

Administration and Projects Committee **STAFF REPORT**

Meeting Date: February 1, 2018

Subject	Accept Internal Accounting Report for the Six Months Ended December 31, 2017
Summary of Issues	This report provides an accounting of the Authority's financial position and a comparison of actual results versus budget for the six months ended December 31, 2017.
Recommendations	Staff seeks acceptance of this report.
Financial Implications	As presented.
Options	Request clarifications or provide additional comments to staff.
Attachments	A. Internal Accounting Report (unaudited) for the six months ended December 31, 2017
Changes from Committee	

Background

The Administration and Projects Committee (APC) functions as the internal audit committee and regularly reviews financial reports. Consistent with prior direction from the APC, an internal accounting report is prepared and presented at six-month, nine-month and twelve-month intervals. This report is for management purposes only and provides an unaudited snapshot of the Authority's financial position through the first six months of the fiscal year. Highlights from the report are as follows:

1. Sales tax revenues totaled \$46.63 million, an increase of \$2.8 million or 6.52 percent when compared against the prior year. Results show continued improvement in the construction and heavy equipment, fuel taxes, retail and restaurant sales sectors.

2. Expenditures for Administration salaries and benefits are \$324 thousand. This represents 0.70 percent of the 1.00 percent limitation on Administrative salary and benefits costs established by Measure J for the first six months of the fiscal year.

Conclusion

This item is presented for information, review, and comment. A more detailed analysis and discussion of the budget status and the need for adjustments will be presented at the March APC meeting as a part of the midyear budget discussion.

**CONTRA COSTA TRANSPORTATION
AUTHORITY**

Internal Accounting Report

(Unaudited)

For the Six Months Ended December 31, 2017

CONTRA COSTA TRANSPORTATION AUTHORITY

Internal Accounting Report

For the Six Months Ended December 31, 2017

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Introduction

The Internal Accounting Report shows Financial Statement information similar to the Government-wide Reporting format. The report does include Fixed Asset and Long Term Debt Funds similar to the traditional format. Our Audited Financial Statements are shown in the Governmental Accounting Standards Board Statements 34 (GASB 34) format.

Internal Accounting Reports are issued for the six months ending December 31 and the nine months ending March 31 as well as at the end of the fiscal year.

CONTRA COSTA TRANSPORTATION AUTHORITY
Governmental Funds
Balance Sheet
December 31, 2017

	Measure J General Fund	Measure J Local Streets & Roads Fund	Measure C Fund	Measure J Debt Service Funds	Non Major Special Revenue Funds
Assets					
Restricted cash and investments	\$ 110,373,942	\$ 19,488,053	19,375,852	\$ 95,842,736	\$ 11,525,904
Receivables:					
Sales tax	14,936,133	-	-	-	-
Interest	387,121	-	-	-	-
Intergovernmental	1,099,532	-	-	-	0
Prepaid	103,095	-	-	-	-
Fair value of swap	-	-	-	-	-
Fixed assets	-	-	-	-	-
Amount to be provided for retirement of long term debt	-	-	-	-	-
Total Assets	\$ 126,899,824	\$ 19,488,053	19,375,852	\$ 95,842,736	\$ 11,525,904
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 1,672,862	\$ 19,488,053	\$ 963,816	-	\$ 0
Benefits payable	9,046	-	-	-	(0)
Accrued employee benefits	850,868	-	-	-	-
Interest rate swap agreement	-	-	-	-	-
Sales tax bonds	-	-	-	-	-
Total Liabilities	2,532,776	19,488,053	963,816	-	0
Fund Balances:					
Nonspendable:					
Investment in general fixed assets	-	-	-	-	-
Restricted:					
Air quality	-	-	-	-	2,154,628
Commute alternatives	-	-	-	-	1,263,022
Transportation projects	76,944,756	-	18,412,036	95,842,736	-
Paratransit program	-	-	-	-	8,108,255
Additional paratransit program	2,062,559	-	-	-	-
Safe transportation for children	3,831,147	-	-	-	-
Ferry service	14,732,028	-	-	-	-
Bus transit and improvements	857,890	-	-	-	-
Express bus	729,922	-	-	-	-
Subregional bus transit	587,116	-	-	-	-
Transportation for livable communities projects (TLC)	13,026,827	-	-	-	-
Additional TLC	2,415,028	-	-	-	-
Pedestrian, bicycle and trail facilities	4,691,413	-	-	-	-
Additional pedestrian, bicycle and trail facilities	261,901	-	-	-	-
Subregional transportation needs	2,382,617	-	-	-	-
Planning and facilities	381,743	-	-	-	-
Administration	1,462,100	-	-	-	-
Total Fund Balances	124,367,048	0	18,412,036	95,842,736	11,525,904
Total Liabilities and Fund Balances	\$ 126,899,824	\$ 19,488,053	19,375,852	\$ 95,842,736	\$ 11,525,904

