

## **Support Material Agenda Item No. 26**

### **Board of Directors Meeting**

**January 5, 2022**

**10:00 a.m.**

#### **Location:**

San Bernardino County Transportation Authority

*First Floor Lobby Board Room*

Santa Fe Depot, 1170 W. 3<sup>rd</sup> Street

San Bernardino, CA 92410

## **DISCUSSION ITEMS**

### **Administrative Matters**

#### **26. Presentation of the Annual Comprehensive Financial Report for Fiscal Year 2020/2021**

Receive San Bernardino County Transportation Authority's Annual Comprehensive Financial Report, Single Audit Compliance Report, Audit of the Local Transportation Fund of the County of San Bernardino, and Audit of the State Transit Assistance Fund of the County of San Bernardino for Fiscal Year 2020/2021.

*The following reports are being distributed separately from the agenda:*

- *Annual Comprehensive Financial Report*
- *SBCTA Single Audit Compliance Report*
- *Local Transportation Fund Financial and Compliance Report*
- *State Transit Assistance Fund Financial and Compliance Report*
- *GANN Limit Calculation*
- *Examination Letters for the Planning, Programming, and Monitoring Funds*
- *Public Transportation Modernization, Improvement and Service Enhancement Account, and the Low Carbon Transit Operations Program Funds*

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

**Annual Comprehensive  
FINANCIAL REPORT**

**For Year Ended June 30, 2021**



**Prepared by SBCTA, Finance Department**



The Vineyard Avenue Bridge over Interstate 10 (I-10) in Ontario is one of eighteen (18) bridges that will be widened or reconstructed as part of the I-10 Express Lanes Project. The first express lanes in San Bernardino County are scheduled to open in 2023.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

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## Annual Comprehensive Financial Report

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This rendering of the state-of-the-art rail vehicle being developed for the Arrow service in San Bernardino County is introducing first-of-its-kind self-powered, zero-emission technology to North America. Arrow service is scheduled to launch in 2022; the zero-emission technology will be unveiled in 2025.



November 16, 2021

To the Citizens of San Bernardino County, California:

The Annual Comprehensive Financial Report (ACFR) of San Bernardino County Transportation Authority (SBCTA), San Bernardino, California, for the fiscal year ended June 30, 2021, is submitted herewith. The ACFR 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, 2021. 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 agency's 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 San Bernardino Associated Governments (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 AB 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.

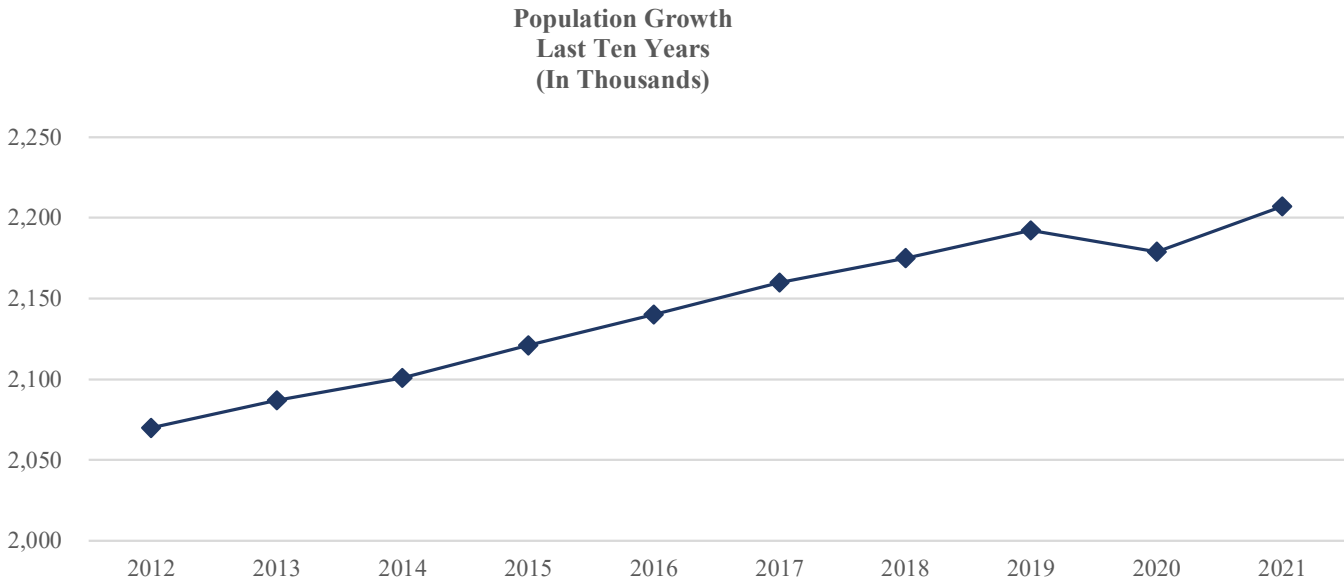
In addition, the JPA will continue to exist for the remaining purpose of performing council of government functions for the County of San Bernardino, currently referred to as the **San Bernardino Council of Governments (SBCOG) and SANBAG**. The financial statements for SANBAG are included as a blended 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 approved 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. The economic impact of the COVID-19 pandemic were less severe than projected. The United States and Inland Empire economies have reported a decrease in unemployment and an increase in personal income. Current 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 6.6% over the last ten years.

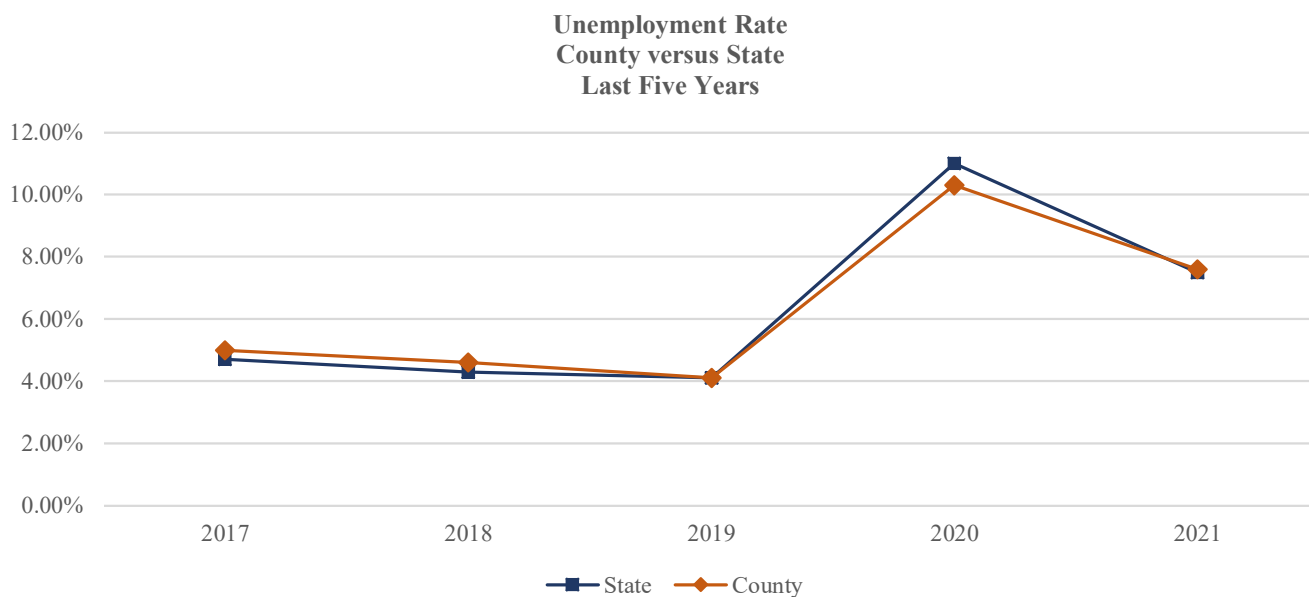


The following table summarizes the civilian labor force, employment and unemployment, and employment rate for the State of California and San Bernardino County for the calendar years 2017 through 2021. The figures for 2021 are as of eight months ending August 2021. Data for each of the years is not seasonally 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 decrease in unemployment from 10.3% in 2020 to 7.6% in 2021 due to the rebound of the economy from the impact of the COVID-19 pandemic in 2020.

STATE OF CALIFORNIA AND SAN BERNARDINO COUNTY STATISTICAL AREA  
Civilian Labor Force, Employment, Unemployment and Unemployment Rate-Annual Averages  
(In Thousands)

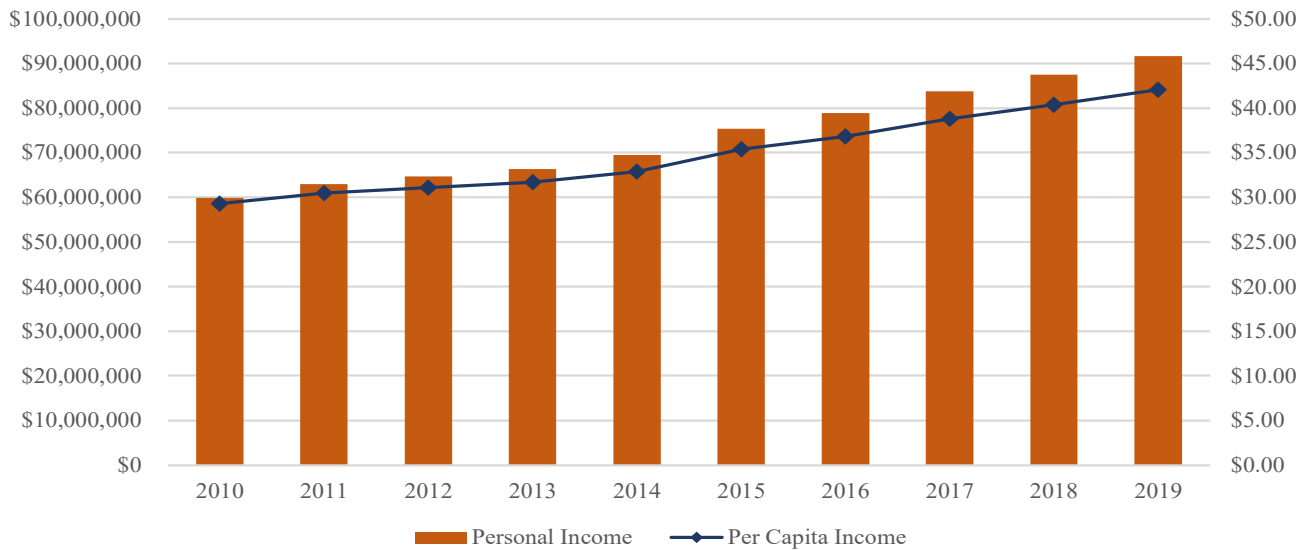
	2017		2018		2019		2020		2021	
	State	County	State	County	State	County	State	County	State	County
Civilian labor force	19,450	951.7	19,368	957.4	19,386	954.8	18,676	951.9	18,983	977.7
Employment	18,533	903.8	18,542	917.5	18,594	915.3	16,618	853.8	17,551	903.1
Unemployment	917	48.0	826	39.5	802	39.5	2,058	98.2	1,432	74.6
Unemployment rate	4.7%	5.0%	4.3%	4.6%	4.2%	4.1%	11.0%	10.3%	7.5%	7.6%

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



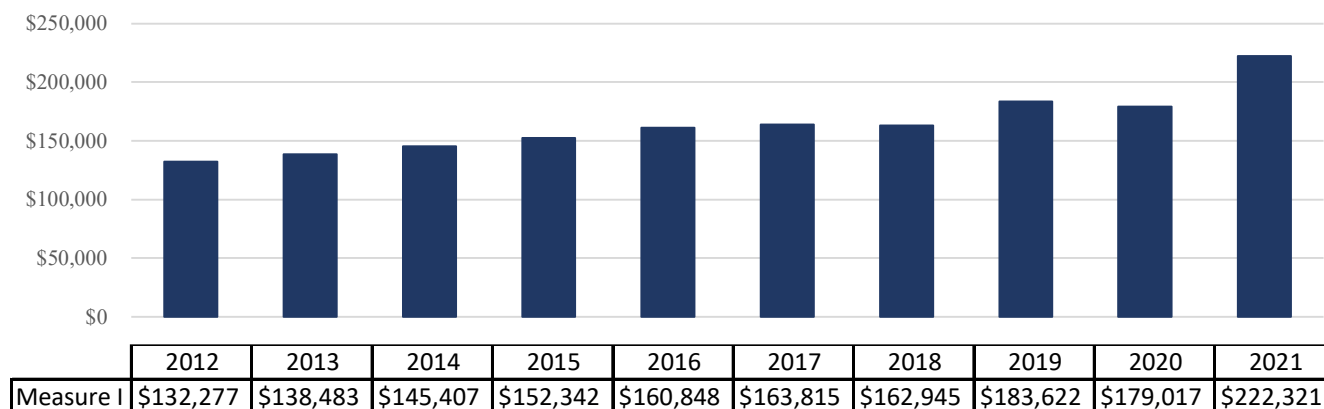
Personal income increased from \$59.8 billion in 2010 to \$91.6 billion in 2019, reflecting a strong improvement in the local economy during that period. Personal income increased to \$42.0 thousand in 2019. The unprecedented worldwide pandemic had a negative impact on the economy in 2020, but the figures for personal and per capita income increased once again in 2021.

**Personal Income and Per Capita Income  
Years 2010-2019  
(In Thousands)**



Measure I sales tax receipts have increased steadily over the last ten years due a strong recovery in the Inland Empire after the Great Recession in 2008. The one caveat to this was the decrease experienced in 2020 due to the negative economic impact of COVID-19 pandemic. Measure I sales tax revenue for Fiscal Year 2020 decreased to \$179.0 million in comparison with \$183.6 million of the prior fiscal year reflecting a reduction of \$4.6 million or 2.51%. The decrease is significantly less than the reported negative impact of over 20% for the State and County. Sales tax revenue for 2021 resulted in an increase of \$43.3 million, or a 24.2% increase, mainly due to the continuous increase of consumer spending.

**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 recovery from the negative economic impact of the COVID-19 pandemic with the rebound experienced in 2021. Unemployment has decreased and the region continues to retain a sound base for future economic growth, including lower priced real estate than other Counties, a large pool of skilled workers, and 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 the next planned update in December 2021. This update 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 web site.

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 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 funding sources for various projects. The Solutions for Congested Corridors Program (SCCP) provides funding for projects that implement specific transportation performance, improvements and are part of a comprehensive corridor plan. Local Partnership Program (LPP) funds are used 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) funds are allocated to projects that more efficiently enhance the movement of goods along corridors that have a high freight volume. State of Good Repair Program (SGR) 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**

#### **Emergency Communication Nurse System**

Last year SBCOG partnered with the Consolidated Fire Agencies of San Bernardino County (CONFIRE) dispatch center to initiate and implement the Emergency Communication Nurse System (ECNS). This program places trained Registered Nurses in the emergency dispatch center. When a 9-1-1 call is received, the trained Emergency Medical Dispatchers review the call to determine if fire, ambulance, or police response is necessary. If not, then the calls will be transferred to the Registered Nurse to assist callers with their non-life-threatening condition with services such as local urgent care. This preserves fire, ambulance and police resources for actual emergency calls.

### **LEGISLATION AND PUBLIC AFFAIRS**

#### **Legislation**

SBCTA's robust advocacy program was very active during the 2021 legislative session supporting important legislative initiatives. SBCTA sponsored Assembly Bill 1260 by Assemblyman Phillip Chen, which would create an exemption within the California Environmental Quality Act for fueling infrastructure that supports hydrogen powered zero-emission passenger rail vehicles. Additionally, the team continues to provide enhanced awareness of a need to address goods movement along State Route 60, Interstates 10 and 15 corridors, respectively, and ensure a thorough evaluation of all transportation projects brought into the region do not adversely impact disadvantaged communities. The Legislative Affairs department continually works to increase awareness among our State and Federal elected delegation members 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 Brightline high speed rail service) together in one multi-modal location.



## **Public Affairs**

Having a more established and well-rounded outreach strategy has resulted in SBCTA's Public Affairs program realizing greater influence on the external awareness of the agency. Growth in digital engagement, especially in light of the direct engagement restrictions brought on by the pandemic, has seen an overall enhanced range of interaction with the various audiences throughout the region. Tools like online project mapping, video updates, and detailed blog posts enrich the overall user experience and get people in touch with the information that matters to them most. The overall agency tone has evolved to be more relational and seeks to enlighten audiences to the quality of life aspects that all of the agency's programs seek to improve.

## **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. Last year more than 3,000 calls were received from the call box network.

### **Freeway Service Patrol (FSP)**

SBCTA provides FSP services along 108 centerlane miles of 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 the past fiscal year, the San Bernardino FSP Program was able to perform more than 60,000 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 2020/2021, the more significant of which include:

- Grant applications were submitted in 2020 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), and all of the project requests were awarded at the December 2020 CTC Meeting. The projects included: 1) West Valley Connector and Zero-Emission Bus Rapid Transit project (SCCP) (\$65 million); Interstate 10 Eastbound Truck Climbing Lane (TCEP) (\$24 million); and Interstate 15 Auxiliary Lanes and Express Lanes between Cantu-Galleano Ranch Road and Foothill Boulevard (SCCP and TCEP applications) (\$118 million).

- The Senate Bill 743 (SB 743) Countywide Implementation Study was completed in June of 2020, preparing local jurisdictions for the use of Vehicle Miles Traveled (VMT) as the basis of traffic analysis going forward. Since then staff is continuing to develop and implement cost-effective transportation demand management (TDM) strategies to assist land use and transportation projects to identify additional mitigation options, including establishing a mitigation crediting system that would allow for quantification of the trip-reduction benefits of various TDM options.
- Continued delivery of projects with Active Transportation Program (ATP) grants from ATP cycles 1-5. Provided assistance to jurisdictions on Cycle 5 applications and award process. San Bernardino County received total of \$16.4 million in Cycle 5 (\$6.3 million State portion and \$10.2 million MPO portion)
- Continued work on the revised draft of the Regional Conservation Investment Strategy (RCIS) under Assembly Bill 2087 (AB 2087) with the California Department of Fish and Wildlife (CDFW). This Phase of the Habitat Preservation/Conservation is funded through the Wildlife Conservation Board (WCB) with leadership from the Environment Element Group of the Countywide Vision.
- Continued work with Southern California Association of Governments (SCAG) on the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS – “Connect SoCal”) including its parallel RHNA adoption process. The RTP/SCS was adopted by SCAG Regional Council on September 3, 2020.
- On March of 2021, the San Bernardino Council of Governments (SBCOG) completed the San Bernardino County Regional Greenhouse Gas Reduction Plan (Reduction Plan) Update in collaboration with the 25 jurisdictions in the County. The Reduction Plan developed GHG inventories and forecasts, assessed the effectiveness of California initiatives to reduce GHG emissions, and identified local GHG reduction strategies that were selected by and for 25 jurisdictions to reduce local GHG emissions.
- Continued the collaborative work on the Regional Climate Adaptation Toolkit phase II with Western Riverside Council of Governments (WRCOG) as lead agency.
- Received grant funding from the Caltrans Sustainable Communities Grant program to update the San Bernardino Transportation Analysis Model.
- On October 7, 2020, San Bernardino County received Regional Early Action Planning funds in the amount of \$2.4 million to assist jurisdictions with the preparation of housing elements, support for implementation of updated housing-related laws, and support the development of housing for low and very low-income residents.
- Continued work on the Comprehensive Pedestrian Sidewalk Connectivity Plan phase II to assist member jurisdictions with sidewalk and ADA compliant planning.

## **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 continued. 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 continued to strategically implement their Connect Forward Plan as part of their response to COVID-19. SBCTA lead the effort to consolidate the Rideshare activities with Los Angeles Metro, Orange County Transportation Authority, Riverside County Transportation Commission, and Ventura County Transportation Authority.

### **DMU to ZEMU**

In 2018, SBCTA successfully secured a \$30 million Transit and Intercity Rail Capital Program grant to transform a Diesel Multiple Unit (DMU) to a Zero-Emission Multiple Unit (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 continued. Final design and manufacturing of the two car shells commenced.

### **Redlands Passenger Rail Project (RPRP)**

Construction on the RPRP continued leading to approximately 95% of construction completed. This includes both the mainline and the vehicle maintenance facility. Manufacturing of the vehicles was substantially completed this year as well. The Rail Activation Committee was convened in order to facilitate the start of pre-revenue service in Fiscal Year 2022.

### **West Valley Connector Phase I**

SBCTA secured a project specific Federal Transit Administration (FTA) Capital Investment Grant (CIG) program grant allocation of \$86.75 million, completed 100% design for mainline corridor, and started right-of-way acquisition activities.

### **Ontario International Airport Direct Connector at Rancho Cucamonga/Brightline West**

After cancellation of the SBCTA issued request for proposals to proceed with an Alternative Analysis to connect the broader transit network to the Ontario International Airport (ONT), staff progressed with the design, build, operate, and maintain procurement for a tunnel transit connection between the Rancho Cucamonga Metrolink Station (Cucamonga Station) and ONT. One Statement of Qualifications was received in response to the Request for Qualifications issued. Contract negotiations are on-going. Further, SBCTA has continued to work with Brightline West to coordinate a private high speed rail connection between Cucamonga Station and the Victor Valley within the same timeframe. The City of Rancho Cucamonga embarked on a rebranding of the station and surrounding area, with the station name being changed to Cucamonga Station.

### **Railroad Right-of-Way (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, sixteen (16) grant of use agreements were executed, or amended, in Fiscal Year 2020/2021 with a focus on utilizing the master license agreement template.

## **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 \$3.0 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 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. Final design services are underway as well as coordination with RCTC for connecting the express lane facilities of each county.

### **I-10 Cedar Avenue Interchange, County of San Bernardino**

A cooperative agreement was executed between the County and SBCTA transferring management of the design and construction phases to SBCTA. The Design phase is ongoing and right-of-way acquisitions are underway with commencement of construction 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 right-of-way phases have begun and construction is estimated to start in August 2023. The new interchange is expected to open to traffic in May 2024.

### **I-215 Barton Road Interchange, Grand Terrace**

This project employed the Construction Manager/General Contractor (CMGC) delivery method. The method enabled the contractor to assist Caltrans during the project design phase to improve constructability. A roundabout was incorporated to maintain access to a 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 to and from the freeway. Design of the Archibald Avenue Improvement Project at State Route 60 was completed in June 2019. The project was opened to traffic in June 2020.

## **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, construction started in May 2019 and the project was opened to traffic in August 2020.

## **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, Fontana, Rancho Cucamonga, Upland and Montclair (phase 2)**

Final design is underway with completion in spring 2022. Construction is anticipated to start in early 2023.

## **I-10 Eastbound Truck Climbing Lane, Yucaipa**

The environmental phase was completed in November 2020 for this project which would add a truck climbing lane on the eastbound I-10 corridor at the east end of San Bernardino County. This project will improve operations and reduce congestion by allowing an outside lane for slow-moving trucks moving up the incline on this portion of the corridor. Final design is anticipated to be complete in Spring 2022, with construction anticipated to start by the end of 2022.

## **FUND ADMINISTRATION**

The Measure I 2010-2040 Expenditure Plan for the Mountain/Desert subareas identifies many projects on regional/interregional, state, interstate, and U.S. highways throughout the Mountain/Desert region as projects to be funded from the Measure I Major Local Highways Program. In preparation for the 2021 Update to the 10-Year Delivery Plan, SBCTA coordinated with California Department of Transportation (Caltrans) and local jurisdictions on identifying needs and developing funding set-asides for regional/interregional highway improvements in the Mountain/Desert Subareas. After a series of meetings with each Subarea, regional transportation infrastructure needs were identified and prioritized lists of regional/interregional projects were developed, with several of the highest priorities planned for incorporation into the 2021 Update to the 10-Year Delivery Plan.

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 funding projections are maintained for future needs. SBCTA has supported local agencies and transit operators with information on funding opportunities and transportation program financial forecasts, particularly as it related to financial impacts of the Coronavirus, guidelines, requirements, policies, and schedules. Fund Administration staff also provided extensive internal coordination with SBCTA Project Delivery and Transit staff for funding plans for major projects where SBCTA is acting as lead agency, this year providing support to the development of funding plans and financing options for the Mount Vernon Viaduct, Express Lanes, and West Valley Connector projects. Additionally, by strategically coordinating delivery of federal funds throughout the County, SBCTA received \$21 million in federal funds in excess of the County's formula share.



## **SPECIAL PROJECTS AND STRATEGIC INITIATIVES**

### **Risk Management**

In 2020, the Board approved a revised claims policy which defined the delegation of authority for approving, compromising and/or settling claims. To assist with the implementation of this revised policy, a claims management manual was developed and implemented in May 2021.

### **Special Projects**

SBCTA staff completed the Consolidation Study between Omnitrans and SBCTA and the Innovative Transit Review of the Metro-Valley area in November 2020 which resulted in Board approval of maintaining the two agencies as independent entities.

### **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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This is the ninth 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 ACFR 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 ACFR 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, 2020. 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,



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Raymond W. Wolfe  
Executive Director



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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**

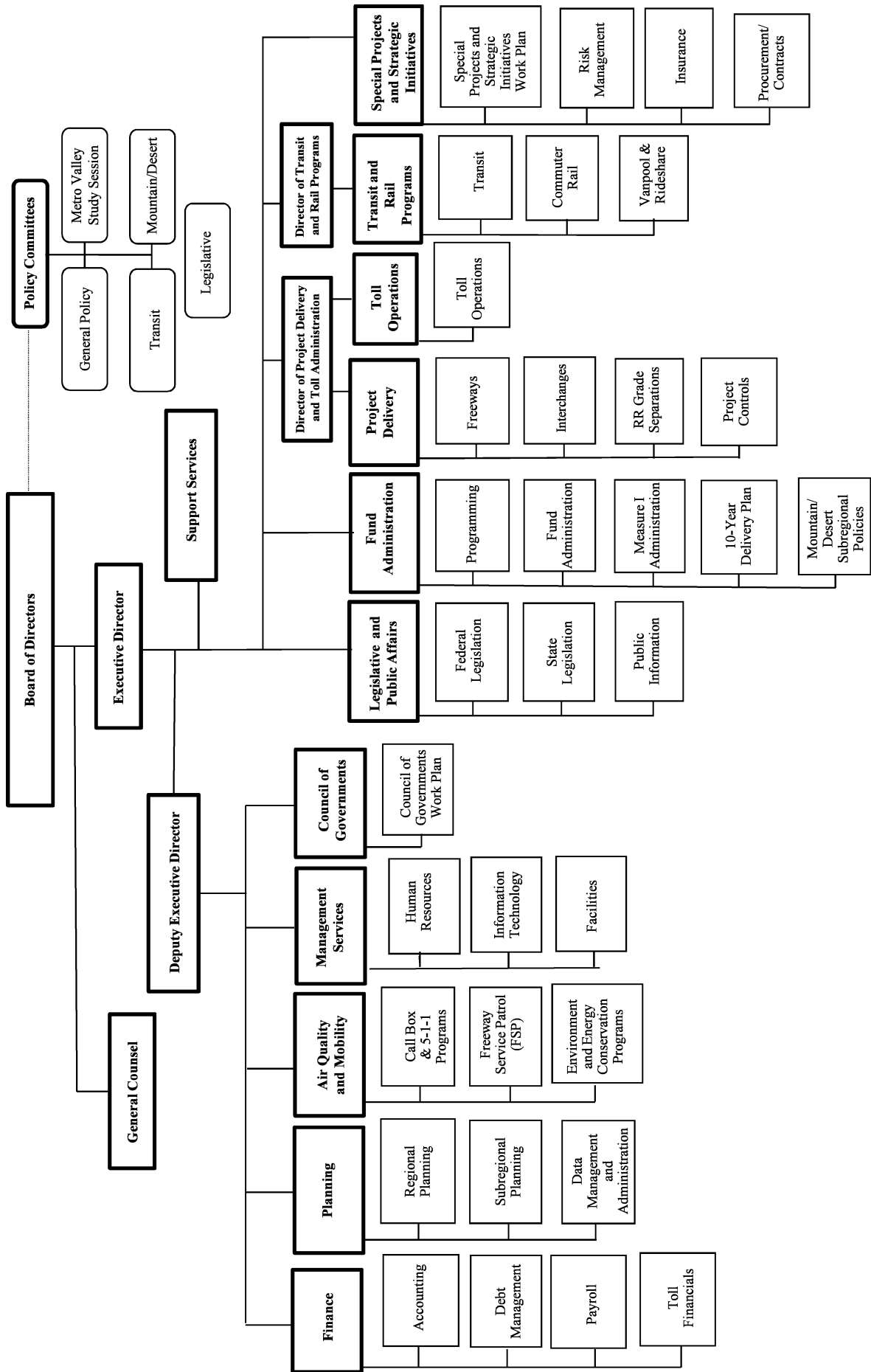
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

# San Bernardino County Transportation Authority Organization Chart



# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## List of Principal Officials

June 30, 2021

<b>Board of Directors</b>		
Name	Jurisdiction	Title
Frank Navarro	Mayor-City of Colton	Board President General Policy Committee Vice Chair Legislative Policy Committee Chair
Curt Hagman	Supervisor-County of San Bernardino	Board Vice-President General Policy Committee Chair Legislative Policy Committee Vice Chair Metro Valley Study Session Chair
Vacant	City of Adelanto	
Art Bishop	Council Member-Town of Apple Valley	Mountain/Desert Committee Vice Chair
Paul Courtney	Mayor -City of Barstow	
Rick Herrick	Mayor Pro Tem-City of Big Bear Lake	
Eunice Ulloa	Mayor-City of Chino	
Ray Marquez	Vice Mayor-City of Chino Hills	Transit Committee Vice Chair
Acquanetta Warren	Mayor-City of Fontana	
Darcy McNaboe	Mayor-City of Grand Terrace	
Cameron Gregg	Mayor-City of Hesperia	
Larry McCallon	Mayor Pro Tem-City of Highland	
Rhodes Riggsby	Council Member-City of Loma Linda	
John Dutrey	Mayor-City of Montclair	
Edward Paget	Vice Mayor-City of Needles	
Alan Wapner	Mayor Pro Tem-City of Ontario	
L. Dennis Michael	Mayor-City of Rancho Cucamonga	Transit Committee Chair
Paul Barich	Mayor-City of Redlands	
Deborah Robertson	Mayor-City of Rialto	
John Valdivia	Mayor-City of San Bernardino	
Joel Klink	Council Member-City of Twentynine Palms	
Carlos A. Garcia	Council Member-City of Upland	
Debra Jones	Mayor-City of Victorville	
David Avila	Council Member-City of Yucaipa	
Rick Denison	Council Member-Town of Yucca Valley	
Paul Cook	Supervisor-County of San Bernardino	
Janice Rutherford	Supervisor-County of San Bernardino	
Dawn Rowe	Supervisor-County of San Bernardino	Metro Valley Study Session Vice Chair Mountain/Desert Committee Chair
Joe Baca, Jr.	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
Paula Beauchamp, Director of Project Delivery and Toll Operations	Henry Sultz, Director of Project Delivery
Tim Byrne, Director of Toll Operations	Beatriz Valdez, Director of Special Projects and Strategic Initiatives
Carolyn Schindler, Director of Transit and Rail Programs	Victor Lopez, Deputy Director of Transit and Rail Programs-Capital Delivery

\*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, 2021 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, 2021, 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.



