General Fund

The general fund is the chief operating fund of SBCTA. At the end of the fiscal year, the fund balance of the general fund was \$11,654,417, which represents a \$599,844 increase from the previous fiscal year. The increase in the fund balance was attributed to the transfers from other funds to fund indirect costs and reserves. Total fund balance of the general fund was either *nonspendable* (\$5,698,586 for prepaid items and deposits receivable), assigned (\$5,455,831 for general administration, regional and subregional planning, and transit services), and unassigned general purpose (\$500,000).

Federal Highway Special Revenue Fund

The federal highway special revenue fund reported an unassigned fund deficit of \$17,899,579 at the end of the fiscal year. The fund primarily accounts for reimbursement of qualified program expenditures and the deficit was attributed to deferred inflows of resources-unavailable grant and local reimbursements at June 30, 2020.

Federal Transit Administration Special Revenue Fund

The federal transit administration special revenue fund reported an unassigned fund deficit of \$1,513,833 at the end of the fiscal year. The fund primarily accounts for reimbursement of qualified program expenditures and the deficit was attributed to deferred inflows of resources-unavailable grant and local reimbursements at June 30, 2020.

State Highway Special Revenue Fund

The state highway special revenue fund reported an unassigned fund deficit of \$16,340,290 at the end of the fiscal year. The fund primarily accounts for reimbursement of program expenditures and the deficit was attributed to deferred inflows of resources-unavailable grant and local reimbursements at June 30, 2020.

Proposition 1B Special Revenue Fund

The proposition 1B special revenue fund had a fund balance decrease of \$6,161,162 from the previous fiscal year. The decrease is due to spending funds received for certain capital projects in project delivery and transit. Total fund balance of \$15,097,405 was reported as *restricted* fund balance at June 30, 2020.

Local Transportation Fund Special Revenue Fund

The fund balance of the local transportation fund special revenue fund increased by \$15,351,937 from the previous fiscal year. The increase in fund balance was primarily attributed to an increase in local transportation sales tax funds and lower amounts of expenditures for general administrative, planning and rail expenditures. Total fund balance of \$118,830,477 was reported as *restricted* fund balance at June 30, 2020.

State Transit Assistance Fund Special Revenue Fund

The fund balance of the state transit fund special revenue fund was \$79,655,302 at the end of the fiscal year which represents a \$11,641,448 increase. The increase in fund balance was attributed to revenues from the State exceeding expenditures for rail projects and also receiving State of Good Repair. Total fund balance is reported as *restricted* at June 30, 2020.

1990-2010 Measure I Special Revenue Fund

The 1990-2010 Measure I special revenue fund had a decrease in the fund balance of \$3,233,316 from the previous fiscal year. The total fund balance of \$6,852,968 was *restricted* at June 30, 2020. The decrease is a result of a drawdown of the fund balance of the 1990-2010 Measure I program.

2010-2040 Measure I Special Revenue Fund

The 2010-2040 Measure I special revenue fund had an increase in the fund balance of \$29,429,721 from the previous fiscal year. The total fund balance of \$456,917,855 was *restricted* at June 30, 2020. The increase in the fund balance was largely attributed to sales tax revenues and interest earnings exceeding capital improvement outlays.

Debt Service Fund

At the end of the fiscal year, the fund balance of the debt service fund was \$5,594,642 which represents a \$214,259 increase from the previous fiscal year. The increase was due to an increase of reserve of funds for the payment of interest and principal payments, and fiscal charges on the Sales Tax Revenue Bonds of 2012, Series A and Sales Tax Revenue Bonds of 2014, Series A which were accounted for in the debt service fund. The total fund balance of the debt service fund was restricted.

Capital Projects Fund

The capital projects fund reported the fund balance of the capital projects fund increased by \$7,119,195 from the previous fiscal year. The total fund balance of \$1,670,874 was reported as restricted fund balance at June 30, 2020.

General Fund Budgetary Highlights

The net difference between the original budget for expenditure appropriations and the final budget was an increase of \$12,069,314. The largest general fund appropriation increase was primarily attributed to an anticipated increase in spending for rail projects. There was no difference between original estimated revenues and final estimated revenues for the general fund.

During the fiscal year, actual revenues were higher than budgetary estimated revenues by \$170,660. The increase in revenues was primarily due to an increase in anticipated sales tax and investment earnings. Actual expenditures were less than budgetary appropriations by \$47.2 million. The most significant budgetary appropriation variance between the final budget and actual amount was attributed to transit program. The variance of \$43.5 million is due to certain capital projects identified earlier that were not completed at the end of the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

SBCTA's investment in capital assets for its governmental activities as of June 30, 2020 is \$281,471,627 (net of accumulated depreciation and payables for several capital projects). Capital assets include land, land improvements, construction in progress buildings, equipment, vehicles, and software. The following is a summary of capital assets (net of depreciation) at June 30, 2020 and June 30, 2019:

	Capital Assets (net of depreciation)	
	Governmental Activities	
	2020	2019
Governmental activities		
Land	\$ 67,818,087	\$ 67,818,087
Construction in progress	180,607,614	80,258,819
Buildings	7,918,001	8,249,835
Improvements to land	12,466,427	13,428,074
Infrastructure	19,329,717	19,949,381
Equipment, furniture, software, and vehicles	1,195,021	1,346,161
Total capital assets	<u>\$ 289,334,867</u>	<u>\$ 191,050,357</u>

The net increase in capital assets for the fiscal year was \$98,284,510. The net change in capital assets is primarily attributed to a \$100.4 million addition in construction in progress related mainly to three large projects: Redlands Passenger Rail Project, I-10 Corridor Contract 1, and the conversion of a Diesel Multiple Unit (DMU) to Zero-Emission Multiple Unit (ZEMU) rail car. Other capital asset activity included the completion of improvements to land and buildings associated with the Downtown San Bernardino Passenger Rail Project totaling \$95,833, and office furniture and equipment purchase of \$106,909, partially offset by an increase in accumulated depreciation of \$2.3 million.

Please see note 7 of the *notes to the financial statements* for a more detailed description of the capital assets activity.

Debt Administration

At the end of the fiscal year, SBCTA had a total long-term bonded debt of \$183,895,000. This included the sales tax revenue bonds issued in 2012 and 2014. The following is a summary of the outstanding bonded debt (including unamortized premiums) at June 30, 2020 and June 30, 2019:

	Governmental Activities	
	2020	2019
Governmental activities		
Sales tax revenue bonds	\$ 195,593,851	\$ 200,787,943
Total outstanding bonded debt	<u>\$ 195,593,851</u>	<u>\$ 200,787,943</u>

The decrease of outstanding debt from the previous year was attributed to the payment of principal and the amortization of premiums on the revenue bonds payable.

The 2012 and 2014 sales tax revenue bonds were awarded a credit rating of “AAA” from Standard & Poor’s, “AA+” from Fitch Ratings and “Aa2” from Moody’s Investors Services.

The voters of San Bernardino County approved Ordinance 04-02 in November 2004 which authorized debt not to exceed the total amount of the 2010-2040 Measure I sales tax.

Please see note 8 of the *notes to the financial statements* for a more detailed description of long-term liabilities.

ECONOMIC FACTORS AND NEXT YEARS BUDGET

SBCTA continues to evaluate revenue forecasts and provide the assumptions for future budgets. The following leading economic indicators show continuing improvement of the local economy:

- Population of San Bernardino County remains stable, decreasing by 0.53% from the previous year.
- Personal income and personal income per capita increased by 4.55% and 3.86%, respectively from 2017 to 2018 (most current information available).
- Unemployment rate for the County continuously increased from 4.1% to 13.1% from the previous year due to the Covid-19 pandemic.
- Measure I sales tax revenue experienced a decrease due to the COVID-19 pandemic and the shut down of many businesses. Measure I sales tax revenue was \$117.9 million in 2011, \$132.3 million in 2012, \$138.4 million in 2013, \$145.4 million in 2014, \$152.3 million in 2015, \$160.8 million in 2016, \$163.8 million in 2017, \$162.9 million in 2018, \$183.6 in 2019, and \$179.0 in 2020. This represents a 51.8% increase since fiscal year 2011.

Estimated fiscal year 2020/2021 budget revenues are \$711.8 million in comparison to \$750.0 million of the previous year. Measure I sales tax revenues are estimated to be \$143.9 million in comparison to \$166.9 million of the prior year. SBCTA continues to be conservative in Measure I sales tax projections to ensure adequate reserves for future contingencies and economic swings. The decrease in total estimated revenues is primarily due to a slow down due to the Covid-19 pandemic and SBCTA’s continued trend in conservatism.

Budgeted appropriations for Fiscal Year 2020/2021 are \$959.6 million. The largest portion of the budget is related to project delivery of \$467.9 million and the transit program of \$333.4 million. The adopted budget is balanced utilizing existing restricted fund balances including bond and short-term proceeds.

SBCTA obtained approval to secure short term financing for the Mount Vernon Viaduct project since the project ran into cash flow deficit in Fiscal Year 2018/2019 as federal funding is not expected to be available until years later. The financing terms were adopted by the Board of Directors on September 4, 2019.

On both a federal and state level, there is expectation of slowdown of the economy and its impact on federal and state transportation funding. SBCTA continues to study innovative financing alternatives and aggressively searches for other federal and state financing programs to support its current projects. Please refer to the transmittal letter-major initiatives.

Requests for Information

This financial report is designed to provide a general overview of SBCTA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, San Bernardino County Transportation Authority, 1170 W 3rd St., Second Floor, San Bernardino, CA 92410-1715.



One of the key highways in the High Desert, US 395 serves residents, goods movement, and recreational travelers all throughout the year. SBCTA is widening a portion of that highway between Victorville and Adelanto.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Statement of Net Position
June 30, 2020

	Governmental Activities
Assets	
Cash and investments	\$ 562,257,309
Accrued interest receivable	2,502,813
Sales taxes receivable	32,051,925
Accounts receivable	4,386,589
Intergovernmental receivable	171,183,538
Deposit receivable	8,742,128
Prepaid items	2,943,692
Intergovernmental agreements receivable	19,641,810
Land held for resale	27,000
Cash and investments-restricted	5,594,642
Capital assets not being depreciated:	
Land	67,818,087
Construction in progress	180,607,614
Capital assets, net of depreciation:	
Buildings and building improvements	7,918,001
Improvements to land	12,466,427
Infrastructure	19,329,717
Equipment, furniture, software, and vehicles	1,195,021
Total assets	<u>1,098,666,313</u>
Deferred outflows of resources related to net pension liability	<u>6,478,738</u>
Liabilities	
Accounts payable	48,407,875
Accrued liabilities	855,681
Accrued interest payable	2,854,400
Intergovernmental payable	23,173,899
Unearned revenue	5,041,015
Long-term liabilities:	
Compensated absences due within one year	92,463
Compensated absences due in more than one year	1,292,125
Long-term debt due within one year	5,472,229
Long-term debt due in more than one year	190,121,622
Net pension liability	16,515,328
Advance expenditure agreements	23,023,515
Total liabilities	<u>316,850,152</u>
Deferred inflows of resources related to net pension liability	<u>780,354</u>
Net position	
Net investment in capital assets	281,471,627
Restricted for:	
Traveler services	6,577,597
Freeway projects	179,939,001
Interchange projects	73,696,741
Major street projects	178,265,866
Rail	66,090,583
Transit services	39,917,100
Traffic management and project development	18,746,441
Transportation development act	198,485,779
Unrestricted (deficit)	<u>(255,676,190)</u>
Total net position	<u>\$ 787,514,545</u>

See accompanying notes to financial statements

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Allocation of Overhead	Program Revenues			Net (Expense)
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities						
Primary government						
Governmental activities:						
General government	\$ 11,023,588	\$ (5,134,154)	\$ 722,766	\$ 196,330	\$ -	\$ (4,970,338)
Environment and energy conservation	2,082,833	260,254	-	1,605,533	262,967	(474,587)
Commuter and motorist assistance	7,289,594	281,258	-	6,898,705	-	(672,147)
Regional and subregional planning	1,859,252	831,959	-	619,493	-	(2,071,718)
Transit	182,437,414	1,129,283	-	27,323,017	119,944,248	(36,299,432)
Project delivery	199,386,546	1,589,374	-	77,029,330	86,140,641	(37,805,949)
Fund administration	46,395,221	1,042,026	-	6,712,602	-	(40,724,645)
Interest and fiscal charges	7,637,475	-	-	-	-	(7,637,475)
Total governmental activities	<u>\$ 458,111,923</u>	<u>\$ -</u>	<u>\$ 722,766</u>	<u>\$ 120,385,010</u>	<u>\$ 206,347,856</u>	<u>(130,656,291)</u>
General revenues:						
Sales tax-Measure I						179,016,883
Sales tax-local transportation fund						102,753,612
Unrestricted investment earnings						15,090,815
Miscellaneous						364,484
Total general revenues						<u>297,225,794</u>
Change in net position						166,569,503
Net position at beginning of year						<u>620,945,042</u>
Net position at end of year						<u>\$ 787,514,545</u>

See accompanying notes to financial statements



The 2019/2020 SBCTA President Darcy McNaboe signs contract for the production of the initial self-contained, zero-emission train. San Bernardino County will be the first to introduce this technology in North America.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2020

		Special Revenue	
	General	Federal Highway	Federal Transit Administration
Assets			
Cash and investments	\$ 1,114,882	\$ -	\$ -
Accrued interest receivable	45,515	19,783	-
Sales taxes receivable	320,519	-	-
Accounts receivable	9,602	1,626	-
Intergovernmental receivable	62,750	40,861,778	16,484,754
Deposit receivable	2,791,468	3,005,024	-
Due from other funds	7,301,382	-	-
Prepaid items	2,907,118	-	-
Land held for resale	-	-	-
Intergovernmental agreements receivable	-	-	-
Advances to other funds	-	-	-
Cash and investments-restricted	-	-	-
Total assets	<u>\$ 14,553,236</u>	<u>\$ 43,888,211</u>	<u>\$ 16,484,754</u>
Liabilities			
Accounts payable	\$ 2,123,193	\$ 7,329,871	\$ 4,812,557
Accrued liabilities	664,787	-	-
Intergovernmental payable	110,839	913,888	-
Due to other funds	-	35,644,452	11,672,197
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>2,898,819</u>	<u>43,888,211</u>	<u>16,484,754</u>
Deferred inflows of resources			
Unavailable grant and local reimbursements	<u>-</u>	<u>17,899,579</u>	<u>1,513,833</u>
Fund balances (deficits)			
Nonspendable:			
Deposit receivable	2,791,468	-	-
Prepaid items	2,907,118	-	-
Restricted:			
Traveler services	-	-	-
Freeway projects	-	-	-
Interchange projects	-	-	-
Major street projects	-	-	-
Rail	-	-	-
Transit services	-	-	-
Traffic management and project development	-	-	-
Transportation development act	-	-	-
Debt service	-	-	-
Committed-council of governments	-	-	-
Assigned:			
General administration	1,092,985	-	-
Capital improvements	2,545,781	-	-
Regional and subregional planning	1,817,065	-	-
Unassigned:			
General purpose	500,000	-	-
(Deficits)	<u>-</u>	<u>(17,899,579)</u>	<u>(1,513,833)</u>
Total fund balances (deficits)	<u>11,654,417</u>	<u>(17,899,579)</u>	<u>(1,513,833)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,553,236</u>	<u>\$ 43,888,211</u>	<u>\$ 16,484,754</u>

See accompanying notes to financial statements

Special Revenue						
State Highway	Proposition 1B	Local Transportation Fund	State Transit Assistance Fund	1990-2010 Measure I	2010-2040 Measure I	Debt Service
\$ -	\$ 15,875,595	\$ 100,999,257	\$ 79,028,444	\$ 9,583,457	\$ 328,247,123	\$ -
2,625	-	731,766	617,695	18,590	880,367	-
-	-	-	-	-	31,731,406	-
-	-	-	-	-	4,180	-
34,394,601	1,055,042	18,283,237	6,111,044	-	68,915	-
12,385	-	-	-	-	2,757,306	-
-	-	-	-	-	124,278,073	-
-	-	-	-	-	29,000	-
-	-	-	-	-	27,000	-
-	-	-	-	-	-	-
-	-	-	-	-	471,805	-
-	-	-	-	-	-	5,594,642
<u>\$ 34,409,611</u>	<u>\$ 16,930,637</u>	<u>\$ 120,014,260</u>	<u>\$ 85,757,183</u>	<u>\$ 9,602,047</u>	<u>\$ 488,495,175</u>	<u>\$ 5,594,642</u>
\$ 7,277,523	\$ 443,239	\$ -	\$ -	\$ 189,188	\$ 12,856,896	\$ -
25,745	-	-	-	-	143,928	-
594	428,736	-	-	2,559,891	18,569,290	-
27,105,749	-	1,183,783	6,101,881	-	7,206	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>34,409,611</u>	<u>871,975</u>	<u>1,183,783</u>	<u>6,101,881</u>	<u>2,749,079</u>	<u>31,577,320</u>	<u>-</u>
<u>16,340,290</u>	<u>961,257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	152,656,902	-
-	-	-	-	-	72,554,949	-
-	-	-	-	4,459,699	144,275,956	-
-	15,097,405	-	-	-	31,495,251	-
-	-	-	-	-	39,581,625	-
-	-	-	-	2,393,269	16,353,172	-
-	-	118,830,477	79,655,302	-	-	-
-	-	-	-	-	-	5,594,642
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(16,340,290)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(16,340,290)</u>	<u>15,097,405</u>	<u>118,830,477</u>	<u>79,655,302</u>	<u>6,852,968</u>	<u>456,917,855</u>	<u>5,594,642</u>
<u>\$ 34,409,611</u>	<u>\$ 16,930,637</u>	<u>\$ 120,014,260</u>	<u>\$ 85,757,183</u>	<u>\$ 9,602,047</u>	<u>\$ 488,495,175</u>	<u>\$ 5,594,642</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2020

	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 16,931,670	\$ 10,476,881	\$ 562,257,309
Accrued interest receivable	164,025	22,447	2,502,813
Sales taxes receivable	-	-	32,051,925
Accounts receivable	4,363,390	7,791	4,386,589
Intergovernmental receivable	7,061,387	46,800,030	171,183,538
Deposit receivable	175,945	-	8,742,128
Due from other funds	-	-	131,579,455
Prepaid items	-	7,574	2,943,692
Land held for resale	-	-	27,000
Intergovernmental agreements receivable	19,574,222	67,588	19,641,810
Advances to other funds	-	-	471,805
Cash and investments-restricted	-	-	5,594,642
Total assets	<u>\$ 48,270,639</u>	<u>\$ 57,382,311</u>	<u>\$ 941,382,706</u>
Liabilities			
Accounts payable	\$ 3,941,144	\$ 9,434,264	\$ 48,407,875
Accrued liabilities	172	21,049	855,681
Intergovernmental payable	216,391	374,270	23,173,899
Due to other funds	12,233,487	37,630,700	131,579,455
Advances from other funds	471,805	-	471,805
Unearned revenue	4,990,015	51,000	5,041,015
Total liabilities	<u>21,853,014</u>	<u>47,511,283</u>	<u>209,529,730</u>
Deferred inflows of resources			
Unavailable grant and local reimbursements	24,746,751	10,109,763	71,571,473
Fund balances (deficits)			
Nonspendable:			
Deposit receivable	-	-	2,791,468
Prepaid items	-	5,000	2,912,118
Restricted:			
Traveler services	-	4,437,962	4,437,962
Freeway projects	691	-	152,657,593
Interchange projects	-	-	72,554,949
Major street projects	1,615,823	-	150,351,478
Rail	54,360	3,147,505	49,794,521
Transit services	-	-	39,581,625
Traffic management and project development	-	-	18,746,441
Transportation development act	-	-	198,485,779
Debt service	-	-	5,594,642
Committed-council of governments	-	2,211,154	2,211,154
Assigned:			
General administration	-	-	1,092,985
Capital improvements	-	-	2,545,781
Regional and subregional planning	-	-	1,817,065
Unassigned:			
General purpose	-	-	500,000
(Deficits)	-	(10,040,356)	(45,794,058)
Total fund balances (deficits)	<u>1,670,874</u>	<u>(238,735)</u>	<u>660,281,503</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 48,270,639</u>	<u>\$ 57,382,311</u>	<u>\$ 941,382,706</u>

See accompanying notes to financial statements

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2020

Fund balances-total governmental funds (page 20)	\$ 660,281,503
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Amounts reported for *governmental activities* in the statement of net position (page 15) are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	289,334,867
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Revenues recognized for governmental activities that are not available in the current period and, therefore, are not reported in the funds.	71,571,473
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Accrued interest payable applicable to governmental activities is not due and payable in the current period and, therefore, is not reported in the funds.	(2,854,400)
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. The long-term liabilities consist of the following:

Compensated absences payable	(1,384,588)
Revenue bonds payable	(183,895,000)
Unamortized premium on revenue bonds	(11,698,851)
Advance expenditure agreements	(23,023,515)

Amounts reported for net pension liability are not due in the current period and therefore are not reported in the governmental funds. Related components that will affect the net pension liability in future measurement years are reported as deferred outflows and deferred inflows of resources are therefore not reported in the governmental funds.

Net pension payable	(16,515,328)
Deferred outflows of resources related to pensions	6,478,738
Deferred inflows of resources related to pensions	<u>(780,354)</u>

Net position of governmental activities	<u>\$ 787,514,545</u>
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See accompanying notes to financial statements

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

		Special Revenue	
	General	Federal Highway	Federal Transit Administration
Revenues			
Sales tax-Measure I	\$ 1,790,169	\$ -	\$ -
Sales tax-local transportation fund	-	-	-
Intergovernmental	5,500	40,331,865	37,895,152
Charges for services	467,126	-	-
Special assessments	-	-	-
Investment earnings	219,316	139,540	-
Miscellaneous	763	-	-
Total revenues	<u>2,482,874</u>	<u>40,471,405</u>	<u>37,895,152</u>
Expenditures			
Current:			
General government	8,473,651	-	-
Environment and energy conservation	-	-	-
Commuter and motorist assistance	-	927,497	431,984
Regional and subregional planning	778,150	-	-
Transit	1,087,312	-	21,725,669
Project delivery	361	42,160,705	-
Fund administration	494,358	-	-
Debt Service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	106,909	12,312,350	16,742,254
Total expenditures	<u>10,940,741</u>	<u>55,400,552</u>	<u>38,899,907</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,457,867)</u>	<u>(14,929,147)</u>	<u>(1,004,755)</u>
Other financing sources (uses)			
Transfers in	9,057,781	3,403,695	-
Transfers out	(70)	(742,887)	-
Gain (loss) on sale of assets	-	(1,431)	-
Total other financing sources (uses)	<u>9,057,711</u>	<u>2,659,377</u>	<u>-</u>
Net change in fund balances	599,844	(12,269,770)	(1,004,755)
Fund balances (deficits) beginning of year	<u>11,054,573</u>	<u>(5,629,809)</u>	<u>(509,078)</u>
Fund balances (deficits) end of year	<u>\$ 11,654,417</u>	<u>\$ (17,899,579)</u>	<u>\$ (1,513,833)</u>

See accompanying notes to financial statements

Special Revenue						
State Highway	Proposition 1B	Local Transportation Fund	State Transit Assistance Fund	1990-2010 Measure I	2010-2040 Measure I	Debt Service
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,226,714	\$ -
-	-	102,753,612	-	-	-	-
37,434,521	1,153,672	-	25,307,807	-	64,875	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
14,841	424,512	2,382,017	2,482,203	167,309	8,265,914	59,656
-	-	-	-	-	68,615	-
<u>37,449,362</u>	<u>1,578,184</u>	<u>105,135,629</u>	<u>27,790,010</u>	<u>167,309</u>	<u>185,626,118</u>	<u>59,656</u>
620	-	-	-	-	805,451	-
-	-	-	-	201,147	260,764	-
-	-	-	-	21,250	415,778	-
3,126	-	-	-	-	351,853	-
7,524,419	2,685,495	85,947,308	10,139,178	-	20,047,343	-
24,334,064	1,857,452	-	-	3,249,302	55,287,237	-
631,254	-	-	-	-	55,671,735	-
-	-	-	-	-	-	4,150,000
-	-	-	-	-	-	8,740,251
<u>16,486,571</u>	<u>3,196,399</u>	<u>-</u>	<u>6,009,384</u>	<u>177,309</u>	<u>7,763,333</u>	<u>-</u>
<u>48,980,054</u>	<u>7,739,346</u>	<u>85,947,308</u>	<u>16,148,562</u>	<u>3,649,008</u>	<u>140,603,494</u>	<u>12,890,251</u>
<u>(11,530,692)</u>	<u>(6,161,162)</u>	<u>19,188,321</u>	<u>11,641,448</u>	<u>(3,481,699)</u>	<u>45,022,624</u>	<u>(12,830,595)</u>
54,685	-	-	-	331,069	2,557,353	13,044,854
(3,626,366)	-	(3,836,384)	-	(82,666)	(18,150,256)	-
-	-	-	-	(20)	-	-
<u>(3,571,681)</u>	<u>-</u>	<u>(3,836,384)</u>	<u>-</u>	<u>248,383</u>	<u>(15,592,903)</u>	<u>13,044,854</u>
(15,102,373)	(6,161,162)	15,351,937	11,641,448	(3,233,316)	29,429,721	214,259
(1,237,917)	21,258,567	103,478,540	68,013,854	10,086,284	427,488,134	5,380,383
<u>\$ (16,340,290)</u>	<u>\$ 15,097,405</u>	<u>\$ 118,830,477</u>	<u>\$ 79,655,302</u>	<u>\$ 6,852,968</u>	<u>\$ 456,917,855</u>	<u>\$ 5,594,642</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Sales tax-Measure I	\$ -	\$ -	\$ 179,016,883
Sales tax-local transportation fund	-	-	102,753,612
Intergovernmental	13,693,189	92,265,062	248,151,643
Charges for services	-	2,497	469,623
Special assessments	-	253,143	253,143
Investment earnings	742,790	192,717	15,090,815
Miscellaneous	<u>7,039,555</u>	<u>265,301</u>	<u>7,374,234</u>
Total revenues	<u>21,475,534</u>	<u>92,978,720</u>	<u>553,109,953</u>
Expenditures			
Current:			
General government	-	436,663	9,716,385
Environment and energy conservation	125,394	736,450	1,323,755
Commuter and motorist assistance	128,413	4,292,284	6,217,206
Regional and subregional planning	80,090	435,472	1,648,691
Transit and passenger rail	603,120	28,997,236	178,757,080
Project delivery	11,341,637	26,506,078	164,736,836
Fund administration and programming	-	-	56,797,347
Debt Service:			
Principal	-	-	4,150,000
Interest and fiscal charges	-	-	8,740,251
Capital outlay	<u>963,361</u>	<u>36,801,787</u>	<u>100,559,657</u>
Total expenditures	<u>13,242,015</u>	<u>98,205,970</u>	<u>532,647,208</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,233,519</u>	<u>(5,227,250)</u>	<u>20,462,745</u>
Other financing sources (uses)			
Transfers in	152,677	248,191	28,850,305
Transfers out	(1,266,920)	(1,144,756)	(28,850,305)
Gain (loss) on sale of assets	(81)	-	(1,532)
Total other financing sources (uses)	<u>(1,114,324)</u>	<u>(896,565)</u>	<u>(1,532)</u>
Net change in fund balances	7,119,195	(6,123,815)	20,461,213
Fund balances (deficits) beginning of year	<u>(5,448,321)</u>	<u>5,885,080</u>	<u>639,820,290</u>
Fund balances (deficits) end of year	<u>\$ 1,670,874</u>	<u>\$ (238,735)</u>	<u>\$ 660,281,503</u>

See accompanying notes to financial statements

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Net changes in fund balances-total governmental funds (page 24) \$ 20,461,213

Amounts reported for *governmental activities* in the statement of activities (page 16) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. The adjustments for capital outlay and depreciation expenses are as follows:

General capital assets - capital outlay	202,742
Construction in progress for completed projects included in capital outlay	(8,119)
Construction in progress - capital outlay	100,356,915
Depreciation	(2,267,027)

Net changes in revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	33,202,532
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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 amortized in the statement of activities. The adjustments for the issuance and repayment of long-term debt are as follows:

Principal payments on sales tax revenue bonds	4,150,000
Amortization of premium on sales tax revenue bonds	1,044,092
Advance expenditure agreements	10,738,485

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 the governmental funds. These expenses consist of:

Changes in compensated absences	(182,745)
Changes in accrued interest on sales tax revenue bonds	58,684
Changes in net pension liability and related deferred inflows/outflows of resources	(1,187,269)
Change in net position of governmental activities	\$ 166,569,503

See accompanying notes to financial statements

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Effective January 1, 2017, Senate Bill 1305 (SB 1305) establishes the San Bernardino County Transportation Authority (SBCTA) as the successor entity to the San Bernardino County Transportation Commission, the County of San Bernardino local transportation authority, service authority for freeway emergencies, and local congestion management agency. San Bernardino Associated Governments (SANBAG) was established in 1973 for the purpose of improving and coordinating certain governmental services on a countywide subregional basis. The joint powers authority will continue to exist for the purpose of performing council of governments' functions for the County of San Bernardino. SANBAG is included as a blended component unit due to its governing body being the same as the governing body of SBCTA and there is a financial benefit relationship between SBCTA and SANBAG. Separate financial statements are not issued for SANBAG. SANBAG is currently known as the San Bernardino Council of Governments (SBCOG). The balances and activities of SBCOG are reported in the nonmajor governmental funds of the SBCTA financial statements.

SBCTA acts as the San Bernardino County Transportation Commission (the Commission), established in 1977 under Division 12 (commencing with Section 130000) of the Public Utilities Code to provide transportation planning and programming at the local level. Funding for the Commission is provided from transportation funds and federal grant programs administered through the California Department of Transportation. SBCTA also serves as the San Bernardino County Transportation Authority (the Authority), established under Division 19 (commencing with Section 18000) of the Public Utilities Code. The Authority is responsible for carrying out the provisions of the Ordinance, as described below, including the collection and allocation of Measure I tax revenue. The Ordinance was adopted by the voters of San Bernardino County (the County) and provides for the imposition of a transactions and use tax for transportation purposes, including but not limited to: the administration of the Authority and the construction, maintenance, improvement and operation of local streets, roads and highways, state highways and freeways, and public transit systems. These purposes include expenditures for planning, environmental reviews, engineering and design costs, and related right-of-way acquisitions. They also include, but are not limited to, debt service on bonds and expenses in connection with the issuance of bonds.

The sales tax was originally imposed over a 20-year period from April 1, 1990 through March 31, 2010. On November 2, 2004, the County's voters approved a 30-year renewal of Measure I through March 2040.

The accounting policies of SBCTA conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the more significant policies.

B. Description of Government-wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

C. Basis of Presentation – Government-wide Financial Statements

The *Statement of Net Position* and *Statement of Activities* report information on all the activities of the primary government (including blended component units) and discretely presented component units. SBCTA has no discretely presented component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. SBCTA does not have any business-type activities.

The *Statement of Activities* demonstrates the degree to which the direct 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. Indirect expenses are allocated based on direct salaries and benefits. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of the particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

D. Basis of Presentation – Fund Financial Statements

The underlying accounting system of SBCTA is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund balance, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds (including blended component units) are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate.

Major funds are categorized based on relative size and other factors. Certain governmental funds are classified as a major fund even though it does not meet the size criteria. These funds include: State Transit Assistance, Proposition 1B, 1990-2010 Measure I, Federal Transit Administration, and Debt Service. SBCTA believes these funds are important to the financial statement users.

SBCTA reports the following major governmental funds:

General Fund

The *general fund* is the general operating fund of SBCTA and accounts for the financial resources not required to be accounted in another fund. These funds include local transportation fund and transit assistance fund for various rail projects, rail assets, Measure I administration, modeling fees and congestion management program.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Federal Highway Special Revenue Fund

The *special revenue fund* accounts for revenues and expenditures related to the federal grants. For example, highway surface transportation, congestion mitigation and air quality, transportation enhancement activities, projects of national and regional significance, demonstration high priority programs, and highway bridge program.

Federal Transit Administration Special Revenue Fund

This *special revenue fund* accounts for revenues and expenditures related to the Federal Transit Administration program. The funds include federal transit administration funds section 5307 for transportation related planning and section 5309 for capital assistance.

State Highway Special Revenue Fund

The *special revenue fund* accounts for revenues and expenditures related to state grants. For example: state highway traffic congestion relief; regional improvement; interregional improvement; longer life pavement; state highway operations and protection; planning, programming and monitoring; and public transportation account programs.

Proposition 1B Special Revenue Fund

This *special revenue fund* accounts for revenues and expenditures related to state proposition 1B grants. For example: corridor mobility improvement; trade corridor improvement fund; public transportation modernization, improvements and services enhancement account; traffic light synchronization; and transit systems safety security disaster recovery programs.

Local Transportation Fund Special Revenue Fund

The *special revenue fund* serves as a depository for the ¼ cent of the 7.75 cent retail sales tax collected in San Bernardino County. Revenues accounted for in this fund are distributed to local jurisdictions and transit agencies based on annual apportionments per various Public Utilities Code Sections.

State Transit Assistance Fund Special Revenue Fund

This *special revenue fund* serves as a depository for the State Development Act revenue to be disbursed to local transit agencies and operators based on Public Utilities Code Sections 99313 and 99314. Distribution of funds is based on annual adopted apportionments.

1990-2010 Measure I Special Revenue Fund

The *special revenue fund* accounts for the ½ cent Measure I sales tax approved by the voters of San Bernardino County in November 1989. Ordinance No. 89-1 established the expenditure plan for the distribution of tax revenues to the subareas of the county. Programs with fund balances include valley major projects and valley traffic management environmental enhancement.

2010-2040 Measure I Special Revenue Fund

The *special revenue fund* accounts for the extension of the ½ cent Measure I sales tax approved by the voters of San Bernardino County in November 2004. Ordinance No. 04-01 established the expenditure plan for the distribution of tax revenues to the subareas of the county. The various programs are distributed in the following areas: valley, victor valley, north desert, colorado river, morongo basin, mountain, and cajon pass. Starting in fiscal year 2019, the Measure I freeway fund also includes costs associated with the I-10 Express Lanes activities until substantial completion of the project, which is anticipated to be in mid-2023.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Debt Service Fund

The *debt service fund* is used to account for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on the sales tax revenue bonds.

Capital Projects Fund

The *capital projects fund* accounts for local reimbursements and contributions, and sales tax revenue bond proceeds for transportation and transit improvement projects. The projects funded with bond proceeds include valley freeway interchange, valley major streets, valley metrolink/rail, victor valley major local highway fund, and cajon pass.

The balances and transactions of the following funds are combined and reported as nonmajor governmental funds:

Low Carbon Transit Operations Program Special Revenue Fund

This *special revenue fund* accounts for state funding to reduce carbon for transit operations. Expenditures incurred by this grant funded transit marketing activities and fare subsidies for mountain/desert operators.

Low Carbon Transportation Special Revenue Fund

This *special revenue fund* accounts for state funding to reduce carbon for various transportation programs.

State Alternative Renewable Fuel and Vehicle Technology Program Special Revenue Fund

This *special revenue fund* accounts for state funding to implement clean energy, energy efficiency, and alternative fuels programs.

Service Authority for Freeway Emergencies Special Revenue Fund

This *special revenue fund* accounts for a portion of the motor vehicle registration fees received from the Department of Motor Vehicles for emergency call boxes to assist motorists.