	<u>General Fixed Assets</u>	<u>General Long- Term Debt</u>	<u>Total Governmental Funds</u>
Assets			
Restricted cash and investments	\$ -	\$ -	\$ 256,606,488
Receivables:			
Sales tax	-	-	14,936,133
Interest	-	-	387,121
Intergovernmental	-	-	1,099,532
Prepaid	-	-	103,095
Fair value of swap	-	39,424,924	39,424,924
Fixed assets	401,962	-	401,962
Amount to be provided for retirement of long term debt	-	561,485,236	561,485,236
Total Assets	<u>\$ 401,962</u>	<u>\$ 600,910,160</u>	<u>\$ 874,444,491</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 22,124,731
Benefits payable	-	-	9,046
Accrued employee benefits	-	-	850,868
Interest rate swap agreement	-	39,424,924	39,424,924
Sales tax bonds	-	561,485,236	561,485,236
Total Liabilities	<u>-</u>	<u>600,910,160</u>	<u>623,894,805</u>
Fund Balances:			
Nonspendable:			
Investment in general fixed assets	401,962	-	401,962
Restricted:			
Air quality	-	-	2,154,628
Commute alternatives	-	-	1,263,022
Transportation projects	-	-	191,199,528
Paratransit program	-	-	8,108,255
Additional paratransit program	-	-	2,062,559
Safe transportation for children	-	-	3,831,147
Ferry service	-	-	14,732,028
Bus transit and improvements	-	-	857,890
Express bus	-	-	729,922
Subregional bus transit	-	-	587,116
Transportation for livable communities projects (TLC)	-	-	13,026,827
Additional TLC	-	-	2,415,028
Pedestrian, bicycle and trail facilities	-	-	4,691,413
Additional pedestrian, bicycle and trail facilities	-	-	261,901
Subregional transportation needs	-	-	2,382,617
Planning and facilities	-	-	381,743
Administration	-	-	1,462,100
Total Fund Balances	<u>401,962</u>	<u>-</u>	<u>250,549,687</u>
Total Liabilities and Fund Balances	<u>\$ 401,962</u>	<u>\$ 600,910,160</u>	<u>\$ 874,444,491</u>

CONTRA COSTA TRANSPORTATION AUTHORITY
 Governmental Funds
 Statement of Revenues, Expenditures and
 Changes in Fund Balance
 For the Six Months Ended December 31, 2017