## **Emphasis of Matter**

As discussed in Note 16 to the financial statements, during the year ended June 30, 2021, SBCTA adopted new accounting guidance, GASB Implementation Guide No. 2019-1, Implementation Guidance Update—2019, changing its method of accounting for recognition of nonexchange revenue, which resulted in a restatement of SBCTA's July 1, 2020 governmental activities net position in the amount of \$29,411,415 and Federal Transit Administration fund balance in the amount of \$8,094,445. Our opinion is not modified with respect to this matter.

## **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 16, 2021 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.

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

Crowe LLP

Costa Mesa, California  
November 16, 2021

## 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, 2021. 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 \$965,020,630 (*net position*).
- The unrestricted net position (deficit) of (\$270,271,064) 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 \$206,917,500 from the previous fiscal year restated balance, mainly as a result from operations and an increase in capital assets of \$99.0 million net of accumulated depreciation. SBCTA implemented changes in revenue recognition due to Implementation Guide 2019-1 issued by the Governmental Accounting Standards Board that requires executed grant agreements to recognize revenue. Consequently, SBCTA recognized a prior period adjustment to reduce Net Position by \$29,411,415.
- The total cost of all SBCTA's activities was \$549,236,826 for the current fiscal year. Net cost of all activities was \$144,715,118.
- The total fund balances of SBCTA's governmental funds were \$757,071,879 at the close of the fiscal year. The majority of the fund balances were classified as restricted, committed and assigned.
- General fund expenditures exceeded revenues and other financing sources by \$3,341,652 for the fiscal year ended. This was mainly due to higher capital outlay for transit projects.
- The total fund balance of the general fund was \$8,312,765 for the fiscal year; \$147,658 nonspendable, \$7,665,107 assigned, and \$500,000 unassigned. The nonspendable amount consist 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 \$98,972,474 or 34.2% over June 30, 2020. 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 \$5,472,229 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, 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 2020/2021, 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 fifteen (15) 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 26-69 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 71-83 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 85-133 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, 2021, SBCTA's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$965,047,630. The following is condensed financial data related to net position at June 30, 2021 and June 30, 2020:

### Condensed Statement of Net Position

	Governmental Activities	
	2021	2020
Current and other assets	\$ 912,054,159	\$ 809,331,446
Capital assets-net of depreciation	388,307,341	289,334,867
Total assets	1,300,361,500	1,098,666,313
Deferred outflows of resources	10,400,282	6,478,738
Long-term liabilities outstanding	191,990,749	196,978,439
Net pension liability	20,632,660	16,515,328
Other liabilities	131,264,453	103,356,385
Total liabilities	343,887,862	316,850,152
Deferred inflows of resources	1,853,290	780,354
Net position:		
Net investment in capital assets	350,708,835	281,471,627
Restricted	884,582,859	732,307,693
Unrestricted	(270,271,064)	(255,676,190)
Total net position	\$ 965,020,630	\$ 758,103,130

### Net Position

Net investment in capital assets represents 36.3% 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 \$270,271,064 as of June 30, 2021. 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 \$206,917,500 as a result of revenues exceeding expenses. The total cost of SBCTA activities was \$549,236,826 for the fiscal year. Net cost of all activities was \$144,715,118. 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, 2021 and June 30, 2020:

### Condensed Statement of Changes in Net Position

	Governmental Activities	
	2021	2020
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 866,778	\$ 722,766
Operating grants and contributions	146,381,605	120,385,010
Capital grants and contributions	257,273,325	206,347,856
General revenues:		
Sales tax-Measure I	222,320,683	179,016,883
Sales tax-Local Transportation Fund	127,319,839	102,753,612
Unrestricted investment earnings	1,687,658	15,090,815
Miscellaneous	304,785	364,484
Gain (loss) on sale of assets	(347)	-
Total revenues	\$ 756,154,326	\$ 624,681,426
	Governmental Activities	
	2021	2020
<b>Expenses</b>		
General government	\$ 11,537,407	\$ 11,023,588
Environment and energy conservation	999,906	2,082,833
Commuter and motorist assistance	6,950,965	7,289,594
Regional and subregional planning	2,539,480	1,859,252
Transit	156,349,416	182,437,414
Project delivery	284,486,604	199,386,546
Fund administration	78,879,226	46,395,221
Interest and fiscal charges	7,493,822	7,637,475
Total expenses	549,236,826	458,111,923
Change in net position	206,917,500	166,569,503
Net position at the beginning of year	787,514,545	620,945,042
Cummulative effect of Implementation Guide 2019-1	(29,411,415)	-
Net position at the beginning of year, as restated	758,103,130	620,945,042
Net position at the end of year	\$ 965,020,630	\$ 787,514,545

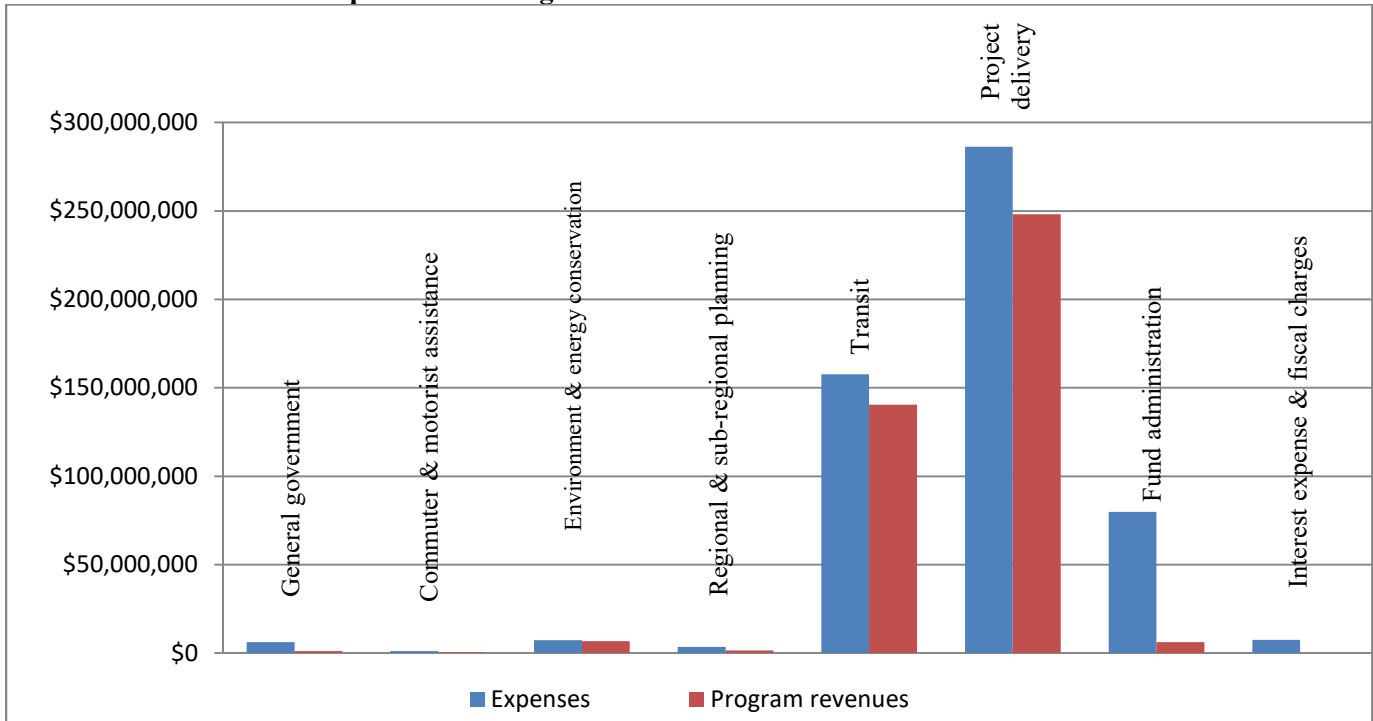
### Changes in Net Position

Revenues increased by \$131,472,900, primarily attributed to additional funds from federal and state capital grants and contributions and increase of sales tax revenues. A net increase of \$67,870,027 in sales taxes consist of Measure I of \$43,303,800 and Local Transportation Fund of \$24,566,227 mainly due to continued increase in consumer spending. The net increase of \$50,925,469 in capital grants, is related to more reimbursable expenditures in the project delivery program due to several projects currently under construction. A decrease of \$13,403,157 in investment earnings is a result of the Covid-19 pandemic which has resulted in very low interest rates.

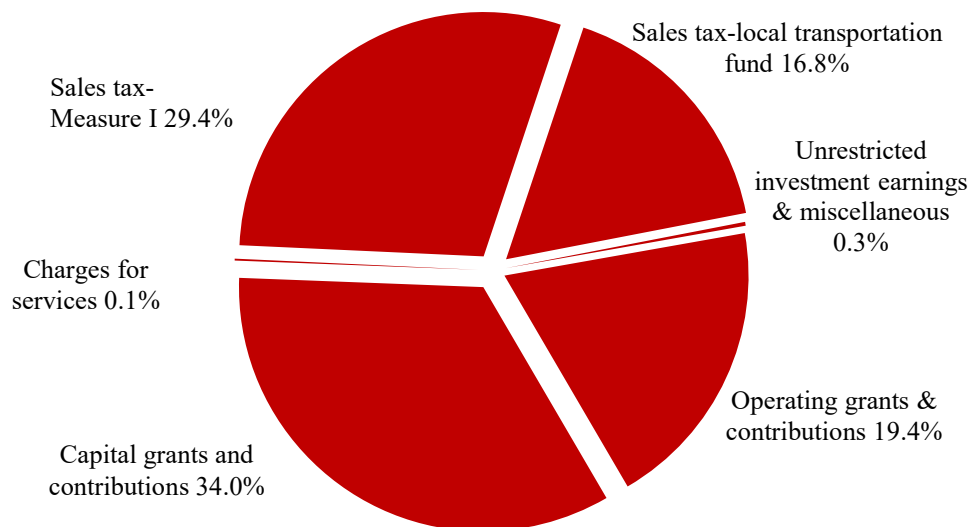
Expenses increased by \$91,124,903 or 19.9% from the previous fiscal year. The increase was primarily attributed to an increase expenditures of project delivery and fund administration due to several projects under construction during the year and increased in pass-through payments.

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.

**Expenses and Program Revenues-Governmental Activities**



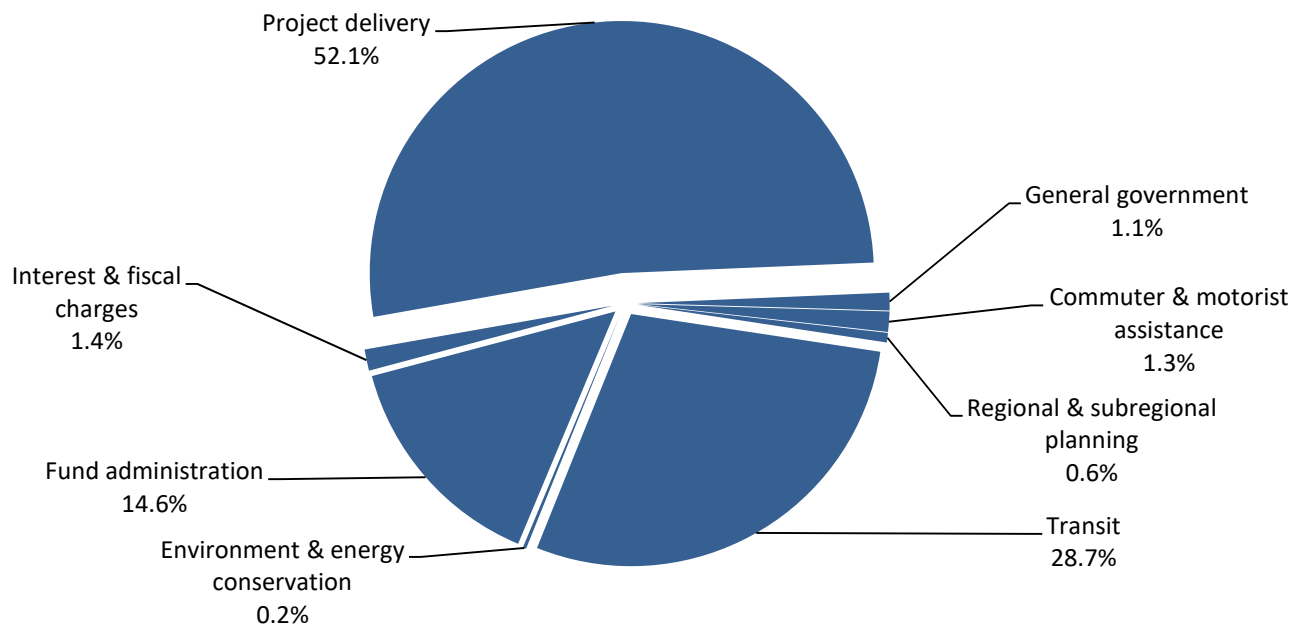
**Revenue Sources-Governmental Activities**





Measure I and local transportation fund sales tax revenues provided 46.2% 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.

**Functions/Programs-Governmental Activities**



Project delivery, transit, and fund administration represented 95.4% 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 \$757,071,879 at June 30, 2021. This represented a \$104,884,821 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-\$147,658
- Restricted due to external and third party restrictions or regulations-\$802,012,580
- Committed for particular purposes by SBCTA board action-\$1,828,594
- Assigned for specific purposes-\$7,665,107
- Unassigned (general purpose and deficit)-(\$54,582,060)

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 \$8,312,765, which represents a \$3,341,652 decrease from the previous fiscal year. The decrease in the fund balance was attributed capital outlay for transit projects. Total fund balance of the general fund was either *nonspendable* (\$147,658 for prepaid items and deposits receivable), assigned (\$7,665,107 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 \$31,851,013 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 as well as grant expenditure without corresponding executed grant agreements at June 30, 2021.

### ***Federal Transit Administration Special Revenue Fund***

The federal transit administration special revenue fund reported an unassigned fund deficit of \$2,825,620 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, 2021.

### ***State Highway Special Revenue Fund***

The state highway special revenue fund reported an unassigned fund deficit of \$7,581,111 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 as well as grant expenditure without corresponding executed grant agreements at June 30, 2021.

### ***Proposition 1B Special Revenue Fund***

The proposition 1B special revenue fund had a fund balance decrease of \$459,651 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 \$14,637,754 was reported as *restricted* fund balance at June 30, 2021.

### ***Local Transportation Fund Special Revenue Fund***

The fund balance of the local transportation fund special revenue fund increased by \$75,797,581 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 \$194,628,058 was reported as *restricted* fund balance at June 30, 2021.

### ***State Transit Assistance Fund Special Revenue Fund***

The fund balance of the state transit fund special revenue fund was \$77,912,205 at the end of the fiscal year which represents a \$1,743,097 decrease. The decrease in fund balance was attributed to spending funds received for transit operations. Total fund balance is reported as *restricted* at June 30, 2021.

### ***1990-2010 Measure I Special Revenue Fund***

The 1990-2010 Measure I special revenue fund had a decrease in the fund balance of \$1,360,784 from the previous fiscal year. The decrease of fund balance is a result of expenses exceeding interest revenue. Total fund balance of \$5,492,184 is reported as *restricted* at June 30, 2021.

### ***2010-2040 Measure I Special Revenue Fund***

The 2010-2040 Measure I special revenue fund had an increase in the fund balance of \$41,898,017 from the previous fiscal year. The increase in the fund balance was largely attributed to sales tax revenues and interest earnings exceeding capital improvement outlays and expenditures. Total fund balance of \$498,815,872 is reported as *restricted* at June 30, 2021.

### ***Debt Service Fund***

At the end of the fiscal year, the fund balance of the debt service fund was \$5,917,338 which represents a \$322,696 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 is reported as *restricted* at June 30, 2021.

### ***Capital Projects Fund***

The capital projects fund reported the fund balance of the capital projects fund decreased by \$13,021,200 from the previous fiscal year. The decrease was due to unrecognized revenue based on the criteria of 180 days which increased deferred inflows of revenues. The total fund deficit of \$11,350,326 is reported as *unrestricted* fund deficit at June 30, 2021.

### **General Fund Budgetary Highlights**

The net difference between the original budget for expenditure appropriations and the final budget was an increase of \$2,112,575. The largest general fund appropriation increase was primarily attributed to an increase in transfers associated with Local Transportation Fund. 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 \$768,480. The increase in revenues was primarily due to an increase in anticipated sales tax due to continued growth of consumer spending. Actual expenditures were less than budgetary appropriations by \$33.8 million. The most significant budgetary appropriation variance between the final budget and actual amount was attributed to transit program. The transit variance of \$19.1 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, 2021 is \$350,708,835 (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, 2021 and June 30, 2020:

	Governmental Activities	
	2021	2020
<b>Governmental activities</b>		
Land	\$ 67,994,332	\$ 67,818,087
Construction in progress	280,391,944	180,607,614
Buildings	7,570,214	7,918,001
Improvements to land	12,717,568	12,466,427
Infrastructure	18,630,687	19,329,717
Equipment, furniture, software, and vehicles	1,002,596	1,195,021
Total capital assets	<u>\$ 388,307,341</u>	<u>\$ 289,334,867</u>

The net increase in capital assets for the fiscal year was \$98,972,474. The net change in capital assets is primarily attributed to a \$99.8 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 associated with electric charging stations totaling \$614,409, the Rialto metrolink parking lot expansion \$1,085,831 and office furniture and equipment purchase of \$58,070, partially offset by an increase in accumulated depreciation of \$2.4 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 \$179,435,000. 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, 2021 and June 30, 2020:

	Governmental Activities	
	2021	2020
<b>Governmental activities</b>		
Sales tax revenue bonds	\$ 190,121,622	\$ 195,593,851
Total outstanding bonded debt	<u>\$ 190,121,622</u>	<u>\$ 195,593,851</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 0.21% from the previous year.
- Personal income and personal income per capita increased by 4.69% and 4.28%, respectively from 2018 to 2019 (most current information available).
- Unemployment rate for the County continuously increased from 13.1% to 8.1% from the previous year.
- Measure I sales tax revenue experienced an increase of \$43,303,800 over the prior year. 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, \$179.0 in 2020 and \$222.3 million in 2021. This represents an 88.6% increase since fiscal year 2011.

Estimated fiscal year 2021/2022 budget revenues are \$722.7 million in comparison to \$711.8 million of the previous year. Measure I sales tax revenues are estimated to be \$196.0 million in comparison to \$143.9 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 small in total estimated revenues is primarily due to SBCTA’s continued trend in conservatism.

Budgeted appropriations for Fiscal Year 2021/2022 are \$1,018.6 million. The largest portion of the budget is related to project delivery of \$527.8 million and the transit program of \$318.3 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. The first draw occurred after June 30, 2021.

SBCTA continues to monitor 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.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Statement of Net Position  
June 30, 2021

	Governmental Activities
<b>Assets</b>	
Cash and investments	\$ 651,722,323
Accrued interest receivable	1,567,399
Sales taxes receivable	45,297,809
Accounts receivable	10,416,910
Intergovernmental receivable	166,333,730
Deposit receivable	5,271,231
Prepaid items	88,694
Intergovernmental agreements receivable	25,438,725
Cash and investments-restricted	5,917,338
Capital assets not being depreciated:	
Land	67,994,332
Construction in progress	280,391,944
Capital assets, net of depreciation:	
Buildings and building improvements	7,570,214
Improvements to land	12,717,568
Infrastructure	18,630,686
Equipment, furniture, software, and vehicles	1,002,597
Total assets	<u>1,300,361,500</u>
<b>Deferred outflows of resources related to net pension liability</b>	<u>10,400,282</u>
<b>Liabilities</b>	
Accounts payable	72,785,270
Accrued liabilities	483,202
Accrued interest payable	2,786,750
Intergovernmental payable	27,736,161
Unearned revenue	3,420,070
Advance expenditure agreements	<u>20,853,000</u>
Long-term liabilities:	
Compensated absences due within one year	162,842
Compensated absences due in more than one year	1,706,285
Long-term debt due within one year	5,773,866
Long-term debt due in more than one year	184,347,756
Net pension liability due in more than one year	20,632,660
Advance expenditure agreements due in more than one year	<u>3,200,000</u>
Total liabilities	<u>343,887,862</u>
<b>Deferred inflows of resources related to net pension liability</b>	<u>1,853,290</u>
<b>Net position</b>	
Net investment in capital assets	350,708,835
Restricted for:	
Traveler services	5,116,915
Freeway projects	193,736,186
Interchange projects	73,958,340
Major street projects	192,428,941
Rail	70,154,776
Transit services	55,372,330
Traffic management and project development	21,275,108
Transportation development act	272,540,263
Unrestricted (deficit)	<u>(270,271,064)</u>
Total net position	<u>\$ 965,020,630</u>

*See accompanying notes to financial statements*

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Statement of Activities  
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Allocation of Overhead	Program Revenues			Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Primary government</b>						
Governmental activities:						
General government	\$ 11,537,407	\$ (5,374,261)	\$ 866,778	\$ 235,358	\$ -	\$ (5,061,010)
Environment and energy conservation	999,906	198,258	-	455,944	-	(742,220)
Commuter and motorist assistance	6,950,965	258,334	-	6,675,847	-	(533,452)
Regional and subregional planning	2,539,480	845,913	-	1,478,727	-	(1,906,666)
Transit	156,544,156	1,302,954	-	31,910,607	108,462,138	(17,474,365)
Project delivery	284,291,864	1,755,616	-	99,392,272	148,811,187	(37,844,021)
Fund administration	78,879,226	1,013,186	-	6,232,850	-	(73,659,562)
Interest and fiscal charges	7,493,822	-	-	-	-	(7,493,822)
Total governmental activities	<u>\$ 549,236,826</u>	<u>\$ -</u>	<u>\$ 866,778</u>	<u>\$ 146,381,605</u>	<u>\$ 257,273,325</u>	<u>(144,715,118)</u>
General revenues:						
Sales tax-Measure I						222,320,683
Sales tax-local transportation fund						127,319,839
Unrestricted investment earnings						1,687,658
Miscellaneous						304,785
Loss on sale of capital assets						(347)
Total general revenues						<u>351,632,618</u>
Change in net position						<u>206,917,500</u>
Net position at beginning of year						<u>787,514,545</u>
Cumulative effect of Implementation						
Guide 2019-1						<u>(29,411,415)</u>
Net position at beginning of year, as restated						<u>758,103,130</u>
Net position at end of year						<u>\$ 965,020,630</u>

See accompanying notes to financial statements



Widening the ramps at Archibald Avenue along State Route 60 in Ontario is no small task. Crews are shown here setting the foundation for retaining and sound walls along the new outer edge of the ramps.