Freeway Service Patrol Special Revenue Fund

This *special revenue fund* accounts for state funding for the freeway service patrol program. The program covers eight beats operating along sixty-five centerline miles of highway in the Valley area. Contract expenditures include technical communications, the California Highway Patrol, and various tow agreements.

ARRA DOE Clean Cities Special Revenue Fund

This *special revenue fund* accounts for federal funding for development of the San Bernardino County Sub-regional Greenhouse Reduction Plan Update.

South Coast Air Quality Management District (SCAQMD) Mobile Source Air Pollution Reduction Review Committee (MSRC) Special Revenue Fund

This *special revenue fund* accounts for funding to reduce vehicle emissions. Funds are distributed to Southern California Associated Governments (SCAG) to promote reduction of vehicle emissions.

Local Partnership Program Formula Senate Bill 1 Special Revenue Fund

This *special revenue fund* accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017 which funds projects for road maintenance and rehabilitation purposes and other transportation infrastructure improvements. The program is providing funding for the Redlands Passenger Rail Project and the I-10 Corridor Contract 1 Projects.

Freeway Service Patrol Senate Bill 1 Special Revenue Fund

This *special revenue fund* accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017 for the Freeway Service Patrol program. The additional funding covers five of the nine beats during the weekend and will add a new beat in the Cajon Pass.

Sustainable Communities Grants Senate Bill 1 Special Revenue Fund

This *special revenue fund* accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017. The program funds activities related to implementing the Regional Transportation Plan and greenhouse reduction. Funding is supporting the development of a comprehensive Multimodal Corridor Plan.

Trade Corridor Enhancement Program Senate Bill 1 Special Revenue Fund

This *special revenue fund* accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017, for improvements to highways and other transportation infrastructure improvements vital to California's trade and freight economy. The program is providing funding for the I-10 Corridor Contract 1 and the US 395 widen SR 18.

Solutions for Congested Corridors Program Senate Bill 1 Special Revenue Fund

This *special revenue fund* accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017, for projects that will improve traffic flow and mobility. The program is providing funding for the Redlands Passenger Rail Project.

Local Partnership Program Competitive Senate Bill 1 Special Revenue Fund

This *special revenue fund* accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017, for road maintenance and rehabilitation purposes and local transportation infrastructure. The program is providing funding for the Redlands Passenger Rail Project.

Council of Governments Fund

This *special revenue fund* accounts for funding for council of government activities. Funds include special assessment dues, fees to administer the Property Assessed Clean Energy program, and greenhouse gas.

Electric Vehicle Charging Station Fund

This *special revenue fund* accounts for funds received from users of electric car charging stations owned by SBCTA. The stations are currently located at the Santa Fe Depot and additional stations are planned for other locations throughout San Bernardino County.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

The government-wide 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. Intergovernmental revenues are recognized as revenue as soon as all eligibility requirements have been met. Sales tax revenue is recognized when the underlying sale occurs.

Governmental fund financial statements are reported using *the current financial resources measurement focus* and *the modified accrual basis of accounting*. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. SBCTA considers revenues to be available if they are collected within 180 days of the end of the current fiscal period for all revenue types except sales tax. Sales tax are accrued when receipt occurs within ninety days after the end of the accounting period, and recognized as revenue. Investment earnings are recognized when earned. All other revenue items are considered to be measureable when cash is received by SBCTA. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Debt service expenditures, compensated absences, pension expense, and claims and judgments are recorded when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt is reported as other financing sources.

F. Budgetary Information

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general, special revenue, debt service and capital projects funds. Appropriations are prepared by fund, program and task.

Budget Amendments

When it becomes necessary to modify the adopted budget, the amendment procedure depends on the type of change that is needed.

There are four types of administrative budget amendments that do not result in an increase to the overall program budget. The first one requires approval of the program/task manager. The second and third one requires approval of the Chief Financial Officer. The fourth one requires approval of the Executive Director.

- 1) Transfers from one line item to another within the task and same fund, or changes between tasks within tasks within the same program and fund.
- 2) Reallocation of budget salary costs and revenues from one program to another within the same fund.
- 3) Change of sales tax revenue which affects the Measure I Pass-Through allocation to the various participating agencies.
- 4) Substitution of one approved funding source/grant for another approved funding source grant within a program, not-to-exceed \$1 million.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Board Approved Amendments

Board approval is required for all other budget amendments including increases in the total program appropriations or revenues.

Formal budgetary integration is employed as a management control device during the year. Commitments for material and services, such as purchase orders are recorded as encumbrances to assist controlling expenditures. All unused appropriations and encumbrances lapse at year end.

Excess of Expenditures over Appropriations

For fiscal year ended June 30, 2020, no expenditures exceeded appropriations. The Federal Highway, the 1990-2010 Measure I, and the Capital Projects' gain (loss) on sale of assets appeared over budget but the loss is treated as an abatement of revenue and therefore is not budgeted.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances

Cash and Investments

Cash and investments include amounts in demand deposits, bank investment contracts, money market mutual funds and cash on deposit with the County of San Bernardino Treasury, the Local Agency Investment Fund (LAIF), and the California Asset Management Program (CAMP). Securities purchased with a maturity date greater than three months at the date of acquisition have been classified as investments.

Restricted investments represent unexpended proceeds, interest earnings thereon and reserve amounts of sales tax revenues bonds. Under related bond resolutions and indentures, any remaining bond proceeds are restricted for the use of future construction of improvements to the respective projects, for debt service or for reserve requirements. The majority of these proceeds are held by trustees and fiscal agents.

Cash in the County Treasury and LAIF is carried at fair value based on the value of each participating dollar as provided by the County Treasurer and LAIF. The fair value of SBCTA's position in the County pool and LAIF is the same as the value of the pool shares. CAMP is carried at cost. Investments in U.S. Government and agency securities are carried at fair value (see Note 4). Money market mutual funds are carried at fair value based on the fund's share price.

Receivables

Receivables consist of accrued interest, sales taxes, accounts, intergovernmental, agreements, and deposits. The majority of the outstanding balances are attributed to various federal, state, and local reimbursements. Allowances for uncollectible accounts are reviewed on all types of receivables. Allowances are based on collection experience and management's evaluation of the current status of existing receivables. Management has determined no allowance is required for receivables.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Prepaids

Payments to vendors for services that will benefit periods beyond June 30, 2020, are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Land held for Resale

Land held for resale is land acquired as part of a large project, but is now subsequently available for sale. It is recorded at the lower of cost or market, until such time as there is an event which would indicate an agreed-upon sales price. It is not the intent of SBCTA to hold these assets for gain or profit and the asset does not meet the definition of an investment as defined by Governmental Accounting Standards Board (GASB) Statement No. 72.

Capital Assets

Capital assets, which include land, construction in progress, infrastructure, buildings, equipment, vehicles and software, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by SBCTA as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Costs for construction or improvements on SBCTA owned assets are capitalized as construction in progress. Costs for construction related to capital assets that are owned by or will be maintained by other governments are expensed in the governmental fund and government wide statements.

Outstanding bonds issued do not impact the calculation of net investment in capital assets since the asset is not retained by SBCTA. 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.

Building and building improvements, improvements to land, equipment and furniture, vehicles, software, call boxes, communications, electrical vehicle (EV) chargers, infrastructure, rail stations, and train cars of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Type of asset</u>	<u>Useful life</u>
Building and building improvements	40 years
Call box network and communications	10 years
Computer network	5 years
Equipment, furniture, software, and vehicles	5 to 7 years
Electric vehicle charging stations	10 years
Improvements to land	10 to 30 years
Infrastructure	30 to 60 years
Train cars	25 years

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Project Delivery Expenditure/Expense

Freeway, freeway interchange, grade separation construction, and certain purchases of right-of-way property, for which title vests with the California Department of Transportation and other entities, are included in the project delivery program expenditures. These expenditures are recorded in the governmental funds and project delivery program expenses in the statement of net position.

Unearned Revenue

Unearned revenue in the governmental funds represents restricted amounts received for which revenue recognition criteria have not been met because such amounts have not yet been earned.

Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheet and statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of fund balances/net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. For deferred outflows related to pension, see Note 9.

In addition to liabilities, the balance sheet and statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance/net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

Deferred inflows of resources are to record revenue for amounts that have not met the availability criteria and for items related to grant and local reimbursements. For deferred inflows related to pension, see Note 9.

Net Position Use Assumption

The net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. SBCTA first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. SBCTA's government-wide utilizes a net position presentation.

Net position is categorized as the following:

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted

This category represents assets/deferred outflows subject to external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation less outstanding liabilities/deferred inflows attributable to these assets.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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Unrestricted

This category represents net position not restricted for any project or other purposes. Outstanding liabilities/deferred inflows attributable to these assets/deferred outflows reduce fund balance for this category. A deficit will require future funding.

Fund Balance Flow Assumptions

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and then unassigned.

Fund Balance Policies

Fund balance classifications of governmental funds are based primarily on the extent to which SBCTA is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. SBCTA Policy No. 20200 adopted by the Board of Directors on August 3, 2011 establishes the standards for reporting, within the annual financial statements, unrestricted fund balance within the governmental fund types: General, Special Revenue, Debt Service, and Capital Projects. Fund balances for governmental funds are made up of the following:

Nonspendable

This category includes amounts that are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, prepaid amounts and deposits receivable.

Restricted

This includes amounts with constraints on their use that either are (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed

This category includes amounts that can only be used for the specific purposes determined by formal (approval) action of SBCTA’s highest level of decision-making authority, the SBCTA Board of Directors. Commitments may be changed only by SBCTA Board of Directors, anytime during the fiscal year, taking the same formal action that originally imposed the constraint.

Assigned

This includes amounts that are constrained by SBCTA’s intent to be used for specific purposes. The intent can be expressed by either the highest level of decision making, or by a body or an official to which the Board has delegated the authority. The Board has delegated authority to the Chief Financial Officer.

Unassigned

Unassigned is the residual amounts not contained in other classifications. This category is used if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes. Unassigned includes positive residual in the general fund and deficits in the other governmental funds.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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SBCTA also uses budget and financial policy to authorize the assignment of fund balance, which is done through adoption of the budget and subsequent budget amendments throughout the year.

H. Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as *program revenues* include:

- 1) Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program or function.
- 2) Grants and contributions that are restricted to meeting the operational and capital requirements of a particular program or function.

Taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Sales Tax-Measure I

In November 2004, San Bernardino County voters approved an extension of the Measure I sales tax. San Bernardino County is authorized to impose a half-cent retail transaction and use tax applicable in the incorporated and unincorporated territory of the County for a period of thirty years. SBCTA, acting as the Authority, is authorized to administer the programs as described in the Measure.

One-percent of the Measure I sales tax revenue is deducted for general administration of the Measure I program. The balance is allocated to six separate subareas of the county: San Bernardino Valley, Victor Valley, North Desert, Colorado River, Morongo Basin, and Mountain.

The San Bernardino Valley Subarea includes not only allocations for local jurisdictions, but also allocations for freeway projects, freeway interchange projects, major street projects, Metrolink/rail, express bus/bus rapid transit, senior and disabled transit, and traffic management systems. The remaining subareas include allocations for major local highways, local streets, senior and disabled transit, and project development and traffic management.

Three percent of the revenue generated in the San Bernardino Valley and the Victor Valley subareas will be reserved in advance of other allocations specified in the plan for funding of the Interstate 15 (I-15)/Interstate 215 (I-215) in Devore, I-15 widening through Cajon Pass, and truck lane development.

Revenue generated in each subarea is returned to that subarea for projects identified in expenditure plans. Revenue from the tax can only be used for transportation improvement and traffic management programs as authorized in the Measure and the Expenditure Plan as set forth in Ordinance No. 04-01.

Sales Tax-Local Transportation Plan

The Transportation Development Act (TDA) authorizes the creation of a Local Transportation Fund (LTF) in each county for the transportation purposes specified in the "Mills-Alquist Deddeh Act," also known as the Transportation Development Act, Public Utilities Code Section 99200.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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Revenues to the Local Transportation Funds are derived from the quarter cent of the 7.75% retail sales tax collected countywide. The quarter cent is returned by the State Department of Tax and Fee Administration to each county according to the amount of tax collected in that county. There is a three-step process for disbursement of these funds: (1) apportionment, (2) allocation, and (3) disbursement.

After determining amounts allocated for planning and administrative purposes, funds are allocated for pedestrian/bicycle projects, support of transit operation and capital projects and in the mountain/desert region for street and road improvements.

I. Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums are amortized over the life of the bond using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are expensed as incurred.

The governmental fund financial statements do not present long-term debt and other financed obligations. Governmental funds recognize bond premiums and discounts during the period issued. The face amount of debt issued is reported as other financing sources. Principal payments and reductions in the obligation are reported as debt service expenditures. As such, long-term debt and other financed obligations are shown as reconciling items in the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.

J. Compensated Absences

Regular, full-time employees earn vacation at the rate of 10 to 20 days per year based upon length of service. Vested accumulated vacation leave that is the unmaturing portion is included with long-term debt in the government-wide financial statements.

Sick leave is recorded as expenditures in the general fund when taken by the employee. Employees who accrue in excess of 500 hours can convert them 2:1 into vacation leave. This amount is accrued at fiscal year-end as a liability reported in the government-wide financial statements.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of SBCTA's cost sharing multiple-employer plans with the San Bernardino County Employees' Retirement Association (SBCERA) and the California Public Employees' Retirement System (PERS) plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by SBCERA and PERS. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit term. Investments are reported at fair value.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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L. Effects of new pronouncements

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This statement provides temporary relief to governments and other stakeholders in light of the Covid-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The implementation of this statement resulted in the delay of implementing GASB Statement No. 87, 89, 90, 91, 92 and 93 (for details on these GASB statements, see note 16 of this report).

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This statement provides increase consistency and comparability related to the reporting of fiduciary component units; mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of paragraph 4 and 5 of this statement did not have a material impact on SBCTA's financial statements. Management is evaluating the effects of the remaining paragraphs of this statement that will be implemented in future financial statements.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the governmental-wide statement of net position.

One element of the reconciliation explains “capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.”

The details of the net adjustment of \$289,334,867 are as follows:

Land	\$ 67,818,087
Construction in progress	180,607,614
Building and building improvements	10,620,494
Infrastructure	23,217,403
Improvements to land	15,533,401
Equipment, furniture, software, and vehicles	5,869,088
Less: Accumulated depreciation	<u>(14,331,220)</u>
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	<u>\$ 289,334,867</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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3. DEFICIT FUND EQUITY

As of June 30, 2020, the following funds had a deficit fund balance:

	<u>Deficit Amount</u>
Special Revenue Fund	
Federal Highway	\$ (17,899,579)
Federal Transit Administration	(1,513,833)
State Highway	(16,340,290)
Nonmajor Funds	
Freeway Service Patrol	(950,650)
ARRA DOE Clean Cities	(35,700)
SCAQMD Mobile Source Air Pollution Reduction Review Committee	(1,763,743)
Local Partnership Program - Formula Senate Bill 1	(99,258)
Freeway Service Patrol Senate Bill 1	(547,676)
Trade Corridor Enhancement Program Senate Bill 1	(5,924,526)
Solutions for Congested Corridors Program Senate Bill 1	(616,153)
Local Partnership Program - Competitive Senate Bill 1	(102,650)

The deficits are attributed to certain grants from federal and state agencies not received before the revenue recognition criteria of 180 days and are recorded as deferred inflows of resources. The fund balance deficits will be offset with future collections of revenue.

4. CASH AND INVESTMENTS

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

	<u>Unrestricted</u>			<u>Restricted</u>	<u>Grand</u>
	<u>Cash</u>	<u>Investments</u>	<u>Total</u>	<u>Investments</u>	<u>Total</u>
Cash in bank	\$ 69,844,858	\$ -	\$ 69,844,858	\$ -	\$ 69,844,858
Petty cash	1,000	-	1,000	-	1,000
San Bernardino county pool	253,044,892	-	253,044,892	-	253,044,892
Local agency investment fund	7,452,885	-	7,452,885	-	7,452,885
California asset management program	121,737,570	-	121,737,570	-	121,737,570
Investments with custodian	-	110,176,104	110,176,104	-	110,176,104
Investments with fiscal agent	-	-	-	5,594,642	5,594,642
	<u>\$ 452,081,205</u>	<u>\$ 110,176,104</u>	<u>\$ 562,257,309</u>	<u>\$ 5,594,642</u>	<u>\$ 567,851,951</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Investments Authorized

SBCTA Investment Policy No. 20100 complies with and is more restrictive than applicable state statutes and authorizes investments in the following:

Investment Type	Maturity	Maximum	
		Percentage of Portfolio	Investment in One Issuer
U.S. treasuries	5 years	No Limit	No Limit
U.S. agencies	5 years	No Limit	40%
California & other state municipals	5 years	20%	10%
Commercial paper	270 days	25%	3%
Negotiable certificates of deposit	5 years	30%	3%
Repurchase agreements	30 days	20%	No Limit
Bankers' acceptances	180 days	40%	3%
Medium-term corporate notes	5 years	30%	3%
Asset-Backed securities	5 years	20%	3%
County of san bernardino pool	N/A	No Limit	No Limit
Local agency investment fund	N/A	Lessor of 60% or \$65 million	No Limit
California asset management program	N/A	No Limit	No Limit
Supranationals	5 years	30%	No Limit
Money market funds	N/A	20%	10%

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements.

Disclosure Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that SBCTA manages its exposure to interest rate risk is by purchasing a combination of short-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity as necessary to provide the cash flow and liquidity needed for operations. SBCTA monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio.

Investment Type	Amount Reported	Weighted Average Maturity (in Years)
U.S. Treasuries	\$ 44,749,030	1.82
U.S. government sponsored enterprise securities:		
FHLB	12,460,821	1.31
FHLMC	5,445,318	2.14
FNMA	14,377,401	1.02
Corporate notes	19,789,148	1.90
Certificate of deposits	2,782,595	0.50
Money market mutual funds	16,167,433	0.15
Total	<u>\$ 115,771,746</u>	
External pools:		
Local agency investment fund	\$ 7,452,885	0.52
California asset management program	121,737,570	0.15
County of San Bernardino pool	253,044,892	1.48
Total	<u>\$ 382,235,347</u>	

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

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Disclosure Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

California Law and SBCTA Investment Policy No. 20100 (which is more restrictive than state law) place limitations on the purchase of investments. Purchases of commercial paper, banker's acceptances, and negotiable certificates of deposit are restricted to issuers rated in one Nationally Recognized Statistical Rating Organization (NRSRO). For an issuer of short-term debt, the rating must be in the highest category while an issuer of medium-term corporate notes must have a minimum letter rating of "A". Negotiable certificates of deposit must have a minimum letter rating of "A for long-term, and "A-1" for short-term. Money markets shall either: (1) have attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs, or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

Presented in the following table are the Standard & Poor's credit ratings for SBCTA's investments which are all within policy limits:

Investment Type	Total as of June 30, 2020	Exempt from Disclosure	AAA	AA	A-1/A-1+	Not Rated
U.S. Treasuries ⁽¹⁾	\$ 44,749,030	\$ 44,749,030	\$ -	\$ -	\$ -	\$ -
U.S. government sponsored enterprise securities						
FHLB	12,460,821	-	-	12,460,821	-	-
FHLMC	5,445,318	-	-	5,445,318	-	-
FNMA	14,377,401	-	-	14,377,401	-	-
Corporate notes	19,789,148	-	3,152,058	8,943,806	7,693,284	-
Certificate of deposits	2,782,595	-	-	-	2,782,595	-
Money market mutual funds	16,167,433	-	-	-	-	16,167,433
Total	<u>\$ 115,771,746</u>	<u>\$ 44,749,030</u>	<u>\$ 3,152,058</u>	<u>\$ 41,227,346</u>	<u>\$ 10,475,879</u>	<u>\$ 16,167,433</u>

⁽¹⁾ Exempt from disclosure.

S&P Rating	CAMP % of Fund	County % of Fund	LAIF
AAA	3.60%	5.19%	Not rated
AAAm	4.30%	9.67%	
AA+	9.80%	51.73%	
AA	-	0.42%	
AA-	0.80%	1.42%	
A-1+	37.90%	13.90%	
A-1	40.50%	12.46%	
A+	2.60%	1.14%	
A	0.00%	0.40%	
A-	0.50%	-	
Exempt	0.00%	3.67%	
	<u>100.00%</u>	<u>100.00%</u>	

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SBCTA 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 the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.” SBCTA has the following recurring fair value measurement as of June 30, 2020:

Investment Type	Amount as of June 30, 2020	Level 1	Level 2
US treasuries	\$ 44,749,030	\$ 44,749,030	\$ -
US government sponsored enterprise securities:			
FHLB	12,460,821	-	12,460,821
FHLMC	5,445,318	-	5,445,318
FNMA	14,377,401	-	14,377,401
Corporate notes	19,789,148	-	19,789,148
Certificate of deposits	2,782,595	-	2,782,595
Money market mutual funds	16,167,433	-	16,167,433
Subtotal	115,771,746	\$ 44,749,030	\$ 71,022,716
Other investments not subject to fair measures classification:			
Local agency investment fund	7,452,885		
California asset management program	121,737,570		
County San Bernardino pool	253,044,892		
Total	\$ 498,007,093		

Investments classified in Level 1 are valued using quoted prices in active markets. Level 2 are quoted market values obtained from various pricing sources by the custodian bank. No investments are classified as level 3.

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 to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code and SBCTA's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits:

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

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SBCTA uses an independent third-party custodian/safekeeper to domicile the securities in its portfolio. SBCTA uses MUFG Union Bank as its third-party safekeeping servicer, and mitigates custodial/safekeeping risk by having all securities purchased and owned by SBCTA registered in the name of SBCTA, separated from other client securities portfolios, and segregated from securities owned by the bank.

As of June 30, 2020, SBCTA has bank deposits within two separate bank accounts with a total balance of \$69,843,858 of which \$500,000 is federally insured and \$69,343,858 is collateralized in accordance with the Government Code Section 53630.

California Local Agency Investment Fund

SBCTA is a voluntary participant in the California Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and is not registered with the Securities and Exchange Commission. The fair value of SBCTA's investments in this pool is reported in the accompanying financial statements at amounts based upon SBCTA's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawals is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

San Bernardino County Treasury Pool

SBCTA is a voluntary participant in the San Bernardino County Treasury Pool. An Investment Oversight Committee has been established by the County, which acts as regulator of the pool. The funds with the County Treasury are pooled with those of other entities in the County and invested. These pooled funds are carried at fair value. Fair value as provided by the County, is based on quoted market prices and/or direct bids, when needed, from government dealer and some variable or floating rate items.

California Asset Management Program

SBCTA is a voluntary participant in the California Asset Management Program (CAMP). CAMP is a permitted investment for all local agencies under California Government Code Section 53601(p) and is directed by the Board of Trustees. The Board is composed of experienced local government finance directors and treasurers. The program funds are recorded at cost basis.

5. INTERFUND TRANSACTIONS

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended are separately reported in the respective funds' operating statements as transfers in/out. Activity between funds that is representative of lending/borrowing arrangements at the end of the fiscal year is referred to as "due to/from other funds" or "advances to/from other funds." Due to/from other funds are recorded when funds maintain a temporary negative cash balance due to external reimbursements for project costs not being received within the fiscal year.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

A. Interfund Receivables and Payables

Operating receivables and payables between funds are classified as due from or due to other funds. The following are the due from and due to balances as of June 30, 2020:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
2010-2040 Measure I	Federal highway	\$ 35,644,452
	Federal transit administration	11,672,197
	State highway	27,105,749
	2010-2040 Measure I	7,206
	Capital projects	12,217,769
	Nonmajor governmental funds	37,630,700
General fund	Local transportation fund	1,183,783
	State transit assistance fund	6,101,881
	Capital projects	15,718
	Total	\$ 131,579,455

B. Advances to and from

SBCTA has approved three interfund loans which are recorded as advances to other funds in the 2010-2040 Measure I special revenue fund and advances from other funds in the capital projects fund as follows:

- A non-interest-bearing interfund loan for the City of Highland based on the allocation of Measure I Major Street Program - Arterial Sub-Program funds. The interfund loan amount as of June 30, 2020, is \$469,330.
- A non-interest-bearing interfund loan for the City of Redlands based on the allocation of Measure I Major Street Program - Arterial Sub-Program funds. The interfund loan amount as of June 30, 2020, is \$2,475.

The following are the advances to and advances from balances as of June 30, 2020:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
2010-2040 Measure I	Capital projects	<u>\$ 471,805</u>

C. Interfund Transfers

Transfers in and out by fund for the fiscal year ended June 30, 2020, were as follows:

Transfers In	Transfers Out									
	General	Federal Highway	State Highway	Local Transportation	1990-2010 Measure I	2010-2040 Measure I	Capital Projects	Nonmajor Funds	Total	
	General	\$ -	\$ -	\$ 2,895	\$ 3,836,384	\$ -	\$ 4,829,377	\$ -	\$ 389,125	\$ 9,057,781
	Federal Highway	-	-	3,224,564	-	82,666	76,126	20,339	-	3,403,695
	State Highway	-	27,335	-	-	-	27,350	-	-	54,685
	1990-2010 Measure I	-	331,069	-	-	-	-	-	-	331,069
	2010-2040 Measure I	70	384,483	398,907	-	-	-	1,018,262	755,631	2,557,353
	Debt Service	-	-	-	-	-	13,044,854	-	-	13,044,854
	Capital Projects	-	-	-	-	-	152,677	-	-	152,677
	Nonmajor Funds	-	-	-	-	-	19,872	228,319	-	248,191
Total	\$ 70	\$ 742,887	\$ 3,626,366	\$ 3,836,384	\$ 82,666	\$ 18,150,256	\$1,266,920	\$ 1,144,756	\$ 28,850,305	

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Transfers from the General Fund:

To the 2010-2040 Measure I Fund of \$70 to reverse a prior year transfer for unallowable expenses.

Transfers from the Federal Highway Fund:

To the 2010-2040 Measure I Fund consists of the following items:

- \$218,354 for costs that exceeded a federal grant award for the I-10 Toll Lanes Contract 1.
- \$53,236 to maximize a Surface Transportation Program funds for the US 395 project.
- \$112,893 to maximize DEMO funding for the I-215 Barton project.

To the 1990-2010 Measure I Fund of \$331,069 for reallocation of an expense needed to conform to an award agreement for the I-215 segment 2 Landscaping.

To the State Highway Fund of \$27,335, to maximize State Transportation Improvement Program/Regional Improvement Program funds.

Transfers from the State Highway Fund:

To the General Fund of \$2,895 to reclassify prior year expenses related to the DMU to ZEMU project.

To the 2010-2040 Measure I Fund consists of the following items:

- \$398,343 to maximize State Transportation Improvement Program/Regional Improvement Program funds.
- \$564 to reclassify prior year expenses related to the DMU to ZEMU project.

To the Federal Highway Fund of \$3,224,564 to maximize State Transportation Improvement Program/Regional Improvement Program funds.

Transfers from the Local Transportation Fund:

To the General Fund of \$3,836,384 for planning and administrative activities that were budgeted to be funded with TDA funds.

Transfers from the 1990-2010 Measure I Funds:

To the Federal Highway Fund consists of the following items:

- \$41,202 for a deobligated amount for the 210 Macy Street to Miramonte Drive project.
- \$41,464 to cover costs associated with plant establishment on the I-215 Landscaping project.

Transfers from the 2010-2040 Measure I Funds:

To the General Fund of \$4,829,377 to reimburse indirect costs to the indirect fund.

To the Federal Highway Fund consists of the following items:

- \$44,126 to maximize DEMO funding for the I-10 Pepper project.
- \$26,000 of condemnation deposit remaining with the state.
- \$6,000 for reallocation of an expense needed for the Surface Transportation Program for the I-215 Barton Road project.

To the State Highway Fund:

- \$24,000 to maximize a Surface Transportation Program funds for the US 395 project.
- \$3,350 of condemnation deposit remaining with the state.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
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To the Debt Service Fund of \$13,044,854 transferred to fund debt service commitments.

To the Capital Projects Fund of \$152,677 for reallocation of an expense needed to conform to a local funding agreement.

To the Nonmajor Fund(s) of \$19,872 for reallocation of an expense needed to conform to a local funding agreement.

Transfers from the Capital Projects Fund:

To the Federal Highway Fund of 20,339 to maximize DEMO funding for the I-10 Pepper project.

To the 2010-2040 Measure I Fund consists of the following items:

- \$141,861 to maximize local funding associated with the US 395 project.
- \$698,717 for reallocation of an expense needed for an Omnitrans contract.
- \$177,684 for reallocation of an expense needed for signal coordination with local jurisdictions.

To the Nonmajor Fund(s) of \$228,319 for reallocation of an expense needed for signal coordination with local jurisdictions.

Transfers from the Nonmajor Funds:

To the General Fund consists of the following items:

- \$139,838 from the Council of Governments fund to fund the Indirect Cost fund.
- \$249,287 from the Service Authority for Freeways fund to fund the Indirect Cost fund.

To the 2010-2040 Measure I Fund consists of the following items:

- \$406,140 to maximize local funding associated with the US 395 project.
- \$349,491 for reallocation of an expense needed for signal coordination with local jurisdictions.

6. INTERGOVERNMENTAL AGREEMENTS RECEIVABLE

SBCTA entered into agreements with jurisdictions for various projects. The payments of the intergovernmental agreements receivables are not expected to be received within the next fiscal year. The outstanding balances of the agreements as of June 30, 2020 are as follows:

<u>Jurisdiction</u>	<u>Agreement number</u>	<u>Amount</u>
City of Hesperia	C12219	\$ 15,009,922
City of Highland	18-1001978	484,284
City of Redlands	C14147	5,996
LAFCO	16-10 1429	67,587
City of Fontana	19-1002225	4,074,021
		<u>\$ 19,641,810</u>

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Per Cooperative Agreement No. C11200, Section III, Article 7 with the City of Victorville for the La Mesa/ Nisqualli interchange project, SBCTA is authorized to withhold disbursements of 2010-2040 Measure I local streets and roads funds necessary to pay the City's share of construction invoices plus interest. These funds are to be withheld until the City can contribute additional funds to the escrow account or until the City's share of the construction cost plus interest has been paid to SBCTA. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. Interest is calculated annually on the unpaid balance not withheld at the same rate as applied to the State of California. The agreement was repaid and the outstanding agreement balance as of June 30, 2020 is \$0.

Per Agreement No. C12219 with the City of Hesperia for the Ranchero Road Interchange Project, SBCTA will lend the City's remaining balance of project costs, estimated at \$23,158,448 if the City is unable to pay at the completion of the project. On June 6, 2018, SBCTA and the City of Hesperia entered into a agreement (17-1001629), in the amount of \$18,762,403 that superseded the agreement terms of C12219. Per Agreement No. 17-1001629, the City of Hesperia will pay SBCTA one-tenth of the original agreement amount with the first payment due on March 15, 2019 plus accrued interest for the period preceding the annual payment due date. Subsequent payments will be made annually and if the City fails to make the annual payment, SBCTA is authorized to withhold the City's Measure I local street funds and apply the amounts towards the agreement. The outstanding balance of the agreement as of June 30, 2020 is \$15,009,922.

Per Agreement No. 18-1001978, which superseded Agreement No. 16-1001330, with the City of Highland, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term agreement for the State Route 210 (SR 210) Baseline Interchange Project. Per Article 2.2, SBCTA is authorized to withhold Valley Major Street Program – Arterial Sub-Program funds available to the City to pay the City's share of costs. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. The agreement will not exceed the amount of \$9,682,383, which is two-thirds of the estimated local share of project costs. The outstanding agreement balance as of June 30, 2020 is \$484,284.

Per Cooperative Agreement No. C14147 with the City of Redlands, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term agreement for the Interstate 10 (I-10) University Street Interchange Project. Per Article 2.2, SBCTA is authorized to withhold Valley Major Street Program – Arterial Sub-Program funds available to the City to pay the City's share of costs. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. The agreement will not exceed the amount of \$675,267, which is two-thirds of the estimated local share of project costs. The outstanding agreement balance as of June 30, 2020 is \$5,996.

Per Agreement No. 16-1001429 with Local Agency Formation Commission (LAFCO), the cost of renovations to Unit 150 at the Depot will be paid by the tenant over five years commencing July 24, 2017. The agreement amount of \$168,967 was based on improvement costs incurred in Fiscal Year 2016/2017. The outstanding agreement balance as of June 30, 2020, is \$ 67,587. The agreement is due on July 23, 2022.

Per Cooperative Agreement No. 19-1002091 with the City of Fontana, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term agreement for the I-15 Duncan Canyon Road Interchange Project. Per Agreement No. 19-1002091, the City of Fontana will pay SBCTA one-tenth of the original agreement amount with the first payment due on March 15, 2020. Subsequent payments will be made annually and if the City fails to make the annual payment, SBCTA is authorized to withhold the City's Measure I Local Street Program Pass-Through funds and apply the amounts towards the agreement. The agreement will not exceed the amount of \$4,074,021. The outstanding agreement balance as of June 30, 2020, is \$4,074,021.

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Per Cooperative Agreement No. 17-1001704 with the City of Ontario, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term agreement for the Fourth Street Undercrossing Project. Per Article 2.2, SBCTA is authorized to withhold Valley Major Street Program – Arterial Sub-Program funds available to the City to pay the City's share of costs. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. The agreement will not exceed the amount of \$6,383,764, which is two-thirds of the estimated local share of project costs. SBCTA does not anticipate a agreement balance until Fiscal Year 2020/2021. The outstanding agreement balance as of June 30, 2020, is \$0.

Per Cooperative Agreement No. 17-1001720 with the City of Upland, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term agreement for the I-10 Monte Vista Interchange Project. Per Article 2.2, SBCTA is authorized to withhold Valley Major Street Program – Arterial Sub-Program funds available to the City to pay the City's share of costs. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. The agreement will not exceed the amount of \$1,405,281, which is two-thirds of the estimated local share of project costs. SBCTA does not anticipate a agreement balance until Fiscal Year 2020/2021. The outstanding agreement balance as of June 30, 2020, is \$0.

Per Cooperative Agreement No. 17-1001721 with the City of Upland, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term agreement for the I-10 Euclid Interchange Project. Per Article 2.2, SBCTA is authorized to withhold Valley Major Street Program – Arterial Sub-Program funds available to the City to pay the City's share of costs. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. The agreement will not exceed the amount of \$624,591, which is two-thirds of the estimated local share of project costs. SBCTA does not anticipate a agreement balance until Fiscal Year 2020/2021. The outstanding agreement balance as of June 30, 2020 is \$0.

Per Cooperative Agreement No. 17-1001719 with the City of Montclair, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term agreement for the I-10 Monte Vista Interchange Project. Per Article 2.2, SBCTA is authorized to withhold Valley Major Street Program – Arterial Sub-Program funds first and then Local Street Program Pass-Through funds available to the City to pay the City's share of costs. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. The agreement will not exceed the amount of \$3,897,667, which is two-thirds of the estimated local share of project costs. SBCTA does not anticipate a agreement balance until Fiscal Year 2020/2021. The outstanding agreement balance as of June 30, 2020 is \$0.

