## Annual Comprehensive Financial Report

For the year ended June 30, 2023

Testing of the first-of-its-kind Zero-Emission Multiple Unit [ZEMU] running on Hydrogen power.



San Bernardino County Transportation Authority | San Bernardino Council of Governments 1170 West Third Street, San Bernardino, CA 92410 | www.gosbcta.com | 909.884.8276

# San Bernardino County Transportation Authority

San Bernardino, CA

# Annual Comprehensive FINANCIAL REPORT

For Year Ended June 30, 2023







Prepared by SBCTA, Finance Department



SBCTA is phasing in improvements to various ramps throughout the county. Crews are grading the slopes of part of the widened ramp access to and from Alabama Street in Redlands.

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Crews drive heavy rollers over freshly placed hot mix asphalt to serve as the foundation for new ramps on Interstate 10 in Redlands.







November 27, 2023

To the Citizens of San Bernardino County, California and Honorable Board Members of San Bernardino County Transportation Authority:

The Annual Comprehensive Financial Report (ACFR) of San Bernardino County Transportation Authority (SBCTA), San Bernardino, California, for the fiscal year ended June 30, 2023, is submitted herewith. The ACFR is presented in conformity with generally accepted accounting principles in the United States (US) (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 required by GAAP and 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. The 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 objective of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The costs of internal control should not exceed the anticipated benefits.

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.

SBCTA Policy No. 20000, Financial Policies, requires an independent audit by a certified public accountant. Crowe, LLP, Certified Public Accountants, was procured to conduct the audit and has issued an unmodified opinion on SBCTA's financial statements for the fiscal year ended June 30, 2023. The auditor's report on the financial statements and required supplementary information are 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 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, consolidating the agency's transportation entities into a singular statutory entity. Senate Bill 1305 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.

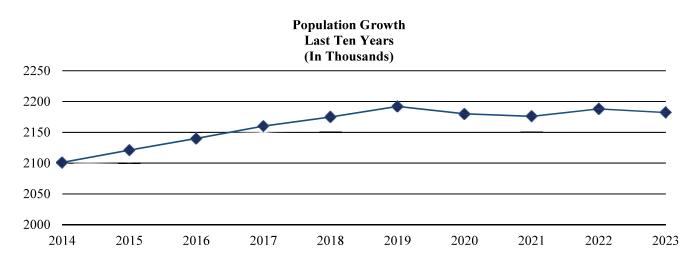
*Subregional Planning Agency.* SBCTA represents the San Bernardino County sub-region and assists the Southern California Association of Governments in carrying out its function as the metropolitan planning organization. SBCTA performs studies and develops consensus relative to input into regional growth 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 of Directors (Board) approval.

#### Local Economy

San Bernardino County and Riverside County collectively comprise the Inland Empire. The Inland Empire continues to be one of the largest economies in the US. The competitive advantages of affordable housing and commercial real estate attract new businesses and economic growth for the region. The US and Inland Empire economies have reported an increase in unemployment and personal income for 2023.



The population of San Bernardino County has grown by 3.9% over the last ten years.

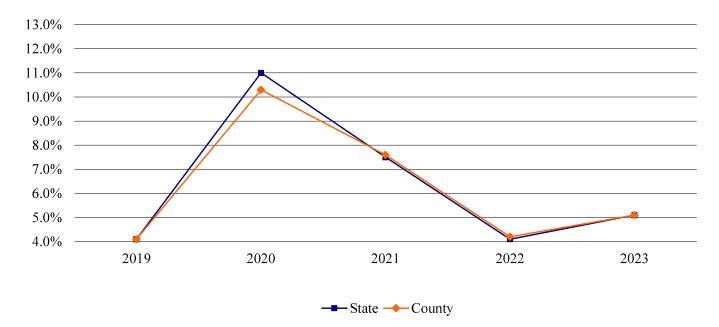
The following table summarizes the civilian labor force, employment and unemployment, and employment rate for the State of California and San Bernardino County for the calendar years 2019 through 2023. The figures for 2023 are as of eight months ending August 2023. Data for each of the years is not seasonally 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 4.2% in 2022 due to the continued rebound of the economy from the impact of the COVID-19 pandemic that occurred in 2020.

STATE OF CAER OKNIA AND SAN BERNARDING COUNT I STATISTICAE AREA										
Civilian La	Civilian Labor Force, Employment, Unemployment and Unemployment Rate-Annual Averages									
(In Thousands)										
2019 2020 2021 2022 2023									023	
	State	County	State	County	State	County	State	County	State	County
Civilian labor force	19,386	954.8	18,676	951.9	18,983	977.7	19,288	1,020.0	19,403	1,020.0
Employment	18,594	915.3	16,618	853.8	17,551	903.1	18,506	977.5	18,508	977.5
Unemployment	802	39.5	2,058	98.2	1,432	74.6	783	42.5	895	42.5
Unemployment rate	4.2%	4.1%	11.0%	10.3%	7.5%	7.6%	4.1%	4.2%	5.1%	5.1%

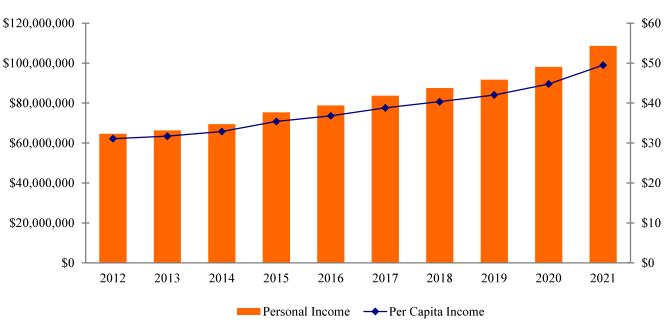
STATE OF CALIFORNIA AND SAN BERNARDINO COUNTY STATISTICAL AREA

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

#### Unemployment Rate County versus State Last Five Years

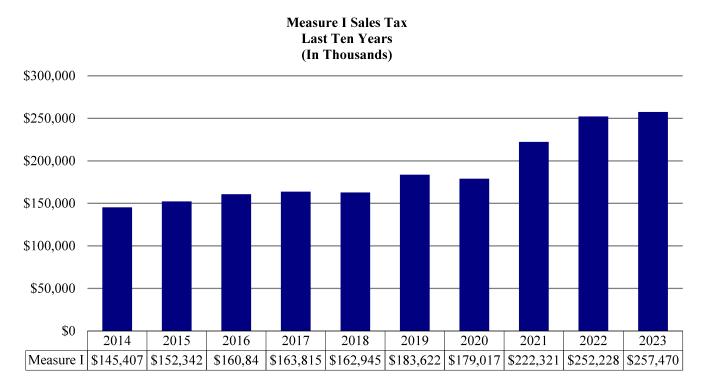


Personal income increased from \$59.8 billion in 2010 to \$108.6 billion in 2021, reflecting a strong improvement in the local economy during that period. Personal income increased to \$10.5 thousand in 2021. The unprecedented worldwide pandemic had a negative impact on the economy in 2020, but the figures for personal and per capita income increased once again in 2021.



#### Personal Income and Per Capita Income Years 2012-2021 (In Thousands)

Measure I sales tax receipts have increased steadily over the last ten years due to 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 the 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 2023 resulted in an increase of 2.1% or \$5.2 million, mainly due to the continuous increase of consumer spending and inflation.



Measure I sales tax revenue will affect future bond financing and transportation project delivery. The economy has recovered from the negative economic impact of the COVID-19 pandemic with the rebound experienced in 2021 through 2023 mainly due to increased consumer spending and inflation. Unemployment has decreased as the consumer price index expanded and the region continues to retain a sound base for future economic growth, including 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 September 2021. This update provides 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 \$5.1 billion. Funding includes \$1.6 billion from Measure I sales tax revenue, \$3.1 billion from federal, state, and local sources, and \$401 million from issuance of sales tax revenue bonds. 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 continue to be 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. SBCTA continues to actively pursue funding from the following funding sources for various projects:

- 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, sound walls, and other transportation improvement projects; and
- 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.

#### **Major Initiatives**

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

#### **COUNCIL OF GOVERNMENTS**

The following initiatives were undertaken as part of the Council of Governments (COG) activities:

- The San Bernardino Regional Housing Trust (SBRHT) is a new program that will bring funds to the region to plan and build affordable housing throughout the region. Presentations have been provided on potential governance structures for the Trust and tools needed for implementation. To provide input to the formation of the trust, staff met regularly with ad hoc committees of the Board of Directors and City/County Manager Technical Advisory Committee (CCMTAC). Staff provided updates on Housing Legislation to the CCMTAC and the Board of Directors. Outreach presentations were provided to several member jurisdiction City Councils on the Housing Trust.
- Received approval and funding by the California Public Utilities Commission (CPUC) for the development and implementation of the Inland Regional Energy Network (I-REN) for San Bernardino and Riverside Counties. This partnership, with Western Riverside Council of Governments (WRCOG) as the lead agency, Coachella Valley Association of Governments (CVAG) and SBCOG seeks to connect businesses, and local governments to a wide range of energy efficiency resources to promote and increase energy savings and provide equitable access to eligible public entities throughout the Inland Empire. The total project funding is \$65 million from 2022-2027 covering both Riverside and San Bernardino Counties. Staff worked closely with WRCOG and CVAG to develop and execute a Memorandum of Agreement (MOA) and Governance and Operations Charter for the I-REN Project.
- Completed Outreach for Cucamonga Canyon Management Plan.
- Initiated development of a Smart County Master Plan (SCMP) to explore the application of multiple technologies across governmental sectors for San Bernardino County.
- Regional Early Action Planning The housing shortage continues to be one of our State's top priority issues. The 6th Regional Housing Needs Assessment (RHNA) cycle brought many new challenges for our jurisdictions in developing their Housing and Community Development (HCD) compliant housing elements. In this cycle, the RHNA allocations were far greater than what had been any previous cycles. HCD added new Affirmatively Furthering Fair Housing (AFFH) analysis requirements, new re-zoning restrictions, new housing unit credit methodologies, and strict timelines. In addition, while our jurisdictions were trying to grapple with new requirements, new housing bills were passed and signed into law that led to release of more HCD guidelines and technical memo on how to incorporate changes into the draft housing elements. To address some of these challenges, SBCOG used \$2.5M of Regional Early Action Planning (REAP 1.0) grant funds to offset some of the burden placed on local jurisdictions on addressing plans related to housing. The effort provided direct technical assistance in staffing, data, guidelines interpretation, capacity studies, and training. The program was intended to provide support to all SBCOG member jurisdictions by offering a menu of options to access services and tools depending on their unique needs associated with their housing element adoption process. It was

implemented to support the preparation of housing elements, provide jurisdictions with support on multiple ways for implementation of updated housing-related laws, and supports the development of housing for low and very low-income residents.

#### LEGISLATION AND PUBLIC AFFAIRS

#### Legislation

Fiscal Year 2023/2024 was another busy legislative cycle for the SBCTA's advocacy program. SBCTA, along with other transportation agencies were successful in advocating against intrusive legislative policies such as Assembly Bill 6 and 7 by Assembly Member Friedman as well as Assembly Bill 1525 by Assembly Member Bonta. These types of legislative policies have the potential to erode access to funding for projects that improve the mobility of San Bernardino County residents. The team continues to work on the development of important relationships with key state and federal department leaders and staff to ensure that San Bernardino County's voice is heard and considered during critical policy discussions. They also provide enhanced awareness of a need to address goods movement along, US Highway 395 (US 395), State Route 60 (SR-60), Interstates 10 (I-10) and 15 (I-15) corridors, respectively, and ensure a thorough evaluation of all transportation projects brought into the region do not adversely impact disadvantaged communities. Moreover, the team remains vigilant in the work of providing our State and Federal elected delegation with a greater awareness of SBCTA's innovative transit projects and our goal to bring several zero-emission projects (Zero-emission Multiple Unit, Ontario International Airport tunnel transit service, and the Brightline high-speed rail service) together in one multi-modal location in the City of Rancho Cucamonga.

#### **Public Affairs**

Public outreach continues to be the cornerstone to marketing SBCTA's robust program and growing influence on transportation throughout the region. An established and well-rounded outreach strategy has resulted in growth in digital engagement with 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. With the agency's reputation as the transportation authority for the county evolving, more and more eyes are focused on the goals and objectives of the agency. Media coverage relates to more stories about SBCTA's transit renaissance, as the symmetry between Board and Staff leads to way to innovative solutions for the variety of ways people move to and through San Bernardino County.

#### COMMUTER AND MOTORIST ASSISTANCE

#### **Call Box Program**

SBCTA operates 777 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 some 3,500 calls were received from the call box network. A procurement was issued early in the fiscal year to secure continuing maintenance support for the call boxes.

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

SBCTA provides FSP services along 108 centerline 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. In addition, the following were undertaken.

• Continued the transition to a regional 511 system merger with Los Angeles County Service Authority for Freeway Emergencies (LA SAFE), Orange County Transportation Authority (OCTA), Riverside County Transportation Commission (RCTC) and Ventura County Transportation Commission (VCTC) so that all five agencies are now the Southern California 511 (SoCal 511) system. The goal is to provide seamless regional traveler information through the SoCal 511 system for all commuters in the Southern California region. SoCal 511 will include the

regions covered by LA SAFE, OCTA, RCTC, SBCTA and VCTC.

- Continued to explore technology to be used for the FSP Program and provided software updates to existing technology.
- Continue to review and make changes to FSP Request for Proposal (RFP) documents and contracts in an effort to attract more qualified tow companies to submit a proposal and participate in the FSP Program.
- Transitioned all FSP Global Positioning Systems (GPS) tracking system for the FSP Program to the latest digital technology.

#### **REGIONAL AND SUBREGIONAL PLANNING**

SBCTA completed a number of planning and analysis activities in Fiscal Year 2022/2023, the more significant of which include:

- Initiated work with Southern California Association of Governments (SCAG) on the 2024 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS "Connect SoCal").
- Continuation of project delivery on Active Transportation Program (ATP) grants from Cycles 1-5 and assistance to jurisdictions on Cycle 6 applications. Over \$70 million in grants has been awarded to San Bernardino County jurisdictions in Cycles 1-5 of this program.
- Prepared a draft of Phase II of the Regional Conservation Investment Strategy (RCIS) and submitted it to the California Department of Fish and Wildlife (CDFW) with leadership from the Environment Element Group of the Countywide Vision.
- Initiated development of the Environmental Impact Report of the San Bernardino County Sub-regional Greenhouse Gas Reduction Plan. This will serve as programmatic environmental clearance for individual jurisdiction Climate Action Plans.
- Sidewalk inventory data were collected and analyzed for Phase 2 of the Comprehensive Pedestrian Sidewalk Connectivity Plan. The project was funded by a Caltrans planning grant.
- In response to Senate Bill 743 (SB743), Phase 2 of the Countywide Vehicle Miles Traveled (VMT) Implementation Study was completed. Phase 2 was focused on VMT mitigation strategies, including the potential for a VMT mitigation bank.
- Multiple grant applications were submitted, including: Transit and Intercity Rail Capital Program grants for the Tunnel to Ontario (autonomous transit tunnel from Cucamonga Station to Ontario International Airport), and Metrolink Double-Track in Rialto (through Metrolink application), and Omnitrans efficiency improvements and Zero-Emission Buses; and SB1 grants for I-10 Freight Corridor from I-15 to Pepper Avenue, US 395 Freight Corridor from I-15 to State Route 18 (SR-18), and Metrolink Double-Track, Lilac to Sycamore.
- An update to the Comprehensive Multimodal Corridor Plan (CMCP) was completed in conjunction with Caltrans District 8 and the Riverside County Transportation Commission (RCTC).
- Completed the 2022 Development Mitigation Nexus Study update.
- Continued the SR-18/State Route 138 (SR-138) Corridor Study in conjunction with Los Angeles County Metropolitan Transportation Authority (LACMTA), including a draft report.

#### 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 the County operators brought back the majority of their pre Covid-19 service and there has been an increase in ridership recovery although still not at pre-pandemic levels. However, the larger Operators, Omnitrans and VVTA (Victor Valley Transit Authority), have struggled to hire coach operators, which is the major factor in all services being restored back to 100%. The SBCTA Loop vanpool program continued to grow and generate Federal Transit Administration (FTA) Section 5307 funding for the County. SBCTA's IE Commuter program found traction in the new \$5/Day rideshare incentive and SBCTA continued to lead the regional rideshare software contract between Los Angeles Metro, Orange County Transportation Authority, Riverside County Transportation Commission, and Ventura County Transportation Authority, with work continuing to consolidate databases between these agencies.

#### 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 approved advancing a hydrogen fuel cell-battery hybrid propulsion unit, the first of its kind in North America. Stadler, the vehicle manufacturer, has completed the vehicle assembly and has completed commissioning activities scheduled to be completed overseas. The ZEMU vehicle was unveiled at the international InnoTrans Rail Conference in Berlin, Germany in September 2022 and was shipped to the US to complete commissioning activities at the Federal Railroad Administration (FRA) Transportation Technology Center, located in Pueblo, Colorado.

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

Construction on the RPRP was completed and revenue service started October 2022. This includes both the mainline and the vehicle maintenance facility. Manufacturing and testing of the vehicles was completed this year as well. Substantial progress was made with the close-out activities under the program.

#### West Valley Connector Phase I

The grant agreement for the Federal Transit Administration (FTA) Capital Investment Grant (CIG) program grant allocation of \$86.75 million was completed and the grant agreement signing event was held March 20, 2023. The mainline corridor design was finalized, and the Invitation for Bids (IFB) was completed and released May 15, 2023. The final design of the maintenance facility was also completed. Further, substantial progress on the right-of-way acquisition activities was made.

#### Tunnel to ONT and Brightline West at Cucamonga Station

Work to environmentally clear the direct connector between Ontario International Airport (ONT) and Cucamonga Station continued. Industry outreach for the design build procurement effort also commenced. The Request for Qualifications (RFQ) to shortlist an operating system provider and design-build team was prepared and released. The agreement was reached with Brightline West on the railroad right of way lease necessary for them to connect to the Cucamonga Station. Progress was also made on the land sale and other easements needed for Brightline West to construct their high-speed rail station at Cucamonga Station, which were approved by the SBCTA Board in October 2022.

#### 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, five (5) grant of use agreements were executed, or amended, in Fiscal Year 2022/2023 with a focus on utilizing the master license agreement template.

#### **PROJECT DELIVERY**

#### I-10 Corridor Freight and Express Lane Project – Contract 1 & 2, Multiple Cities

The Project Approval/Environmental Document 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. The first segment of the I-10 corridor – Contract 1 from the Los Angeles County Line to I-15 (Design-Build) is currently in the  $3^{rd}$  year of construction and anticipated to be completed for beneficial use by early 2024. The second segment of the I-10 corridor (Contract 2) will be processed as a design-bid-build project and will continue the express lanes from I-15 to Pepper Avenue. A design consultant was selected to perform the design of Contract 2. Design services are underway and in order to expedite project delivery, the I-10 Corridor Freight and Express Lane Project – Contract 2 will be delivered in two (2) segments: Segment 2A: I-15 to Sierra Avenue and Segment 2B: Sierra Avenue to Pepper Avenue. It is anticipated that the design work will take about two and one-half (2  $\frac{1}{2}$ ) years to complete, resulting in a final design package to advertise for construction in mid-2024 for Segment 2A and early 2025 for Segment 2B.

#### I-15 Corridor Freight and Express Lane Project - Contract 1, Multiple Cities

The Environmental Document (ED) for the 14-mile I-15 Corridor Project was approved in December 2018. The Project will be delivered in multiple construction packages. The first construction package, known as the I-15 Corridor Freight and Express Lanes Project - Contract 1, will construct one (1) to two (2) express lanes in each direction from south of SR-60 to north of Foothill Boulevard and add auxiliary lanes at select locations in order to improve freight movement and reduce traffic congestion. The 65% Plans, Specifications, and Estimates (PS&E) milestone was achieved in April 2022,

95% PS&E milestone in October 2022, and Final Design Package approval/Ready to List (RTL) in October 2023. The Construction Management (CM) services contract was awarded in September 2022, and the CM team is supporting development of the Invitation for Bids (IFB) package. Procurement of the construction contractor is anticipated from January through April 2024, and construction is expected to start in June 2024.

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

The I-10 Cedar Avenue Interchange Improvement Project, in the County of San Bernardino, is the highest priority project in the Measure I 2010-2040 Freeway Interchange Program. Cedar Avenue is a north – south arterial in the unincorporated community of Bloomington and forms a tight diamond interchange with the I-10. This location has been experiencing high levels of traffic congestion resulting in low levels of service. The Project will reconstruct and widen Cedar Avenue the bridge over I-10 and the Union Pacific Railroad. The Project's PS&E were prepared by Caltrans and approved on April 25, 2022. The Union Pacific Railroad Construction and Maintenance Agreement was approved on May 16, 2022, and the Right-of-Way Certification was approved by Caltrans on June 21, 2022. An Invitation for Bids was released on June 30, 2022. Construction started in late 2022 and is anticipated to take approximately two and one-half (2 ½) years to complete. A Public Outreach program is in place and will be maintained during the construction period.

#### North First Avenue Bridge over BNSF Railroad Project, Barstow

The project will replace the existing North First Avenue Bridge over a BNSF railroad. The existing bridge was built in 1930 and has been deemed structurally deficient and functionally obsolete. The Construction and Maintenance Agreement was executed in March 2021. The contract plans, specifications, and estimate were approved in January 2022, an Invitation for Bid was released in May 2022, and a construction contract was awarded in September 2022. Construction started in December 2022 with completion for beneficial use by the middle of 2024.

#### I-10 Mount Vernon Avenue Interchange Improvement Project, Colton

The I-10 Mount Vernon Avenue Interchange Improvement Project, in the City of Colton, is ranked No. 19 in the priority list under the Measure I 2010-2040 Freeway Interchange Program. Mount Vernon Avenue is a north-south arterial in the City of Colton and connects to I-10 via a split tight diamond configuration in the westbound direction and hook ramps in the eastbound direction. The Project will replace the Mount Vernon overcrossing over I-10, which will also accommodate the future I-10 Corridor widening. The Project received environmental approval on April 19, 2022, and is currently in the design phase. The Right-of-Way requirement maps were approved on April 11, 2022, and resolutions of necessity were presented to SBCTA Board of Directors in September 2023. Construction is anticipated to start late 2024 and is to take approximately two and one-half (2  $\frac{1}{2}$ ) years to complete. A Public Outreach program is in place and will be maintained during the ROW and construction phases.

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

The I-215 University Parkway Interchange Improvement Project will address traffic congestion and improve freeway access for the City of San Bernardino and the region by reconstructing the existing tight diamond interchange into a Diverging Diamond Interchange (DDI) configuration. The DDI is a new innovative concept that will improve traffic operations by reducing vehicular conflict points and traffic signal phases by diverting vehicles to the left side of the road between both ramp intersections. The 95% design was submitted to Caltrans for oversight review. The Construction Management Services firm has been selected and a Contract Task Order was issued in July 2022. Acquisition of the remaining needed ROW is ongoing through the eminent domain process while staff is concurrently negotiating with property owners. Construction is anticipated to start in the summer of 2024 and is anticipated to take approximately one (1) year to complete.

#### State Route (SR-210) Lane Addition – Highland Avenue to San Bernardino Avenue, Multiple Cities

The SR-210 Lane Addition project is a gap closure project that includes the addition of one general purpose lane in each directing within the median between Highland Avenue in the City of San Bernardino and San Bernardino Avenue in the City of Redlands. Pavement rehabilitation work is also included along this section of the corridor. Construction began in November 2019, and the project was completed for beneficial use in the summer of 2023. Final construction is expected in late November 2023.

#### I-215 Bi-County Landscape Project and Segment 5, Multiple Cities

The I-215 Bi-County Landscape Project provides landscaping from the San Bernardino County/Riverside County line to Orange Show Road. The environmental phase was completed in June 2020, and the design phase is anticipated to be completed by March 2024. The I-215 Bi-County Landscape Project will be combined with the I-215 Segment 5 Landscape project. Design of Segment 5 is also anticipated to be completed by March 2024. Both projects will be combined into one construction package. It is anticipated that construction will begin in late summer 2024.

#### US 395 Widening Project, Phase 2, Hesperia and Victorville

US 395 is widely recognized as a critical linkage for goods movement, supporting the economies of multiple inland counties, and an important agricultural route to and from the Central Valley. The first segment (US 395, Phase 1) between SR-18 and Chamberlaine Way was completed and opened for beneficial use in 2020. This "gap closure" project between I-15 and SR-18 is the second of the three-phase project. Phase 3 between Chamberlaine Way and Desert Flower Road will be undertaken in the future as funding becomes available. The Project will widen US 395 from two lanes to four lanes, with a continuous median, between 0.4 miles north of I-15 and SR-18 (Palmdale Road), a distance of approximately seven miles. It will be a collaborative effort by San Bernardino County Transportation Authority and Caltrans. The design services contract was awarded in July 2022, and the design is expected to be completed in fall of 2024. Construction is planned to start in early 2025. It is anticipated that SBCTA will also be the lead agency for construction.

#### Mt. Vernon Viaduct, San Bernardino

The objective of this project is the demolition and replacement of the existing bridge over the San Bernardino BNSF Railway Intermodal Yard. Design-Build delivery is being used on the project to expedite replacement of the bridge, and the contract was executed in June 2020. Demolition of the existing bridge started at the end of 2020 and was completed in May 2021. Work continues to acquire right-of-way with one remaining property left to acquire. Relocation of utilities, BNSF mitigation activities, and final design work on the new bridge and adjoining local street improvements is ongoing. The new bridge is expected to be complete and open to traffic in the Fall of 2025.

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

This project includes providing safe pedestrian and bicycle access to key corridors at Metrolink stations in the Cities of Montclair, Upland, Rancho Cucamonga, Fontana, and San Bernardino. Final design was completed in February 2023 and construction is expected to start January 2024.

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

The I-10 Eastbound Truck Climbing Lane Project will improve traffic operations along a three-mile stretch of I-10 between the Sixth Street overcrossing in the City of Yucaipa through County Line Road in the City of Calimesa by adding an eastbound truck climbing lane for slow moving vehicles. This segment of freeway is on steep grade while carrying a large volume of trucks since I-10 is a critical goods movement corridor for the region and the rest of the country. The project will include widening of Oak Glen Creek Bridge, paving the median portion of the freeway, and constructing a concrete median barrier. This project will be funded with Senate Bill 1 Transportation Corridor Enhancement Program funds. The environmental phase was completed in November 2020, design began in July 2021, and the right of way certification was approved in April 2022. The Construction Management firm was selected, and the contract was approved by the Board in June 2022. Construction is anticipated to start in the spring of 2024 and is anticipated to take approximately one and one-half (1 ½) years to complete. Coordination with a recent Caltrans pavement rehabilitation project along the same segment of freeway resulted in cost savings for both Caltrans and SBCTA.

#### SR-60 Central Avenue Interchange Improvement Project, Ontario

The SR-60 Central Avenue Interchange Improvement Project will widen freeway ramps, improve the ramp intersections, and widen the Central Avenue Bridge over SR-60. Construction activities are continuing with final electrical work, final stripping, installation of irrigation, and new planting. It is anticipated that the project will be completed for beneficial use by late 2023 and a one-year Plant Establishment period will begin. Subsequent to the one-year Plant Establishment Period, a four-year extended plant maintenance contract will be awarded before Caltrans assumes maintenance of the interchange.

#### I-10 Alabama Street Interchange Improvement Project, Redlands

The I-10 Alabama Street Interchange Project widened Alabama Street from Orange Tree Lane to Industrial Park Avenue and widened the eastbound and westbound exit ramps. Construction began in December 2021, and was completed for beneficial use at the end of 2022. The project is currently in the 1-year plant establishment period.

#### I-10 University Street Interchange Improvement Project, Redlands

The I-10 University Street Interchange Improvement Project installed traffic signals at the ramps, widened the eastbound exit and westbound entrance ramp, and provided pavement rehabilitation from Citrus Avenue and the westbound entrance ramp. Construction began in April 2021, and was completed in September 2022. The project is currently in the landscape phase with a 1-year plant establishment period.

#### SR-210 Waterman Avenue Ramp and Street Improvement Project, San Bernardino

The SR-210 Waterman Avenue Ramp and Street Improvement Project will widen the eastbound entrance ramp and restripe Waterman Avenue to provide dual left-turn lanes to the eastbound entrance ramp and 30<sup>th</sup> Street. A cooperative agreement was executed in December 2021. An environmental and design contract was awarded in September 2022. The project will be processed as a Caltrans Encroachment Permit project. The environmental phase was completed in July of 2023 and the design is anticipated to be completed in late 2023 with construction beginning in summer of 2024.

#### **FUND ADMINISTRATION**

In December 2021 the Board adopted the 2021 Update to the 10-Year Delivery Plan, which was the largest plan to date with 64 projects totaling \$5.1 billion in regional improvements and relying on \$1.6 billion in Measure I revenue. The plan was developed within the policy framework established by the voter-approved Measure I Expenditure Plan and provides a transparent list of projects that will be developed during the next decade. The 10 Year Delivery Plan defines the current assumptions related to revenue forecasts and project scope, schedule, and budget, and it enables SBCTA to meet the requirements of bond rating agencies for the sale of bonds and is generally updated every two years. While it was intended that work on the 2023 Update would begin in Fiscal Year 2022/2023, it was decided that the work should be delayed into Fiscal Year 2023/2024 so that the results of several large procurements could be incorporated into the bonding strategy.

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 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 North First Avenue Bridge over BNSF in the City of Barstow, US 395 Widening Phase 2, Mt. Vernon Viaduct, I-15 and I-10 Express Lanes, DMU to ZEMU, and West Valley Connector projects.

Additionally, SBCTA worked collaboratively with Southern California Association of Governments (SCAG) and other SCAG member agencies to develop policies and procedures that comply with Federal regulations for the administration and oversight of the Congestion Mitigation and Air Quality Improvement Program (CMAQ) and Urban Surface Transportation Block Grant Programs (STP) in response to a Corrective Action issued to SCAG during their 2022 Federal Certification Review. SCAG was given until June 30, 2023, to demonstrate policies and procedures that comply with Federal regulations for the administration of these programs, which will now require project approval by SCAG, and to program projects through Fiscal Year 2025/2026 before the new procedures are required. SBCTA worked with local agencies and transit operators to ensure that all available funds were programmed in Fiscal Years 2022/2023 through 2025/2026 prior to the June 30, 2023 deadline. SBCTA also coordinated with SCAG and other SCAG member agencies to develop guidelines for the Carbon Reduction Program (CRP), a new funding program established by the Bipartisan Infrastructure Law. The CRP provides funds for projects designed to reduce transportation emissions from on-road highway sources.