	Measure J General Fund	Measure J Local Streets & Roads Fund	Measure C Fund	Measure J Debt Service Funds	Non Major Special Revenue Funds	Total Governmental Funds
Revenues						
Sales tax	\$ 34,464,340	\$ 9,367,996	\$ -	\$ -	\$ 2,797,809	\$ 46,630,144
Investment income	3,950	-	-	295,688	-	299,638
Federal Surface Transportation Program (CMA)	116,055	-	-	-	-	116,055
Federal Demo (East County Corridors)	59,426	-	-	-	-	59,426
Federal Congestion Mitigation (CMAQ)	-	-	-	-	31,375	31,375
State Planning, Programming and Monitoring (PPM)	288,019	-	-	-	-	288,019
Regional Measure 2 (I-80 Carpool Ln Ext)	238,063	-	-	-	-	238,063
Regional Measure 2 (I-680 Carpool Ln Ext & Int Imp)	2,784,306	-	-	-	-	2,784,306
Contributions from CMA member agencies	38,756	-	-	-	-	38,756
State Motor Vehicle Registration						
Surcharge (TFCA)	-	-	-	-	813,022	813,022
City of Antioch (SR4 East Widening)	148,955	-	-	-	-	148,955
Miscellaneous revenue	550	-	-	-	-	550
Total Revenues	38,142,419	9,367,996	-	295,688	3,642,205	51,448,308
Expenditures						
Current expenditures:						
Administration:						
Salaries and employee benefits	324,403	-	-	-	-	324,403
Services, supplies & capital outlay	680,786	-	-	-	-	680,786
Project Management:						
Salaries and employee benefits	905,026	-	-	-	-	905,026
Services, supplies & capital outlay	279,551	-	-	-	-	279,551
Programs:						
Commuter alternatives	-	-	-	-	150,901	150,901
Additional paratransit	260,479	-	-	-	-	260,479
Bus transit enhancements	1,242,276	-	-	-	-	1,242,276
Paratransit	-	-	-	-	1,482,130	1,482,130
Express bus program	1,725,891	-	-	-	-	1,725,891
Bus transit and improvement program	2,010,778	-	-	-	-	2,010,778
Safe transportation for children	1,196,360	-	-	-	-	1,196,360
Local street and maintenance	-	8,393,426	-	-	-	8,393,426
Subregional Local street and maintenance	-	974,570	-	-	-	974,570
Transportation Projects:						
Highways and Arterials	-	-	1,558,615	-	-	1,558,615
Transit	-	-	1,317	-	-	1,317
Capital Improvement Projects	14,719,918	-	-	-	-	14,719,918
Countywide Capital and Maintenance Projects	4,897,826	-	-	-	-	4,897,826
Subregional Projects	1,572,667	-	-	-	-	1,572,667
Regional Planning:						
Salaries and employee benefits	182,789	-	-	-	-	182,789
Services, supplies & capital outlay	259,413	-	-	-	-	259,413
Congestion Management:						
Salaries and employee benefits	390,537	-	-	-	-	390,537
Services, supplies & capital outlay	251,928	-	-	-	-	251,928
Transportation Demand Management:						
Salaries and employee benefits	-	-	-	-	40,792	40,792
Contributions to other agencies	-	-	-	-	407,751	407,751
Transportation Planning Land Use Solutions:						
Salaries and employee benefits	52,619	-	-	-	-	52,619
Debt service:						
Issuance costs	-	-	-	72,896	-	72,896
Interest and related fees	-	-	-	10,179,067	-	10,179,067
Total Expenditures	30,953,246	9,367,996	1,559,932	10,251,963	2,081,574	54,214,712
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,189,172	-	(1,559,932)	(9,956,275)	1,560,631	(2,766,404)
Other Financing Sources (Uses)						
Transfer in	27,681,041	-	-	17,555,776	-	45,236,816
Transfer out	(17,555,776)	-	-	(27,681,041)	-	(45,236,816)
Total Other Financing Sources (Uses)	10,125,265	-	-	(10,125,265)	-	-
Net Change in Fund Balances	17,314,437	-	(1,559,932)	(20,081,540)	1,560,631	(2,766,404)
Fund Balances - Beginning	107,052,610	-	19,971,968	115,924,277	9,965,274	252,914,129
Fund Balances - Ending	\$ 124,367,048	\$ -	\$ 18,412,036	\$ 95,842,736	\$ 11,525,904	\$ 250,147,725

CONTRA COSTA TRANSPORTATION AUTHORITY
Measure J General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Six Months Ended December 31, 2017