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Balance Sheet  
Governmental Funds  
June 30, 2021

		Special Revenue	
	General	Federal Highway	Federal Transit Administration
<b>Assets</b>			
Cash and investments	\$ 1,444,084	\$ 2,769	\$ -
Accrued interest receivable	20,205	3,024	-
Sales taxes receivable	452,978	-	-
Accounts receivable	133,133	-	-
Intergovernmental receivable	61,030	42,520,112	21,926,410
Deposit receivable	58,964	2,329,435	-
Due from other funds	10,672,736	-	-
Prepaid items	88,694	-	-
Intergovernmental agreements receivable	-	-	-
Advances to other funds	-	-	-
Cash and investments-restricted	-	-	-
Total assets	<u>\$ 12,931,824</u>	<u>\$ 44,855,340</u>	<u>\$ 21,926,410</u>
<b>Liabilities</b>			
Accounts payable	\$ 3,588,902	\$ 22,512,938	\$ 4,345,350
Accrued liabilities	366,808	-	-
Intergovernmental payable	663,349	418,007	-
Due to other funds	-	49,378,640	17,581,060
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>4,619,059</u>	<u>72,309,585</u>	<u>21,926,410</u>
<b>Deferred inflows of resources</b>			
Unavailable grant and local reimbursements	-	4,396,768	2,825,620
<b>Fund balances (deficits)</b>			
Nonspendable:			
Deposit receivable	58,964	-	-
Prepaid items	88,694	-	-
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	4,151,260	-	-
Capital improvements	2,619,009	-	-
Regional and subregional planning	894,838	-	-
Unassigned:			
General purpose	500,000	-	-
(Deficits)	-	(31,851,013)	(2,825,620)
Total fund balances (deficits)	<u>8,312,765</u>	<u>(31,851,013)</u>	<u>(2,825,620)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,931,824</u>	<u>\$ 44,855,340</u>	<u>\$ 21,926,410</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
\$ -	\$ 14,435,237	\$ 169,682,053	\$ 81,821,257	\$ 6,028,780	\$ 352,859,294	\$ -
-	-	547,077	320,343	7,662	620,115	-
-	-	-	-	-	44,844,831	-
-	-	-	-	-	-	-
33,684,275	1,543,476	26,417,157	5,318,048	-	-	-
12,385	-	-	-	-	2,656,874	-
-	-	-	-	-	132,245,544	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	6,806,167	-
-	-	-	-	-	-	5,917,338
<u>\$ 33,696,660</u>	<u>\$ 15,978,713</u>	<u>\$ 196,646,287</u>	<u>\$ 87,459,648</u>	<u>\$ 6,036,442</u>	<u>\$ 540,032,825</u>	<u>\$ 5,917,338</u>
\$ 9,073,821	\$ 1,268,000	\$ -	\$ -	\$ 92,967	\$ 16,187,288	\$ -
20,880	-	-	-	-	83,220	-
116,251	-	-	892,936	451,291	24,946,445	-
28,249,644	-	2,018,229	8,654,507	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>37,460,596</u>	<u>1,268,000</u>	<u>2,018,229</u>	<u>9,547,443</u>	<u>544,258</u>	<u>41,216,953</u>	<u>-</u>
<u>3,817,175</u>	<u>72,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	168,417,899	-
-	-	-	-	-	73,735,273	-
-	-	-	-	3,237,098	157,713,474	-
-	14,637,754	-	-	-	32,844,603	-
-	-	-	-	-	47,084,601	-
-	-	-	-	2,255,086	19,020,022	-
-	-	194,628,058	77,912,205	-	-	-
-	-	-	-	-	-	5,917,338
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(7,581,111)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(7,581,111)</u>	<u>14,637,754</u>	<u>194,628,058</u>	<u>77,912,205</u>	<u>5,492,184</u>	<u>498,815,872</u>	<u>5,917,338</u>
<u>\$ 33,696,660</u>	<u>\$ 15,978,713</u>	<u>\$ 196,646,287</u>	<u>\$ 87,459,648</u>	<u>\$ 6,036,442</u>	<u>\$ 540,032,825</u>	<u>\$ 5,917,338</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Balance Sheet  
Governmental Funds  
June 30, 2021

	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 19,154,094	\$ 6,294,755	\$ 651,722,323
Accrued interest receivable	40,840	8,133	1,567,399
Sales taxes receivable	-	-	45,297,809
Accounts receivable	10,280,799	2,978	10,416,910
Intergovernmental receivable	15,301,019	19,562,203	166,333,730
Deposit receivable	213,573	-	5,271,231
Due from other funds	-	-	142,918,280
Prepaid items	-	-	88,694
Intergovernmental agreements receivable	25,404,931	33,794	25,438,725
Advances to other funds	-	-	6,806,167
Cash and investments-restricted	-	-	5,917,338
Total assets	<u>\$ 70,395,256</u>	<u>\$ 25,901,863</u>	<u>\$ 1,061,778,606</u>
<b>Liabilities</b>			
Accounts payable	\$ 8,731,510	\$ 6,984,494	\$ 72,785,270
Accrued liabilities	4,190	8,104	483,202
Intergovernmental payable	13,013	234,869	27,736,161
Due to other funds	24,801,849	12,234,351	142,918,280
Advances from other funds	6,806,167	-	6,806,167
Unearned revenue	3,418,671	1,399	3,420,070
Total liabilities	<u>43,775,400</u>	<u>19,463,217</u>	<u>254,149,150</u>
<b>Deferred inflows of resources</b>			
Unavailable grant and local reimbursements	<u>37,970,182</u>	<u>1,474,873</u>	<u>50,557,577</u>
<b>Fund balances (deficits)</b>			
Nonspendable:			
Deposit receivable	-	-	58,964
Prepaid items	-	-	88,694
Restricted:			
Traveler services	-	4,575,720	4,575,720
Freeway projects	-	-	168,417,899
Interchange projects	-	-	73,735,273
Major street projects	-	-	160,950,572
Rail	33,449	-	47,515,806
Transit services	-	-	47,084,601
Traffic management and project development	-	-	21,275,108
Transportation development act	-	-	272,540,263
Debt service	-	-	5,917,338
Committed-council of governments	-	1,828,594	1,828,594
Assigned:			
General administration	-	-	4,151,260
Capital improvements	-	-	2,619,009
Regional and subregional planning	-	-	894,838
Unassigned:			
General purpose	-	-	500,000
(Deficits)	<u>(11,383,775)</u>	<u>(1,440,541)</u>	<u>(55,082,060)</u>
Total fund balances (deficits)	<u>(11,350,326)</u>	<u>4,963,773</u>	<u>757,071,879</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 70,395,256</u>	<u>\$ 25,901,863</u>	<u>\$ 1,061,778,606</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, 2021

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Fund balances-total governmental funds (page 20)	\$ 757,071,879
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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.	388,307,341
Revenues recognized for governmental activities that are not available in the current period and, therefore, are not reported in the funds.	50,557,577
Accrued interest payable applicable to governmental activities is not due and payable in the current period and, therefore, is not reported in the funds.	(2,786,750)
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	(1,869,127)
Revenue bonds payable	(179,435,000)
Unamortized premium on revenue bonds	(10,686,622)
Advance expenditure agreements	(24,053,000)

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	(20,632,660)
Deferred outflows of resources related to pensions	10,400,282
Deferred inflows of resources related to pensions	<u>(1,853,290)</u>
Net position of governmental activities	<u>\$ 965,020,630</u>

*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, 2021

		Special Revenue	
	General	Federal Highway	Federal Transit Administration
<b>Revenues</b>			
Sales tax-Measure I	\$ 2,223,207	\$ -	\$ -
Sales tax-local transportation fund	-	-	-
Intergovernmental	-	80,859,136	50,535,219
Charges for services	608,019	-	-
Special assessments	-	-	-
Investment earnings	36,483	24,407	-
Miscellaneous	1,930	1,863,291	-
Total revenues	<u>2,869,639</u>	<u>82,746,834</u>	<u>50,535,219</u>
<b>Expenditures</b>			
Current:			
General government	8,590,506	-	-
Environment and energy conservation	-	-	-
Commuter and motorist assistance	-	-	-
Regional and subregional planning	452,358	-	-
Transit	2,495,789	1,092,333	23,119,236
Project delivery	-	77,300,517	-
Fund administration	512,007	-	-
Debt Service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	7,886,225	17,925,673	20,633,325
Total expenditures	<u>19,936,885</u>	<u>96,318,523</u>	<u>43,752,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,067,246)</u>	<u>(13,571,689)</u>	<u>6,782,658</u>
<b>Other financing sources (uses)</b>			
Transfers in	13,725,594	159,371	-
Transfers out	-	(539,116)	-
Gain (loss) on sale of assets	-	-	-
Total other financing sources (uses)	<u>13,725,594</u>	<u>(379,745)</u>	<u>-</u>
Net change in fund balances	<u>(3,341,652)</u>	<u>(13,951,434)</u>	<u>6,782,658</u>
Fund balances (deficits) beginning of year	11,654,417	(17,899,579)	(1,513,833)
Cumulative effect of Implementation Guide 2019-1	-	-	(8,094,445)
Fund balances (deficits) beginning of year, as restated	<u>11,654,417</u>	<u>(17,899,579)</u>	<u>(9,608,278)</u>
Fund balances (deficits) end of year	<u>\$ 8,312,765</u>	<u>\$ (31,851,013)</u>	<u>\$ (2,825,620)</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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,097,476	\$ -
-	-	127,319,839	-	-	-	-
65,855,754	3,680,926	-	21,945,032	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,319	305,981	463,962	(8,357)	(25,778)	646,045	334
-	-	-	-	-	-	-
<u>65,857,073</u>	<u>3,986,907</u>	<u>127,783,801</u>	<u>21,936,675</u>	<u>(25,778)</u>	<u>220,743,521</u>	<u>334</u>
463	-	-	-	-	716,243	-
-	-	-	-	67,609	193,154	-
-	-	-	-	70,846	227,714	-
377,546	-	-	-	-	599,307	-
3,027,670	797,006	40,594,998	23,679,772	-	24,327,067	-
33,581,266	2,409,774	-	-	1,182,454	57,093,475	-
689,991	-	-	-	-	72,689,610	-
-	-	-	-	-	-	4,460,000
-	-	-	-	-	-	8,573,701
19,409,245	1,239,778	-	-	14,097	8,796,385	-
<u>57,086,181</u>	<u>4,446,558</u>	<u>40,594,998</u>	<u>23,679,772</u>	<u>1,335,006</u>	<u>164,642,955</u>	<u>13,033,701</u>
<u>8,770,892</u>	<u>(459,651)</u>	<u>87,188,803</u>	<u>(1,743,097)</u>	<u>(1,360,784)</u>	<u>56,100,566</u>	<u>(13,033,367)</u>
214,842	-	-	-	-	1,495,241	13,356,063
(226,555)	-	(11,391,222)	-	-	(15,697,443)	-
-	-	-	-	-	(347)	-
<u>(11,713)</u>	<u>-</u>	<u>(11,391,222)</u>	<u>-</u>	<u>-</u>	<u>(14,202,549)</u>	<u>13,356,063</u>
8,759,179	(459,651)	75,797,581	(1,743,097)	(1,360,784)	41,898,017	322,696
(16,340,290)	15,097,405	118,830,477	79,655,302	6,852,968	456,917,855	5,594,642
-	-	-	-	-	-	-
<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>\$ (7,581,111)</u>	<u>\$ 14,637,754</u>	<u>\$ 194,628,058</u>	<u>\$ 77,912,205</u>	<u>\$ 5,492,184</u>	<u>\$ 498,815,872</u>	<u>\$ 5,917,338</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2021

	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Sales tax-Measure I	\$ -	\$ -	\$ 222,320,683
Sales tax-local transportation fund	-	-	127,319,839
Intergovernmental	27,225,235	75,662,698	325,764,000
Charges for services	-	1,220	609,239
Special assessments	-	257,539	257,539
Investment earnings	235,395	7,867	1,687,658
Miscellaneous	<u>3,409,572</u>	<u>300,476</u>	<u>5,575,269</u>
Total revenues	<u>30,870,202</u>	<u>76,229,800</u>	<u>683,534,227</u>
<b>Expenditures</b>			
Current:			
General government	-	715,539	10,022,751
Environment and energy conservation	8,324	271,226	540,313
Commuter and motorist assistance	95,487	4,319,290	4,713,337
Regional and subregional planning	28,737	911,745	2,369,693
Transit and passenger rail	6,015,774	14,162,237	139,311,882
Project delivery	33,633,089	28,902,387	234,102,962
Fund administration and programming	-	-	73,891,608
Debt Service:			
Principal	-	-	4,460,000
Interest and fiscal charges	-	-	8,573,701
Capital outlay	<u>3,754,244</u>	<u>21,003,840</u>	<u>100,662,812</u>
Total expenditures	<u>43,535,655</u>	<u>70,286,264</u>	<u>578,649,059</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,665,453)</u>	<u>5,943,536</u>	<u>104,885,168</u>
<b>Other financing sources (uses)</b>			
Transfers in	467,802	4,683	29,423,596
Transfers out	(823,549)	(745,711)	(29,423,596)
Gain (loss) on sale of assets	-	-	(347)
Total other financing sources (uses)	<u>(355,747)</u>	<u>(741,028)</u>	<u>(347)</u>
Net change in fund balances	(13,021,200)	5,202,508	104,884,821
Fund balances (deficits) beginning of year	1,670,874	(238,735)	660,281,503
Cumulative effect of Implementation Guide 2019-1	-	-	(8,094,445)
Fund balances (deficits) beginning of year, as restated	<u>1,670,874</u>	<u>(238,735)</u>	<u>652,187,058</u>
Fund balances (deficits) end of year	<u>\$ (11,350,326)</u>	<u>\$ 4,963,773</u>	<u>\$ 757,071,879</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, 2021

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Net changes in fund balances-total governmental funds (page 24) \$ 104,884,821

**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	100,746
Construction in progress - capital outlay	100,496,788
Donated assets	745,899
Depreciation	(2,370,959)

Net changes in revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	303,074
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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	4,460,000
Amortization of premium on sales tax revenue bonds	1,012,229
Advance expenditure agreements	(1,029,485)

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	(484,539)
Changes in accrued interest on sales tax revenue bonds	67,650
Changes in net pension liability and related deferred inflows/outflows of resources	(1,268,724)

Change in net position of governmental activities	\$ 206,917,500
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*See accompanying notes to financial statements*



# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

June 30, 2021

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### 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, state of good repair, Measure I administration, modeling fees and congestion management program.

***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, highway bridge program and highway infrastructure bridge program.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2021

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***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.

***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, valley 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.

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

### Notes to the Financial Statements

June 30, 2021

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#### ***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.

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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

June 30, 2021

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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 with an executed award agreement for all revenue types except sales tax. Sales tax are accrued when receipt occurs within sixty 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.

#### ***Board Approved Amendments***

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

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2021

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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, 2021, no expenditures exceeded appropriations. The 2010-2040 Measure I's 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.

***Prepays***

Payments to vendors for services that will benefit periods beyond June 30, 2021, 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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

June 30, 2021

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### ***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:

Type of asset	Useful life
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

### ***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.



# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

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### ***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 as shown on the fund financial statements.

### ***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.

#### 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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

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### ***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.

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.

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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

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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 unmatured 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.

### **L. Effects of new pronouncements**

In January of 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this statement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. This Statement is also intended to improve the usefulness of fiduciary activity information primarily for assessing the accountability of governments in their roles as fiduciaries. SBCTA has implemented this Statement for fiscal year ended June 30, 2021. The adoption of this statement did not have a material impact on the financial statements.

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In August 2018, GASB issued Statement No. 90, *Accounting and Financial Reporting for Major Equity Interests*. The primary objective of this statement is to improve the consistency in the measurement and comparability of the financial statement presentation of majority equity interest in legally separate organizations and to improve the relevance of financial statement information for certain component units. SBCTA has implemented this Statement for fiscal year ended June 30, 2021. The adoption of this statement did not have a material impact on the financial statements.

In March 2020, GASB issues Statement No. 93, *Replacement of Interbank Offered*. The objective of this statement is to address the accounting and financial reporting effects that result from the replacement of interbank offered rates (IBOR) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. SBCTA has implemented this Statement for fiscal year ended June 30, 2021. The adoption of this statement did not have a material impact on the financial statements.

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 requirements of this statement are effective as follows: (a) The requirements in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately. (b) The requirements in paragraph 6-9 of this Statement are effective for fiscal years beginning after June 15, 2021. (c) All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021. SBCTA Adopted paragraphs 4 and 5 of this Statement in fiscal year 2021. The adoption of paragraphs 4 and 5 did not have a material impact on SBCTA's financial statements. Management is evaluating the effect of the remaining paragraphs of this Statement on SBCTA's financial statements.

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The adoption of this statement did not have a material impact on the 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.

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Notes to the Financial Statements

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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 \$388,307,341 are as follows:

Land	\$ 67,994,332
Construction in progress	280,391,944
Building and building improvements	10,620,860
Infrastructure	23,152,124
Improvements to land	16,923,102
Equipment, furniture, software, and vehicles	5,927,158
Less: Accumulated depreciation	<u>(16,702,179)</u>
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	<u>\$ 388,307,341</u>

### 3. DEFICIT FUND EQUITY

As of June 30, 2021, the following funds had a deficit fund balance:

	<u>Deficit Amount</u>
Special Revenue Fund:	
Federal Highway	\$ (31,851,013)
Federal Transit Administration	(2,825,620)
State Highway	(7,581,111)
Capital Projects Funds:	
Local Projects	(11,350,326)
Nonmajor Funds:	
Freeway Service Patrol	(425,741)
Local Partnership Program - Formula Senate Bill 1	(40,817)
Freeway Service Patrol Senate Bill 1	(114,916)
Sustainable Communities Grants Senate Bill 1	(3,162)
Trade Corridor Enhancement Program Senate Bill 1	(844,673)
California Wildlife Conservation	(11,232)

The deficits are attributed to certain grants from federal and state agencies not received before the revenue recognition criteria of 180 days or without an executed grant agreement. Deferred inflows of resources are recorded when an expenditure-driven grant that do not have an executed agreement with the granting authority by June 30, 2021 (for details on this change in accounting principle, see note 16 of this report). The fund balance deficits will be offset with future collections of revenue.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
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**4. CASH AND INVESTMENTS**

Cash and investments at June 30, 2021 consist of the following:

	Cash	Unrestricted Investments	Total	Restricted Investments	Grand Total
Cash in bank	\$ 54,955,389	\$ -	\$ 54,955,389	\$ -	\$ 54,955,389
Petty cash	1,000	-	1,000	-	1,000
San Bernardino county pool	356,703,617	-	356,703,617	-	356,703,617
Local agency investment fund	7,479,893	-	7,479,893	-	7,479,893
California asset management program	121,925,818	-	121,925,818	-	121,925,818
Investments with custodian	-	110,656,606	110,656,606	-	110,656,606
Investments with fiscal agent	-	-	-	5,917,338	5,917,338
	<u>\$ 541,065,717</u>	<u>\$ 110,656,606</u>	<u>\$ 651,722,323</u>	<u>\$ 5,917,338</u>	<u>\$ 657,639,661</u>

**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	40%	3%
Negotiable certificates of deposit	5 years	30%	3%
Repurchase agreements	30 days	20%	20%
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 \$75 million	60%
California asset management program	N/A	No Limit	No Limit
Supranationals	5 years	30%	30%
Money market funds	N/A	20%	10%

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

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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**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	\$ 50,517,409	1.65
U.S. government sponsored enterprise securities:		
FHLB	2,757,044	1.64
FHLMC	11,545,070	1.62
FNMA	11,822,232	1.90
California and Other Municipals	203,858	2.00
Corporate notes	20,710,582	2.40
Certificate of deposits	1,795,670	1.17
Supranationals	1,176,271	2.40
Money market mutual funds	16,045,808	0.15
Total	<u>\$ 116,573,944</u>	
External pools:		
Local agency investment fund	\$ 7,479,893	0.8
California asset management program	121,925,818	0.14
County of San Bernardino pool	356,703,617	1.23
Total	<u>\$ 486,109,328</u>	

**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 be 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.



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

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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, 2021	Exempt from Disclosure	AAA	AA	A-1/A-1+	Not Rated
U.S. Treasuries <sup>(1)</sup>	\$ 50,517,409	\$ 50,517,409	\$ -	\$ -	\$ -	\$ -
U.S. government sponsored enterprise securities						
FHLB	2,757,044	-	-	2,757,044	-	-
FHLMC	11,545,070	-	-	11,545,070	-	-
FNMA	11,822,232	-	-	11,822,232	-	-
California and Other Municipals	203,858	-	-	-	-	203,858
Corporate notes	20,710,582	-	3,685,103	8,639,239	8,386,240	-
Certificate of deposits	1,795,670	-	-	-	1,795,670	-
Supranationals	1,176,271	-	1,176,271	-	-	-
Money market mutual funds	16,045,808	-	-	-	-	16,045,808
Total	<u>\$ 116,573,944</u>	<u>\$ 50,517,409</u>	<u>\$ 4,861,374</u>	<u>\$ 34,763,585</u>	<u>\$ 10,181,910</u>	<u>\$ 16,249,666</u>

(1) Exempt from disclosure

S&P Rating	CAMP % of Fund	County % of Fund	LAIF
AAA	0.70%	5.74%	Not rated
AAAm	<0.10%	4.78%	
AA+	5.50%	43.12%	
AA-	0.70%	0.86%	
A-1+	37.70%	16.02%	
A-1	53.30%	25.03%	
A+	2.00%	0.81%	
A	0.10%	1.07%	
Exempt	0.00%	2.57%	
	<u>100.00%</u>	<u>100.00%</u>	

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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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, 2021:

Investment Type	Amount as of June 30, 2021	Level 1	Level 2
US Treasuries	\$ 50,517,409	\$ 50,517,409	\$ -
US government sponsored enterprise securities:			
FHLB	2,757,044	-	2,757,044
FHLMC	11,545,070	-	11,545,070
FNMA	11,822,232	-	11,822,232
California and Other Municipals	203,858	-	203,858
Corporate notes	20,710,582	-	20,710,582
Certificate of deposits	1,795,670	-	1,795,670
Supranationals	1,176,271	-	1,176,271
Money market mutual funds	16,045,808	-	16,045,808
Subtotal	<u>116,573,944</u>	<u>\$ 50,517,409</u>	<u>\$ 66,056,535</u>
Other investments not subject to fair measures classification:			
Local agency investment fund	7,479,893		
California asset management program	121,925,818		
County San Bernardino pool	<u>356,703,617</u>		
Total	<u>\$ 602,683,272</u>		

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.

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

### Notes to the Financial Statements

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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.
- SBCTA uses an independent third-party custodian/safekeeper to domicile the securities in its portfolio. SBCTA uses US 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, 2021, SBCTA has bank deposits within two separate bank accounts with a total balance of \$54,955,389 of which \$500,000 is federally insured and \$54,455,389 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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

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### 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.

#### 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, 2021:

Receivable Fund	Payable Fund	Amount
2010-2040 Measure I	Federal highway	\$ 49,378,640
	Federal transit administration	17,581,060
	State highway	28,249,644
	Capital projects	24,801,849
	Nonmajor governmental funds	12,234,351
General fund	Local transportation fund	2,018,229
	State transit assistance fund	8,654,507
	Total	<u>\$ 142,918,280</u>

#### B. Advances to and from

SBCTA has approved four 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, 2021, is \$953,365.
- A non-interest-bearing interfund loan for the Upland based on the allocation of Measure I Major Street Program - Arterial Sub-Program funds. The interfund loan amount as of June 30, 2021, is \$463,209.
- A non-interest-bearing interfund loan for the City of Montclair based on the allocation of Measure I Major Street Program - Arterial Sub-Program funds. The interfund loan amount as of June 30, 2021, is \$1,907,426.
- A non-interest-bearing interfund loan for the City of Ontario based on the allocation of Measure I Major Street Program - Arterial Sub-Program funds. The interfund loan amount as of June 30, 2021, is \$3,482,167.

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The following are the advances to and advances from balances as of June 30, 2021:

Receivable Fund	Payable Fund	Amount
2010-2040 Measure I	Capital projects	<u>\$6,806,167</u>

**C. Interfund Transfers**

Transfers in and out by fund for the fiscal year ended June 30, 2021, were as follows:

	Transfers Out						
	Federal Highway	State Highway	Local Transportation	2010-2040 Measure I	Capital Projects	Nonmajor Funds	Total
<b>Transfers In</b>							
General	\$ -	\$ -	\$ 11,391,222	\$ 1,837,714	\$ -	\$ 496,658	\$13,725,594
Federal Highway	-	-	-	-	93,979	65,392	159,371
State Highway	-	-	-	41,105	-	173,737	214,842
2010-2040 Measure I	539,116	226,555	-	-	729,570	-	1,495,241
Debt Service	-	-	-	13,356,063	-	-	13,356,063
Capital Projects	-	-	-	462,561	-	5,241	467,802
Nonmajor Funds	-	-	-	-	-	4,683	4,683
<b>Total</b>	<b>\$539,116</b>	<b>\$ 226,555</b>	<b>\$ 11,391,222</b>	<b>\$15,697,443</b>	<b>\$ 823,549</b>	<b>\$ 745,711</b>	<b>\$29,423,596</b>

**Transfers from the Federal Highway Fund:**

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

- \$397,572 to optimize Congestion Mitigation and Air Quality funds for the I-215 Bi-County HOV Gap Closure Project.
- \$12,308 to optimize Surface Transportation Program funds for the US 395 project.
- \$129,236 to optimize Surface Transportation Program funds for the I-215 Barton project.

**Transfers from the State Highway Fund:**

To the 2010-2040 Measure I Fund of \$226,555 to optimize State Transportation Improvement Program/Regional Improvement Program funds.

**Transfers from the Local Transportation Fund:**

To the General Fund of \$11,391,222 for planning and administrative activities that were budgeted to be funded with TDA funds.

**Transfers from the 2010-2040 Measure I Funds:**

To the General Fund of \$1,837,714 to fund the indirect fund.

To the State Highway Fund of \$41,105 of condemnation deposit remaining with the state.

To the Debt Service Fund of \$13,356,063 transferred to fund debt service commitments.

To the Capital Projects Fund of \$462,561 for reallocation of an expenses with the Mt Vernon Viaduct Project.

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**Transfers from the Capital Projects Fund:**

To the Federal Highway Fund of \$93,979 to optimize local funding for the Mt Vernon Viaduct Project.

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

- \$427,763 to optimize local funding associated with the US 395 project.
- \$301,807 to optimize local funding associated with the I-10 Pepper Project.

**Transfers from the Nonmajor Funds:**

To the General Fund consists of the following items:

- \$174,069 from the Council of Governments fund to fund the Indirect Cost fund.
- \$322,589 from the Service Authority for Freeways fund to fund the Indirect Cost fund.

To the Federal Highway Fund of \$65,392 to optimize SB1 associated with the US 395 project.

To the State Highway Fund of \$173,737 to optimize SB1 associated with the US 395 project.

To the Capital Projects Fund of \$5,241 for reallocation of an expenses for the Freeway Service Patrol.

To the Non-Major Funds of \$4,683 to reclassify prior year expenses related to Freeway Service Patrol.

**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, 2021 are as follows:

<u>Jurisdiction</u>	<u>Agreement number</u>	<u>Amount</u>
City of Hesperia	C12219	\$ 13,133,682
City of Highland	18-1001978	957,697
LAFCO	16-1001429	33,794
City of Fontana	19-1002191	3,259,217
City of Ontario	17-1001704	5,683,700
City of Upland	17-1001721	463,209
City of Montclair	17-1001719	1,907,426
		<u>\$ 25,438,725</u>

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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 an 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, 2021 is \$13,133,682.

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 loan agreement for the State Route 210 (SR 210) Base Line 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, 2021 is \$957,697.

Per Cooperative Agreement No. C14147 with the City of Redlands, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term loan 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 agreement was repaid and the outstanding agreement balance as of June 30, 2021 is \$0.

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, 2021 is \$33,794. The agreement is due on July 23, 2022.

Per Cooperative Agreement No. 19-10022225 with the City of Fontana, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term loan agreement for the I-15 Duncan Canyon Road Interchange Project. Per Agreement No. 19-1002191, 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, 2021 is \$3,259,217.

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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 loan 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. The outstanding agreement balance as of June 30, 2021 is \$5,683,700.

Per Cooperative Agreement No. 17-1001720 with the City of Upland, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term loan 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. The outstanding agreement balance as of June 30, 2021 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 loan 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. The outstanding agreement balance as of June 30, 2021 is \$463,209.

Per Cooperative Agreement No. 17-1001719 with the City of Montclair, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term loan 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. The outstanding agreement balance as of June 30, 2021 is \$1,907,426.

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 loan agreement for the Green Tree Boulevard Extension Project. Per Article 2.2, the City is authorized to borrow Victor Valley Major Local Highway Program funds available to the City to pay the City's share of costs. Borrowed 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 \$13,258,995, which is two-thirds of the estimated local share of project costs. SBCTA does not anticipate an agreement balance until Fiscal Year 2021/2022. The outstanding agreement balance as of June 30, 2021 is \$0.



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**7. CAPITAL ASSETS**

Capital assets activity for the fiscal year ended June 30, 2021, were as follows:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
<b>Governmental Activities</b>				
Capital assets, not depreciated				
Land	\$ 67,818,087	\$ 176,245	\$ -	\$ 67,994,332
Construction in progress	180,607,614	100,659,467	(875,137)	280,391,944
Total capital assets, not depreciated	<u>\$ 248,425,701</u>	<u>\$ 100,835,712</u>	<u>\$ (875,137)</u>	<u>\$ 348,386,276</u>
Capital assets being depreciated:				
Buildings and building improvements	\$ 10,620,494	\$ 366	\$ -	\$ 10,620,860
Improvements to land	15,533,401	1,389,701	-	16,923,102
Infrastructure	23,217,403	-	(65,279)	23,152,124
Equipment, furniture, software and vehicles	5,869,088	58,070	-	5,927,158
Total capital assets, depreciated	<u>55,240,386</u>	<u>1,448,137</u>	<u>(65,279)</u>	<u>56,623,244</u>
Less accumulated depreciation for:				
Buildings and building improvements	\$ (2,702,493)	\$ (348,153)	\$ -	\$ (3,050,646)
Improvements to land	(3,066,974)	(1,138,560)	-	(4,205,534)
Infrastructure	(3,887,686)	(633,752)	-	(4,521,438)
Equipment, furniture, software, and vehicles	(4,674,067)	(250,494)	-	(4,924,561)
Total accumulated depreciation	<u>(14,331,220)</u>	<u>(2,370,959)</u>	<u>-</u>	<u>(16,702,179)</u>
Total capital assets, depreciated	<u>40,909,166</u>	<u>(922,822)</u>	<u>(65,279)</u>	<u>39,921,065</u>
Total capital assets, net	<u>\$ 289,334,867</u>	<u>\$ 99,912,890</u>	<u>\$ (940,416)</u>	<u>\$ 388,307,341</u>

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

**Governmental activities:**

General government	\$ 481,334
Environment and energy conservation	58,083
Transit	<u>1,831,542</u>
Total depreciation expense - governmental activities	<u>\$ 2,370,959</u>

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Construction in Progress consists of the following projects:

<b>Project</b>	<b>Governmental Activities</b>
Redlands passenger rail project	\$ 157,560,948
Control point Lilac to control point Rancho double track	1,855,175
Zero emission multimodal unit	12,586,323
Ontario International Airport Loop	4,560,838
I-10 corridor express lanes contract 1	96,171,861
I-10 corridor express lanes contract 2A	2,217,766
I-15 corridor express lanes contract 1	5,439,033
	<u>\$ 280,391,944</u>

## 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, 2021:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year
<b>Governmental activities</b>					
Long-term debt					
Revenue bonds payable	\$ 183,895,000	\$ -	\$ 4,460,000	\$ 179,435,000	\$ 4,795,000
Unamortized premium on revenue bonds payable	<u>11,698,851</u>	<u>-</u>	<u>1,012,229</u>	<u>10,686,622</u>	<u>978,866</u>
Total long-term debt	<u>195,593,851</u>	<u>-</u>	<u>5,472,229</u>	<u>190,121,622</u>	<u>5,773,866</u>
Other liabilities					
Compensated absences	1,384,588	576,994	92,455	1,869,127	162,842
Net pension liability	16,515,328	4,117,332	-	20,632,660	-
Advance expenditure agreements	<u>23,023,515</u>	<u>1,700,000</u>	<u>670,515</u>	<u>24,053,000</u>	<u>20,853,000</u>
Total other liabilities	<u>40,923,431</u>	<u>6,394,326</u>	<u>762,970</u>	<u>46,554,787</u>	<u>21,015,842</u>
Total long-term debt and other liabilities, net	<u>\$ 236,517,282</u>	<u>\$ 6,394,326</u>	<u>\$ 6,235,199</u>	<u>\$ 236,676,409</u>	<u>\$ 26,789,708</u>

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.