Per Cooperative Agreement No. 16-1001481 with the City of Victorville, SBCTA entered into a 2010-2040 Measure I Victor Valley Major Local Highways Program term agreement for the Green Tree Boulevard Extension Project. Per Article 2.2, SBCTA is authorized to withhold Victor Valley Major Local Highway Program funds available to the City to pay the City's share of costs. Withholding amount equals to the note receivable amount and it is recorded as intergovernmental payable in the 2010-2040 Measure I fund. The agreement will not exceed the amount of \$12,511,320, which is two-thirds of the estimated local share of project costs. SBCTA does not anticipate a agreement balance until Fiscal Year 2020/2021. The outstanding agreement balance as of June 30, 2020 is \$0.

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7. CAPITAL ASSETS

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

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Governmental Activities				
Capital assets, not depreciated				
Land	\$ 67,818,087	\$ -	\$ -	\$ 67,818,087
Construction in progress	80,258,819	100,356,914	(8,119)	180,607,614
Total capital assets, not depreciated	<u>\$ 148,076,906</u>	<u>\$ 100,356,914</u>	<u>\$ (8,119)</u>	<u>\$ 248,425,701</u>
Capital assets being depreciated/amortized:				
Buildings and building improvements	\$ 10,606,170	\$ 14,324	\$ -	\$ 10,620,494
Improvements to land	15,467,913	65,488	-	15,533,401
Infrastructure	23,201,382	16,021	-	23,217,403
Equipment, furniture, software and vehicles	5,762,179	106,909	-	5,869,088
Total capital assets, depreciated	<u>55,037,644</u>	<u>202,742</u>	<u>-</u>	<u>55,240,386</u>
Less accumulated depreciation/amortization for:				
Buildings and building improvements	\$ (2,356,335)	\$ (346,158)	\$ -	\$ (2,702,493)
Improvements to land	(2,039,840)	(1,027,134)	-	(3,066,974)
Infrastructure	(3,252,001)	(635,685)	-	(3,887,686)
Equipment, furniture, software, and vehicles	(4,416,017)	(258,050)	-	(4,674,067)
Total accumulated depreciation/amortization	<u>(12,064,193)</u>	<u>(2,267,027)</u>	<u>-</u>	<u>(14,331,220)</u>
Total capital assets, depreciated/amortized	<u>42,973,451</u>	<u>(2,064,285)</u>	<u>-</u>	<u>40,909,166</u>
 Total capital assets, net	 <u>\$ 191,050,357</u>	 <u>\$ 98,292,629</u>	 <u>\$ (8,119)</u>	 <u>\$ 289,334,867</u>

Depreciation expense was charged to programs/functions of the government as follows:

Governmental activities:

General government	\$ 531,559
Environment and energy conservation	1,743
Transit	1,733,725
Total depreciation expense - governmental activities	<u>\$ 2,267,027</u>

Construction in Progress consists of the following projects:

Project	Governmental Activities
Electric vehicle charging station installation at the Santa Fe Depot	\$ 300,920
Electric vehicle plan design and installation	243,116
Redlands passenger rail project	110,814,245
Rialto metrolink parking lot expansion phase 2	331,102
Control point Lilac to control point Rancho double track	1,853,105
Zero emission multimodal unit	4,472,792
I-10 corridor express lanes contract 1	56,294,304
I-10 corridor express lanes contract 2A	2,142,206
I-15 corridor express lanes contract 1	4,155,824
	<u>\$ 180,607,614</u>

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8. LONG-TERM LIABILITIES

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

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due within One Year
Governmental activities					
Long-term debt					
Revenue bonds payable	\$ 188,045,000	\$ -	\$ 4,150,000	\$ 183,895,000	\$ 4,460,000
Unamortized premium on revenue bonds payable	12,742,943	-	1,044,092	11,698,851	1,012,229
Total long-term debt	200,787,943	-	5,194,092	195,593,851	5,472,229
Other liabilities					
Compensated absences	1,201,843	324,320	141,575	1,384,588	92,463
Net pension liability	14,996,039	1,519,289	-	16,515,328	-
Advance expenditure agreements	33,762,000	2,170,515	12,909,000	23,023,515	-
Total other liabilities	49,959,882	4,014,124	13,050,575	40,923,431	92,463
Total long-term debt and other liabilities, net	\$ 250,747,825	\$ 4,014,124	\$ 18,244,667	\$ 236,517,282	\$ 5,564,692

The general fund, certain Measure I funds, Local Transportation fund, Council of Government fund, State funding such as Planning, Programming and Monitoring, and Service Authority for Freeway Emergencies fund are used to liquidate pension liabilities and compensated absences. The advance expenditure agreements are funded with measure I freeway funds.

Sales Tax Revenue Obligations

SBCTA has pledged a portion of future sales tax revenue bonds through the maturity dates of the issued sales tax revenue bonds. Principal and interest payments during the fiscal year ended June 30, 2020 of \$12,889,250, represents 7.20% of total applicable sales tax revenue, which was \$179,016,883. The future maturities of sales tax revenue bonds payable are as follows:

Year Ending, June 30,	Principal	Interest	Total
2021	\$ 4,460,000	\$ 8,563,200	\$ 13,023,200
2022	4,795,000	8,360,251	13,155,251
2023	5,130,000	8,168,450	13,298,450
2024	5,530,000	7,911,951	13,441,951
2025	5,955,000	7,635,450	13,590,450
2026-2030	36,895,000	33,340,753	70,235,753
2031-2035	51,585,000	22,818,802	74,403,802
2036-2040	69,545,000	9,513,321	79,058,321
	<u>\$ 183,895,000</u>	<u>\$ 106,312,178</u>	<u>\$ 290,207,178</u>

Sales Tax Revenue Bonds of 2012, Series A

The sales tax revenue bonds of \$79,105,000, are tax exempt and were issued by the San Bernardino County Transportation Authority on March 28, 2012. The bonds are limited obligations of the Authority secured by a pledge of the Sales Tax Revenues of only amounts collected on account of the sales tax on and after April 1, 2010, less certain administrative fees paid to the California Department of Tax and Fee Administration in connection with the collection and disbursement of the sales tax. The bonds are subject to mandatory sinking fund redemption starting in Fiscal Year 2033 prior to maturity of the bonds. In the event of default, there is no provision for acceleration or increase in the interest rate. However, the trustee has the right to apply all revenues and other funds towards the debt. In April 2019, a supplemental indenture was issued to add a subordinate debt coverage ratio of 1.50x as required by the I-10 Corridor Contract 1 project toll revenue indenture.

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Interest is payable semiannually on March 1st and September 1st of each year at rates of interest ranging from 3% to 5% and yield rates ranging from 0.53% to 3.46%. Principal payments on the bonds began on March 1, 2015 and are due each year thereafter through 2040 ranging from \$1,910,000 to \$5,835,000. The range of annual debt service ranges from \$3,851,087 to \$6,081,638.

The debt maturities for the 2012 sales tax revenue bonds payable included in the governmental activities are as follows:

Year Ending, June 30,	Principal	Interest	Total
2021	\$ 2,455,000	\$ 3,622,387	\$ 6,077,387
2022	2,575,000	3,499,638	6,074,638
2023	2,680,000	3,396,637	6,076,637
2024	2,815,000	3,262,638	6,077,638
2025	2,955,000	3,121,887	6,076,887
2026-2030	17,040,000	13,334,688	30,374,688
2031-2035	21,650,000	8,721,937	30,371,937
2036-2040	26,935,000	3,443,119	30,378,119
	<u>\$ 79,105,000</u>	<u>\$ 42,402,931</u>	<u>\$ 121,507,931</u>

Sales Tax Revenue Bonds of 2014, Series A

The sales tax revenue bonds of \$104,790,000 are tax exempt and were issued by the San Bernardino County Transportation Authority on March 18, 2014. The bonds are limited obligations of the Authority secured by a pledge of the Sales Tax Revenues of only amounts collected on account of the sales tax on and after April 1, 2010, less certain administrative fees paid to the California Department of Tax and Fee Administration in connection with the collection and disbursement of the sales tax. The bonds are subject to mandatory sinking fund redemption starting in Fiscal Year 2035 prior to maturity of the bonds. In the event of default, there is no provision for acceleration or increase in the interest rate. However, the trustee has the right to apply all revenues and other funds towards the debt.

Interest is payable semiannually on March 1st and September 1st of each year at rates of interest ranging from 3% to 5% and yield rates ranging from 0.40% to 3.85%. Principal payments on the bonds began on March 1, 2015 and are due each year thereafter through 2040 ranging from \$755,000 to \$9,685,000. The range of annual debt service payments is from \$4,692,922 to \$10,130,963.

The debt maturities for the 2014 sales tax revenue bonds payable included in the governmental activities are as follows:

Year Ending, June 30,	Principal	Interest	Total
2021	\$ 2,005,000	\$ 4,940,813	\$ 6,945,813
2022	2,220,000	4,860,613	7,080,613
2023	2,450,000	4,771,813	7,221,813
2024	2,715,000	4,649,313	7,364,313
2025	3,000,000	4,513,563	7,513,563
2026-2030	19,855,000	20,006,065	39,861,065
2031-2035	29,935,000	14,096,865	44,031,865
2036-2040	42,610,000	6,070,202	48,680,202
	<u>\$ 104,790,000</u>	<u>\$ 63,909,247</u>	<u>\$ 168,699,247</u>

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Financial covenant compliance for sales tax revenue bonds is illustrated below:

Sales Tax Revenue Fiscal Year Ended June 30, 2020	Maximum Annual Debt Service	Debt Coverage Ratio
\$ 179,016,883	\$ 16,208,601	11.04 X

Transportation Infrastructure Finance Innovation Act (TIFIA) Loan Agreement for the I-10 Corridor Contract 1 Project

SBCTA executed a TIFIA loan agreement for up to \$225 million on April 26, 2019, which proceeds will finance a portion of the costs for the I-10 Corridor Contract 1 project. During construction and for a period of up to five years following substantial completion, interest is compounded semiannually on June 30 and December 31 of the year following initial disbursement and added to the initial TIFIA loan. The TIFIA loan requires mandatory debt service payments at a minimum and scheduled debt service payments to the extent additional funds are available. TIFIA debt service payments are expected to commence on December 31, 2027, which is five years after substantial completion of the I-10 Corridor Contract 1 project through December 31, 2057.

The interest rate of the TIFIA loan is 2.93%. In the event the TIFIA loan would entered into a Development Default or Project Abandonment, the interest rate will be that of 2.93% plus 200 basis points (4.93%) until the Development Default is cure or the outstanding TIFIA loan balance has been irrevocably paid in full in cash. During 2020, there were no draws on the TIFIA loan with first disbursement anticipated to be in Fiscal Year 2021.

Total life coverage ratio for the TIFIA loan is at least 1.30. The ratio is calculated by dividing the net present value of toll revenue available for debt service by amount of outstanding loan. In the event of six consecutive violations of the total life coverage ratio, the amounts in the sweep fund reserve and residual fund shall be used to prepay the debt to bring the metrics in line with the rate coverage requirements.

Current costs related to the I-10 Corridor Contract 1 are reflected as construction in progress and will be capitalized upon substantial completion.

The TIFIA loan is a senior toll revenue bond per the 2019 Toll Revenue Bond indenture (I-10 Corridor Contract 1 Project). The credit rating on the TIFIA loan is BBB- (DBRS and KBRA).

Pursuant to the I-10 Corridor Contract 1 project toll indenture, SBCTA will establish the following to support the I-10 Corridor Contract 1 project:

- An estimated \$15.4 million TIFIA loan reserve from anticipated net toll revenues.
- Measure I investments will be provided until the year 2040 up to cumulative total of \$93 million to support Operation & Maintenance (O&M) expenses, lifecycle expenses; deposit to the TIFIA Debt Service Reserve Account and Measure I Cash Supplement Payments estimated to be from \$2 million and \$46 million, depending on the actual toll revenues received through the period provided (2040).
- O&M reserves of \$4.1 million funded with Measure I loan proceeds. The reserve will increase to \$11.5 million in 2063 funded from toll revenues.
- Sweep fund of \$10 million required by June 2026 to be funded by toll revenue to support debt service.
- Subordinate bonds debt service reserve of up to \$14.9 million, with an initial deposit of \$10 million due by June 30, 2027.

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Toll Revenue Bonds

In April 2019, SBCTA issued the Toll revenue bond (I-10 Corridor Contract 1 project toll revenue indenture) which is secured by a senior lien on the trust future toll revenue with a commitment amount of \$93 million of Measure I funds until the year 2040. There are no debt amounts outstanding under this indenture of the TIFIA Loan as of June 30, 2020. In the event of default, bankruptcy, or springing lien event, the trust estate shall be under the control of and applied by the Trustee but there shall be no right of acceleration with respect to the obligations.

Conduit Debt

Beginning in October 2013, SBCTA issued bonds for the Property Assessed Clean Energy Program. The third party, property owners, assumes sole responsibility for repayment of the debt, and SBCTA has no obligation for the repayment of the bonds. The outstanding balance as of June 30, 2020 is \$143,967,541.

Advance Expenditure Agreements

Policy No. 40002, Valley Project Advancement (PA) and Advance Expenditure (AE) Processes-Measure I 2010-2040 Strategic Plan, was adopted by Board of Directors on April 1, 2009. The policy delineates requirements for AE to enable the local jurisdictions to advance funding for development and construction of freeway interchange and grade separation projects and receive reimbursement from Measure I as funds become available. One of the requirements is the freeway interchange project must be on the top ten prioritization list approved by the SBCTA Board of Directors. Interchanges in the 11-20 priority range may be eligible for an AE agreement on an exception basis, with the required financial plan. Reimbursement for these exception interchanges shall be based on the chronological order of expenditure, following reimbursement for all active top 10 interchanges. In general, SBCTA will complete reimbursement for a freeway interchange or grade separation project in its entirety prior to allocation of funds to construction of a project of lower priority on the freeway interchange or grade separation prioritization list. Additionally, Policy No. 40017, Rural Mountain/Desert Subareas Major Local Highways (MDMLH) Program Measure I 2010-2040 Strategic Plan, allows local jurisdictions in the Rural Mountain/Desert Subareas to advance funding for local priority projects and receive reimbursement from Measure I as funds become available.

The following four agreements are currently approved:

Per AE Agreement No. 00-1000892, SBCTA agrees to reimburse the City of Rancho Cucamonga up to \$20,853,000 for interchange improvement at I-15 and Base Line Road. This project is seventh on the interchange priority list and the outstanding amount as of June 30, 2020 is \$20,853,000.

Per AE Agreement No. 00-1000948, SBCTA agrees to reimburse County of San Bernardino up to \$393,015 for interchange improvement at I-15 and Sierra Avenue. The outstanding amount as of June 30, 2020 is \$393,015.

Per AE Agreement No. 00-1000568, SBCTA agrees to reimburse the City of Ontario up to \$277,500 for the interchange improvement at SR-60 and Euclid Avenue. The outstanding amount as of June 30, 2020 is \$277,500.

Per AE Agreement No. 19-1002192, SBCTA agrees to reimburse the City of Big Bear Lake up to \$1,500,000 for the Moonridge Road Improvement Project. The outstanding amount as of June 30, 2020 is \$1,500,000.

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The outstanding balances for advance expenditure agreements as of June 30, 2020 are as follows:

Jurisdiction	Agreement number	Amount
City of Rancho Cucamonga	00-1000892	\$ 20,853,000
County of San Bernardino	00-1000948	393,015
City of Ontario	00-1000568	277,500
City of Big Bear Lake	19-1002192	1,500,000
		<u>\$ 23,023,515</u>

Rebatable Arbitrage

SBCTA is obligated to calculate arbitrage rebates on all existing sales tax revenue obligations. There was no rebatable arbitrage liability.

9. PENSION OBLIGATIONS

Combined Table of Pension Expense and Deferred Outflows/Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 220,988	\$ 530,705
Changes in actuarial assumptions	2,155,971	201
Net differences between projected and actual earnings on pension plan investments	328,586	208
Changes in proportion and differences between employer contributions and proportionate share of contributions	982,457	249,240
Employer contributions paid subsequent to measurement date	2,790,736	-
Total	<u>\$ 6,478,738</u>	<u>\$ 780,354</u>

As of June 30, 2020 combined pension expense (including deferred outflows of resources) is \$1,189,113 and the net pension liability is \$16,515,328.

San Bernardino County Employees Retirement Association (SBCERA)

Plan Description

SBCTA participates in the San Bernardino County Employees' Retirement Association (SBCERA) pension plan - a cost-sharing multiple-employer defined benefit pension plan (the Plan). SBCERA administers the Plan which provides benefits for two membership classifications, General and Safety, and those benefits are tiered based upon date of SBCERA membership. Safety membership is extended to those involved in active law enforcement and fire suppression. All other members are classified as General members. Generally, those who become members prior to January 1, 2013 are Tier 1 members. All other members are Tier 2. Employees who are appointed to a regular position, whose service is greater than fifty percent of the full standard of hours required is an eligible member of SBCERA, and are provided with pension benefits pursuant to the Plan requirements.

Pension costs are categorized as fringe costs. Fringe costs are allocated on a monthly basis to funds that are charged salary expense. Fringe costs are funded with certain Measure I funds, Local Transportation Fund, Council of Government fund, and Service Authority for Freeway Emergencies.

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The Plan operates under the provisions of the California County Employees' Retirement Law of 1937 (CERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by SBCERA's Board of Retirement (Board). The Plan's authority to establish and amend the benefit terms are set by the CERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the County of San Bernardino Board of Supervisors and/or the SBCERA Board. SBCERA is a tax qualified plan under Section 401(a) of the Internal Revenue Code.

SBCERA is a legally separate entity from SBCTA, not a component unit, and there is no financial interdependency with the County of San Bernardino. For these reasons, SBCTA's comprehensive annual financial report excludes the SBCERA pension plan as of the measurement date. SBCERA publishes its own comprehensive annual financial report that includes its financial statements and required supplementary information, that can be obtained by writing SBCERA at 348 W. Hospitality Lane, Third Floor, San Bernardino, CA 92415-0014, or visiting the website at: www.SBCERA.org.

Benefits Provided

SBCERA provides retirement, disability, death and survivor benefits. The CERL and PEPRA establish benefit terms. Retirement benefits are calculated on the basis of age, average final compensation and service credit as follows:

	<u>General-Tier 1</u>	<u>General-Tier 2</u>
Final average compensation	Highest 12 months	Highest 36 months
Normal retirement age	Age 55	Age 55
Early retirement: Years of service required and/or age eligible for	Age 70 any years 10 years age 50 30 years any age	Age 70 any years 5 years age 52 N/A
Benefit percent per year of service for normal retirement age	2% per year of final average compensation for every year of service credit	2% per year of final average compensation for every year of service credit
Benefit adjustments	Reduced before age 55, increased after 55 up to age 65	Reduced before age 67
Final average compensation limitation	Government Code section 31676.15 Internal Revenue Code section 401(a)(17)	Government Code section 7522.10

An automatic cost of living adjustment is provided to benefit recipients based on changes in the local region Consumer Price Index (CPI) up to a maximum of 2% per year. Any increase greater than 2% is banked and may be used in years where the CPI is less than 2%. There is a one-time 7% increase at retirement for members hired before August 19, 1975. The Plan also provides disability and death benefits to eligible members and their beneficiaries, respectively. For retired members, the death benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to benefits based on the members years of service or if the death was caused by employment. General members are also eligible for survivor benefits which are payable upon a member's death.

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Contributions

Participating employers and active members are required by statute to contribute a percentage of covered salary to the Plan. This requirement is pursuant to Government Code sections 31453.5 and 31454, for participating employers and Government Code sections 31621.6, 31639.25 and 7522.30 for active members. The contribution requirements are established and may be amended by the SBCERA Board pursuant to Article 1 of the CERL, which is consistent with the Plan's actuarial funding policy.

The contribution rates are adopted yearly, based on an annual actuarial valuation, conducted by an independent actuary, that requires actuarial assumptions with regard to mortality, expected future service (including age at entry into the Plan, if applicable and tier), and compensation increases of the members and beneficiaries. The combined active member and employer contribution rates are expected to finance the costs of benefits for employees that are allocated during the year, with an additional amount to finance any unfunded accrued liability. Participating employers may pay a portion of the active members' contributions through negotiations and bargaining agreements.

Employee contribution rates for the fiscal year ended June 30, 2020 ranged between 9.14% and 14.82% for Tier 1 General members, and 9.07% for Tier 2 General members.

Employer contribution rates for the year ended June 30, 2020, are as follows:

	Employer Contribution Rates		Paid by Employer for Employee Employee Contribution Rates	
	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 1</u>	<u>Tier 2</u>
Actuarially determined required contribution for general members	38.02%	35.61%	100%	0%

The required employer contributions and the amount paid to SBCERA by SBCTA for the year ended June 30, 2020, were \$2,788,174.

Net Pension Liability

At June 30, 2020, SBCTA reported a net pension liability of \$16,503,425 for its proportionate share of the SBCERA's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The SBCERA's publicly available financial report provides details on the change in the net pension liability.

SBCTA's proportion of the net pension liability was based on SBCTA's contributions received by SBCERA during the measurement period for employer payroll paid dates from July 1, 2018 through June 30, 2019, relative to the total employer contributions received from all of SBCERA's participating employers. At June 30, 2019, SBCTA's proportion was 0.609%, which was an increase of .017% from its proportion measured as of June 30, 2018.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended June 30, 2020, SBCTA recognized a pension expense (excluding deferred outflows of resources) of \$3,957,400, for its proportionate share of SBCERA's pension expense. At June 30, 2020, SBCTA reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 220,162	\$ 530,641
Changes in actuarial assumptions	2,155,403	-
Net differences between projected and actual earnings on pension plan investments	328,586	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	982,457	249,240
Employer contributions paid to SBCERA subsequent to the measurement date	2,788,174	-
Total	<u>\$ 6,474,782</u>	<u>\$ 779,881</u>

The \$2,788,174 reported as deferred outflows of resources related to pensions resulting from SBCTA's contributions to SBCERA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SBCERA pensions will be recognized in pension expense as follows:

2021	\$ 1,030,953
2022	288,251
2023	960,585
2024	558,995
2025	39,247
2026	28,694
	<u>\$ 2,906,725</u>

Actuarial assumptions and methods

The significant actuarial assumptions and methods used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age actuarial cost
Amortization method	Level percent of payroll (3.5% payroll growth assumed)
Investment rate of return	7.25%
Inflation	3.00%
Projected Salary increases	General: 4.50% to 14.50%
Administrative Expenses	0.70% of payroll

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Post-retirement mortality is based on the Headcount-Weighted RP-2014 Healthy Annuitant Mortality Tables generationally with the two-dimensional MP-2016 projection scale. The June 30, 2019 actuarial valuation reflected the same type of assumptions compared to the June 30, 2018 actuarial valuation, based on the June 30, 2018 experience study.

The long-term expected rate of return on pension plan investments is 7.25%. SBCERA's actuary prepares an analysis of the long-term expected rate of return on a triennial basis using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, by adding expected inflation and subtracting expected investment expenses and a risk margin.

The target allocations (approved by the SBCERA Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumptions are summarized in the following table:

SBCERA's Long-Term Expected Real Rate of Return

		As of June 30, 2019 Valuation Date	
		Long-Term Expected Real	
<u>Asset Class</u>		Target Allocation	Rate of Return (Arithmetic)
Large Cap U.S. Equity	Domestic Common and Preferred Stock	8.00%	5.61%
Small Cap U.S. Equity	Domestic Common and Preferred Stock	2.00%	6.37%
Developed International Equity	Foreign Common and Preferred Stock	6.00%	6.96%
Emerging Market Equity	Foreign Common and Preferred Stock	6.00%	9.28%
U.S. Core Fixed Income	U.S. Government and Agency/Corporate Bonds	2.00%	1.06%
High Yield/Credit Strategies	Corporate Bonds/Foreign Bonds	13.00%	3.65%
Global Core Fixed Income	Foreign Bonds	1.00%	0.07%
Emerging Market Debt	Emerging Market Debt	6.00%	3.85%
Real Estate	Real Estate	9.00%	4.37%
Cash & Equivalents	Short-Term Cash Investment Funds	2.00%	-0.17%
International Credit	Foreign Alternatives	11.00%	6.75%
Absolute Return	Domestic Alternatives/Foreign Alternatives	13.00%	3.56%
Real Assets	Domestic Alternatives/Foreign Alternatives	5.00%	6.35%
Private Equity	Domestic Alternatives/Foreign Alternatives	16.00%	8.47%
Total		<u>100.00%</u>	

Changes in Assumptions

The assumptions remain the same as the June 30, 2019 funding valuation.

Discount rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made based on the actuarially determined rates based on the SBCERA Board's funding policy, which establishes the contractually required rate based on statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Notes to the Financial Statements
June 30, 2020

Sensitivity of SBCTA's proportionate share of the SBCERA net pension liability to changes in the discount rate

The following table presents SBCTA's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what SBCTA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

Sensitivity of Net Pension Liability to Changes in the Discount Rate

	1.00% Decrease (6.25%)	Current Discount Rate (7.25%)	1.00% Increase (8.25%)
SBCTA's proportionate share of the net pension liability	\$ 24,309,501	\$ 16,503,425	\$ 10,103,685

Pension plan fiduciary net position

Detailed information about the SBCERA's fiduciary net position is available in a separately issued SBCERA comprehensive annual financial report. That report may be obtained on the Internet at www.SBCERA.org; by writing to SBCERA at 348 W. Hospitality Lane, Third Floor, San Bernardino, CA 92415; or by calling (909) 885-7980 or (877) 722-3721.

California Public Employees' Retirement System (PERS)

Plan Description

SBCTA contributed to the California Public Employees' Retirement System (PERS), a cost-sharing multiple employer defined benefit pension plan. The plan is part of the Inactive Agency Risk Pool. PERS provides retirement, disability benefits, and death benefits to plan members and beneficiaries. The plan includes two retirees from SBCTA. PERS acts as a common investment and administrative agent for participating entities within the State of California. PERS issues a publicly available financial report that includes financial statements and required supplementary information for the cost sharing plans that are administered by PERS. Copies of PERS' annual financial report may be obtained from its executive office at 400 "P" Street, Sacramento, CA 95814.

Benefits Provided

PERS provides retirement, disability, death and survivor benefits. The CERL and PEPRA establish benefit terms. Retirement benefits are calculated on the basis of age, average final compensation and service credit.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Notes to the Financial Statements
June 30, 2020

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contributions for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the contribution amount. The total plan contributions are determined through the PERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined contribution is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs related to any unfunded accrued liability. There are no active employees in this plan; therefore no employee contributions were made during the measurement period ended June 30, 2019.

The required employer contributions and the amount paid to PERS by SBCTA for the year ended June 30, 2020, was \$0 toward the payment of unfunded accrued liability.

Pension Liability

At June 30, 2020 SBCTA reported a net pension liability of \$11,903 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019.

Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended June 30, 2020, SBCTA recognized pension expense (excluding deferred outflows of resources) of \$482, for its proportionate share of PERS' pension expense. The amount is negative due to an additional payment made towards the unfunded accrued liability. At June 30, 2020, SBCTA reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 826	\$ 64
Changes in actuarial assumptions	568	201
Net differences between projected and actual earnings on pension plan investments	-	208
Employer contributions paid to PERS subsequent to the measurement date	2,562	-
Total	<u>\$ 3,956</u>	<u>\$ 473</u>

There is no amount reported as deferred outflows of resources related to pensions resulting from SBCTA's contributions to PERS subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pensions will be recognized in pension expense as follows:

2021	\$	902
2022		(123)
2023		100
2024		42
	\$	<u>921</u>

At June 30, 2019, SBCTA's proportion was 0.000297%, which was a decrease of 0.000993% from its proportion measured as of June 30, 2018. This was based on inactive status of the program.

Actuarial assumptions and methods

The significant actuarial assumptions and methods used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll (2.50% payroll growth assumed)
Investment rate of return	7.15%
Inflation	2.50%
Projected Salary increases	Varies by entry age and service

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Allocation	Years 1-10 ¹	Years 11+ ²
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.00%	0.00%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Infrastructure and Forestland	0.00%	0.00%	0.00%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

⁽¹⁾ An expected inflation rate of 2% was used

⁽²⁾ An expected inflation rate of 2.92% was used

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

Sensitivity of SBCTA's proportionate share of the PERS net pension liability to changes in the discount rate

The following table presents SBCTA's proportionate share of the net pension liability calculated using the discount rate of 7.15%, as well as what SBCTA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate:

Sensitivity of Net Pension Liability to Changes in the Discount Rate

	1.00% Decrease (6.15%)	Current Discount Rate (7.15%)	1.00% Increase (8.15%)
SBCTA's proportionate share of the net pension liability	\$ 19,093	\$ 11,903	\$ 5,968

Pension plan fiduciary net position

Detailed information about PERS's fiduciary net position is available on the Internet at www.calpers.ca.gov; by writing to PERS at 400 "P" Street, Sacramento, CA 95814; or by calling (888) 225-7377.

10. COMMITMENTS

Transportation

Outstanding Contracts

As of June 30, 2020, SBCTA had contracted, subject to future Board appropriation, for professional and special services for various transportation projects, including transit studies, right-of-way purchases and construction, which have not yet been rendered. The aggregate amount committed under these contracts is approximately \$2.05 billion at June 30, 2020.

Retention Payable

SBCTA's policy is not to include cash and remove retention payable upon release of funds to an escrow account. The amount relating to the retention is recognized as expense when the liability is incurred.

Encumbrances

Encumbrances lapse at year-end and are rebudgeted the following fiscal year. Therefore, the value of encumbrances as of June 30, 2020, is \$0.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

11. PUBLIC TRANSPORTATION, MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) AND TRANSIT SYSTEM SAFETY SECURITY AND DISASTER RESPONSE ACCOUNT FUNDING

As of June 30, 2020, SBCTA cumulatively has received a total of \$40,239,430 in PTMISEA funds and are accounted for in the Proposition 1B fund. These funds are designated to be used as follows:

Purpose	Amount
Three rail cars to and for Metrolink operations	\$ 5,500,000
Replacement of paratransit vehicles by SBCTA-City of Barstow	420,000
Barstow bus stop reconstruction project	2,232,701
Metrolink positive train control	3,309,525
Rialto metrolink parking lot expansion project	1,500,000
San Bernardino downtown passenger rail project	6,419,844
Redlands passenger rail project (three separate allocations)	19,108,873
Double track project for San Gabriel Subdivision	1,548,487
Needles intermodal transit center	200,000
Total	<u>\$ 40,239,430</u>

A total of \$11,453,081 has cumulatively been received in Transit System Safety Security and Disaster Response Account (TSSSDRA) funding which has been recorded in the Proposition 1B fund as follows:

Purpose	Amount
Downtown san bernardino passenger rail project - several allocations	\$ 5,738,347
Security surveys	153,727
Redlands passenger rail project (several allocations)	5,061,007
San Bernardino transit center	500,000
Total	<u>\$ 11,453,081</u>

The following summarizes the total disbursements by Fiscal Year for both funding sources:

Fiscal Year	PTMISEA	TSSSDRA	Total
2007-2008	\$ 1,375,000	\$ -	\$ 1,375,000
2009-2010	4,125,000	-	4,125,000
2010-2011	3,659,456	-	3,659,456
2013-2014	1,043,758	-	1,043,758
2014-2015	2,307,954	2,008,902	4,316,856
2015-2016	447,637	2,928,021	3,375,658
2016-2017	6,550,080	1,457,384	8,007,464
2017-2018	764,902	2,645,900	3,410,802
2018-2019	158,040	2,599,492	2,757,532
2019-2020	5,654,783	-	5,654,783
Total	<u>\$ 26,086,610</u>	<u>\$ 11,639,699</u>	<u>\$ 37,726,309</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

12. RISK MANAGEMENT

SBCTA is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and errors and omissions. SBCTA purchases commercial insurance coverage for primary crime (\$2,500 deductible), excess crime, general liability (\$50,000 self-insured retention), property including some additional crime coverages (\$5,000 and \$1,000 deductible respectively), public officials (\$50,000 self-insured retention), excess liability, and worker compensation. Workers compensation limits are statutory by the State of California. There have been no settlements in excess of covered amounts over the prior three coverage years.

13. JOINT VENTURES

SBCTA is one of five members of the Southern California Regional Rail Authority (SCRRA), a Joint Powers Authority (JPA) created in June 1992. The SCRRA's Board consists of one member from the Ventura County Transportation Commission; two members each from the Orange County Transit Authority, SBCTA and the Riverside County Transportation Commission; and four members from 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, SBCTA makes capital and operating contributions for its pro rata share of rail lines servicing the County of San Bernardino. SBCTA expended \$11,324,267 during Fiscal Year 2019/2020 for its share of Metrolink capital and operating costs. The expenditures are recorded in SBCTA's general fund for LTF rail, in the Transit program. Separate financial statements are prepared by and available from the SCRRA at One Gateway Plaza, Floor 12, Los Angeles, CA 90012.

SBCTA issued an agreement termination notice to the California Vanpool Authority (CalVans) on July 8, 2020, which will be effective as of September 8, 2020. SBCTA became a member agency in February 2018 to provide public vanpool transportation options for the traveling public. There was no financial contribution required to be a member of CalVans and SBCTA had no vanpool activity with the organization. The termination is due to concerns with CalVans' operational and financial status. SBCTA has an active agreement with Enterprise Rideshare selected thru a procurement process.

SBCTA is a member of the Metro Gold Line Foothill Extension Construction Authority JPA. The Construction Authority was created in 1998 by the California State Legislature to develop the extension of the LA Metro Gold Line from Los Angeles to Pasadena in Los Angeles County with further legislation in 2012 to include development to Montclair in San Bernardino County. Approximately 3,000 linear feet of the proposed extension is in San Bernardino County. The annual membership fee is \$3,000 based on the JPA's needs. There was no membership fee paid in Fiscal Year 2020. On several occasions, the JPA has had this fee suspended and reactivated. Measure I identifies capital improvements and operating costs associated with the Gold Line within the County of San Bernardino as eligible expenses. Capital costs have continued to increase. The San Bernardino County portion of capital expenditures is estimated at \$95,200,000 and future annual operating costs is estimated at \$2.5 million in 2019 dollars. Currently, there is an overall \$570 million funding gap and work is being phased with construction underway to Pomona in Los Angeles County and the remainder on hold until the required funding is secured. The project is not federalized.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

14. CONTINGENCIES

In the ordinary course of business, SBCTA and SANBAG are exposed to claims, asserted or unasserted, that may arise from their performance under contractual agreements and other matters. In the opinion of management, settlement of such claims, if any, will not have a material adverse effect on SBCTA's financial position, results of operations or liquidity.

Incidents and accidents at or near several SBCTA project locations have given rise to various claims and lawsuits alleging personal injuries and property damage. Certain claims involving disputed construction and ROW acquisitions costs have arisen in the ordinary course of business. Additionally, SBCTA and SANBAG are defendants in various other 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 SBCTA.

Recent Events

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In March 2020, the State of California issued a statewide shelter-in-place order that fortunately has thus far had a minimal financial impact on the operations and business results of San Bernardino County Transportation Authority. SBCTA staff continues to work remotely with projects continuing without delay. Also, Measure I sales tax for Fiscal Year 2020 exceeded original budget by \$12.1 Million or 7.25%. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. Management has not included any contingencies in the financial statements specific to this recent event.

15. COUNCIL OF GOVERNMENTS-PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM

SBCTA implemented a PACE program in October 2013 and the Board of Directors voted to end it in April 2017. This program provided financing for property owners to install energy efficiency, green energy production or water conservation improvements. Since its start, over \$346 million in these projects have been installed for over 18,118 property owners (see note 8 for additional information). The remainder fund balance continues to pay for administrative costs of the existing PACE agreements and to fund other SBCOG activities.