	Budget			Variance with Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Sales tax	\$ 63,932,150	\$ 63,932,150	\$ 34,464,340	\$ (29,467,810)
Investment income	800,000	800,000	3,950	(796,050)
Federal Surface Transportation Program (CMA)	834,000	834,000	116,055	(717,945)
Federal Surface Transportation Program (PDA Invest./SCS)	650,000	650,000	-	(650,000)
Federal Demo (East County Corridors)	400,000	400,000	59,426	(340,574)
State Planning, Programming and Monitoring (PPM)	627,549	627,549	288,019	(339,530)
State Transportation Improvement Program (I-80)	2,625,000	2,625,000	-	(2,625,000)
Regional Measure 2 (I-80 Carpool Ln Ext)	-	-	238,063	238,063
Regional Measure 2 (I-680 Carpool Ln Ext & Interchange Imp)	7,676,000	7,676,000	2,784,306	(4,891,694)
Contributions from CMA member agencies	398,858	398,858	38,756	(360,102)
Contra Costa County (East County Corridors)	100,000	100,000	-	(100,000)
East Contra Costa Regional Fee and Financing Authority	9,000,000	9,000,000	-	(9,000,000)
City of Antioch (SR4 East Widening)	-	-	148,955	148,955
Miscellaneous revenue	1,000	1,000	550	(450)
Total Revenues	87,044,557	87,044,557	38,142,419	(48,902,138)
Expenditures				
Current expenditures:				
Administration:				
Salaries and employee benefits	688,712	688,712	324,403	364,309
Services, supplies & capital outlay	1,408,600	1,408,600	680,786	727,814
Project Management:				
Salaries and employee benefits	1,876,563	1,876,563	905,026	971,537
Services, supplies & capital outlay	472,500	472,500	279,551	192,949
Programs:				
Additional paratransit	1,494,750	1,494,750	260,479	1,234,271
Bus transit enhancements	3,626,400	3,626,400	1,242,276	2,384,124
Express bus program	3,819,500	3,819,500	1,725,891	2,093,609
Bus transit and improvement program	4,425,000	4,425,000	2,010,778	2,414,222
Safe transportation for children	5,381,425	5,381,425	1,196,360	4,185,065
Transportation Projects:				
<i>Capital Improvement Projects:</i>				
Caldecott Tunnel Fourth Bore	2,662,889	2,662,889	1,482,265	1,180,624
BART - East CC Rail Extension	650,000	650,000	3,312	646,688
SR4 East Widening (Refund on Deposit Caltrans)	3,068,912	3,068,912	1,408,410	1,660,502
Capitol Corridor Improvements	135,000	135,000	671,031	(536,031)
East County Corridor	33,186,712	33,186,712	8,000,415	25,186,297
Interchange Improvements on I680 & SR242	1,519,285	1,519,285	8,672	1,510,613
I-80 Carpool Lane Extension & Improvements	5,328,124	5,328,124	1,431,154	3,896,970
I-680 Carpool Lane Gap Closure & Corridor Imp	13,122,574	13,122,574	1,714,659	11,407,915
Richmond Parkway	27,000	27,000	-	27,000
<i>Countywide Capital and Maintenance Projects:</i>				
BART Parking, Access & Other Improvements	14,777,901	14,777,901	3,546,295	11,231,606
Transportation for Livable Communities	1,527,313	1,527,313	1,131,001	396,312
Pedestrian, Bicycle & Trail Facilities	1,203,193	1,203,193	220,530	982,663
<i>Subregional Projects:</i>				
Major Streets	6,596,640	6,596,640	675,283	5,921,357
Martinez Capitol Corridor Rail Station Imp	4,200	4,200	-	4,200
Subregional Transportation Needs	1,658,450	1,658,450	897,384	761,066
Regional Planning:				
Salaries and employee benefits	394,224	394,224	182,789	211,435
Services, supplies & capital outlay	555,500	555,500	259,413	296,087
Congestion Management:				
Salaries and employee benefits	1,238,603	1,238,603	390,537	848,066
Services, supplies & capital outlay	1,142,285	1,142,285	251,928	890,357
Transportation Planning Land Use Solutions:				
Salaries and employee benefits	79,519	79,519	52,619	26,900
Services, supplies & capital outlay	50,000	50,000	-	50,000
Total Expenditures	112,121,774	112,121,774	30,953,246	81,168,528
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,077,217)	(25,077,217)	7,189,172	(130,070,666)
Other Financing Sources (Uses)				
Transfer in	39,899,496	39,899,496	27,681,041	(12,218,455)
Transfer out	(36,930,350)	(36,930,350)	(17,555,776)	19,374,574
Total Other Financing Sources (Uses)	2,969,146	2,969,146	10,125,265	7,156,119
Net Change in Fund Balances	\$ (22,108,071)	\$ (22,108,071)	17,314,437	\$ (122,914,547)
Fund Balances - Beginning			107,052,610	
Fund Balances - Ending			\$ 124,367,048	