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**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, 2021 of \$13,023,200, represents 5.86% of total applicable sales tax revenue, which was \$222,320,683. The future maturities of sales tax revenue bonds payable are as follows:

Year Ending, June 30,	Principal	Interest	Total
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	6,395,000	7,337,701	13,732,701
2027-2031	39,520,000	31,518,002	71,038,002
2032-2036	54,935,000	20,357,990	75,292,990
2037-2040	57,175,000	6,459,183	63,634,183
	<u>\$ 179,435,000</u>	<u>\$ 97,748,978</u>	<u>\$ 277,183,978</u>

**Sales Tax Revenue Bonds of 2012, Series A**

The sales tax revenue bonds of \$76,650,000, 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.

Interest is payable semiannually on March 1<sup>st</sup> and September 1<sup>st</sup> 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
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	3,100,000	2,974,138	6,074,138
2027-2031	17,870,000	12,504,687	30,374,687
2032-2036	22,665,000	7,707,413	30,372,413
2037-2040	21,990,000	2,313,506	24,303,506
	<u>\$ 76,650,000</u>	<u>\$ 38,780,544</u>	<u>\$ 115,430,544</u>

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***Sales Tax Revenue Bonds of 2014, Series A***

The sales tax revenue bonds of \$102,785,000 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 1<sup>st</sup> and September 1<sup>st</sup> 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
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	3,295,000	4,363,563	7,658,563
2027-2031	21,650,000	19,013,315	40,663,315
2032-2036	32,270,000	12,650,577	44,920,577
2037-2040	35,185,000	4,145,677	39,330,677
	<u>\$ 102,785,000</u>	<u>\$ 58,968,434</u>	<u>\$ 161,753,434</u>

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

Sales Tax Revenue Fiscal Year Ended June 30, 2021	Maximum Annual Debt Service	Debt Coverage Ratio
\$222,320,683	\$16,208,601	13.72 X

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

SBCTA executed a new TIFIA loan agreement for up to \$225 million on June 17, 2021 and terminated the original agreement dated April 26, 2019, which had not been drawn upon to mainly secure a lower interest rate. The 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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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The interest rate of the TIFIA loan is set at 2.17% (reduced from the interest rate of 2.93% in the original terminated agreement). In the event the TIFIA loan would entered into a Development Default or Project Abandonment, the interest rate will be that of 2.17% plus 200 basis points (4.17%) until the Development Default is cure or the outstanding TIFIA loan balance has been irrevocably paid in full in cash. During 2021, there were no draws on the TIFIA loan with first disbursement anticipated to be in mid Fiscal Year 2022.

A Senior Debt Service Coverage Ratio of at least 1.35 in each calculation period (which currently there is no senior debt), a Second Lien Debt Service Coverage Ratio of at least 1.25 in each calculation period, and 100% of the Annual Debt Service in such Fiscal Year plus required amounts to fund the reserves starting the month after the substantial completion date will constitute the Coverage Ratio Test. In the event of six consecutive violations of the coverage ratio test, 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 among various asset categories upon substantial completion.

The TIFIA Bond is a Senior Lien Obligation per the Second Supplemental Indenture to the Toll Revenue Bond indenture, dated June 1, 2021 (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 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 from 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.

If an event of default, SBCTA shall notify the trustee immediately. The trustee shall make payments of outstanding amounts as detailed in the master indenture that includes payment of fees to the trustee, payment of operation and maintenance expenses, accrued and unpaid interest, and unpaid principal due (including amounts for seniorlien obligations, second lien obligations, and subordinate obligations) as they apply at the time of default.

### ***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 amounts outstanding debt under this indenture of the TIFIA Loan as of June 30, 2021. 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.

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

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#### **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, 2021 is \$106,760,000.

#### **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, 2021 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, 2021 is \$0.

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, 2021 is \$0.

Per AE Agreement No. 19-1002192, SBCTA agrees to reimburse the City of Big Bear Lake up to \$3,200,000 for the Moonridge Road Improvement Project. The outstanding amount as of June 30, 2021 is \$3,200,000.

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The outstanding balances for advance expenditure agreements as of June 30, 2021 are as follows:

<u>Jurisdiction</u>	<u>Agreement number</u>	<u>Amount</u>
City of Rancho Cucamonga	00-1000892	\$20,853,000
County of San Bernardino	00-1000948	-
City of Ontario	00-1000568	-
City of Big Bear Lake	19-1002192	3,200,000
		<u>\$24,053,000</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*

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 253,559	\$ 195,633
Changes in actuarial assumptions	2,415,430	97
Net differences between projected and actual earnings on pension plan investments	4,351,369	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	628,647	1,657,560
Employer contributions paid subsequent to measurement date	2,751,277	-
Total	<u>\$ 10,400,282</u>	<u>\$ 1,853,290</u>

As of June 30, 2021 combined pension expense (including deferred outflows of resources) is \$3,927,202 and the net pension liability is \$20,632,660.

### 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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

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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.

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 annual comprehensive financial report excludes the SBCERA pension plan as of the measurement date. SBCERA publishes its own annual comprehensive 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](http://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:

	<b><u>General-Tier 1</u></b>	<b><u>General-Tier 2</u></b>
<b>Final average compensation</b>	Highest 12 months	Highest 36 months
<b>Normal retirement age</b>	Age 55	Age 55
<b>Early retirement: Years of service required and/or age eligible for</b>	Age 70 any years 10 years age 50 30 years any age	Age 70 any years 5 years age 52 N/A
<b>Benefit percent per year of service for normal retirement age</b>	2% per year of final average compensation for every year of service credit	2.5% per year of final average compensation for every year of service credit
<b>Benefit adjustments</b>	Reduced before age 55, increased after 55 up to age 65	Reduced before age 67
<b>Final average compensation limitation</b>	Government Code section 31676.15 Internal Revenue Code section 401(a)(17)	Government Code section 7522.1



# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

June 30, 2021

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.

### ***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, 2021 ranged between 9.15% and 14.84% for Tier 1 General members, and 9.06% for Tier 2 General members.

Employer contribution rates for the year ended June 30, 2021, 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	38.38%	35.86%	100%	0%

The required employer contributions and the amount paid to SBCERA by SBCTA for the year ended June 30, 2021, were \$2,676,627.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2021

***Net Pension Liability***

At June 30, 2021, SBCTA reported a net pension liability of \$20,619,123 for its proportionate share of the SBCERA's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. 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, 2019 through June 30, 2020, relative to the total employer contributions received from all of SBCERA's participating employers. At June 30, 2020, SBCTA's proportion was 0.514%, which was a decrease of 0.095% from its proportion measured as of June 30, 2019.

***Pension Expense and Deferred Outflows/Inflows of Resources***

For the year ended June 30, 2021, SBCTA recognized a pension expense (excluding deferred outflows of resources) of \$3,928,911, for its proportionate share of SBCERA's pension expense. At June 30, 2021, 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	\$ 252,861	\$ 195,633
Changes in actuarial assumptions	2,415,430	-
Net differences between projected and actual earnings on pension plan investments	4,350,968	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	628,647	1,657,560
Employer contributions paid to SBCERA subsequent to the measurement date	2,747,072	-
Total	<u>\$ 10,394,978</u>	<u>\$ 1,853,193</u>

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

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The \$2,747,072 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, 2022. 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:

2022	\$ 1,324,184
2023	1,884,148
2024	1,532,785
2025	1,104,918
2026	(70,672)
2027	19,350
	<u>\$ 5,794,713</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, 2020
Actuarial cost method	Entry age actuarial cost
Amortization method	Level percent of payroll (3.25% payroll growth assumed)
Investment rate of return	7.25%
Inflation	2.75%
Projected Salary increases	General: 4.55% to 12.75%
Cost of Living Adjustments	Consumer price index with a 2.00% maximum
Administrative Expenses	0.85% of payroll

Post-retirement mortality is based on the Pub-2010 Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.

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.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2021

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, 2020 Valuation Date**

<u>Asset Class</u>		Target	Long-Term Expected
		Allocation	Real Rate of Return (Arithmetic)
Large Cap U.S. Equity	Domestic Common and Preferred Stock	11.00%	5.42%
Small Cap U.S. Equity	Domestic Common and Preferred Stock	2.00%	6.21%
Developed International Equity	Foreign Common and Preferred Stock	9.00%	6.50%
Emerging Market Equity	Foreign Common and Preferred Stock	6.00%	8.80%
U.S. Core Fixed Income	U.S. Government and Agency/Corporate Bonds	2.00%	1.13%
High Yield/Credit Strategies	Corporate Bonds/Foreign Bonds	13.00%	3.40%
Global Core Fixed Income	Foreign Bonds	1.00%	-0.04%
Emerging Market Debt	Emerging Market Debt	8.00%	3.44%
Real Estate	Real Estate	3.50%	4.57%
Cash & Equivalents	Short-Term Cash Investment Funds	2.00%	-0.03%
Value Added Real Estate	Real Estate	3.50%	6.53%
International Credit	Foreign Alternatives	11.00%	5.89%
Absolute Return	Domestic Alternatives/Foreign Alternatives	7.00%	3.69%
Real Assets	Domestic Alternatives/Foreign Alternatives	5.00%	10.64%
Private Equity	Domestic Alternatives/Foreign Alternatives	16.00%	10.70%
Total		<u>100.00%</u>	

***Changes in Assumptions***

The assumptions for June 30, 2020 valuation included inflation decreasing from 3.00% to 2.75% and administrative expense increasing from 0.70% to 0.85% of payroll.

***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, 2021

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***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	\$ 28,955,181	\$ 20,619,123	\$ 13,793,271

***Pension plan fiduciary net position***

Detailed information about the SBCERA's fiduciary net position is available in a separately issued SBCERA annual comprehensive financial report. That report may be obtained on the Internet at [www.SBCERA.org](http://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, 2021

***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, 2020.

The required employer contributions and the amount paid to PERS by SBCTA for the year ended June 30, 2021, was \$0 toward the payment of unfunded accrued liability.

***Pension Liability***

At June 30, 2021 SBCTA reported a net pension liability of \$13,537 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020.

***Pension Expense and Deferred Outflows/Inflows of Resources***

For the year ended June 30, 2021, SBCTA recognized pension expense (excluding deferred outflows of resources) of (\$1,709), 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, 2021, 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	\$ 698	\$ -
Changes in actuarial assumptions	-	97
Net differences between projected and actual earnings on pension plan investments	401	-
Employer contributions paid to PERS subsequent to the measurement date	4,205	-
Total	<u>\$ 5,304</u>	<u>\$ 97</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Notes to the Financial Statements

June 30, 2021

The \$4,205 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, 2022.

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:

2022	\$	154
2023		364
2024		292
2025		192
		<u>\$ 1,002</u>

At June 30, 2020, SBCTA's proportion was 0.00053%, which was an increase of 0.00064% from its proportion measured as of June 30, 2019. 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, 2020
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 <sup>1</sup>	Years 11+ <sup>2</sup>
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

<sup>(1)</sup> An expected inflation rate of 2% was used

<sup>(2)</sup> An expected inflation rate of 2.92% was used

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Notes to the Financial Statements  
June 30, 2021

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***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:

<b>Sensitivity of Net Pension Liability to Changes in the Discount Rate</b>			
	1.00% Decrease (6.15%)	Current Discount Rate (7.15%)	1.00% Increase (8.15%)
SBCTA's proportionate share of the net pension liability	\$21,613	\$13,537	\$ 6,859

***Pension plan fiduciary net position***

Detailed information about PERS's fiduciary net position is available on the Internet at [www.calpers.ca.gov](http://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***

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 \$2.07 billion at June 30, 2021.

***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, 2021 is \$0.



**SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY**

Notes to the Financial Statements

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

As of June 30, 2021, 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
<b>Total</b>	<b>\$ 40,239,430</b>

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
<b>Total</b>	<b>\$ 11,453,081</b>

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
2011-2012	-	-	-
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
2020-2021	1,653,929	-	1,653,929
<b>Total</b>	<b>\$ 27,740,539</b>	<b>\$ 11,639,699</b>	<b>\$ 39,380,238</b>

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

June 30, 2021

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### 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 \$11,303,655 during Fiscal Year 2020/2021 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 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. \$3,000 was paid by SBCTA for Fiscal Year 2020/2021. 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 \$97,800,000 and future annual operating costs is estimated at \$2.5 million in 2021 dollars. Currently, there is an overall \$550 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.

### 14. CONTINGENCIES

In the ordinary course of business, SBCTA and SBCOG 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.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Notes to the Financial Statements

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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.

### **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. CHANGE IN ACCOUNTING PRINCIPLE**

In April 2019, GASB issued Implementation Guide No. 2019-1 which included clarification of Paragraph 15 of GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions* in question number 4.7. This question clarifies that revenue recognition is contingent upon an eligibility requirement. The eligibility requirement in most cases is the execution of an award or agreement on or before the end of the reporting period. SBCTA has implemented the guidance for this question as of July 1, 2020. The implementation of this question has resulted in a delay in the recognition of some intergovernmental receivables and deferred inflows of resources.

With the release of Implementation Guide 2019-01, *Implementation Guidance Update-2019*, management changed their method of accounting for recognition of nonexchange revenue. Expenditure driven grant provisions are determined to be a stipulation that is considered to be an eligibility requirement and as such, revenue cannot be recognized until the agreement has been executed. An adjustment to reduce governmental activities net position at July 1, 2020 by \$29,411,415 was made to reflect the cumulative effect related to the change in accounting principle. An adjustment to reduce fund balance of the federal transit administration special revenue fund July 1, 2020 by \$8,094,445 was made to reflect the cumulative effect related to the change in accounting principle. These adjustments represent nonexchange revenue and receivables that were recorded for eligible expenditures incurred in the year ended June 30, 2020, but the related grant award was not executed until the year ended June 30, 2021.

### **17. 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. 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

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- 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. 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. 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.

**18. SUBSEQUENT EVENT**

On October 8, 2021 SBCTA issued commercial paper for \$26,344,000 at 0.11% interest rate to cash flow for the Mount Vernon Viaduct Project. The commercial paper was issued for 90 days, due on January 6, 2022. The issuance amount will be repaid from Highway Infrastructure program funds for \$25,495,394 and \$848,606 from Highway Bridge Program (HBP) funds. The interest of \$7,145 due on the commercial paper will be paid from HBP funds.



Crews begin the strategic disassembly of the old Mount Vernon Avenue Viaduct over the Burlington Northern Santa Fe Railroad (BNSF) rail yard in San Bernardino. This structure is nearly a century old and serves as a key connector to one of the older communities in San Bernardino.

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Sales tax-Measure I	\$ 1,439,000	\$ 1,439,000	\$ 2,223,207	\$ 784,207
Charges for services	564,809	564,809	608,019	43,210
Investment earnings	97,350	97,350	36,483	(60,867)
Miscellaneous	-	-	1,930	1,930
Total revenues	<u>2,101,159</u>	<u>2,101,159</u>	<u>2,869,639</u>	<u>768,480</u>
<b>Expenditures</b>				
Current:				
General government	11,303,436	18,087,170	8,590,506	9,496,664
Regional and subregional planning	1,069,939	1,073,221	452,358	620,863
Transit	31,835,372	21,574,341	2,495,789	19,078,552
Project delivery	21,855	255	-	255
Fund administration	776,248	783,858	512,007	271,851
Capital outlay	<u>6,611,823</u>	<u>12,212,403</u>	<u>7,886,225</u>	<u>4,326,178</u>
Total expenditures	<u>51,618,673</u>	<u>53,731,248</u>	<u>19,936,885</u>	<u>33,794,363</u>
Excess (deficiency) of revenues over (under) expenditures	(49,517,514)	(51,630,089)	(17,067,246)	34,562,843
<b>Other financing sources (uses)</b>				
Transfers in	48,255,647	51,647,706	13,725,594	(37,922,112)
Transfers out	<u>(4,757,601)</u>	<u>(4,761,908)</u>	<u>-</u>	<u>4,761,908</u>
Total other financing sources (uses)	<u>43,498,046</u>	<u>46,885,798</u>	<u>13,725,594</u>	<u>(33,160,204)</u>
Net change in fund balances	(6,019,468)	(4,744,291)	(3,341,652)	1,402,639
Fund balances beginning of year	<u>11,654,417</u>	<u>11,654,417</u>	<u>11,654,417</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ 5,634,949</u>	<u>\$ 6,910,126</u>	<u>\$ 8,312,765</u>	<u>\$ 1,402,639</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 137,566,070	\$ 137,566,070	\$ 80,859,136	\$ (56,706,934)
Investment earnings	-	-	24,407	24,407
Miscellaneous	-	-	1,863,291	1,863,291
Total revenues	<u>137,566,070</u>	<u>137,566,070</u>	<u>82,746,834</u>	<u>(54,819,236)</u>
<b>Expenditures</b>				
Current:				
Transit	1,089,024	1,093,024	1,092,333	691
Project delivery	84,910,046	84,956,046	77,300,517	7,655,529
Capital outlay	<u>73,567,000</u>	<u>73,567,000</u>	<u>17,925,673</u>	<u>55,641,327</u>
Total expenditures	<u>159,566,070</u>	<u>159,616,070</u>	<u>96,318,523</u>	<u>63,297,547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,000,000)</u>	<u>(22,050,000)</u>	<u>(13,571,689)</u>	<u>8,478,311</u>
<b>Other financing sources (uses)</b>				
Transfers in	22,000,000	22,162,568	159,371	(22,003,197)
Transfers out	-	(542,317)	(539,116)	3,201
Total other financing sources (uses)	<u>22,000,000</u>	<u>21,620,251</u>	<u>(379,745)</u>	<u>(21,999,996)</u>
Net change in fund balances	-	(429,749)	(13,951,434)	(13,521,685)
Fund balances (deficits) beginning of year	<u>(17,899,579)</u>	<u>(17,899,579)</u>	<u>(17,899,579)</u>	-
Fund balances (deficits) end of year	<u>\$ (17,899,579)</u>	<u>\$ (18,329,328)</u>	<u>\$ (31,851,013)</u>	<u>\$ (13,521,685)</u>

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 41,652,319	\$ 41,652,319	\$ 50,535,219	\$ 8,882,900
<b>Expenditures</b>				
Transit	21,024,212	24,454,212	23,119,236	1,334,976
Capital outlay	20,628,107	24,198,107	20,633,325	3,564,782
Total expenditures	41,652,319	48,652,319	43,752,561	4,899,758
Net change in fund balances	-	(7,000,000)	6,782,658	13,782,658
Fund balances (deficits) beginning of year	(1,513,833)	(1,513,833)	(1,513,833)	-
Cumulative effect of Implementation Guide 2019-1	(8,094,445)	(8,094,445)	(8,094,445)	-
Fund balances (deficits) beginning of year, as restated	(9,608,278)	(9,608,278)	(9,608,278)	-
Fund balances (deficits) end of year	\$ (9,608,278)	\$ (16,608,278)	\$ (2,825,620)	\$ 13,782,658



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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 95,713,255	\$ 95,713,255	\$ 65,855,754	\$ (29,857,501)
Investment earnings	-	-	1,319	1,319
Total revenues	<u>95,713,255</u>	<u>95,713,255</u>	<u>65,857,073</u>	<u>(29,856,182)</u>
<b>Expenditures</b>				
Current:				
General government	4,178	464	463	1
Regional and subregional planning	331,366	377,546	377,546	-
Transit	3,866,715	3,712,522	3,027,670	684,852
Project delivery	64,013,960	64,013,955	33,581,266	30,432,689
Fund administration	732,456	689,995	689,991	4
Capital outlay	<u>26,764,580</u>	<u>26,968,773</u>	<u>19,409,245</u>	<u>7,559,528</u>
Total expenditures	<u>95,713,255</u>	<u>95,763,255</u>	<u>57,086,181</u>	<u>38,677,074</u>
Excess (deficiency) of revenues over (under) expenditures	-	(50,000)	8,770,892	8,820,892
<b>Other financing sources (uses)</b>				
Transfers in	-	306,225	214,842	(91,383)
Transfers out	<u>-</u>	<u>(317,943)</u>	<u>(226,555)</u>	<u>91,388</u>
Total other financing sources (uses)	<u>-</u>	<u>(11,718)</u>	<u>(11,713)</u>	<u>5</u>
Net change in fund balances	-	(61,718)	8,759,179	8,820,897
Fund balances (deficits) beginning of year	<u>(16,340,290)</u>	<u>(16,340,290)</u>	<u>(16,340,290)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (16,340,290)</u>	<u>\$ (16,402,008)</u>	<u>\$ (7,581,111)</u>	<u>\$ 8,820,897</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 2,810,000	\$ 11,448,000	\$ 3,680,926	\$ (7,767,074)
Investment earnings	<u>8,000</u>	<u>8,000</u>	<u>305,981</u>	<u>297,981</u>
Total revenues	<u>2,818,000</u>	<u>11,456,000</u>	<u>3,986,907</u>	<u>(7,469,093)</u>
<b>Expenditures</b>				
Current:				
Transit	4,146,274	4,146,274	797,006	3,349,268
Project delivery	2,149,500	10,787,500	2,409,774	8,377,726
Capital outlay	<u>4,976,009</u>	<u>4,976,009</u>	<u>1,239,778</u>	<u>3,736,231</u>
Total expenditures	<u>11,271,783</u>	<u>19,909,783</u>	<u>4,446,558</u>	<u>15,463,225</u>
Net change in fund balances	(8,453,783)	(8,453,783)	(459,651)	7,994,132
Fund balances beginning of year	<u>15,097,405</u>	<u>15,097,405</u>	<u>15,097,405</u>	<u>-</u>
Fund balances end of year	<u>\$ 6,643,622</u>	<u>\$ 6,643,622</u>	<u>\$ 14,637,754</u>	<u>\$ 7,994,132</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Sales tax-local transportation fund	\$ 83,771,793	\$ 83,771,793	\$ 127,319,839	\$ 43,548,046
Investment earnings	<u>1,200,000</u>	<u>1,200,000</u>	<u>463,962</u>	<u>(736,038)</u>
Total revenues	<u>84,971,793</u>	<u>84,971,793</u>	<u>127,783,801</u>	<u>42,812,008</u>
<b>Expenditures</b>				
Current-transit	<u>91,100,000</u>	<u>91,055,820</u>	<u>40,594,998</u>	<u>50,460,822</u>
Total expenditures	<u>91,100,000</u>	<u>91,055,820</u>	<u>40,594,998</u>	<u>50,460,822</u>
Excess (deficiency) of revenues over (under) expenditures	(6,128,207)	(6,084,027)	87,188,803	93,272,830
<b>Other financing sources (uses)</b>				
Transfers out	<u>(25,334,420)</u>	<u>(26,168,867)</u>	<u>(11,391,222)</u>	<u>14,777,645</u>
Net change in fund balances	(31,462,627)	(32,252,894)	75,797,581	108,050,475
Fund balances beginning of year	<u>118,830,477</u>	<u>118,830,477</u>	<u>118,830,477</u>	<u>-</u>
Fund balances end of year	<u>\$ 87,367,850</u>	<u>\$ 86,577,583</u>	<u>\$ 194,628,058</u>	<u>\$ 108,050,475</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 26,091,386	\$ 26,091,386	\$ 21,945,032	\$ (4,146,354)
Investment earnings	<u>845,000</u>	<u>845,000</u>	<u>(8,357)</u>	<u>(853,357)</u>
Total revenues	<u>26,936,386</u>	<u>26,936,386</u>	<u>21,936,675</u>	<u>(4,999,711)</u>
<b>Expenditures</b>				
Current-transit	<u>25,033,418</u>	<u>25,033,418</u>	<u>23,679,772</u>	<u>1,353,646</u>
Excess (deficiency) of revenues over (under) expenditures	1,902,968	1,902,968	(1,743,097)	(3,646,065)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(13,296,663)</u>	<u>(15,849,970)</u>	<u>-</u>	<u>15,849,970</u>
Net change in fund balances	<u>(11,393,695)</u>	<u>(13,947,002)</u>	<u>(1,743,097)</u>	<u>12,203,905</u>
Fund balances beginning of year	<u>79,655,302</u>	<u>79,655,302</u>	<u>79,655,302</u>	<u>-</u>
Fund balances end of year	<u>\$ 68,261,607</u>	<u>\$ 65,708,300</u>	<u>\$ 77,912,205</u>	<u>\$ 12,203,905</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Investment earnings	\$ 30,000	\$ 30,000	\$ (25,778)	\$ (55,778)
<b>Expenditures</b>				
Current:				
Environment and energy conservation	335,000	255,000	67,609	187,391
Commuter and motorist assistance	185,903	185,903	70,846	115,057
Project delivery	4,601,146	4,555,146	1,182,454	3,372,692
Capital outlay	14,097	14,097	14,097	-
Total expenditures	<u>5,136,146</u>	<u>5,010,146</u>	<u>1,335,006</u>	<u>3,675,140</u>
Net change in fund balances	(5,106,146)	(4,980,146)	(1,360,784)	3,619,362
Fund balances beginning of year	<u>6,852,968</u>	<u>6,852,968</u>	<u>6,852,968</u>	<u>-</u>
Fund balances end of year	<u>\$ 1,746,822</u>	<u>\$ 1,872,822</u>	<u>\$ 5,492,184</u>	<u>\$ 3,619,362</u>

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Sales tax-Measure I	\$ 141,341,488	\$ 157,262,488	\$ 220,097,476	\$ 62,834,988
Intergovernmental	1,119,512	1,119,512	-	(1,119,512)
Investment earnings	2,445,750	2,445,750	646,045	(1,799,705)
Total revenues	<u>144,906,750</u>	<u>160,827,750</u>	<u>220,743,521</u>	<u>59,915,771</u>
<b>Expenditures</b>				
Current:				
General government	1,279,230	886,998	716,243	170,755
Environment and energy conservation	214,283	216,683	193,154	23,529
Commuter and motorist assistance	712,109	712,109	227,714	484,395
Regional and subregional planning	1,245,121	1,166,371	599,307	567,064
Transit	36,038,127	43,109,394	24,327,067	18,782,327
Project delivery	65,145,095	74,667,561	57,093,475	17,574,086
Fund administration	117,639,725	139,193,509	72,689,610	66,503,899
Capital outlay	59,350,203	49,260,937	8,796,385	40,464,552
Total expenditures	<u>281,623,893</u>	<u>309,213,562</u>	<u>164,642,955</u>	<u>144,570,607</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(136,717,143)</u>	<u>(148,385,812)</u>	<u>56,100,566</u>	<u>204,486,378</u>
<b>Other financing sources (uses)</b>				
Transfers in	20,715	1,515,953	1,495,241	(20,712)
Transfers out	(25,969,814)	(26,786,244)	(15,697,443)	11,088,801
Gain (loss) on sale of assets	-	-	(347)	(347)
Total other financing sources (uses)	<u>(25,949,099)</u>	<u>(25,270,291)</u>	<u>(14,202,549)</u>	<u>11,067,742</u>
Net change in fund balances	(162,666,242)	(173,656,103)	41,898,017	215,554,120
Fund balances beginning of year	456,917,855	456,917,855	456,917,855	-
Fund balances end of year	<u>\$ 294,251,613</u>	<u>\$ 283,261,752</u>	<u>\$ 498,815,872</u>	<u>\$ 215,554,120</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Schedule of Pension Information  
June 30, 2021

**Schedule of SBCTA's Proportionate Share of Net Pension Liability**

SBCERA Pension Plan					
Last 10 Fiscal Years <sup>1, 2</sup>					
	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
SBCTA's proportion of net pension liability	0.514%	0.609%	0.592%	0.566%	0.549%
SBCTA's proportionate share of net pension liability	\$ 20,619,123	\$ 16,503,425	\$ 14,988,102	\$ 14,926,497	\$ 13,543,950
SBCTA's covered payroll	7,885,934	7,216,317	6,986,391	6,324,582	5,255,190
SBCTA's proportionate share of net pension liability as a percentage of its covered payroll	261.47%	228.70%	214.53%	236.01%	257.73%
SBCERA's fiduciary net position as a percentage of the total pension liability	66.41%	71.09%	70.97%	69.06%	67.91%

**Schedule of SBCTA's Contributions**

SBCERA Pension Plan					
Last 10 Fiscal Years <sup>1</sup>					
	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Contractually required contribution	\$ 2,747,072	\$ 2,788,174	\$ 2,504,102	\$ 2,104,595	\$ 1,963,526
Contributions in relation to contractually required contributions	2,747,072	2,788,174	2,504,102	2,104,595	1,963,526
Contributions deficiency (excess)	-	-	-	-	-
SBCTA's covered payroll	7,843,969	7,885,934	7,216,317	6,986,391	6,324,582
SBCTA's covered payroll contributions as a percentage of covered payroll	35.02%	35.36%	34.70%	30.12%	31.05%

**Schedule of SBCTA's Proportionate Share of net Pension Liability**

PERS Pension Plan					
Last 10 Fiscal Years <sup>1, 2</sup>					
	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
SBCTA's proportion of net pension liability	0.00053%	0.00117%	0.00129%	0.00141%	0.00152%
SBCTA's proportionate share of net pension liability	\$ 13,537	\$ 11,903	\$ 7,937	\$ 12,115	\$ 61,542
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	86.50%	94.34%	92.40%	68.21%	74.95%

**Schedule of SBCTA's Contributions**

PERS Pension Plan					
Last 10 Fiscal Years <sup>1</sup>					
	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Contractually required contribution	\$ 4,205	\$ -	\$ -	\$ -	\$ 2,889
Contributions in relation to contractually required contributions	-	-	-	-	2,889
Contributions deficiency (excess)	-	-	-	-	-
SBCTA's covered payroll contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

<sup>1</sup> 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.