16. GASB PRONOUNCEMENT

Effective in Future Periods

The following GASB statements have been issued and have an effective date that may impact future financial presentations:

- GASB Statement No. 84, *Fiduciary Activities*. (effective for period fiscal year June 30, 2021, as amended by GASB 95). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 87, *Leases* (effective for period fiscal year June 30, 2022, as amended by GASB 95). SBCTA has not determined the effect of this Statement.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2020

- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* (effective for period fiscal year June 30, 2022, as amended by GASB 95). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 90, *Accounting and Financial Reporting for Major Equity Interests*. (effective for period fiscal year June 30, 2021, as amended by GASB 95).
- GASB Statement No. 91, *Conduit Debt Obligations* (effective for period fiscal year June 30, 2022, as amended by GASB 95). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 92, *Omnibus 2020* (effective for period fiscal year June 30, 2022, as amended by GASB 95). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 93, *Replacement of Interbank Offered Rates* (effective for period fiscal year June 30, 2021, as amended by GASB 95). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (effective for period fiscal year June 30, 2023). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (effective for period fiscal year June 30, 2023). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* (All paragraphs except 4 and 5 of this statement are effective for period fiscal year June 30, 2022, see note 1 for details on paragraph 4 and 5). SBCTA has not determined the effect of this Statement of the remaining paragraphs.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
General Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Sales tax-Measure I	\$ 1,669,000	\$ 1,669,000	\$ 1,790,169	\$ 121,169
Intergovernmental	-	-	5,500	5,500
Charges for services	594,214	594,214	467,126	(127,088)
Investment earnings	49,000	49,000	219,316	170,316
Miscellaneous	-	-	763	763
Total revenues	<u>2,312,214</u>	<u>2,312,214</u>	<u>2,482,874</u>	<u>170,660</u>
Expenditures				
Current:				
General government	10,382,486	11,371,016	8,473,651	2,897,365
Regional and subregional planning	1,212,025	1,226,025	778,150	447,875
Transit	33,499,328	44,572,226	1,087,312	43,484,914
Project delivery	42,470	32,670	361	32,309
Fund administration	563,615	544,215	494,358	49,857
Capital outlay	<u>352,552</u>	<u>375,638</u>	<u>106,909</u>	<u>268,729</u>
Total expenditures	<u>46,052,476</u>	<u>58,121,790</u>	<u>10,940,741</u>	<u>47,181,049</u>
Excess (deficiency) of revenues over (under) expenditures	(43,740,262)	(55,809,576)	(8,457,867)	47,351,709
Other financing sources (uses)				
Transfers in	43,912,932	48,338,635	9,057,781	(39,280,854)
Transfers out	<u>(2,192,585)</u>	<u>(1,221,114)</u>	<u>(70)</u>	<u>1,221,044</u>
Total other financing sources (uses)	<u>41,720,347</u>	<u>47,117,521</u>	<u>9,057,711</u>	<u>(38,059,810)</u>
Net change in fund balances	(2,019,915)	(8,692,055)	599,844	9,291,899
Fund balances beginning of year	<u>11,054,573</u>	<u>11,054,573</u>	<u>11,054,573</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ 9,034,658</u>	<u>\$ 2,362,518</u>	<u>\$ 11,654,417</u>	<u>\$ 9,291,899</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Federal Highway Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 127,712,714	\$ 127,712,714	\$ 40,331,865	\$ (87,380,849)
Investment earnings	-	-	139,540	139,540
Total revenues	<u>127,712,714</u>	<u>127,712,714</u>	<u>40,471,405</u>	<u>(87,241,309)</u>
Expenditures				
Current:				
Commuter and motorist assistance	1,512,872	1,512,872	927,497	585,375
Project delivery	149,187,274	149,223,794	42,160,705	107,063,089
Capital outlay	<u>22,012,568</u>	<u>21,854,048</u>	<u>12,312,350</u>	<u>9,541,698</u>
Total expenditures	<u>172,712,714</u>	<u>172,590,714</u>	<u>55,400,552</u>	<u>117,190,162</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(45,000,000)</u>	<u>(44,878,000)</u>	<u>(14,929,147)</u>	<u>29,948,853</u>
Other financing sources (uses)				
Transfers in	-	742,889	3,403,695	2,660,806
Transfers out	(45,000,000)	(48,403,692)	(742,887)	47,660,805
Gain (loss) on sale of assets ⁽¹⁾	<u>-</u>	<u>-</u>	<u>(1,431)</u>	<u>(1,431)</u>
Total other financing sources (uses)	<u>(45,000,000)</u>	<u>(47,660,803)</u>	<u>2,659,377</u>	<u>50,320,180</u>
Net change in fund balances	(90,000,000)	(92,538,803)	(12,269,770)	80,269,033
Fund balances (deficits) beginning of year	<u>(5,629,809)</u>	<u>(5,629,809)</u>	<u>(5,629,809)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (50,629,809)</u>	<u>\$ (98,168,612)</u>	<u>\$ (17,899,579)</u>	<u>\$ 80,269,033</u>

⁽¹⁾ Loss on sale of capital assets is treated as an abatement to revenues so no budget is recorded.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Federal Transit Administration Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	<u>\$ 51,788,597</u>	<u>\$ 51,788,597</u>	<u>\$ 37,895,152</u>	<u>\$ (13,893,445)</u>
Expenditures				
Commuter and motorist assistance	1,473,500	1,473,500	431,984	1,041,516
Transit	24,654,398	24,334,342	21,725,669	2,608,673
Capital outlay	<u>25,660,699</u>	<u>17,315,336</u>	<u>16,742,254</u>	<u>573,082</u>
Total expenditures	<u>51,788,597</u>	<u>43,123,178</u>	<u>38,899,907</u>	<u>4,223,271</u>
Net change in fund balances	-	8,665,419	(1,004,755)	(9,670,174)
Fund balances (deficits) beginning of year	<u>(509,078)</u>	<u>(509,078)</u>	<u>(509,078)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (509,078)</u>	<u>\$ 8,156,341</u>	<u>\$ (1,513,833)</u>	<u>\$ (9,670,174)</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
State Highway Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 83,453,355	\$ 83,453,355	\$ 37,434,521	\$ (46,018,834)
Investment earnings	-	-	14,841	14,841
Total revenues	<u>83,453,355</u>	<u>83,453,355</u>	<u>37,449,362</u>	<u>(46,003,993)</u>
Expenditures				
Current:				
General government	14,648	14,648	620	14,028
Regional and subregional planning	2,368	3,828	3,126	702
Transit	9,013,621	7,840,560	7,524,419	316,141
Project delivery	49,561,945	47,423,185	24,334,064	23,089,121
Fund administration	546,002	632,542	631,254	1,288
Capital outlay	<u>24,242,789</u>	<u>24,438,508</u>	<u>16,486,571</u>	<u>7,951,937</u>
Total expenditures	<u>83,381,373</u>	<u>80,353,271</u>	<u>48,980,054</u>	<u>31,373,217</u>
Excess (deficiency) of revenues over (under) expenditures	71,982	3,100,084	(11,530,692)	(14,630,776)
Other financing sources (uses)				
Transfers in	-	54,685	54,685	-
Transfers out	-	(3,626,368)	(3,626,366)	2
Total other financing sources (uses)	<u>-</u>	<u>(3,571,683)</u>	<u>(3,571,681)</u>	<u>2</u>
Net change in fund balances	71,982	(471,599)	(15,102,373)	(14,630,774)
Fund balances (deficits) beginning of year	<u>(1,237,917)</u>	<u>(1,237,917)</u>	<u>(1,237,917)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (1,165,935)</u>	<u>\$ (1,709,516)</u>	<u>\$ (16,340,290)</u>	<u>\$ (14,630,774)</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Proposition 1B Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 5,252,560	\$ 5,252,560	\$ 1,153,672	\$ (4,098,888)
Investment earnings	<u>52,000</u>	<u>52,000</u>	<u>424,512</u>	<u>372,512</u>
Total revenues	<u>5,304,560</u>	<u>5,304,560</u>	<u>1,578,184</u>	<u>(3,726,376)</u>
Expenditures				
Current:				
Transit	464,466	7,905,329	2,685,495	5,219,834
Project delivery	4,944,767	4,944,767	1,857,452	3,087,315
Capital outlay	<u>8,832,793</u>	<u>8,524,464</u>	<u>3,196,399</u>	<u>5,328,065</u>
Total expenditures	<u>14,242,026</u>	<u>21,374,560</u>	<u>7,739,346</u>	<u>13,635,214</u>
Net change in fund balances	(8,937,466)	(16,070,000)	(6,161,162)	9,908,838
Fund balances beginning of year	<u>21,258,567</u>	<u>21,258,567</u>	<u>21,258,567</u>	<u>-</u>
Fund balances end of year	<u>\$ 12,321,101</u>	<u>\$ 5,188,567</u>	<u>\$ 15,097,405</u>	<u>\$ 9,908,838</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Local Transportation Fund Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Sales tax-local transportation fund	\$ 96,746,294	\$ 96,746,294	\$ 102,753,612	\$ 6,007,318
Investment earnings	750,000	750,000	2,382,017	1,632,017
Total revenues	<u>97,496,294</u>	<u>97,496,294</u>	<u>105,135,629</u>	<u>7,639,335</u>
Expenditures				
Current-transit	<u>92,690,000</u>	<u>92,081,650</u>	<u>85,947,308</u>	<u>6,134,342</u>
Total expenditures	<u>92,690,000</u>	<u>92,081,650</u>	<u>85,947,308</u>	<u>6,134,342</u>
Excess (deficiency) of revenues over (under) expenditures	4,806,294	5,414,644	19,188,321	13,773,677
Other financing sources (uses)				
Transfers out	<u>(25,602,300)</u>	<u>(25,681,686)</u>	<u>(3,836,384)</u>	<u>21,845,302</u>
Net change in fund balances	(20,796,006)	(20,267,042)	15,351,937	35,618,979
Fund balances beginning of year	<u>103,478,540</u>	<u>103,478,540</u>	<u>103,478,540</u>	<u>-</u>
Fund balances end of year	<u>\$ 82,682,534</u>	<u>\$ 83,211,498</u>	<u>\$ 118,830,477</u>	<u>\$ 35,618,979</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
State Transit Assistance Fund Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 28,521,026	\$ 28,521,026	\$ 25,307,807	\$ (3,213,219)
Investment earnings	453,000	453,000	2,482,203	2,029,203
Total revenues	<u>28,974,026</u>	<u>28,974,026</u>	<u>27,790,010</u>	<u>(1,184,016)</u>
Expenditures				
Current-transit	21,705,080	26,621,134	10,139,178	16,481,956
Capital Outlay	<u>2,845,068</u>	<u>8,561,298</u>	<u>6,009,384</u>	<u>2,551,914</u>
Total expenditures	<u>24,550,148</u>	<u>35,182,432</u>	<u>16,148,562</u>	<u>19,033,870</u>
Excess (deficiency) of revenues over (under) expenditures	4,423,878	(6,208,406)	11,641,448	17,849,854
Other financing sources (uses)				
Transfers out	<u>(11,595,197)</u>	<u>(15,441,848)</u>	<u>-</u>	<u>15,441,848</u>
Net change in fund balances	<u>(7,171,319)</u>	<u>(21,650,254)</u>	<u>11,641,448</u>	<u>33,291,702</u>
Fund balances beginning of year	<u>68,013,854</u>	<u>68,013,854</u>	<u>68,013,854</u>	<u>-</u>
Fund balances end of year	<u>\$ 60,842,535</u>	<u>\$ 46,363,600</u>	<u>\$ 79,655,302</u>	<u>\$ 33,291,702</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
1990-2010 Measure I Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment earnings	\$ 50,000	\$ 50,000	\$ 167,309	\$ 117,309
Expenditures				
Current:				
Environment and energy conservation	335,000	245,000	201,147	43,853
Commuter and motorist assistance	1,100,000	1,100,000	21,250	1,078,750
Project delivery	5,716,092	5,866,092	3,249,302	2,616,790
Total expenditures	7,151,092	7,211,092	3,649,008	3,562,084
Excess (deficiency) of revenues over (under) expenditures	(7,101,092)	(7,161,092)	(3,481,699)	3,679,393
Other financing sources (uses)				
Transfers in	-	331,068	331,069	1
Transfers out	-	(82,667)	(82,666)	1
Gain (loss) on sale of assets ⁽¹⁾	-	-	(20)	(20)
Net change in fund balances	(7,101,092)	(6,912,691)	(3,233,316)	3,679,375
Fund balances beginning of year	10,086,284	10,086,284	10,086,284	-
Fund balances end of year	\$ 2,985,192	\$ 3,173,593	\$ 6,852,968	\$ 3,679,375

⁽¹⁾ Loss on sale of capital assets is treated when incurred as an abatement to revenues so no budget is recorded.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
2010-2040 Measure I Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Sales tax-Measure I	\$ 165,231,000	\$ 165,231,000	\$ 177,226,714	\$ 11,995,714
Intergovernmental	-	-	64,875	64,875
Investment earnings	4,062,300	4,062,300	8,265,914	4,203,614
Miscellaneous	-	-	68,615	68,615
Total revenues	<u>169,293,300</u>	<u>169,293,300</u>	<u>185,626,118</u>	<u>16,332,818</u>
Expenditures				
Current:				
General government	1,164,851	903,966	805,451	98,515
Environment and energy conservation	252,573	268,373	260,764	7,609
Commuter and motorist assistance	1,760,729	1,677,729	415,778	1,261,951
Regional and subregional planning	1,022,010	1,007,810	351,853	655,957
Transit	25,167,835	28,635,055	20,047,343	8,587,712
Project delivery	97,123,980	99,916,738	55,287,237	44,629,501
Fund administration	88,768,120	90,549,720	55,671,735	34,877,985
Capital outlay	<u>14,515,449</u>	<u>13,823,403</u>	<u>7,763,333</u>	<u>6,060,070</u>
Total expenditures	<u>229,775,546</u>	<u>236,782,794</u>	<u>140,603,494</u>	<u>96,179,300</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(60,482,246)</u>	<u>(67,489,494)</u>	<u>45,022,624</u>	<u>112,512,118</u>
Other financing sources (uses)				
Transfers in	-	1,857,630	2,557,353	699,723
Transfers out	<u>(18,526,821)</u>	<u>(18,150,260)</u>	<u>(18,150,256)</u>	<u>4</u>
Total other financing sources (uses)	<u>(18,526,821)</u>	<u>(16,292,630)</u>	<u>(15,592,903)</u>	<u>699,727</u>
Net change in fund balances	<u>(79,009,067)</u>	<u>(83,782,124)</u>	<u>29,429,721</u>	<u>113,211,845</u>
Fund balances beginning of year	<u>427,488,134</u>	<u>427,488,134</u>	<u>427,488,134</u>	<u>-</u>
Fund balances end of year	<u>\$ 348,479,067</u>	<u>\$ 343,706,010</u>	<u>\$ 456,917,855</u>	<u>\$ 113,211,845</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Pension Information
June 30, 2020

Schedule of SBCTA's Proportionate Share of Net Pension Liability

SBCERA Pension Plan					
Last 10 Fiscal Years ^{1, 2}					
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
SBCTA's proportion of net pension liability	0.609%	0.592%	0.566%	0.549%	0.507%
SBCTA's proportionate share of net pension liability	\$ 16,503,425	\$ 14,988,102	\$ 14,926,497	\$ 13,543,950	\$ 9,853,252
SBCTA's covered payroll	7,216,317	6,986,391	6,324,582	5,255,190	4,769,044
SBCTA's proportionate share of net pension liability as a percentage of its covered payroll	228.70%	214.53%	236.01%	257.73%	206.61%
SBCERA's fiduciary net position as a percentage of the total pension liability	71.09%	70.97%	69.06%	67.91%	71.68%

Schedule of SBCTA's Contributions

SBCERA Pension Plan					
Last 10 Fiscal Years ¹					
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Contractually required contribution	\$ 2,788,174	\$ 2,504,102	\$ 2,104,595	\$ 1,963,526	\$ 1,915,346
Contributions in relation to contractually required contributions	2,788,174	2,504,102	2,104,595	1,963,526	1,915,346
Contributions deficiency (excess)	-	-	-	-	-
SBCTA's covered payroll	7,885,934	7,216,317	6,986,391	6,324,582	5,255,190
SBCTA's covered payroll contributions as a percentage of covered payroll	35.36%	34.70%	30.12%	31.05%	36.45%

Schedule of SBCTA's Proportionate Share of net Pension Liability

PERS Pension Plan					
Last 10 Fiscal Years ^{1, 2}					
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
SBCTA's proportion of net pension liability	0.00117%	0.00129%	0.00141%	0.00152%	0.00164%
SBCTA's proportionate share of net pension liability	\$ 11,903	\$ 7,937	\$ 12,115	\$ 61,542	\$ 44,856
SBCTA's covered payroll	N/A	N/A	N/A	N/A	N/A
SBCTA's proportionate share of net pension liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A	N/A
PERS fiduciary net position as a percentage of the total pension liability	94.34%	92.40%	68.21%	74.95%	68.20%

Schedule of SBCTA's Contributions

PERS Pension Plan					
Last 10 Fiscal Years ¹					
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Contractually required contribution	\$ -	\$ -	\$ -	\$ 2,889	\$ 54,180
Contributions in relation to contractually required contributions	-	-	-	2,889	54,180
Contributions deficiency (excess)	-	-	-	-	-
SBCTA's covered payroll contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

¹ The amounts presented for each fiscal year were determined as of June 30th. Data for fiscal years ended June 30, 2011 through 2013 is not available.

² The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.
N/A - Not applicable

Schedule of SBCTA's Proportionate Share of Net Pension Liability

SBCERA Pension Plan
Last 10 Fiscal Years ^{1,2}

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
SBCTA's proportion of net pension liability	0.556%	0.491%
SBCTA's proportionate share of net pension liability	\$ 9,456,951	\$ 9,749,799
SBCTA's covered payroll	5,147,134	4,188,134
SBCTA's proportionate share of net pension liability as a percentage of its covered payroll	183.73%	232.80%
SBCERA's fiduciary net position as a percentage of the total pension liability	71.89%	66.34%

Schedule of SBCTA's Contributions

SBCERA Pension Plan
Last 10 Fiscal Years ¹

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Contractually required contribution	\$ 1,464,122	\$ 1,380,637
Contributions in relation to contractually required contributions	1,464,122	1,380,637
Contributions deficiency (excess)	-	-
SBCTA's covered payroll	4,769,044	5,147,134
SBCTA's covered payroll contributions as a percentage of covered payroll	30.70%	26.82%

Schedule of SBCTA's Proportionate Share of net Pension Liability

PERS Pension Plan
Last 10 Fiscal Years ^{1,2}

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
SBCTA's proportion of net pension liability	0.00176%	0.00176%
SBCTA's proportionate share of net pension liability	\$ 39,108	\$ 53,435
SBCTA's covered payroll	N/A	N/A
SBCTA's proportionate share of net pension liability as a percentage of its covered payroll	N/A	N/A
PERS fiduciary net position as a percentage of the total pension liability	74.90%	79.5%

Schedule of SBCTA's Contributions

PERS Pension Plan
Last 10 Fiscal Years ¹

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Contractually required contribution	\$ 2,041	\$ 1,498
Contributions in relation to contractually required contributions	2,041	1,498
Contributions deficiency (excess)	-	-
SBCTA's covered payroll contributions as a percentage of covered payroll	N/A	N/A

¹ The amounts presented for each fiscal year were determined as of June 30th. Data for fiscal years ended June 30, 2011 through 2013 is not available.

² The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.
N/A - Not applicable

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Note to Required Supplementary Information
June 30, 2020

Budgetary Information

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general, special revenue, debt service and capital projects funds. Appropriations are prepared by fund, program and task.

Budget Amendments

When it becomes necessary to modify the adopted budget, the amendment procedure depends on the type of change that is needed.

Administrative Budget Amendments

There are four types of administrative budget amendments that do not result in an increase to the overall program budget. The first one requires approval of the program/task manager. The second and third one requires approval of the Chief Financial Officer. The fourth one requires approval of the Executive Director.

- 1) Transfers from one line item to another within the task and same fund, or changes between tasks within tasks within the same program and fund.
- 2) Reallocation of budget salary costs and revenues from one program to another within the same fund.
- 3) Change of sales tax revenue which affects the Measure I Pass-Through allocation to the various participating agencies.
- 4) Substitution of one approved funding source/grant for another approved funding source grant within a program, not-to-exceed \$1 million.

Board Approved Amendments

A Board approval is required for all other budget amendments including increases in the total program appropriations or revenues.

Formal budgetary integration is employed as a management control device during the year. Commitments for material and services, such as purchase orders, are recorded as encumbrances to assist controlling expenditures. All unused appropriations and encumbrances lapse at year end.

Excess of Expenditures over Appropriations

For fiscal year ended June 30, 2020, no expenditures exceeded appropriations. However, the Federal Highway, the 1990-2010 Measure I, and the Capital Projects' gain (loss) on sale of assets appeared over budget but the loss is treated as an abatement of revenue and therefore is not budgeted.

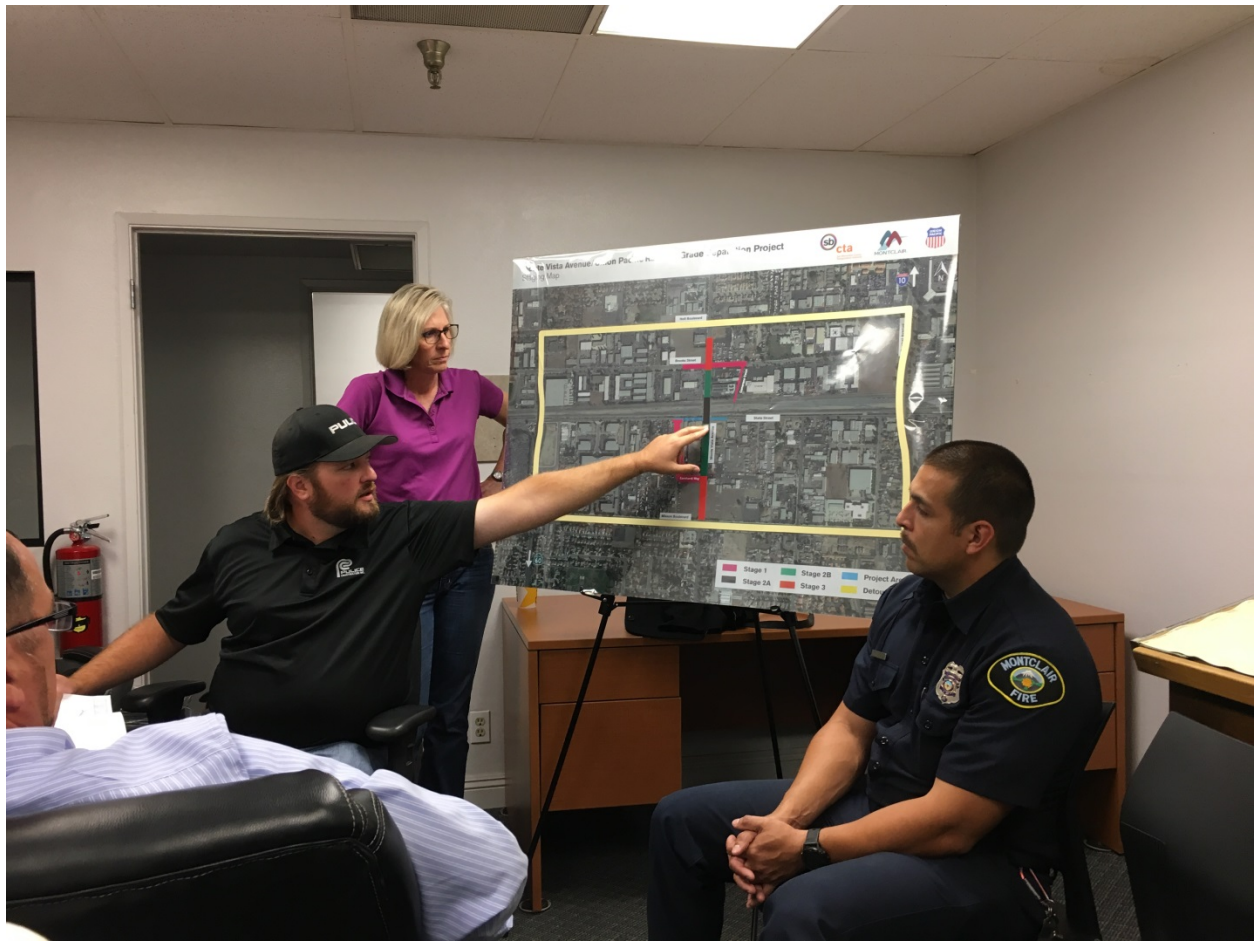
Actuarially determined contribution rates

Actuarial determined contribution rates for SBCERA and PERS are calculated as of June 30th, two years prior to the end of the fiscal year in which contributions are made. SBCERA actuarial methods and assumptions include entry age actuarial cost method and 20 years for remaining amortization period.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Note to Required Supplementary Information
June 30, 2020

Changes in assumptions for the San Bernardino County Employees Retirement Association Plan

In 2020 and 2019, there were no changes of assumptions. In 2018, the actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the three year period of July 1, 2013 through June 30, 2016. Amounts reported in 2018 primarily reflect a decrease of 0.25% for both the investment rate of return and inflation rate, an increase of 0.1% of payroll for administrative expenses, and adjustments of projected salary increases and mortality rates to more closely reflect actual experience. Mortality rates used in the June 30, 2017 actuarial valuation are based on the Headcount-Weighted RP 2014 Healthy Annuitant Mortality Table rather than on the RP-2000 Combined Healthy Mortality Table, which was used to determine amounts reported prior to 2018.



Coordination among SBCTA, the contractor, and emergency responders is a key consideration at the start of every project. Montclair officials are shown here getting a briefing from the project engineers.

Non-Major Governmental Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes. Non-major governmental funds of the Agency include the following special revenue funds:

Low Carbon Transit Operations Program accounts for expenditures relating to reduction of carbon for transit operations.

Low Carbon Transportation Fund accounts for expenditures relating to reduction of carbon for transportation projects.

State Alternative Renewable Fuel and Vehicle Technology Program accounts for expenditures relating to implementing clean energy, energy efficiency, and alternative fuels programs.

Service Authority for Freeway Emergencies accounts for call box expenditures relating to state service authority for freeway emergencies (SAFE) vehicle registration fees.

Freeway Service Patrol accounts for expenditures relating to state freeway service patrol (FSP) program revenue.

ARRA DOE Clean Cities accounts for federal funding for development of the San Bernardino County Sub-regional Greenhouse Reduction Plan Update.

SCAQMD Mobile Source Air Pollution Reduction Review Committee accounts for expenditures relating to reduction of vehicle emissions.

Local Partnership Program Formula Senate Bill 1 accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017 which funds projects for road maintenance and rehabilitation purposes and other transportation infrastructure improvements.

Freeway Service Patrol Senate Bill 1 accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017 for the Freeway Service Patrol program.

Sustainable Communities Grants Senate Bill 1 accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017. The program funds activities related to implementing Regional Transportation Plan and greenhouse reduction.

Trade Corridor Enhancement Program Senate Bill 1 accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017, for improvements to highways and other transportation infrastructure improvements vital to California's trade and freight economy.

Solutions for Congested Corridors Program Senate Bill 1 accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017, for projects that will improve traffic flow and mobility.

Local Partnership Program Competitive Senate Bill 1 accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017, for road maintenance and rehabilitation purposes and local transportation infrastructure.

Council of Governments accounts for expenditures relating to cooperative regional activities.

Electric Vehicle Charging Station accounts for expenditures relating to owning and maintaining electric car vehicle charging stations.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue			
	Low Carbon Transit Operations Program	Low Carbon Transportation Fund	State Alternative Renewable Fuel and Vehicle Technology Program	Service Authority for Freeway Emergencies
Assets				
Cash and investments	\$ 3,137,476	\$ 889,510	\$ -	\$ 4,134,375
Accrued interest receivable	10,029	-	-	8,021
Accounts receivable	-	-	-	-
Intergovernmental receivable	-	-	-	526,810
Prepays	-	-	-	-
Intergovernmental agreements receivable	-	-	-	-
Total assets	<u>\$ 3,147,505</u>	<u>\$ 889,510</u>	<u>\$ -</u>	<u>\$ 4,669,206</u>
Liabilities				
Accounts payable	\$ -	\$ 889,510	\$ -	\$ 222,049
Accrued liabilities	-	-	-	10,683
Intergovernmental payable	-	-	-	3,295
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>889,510</u>	<u>-</u>	<u>236,027</u>
Deferred inflows of resources				
Unavailable grant and local reimbursements	-	-	-	1,820
Fund balances				
Nonspendable-prepaid items	-	-	-	-
Restricted:				
Traveler services	-	-	-	4,431,359
Rail	3,147,505	-	-	-
Committed - Council of governments	-	-	-	-
Unassigned (deficits)	-	-	-	-
Total fund balances (deficits)	<u>3,147,505</u>	<u>-</u>	<u>-</u>	<u>4,431,359</u>
Total liabilities and fund balances	<u>\$ 3,147,505</u>	<u>\$ 889,510</u>	<u>\$ -</u>	<u>\$ 4,669,206</u>

Special Revenue					
Freeway Service Patrol	ARRA DOE Clean Cities	SCAQMD Mobile Source Air Pollution Reduction Review Committee	Local Partnership Program Formula Senate Bill 1	Freeway Service Patrol Senate Bill 1	Sustainable Communities Grants Senate Bill 1
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,747,103	138,325	1,940,604	2,535,488	547,675	-
-	-	2,574	-	-	-
-	-	-	-	-	-
<u>\$ 1,747,103</u>	<u>\$ 138,325</u>	<u>\$ 1,943,178</u>	<u>\$ 2,535,488</u>	<u>\$ 547,675</u>	<u>\$ -</u>
\$ 271,026	\$ 35,700	\$ 52,750	\$ 394,770	\$ 104,582	\$ -
-	-	-	-	-	-
-	-	335,475	-	-	-
1,476,077	102,625	1,554,953	2,140,718	443,093	-
-	-	-	-	-	-
<u>1,747,103</u>	<u>138,325</u>	<u>1,943,178</u>	<u>2,535,488</u>	<u>547,675</u>	<u>-</u>
<u>950,650</u>	<u>35,700</u>	<u>1,763,743</u>	<u>99,258</u>	<u>547,676</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(950,650)	(35,700)	(1,763,743)	(99,258)	(547,676)	-
<u>(950,650)</u>	<u>(35,700)</u>	<u>(1,763,743)</u>	<u>(99,258)</u>	<u>(547,676)</u>	<u>-</u>
<u>\$ 1,747,103</u>	<u>\$ 138,325</u>	<u>\$ 1,943,178</u>	<u>\$ 2,535,488</u>	<u>\$ 547,675</u>	<u>\$ -</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue			
	Trade Corridor Enhancement Program Senate Bill 1	Solutions for Congested Corridors Program Senate Bill 1	Local Partnership Program Competitive Senate Bill 1	Council of Governments
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ 2,309,025
Accrued interest receivable	-	-	-	4,385
Accounts receivable	-	-	-	7,695
Intergovernmental receivable	10,105,568	25,078,169	4,177,986	2,302
Prepays	-	-	-	5,000
Intergovernmental agreements receivable	-	-	-	67,588
Total assets	<u>\$ 10,105,568</u>	<u>\$ 25,078,169</u>	<u>\$ 4,177,986</u>	<u>\$ 2,395,995</u>
Liabilities				
Accounts payable	\$ 3,554,528	\$ 3,337,019	\$ 555,942	\$ 16,388
Accrued liabilities	-	-	-	10,366
Intergovernmental payable	1,000	-	-	34,500
Due to other funds	6,550,040	21,741,150	3,622,044	-
Unearned revenue	-	-	-	51,000
Total liabilities	<u>10,105,568</u>	<u>25,078,169</u>	<u>4,177,986</u>	<u>112,254</u>
Deferred inflows of resources				
Unavailable grant and local reimbursements	<u>5,924,526</u>	<u>616,153</u>	<u>102,650</u>	<u>67,587</u>
Fund balances				
Nonspendable-prepaid items	-	-	-	5,000
Restricted:				
Traveler services	-	-	-	-
Rail	-	-	-	-
Committed - Council of governments	-	-	-	2,211,154
Unassigned (deficits)	<u>(5,924,526)</u>	<u>(616,153)</u>	<u>(102,650)</u>	<u>-</u>
Total fund balances (deficits)	<u>(5,924,526)</u>	<u>(616,153)</u>	<u>(102,650)</u>	<u>2,216,154</u>
Total liabilities and fund balances	<u>\$ 10,105,568</u>	<u>\$ 25,078,169</u>	<u>\$ 4,177,986</u>	<u>\$ 2,395,995</u>

Special Revenue

Electric Vehicle Charging Station	Total Nonmajor Governmental Funds
\$ 6,495	\$ 10,476,881
12	22,447
96	7,791
-	46,800,030
-	7,574
-	67,588
<u>\$ 6,603</u>	<u>\$ 57,382,311</u>
\$ -	\$ 9,434,264
-	21,049
-	374,270
-	37,630,700
-	51,000
<u>-</u>	<u>47,511,283</u>
-	10,109,763
-	5,000
6,603	4,437,962
-	3,147,505
-	2,211,154
-	(10,040,356)
<u>6,603</u>	<u>(238,735)</u>
<u>\$ 6,603</u>	<u>\$ 57,382,311</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue			
	Low Carbon Transit Operations Program	Low Carbon Transportation Fund	State Alternative Renewable Fuel and Vehicle Technology Program	Service Authority for Freeway Emergencies
Revenues				
Intergovernmental	\$ -	\$ 1,271,497	\$ 141,762	\$ 1,936,416
Charges for services	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	65,253	11,927	-	74,974
Miscellaneous	-	-	-	11,798
Total revenues	<u>65,253</u>	<u>1,283,424</u>	<u>141,762</u>	<u>2,023,188</u>
Expenditures				
Current:				
General government	-	-	-	79,562
Environment and energy conservation	-	445,929	12,893	-
Commuter and motorist assistance	-	-	-	1,761,533
Regional and subregional planning	-	-	-	-
Transit	35,260	-	-	-
Project delivery	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>35,260</u>	<u>445,929</u>	<u>12,893</u>	<u>1,841,095</u>
Excess (deficiency) of revenues over (under) expenditures	<u>29,993</u>	<u>837,495</u>	<u>128,869</u>	<u>182,093</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(249,287)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(249,287)</u>
Net change in fund balances	29,993	837,495	128,869	(67,194)
Fund balances (deficits) beginning of year	<u>3,117,512</u>	<u>(837,495)</u>	<u>(128,869)</u>	<u>4,498,553</u>
Fund balances (deficits) end of year	<u>\$ 3,147,505</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,431,359</u>