#### **RISK MANAGEMENT**

Risk Management in an effort to continue the safety initiatives, has continued to promote staff awareness, training on security sensitive information protocols, and prepared a resolution. This resolution was adopted by the Board of Directors, making the National Incident Management System (NIMS) the official incident Management System for large scale emergencies at SBCTA. Risk Management continues to promote initiatives that help mitigate third party and workplace injuries.

#### Awards and Acknowledgements

The Government Finance Officers Association of the US 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, 2022. This is the eleventh 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 SBCTA's current ACFR continues to meet the Certificate of Achievement Program's requirements and Finance will submit 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, 2022. 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 is possible with the efficient and dedicated services of the entire staff of the Finance Department. Special recognition is acknowledged to Lisa Lazzar, Chief of Fiscal Resources, along with the Finance staff for the preparation of the report and timely completion of the financial audit. Credit is also recognized to the SBCTA Board for their continued unfailing support to maintain the highest standards of professionalism and transparency in the

Sincerely,

Raymond W. Wolfe Executive Director

Stille & Phres

Hilda E. Flores Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

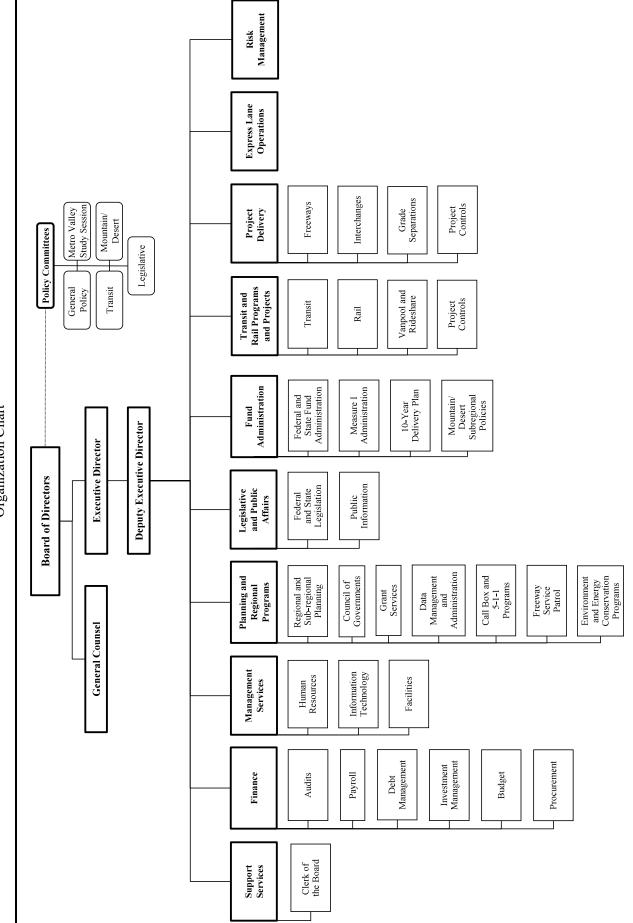
### San Bernardino County Transportation Authority California

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2022

Christophen P. Morrill

Executive Director/CEO



# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Organization Chart

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## List of Principal Officials June 30, 2023

Board of Directors							
Name	Title						
Dawn Rowe	Supervisor-County of San Bernardino	Board President					
		General Policy Committee Vice Chair					
		Legislative Policy Committee Chair					
Ray Marquez	Mayor-City of Chino Hills	Board Vice-President					
		General Policy Committee Chair					
		Legislative Policy Committee Vice Chair					
Daniel Ramos	Mayor Pro Tem-City of Adelanto						
Art Bishop	Council Member-Town of Apple Valley						
Carmen Hernandez	Council Member-City of Barstow						
Rick Herrick	Council Member-City of Big Bear Lake						
Eunice Ulloa	Mayor-City of Chino	Metro Valley Study Session Vice Chair					
Frank Navarro	Mayor-City of Colton						
Acquanetta Warren	Mayor-City of Fontana						
Sylvia Robles	Council Member-City of Grand Terrace						
Rebekah Swanson	Council Member-City of Hesperia						
Larry McCallon	Mayor-City of Highland						
Bhavin Jindal	Council Member-City of Loma Linda						
John Dutrey	Mayor-City of Montclair	Transit Committee Vice Chair					
Janet Jernigan	Vice Mayor-City of Needles						
Alan Wapner	Council Member-City of Ontario						
L. Dennis Michael	Mayor-City of Rancho Cucamonga						
Paul Barich	Mayor Pro Tem-City of Redlands						
Deborah Robertson	Mayor-City of Rialto						
Helen Tran	Mayor-City of San Bernardino						
Joel Klink	Council Member-City of Twentynine Palm	15					
Rudy Zuniga	Council Member-City of Upland						
Debra Jones	Mayor-City of Victorville	Mountain Desert Policy Committee Vice Chair					
Bobby Duncan	Mayor Pro Tem-City of Yucaipa						
Rick Denison	Mayor Pro Tem-Town of Yucca Valley	Transit Committee Chair					
Paul Cook	Supervisor-County of San Bernardino	Mountain Desert Policy Committee Chair					
Jesse Armendarez	Supervisor-County of San Bernardino	-					
Curt Hagman	Supervisor-County of San Bernardino						
Joe Baca, Jr.	Supervisor-County of San Bernardino	Metro Valley Study Session Chair					

#### **Appointed Officials**

Raymond Wolfe, Executive Director*	Julianna Tillquist, General Counsel*
Marleana Roman, Clerk of the Board/Administrative Manager	Carrie Schindler, 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
Kristi Harris, Director of Project Delivery	Tim Byrne, Director of Toll Operations
Joy Buenaflor, Deputy Director of Transit and Rail Programs	Victor Lopez, Director of Transit and Rail Programs
Juanda Lowder Daniel, Assistant General Counsel	
* A use a just at here	the Deard of Directors

\*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 Audit of the Financial Statements**

#### Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the San Bernardino County Transportation Authority (SBCTA), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the SBCTA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the SBCTA, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### Responsibilities of Management for the Financial Statements

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

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we

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

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

#### **Required Supplementary Information**

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

#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the SBCTA's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements 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.

#### Other Information

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

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

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2023 on our consideration of the 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 solely 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 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 the SBCTA's internal control over financial reporting and compliance.

Crowe UP

Crowe LLP

Costa Mesa, California November 27, 2023 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, 2023. 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 \$1,107,633,228 (*net position*).
- The unrestricted net position (deficit) of (\$395,253,939) ((\$213,559,080) from Governmental Activities and (\$181,694,859) from Business-type Activities) 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 decreased by \$28,901,320 from the previous fiscal year, mainly as a result from reduction in capital assets of \$27.1 million net of accumulated depreciation and increase in the Transportation Infrastructure Finance Innovation Act (TIFIA) Loan, offset by the change in operations. The net decrease is attributable to the \$91,285,101 increase in governmental activities net position offset by a decrease of \$120,186,421 in business-type activities net position.
- The total cost of all SBCTA's activities was \$684,160,533 (\$679,120,823 from Governmental Activities and \$5,039,710 from Business-type Activities) for the current fiscal year. Net cost of all activities was \$452,842,376 (\$447,802,666 from Governmental Activities and \$5,039,710 from Business-type Activities).
- The total fund balances of SBCTA's governmental funds were \$990,710,678 at the close of the fiscal year. The majority of the fund balances were classified as restricted, committed assigned and unassigned.
- General fund revenues exceeded expenditures and other financing sources by \$5,495,230 for the fiscal year ended. This was mainly due to transfers in from other funds, including the Local Transportation and State Transit Assistance Funds, for transit projects.
- The total fund balance of the general fund was \$15,595,546 for the fiscal year; \$254,345 nonspendable, \$14,841,201 assigned, and \$500,000 unassigned. The nonspendable amount consists of noncash assets such as deposits receivable and prepaid items. The assigned amounts are set aside for general administration, capital improvements for SBCTA owned assets, and regional and subregional planning activities. The unassigned amount is set aside for emergency purposes.
- Total capital assets, net of accumulated depreciation, decreased by \$27,127,937 or 5.7% from June 30, 2022. This decrease in capital assets is primarily due to the completion of the Redlands Passenger Rail project that included higher amount of assets being donated to the City of San Bernardino and the City of Redlands.
- SBCTA's total outstanding long-term bonded debt decreased by \$7,347,302 for principal payment and amortization of bond premiums. This was offset by the increase to the TIFIA loan by \$115,998,466.

#### **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 the 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 (business-type activities) 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 business–type activities include toll operations (revenue generation to start in fiscal year 2024).

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 ending June 30, 2023, SBCTA does not have any 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 government's 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 ten (10) 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 thirteen (13) 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.

#### **Proprietary Funds**

Proprietary funds include enterprise activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide statements. Enterprise funds are used to account for Toll Operations. Toll operations have not commenced but draws on the loan with United States Department of Transportation under the Transportation Infrastructure Finance and Innovation Act program are recorded in the enterprise fund since toll revenues are pledged to pay the loan.

Proprietary funds provide the same type of information as the Government-Wide financial statements, only in more detail. The proprietary fund financial statements can be found on pages 26-28 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 29-70 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, 2023, SBCTA's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,107,633,228. The following is condensed financial data related to net position at June 30, 2023 and June 30, 2022:

	Governmental Activities Business-type Activities			Total		
	2023	2022	2023	2022	2023	2022
Current and other assets	\$1,150,610,623	\$1,046,716,564	\$ (4,213,497)	\$ -	\$1,146,397,126	\$1,046,716,564
Capital assets-net of depreciation	446,995,050	474,122,987	-	-	446,995,050	474,122,987
Total assets	1,597,605,673	1,520,839,551	(4,213,497)	-	1,593,392,176	1,520,839,551
Deferred outflows of resources	6,119,513	7,782,892			6,119,513	7,782,892
Long-term liabilities outstanding	182,597,462	178,970,060	177,421,362	61,422,896	360,018,824	240,392,956
Net pension liability	12,958,388	7,870,511	-	-	12,958,388	7,870,511
Other liabilities	113,827,899	131,733,474	60,000	85,542	113,887,899	131,819,016
Total liabilities	309,383,749	318,574,045	177,481,362	61,508,438	486,865,111	380,082,483
Deferred inflows of resources	5,013,350	12,005,412			5,013,350	12,005,412
Net position:						
Net investment in capital assets	413,163,833	438,632,746	-	-	413,163,833	438,632,746
Restricted	1,089,723,334	986,436,475	-	-	1,089,723,334	986,436,475
Unrestricted	(213,559,080)	(227,026,235)	(181,694,859)	(61,508,438)	(395,253,939)	(288,534,673)
Total net position	\$1,289,328,087	\$1,198,042,986	\$(181,694,859)	\$(61,508,438)	\$1,107,633,228	\$1,136,534,548

#### **Condensed Statement of Net Position**

#### **Net Position**

Net investment in capital assets represents 37.3% 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 I-10 and I-15 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 and loan 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 \$395,253,939 as of June 30, 2023. 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 a decrease of \$28,901,320 as a result of expenses associated with transit and major projects exceeding revenues. The total cost of SBCTA activities was \$684,160,533 (\$679,120,823 from Governmental Activities and \$5,039,710 from Business-type Activities) for the fiscal year. Net cost of all activities was \$452,842,376 (\$447,802,666 from Governmental Activities and \$5,039,071 from Business-type Activities). 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, 2023 and June 30, 2022:

	Governmer	tal Activities	Business-typ	e Activities *	Total		
	2023	2022	2023	2022	2023	2022	
Revenues							
Program revenues:							
Charges for services	\$ 1,010,067	\$ 834,214	\$ -	\$ -	\$ 1,010,067	\$ 834,214	
Operating grants and contributions	144,261,218	129,636,422	-	-	144,261,218	129,636,422	
Capital grants and contributions	86,046,872	103,869,884	-	-	86,046,872	103,869,884	
General revenues:							
Sales tax-Measure I	257,469,979	252,227,712	-	-	257,469,979	252,227,712	
Sales tax-Local Transportation Fund	147,692,918	147,255,418	-	-	147,692,918	147,255,418	
Unrestricted investment earnings	17,347,257	(11,652,810)	-	-	17,347,257	(11,652,810)	
Miscellaneous	170,159	26,384,049	-	-	170,159	26,384,049	
Gain (loss) on sale of assets	1,260,743	-	-	-	1,260,743	-	
Total revenues	\$ 655,259,213	\$ 648,554,889	\$ -	\$ -	\$ 655,259,213	\$ 648,554,889	
Expenses							
General government	\$ 6,155,435	\$ 3,264,831	\$ -	\$ -	\$ 6,155,435	\$ 3,264,831	
Environment and energy conservation	240.298	517.273	÷ -	÷ _	240,298	517.273	
Commuter and motorist assistance	5,326,987	5,286,254	-	-	5,326,987	5,286,254	
Regional and subregional planning	3,710,586	4,501,891	-	-	3,710,586	4,501,891	
Transit	305,993,243	110,142,376	-	-	305,993,243	110,142,376	
Project delivery	269,719,253	273,284,056	-	-	269,719,253	273,284,056	
Fund administration	82,158,839	76,656,089	-	-	82,158,839	76,656,089	
Interest and fiscal charges	5,816,182	3,037,534	-	-	5,816,182	3,037,534	
Toll Enterprise	-	-	5,039,710	350,667	5,039,710	350,667	
Total expenses	679,120,823	476,690,304	5,039,710	350,667	684,160,533	477,040,971	
Excess (Deficiency) before Transfers	(23,861,610)	171,864,585	(5,039,710)	(350,667)	(28,901,320)	171,513,918	
Transfers	115,146,711	61,157,771	(115,146,711)	(61,157,771)			
Change in net position	91,285,101	233,022,356	(120,186,421)	(61,508,438)	(28,901,320)	171,513,918	
Net position at the beginning of year	1,198,042,986	965,020,630	(61,508,438)		1,136,534,548	965,020,630	
Net position at the end of year	\$ 1,289,328,087	\$ 1,198,042,986	\$(181,694,859)	\$ (61,508,438)	\$ 1,107,633,228	\$ 1,136,534,548	

#### **Condensed Statement of Changes in Net Position**

\* Revenue will commence in fiscal year 2024, only current activity is associated with the TIFIA loan.

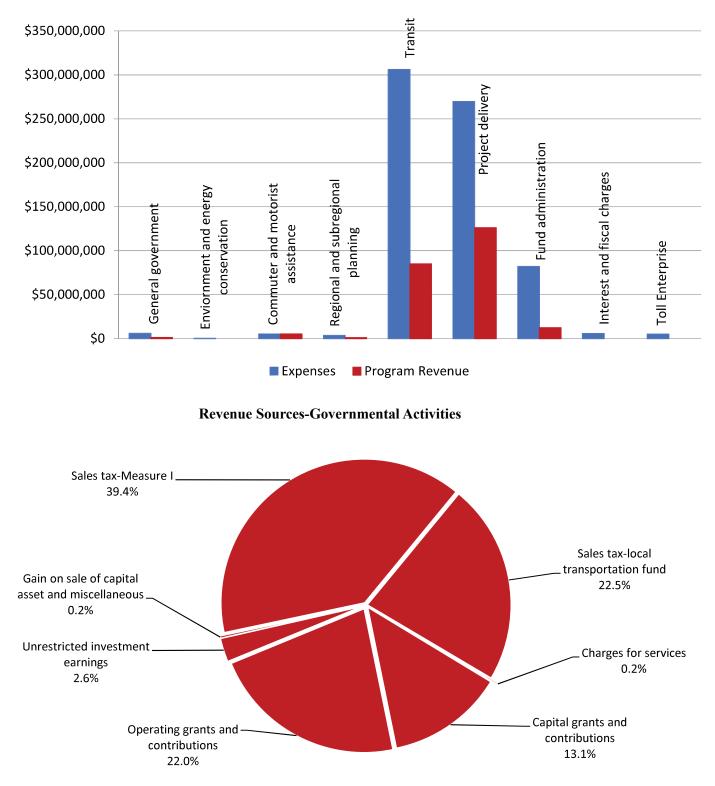
#### **Changes in Net Position**

Revenues increased by \$6,704,324 primarily attributed to an increase of investment earnings and donated land offset by a reduction in federal and state capital grants and contributions. A net increase of \$5,679,767 in sales taxes consist of Measure I of \$5,242,267 and Local Transportation Fund of \$437,500 mainly due to continued increase in consumer spending. The net decrease of \$17,823,012 in capital grants, is related to less reimbursable expenditures in the project delivery program for the I-10 Corridor Contract 1 and the transit program for West Valley Connector nearing completion. An increase of \$29,000,067 in investment earnings is a result of the current economic climate, with higher interest rates.

Expenses increased by \$207,119,562 or 43.4% from the previous fiscal year. The increase was primarily attributed to an increase in expenditures for transit associated with assets being handed over to the City of San Bernardino and the City of Redlands in association with the Redlands Passenger Rail Project.

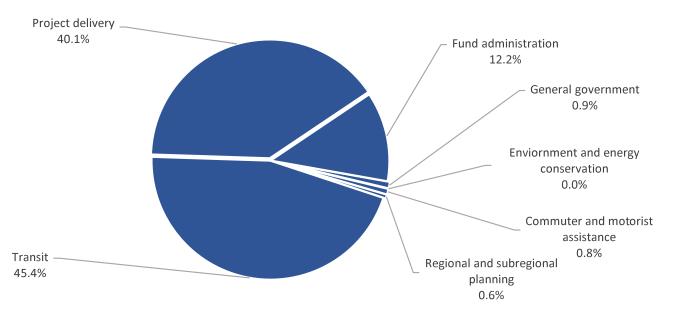
Net expenses is a good indication of the extent to which the services provided by SBCTA were financed from sales tax paid by citizens and businesses of San Bernardino County as opposed to recovering the cost of these services with user fees, grants and other contributions. Project delivery recovers expenses 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** 



Measure I and local transportation fund sales tax revenues provided 61.9% 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 leverages Measure I sales tax revenue to obtain federal and state grants.

#### **Functions/Programs-Governmental Activities**



Project delivery, transit, and fund administration represented 97.7% of the expenditures of 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 \$990,701,678 at June 30, 2023. This represented a \$75,017,548 increase from the previous fiscal year mainly due to transfers from the enterprise fund associated with the I-10 corridor express lanes contract 1 project. The total fund balance was either *nonspendable, restricted, committed, assigned or unassigned* as follows:

- Nonspendable for prepaids and deposits-\$303,287
- Restricted due to external and third-party restrictions or regulations-\$1,013,914,600
- Committed for particular purposes by SBCTA board action-\$1,002,524
- Assigned for specific purposes-\$14,841,201
- Unassigned (general purpose and deficit)-(\$39,359,934)

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 \$15,595,546, which represents a \$5,495,230 increase from the previous fiscal year. The increase in the fund balance was due to higher reimbursements from the local transportation and state transit assistance funds, higher interest earnings and a gain on sale of capital assets. Total fund balance of the general fund was either *nonspendable* (\$254,345 for deposits receivable and prepaid items), assigned (\$14,841,201 for general administration, regional and subregional planning, transit services, and capital improvements), and unassigned general purpose (\$500,000).

#### Federal Highway Special Revenue Fund

The federal highway special revenue fund reported a restricted fund deficit of \$23,560,834 for freeway projects 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 reimbursements as well as grant expenditure without corresponding executed grant agreements at June 30, 2023.

#### Federal Transit Administration Special Revenue Fund

The federal transit administration special revenue fund reported an unassigned fund deficit of \$9,743,764 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, 2023.

#### State Highway Special Revenue Fund

The state highway special revenue fund reported an unassigned fund deficit of \$5,603,808 at the end of the fiscal year. The fund primarily accounts for reimbursement of program expenditures and the deficit was attributed to deferred inflows of resources-unavailable grant and local reimbursements at June 30, 2023.

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

The proposition 1B special revenue fund reported an unassigned fund deficit of \$32,959 at the end of the fiscal year. The deficit was attributed to deferred inflows of resources-unavailable grant at June 30, 2023.

#### Local Transportation Fund Special Revenue Fund

The fund balance of the local transportation fund special revenue fund increased by \$44,029,033 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 \$332,884,770 was reported as *restricted* fund balance at June 30, 2023.

#### State Transit Assistance Fund Special Revenue Fund

The fund balance of the state transit fund special revenue fund was \$108,489,255 at the end of the fiscal year which represents a \$14,767,800 increase. The increase in fund balance was attributed to reduced spending funds for transit operations. Total fund balance is reported as *restricted* at June 30, 2023.

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

The 1990-2010 Measure I special revenue fund had a decrease in the fund balance of \$961,752 from the previous fiscal year. The decrease of fund balance is a result of expenses exceeding interest revenue. Total fund balance of \$3,778,276 is reported as *restricted* at June 30, 2023.

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

The 2010-2040 Measure I special revenue fund had an increase in the fund balance of \$21,241,388 from the previous fiscal year. The increase in the fund balance was largely attributed to transfers in from the enterprise fund and sales tax revenues exceeding capital improvement outlays and expenditures. Total fund balance of \$533,945,574 is reported as either *non-spendable* (\$48,942 for prepaid items) or *restricted* (\$533,896,632 for freeway, interchange, major street, and traffic management projects as well as rail, and transit services) at June 30, 2023.

#### **Debt Service Fund**

At the end of the fiscal year, the fund balance of the debt service fund was \$4,639,240 which represents a \$125,004 increase from the previous fiscal year. The increase was due to interest earnings. The total fund balance of the debt service fund is reported as *restricted* at June 30, 2023.

#### Capital Projects Fund

The capital projects fund reported the fund balance of the capital projects fund increased by \$40,425,554 from the previous fiscal year. The total fund balance of \$22,931,273 is reported as *restricted* fund balance at June 30, 2023.

#### **General Fund Budgetary Highlights**

The net difference between the original budget for expenditure appropriations and the final budget was a decrease of \$ 2,825,476. The largest general fund appropriation decrease was primarily attributed to a decrease in Transit for Operations and Capital Outlay. 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 \$1,030,344. The increase in revenues was primarily due to an increase in charges for services. Actual expenditures were less than budgetary appropriations by \$21.7 million. The most significant budgetary appropriation variance between the final budget and actual amount was attributed to the transit program. The transit variance of \$13.7 million is due to certain capital projects identified earlier that were not completed at the end of the fiscal year.

#### FINANCIAL ANALYSIS OF PROPRIETARY FUNDS

The net position for the I-10 Express Lanes Enterprise Fund resulted in a negative amount of \$177,421,362 due to the recognition of interest and loan payable from a loan with United States Department of Transportation under the Transportation Infrastructure Finance and Innovation Act (TIFIA) program to fund construction on the project. The loan and interest will be paid from toll revenues.

The net position for the I-15 Express Lanes Enterprise Fund resulted in a negative amount of \$4,273,497 due to recognition of advances from Measure I-Freeway fund to inject cash for payments relating to agreement with Riverside County Transpiration Commission and start-up costs. The advance will be paid from toll revenues.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### **Capital Assets**

SBCTA's net investment in capital assets for its governmental activities as of June 30, 2023 is \$413,163,833 (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, 2023 and June 30, 2022:

		Government	tal Ac	tivities
		2023		2022
Governmental activities				
Land	\$	75,389,031	\$	67,994,332
Construction in progress		230,476,593		368,543,106
Buildings and building improvements		6,873,908		7,222,061
Improvements to land		65,185,907		11,579,007
Infrastructure		66,140,259		17,996,934
Equipment, furniture, software, and vehicles		2,507,851		787,547
Right-to-use lease equipment		218,630		-
Subscription-based information technology arrangements		202,871		
Total capital assets	<u>\$</u>	446,995,050	\$	474,122,987

The net decrease in capital assets for the fiscal year was \$27,127,937. The net change in capital assets is primarily attributed to completion of the Redlands Passenger Rail Project and donation of assets to the City of San Bernardino and the City of Redlands. The change in construction in progress is related mainly to one large project: I-10 Corridor Contract 1. Other capital asset activity included office furniture and equipment purchase of \$26,397, partially offset by an increase in accumulated depreciation/amortization of \$6.7 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 \$171,622,758 and direct borrowings of \$177,421,362. This included the sales tax revenue bonds issued in 2014 and 2022 and the TIFIA loan. The following is a summary of the outstanding bonded debt (including unamortized premiums) and direct borrowings at June 30, 2023 and June 30, 2022:

	Governmental Activities		Business-ty	pe Activities	Total	
	2023	2022	2023	2022	2023	2022
Governmental activities						
Sales tax revenue bonds	\$171,622,758	\$ 178,970,060	\$ -	\$ -	\$171,622,758	\$178,970,060
TIFIA Loan (Direct Borrowing)	<u> </u>	<u> </u>	177,421,362	61,422,896	177,421,362	61,422,896
Total outstanding bonded debt	\$171,622,758	\$ 178,970,060	\$177,421,362	<u>\$</u>	\$ 349,044,120	\$ 240,392,956

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 2014 and 2022 sales tax revenue bonds were awarded a credit rating of "AAA" from Standard & Poor's and Fitch Ratings.

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 only 0.26% from the previous year.
- Personal income and personal income per capita increased by 10.68% and 10.40%, respectively from 2020 to 2021 (most current information available).
- The unemployment rate for the County increased slightly from 4.0% to 4.9% from the previous year.
- Measure I sales tax revenue resulted in an increase of \$5,242,267 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 million in 2019, \$179.0 million in 2020, \$222.3 million in 2021, \$252.2 million in 2022 and \$257.5 million in 2023. This represents a 118.33% increase since fiscal year 2011.

Estimated fiscal year 2023/2024 budget revenues are \$912.8 million in comparison to \$850.4 million of the previous year. Measure I sales tax revenues are estimated to be \$257.0 million in comparison to \$250.0 million of the prior year. SBCTA continues to be conservative in Measure I sales tax projections to ensure adequate reserves for future contingencies and sustain economic swings.

Budgeted appropriations for Fiscal Year 2023/2024 are \$1,159.9 million. The largest portion of the budget is related to project delivery of \$537.7 million and the transit program of \$408.6 million. The adopted budget is balanced utilizing existing restricted fund balances including bond and short-term proceeds.

SBCTA continues to monitor federal and state transportation funding, study innovative financing alternatives, and aggressively search for additional 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.



The introduction of new rail transit service to the East Valley of San Bernardino County required coordination with area first responders to ensure public safety and swift emergency response along the corridor.

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

# Statement of Net Position

June 30, 2023

		Governmental Activities	Business-type Activities		Total
Assets		Tiettitites	Tettities		Totul
Cash and investments	\$	882,929,837	\$ 60,000	\$	882,989,837
Accrued interest receivable	Ψ	8,665,298	• 00,000	Ψ	8,665,298
Sales taxes receivable		54,055,078	-		54,055,078
Accounts receivable		376,645	-		376,645
Intergovernmental receivable		159,913,533	-		159,913,533
Deposit receivable		21,507,489	-		21,507,489
Prepaid items		164,885	-		164,885
Intergovernmental agreements receivable		13,271,861	-		13,271,861
Lease receivable		813,260	-		813,260
Internal balances		4,273,497	(4,273,497)		-
Cash and investments-restricted		4,639,240	-		4,639,240
Capital assets not being depreciated:		, ,			, ,
Land		75,389,031	-		75,389,031
Construction in progress		230,476,593	_		230,476,593
Capital assets, net of depreciation:		,,			
Buildings and building improvements		6,873,908	_		6,873,908
Improvements to land		65,185,907	-		65,185,907
Infrastructure		66,140,259	_		66,140,259
Equipment, furniture, software, and vehicles		2,507,851	_		2,507,851
Right-to-use leased equipment					
		218,630	-		218,630
Subscription-based information technology arrangements		202,871	-		202,871
Total assets		1,597,605,673	(4,213,497)		1,593,392,176
Deferred outflows of resources related to net pension liability		6,119,513	<u> </u>		6,119,513
Liabilities					
Accounts payable		57,617,254	60,000		57,677,254
Accrued liabilities		590,894	-		590,894
Accrued interest payable		2,467,690	-		2,467,690
Intergovernmental payable		39,520,944	_		39,520,944
Deposit payable		45,972	-		45,972
Unearned revenue		13,585,145	_		13,585,145
Long-term liabilities:		15,565,145			15,565,145
Compensated absences due within one year		172,438			172,438
Compensated absences due within one year		1,856,533	-		1,856,533
Lease liabilities due within one year		43,218	-		43,218
-		175,631	-		
Lease liabilities due in more than one year		· · · · · · · · · · · · · · · · · · ·	-		175,631
Subscriptions due within one year		49,553	-		49,553
Subscriptions due in more than one year		147,953	-		147,953
Long-term debt due within one year		7,699,560	-		7,699,560
Long-term debt due in more than one year		163,923,198	177,421,362		341,344,560
Net pension liability due in more than one year		12,958,388	-		12,958,388
Advance expenditure agreements due in more than one year		8,529,378	-		8,529,378
Total liabilities		309,383,749	177,481,362		486,865,111
Deferred inflows of resources related to leases, net pension					
liability and bond refunding		5,013,350	<u> </u>		5,013,350
Net position					
Net investment in capital assets		413,163,833	-		413,163,833
Restricted for:					
Traveler services		4,936,959	-		4,936,959
Freeway projects		233,317,916	-		233,317,916
Interchange projects		47,990,209	-		47,990,209
Major street projects		233,343,437	-		233,343,437
Rail		17,551,507	-		17,551,507
Transit services		85,086,857	-		85,086,857
Traffic management and project development		26,122,424	-		26,122,424
Transportation development act		441,374,025	-		441,374,025
Unrestricted (deficit)		(213,559,080)	(181,694,859)		(395,253,939)
Total net position	\$	1,289,328,087	\$ (181,694,859)	\$	1,107,633,228
Total net position	\$	1,209,320,007	Ψ (101,074,0 <u>.</u> 99)	φ	1,107,055,220

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Statement of Activities For the Year Ended June 30, 2023

				Program Revenues			Net (Expense) Revenue and Changes in Net Position			
Functions/Programs	Expenses	Allocation of Overhead	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total		
Primary government										
Governmental activities:										
General government	\$ 12,384,725	\$ (6,229,290)	\$ 1,010,067	\$ 314,036	\$ -	\$ (4,831,332)	\$ -	\$ (4,831,332)		
Environment and energy conservation	202,265	38,033	-	-	-	(240,298)	-	(240,298)		
Commuter and motorist assistance	5,121,875	205,112	-	5,291,342	-	(35,645)	-	(35,645)		
Regional and subregional planning	2,856,411	854,175	-	1,183,367	-	(2,527,219)	-	(2,527,219)		
Transit	304,436,326	1,556,917	-	52,923,584	32,073,961	(220,995,698)	-	(220,995,698)		
Project delivery	267,212,844	2,506,409	-	72,074,470	53,972,911	(143,671,872)	-	(143,671,872)		
Fund administration	81,090,195	1,068,644	-	12,474,419	-	(69,684,420)	-	(69,684,420)		
Interest and fiscal charges	5,816,182					(5,816,182)		(5,816,182)		
Total governmental activities	\$ 679,120,823	<u>\$ -</u>	<u>\$ 1,010,067</u>	<u>\$ 144,261,218</u>	<u>\$ 86,046,872</u>	(447,802,666)		(447,802,666)		
Business-type activities:										
Toll Enterprise Fund	\$ 5,039,710	<u>s -</u>	<u>s -</u>	<u>\$</u>	<u>s -</u>		(5,039,710)	(5,039,710)		
			General re	evenues.						
				x-Measure I		257,469,979	_	257,469,979		
				x-local transportati	on fund	147,692,918	_	147,692,918		
				cted investment ea		17,347,257	-	17,347,257		
			Miscella		e	170,159	-	170,159		
			Gain on	sale of capital asse	ets	1,260,743	-	1,260,743		
			Transfers			115,146,711	(115,146,711)	-		
			Total	general revenues		539,087,767	(115,146,711)	423,941,056		
				e in net position		91,285,101	(120,186,421)	(28,901,320)		
			0	on at beginning of	vear	1,198,042,986	(61,508,438)	1,136,534,548		
				on at end of year	J	\$ 1,289,328,087	\$ (181,694,859)	\$ 1,107,633,228		
			The position	on at one of your		\$ 1,207,520,007	\$ (101,051,057)	\$ 1,107,000,220		



SBCTA and the City of Barstow gathered at the historic Casa Del Desierto Santa Fe Depot to officially break ground on the new North First Avenue Bridge over the Burlington Northern Santa Fe Railroad (BNSF) Rail Yard. This event marks a critical initial step toward a renaissance of one of the important High Desert cities.