<sup>2</sup> 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 <sup>1, 2</sup>

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
SBCTA's proportion of net pension liability	0.507%	0.556%	0.491%
SBCTA's proportionate share of net pension liability	\$ 9,853,252	\$ 9,456,951	\$ 9,749,799
SBCTA's covered payroll	4,769,044	5,147,134	4,188,134
SBCTA's proportionate share of net pension liability as a percentage of its covered payroll	206.61%	183.73%	232.80%
SBCERA's fiduciary net position as a percentage of the total pension liability	71.68%	71.89%	66.34%

**Schedule of SBCTA's Contributions**

SBCERA Pension Plan

Last 10 Fiscal Years <sup>1</sup>

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Contractually required contribution	\$ 1,915,346	\$ 1,464,122	\$ 1,380,637
Contributions in relation to contractually required contributions	1,915,346	1,464,122	1,380,637
Contributions deficiency (excess)	-	-	-
SBCTA's covered payroll	5,255,190	5,255,190	5,147,134
SBCTA's covered payroll contributions as a percentage of covered payroll	36.45%	27.86%	26.82%

**Schedule of SBCTA's Proportionate Share of net Pension Liability**

PERS Pension Plan

Last 10 Fiscal Years <sup>1, 2</sup>

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
SBCTA's proportion of net pension liability	0.00164%	0.00176%	0.00176%
SBCTA's proportionate share of net pension liability	\$ 44,856	\$ 39,108	\$ 53,435
SBCTA's covered payroll	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
PERS fiduciary net position as a percentage of the total pension liability	68.20%	74.90%	79.5%

**Schedule of SBCTA's Contributions**

PERS Pension Plan

Last 10 Fiscal Years <sup>1</sup>

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Contractually required contribution	\$ 54,180	\$ 2,041	\$ 1,498
Contributions in relation to contractually required contributions	54,180	2,041	1,498
Contributions deficiency (excess)	-	-	-
SBCTA's covered payroll contributions as a percentage of covered payroll	N/A	N/A	N/A

<sup>1</sup> 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.

<sup>2</sup> 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, 2021

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## **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 budgeted salary costs and revenues from one program to another within the same fund or from one approved funding source/grant for another approved funding source/grant within a program.
- 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, 2021, no expenditures exceeded appropriations. However, 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 30<sup>th</sup>, 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, 2021

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

In 2021 changes of assumptions included inflation decreasing from 3.00% to 2.75% and administrative expenses increasing from 0.70% to 0.85% of payroll. In 2020, the actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the three year period of July 1, 2016 through June 30, 2019. Amounts reported in 2020 primarily reflect a decrease of 0.25% for the inflation rate, an increase of 0.15% 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, 2018 actuarial valuation are based on the Pub-2010 Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2019.



State Route 210 is a major connection to the east valley of San Bernardino County, as well as the San Bernardino Mountain Resorts. Crews are shown here setting the “falsework” or temporary support system for the reconstruction of one of the many bridges being widened to accommodate the additional lane in each direction.

## Non-Major Governmental Funds

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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.

***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.

***California Wildlife Conservation*** accounts for preservation and conservation of habitat for threatened and endangered species in the County.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2021

	Special Revenue		
	Low Carbon Transit Operations Program	Low Carbon Transportation Fund	Service Authority for Freeway Emergencies
<b>Assets</b>			
Cash and investments	\$ -	\$ 18,855	\$ 4,461,553
Accrued interest receivable	-	-	5,670
Accounts receivable	-	-	-
Intergovernmental receivable	-	-	347,508
Prepays	-	-	-
Intergovernmental agreements receivable	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 18,855</u>	<u>\$ 4,814,731</u>
<b>Liabilities</b>			
Accounts payable	\$ -	\$ 18,855	\$ 144,754
Accrued liabilities	-	-	2,543
Intergovernmental payable	-	-	98,152
Due to other funds	-	-	-
Unearned revenue	-	-	1,399
Total liabilities	<u>-</u>	<u>18,855</u>	<u>246,848</u>
<b>Deferred inflows of resources</b>			
Unavailable grant and local reimbursements	-	-	-
<b>Fund balances</b>			
Restricted:			
Traveler services	-	-	4,567,883
Committed - Council of governments	-	-	-
Unassigned (deficits)	-	-	-
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>4,567,883</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 18,855</u>	<u>\$ 4,814,731</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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,361,737	-	758,366	790,397	601,101	31,620
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,361,737</u>	<u>\$ -</u>	<u>\$ 758,366</u>	<u>\$ 790,397</u>	<u>\$ 601,101</u>	<u>\$ 31,620</u>
\$ 147,481	\$ -	\$ 32,037	\$ 286,017	\$ 114,915	\$ 17,881
-	-	-	-	-	-
717	-	136,000	-	-	-
1,213,001	-	590,329	504,380	486,186	13,739
-	-	-	-	-	-
<u>1,361,199</u>	<u>-</u>	<u>758,366</u>	<u>790,397</u>	<u>601,101</u>	<u>31,620</u>
<u>426,279</u>	<u>-</u>	<u>-</u>	<u>40,817</u>	<u>114,916</u>	<u>3,162</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>(425,741)</u>	<u>-</u>	<u>-</u>	<u>(40,817)</u>	<u>(114,916)</u>	<u>(3,162)</u>
<u>(425,741)</u>	<u>-</u>	<u>-</u>	<u>(40,817)</u>	<u>(114,916)</u>	<u>(3,162)</u>
<u>\$ 1,361,737</u>	<u>\$ -</u>	<u>\$ 758,366</u>	<u>\$ 790,397</u>	<u>\$ 601,101</u>	<u>\$ 31,620</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2021

	Special Revenue		
	Trade Corridor Enhancement Program Senate Bill 1	Solutions for Congested Corridors Program Senate Bill 1	Local Partnership Program Competitive Senate Bill 1
<b>Assets</b>			
Cash and investments	\$ -	\$ -	\$ -
Accrued interest receivable	-	-	-
Accounts receivable	-	-	-
Intergovernmental receivable	13,518,388	1,226,605	206,446
Prepays	-	-	-
Intergovernmental agreements receivable	-	-	-
Total assets	<u>\$ 13,518,388</u>	<u>\$ 1,226,605</u>	<u>\$ 206,446</u>
<b>Liabilities</b>			
Accounts payable	\$ 5,604,500	\$ -	\$ -
Accrued liabilities	-	-	-
Intergovernmental payable	-	-	-
Due to other funds	7,913,888	1,226,605	206,446
Unearned revenue	-	-	-
Total liabilities	<u>13,518,388</u>	<u>1,226,605</u>	<u>206,446</u>
<b>Deferred inflows of resources</b>			
Unavailable grant and local reimbursements	<u>844,673</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>			
Restricted:			
Traveler services	-	-	-
Committed - Council of governments	-	-	-
Unassigned (deficits)	<u>(844,673)</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>(844,673)</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 13,518,388</u>	<u>\$ 1,226,605</u>	<u>\$ 206,446</u>

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Special Revenue

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Council of Governments	Electric Vehicle Charging Station	California Wildlife Conservation	Total Nonmajor Governmental Funds
\$ 1,806,809	\$ 7,538	\$ -	\$ 6,294,755
2,453	10	-	8,133
2,689	289	-	2,978
578,233	-	141,802	19,562,203
-	-	-	-
33,794	-	-	33,794
<u>\$ 2,423,978</u>	<u>\$ 7,837</u>	<u>\$ 141,802</u>	<u>\$ 25,901,863</u>
\$ 556,029	\$ -	\$ 62,025	\$ 6,984,494
5,561	-	-	8,104
-	-	-	234,869
-	-	79,777	12,234,351
-	-	-	1,399
<u>561,590</u>	<u>-</u>	<u>141,802</u>	<u>19,463,217</u>
<u>33,794</u>	<u>-</u>	<u>11,232</u>	<u>1,474,873</u>
-	7,837	-	4,575,720
1,828,594	-	-	1,828,594
-	-	(11,232)	(1,440,541)
<u>1,828,594</u>	<u>7,837</u>	<u>(11,232)</u>	<u>4,963,773</u>
<u>\$ 2,423,978</u>	<u>\$ 7,837</u>	<u>\$ 141,802</u>	<u>\$ 25,901,863</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, 2021

	Special Revenue		
	Low Carbon Transit Operations Program	Low Carbon Transportation Fund	Service Authority for Freeway Emergencies
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ 2,029,318
Charges for services	-	-	-
Special assessments	-	-	-
Investment earnings	3,216	-	6,033
Miscellaneous	-	-	906
Total revenues	<u>3,216</u>	<u>-</u>	<u>2,036,257</u>
<b>Expenditures</b>			
Current:			
General government	-	-	69,762
Environment and energy conservation	-	-	-
Commuter and motorist assistance	-	-	1,502,307
Regional and subregional planning	-	-	-
Transit	3,150,721	-	-
Project delivery	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>3,150,721</u>	<u>-</u>	<u>1,572,069</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,147,505)</u>	<u>-</u>	<u>464,188</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	285
Transfers out	-	-	(327,949)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(327,664)</u>
Net change in fund balances	(3,147,505)	-	136,524
Fund balances (deficits) beginning of year	<u>3,147,505</u>	<u>-</u>	<u>4,431,359</u>
Fund balances (deficits) end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,567,883</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
\$ 2,336,098	\$ 60,281	\$ 2,086,037	\$ 3,544,505	\$ 1,274,157	\$ 28,458
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,336,098</u>	<u>60,281</u>	<u>2,086,037</u>	<u>3,544,505</u>	<u>1,274,157</u>	<u>28,458</u>
-	-	-	-	-	-
-	-	16,459	-	-	-
1,806,746	-	168,840	-	841,397	-
-	24,581	136,000	-	-	31,620
-	-	-	829,620	-	-
-	-	-	1,319,262	-	-
-	-	5,273	1,337,182	-	-
<u>1,806,746</u>	<u>24,581</u>	<u>326,572</u>	<u>3,486,064</u>	<u>841,397</u>	<u>31,620</u>
<u>529,352</u>	<u>35,700</u>	<u>1,759,465</u>	<u>58,441</u>	<u>432,760</u>	<u>(3,162)</u>
120	-	4,278	-	-	-
(4,563)	-	-	-	-	-
(4,443)	-	4,278	-	-	-
524,909	35,700	1,763,743	58,441	432,760	(3,162)
(950,650)	(35,700)	(1,763,743)	(99,258)	(547,676)	-
<u>\$ (425,741)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (40,817)</u>	<u>\$ (114,916)</u>	<u>\$ (3,162)</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, 2021

	Special Revenue		
	Trade Corridor Enhancement Program Senate Bill 1	Solutions for Congested Corridors Program Senate Bill 1	Local Partnership Program Competitive Senate Bill 1
<b>Revenues</b>			
Intergovernmental	\$ 41,966,009	\$ 18,426,294	\$ 3,071,889
Charges for services	-	-	-
Special assessments	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>41,966,009</u>	<u>18,426,294</u>	<u>3,071,889</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
Environment and energy conservation	-	-	-
Commuter and motorist assistance	-	-	-
Regional and subregional planning	-	-	-
Transit	-	8,726,969	1,454,927
Project delivery	27,583,125	-	-
Capital outlay	<u>9,063,901</u>	<u>9,083,172</u>	<u>1,514,312</u>
Total expenditures	<u>36,647,026</u>	<u>17,810,141</u>	<u>2,969,239</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,318,983</u>	<u>616,153</u>	<u>102,650</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	<u>(239,130)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(239,130)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	5,079,853	616,153	102,650
Fund balances (deficits) beginning of year	<u>(5,924,526)</u>	<u>(616,153)</u>	<u>(102,650)</u>
Fund balances (deficits) end of year	<u>\$ (844,673)</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue			
Council of Governments	Electric Vehicle Charging Station	California Wildlife Conservation	Total Nonmajor Governmental Funds
\$ 709,081	\$ -	\$ 130,571	\$ 75,662,698
-	1,220	-	1,220
257,539	-	-	257,539
(1,396)	14	-	7,867
299,570	-	-	300,476
<u>1,264,794</u>	<u>1,234</u>	<u>130,571</u>	<u>76,229,800</u>
645,777	-	-	715,539
254,767	-	-	271,226
-	-	-	4,319,290
577,741	-	141,803	911,745
-	-	-	14,162,237
-	-	-	28,902,387
-	-	-	21,003,840
<u>1,478,285</u>	<u>-</u>	<u>141,803</u>	<u>70,286,264</u>
<u>(213,491)</u>	<u>1,234</u>	<u>(11,232)</u>	<u>5,943,536</u>
-	-	-	4,683
<u>(174,069)</u>	<u>-</u>	<u>-</u>	<u>(745,711)</u>
<u>(174,069)</u>	<u>-</u>	<u>-</u>	<u>(741,028)</u>
(387,560)	1,234	(11,232)	5,202,508
2,216,154	6,603	-	(238,735)
<u>\$ 1,828,594</u>	<u>\$ 7,837</u>	<u>\$ (11,232)</u>	<u>\$ 4,963,773</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Investment earnings	\$ 10,000	\$ 10,000	\$ 3,216	\$ (6,784)
<b>Expenditures</b>				
Current:				
Transit	3,106,542	3,150,722	3,150,721	1
Net change in fund balances	(3,096,542)	(3,140,722)	(3,147,505)	(6,783)
Fund balances beginning of year	3,147,505	3,147,505	3,147,505	-
Fund balances end of year	\$ 50,963	\$ 6,783	\$ -	\$ (6,783)

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 2,028,000	\$ 2,028,000	\$ 2,029,318	\$ 1,318
Investment earnings	40,000	40,000	6,033	(33,967)
Miscellaneous	-	-	906	906
Total revenues	<u>2,068,000</u>	<u>2,068,000</u>	<u>2,036,257</u>	<u>(31,743)</u>
<b>Expenditures</b>				
Current:				
General government	108,514	101,943	69,762	32,181
Commuter and motorist assistance	2,081,680	2,081,680	1,502,307	579,373
Regional and subregional planning	320	320	-	320
Total expenditures	<u>2,190,514</u>	<u>2,183,943</u>	<u>1,572,069</u>	<u>611,874</u>
Excess (deficiency) of revenues over (under) expenditures	(122,514)	(115,943)	464,188	580,131
<b>Other Financing Sources</b>				
Transfers in	-	285	285	-
Transfer out	<u>(322,588)</u>	<u>(327,950)</u>	<u>(327,949)</u>	<u>1</u>
Net change in fund balances	(445,102)	(443,608)	136,524	580,132
Fund balances beginning of year	<u>4,431,359</u>	<u>4,431,359</u>	<u>4,431,359</u>	<u>-</u>
Fund balances end of year	<u>\$ 3,986,257</u>	<u>\$ 3,987,751</u>	<u>\$ 4,567,883</u>	<u>\$ 580,132</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 2,359,317	\$ 2,359,317	\$ 2,336,098	\$ (23,219)
<b>Expenditures</b>				
Current-commuter and motorist assistance	1,864,716	1,864,716	1,806,746	57,970
Excess (deficiency) of revenues over (under) expenditures	494,601	494,601	529,352	(81,189)
<b>Other Financing Sources</b>				
Transfers in	-	120	120	-
Transfer out	-	(4,564)	(4,563)	1
Net change in fund balances	494,601	490,157	524,909	(81,188)
Fund balances beginning of year	(950,650)	(950,650)	(950,650)	-
Fund balances (deficits) end of year	\$ (456,049)	\$ (460,493)	\$ (425,741)	\$ (81,188)

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 60,281	\$ 10,281
<b>Expenditures</b>				
Current-regional and subregional planning	50,000	50,000	24,581	25,419
Net change in fund balances	-	-	35,700	35,700
Fund balances beginning of year	(35,700)	(35,700)	(35,700)	-
Fund balances (deficits) end of year	<u>\$ (35,700)</u>	<u>\$ (35,700)</u>	<u>\$ -</u>	<u>\$ 35,700</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 554,993	\$ 554,993	\$ 2,086,037	\$ 1,531,044
<b>Expenditures</b>				
Current:				
Environment and energy conservation	-	17,301	16,459	842
Commuter and motorist assistance	204,183	201,609	168,840	32,769
Regional and subregional planning	350,810	350,810	136,000	214,810
Capital outlay	-	5,273	5,273	-
Total expenditures	554,993	574,993	326,572	248,421
Excess (deficiency) of revenues over (under) expenditures	-	(20,000)	1,759,465	1,779,465
<b>Other Financing Sources</b>				
Transfers in	-	4,278	4,278	-
Net change in fund balances	-	(15,722)	1,763,743	1,779,465
Fund balances beginning of year	(1,763,743)	(1,763,743)	(1,763,743)	-
Fund balances (deficits) end of year	\$ (1,763,743)	\$ (1,779,465)	\$ -	\$ 1,779,465

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 5,394,732	\$ 5,394,732	\$ 3,544,505	\$ (1,850,227)
<b>Expenditures</b>				
Current:				
Transit	1,173,419	1,173,419	829,620	343,799
Project delivery	2,207,400	2,207,400	1,319,262	888,138
Capital outlay	2,013,913	2,013,913	1,337,182	676,731
Total expenditures	5,394,732	5,394,732	3,486,064	1,908,668
Net change in fund balances	-	-	58,441	58,441
Fund balances beginning of year	(99,258)	(99,258)	(99,258)	-
Fund balances (deficits) end of year	\$ (99,258)	\$ (99,258)	\$ (40,817)	\$ 58,441

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 2,096,567	\$ 2,096,567	\$ 1,274,157	\$ (822,410)
<b>Expenditures</b>				
Current-commuter and motorist assistance	996,271	996,271	841,397	154,874
Net change in fund balances	1,100,296	1,100,296	432,760	(667,536)
Fund balances beginning of year	(547,676)	(547,676)	(547,676)	-
Fund balances (deficits) end of year	\$ 552,620	\$ 552,620	\$ (114,916)	\$ (667,536)

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 28,458	\$ 28,458
<b>Expenditures</b>				
Current:				
Current-regional and subregional planning	-	537,377	31,620	505,757
Net change in fund balance	-	(537,377)	(3,162)	534,215
Fund balances beginning of year	-	-	-	-
Fund balances (deficits) end of year	<u>\$ -</u>	<u>\$ (537,377)</u>	<u>\$ (3,162)</u>	<u>\$ 534,215</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 69,445,000	\$ 69,445,000	\$ 41,966,009	\$ (27,478,991)
<b>Expenditures</b>				
Current:				
Project delivery	54,385,600	54,385,600	27,583,125	26,802,475
Capital outlay	15,059,400	15,059,400	9,063,901	5,995,499
Total expenditures	69,445,000	69,445,000	36,647,026	32,797,974
Excess (deficiency) of revenues over (under) expenditures	-	-	5,318,983	5,318,983
<b>Other Financing Sources</b>				
Transfers Out	-	(239,130)	(239,130)	-
Net change in fund balances	-	(239,130)	5,079,853	5,318,983
Fund balances beginning of year	(5,924,526)	(5,924,526)	(5,924,526)	-
Fund balances (deficits) end of year	\$ (5,924,526)	\$ (6,163,656)	\$ (844,673)	\$ 5,318,983

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 25,207,495	\$ 25,207,495	\$ 18,426,294	\$ (6,781,201)
<b>Expenditures</b>				
Current:				
Transit	12,301,258	11,371,673	8,726,969	2,644,704
Capital outlay	<u>12,906,237</u>	<u>11,835,822</u>	<u>9,083,172</u>	<u>2,752,650</u>
Total expenditures	<u>25,207,495</u>	<u>23,207,495</u>	<u>17,810,141</u>	<u>5,397,354</u>
Net change in fund balances	-	2,000,000	616,153	(1,383,847)
Fund balances beginning of year	<u>(616,153)</u>	<u>(616,153)</u>	<u>(616,153)</u>	<u>-</u>
Fund balances (deficits) end of year	<u><u>\$ (616,153)</u></u>	<u><u>\$ 1,383,847</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1,383,847)</u></u>

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 4,201,628	\$ 4,201,628	\$ 3,071,889	\$ (1,129,739)
<b>Expenditures</b>				
Current:				
Transit	2,058,798	2,058,798	1,454,927	603,871
Capital outlay	<u>2,142,830</u>	<u>2,142,830</u>	<u>1,514,312</u>	<u>628,518</u>
Total expenditures	<u>4,201,628</u>	<u>4,201,628</u>	<u>2,969,239</u>	<u>1,232,389</u>
Net change in fund balances	-	-	102,650	102,650
Fund balances beginning of year	<u>(102,650)</u>	<u>(102,650)</u>	<u>(102,650)</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (102,650)</u>	<u>\$ (102,650)</u>	<u>\$ -</u>	<u>\$ 102,650</u>

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 21,325	\$ 21,325	\$ 709,081	\$ 687,756
Special assessments	257,539	257,539	257,539	-
Investment earnings	12,200	12,200	(1,396)	(13,596)
Miscellaneous	229,190	229,190	299,570	70,380
Total revenues	<u>520,254</u>	<u>520,254</u>	<u>1,264,794</u>	<u>744,540</u>
<b>Expenditures</b>				
Current:				
General government	802,409	841,524	645,777	195,747
Environment and energy conservation	347,616	405,216	254,767	150,449
Regional and subregional planning	20,588	2,453,088	577,741	1,875,347
Total expenditures	<u>1,170,613</u>	<u>3,699,828</u>	<u>1,478,285</u>	<u>2,221,543</u>
Excess (deficiency) of revenues over (under) expenditures	(650,359)	(3,179,574)	(213,491)	2,966,083
<b>Other financing sources (uses)</b>				
Transfers out	<u>(174,069)</u>	<u>(174,069)</u>	<u>(174,069)</u>	<u>-</u>
Net change in fund balances	(824,428)	(3,353,643)	(387,560)	2,966,083
Fund balances beginning of year	<u>2,216,154</u>	<u>2,216,154</u>	<u>2,216,154</u>	<u>-</u>
Fund balances end of year	<u>\$ 1,391,726</u>	<u>\$ (1,137,489)</u>	<u>\$ 1,828,594</u>	<u>\$ 2,966,083</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Charges for services	\$ 12,000	\$ 12,000	\$ 1,220	\$ (10,780)
Investments earnings	-	-	14	14
Total revenues	12,000	12,000	1,234	(10,766)
<b>Expenditures</b>				
Current-environment and energy conservation	12,000	12,000	-	12,000
Net change in fund balance	-	-	1,234	1,234
Fund balances beginning of year	6,603	6,603	6,603	-
Fund balances end of year	\$ 6,603	\$ 6,603	\$ 7,837	\$ 1,234

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual  
California Wildlife Conservation Fund  
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 130,571	\$ (269,429)
<b>Expenditures</b>				
Current-Regional and subregional planning	400,000	400,000	141,803	258,197
Net change in fund balance	-	-	(11,232)	(11,232)
Fund balances beginning of year	-	-	-	-
Fund balances end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,232)</u>	<u>\$ (11,232)</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Investment earnings	\$ -	\$ -	\$ 334	\$ 334
<b>Expenditures</b>				
Debt Service:				
Principal	4,460,000	4,460,000	4,460,000	-
Interest and fiscal charges	8,583,300	8,583,300	8,573,701	9,599
Total expenditures	13,043,300	13,043,300	13,033,701	9,599
Excess (deficiency) of revenues over (under) expenditures	(13,043,300)	(13,043,300)	(13,033,367)	9,933
<b>Other financing sources (uses)</b>				
Transfers in	13,043,300	13,356,062	13,356,063	1
Net change in fund balances	-	312,762	322,696	9,934
Fund balances beginning of year	5,594,642	5,594,642	5,594,642	-
Fund balances end of year	\$ 5,594,642	\$ 5,907,404	\$ 5,917,338	\$ 9,934

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 50,523,822	\$ 50,523,822	\$ 27,225,235	\$ (23,298,587)
Investment earnings	140,600	140,600	235,395	94,795
Miscellaneous	12,136,525	12,136,525	3,409,572	(8,726,953)
Total revenues	<u>62,800,947</u>	<u>62,800,947</u>	<u>30,870,202</u>	<u>(31,930,745)</u>
<b>Expenditures</b>				
Current:				
Environment and energy conservation	1,120,000	1,120,000	8,324	1,111,676
Commuter and motorist assistance	497,399	497,399	95,487	401,912
Regional and subregional planning	275,000	279,500	28,737	250,763
Transit	16,967,748	17,323,108	6,015,774	11,307,334
Project delivery	47,481,031	47,125,053	33,633,089	13,491,964
Fund administration	302,128	302,128	-	302,128
Capital outlay	5,124,325	5,480,995	3,754,244	1,726,751
Total expenditures	<u>71,767,631</u>	<u>72,128,183</u>	<u>43,535,655</u>	<u>28,592,528</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,966,684)</u>	<u>(9,327,236)</u>	<u>(12,665,453)</u>	<u>(3,338,217)</u>
<b>Other financing sources (uses)</b>				
Transfers in	11,088,799	12,190,022	467,802	(11,722,220)
Transfers out	<u>(22,000,000)</u>	<u>(23,456,975)</u>	<u>(823,549)</u>	<u>22,633,426</u>
Total other financing sources (uses)	<u>(10,911,201)</u>	<u>(11,266,953)</u>	<u>(355,747)</u>	<u>10,911,206</u>
Net change in fund balances	<u>(19,877,885)</u>	<u>(20,594,189)</u>	<u>(13,021,200)</u>	<u>7,572,989</u>
Fund balances (deficits) beginning of year	<u>1,670,874</u>	<u>1,670,874</u>	<u>1,670,874</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (18,207,011)</u>	<u>\$ (18,923,315)</u>	<u>\$ (11,350,326)</u>	<u>\$ 7,572,989</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
State Transit Assistance Fund Special Revenue Funds  
June 30, 2021

	<u>Special Revenue</u>		
	State Transit Assistance Fund	State of Good Repair	Total State Transit Assistance Funds
<b>Assets</b>			
Cash and investments	\$ 77,384,876	\$ 4,436,381	\$ 81,821,257
Accrued interest receivable	305,442	14,901	320,343
Intergovernmental receivable	<u>4,677,530</u>	<u>640,518</u>	<u>5,318,048</u>
Total assets	<u>\$ 82,367,848</u>	<u>\$ 5,091,800</u>	<u>\$ 87,459,648</u>
<b>Liabilities</b>			
Intergovernmental payable	\$ -	\$ 892,936	\$ 892,936
Due to other funds	<u>8,654,507</u>	<u>-</u>	<u>8,654,507</u>
Total liabilities	<u>8,654,507</u>	<u>892,936</u>	<u>9,547,443</u>
<b>Fund balances</b>			
Restricted-transportation development act	<u>73,713,341</u>	<u>4,198,864</u>	<u>77,912,205</u>
Total fund balances (deficits)	<u>73,713,341</u>	<u>4,198,864</u>	<u>77,912,205</u>
Total liabilities and fund balances	<u>\$ 82,367,848</u>	<u>\$ 5,091,800</u>	<u>\$ 87,459,648</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
 Schelude of Revenues, Expenditures and Changes in Fund Balances  
 State Transit Assistance Fund Special Revenue Funds  
 For the Year Ended June 30, 2021