Special Revenue					
Freeway Service Patrol	ARRA DOE Clean Cities	SCAQMD Mobile Source Air Pollution Reduction Review Committee	Local Partnership Program Formula Senate Bill 1	Freeway Service Patrol Senate Bill 1	Sustainable Communities Grants Senate Bill 1
\$ 946,371	\$ 109,940	\$ 1,841,387	\$ 5,465,368	\$ -	\$ 390,638
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
538	-	-	-	-	-
946,909	109,940	1,841,387	5,465,368	-	390,638
-	-	-	-	-	-
-	-	34,056	-	-	-
1,836,303	-	176,861	-	517,587	-
-	137,512	-	-	-	297,960
-	-	735,465	1,862,491	-	-
-	-	-	1,063,589	-	-
-	-	228,911	2,605,523	-	-
1,836,303	137,512	1,175,293	5,531,603	517,587	297,960
(889,394)	(27,572)	666,094	(66,235)	(517,587)	92,678
-	-	248,191	-	-	-
-	-	(349,491)	-	-	-
-	-	(101,300)	-	-	-
(889,394)	(27,572)	564,794	(66,235)	(517,587)	92,678
(61,256)	(8,128)	(2,328,537)	(33,023)	(30,089)	(92,678)
\$ (950,650)	\$ (35,700)	\$ (1,763,743)	\$ (99,258)	\$ (547,676)	\$ -

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue			
	Trade Corridor Enhancement Program Senate Bill 1	Solutions for Congested Corridors Program Senate Bill 1	Local Partnership Program Competitive Senate Bill 1	Council of Governments
Revenues				
Intergovernmental	\$ 25,782,500	\$ 46,573,706	\$ 7,759,111	\$ 46,366
Charges for services	-	-	-	-
Special assessments	-	-	-	253,143
Investment earnings	-	-	-	40,443
Miscellaneous	-	-	-	252,965
Total revenues	<u>25,782,500</u>	<u>46,573,706</u>	<u>7,759,111</u>	<u>592,917</u>
Expenditures				
Current:				
General government	-	-	-	357,101
Environment and energy conservation	-	-	-	241,604
Commuter and motorist assistance	-	-	-	-
Regional and subregional planning	-	-	-	-
Transit	-	22,599,052	3,764,968	-
Project delivery	25,442,489	-	-	-
Capital outlay	<u>5,376,728</u>	<u>24,507,681</u>	<u>4,082,944</u>	<u>-</u>
Total expenditures	<u>30,819,217</u>	<u>47,106,733</u>	<u>7,847,912</u>	<u>598,705</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,036,717)</u>	<u>(533,027)</u>	<u>(88,801)</u>	<u>(5,788)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	<u>(406,140)</u>	<u>-</u>	<u>-</u>	<u>(139,838)</u>
Total other financing sources (uses)	<u>(406,140)</u>	<u>-</u>	<u>-</u>	<u>(139,838)</u>
Net change in fund balances	(5,442,857)	(533,027)	(88,801)	(145,626)
Fund balances (deficits) beginning of year	<u>(481,669)</u>	<u>(83,126)</u>	<u>(13,849)</u>	<u>2,361,780</u>
Fund balances (deficits) end of year	<u>\$ (5,924,526)</u>	<u>\$ (616,153)</u>	<u>\$ (102,650)</u>	<u>\$ 2,216,154</u>

Special Revenue

Electric Vehicle Charging Station	Total Nonmajor Governmental Funds
\$ -	\$ 92,265,062
2,497	2,497
-	253,143
120	192,717
-	265,301
<u>2,617</u>	<u>92,978,720</u>
-	436,663
1,968	736,450
-	4,292,284
-	435,472
-	28,997,236
-	26,506,078
-	36,801,787
<u>1,968</u>	<u>98,205,970</u>
<u>649</u>	<u>(5,227,250)</u>
-	248,191
-	<u>(1,144,756)</u>
-	<u>(896,565)</u>
649	(6,123,815)
5,954	5,885,080
<u>\$ 6,603</u>	<u>\$ (238,735)</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Low Carbon Transit Operations Program Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Investment earnings	-	-	65,253	65,253
Total revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>65,253</u>	<u>(934,747)</u>
Expenditures				
Current:				
Transit	<u>68,000</u>	<u>68,000</u>	<u>35,260</u>	<u>32,740</u>
Total expenditures	<u>68,000</u>	<u>68,000</u>	<u>35,260</u>	<u>32,740</u>
Net change in fund balances	932,000	932,000	29,993	(902,007)
Fund balances beginning of year	<u>3,117,512</u>	<u>3,117,512</u>	<u>3,117,512</u>	<u>-</u>
Fund balances end of year	<u>\$ 4,049,512</u>	<u>\$ 4,049,512</u>	<u>\$ 3,147,505</u>	<u>\$ (902,007)</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Low Carbon Transportation Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,133,500	\$ 1,133,500	\$ 1,271,497	\$ 137,997
Investment earnings	<u>-</u>	<u>-</u>	<u>11,927</u>	<u>11,927</u>
Total revenues	1,133,500	1,133,500	1,283,424	149,924
Expenditures				
Current-environment and energy conservation	<u>1,133,500</u>	<u>1,133,500</u>	<u>445,929</u>	<u>687,571</u>
Net change in fund balances	-	-	837,495	837,495
Fund balances (deficits) beginning of year	<u>(837,495)</u>	<u>(837,495)</u>	<u>(837,495)</u>	<u>-</u>
Fund balances (deficits) end of year	<u><u>\$ (837,495)</u></u>	<u><u>\$ (837,495)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 837,495</u></u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
State Alternative Renewable Fuel and Vehicle Technology Program Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 125,000	\$ 125,000	\$ 141,762	\$ 16,762
Expenditures				
Current-environment and energy conservation	81,000	81,000	12,893	68,107
Net change in fund balances	44,000	44,000	128,869	84,869
Fund balances (deficits) beginning of year	(128,869)	(128,869)	(128,869)	-
Fund balances (deficits) end of year	<u>\$ (84,869)</u>	<u>\$ (84,869)</u>	<u>\$ -</u>	<u>\$ 84,869</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Service Authority for Freeway Emergencies Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,996,425	\$ 1,996,425	\$ 1,936,416	\$ (60,009)
Investment earnings	-	-	74,974	74,974
Miscellaneous	-	-	11,798	11,798
Total revenues	<u>1,996,425</u>	<u>1,996,425</u>	<u>2,023,188</u>	<u>26,763</u>
Expenditures				
Current:				
General government	128,611	99,051	79,562	19,489
Commuter and motorist assistance	1,878,720	1,927,720	1,761,533	166,187
Regional and subregional planning	<u>371</u>	<u>371</u>	<u>-</u>	<u>371</u>
Total expenditures	<u>2,007,702</u>	<u>2,027,142</u>	<u>1,841,095</u>	<u>186,047</u>
Excess (deficiency) of revenues over (under) expenditures	(11,277)	(30,717)	182,093	212,810
Other Financing Sources				
Transfer out	<u>(249,287)</u>	<u>(249,287)</u>	<u>(249,287)</u>	<u>-</u>
Net change in fund balances	(260,564)	(280,004)	(67,194)	212,810
Fund balances beginning of year	<u>4,498,553</u>	<u>4,498,553</u>	<u>4,498,553</u>	<u>-</u>
Fund balances end of year	<u>\$ 4,237,989</u>	<u>\$ 4,218,549</u>	<u>\$ 4,431,359</u>	<u>\$ 212,810</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Freeway Service Patrol Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,881,886	\$ 1,881,886	\$ 946,371	\$ (935,515)
Miscellaneous	<u>-</u>	<u>-</u>	<u>538</u>	<u>538</u>
Total revenues	\$ 1,881,886	\$ 1,881,886	\$ 946,909	\$ (934,977)
Expenditures				
Current-commuter and motorist assistance	<u>1,881,886</u>	<u>1,881,886</u>	<u>1,836,303</u>	<u>45,583</u>
Net change in fund balances	-	-	(889,394)	(889,932)
Fund balances beginning of year	<u>(61,256)</u>	<u>(61,256)</u>	<u>(61,256)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (61,256)</u>	<u>\$ (61,256)</u>	<u>\$ (950,650)</u>	<u>\$ (889,932)</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
ARRA DOE Clean Cities Fund
For the Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 109,940</u>	<u>\$ (90,060)</u>
Expenditures				
Current-regional and subregional planning	<u>200,000</u>	<u>200,000</u>	<u>137,512</u>	<u>62,488</u>
Net change in fund balances	-	-	(27,572)	(27,572)
Fund balances beginning of year	<u>(8,128)</u>	<u>(8,128)</u>	<u>(8,128)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (8,128)</u>	<u>\$ (8,128)</u>	<u>\$ (35,700)</u>	<u>\$ (27,572)</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
SCAQMD Mobile Source Air Pollution Reduction Review Committee Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 2,805,596	\$ 2,805,596	\$ 1,841,387	\$ (964,209)
Expenditures				
Current:				
Environment and energy conservation	24,000	40,000	34,056	5,944
Commuter and motorist assistance	190,960	190,960	176,861	14,099
Regional and subregional planning	350,810	190,960	-	190,960
Transit	813,826	813,826	735,465	78,361
Project delivery	1,100,000	813,826	-	813,826
Capital outlay	326,000	326,000	228,911	97,089
Total expenditures	2,805,596	2,375,572	1,175,293	1,200,279
Excess (deficiency) of revenues over (under) expenditures	-	430,024	666,094	236,070
Other Financing Sources				
Transfers in	-	248,189	248,191	2
Transfer out	-	(349,491)	(349,491)	-
Net change in fund balances	-	678,213	564,794	236,072
Fund balances beginning of year	(2,328,537)	(2,328,537)	(2,328,537)	-
Fund balances (deficits) end of year	\$ (2,328,537)	\$ (1,650,324)	\$ (1,763,743)	\$ 236,072

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Local Partnership Program - Formula Senate Bill 1 Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 3,607,091	\$ 3,607,091	\$ 5,465,368	\$ 1,858,277
Expenditures				
Current:				
Transit	1,059,432	2,189,527	1,862,491	327,036
Project delivery	1,064,231	1,064,231	1,063,589	642
Capital outlay	1,483,428	2,659,649	2,605,523	54,126
Total expenditures	3,607,091	5,913,407	5,531,603	381,804
Net change in fund balances	-	(2,306,316)	(66,235)	2,240,081
Fund balances beginning of year	(33,023)	(33,023)	(33,023)	-
Fund balances (deficits) end of year	\$ (33,023)	\$ (2,339,339)	\$ (99,258)	\$ 2,240,081

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Freeway Service Patrol Senate Bill 1 Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,555,509	\$ 1,555,509	\$ -	\$ (1,555,509)
Expenditures				
Current-commuter and motorist assistance	1,555,509	1,555,509	517,587	1,037,922
Net change in fund balances	-	-	(517,587)	(517,587)
Fund balances beginning of year	(30,089)	(30,089)	(30,089)	-
Fund balances (deficits) end of year	\$ (30,089)	\$ (30,089)	\$ (547,676)	\$ (517,587)

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Sustainable Communities Grants Senate Bill 1 Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 390,638	\$ (9,362)
Expenditures				
Current:				
Current-regional and subregional planning	400,000	400,000	297,960	102,040
Net change in fund balance	-	-	92,678	92,678
Fund balances beginning of year	(92,678)	(92,678)	(92,678)	-
Fund balances (deficits) end of year	<u>\$ (92,678)</u>	<u>\$ (92,678)</u>	<u>\$ -</u>	<u>\$ 92,678</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Trade Corridor Enhancement Program Senate Bill 1 Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	<u>\$ 71,684,000</u>	<u>\$ 71,684,000</u>	<u>\$ 25,782,500</u>	<u>\$ (45,901,500)</u>
Expenditures				
Current:				
Project delivery	53,820,172	52,978,428	25,442,489	27,535,939
Capital outlay	<u>17,863,828</u>	<u>18,705,572</u>	<u>5,376,728</u>	<u>13,328,844</u>
Total expenditures	<u>71,684,000</u>	<u>71,684,000</u>	<u>30,819,217</u>	<u>40,864,783</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(5,036,717)	(5,036,717)
Other Financing Sources				
Transfers Out	-	(406,141)	(406,140)	1
Net change in fund balances	-	(406,141)	(5,442,857)	(5,036,716)
Fund balances beginning of year	<u>(481,669)</u>	<u>(481,669)</u>	<u>(481,669)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (481,669)</u>	<u>\$ (887,810)</u>	<u>\$ (5,924,526)</u>	<u>\$ (5,036,716)</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Solutions for Congested Corridors Program Senate Bill 1 Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 46,748,969	\$ 46,748,969	\$ 46,573,706	\$ (175,263)
Expenditures				
Current:				
Transit	22,906,995	22,116,297	22,599,052	(482,755)
Capital outlay	23,841,974	24,507,681	24,507,681	-
Total expenditures	46,748,969	46,623,978	47,106,733	(482,755)
Net change in fund balances	-	124,991	(533,027)	(658,018)
Fund balances beginning of year	(83,126)	(83,126)	(83,126)	-
Fund balances (deficits) end of year	\$ (83,126)	\$ 41,865	\$ (616,153)	\$ (658,018)

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Local Partnership Program - Competitive Senate Bill 1 Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 8,077,501	\$ 8,077,501	\$ 7,759,111	\$ (318,390)
Expenditures				
Current:				
Transit	3,957,975	3,765,888	3,764,968	920
Capital outlay	4,119,526	4,082,944	4,082,944	-
Total expenditures	8,077,501	7,848,832	7,847,912	920
Net change in fund balances	-	228,669	(88,801)	(317,470)
Fund balances beginning of year	(13,849)	(13,849)	(13,849)	-
Fund balances (deficits) end of year	\$ (13,849)	\$ 214,820	\$ (102,650)	\$ (317,470)

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Council of Governments Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 110,966	\$ 110,966	\$ 46,366	\$ (64,600)
Special assessments	253,143	253,143	253,143	-
Investment earnings	10,800	10,800	40,443	29,643
Miscellaneous	<u>268,560</u>	<u>268,560</u>	<u>252,965</u>	<u>(15,595)</u>
Total revenues	<u>643,469</u>	<u>643,469</u>	<u>592,917</u>	<u>(50,552)</u>
Expenditures				
Current:				
General government	1,234,484	1,241,684	357,101	884,583
Environment and energy conservation	379,213	478,713	241,604	237,109
Regional and subregional planning	<u>20,588</u>	<u>20,588</u>	<u>-</u>	<u>20,588</u>
Total expenditures	<u>1,634,285</u>	<u>1,740,985</u>	<u>598,705</u>	<u>1,142,280</u>
Excess (deficiency) of revenues over (under) expenditures	(990,816)	(1,097,516)	(5,788)	1,091,728
Other financing sources (uses)				
Transfers out	<u>(145,250)</u>	<u>(145,200)</u>	<u>(139,838)</u>	<u>5,362</u>
Net change in fund balances	(1,136,066)	(1,242,716)	(145,626)	1,097,090
Fund balances beginning of year	<u>2,361,780</u>	<u>2,361,780</u>	<u>2,361,780</u>	<u>-</u>
Fund balances end of year	<u>\$ 1,225,714</u>	<u>\$ 1,119,064</u>	<u>\$ 2,216,154</u>	<u>\$ 1,097,090</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Electric Vehicle Charging Station Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	\$ 7,000	\$ 7,000	\$ 2,497	\$ (4,503)
Investments earnings	<u>-</u>	<u>-</u>	<u>120</u>	<u>120</u>
Total revenues	7,000	7,000	2,617	(4,383)
Expenditures				
Current-environment and energy conservation	<u>17,500</u>	<u>12,000</u>	<u>1,968</u>	<u>10,032</u>
Excess (deficiency) of revenues over (under) expenditures	(10,500)	(5,000)	649	5,649
Other financing sources (uses)				
Transfers in	<u>5,412</u>	<u>5,412</u>	<u>-</u>	<u>(5,412)</u>
Net change in fund balance	(5,088)	412	649	237
Fund balances beginning of year	<u>5,954</u>	<u>5,954</u>	<u>5,954</u>	<u>-</u>
Fund balances end of year	<u>\$ 866</u>	<u>\$ 6,366</u>	<u>\$ 6,603</u>	<u>\$ 237</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Debt Service Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment earnings	\$ -	\$ -	\$ 59,656	\$ 59,656
Expenditures				
Debt Service:				
Principal	4,150,000	4,150,000	4,150,000	-
Interest and fiscal charges	8,755,255	8,755,255	8,740,251	15,004
Total expenditures	12,905,255	12,905,255	12,890,251	15,004
Excess (deficiency) of revenues over (under) expenditures	(12,905,255)	(12,905,255)	(12,830,595)	74,660
Other financing sources (uses)				
Transfers in	12,905,255	13,044,854	13,044,854	-
Net change in fund balances	-	139,599	214,259	74,660
Fund balances beginning of year	5,380,383	5,380,383	5,380,383	-
Fund balances end of year	<u>\$ 5,380,383</u>	<u>\$ 5,519,982</u>	<u>\$ 5,594,642</u>	<u>\$ 74,660</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Capital Projects Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 27,044,034	\$ 27,044,034	\$ 13,693,189	\$ (13,350,845)
Investment earnings	118,000	118,000	742,790	624,790
Miscellaneous	14,471,029	14,471,029	7,039,555	(7,431,474)
Total revenues	<u>41,633,063</u>	<u>41,633,063</u>	<u>21,475,534</u>	<u>(20,157,529)</u>
Expenditures				
Current:				
Environment and energy conservation	1,200,000	1,200,000	125,394	1,074,606
Commuter and motorist assistance	497,399	647,399	128,413	518,986
Regional and subregional planning	300,000	300,000	80,090	219,910
Transit	1,370,328	624,493	603,120	21,373
Project delivery	34,643,217	34,855,245	11,341,637	23,513,608
Capital outlay	<u>3,504,120</u>	<u>2,460,132</u>	<u>963,361</u>	<u>1,496,771</u>
Total expenditures	<u>41,515,063</u>	<u>40,087,269</u>	<u>13,242,015</u>	<u>26,845,254</u>
Excess (deficiency) of revenues over (under) expenditures	<u>118,000</u>	<u>1,545,794</u>	<u>8,233,519</u>	<u>6,687,725</u>
Other financing sources (uses)				
Transfers in	-	-	152,677	152,677
Transfers out	-	(1,385,320)	(1,266,920)	118,400
Loss on sale of assets	<u>-</u>	<u>-</u>	<u>(81)</u>	<u>(81)</u>
Total other financing sources (uses)	<u>-</u>	<u>(1,385,320)</u>	<u>(1,114,324)</u>	<u>270,996</u>
Net change in fund balances	118,000	160,474	7,119,195	6,958,721
Fund balances (deficits) beginning of year	<u>(5,448,321)</u>	<u>(5,448,321)</u>	<u>(5,448,321)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (5,330,321)</u>	<u>\$ (5,287,847)</u>	<u>\$ 1,670,874</u>	<u>\$ 6,958,721</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
State Transit Assistance Fund Special Revenue Funds
June 30, 2020

	Special Revenue		
	State Transit Assistance Fund	State of Good Repair	Total State Transit Assistance Funds
Assets			
Cash and investments	\$ 76,127,306	\$ 2,901,138	\$ 79,028,444
Accrued interest receivable	596,882	20,813	617,695
Intergovernmental receivable	5,500,361	610,683	6,111,044
Total assets	<u>\$ 82,224,549</u>	<u>\$ 3,532,634</u>	<u>\$ 85,757,183</u>
Liabilities			
Due to other funds	<u>\$ 6,101,201</u>	<u>\$ 680</u>	<u>\$ 6,101,881</u>
Fund balances			
Restricted-transportation development act	<u>76,123,348</u>	<u>3,531,954</u>	<u>79,655,302</u>
Total fund balances (deficits)	<u>76,123,348</u>	<u>3,531,954</u>	<u>79,655,302</u>
Total liabilities and fund balances	<u>\$ 82,224,549</u>	<u>\$ 3,532,634</u>	<u>\$ 85,757,183</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 State Transit Assistance Fund Special Revenue Funds
 For the Year Ended June 30, 2020

	Special Revenue		
	State Transit Assistance Fund	State of Good Repair	Total State Transit Assistance Funds
Revenues			
Intergovernmental	\$ 21,769,764	\$ 3,538,043	\$ 25,307,807
Investment earnings	2,418,713	63,490	2,482,203
Total revenues	<u>24,188,477</u>	<u>3,601,533</u>	<u>27,790,010</u>
Expenditures			
Current-transit	9,086,783	1,052,395	10,139,178
Capital outlay	6,009,384	-	6,009,384
Total expenditures	<u>15,096,167</u>	<u>1,052,395</u>	<u>16,148,562</u>
Excess (deficiency) of revenues over (under) expenditures	9,092,310	2,549,138	11,641,448
Other financing sources			
Transfers out	-	-	-
Net change in fund balances	9,092,310	2,549,138	11,641,448
Fund balances beginning of year	<u>67,031,038</u>	<u>982,816</u>	<u>68,013,854</u>
Fund balances end of year	<u>\$ 76,123,348</u>	<u>\$ 3,531,954</u>	<u>\$ 79,655,302</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
State Transit Assistance Fund Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 25,033,530	\$ 25,033,530	\$ 21,769,764	\$ (3,263,766)
Investment earnings	450,000	450,000	2,418,713	1,968,713
Total revenues	<u>25,483,530</u>	<u>25,483,530</u>	<u>24,188,477</u>	<u>(1,295,053)</u>
Expenditures				
Current-transit	21,300,500	31,932,784	9,086,783	22,846,001
Capital outlay	<u>2,845,068</u>	<u>8,561,298</u>	<u>6,009,384</u>	<u>2,551,914</u>
Total expenditures	<u>24,145,568</u>	<u>40,494,082</u>	<u>15,096,167</u>	<u>25,397,915</u>
Excess (deficiency) of revenues over (under) expenditures	1,337,962	(15,010,552)	9,092,310	24,102,862
Other financing sources (uses)				
Transfers out	<u>10,899,545</u>	<u>(15,171,469)</u>	<u>-</u>	<u>15,171,469</u>
Net change in fund balances	12,237,507	(30,182,021)	9,092,310	39,274,331
Fund balances beginning of year	<u>67,031,038</u>	<u>67,031,038</u>	<u>67,031,038</u>	<u>-</u>
Fund balances end of year	<u>\$ 79,268,545</u>	<u>\$ 36,849,017</u>	<u>\$ 76,123,348</u>	<u>\$ 39,274,331</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
State of Good Repair Special Revenue Fund
For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 3,487,496	\$ 3,487,496	\$ 3,538,043	\$ 50,547
Investment earnings	3,000	3,000	63,490	60,490
Total revenues	3,490,496	3,490,496	3,601,533	111,037
Expenditures				
Current-transit	3,249,648	3,249,648	1,052,395	2,197,253
Excess (deficiency) of revenues over (under) expenditures	240,848	240,848	2,549,138	2,308,290
Other financing sources (uses)				
Transfers out	(695,652)	(270,379)	-	270,379
Net change in fund balances	(454,804)	(29,531)	2,549,138	2,578,669
Fund balances beginning of year	982,816	982,816	982,816	-
Fund balances end of year	<u>\$ 528,012</u>	<u>\$ 953,285</u>	<u>\$ 3,531,954</u>	<u>\$ 2,578,669</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
1990-2010 Measure I Special Revenue Fund
June 30, 2020

	Valley Major Projects	Valley Traffic Management Environmental Enhancement	Total 1990-2010 Measure I
Assets			
Cash and investments	\$ 7,139,838	\$ 2,443,619	\$ 9,583,457
Accrued interest receivable	13,850	4,740	18,590
Total assets	<u>\$ 7,153,688</u>	<u>\$ 2,448,359</u>	<u>\$ 9,602,047</u>
Liabilities			
Accounts payable	\$ 134,098	\$ 55,090	\$ 189,188
Intergovernmental payable	2,559,891	-	2,559,891
Total liabilities	2,693,989	55,090	2,749,079
Fund balances			
Restricted	4,459,699	2,393,269	6,852,968
Total liabilities and fund balances	<u>\$ 7,153,688</u>	<u>\$ 2,448,359</u>	<u>\$ 9,602,047</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
1990-2010 Measure I Special Revenue Fund
For the Year Ended June 30, 2020

	Valley Major Projects	Valley Traffic Management Environmental Enhancement	Total 1990-2010 Measure I
Revenues			
Investment earnings	\$ 123,891	\$ 43,418	\$ 167,309
Expenditures			
Current:			
Environment and energy conservation	-	201,147	201,147
Commuter and motorist assistance	-	21,250	21,250
Project delivery	3,187,277	62,025	3,249,302
Capital outlay	177,309	-	177,309
Total Expenditures	3,364,586	284,422	3,649,008
Excess (deficiency) of revenues over (under) expenditures	(3,240,695)	(241,004)	(3,481,699)
Other financing sources (uses)			
Transfers in:			
Federal Highway	331,069	-	331,069
Transfers out:			-
State Highway Special Revenue Fund	(82,666)	-	(82,666)
Loss on sale of assets	(20)	-	(20)
Total other financing sources (uses)	248,383	-	248,383
Net change in fund balances	(2,992,312)	(241,004)	(3,233,316)
Fund balances beginning of year	7,452,011	2,634,273	10,086,284
Fund balances end of year	\$ 4,459,699	\$ 2,393,269	\$ 6,852,968



The bridge reconstruction at the Interstate 215 Barton Road Interchange requires significant amounts of reinforced steel. The material used on this project comes from San Bernardino County, serving as a great driver for the local economy.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
2010-2040 Measure I Special Revenue Fund
June 30, 2020

	Valley Freeway Projects	Valley Freeway Interchanges	Valley Major Street	Valley Local Street
Assets				
Cash and investments	\$ 87,048,103	\$ 66,366,449	\$ 87,291,270	\$ -
Accrued interest receivable	272,056	138,231	208,254	-
Sales taxes receivable	7,805,860	2,960,841	4,575,847	5,383,351
Accounts receivable	-	4,180	-	-
Intergovernmental receivable	-	60,000	-	-
Deposit receivable	-	637,239	-	-
Due from other funds	53,098,432	4,891,862	18,826,157	-
Prepaid items	29,000	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	471,805	-
Total assets	<u>\$ 148,253,451</u>	<u>\$ 75,058,802</u>	<u>\$ 111,373,333</u>	<u>\$ 5,383,351</u>
Liabilities				
Accounts payable	\$ 6,036,135	\$ 2,341,778	\$ 1,800,137	\$ -
Accrued liabilities	71,837	22,941	7,667	-
Intergovernmental payable	2,040,038	139,134	1,918,751	5,383,351
Due to other funds	-	-	-	-
Total liabilities	<u>8,148,010</u>	<u>2,503,853</u>	<u>3,726,555</u>	<u>5,383,351</u>
Fund balances				
Restricted	<u>140,105,441</u>	<u>72,554,949</u>	<u>107,646,778</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 148,253,451</u>	<u>\$ 75,058,802</u>	<u>\$ 111,373,333</u>	<u>\$ 5,383,351</u>

Valley Metrolink/ Rail Service	Express Bus/ Bus Rapid Transit Service	Valley Senior & Disabled Transit	Valley Transportation Management Systems	Victor Valley Major Local Highway	Victor Valley Local Street
\$ 2,325,584	\$ -	\$ 21,207,126	\$ 10,904,859	\$ 23,775,264	\$ -
58,631	33,856	41,138	25,229	46,119	-
2,153,342	1,345,839	2,153,340	538,335	706,407	1,893,169
-	-	-	-	-	-
-	-	-	7,132	-	-
2,120,067	-	-	-	-	-
27,900,021	17,453,712	-	2,100,683	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 34,557,645</u>	<u>\$ 18,833,407</u>	<u>\$ 23,401,604</u>	<u>\$ 13,576,238</u>	<u>\$ 24,527,790</u>	<u>\$ 1,893,169</u>
\$ 2,122,556	\$ 494,221	\$ -	\$ 37,179	\$ 15,003	\$ -
10,186	2,723	-	26,204	-	-
929,652	3,103	2,153,339	293,199	-	1,893,169
-	-	-	-	-	-
<u>3,062,394</u>	<u>500,047</u>	<u>2,153,339</u>	<u>356,582</u>	<u>15,003</u>	<u>1,893,169</u>
<u>31,495,251</u>	<u>18,333,360</u>	<u>21,248,265</u>	<u>13,219,656</u>	<u>24,512,787</u>	<u>-</u>
<u>\$ 34,557,645</u>	<u>\$ 18,833,407</u>	<u>\$ 23,401,604</u>	<u>\$ 13,576,238</u>	<u>\$ 24,527,790</u>	<u>\$ 1,893,169</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
2010-2040 Measure I Special Revenue Fund
June 30, 2020

	Victor Valley Senior & Disabled Transit	Victor Valley Project Development/ Traffic Management	North Desert Major Local Highway	North Desert Local Street
Assets				
Cash and investments	\$ 52,873	\$ 1,460,908	\$ 8,127,972	\$ -
Accrued interest receivable	-	2,887	15,766	-
Sales taxes receivable	169,537	56,512	76,332	207,624
Accounts receivable	-	-	-	-
Intergovernmental receivable	-	1,783	-	-
Deposit receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	<u>\$ 222,410</u>	<u>\$ 1,522,090</u>	<u>\$ 8,220,070</u>	<u>\$ 207,624</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ 9,567	\$ -
Accrued liabilities	-	1,663	-	-
Intergovernmental payable	222,410	14,246	-	207,624
Due to other funds	-	-	-	-
Total liabilities	<u>222,410</u>	<u>15,909</u>	<u>9,567</u>	<u>207,624</u>
Fund balances				
Restricted	-	1,506,181	8,210,503	-
Total liabilities and fund balances	<u>\$ 222,410</u>	<u>\$ 1,522,090</u>	<u>\$ 8,220,070</u>	<u>\$ 207,624</u>

<u>North Desert Senior & Disabled Transit</u>	<u>North Desert Project Development/ Traffic Management</u>	<u>Colorado River Major Local Highway</u>	<u>Colorado River Local Street</u>	<u>Colorado River Senior & Disabled Transit</u>	<u>Colorado River Project Development/ Traffic Management</u>
\$ -	\$ 1,009,572	\$ 172,029	\$ -	\$ -	\$ 45,458
-	1,972	335	-	-	88
15,266	6,107	12,145	33,033	2,429	972
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	7,206	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 15,266</u>	<u>\$ 1,024,857</u>	<u>\$ 184,509</u>	<u>\$ 33,033</u>	<u>\$ 2,429</u>	<u>\$ 46,518</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	176	-	-	-	177
8,060	-	-	33,033	2,429	-
<u>7,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>15,266</u>	<u>176</u>	<u>-</u>	<u>33,033</u>	<u>2,429</u>	<u>177</u>
-	1,024,681	184,509	-	-	46,341
<u>\$ 15,266</u>	<u>\$ 1,024,857</u>	<u>\$ 184,509</u>	<u>\$ 33,033</u>	<u>\$ 2,429</u>	<u>\$ 46,518</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
2010-2040 Measure I Special Revenue Fund
June 30, 2020

	Morongo Basin Major Local Highway	Morongo Basin Local Street	Morongo Basin Senior & Disabled Transit	Morongo Basin Project Development/ Traffic Management
Assets				
Cash and investments	\$ 1,059,978	\$ -	\$ -	\$ 338,581
Accrued interest receivable	2,055	-	-	656
Sales taxes receivable	103,434	281,340	20,687	8,274
Accounts receivable	-	-	-	-
Intergovernmental receivable	-	-	-	-
Deposit receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	<u>\$ 1,165,467</u>	<u>\$ 281,340</u>	<u>\$ 20,687</u>	<u>\$ 347,511</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	177
Intergovernmental payable	-	281,340	20,687	-
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>281,340</u>	<u>20,687</u>	<u>177</u>
Fund balances				
Restricted	<u>1,165,467</u>	<u>-</u>	<u>-</u>	<u>347,334</u>
Total liabilities and fund balances	<u>\$ 1,165,467</u>	<u>\$ 281,340</u>	<u>\$ 20,687</u>	<u>\$ 347,511</u>

Mountain Major Local Highway	Mountain Local Street	Mountain Senior & Disabled Transit	Mountain Project Development/ Traffic Management	Cajon Pass	Total 2010-2040 Measure I
\$ 2,475,731	\$ -	\$ -	\$ 202,733	\$ 14,382,633	\$ 328,247,123
4,802	-	-	393	27,899	880,367
75,379	205,031	15,076	6,030	919,867	31,731,406
-	-	-	-	-	4,180
-	-	-	-	-	68,915
-	-	-	-	-	2,757,306
-	-	-	-	-	124,278,073
-	-	-	-	-	29,000
-	-	-	-	27,000	27,000
-	-	-	-	-	471,805
<u>\$ 2,555,912</u>	<u>\$ 205,031</u>	<u>\$ 15,076</u>	<u>\$ 209,156</u>	<u>\$ 15,357,399</u>	<u>\$ 488,495,175</u>
\$ -	\$ -	\$ -	\$ -	\$ 320	\$ 12,856,896
-	-	-	177	-	143,928
-	205,031	15,076	-	2,805,618	18,569,290
-	-	-	-	-	7,206
-	205,031	15,076	177	2,805,938	31,577,320
<u>2,555,912</u>	<u>-</u>	<u>-</u>	<u>208,979</u>	<u>12,551,461</u>	<u>456,917,855</u>
<u>\$ 2,555,912</u>	<u>\$ 205,031</u>	<u>\$ 15,076</u>	<u>\$ 209,156</u>	<u>\$ 15,357,399</u>	<u>\$ 488,495,175</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues and Expenditures and Changes in Fund Balances
2010-2040 Measure I Special Revenue Fund
For the Year Ended June 30, 2020

	Valley Freeway Projects	Valley Freeway Interchanges	Valley Major Street	Valley Local Street
Revenues				
Sales tax-Measure I ⁽¹⁾	\$ 42,715,729	\$ 16,202,518	\$ 27,745,669	\$ 29,459,124
Investment earnings	2,539,756	1,285,697	1,975,497	-
Intergovernmental	-	64,875	-	-
Miscellaneous	-	68,615	-	-
Total Revenues	<u>45,255,485</u>	<u>17,621,705</u>	<u>29,721,166</u>	<u>29,459,124</u>
Expenditures				
Current:				
General government	447,188	180,388	86,368	-
Environment and energy conservation	-	-	-	-
Commuter and motorist assistance	-	-	-	-
Regional and subregional planning	4,997	400	-	-
Transit	-	-	-	-
Project delivery	33,333,790	11,277,735	6,912,315	-
Fund administration	21,578	865	4,857,439	29,459,124
Capital outlay	1,805,320	2,385,659	639,320	-
Total Expenditures	<u>35,612,873</u>	<u>13,845,047</u>	<u>12,495,442</u>	<u>29,459,124</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,642,612</u>	<u>3,776,658</u>	<u>17,225,724</u>	<u>-</u>
Other financing sources (uses)				
Transfers in:				
General Fund	-	-	-	-
Federal Highway Fund Special Revenue Fund	112,894	-	218,353	-
State Highway Fund Special Revenue Fund	43,548	-	-	-
Capital Projects Fund	-	-	-	-
Non Major Special Revenue Fund	-	-	-	-
Transfers out:				
General Fund	(1,475,166)	(633,671)	(1,416,379)	-
Federal Highway Fund Special Revenue Fund	(6,000)	(44,126)	-	-
State Highway Fund Special Revenue Fund	(27,350)	-	-	-
Debt Service Fund	-	(1,370,736)	(4,987,864)	-
Capital Projects Fund	-	-	(152,677)	-
Non Major Special Revenue Fund	-	-	-	-
Total other financing sources (uses)	<u>(1,352,074)</u>	<u>(2,048,533)</u>	<u>(6,338,567)</u>	<u>-</u>
Net change in fund balances	8,290,538	1,728,125	10,887,157	-
Fund balances beginning of year	<u>131,814,903</u>	<u>70,826,824</u>	<u>96,759,621</u>	<u>-</u>
Fund balances end of year	<u>\$ 140,105,441</u>	<u>\$ 72,554,949</u>	<u>\$ 107,646,778</u>	<u>\$ -</u>

⁽¹⁾ Total sales tax-Measure I of \$179,016,883 less 1% of \$1,790,169 for Measure I administration accounted for in the General Fund (page 67).