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

#### Balance Sheet

Governmental Funds

June 30, 2023

			Special Revenue					
		General		Federal Highway		deral Transit Iministration		State Highway
Assets								
Cash and investments	\$	23,119	\$	3,346	\$	-	\$	-
Accrued interest receivable		105,641		35,542		-		-
Sales taxes receivable		443,152		-		-		-
Accounts receivable		2,841		-		-		-
Intergovernmental receivable		168,420		37,227,789		28,615,587		35,831,759
Deposit receivable		138,402		2,413,981		18,028,520		12,385
Due from other funds		21,339,623		-		-		-
Prepaid items		115,943		-		-		-
Intergovernmental agreements receivable		-		-		-		-
Lease receivable		813,260		-		-		-
Advances to other funds *		-		-		-		-
Cash and investments-restricted		-		-		-		-
Total assets	\$	23,150,401	\$	39,680,658	\$	46,644,107	<u>\$</u>	35,844,144
Liabilities								
Accounts payable	\$	4,184,396	\$	16,385,233	\$	1,631,692	\$	6,728,361
Accrued liabilities		445,863		-		-		24,006
Intergovernmental payable		1,612,904		850,461		50,000		170,532
Due to other funds		300,000		30,616,950		44,962,415		28,921,245
Deposit payable		45,972		-		-		-
Advances from other funds *		-		-		-		-
Unearned revenue				-		-		
Total liabilities		6,589,135		47,852,644		46,644,107		35,844,144
<b>Deferred inflows of resources</b> Unavailable grant and local reimbursements		965,720		15,388,848		9,743,764		5,603,808
Fund balances (deficits)								
Nonspendable:								
Deposit receivable		138,402		-		-		-
Prepaid items		115,943		-		-		-
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		8,789,762		-		-		-
Capital improvements		3,591,568		-		-		-
Regional and subregional planning Unassigned:		2,459,871		-		-		-
General purpose		500,000		-		-		-
(Deficits)		-		(23,560,834)		(9,743,764)		(5,603,808)
Total fund balances (deficits)		15,595,546		(23,560,834)		(9,743,764)		(5,603,808)
Total liabilities, deferred inflows of resources		10,000,010		(20,000,004)		(,,,,,,,,,,)		(2,005,000)
and fund balances	¢	23,150,401	¢	30 690 659	¢	46 644 107	¢	25 844 144
* Advances to and from other funds do not zero out in this statemen	<u>&gt;</u>		<u>\$</u>	39,680,658	\$	46,644,107	<u>\$</u>	35,844,144

			Special Revenue			-	
		Local	State Transit				
		Transportation	Assistance	1990-2010	2010-2040		Capital
Prop	osition 1B	Fund	Fund	Measure I	Measure I	Debt Service	Projects
\$	-	\$ 312,041,544	\$ 119,923,588	\$ 4,342,711	\$ 420,914,740	\$ -	\$ 17,697,70
	-	3,970,969	1,536,616	21,913	2,776,802	-	168,52
	-	-	9,739,833	-	43,872,093	-	
	-	-	-	-	-	-	373,80
	878,401	25,164,403	-	-	-	-	25,181,09
	-	-	-	-	653,853	-	260,34
	-	150,000	150,000	-	109,525,101	-	,
	-	-	-	-	48,942	-	
	-	-	-	-		-	13,271,80
	-	_	_	-	_	_	10,271,00
	_	_	_	_	15,096,211	_	
	_	-	-	-	-	4,639,240	
\$	878,401	\$ 341,326,916	\$ 131,350,037	\$ 4,364,624	\$ 592,887,742	\$ 4,639,240	\$ 56,953,34
φ	070,401	\$ 541,520,710	\$ 151,550,057	\$ 4,304,024	\$ 572,007,742	\$ 4,037,240	\$ 50,755,5-
¢	222.244	¢	¢	ф <u>06.240</u>	Φ <b>22</b> 010 172	¢	ф <u>2010 2</u>
\$	322,244	\$ -	\$ -	\$ 86,348	\$ 22,810,173	\$ -	\$ 3,818,24
	-	-	-	-	102,488	-	25.25
	-	-	223,472	500,000	36,029,507	-	25,21
	556,157	8,442,146	12,897,477	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	10,822,71
	-						13,585,14
	878,401	8,442,146	13,120,949	586,348	58,942,168		28,251,31
	32,959		9,739,833				5,770,75
	-	-	-	-	48,942	-	
	-	-	-	-	-	-	1.0
	-	-	-	-	182,154,614	-	1,8
	-	-	-	-	47,989,967	-	22 0 50 6
	-	-	-	1,567,374	208,905,403	-	22,870,60
	-	-	-	-	6,279,449	-	58,5:
	-	-	-	-	64,688,756	-	
	-	-	-	2,210,902	23,878,443	-	
	-	332,884,770	108,489,255	-	-	-	
	-	-	-	-	-	4,639,240	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	(32,959)						
	(32,959)	332,884,770	108,489,255	3,778,276	533,945,574	4,639,240	22,931,2
¢	878,401	\$ 341,326,916	\$ 131,350,037	\$ 4,364,624	\$ 592,887,742	\$ 4,639,240	\$ 56,953,3 <sup>4</sup>

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

#### Balance Sheet

Governmental Funds

June 30, 2023

		Nonmajor overnmental Funds	Total Governmental Funds		
Assets					
Cash and investments	\$	7,983,080	\$	882,929,837	
Accrued interest receivable		49,288		8,665,298	
Sales taxes receivable		-		54,055,078	
Accounts receivable		-		376,645	
Intergovernmental receivable		6,846,080		159,913,533	
Deposit receivable		-		21,507,489	
Due from other funds		-		131,164,724	
Prepaid items		-		164,885	
Intergovernmental agreements receivable		-		13,271,861	
Lease receivable		-		813,260	
Advances to other funds *		-		15,096,211	
Cash and investments-restricted		-		4,639,240	
Total assets	\$	14,878,448	\$	1,292,598,061	
Liabilities	÷	11,070,110	-	1,2,2,2,0,001	
Accounts payable	\$	1,650,567	\$	57,617,254	
Accrued liabilities	Φ	18,537	ψ	590,894	
		58,849		39,520,944	
Intergovernmental payable		4,468,334			
Due to other funds		4,408,554		131,164,724 45,972	
Deposit payable Advances from other funds *		-			
Unearned revenue		-		10,822,714 13,585,145	
Total liabilities		6 106 297			
		6,196,287		253,347,647	
<b>Deferred inflows of resources</b> Unavailable grant and local reimbursements		1,303,052		48,548,736	
Fund balances (deficits)					
Nonspendable:					
Deposit receivable		-		138,402	
Prepaid items		-		164,885	
Restricted:					
Traveler services		4,936,959		4,936,959	
Freeway projects		-		182,156,426	
Interchange projects		-		47,990,209	
Major street projects		-		233,343,437	
Rail		2,357,657		8,695,665	
Transit services		538		64,689,294	
Traffic management and project development		-		26,089,345	
Transportation development act		-		441,374,025	
Debt service		-		4,639,240	
Committed-council of governments		1,002,524		1,002,524	
Assigned:					
General administration		-		8,789,762	
Capital improvements		-		3,591,568	
Regional and subregional planning		-		2,459,871	
Unassigned:				, ,	
General purpose		-		500,000	
(Deficits)		(918,569)		(39,859,934)	
Total fund balances (deficits)		7,379,109		990,701,678	
Total liabilities, deferred inflows of resources		.,,.			
and fund balances	\$	14,878,448	\$	1,292,598,061	
* Advances to and from other funds do not zero out in this statemen					

\* Advances to and from other funds do not zero out in this statement due to activity with the proprietary funds.

Fund balances-total governmental funds (page 20)	\$	990,701,678
Amounts reported for <i>governmental activities</i> 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.		446,995,050
Revenues recognized for governmental activities that are not available in the current period and, therefore, are not reported in the funds.		48,548,736
Accrued interest payable applicable to governmental activities is not due and payable in the current period and, therefore, is not reported in the funds.		(2,467,690)
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		(2,028,971)
Leases		(218,849)
Subscriptions		(197,506)
Revenue bonds payable		(155,045,000)
Unamortized premium on revenue bonds		(16,577,758)
Advance expenditure agreements		(8,529,378)
Deferred outflows deferred amounts on refunding that are applicable to future periods and therefore are not reported in the funds.		(2,323,208)
Deferred inflows related to right-to-use lease assets		(806,731)
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 outlows and deferred inflows of resources are therefore not reported in the governmental funds.		
Net pension payable		(12,958,388)
Deferred outflows of resources related to pensions		6,119,513
Deferred inflows of resources related to pensions	. <u> </u>	(1,883,411)
Net position of governmental activities	<u>\$</u>	1,289,328,087
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, 2023

		Special Revenue			
	General	Federal Highway	Federal Transit Administration	State Highway	
Revenues					
Sales tax-Measure I	\$ 2,574,700	\$ -	\$ -	\$ -	
Sales tax-local transportation fund	-	-	-	-	
Intergovernmental	-	35,783,822	19,011,731	60,679,247	
Charges for services	678,791	-	-	-	
Special assessments	-	-	-	-	
Investment earnings	241,641	94,185	-	-	
Miscellaneous	335,412	735,078	<u> </u>	<u> </u>	
Total revenues	3,830,544	36,613,085	19,011,731	60,679,247	
Expenditures					
Current:					
General government	11,089,263	-	-	244	
Environment and energy conservation	13,430	-	-	-	
Commuter and motorist assistance	-	-	-	-	
Regional and subregional planning	718,757	-	-	258,181	
Transit	5,440,684	1,474,613	25,810,829	5,043,315	
Project delivery	-	43,280,873	-	50,613,141	
Fund administration	519,938	-	-	809,576	
Debt Service:					
Principal	-	-	-	-	
Interest and fiscal charges	-	-	-	-	
Capital outlay	7,116,498	4,839,170		8,416,594	
Total expenditures	24,898,570	49,594,656	25,810,829	65,141,051	
Excess (deficiency) of revenues over					
(under) expenditures	(21,068,026)	(12,981,571)	(6,799,098)	(4,461,804)	
Other financing sources (uses)					
Transfers in	24,801,015	-	-	-	
Transfers out	-	(21,459,417)	-	-	
Lease financing	268,088	-	-	-	
Subscription financing	233,410	-	-	-	
Gain on sale of assets	1,260,743				
Total other financing sources (uses)	26,563,256	(21,459,417)			
Net change in fund balances	5,495,230	(34,440,988)	(6,799,098)	(4,461,804)	
Fund balances (deficits) beginning of year	10,100,316	10,880,154	(2,944,666)	(1,142,004)	
Fund balances (deficits) end of year	<u>\$ 15,595,546</u>	<u>\$ (23,560,834)</u>	<u>\$ (9,743,764)</u>	\$ (5,603,808)	

				Special Revenue		
Capital Projects	Debt Service	2010-2040 Measure I	1990-2010 Measure I	State Transit Assistance Fund	Local Transportation Fund	Proposition 1B
\$	\$ -	\$ 254,895,279	\$ -	\$ -	\$ -	\$-
41 400 (2)	-	-	-	-	147,692,918	-
41,482,63	-	-	-	29,166,205	-	2,922,737
	-	-	-	-	-	-
	-	-	-	-	-	-
660,49	125,004	8,961,764	77,825	2,159,601	4,716,532	14,642
150,613	125.004		35			
42,293,752	125,004	263,857,043	77,860	31,325,806	152,409,450	2,937,379
	-	867,156	-	-	-	-
84,143	-	34,048	-	-	-	-
368,74	-	183,259	-	-	-	-
47,35	-	1,021,001	-	-	-	-
3,904,090	-	49,029,994	-	16,558,006	90,191,590	4,454,743
18,931,75	-	144,055,553	1,039,612	-	-	2,826,653
, ,	-	96,269,974	-	-	-	-
	5,570,000	-	-	-	-	-
	7,686,163	-	-	-	-	-
67,22:		45,421,449				2,852,994
23,403,333	13,256,163	336,882,434	1,039,612	16,558,006	90,191,590	10,134,390
18,890,419	(13,131,159)	(73,025,391)	(961,752)	14,767,800	62,217,860	(7,197,011)
21,535,14	13,256,163	115,232,322	-	-	-	1,805,948
(12	-	(20,965,543)	-	-	(18,188,827)	-
	-	-	-	-	-	-
	-	-	-	-	-	-
						-
21,535,13	13,256,163	94,266,779			(18,188,827)	1,805,948
40,425,554	125,004	21,241,388	(961,752)	14,767,800	44,029,033	(5,391,063)
(17,494,28)	4,514,236	512,704,186	4,740,028	93,721,455	288,855,737	5,358,104
\$ 22,931,273	\$ 4,639,240	\$ 533,945,574	\$ 3,778,276	\$ 108,489,255	\$ 332,884,770	\$ (32,959)

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2023

	Nonmajor Governmental Funds	Total Governmental Funds
Revenues		
Sales tax-Measure I	\$ -	\$ 257,469,979
Sales tax-local transportation fund	-	147,692,918
Intergovernmental	16,293,526	205,339,905
Charges for services	-	678,791
Special assessments	331,276	331,276
Investment earnings	156,870	17,208,561
Miscellaneous	78,464	1,299,607
Total revenues	16,860,136	630,021,037
Expenditures		
Current:		
General government	409,432	12,366,095
Environment and energy conservation	72,810	204,436
Commuter and motorist assistance	4,526,865	5,078,872
Regional and subregional planning	879,628	2,924,925
Transit and passenger rail	53,221	201,961,091
Project delivery	6,666,238	267,413,828
Fund administration and programming	-	97,599,488
Debt Service:		
Principal	-	5,570,000
Interest and fiscal charges	-	7,686,163
Capital outlay	2,393,613	71,107,543
Total expenditures	15,001,807	671,912,441
Excess (deficiency) of revenues over		
(under) expenditures	1,858,329	(41,891,404)
Other financing sources (uses)		
Transfers in	7,375	176,637,970
Transfers out	(877,460)	(61,491,259)
Lease financing	-	268,088
Subscription financing	-	233,410
Gain on sale of assets		1,260,743
Total other financing sources (uses)	(870,085)	116,908,952
Net change in fund balances	988,244	75,017,548
Fund balances (deficits) beginning of year	6,390,865	915,684,130
Fund balances (deficits) end of year	\$ 7,379,109	<u>\$ 990,701,678</u>

Net changes in fund balances-total governmental funds (page 24)	\$	75,017,548
Amounts reported for <i>governmental activities</i> 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 Construction in progress for completed projects included in capital outlay Construction in progress - capital outlay Donated land Disposal of assets Depreciation Amortization		26,398 (96,840,105) 71,081,215 5,204,875 (394,879) (6,626,942) (73,467)
Net changes in revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		18,836,233
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 similaritems 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		5,570,000
Amortization of premium on sales tax revenue bonds		1,777,302
Payment on advance expenditure agreements		16,423,622
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		65,870
Changes in deferred inflows related to sales tax revenue bonds		138,696
Changes in accrued interest on sales tax revenue bonds		92,833
Changes in right-to-use lease equipment		42,555
Changes in subscription-based information technology arrangements		34,506
Changes in net pension liability and related deferred inflows/outlows of resources	·	908,841
Change in net position of governmental activities	<u>\$</u>	91,285,101

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

## Statement of Net Position

Proprietary Funds June 30, 2023

	Business-type Activities						
	I-10 Toll	I-15 Toll					
	Enterprise	Enterprise	Total				
Assets							
Current assets							
Cash and investments	\$ -	\$ 60,000	\$ 60,000				
Total assets	<u>\$                                    </u>	\$ 60,000	\$ 60,000				
Liabilities							
Current liabilities							
Accounts payable	-	60,000	60,000				
Noncurrent liabilities							
Advance from other funds	-	4,273,497	4,273,497				
TIFIA loan payable	174,453,619	-	174,453,619				
Interest payable	2,967,743		2,967,743				
Total noncurrent liabilities	177,421,362	4,273,497	181,694,859				
Total liabilities	177,421,362	4,333,497	181,754,859				
Net position (deficits)							
Restricted for toll operations (deficit)	(177,421,362)	(4,273,497)	(181,694,859)				
Total net position (deficits)	\$ (177,421,362)	\$ (4,273,497)	\$ (181,694,859)				

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds For the Year Ended June 30, 2023

	Business-type Activities					
	I-10 Toll I-15 Toll					
	Enterprise	Enterprise	Total			
Nonoperating revenues (expenses)						
Property services	\$ -	\$ (2,422,633)	\$ (2,422,633)			
Interest expense	(2,617,077)	-	(2,617,077)			
Total nonoperating revenues (expenses)	(2,617,077)	(2,422,633)	(5,039,710)			
Income before transfers	(2,617,077)	(2,422,633)	(5,039,710)			
Transfers in from governmental funds	85,542	-	85,542			
Transfers out to governmental funds	(113,381,389)	(1,850,864)	(115,232,253)			
Total transfers	(113,295,847)	(1,850,864)	(115,146,711)			
Change in net position	(115,912,924)	(4,273,497)	(120,186,421)			
Net position (deficits) at beginning of year Net position (deficits) at end of year	(61,508,438) <u>\$ (177,421,362)</u>	<u>-</u> <u>\$ (4,273,497)</u>	(61,508,438) <u>\$ (181,694,859)</u>			

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2023

	Business-type Activities				
	I-10 Toll	I-15 Toll			
	Enterprise	Enterprise	Total		
Cash flows from capital and related financing activities					
Transfers of TIFIA proceeds to governmental activities	\$ (113,381,389)	\$ -	\$ (113,381,389)		
Proceeds of draws from loan with USDOT TIFIA program	113,381,389	-	113,381,389		
Advance from Measure I - Freeway Fund	85,542	4,273,497	4,359,039		
Acquisition and construction of capital assets	-	(2,362,633)	(2,362,633)		
Transfers to governmental activities related to construction	(85,542)	(1,850,864)	(1,936,406)		
Net cash used for capital and related financing activities	-	60,000	60,000		
Cash and investments at beginning of year	<u> </u>	<u>-</u>	<u>-</u>		
Cash and investments at end of year	<u> </u>	\$ 60,000	\$ 60,000		

#### 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 (Caltrans). 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 has two enterprise funds to account for toll operations, which are presented as business-type activity.

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 and finance costs based on the number of transactions. 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.

#### 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 <sup>1</sup>/<sub>4</sub> 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 <sup>1</sup>/<sub>2</sub> 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-2024.

#### 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.

## 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 (8) beats operating along sixty-five (65) centerline miles of highway in the Valley area. Contract expenditures include technical communications, the California Highway Patrol, and various tow agreements.

# 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 Express Lanes Corridor Contract 1 Projects.

#### Freeway Service Patrol Senate Bill 1 Special Revenue Fund

This *special revenue fund* accounts for state funding from Senate Bill 1, the Road Repair and Accountability Act of 2017 for the Freeway Service Patrol program. The restrictive portion of the funding addresses new beats, such as weekend services and a beat in the Cajon Pass area. The unrestrictive portion of the funding is utilized for increases that have occurred since the approval of the SB1 funds. The funding benefits the nine (9) beats in the program.

#### 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 supports 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 Express Lanes Corridor Contract 1 and the US 395 widening of 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.

## **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.

#### California Wildlife Conservation Fund

This *special revenue fund* accounts for funds received for planning associated with the Regional Conservation Investment Strategy.

#### Affordable Housing and Sustainable Communities Program Fund

This *special revenue fund* accounts for funds received for projects that reduce greenhouse gas emissions by supporting more compact, infill development patterns, encouraging active transportation and transit usage, and protecting agricultural land from sprawl development.

SBCTA reports two enterprise funds as one business type activity to account for toll activities. Toll revenues are expected to start in fiscal year 2024. Only current activity is associated with long term debt.

#### 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.

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.

Proprietary fund are used to account for business-type activities, which will be financed mainly by fees to users of the services provided by the toll operations fund. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the toll operations fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Toll operations are expected to commence in Fiscal Year 2023/2024, prior to this only non-operating items and transfers are the only activity.

#### 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

Board-approved budget amendment shall be necessary except in the following circumstances:

- 1. Transfers from one task, subtask, object code, or revenue code to another task, subtask, object code, or revenue code within the same fund and program. This amendment shall require the approval of the program/task manager.
- 2. Reallocation of budgeted salary and benefits costs and associated revenues from one program or fund to another fund or program when both funds and programs are included in the adopted budget. This amendment shall require the approval of the Chief Financial Officer.
- 3. Substitution of one fund for another fund where both funds are included in the adopted budget within the same program, not to exceed \$1 million. This amendment shall require the approval of the Executive Director or designee.

#### Board Approved Amendments

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

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

## **Excess of Expenditures over Appropriations**

For fiscal year ended June 30, 2023, no expenditures exceeded appropriations.

#### 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 allowance is not required for receivables.

## Prepaids

Payments to vendors for services that will benefit periods beyond June 30, 2023, 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.

## Capital Assets

Capital assets, which include land, construction in progress, infrastructure, buildings, equipment, vehicles, software, right-to-use leased equipment, and subscription-based information technology arrangements 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 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 outstanding balance of the Transportation Infrastructure Finance Innovation Act (TIFIA) loan is included in the calculation of net investment in capital assets since the loan funds the toll lanes construction on the I-10. 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/amortized 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
Right-to-use leased equipment *	3 to 30 years
Subscription-based information technology arrangements *	3 to 30 years
Train cars	25 years
* Useful life based on practice, not policy	

#### **Project Delivery Expenditure/Expense**

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

#### **Unearned Revenue**

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

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the balance sheet and statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets/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 sales tax revenue bonds and pension, see Note 9 and Note 12, respectively.

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 net assets/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. For deferred inflows related to pension, see Note 12.

#### 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 requires future funding.

#### Fund Balance Flow Assumptions

In circumstances when an expenditure is incurred 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 (Board) 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 category 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. Commitments may be changed only by SBCTA Board, anytime during the fiscal year, taking the same formal action that originally imposed the constraint.

#### Assigned

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

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

#### I. Long-Term Debt

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

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

#### J. Compensated Absences

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

Sick leave is recorded as expenditures in the governmental 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 by SBCERA and PERS are reported at fair value.

#### L. Effects of new pronouncements

In May of 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. SBCTA has implemented this Statement for fiscal year ended June 30, 2022. The adoption of this statement did not have a material impact on the financial statements.

In March of 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The adoption of this statement resulted in the inclusion of disclosure for two agreements relating to express lanes and rail operations. For additional details, see note 17.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The adoption of this statement resulted in the inclusion of subscription-based information technology arrangement assets, and subscription liability in the government-wide financial statements. For additional details, see note 10.

## 2. RECONCILIATION OF GOVERMENT-WIDE AND FUND FINANCIAL STATEMENTS

#### Explanation of Certain Differences between the Governmental Fund Balance Sheet and the

#### **Government-wide Statement of Net Position**

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

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

The details of the net adjustment of \$446,995,050 are as follows:

Land	\$ 75,389,031
Construction in progress	230,476,593
Building and building improvements	10,620,860
Infrastructure	73,049,607
Improvements to land	74,325,081
Equipment, furniture, software, and vehicles	8,333,559
Subscription-based information technology arrangements	233,410
Less: Accumulated depreciation	261,558
Net adjustment to increase fund balance - total governmental funds	(25,694,649)
to arrive at net position - governmental activities	\$ 446,995,050

## **3. DEFICIT FUND EQUITY**

As of June 30, 2023, the following funds had a deficit fund balance:

	Deficit Amount
Special Revenue Funds:	
Federal Highway	\$ (23,560,834)
Federal Transit Administration	(9,743,764)
State Highway	(5,603,808)
Proposition 1B	(32,959)
Nonmajor Funds:	
Local Partnership Program - Formula Senate Bill 1	(40,817)
Trade Corridor Enhancement Program Senate Bill 1	(844,673)
California Wildlife Conservation	(33,079)
Enterprise Fund:	
I-10 Toll Opertations	(177,421,632)
I-15 Toll Opertations	(4,273,497)

The deficits are attributed to certain grants from federal, state, and local agencies not received before the revenue recognition criteria of 180 days or without an executed grant agreement. Amounts are not recognized as revenue, receivable or deferred inflows when an expenditure-driven grant does not have an executed agreement with the granting authority by June 30, 2023. The fund balance deficits will be offset with future collections of grant revenue.

Enterprise fund for toll operations have a negative net position due to recognition of advances to Measure I-Freeway and interest and loan payables that will be offset with future toll revenues.

#### 4. CASH AND INVESTMENTS

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

	Unrestricted			Restricted	Grand
	Cash	Investments	Total	Investments	Total
Cash in bank	\$ 68,736,941	\$ -	\$ 68,736,941	\$ -	\$ 68,736,941
Petty cash	1,000	-	1,000	-	1,000
San Bernardino					
county pool	541,863,729	-	541,863,729	-	541,863,729
Local agency					
investment fund	7,514,473	-	7,514,473	-	7,514,473
California asset					
management program	33,645,009	-	33,645,009	-	33,645,009
Investments with					
custodian	-	231,228,685	231,228,685	-	231,228,685
Investments with					
fiscal agent	-	-	-	4,639,240	4,639,240
	\$ 651,761,152	\$ 231,228,685	\$ 882,989,837	\$ 4,639,240	\$ 887,629,077

#### **Investments Authorized**

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

	Maximum			
		Percentage	Investment	
Investment Type	Maturity	of Portfolio	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%	60%	
		or \$75 million		
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.

#### **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.

	Amount	Weighted Average
Reported		Maturity (in Years)
\$	162,760,484	1.47
	5,189,785	1.36
	19,774,577	1.07
	7,524,427	0.27
	200,000	0.00
	23,431,142	1.76
	2,536,839	0.82
	14,450,671	0.07
\$	235,867,925	
\$	7,514,473	0.71
	33,645,009	0.07
	541,863,729	1.47
\$	583,023,211	
	\$	$\begin{tabular}{ c c c c c c c } \hline Reported \\ \hline Reported \\ \hline $ 162,760,484 \\ \hline $ 5,189,785 \\ 19,774,577 \\ 7,524,427 \\ 200,000 \\ 23,431,142 \\ 2,536,839 \\ 14,450,671 \\ \hline $ 235,867,925 \\ \hline $ 7,514,473 \\ 33,645,009 \\ 541,863,729 \\ \hline \end{tabular}$

#### **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 rating category while an issuer of medium-term corporate notes must be rated in the rating category of "A" or higher. Negotiable certificates of deposit must be rated in the rating category of "A for long-term, and "A-1" for short-term or higher. Money markets shall either: (1) have attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs, or (2) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years of experience managing money market mutual funds and with assets under management in excess of \$500,000,000.

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

		Total as of	Exempt from				
Investment Type	J	une 30, 2023	Disclosure	AAA	AA	A-1/A-1+	Not Rated
U.S. Treasuries (1)	\$	162,760,484	\$162,760,484	\$ -	\$ -	\$ -	\$ -
U.S. government							
sponsored enterprise							
securities							
FHLB		5,189,785	-	-	5,189,785	-	-
FHLMC		19,774,577	-	-	19,774,577	-	-
FNMA		7,524,427	-	-	7,524,427	-	-
California and Other							
Municipals		200,000	-	-	-	-	200,000
Corporate notes (2)		23,431,142	-	2,114,777	10,906,889	10,409,476	-
Supranationals		2,536,839	-	2,536,839	-	-	-
Money market							
mutual funds		14,450,671					14,450,671
Total	\$	235,867,925	\$162,760,484	\$ 4,651,616	\$ 43,395,678	<u>\$ 10,409,476</u>	\$ 14,650,671

(1) Exempt from disclosure

(2) Includes ratings from S&P and Moody's

S & P Rating	CAMP % of Fund	County % of Fund	LAIF
AAA	0.0%	7.8%	Not Rated
AAAm	1.6%	4.6%	
AA+	3.1%	63.2%	
AA	0.0%	1.2%	
AA-	0.0%	0.6%	
A-1+	25.2%	6.1%	
A-1+	68.8%	7.1%	
A+	1.0%	1.3%	
А	0.3%	2.5%	
Exempt	0.0%	5.6%	
	100.0%	100.0%	

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, 2023:

	An	nount as of				
Investment Type	June 30, 2023		Level 1		Level 2	
	_					
US Treasuries	\$	162,760,484	\$	162,760,484	\$	-
US government sponsored						
enterprise securities:						
FHLB		5,189,785		-		5,189,785
FHLMC		19,774,577		-		19,774,577
FNMA		7,524,427		-		7,524,427
California and Other Municipals		200,000		-		200,000
Corporate notes		23,431,142		-		23,431,142
Supranationals		2,536,839		-		2,536,839
Money market mutual funds		14,450,671		9,811,431		4,639,240
Subtotal		235,867,925	\$	172,571,915	\$	63,296,010
Other investments not subject to fair measures classi	fication:					
Local agency investment fund		7,514,473				
California asset management program		33,645,009				
County San Bernardino pool		541,863,729				
Total	\$	818,891,136				

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. Level 3 are unobservable inputs that may be developed based on the best information available in the circumstances. No investments are classified as level 3.