	<u>Special Revenue</u>		
	<u>State Transit Assistance Fund</u>	<u>State of Good Repair</u>	<u>Total State Transit Assistance Funds</u>
<b>Revenues</b>			
Intergovernmental	\$ 18,145,516	\$ 3,799,516	\$ 21,945,032
Investment earnings	<u>(33,644)</u>	<u>25,287</u>	<u>(8,357)</u>
Total revenues	<u>18,111,872</u>	<u>3,824,803</u>	<u>21,936,675</u>
<b>Expenditures</b>			
Current-transit	<u>20,521,879</u>	<u>3,157,893</u>	<u>23,679,772</u>
Net change in fund balances	<u>(2,410,007)</u>	<u>666,910</u>	<u>(1,743,097)</u>
Fund balances beginning of year	<u>76,123,348</u>	<u>3,531,954</u>	<u>79,655,302</u>
Fund balances end of year	<u>\$ 73,713,341</u>	<u>\$ 4,198,864</u>	<u>\$ 77,912,205</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 22,492,981	\$ 22,492,981	\$ 18,145,516	\$ (4,347,465)
Investment earnings	<u>800,000</u>	<u>800,000</u>	<u>(33,644)</u>	<u>(833,644)</u>
Total revenues	<u>23,292,981</u>	<u>23,292,981</u>	<u>18,111,872</u>	<u>(5,181,109)</u>
<b>Expenditures</b>				
Current-transit	<u>21,653,306</u>	<u>21,653,306</u>	<u>20,521,879</u>	<u>1,131,427</u>
Excess (deficiency) of revenues over (under) expenditures	1,639,675	1,639,675	(2,410,007)	(4,049,682)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(10,139,482)</u>	<u>(12,692,789)</u>	<u>-</u>	<u>12,692,789</u>
Net change in fund balances	(8,499,807)	(11,053,114)	(2,410,007)	8,643,107
Fund balances beginning of year	<u>76,123,348</u>	<u>76,123,348</u>	<u>76,123,348</u>	<u>-</u>
Fund balances end of year	<u>\$ 67,623,541</u>	<u>\$ 65,070,234</u>	<u>\$ 73,713,341</u>	<u>\$ 8,643,107</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 3,598,405	\$ 3,598,405	\$ 3,799,516	\$ 201,111
Investment earnings	45,000	45,000	25,287	(19,713)
Total revenues	<u>3,643,405</u>	<u>3,643,405</u>	<u>3,824,803</u>	<u>181,398</u>
<b>Expenditures</b>				
Current-transit	<u>3,380,112</u>	<u>3,380,112</u>	<u>3,157,893</u>	<u>222,219</u>
Excess (deficiency) of revenues over (under) expenditures	263,293	263,293	666,910	403,617
<b>Other financing sources (uses)</b>				
Transfers out	<u>(3,157,181)</u>	<u>(3,157,181)</u>	-	3,157,181
Net change in fund balances	(2,893,888)	(2,893,888)	666,910	3,560,798
Fund balances beginning of year	<u>3,531,954</u>	<u>3,531,954</u>	<u>3,531,954</u>	-
Fund balances end of year	<u>\$ 638,066</u>	<u>\$ 638,066</u>	<u>\$ 4,198,864</u>	<u>\$ 3,560,798</u>



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
1990-2010 Measure I Special Revenue Fund  
June 30, 2021

	Valley Major Projects	Valley Traffic Management Environmental Enhancement	Total 1990-2010 Measure I
<b>Assets</b>			
Cash and investments	\$ 3,749,079	\$ 2,279,701	\$ 6,028,780
Accrued interest receivable	<u>4,765</u>	<u>2,897</u>	<u>7,662</u>
Total assets	<u>\$ 3,753,844</u>	<u>\$ 2,282,598</u>	<u>\$ 6,036,442</u>
<b>Liabilities</b>			
Accounts payable	\$ 65,455	\$ 27,512	\$ 92,967
Intergovernmental payable	<u>451,291</u>	<u>-</u>	<u>451,291</u>
Total liabilities	516,746	27,512	544,258
<b>Fund balances</b>			
Restricted	<u>3,237,098</u>	<u>2,255,086</u>	<u>5,492,184</u>
Total liabilities and fund balances	<u>\$ 3,753,844</u>	<u>\$ 2,282,598</u>	<u>\$ 6,036,442</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, 2021

	Valley Major Projects	Valley Traffic Management Environmental Enhancement	Total 1990-2010 Measure I
<b>Revenues</b>			
Investment earnings	\$ (26,050)	\$ 272	\$ (25,778)
<b>Expenditures</b>			
Current:			
Environment and energy conservation	-	67,609	67,609
Commuter and motorist assistance	-	70,846	70,846
Project delivery	1,182,454	-	1,182,454
Capital outlay	14,097	-	14,097
Total Expenditures	<u>1,196,551</u>	<u>138,455</u>	<u>1,335,006</u>
Net change in fund balances	(1,222,601)	(138,183)	(1,360,784)
Fund balances beginning of year	<u>4,459,699</u>	<u>2,393,269</u>	<u>6,852,968</u>
Fund balances end of year	<u>\$ 3,237,098</u>	<u>\$ 2,255,086</u>	<u>\$ 5,492,184</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
2010-2040 Measure I Special Revenue Fund  
June 30, 2021

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	Valley Freeway Projects	Valley Freeway Interchanges	Valley Major Street	Valley Local Street
<b>Assets</b>				
Cash and investments	\$ 81,403,597	\$ 65,845,481	\$ 84,934,167	\$ -
Accrued interest receivable	189,255	95,561	138,089	-
Sales taxes receivable	10,657,185	4,042,380	6,247,315	7,349,783
Deposit receivable	-	744,036	-	-
Due from other funds	67,439,414	9,354,029	20,843,031	-
Advances to other funds	-	-	6,806,167	-
Total assets	<u>\$ 159,689,451</u>	<u>\$ 80,081,487</u>	<u>\$ 118,968,769</u>	<u>\$ 7,349,783</u>
<b>Liabilities</b>				
Accounts payable	\$ 6,487,560	\$ 5,852,074	\$ 1,204,195	\$ -
Accrued liabilities	43,366	19,340	165	-
Intergovernmental payable	228,786	474,800	1,432,625	7,349,783
Total liabilities	<u>6,759,712</u>	<u>6,346,214</u>	<u>2,636,985</u>	<u>7,349,783</u>
<b>Fund balances</b>				
Restricted	<u>152,929,739</u>	<u>73,735,273</u>	<u>116,331,784</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 159,689,451</u>	<u>\$ 80,081,487</u>	<u>\$ 118,968,769</u>	<u>\$ 7,349,783</u>

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<u>Valley Metrolink/ Rail Service</u>	<u>Express Bus/ Bus Rapid Transit Service</u>	<u>Valley Senior &amp; Disabled Transit</u>	<u>Valley Transportation Management Systems</u>	<u>Victor Valley Major Local Highway</u>	<u>Victor Valley Local Street</u>
\$ 22,051,019	\$ 11,049,455	\$ 21,228,558	\$ 6,210,761	\$ 25,648,681	\$ 96,509
44,542	30,461	26,977	18,933	32,594	-
2,939,913	1,837,446	2,939,913	734,977	1,183,827	3,172,655
1,912,838	-	-	-	-	-
12,999,879	12,921,365	-	8,687,826	-	-
-	-	-	-	-	-
<u>\$ 39,948,191</u>	<u>\$ 25,838,727</u>	<u>\$ 24,195,448</u>	<u>\$ 15,652,497</u>	<u>\$ 26,865,102</u>	<u>\$ 3,269,164</u>
\$ 2,552,479	\$ 7,273	\$ -	\$ 72,212	\$ -	\$ -
4,940	2,388	-	12,656	-	-
4,546,169	-	2,939,913	106,119	249,338	3,269,164
<u>7,103,588</u>	<u>9,661</u>	<u>2,939,913</u>	<u>190,987</u>	<u>249,338</u>	<u>3,269,164</u>
32,844,603	25,829,066	21,255,535	15,461,510	26,615,764	-
<u>\$ 39,948,191</u>	<u>\$ 25,838,727</u>	<u>\$ 24,195,448</u>	<u>\$ 15,652,497</u>	<u>\$ 26,865,102</u>	<u>\$ 3,269,164</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
2010-2040 Measure I Special Revenue Fund  
June 30, 2021

	Victor Valley Senior & Disabled Transit	Victor Valley Project Development/ Traffic Management	North Desert Major Local Highway	North Desert Local Street
<b>Assets</b>				
Cash and investments	\$ -	\$ 1,632,564	\$ 9,056,193	\$ -
Accrued interest receivable	-	2,075	11,508	-
Sales taxes receivable	284,118	94,706	221,274	601,864
Deposit receivable	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	<u>\$ 284,118</u>	<u>\$ 1,729,345</u>	<u>\$ 9,288,975</u>	<u>\$ 601,864</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 10,766	\$ -	\$ -
Accrued liabilities	-	365	-	-
Intergovernmental payable	284,118	1,088	-	601,864
Total liabilities	<u>284,118</u>	<u>12,219</u>	<u>-</u>	<u>601,864</u>
<b>Fund balances</b>				
Restricted	-	1,717,126	9,288,975	-
Total liabilities and fund balances	<u>\$ 284,118</u>	<u>\$ 1,729,345</u>	<u>\$ 9,288,975</u>	<u>\$ 601,864</u>

<u>North Desert Senior &amp; 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 &amp; Disabled Transit</u>	<u>Colorado River Project Development/ Traffic Management</u>
\$ -	\$ 1,096,038	\$ 279,942	\$ -	\$ -	\$ 53,980
-	1,393	356	-	-	69
44,255	17,702	20,744	56,425	4,149	1,659
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 44,255</u>	<u>\$ 1,115,133</u>	<u>\$ 301,042</u>	<u>\$ 56,425</u>	<u>\$ 4,149</u>	<u>\$ 55,708</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
44,255	-	-	56,425	4,149	-
44,255	-	-	56,425	4,149	-
-	1,115,133	301,042	-	-	55,708
<u>\$ 44,255</u>	<u>\$ 1,115,133</u>	<u>\$ 301,042</u>	<u>\$ 56,425</u>	<u>\$ 4,149</u>	<u>\$ 55,708</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
2010-2040 Measure I Special Revenue Fund  
June 30, 2021

	Morongo Basin Major Local Highway	Morongo Basin Local Street	Morongo Basin Senior & Disabled Transit	Morongo Basin Project Development/ Traffic Management
<b>Assets</b>				
Cash and investments	\$ 1,769,733	\$ -	\$ -	\$ 394,591
Accrued interest receivable	2,249	-	-	501
Sales taxes receivable	149,772	407,381	29,954	11,982
Deposit receivable	-	-	-	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	<u>\$ 1,921,754</u>	<u>\$ 407,381</u>	<u>\$ 29,954</u>	<u>\$ 407,074</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Intergovernmental payable	<u>7,155</u>	<u>407,381</u>	<u>29,954</u>	<u>-</u>
Total liabilities	<u>7,155</u>	<u>407,381</u>	<u>29,954</u>	<u>-</u>
<b>Fund balances</b>				
Restricted	<u>1,914,599</u>	<u>-</u>	<u>-</u>	<u>407,074</u>
Total liabilities and fund balances	<u>\$ 1,921,754</u>	<u>\$ 407,381</u>	<u>\$ 29,954</u>	<u>\$ 407,074</u>

Mountain Major Local Highway	Mountain Local Street	Mountain Senior & Disabled Transit	Mountain Project Development/ Traffic Management	Cajon Pass	Total 2010-2040 Measure I
\$ 3,129,724	\$ -	\$ -	\$ 252,941	\$ 16,725,360	\$ 352,859,294
3,977	-	-	321	21,254	620,115
127,609	347,095	25,522	10,209	1,283,017	44,844,831
-	-	-	-	-	2,656,874
-	-	-	-	-	132,245,544
-	-	-	-	-	6,806,167
<u>\$ 3,261,310</u>	<u>\$ 347,095</u>	<u>\$ 25,522</u>	<u>\$ 263,471</u>	<u>\$ 18,029,631</u>	<u>\$ 540,032,825</u>
\$ -	\$ -	\$ -	\$ -	\$ 729	\$ 16,187,288
-	-	-	-	-	83,220
-	347,095	25,522	-	2,540,742	24,946,445
-	347,095	25,522	-	2,541,471	41,216,953
<u>3,261,310</u>	<u>-</u>	<u>-</u>	<u>263,471</u>	<u>15,488,160</u>	<u>498,815,872</u>
<u>\$ 3,261,310</u>	<u>\$ 347,095</u>	<u>\$ 25,522</u>	<u>\$ 263,471</u>	<u>\$ 18,029,631</u>	<u>\$ 540,032,825</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, 2021

	Valley Freeway Projects	Valley Freeway Interchanges	Valley Major Street	Valley Local Street
<b>Revenues</b>				
Sales tax-Measure I <sup>(1)</sup>	\$ 51,893,474	\$ 19,683,731	\$ 30,420,312	\$ 35,788,602
Investment earnings	182,334	88,306	90,370	-
Total Revenues	<u>52,075,808</u>	<u>19,772,037</u>	<u>30,510,682</u>	<u>35,788,602</u>
<b>Expenditures</b>				
Current:				
General government	443,147	132,126	38,747	-
Environment and energy conservation	-	-	-	-
Commuter and motorist assistance	-	-	-	-
Regional and subregional planning	1,782	-	-	-
Transit	-	-	-	-
Project delivery	36,000,323	15,757,623	5,095,883	-
Fund administration	-	533,211	10,260,535	35,788,602
Capital outlay	<u>2,411,463</u>	<u>770,020</u>	<u>522,488</u>	<u>-</u>
Total Expenditures	<u>38,856,715</u>	<u>17,192,980</u>	<u>15,917,653</u>	<u>35,788,602</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,219,093</u>	<u>2,579,057</u>	<u>14,593,029</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers in:				
Federal Highway Fund Special Revenue Fund	526,808	-	-	-
State Highway Fund Special Revenue Fund	226,555	-	-	-
Capital Projects Fund	-	301,807	-	-
Transfers out:				
General Fund	(1,148,158)	(311,378)	(334,985)	-
State Highway Fund Special Revenue Fund	-	-	-	-
Debt Service Fund	-	(1,389,162)	(5,110,477)	-
Capital Projects Fund	-	-	(462,561)	-
Gain (loss) on sale of assets	-	-	-	-
Total other financing sources (uses)	<u>(394,795)</u>	<u>(1,398,733)</u>	<u>(5,908,023)</u>	<u>-</u>
Net change in fund balances	12,824,298	1,180,324	8,685,006	-
Fund balances beginning of year	<u>140,105,441</u>	<u>72,554,949</u>	<u>107,646,778</u>	<u>-</u>
Fund balances end of year	<u>\$ 152,929,739</u>	<u>\$ 73,735,273</u>	<u>\$ 116,331,784</u>	<u>\$ -</u>

<sup>(1)</sup> Total sales tax-Measure I of \$222,320,683 less 1% of \$2,223,207 for Measure I administration accounted for in the General Fund (page 71).

Valley Metrolink/ Rail Service	Valley Express Bus/ Bus Rapid Transit Service	Valley Senior & Disabled Transit	Valley Transportation Management Systems	Victor Valley Major Local Highway	Victor Valley Local Street
\$ 14,315,441	\$ 8,947,151	\$ 14,315,441	\$ 3,578,860	\$ 6,014,105	\$ 16,117,801
66,539	72,817	15,672	26,942	34,620	216
<u>14,381,980</u>	<u>9,019,968</u>	<u>14,331,113</u>	<u>3,605,802</u>	<u>6,048,725</u>	<u>16,118,017</u>
67,372	-	-	30,283	-	216
-	-	-	193,154	-	-
-	-	-	227,714	-	-
-	-	-	345,890	-	-
6,278,686	1,514,062	14,323,843	204,191	-	-
-	-	-	362,716	7	-
-	-	-	-	2,619,317	16,117,801
5,092,414	-	-	-	-	-
<u>11,438,472</u>	<u>1,514,062</u>	<u>14,323,843</u>	<u>1,363,948</u>	<u>2,619,324</u>	<u>16,118,017</u>
<u>2,943,508</u>	<u>7,505,906</u>	<u>7,270</u>	<u>2,241,854</u>	<u>3,429,401</u>	<u>-</u>
-	-	-	-	12,308	-
-	-	-	-	-	-
-	-	-	-	427,763	-
(31,243)	(10,200)	-	-	-	-
(105)	-	-	-	(41,000)	-
(1,562,808)	-	-	-	(1,725,495)	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(1,594,156)</u>	<u>(10,200)</u>	<u>-</u>	<u>-</u>	<u>(1,326,424)</u>	<u>-</u>
1,349,352	7,495,706	7,270	2,241,854	2,102,977	-
31,495,251	18,333,360	21,248,265	13,219,656	24,512,787	-
<u>\$ 32,844,603</u>	<u>\$ 25,829,066</u>	<u>\$ 21,255,535</u>	<u>\$ 15,461,510</u>	<u>\$ 26,615,764</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, 2021

	Victor Valley Senior & Disabled Transi	Victor Valley Project Development Traffic/ Management	North Desert Major Local Highway	North Desert Local Street
<b>Revenues</b>				
Sales tax-Measure I <sup>(1)</sup>	\$ 1,443,385	\$ 481,129	\$ 1,136,304	\$ 3,090,748
Investment earnings	-	2,416	14,489	-
Total Revenues	<u>1,443,385</u>	<u>483,545</u>	<u>1,150,793</u>	<u>3,090,748</u>
<b>Expenditures</b>				
Current:				
General government	-	4,352	-	-
Environment and energy conservation	-	-	-	-
Commuter and motorist assistance	-	-	-	-
Regional and subregional planning	-	246,333	-	-
Transit	1,443,385	21,915	-	-
Project delivery	-	-	71,663	-
Fund administration	-	-	-	3,090,748
Capital outlay	-	-	-	-
Total Expenditures	<u>1,443,385</u>	<u>272,600</u>	<u>71,663</u>	<u>3,090,748</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>210,945</u>	<u>1,079,130</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers in:				
Federal Transit Fund Special Revenue Fund	-	-	-	-
State Highway Fund Special Revenue Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Transfers out:				
General Fund	-	-	(658)	-
2010-2040 Measure I Special Revenue Fund	-	-	-	-
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(658)</u>	<u>-</u>
Net change in fund balances	-	210,945	1,078,472	-
Fund balances beginning of year	-	1,506,181	8,210,503	-
Fund balances end of year	<u>\$ -</u>	<u>\$ 1,717,126</u>	<u>\$ 9,288,975</u>	<u>\$ -</u>

<sup>(1)</sup> Total sales tax-Measure I of \$222,320,683 less 1% of \$2,223,207 for Measure I administration accounted for in the General Fund (page 71).

North Desert Senior & Disabled Transit	North Desert Project Development Traffic/ Management	Colorado River Major Local Highway	Colorado River Local Street	Colorado River Senior & Disabled Transit	Colorado River Project Development Traffic/ Management
\$ 227,261	\$ 90,904	\$ 115,685	\$ 314,662	\$ 23,137	\$ 9,255
-	1,473	1,119	-	-	112
<u>227,261</u>	<u>92,377</u>	<u>116,804</u>	<u>314,662</u>	<u>23,137</u>	<u>9,367</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,925	-	-	-	-
227,261	-	-	-	23,137	-
-	-	-	-	-	-
-	-	-	314,662	-	-
-	-	-	-	-	-
<u>227,261</u>	<u>1,925</u>	<u>-</u>	<u>314,662</u>	<u>23,137</u>	<u>-</u>
-	90,452	116,804	-	-	9,367
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(271)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(271)	-	-	-
-	90,452	116,533	-	-	9,367
-	1,024,681	184,509	-	-	46,341
<u>\$ -</u>	<u>\$ 1,115,133</u>	<u>\$ 301,042</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,708</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, 2021

	Morongo Basin Major Local Highway	Morongo Basin Local Street	Morongo Basin Senior & Disabled Transit	Morongo Basin Project Development Traffic/ Management
<b>Revenues</b>				
Sales tax-Measure I <sup>(1)</sup>	\$ 755,377	\$ 2,054,625	\$ 151,075	\$ 60,430
Investment earnings	7,317	-	-	763
Total Revenues	<u>762,694</u>	<u>2,054,625</u>	<u>151,075</u>	<u>61,193</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Environment and energy conservation	-	-	-	-
Commuter and motorist assistance	-	-	-	-
Regional and subregional planning	-	-	-	1,453
Transit	-	-	151,075	-
Project delivery	-	-	-	-
Fund administration	12,740	2,054,625	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>12,740</u>	<u>2,054,625</u>	<u>151,075</u>	<u>1,453</u>
Excess (deficiency) of revenues over (under) expenditures	<u>749,954</u>	<u>-</u>	<u>-</u>	<u>59,740</u>
<b>Other financing sources (uses)</b>				
Transfers in:				
Federal Transit Fund Special Revenue Fund	-	-	-	-
State Highway Fund Special Revenue Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Transfers out:				
General Fund	(822)	-	-	-
2010-2040 Measure I Special Revenue Fund	-	-	-	-
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-
Total other financing sources (uses)	<u>(822)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	749,132	-	-	59,740
Fund balances beginning of year	1,165,467	-	-	347,334
Fund balances end of year	<u>\$ 1,914,599</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 407,074</u>

<sup>(1)</sup> Total sales tax-Measure I of \$222,320,683 less 1% of \$2,223,207 for Measure I administration accounted for in the General Fund (page 71).

Mountain Major Local Highway	Mountain Local Street	Mountain Senior & Disabled Transit	Mountain Project Development Traffic/ Management	Cajon Pass	Total 2010-2040 Measure I
\$ 697,562	\$ 1,897,369	\$ 139,512	\$ 55,805	\$ 6,278,333	\$ 220,097,476
7,836	-	-	611	32,093	646,045
<u>705,398</u>	<u>1,897,369</u>	<u>139,512</u>	<u>56,416</u>	<u>6,310,426</u>	<u>220,743,521</u>
-	-	-	-	-	716,243
-	-	-	-	-	193,154
-	-	-	-	-	227,714
-	-	-	1,924	-	599,307
-	-	139,512	-	-	24,327,067
-	-	-	-	(194,740)	57,093,475
-	1,897,369	-	-	-	72,689,610
-	-	-	-	-	8,796,385
<u>-</u>	<u>1,897,369</u>	<u>139,512</u>	<u>1,924</u>	<u>(194,740)</u>	<u>164,642,955</u>
<u>705,398</u>	<u>-</u>	<u>-</u>	<u>54,492</u>	<u>6,505,166</u>	<u>56,100,566</u>
-	-	-	-	-	539,116
-	-	-	-	-	226,555
-	-	-	-	-	729,570
-	-	-	-	-	(1,837,715)
-	-	-	-	-	(41,105)
-	-	-	-	(3,568,120)	(13,356,062)
-	-	-	-	-	(462,561)
-	-	-	-	(347)	(347)
-	-	-	-	(3,568,467)	(14,202,549)
705,398	-	-	54,492	2,936,699	41,898,017
2,555,912	-	-	208,979	12,551,461	456,917,855
<u>\$ 3,261,310</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 263,471</u>	<u>\$ 15,488,160</u>	<u>\$ 498,815,872</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
Debt Service Fund  
June 30, 2021

	Sales Tax Revenue Bond 2012A	Sales Tax Revenue Bond 2014A	Total Debt Service
<b>Assets</b>			
Cash and investments-restricted	\$ 3,065,701	\$ 2,851,637	\$ 5,917,338
<b>Fund balances</b>			
Restricted	\$ 3,065,701	\$ 2,851,637	\$ 5,917,338
Total liabilities and fund balances	\$ 3,065,701	\$ 2,851,637	\$ 5,917,338

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Debt Service Fund  
For the Year Ended June 30, 2021

	Sales Tax Revenue Bond 2012A	Sales Tax Revenue Bond 2014A	Total Debt Service
<b>Revenues</b>			
Investment earnings	\$ 174	\$ 160	\$ 334
<b>Expenditures</b>			
Debt service:			
Principal	2,455,000	2,005,000	4,460,000
Interest and fiscal charges	3,627,388	4,946,313	8,573,701
Total Expenditures	6,082,388	6,951,313	13,033,701
Excess (deficiency) of revenues over (under) expenditures	(6,082,214)	(6,951,153)	(13,033,367)
<b>Other financing sources</b>			
Transfers in:			
2010-2040 Measure I Special Revenue Fund	6,410,250	6,945,813	13,356,063
Net change in fund balances	328,036	(5,340)	322,696
Fund balances beginning of year	2,737,665	2,856,977	5,594,642
Fund balances end of year	\$ 3,065,701	\$ 2,851,637	\$ 5,917,338



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Combining Balance Sheet  
Capital Projects Fund  
June 30, 2021

	Local Projects	Redlands Passenger Rail	Valley Freeway Interchange Bond
<b>Assets</b>			
Cash and investments	\$ 17,738,273	\$ 1,411,540	\$ 4,281
Accrued interest receivable	39,046	1,794	-
Accounts receivable	10,280,799	-	-
Intergovernmental receivable	15,287,719	13,300	-
Deposit receivable	213,573	-	-
Intergovernmental agreements receivable	25,404,931	-	-
Total assets	<u>\$ 68,964,341</u>	<u>\$ 1,426,634</u>	<u>\$ 4,281</u>
<b>Liabilities</b>			
Accounts payable	\$ 8,711,672	\$ 15,557	\$ 4,281
Accrued liabilities	4,190	-	-
Intergovernmental payable	13,013	-	-
Due to other funds	24,801,849	-	-
Advances from other funds	6,806,167	-	-
Unearned revenue	2,041,043	1,377,628	-
Total liabilities	<u>42,377,934</u>	<u>1,393,185</u>	<u>4,281</u>
<b>Deferred inflows of resources</b>			
Unavailable grant and local reimbursements	<u>37,970,182</u>	-	-
<b>Fund balances (deficits)</b>			
Restricted - rail	<u>(11,383,775)</u>	<u>33,449</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 68,964,341</u>	<u>\$ 1,426,634</u>	<u>\$ 4,281</u>

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Cajon Pass Bond		Total Capital Projects
\$	-	\$ 19,154,094
	-	40,840
	-	10,280,799
	-	15,301,019
	-	213,573
	-	25,404,931
<u>\$</u>	<u>-</u>	<u>\$ 70,395,256</u>
\$	-	\$ 8,731,510
	-	4,190
	-	13,013
	-	24,801,849
	-	6,806,167
	-	3,418,671
<u></u>	<u>-</u>	<u>43,775,400</u>
	-	37,970,182
	-	(11,350,326)
<u>\$</u>	<u>-</u>	<u>\$ 70,395,256</u>

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Capital Projects Fund  
For the Year Ended June 30, 2021

	Local Projects	Redlands Passenger Rail	Valley Freeway Interchanges Bond
<b>Revenues</b>			
Intergovernmental	\$ 26,953,912	\$ 271,323	\$ -
Investment earnings	240,749	(5,354)	-
Miscellaneous	2,354,028	1,055,544	-
Total revenues	<u>29,548,689</u>	<u>1,321,513</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Environment and energy conservation	8,324	-	-
Commuter and motorist assistance	95,487	-	-
Regional and subregional planning	28,737	-	-
Transit	5,357,986	657,788	-
Project delivery	33,632,398	-	-
Capital outlay	<u>3,069,608</u>	<u>684,636</u>	<u>-</u>
Total expenditures	<u>42,192,540</u>	<u>1,342,424</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,643,851)</u>	<u>(20,911)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in:			
2010-2040 Measure I Special Revenue Fund	462,561	-	-
Nonmajor Governmental Fund	5,241	-	-
Transfers out:			
Federal Highway special revenue fund	(93,979)	-	-
2010-2040 measure I special revenue fund	<u>(729,570)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(355,747)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(12,999,598)	(20,911)	-
Fund balances (deficits) beginning of year	<u>1,615,823</u>	<u>54,360</u>	<u>-</u>
Fund balances (deficits) end of year	<u>\$ (11,383,775)</u>	<u>\$ 33,449</u>	<u>\$ -</u>

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Cajon Pass Bond	Total Capital Projects
\$ -	\$ 27,225,235
-	235,395
-	3,409,572
-	30,870,202
-	8,324
-	95,487
-	28,737
-	6,015,774
691	33,633,089
-	3,754,244
691	43,535,655
(691)	(12,665,453)
-	462,561
-	5,241
-	(93,979)
-	(729,570)
-	(355,747)
(691)	(13,021,200)
691	1,670,874
\$ -	\$ (11,350,326)



A portion of the High Desert highway known as US 395 was widened to provide better connections, enhance safety, and relieve congestion from slow moving vehicles en route to other destinations outside of the county. This section represents Phase I of a three-phase effort to widen this well-used corridor.

## Statistical Section

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

### Page No.

#### ***Financial Trends***

These schedules contain trend information to help the reader understand how the Agency's financial performance and well-being have changed over time.

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#### ***Revenue Capacity***

These schedules contain information to help the reader assess the Agency's significant local revenue source, the Measure I sales tax.

142

#### ***Debt Capacity***

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.

146

#### ***Demographic and Economic Information***

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Agency's financial activities take place.

148

#### ***Operating Information***

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.