CONTRA COSTA TRANSPORTATION AUTHORITY
Measure J Local Street & Roads Special Revenue Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Six Months Ended December 31, 2017

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Sales tax	\$ 17,377,850	\$ 17,377,850	\$ 9,367,996	\$ (8,009,854)
Total Revenues	<u>17,377,850</u>	<u>17,377,850</u>	<u>9,367,996</u>	<u>(8,009,854)</u>
Expenditures				
Current expenditures:				
Programs:				
Local street and maintenance	\$ 15,570,000	\$ 15,570,000	\$ 8,393,426	\$ 7,176,574
Subregional Local street and maintenance	1,807,850	1,807,850	974,570	833,280
Total Expenditures	<u>17,377,850</u>	<u>17,377,850</u>	<u>9,367,996</u>	<u>8,009,854</u>
Net Change in Fund Balances	<u>\$ (0)</u>	<u>\$ (0)</u>	-	<u>\$ -</u>
Fund Balances - Beginning			-	
Fund Balances - Ending			<u>\$ -</u>	

CONTRA COSTA TRANSPORTATION AUTHORITY
Measure C Special Revenue Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Six Months Ended December 31, 2017

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 150,000	\$ 150,000	\$ -	\$ (150,000)
Escrow Earnings (SR4 East)	400,000	400,000	-	(400,000)
Miscellaneous revenue	1,000	1,000	-	(1,000)
Total Revenues	<u>551,000</u>	<u>551,000</u>	<u>-</u>	<u>(551,000)</u>
Expenditures				
Current expenditures:				
Transportation Projects:				
<i>Highways and Arterials:</i>				
I-680 Corridor	10,685,237	10,685,237	1,557,963	9,127,274
Route 4 West	46,019	46,019	652	45,367
Major Arterials Southwest Region	1,048,000	1,048,000	-	1,048,000
<i>Transit:</i>				
Contra Costa Regional Commuterway	34,353	34,353	1,317	33,036
Total Expenditures	<u>11,813,609</u>	<u>11,813,609</u>	<u>1,559,932</u>	<u>10,253,677</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,262,609)</u>	<u>(11,262,609)</u>	<u>(1,559,932)</u>	<u>9,702,677</u>
 Net Change in Fund Balances	 <u>\$ (11,262,609)</u>	 <u>\$ (11,262,609)</u>	 <u>(1,559,932)</u>	 <u>\$ 9,702,677</u>
Fund Balances - Beginning			19,971,968	
Fund Balances - Ending			<u>\$ 18,412,036</u>	

CONTRA COSTA TRANSPORTATION AUTHORITY
Measure J Debt Service Funds
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Six Months Ended December 31, 2017

	Measure J Debt Service Bonds			
	Budget			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Investment income	\$ 250,000	\$ 250,000	\$ 295,688	\$ 45,688
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>295,688</u>	<u>45,688</u>
Expenditures				
Debt service:				
Issuance costs	-	-	72,896	(72,896)
Principal	15,140,000	15,140,000	-	15,140,000
Interest and related fees	<u>21,790,350</u>	<u>21,790,350</u>	<u>10,179,067</u>	<u>11,611,283</u>
Total Expenditures	<u>36,930,350</u>	<u>36,930,350</u>	<u>10,251,963</u>	<u>26,678,387</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(36,680,350)</u>	<u>(36,680,350)</u>	<u>(9,956,275)</u>	<u>26,724,075</u>
Other Financing Sources (Uses)				
Transfer in	36,930,350	36,930,350	17,555,776	(19,374,574)
Transfer out	<u>(39,899,496)</u>	<u>(39,899,496)</u>	<u>(27,681,041)</u>	<u>12,218,455</u>
Total Other Financing Sources (Uses)	<u>(2,969,146)</u>	<u>(2,969,146)</u>	<u>(10,125,265)</u>	<u>(7,156,119)</u>
Net Change in Fund Balances	<u>\$ (39,649,496)</u>	<u>\$ (39,649,496)</u>	<u>(20,081,540)</u>	<u>\$ 19,567,956</u>
Fund Balances - Beginning			<u>115,924,277</u>	
Fund Balances - Ending			<u>\$ 95,842,736</u>	