## **Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

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

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

• 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, 2023, SBCTA has bank deposits within two separate bank accounts with a total balance of \$68,736,940 of which \$500,000 is federally insured and \$68,236,940 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 (CAMP)

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

#### 5. INTERFUND TRANSACTIONS

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

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

#### 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, 2023:

Receivable Fund	Payable Fund			Amount
2010-2040 Measure I	Federal highway		\$	30,616,950
	Federal transit administration			44,962,415
	State highway			28,921,245
	Proposition 1B			556,157
	Nonmajor governmental			4,468,334
General	Local transportation			8,442,146
	State transit assistance			12,897,477
Local transportation	General			150,000
State transit assistance	General			150,000
		Total	\$	131,164,724

#### **B.** Advances to and from

SBCTA has approved five 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 and Enterprise 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, 2023, is \$6,013,691.
- 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, 2023, is \$0.
- 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, 2023, 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, 2023, is \$2,901,597.
- A non-interest-bearing interfund loan for the Riverside County Transportation Commission (RCTC) to fund Riverside County project development costs. The interfund loan amount as of June 30, 2023 is \$4,273,497.

The following are the advances to and advances from balances as of June 30, 2023:

Receivable Fund	Payable Fund		Amount
2010-2040 Measure I	Capital projects		\$ 10,822,714
	Enterprise		4,273,497
		Total	\$ 15,096,211

## C. Interfund Transfers

						Tr	ansfers Out			
		Federal Highway	Tr	Local ansportation	2010 <b>-</b> 2040 Measure I		Capital Projects	Nonmajor	Enterprise	Total
	General	\$ -	\$	18,188,827	\$ 5,742,103	\$	-	\$ 870,085	\$ -	\$ 24,801,015
, <b>n</b>	Proposition 1B	-		-	1,805,948		-	-	-	1,805,948
rs ]	2010-2040 Measure I	-		-	57		12	-	115,232,253	115,232,322
sfe	Debt Service	-		-	13,256,163		-	-	-	13,256,163
ran	Capital Projects	21,459,417		-	75,730		-	-	-	21,535,147
F	Nonmajor	-		-	-		-	7,375	-	7,375
	Enterprise	-		-	85,542		-	-	-	85,542
	Total	\$ 21,459,417	\$	18,188,827	\$ 20,965,543	\$	12	\$ 877,460	\$115,232,253	\$176,723,512

Transfers in and out by fund for the fiscal year ended June 30, 2023, were as follows:

#### **Transfers from the Federal Highway Fund:**

To the Capital Projects Fund of \$21,459,417 to optimize funding related to funding for the Mount Vernon Viaduct Project.

#### **Transfers from the Local Transportation Fund:**

To the General Fund of \$18,188,827 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 \$5,742,103 to fund the indirect fund.

To the Proposition 1B Fund of \$1,805,948 of for the Redlands Passenger Rail Project to reclassify expenses from Capital to Operations and Maintenance.

Rail Fund to the Interchange Fund of \$57 to correct prior year expenses between the Redlands Passenger Rail Project and the I-10 University Street Interchange Project.

To the Debt Service Fund of \$13,256,163 transferred to fund debt service commitments.

To the Capital Projects Fund consists of \$75,730 to reallocate expenses associated with the refunding of the Sales Tax Revenue Bonds of 2022, Series A.

To the Enterpirse Fund consists of \$85,542 to reallocate expenses associated with the Express Lanes.

#### **Transfers from the Capital Projects Fund:**

To the 2010-2040 Measure I Fund of \$12 to reclassify prior year expenses between the Redlands Passenger Rail Project and the I-10 University Street Interchange Project.

#### **Transfers from the Nonmajor Funds:**

To the General Fund consists of the following items:

- \$554,771 from the Council of Governments fund to fund the Indirect Cost fund.
- \$315,314 from the Service Authority for Freeways fund to fund the Indirect Cost fund.

To the Non-Major Funds consists of the following item:

• \$7,375 to reclassify prior year expenses and optimize local funding related to Freeway Service Patrol.

#### **Transfers from the Enterprise Fund:**

To the 2010-2040 Measure I Fund of \$115,232,253 from draws from the TIFIA loan program for the I-10 Contract 1 Project.

#### 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, 2023 are as follows:

Jurisdiction	Agreement number	Amount		
City of Highland	18-1001978	\$	6,018,426	
City of Fontana	19-1002191		2,444,412	
City of Ontario	17-1001704		2,901,597	
City of Montclair	17-1001719		1,907,426	
		\$	13,271,861	

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, 2023 is \$0.

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, 2023 is \$6,018,426.

Per Cooperative Agreement No. 19-1002225 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, 2023 is \$2,444,412.

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, 2023 is \$2,901,597.

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, 2023 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 Ioan 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, 2023 is \$0.

Per Cooperative Agreement No. 17-1001719 with the City of Montclair, SBCTA entered into a 2010-2040 Measure I Valley Freeway Interchange Program term 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, 2023 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 2022/2023. The outstanding agreement balance as of June 30, 2023 is \$0.

#### 7. CAPITAL ASSETS

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

1 5 5	Balance			Balance
Governmental Activities	July 1, 2022	Additions <sup>1</sup>	Deletions <sup>1</sup>	June 30, 2023
Capital assets, not depreciated				
Land	\$ 67,994,332	\$ 7,729,261	\$ (334,562)	\$ 75,389,031
Construction in progress	368,543,106	71,081,215	(209,147,728)	230,476,593
Total capital assets, not depreciated	\$ 436,537,438	\$ 78,810,476	\$ (209,482,290)	\$ 305,865,624
Capital assets being depreciated/amortized:				
Buildings and building improvements	\$ 10,620,860	\$ -	\$ -	\$ 10,620,860
Improvements to land	16,923,102	57,488,146	(86,167)	74,325,081
Infrastructure	23,152,124	49,897,483	-	73,049,607
Equipment, furniture, software and vehicles	5,942,589	2,424,006	(33,036)	8,333,559
Right-to-use lease equipment	-	261,558	-	261,558
Subscription-based information technology arrangements	-	233,410	-	233,410
Total capital assets, depreciated	56,638,675	110,304,603	(119,203)	166,824,075
Less accumulated depreciation/amortization for:				
Buildings and building improvements	\$ (3,398,799)	\$ (348,153)	\$ -	\$ (3,746,952)
Improvements to land	(5,344,095)	(3,820,929)	25,850	(9,139,174)
Infrastructure	(5,155,190)	(1,754,158)	-	(6,909,348)
Equipment, furniture, software, and vehicles	(5,155,042)	(703,702)	33,036	(5,825,708)
Right-to-use lease equipment	-	(42,928)	-	(42,928)
Subscription-based information technology arrangements		(30,539)		(30,539)
Total accumulated depreciation/amortization	(19,053,126)	(6,700,409)	58,886	(25,694,649)
Total capital assets, depreciated	37,585,549	103,604,194	(60,317)	141,129,426
Total capital assets, net	\$ 474,122,987	\$ 182,414,670	\$ (209,542,607)	\$ 446,995,050

<sup>1</sup> Diesel Multiple Units and Arrow Maintenance Facility initially scheduled to be owned by SBCTA have been determined to be owned by Southern California Regional Rail Authority (SCRRA)

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

#### **Governmental activities:**

General government	\$ 1,008,009
Environment and energy conservation	58,083
Transit	 5,634,317
Total depreciation/amortization expense - governmental activities	\$ 6,700,409

Construction in Progress consists of the following projects:

Projects	G	Governmental Activities			
Control Point Lilac to control point Rancho double track	\$	1,857,245			
Ontario International Airport tunnel		12,286,482			
I-10 corridor express lanes contract 1		195,289,771			
I-10 corridor express lanes contract 2A		5,780,308			
I-15 corridor express lanes contract 1		15,262,787			
	\$	230,476,593			

# 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, 2023:

Governmental activities	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due within One Year
Long-term debt					
Revenue bonds payable	\$ 160,615,000	\$ -	\$ 5,570,000	\$ 155,045,000	\$ 5,990,000
Unamortized premium on					
revenue bonds payable	18,355,060		1,777,302	16,577,758	1,709,560
Total long-term debt	178,970,060		7,347,302	171,622,758	7,699,560
Other liabilities					
Compensated absences	2,094,841	528,291	594,161	2,028,971	172,438
Lease liability	-	261,558	42,709	218,849	43,218
Subscriptions	-	233,410	35,904	197,506	49,553
Net pension liability	7,870,511	5,087,877	-	12,958,388	-
Advance expenditure agreements	24,953,000		16,423,622	8,529,378	4,429,378
Total other liabilities	34,918,352	6,111,136	17,096,396	23,933,092	4,694,587
Total long-term debt and					
other liabilities, net	\$213,888,412	\$ 6,111,136	\$24,443,698	<u>\$ 195,555,850</u>	\$12,394,147
Business-type activities					
Long-term debt					
TIFIA Loan (Direct Borrowing)	\$ 61,422,896	<u>\$115,998,466</u>	<u>\$</u>	<u>\$177,421,362</u>	<u>\$</u>
Total long-term debt and					
other liabilities, net	\$ 61,422,896	<u>\$115,998,466</u>	<u>\$                                    </u>	\$177,421,362	<u>\$ -</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.

#### **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, 2023 of \$7,347,302, represents 2.85% of total applicable sales tax revenue, which was \$257,469,979. The future maturities of sales tax revenue bonds payable are as follows:

Year Ending, June 30,	Principal		Interest		Total		
2024	\$	5,990,000	\$	7,398,413	\$	13,388,413	
2025		6,335,000		7,098,913		13,433,913	
2026		6,655,000		6,782,163		13,437,163	
2027		6,985,000		6,449,413		13,434,413	
2028		7,335,000		6,100,163		13,435,163	
2029-2033		42,550,000		24,619,565		67,169,565	
2034-2038		54,015,000		13,161,027		67,176,027	
2039-2040		25,180,000		1,689,601		26,869,601	
	\$	155,045,000	\$	73,299,258	\$	228,344,258	

# 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		Interest	Total		
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		3,615,000		4,198,813		7,813,813	
2028		3,950,000		4,018,063		7,968,063	
2029-2033		25,555,000		16,753,565		42,308,565	
2034-2038		37,230,000		9,533,527		46,763,527	
2039-2040		18,755,000		1,305,601		20,060,601	
	\$	98,115,000	\$	49,336,008	\$	147,451,008	

# Sales Tax Revenue Bonds of 2022, Series A

The sales tax revenue refunding bonds of \$60,050,000 with a premium of \$13,108,295, are tax exempt and were issued by the San Bernardino County Transportation Authority on March 1, 2022 to refund the Sales Tax Revenue Bonds of 2012, Series A. 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 Sales Tax Revenue Bonds of 2022, Series A were used to pay in full the outstanding principal balance of the Sales Tax Revenue Bonds of 2012, Series A. The refunding reduced debt service payments by \$28,512,194 over the next eighteen (18) years resulting in an economic gain of \$12,199,315. The refunding resulted in a gain in the amount of \$2,532,783 and is reported as a deferred inflow of resources (less current year amortization of \$70,879). The deferred gain is amortized through 2040.

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 4% to 5% and yield rates ranging from 0.67% to 2.15%. Principal payments on the bonds began on March 1, 2023 and are due each year thereafter through 2040 ranging from \$3,120,000 to \$3,405,000. The range of annual debt service ranges from \$3,302,000 to \$6,025,100.

The debt maturities for the 2022 sales tax revenue bonds payable included in the governmental activities are as follows:

Year Ending, June 30,	Principal		Interest		Total		
2024	\$	3,275,000	\$	2,749,100	\$	6,024,100	
2025		3,335,000		2,585,350		5,920,350	
2026		3,360,000		2,418,600		5,778,600	
2027		3,370,000		2,250,600		5,620,600	
2028		3,385,000		2,082,100		5,467,100	
2029-2033		16,995,000		7,866,000		24,861,000	
2034-2038		16,785,000		3,627,500		20,412,500	
2039-2040		6,425,000		384,000		6,809,000	
	\$	56,930,000	\$	23,963,250	\$	80,893,250	

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

Sales Tax Revenue		Debt
Fiscal Year Ended	Maximum Annual	Coverage
June 30, 2023	Debt Service	Ratio
\$257,469,979	\$13,437,463	19.16 X

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

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. 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.

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 enter into a Development Default or Project Abandonment, the interest rate increases to 4.17% (2.17% plus 200 basis points) until the Development Default is cure or the outstanding TIFIA loan balance has been irrevocably paid in full in cash. The first draw commenced in February 2022. The total amount drawn as of June 30, 2023 was \$177,421,362, with compounded interest of \$2,967,743.

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 Second 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.

In 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 senior lien 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 second lien on the trust future toll revenue with a commitment amount of \$93 million of Measure I funds until the year 2040. 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.

# 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 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. 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. 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 for Measure I as funds become available.

The following three 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, 2023 is \$4,429,378.

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, 2023 is \$3,200,000.

Per AE Agreement No. 22-1002711, SBCTA agrees to reimburse San Bernardino County up to \$900,000 for the Needles Highway, Segment 1C Project. The outstanding amount as of June 30, 2023 is \$900,000.

The outstanding balances for advance expenditure agreements as of June 30, 2023 are as follows:

Jurisdiction	Agreement number	A	mount
City of Rancho Cucamonga	00-1000892	\$	4,429,378
City of Big Bear Lake	19-1002192		3,200,000
County of San Bernardino	22-1002711		900,000
		\$	8,529,378

#### **Rebatable Arbitrage**

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

# 9. DEFERRED INFLOWS OF RESOURCES

The outstanding balances for deferred inflows of resources as of June 30, 2023 are as follows:

	Balance						Balance
Governmental activities	June 30, 2022	Additions		Deletions		June 30, 2023	
Deferred inflows related to leases	\$ -	\$	869,612	\$	62,881	\$	806,731
Deferred inflows related to bond refunding	2,461,904		-		138,696		2,323,208
Deferred inflows related to net pension liability	9,543,508				7,660,097		1,883,411
Total deferred inflows of resources	<u>\$ 12,005,412</u>	\$	869,612	\$	7,861,674	\$	5,013,350

# **10. SUBSCRIPTIONS PAYABLE**

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

On June 1,2023, SBCTA entered into a 36 month subscription for the use of Sharepoint Support Services. An initial subscription liability was recorded in the amount of \$41,778.63. As of June 30, 2023, the value of the subscription liability is \$40,579. SBCTA is required to make monthly fixed payments of \$1,200. The subscription has an interest rate of 2.31%. The value of the right to use asset as of June 30, 2023 of \$41,779 with accumulated amortization of \$1,161 is included with Software on the Subscription Class activities table found below. SBCTA had a termination period of one (1) month as of the subscription commencement.

On July 1, 2022, SBCTA entered into a 72 month subscription for the use of Planet Bids Online Support Services. An initial subscription liability was recorded in the amount of \$44,773. As of June 30, 2023, the value of the subscription liability is \$37,108. SBCTA is required to make annual fixed payments of \$7,666. The subscription has an interest rate of 2.32%. The value of the right to use asset as of June 30, 2023 of \$44,773 with accumulated amortization of \$7,462 is included with Software on the Subscription Class activities table found below. SBCTA had a termination period of two (2) months as of the subscription commencement.

On September 30, 2022, SBCTA entered into a 48 month subscription for the use of Envoy Enterprise SaaS. An initial subscription liability was recorded in the amount of \$28,567. As of June 30, 2023, the value of the subscription liability is \$21,369. SBCTA is required to make annual fixed payments of \$7,198. The subscription has an interest rate of 0.53%. The value of the right to use asset as of June 30, 2023 of \$28,567 with accumulated amortization of \$5,487 is included with Software on the Subscription Class activities table found below. SBCTA has three (3) extension option(s), each for 12 months.

On September 1, 2022, SBCTA entered into a 72 month subscription for the use of Lasferfiche Support Services. An initial subscription liability was recorded in the amount of \$118,291. As of June 30, 2023, the value of the subscription liability is \$98,451. SBCTA is required to make annual fixed payments of \$20,136. The subscription has an interest rate of 0.75%. The value of the right to use asset as of June 30, 2023 of \$118,291 with accumulated amortization of \$16,429 is included with Software on the Subscription Class activities table found below. SBCTA has two (2) extension option(s), each for 24 months.

	Governmental activities							
Fiscal Year	F	Principal		nterest	Total Payments			
2024	\$	47,046	\$	2,507	\$	49,553		
2025		46,964		1,845		48,809		
2026		47,481		1,188		48,669		
2027		27,758		675		28,433		
2028		28,257		342		28,599		
	\$	197,506	\$	6,557	\$	204,063		

Principal and Interest Requirements to Maturity as of June 30, 2023, were as follows:

# 11. LEASES

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

# Lease Receivable

On July 1, 2022, SBCTA entered into a 60 month lease as Lessor for the use of office space. An initial lease receivable was recorded in the amount of \$32,030. As of June 30, 2023, the value of the lease receivable is \$25,854. The lessee is required to make monthly fixed payments of \$563. The lease has an interest rate of 2.19%. The office space estimated useful life was 22 years as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2023 was \$25,624, and SBCTA recognized lease revenue of \$6,406 during the fiscal year.

On July 1, 2022, SBCTA entered into a 120 month lease as Lessor for the use of office space. An initial lease receivable was recorded in the amount of \$501,394. As of June 30, 2023, the value of the lease receivable is \$456,019. The lesse is required to make monthly fixed payments of \$4,752. The lease has an interest rate of 2.66%. The office space estimated useful life was 22 years as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2023 was \$451,255, and SBCTA recognized lease revenue of \$50,139 during the fiscal year. The lesse has one (1) extension option(s), each for 60 months.

On February 15, 2023, SBCTA entered into a 240 month lease as Lessor for the use of building space. An initial lease receivable was recorded in the amount of \$336,1884. As of June 30, 2023, the value of the lease receivable is \$331,388. The lesse is required to make monthly fixed payments of \$1,800. The lease has an interest rate of 3.36%. The building space estimated useful life was 21 years and 4 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2023 was \$329,852, and SBCTA recognized lease revenue of \$6,336 during the fiscal year. The lesse has three (3) extension option(s), each for 60 months.

		Governmental activities							
Fiscal Year	]	Principal		Interest	Total Payments				
2024	\$	62,337	\$	23,044	\$	85,381			
2025		64,349		21,319		85,668			
2026		66,719		19,525		86,244			
2027		68,872		17,672		86,544			
2028		64,574		15,814		80,388			
2029 - 2033		293,804		51,111		344,915			
2034 - 2038		91,824		24,996		116,820			
2039 - 2043		100,781		8,251		109,032			
	\$	813,260	\$	181,732	\$	994,992			

Principal and Interest Expected to Maturity as of June 30, 2023, were as follows:

#### Lease liability

On July 7, 2022, SBCTA entered into a 60 month lease as Lessee for the use of postage equipment. An initial lease liability was recorded in the amount of \$35,280. As of June 30, 2023, the value of the lease liability is \$28,499. SBCTA is required to make monthly fixed payments of \$621. The lease has an interest rate of 2.1860%. The postage equipment's estimated useful life was 6 years as of the contract commencement. The value of the right to use asset as of June 30, 2023 of \$35,280 with accumulated amortization of \$6,889 is included with the postage equipment on the Lease Class activities table found below. SBCTA had a termination period of one (1) month as of the lease commencement.

On July 20, 2022, SBCTA entered into a 71 month lease as Lessee for the use of Copiers/Multifunction Printers. An initial lease liability was recorded in the amount of \$226,279. As of June 30, 2023, the value of the lease liability is \$190,350. SBCTA is required to make monthly fixed payments of \$3,363. The lease has an interest rate of 2.3220%. The Copiers/Multifunction Printers estimated useful life was three (3) years as of the contract commencement. The value of the right to use asset as of June 30, 2023 of \$226,279 with accumulated amortization of \$36,040 is included with the Copiers/Multifunction Printers on the Lease Class activities table found below. SBCTA has 3 extension option(s), each for 12 months. SBCTA had a termination period of one (1) month as of the lease commencement.

Principal and Interest Requirement to Maturity as of June 30, 2023, were as follows:

		Governmental activities					
Fiscal Y	/ear	Principal		Principal Interest		Total Payment	
2024	4 \$	43,218	\$	4,589	\$	47,807	
202:	5	44,222		3,585		47,807	
2020	5	45,250		2,556		47,806	
202	7	46,302		1,504		47,806	
202	3	39,857		503		40,360	
	\$	218,849	\$	12,737	\$	231,586	

# 12. PENSION OBLIGATIONS

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

		rred Inflows Resources
\$ 323,150	\$	291,845
896,845		-
283		236,794
1,442,930		1,354,772
3,456,305		-
\$ 6,119,513	\$	1,883,411
6	896,845 283 1,442,930 3,456,305	of Resources         of I           \$ 323,150         \$           \$ 896,845         283           1,442,930         3,456,305

As of June 30, 2023, combined pension expense (including deferred outflows of resources) is \$2,591,541 and the net pension liability is \$12,958,388.

### 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 (2) membership classifications, General and Safety, and those benefits are tiered based upon date of SBCERA membership. Safety membership is extended to those involved in active law enforcement and fire suppression. All other members are classified as General members. Generally, those who become members prior to January 1, 2013 are Tier 1 members. All other members are Tier 2. Employees who are appointed to a regular position, whose service is greater than fifty percent of the full standard of hours required is an eligible member of SBCERA, and are provided with pension benefits pursuant to the Plan requirements.

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

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 (SBCERA 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, Ste 100, San Bernardino, CA 92415-0014, or visiting the website at: <u>www.SBCERA.org</u>.

# **Benefits Provided**

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

	<u>General-Tier 1</u>	<u>General-Tier 2</u>
Final average compensation	Highest 12 months	Highest 36 months
Normal retirement age	Age 59	Age 59
Early retirement: Years of service required and/or age eligible for	Age 70 any years, 10 years age 50, 30 years any age	Age 70 any years, 5 years age 52
Benefit percent per year of service for normal retirement age	2% per year of final average compensation for every year of service credit	Age factor pursuant to Government Code Section 7522.20(a) per year of final average compensation for every year of service credit
Final average compensation limitation	California Government Code section 31676.15, Internal Revenue Code Section 401(a)(17)	California Government Code section 7522.1

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, 2023 ranged between 9.14% and 15.78% for Tier 1 General members, and 9.12% for Tier 2 General members.

Employer contribution rates for the year ended June 30, 2023, are as follows:

	Employer		Paid by Employer for	
	<b>Contribution Rates</b>		Employee Contribution Rates	
	<u>Tier 1</u>	<u>Tier 2</u>	Tier 1	<u>Tier 2</u>
Actuarially determined required contribution for general members	40.48%	35.48%	> 7.2% of employee Contribution	0%

The required employer contributions and the amount paid to SBCERA by SBCTA for the year ended June 30, 2023, were \$3,449,228.

### Net Pension Liability

At June 30, 2023, SBCTA reported a net pension liability of \$12,956,842 for its proportionate share of the SB-CERA's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. 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, 2021 through June 30, 2022, relative to the total employer contributions received from all of SBCERA's participating employers. At June 30, 2022, SBCTA's proportion was 0.557%, which was an decrease of 0.039% from its proportion measured as of June 30, 2021.

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

For the year ended June 30, 2023, SBCTA recognized a pension expense (excluding deferred outflows of resources) of \$2,591,264, for its proportionate share of SBCERA's pension expense. At June 30, 2023, 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	\$	323,119	\$	291,824
Changes in actuarial assumptions		896,687		-
Net differences between projected and actual earnings on				
pension plan investments		-		236,794
Changes in proportion and differences between employer				
contributions and proportionate share of contributions		1,442,930		1,354,772
Employer contributions paid to SBCERA subsequent to				
the measurement date		3,449,228		-
Total	\$	6,111,964	\$	1,883,390
	-			

The \$3,449,228 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, 2024. 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:

2024		\$ 498,343
2025		40,643
2026		(1,210,863)
2027		1,499,829
2028		(48,606)
	Total	\$ 779,346

#### 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, 2022
Actuarial cost method	Entry age actuarial cost
Amortization method	Level percent of payroll
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 projection scale.

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

# SBCERA's Long-Term Expected Real Rate of Return, As of June 30, 2021 Valuation Date

		T (	Long-Term Expected
A seat Class		Target	Real Rate of Return
Asset Class		Allocation	(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	100.00%	

#### **Changes in Assumptions**

The assumptions for June 30, 2022 valuation included inflation increasing from 3.00% to 2.75% and administrative expense decreasing 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.

## 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% ecrease 6.25%)	Disc	Current count Rate 7.25%)	In	00% acrease 3.25%)
SBCTA's proportionate share of the net pension liability	\$ 23,133,445	\$	12,956,842	\$	4,633,182

### 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 <u>www.SBCERA.org</u>; by writing to SBCERA at 348 W. Hospitality Lane, Ste 100, San Bernardino, CA 92408; 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 Q Street, Sacramento, CA 95811.

# **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.

#### **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, 2022.

The required employer contributions and the amount paid to PERS by SBCTA for the year ended June 30, 2023, was \$0 toward the payment of unfunded accrued liability.

# Pension Liability

At June 30, 2023, SBCTA reported a net pension liability of \$1,546 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021.

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

For the year ended June 30, 2023, SBCTA recognized pension expense (excluding deferred outflows of resources) of \$277, for its proportionate share of PERS' pension expense. At June 30, 2023, SBCTA reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions, from the following sources:

		ed Outflows Resources	 ed Inflows esources
Differences between expected and actual experience	\$	31	\$ 21
Changes in actuarial assumptions		158	-
Net differences between projected and actual earnings on pension plan investments		283	_
Employer contributions paid to PERS subsequent to			
the measurement date		7,077	-
Tota	.1 \$	7,549	\$ 21

The \$7,077 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, 2024.

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:

2024	\$	134
2025		89
2026		174
2027		54
	Total \$	451

At June 30, 2022, SBCTA's proportion was 0.000033% which was a decrease of 0.000730% from its proportion measured as of June 30, 2021. 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, 2021
Actuarial cost method	Entry age actuarial cost
Amortization method	Level percent of payroll
	(pre-2019 bases), Level Dollar
Investment rate of return	6.90%
Inflation	2.30%
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	Real Return <sup>1,2</sup>
Global Equity- Cap Weighted		30.00%	4.54%
Global Equity- Non-Cap Weighted		12.00%	3.84%
Private Equity		13.00%	7.28%
Treasury		5.00%	0.27%
Mortgage-backed Securities		5.00%	0.50%
Investment Grade Corporates		10.00%	1.56%
High Yield		5.00%	2.27%
Emerging Market Debt		5.00%	2.48%
Private Debt		5.00%	3.57%
Real Assets		15.00%	3.21%
Leverage		-5.00%	-0.59%
	Total	100.00%	

(1) An Expected Inflation Rate of 2.30% was used.

(2) Figures are based on the 2021-2022 Asset Liability Management Study.

#### 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 6.90%, 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 (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

Sensitivity of Net Pension Lighility to Changes in the Discount Rate

Sensitivity of feet 1		ability to Cha	nges in the	Discount Ra		
	1.00% Decrease		Cui	rent	1.00	)%
			Discou	int Rate	Incre	ease
	(5.9	90%)	(6.90%)		(7.90	)%)
SBCTA's proportionate share of the						
net pension liability	\$	2,512	\$	1,546	\$	751
Pension plan fiduciary net position						

Detailed information about PERS's fiduciary net position is available on the Internet at www.calpers.ca.gov; by writing to PERS at 400 Q Street, Sacramento, CA 95811; or by calling (888) 225-7377.

#### 13. **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 \$2.18 billion at June 30, 2023.

# **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, 2023 is \$0.

# 14. PUBLIC TRANSPORTATION, MODERNIZATION, IMPROVEMENT, AND SERVICE

# ENHANCEMENT ACCOUNT (PTMISEA) AND TRANSIT SYSTEM SAFETY SECURITY AND DISAS-TER RESPONSE ACCOUNT FUNDING

As of June 30, 2023, SBCTA cumulatively has received a total of \$40,239,430 in PTMISEA funds and are accounted for in the Proposition 1B fund. These funds are designated to be used as follows:

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

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

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

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
2021-2022	9,456,501	-	9,456,501
2022-2023	 5,405,708	 -	 5,405,708
Total	\$ 42,602,748	\$ 11,639,699	\$ 54,242,447

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

# **15. RISK MANAGEMENT**

SBCTA has exposure to various risks of loss related to torts; theft of, damage to, or destruction of assets; as well as errors and omissions. SBCTA purchases commercial insurance coverage for crime (\$2,500 deductible), excess crime, general liability (\$50,000 self-insured retention), property including some additional crime coverages (\$25,000 deductible), public official's errors and omissions (\$50,000 self-insured retention), excess liability, and workers' compensation. Workers' Compensation limits are statutory, as mandated by the State of California. There have been no settlements of any amount, over the three prior coverage years.

#### 16. 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 \$24,634,410 during Fiscal Year 2022/2023 for its share of Metrolink capital and operating costs (including the new Arrow Route rail line extension). The expenditures are recorded in SBCTA's general fund for LTF rail, STA, SGR, and MSI 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 not paid by SBCTA for Fiscal Year 2022/2023 as a membership fee request was not received. 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 \$98,000,000 and future annual operating costs is estimated at \$2.5 million in 2021 dollars. Currently, there is an overall \$798 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.

# 17. PUBLIC-PUBLIC PARTNERSHIP ARRANGEMENT

SBCTA, an operator, entered into an arrangement during fiscal year 2019 with California Department of Transportation (Caltrans), the transferor, to design and build, and for 50 years operate the Express Lanes Facility. SBCTA will set, collect, and retain tolls during this period. In return for transfer of ownership of the Express Lanes Facility at the end of the 50 years, Caltrans conveys to SBCTA the right to operate the Express Lanes Facility and to set, collect, and retain toll revenues. Construction of the Express Lanes Facility is 80 percent completed at the end of the current year and will be completed and placed into service at the end of fiscal year 2024. As of June 30, 2023, the cost of construction of the Express Lanes Facility for SBCTA is estimated to be \$250.7 million at time of completion. SBCTA's estimated carrying value of the Facilities at the end of the arrangement is \$41.8 million (\$250.7 million/60 years expected useful life X 10 years of useful life remaining). The arrangement does not meet the criteria of a service concession arrangement per GASB 94 because SBCTA has the authority to set the prices for tolls. SBCTA is not a component unit in the Caltrans financial reporting entity.