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SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

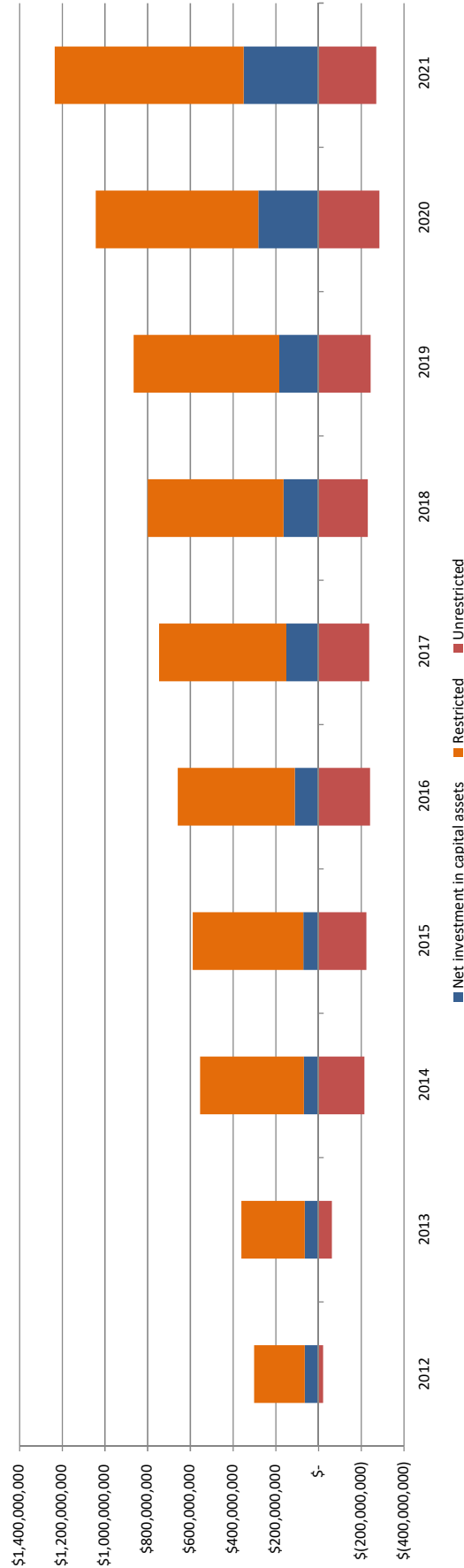
Net Position by Component

Last Ten Fiscal Years <sup>(1)</sup>

(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental activities</b>										
Net investment in capital assets	\$ 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	\$ 350,708,835
Restricted	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	884,582,859
Unrestricted	(20,906,687)	(62,476,583)	(215,122,515)	(224,771,477)	(241,599,238)	(237,230,227)	(231,279,244)	(244,842,558)	(285,087,605)	(270,271,064)
Total governmental activities net position	\$ 281,780,601	\$ 299,346,123	\$ 339,936,303	\$ 365,070,441	\$ 417,414,290	\$ 509,445,972	\$ 567,780,145	\$ 620,945,042	\$ 758,103,130	\$ 965,020,630

<sup>(1)</sup> 2020<sup>(1)</sup> Restated due to Implementation Guide 2019-1, revenue recognition based on executed agreement(s).



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Changes in Net Position  
Last Ten Fiscal Years <sup>(1)</sup>  
(accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
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	\$ 6,163,146
Environment and energy conservation	-	-	-	-	1,392,074	2,217,401	4,100,630	5,992,817	2,343,087	1,198,164
Commuter and motorist assistance	-	-	-	-	5,360,439	4,986,605	6,787,391	6,910,089	7,570,852	7,209,299
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	3,385,393
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	157,847,110
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	286,047,480
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	79,892,412
Express lanes	-	-	-	-	-	-	-	167,101	-	-
Interest and fiscal charges	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	7,493,822
Air quality and traveler services	16,561,711	8,720,281	5,626,177	4,182,935	-	-	-	-	-	-
Total governmental activities expenses	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	549,236,826
<b>Program revenues</b>										
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	866,778
Operating grants and contributions	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	146,381,605
Capital grants and contributions	-	-	-	-	-	-	-	79,983,912	206,347,856	257,273,325
Total governmental activities program revenues	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	404,521,708
<b>Net (expense) revenue</b>	(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)	(144,715,118)
Governmental activities										
<b>General revenues</b>										
Sales tax- Measure I	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	222,320,683
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	127,319,839
Unrestricted investment earnings	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	1,687,658
Gain (loss) on sale of assets	-	-	-	-	-	-	(194,724)	101,467	-	(347)
Miscellaneous	903,880	479,987	1,116,648	1,987,011	2,103,662	2,164,487	1,318,612	421,971	364,484	304,785
Total governmental activities general revenues	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	351,632,618



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

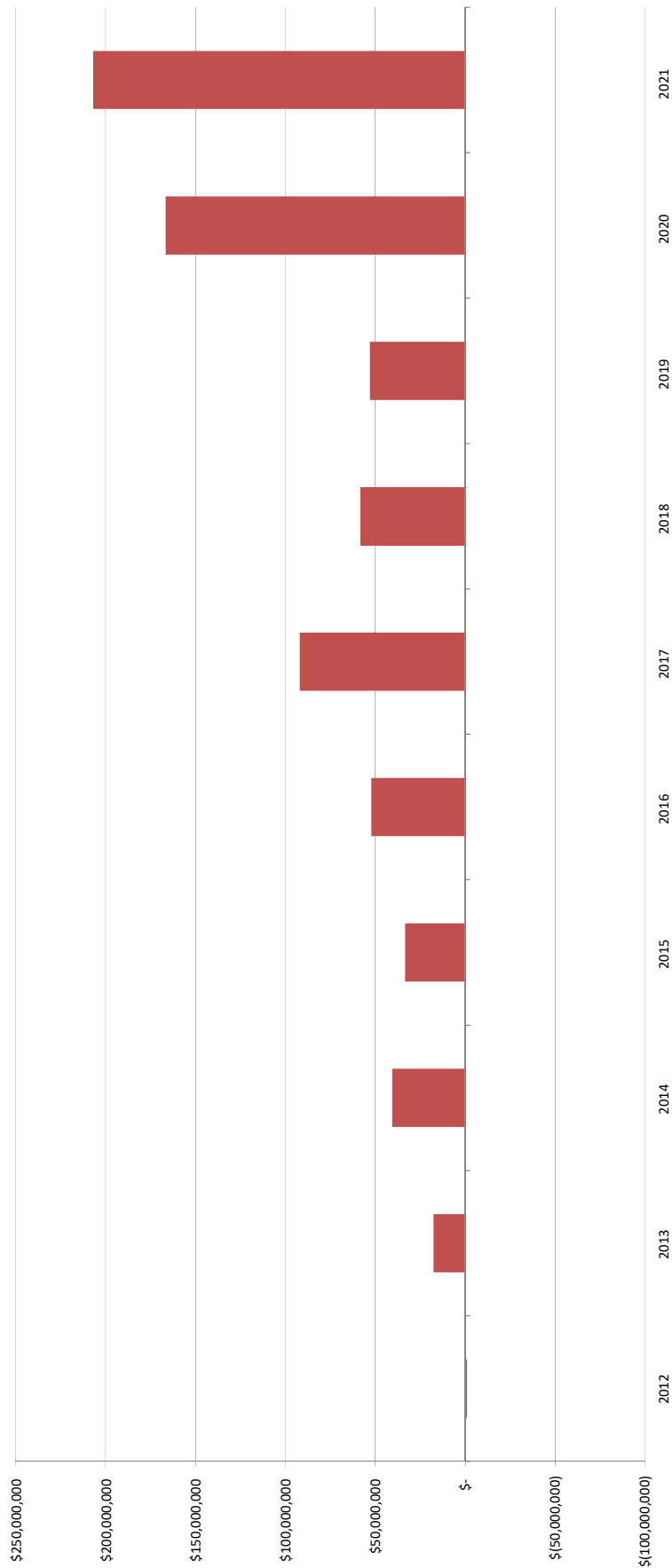
Changes in Net Position

Last Ten Fiscal Years <sup>(1)</sup>  
(actual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Change in net position</b>										
Governmental activities	\$ (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	\$ 206,917,500

<sup>(1)</sup> 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**

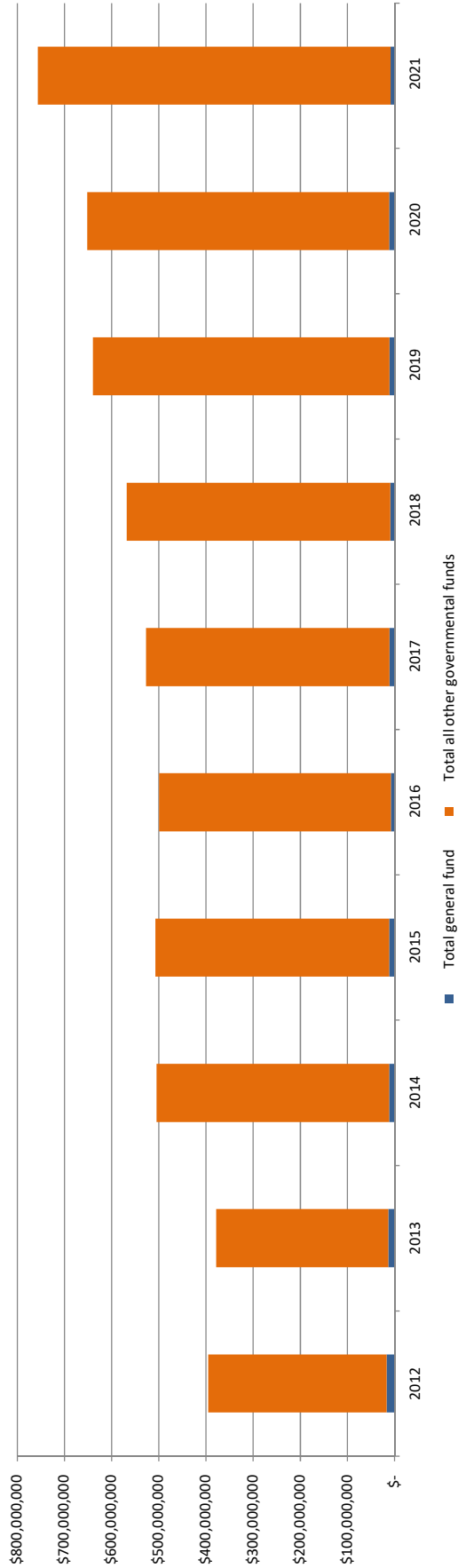
**Fund Balances of Governmental Funds**

Last Ten Fiscal Years <sup>(1)</sup>

(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General fund</b>										
Nonspendable	\$ 149,194	\$ 173,867	\$ 182,068	\$ 120,659	\$ -	\$ 14,569	\$ 18,776	\$ 3,302,408	\$ 5,698,586	\$ 147,658
Committed	99,367	24,425	22,211	24,046	20,576	2,788,309	-	-	-	-
Assigned	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	7,665,107
Unassigned	-	-	-	-	-	-	-	500,000	500,000	500,000
Total general fund	\$ 16,629,352	\$ 13,018,032	\$ 11,487,331	\$ 11,214,284	\$ 7,499,248	\$ 10,797,793	\$ 9,039,754	\$ 11,069,573	\$ 11,654,417	\$ 8,312,765
<b>All other governmental funds</b>										
Restricted	\$ 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	\$ 802,012,580
Nonspendable	-	-	-	-	-	21,995	20,788	-	5,000	-
Committed	-	-	-	-	-	-	2,447,646	2,346,780	2,211,154	1,828,594
Unassigned	(7,482,364)	(17,524,771)	(15,058,847)	(14,693,201)	(28,319,694)	(28,537,883)	(29,647,825)	(16,923,844)	(53,888,503)	(55,082,060)
Total all other governmental funds	\$ 378,707,130	\$ 365,577,963	\$ 493,333,130	\$ 496,451,715	\$ 492,096,769	\$ 516,401,615	\$ 559,046,337	\$ 628,750,717	\$ 640,532,641	\$ 748,759,114

<sup>(1)</sup> 2020 Restated due to Implementation Guide 2019-1, revenue recognition based on executed agreement(s).



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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Sales tax-Measure I	\$ 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	\$ 223,320,683
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	127,319,839
Intergovernmental	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	325,764,000
Charges for services	652,873	257,204	483,490	473,282	425,936	387,841	673,699	607,148	469,623	609,239
Special assessments	129,374	135,849	129,051	118,705	113,886	152,547	200,187	248,545	253,143	257,539
Investment earnings	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	1,687,658
Miscellaneous	903,880	479,987	1,075,059	1,977,411	2,103,662	2,164,487	1,318,609	668,420	7,374,234	5,575,269
Total revenues	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	683,534,227
<b>Expenditures</b>										
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	10,022,751
Environment and energy conservation	-	-	-	-	1,426,771	2,191,718	3,955,065	5,360,236	1,323,755	540,313
Commuter and motorist assistance	-	-	-	-	5,383,571	4,969,483	5,702,551	6,082,170	6,217,206	4,713,337
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	2,369,693
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	139,311,882
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	234,102,962
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	73,891,608
Express lanes	-	-	-	-	-	-	-	85,542	-	-
Air quality and traveler services	16,561,711	8,720,281	5,626,177	4,191,009	-	-	-	-	-	-
Debt Service:										
Principal	250,000,000	-	-	1,910,000	1,990,000	2,845,000	3,365,000	3,860,000	4,150,000	4,460,000
Interest and fiscal charges	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	8,573,701
Capital outlay	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	100,662,812
Total expenditures	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	578,649,059
Excess (deficiency) of revenues over (under) expenditures	(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	104,885,168

**SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY**

**Changes in Fund Balances of Governmental Funds**

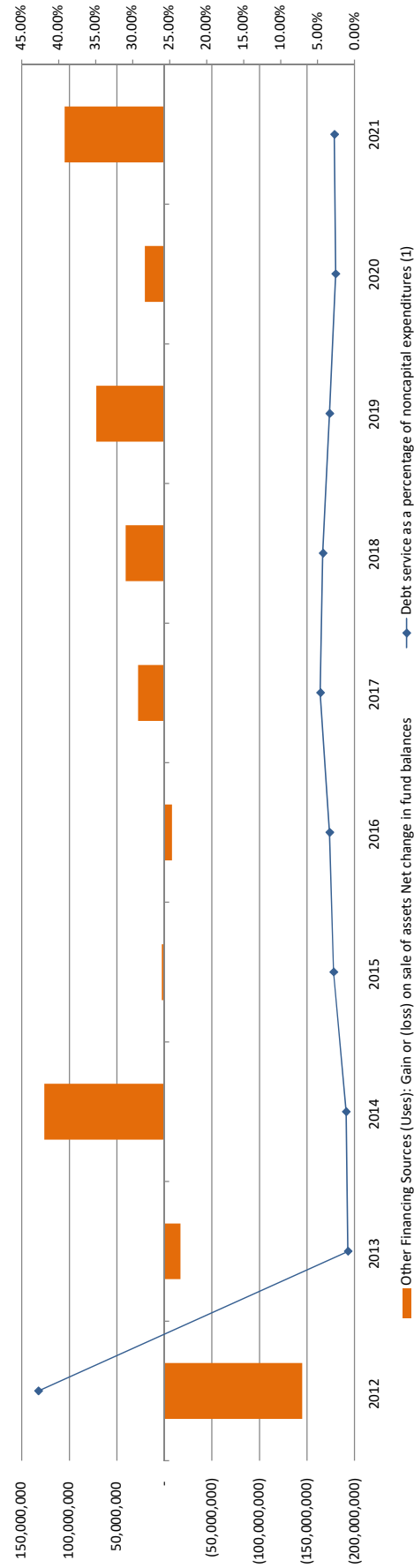
Last Ten Fiscal Years <sup>(1)</sup>

(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Other Financing Sources (Uses):</b>										
Transfers in	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	29,423,596
Transfers out	(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)	(29,423,596)
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)	(347)
Total other financing sources (uses)	100,922,588	-	120,835,611	-	-	-	(194,724)	82,084	(1,532)	(347)
Net change in fund balances	(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	104,884,821
Fund balances beginning of year (*as restated) <sup>(2)</sup>	540,433,503 *	395,336,482	378,595,995	504,820,461 *	507,665,999	499,596,017	527,199,408	568,086,091	631,725,845 *	652,187,058
Fund balances end of year	\$ 395,336,482	\$ 378,595,995	\$ 504,820,461	\$ 507,665,999	\$ 499,596,017	\$ 527,199,408	\$ 568,086,091	\$ 639,820,290	\$ 652,187,058	\$ 757,071,879
Debt service as a percentage of noncapital expenditures	42.75%	0.90%	1.13%	2.83%	3.39%	4.62%	4.28%	3.39%	2.54%	2.73%

<sup>(1)</sup> Debt service reflects principal and interest.

<sup>(2)</sup> 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 <sup>(1)</sup>

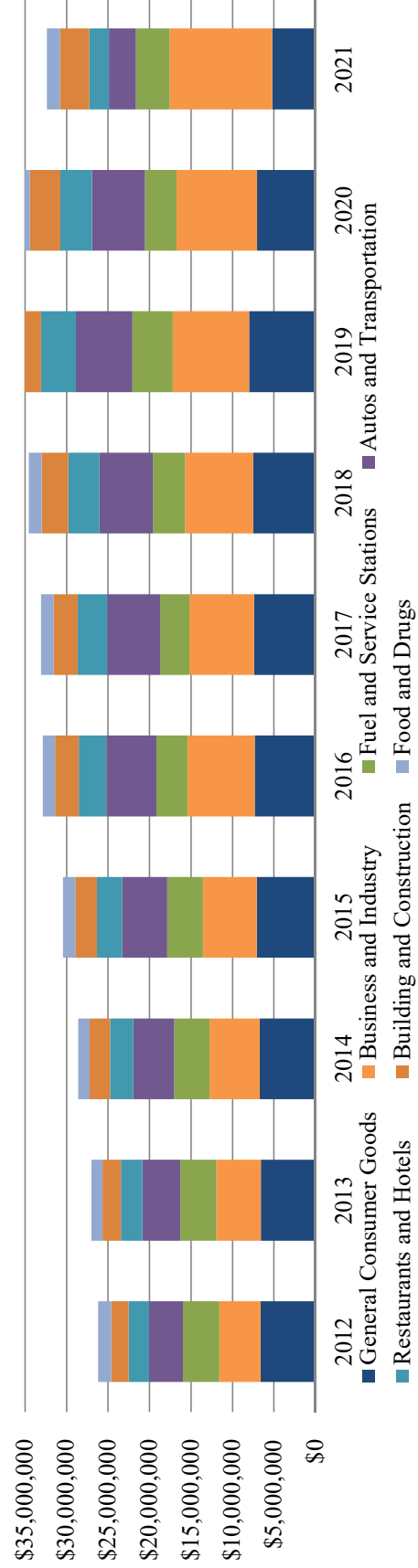
Last Ten Fiscal Years

(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
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
2021	5,173,652	12,398,034	4,071,133	3,218,905	2,368,664	3,541,254	1,570,734	32,342,376

<sup>(1)</sup> 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 <sup>(1)</sup>	County of San Bernardino <sup>(2)</sup>
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%
2021	0.50%	7.75%

<sup>(1)</sup> 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.

<sup>(2)</sup> 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	2021			2012		
	Taxable Sale	Rank	Percentage of Total Taxable Sales	Taxable Sale	Rank	Percentage of Total Taxable Sales
Fulfillment Centers	\$ 5,005,351	1	17.14%	\$ -		
Service Stations	3,814,582	2	13.06%	3,355,478	2	14.68%
Drugs/Chemicals	2,256,447	3	7.73%	1,115,422	3	1.08%
Contractors	1,879,377	4	6.43%	1,014,450	4	2.69%
Building Materials	1,472,100	5	5.04%	469,240	14	4.65%
Home Furnishings	1,393,967	6	4.77%	416,271	16	1.65%
New Motor Vehicle Dealers	1,357,459	7	4.65%	762,468	6	8.52%
Heavy Industrial	1,167,427	8	4.00%	820,688	5	2.04%
Casual Dining	969,686	9	3.32%	610,007	9	3.63%
Discount Dept Stores	870,032	10	2.98%	676,268	8	8.60%
Quick-Service Restaurants	854,423	11	2.93%	484,726	12	5.05%
Warehse/Farm/Const. Equip.	827,351	12	2.83%	322,786	21	
Textiles/Furnishings	826,673	13	2.83%	276,973	23	
Family Apparel	821,285	14	2.81%	-		
Convenience Stores/Liquor	737,615	15	2.53%	393,427	18	
Used Automotive Dealers	699,791	16	2.40%	376,944	19	1.67%
Trailers/Auto Parts	698,956	17	2.39%	473,741	13	
Grocery Stores	692,642	18	2.37%	509,659	10	3.17%
Specialty Stores	628,422	19	2.15%	395,239	17	2.00%
Light Industrial/Printers	551,988	20	1.89%	681,813	7	2.85%
Auto Repair Shops	424,161	21	1.45%	309,494	22	
Automotive Supply Stores	412,679	22	1.41%	455,915	15	1.83%
Repair Shop/Equip. Rentals	299,112	23	1.02%	-		
Department Stores	287,313	24	0.98%	492,852	11	2.28%
Transportation/Rentals	259,249	25	0.89%	329,032	20	
Electronics/Appliance Stores	-		0.00%	188,046	24	2.44%
Energy/Utilities	-		0.00%	4,110,566	1	1.40%
Plumbing/Electrical Supplies	-		0.00%	173,207	25	1.28%
Total	<u>\$ 29,208,088</u>		<u>100.00%</u>	<u>\$ 19,214,712</u>		<u>71.51%</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, 2021

	General Fund	Special Revenue Funds	Total
<b>Administration</b>			
Administration	\$ 2,223,207	\$ -	\$ 2,223,207
<b>Valley</b>			
Freeway projects	-	51,893,474	51,893,474
Freeway interchanges	-	19,683,731	19,683,731
Major street	-	30,420,312	30,420,312
Local street	-	35,788,602	35,788,602
Metrolink/rail service	-	14,315,441	14,315,441
Express bus/bus rapid transit service	-	8,947,151	8,947,151
Senior and disabled transit	-	14,315,441	14,315,441
Transportation management systems	-	3,578,860	3,578,860
<b>Victor Valley</b>			
Major local highway	-	6,014,105	6,014,105
Local street	-	16,117,801	16,117,801
Senior and disabled transit	-	1,443,385	1,443,385
Project development/traffic management	-	481,129	481,129
<b>North Desert</b>			
Major local highway	-	1,136,304	1,136,304
Local street	-	3,090,748	3,090,748
Senior and disabled transit	-	227,261	227,261
Project development/traffic management	-	90,904	90,904
<b>Colorado River</b>			
Major local highway	-	115,685	115,685
Local street	-	314,662	314,662
Senior and disabled transit	-	23,137	23,137
Project development/traffic management	-	9,255	9,255
<b>Morongo Basin</b>			
Major local highway	-	755,377	755,377
Local street	-	2,054,625	2,054,625
Senior and disabled transit	-	151,075	151,075
Project development/traffic management	-	60,430	60,430
<b>Mountain</b>			
Major local highway	-	697,562	697,562
Local street	-	1,897,369	1,897,369
Senior and disabled transit	-	139,512	139,512
Project development/traffic management	-	55,805	55,805
<b>Cajon Pass</b>	-	6,278,333	6,278,333
	<u>\$ 2,223,207</u>	<u>\$ 220,097,476</u>	<u>\$ 222,320,683</u>



# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Ratios of Outstanding Debt by Type

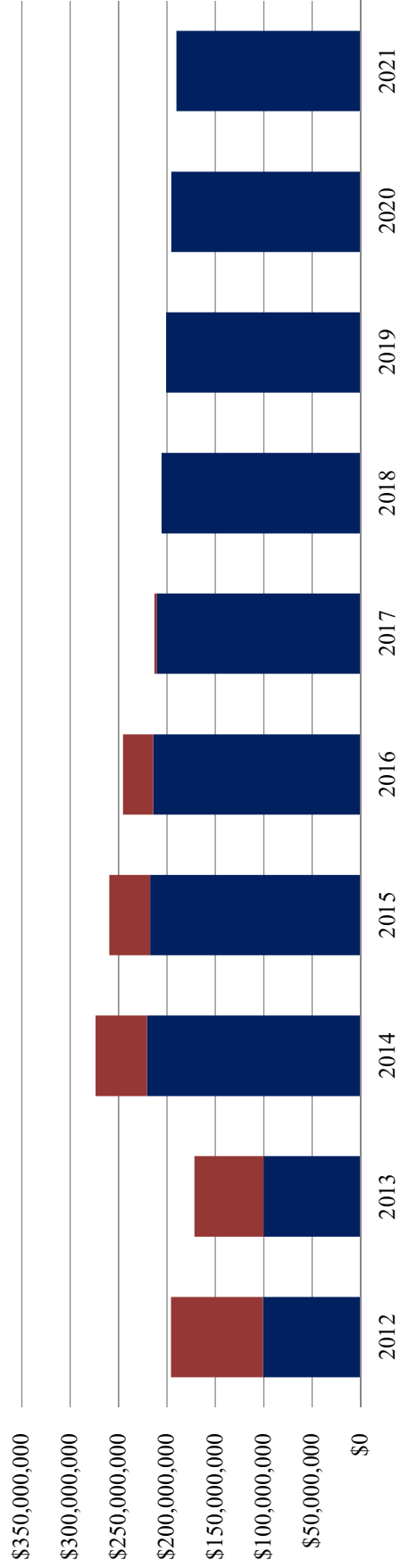
Last Ten Fiscal Years

Fiscal Year	Sales Tax Revenue Bonds <sup>(1)</sup>		Sales Tax Revenue Notes <sup>(1)</sup>		Project Advancement Agreements		Total	Percentage of Personal Income <sup>(3)</sup>		Per Capita <sup>(2)</sup>	
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
2021		190,121,622		-		-		190,121,622	NA		87.38

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

(1) Includes unamortized premium.

(2) See Demographic and Economic Statistics on page 148.



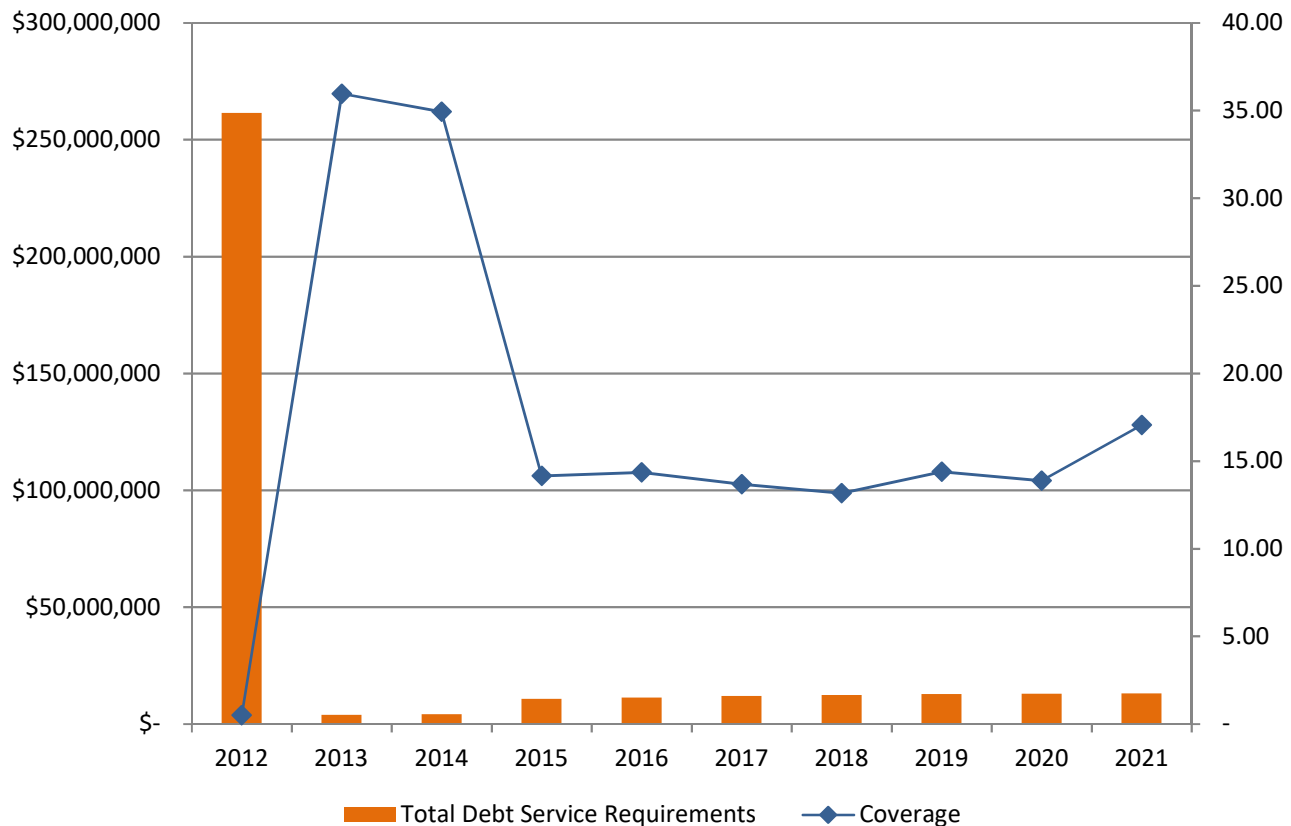
■ Sales Tax Revenue Bonds ■ Sales Tax Revenue Notes ■ Project Advancement Agreements

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

Fiscal	Measure I Sales Tax	Debt Service Requirements <sup>(2)</sup>			
Year	Revenues <sup>(1)</sup>	Principal	Interest	Total	Coverage
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
2021	222,320,683	4,460,000	8,573,701	13,033,701	17.06

<sup>(1)</sup> Measure I sales tax revenue net of Board of Equalization fees.