CONTRA COSTA TRANSPORTATION AUTHORITY
 Non-Major Special Revenue Funds
 Combined Balance Sheet
 December 31, 2017

	Measure J Paratransit	Measure J Commute Alternatives	Air Quality	Total Non Major Special Revenue Funds
Assets				
Restricted cash and investments	\$ 8,108,255	\$ 1,263,022	\$ 2,154,628	\$ 11,525,904
Total Assets	\$ 8,108,255	\$ 1,263,022	\$ 2,154,628	\$ 11,525,904
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 0	\$ (0)	\$ 0	\$ 0
Total Liabilities	0	(0)	0	0
Fund Balances				
Restricted:				
Paratransit program	8,108,255	-	-	8,108,255
Commute alternatives	-	1,263,022	-	1,263,022
Air quality	-	-	2,154,628	2,154,628
Total Fund Balances	8,108,255	1,263,022	2,154,628	11,525,904
Total Liabilities and Fund Balances	\$ 8,108,255	\$ 1,263,022	\$ 2,154,628	\$ 11,525,904

CONTRA COSTA TRANSPORTATION AUTHORITY
Non-Major Special Revenue Funds
Combined Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Six Months Ended December 31, 2017

	Measure J Paratransit	Measure J Commute Alternatives	Air Quality	Total Non Major Special Revenue Funds
Revenues				
Sales tax	\$ 2,331,507	\$ 466,302	\$ -	\$ 2,797,809
Federal Congestion Mitigation (CMAQ)	-	31,375	-	31,375
State Motor Vehicle Registration Surcharge (TFCA)	-	-	813,022	813,022
Total Revenues	2,331,507	497,676	813,022	3,642,205
Expenditures				
Current expenditures:				
Programs:				
Commute alternatives	-	150,901	-	150,901
Air Quality	-	-	448,543	448,543
Paratransit	1,482,130	-	-	1,482,130
Total Expenditures	1,482,130	150,901	448,543	2,081,574
Excess (Deficiency) of Revenues Over (Under) Expenditures	849,377	346,775	364,479	1,560,631
Net Change in Fund Balances	849,377	346,775	364,479	1,560,631
Fund Balances - Beginning	7,258,878	916,247	1,790,149	9,965,274
Fund Balances - Ending	\$ 8,108,255	\$ 1,263,022	\$ 2,154,628	\$ 11,525,904

CONTRA COSTA TRANSPORTATION AUTHORITY
 Non-Major Special Revenue Funds
 Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 For the Six Months Ended December 31, 2017

	Measure J Paratransit				Measure J Commute Alternatives			
	Budget		Actual		Budget		Actual	
	Original	Final	Actual	Variance with Budget - Positive (Negative)	Original	Final	Actual	Variance with Budget - Positive (Negative)
Revenues								
Sales tax	\$ 4,325,000	\$ 4,325,000	\$ 2,331,507	\$(1,993,493)	\$ 865,000	\$ 865,000	\$ 466,302	\$ (398,698)
Investment income	30,000	30,000	-	(30,000)	10,000	10,000	-	(10,000)
Federal Congestion Mitigation (CMAQ)	-	-	-	-	70,000	70,000	31,375	(38,625)
State Motor Vehicle Registration	-	-	-	-	-	-	-	-
Surcharge (TFCA)	-	-	-	-	-	-	-	-
Total Revenues	<u>4,355,000</u>	<u>4,355,000</u>	<u>2,331,507</u>	<u>(2,023,493)</u>	<u>945,000</u>	<u>945,000</u>	<u>497,676</u>	<u>(447,324)</u>
Expenditures								
Current expenditures:								
Programs:								
Commute alternatives	-	-	-	-	1,035,000	1,035,000	150,901	884,099
Air Quality	-	-	-	-	-	-	-	-
Paratransit	3,699,796	3,699,796	1,482,130	2,217,666	-	-	-	-
Total Expenditures	<u>3,699,796</u>	<u>3,699,796</u>	<u>1,482,130</u>	<u>2,217,666</u>	<u>1,035,000</u>	<u>1,035,000</u>	<u>150,901</u>	<u>884,099</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>655,204</u>	<u>655,204</u>	<u>849,377</u>	<u>194,173</u>	<u>(90,000)</u>	<u>(90,000)</u>	<u>346,775</u>	<u>436,775</u>
Net Change in Fund Balances	<u>\$ 655,204</u>	<u>\$ 655,204</u>	<u>849,377</u>	<u>\$ 194,173</u>	<u>\$ (90,000)</u>	<u>\$ (90,000)</u>	<u>346,775</u>	<u>\$ 436,775</u>
Fund Balances - Beginning			<u>7,258,878</u>				<u>916,247</u>	
Fund Balances - Ending			<u>\$ 8,108,255</u>				<u>\$ 1,263,022</u>	