During fiscal year 2023, the SBCTA, entered into an agreement with the DesertXpress Enterprises, LLC (Brightline), under which the Brightline will design, build, and operate the Brightline West High-Speed Rail project for 50 years. Brightline will set, collect, and retain fares during this period. SBCTA will transfer the right to use asset to Brightline for the 50 year term. This agreement is similar to the agreement above except that SBCTA is the transferor. The arrangement does not meet the criteria of a service concession arrangement per GASB 94 because Brightline has the authority to set the prices for services provided.

# **18. 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.

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 right-of-way acquisitions costs have arisen in the ordinary course of business. Additionally, SBCTA and SBCOG 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.

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

SBCTA implemented a PACE program in October 2013 and the Board 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. The remainder fund balance continues to pay for administrative costs of the existing PACE agreements and to fund other SBCOG activities.

#### **Related Debt**

Beginning in October 2013, SANBAG 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, 2023 is \$62,192,952.

# 20. 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. 99, *Omnibus 2022* (paragraphs 11-25 are effective for fiscal year June 30, 2023; paragraphs 4-10 are effective for fiscal year June 30, 2024). SBCTA has not determined the effect of the remaining paragraphs of this Statement.
- GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62 (effective for period fiscal year June 30, 2024). SBCTA has not determined the effect of this Statement.
- GASB Statement No. 101, Compensated Absences (effective for period fiscal year June 30, 2025). SBCTA has not determined the effect of this Statement.

# 21. SUBSEQUENT EVENT

On September 4, 2023, SBCTA amended its commercial paper program to downsize the authorized amount to \$25 million and extended the term by two (2) years through September 2026. The program was amended to provide cash flows for the North First Avenue Bridge project. The issuance amount will be repaid from Highway Bridge program funds. The first draw occurred after year end for \$2,500,000 on September 26, 2023.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual General Fund For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Sales tax-Measure I	\$ 2,500,000	\$ 2,500,000	\$ 2,574,700	\$ 74,700
Charges for services	244,775	244,775	678,791	434,016
Investment earnings	55,200	55,200	241,641	186,441
Miscellaneous	225	225	335,412	335,187
Total revenues	2,800,200	2,800,200	3,830,544	1,030,344
Expenditures				
Current:				
General government	12,689,941	13,300,833	11,089,263	2,211,570
Environment and energy conservation	24,864	34,964	13,430	21,534
Regional and subregional planning	1,465,618	1,465,618	718,757	746,861
Transit	20,964,408	19,172,371	5,440,684	13,731,687
Project delivery	61,414	25,814	-	25,814
Fund administration	511,662	578,662	519,938	58,724
Capital outlay	13,736,899	12,052,936	7,116,498	4,936,438
Total expenditures	49,454,806	46,631,198	24,898,570	21,732,628
Excess (deficiency) of revenues over (under) expenditures	(46,654,606)	(43,830,998)	(21,068,026)	22,762,972
Other financing sources (uses)				
Transfers in	51,221,063	51,221,063	24,801,015	(26,420,048)
Transfers out	(3,908,122)	(3,909,990)	-	3,909,990
Lease financing	-	-	268,088	268,088
Subscription financing	-	-	233,410	233,410
Gain on sale of assets	-	-	1,260,743	1,260,743
Total other financing sources (uses)	47,312,941	47,311,073	26,563,256	(20,747,817)
Net change in fund balances	658,335	3,480,075	5,495,230	2,015,155
Fund balances beginning of year	10,100,316	10,100,316	10,100,316	-
Fund balances (deficits) end of year	\$ 10,758,651	\$ 13,580,391	\$ 15,595,546	\$ 2,015,155

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Federal Highway Special Revenue Fund For the Year Ended June 30, 2023

Variance wi Final BudgeOriginalFinalPositiveBudgetBudgetActual(Negative)Revenues\$ 113,465,220\$ 35,783,822\$ (77,681,3)	et ) 98) 85 <u>22</u> )
Original BudgetFinal BudgetPositive (Negative)Revenues113,465,220\$ 113,465,220\$ 35,783,822\$ (77,681,3)	) 98) 85 <u>22</u> )
Budget         Budget         Actual         (Negative)           Revenues         Intergovernmental         \$ 113,465,220         \$ 35,783,822         \$ (77,681,3)	98) 85 22)
Revenues         113,465,220         113,465,220         35,783,822         (77,681,3)	98) 85 22)
Intergovernmental \$ 113,465,220 \$ 113,465,220 \$ 35,783,822 \$ (77,681,3	85 22)
• · · · · · · · · · · · · · · · · · · ·	85 22)
	<u>22</u> )
Investment earnings 94,185 94,1	
Miscellaneous 15,000,000 15,000,000 735,078 (14,264,9	
Total revenues128,465,220128,465,22036,613,085(91,852,1)	<u>35</u> )
Expenditures	
Current:	
Transit 1,064,740 1,564,740 1,474,613 90,1	27
Project delivery 107,825,246 85,853,246 43,280,873 42,572,3	73
Capital outlay <u>19,575,234</u> <u>19,047,234</u> <u>4,839,170</u> <u>14,208,0</u>	64
Total expenditures128,465,220106,465,22049,594,65656,870,5	<u>64</u>
Excess (deficiency) of revenues over	
(under) expenditures 22,000,000 (12,981,571) (34,981,5	<u>71</u> )
Other financing sources (uses)	
Transfers out (21,500,000)(21,459,417) 40,5	83
Total other financing sources (uses)       -       (21,500,000)       (21,459,417)       40,5	83
Net change in fund balances - 500,000 (34,440,988) (34,940,9	88)
Fund balances (deficits) beginning of year       10,880,154       10,880,154       10,880,154	-
Fund balances (deficits) end of year $$10,880,154$$11,380,154$$(23,560,834)$$(34,940,9)$$	<u>88</u> )

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Federal Transit Administration Special Revenue Fund For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 10,011,000	\$ 60,593,155	\$ 19,011,731	<u>\$ (41,581,424)</u>
Total revenues	10,011,000	60,593,155	19,011,731	(41,581,424)
Expenditures				
Transit	10,011,000	51,593,155	25,810,829	25,782,326
Total expenditures	10,011,000	51,593,155	25,810,829	25,782,326
Net change in fund balances	-	9,000,000	(6,799,098)	(15,799,098)
Fund balances (deficits) beginning of year	(2,944,666)	(2,944,666)	(2,944,666)	
Fund balances (deficits) end of year	\$ (2,944,666)	\$ 6,055,334	<u>\$ (9,743,764)</u>	<u>\$ (15,799,098)</u>

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual State Highway Special Revenue Fund For the Year Ended June 30, 2023

	Original	Final		Variance with Final Budget Positive
	Budget	Budget	Actual	(Negative)
Revenues				
Intergovernmental	\$ 104,310,107	\$ 104,310,107	\$ 60,679,247	<u>\$ (43,630,860</u> )
Total revenues	104,310,107	104,310,107	60,679,247	(43,630,860)
Expenditures				
Current:				
General government	12,462	244	244	-
Regional and subregional planning	211,242	258,181	258,181	-
Transit	7,350,000	6,860,000	5,043,315	1,816,685
Project delivery	65,368,767	69,346,300	50,613,141	18,733,159
Fund administration	844,296	809,576	809,576	-
Capital outlay	30,523,340	27,035,806	8,416,594	18,619,212
Total expenditures	104,310,107	104,310,107	65,141,051	39,169,056
Net change in fund balances	-	-	(4,461,804)	(4,461,804)
Fund balances (deficits) beginning of year	(1,142,004)	(1,142,004)	(1,142,004)	
Fund balances (deficits) end of year	<u>\$ (1,142,004)</u>	<u>\$ (1,142,004)</u>	<u>\$ (5,603,808)</u>	<u>\$ (4,461,804)</u>

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Proposition 1B Special Revenue Fund

<b>.</b>		
For the	Year Ended June 30, 2023	

	Original Budget	 Final Budget		Actual	Variance with Final Budget Positive (Negative)
Revenues					
Intergovernmental	\$ 14,733,541	\$ 14,733,541	\$	2,922,737	\$ (11,810,804)
Investment earnings	 1,898,025	 1,898,025		14,642	(1,883,383)
Total revenues	 16,631,566	 16,631,566		2,937,379	(13,694,187)
Expenditures					
Current:					
Transit	4,946,165	4,454,743		4,454,743	-
Project delivery	6,171,732	6,171,732		2,826,653	3,345,079
Capital outlay	 5,438,669	 3,047,533		2,852,994	194,539
Total expenditures	 16,556,566	 13,674,008		10,134,390	3,539,618
Excess (deficiency) of revenues over (under) expenditures	75,000	2,957,558		(7,197,011)	(10,154,569)
Other financing sources (uses)					
Transfers in	 	 1,805,948		1,805,948	
Total other financing sources (uses)	 	 1,805,948		1,805,948	
Net change in fund balances	75,000	4,763,506		(5,391,063)	(10,154,569)
Fund balances beginning of year	 5,358,104	 5,358,104		5,358,104	
Fund balances (deficits) end of year	\$ 5,433,104	\$ 10,121,610	<u>\$</u>	(32,959)	<u>\$ (10,154,569)</u>

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Local Transportation Fund Special Revenue Fund

For the	Year Ended	June 30	, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Sales tax-local transportation fund	\$ 133,685,831	\$ 133,685,831	\$ 147,692,918	\$ 14,007,087
Investment earnings	2,000,000	2,000,000	4,716,532	2,716,532
Total revenues	135,685,831	135,685,831	152,409,450	16,723,619
Expenditures				
Current-transit	113,186,500	113,186,500	90,191,590	22,994,910
Total expenditures	113,186,500	113,186,500	90,191,590	22,994,910
Excess (deficiency) of revenues over				
(under) expenditures	22,499,331	22,499,331	62,217,860	39,718,529
Other financing sources (uses)				
Transfers out	(23,314,726)	(23,314,726)	(18,188,827)	5,125,899
Net change in fund balances	(815,395)	(815,395)	44,029,033	44,844,428
Fund balances beginning of year	288,855,737	288,855,737	288,855,737	
Fund balances end of year	\$ 288,040,342	\$ 288,040,342	\$ 332,884,770	\$ 44,844,428

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual State Transit Assistance Fund Special Revenue Fund

For the Year Ended June 30	), 2023
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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	
Revenues					
Intergovernmental	\$ 28,640,408	\$ 28,640,408	\$ 29,166,205	\$ 525,797	
Investment earnings	1,050,000	1,050,000	2,159,601	1,109,601	
Total revenues	29,690,408	29,690,408	31,325,806	1,635,398	
Expenditures					
Current-transit	26,234,448	26,234,448	16,558,006	9,676,442	
Excess (deficiency) of revenues over					
(under) expenditures	3,455,960	3,455,960	14,767,800	11,311,840	
Other financing sources (uses)					
Transfers out	(17,381,710)	(17,381,710)		17,381,710	
Net change in fund balances	(13,925,750)	(13,925,750)	14,767,800	28,693,550	
Fund balances beginning of year	93,721,455	93,721,455	93,721,455		
Fund balances end of year	\$ 79,795,705	\$ 79,795,705	\$ 108,489,255	\$ 28,693,550	

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual 1990-2010 Measure I Special Revenue Fund For the Year Ended June 30, 2023

	 Original Final Budget Budget		 Actual	Variance with Final Budget Positive (Negative)		
Revenues						
Investment earnings	\$ 42,000	\$	42,000	\$ 77,825	\$	35,825
Miscellaneous	 _			 35		35
Total revenues	 42,000		42,000	 77,860		35,860
Expenditures						
Current-project delivery	 1,808,481		1,808,481	 1,039,612		768,869
Total expenditures	 1,808,481		1,808,481	 1,039,612		768,869
Net change in fund balances	(1,766,481)		(1,766,481)	(961,752)		804,729
Fund balances beginning of year	 4,740,028		4,740,028	 4,740,028		
Fund balances end of year	\$ 2,973,547	\$	2,973,547	\$ 3,778,276	\$	804,729

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual 2010-2040 Measure I Special Revenue Fund

For the Year Ended June 30, 2023

				Variance with	
				Final Budget Positive	
	e	Original Final			
	Budget Budget Actual		(Negative)		
Revenues					
Sales tax-Measure I	\$ 247,500,000	\$ 247,500,000	\$ 254,895,279	\$ 7,395,279	
Investment earnings	3,743,000	3,743,000	8,961,764	5,218,764	
Total revenues	251,243,000	251,243,000	263,857,043	12,614,043	
Expenditures					
Current:					
General government	1,145,662	1,092,762	867,156	225,606	
Environment and energy conservation	280,232	270,132	34,048	236,084	
Commuter and motorist assistance	996,821	926,821	183,259	743,562	
Regional and subregional planning	1,407,228	1,472,228	1,021,001	451,227	
Transit	36,983,241	57,453,310	49,029,994	8,423,316	
Project delivery	235,011,103	235,131,470	144,055,553	91,075,917	
Fund administration	145,038,276	145,021,994	96,269,974	48,752,020	
Capital outlay	61,473,214	65,890,681	45,421,449	20,469,232	
Total expenditures	482,335,777	507,259,398	336,882,434	170,376,964	
Excess (deficiency) of revenues over					
(under) expenditures	(231,092,777)	(256,016,398)	(73,025,391)	182,991,007	
Other financing sources (uses)					
Transfers in	125,394,175	125,394,245	115,232,322	(10,161,923)	
Transfers out	(19,013,335)	(20,980,616)	(20,965,543)	15,073	
Total other financing sources (uses)	106,380,840	104,413,629	94,266,779	(10,146,850)	
Net change in fund balances	(124,711,937)	(151,602,769)	21,241,388	172,844,157	
Fund balances beginning of year	512,704,186	512,704,186	512,704,186		
Fund balances end of year	\$ 387,992,249	\$ 361,101,417	\$ 533,945,574	\$ 172,844,157	

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Pension Information June 30, 2023

Schedule of SBC	[A's Propor	tionate Sł	hare of Net Pe	nsion Liability		
	-	A Pension				
		Fiscal Ye				
	June 30.		June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
SBCTA's proportion of net pension liability		<u>557%</u>	0.596%	0.514%	0.609%	0.592%
SBCTA's proportionate share of net pension liability	\$ 12,950			\$ 20,619,123	\$ 16,503,425	\$ 14,988,102
SBCTA's covered payroll		5,413	7,843,969	7,885,934	7,216,317	6,986,391
SBCTA's proportionate share of net pension liability	>,12	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	7,015,505	7,000,501	7,210,517	0,000,001
as a percentage of its covered payroll	14	1.97%	100.15%	261.47%	228.70%	214.53%
SBCERA's fiduciary net position as a percentage of		5.12%	88.02%	66.41%	71.09%	70.97%
the total pension liability	0.	5.1270	00.0270	00.4170	/1.09/0	10.9770
Se			Contributions			
	SBCER	A Pension	n Plan			
	Last 10	) Fiscal Y	ears <sup>1</sup>			
	June 30.	2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Contractually required contribution	\$ 3,449	9,228 \$	3,423,807	\$ 2,747,072	\$ 2,788,174	\$ 2,504,102
Contributions in relation to contractually						
required contributions	3,449	9,228	3,423,807	2,747,072	2,788,174	2,504,102
Contributions deficiency (excess)		-	-	-	-	-
SBCTA's covered payroll	10,228	8,298	9,126,413	7,843,969	7,885,934	7,216,317
SBCTA's covered payroll contributions as a percentage o	f					
covered payroll	33	3.72%	37.52%	35.02%	35.36%	34.70%
Schedule of SBC	FA's Propor	tionate S	hare of net Pe	nsion Liability		
Schedule of SBC	-			nsion Liability		
Schedule of SBC	PERS	Pension	Plan	nsion Liability		
Schedule of SBC	PERS Last 10	Pension Fiscal Ye	Plan ears <sup>1, 2</sup>		June 30, 2020	June 30, 2019
	PERS Last 10 June 30	Fiscal Ye <u>2023</u>	Plan ears <sup>1, 2</sup> June 30, 2022	June 30, 2021	<u>June 30, 2020</u> 0 00117%	<u>June 30, 2019</u> 0 00129%
SBCTA's proportion of net pension liability	PERS Last 10 June 30. 0.00	5 Pension 1 Fiscal Ye <u>, 2023</u> 003%	Plan ears <sup>1, 2</sup> June 30, 2022 0.00076%	<u>June 30, 2021</u> 0.00053%	0.00117%	0.00129%
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability	PERS Last 10 <u>June 30.</u> 0.00	Pension 7 Fiscal Ye 2023 003% 1,546 \$	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482	<u>June 30, 2021</u> 0.00053% \$ 13,537	0.00117% \$ 11,903	0.00129% \$ 7,937
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll	PERS Last 10 June 30. 0.00	5 Pension 1 Fiscal Ye <u>, 2023</u> 003%	Plan ears <sup>1, 2</sup> June 30, 2022 0.00076%	<u>June 30, 2021</u> 0.00053%	0.00117%	0.00129%
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability	PERS Last 10 June 30. 0.00	5 Pension 7 Fiscal Ye <u>, 2023</u> 003% 1,546 \$ N/A	Plan ears <sup>1, 2</sup> June 30, 2022 0.00076% 14,482 N/A	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A	0.00117% \$ 11,903 N/A	0.00129% \$ 7,937 N/A
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll	PERS Last 10 June 30. 0.00	Pension 7 Fiscal Ye 2023 003% 1,546 \$	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482	<u>June 30, 2021</u> 0.00053% \$ 13,537	0.00117% \$ 11,903	0.00129% \$ 7,937
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability	PERS Last 10 <u>June 30</u> 0.00 \$	5 Pension 7 Fiscal Ye <u>, 2023</u> 003% 1,546 \$ N/A	Plan ears <sup>1, 2</sup> June 30, 2022 0.00076% 14,482 N/A	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A	0.00117% \$ 11,903 N/A	0.00129% \$ 7,937 N/A
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability	PERS Last 10 <u>June 30.</u> 0.00 \$	8 Pension 7 Fiscal Ye 2023 003% 1,546 \$ N/A N/A 8.32%	Plan ears <sup>1, 2</sup> June 30, 2022 0.00076% 14,482 N/A N/A	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A	0.00117% \$ 11,903 N/A N/A	0.00129% \$ 7,937 N/A N/A
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability	PERS Last 10 <u>June 30</u> 0.00 \$ \$ <b>hedule of SE</b>	8 Pension 7 Fiscal Ye 2023 003% 1,546 \$ N/A N/A 8.32%	Plan ears <sup>1, 2</sup> June 30, 2022 0.00076% 14,482 N/A N/A 84.90% Contributions	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A	0.00117% \$ 11,903 N/A N/A	0.00129% \$ 7,937 N/A N/A
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability	PERS Last 10 <u>June 30</u> 0.00 \$ 98 hedule of SE PERS	S Pension 1 Fiscal Ye 2023 003% 1,546 \$ N/A N/A 8.32% BCTA's C S Pension 1	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A	0.00117% \$ 11,903 N/A N/A	0.00129% \$ 7,937 N/A N/A
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability	PERS Last 10 <u>June 30.</u> 0.00 \$ 93 hedule of SE PERS Last 10	5 Pension 1 Fiscal Ye 2023 0003% 1,546 \$ N/A N/A 8.32% 8CTA's C 5 Pension 1 0 Fiscal Ye	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan fears <sup>1</sup>	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50%	0.00117% \$ 11,903 N/A N/A 94.34%	0.00129% \$ 7,937 N/A N/A 92.40%
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability Sc	PERS Last 10 <u>June 30</u> 0.00 \$ 9 hedule of SE PERS Last 10 <u>June 30</u>	5 Pension 1 Fiscal Ye 2023 003% 1,546 \$ N/A N/A 8.32% 8CTA's ( 5 Pension 1 5 Fiscal Ye 2023	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan ears <sup>1</sup> June 30, 2022	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50% <u>June 30, 2021</u>	0.00117% \$ 11,903 N/A N/A 94.34% June 30, 2020	0.00129% \$ 7,937 N/A N/A 92.40%
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability Sc Contractually required contribution	PERS Last 10 <u>June 30</u> 0.00 \$ 9 hedule of SE PERS Last 10 <u>June 30</u>	5 Pension 1 Fiscal Ye 2023 0003% 1,546 \$ N/A N/A 8.32% 8CTA's C 5 Pension 1 0 Fiscal Ye	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan ears <sup>1</sup> June 30, 2022	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50%	0.00117% \$ 11,903 N/A N/A 94.34% June 30, 2020	0.00129% \$ 7,937 N/A N/A 92.40%
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability SCTA's proportionate share of net pension liability SBCTA's proportionate share of net pension liability SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability Sc Contractually required contribution Contributions in relation to contractually	PERS Last 10 <u>June 30</u> 0.00 \$ 9 hedule of SE PERS Last 10 <u>June 30</u>	5 Pension 1 Fiscal Ye 2023 003% 1,546 \$ N/A N/A 8.32% 8CTA's ( 5 Pension 1 5 Fiscal Ye 2023	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan ears <sup>1</sup> June 30, 2022	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50% <u>June 30, 2021</u>	0.00117% \$ 11,903 N/A N/A 94.34% June 30, 2020	0.00129% \$ 7,937 N/A N/A 92.40%
SBCTA's proportion of net pension liability SBCTA's proportionate share of net pension liability SBCTA's covered payroll SBCTA's proportionate share of net pension liability as a percentage of its covered payroll PERS fiduciary net position as a percentage of the total pension liability Sec Contractually required contribution Contributions in relation to contractually required contributions	PERS Last 10 <u>June 30</u> 0.00 \$ 9 hedule of SE PERS Last 10 <u>June 30</u>	S Pension 7 Fiscal Ye .2023 003% 1,546 \$ N/A N/A 8.32% BCTA's ( S Pension 7 5	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan ears <sup>1</sup> June 30, 2022	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50% <u>June 30, 2021</u>	0.00117% \$ 11,903 N/A N/A 94.34% <u>June 30, 2020</u> \$ -	0.00129% \$ 7,937 N/A N/A 92.40%
<ul> <li>SBCTA's proportion of net pension liability</li> <li>SBCTA's proportionate share of net pension liability</li> <li>SBCTA's covered payroll</li> <li>SBCTA's proportionate share of net pension liability as a percentage of its covered payroll</li> <li>PERS fiduciary net position as a percentage of the total pension liability</li> <li>Sc</li> </ul>	PERS Last 10 June 30. 0.00 \$ 99 hedule of SE PERS Last 10 June 30. \$	5 Pension 1 Fiscal Ye 2023 003% 1,546 \$ N/A N/A 8.32% 8CTA's ( 5 Pension 1 5 Fiscal Ye 2023	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan ears <sup>1</sup> June 30, 2022	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50% <u>June 30, 2021</u>	0.00117% \$ 11,903 N/A N/A 94.34% June 30, 2020	0.00129% \$ 7,937 N/A N/A 92.40%
<ul> <li>SBCTA's proportion of net pension liability</li> <li>SBCTA's proportionate share of net pension liability</li> <li>SBCTA's covered payroll</li> <li>SBCTA's proportionate share of net pension liability as a percentage of its covered payroll</li> <li>PERS fiduciary net position as a percentage of the total pension liability</li> <li>Sc</li> </ul> Contractually required contribution Contributions in relation to contractually required contributions Contributions deficiency (excess) SBCTA's covered payroll contributions as a percentage of	PERS Last 10 June 30. 0.00 \$ 99 hedule of SE PERS Last 10 June 30. \$	5 Pension 1 Fiscal Ye 2023 0003% 1,546 \$ N/A N/A 8.32% 8CTA's C 5 Pension 1 0 Fiscal Ye 2023 7,077 \$ -	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan ears <sup>1</sup> June 30, 2022 4,688 -	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50% <u>June 30, 2021</u> \$ 4,205	0.00117% \$ 11,903 N/A N/A 94.34% <u>June 30, 2020</u> \$ - -	0.00129% \$ 7,937 N/A N/A 92.40% <u>June 30, 2019</u> \$ -
<ul> <li>SBCTA's proportion of net pension liability</li> <li>SBCTA's proportionate share of net pension liability</li> <li>SBCTA's covered payroll</li> <li>SBCTA's proportionate share of net pension liability as a percentage of its covered payroll</li> <li>PERS fiduciary net position as a percentage of the total pension liability</li> <li>Sc</li> </ul>	PERS Last 10 June 30. 0.00 \$ 99 hedule of SE PERS Last 10 June 30. \$	S Pension 7 Fiscal Ye .2023 003% 1,546 \$ N/A N/A 8.32% BCTA's ( S Pension 7 5	Plan ears <sup>1, 2</sup> <u>June 30, 2022</u> 0.00076% 14,482 N/A N/A 84.90% Contributions Plan ears <sup>1</sup> June 30, 2022	<u>June 30, 2021</u> 0.00053% \$ 13,537 N/A N/A 86.50% <u>June 30, 2021</u>	0.00117% \$ 11,903 N/A N/A 94.34% <u>June 30, 2020</u> \$ -	0.00129% \$ 7,937 N/A N/A 92.40%

<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.

 $^{2}$  The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

N/A - Not applicable

Schedule of SBCT	-		Net Pe	nsion Liability		
	SBCERA Pen					
	Last 10 Fiscal					
	June 30, 2018	-	<u>0, 2017</u>	<u>June 30, 2016</u>		June 30, 2014
SBCTA's proportion of net pension liability	0.566%		).549%	0.507%		0.491%
SBCTA's proportionate share of net pension liability	\$ 14,926,497	,	43,950	\$ 9,853,252	\$ 9,456,951	
SBCTA's covered payroll	6,324,582	5,23	55,190	4,769,044	5,147,134	4,188,134
SBCTA's proportionate share of net pension liability	226.010/			206 (10/	102 520/	222.000/
as a percentage of its covered payroll	236.01%		57.73%	206.61% 71.68%		232.80%
SBCERA's fiduciary net position as a percentage of the total pension liability	69.06%		57.91%	/1.68%	/1.89%	66.34%
Sch	edule of SBCTA		outions			
	SBCERA Pen					
	Last 10 Fisca					
	June 30, 2018		0, 2017	June 30, 2016		June 30, 2014
Contractually required contribution Contributions in relation to contractually	\$ 2,104,595	\$ 1,9	53,526	\$ 1,915,346	\$ 1,464,122	\$ 1,380,637
required contributions	2,104,595	1,9	53,526	1,915,346	1,464,122	1,380,637
Contributions deficiency (excess)	-		-	-	-	-
SBCTA's covered payroll	6,986,391	6,32	24,582	5,255,190	5,255,190	5,147,134
SBCTA's covered payroll contributions as a percentage of						
covered payroll	30.12%	-	31.05%	36.45%	27.86%	26.82%
Schedule of SBCT	-		f net Pe	nsion Liability		
	PERS Pensi					
	Last 10 Fiscal			T 20 2016		I 20 2014
	June 30, 2018	-	0,2017	June 30, 2016		June 30, 2014
SBCTA's proportion of net pension liability	0.00141%		0152%	0.00164%		0.00176%
SBCTA's proportionate share of net pension liability SBCTA's covered payroll	\$ 12,115 N/A	3	51,542 N/A	\$ 44,856 N/A		\$ 53,435 N/A
SBCTA's proportionate share of net pension liability	1N/A		$\mathbf{N}/\mathbf{A}$	IN/A	IN/A	IN/A
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	1.071		1 1/1 1	14/74	1.077	10/11
total pension liability	68.21%	,	74.95%	68.20%	74.90%	79.5%
Sch	edule of SBCTA		outions			
	PERS Pensi					
	Last 10 Fisca	l Years <sup>1</sup>				
	June 30, 2018	June 3	<u>0, 2017</u>	June 30, 2016		June 30, 2014
Contractually required contribution	\$ -	\$	2,889	\$ 54,180	\$ 2,041	\$ 1,498
Contributions in relation to contractually						
required contributions	-		2,889	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	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.

 $^{2}$  The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

N/A - Not applicable

### **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.

Board-approved budget amendment shall be necessary except in the following circumstances:

- 1. Transfers from one task, subtask, object code, or revenue code to another task, subtask, object code, or revenue code within the same fund and program. This amendment shall require the approval of the program/task manager.
- 2. Reallocation of budgeted salary and benefits costs and associated revenues from one program or fund to another fund or program when both funds and programs are included in the adopted budget. This amendment shall require the approval of the Chief Financial Officer.
- 3. Substitution of one fund for another fund where both funds are included in the adopted budget within the same program, not to exceed \$1 million. This amendment shall require the approval of the Executive Director or designee.

#### Board Approved Amendments

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

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

#### **Excess of Expenditures over Appropriations**

For fiscal year ended June 30, 2023, no expenditures exceeded appropriations.

#### 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, 2023

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

In 2023, 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 2022, the actuarial assumptions used in the June 30, 2019 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 2022 primarily reflect an increase of 2.75% for the inflation rate, an increase of 0.85% 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, 2019 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.



Under the bright lights brought in for crews to work safely at night, the project team is busy demolishing a bridge over Interstate 10 in preparation for the future Express Lanes. Work like this is often done at night because it requires the lanes below to be closed for safety. Closing during the day would impact hundreds of thousands of commuters.

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.

*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.

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 activites 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 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.

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.

*Affordable Housing and Sustainable Communities Program* accounts for funds received for projects that reduce greenhouse gas emissions by supporting more compact, infill development patterns, encouraging active transportation and transit usage, and protecting agricultural land from sprawl development.