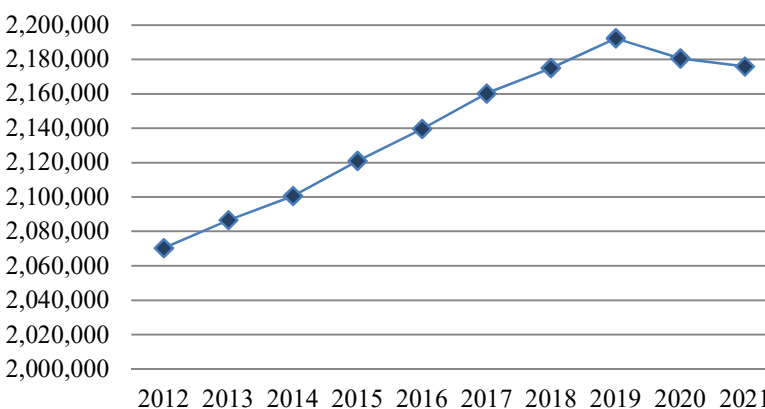
<sup>(2)</sup> Debt service requirement for fiscal year 2012 reflects payment of Sales Tax Revenue Note, 2009A from an established escrow account relating to the issuance of the Sales Tax Revenue Bonds, 2012A.



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

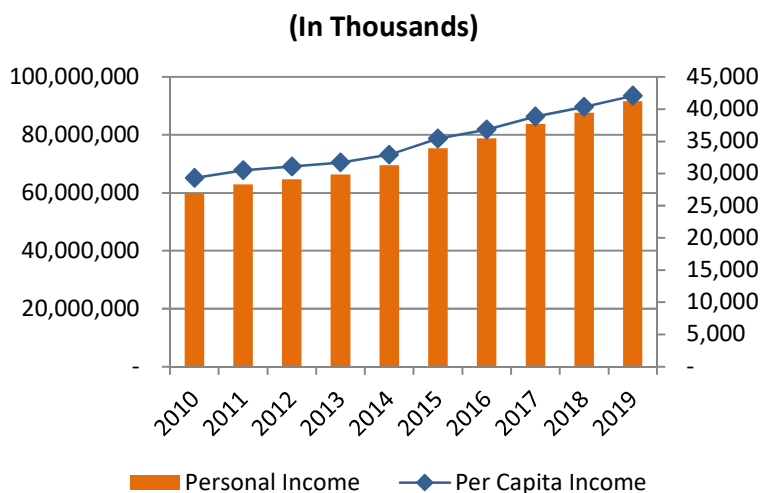
**Last Ten Fiscal Years <sup>(1)</sup>**

Year	Population
2012	2,070,374
2013	2,086,559
2014	2,100,700
2015	2,121,088
2016	2,139,570
2017	2,160,256
2018	2,174,938
2019	2,192,203
2020	2,180,537
2021	2,175,909



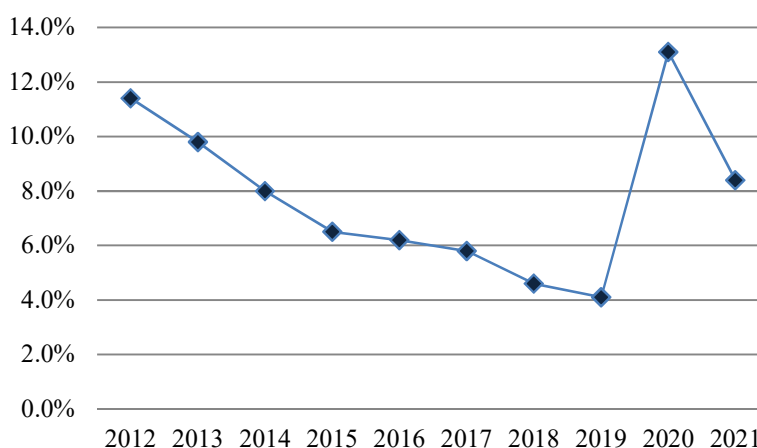
**Fiscal Years 2010-2019 <sup>(2)</sup>**

Year	Personal Income (In Thousands)	Personal Per Capita Income
2010	\$ 59,850,108	\$ 29,314
2011	62,952,683	30,491
2012	64,633,723	31,064
2013	66,321,591	31,683
2014	69,487,877	32,892
2015	75,402,896	35,431
2016	78,830,801	36,835
2017	83,741,561	38,816
2018	87,550,004	40,316
2019	91,658,300	42,043



**Last Ten Fiscal Years <sup>(3)</sup>**

Year	Unemployment Rate
2012	11.4%
2013	9.8%
2014	8.0%
2015	6.5%
2016	6.2%
2017	5.8%
2018	4.6%
2019	4.1%
2020	13.1%
2021	8.4%



<sup>(1)</sup> California Department of Finance. Population for FY2020 as of January 2021.

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

<sup>(3)</sup> California Employment Development Department. Unemployment rate for FY2020 as of June 2021.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
County of San Bernardino Employment Statistics by Industry  
Fiscal Year 2020 and Nine Years Prior <sup>(1)</sup>

Industry Type	2020	Percentage of Total Employment	2011	Percentage of Total Employment
Agricultural services, forestry and fishing	2,300	0.30%	2,600	0.43%
Mining	900	0.12%	600	0.10%
Construction	38,300	5.03%	25,000	4.13%
Manufacturing	52,400	6.89%	46,500	7.69%
Transportation, warehousing and public utilities	106,100	13.95%	47,200	7.81%
Wholesale trade	39,300	5.17%	29,400	4.86%
Retail trade	78,600	10.33%	75,500	12.49%
Professional and business services	81,100	10.66%	71,500	11.82%
Education and health services	132,900	17.46%	89,700	14.83%
Leisure and hospitality	61,800	8.12%	55,000	9.10%
Information	3,700	0.49%	4,400	0.73%
Finance, insurance and real estate	22,600	2.97%	21,300	3.52%
Federal government-civilian	14,300	1.88%	14,300	2.36%
State government	13,600	1.79%	13,200	2.18%
Local government	93,500	12.29%	88,000	14.56%
Other services	19,400	2.55%	20,500	3.39%
Total	<u>760,800</u>	<u>100.00%</u>	<u>604,700</u>	<u>100.00%</u>

<sup>(1)</sup> Most current information available.

Source: California Employment Development Department.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Full-time Equivalent Employees by Function

Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General:										
Executive administration and support	10.0	10.0	10.0	10.0	10.0	11.0	12.0	11.0	11.0	12.0
General counsel	1.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0
Financial management	6.0	6.5	6.5	8.5	9.5	12.0	14.0	15.0	13.0	11.0
Management services	3.0	3.0	3.0	3.0	3.0	2.0	3.0	3.0	3.0	3.0
Legislation	2.0	2.0	2.0	2.0	2.0	3.0	2.0	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
Special Projects	-	-	-	-	-	-	-	-	2.0	5.0
Commuter and motorist assistance	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0	2.0
Regional and subregional planning	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Transit	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	10.0
Project delivery	5.0	5.0	5.0	5.0	5.0	4.0	5.0	6.0	6.0	13.0
Fund administration	7.0	7.0	7.0	8.0	8.0	9.0	8.0	8.0	8.0	7.0
Council of governments	-	-	-	-	-	2.0	2.0	1.0	1.0	1.0
Total full-time equivalent positions	47.0	49.5	50.5	53.5	54.5	61.0	64.0	64.0	64.0	76.0

## Last Ten Fiscal Years

NOTE: TN/TX information not available for these years.

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General government</b>										
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
<b>Environment and energy conservation</b>										
Electric vehicle charging stations	-	-	-	-	-	-	2	2	2	14
<b>Transit</b>										
Acres of commuter rail land	590	591	592	608	621	621	621	621	604	598
Acres of commuter rail parking land*	3	3	3	16.9	16.9	21.9	21.9	21.9	47.86	54.28
Building-downtown san bernardino crew house	-	-	-	-	-	-	1	1	1	1
Downtown san bernardino crew house parking lot	-	-	-	-	-	-	1	1	1	1
Santa fe depot station parking lot	1	1	1	1	1	1	1	1	1	1

\* From 2015-2021, although agreed to in Co-op agreements with various cities, some realty has not yet been transferred to SBCTA or from SBCTA to the cities.

**SAN BERNARDINO COUNTY  
TRANSPORTATION AUTHORITY**

**SINGLE AUDIT**

Year ended June 30, 2021



SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
San Bernardino, California

SINGLE AUDIT  
Year ended June 30, 2021

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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, 2021, and the related notes to the financial statements, which collectively comprise SBCTA's basic financial statements, and have issued our report thereon dated November 16, 2021.

**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.

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

Crowe LLP

Costa Mesa, California  
November 16, 2021

**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, 2021. 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, 2021.

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(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, 2021, and the related notes to the financial statements, which collectively comprise SBCTA's basic financial statements. We issued our report thereon dated November 16, 2021, 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 16, 2021

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended June 30, 2021

Federal Grantor/Pass-through Entity Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
<b>Department of Transportation</b>			
<b>Federal Highway Administration</b>			
Highway Planning and Construction Cluster			
Pass-through California Department of Transportation:			
Highway Planning and Construction	20.205	CMLN-6053-101	\$ 326,079
Highway Planning and Construction	20.205	HPLULN-6053-115	131,790
Highway Planning and Construction	20.205	STPLULN-6053-122	54,767
Highway Planning and Construction	20.205	DEMO8STP-6053-125	492,780
Highway Planning and Construction	20.205	CMSTPLN-6053-130	60,709,010
Highway Planning and Construction	20.205	PNRSLN-6507-001	4,348
Highway Planning and Construction	20.205	PNRSLN-6507-002	4,348
Highway Planning and Construction	20.205	BRLS-6507-003	14,816,722
Highway Planning and Construction	20.205	CML-6507-004	(43,983)
Highway Planning and Construction	20.205	CML-6507-005	218,622
Highway Planning and Construction	20.205	CML-6507-017	558,652
Highway Planning and Construction	20.205	CML-6507-022	359,043
Highway Planning and Construction	20.205	STPLN-6507-011	1,488,245
Highway Planning and Construction	20.205	PNRSLN-6507-013	<u>57,200</u>
Total Highway Planning and Construction Cluster			<u>79,177,623</u>
<b>Federal Transit Administration</b>			
Federal Transit Cluster			
Pass-through Omnitrans			
Federal Transit - Formula Grant	20.507	CA-2020-057-00	26,819,907
Federal Transit - Formula Grant	20.507	CA-2018-040-00	378,212
Federal Transit - Formula Grant	20.507	CA-2020-057-00	<u>21,732,037</u>
Total Federal Transit Cluster			<u>48,930,156</u>
National Infrastructure Investments			
Pass-through Omnitrans			
TIGER Grant - Redlands Passenger Rail Project	20.933	CA-2019-156-00	2,916,850
<b>Department of Engineering</b>			
State Energy Program			
Pass-through the State California Energy Commission			
ARRA - State Energy Program	81.041	ARRA DOE EE-0000221	<u>24,581</u>
Total State Energy Program			<u>24,581</u>
Total Expenditures of Federal Awards			<u>\$ 131,049,210</u>

\*Negative amount of -\$43,983 reflects the reversal of an overestimate of expense pertaining to grant CMAQ-CML-6507(004) from prior year.

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, 2021

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**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, 2021. 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.

**NOTE 3 - PRIOR YEAR EXPENDITURES**

With the release of Government Accounting Standards Board (GASB) Implementation Guide No. 2019-1, Implementation Guidance Update – 2019, management changed their method of accounting for recognition of non-exchange revenue. Expenditure-driven grant provisions are determined to be a stipulation that is considered to be an eligibility requirement and as such, revenue cannot be recognized until the agreement has been executed. As a result, \$19,918,512 of federal expenditures that were previously reported on the Schedule for the year ending June 30, 2020 are included again on the Schedule for the year ending June 30, 2021. The \$19,918,512 of expenditures were incurred in fiscal year 2020.

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year ended June 30, 2021

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**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:

Federal Assistance Listing Number

Name of Federal Program or Cluster

20.205

Highway Planning and Construction Cluster

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

\$ 3,000,000

Auditee qualified as low-risk auditee?

  x   Yes    \_\_\_\_\_ No

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None.

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

**FINANCIAL STATEMENTS**

June 30, 2021

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

FINANCIAL STATEMENTS  
June 30, 2021

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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, 2021, 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.

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(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, 2021, 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, 2021, 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 16, 2021 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 16, 2021

LOCAL TRANSPORTATION FUND OF THE COUNTY OF SAN BERNARDINO,  
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
BALANCE SHEET  
June 30, 2021

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**ASSETS**

Cash and investments in San Bernardino County Treasury Pool	\$ 169,682,053
Accrued interest receivable	547,077
Intergovernmental receivable	<u>26,417,157</u>
 Total assets	 <u><u>\$ 196,646,287</u></u>

**LIABILITIES**

Due to other funds	\$ 2,018,229
--------------------	--------------

**FUND BALANCE**

Restricted:	
Unapportioned local transportation funds reserve	17,641,318
Unclaimed allocations	15,457,546
Bicycle and pedestrian projects	9,148,678
Rail and bus transit and local street and road, apportioned and unallocated	99,085,214
Unapportioned local transportation funds	<u>53,295,302</u>
	<u>194,628,058</u>
 Total liabilities and fund balance	 <u><u>\$ 196,646,287</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  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE  
Year ended June 30, 2021

---

**Revenues**

Sales tax - local transportation fund	\$ 127,319,839
Investment earnings	<u>463,962</u>
Total revenues	127,783,801

**Expenditures**

Transit	<u>40,594,998</u>
Total expenditures	40,594,998

<b>Excess of Revenues over Expenditures</b>	87,188,803
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**Other financing sources (uses)**

Transfers out	<u>(11,391,222)</u>
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<b>Net change in fund balance</b>	75,797,581
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Fund balance, beginning of year	<u>118,830,477</u>
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<b>Fund balance, end of year</b>	<u><u>\$ 194,628,058</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, 2021

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**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, 2021, 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 60 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, 2021.

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.

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(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, 2021

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**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 Annual Comprehensive Financial Report (ACFR). 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](http://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.

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(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, 2021

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**NOTE 3 - FUND BALANCE** (Continued)

At June 30, 2021, 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	\$ 590,134
Town of Apple Valley	30,535
City of Barstow	58,027
City of Big Bear Lake	2
City of Hesperia	82,466
City of Needles	1
City of Twentynine Palms	-
City of Victorville	545,575
Town of Yucca Valley	-
County - unincorporated	71,560
Valley	<u>97,706,914</u>

Total for rail and bus transit and local street  
and road allocation balance

\$ 99,085,214

Bicycle and pedestrian projects:

Allocated and unclaimed	\$ 6,663,315
Unallocated	<u>2,485,363</u>
Total for bicycle and pedestrian projects	<u>\$ 9,148,678</u>

Unapportioned local transportation funds reserve

\$ 17,641,318

Unclaimed allocations

\$ 15,457,546

Unapportioned local transportation funds

53,929,297

Unrealized gain on investments

(633,995)

Total Unapportioned local transportation funds

\$ 53,295,302

Total fund balance

\$ 194,628,058

**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.

## **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, 2021

	SB 821 Article 3		Article 4		Article 3 & 4		Article 8				Article 3		Total		Unclaimed
	Bicycle/Pedestrian & Transit Stop Access		Operating/Capital		Commuter Rail		Purchased Transportation		Local Streets/Roads		Planning, Programming & Administration				Amount
	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	Allocations	Disbursements	
City of Adelanto	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town of Apple Valley	-	281,495	-	-	-	-	-	-	69,312	69,312	-	-	69,312	350,807	(281,495)
City of Barstow	-	-	-	-	-	-	-	-	15,676	15,676	-	-	15,676	15,676	-
City of Big Bear Lake	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Chino	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Chino Hills	-	336,852	-	-	-	-	-	-	-	-	-	-	-	336,852	(336,852)
City of Colton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Fontana	-	22,534	-	-	-	-	-	-	-	-	-	-	-	22,534	(22,534)
City of Grand Terrace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Hesperia	-	-	-	-	-	-	-	-	541,581	541,581	-	-	541,581	541,581	-
City of Highland	-	373,050	-	-	-	-	-	-	-	-	-	-	-	373,050	(373,050)
City of Loma Linda	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Montclair	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Needles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Ontario	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Rancho Cucamonga	-	43,575	-	-	-	-	-	-	-	-	-	-	-	43,575	(43,575)
City of Redlands	-	160,967	-	-	-	-	-	-	-	-	-	-	-	160,967	(160,967)
City of Rialto	-	361,021	-	-	-	-	-	-	-	-	-	-	-	361,021	(361,021)
City of San Bernardino	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Twentynine Palms	-	-	-	-	-	-	-	-	75,585	75,585	-	-	75,585	75,585	-
City of Upland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City of Victorville	-	32,715	-	-	-	-	-	-	-	-	-	-	-	32,715	(32,715)
City of Yucaipa	-	150,060	-	-	-	-	-	-	-	-	-	-	-	150,060	(150,060)
Town of Yucca Valley	-	91,000	-	-	-	-	-	-	-	-	-	-	-	91,000	(91,000)
County of San Bernardino	-	-	-	-	-	-	-	-	401,517	401,517	-	-	401,517	401,517	-
County of San Bernardino- Dept of Public Health	-	124,663	-	-	-	-	-	-	-	-	-	-	-	124,663	(124,663)
Morongo Basin Transit Authority	-	28,524	2,836,359	2,906,359	-	-	-	-	-	-	-	-	2,836,359	2,934,893	(98,524)
Mountain Area Reg Transit Authority	-	-	2,218,159	2,555,818	-	-	-	-	-	-	-	-	2,218,159	2,555,818	(337,659)
OMNITRANS	-	7,974	14,586,287	14,586,287	-	-	-	-	-	-	-	-	14,586,287	14,594,261	(7,974)
Victor Valley Transit Authority	-	44,515	17,015,868	15,585,974	-	-	-	77,244	-	-	-	-	17,015,868	15,707,733	1,308,135
City of Needles-Transit	-	-	-	-	-	-	190,802	190,802	-	-	-	-	190,802	190,802	-
Auditor/Controller, County of San Bernardino	-	-	-	-	-	-	-	-	-	-	34,272	34,272	34,272	34,272	-
San Bernardino County Transportation Authority	-	-	-	-	5,963,085	8,688,877	-	-	-	-	3,526,292	3,536,791	9,489,377	12,225,668	(2,725,792)
Southern California Association of Governments	-	-	-	-	-	-	-	-	-	-	661,180	661,180	661,180	661,180	-
	<u>\$ -</u>	<u>\$ 2,058,945</u>	<u>\$ 36,656,673</u>	<u>\$ 35,634,438</u>	<u>\$ 5,963,085</u>	<u>\$ 8,688,877</u>	<u>\$ 190,802</u>	<u>\$ 268,046</u>	<u>\$ 1,103,671</u>	<u>\$ 1,103,671</u>	<u>\$ 4,221,744</u>	<u>\$ 4,232,243</u>	<u>\$ 48,135,975</u>	<u>\$ 51,986,220</u>	<u>\$ (3,839,746)</u>

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, 2021

	<u>Prior Year Unallocated Apportionment</u>	<u>Allocation Returned</u>	<u>Current Year Apportionment</u>	<u>Current Year Allocated</u>	<u>Allocation From Reserves</u>	<u>Total Current Year Allocation</u>	<u>Unallocated Apportionment</u>
Administration and planning							
Auditor/controller	\$ -	\$ -	\$ 34,272	\$ 34,272	\$ -	\$ 34,272	\$ -
SBCTA administration	-	-	881,573	881,573	-	881,573	-
SBCTA planning	-	-	2,644,719	2,644,719	-	2,644,719	-
SCAG planning	-	-	661,180	661,180	-	661,180	-
Total administration and planning	-	-	4,221,744	4,221,744	-	4,221,744	-
Bicycle and pedestrian Program SB 821	99,547	707,105	1,678,711	-	-	-	2,485,363
Transportation:							
Valley	60,116,384	1,202,148	59,943,058	23,554,676	(2,750,207)	20,804,469	97,706,914
Adelanto	566,357	-	1,318,389	1,294,612	-	1,294,612	590,134
Apple Valley	69,312	-	2,756,550	2,795,327	-	2,795,327	30,535
Barstow	15,676	-	906,167	863,816	-	863,816	58,027
Big Bear Lake	2	-	204,910	204,910	-	204,910	2
Hesperia	541,581	-	3,615,739	4,074,854	-	4,074,854	82,466
Needles	1	-	190,802	190,802	-	190,802	1
Twentynine Palms	75,585	-	1,086,575	1,162,160	-	1,162,160	-
Victorville	504,253	-	4,748,204	4,706,882	-	4,706,882	545,575
Yucca Valley	-	-	827,370	827,370	-	827,370	-
County - unincorporated	401,517	-	6,659,072	6,989,029	-	6,989,029	71,560
Total transportation	62,290,668	1,202,148	82,256,836	46,664,438	(2,750,207)	43,914,231	99,085,214
Total apportionments	<u>\$ 62,390,215</u>	<u>\$ 1,909,253</u>	<u>\$ 88,157,291</u>	<u>\$ 50,886,182</u>	<u>\$ (2,750,207)</u>	<u>\$ 48,135,975</u>	<u>\$ 101,570,577</u>

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, 2021

	<u>Apportionment</u>
Prior year audited unrestricted fund balance	\$ 12,352,185
Estimated annual LTF receipts	83,771,794
Returned fiscal year 2019/2020 fund reserve	9,674,630
Proposed fiscal year 2020/2021 fund reserve	(8,377,179)
Proposed Additional Fund Reserve	<u>(9,264,139)</u>
Total estimated funds available	88,157,291
Auditor's administrative costs	(34,272)
SBCTA's administrative costs	(881,573)
County transportation commission planning	(2,644,719)
SCAG planning	<u>(661,180)</u>
Resulting balance	83,935,547
Article 3 (SB 821) program	<u>(1,678,711)</u>
Balance available for apportionment	<u><u>\$ 82,256,836</u></u>

<u>Apportionment Area</u>	<u>Population</u>	<u>Percentage</u>	<u>Apportionment</u>
Valley	1,597,525	72.87 %	\$ 59,943,058
Adelanto	35,136	1.60	1,318,389
Apple Valley	73,464	3.35	2,756,550
Barstow	24,150	1.10	906,167
Big Bear Lake	5,461	0.25	204,910
Hesperia	96,362	4.40	3,615,739
Needles	5,085	0.23	190,802
Twentynine Palms	28,958	1.32	1,086,575
Victorville	126,543	5.77	4,748,204
Yucca Valley	22,050	1.01	827,370
County - unincorporated	<u>177,469</u>	<u>8.10</u>	<u>6,659,072</u>
Total	<u><u>2,192,203</u></u>	<u><u>100.00</u></u> %	<u><u>\$ 82,256,836</u></u>

Population Source: California Department of Finance and County Demographic Research Unit January 2019.

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 20, 2020.

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, 2021

---

<u>Transportation Operators</u>	<u>Unclaimed Allocations</u>
MARTA	\$ 696,675
MBTA	291,568
Omnitrans	1,195,723
SBCTA	7,626,149
VVTA	<u>5,647,431</u>
Total unclaimed allocations	<u>\$ 15,457,546</u>

<u>Bicycle, Pedestrian, and Transit Stop Access Projects</u>	<u>Unclaimed Allocations</u>
City of Adelanto	\$ 53,897
City of Big Bear Lake	1,067,894
City of Chino	567,729
City of Chino Hills	249,997
City of Fontana	245,209
City of Highland	323,110
City of Loma Linda	31,497
City of Ontario	233,387
City of Rancho Cucamonga	403,000
City of Redlands	1,134,108
City of Rialto	265,432
City of San Bernardino	124,723
City of Victorville	493,600
City of Yucaipa	466,230
County of San Bernardino	467,645
County of San Bernardino- Dept of Public Health	92,616
OMNITRANS	354,585
Town of Apple Valley	53,897
Victor Valley Transit Authority	<u>34,759</u>
Total unclaimed allocations	<u>\$ 6,663,315</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, 2021, and the related notes to the financial statements, and have issued our report thereon dated November 16, 2021. 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, 2021, 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.

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(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.

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

Crowe LLP

Costa Mesa, California  
November 16, 2021



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

**FINANCIAL STATEMENTS**

June 30, 2021

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

FINANCIAL STATEMENTS  
June 30, 2021

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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, 2021, 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.

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(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, 2021, 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, 2021, 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 16, 2021 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 16, 2021

STATE TRANSIT ASSISTANCE FUND OF THE COUNTY OF SAN BERNARDINO,  
AS ADMINISTERED BY THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
BALANCE SHEET  
June 30, 2021

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**ASSETS**

Cash and investments in San Bernardino County Treasury Pool	\$ 77,384,876
Accrued interest receivable	305,442
Intergovernmental receivable	<u>4,677,530</u>

Total assets \$ 82,367,848

**LIABILITIES**

Due to other funds	\$ 8,654,507
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**FUND BALANCE**

Restricted:	
Restricted allocations available for operators	7,620,368
Restricted for unclaimed allocations	18,185,154
Unallocated restricted balance	<u>47,907,819</u>
	<u>73,713,341</u>

Total liabilities and fund balance \$ 82,367,848

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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, 2021

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**Revenues**

Intergovernmental	\$ 18,145,516
Investment earnings	<u>(33,644)</u>
Total revenues	18,111,872

**Expenditures**

Transit	<u>\$ 20,521,879</u>
Total expenditures	20,521,879

**Change in fund balance** (2,410,007)

Fund balance, beginning of year 76,123,348

**Fund balance, end of year** \$ 73,713,341

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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  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2021

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**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, 2021, 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 60 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, 2021. The unallocated restricted fund balance represents amounts that have not been apportioned or allocated by SBCTA.

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(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, 2021

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**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 2021. 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 Annual Comprehensive Financial Report (ACFR). 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](http://www.sbcounty.gov).

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(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, 2021

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**NOTE 3 - FUND BALANCE**

At June 30, 2021, amounts are restricted for apportioned and unallocated amounts and for unpaid allocations by claimants.

Restricted apportionments available to operators:	
SBCTA Commuter Rail Program	5,176,042
City of Needles	2
Mountain Area Regional Transit Authority	56,294
Morongo Basin Transit Authority	40,268
Omnitrans	2,382,894
Victor Valley Transit Authority	<u>(35,132) *</u>
	7,620,368
Restricted for unclaimed allocations:	
Commuter Rail	12,465,070
City of Needles	235,648
Mountain Area Regional Transit Authority	812,121
Morongo Basin Transit Authority	485,575
Omnitrans	3,108,286
Victor Valley Transit Authority	<u>1,078,454</u>
	18,185,154
Unallocated restricted balance:	
Unallocated restricted balance	49,701,941
Unapportioned STAF	<u>(2,893,194) *</u>
Unapportioned fund reserve	1,900,402
Unrealized gain on investment	<u>(801,330)</u>
	<u>47,907,819</u>
 Total restricted fund balance	 <u><u>73,713,341</u></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.

## **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, 2021

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<u>Recipient</u>	Prior Year Unclaimed Allocations <u>Balance</u>	Current Year <u>Allocation</u>	Total <u>Expenditures</u>	Returned <u>Allocations</u>
SBCTA Commuter Rail Program	\$ 14,010,310	\$ 13,982,621	\$ 14,788,448	\$ 1,024,859
City of Needles	206,518	147,772	118,642	-
Mountain Area Regional Transit Authority	2,150,521	218,334	1,556,734	-
Morongo Basin Transit Authority	592,497	67,500	174,422	-
Omnitrans	6,676,073	95,000	3,377,341	-
Victor Valley Transit Authority	<u>1,366,845</u>	<u>217,901</u>	<u>506,292</u>	<u>-</u>
	<u>\$ 25,002,764</u>	<u>\$ 14,729,128</u>	<u>\$ 20,521,879</u>	<u>\$ 1,024,859</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, 2021, and the related notes to the financial statements, and have issued our report thereon dated November 16, 2021. 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, 2021, 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.

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(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.

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

Crowe LLP

Costa Mesa, California  
November 16, 2021

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, 2021. 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.

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(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 16, 2021

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY  
APPROPRIATIONS LIMIT CALCULATION  
Year ended June 30, 2021

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	<u>Amount</u>	<u>Source</u>
A. Last year's limit	\$1,294,999,999	
B. Adjustment factors:		
1. Population change	1.0373	State Finance
2. Per capital change	1.0051	State Finance
Total adjustments [(B.1 x B.2)] – 1.0]	0.042590	
C. Annual adjustment	<u>55,154,050</u>	A x B
D. This year's limit	<u>\$1,350,154,049</u>	A + C



## 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 PPM21-6507(023) (the Report) for amounts received under the PPM Program Fund Transfer Agreement Number PPM21-6507(023) during the contract period July 1, 2020 to June 30, 2021. 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 PPM21-6507(023) 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 16, 2021

**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. PPM21-6507(023), Project No. PPM21-6507(023), for the contract period July 1, 2020 through June 30, 2021, 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, 2021 were \$1,068,000.

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Hilda Flores, Chief Financial Officer

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Date

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, 2021.

***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 SBCTA's compliance with 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, 2021.

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(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 16, 2021