	Air Quality				Total Non Major Special Revenue Fu		
	Budget		Actual	Variance with Budget - Positive (Negative)	Budget		Actual
Original	Final	Original			Final		
Revenues							
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ 5,190,000	\$ 5,190,000	\$ 2,797,809
Investment income	10,000	10,000	-	(10,000)	50,000	50,000	-
Federal Congestion Mitigation (CMAQ)	-	-	-	-	70,000	70,000	31,375
State Motor Vehicle Registration							
Surcharge (TFCA)	1,509,966	1,509,966	813,022	(696,944)	1,509,966	1,509,966	813,022
Total Revenues	1,519,966	1,519,966	813,022	(706,944)	6,819,966	6,819,966	3,642,205
Expenditures							
Current expenditures:							
Programs:							
Commuter alternatives	-	-	-	-	1,035,000	1,035,000	150,901
Air Quality	1,529,761	1,529,761	448,543	1,081,218	1,529,761	1,529,761	448,543
Paratransit	-	-	-	-	3,699,796	3,699,796	1,482,130
Total Expenditures	1,529,761	1,529,761	448,543	1,081,218	6,264,557	6,264,557	2,081,574
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,795)	(9,795)	364,479	374,274	555,409	555,409	1,560,631
Net Change in Fund Balances	\$ (9,795)	\$ (9,795)	364,479	\$ 374,274	\$ 555,409	\$ 555,409	1,560,631
Fund Balances - Beginning			1,790,149				9,965,274
Fund Balances - Ending			\$ 2,154,628				\$ 11,525,904

	<u>nds</u>
	Variance with Final Budget - Positive (Negative)
Revenues	
Sales tax	\$(2,392,191)
Investment income	(50,000)
Federal Congestion Mitigation (CMAQ)	(38,625)
State Motor Vehicle Registration	
Surcharge (TFCA)	<u>(696,944)</u>
Total Revenues	<u>(3,177,761)</u>
Expenditures	
Current expenditures:	
Programs:	
Commuter alternatives	884,099
Air Quality	1,081,218
Paratransit	<u>2,217,666</u>
Total Expenditures	<u>4,182,983</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,005,222</u>
Net Change in Fund Balances	<u>\$ 1,005,222</u>
Fund Balances - Beginning	
Fund Balances - Ending	

CONTRA COSTA TRANSPORTATION AUTHORITY

Notes to Internal Accounting Report
For the Six Months Ended December 31, 2017

The format of the Internal Accounting Report is similar to the audited financial statements at the Government-wide level. The report does not include the GASB 34 conversion adjustments done at year-end and therefore still show a General Fixed Asset Fund and General Long Term Debt Fund.

MEASURE J SPECIAL REVENUE FUNDS PROCEDURES

Streets and Roads

The budget and actual expenditures are based on 18 percent and 2.09 percent of sales tax revenues for the current fiscal year for local streets and roads and subregional local streets and roads. For fiscal year 2018 the amounts for the respective programs for the first six months amounts to \$8,393,426 and \$974570.

Paratransit

The program is to receive 5 percent of revenues over the life of Measure J on a sliding scale from 2.97 percent in the first year to 5.9 percent in the final year.

Commute Alternatives

Operating transfers to the Commute Alternatives program were based on 1 percent of the sales tax revenues.