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2023

Special Revenue

	L	ow Carbon		Service		
		Transit		Authority		Freeway
	(	Operations		or Freeway		Service
		Program	E	mergencies		Patrol
Assets						
Cash and investments	\$	2,310,008	\$	4,750,956	\$	-
Accrued interest receivable		18,137		23,972		-
Intergovernmental receivable	. <u> </u>	53,221		370,802		909,680
Total assets	<u>\$</u>	2,381,366	\$	5,145,730	\$	909,680
Liabilities						
Accounts payable	\$	-	\$	177,565	\$	217,187
Accrued liabilities		-		7,835		-
Intergovernmental payable		23,709		35,140		-
Due to other funds				-		691,955
Total liabilities		23,709		220,540		909,142
Deferred inflows of resources						
Unavailable grant and local reimbursements		-		-		_
Fund balances						
Restricted:						
Traveler services		-		4,925,190		-
Rail		2,357,657		-		-
Transit services		-		-		538
Committed - Council of governments		-		-		-
Unassigned (deficits)				-		-
Total fund balances (deficits)		2,357,657		4,925,190		538
Total liabilities and fund balances	\$	2,381,366	\$	5,145,730	\$	909,680

					Special I	Reven	ue					
SCAQMD Mobile Source Air Pollution Reduction Review Committee		ource Local tion Partnership on Program v Formula			Freeway Service Patrol nate Bill 1	Co	istainable mmunities Grants nate Bill 1	Er	nde Corridor nhancement Program enate Bill 1	Solutions Congeste Corridors Program Senate Bil		
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
	-		- 205,604		- 386,331		- 231,917		- 3,997,757		-	
\$	-	\$	205,604	\$	386,331	\$	231,917	\$	3,997,757	\$	_	
\$	-	\$	40,817	\$	112,318	\$	185,957	\$	780,293	\$	-	
	-		-		-		-		-		-	
	-		- 164,787		- 274,013		- 45,960		- 3,217,464		-	
	-		205,604		386,331		231,917		3,997,757		-	
			40,817						844,673			
	-		-		-		-		-		-	
	-		-		-		-		-		-	
	-		-		-		-		-		-	
			(40,817)						(844,673)		-	
			(40,817)		-		-		(844,673)			
\$	-	\$	205,604	\$	386,331	\$	231,917	\$	3,997,757	\$	-	

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Combining Balance Sheet Nonmajor Governmental Funds June 30, 2023

		Special Revenue					
		Council of	California Wildlife				
	G	overnments		Station	Conservation		
Assets							
Cash and investments	\$	910,406	\$	11,710	\$	-	
Accrued interest receivable		7,120		59		-	
Intergovernmental receivable	<u>م</u>	597,963	<u>م</u>		đ	92,805	
Total assets	<u>\$</u>	1,515,489	<u>\$</u>	11,769	\$	92,805	
Liabilities							
Accounts payable	\$	117,780	\$	-	\$	18,650	
Accrued liabilities		10,702		-		-	
Intergovernmental payable		-		-		-	
Due to other funds				-		74,155	
Total liabilities		128,482		-		92,805	
Deferred inflows of resources							
Unavailable grant and local reimbursements		384,483		_		33,079	
Fund balances Restricted:							
Traveler services		-		11,769		-	
Rail		-		-		-	
Transit services		-		-		-	
Committed - Council of governments		1,002,524		-		-	
Unassigned (deficits)		-				(33,079)	
Total fund balances (deficits)		1,002,524		11,769		(33,079)	
Total liabilities and fund balances	\$	1,515,489	\$	11,769	\$	92,805	

Affordable									
Housing		Total							
and Sustainable	N	onmajor							
Communities	Gov	ernmental							
Program		Funds							
\$ -	\$	7,983,080							
-		49,288							
		6,846,080							
\$ -	\$	14,878,448							
\$ -	\$	1,650,567							
-		18,537							
-		58,849							
-		4,468,334							
		6,196,287							
-		1,303,052							
-		4,936,959							
-		2,357,657							
-		538							
-		1,002,524							
-		(918,569)							
		7,379,109							
\$ -	\$	14,878,448							
<u>φ</u>	Φ	14,0/0,440							

Special Revenue

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2023

	Special Revenue							
		ow Carbon Transit Dperations Program	fc	Service Authority or Freeway mergencies		Freeway Service Patrol		
Revenues								
Intergovernmental	\$	1,300,783	\$	2,018,244	\$	1,536,858		
Special assessments		-		-		-		
Investment earnings		53,606		78,085		-		
Miscellaneous						<u> </u>		
Total revenues		1,354,389		2,096,329		1,536,858		
Expenditures								
Current:								
General government		-		74,416		-		
Environment and energy conservation		-		-		-		
Commuter and motorist assistance		-		1,540,724		1,544,233		
Regional and subregional planning		-		-		-		
Transit		53,221		-		-		
Project delivery		-		-		-		
Capital outlay		-		-				
Total expenditures		53,221		1,615,140		1,544,233		
Excess (deficiency) of revenues over (under) expenditures		1,301,168		481,189		(7,375)		
Other financing sources (uses)								
Transfers in		-		-		7,375		
Transfers out		_		(322,689)				
Total other financing sources (uses)		-		(322,689)		7,375		
Net change in fund balances		1,301,168		158,500		_		
Fund balances (deficits) beginning of year		1,056,489		4,766,690		538		
Fund balances (deficits) end of year	\$	2,357,657	\$	4,925,190	\$	538		

SCAQMDMobile SourceLocalAir PollutionPartnershipReductionProgramReviewFormulaCommitteeSenate Bill 1		Freeway Service Patrol Senate Bill 1	Sustainable Communities Grants Senate Bill 1	Trade Corridor Enhancement Program Senate Bill 1	Solutions for Congested Corridors Program Senate Bill 1
\$ -	\$ 449,972	\$ 1,441,908	\$ 405,365	\$ 8,609,879	\$ -
-	-	-	-	-	-
	449,972	1,441,908	405,365	8,609,879	<u>-</u>
_	_	_	-	_	-
-	-	-	-	-	-
-	-	1,441,908	- 355,928	-	-
-	-	-	-	-	-
-	331,089 118,883	-	-	6,335,149 2,274,730	-
	449,972	1,441,908	355,928	8,609,879	
		<u>-</u>	49,437		
-	-	-	-	-	-
<u> </u>					
	(40,817	-	49,437 (49,437)	(844,673)	-
<u> </u>	\$ (40,817		<u>(49,437)</u> \$ -	(844,673) \$ (844,673)	

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended June 30, 2023

	Special Revenue							
		Council of vernments	V Cł	Electric Vehicle Charging Station		llifornia /ildlife hservation		
Revenues								
Intergovernmental	\$	467,064	\$	-	\$	63,453		
Special assessments		331,276		-		-		
Investment earnings		25,099		80		-		
Miscellaneous		78,464				<u> </u>		
Total revenues		901,903		80		63,453		
Expenditures								
Current:								
General government		335,016		-		-		
Environment and energy conservation		72,810		-		-		
Commuter and motorist assistance		-		-		-		
Regional and subregional planning		438,400		-		85,300		
Transit		-		-		-		
Project delivery		-		-		-		
Capital outlay		-		-				
Total expenditures		846,226				85,300		
Excess (deficiency) of revenues over (under) expenditures		55,677		80		(21,847)		
Other financing sources (uses)								
Transfers in		-		-		-		
Transfers out		(554,771)		-		-		
Total other financing sources (uses)		(554,771)		-		-		
Net change in fund balances		(499,094)		80		(21,847)		
Fund balances (deficits) beginning of year		1,501,618		11,689		(11,232)		
Fund balances (deficits) end of year	\$	1,002,524	\$	11,769	\$	(33,079)		

S	pecial	Reve	enue
Afforda	hle		
Housir			Total
and Sustai			Nonmajor
Commun			overnmental
Progra			Funds
\$		\$	16 202 526
Φ	-	Φ	16,293,526 331,276
	-		156,870
	_		78,464
			16,860,136
	-		409,432
	-		72,810 4,526,865
	_		4, <i>32</i> 0,803 879,628
	_		53,221
	_		6,666,238
	_		2,393,613
	_		15,001,807
			10,001,007
	_		1,858,329
	-		7,375
			(877,460)
	_		(870,085)
	_		988,244
	-		6,390,865

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Low Carbon Transit Operations Program Fund For the Year Ended June 30, 2023

	Original Budget			Final Budget	 Actual	Variance with Final Budget Positive (Negative)	
Revenues							
Intergovernmental	\$	1,900,000	\$	1,900,000	\$ 1,300,783	\$	(599,217)
Investment earnings		-		-	 53,606		53,606
Total revenues		1,900,000		1,900,000	 1,354,389		(545,611)
Expenditures							
Current-transit		400,000		200,000	 53,221		146,779
Excess (deficiency) of revenues over							
(under) expenditures		1,500,000		1,700,000	1,301,168		(398,832)
Fund balances beginning of year		1,056,489		1,056,489	 1,056,489		-
Fund balances end of year	\$	2,556,489	\$	2,756,489	\$ 2,357,657	\$	(398,832)

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Service Authority for Freeway Emergencies Special Revenue Fund

For the Year Ended June 30, 2023
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		iginal udget	Final Budget	Actual	Fina P	ance with al Budget ositive egative)
Revenues						
Intergovernmental	<b>\$</b> 1	,986,552	\$ 1,986,552	\$ 2,018,244	\$	31,692
Investment earnings		44,800	44,800	78,085		33,285
Miscellaneous		45,000	 45,000	 -		(45,000)
Total revenues	2	,076,352	 2,076,352	 2,096,329		19,977
Expenditures						
Current:						
General government		87,540	115,660	74,416		41,244
Commuter and motorist assistance	2	,267,975	2,330,599	1,540,724		789,875
Regional and subregional planning		479	 479	 -		479
Total expenditures	2	,355,994	 2,446,738	 1,615,140		831,598
Excess (deficiency) of revenues over (under) expenditures		(279,642)	(370,386)	481,189		851,575
Other Financing Sources		(215 21 4)	(222 (22))			
Transfer out		(315,314)	 (322,690)	 (322,689)		<u> </u>
Net change in fund balances		(594,956)	(693,076)	158,500		851,576
Fund balances beginning of year	-	,766,690	 4,766,690	 4,766,690		
Fund balances end of year	<u>\$4</u>	,171,734	\$ 4,073,614	\$ 4,925,190	\$	851,576

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Freeway Service Patrol Special Revenue Fund For the Year Ended June 30, 2023

	 Original Budget	U			Actual	F	ariance with inal Budget Positive (Negative)
Revenues							
Intergovernmental	\$ 3,055,299	\$	3,055,299	\$	1,536,858	\$	(1,518,441)
Expenditures							
Current-commuter and motorist assistance	 1,581,566		1,588,942		1,544,233		44,709
Excess (deficiency) of revenues over (under Other Financing Sources	1,473,733		1,466,357		(7,375)		(1,473,732)
Other Financing Sources Transfers in	_		7,376		7,375		(1)
Net change in fund balances	 1,473,733		1,473,733				(1,473,733)
Fund balances beginning of year	538		538		538		-
Fund balances end of year	\$ 1,474,271	\$	1,474,271	\$	538	\$	(1,473,733)

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Active Transportation Program Fund For the Year Ended June 30, 2023

	 Original Budget	 Final Budget	 Actual	Fi	riance with nal Budget Positive Negative)
Revenues					
Intergovernmental	\$ 200,000	\$ 200,000	\$ -	\$	(200,000)
Expenditures					
Current-regional and subregional planning	 200,000	 200,000	 		200,000
Net change in fund balances	-	-	-		-
Fund balances beginning of year	 	 	 -		-
Fund balances end of year	\$ -	\$ -	\$ -	\$	-

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual SCAQMD Mobile Source Air Pollution Reduction Review Committee Fund For the Year Ended June 30, 2023

	Original Final Budget Budget				 Actual		Variance with Final Budget Positive (Negative)	
Revenues								
Intergovernmental	\$	1,752,000	<u>\$</u>	1,752,000	\$	-	<u>\$ (1,752,000)</u>	
Expenditures								
Current:								
Regional and subregional planning		90,000		90,000		-	90,000	
Transit		1,662,000		662,000		_	662,000	
Total expenditures		1,752,000		752,000		_	752,000	
Excess (deficiency) of revenues over								
(under) expenditures		-		1,000,000		-	(1,000,000)	
Fund balances beginning of year		-		-		-		
Fund balances end of year	\$		\$	1,000,000	\$ 	_	<u>\$ (1,000,000)</u>	

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Local Partnership Program - Formula Senate Bill 1 Fund For the Year Ended June 30, 2023

	Original Budget		Final Budget			Actual	Variance with Final Budget Positive (Negative)	
Revenues								
Intergovernmental	\$	1,300,000	\$	1,300,000	\$	449,972	\$	(850,028)
Expenditures								
Current-project delivery		956,540		956,540		331,089		625,451
Capital outlay		343,460		343,460		118,883		224,577
Total expenditures		1,300,000		1,300,000		449,972		850,028
Net change in fund balances		-		-		-		-
Fund balances (deficits) beginning of year		(40,817)		(40,817)		(40,817)		
Fund balances (deficits) end of year	\$	(40,817)	\$	(40,817)	\$	(40,817)	\$	-

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Freeway Service Patrol Senate Bill 1 Fund For the Year Ended June 30, 2023

	 Original Budget	 Final Budget	 Actual	F	ariance with inal Budget Positive (Negative)
Revenues					
Intergovernmental	\$ 3,906,021	\$ 3,906,021	\$ 1,441,908	\$	(2,464,113)
Expenditures					
Current-commuter and motorist assistance	 2,211,530	 2,211,530	 1,441,908		769,622
Net change in fund balances	1,694,491	1,694,491	-		(1,694,491)
Fund balances beginning of year	 -	 -	 -		-
Fund balances end of year	\$ 1,694,491	\$ 1,694,491	\$ _	\$	(1,694,491)

### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Sustainable Communities Grants Senate Bill 1 Fund

For the Year Ended June 30, 2023	
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					iance with al Budget
	Original	Final		]	Positive
	 Budget	 Budget	 Actual	_()	Vegative)
Revenues					
Intergovernmental	\$ 432,000	\$ 432,000	\$ 405,365	\$	(26,635)
Expenditures					
Current-regional and subregional planning	 432,000	 432,000	 355,928		76,072
Net change in fund balance	-	-	49,437		49,437
Fund balances (deficits) beginning of year	 (49,437)	 (49,437)	 (49,437)		
Fund balances end of year	\$ (49,437)	\$ (49,437)	\$ -	\$	49,437

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Trade Corridor Enhancement Program Senate Bill 1 Fund For the Year Ended June 30, 2023

Expenditures         Current-project delivery       28,204,881       28,204,881       6,335,149       21,869,732         Capital outlay       6,737,100       6,737,100       2,274,730       4,462,370         Total expenditures       34,941,981       34,941,981       8,609,879       26,332,102         Net change in fund balances       -       -       -       -         Fund balances (deficits) beginning of year       (844,673)       (844,673)       (844,673)       -					
Budget         Budget         Actual         (Negative)           Revenues         Intergovernmental         \$ 34,941,981         \$ 34,941,981         \$ 8,609,879         \$ (26,332,102)           Expenditures         28,204,881         28,204,881         6,335,149         21,869,732           Capital outlay         6,737,100         6,737,100         2,274,730         4,462,370           Total expenditures         34,941,981         34,941,981         8,609,879         26,332,102           Net change in fund balances         -         -         -         -           Fund balances (deficits) beginning of year         (844,673)         (844,673)         (844,673)         -		Original	Final		Final Budget
RevenuesIntergovernmental $$34,941,981$ $$34,941,981$ $$8,609,879$ $$(26,332,102)$ ExpendituresCurrent-project delivery $28,204,881$ $28,204,881$ $6,335,149$ $21,869,732$ Capital outlay $6,737,100$ $6,737,100$ $2,274,730$ $4,462,370$ Total expenditures $34,941,981$ $34,941,981$ $8,609,879$ $26,332,102$ Net change in fund balances $   -$ Fund balances (deficits) beginning of year $(844,673)$ $(844,673)$ $(844,673)$ $-$		U		A atrial	
Intergovernmental       \$ 34,941,981       \$ 34,941,981       \$ 8,609,879       \$ (26,332,102)         Expenditures       28,204,881       28,204,881       6,335,149       21,869,732         Current-project delivery       28,204,881       28,204,881       6,335,149       21,869,732         Capital outlay       6,737,100       6,737,100       2,274,730       4,462,370         Total expenditures       34,941,981       34,941,981       8,609,879       26,332,102         Net change in fund balances       -       -       -       -         Fund balances (deficits) beginning of year       (844,673)       (844,673)       (844,673)       -		Budget	Budget	Actual	(Negative)
Expenditures         Current-project delivery       28,204,881       28,204,881       6,335,149       21,869,732         Capital outlay       6,737,100       6,737,100       2,274,730       4,462,370         Total expenditures       34,941,981       34,941,981       8,609,879       26,332,102         Net change in fund balances       -       -       -       -         Fund balances (deficits) beginning of year       (844,673)       (844,673)       (844,673)       -	Revenues				
Current-project delivery       28,204,881       28,204,881       6,335,149       21,869,732         Capital outlay       6,737,100       6,737,100       2,274,730       4,462,370         Total expenditures       34,941,981       34,941,981       8,609,879       26,332,102         Net change in fund balances       -       -       -       -         Fund balances (deficits) beginning of year       (844,673)       (844,673)       (844,673)       -	Intergovernmental	<u>\$ 34,941,981</u>	<u>\$ 34,941,981</u>	<u>\$ 8,609,879</u>	<u>\$ (26,332,102)</u>
Capital outlay       6,737,100       6,737,100       2,274,730       4,462,370         Total expenditures       34,941,981       34,941,981       8,609,879       26,332,102         Net change in fund balances       -       -       -       -         Fund balances (deficits) beginning of year       (844,673)       (844,673)       (844,673)       -	Expenditures				
Total expenditures       34,941,981       34,941,981       8,609,879       26,332,102         Net change in fund balances       -       -       -       -       -         Fund balances (deficits) beginning of year       (844,673)       (844,673)       (844,673)       -	Current-project delivery	28,204,881	28,204,881	6,335,149	21,869,732
Net change in fund balances-Fund balances (deficits) beginning of year(844,673)(844,673)(844,673)	Capital outlay	6,737,100	6,737,100	2,274,730	4,462,370
Fund balances (deficits) beginning of year       (844,673)       (844,673)       -	Total expenditures	34,941,981	34,941,981	8,609,879	26,332,102
	Net change in fund balances	-	-	-	-
	Fund balances (deficits) beginning of year	(844,673)	(844,673)	(844,673)	
Fund balances (deficits) end of year $\frac{(844,673)}{(844,673)} $ $\frac{(844,673)}{(844,673)} $	Fund balances (deficits) end of year	<u>\$ (844,673)</u>	<u>\$ (844,673)</u>	\$ (844,673)	\$

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Solutions for Congested Corridors Program Senate Bill 1 Fund For the Year Ended June 30, 2023

	Original Final Budget Budget Actual	Variance with Final Budget Positive (Negative)
Revenues		
Intergovernmental	<u>\$ 16,250,000</u> <u>\$ 16,250,000</u> <u>\$</u>	- \$ (16,250,000)
Expenditures		
Current-transit	16,250,000 15,250,000	- 15,250,000
Net change in fund balances	- 1,000,000	- (1,000,000)
Fund balances beginning of year	<u> </u>	<u> </u>
Fund balances (deficits) end of year	<u>\$ - \$ 1,000,000</u> <u>\$</u>	- \$ (1,000,000)

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Council of Governments Fund For the Year Ended June 30, 2023

	Original Budget			Final Budget Actual			Variance with Final Budget Positive (Negative)		
Revenues									
Intergovernmental	\$	2,214,477	\$	2,214,477	\$	467,064	\$	(1,747,413)	
Special assessments		331,276		331,276		331,276		-	
Investment earnings		9,500		9,500		25,099		15,599	
Miscellaneous		225,000		225,000		78,464		(146,536)	
Total revenues		2,780,253		2,780,253		901,903		(1,878,350)	
Expenditures									
Current:									
General government		869,806		1,227,427		335,016		892,411	
Environment and energy conservation		1,139,753		215,733		72,810		142,923	
Regional and subregional planning		1,021,632		1,021,632		438,400		583,232	
Total expenditures		3,031,191		2,464,792		846,226		1,618,566	
Excess (deficiency) of revenues over									
(under) expenditures		(250,938)		315,461		55,677		(259,784)	
Other financing sources (uses)									
Transfers out		(554,771)		(554,771)		(554,771)			
Net change in fund balances		(805,709)		(239,310)		(499,094)		(259,784)	
Fund balances beginning of year		1,501,618		1,501,618		1,501,618			
Fund balances end of year	\$	695,909	\$	1,262,308	\$	1,002,524	\$	(259,784)	

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Electric Vehicle Charging Station Fund For the Year Ended June 30, 2023

	Driginal Budget	]	Final Budget		Actual	Final Pos	nce with Budget sitive gative)
<b>Revenues</b> Investments earnings	\$ 	\$		<u>\$</u>	80	\$	80
Net change in fund balance	-		-		80		80
Fund balances beginning of year	 11,689		11,689		11,689		
Fund balances end of year	\$ 11,689	\$	11,689	\$	11,769	\$	80

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual California Wildlife Conservation Fund For the Year Ended June 30, 2023

	Original Budget		Final Budget	 Actual	Fir	iance with al Budget Positive Vegative)
<b>Revenues</b> Intergovernmental	\$ 150,000	\$	150,000	\$ 63,453	\$	(86,547)
<b>Expenditures</b> Current-regional and subregional planning	 150,000	_	150,000	 85,300		64,700
Net change in fund balance Fund balances (deficits) beginning of year Fund balances (deficits) end of year	\$ (11,232) (11,232)	\$	(11,232) (11,232)	\$ (21,847) (11,232) (33,079)	\$	(21,847) - (21,847)

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Affordable Housing and Sustainable Communities Program Fund For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 2,200,000	\$ 2,200,000	<u>\$</u> -	\$ (2,200,000)
Expenditures				
Current-transit	2,200,000	1,200,000		1,200,000
Net change in fund balance	-	1,000,000	-	(1,000,000)
Fund balances beginning of year				
Fund balances end of year	<u>\$</u>	<u>\$ 1,000,000</u>	<u>\$</u>	<u>\$ (1,000,000)</u>

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Debt Service Fund For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment earnings	<u>\$</u>	<u>\$</u> -	\$ 125,004	\$ 125,004
Expenditures				
Debt Service:				
Principal	5,570,000	5,570,000	5,570,000	-
Interest and fiscal charges	7,696,915	7,696,915	7,686,163	10,752
Total expenditures	13,266,915	13,266,915	13,256,163	10,752
Excess (deficiency) of revenues over (under) expenditures	(13,266,915)	(13,266,915)	(13,131,159)	135,756
Other financing sources (uses)				
Transfers in	13,266,915	13,266,915	13,256,163	(10,752)
Total other financing sources (uses)	13,266,915	13,266,915	13,256,163	(10,752)
Net change in fund balances	-	-	125,004	125,004
Fund balances beginning of year	4,514,236	4,514,236	4,514,236	
Fund balances end of year	\$ 4,514,236	\$ 4,514,236	\$ 4,639,240	<u>\$ 125,004</u>

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual Capital Projects Fund For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 90,671,461	\$ 40,089,306	\$ 41,482,637	\$ 1,393,331
Investment earnings	2,074,240	2,074,240	660,497	(1,413,743)
Miscellaneous	7,861,675	7,861,675	150,618	(7,711,057)
Total revenues	100,607,376	50,025,221	42,293,752	(7,731,469)
Expenditures				
Current:				
Environment and energy conservation	659,500	659,500	84,148	575,352
Commuter and motorist assistance	501,340	501,340	368,748	132,592
Regional and subregional planning	251,255	251,255	47,358	203,897
Transit	55,912,643	4,253,293	3,904,096	349,197
Project delivery	38,532,690	59,880,677	18,931,758	40,948,919
Fund administration	1,229,700	1,229,700	-	1,229,700
Capital outlay	2,268,306	641,306	67,225	574,081
Debt service-fiscal and issuance costs		75,730		75,730
Total expenditures	99,355,434	67,492,801	23,403,333	44,089,468
Excess (deficiency) of revenues over				
(under) expenditures	1,251,942	(17,467,580)	18,890,419	36,357,999
Other financing sources (uses)				
Transfers in	-	21,657,239	21,535,147	(122,092)
Transfers out		(81,519)	(12)	81,507
Total other financing sources (uses)		21,575,720	21,535,135	(40,585)
Net change in fund balances	1,251,942	4,108,140	40,425,554	36,317,414
Fund balances (deficits) beginning of year	(17,494,281)	(17,494,281)	(17,494,281)	
Fund balances (deficits) end of year	<u>\$ (16,242,339)</u>	<u>\$ (13,386,141)</u>	\$ 22,931,273	\$ 36,317,414

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Combining Balance Sheet

State Transit Assistance Fund Special Revenue Funds June 30, 2023

	Special I	Revenue	-
	State Transit Assistance Fund	State of Good Repair	Total State Transit Assistance Funds
Assets			
Cash and investments	\$ 114,273,913	\$ 5,649,675	\$ 119,923,588
Accrued interest receivable	1,464,890	71,726	1,536,616
Sales tax receivable	9,041,798	698,035	9,739,833
Due from other funds	150,000		150,000
Total assets	<u>\$ 124,930,601</u>	\$ 6,419,436	<u>\$ 131,350,037</u>
Liabilities			
Intergovernmental payable	\$ -	\$ 223,472	\$ 223,472
Due to other funds	12,897,477		12,897,477
Total liabilities	12,897,477	223,472	13,120,949
Deferred inflows of resources			
Unavailable grant and local reimbursements	9,041,798	698,035	9,739,833
Fund balances			
Restricted-transportation development act	102,991,326	5,497,929	108,489,255
Total fund balances	102,991,326	5,497,929	108,489,255
Total liabilities and fund balances	\$ 124,930,601	\$ 6,419,436	\$ 131,350,037

### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

#### Schedule of Revenues, Expenditures and Changes in Fund Balances State Transit Assistance Fund Special Revenue Funds

For the Year Ended June 30, 2023

	Special Re	evenue	
	State Transit Assistance Fund	State of Good Repair	Total State Transit Assistance Funds
Revenues			
Intergovernmental	\$ 25,782,633 5	\$ 3,383,572	\$ 29,166,205
Investment earnings	2,054,710	104,891	2,159,601
Total revenues	27,837,343	3,488,463	31,325,806
Expenditures			
Current-transit	14,443,764	2,114,242	16,558,006
Total expenditures	14,443,764	2,114,242	16,558,006
Capital outlay		-	
Total expenditures	14,443,764	2,114,242	16,558,006
Net change in fund balances	13,393,579	1,374,221	14,767,800
Fund balances beginning of year	89,597,747	4,123,708	93,721,455
Fund balances end of year	<u>\$ 102,991,326</u>	\$ 5,497,929	\$ 108,489,255

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual State Transit Assistance Fund Special Revenue Fund

For the Year Ended June 30,	2023
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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 24,590,217	\$ 24,590,217	\$ 25,782,633	\$ 1,192,416
Investment earnings	975,000	975,000	2,054,710	1,079,710
Total revenues	25,565,217	25,565,217	27,837,343	2,272,126
Expenditures				
Current-transit	18,700,000	18,700,000	14,443,764	4,256,236
Excess (deficiency) of revenues over				
(under) expenditures	6,865,217	6,865,217	13,393,579	6,528,362
Other financing sources (uses)				
Transfers out	(15,348,923)	(15,348,923)		15,348,923
Net change in fund balances	(8,483,706)	(8,483,706)	13,393,579	21,877,285
Fund balances beginning of year	89,597,747	89,597,747	89,597,747	
Fund balances end of year	<u>\$ 81,114,041</u>	<u>\$ 81,114,041</u>	\$ 102,991,326	\$ 21,877,285

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual State of Good Repair Special Revenue Fund For the Year Ended June 30, 2023

	 Original Budget	 Final Budget	 Actual	Fi	riance with nal Budget Positive Negative)
Revenues					
Intergovernmental	\$ 4,050,191	\$ 4,050,191	\$ 3,383,572	\$	(666,619)
Investment earnings	 75,000	 75,000	 104,891		29,891
Total revenues	 4,125,191	 4,125,191	 3,488,463		(636,728)
Expenditures					
Current-transit	 7,534,448	 7,534,448	 2,114,242		5,420,206
Excess (deficiency) of revenues over (under) expenditures	(3,409,257)	(3,409,257)	1,374,221		4,783,478
Other financing sources (uses)					
Transfers out	 (2,032,787)	 (2,032,787)	 		2,032,787
Net change in fund balances	(5,442,044)	(5,442,044)	1,374,221		6,816,265
Fund balances beginning of year	 4,123,708	 4,123,708	 4,123,708		_
Fund balances end of year	\$ (1,318,336)	\$ (1,318,336)	\$ 5,497,929	\$	6,816,265

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Combining Balance Sheet 1990-2010 Measure I Special Revenue Fund June 30, 2023

	Valley Major Projects	M En	alley Traffic anagement vironmental ahancement	Total 1990-2010 Measure I
Assets				
Cash and investments	\$ 2,142,909	\$	2,199,802	\$ 4,342,711
Accrued interest receivable	 10,813		11,100	 21,913
Total assets	\$ 2,153,722	\$	2,210,902	\$ 4,364,624
Liabilities				
Accounts payable	\$ 86,348	\$	-	\$ 86,348
Intergovernmental payable	 500,000		_	 500,000
Total liabilities	 586,348			 586,348
Fund balances				
Restricted	 1,567,374		2,210,902	 3,778,276
Total liabilities and fund balances	\$ 2,153,722	\$	2,210,902	\$ 4,364,624

#### 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, 2023

Davanuas		Valley Major Projects	M En	alley Traffic lanagement vironmental hhancement	Total 1990-2010 Measure I		
Revenues Investment earnings	\$	41,428	\$	36,397	\$	77,825	
Miscellaneous	Ψ	35	Ψ	-	Ψ	35	
Total Revenues		41,463		36,397		77,860	
Expenditures							
Current:							
Current-project delivery		1,039,612		-		1,039,612	
Total Expenditures		1,039,612				1,039,612	
Net change in fund balances		(998,149)		36,397		(961,752)	
Fund balances beginning of year		2,565,523		2,174,505		4,740,028	
Fund balances end of year	\$	1,567,374	\$	2,210,902	\$	3,778,276	

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Combining Balance Sheet 2010-2040 Measure I Special Revenue Fund June 30, 2023

	Valley Freeway Projects	Valley Freeway Interchanges	Valley Major Street	Valley Local Street
Assets				
Cash and investments	\$ 117,126,189	\$ 65,756,059	\$ 121,933,502	\$ -
Accrued interest receivable	805,322	331,789	722,883	-
Sales taxes receivable	10,479,437	3,974,959	6,143,118	7,227,198
Deposit receivable	10,772	44,807	244	-
Due from other funds	42,418,006	-	21,332,610	-
Prepaid items	31,000	-	-	-
Advances to other funds	4,273,497		10,822,714	
Total assets	\$ 175,144,223	<u>\$ 70,107,614</u>	\$ 160,955,071	\$ 7,227,198
Liabilities				
Accounts payable	\$ 14,659,690	\$ 4,930,191	\$ 279,920	\$ -
Accrued liabilities	51,631	25,681	5,479	-
Intergovernmental payable	1,298,260	17,161,775	117,589	7,227,198
Total liabilities	16,009,581	22,117,647	402,988	7,227,198
Fund balances				
Restricted	159,134,642	47,989,967	160,552,083	-
Total liabilities and fund balances	\$ 175,144,223	\$ 70,107,614	\$ 160,955,071	\$ 7,227,198

\* Negative fund balance is interest due to the City of Adelanto related to withheld allocations.