<u>Valley Metrolink/ Rail Service</u>	<u>Valley Express Bus/ Bus Rapid Transit Service</u>	<u>Valley Senior & Disabled Transit</u>	<u>Valley Transportation Management Systems</u>	<u>Victor Valley Major Local Highway</u>	<u>Victor Valley Local Street</u>
\$ 11,783,650	\$ 4,659,368	\$ 11,783,650	\$ 2,945,912	\$ 4,328,513	\$ 11,657,005
552,134	327,084	380,269	239,739	434,871	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>12,335,784</u>	<u>4,986,452</u>	<u>12,163,919</u>	<u>3,185,651</u>	<u>4,763,384</u>	<u>11,657,005</u>
41,547	-	-	33,942	-	-
-	-	-	260,764	-	-
-	-	-	377,464	-	-
-	7,551	-	302,696	-	-
5,955,265	949,875	11,783,649	-	-	-
-	-	-	795,583	170,713	-
5,414	2,239	-	-	1,264,144	11,657,005
2,933,034	-	-	-	-	-
<u>8,935,260</u>	<u>959,665</u>	<u>11,783,649</u>	<u>1,770,449</u>	<u>1,434,857</u>	<u>11,657,005</u>
<u>3,400,524</u>	<u>4,026,787</u>	<u>380,270</u>	<u>1,415,202</u>	<u>3,328,527</u>	<u>-</u>
-	-	-	70	-	-
-	-	-	-	53,236	-
564	-	-	-	354,795	-
-	698,717	-	177,684	141,861	-
-	-	-	349,491	406,140	-
(1,026,077)	(93,691)	-	-	(159,062)	-
-	-	-	-	(26,000)	-
-	-	-	-	-	-
(1,542,078)	-	-	-	(1,673,787)	-
-	-	-	-	-	-
-	-	-	(19,872)	-	-
<u>(2,567,591)</u>	<u>605,026</u>	<u>-</u>	<u>507,373</u>	<u>(902,817)</u>	<u>-</u>
832,933	4,631,813	380,270	1,922,575	2,425,710	-
30,662,318	13,701,547	20,867,995	11,297,081	22,087,077	-
<u>\$ 31,495,251</u>	<u>\$ 18,333,360</u>	<u>\$ 21,248,265</u>	<u>\$ 13,219,656</u>	<u>\$ 24,512,787</u>	<u>\$ -</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues and Expenditures and Changes in Fund Balances
2010-2040 Measure I Special Revenue Fund
For the Year Ended June 30, 2020

	Victor Valley Senior & Disabled Transi	Victor Valley Project Development Traffic/ Management	North Desert Major Local Highway	North Desert Local Street
Revenues				
Sales tax-Measure I ⁽¹⁾	\$ 982,252	\$ 346,281	\$ 759,548	\$ 2,065,970
Investment earnings	-	27,606	144,399	-
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>982,252</u>	<u>373,887</u>	<u>903,947</u>	<u>2,065,970</u>
Expenditures				
Current:				
General government	-	16,018	-	-
Environment and energy conservation	-	-	-	-
Commuter and motorist assistance	-	38,314	-	-
Regional and subregional planning	-	26,415	-	-
Transit	982,252	-	-	-
Project delivery	-	-	19,842	-
Fund administration	-	-	1,398,109	2,065,970
Capital outlay	-	-	-	-
Total Expenditures	<u>982,252</u>	<u>80,747</u>	<u>1,417,951</u>	<u>2,065,970</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>293,140</u>	<u>(514,004)</u>	<u>-</u>
Other financing sources (uses)				
Transfers in:				
General Fund	-	-	-	-
Federal Transit Fund Special Revenue Fund	-	-	-	-
State Highway Fund Special Revenue Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Debt Service Fund	-	-	-	-
Transfers out:				
General Fund	-	-	(15,202)	-
Proposition 1B Fund Special Revenue Fund	-	-	-	-
2010-2040 Measure I Special Revenue Fund	-	-	-	-
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Nonmajor Fund - SCAQMD	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(15,202)</u>	<u>-</u>
Net change in fund balances	-	293,140	(529,206)	-
Fund balances beginning of year	-	1,213,041	8,739,709	-
Fund balances end of year	<u>\$ -</u>	<u>\$ 1,506,181</u>	<u>\$ 8,210,503</u>	<u>\$ -</u>

(1) Total sales tax-Measure I of \$179,016,883 less 1% of \$1,790,169 for Measure I administration accounted for in the General Fund (page 67).

<u>North Desert Senior & Disabled Transit</u>	<u>North Desert Project Development Traffic/ Management</u>	<u>Colorado River Major Local Highway</u>	<u>Colorado River Local Street</u>	<u>Colorado River Senior & Disabled Transit</u>	<u>Colorado River Project Development Traffic/ Management</u>
\$ 151,910	\$ 60,764	\$ 70,643	\$ 192,148	\$ 14,129	\$ 5,651
-	18,573	3,322	-	-	838
-	-	-	-	-	-
-	-	-	-	-	-
<u>151,910</u>	<u>79,337</u>	<u>73,965</u>	<u>192,148</u>	<u>14,129</u>	<u>6,489</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,312	-	-	-	342
151,910	-	-	-	14,129	-
-	-	-	-	-	-
-	-	-	192,148	-	-
-	-	-	-	-	-
<u>151,910</u>	<u>3,312</u>	<u>-</u>	<u>192,148</u>	<u>14,129</u>	<u>342</u>
-	76,025	73,965	-	-	6,147
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(446)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(446)	-	-	-
-	76,025	73,519	-	-	6,147
-	948,656	110,990	-	-	40,194
<u>\$ -</u>	<u>\$ 1,024,681</u>	<u>\$ 184,509</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,341</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues and Expenditures and Changes in Fund Balances
2010-2040 Measure I Special Revenue Fund
For the Year Ended June 30, 2020

	Morongo Basin Major Local Highway	Morongo Basin Local Street	Morongo Basin Senior & Disabled Transit	Morongo Basin Project Development Traffic/ Management
Revenues				
Sales tax-Measure I ⁽¹⁾	\$ 576,615	\$ 1,568,393	\$ 115,323	\$ 46,129
Investment earnings	15,145	-	-	6,250
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>591,760</u>	<u>1,568,393</u>	<u>115,323</u>	<u>52,379</u>
Expenditures				
Current:				
General government	-	-	-	-
Environment and energy conservation	-	-	-	-
Commuter and motorist assistance	-	-	-	-
Regional and subregional planning	-	-	-	3,154
Transit	-	-	115,323	-
Project delivery	-	-	-	-
Fund administration	1,888,124	1,568,393	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>1,888,124</u>	<u>1,568,393</u>	<u>115,323</u>	<u>3,154</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,296,364)</u>	<u>-</u>	<u>-</u>	<u>49,225</u>
Other financing sources (uses)				
Transfers in:				
General Fund	-	-	-	-
Federal Transit Fund Special Revenue Fund	-	-	-	-
State Highway Fund Special Revenue Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Debt Service Fund	-	-	-	-
Transfers out:				
General Fund	(8,871)	-	-	-
Proposition 1B Fund Special Revenue Fund	-	-	-	-
2010-2040 Measure I Special Revenue Fund	-	-	-	-
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Nonmajor Fund - SCAQMD	-	-	-	-
Total other financing sources (uses)	<u>(8,871)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,305,235)</u>	<u>-</u>	<u>-</u>	<u>49,225</u>
Fund balances beginning of year	<u>2,470,702</u>	<u>-</u>	<u>-</u>	<u>298,109</u>
Fund balances end of year	<u>\$ 1,165,467</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 347,334</u>

(1) Total sales tax-Measure I of \$179,016,883 less 1% of \$1,790,169 for Measure I administration accounted for in the General Fund (page 67).

Mountain Major Local Highway	Mountain Local Street	Mountain Senior & Disabled Transit	Mountain Project Development Traffic/ Management	Cajon Pass	Total 2010-2040 Measure I
\$ 474,700	\$ 1,291,183	\$ 94,940	\$ 37,976	\$ 5,091,021	\$ 177,226,714
46,248	-	-	3,775	264,711	8,265,914
-	-	-	-	-	64,875
-	-	-	-	-	68,615
<u>520,948</u>	<u>1,291,183</u>	<u>94,940</u>	<u>41,751</u>	<u>5,355,732</u>	<u>185,626,118</u>
-	-	-	-	-	805,451
-	-	-	-	-	260,764
-	-	-	-	-	415,778
-	-	-	2,986	-	351,853
-	-	94,940	-	-	20,047,343
-	-	-	-	2,777,259	55,287,237
-	1,291,183	-	-	-	55,671,735
-	-	-	-	-	7,763,333
<u>-</u>	<u>1,291,183</u>	<u>94,940</u>	<u>2,986</u>	<u>2,777,259</u>	<u>140,603,494</u>
<u>520,948</u>	<u>-</u>	<u>-</u>	<u>38,765</u>	<u>2,578,473</u>	<u>45,022,624</u>
-	-	-	-	-	70
-	-	-	-	-	384,483
-	-	-	-	-	398,907
-	-	-	-	-	1,018,262
-	-	-	-	-	755,631
(812)	-	-	-	-	(4,829,377)
-	-	-	-	-	(76,126)
-	-	-	-	-	(27,350)
-	-	-	-	(3,470,389)	(13,044,854)
-	-	-	-	-	(152,677)
-	-	-	-	-	(19,872)
<u>(812)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,470,389)</u>	<u>(15,592,903)</u>
520,136	-	-	38,765	(891,916)	29,429,721
2,035,776	-	-	170,214	13,443,377	427,488,134
<u>\$ 2,555,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,979</u>	<u>\$ 12,551,461</u>	<u>\$ 456,917,855</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
Debt Service Fund
June 30, 2020

	Sales Tax Revenue Bond 2012A	Sales Tax Revenue Bond 2014A	Total Debt Service
Assets			
Cash and investments-restricted	\$ 2,737,665	\$ 2,856,977	\$ 5,594,642
Fund balances			
Restricted	\$ 2,737,665	\$ 2,856,977	\$ 5,594,642
Total liabilities and fund balances	\$ 2,737,665	\$ 2,856,977	\$ 5,594,642

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Debt Service Fund
For the Year Ended June 30, 2020

	Sales Tax Revenue Bond 2012A	Sales Tax Revenue Bond 2014A	Total Debt Service
Revenues			
Investment earnings	\$ 29,952	\$ 29,704	\$ 59,656
Expenditures			
Debt service:			
Principal	2,355,000	1,795,000	4,150,000
Interest and fiscal charges	3,727,138	5,013,113	8,740,251
Total Expenditures	6,082,138	6,808,113	12,890,251
Excess (deficiency) of revenues over (under) expenditures	(6,052,186)	(6,778,409)	(12,830,595)
Other financing sources			
Transfers in:			
2010-2040 Measure I Special Revenue Fund	6,191,214	6,853,640	13,044,854
Net change in fund balances	139,028	75,231	214,259
Fund balances beginning of year	2,598,637	2,781,746	5,380,383
Fund balances end of year	\$ 2,737,665	\$ 2,856,977	\$ 5,594,642

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet
Capital Projects Fund
June 30, 2020

	Local Projects	Redlands Passenger Rail	Valley Freeway Interchange Bond
Assets			
Cash and investments	\$ 14,754,402	\$ 2,163,521	\$ 13,056
Accrued interest receivable	159,828	4,197	-
Accounts receivable	4,363,390	-	-
Intergovernmental receivable	6,627,515	433,872	-
Deposit receivable	175,945	-	-
Intergovernmental agreements receivable	19,574,222	-	-
Total assets	<u>\$ 45,655,302</u>	<u>\$ 2,601,590</u>	<u>\$ 13,056</u>
Liabilities			
Accounts payable	\$ 3,814,030	\$ 114,058	\$ 13,056
Accrued liabilities	172	-	-
Intergovernmental payable	216,391	-	-
Due to other funds	12,233,487	-	-
Advances from other funds	471,805	-	-
Unearned revenue	4,990,015	-	-
Total liabilities	<u>21,725,900</u>	<u>114,058</u>	<u>13,056</u>
Deferred inflows of resources			
Unavailable grant and local reimbursements	<u>22,313,579</u>	<u>2,433,172</u>	<u>-</u>
Fund balances (deficits)			
Restricted - rail	<u>1,615,823</u>	<u>54,360</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 45,655,302</u>	<u>\$ 2,601,590</u>	<u>\$ 13,056</u>

Cajon Pass Bond	Total Capital Projects
\$ 691	\$ 16,931,670
-	164,025
-	4,363,390
-	7,061,387
-	175,945
-	19,574,222
<u>\$ 691</u>	<u>\$ 48,270,639</u>
 \$ -	 \$ 3,941,144
-	172
-	216,391
-	12,233,487
-	471,805
-	4,990,015
<u>-</u>	<u>21,853,014</u>
 -	 24,746,751
<u>691</u>	<u>1,670,874</u>
<u>\$ 691</u>	<u>\$ 48,270,639</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Capital Projects Fund
For the Year Ended June 30, 2020

	Local Projects	Redlands Passenger Rail	Valley Freeway Interchanges Bond
Revenues			
Intergovernmental	\$ 13,248,238	\$ 444,951	\$ -
Investment earnings	699,866	42,233	-
Miscellaneous	6,343,799	695,756	-
Total revenues	<u>20,291,903</u>	<u>1,182,940</u>	<u>-</u>
Expenditures			
Current:			
Environment and energy conservation	125,394	-	-
Commuter and motorist assistance	128,413	-	-
Regional and subregional planning	80,090	-	-
Transit	63,741	539,379	-
Project delivery	11,341,637	-	-
Capital outlay	362,033	601,328	-
Total expenditures	<u>12,101,308</u>	<u>1,140,707</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,190,595</u>	<u>42,233</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in:			
2010-2040 Measure I Special Revenue Fund	152,677	-	-
Transfers out:			
Federal Highway special revenue fund	(228,319)	-	-
2010-2040 measure I special revenue fund	(1,018,262)	-	-
Non Major Governmental fund	(20,339)	-	-
Gain (loss) on sale of assets	(81)	-	-
Total other financing sources (uses)	<u>(1,114,324)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,076,271	42,233	-
Fund balances (deficits) beginning of year	(5,460,448)	12,127	-
Fund balances (deficits) end of year	<u>\$ 1,615,823</u>	<u>\$ 54,360</u>	<u>\$ -</u>

Cajon Pass Bond	Total Capital Projects
\$ -	\$ 13,693,189
691	742,790
-	7,039,555
691	21,475,534
-	125,394
-	128,413
-	80,090
-	603,120
-	11,341,637
-	963,361
-	13,242,015
691	8,233,519
-	152,677
-	(228,319)
-	(1,018,262)
-	(20,339)
-	(81)
-	(1,114,324)
691	7,119,195
-	(5,448,321)
\$ 691	\$ 1,670,874



The future Arrow train service coming to the east valley of San Bernardino County will connect to Metrolink, Omnitrans, Mountain Transit, Riverside Transit Authority, and Victor Valley Transit Authority at the San Bernardino Transit Center.

Statistical Section

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

	<u>Page No.</u>
<i>Financial Trends</i>	
These schedules contain trend information to help the reader understand how the Agency's financial performance and well-being have changed over time.	134
<i>Revenue Capacity</i>	
These schedules contain information to help the reader assess the Agency's significant local revenue source, the Measure I sales tax.	140
<i>Debt Capacity</i>	
These schedules contain information to help the reader assess the affordability of the Agency's current levels of outstanding debt and the ability to issue additional debt in the future.	144
<i>Demographic and Economic Information</i>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Agency's financial activities take place.	146
<i>Operating Information</i>	
These schedules contain service and infrastructure data to help the reader understand how the information in the Agency's financial report relates to the services the Agency provides and the activities it performs.	148

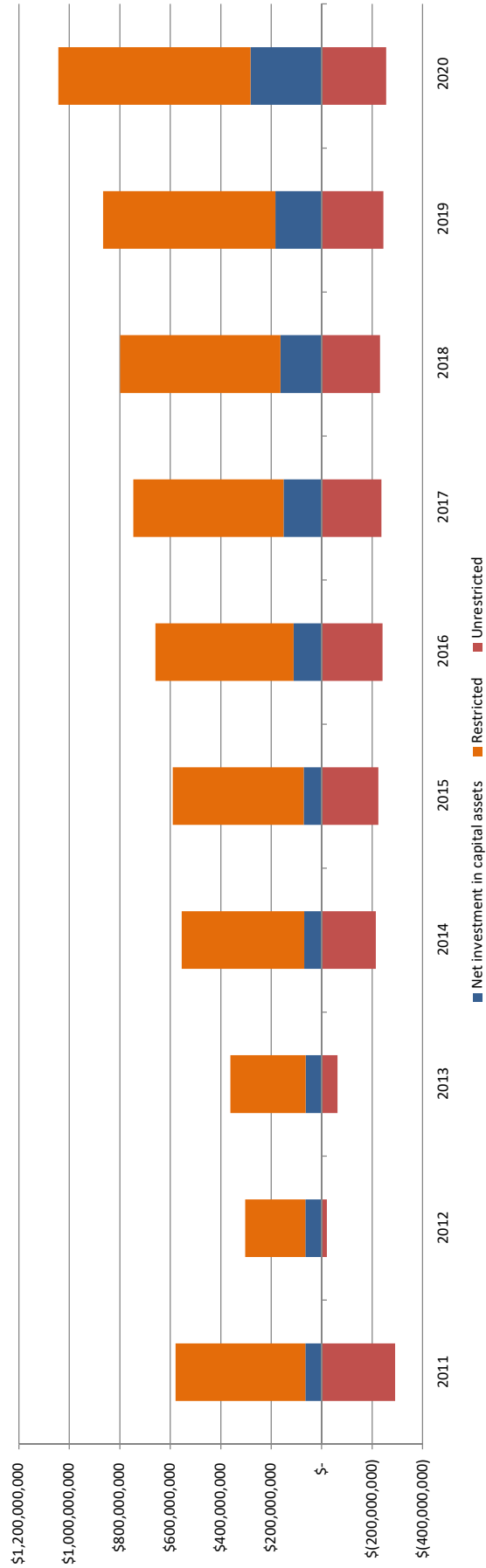
SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 64,528,387	\$ 64,339,191	\$ 64,111,527	\$ 68,787,689	\$ 71,364,275	\$ 110,717,829	\$ 151,059,762	\$ 163,426,341	\$ 183,187,117	\$ 281,471,627
Restricted	514,537,080	238,348,097	297,711,179	486,271,129	518,477,643	548,295,699	595,616,437	635,633,048	682,600,483	761,719,108
Unrestricted	(290,669,405)	(20,906,687)	(62,476,583)	(215,122,515)	(224,771,477)	(241,599,238)	(237,230,227)	(231,279,244)	(244,842,558)	(255,676,190)
Total governmental activities net position	\$ 288,396,062	\$ 281,780,601	\$ 299,346,123	\$ 339,936,303	\$ 365,070,441	\$ 417,414,290	\$ 509,445,972	\$ 567,780,145	\$ 620,945,042	\$ 787,514,545



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Changes in Net Position
Last Ten Fiscal Years ⁽¹⁾
(accrual basis of accounting)

		Fiscal Year									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses											
Governmental activities:											
General government	\$ -	\$ 1,919,964	\$ 2,634,953	\$ 3,825,691	\$ 2,833,042	\$ 4,579,995	\$ 3,338,658	\$ 4,451,810	\$ 5,388,051	\$ 5,889,434	\$ 5,889,434
Environment and energy conservation	-	-	-	-	-	1,392,074	2,217,401	4,100,630	5,992,817	2,343,087	2,343,087
Commuter and motorist assistance	-	-	-	-	-	5,360,439	4,986,605	6,787,391	6,910,089	7,570,852	7,570,852
Regional and subregional planning	-	6,027,692	1,723,173	1,810,171	1,951,391	2,077,133	2,914,855	3,063,247	2,803,421	2,691,211	2,691,211
Transit	-	32,939,430	48,249,719	39,297,811	59,376,860	33,664,779	51,255,392	139,490,342	141,450,567	183,566,697	183,566,697
Project delivery	-	165,717,535	236,573,382	198,290,514	168,126,021	107,387,795	53,310,890	119,064,025	194,496,081	200,975,920	200,975,920
Fund administration	-	142,700,712	113,211,850	137,111,875	153,722,554	184,361,902	159,952,967	56,315,916	95,419,251	47,437,247	47,437,247
Express lanes	-	-	-	-	-	-	-	-	167,101	-	-
Interest and fiscal charges	7,745,427	8,063,944	3,545,543	5,115,094	8,080,732	8,041,836	7,964,571	7,882,329	7,788,659	7,637,475	7,637,475
Air quality and traveler services	-	16,561,711	8,720,281	5,626,177	4,182,935	-	-	-	-	-	-
General operation	21,251,548	-	-	-	-	-	-	-	-	-	-
Disbursements to cities, subareas, transit operators, and claimants	84,839,312	-	-	-	-	-	-	-	-	-	-
Contributions to other governmental agencies	43,729,263	-	-	-	-	-	-	-	-	-	-
Professional services	59,625,947	-	-	-	-	-	-	-	-	-	-
Management and technical services	39,979	-	-	-	-	-	-	-	-	-	-
Highways	62,410,680	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	279,642,156	373,930,988	414,658,901	391,077,333	398,273,535	346,865,953	285,941,339	341,155,690	460,416,037	458,111,923	458,111,923
Program revenues											
Government activities:											
Charges for services:											
General government	-	782,247	393,053	612,541	591,987	539,822	540,388	873,886	855,693	722,766	722,766
General operation	1,620,021	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	184,243,485	161,861,124	214,943,724	204,806,040	189,415,129	133,839,101	122,252,773	134,432,428	124,767,642	120,385,010	120,385,010
Capital grants and contributions	-	-	-	-	-	-	-	-	79,983,912	206,347,856	206,347,856
Total governmental activities program revenues	185,863,506	162,643,371	215,336,777	205,418,581	190,007,116	134,378,923	122,793,161	135,306,314	205,607,247	327,455,632	327,455,632
Net (expense) revenue											
Governmental activities	(93,778,650)	(211,287,617)	(199,322,124)	(185,658,752)	(208,266,419)	(212,487,030)	(163,148,178)	(205,849,376)	(254,808,790)	(130,656,291)	(130,656,291)
General revenues											
Sales tax-Measure I	118,115,639	132,276,581	138,482,732	145,407,342	152,342,401	160,848,014	163,814,528	162,945,073	183,621,992	179,016,883	179,016,883
Sales tax-local transportation fund	-	71,168,436	75,100,102	79,559,209	85,531,625	97,002,999	87,040,490	95,064,513	106,927,206	102,753,612	102,753,612
Unrestricted investment earnings	8,911,951	5,934,258	2,824,825	165,733	1,906,660	4,876,204	2,160,355	5,050,075	16,901,051	15,090,815	15,090,815
Gain (loss) on sale of assets	-	-	-	-	-	-	-	(194,724)	101,467	-	-
Miscellaneous	-	903,880	479,987	1,116,648	1,987,011	2,103,662	2,164,487	1,318,612	421,971	364,484	364,484
Total governmental activities general revenues	127,027,590	210,283,155	216,887,646	226,248,932	241,767,697	264,830,879	255,179,860	264,183,549	307,973,687	297,225,794	297,225,794

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

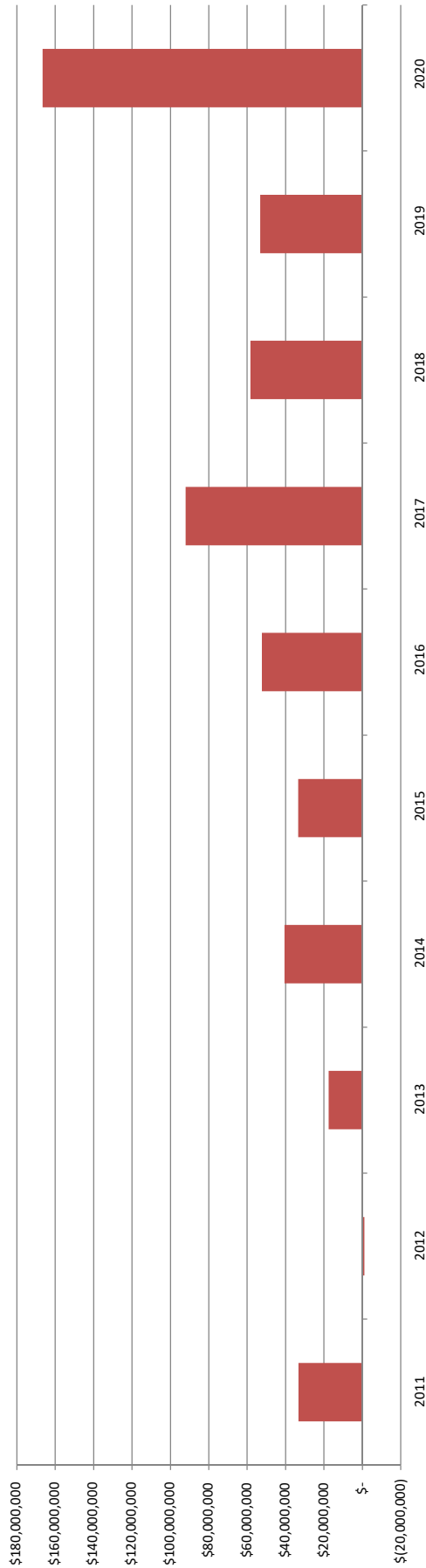
Changes in Net Position

Last Ten Fiscal Years ⁽¹⁾
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Change in net position										
Governmental activities	\$ 33,248,940	\$ (1,004,462)	\$ 17,565,522	\$ 40,590,180	\$ 33,501,278	\$ 52,343,849	\$ 92,031,682	\$ 58,334,173	\$ 53,164,897	\$ 166,569,503

⁽¹⁾ The Agency implemented new fund accounting/financial software in 2012 which provides a different classification of expenses in fiscal year 2012 in comparison to prior fiscal years. Sales tax-Local Transportation Fund revenue was reclassified as general revenue in fiscal year 2012. Previously, it was classified as program revenue-operating grants and contributions. Vehicle registration fee revenue was reclassified as program-operating grants and contributions in 2012. It was classified as program-charges for services for the years 2007-2011. Fiscal years 2007-2011 were not revised to reflect the classification changes in 2012. In 2016 general-council of governments support and air quality and traveler services were reclassified to separate general government, environment and energy conservation, and commuter and motorist assistance activities.

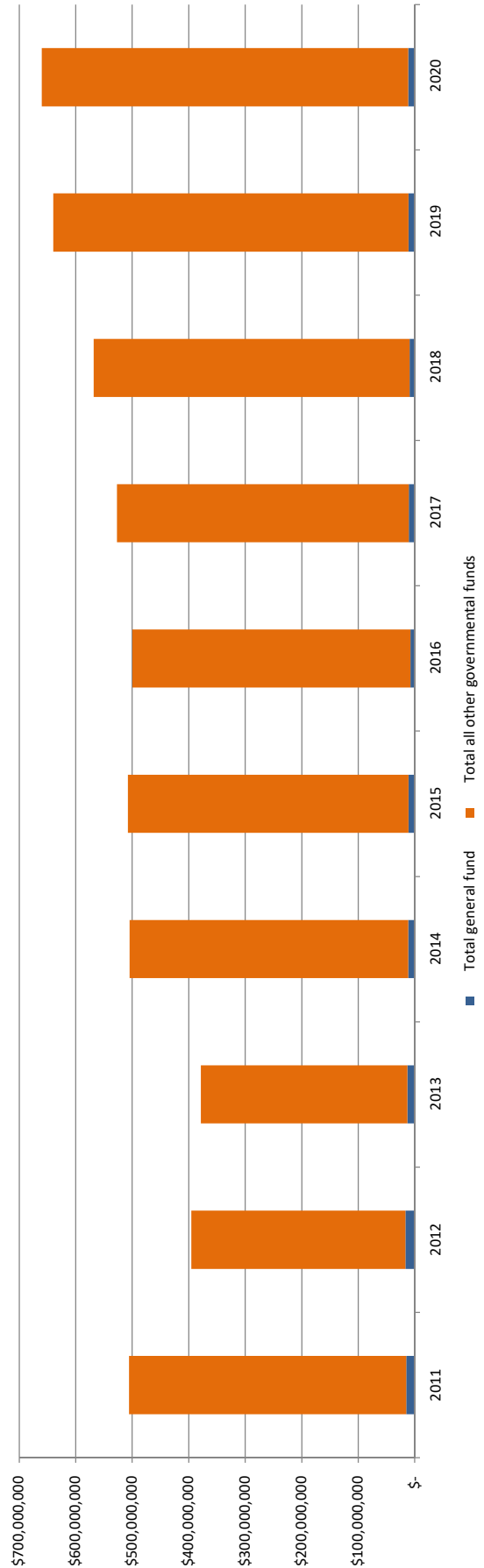
Change in net position-governmental activities



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Fund Balances of Governmental Funds
Last Ten Fiscal Years ⁽¹⁾
(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund										
Nonspendable	\$ 129,817	\$ 149,194	\$ 173,867	\$ 182,068	\$ 120,659	\$ -	\$ 14,569	\$ 18,776	\$ 3,302,408	\$ 5,698,586
Committed	-	99,367	24,425	22,211	24,046	20,576	2,788,309	-	-	-
Assigned	14,735,595	16,380,791	12,819,740	11,283,052	11,069,579	7,478,672	7,994,915	9,020,978	7,267,165	5,455,831
Unassigned	-	-	-	-	-	-	-	-	500,000	500,000
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total general fund	<u>\$ 14,865,412</u>	<u>\$ 16,629,352</u>	<u>\$ 13,018,032</u>	<u>\$ 11,487,331</u>	<u>\$ 11,214,284</u>	<u>\$ 7,499,248</u>	<u>\$ 10,797,793</u>	<u>\$ 9,039,754</u>	<u>\$ 11,069,573</u>	<u>\$ 11,654,417</u>
All other governmental funds										
Restricted	\$ 526,372,957	\$ 386,189,494	\$ 383,102,734	\$ 508,391,977	\$ 511,144,916	\$ 520,416,463	\$ 544,917,503	\$ 586,225,728	\$ 643,327,781	\$ 692,204,990
Nonspendable	-	-	-	-	-	-	21,995	20,788	-	5,000
Committed	-	-	-	-	-	-	-	2,447,646	2,346,780	2,211,154
Assigned	6,055,340	-	-	-	-	-	-	-	-	-
Unassigned	(41,584,482)	(7,482,364)	(17,524,771)	(15,058,847)	(14,693,201)	(28,319,694)	(28,537,883)	(29,647,825)	(16,923,844)	(45,794,058)
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 490,843,815</u>	<u>\$ 378,707,130</u>	<u>\$ 365,577,963</u>	<u>\$ 493,333,130</u>	<u>\$ 496,451,715</u>	<u>\$ 492,096,769</u>	<u>\$ 516,401,615</u>	<u>\$ 559,046,337</u>	<u>\$ 628,750,717</u>	<u>\$ 648,627,086</u>

⁽¹⁾ In fiscal year 2011, the Agency implemented GASB 54, *Fund Balance Reporting and Government Fund Type Definitions*. Prior year amounts have not been revised to reflect this change.