MEASURE J DEBT SERVICE FUNDS

\$561.5 million Sales Tax Revenue Bonds

On December 18, 2012, the Authority issued \$390.220 million in Sales Tax Revenue Bonds to finance Measure J projects and retire the \$200.990 million 2010 Sales Tax Revenue Bonds. 2012B Bonds received a premium in the amount of \$37.2 million and is amortized over the life of the bond.

On October 15, 2015, the Authority issued \$166.640 million in Sales Tax Revenue Bonds to finance Measure J projects and retire \$84.470 million of the 2012B Sales Tax Revenue Bonds. 2015A Bonds received a premium in the amount of \$32.1 million and is amortized over the life of the bond.

On December 15, 2015, the Authority completed the remarketing (direct sale) of the 2012A Bonds to State Street Bank in the amount of \$201.450 million.

On June 1, 2017, the Authority issued \$83.570 million in Sales Tax Revenue Bonds to finance Measure J projects. 2017A Bonds received a premium in the amount of \$16.896 million and is amortized over the life of the bond.

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions /</u> <u>(Payments)</u>	<u>Balance</u> <u>June 30, 2018</u>
Bonds			
2012B Sales Tax Revenue Bonds	\$ 54,960	\$ -	\$ 54,960
2012B Bond Premium	10,085	-	10,085
2015A Sales Tax Revenue Bonds	164,260	-	164,260
2015B Bond Premium	30,347	-	30,347
2017A Sales Tax Revenue Bonds	83,570	-	83,570
2017B Bond Premium	16,812	-	16,812
2012A Bonds (State Street)	201,450	-	201,450
Total Bonds	<u>\$ 561,485</u>	<u>\$ -</u>	<u>\$ 561,485</u>

SWAP FAIR VALUE

(\$39.42) million Fair Value of Swap

The fair value of the swap at December 31, 2017 was (\$39.425) million. An decrease of \$3.7 million since June 30, 2017

CONTRA COSTA TRANSPORTATION AUTHORITY

Notes to Internal Accounting Report
For the Six Months Ended December 31, 2017

The format of the Internal Accounting Report is similar to the audited financial statements at the Government-wide level. The report does not include the GASB 34 conversion adjustments done at year-end and therefore still show a General Fixed Asset Fund and General Long Term Debt Fund.

FUNDS

Measure C Fund Balance

The Authority approved the 2011 Strategic Plan update (12-02-P) which includes a reserve policy (Sec. 9.5) for \$6.000 million. Therefore fund balance is detailed below:

<u>Measure C Fund Balance</u>	<u>Fund Balance</u>	<u>Amount</u>
Transportation projects		\$ 15,155,233
Total Transportation projects	Restricted	15,155,233
Reserve (A)	Restricted	3,256,803
Total Measure C Fund Balance		\$ 18,412,036

(A) For financial statement presentation, GASB54 defines restricted fund balance as those approved by ordinance in the Measure C Expenditure Plan. The reserve was approved by resolution in the 2011 Strategic Plan and therefore included as part of Transportation projects restricted fund balance. May 20, 2015, the Authority approved Resolution 15-17-A, authorizing a lump sum payment (\$2,210,110) to pay-off the unfunded actuarial liability. Future unallocated interest earnings will replenish the reserve. Fiscal Year 2016-17 recognized an expenditure of \$1.241 million related to the placement of Measure X on the ballot in November of 2016.

TRANSFERS

The purpose of the majority of transfers is debt service or programmatic transfers as approved in the Measure J.

<u>Fund Receiving Transfer</u>	<u>Fund Making Transfer</u>	<u>Purpose</u>	<u>Amount</u>
General Fund	2015 Debt Service	(A)	81,041
	2017 Debt Service	(A)	27,600,000
Debt Service Funds:			
2012B Debt Service Fund	General Fund	(B)	8,086,500
2015A Debt Service Fund	General Fund	(B)	2,009,250
2015 Debt (State Street)	General Fund	(B)	3,938,042
2017A Debt Service Fund	General Fund	(B)	3,521,983
			<u>\$ 45,236,816</u>

Purpose of Transfers:

(A) Transfers bond proceeds to Measure J for project costs.

(B) Transfer sales tax revenues for debt service.