Valley Metrolin Rail Serv	ık/	xpress Bus/ Bus Rapid ansit Service	Dis	Valley Senior & sabled Transit	Valley cansportation lanagement Systems	ictor Valley ⁄lajor Local Highway	ictor Valley ocal Street *
\$ 4,966	,255	\$ -	\$	21,307,102	\$ 14,792,637	\$ 28,286,350	\$ 2,177,343
25	,058	321,790		107,510	94,840	142,725	-
2,890	,879	1,806,799		2,890,879	722,720	1,117,076	2,993,764
398	,030	-		-	200,000	-	-
	-	41,771,019		-	4,003,466	-	-
	-	-		-	17,942	-	-
	-	 -		-	 	 -	 -
\$ 8,280	,222	\$ 43,899,608	\$	24,305,491	\$ 19,831,605	\$ 29,546,151	\$ 5,171,107
\$ 1,925	,910	\$ 585,130	\$	-	\$ 235,408	\$ 6,658	\$ -
	174	3,134		-	14,806	-	-
74	<u>,689</u>	 37,200		2,890,879	 290,568	 	 5,185,107
2,000	,773	625,464		2,890,879	 540,782	 6,658	 5,185,107
6,279	,449	 43,274,144		21,414,612	 19,290,823	 29,539,493	 (14,000)
\$ 8,280	,222	\$ 43,899,608	\$	24,305,491	\$ 19,831,605	\$ 29,546,151	\$ 5,171,107

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

Combining Balance Sheet 2010-2040 Measure I Special Revenue Fund June 30, 2023

	S	ctor Valley Senior & bled Transit	De	ictor Valley Project evelopment/ Traffic lanagement	lorth Desert Aajor Local Highway	orth Desert
Assets						
Cash and investments	\$	-	\$	2,268,547	\$ 11,120,823	\$ -
Accrued interest receivable		-		11,446	56,113	-
Sales taxes receivable		268,098		89,366	215,787	586,939
Deposit receivable		-		-	-	-
Due from other funds		-		-	-	-
Prepaid items		-		-	-	-
Advances to other funds		-		-	 	 -
Total assets	\$	268,098	<u>\$</u>	2,369,359	\$ 11,392,723	\$ 586,939
Liabilities						
Accounts payable	\$	-	\$	42,039	\$ 138,227	\$ -
Accrued liabilities		-		1,069	-	-
Intergovernmental payable		268,098		3,819	 	 586,939
Total liabilities		268,098		46,927	 138,227	 586,939
Fund balances						
Restricted		-		2,322,432	 11,254,496	-
Total liabilities and fund balances	\$	268,098	\$	2,369,359	\$ 11,392,723	\$ 586,939

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	
\$	-	\$	1,300,457	\$	374,460	\$	-	\$	-	\$	71,873
	-		6,562 17,263		1,889 17,589		- 17 9 10		- 2 510		363
	43,157		17,203		17,389		47,842		3,518		1,407
	-		-		_		-		-		_
	_		_		_		_		_		_
	-		-		-		-		-		-
\$	43,157	\$	1,324,282	\$	393,938	\$	47,842	\$	3,518	\$	73,643
\$	_	\$	7,000	\$	-	\$	-	\$	_	\$	-
	-		257		-		-		-		-
	43,157						47,842		3,518		-
	43,157		7,257		-		47,842		3,518		
			1,317,025		393,938				_		73,643
\$	43,157	\$	1,324,282	\$	393,938	\$	47,842	\$	3,518	\$	73,643

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Combining Balance Sheet 2010-2040 Measure I Special Revenue Fund June 30, 2023

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	Ν	orongo Basin Iajor Local Highway	rongo Basin ocal Street	Morongo Basin Senior & Disabled Transit		Morongo Basin Project Development/ Traffic Management	
Assets							
Cash and investments	\$	3,168,329	\$ -	\$	-	\$	523,056
Accrued interest receivable		15,987	-		-		2,639
Sales taxes receivable		150,865	410,353		30,173		12,069
Deposit receivable		-	-		-		-
Due from other funds		-	-		-		-
Prepaid items		-	-		-		-
Advances to other funds		-	 -		-		-
Total assets	\$	3,335,181	\$ 410,353	\$	30,173	\$	537,764
Liabilities							
Accounts payable	\$	-	\$ -	\$	-	\$	-
Accrued liabilities		-	-		-		171
Intergovernmental payable			 410,353		30,173		
Total liabilities		_	 410,353		30,173		171
Fund balances							
Restricted		3,335,181	 _		_		537,593
Total liabilities and fund balances	\$	3,335,181	\$ 410,353	\$	30,173	\$	537,764

Mountain Major Local Highway		Mountain Local Street		Mountain Senior & <u>Disabled Transi</u> t		Dev	lountain Project relopment/ Traffic nagement	Cajon Pass		Total 2010-2040 Measure I	
\$	3,741,516	\$	-	\$	-	\$	325,868	\$	21,674,374	\$	420,914,740
	18,879		-		-		1,644		109,363		2,776,802
	118,759		323,023		23,752		9,501		1,255,803		43,872,093
	-		-		-		-		-		653,853
	-		-		-		-		-		109,525,101
	-		-		-		-		-		48,942
	-		-		-		-		_		15,096,211
\$	3,879,154	\$	323,023	\$	23,752	<u>\$</u>	337,013	\$	23,039,540	\$	592,887,742
\$	-	\$	-	\$	-	\$	_	\$	-	\$	22,810,173
	-		-		-		86		-		102,488
			323,023		23,752				5,568		36,029,507
			323,023		23,752		86		5,568		58,942,168
	3,879,154		-				336,927		23,033,972		533,945,574
\$	3,879,154	\$	323,023	\$	23,752	\$	337,013	\$	23,039,540	\$	592,887,742

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balances 2010-2040 Measure I Special Revenue Fund For the Year Ended June 30, 2023

	F	Valley Treeway Projects	 Valley Freeway Interchanges	N	Valley ⁄Iajor Street	L	Valley Local Street
Revenues							
Sales tax-Measure I <sup>(1)</sup>	\$ (	60,974,382	\$ 23,128,214	\$	35,743,603	\$	42,051,298
Investment earnings		2,527,724	 1,149,144		2,219,815		5,253
Total Revenues		63,502,106	 24,277,358		37,963,418		42,056,551
Expenditures							
Current:							
General government		695,588	83,636		11,760		-
Environment and energy conservation		-	-		-		-
Commuter and motorist assistance		-	-		-		-
Regional and subregional planning Transit		9,209	1,784		-		-
Project delivery	1	- 15,812,239	- 25,229,191		- 1,490,238		-
Fund administration	1	18,052	16,702,742		8,376,058		42,056,551
Capital outlay	,	37,178,724	1,211,346		239,316		-2,050,551
Total Expenditures		53,713,812	 43,228,699		10,117,372		42,056,551
Excess (deficiency) of revenues over							
(under) expenditures	(	90,211,706)	(18,951,341)		27,846,046		-
Other financing sources (uses)			 		<u> </u>		
Transfers in:							
Proposition 1B Fund Special Revenue Fund		-	-		-		-
Capital Projects Fund		-	-		-		-
Enterprise Fund	1	15,232,253	-		-		-
Transfers out:							
General Fund		(2,838,775)	(1,618,086)		(270,647)		-
Proposition 1B Special Revenue Fund		-	-		-		-
2010-2040 Measure I Special Revenue Fund		-	(57)		-		-
Debt Service Fund		-	(1,445,573)		(5,055,318)		-
Capital Projects Fund		-	-		(30,973)		-
Enterprise Fund		(85,542)	 				_
Total other financing sources (uses)	1	12,307,936	(3,063,716)		(5,356,938)		-
Net change in fund balances		22,096,230	 (22,015,057)		22,489,108		-
Fund balances beginning of year	1.	37,038,412	 70,005,024		138,062,975		_
Fund balances end of year	<u>\$ 1</u> :	59,134,642	\$ 47,989,967	\$	160,552,083	\$	

<sup>(1)</sup> Total sales tax-Measure I of \$257,469,979 less 1% of \$2,574,700 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
\$ 16,820,519 316,268 17,136,787	\$ 10,512,824 963,931 11,476,755	\$ 16,820,519 352,527 17,173,046	\$ 4,205,130 293,640 4,498,770	\$ 6,462,602 <u>458,331</u> <u>6,920,933</u>	\$ 17,319,774 697 17,320,471
22,451	-	-	29,067 34,048	8,835	-
26,931,552	1,595 2,929,648 - 4,386	- - 16,820,519 -	183,259 851,758 188,844 1,175,561	- - 43,520 3,554,344	- - - 17,334,471
6,792,063 33,746,066	2,935,629	16,820,519	2,462,537	3,606,699	17,334,471
(16,609,279)	8,541,126	352,527	2,036,233	3,314,234	(14,000)
57 12 -	-	-	-	-	-
(268,225) (1,805,948) - (1,626,269)	(399,270) - -	-	-	(155,600) - - (1,657,478)	- - -
(1,626,269)	(399,270)	- - -		(1,037,478) (16,282) (16,282) (1,829,360)	
(20,309,652) 26,589,101 \$ 6,279,449	8,141,856 35,132,288 \$ 43,274,144	352,527 21,062,085 \$ 21,414,612	2,036,233 17,254,590 \$ 19,290,823	1,484,874 28,054,619 \$ 29,539,493	(14,000) - \$ (14,000)

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balances 2010-2040 Measure I Special Revenue Fund For the Year Ended June 30, 2023

	Victor Valley Senior & Disabled Transit	Victor Valley Project Development Traffic/ <u>Management</u>	North Desert Major Local Highway	North Desert Local Street	
Revenues					
Sales tax-Measure I <sup>(1)</sup>	\$ 1,551,024	\$ 517,008	\$ 1,279,742	\$ 3,480,899	
Investment earnings		34,091	173,684		
Total Revenues	1,551,024	551,099	1,453,426	3,480,899	
Expenditures					
Current:					
General government	-	10,457	5,362	-	
Environment and energy conservation	-	-	-	-	
Commuter and motorist assistance	-	-	-	-	
Regional and subregional planning	-	142,127	-	-	
Transit	1,551,024	34,102	-	-	
Project delivery	-	-	264,115	-	
Fund administration	-	-	313	3,480,899	
Capital outlay					
Total Expenditures	1,551,024	186,686	269,790	3,480,899	
Excess (deficiency) of revenues over					
(under) expenditures	-	364,413	1,183,636	-	
Other financing sources (uses)					
Transfers in:					
Proposition 1B Fund Special Revenue Fund	-	-	-	-	
Capital Projects Fund	-	-	-	-	
Debt Service Fund	-	_	_	_	
Transfers out:					
General Fund	_	_	(88,811)	_	
Proposition 1B Special Revenue Fund		_	(00,011)	_	
2010-2040 Measure I Special Revenue Fund	-	-	-	-	
Debt Service Fund	-	_	-	-	
	_	_	-	_	
Capital Projects Fund	-	-	-	-	
Enterprise Fund			-		
Total other financing sources (uses)			(88,811)		
Net change in fund balances	-	364,413	1,094,825	-	
Fund balances beginning of year		1,958,019	10,159,671		
Fund balances end of year	\$	\$ 2,322,432	\$11,254,496	<u>\$                                    </u>	

(1) Total sales tax-Measure I of \$257,469,979 less 1% of \$2,574,700 for Measure I administration accounted for in the General Fund (page 71).

North I Senic Disabled	or &	De	orth Desert Project evelopment Traffic/ anagement	M	orado River ajor Local Highway	orado River ocal Street	S	orado River enior & bled Transit	P Deve T	rado River roject elopment raffic/ agement
\$ 2	255,948	\$	102,379	\$	108,645	\$ 295,514	\$	21,729	\$	8,692
2	- 255,948		20,541 122,920		5,442 114,087	 295,514		21,729		1,108 9,800
	-		-		-	-		-		-
	-		-		-	-		-		-
	-		9,602		-	-		-		- 472
2	255,948				-	-		21,729		-
	-		-		-	-		-		-
	-		-		-	295,514		-		-
2	- 255,948		9,602		-	 295,514		21,729		472
	-		113,318		114,087	-		-		9,328
	-		-		-	-		-		-
	-		-		-	-		-		-
	-		-		(33,769)	-		-		-
	-		-		-	-		-		-
	-		-		-	-		-		-
	-		-		-	-		-		-
	-		-		-	-		-		-
	-		-		(33,769)	 		-		-
	-		113,318		80,318	 -		-		9,328
	-		1,203,707		313,620	 		-		64,315
\$	-	\$	1,317,025	\$	393,938	\$ _	\$	-	\$	73,643

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balances 2010-2040 Measure I Special Revenue Fund For the Year Ended June 30, 2023

	Morongo Basin Major Local Highway	Morongo Basin Local Street	Morongo Basin Senior & Disabled Transit	Morongo Basin Project Development Traffic/ Management
Revenues				
Sales tax-Measure I <sup>(1)</sup>	\$ 815,126	\$ 2,217,142	\$ 163,025	\$ 65,210
Investment earnings	46,405			8,053
Total Revenues	861,531	2,217,142	163,025	73,263
Expenditures				
Current:				
General government	-	-	-	-
Environment and energy conservation	-	-	-	-
Commuter and motorist assistance	-	-	-	-
Regional and subregional planning	-	-	-	3,097
Transit Project delivery	-	-	163,025	-
Project delivery Fund administration	- 151,860	2,217,142	-	-
Capital outlay	- 151,800	2,217,142	-	-
Total Expenditures	151,860	2,217,142	163,025	3,097
*				
Excess (deficiency) of revenues over (under) expenditures	709,671	_	_	70,166
Other financing sources (uses)				
Transfers in:				
Proposition 1B Fund Special Revenue Fund	_	_	_	
Capital Projects Fund	_	_	_	_
Debt Service Fund	_	_	_	_
Transfers out:				
General Fund	(35,634)	_	_	-
Proposition 1B Special Revenue Fund	(55,051)	_	_	-
2010-2040 Measure I Special Revenue Fund	_	_	_	-
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Enterprise Fund	-	-	-	-
Total other financing sources (uses)	(35,634)			
Net change in fund balances	674,037			70,166
Fund balances beginning of year	2,661,144	-	-	467,427
Fund balances end of year	\$ 3,335,181	\$ -	\$-	\$ 537,593
i una bulunees ena or year	φ 5,555,101	Ψ	Ψ	φ 551,575

(1) Total sales tax-Measure I of \$257,469,979 less 1% of \$2,574,700 for Measure I administration accounted for in the General Fund (page 71).

Ma	lountain Major jor Local lighway	Iountain cal Street	S	Iountain Senior & bled Transit	De	Iountain Project velopment Fraffic/ nagement	(	Cajon Pass	 Total 2010-2040 Measure I
\$	668,014 58,103	\$ 1,816,998	\$	133,603	\$	53,441	\$	7,302,275	\$ 254,895,279
	726,117	 1,816,998		133,603		4,874 58,315		322,133 7,624,408	 8,961,764 263,857,043
	_	_		_		_		_	867,156
	-	-		-		-		-	34,048
	-	-		-		-		-	183,259
	-	-		-		1,357		-	1,021,001
	-	-		133,603		-		-	49,029,994
	-	-		-		-		40,689	144,055,553
	260,644	1,816,998		-		-		-	96,269,974
	-	 1.016.000		122 (02		1 257			 45,421,449
	260,644	 1,816,998		133,603		1,357		40,689	 336,882,434
	465,473	 				56,958		7,583,719	 (73,025,391
	_	_		_		_		_	57
	-	-		_		-		-	12
	-	-		-		-		-	115,232,253
	(30,256)	-		-		-		(3,030)	(5,742,103
	-	-		-		-		-	(1,805,948
	-	-		-		-		-	(57
	-	-		-		-		(3,471,526)	(13,256,164
	-	-		-		-		(28,474)	(75,729
	-	-		-		-		-	 (85,542
	(30,256)	-		-		-		(3,503,030)	 94,266,779
	435,217	 -		-		56,958		4,080,689	 21,241,388
	3,443,937	-		-		279,969		18,953,283	512,704,180
\$	3,879,154	\$ 	\$	-	\$	336,927	\$	23,033,972	\$ 533,945,574

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

# Combining Balance Sheet

Debt Service Fund

June 30, 2023

	Sales Tax Revenue Bond 2014A		Sales Tax Revenue Bond 2022A			Total Debt Service
Assets Cash and investments-restricted	<u>\$</u>	2,469,927	<u>\$</u>	2,169,313	<u>\$</u>	4,639,240
Fund balances						
Restricted	\$	2,469,927	\$	2,169,313	\$	4,639,240
Total liabilities and fund balances	<u>\$</u>	2,469,927	\$	2,169,313	\$	4,639,240

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balances Debt Service Fund For the Year Ended June 30, 2023

	Sales Tax Revenue Bond 2014A	Sales Tax Revenue Bond 2022A	Total Debt Service
Revenues			
Investment earnings	\$ 62,115	\$ 62,889	\$ 125,004
Expenditures			
Debt service:			
Principal	2,450,000	3,120,000	5,570,000
Interest and fiscal charges	4,777,863	2,908,300	7,686,163
Total Expenditures	7,227,863	6,028,300	13,256,163
Excess (deficiency) of revenues over (under) expenditures	(7,165,748)	(5,965,411)	(13,131,159)
<b>Other financing sources</b> Transfers in:			
2010-2040 Measure I Special Revenue Fund	7,227,863	6,028,300	13,256,163
Total other financing sources	7,227,863	6,028,300	13,256,163
Net change in fund balances	62,115	62,889	125,004
Fund balances beginning of year	2,407,812	2,106,424	4,514,236
Fund balances end of year	\$ 2,469,927	\$ 2,169,313	\$ 4,639,240

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY

# Combining Balance Sheet

Capital Projects Fund

June 30, 2023

		Local Projects	Redlands Passenger Rail	Fre Inter	alley eeway rchange Bond
Assets					
Cash and investments	\$	16,372,484	\$ 1,323,057	\$	356
Accrued interest receivable		161,852	6,675		-
Accounts receivable		373,804	-		-
Intergovernmental receivable		25,176,365	4,729		-
Deposit receivable		260,348	-		-
Intergovernmental agreements receivable		13,271,861	 -		-
Total assets	\$	55,616,714	\$ 1,334,461	\$	356
Liabilities					
Accounts payable	\$	3,818,126	\$ -	\$	114
Intergovernmental payable		25,219	-		-
Advances from other funds		10,822,714	-		-
Unearned revenue		12,309,243	 1,275,902		
Total liabilities		26,975,302	 1,275,902		114
Deferred inflows of resources					
Unavailable grant and local reimbursements		5,770,752	 		<u> </u>
Fund balances					
Restricted					
Rail		-	58,559		-
Freeway projects		-	-		-
Interchange projects		-	-		242
Major street projects		22,870,660	 		-
Total fund balances		22,870,660	 58,559		242
Total liabilities and fund balances	<u>\$</u>	55,616,714	\$ 1,334,461	\$	356

Cajon Pass Bond	 Total Capital Projects
\$ 1,812	\$ 17,697,709
-	168,527
-	373,804
-	25,181,094
-	260,348
-	13,271,861
\$ 1,812	\$ 56,953,343
\$ -	\$ 3,818,240
-	25,219
-	10,822,714
	 13,585,145
-	28,251,318
	 5,770,752
-	58,559
1,812	1,812
-	242
	 22,870,660
1,812	 22,931,273
\$ 1,812	\$ 56,953,343

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Schedule of Revenues, Expenditures and Changes in Fund Balances Capital Projects Fund For the Year Ended June 30, 2023

	 Local Projects	 Redlands Passenger Rail	lley Freeway nterchanges Bond
Revenues			
Intergovernmental	\$ 41,482,637	\$ -	\$ -
Investment earnings	638,662	21,835	-
Miscellaneous	 150,618	 	 
Total revenues	 42,271,917	 21,835	 -
Expenditures			
Current:			
Environment and energy conservation	84,148	-	-
Commuter and motorist assistance	368,748	-	-
Regional and subregional planning	47,358	-	-
Transit	3,904,096	-	-
Project delivery	18,932,000	-	(242)
Capital outlay	 67,225	 -	 
Total expenditures	 23,403,575	 	 (242)
Excess (deficiency) of revenues over (under) expenditures	 18,868,342	 21,835	 242
Other Financing Sources (Uses)			
Transfers in:			
2010-2040 Measure I Special Revenue Fund	21,459,417	-	75,730
Transfers out:			
2010-2040 measure I special revenue fund	 (12)	 	 
Total other financing sources (uses)	 21,459,405	 	 75,730
Net change in fund balances	40,327,747	21,835	75,972
Fund balances (deficits) beginning of year	(17,457,087)	36,724	(75,730)
Fund balances end of year	\$ 22,870,660	\$ 58,559	\$ 242

Cajon Pass Bond	Total Capital Projects
\$-	\$ 41,482,637
-	660,497
-	150,618
-	42,293,752
-	84,148
-	368,748
-	47,358
-	3,904,096
-	18,931,758
-	67,225
-	23,403,333
-	18,890,419
-	21,535,147
-	(12)
-	21,535,135
-	40,425,554
1,812	(17,494,281)
\$ 1,812	\$ 22,931,273



Elected Officials representing SBCTA, the County, and local jurisdictions offer insight to the future improvements of the Interstate 10 (I-10)/Cedar Avenue Interchange. When complete, the project will enhance safety, improve access on and off the freeway, and provide much needed relief to the heavily congested arterial that feeds Bloomington, Rialto and Fontana.

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

i	Financial Trends	<u>Page No.</u>
1	r muncial Trenas	
t F	These schedules contain trend information to help the reader understand how the Agency's financial performance and well-being have changed over time.	136
1	Revenue Capacity	
ľ	These schedules contain information to help the reader assess the Agency's significant local revenue source, the Measure I sales tax.	144
1	Debt Capacity	
r 1	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.	149
1	Demographic and Economic Information	
i e	These schedules offer demographic and economic indicators to help the reader understand the environment within which the Agency's financial activities take place.	151
(	Operating Information	
c i t	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.	153

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Net Position by Component Last Ten Fiscal Years <sup>(1)</sup> (accrual basis of accounting)

		2014		2015		2016		2017		2018
Governmental activities										
Net investment in capital assets	\$	68,787,689	\$	71,364,275	\$	110,717,829	\$	151,059,762	\$	163,426,341
Restricted		486,271,129		518,477,643		548,295,699		595,616,437		635,633,048
Unrestricted		(215,122,515)		(224,771,477)		(241,599,238)		(237,230,227)		(231,279,244)
Subtotal governmental activities net position	<u>\$</u>	339,936,303	<u>\$</u>	365,070,441	<u>\$</u>	417,414,290	<u>\$</u>	509,445,972	<u>\$</u>	567,780,145
Business-type activities										
Unrestricted	\$	-	\$	-	\$	-	\$	-	\$	-
Subtotal Business-type										
activities net position	<u>\$</u>	<u> </u>	<u>\$</u>	-	<u>\$</u>	-	<u>\$</u>	-	\$	-
Primary Government										
Net investment in capital assets	\$	68,787,689	\$	71,364,275	\$	110,717,829	\$	151,059,762	\$	163,426,341
Restricted		486,271,129		518,477,643		548,295,699		595,616,437		635,633,048
Unrestricted		(215,122,515)		(224,771,477)		(241,599,238)		(237,230,227)		(231,279,244)
Total Primary Government										
net position	<u>\$</u>	339,936,303	<u>\$</u>	365,070,441	<u>\$</u>	417,414,290	<u>\$</u>	509,445,972	<u>\$</u>	567,780,145

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



	2019		2020		2021		2022		2023
\$	183,187,117 682,600,483 (244,842,558)	\$	281,471,627 761,719,108 (285,087,605)	\$	350,708,835 884,582,859 (270,271,064)	\$	438,632,746 986,436,475 (227,026,235)	\$	413,163,833 1,089,723,334 (213,559,080)
<u>\$</u>	620,945,042	<u>\$</u>	758,103,130	<u>\$</u>	965,020,630	<u>\$</u>	1,198,042,986	<u>\$</u>	1,289,328,087
<u>\$</u>		<u>\$</u>	<u> </u>	<u>\$</u>	<u> </u>	<u>\$</u>	(61,508,438)	<u>\$</u>	(181,694,859)
<u>\$</u>		<u>\$</u>		<u>\$</u>		<u>\$</u>	(61,508,438)	<u>\$</u>	(181,694,859)
\$	183,187,117 682,600,483 (244,842,558)	\$	281,471,627 761,719,108 (285,087,605)	\$	350,708,835 884,582,859 (270,271,064)	\$	438,632,746 986,436,475 (288,534,673)	\$	413,163,833 1,089,723,334 (395,253,939)
<u>\$</u>	620,945,042	\$	758,103,130	\$	965,020,630	\$	1,136,534,548	\$	1,107,633,228

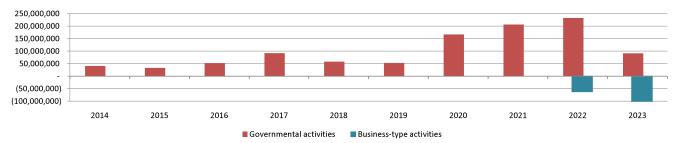
#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Changes in Net Position Last Ten Fiscal Years <sup>(1)</sup> (accrual basis of accounting)

-

		2014		2015		2016		2017		2018
Expenses										
Governmental activities:										
General government	\$	3,825,691	\$	2,833,042	\$	4,579,995	\$	3,338,658	\$	4,451,810
Environment and energy conservation		-		-		1,392,074		2,217,401		4,100,630
Commuter and motorist assistance		-		-		5,360,439		4,986,605		6,787,391
Regional and subregional planning		1,810,171		1,951,391		2,077,133		2,914,855		3,063,247
Transit		39,297,811		59,376,860		33,664,779		51,255,392		139,490,342
Project delivery		198,290,514		168,126,021		107,387,795		53,310,890		119,064,025
Fund administration		137,111,875		153,722,554		184,361,902		159,952,967		56,315,916
Express lanes		-		-		-		-		-
Interest and fiscal charges		5,115,094		8,080,732		8,041,836		7,964,571		7,882,329
Air quality and traveler services		5,626,177		4,182,935		-		-		-
Total governmental activities expenses		391,077,333		398,273,535		346,865,953		285,941,339		341,155,690
Business-type activities: Toll Enterprise		-		-		-		-		-
Total business-type activities expenses		-		-	_	-	_	-		-
Program revenues										
Government activities:										
Charges for services:										
General government		612,541		591,987		539,822		540,388		873,886
Operating grants and contributions		204,806,040		189,415,129		133,839,101		122,252,773		134,432,428
Capital grants and contributions		-		-		-		-		-
Total governmental activities program revenues		205,418,581		190,007,116		134,378,923		122,793,161		135,306,314
Net (expense) revenue										
Governmental activities		(185,658,752)		(208,266,419)		(212,487,030)		(163,148,178)		(205,849,376)
Business-type activities		-		-		-		-		-
General revenues										
Governmental activities:										
Sales tax-Measure I		145,407,342		152,342,401		160,848,014		163,814,528		162,945,073
Sales tax-local transportation fund		79,559,209		85,531,625		97,002,999		87,040,490		95,064,513
Unrestricted investment earnings		165,733		1,906,660		4,876,204		2,160,355		5,050,075
Gain (loss) on sale of assets		-		-		-		-		(194,724)
Miscellaneous		1,116,648		1,987,011		2,103,662		2,164,487		1,318,612
Transfers		-		-	_	-		-		-
Total governmental activities general revenues		226,248,932		241,767,697		264,830,879		255,179,860		264,183,549
Business-type activities:										
Transfers		-		-		-		-		-
Total business-type activities expenses		-		-		-		-		-
Change in net position										
Governmental activities		40,590,180		33,501,278		52,343,849		92,031,682		58,334,173
Business-type activities		-		-		-		-		-
	¢	40,590,180	\$	33,501,278	\$	52,343,849	\$	92.031.682	\$	58,334,173
Total primary government	Ф	40,390,180	ф Ф	55,501,278	⊅	52,545,649	<u>Ф</u>	92,031,082	Φ	30,334,173

<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

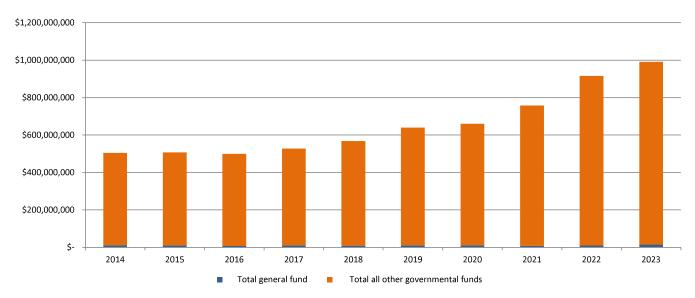


2019	 2020	 2021	 2022	 2023
\$ 5,388,051	\$ 5,889,434	\$ 6,163,146	\$ 3,264,831	\$ 6,155,435
5,992,817	2,343,087	1,198,164	517,273	240,298
6,910,089	7,570,852	7,209,299	5,286,254	5,326,987
2,803,421	2,691,211	3,385,393	4,501,891	3,710,586
141,450,567	183,566,697	157,847,110	110,142,376	305,993,243
194,496,081	200,975,920	286,047,480	273,284,056	269,719,253
95,419,251	47,437,247	79,892,412	76,656,089	82,158,839
167,101 7,788,659	- 7,637,475	7,493,822	3,037,534	5,816,182
7,788,059	7,037,473	7,495,822	5,057,554	5,810,182
460,416,037	 458,111,923	 549,236,826	 476,690,304	 679,120,823
			350,667	5,039,710
 	 	 	 350,667	 5,039,710
855 (02	700 700	0.66 770	024 014	1.010.000
855,693	722,766	866,778	834,214	1,010,067
124,767,642	120,385,010	146,381,605	129,636,422	144,261,218
79,983,912	 206,347,856	 257,273,325	 103,869,884	 86,046,872
205,607,247	 327,455,632	 404,521,708	 234,340,520	 231,318,157
(254,808,790)	 (130,656,291)	 (144,715,118)	 (242,349,784)	 (447,802,660
 	 -	 -	 (350,667)	 (5,039,710
183,621,992	179,016,883	222,320,683	252,227,712	257,469,979
106,927,206	102,753,612	127,319,839	147,255,418	147,692,918
16,901,051 101,467	15,090,815	1,687,658 (347)	(11,652,810)	17,347,257 1,260,743
421,971	364,484	304,785	26,384,049	1,200,74.
421,971	504,484	504,785	61,157,771	115,146,71
 207.072.697	 	 251 622 619		
307,973,687	 297,225,794	 351,632,618	 475,372,140	 539,087,767
	 	 -	 (61,157,771)	 (115,146,71)
-	 -	 	 (61,157,771)	 (115,146,71)
53,164,897	166,569,503	206,917,500	233,022,356	91,285,101
-	 -	 -	 (61,508,438)	 (120,186,421
\$ 53,164,897	\$ 166,569,503	\$ 206,917,500	\$ 171,513,918	\$ (28,901,320