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years ⁽¹⁾
(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Sales tax-Measure I	\$ 117,927,079	\$ 132,276,581	\$ 138,482,732	\$ 145,407,342	\$ 152,342,401	\$ 160,848,014	\$ 163,814,528	\$ 162,945,073	\$ 183,621,992	\$ 179,016,883
Sales tax-local transportation fund	64,418,871	71,168,436	75,100,102	79,559,209	85,531,625	97,002,999	87,040,490	95,064,513	106,927,206	102,753,612
Intergovernmental	73,360,500	154,551,689	193,721,364	173,396,397	143,867,243	84,373,453	74,863,975	81,934,515	166,135,084	248,151,643
Charges for services	1,560,519	652,873	257,204	483,490	473,282	425,936	387,841	673,699	607,148	469,623
Special assessments	-	129,374	135,849	129,051	118,705	113,886	152,547	200,187	248,545	253,143
Investment earnings	8,911,951	5,934,258	2,824,825	165,733	1,906,662	4,876,204	2,160,355	5,050,075	16,901,051	15,090,815
Miscellaneous	16,954,928	903,880	479,987	1,075,059	1,977,411	2,103,662	2,164,487	1,318,609	668,420	7,374,234
Other local revenue	22,331,039	-	-	-	-	-	-	-	-	-
Total revenues	305,464,887	365,617,091	411,002,063	400,216,281	386,217,329	349,744,154	330,584,223	347,186,671	475,109,446	553,109,953
Expenditures										
Current:										
General government	-	1,880,626	2,188,545	3,479,317	2,400,945	4,226,244	3,969,427	3,449,490	8,809,467	9,716,385
Environment and energy conservation	-	-	-	-	-	1,426,771	2,191,718	3,955,065	5,360,236	1,323,755
Commuter and motorist assistance	-	-	-	-	-	5,383,571	4,969,483	5,702,551	6,082,170	6,217,206
Regional and subregional planning	-	6,027,692	1,723,173	1,810,171	1,967,660	2,163,876	2,850,647	2,838,747	1,870,217	1,648,691
Transit	-	32,939,430	48,249,719	39,297,811	59,395,144	48,908,424	56,879,195	132,211,679	128,994,735	178,757,080
Project delivery	-	167,055,911	236,573,382	198,290,514	168,147,585	107,474,538	65,950,533	73,108,411	144,354,985	164,736,836
Fund administration	-	125,636,347	126,375,756	136,900,621	133,588,823	150,423,969	129,081,711	56,202,549	60,576,825	56,797,347
Express lanes	-	16,561,711	8,720,281	5,626,177	4,191,009	-	-	-	85,542	-
Air quality and traveler services	-	-	-	-	-	-	-	-	-	-
General operation	8,349,139	-	-	-	-	-	-	-	-	-
Disbursements to cities, subareas, transit operators, and claimants	94,325,722	-	-	-	-	-	-	-	-	-
Contributions to other governmental agencies	43,729,263	-	-	-	-	-	-	-	-	-
Professional services	59,625,947	-	-	-	-	-	-	-	-	-
Management and technical services	39,979	-	-	-	-	-	-	-	-	-
Highways	62,410,680	-	-	-	-	-	-	-	-	-
Right of way	12,429,108	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal	-	250,000,000	-	-	1,910,000	1,990,000	2,845,000	3,365,000	3,860,000	4,150,000
Interest and fiscal charges	11,609,500	11,461,165	3,851,087	4,421,182	8,862,406	9,226,716	9,131,336	9,026,801	8,914,649	8,740,251
Capital outlay	699,319	73,818	60,607	5,001,633	2,908,219	26,590,027	25,111,782	16,244,971	34,548,505	100,559,657
Total expenditures	293,218,657	611,636,700	427,742,550	394,827,426	383,371,791	357,814,136	302,980,832	306,105,264	403,457,331	532,647,208
Excess (deficiency) of revenues over (under) expenditures	12,246,230	(246,019,609)	(16,740,487)	5,388,855	2,845,538	(8,069,982)	27,603,391	41,081,407	71,652,115	20,462,745

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years ⁽¹⁾
(modified accrual basis of accounting)

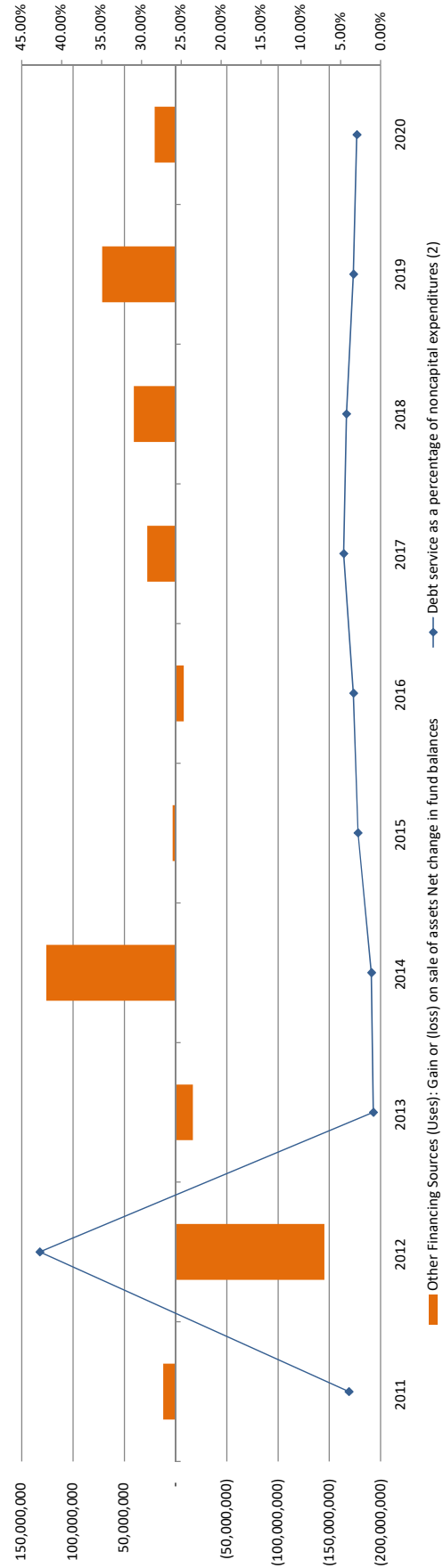
	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Financing Sources (Uses):										
Transfers in	20,063,400	362,696,568	44,505,326	43,369,783	43,631,095	48,366,242	58,188,088	105,160,907	23,523,783	28,850,305
Transfers out	(20,098,400)	(362,696,568)	(44,505,326)	(43,369,783)	(43,631,095)	(48,366,242)	(58,188,088)	(105,160,907)	(23,523,783)	(28,850,305)
Sales tax revenue notes issued	-	-	-	-	-	-	-	-	-	-
Premium on sales tax revenue notes issued	-	-	-	-	-	-	-	-	-	-
Sales tax revenue bonds issued	-	91,880,000	-	110,135,000	-	-	-	-	-	-
Premium on sales tax revenue bonds issued	-	9,042,588	-	10,700,611	-	-	-	-	-	-
Gain or (loss) on sale of assets	-	-	-	-	-	-	-	(194,724)	82,084	(1,532)
Total other financing sources (uses)	(35,000)	100,922,588	-	120,835,611	-	-	-	(194,724)	82,084	(1,532)
Net change in fund balances	12,211,230	(145,097,021)	(16,740,487)	126,224,466	2,845,538	(8,069,982)	27,603,391	40,886,683	71,734,199	20,461,213
Fund balances beginning of year (*as restated) ⁽³⁾	528,222,273*	540,433,503*	395,336,482	378,595,995	504,820,461*	507,665,999	499,596,017	527,199,408	568,086,091	639,820,290
Fund balances end of year	\$ 540,433,503	\$ 395,336,482	\$ 378,595,995	\$ 504,820,461	\$ 507,665,999	\$ 499,596,017	\$ 527,199,408	\$ 568,086,091	\$ 639,820,290	\$ 660,281,503
Debt service as a percentage of noncapital expenditures	3.97%	42.75%	0.90%	1.13%	2.83%	3.39%	4.62%	4.28%	3.39%	2.98%

⁽²⁾ These restatements occurred during the respective fiscal years, not the result of the current audit.

⁽¹⁾ Other local revenue for prior years has been reclassified as either intergovernmental revenue, charges for services or special assessments in fiscal year 2012. Motor vehicle fee revenue was reclassified as intergovernmental revenue in 2012. It was classified as charges for services in prior fiscal years. The Agency implemented new fund accounting/financial software in 2012 which provides a different classification of expenditures from prior fiscal years. Fiscal years 2007-2011 were not revised to reflect the classification changes. In 2016 general-council of governments support and air quality and traveler services were reclassified to separate general government, environment and energy conservation, and commuter and motorist assistance activities.

⁽²⁾ Debt service reflects principal and interest.

⁽³⁾ These restatements occurred during the respective fiscal years, not the result of the current audit.



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

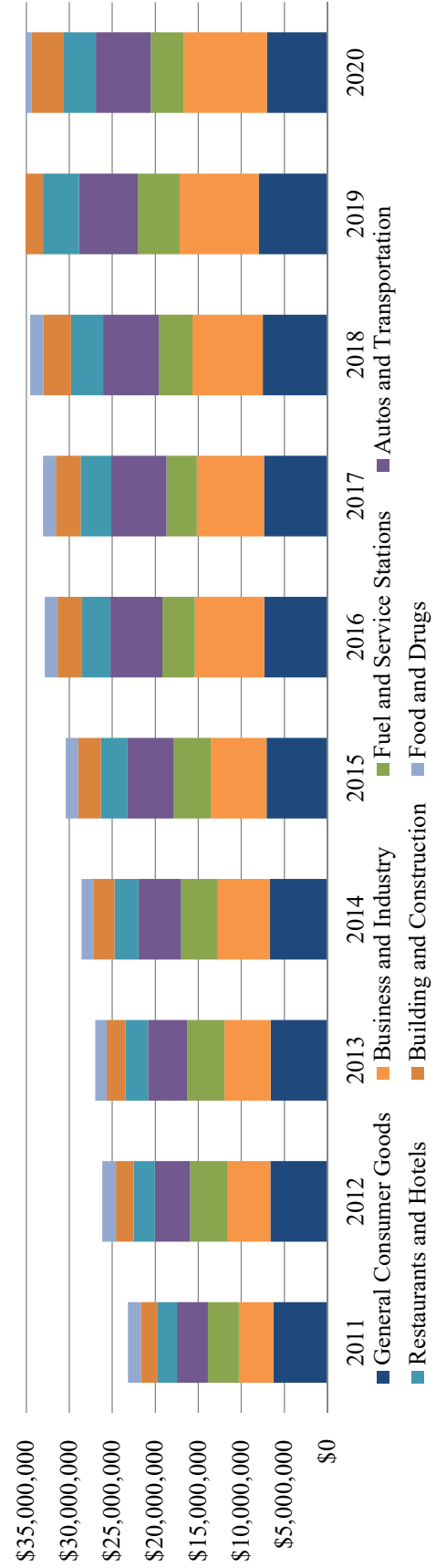
County of San Bernardino Taxable Sales by Business Group⁽¹⁾

Last Ten Fiscal Years
(In Thousands)

Fiscal Year	General Consumer Goods	Business and Industry	Fuel and Service Stations	Autos and Transportation	Restaurants and Hotels	Building and Construction	Food and Drugs	Total
2011	\$ 6,289,604	\$ 4,004,305	\$ 3,587,337	\$ 3,589,798	\$ 2,320,710	\$ 1,885,248	\$ 1,493,408	\$ 23,170,410
2012	6,608,275	4,963,637	4,383,498	4,103,357	2,452,725	2,071,598	1,584,931	26,168,021
2013	6,572,565	5,365,583	4,342,153	4,572,225	2,585,174	2,202,286	1,348,689	26,988,675
2014	6,702,525	6,020,854	4,285,736	4,935,894	2,780,587	2,486,172	1,371,210	28,582,978
2015	7,051,392	6,489,782	4,325,966	5,405,745	3,062,985	2,601,797	1,478,121	30,415,788
2016	7,319,419	8,083,843	3,762,442	6,034,921	3,310,748	2,842,895	1,493,229	32,847,497
2017	7,376,923	7,787,136	3,532,294	6,402,945	3,569,755	2,885,786	1,507,108	33,061,947
2018	7,494,134	8,202,417	3,886,311	6,470,286	3,728,275	3,213,382	1,535,514	34,530,319
2019	7,979,160	9,190,121	4,870,259	6,825,868	4,194,986	3,831,818	1,702,785	38,594,997
2020	7,015,085	9,698,459	3,825,702	6,371,303	3,810,119	3,694,221	1,732,193	36,147,082

⁽¹⁾ Excludes transfers and unidentified sources.

Source: California Department of Tax and Fee Administration/Hdl Companies cash basis



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	Measure I Direct Rate ⁽¹⁾	County of San Bernardino ⁽²⁾
2011	0.50%	8.75%
2012	0.50%	7.75%
2013	0.50%	8.00%
2014	0.50%	8.00%
2015	0.50%	8.00%
2016	0.50%	8.00%
2017	0.50%	7.75%
2018	0.50%	7.75%
2019	0.50%	7.75%
2020	0.50%	7.75%

⁽¹⁾ In November 1989 San Bernardino County voters approved passage of Measure I imposing a one-half of one percent sales tax for a period not to exceed twenty years. In November 2004, voters extended the Measure I sales tax for a period of thirty years.

⁽²⁾ In April 2009, the State of California increased the state sales tax rate by 1%. In July 2011, the sales tax rate was decreased by 1%. In January 2013, the sales tax rate was increased by .25%. In January 2017, the sales tax rate was decreased by .25%.

Source: California Department of Finance/California Department of Tax and Fee Administration

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
County of San Bernardino Principal Taxable Sales by Business Type
Current Year and Nine Years Ago
(In Thousands)

Business Type	2020			2011		
	Taxable Sale	Rank	Percentage of Total Taxable Sales	Taxable Sale	Rank	Percentage of Total Taxable Sales
New Motor Vehicle Dealers	\$ 3,395,253	1	9.38%	\$ 2,022,848	3	8.52%
Service Stations	3,381,616	2	9.34%	3,485,392	1	14.68%
Discount Dept Stores	2,518,794	3	6.96%	2,042,475	2	8.60%
Medical/Biotech	2,294,056	4	6.34%	956,601	6	4.03%
Quick-Service Restaurants	1,949,391	5	5.39%	1,199,532	4	5.05%
Building Materials	1,933,030	6	5.34%	1,103,138	5	4.65%
Fulfillment Centers	1,741,158	7	4.81%	642,518	10	2.71%
Contractors	1,446,732	8	4.00%	639,097	12	2.69%
Light Industrial/Printers	1,353,875	9	3.74%	676,870	9	2.85%
Casual Dining	1,321,440	10	3.65%	862,674	7	3.63%
Drugs/Chemicals	1,242,044	11	3.43%	255,252	24	1.08%
Grocery Stores	1,026,322	12	2.84%	752,500	8	3.17%
Heavy Industrial	1,024,432	13	2.83%	483,926	15	2.04%
Used Automotive Dealers	1,005,836	14	2.78%	395,757	19	1.67%
Family Apparel	841,357	15	2.32%	642,497	11	2.71%
Electronics/Appliance Stores	639,132	16	1.77%	579,689	13	2.44%
Automotive Supply Stores	599,338	17	1.66%	433,927	17	1.83%
Specialty Stores	582,783	18	1.61%	475,671	16	2.00%
Home Furnishings (550,821	19	1.52%	392,698	20	1.65%
Petroleum Prod/Equipment	397,610	20	1.10%	426,414	18	1.80%
Warehse/Farm/Const. Equip.	383,127	21	1.06%			
Convenience Stores/Liquor	370,036	22	1.02%			
Department Stores	358,708	23	0.99%	541,335	14	2.28%
Shoe Stores	349,459	24	0.97%			
Fast-Casual Restaurants	335,250	25	0.93%			
Office Supplies/Furniture				333,454	21	1.40%
Women's Apparel				303,893	22	1.28%
Convenience Stores/Liquor				263,858	23	1.11%
Electrical Equipment				230,782	25	0.97%
Total	<u>\$ 31,041,600</u>		<u>85.78%</u>	<u>\$ 20,142,798</u>		<u>84.84%</u>

Source: California Department of Tax and Fee Administration/Hdl Companies based on Cash basis

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Measure I Sales Tax Revenue by Program and Subarea
For the Year Ended June 30, 2020

	General Fund	Special Revenue Funds	Total
Administration			
Administration	\$ 1,790,169	\$ -	\$ 1,790,169
Valley			
Freeway projects	-	42,715,730	42,715,730
Freeway interchanges	-	16,202,518	16,202,518
Major street	-	27,745,669	27,745,669
Local street	-	29,459,124	29,459,124
Metrolink/rail service	-	11,783,650	11,783,650
Express bus/bus rapid transit service	-	4,659,368	4,659,368
Senior and disabled transit	-	11,783,650	11,783,650
Transportation management systems	-	2,945,912	2,945,912
Victor Valley			
Major local highway	-	4,328,513	4,328,513
Local street	-	11,657,005	11,657,005
Senior and disabled transit	-	982,252	982,252
Project development/traffic management	-	346,281	346,281
North Desert			
Major local highway	-	759,548	759,548
Local street	-	2,065,970	2,065,970
Senior and disabled transit	-	151,910	151,910
Project development/traffic management	-	60,764	60,764
Colorado River			
Major local highway	-	70,643	70,643
Local street	-	192,148	192,148
Senior and disabled transit	-	14,129	14,129
Project development/traffic management	-	5,651	5,651
Morongo Basin			
Major local highway	-	576,615	576,615
Local street	-	1,568,393	1,568,393
Senior and disabled transit	-	115,323	115,323
Project development/traffic management	-	46,129	46,129
Mountain			
Major local highway	-	474,700	474,700
Local street	-	1,291,182	1,291,182
Senior and disabled transit	-	94,940	94,940
Project development/traffic management	-	37,976	37,976
Cajon Pass	-	5,091,021	5,091,021
	\$ 1,790,169	\$ 177,226,714	\$ 179,016,883

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

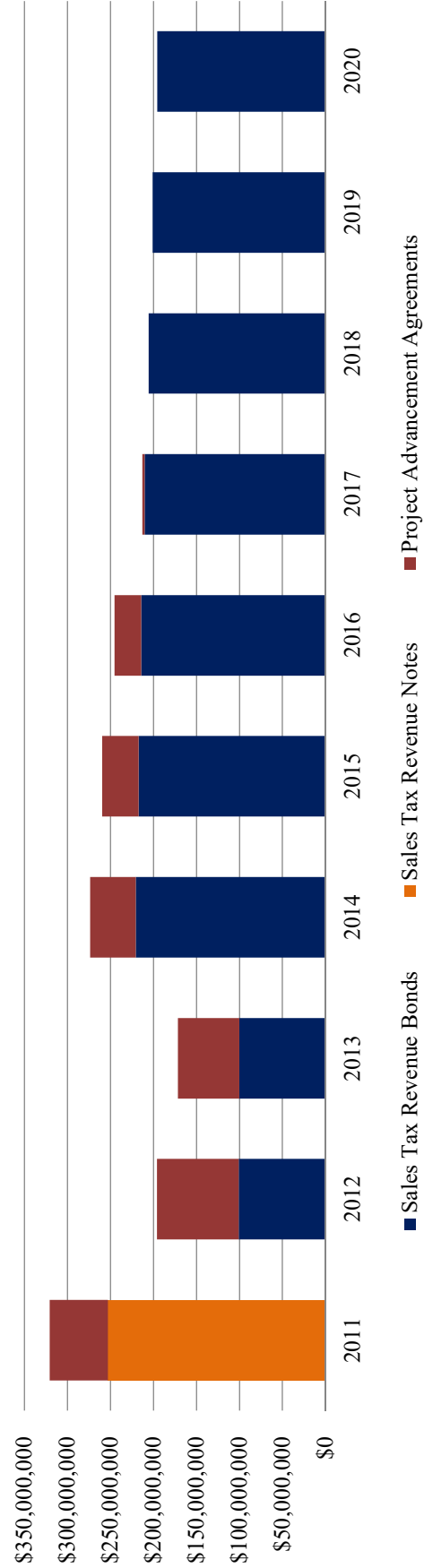
Fiscal Year	Sales Tax Revenue Bonds ⁽¹⁾	Sales Tax Revenue Notes ⁽¹⁾	Project Advancement Agreements ⁽²⁾	Total	Percentage of Personal Income ⁽³⁾	Per Capita ⁽³⁾
2011	\$ -	\$ 252,909,504	\$ 67,765,408	\$ 320,674,912	0.51%	\$ 156.07
2012	100,789,178	-	95,035,323	195,824,501	0.30%	94.58
2013	100,261,590	-	71,175,791	171,437,381	0.26%	82.16
2014	220,407,142	-	53,267,750	273,674,892	0.39%	130.28
2015	217,309,118	-	42,186,696	259,495,814	0.34%	122.34
2016	214,167,404	-	31,092,352	245,259,756	0.31%	114.63
2017	210,191,056	-	2,835,749	213,026,805	0.25%	98.61
2018	205,722,467	-	-	205,722,467	NA	94.59
2019	200,787,943	-	-	200,787,943	NA	91.59
2020	195,593,851	-	-	195,593,851	NA	89.70

Note: Details regarding the Agency's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾ Includes unamortized premium.

⁽²⁾ Project advancement agreements debt not reported in financial statements prior to fiscal year 2010.

⁽³⁾ See Demographic and Economic Statistics on page 146.

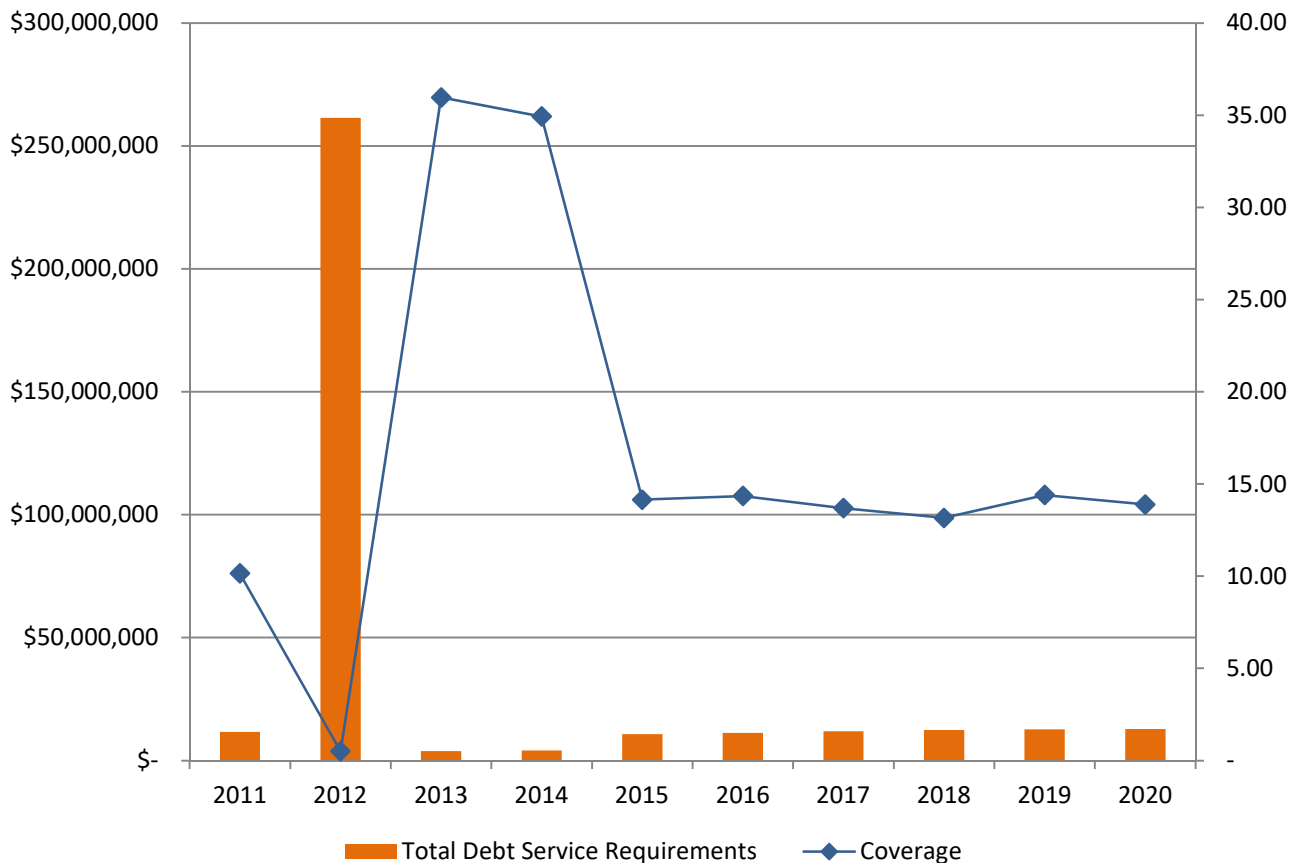


SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Pledged-Revenue Coverage
Last Ten Fiscal Years

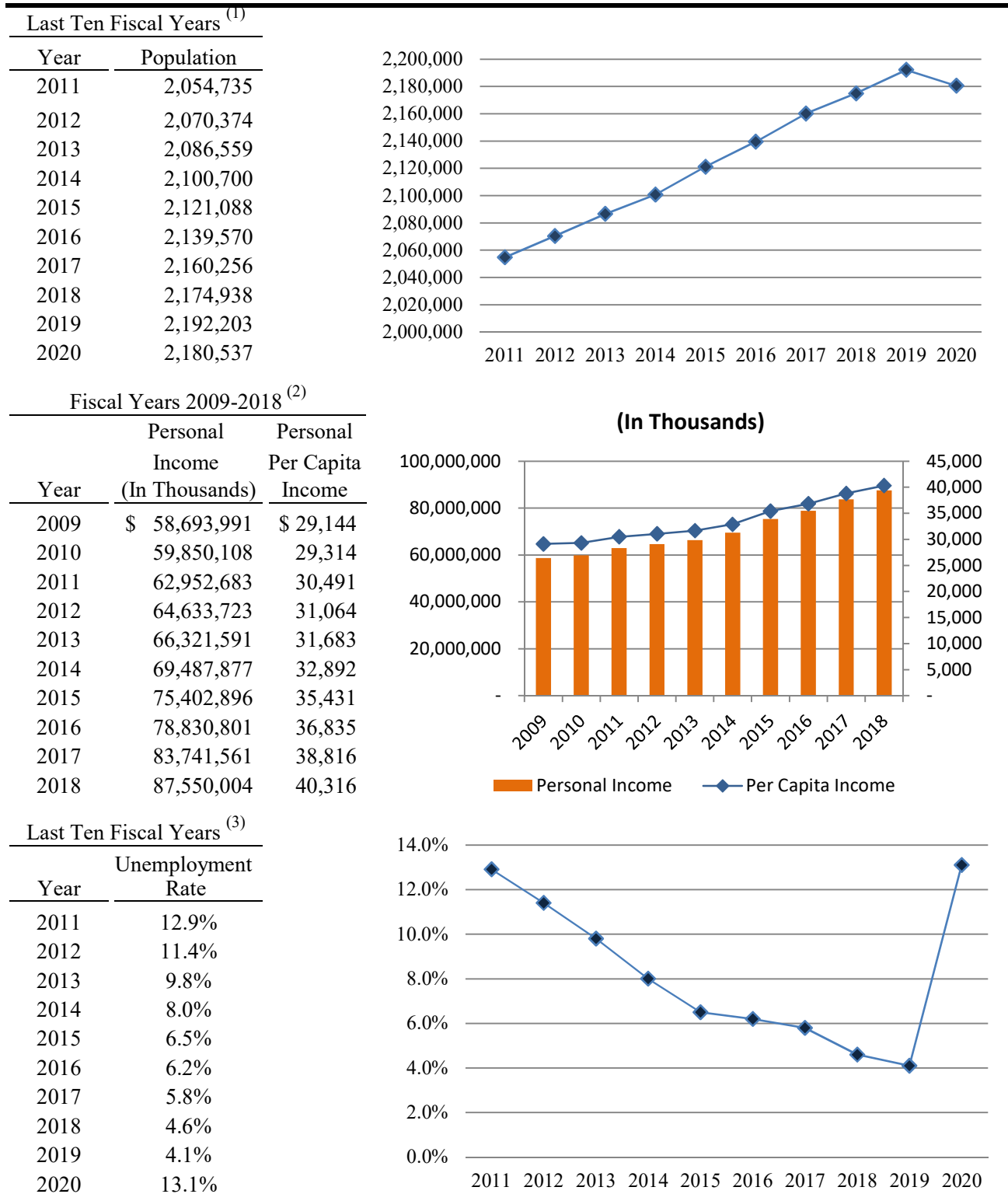
Fiscal Year	Measure I Sales Tax Revenues ⁽¹⁾	Debt Service Requirements ⁽²⁾			Coverage
		Principal	Interest	Total	
2011	\$ 117,927,079	\$ -	\$ 11,609,500	\$ 11,609,500	10.16
2012	132,276,581	250,000,000	11,461,155	261,461,155	0.51
2013	138,482,732	-	3,851,087	3,851,087	35.96
2014	145,407,342	-	4,163,338	4,163,338	34.93
2015	152,342,401	1,910,000	8,856,259	10,766,259	14.15
2016	160,848,014	1,990,000	9,222,050	11,212,050	14.35
2017	163,814,528	2,845,000	9,122,550	11,967,550	13.69
2018	162,945,073	3,365,000	9,016,301	12,381,301	13.16
2019	183,621,992	3,860,000	8,893,650	12,753,650	14.40
2020	179,016,883	4,150,000	8,739,251	12,889,251	13.89

⁽¹⁾ Measure I sales tax revenue net of Board of Equalization fees.

⁽²⁾ Debt service requirement for fiscal year 2012 reflects payment of Sales Tax Revenue Note, 2009A from an established escrow account relating to the issuance of the Sales Tax Revenue Bonds, 2012A.



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
County of San Bernardino Demographic and Economic Statistics



⁽¹⁾ California Department of Finance. Population for FY2020 as of January 2020.

⁽²⁾ U.S. Department of Commerce-Bureau of Economic Analysis. Represents most recent information.

⁽³⁾ California Employment Development Department. Unemployment rate for FY2020 as of June 2020.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
County of San Bernardino Employment Statistics by Industry
Fiscal Year 2019 and Nine Years Prior ⁽¹⁾

Industry Type	2019	Percentage of Total Employment	2010	Percentage of Total Employment
Agricultural services, forestry and fishing	2,600	0.33%	2,600	0.42%
Mining	700	0.09%	600	0.10%
Construction	39,000	4.96%	24,900	4.02%
Manufacturing	56,500	7.18%	47,300	7.63%
Transportation, warehousing and public utilities	91,100	11.58%	45,900	7.40%
Wholesale trade	40,700	5.17%	29,800	4.81%
Retail trade	86,400	10.98%	76,200	12.29%
Professional and business services	81,700	10.39%	72,600	11.71%
Education and health services	127,600	16.22%	89,700	14.47%
Leisure and hospitality	78,700	10.01%	55,100	8.89%
Information	5,100	0.65%	4,000	0.64%
Finance, insurance and real estate	22,500	2.86%	21,300	3.44%
Federal government-civilian	13,900	1.77%	16,500	2.66%
State government	13,700	1.74%	13,500	2.18%
Local government	103,300	13.13%	99,500	16.05%
Other services	<u>23,100</u>	<u>2.94%</u>	<u>20,400</u>	<u>3.29%</u>
Total	<u>786,600</u>	<u>100.00%</u>	<u>619,900</u>	<u>100.00%</u>

⁽¹⁾ Most current information available.

Source: California Employment Development Department.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Full-time Equivalent Employees by Function ⁽¹⁾

Last Ten Fiscal Years

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General:										
Executive administration and support	10.0	10.0	10.0	10.0	10.0	10.0	11.0	12.0	11.0	11.0
General counsel	-	1.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0
Financial management	5.0	6.0	6.5	6.5	8.5	9.5	12.0	14.0	15.0	15.0
Management services	4.0	3.0	3.0	3.0	3.0	3.0	2.0	3.0	3.0	3.0
Legislation	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.0	2.0	2.0
Public affairs	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Commuter and motorist assistance	4.0	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0
Regional and subregional planning	9.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Transit	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Project delivery	5.0	5.0	5.0	5.0	5.0	5.0	4.0	5.0	6.0	6.0
Fund administration	-	7.0	7.0	7.0	8.0	8.0	9.0	8.0	8.0	8.0
Council of governments	-	-	-	-	-	-	2.0	2.0	1.0	1.0
Total full-time equivalent positions	45.0	47.0	49.5	50.5	53.5	54.5	61.0	64.0	64.0	64.0

⁽¹⁾ Authorized positions per adopted budget for fiscal year 2019-2020. Does not include contract positions for project management in project delivery nor transit. Programming staff were reclassified from planning to fund administration in fiscal year 2012.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Operating Indicators by Function ⁽¹⁾
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Environmental and energy conservation										
HERO program ⁽²⁾ :										
Number of projects approved	-	-	-	4,433	5,987	8,098	6,805	-	-	-
Number of projects completed	-	-	-	3,458	5,128	5,177	4,355	580	-	-
Value of projects completed	\$	\$	\$	\$ 59,481,299	\$ 94,925,696	\$ 103,832,407	\$ 87,395,340	\$ 12,256,788	\$	\$
GW/h saved	-	-	-	24	38	12	28	132	-	-
GHG reduction in tons	-	-	-	6,514	10,362	10,293	7,589	120	-	-
Commuter and motorist assistance										
Annual ride-share participants	1,416	1,373	1,213	997	750	1,229	1,383	1,467	1,945	-
Park and ride lots	17	19	19	19	21	21	20	19	18	-
Motorist assistance by freeway service patrol	36,366	35,894	30,347	34,141	34,669	35,100	33,369	49,644	58,848	70,164
Call boxes	1,192	1,224	1,224	1,244	1,048	1,022	1,022	1,022	1,022	754
Calls to 511	479,331	360,171	362,395	306,108	282,180	233,895	201,099	142,287	114,045	95,164
Visits to IE511.org	246,318	341,716	388,496	471,778	604,799	473,462	618,627	408,021	252,921	328,053
Transit										
Annual ride-share participants ⁽⁴⁾	-	-	-	-	-	-	-	-	-	1,380
Park and ride lots ⁽⁴⁾	-	-	-	-	-	-	-	-	-	19
Vanpools ⁽⁵⁾	-	-	-	-	-	-	-	-	34	57
Weekly commuter rail trips	11,523	12,325	12,044	11,159	11,078	10,659	9,721	9,559	10,411	8,689
Annual ridership on commuter rail	3,215,354	3,503,126	3,448,078	3,241,225	3,183,922	3,073,878	2,745,469	2,713,313	2,938,644	2,390,907
Transit operators	7	7	7	7	7	5	5	5	5	6
Transit projects	-	-	-	3	6	3	4	3	3	2
Passenger rail projects	-	-	-	7	5	8	7	7	10	9
Project delivery										
Freeway projects	13	17	14	12	9	9	9	9	9	13
Freeway interchange projects	6	7	14	19	18	17	20	17	17	16
Grade separation projects	11	11	10	8	11	8	8	5	5	4
Fund administration										
Project advancement agreements ⁽³⁾	24	24	24	24	24	24	24	-	-	-
Arterial program jurisdiction master agreements	16	16	16	16	16	15	15	15	15	15
Measure I Valley Major Street/Arterial allocation	6,351,000	\$ 8,400,000	\$ 4,176,710	\$ 2,297,670	\$ 8,292,988	\$ 8,632,276	\$ 10,780,897	\$ 20,958,276	\$ 22,027,304	\$ 20,720,517
Project advancement allocation-Valley interchange	2,911,000	\$ 3,830,000	\$ 4,215,200	\$ 2,039,283	\$ -	\$ 966,835	\$ -	\$ 1,815,540	\$ -	\$ -
Project advancement allocation-Valley arterials	5,293,000	\$ 6,970,000	\$ 12,533,250	\$ 15,665,520	\$ 11,361,899	\$ 9,351,584	\$ 8,188,822	\$ 1,020,209	\$ -	\$ -
Victor Valley Major Local Highway Allocation	14,445,025	\$ 6,305,622	\$ 9,029,230	\$ 1,199,345	\$ 4,837,945	\$ -	\$ 2,970,614	\$ 41,100	\$ 4,859,500	\$ 5,255,218
Rural Mountain/Desert Local Highway Allocation	3,553,108	\$ 450,000	\$ 1,975,000	\$ 713,630	\$ 8,770,963	\$ 4,130,572	\$ 6,620,303	\$ 53,697	\$ 537,872	\$ 6,231,060
Federal obligation authority redistribution received	2,722,631	\$ 3,933,579	\$ 2,851,893	\$ 366,977	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,236,120

⁽¹⁾ Information provided by various departments.

⁽²⁾ The HERO program ended in fiscal year 2017.

⁽³⁾ Project Advancement Agreements were paid in full in fiscal year 2018.

⁽⁴⁾ Programs moved from Commuter and motorist assistance to Transit during fiscal year 2020.

⁽⁵⁾ Programs started during fiscal year 2019.

Note: N/A-information not available for fiscal year.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Building-santa fe depot	1	1	1	1	1	1	1	1	1	1
Sport utility vehicle	1	1	1	1	1	1	1	1	1	1
Santa fe depot parking lot -employee/visitor	2	2	2	2	2	2	2	2	2	2
Environment and energy conservation										
Electric vehicle charging stations	-	-	-	-	-	-	-	2	2	2
Transit										
Acres of commuter rail land	590	590	591	592	608	621	621	621	621	604
Acres of commuter rail parking land	3	3	3	3	*16.9	*16.9	*21.9	*21.9	*21.9	*47.86
Building-downtown san bernardino crew house	-	-	-	-	-	-	-	1	1	1
Downtown san bernardino crew house parking lot	-	-	-	-	-	-	-	1	1	1
Santa fe depot station parking lot	1	1	1	1	1	1	1	1	1	1

* Although agreed to in Co-op agreements with various cities, some really has not yet been transferred to SBCTA or from SBCTA to the cities.

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

SINGLE AUDIT

Year ended June 30, 2020

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
San Bernardino, California

SINGLE AUDIT
Year ended June 30, 2020

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the San Bernardino County Transportation Authority (SBCTA), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise SBCTA's basic financial statements, and have issued our report thereon dated November 23, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered SBCTA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SBCTA's internal control. Accordingly, we do not express an opinion on the effectiveness of SBCTA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether SBCTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
November 23, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

Report on Compliance for Each Major Federal Program

We have audited the San Bernardino County Transportation Authority's (SBCTA) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of SBCTA's major federal programs for the year ended June 30, 2020. SBCTA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of SBCTA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about SBCTA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of SBCTA's compliance.

Opinion on Each Major Federal Program

In our opinion, SBCTA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

(Continued)

Report on Internal Control over Compliance

Management of SBCTA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered SBCTA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of SBCTA's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise SBCTA's basic financial statements. We issued our report thereon dated November 23, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.