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

		2014	2015	 2016	 2017	_	2018
General fund							
Nonspendable	\$	182,068	\$ 120,659	\$ -	\$ 14,569	\$	18,776
Committed		22,211	24,046	20,576	2,788,309		-
Assigned		11,283,052	11,069,579	7,478,672	7,994,915		9,020,978
Unassigned		-	 -	 -	 -		-
Total general fund	\$	11,487,331	\$ 11,214,284	\$ 7,499,248	\$ 10,797,793	\$	9,039,754
All other governmental funds							
Restricted	\$	508,391,977	\$ 511,144,916	\$ 520,416,463	\$ 544,917,503	\$	586,225,728
Nonspendable		-	-	-	21,995		20,788
Committed		-	-	-	-		2,447,646
Unassigned		(15,058,847)	 (14,693,201)	 (28,319,694)	 (28,537,883)		(29,647,825)
Total all other governmental funds	\$	493,333,130	\$ 496,451,715	\$ 492,096,769	\$ 516,401,615	\$	559,046,337
	-						

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



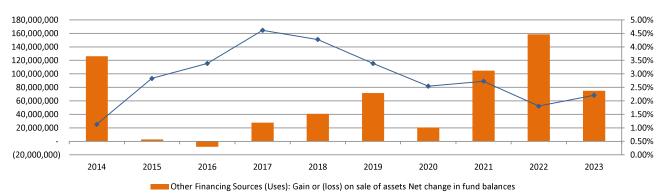
2023	 2022	 2021	 2020	2019	
254,345	\$ 87,075	\$ 147,658	\$ 5,698,586	\$ 3,302,408	\$
-	-	-	-	-	
14,841,201	9,513,241	7,665,107	5,455,831	7,267,165	
500,000	 500,000	 500,000	 500,000	 500,000	
15,595,546	\$ 10,100,316	\$ 8,312,765	\$ 11,654,417	\$ 11,069,573	\$
1,013,914,600	\$ 926,554,698	\$ 802,012,580	\$ 692,204,990	\$ 643,327,781	\$
48,942	54,608	-	5,000	-	
1,002,524	1,501,618	1,828,594	2,211,154	2,346,780	
(39,859,934	 (22,527,110)	 (55,082,060)	 (45,794,058)	 (16,923,844)	
975,106,132	\$ 905,583,814	\$ 748,759,114	\$ 648,627,086	\$ 628,750,717	\$

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

		2014	2015	2016	2017	2018
Revenues						
Sales tax-Measure I	\$	145,407,342	\$ 152,342,401	\$ 160,848,014	\$ 163,814,528	\$ 162,945,073
Sales tax-local transportation fund		79,559,209	85,531,625	97,002,999	87,040,490	95,064,513
Intergovernmental		173,396,397	143,867,243	84,373,453	74,863,975	81,934,515
Charges for services		483,490	473,282	425,936	387,841	673,699
Special assessments		129,051	118,705	113,886	152,547	200,187
Investment earnings		165,733	1,906,662	4,876,204	2,160,355	5,050,075
Miscellaneous		1,075,059	 1,977,411	 2,103,662	 2,164,487	 1,318,609
Total revenues		400,216,281	 386,217,329	 349,744,154	 330,584,223	 347,186,671
Expenditures						
Current:						
General government		3,479,317	2,400,945	4,226,244	3,969,427	3,449,490
Environment and energy conservation		-	-	1,426,771	2,191,718	3,955,065
Commuter and motorist assistance		-	-	5,383,571	4,969,483	5,702,551
Regional and subregional planning		1,810,171	1,967,660	2,163,876	2,850,647	2,838,747
Transit		39,297,811	59,395,144	48,908,424	56,879,195	132,211,679
Project delivery		198,290,514	168,147,585	107,474,538	65,950,533	73,108,411
Fund administration		136,900,621	133,588,823	150,423,969	129,081,711	56,202,549
Express lanes		-	-	-	-	-
Air quality and traveler services		5,626,177	4,191,009	-	-	-
Debt Service:						
Principal		-	1,910,000	1,990,000	2,845,000	3,365,000
Interest and fiscal charges		4,421,182	8,862,406	9,226,716	9,131,336	9,026,801
Capital outlay		5,001,633	 2,908,219	 26,590,027	 25,111,782	 16,244,971
Total expenditures		394,827,426	 383,371,791	 357,814,136	 302,980,832	 306,105,264
Transfers in		43,369,783	43,631,095	48,366,242	58,188,088	105,160,907
Transfers out		(43,369,783)	(43,631,095)	(48,366,242)	(58,188,088)	(105,160,907)
Commercial Paper Proceeds		-	-	-	-	-
Sales tax revenue bonds issued		110,135,000	-	-	-	-
Premium on sales tax revenue bonds issued		10,700,611	-	-	-	-
Payment of sales tax revenue bonds		-	-	-	-	-
Lease financing		-	-	-	-	-
Subscription financing		-	-	-	-	-
Gain or (loss) on sale of assets		-	 -	 -	 -	 (194,724)
Total other financing sources (uses)		120,835,611	 	 	 	 (194,724)
Net change in fund balances		126,224,466	 2,845,538	 (8,069,982)	 27,603,391	 40,886,683
Fund balances beginning of year (*as restated) (2)	*	378,595,995	 515,521,072	 518,366,810	 510,296,628	 537,900,019
Fund balances end of year	\$	504,820,461	\$ 518,366,610	\$ 510,296,628	\$ 537,900,019	\$ 578,786,702
Debt service as a percentage of noncapital expenditures						
(l)		1.13%	2.83%	3.39%	4.62%	4.28%

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

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



<sup>----</sup> Debt service as a percentage of noncapital expenditures (1)

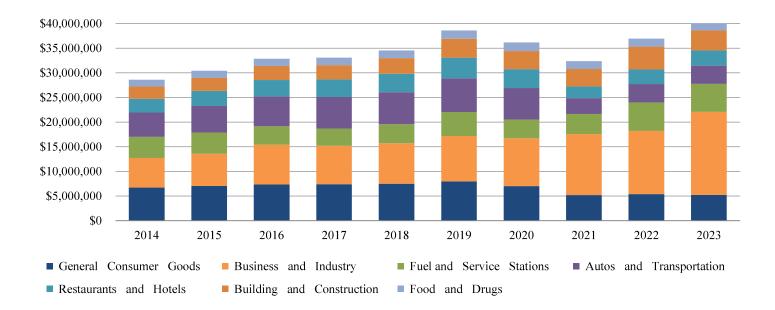
\$					
183,621,992 106,927,206	\$	179,016,883 102,753,612	\$ 222,320,683 127,319,839	\$ 252,227,712 147,255,418	\$ 257,469,979 147,692,918
166,135,084		248,151,643	325,764,000	255,158,111	205,339,905
607,148		469,623	609,239	573,523	678,791
248,545		253,143	257,539	260,691	331,276
16,901,051		15,090,815	1,687,658	(9,190,904)	17,208,561
668,420		7,374,234	 5,575,269	 26,384,049	 1,299,607
 475,109,446		553,109,953	 683,534,227	 672,668,600	 630,021,037
8,809,467		9,716,385	10,022,751	9,474,721	12,366,095
5,360,236		1,323,755	540,313	445,004	204,436
6,082,170		6,217,206	4,713,337	5,020,699	5,078,872
1,870,217		1,648,691	2,369,693	3,859,767	2,924,925
128,994,735		178,757,080	139,311,882	107,243,421	201,961,091
144,354,985		164,736,836	234,102,962	297,850,264	267,413,828
60,576,825		56,797,347	73,891,608	75,088,776	97,599,488
85,542		-	-	-	-
-		-	-	-	
3,860,000		4,150,000	4,460,000	2,220,000	5,570,000
8,914,649		8,740,251	8,573,701	6,955,351	7,686,163
 34,548,505		100,559,657	 100,662,812	 88,166,593	 71,107,543
 403,457,331	_	532,647,208	 578,649,059	 596,324,596	 671,912,441
23,523,783		28,850,305	29,423,596	222,462,708	176,637,970
(23,523,783)		(28,850,305)	(29,423,596)	(161,304,937)	(61,491,259
-		-	-	26,352,000	
-		-	-	60,050,000	
-		-	-	13,108,295	
-		-	-	(78,399,819)	
-		-	-	-	268,088
-		-	-	-	233,410
 82,084		(1,532)	 (347)	 	 1,260,743
 82,084		(1,532)	 (347)	 82,268,247	 116,908,952
71,734,199		20,461,213	 104,884,821	 158,612,251	 75,017,548
 568,086,091		631,725,845	 652,187,058	 757,071 <u>,</u> 879	 915,684,130
\$ 639,820,290	\$	652,187,058	\$ 757,071,879	\$ 915,684,130	\$ 990,701,678

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY County of San Bernardino Taxable Sales by Business Group<sup>(1)</sup> Last Ten Fiscal Years (In Thousands)

	General	Business	Fuel and	Autos	Restaurants	Building	Food	
	Consumer	and	Service	and	and	and	and	
Fiscal	Goods	Industry	Stations	T <u>ransportatio</u> n	Hotels	Construction	Drugs	Total
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
2022	5,387,207	12,802,047	5,781,719	3,725,689	2,962,344	4,649,030	1,619,464	36,927,500
2023	5,216,250	16,869,735	5,654,185	3,701,833	3,086,885	4,061,613	1,542,219	40,132,720

<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>
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%
2022	0.50%	7.75%
2023	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)

		2023			2014	
			Percentage			Percentage
			of Total			of Total
	Taxable		Taxable	Taxable		Taxable
Business Type	Sale	Rank	Sales	Sale	Rank	Sales
Service Stations	\$ 5,426,155	1	13.49%	\$ 3,625,489	1	15.73%
Fulfillment Centers	5,252,256	2	13.05%	352,622	23	1.53%
Drugs/Chemicals	2,864,551	3	7.12%	782,815	8	3.40%
Trailers/Auto Parts	2,781,845	4	6.91%	498,496	16	2.16%
Contractors	2,568,086	5	6.38%	1,294,160	3	5.62%
New Motor Vehicle Dealers	1,551,660	6	3.86%	905,048	6	3.93%
Heavy Industrial	1,543,448	7	3.84%	1,122,476	4	4.87%
Casual Dining	1,463,809	8	3.64%	672,252	11	2.92%
Warehse/Farm/Const. Equip.	1,325,174	9	3.29%	701,961	9	3.05%
Home Furnishings	1,217,701	10	3.03%	614,390	12	2.67%
Building Materials	1,110,665	11	2.76%	835,422	7	3.62%
Energy/Utilities	1,108,676	12	2.76%	1,970,513	2	8.55%
Discount Dept Stores	919,319	13	2.28%	679,350	10	2.95%
Quick-Service Restaurants	913,316	14	2.27%	510,553	13	2.22%
Light Industrial/Printers	860,790	15	2.14%	1,084,301	5	4.70%
Family Apparel	768,802	16	1.91%	-		
Convenience Stores/Liquor	738,578	17	1.84%	429,695	20	1.86%
Specialty Stores	734,380	18	1.83%	424,259	21	1.84%
Grocery Stores	653,174	19	1.62%	504,108	15	2.19%
Used Automotive Dealers	603,473	20	1.50%	435,257	19	1.89%
Automotive Supply Stores	596,115	21	1.48%	504,422	14	2.19%
Auto Repair Shops	593,148	22	1.47%	348,582	24	1.51%
Textiles/Furnishings	380,502	23	0.95%	439,391	18	1.91%
Plumbing/Electrical Supplies	376,547	24	0.94%	-		
Transportation/Rentals	338,505	25	0.84%	338,907	25	1.47%
Department Stores	-			355,667	22	1.54%
Electronics/Appliance Stores	-			480,884	17	2.09%
Total	\$36,690,675		91.20%	\$19,911,020		86.41%

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, 2023

			Special Revenue		
	G	eneral Fund	Funds		Total
Administration					
Administration	\$	2,574,700	<u>\$</u>	\$	2,574,700
Valley					
Freeway projects		-	60,974,382		60,974,382
Freeway interchanges		-	23,128,214		23,128,214
Major street		-	35,743,603		35,743,603
Local street		-	42,051,298		42,051,298
Metrolink/rail service		-	16,820,519		16,820,519
Express bus/bus rapid transit service		-	10,512,824		10,512,824
Senior and disabled transit		-	16,820,519		16,820,519
Transportation management systems		-	4,205,130		4,205,130
Victor Valley					
Major local highway		-	6,462,602		6,462,602
Local street		-	17,319,774		17,319,774
Senior and disabled transit		-	1,551,024		1,551,024
Project development/traffic management		-	517,008		517,008
North Desert			,		,
Major local highway		-	1,279,742		1,279,742
Local street		-	3,480,899		3,480,899
Senior and disabled transit		_	255,948		255,948
Project development/traffic management		-	102,379		102,379
Colorado River			,		,
Major local highway		_	108,645		108,645
Local street		-	295,514		295,514
Senior and disabled transit		_	21,729		21,729
Project development/traffic management		_	8,692		8,692
Morongo Basin			,		,
Major local highway		-	815,126		815,126
Local street		_	2,217,142		2,217,142
Senior and disabled transit		_	163,025		163,025
Project development/traffic management		_	65,210		65,210
Mountain			,		,
Major local highway		_	668,014		668,014
Local street		_	1,816,998		1,816,998
Senior and disabled transit		_	133,603		133,603
Project development/traffic management		_	53,441		53,441
Cajon Pass		_	7,302,275		7,302,275
	\$	2,574,700	\$ 254,895,279	\$	257,469,979
	Ψ	_,= , , , , , , , , , , , , , , , , , ,	<i> </i>	Ψ	

#### SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Historical Sales Tax Revenue Fiscal Years Ended June 30, 2010 through 2023

Fiscal Year	Sales Tax Revenues (1)	% Change From Prior Fiscal Year
2010	\$106,073,764 (2)	(7.7) %
2011	117,927,079	11.2 %
2012	132,276,581	12.2 %
2013	138,482,732	4.7 %
2014	145,407,342	5.0 %
2015	152,342,401	4.8 %
2016	160,848,014	5.6 %
2017	163,814,528	1.8 %
2018	162,945,073	(0.5) %
2019	183,621,992	12.7 % <sup>(3)</sup>
2020	179,016,883 (4)	(2.5) %
2021	222,320,683	24.2 %
2022	252,227,712	13.5 %
2023	257,469,979	2.1 %

(1) Net of State Board of Equalization/CDTFA administrative fee.

- (2) Ordinance No. 89-1 imposed the Sales Tax for a period from April 1, 1990 to March 31, 2010. Ordinance No. 04-01 imposes the Sales Tax for the period from April 1, 2010 through March 31, 2040. Thus, amounts shown for Fiscal Year ended June 30, 2010 include receipts of the Sales Tax imposed pursuant to both Ordinance No. 89-1 and Ordinance No. 04-01. Only those amounts collected in connection with the Sales Tax imposed on and after April 1 in such year would have constituted pledged Sales Tax Revenues under the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022 BONDS Pledge of Sales Tax Revenues and Certain Funds and Accounts Held by Trustee" herein.
- (3) In May 2018, CDTFA implemented a new automated system for processing, reporting and distributing sales tax revenues to agencies throughout the State. As a result, several thousand tax returns were not processed in a timely manner. Approximately \$1,373,405 of Fiscal Year 2018 revenue was recorded in Fiscal Year 2019. Assuming the \$1,373,405 figure was properly accounted for in Fiscal Year 2018, annual sales tax revenues would have been \$164,318,478 for Fiscal Year 2018 and \$182,248,587 in Fiscal Year 2019.
- (4) Decrease in the Fiscal Year ended June 30, 2020 largely attributable to the negative effects of the COVID-19 pandemic. See the captions "—Collection of Sales Tax Revenues" and "RISK FACTORS—COVID-19 Pandemic."

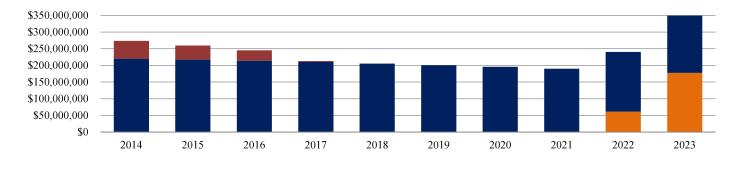
# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Sale	es Tax Revenue Bonds <sup>(1)</sup>	Project Advancement Agreements	Infrastru Innovat	sportation cture Finance ion Act Loan Borrowing)	 Total	Percentage of Personal Income <sup>(2)</sup>	 Per Capita <sup>(2)</sup>
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	0.23%	94.59
2019		200,787,943	-		-	200,787,943	0.22%	91.59
2020		195,593,851	-		-	195,593,851	0.20%	89.70
2021		190,121,622	-		-	190,121,622	0.18%	87.38
2022		178,970,060	-		61,422,896	240,392,956	NA	109.89
2023		171,622,758	-		177,421,362	349,044,120	NA	159.96

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

<sup>(1)</sup> Includes unamortized premium.

<sup>(2)</sup> See Demographic and Economic Statistics on page 148.



Project Advancement Agreements

ts ■Sales Tax Revenue Bonds

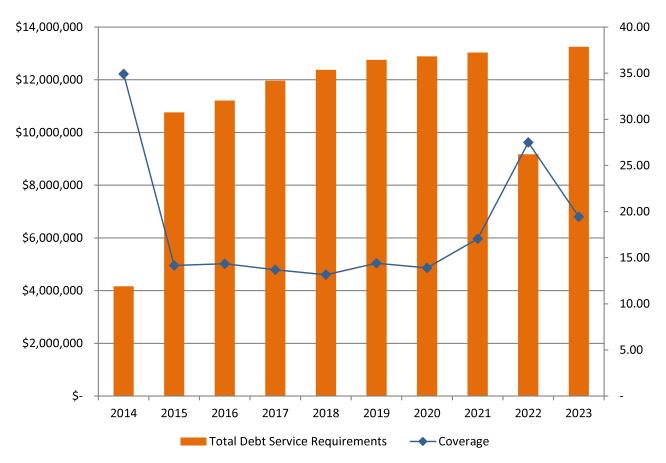
Transportation Infrastructure Finance Innovation Act Loan (Direct Borrowing)

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

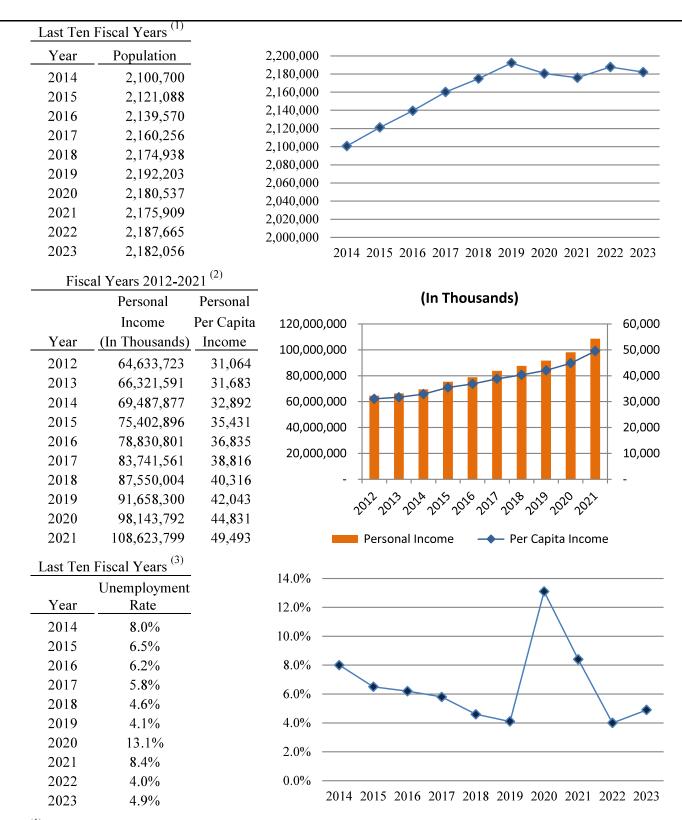
Fiscal	Mea	sure I Sales Tax	 Debt				
Year	I	Revenues <sup>(1)</sup>	 Principal		Interest	 Total	Coverage
2014	\$	145,407,342	\$ -	\$	4,163,338	\$ 4,163,338	34.93
2015		152,342,401	1,910,000		8,856,259	10,766,259	14.15
2016		160,848,014	1,990,000		9,222,050	11,212,050	14.35
2017		163,814,528	2,845,000		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
2022		252,227,712	2,220,000		6,955,351	9,175,351	27.49
2023		257,469,979	5,570,000		7,686,163	13,256,163	19.42

<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



<sup>(1)</sup> California Department of Finance. Population for FY2022 as of January 2023.

<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 FY2023 as of June 2023.

# SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY County of San Bernardino Employment Statistics by Industry Fiscal Year 2022 and Nine Years Prior<sup>(1)</sup>

		Percentage of		Percentage of
		Total		Total
Industry Type	2022	Employment	2013	Employment
Agricultural services, forestry and fishing	2,400	0.28%	2,400	0.37%
Mining	1,100	0.13%	900	0.14%
Construction	40,900	4.79%	27,400	4.23%
Manufacturing	54,600	6.39%	48,300	7.45%
Transportation, warehousing and public utilities	136,100	15.93%	53,500	8.25%
Wholesale trade	42,500	4.97%	34,000	5.24%
Retail trade	88,200	10.32%	82,400	12.71%
Professional and business services	99,300	11.62%	74,400	11.48%
Education and health services	135,600	15.88%	102,100	15.75%
Leisure and hospitality	79,300	9.28%	60,900	9.39%
Information	5,100	0.60%	5,300	0.82%
Finance, insurance and real estate	24,400	2.86%	21,800	3.36%
Federal government-civilian	6,100	0.71%	13,500	2.08%
State government	13,200	1.55%	12,000	1.85%
Local government	101,400	11.87%	88,500	13.66%
Other services	24,100	2.82%	20,900	3.22%
Total –	854,300	100.00%	648,300	100.00%

<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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General:										
Executive administration and support	10.0	10.0	10.0	11.0	12.0	11.0	11.0	12.0	11.0	13.0
General counsel	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Financial management	6.5	8.5	9.5	12.0	14.0	15.0	13.0	11.0	11.0	17.0
Management services	3.0	3.0	3.0	2.0	3.0	3.0	3.0	3.0	4.0	4.0
Legislation	2.0	2.0	2.0	3.0	2.0	2.0	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	5.0	-
Commuter and motorist assistance	3.0	3.0	3.0	4.0	3.0	3.0	3.0	2.0	4.0	4.0
Regional and subregional planning	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Transit	5.0	5.0	5.0	5.0	5.0	5.0	5.0	10.0	8.0	10.0
Project delivery/Toll operations	5.0	5.0	5.0	4.0	5.0	6.0	6.0	13.0	14.0	14.0
Fund administration	7.0	8.0	8.0	9.0	8.0	8.0	8.0	7.0	7.0	7.0
Council of governments				2.0	2.0	1.0	1.0	1.0	1.0	2.0
Total full-time equivalent positions	50.5	53.5	54.5	61.0	64.0	64.0	64.0	76.0		83.0

## SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY Operating Indicators by Function<sup>(1)</sup> Last Ten Fiscal Years

	 2014	 2015	 2016	 2017	 2018
Environmental and energy conservation					
HERO program <sup>(2)</sup> :					
Number of projects approved	4,433	5,987	8,098	6,805	-
Number of projects completed	3,458	5,128	5,177	4,355	580
Value of projects completed	\$ 59,481,299	\$ 94,925,696	\$ 103,832,407	\$ 87,395,340	\$ 12,256,788
GWh saved	24	38	12	28	132
GHG reduction in tons	6,514	10,362	10,293	7,589	120
Commuter and motorist assistance					
Annual rideshare participants	997	750	1,229	1,383	1,467
Park and ride lots	19	21	21	20	19
Motorist assistance by freeway service patrol	34,141	34,669	35,100	33,369	49,644
Call boxes	1,244	1,048	1,022	1,022	1,022
Calls to 511/SoCal511 <sup>(6)</sup>	306,108	282,180	233,895	201,099	142,287
Visits to IE511.org/SoCal511.org <sup>(6)</sup>	471,778	604,799	473,462	618,627	408,021
Transit					
Annual rideshare participants <sup>(4)</sup>	-	-	-	-	-
Park and ride lots (4)	-	-	-	-	-
Vanpools <sup>(5)</sup>	-	-	-	-	-
Weekly commuter rail trips	11,159	11,078	10,659	9,721	9,559
Annual ridership on commuter rail	3,241,225	3,183,922	3,073,878	2,745,469	2,713,313
Transit operators	5,211,225	5,105,922	5,075,078	2,713,105	2,713,515
Transit projects	3	6	3	4	3
Passenger rail projects	7	5	8	7	7
Project delivery	,	5	Ũ	,	,
Freeway projects	12	9	9	9	9
Freeway interchange projects	12	18	17	20	17
Grade separation projects	8	10	8	20	5
Miscellaneous Projects	-	-	-	-	-
Fund administration					
Project advancement agreements <sup>(3)</sup>	24	24	24	24	
Arterial program jurisdiction master agreements	16	16	15	15	15
Measure I Valley Major Street/Arterial allocation	\$ 2,297,670	\$ 8,292,988	\$ 8,632,276	\$ 10,780,897	\$ 20,958,276
Project advancement allocation-Valley interchange	\$ 2,039,283	\$ 	\$ 966,835	\$ -	\$ 1,815,540
Project advancement allocation-Valley arterials	\$ 15,665,520	\$ 11,361,899	\$ 9,351,584	\$ 8,188,822	\$ 1,020,209
Victor Valley Major Local Highway Allocation	\$ 1,199,345	\$ 4,837,945	\$ 	\$ 2,970,614	\$ 41,100
Rural Mountain/Desert Local Highway Allocation	\$ 713,630	\$ 8,770,963	\$ 4,130,572	\$ 6,620,303	\$ 53,697
Federal obligation authority redistribution received	\$ 366,977	\$ -	\$ 	\$ 	\$ -
Advance Expenditure Allocation - Valley Interchange	\$ -	\$ -	\$ -	\$ -	\$ -

<sup>(1)</sup> Information provided by various departments.

<sup>(2)</sup> The PACE (Property Assessed Clean Energy Program) program ended in fiscal year 2017.

<sup>(3)</sup> Project Advancement Agreements were paid in full in fiscal year 2018.

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

<sup>(5)</sup> Programs started during fiscal year 2019.

<sup>(6)</sup> IE511 merged with SoCal511 in fiscal year 2023.

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

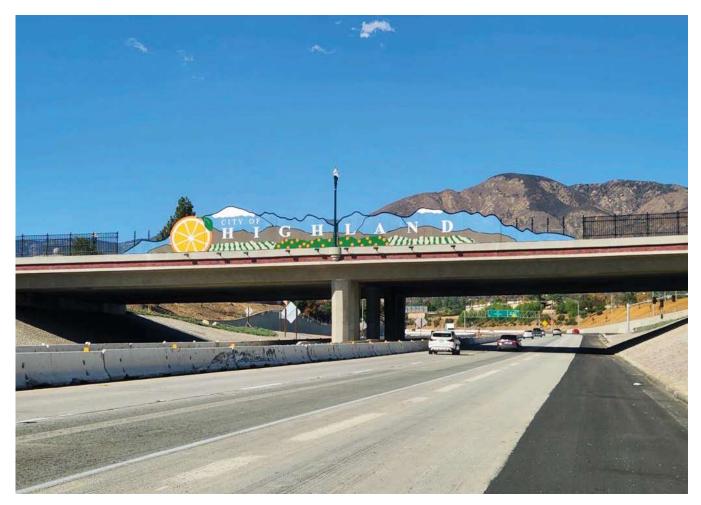
	2019		2020		2021	. <u> </u>	2022		2023
	-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-
	-		-		-		-		-
	1,945		-		-		-		-
	18		-		-		-		-
	58,848		70,164		82,539		85,149		73,385
	1,022		754		778		777		773
	114,045		95,164		65,046		77,868		385,472
	252,921		328,053		204,259		160,930		616,413
	-		1,380		1,257		3,766		5,195
	-		19		18		18		18
	34		57		54		57		79
	10,411		8,689		12,471		22,896		26,285
	2,938,644		2,390,907		648,475		1,180,387		1,562,925
	5		6		6		6		6
	3		2		2		4		4
	10		9		4		2		3
	9		13		13		12		11
	17		16		16		13		13
	5		4		4		3		3
	-		-		-		3		3
	-		-		-		-		-
	15		15		15		15		15
\$	22,027,304	\$	20,720,517	\$	41,414,275	\$	24,515,961	\$	26,176,390
\$	-	\$	-	\$	-	\$	600,399		-
\$	-	\$	-	\$	-	\$		\$	-
\$	4,859,500				9,041,218		5,820,457		2,501,498
\$ \$	537,872				2,417,470 21,124,030		4,627,204 7,992,526	\$ \$	7,954,166
Դ \$	-	ծ \$			533,211		7,992,326		16,423,622
Φ	-	φ	-	φ	555,211	φ	-	Φ	10,723,022

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

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

\* 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.

2019	2020	2021	2022	2023
1	1	1	1	1
1	1	1	1	1
2	2	2	2	2
2	2	14	14	12
621	604	598	598	598
21.9*	47.86*	54.28*	54.28*	54.28*
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
_	_	_	_	_



The City of Highland partnered with SBCTA and Caltrans to improve State Route 210 and the Baseline Interchange. The bridge rail design highlights the importance of this gateway to the city for travelers to and from this East Valley location.