Crowe LLP

Costa Mesa, California
November 23, 2020

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2020

Federal Grantor/Pass-through Entity Program or Cluster Title	CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Transportation			
Federal Highway Administration			
Highway Planning and Construction Cluster			
Pass-through California Department of Transportation:			
Highway Planning and Construction	20.205	HP21IMDL-0499-003	\$ (64,466) *
Highway Planning and Construction	20.205	STPCMLN-6053-062	(41,202) **
Highway Planning and Construction	20.205	CMLN-6053-101	104,373
Highway Planning and Construction	20.205	HPLULN-6053-115	609,595
Highway Planning and Construction	20.205	ATPL-6053-116	39,365
Highway Planning and Construction	20.205	STPLULN-6053-122	(777,718) ***
Highway Planning and Construction	20.205	DEMO8STP-6053-125	55,654
Highway Planning and Construction	20.205	PNRSTCIL-6053-126	310,412
Highway Planning and Construction	20.205	STPLN-6053-127	161,383
Highway Planning and Construction	20.205	CMSTPLN-6053-130	34,809,684
Highway Planning and Construction	20.205	PNRSLN-6507-001	72,350
Highway Planning and Construction	20.205	PNRSLN-6507-002	24,433
Highway Planning and Construction	20.205	BRLS-6507-003	12,847,967
Highway Planning and Construction	20.205	CML-6507-004	696,123
Highway Planning and Construction	20.205	CML-6507-005	231,374
Highway Planning and Construction	20.205	STPLN-6507(011)	1,228,477
Highway Planning and Construction	20.205	PNRSLN-6507-013	2,296,600
Total Highway Planning and Construction Cluster			52,604,404
Federal Transit Administration			
Federal Transit Cluster			
Passed through Omnitrans			
Federal Transit - Formula Grant	20.507	CA-2020-057-00	20,396,451
Federal Transit - Formula Grant	20.507	CA-2018-040-00	431,984
Federal Transit - Formula Grant	20.507	CA-2020-057-00	12,827,987
Total Federal Transit Cluster			33,656,422
National Infrastructure Investments			
Passed through Omnitrans			
TIGER Grant-Redlands Passenger Rail Project	20.933	CA-2019-156-00	5,243,485
Department of Engineering			
State Energy Program			
Passed through the State California Energy Commission			
ARRA - State Energy Program	81.041	ARRA DOE EE-0000221	137,512
Total State Energy Program			137,512
Total Expenditures of Federal Awards			\$ 91,641,823

*Negative amount of -\$64,466 reflects an FY2019-2020 credit against prior year unpaid reported expenditures with a final project closeout completed in June, 2020

**Negative amount of -\$41,202 reflects the reversal of unpaid prior year final invoice reported expenses that will be put on a different project in June, 2020

***Negative amount of -\$777,718 reflects a net credit involving a payment back for federal STP reported expenditures that were qualified under STIP RIP funds lapsing in December, 2019

See accompanying notes to schedule of expenditures of federal awards.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2020

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of SBCTA for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of SBCTA operations, it does not present the financial position, changes in net position, or cash flows of SBCTA.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* or the principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. SBCTA has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 2 - MATCHING COSTS

The nonfederal share of program costs (matching costs) are not included in the accompanying Schedule of Expenditure of Federal Awards.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

_____ Yes X No

Significant deficiencies identified not considered to be material weaknesses?

_____ Yes X None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ Yes X No

Identification of major federal programs:

CFDA Number Name of Federal Program or Cluster

20.507 Federal Transit Cluster

20.933 National Infrastructure Investments

Dollar threshold used to distinguish between type A and type B programs:

\$ 2,749,255

Auditee qualified as low-risk auditee?

_____ Yes X No

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

**STATE TRANSIT ASSISTANCE FUND
OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO
COUNTY TRANSPORTATION AUTHORITY**

FINANCIAL STATEMENTS

June 30, 2020

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

FINANCIAL STATEMENTS
June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

Report on the Financial Statements

We have audited the accompanying financial statements of the State Transit Assistance Fund of the County of San Bernardino, a special revenue fund of the San Bernardino County Transportation Authority (SBCTA) (the Fund), as of and for the year ended June 30, 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund, as of June 30, 2020, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of SBCTA or the County of San Bernardino, California, as of June 30, 2020, and the change in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Fund. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2020 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.


Crowe LLP

Costa Mesa, California
November 23, 2020

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
BALANCE SHEET
June 30, 2020

ASSETS

Cash and investments in San Bernardino County Treasury Pool	\$ 76,127,306
Accrued interest receivable	596,882
Intergovernmental receivable	<u>5,500,361</u>

Total assets	<u><u>\$ 82,224,549</u></u>
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LIABILITIES

Due to other funds	\$ 6,101,201
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FUND BALANCE

Restricted:

Restricted allocations available for operators	7,688,427
Restricted for unclaimed allocations	25,002,764
Unallocated restricted balance	<u>43,432,157</u>
	<u>76,123,348</u>

Total liabilities and fund balance	<u><u>\$ 82,224,549</u></u>
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See accompanying notes to financial statements.

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
Year ended June 30, 2020

Revenues	
Intergovernmental	\$ 21,769,764
Investment earnings	<u>2,418,713</u>
Total revenues	24,188,477
 Expenditures	
Transit	\$ 9,086,783
Capital Outlay	<u>6,009,384</u>
Total expenditures	<u>15,096,167</u>
 Change in fund balance	 9,092,310
 Fund balance, beginning of year	 <u>67,031,038</u>
 Fund balance, end of year	 <u><u>\$ 76,123,348</u></u>

See accompanying notes to financial statements.

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The San Bernardino County Transportation Authority (SBCTA), in its capacity as the San Bernardino County Transportation Commission, is the transportation planning agency for the County of San Bernardino, California (the County). SBCTA is responsible for administering funds provided through the State Transit Assistance Program, which was created in 1979 under Chapter 161 (SB 620) of the California statutes to provide a second source of Transportation Development Act funding for the development of transit systems. The funds are derived from a statewide sales tax on gasoline and diesel fuel and are budgeted through legislation and appropriated to the State Controller's Office for allocation to local agencies. The State Transit Assistance Fund (the Fund), serves as a depository for the State Development Act revenue to be disbursed to local transit agencies and operators based on Public Utilities Code Sections 99313 and 99314. Distribution of funds is based on annual adopted apportionments.

The accounting policies of the Fund conform to accounting principles generally accepted in the United States of America as applicable to governmental funds of governmental entities.

A summary of the Fund's significant accounting policies is as follows:

Presentation: The accompanying financial statements of the Fund are intended to present the financial position and the changes in financial position of only the governmental fund of SBCTA that is attributable to the transactions of the Fund. They do not purport to, and do not, present fairly the financial position of the San Bernardino County or SBCTA as of June 30, 2020, or the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis of Accounting: In accordance with the requirements for governmental funds, the modified accrual basis of accounting is followed. Under the modified accrual basis of accounting, expenditures are recorded when they are expected to be liquidated with expendable available resources, and revenue is recorded when it becomes both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. SBCTA considers revenues to be available if they are collected within 180 days of the end of the current fiscal period for all revenue types except sales tax. Sales tax are accrued when receipt occurs within 90 days after the end of the accounting period, and recognized as revenue. Investment earnings are recognized when earned.

Allocations to Local Agencies: State transit assistance funds are allocated to the public operators and public transit providers within the County. Public Utilities Code (PUC) Section 99313 allocates funds to regional transportation planning agencies based on the ratio of area population to state population. PUC Section 99314 allocates funds to public transit operators based on their share of fares and local support to other public transit operators in the state. The allocations must be made in a resolution adopted by SBCTA's Board of Directors.

Fund Balance Restrictions: The Fund reports restricted fund balances to show the level of constraint governing the use of the funds. Restricted fund balances are restricted for specific purposes by enabling legislation. The restricted fund balance for allocations available for operators represents amounts apportioned by SBCTA but not allocated to claimants. The restricted fund balance for unclaimed allocations represents amounts allocated by SBCTA and due to claimants but not yet paid, as claimants have not yet provided the appropriate claim documentation to SBCTA as of June 30, 2020. The unallocated restricted fund balance represents amounts that have not been apportioned or allocated by SBCTA.

(Continued)

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenditures to Claimants: Disbursements to claimants represent funds disbursed to transit operators that have met the eligibility requirements to receive State Transit Assistance Program funds per PUC Sections 99313 and 99314. All disbursements are to be used for transit purposes.

Intergovernmental Receivable: The intergovernmental receivable reflects the accrual of state transit assistance fund for the fourth quarter of fiscal year 2020. The funds will cover expenditures for transit projects for SBCTA and pass-through funds to transit operators.

NOTE 2 - POOLED CASH AND INVESTMENTS

The funds in the San Bernardino County Treasury Pool are pooled with those of other entities in the County and invested in accordance with the County's investment policy. These pooled funds are carried at fair value. Fair value is based on quoted market prices and/or direct bids, when needed, from government dealers on some variable or floating rate items. Monies in the Fund are legally required to be deposited in the San Bernardino County Treasury Pool. An Investment Oversight Committee has been established by the County, which acts as a regulator of the pool. The San Bernardino County Treasury Pool is Rated AAAf by national rating services.

Other investment policies and related credit, concentration of credit, interest rate and foreign currency risks applicable to the Fund's cash and investments are those of the County and are disclosed in the County's Comprehensive Annual Financial Report (CAFR). A copy of the report can be obtained from the San Bernardino County Auditor-Controller Office at 268 West Hospitality Lane, San Bernardino, CA 92415; or online at www.sbcounty.gov.

(Continued)

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 3 - FUND BALANCE

At June 30, 2020, amounts are restricted for apportioned and unallocated amounts and for unpaid allocations by claimants.

Restricted apportionments available to operators:	
SBCTA Commuter Rail Program	\$ 6,882,241
City of Needles	(237) *
Mountain Area Regional Transit Authority	51,536
Morongo Basin Transit Authority	44,978
Omnitrans	743,761
Victor Valley Transit Authority	(33,852) *
	<u>7,688,427</u>
Restricted for unclaimed allocations:	
Commuter Rail	14,010,310
City of Needles	206,518
Mountain Area Regional Transit Authority	2,150,521
Morongo Basin Transit Authority	592,497
Omnitrans	6,676,073
Victor Valley Transit Authority	1,366,845
	<u>25,002,764</u>
Unallocated restricted balance:	
Unallocated restricted balance	35,105,821
Unapportioned STAF	3,644,104
Unapportioned fund reserve	3,624,403
Unrealized gain on investment	1,057,829
	<u>43,432,157</u>
Total restricted fund balance	<u>\$ 76,123,348</u>

*The negative amount resulted from the estimate amount received from the State Controller in the prior year being higher than the actual revenue received.

NOTE 4 – RECENT EVENT

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In March 2020, the State of California issued a state-wide shelter-in-place order that fortunately has thus far had a minimal financial impact on the operations and business results of San Bernardino County Transportation Authority. SBCTA staff continues to work remotely with projects continuing without delay. Also, Measure I sales tax for Fiscal Year 2020 exceeded original budget by \$12.1 Million or 7.25%. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. Management has not included any contingencies in the financial statements specific to this recent event.

SUPPLEMENTARY INFORMATION

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF ALLOCATIONS AND DISBURSEMENTS APPROVED DURING YEAR
Year ended June 30, 2020

<u>Recipient</u>	Prior Year Unclaimed Allocations <u>Balance</u>	Current Year Allocation <u>Allocation</u>	Total <u>Expenditures</u>	Returned Allocations <u>Allocations</u>
SBCTA Commuter Rail Program	\$ 20,188,725	\$ 5,410,155	\$ 12,374,704	\$ 287,581
City of Needles	183,522	200,362	177,367	-
Mountain Area Regional Transit Authority	2,631,304	108,888	589,671	-
Morongo Basin Transit Authority	788,726	177,950	374,179	-
Omnitrans	2,805,512	4,646,062	775,501	-
Victor Valley Transit Authority	<u>1,436,689</u>	<u>734,901</u>	<u>804,745</u>	<u>-</u>
	<u>\$ 28,034,479</u>	<u>\$ 11,278,318</u>	<u>\$ 15,096,167</u>	<u>\$ 287,581</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the State Transit Assistance Fund, a special revenue fund of the San Bernardino County Transportation Authority (SBCTA) (the Fund), as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated November 23, 2020. As discussed in Note 1, the financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of SBCTA, California, as of June 30, 2020, or the changes in its financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SBCTA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SBCTA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
November 23, 2020

**LOCAL TRANSPORTATION FUND
OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO
COUNTY TRANSPORTATION AUTHORITY**

FINANCIAL STATEMENTS

June 30, 2020

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

FINANCIAL STATEMENTS
June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Local Transportation Fund of the County of San Bernardino, as administered by the San Bernardino County Transportation Authority (SBCTA) (the Fund), as of and for the year ended June 30, 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund, as of June 30, 2020, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of SBCTA or the County of San Bernardino, California, as of June 30, 2020, or the changes in its financial position, or, where applicable, its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter


Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Fund. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2020 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.


Crowe LLP

Costa Mesa, California
November 23, 2020

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
BALANCE SHEET
June 30, 2020

ASSETS

Cash and investments in San Bernardino County Treasury Pool	\$ 100,999,257
Accrued interest receivable	731,766
Intergovernmental receivable	<u>18,283,237</u>
 Total assets	 <u><u>\$ 120,014,260</u></u>

LIABILITIES

Due to other funds	\$ 1,183,783
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FUND BALANCE

Restricted:	
Unapportioned local transportation funds reserve	9,674,629
Unclaimed allocations	18,440,495
Bicycle and pedestrian projects	9,528,913
Rail and bus transit and local street and road, apportioned and unallocated	62,290,668
Unapportioned local transportation funds	<u>18,895,772</u>
	<u>118,830,477</u>
 Total liabilities and fund balance	 <u><u>\$ 120,014,260</u></u>

See accompanying notes to financial statements.

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
Year ended June 30, 2020

Revenues

Sales tax - local transportation fund	\$ 102,753,612
Investment earnings	<u>2,382,017</u>
Total revenues	105,135,629

Expenditures

Transit	<u>85,947,308</u>
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Excess of Revenues over Expenditures	19,188,321
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Other financing sources (uses)

Transfers out	<u>(3,836,384)</u>
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Net change in fund balance	15,351,937
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Fund balance, beginning of year	<u>103,478,540</u>
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Fund balance, end of year	<u><u>\$ 118,830,477</u></u>
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See accompanying notes to financial statements.

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The San Bernardino County Transportation Authority (SBCTA), in its capacity as the transportation planning agency for the County of San Bernardino, California (the County), is responsible for administering funds provided through the Local Transportation Fund (the Fund), which was created in accordance with the provisions of the Transportation Development Act of 1971. The Fund's revenue is derived from 0.25% of the 7.50% statewide sales tax collected in the County by the State Board of Equalization (the State).

The accounting policies of the Fund conform to accounting principles generally accepted in the United States of America as applicable to governmental funds of governmental entities.

A summary of the Fund's significant accounting policies is as follows:

Presentation: The accompanying financial statements of the Fund are intended to present the financial position and the change in financial position of only the governmental fund of SBCTA that is attributable to the transactions of the Fund. They do not purport to, and do not, present fairly the financial position of the County or SBCTA as of June 30, 2020, or the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis of Accounting: In accordance with the requirements for governmental funds, the modified accrual basis of accounting is followed. Under the modified accrual basis of accounting, expenditures are recorded when they are expected to be liquidated with expendable available resources, and revenue is recorded when it becomes both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Sales taxes and intergovernmental revenues are recognized as revenues when measurable, a sale occurs or eligibility requirements are met, if available. SBCTA considers revenues to be available if they are collected within 180 days of the end of the current fiscal period for all revenue types except sales tax. Sales tax are accrued when receipt occurs within 90 days after the end of the accounting period and recognized as revenue. Investment earnings are recognized when earned.

Funding for Recipients: There is a three-step process for obtaining funds from the Fund: apportionment, allocation and payment. Annually, SBCTA determines the share of the anticipated Fund balance for each geographical area within the County. This share is the area apportionment. Once funds are apportioned to a given area, they are typically available only for allocation to claimants in that area. Allocation is the discretionary action by SBCTA, which designates funds for a specific claimant for a specific purpose. Payment is authorized by disbursement instructions issued by SBCTA.

Expenditures: Expenditures represent disbursements to the Southern California Association of Governments (SCAG), cities, County and transit operators that have met the claimant eligibility requirements to receive Fund allocations that are approved by SBCTA per various Public Utilities Code Sections. All disbursements are to be used for transportation purposes.

Intergovernmental Receivable: Sales taxes receivable consist primarily of unremitted sales tax collected by the State for taxable sales within the County through June 30, 2020.

Fund Balance Restrictions: The Fund reports restricted fund balances to show the level of constraint governing the use of the funds. Restricted fund balances are restricted for specific purposes by enabling legislation.

(Continued)

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 2 - POOLED CASH AND INVESTMENTS

The funds in the San Bernardino County Treasury Pool are pooled with those of other entities in the County and invested in accordance with the County's investment policy. These pooled funds are carried at fair value. Fair value is based on quoted market prices and/or direct bids, when needed, from government dealers on some variable or floating rate items. Monies in the Fund are legally required to be deposited in the San Bernardino County Treasury Pool. An Investment Oversight Committee has been established by the County, which acts as a regulator of the pool. The San Bernardino County Treasury Pool is Rated AAAf by national rating services.

Other investment policies and related credit, concentration of credit, interest rate and foreign currency risks applicable to the Fund's cash and investments are those of the County and are disclosed in the County's Comprehensive Annual Financial Report (CAFR). A copy of the report can be obtained from the San Bernardino County Auditor-Controller Office at 268 West Hospitality Lane, San Bernardino, CA 92415; or online at www.sbcounty.gov.

NOTE 3 - FUND BALANCE

Restricted fund balance represents the apportionments related to transit programs by geographic area, bicycle and pedestrian projects, planning and programming, and unapportioned Local Transportation Funds. For commuter rail and bus allocations are in accordance with SBCTA's policy.

(Continued)

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 3 - FUND BALANCE (Continued)

At June 30, 2020, amounts in the fund balance are restricted as follows:

Rail and bus transit and local street and road apportionments:	
Apportioned and unallocated	
City of Adelanto	\$ 566,357
Town of Apple Valley	69,312
City of Barstow	15,676
City of Big Bear Lake	2
City of Hesperia	541,581
City of Needles	1
City of Twentynine Palms	75,585
City of Victorville	504,253
Town of Yucca Valley	-
County - unincorporated	401,517
Valley	<u>60,116,384</u>
Total for rail and bus transit and local street and road allocation balance	<u>\$ 62,290,668</u>
Bicycle and pedestrian projects:	
Allocated and unclaimed	\$ 9,429,366
Unallocated	<u>99,547</u>
Total for bicycle and pedestrian projects	<u>\$ 9,528,913</u>
Unapportioned local transportation funds reserve	<u>\$ 9,674,629</u>
Unclaimed allocations	<u>\$ 18,440,495</u>
Unapportioned local transportation funds	17,875,646
Unrealized gain on investments	<u>1,020,126</u>
Total Unapportioned local transportation funds	<u>\$ 18,895,772</u>

NOTE 4 - TRANSFERS

Transfers out are used to move funds from the Fund to the general fund of SBCTA for reimbursement of certain general administrative, planning and transportation expenditures.

(Continued)

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 5 – RECENT EVENT

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In March 2020, the State of California issued a state-wide shelter-in-place order that fortunately has thus far had a minimal financial impact on the operations and business results of San Bernardino County Transportation Authority. SBCTA staff continues to work remotely with projects continuing without delay. Also, Measure I sales tax for Fiscal Year 2020 exceeded original budget by \$12.1 Million or 7.25%. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. Management has not included any contingencies in the financial statements specific to this recent event.

SUPPLEMENTARY INFORMATION

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF ALLOCATIONS AND DISBURSEMENTS
Year ended June 30, 2020

	SB 821 Article 3		Article 4		Article 3 & 4		Article 8				Article 3		Total		
	Bicycle/Pedestrian & Transit Stop Access		Operating/Capital		Commuter Rail		Purchased Transportation		Local Streets/Roads		Planning, Programming & Administration		Allocations	Disbursements	Unclaimed Amount
	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements			
	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Unclaimed Amount
City of Adelanto	\$ 53,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,897	\$ -	\$ 53,897
Town of Apple Valley	335,392	37,450	-	-	-	-	-	-	79,095	79,095	-	-	414,487	116,545	297,942
City of Barstow	-	-	-	-	-	-	-	-	42,195	42,195	-	-	42,195	42,195	-
City of Big Bear Lake	200,000	41,178	-	-	-	-	-	-	-	-	-	-	200,000	41,178	158,822
City of Chino	-	45,617	-	-	-	-	-	-	-	-	-	-	-	45,617	(45,617)
City of Chino Hills	249,997	-	-	-	-	-	-	-	-	-	-	-	249,997	-	249,997
City of Colton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Fontana	-	42,803	-	-	-	-	-	-	-	-	-	-	-	42,803	(42,803)
City of Grand Terrace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Hesperia	-	-	-	-	-	-	-	-	807,864	807,864	-	-	807,864	807,864	-
City of Highland	121,333	242,855	-	-	-	-	-	-	-	-	-	-	121,333	242,855	(121,522)
City of Loma Linda	31,497	-	-	-	-	-	-	-	-	-	-	-	31,497	-	31,497
City of Montclair	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Needles	-	231,101	-	-	-	-	-	-	-	-	-	-	-	231,101	(231,101)
City of Ontario	-	125,356	-	-	-	-	-	-	-	-	-	-	-	125,356	(125,356)
City of Rancho Cucamonga	451,000	36,838	-	-	-	-	-	-	-	-	-	-	451,000	36,838	414,162
City of Redlands	157,934	185,035	-	-	-	-	-	-	-	-	-	-	157,934	185,035	(27,101)
City of Rialto	240,432	45,872	-	-	-	-	-	-	-	-	-	-	240,432	45,872	194,560
City of San Bernardino	26,936	-	-	-	-	-	-	-	26,936	-	-	-	26,936	-	26,936
City of Twentynine Palms	-	-	-	-	-	-	-	-	205,842	205,842	-	-	205,842	205,842	-
City of Upland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Victorville	244,000	673,371	-	-	-	-	-	-	1,072,772	1,072,772	-	-	1,316,772	1,746,143	(429,371)
City of Yucaipa	326,000	325,174	-	-	-	-	-	-	-	-	-	-	326,000	325,174	826
Town of Yucca Valley	-	-	-	-	-	-	-	-	152,352	152,352	-	-	152,352	152,352	-
County of San Bernardino	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County of San Bernardino- Dept of Public Health	-	80,442	-	-	-	-	-	-	-	-	-	-	-	80,442	(80,442)
Morongo Basin Transit Authority	28,524	-	2,804,411	2,811,118	-	-	-	-	-	-	-	-	2,832,935	2,811,118	21,817
Mountain Area Reg Transit Authority	-	-	2,428,238	2,635,136	-	-	-	-	-	-	-	-	2,428,238	2,635,136	(206,898)
OMNITRANS	193,126	213,717	44,105,444	44,162,918	-	-	-	-	-	-	-	-	44,298,570	44,376,635	(78,065)
Victor Valley Transit Authority	34,759	-	17,915,378	17,135,320	-	-	41,480	-	-	-	-	-	17,950,137	17,176,800	773,337
City of Needles-Transit	-	-	-	-	-	-	213,025	213,025	-	-	-	-	213,025	213,025	-
Auditor/Controller, County of San Bernardino	-	-	-	-	-	-	-	-	-	-	32,508	32,508	32,508	32,508	-
San Bernardino County Transportation Authority	-	-	-	-	14,400,076	13,509,553	-	-	-	-	3,836,384	3,836,384	18,236,460	17,345,937	890,523
Southern California Association of Governments	-	-	-	-	-	-	-	-	-	-	719,322	719,322	719,322	719,322	-
	\$ 2,694,827	\$ 2,326,809	\$ 67,253,471	\$ 66,744,492	\$ 14,400,076	\$ 13,509,553	\$ 213,025	\$ 254,505	\$ 2,360,120	\$ 2,360,120	\$ 4,588,214	\$ 4,588,214	\$ 91,509,733	\$ 89,783,693	\$ 1,726,040

NOTE: Negative amounts in the Unclaimed Amount column include disbursements from previous year's allocations. The allocations on this table are only for the year ended June 30, 2020.

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF UNALLOCATED APPORTIONMENTS (ARTICLES, 3, 4 AND 8)
Year ended June 30, 2020

	Prior Year Unallocated Apportionment	Allocation Returned	Current Year Apportionment	Current Year Allocated	Allocation From Reserves	Total Current Year Allocation	Unallocated Apportionment
Administration and planning							
Auditor/controller	\$ -	\$ -	\$ 32,508	\$ 32,508	\$ -	\$ 32,508	\$ -
SBCTA administration	-	-	959,096	959,096	-	959,096	-
SBCTA planning	-	-	2,877,288	2,877,288	-	2,877,288	-
SCAG planning	-	-	719,322	719,322	-	719,322	-
Total administration and planning	-	-	4,588,214	4,588,214	-	4,588,214	-
Bicycle and pedestrian Program SB 821	868,400	99,547	1,826,428	2,694,827	-	2,694,827	99,547
Transportation:							
Valley	50,603,790	577,247	64,938,327	56,002,980	2,750,207	58,753,187	60,116,384
Adelanto	555,110	-	1,452,246	1,440,999	-	1,440,999	566,357
Apple Valley	79,095	-	3,044,315	3,054,097	-	3,054,097	69,312
Barstow	42,194	-	1,004,471	1,030,990	-	1,030,990	15,676
Big Bear Lake	2	-	226,809	226,809	-	226,809	2
Hesperia	807,864	-	3,902,050	4,168,334	-	4,168,334	541,581
Needles	2	-	213,025	213,025	-	213,025	1
Twentynine Palms	205,842	-	1,112,895	1,243,154	-	1,243,154	75,585
Victorville	1,072,772	-	5,090,084	5,658,603	-	5,658,603	504,253
Yucca Valley	152,352	-	898,432	1,050,784	-	1,050,784	-
County - unincorporated	175,919	-	7,612,309	7,386,710	-	7,386,710	401,517
Total transportation	53,694,942	577,247	89,494,963	81,476,485	2,750,207	84,226,692	62,290,668
Total apportionments	\$ 54,563,342	\$ 676,794	\$ 95,909,605	\$ 88,759,526	\$ 2,750,207	\$ 91,509,733	\$ 62,390,215

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF APPORTIONMENTS
Year ended June 30, 2020

			<u>Apportionment</u>
Prior year audited unrestricted fund balance			\$ (769,611)
Estimated annual LTF receipts			96,746,294
Returned fiscal year 2018/2019 fund reserve			9,607,552
Proposed fiscal year 2019/2020 fund reserve			<u>(9,674,630)</u>
Total estimated funds available			95,909,605
Auditor's administrative costs			32,508
SBCTA's administrative costs			959,096
County transportation commission planning			2,877,288
SCAG planning			<u>719,322</u>
Resulting balance			91,321,391
Article 3 (SB 821) program			<u>1,826,428</u>
Balance available for apportionment			<u><u>\$ 89,494,963</u></u>
<u>Apportionment Area</u>	<u>Population</u>	<u>Percentage</u>	<u>Apportionment</u>
Valley	1,578,154	72.56 %	\$ 64,938,327
Adelanto	35,293	1.62	1,452,246
Apple Valley	73,984	3.40	3,044,315
Barstow	24,411	1.12	1,004,471
Big Bear Lake	5,512	0.25	226,809
Hesperia	94,829	4.36	3,902,050
Needles	5,177	0.24	213,025
Twentynine Palms	27,046	1.24	1,112,896
Victorville	123,701	5.69	5,090,083
Yucca Valley	21,834	1.00	898,432
County - unincorporated	<u>184,997</u>	<u>8.51</u>	<u>7,612,309</u>
Total	<u>2,174,938</u>	<u>100.00 %</u>	<u><u>\$ 89,494,963</u></u>

Population Source: California Department of Finance and County Demographic Research Unit January 2018.

SBCTA's Administrative Cost set-aside is 1% of Total Estimated Funds Available. Expenditures includes staff time associated with administration of TDA funds, audits, TDA update work, unmet needs hearings and a portion of agency indirect costs.

SCAG Planning set-aside is 3/4% of Total Estimated Funds Available.

Estimate provided by County Auditor on January 10, 2019.

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
SCHEDULE OF UNCLAIMED ALLOCATIONS
Year ended June 30, 2020

<u>Transportation Operators</u>	<u>Unclaimed Allocations</u>
MARTA	\$ 1,034,334
MBTA	361,568
Omnitrans	2,273,552
SBCTA	10,476,260
VVTA	<u>4,294,781</u>
Total unclaimed allocations	<u>\$ 18,440,495</u>

<u>Bicycle, Pedestrian, and Transit Stop Access Projects</u>	<u>Unclaimed Allocations</u>
City of Adelanto	\$ 53,897
City of Big Bear Lake	1,226,774
City of Chino	567,729
City of Chino Hills	586,849
City of Fontana	267,743
City of Hesperia	240,064
City of Highland	728,664
City of Loma Linda	31,497
City of Needles	113
City of Ontario	235,507
City of Rancho Cucamonga	451,000
City of Redlands	1,401,929
City of Rialto	626,453
City of San Bernardino	124,723
City of Victorville	558,210
City of Yucaipa	616,290
County of San Bernardino	540,846
County of San Bernardino- Dept of Public Health	217,278
Morongo Basin Transit Authority	43,090
OMNITRANS	362,559
Town of Apple Valley	335,392
Town of Yucca Valley	91,000
Victor Valley Transit Authority	<u>121,759</u>
Total unclaimed allocations	<u>\$ 9,429,366</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Local Transportation Fund of the County of San Bernardino, a special revenue fund of the San Bernardino County Transportation Authority (SBCTA) (the Fund), as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated November 23, 2020. As discussed in Note 1, the financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of SBCTA or the County of San Bernardino, California, as of June 30, 2020, or the changes in its financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SBCTA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SBCTA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
November 23, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE TRANSPORTATION DEVELOPMENT ACT AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE**

Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California

Report on Compliance with Transportation Development Act

We have audited the San Bernardino County Transportation Authority's (SBCTA) compliance with the types of compliance requirements described in the Transportation Development Act (TDA) Conformance Auditing Guide, the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Guidelines, and the Low Carbon Transit Operations Program (LCTOP) Final Guidelines published by the State of California Department of Transportation (collectively, "Transportation Development Act"), that could have a direct and material effect on SBCTA's compliance with the Transportation Development Act for the year ended June 30, 2020.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the Transportation Development Act.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for SBCTA's Transportation Development Act program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Transportation Development Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Transportation Development Act program occurred. An audit includes examining, on a test basis, evidence about SBCTA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Transportation Development Act program. However, our audit does not provide a legal determination of SBCTA's compliance.

Opinion on the Transportation Development Act Program

In our opinion, SBCTA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Transportation Development Act program for the year ended June 30, 2020.

(Continued)

Report on Internal Control over Compliance

Management of SBCTA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered SBCTA's internal control over compliance with the types of requirements that could have a direct and material effect on the Transportation Development Act program as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Transportation Development Act program and to test and report on internal control over compliance in accordance with the Transportation Development Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of SBCTA's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the Transportation Development Act program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the Transportation Development Act program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the Transportation Development Act program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Transportation Development Act. Accordingly, this report is not suitable for any other purpose.


Crowe LLP

Costa Mesa, California
November 23, 2020

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
San Bernardino County Transportation Authority
San Bernardino, California


We have examined management of San Bernardino County Transportation Authority's (SBCTA) assertion that SBCTA complied with the requirements of the State Transportation Improvement Program (STIP) Planning, Programming, and Monitoring (PPM) Program Fund Transfer Agreement PPM20-6507(016) (the Report) for amounts received under the PPM Program Fund Transfer Agreement Number PPM20-6507(016) during the contract period July 1, 2019 to June 30, 2020. SBCTA's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about SBCTA's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements referenced is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on SBCTA's compliance with the specified requirements.

In our opinion, management's assertion that SBCTA complied with the State Transportation Improvement Program (STIP) Planning, Programming, and Monitoring (PPM) Program Fund Transfer Agreement PPM20-6507(016) is fairly stated, in all material respects.

This report is intended solely for the information and use of the Board of Directors of SBCTA, management, of SBCTA, and the State of California Department of Transportation, and is not intended to be, and should not be, used by anyone other than the specified parties.


Crowe LLP

Costa Mesa, California
November 23, 2020

**REPORT OF THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY'S
COMPLIANCE DECLARATIONS**

In connection with the State Transportation Improvement Program (STIP) Planning, Programming, and Monitoring (PPM) Program Fund Transfer Agreement No. PPM20-6507(016), Project No. PPM20-6507(016), for the contract period July 1, 2019 through June 30, 2020, SBCTA's management makes the following declarations:

1. Reimbursement claims for the STIP PPM Program grant submitted to the State of California (the State) were for expenditures for transportation purposes used in conformance with Article XIX of the California State Constitution.
2. Reimbursement claims were for eligible STIP PPM projects as defined in Attachment A of the aforementioned agreement, which identified and summarizes all anticipated plan costs submitted to the State.
3. Charges for various eligible costs incurred by SBCTA are fully supported. Ineligible costs were not claimed as reimbursable. All reimbursable costs were expended within the time period allowed by each agreement.
4. SBCTA has complied with all reporting and timing condition required by the aforementioned agreement.
5. Total reimbursable costs associated with the STIP PPM Program for the 12 months ended June 30, 2020 were \$635,000.

Hilda Flores, Chief Financial Officer

Date

INDEPENDENT AUDITOR'S REPORT
APPLYING AGREED-UPON PROCEDURES

Management of
San Bernardino County Transportation Authority
San Bernardino, California

We have performed the procedures enumerated below the San Bernardino County Transportation Authority ("SBCTA" or "the Authority") compliance with Appropriations Limit under Section 1.5 of Article XIII B of the California Constitution during the year ended as of June 30, 2020. San Bernardino County Transportation Authority's management is responsible for its compliance with those requirements.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the Authority. We make no representation regarding the appropriateness of the procedures either for the purpose for which this report has been requested or for any other purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

The procedures performed and our findings are as follows:

1. We obtained the completed internal calculations from management and compared the limit and annual adjustment factors included in those calculations to the limit and annual adjustment factors that were adopted by a resolution of the Board of Directors. We also compared the population and inflation options included in the aforementioned calculations to those that were selected by a recorded vote of the Board of Directors.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Calculation, we added line A, last year's limit, to line C, annual adjustment, and compared the resulting amount to line D, this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the current year information presented in the accompanying Appropriations Limit Calculation to the supporting calculations described in item 1 above.

Finding: No exceptions were noted as a result of our procedures.

(Continued)

4. We compared the prior year Appropriations Limit presented in the accompanying Appropriations Limit Calculation to the prior year Appropriations Limit adopted by the Board of Directors during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by SBCTA to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with Section 1.5 of Article XIII B of the California Constitution. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of Management is not intended to be, and should not be, used by anyone other than the specified parties.


Crowe LLP

Costa Mesa, California
November 23, 2020

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY
APPROPRIATIONS LIMIT CALCULATION
Year ended June 30, 2020

	<u>Amount</u>	<u>Source</u>
A. Last year's limit	\$1,235,868,039	
B. Adjustment factors:		
1. Population change	1.0385	State Finance
2. Per capital change	1.0090	State Finance
Total adjustments [(B.1 x B.2)] – 1.0]	0.047847	
C. Annual adjustment	<u>59,131,960</u>	A x B
D. This year's limit	<u>\$1,294,999,999</u>	A + C