



# Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



CONTRA COSTA  
transportation  
authority

2999 Oak Road, Suite 100 Walnut Creek, CA 94597





**CONTRA COSTA  
TRANSPORTATION AUTHORITY  
WALNUT CREEK, CALIFORNIA**

**ANNUAL COMPREHENSIVE FINANCIAL  
REPORT**

**FOR THE YEAR ENDED JUNE 30, 2021**

**Prepared by: Finance Department**



**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2021**

*Table of Contents*

***Introductory Section (Unaudited)***

Letter of Transmittal .....	i
Certificate of Achievement – GFOA .....	vii
Board Members .....	viii
Authority Organizational Chart .....	ix

***Financial Section***

Independent Auditor’s Report .....	1
Management’s Discussion and Analysis (Unaudited) .....	3

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position .....	18
Statement of Activities .....	19

Fund Financial Statements:

Governmental Funds:

Balance Sheet .....	22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	23
Statement of Revenues, Expenditures and Changes in Fund Balances .....	24
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	26

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:

Measure J General Fund .....	27
Measure J Local Streets and Roads Special Revenue Fund .....	28
Measure C Special Revenue Fund .....	29

Notes to Basic Financial Statements .....	30
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Required Supplementary Information (Unaudited):

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios .....	57
Schedule of Contributions – Pension Plan .....	58
Schedule of Changes in Net OPEB Liability and Related Ratios .....	59
Schedule of Contributions – OPEB Plan .....	60

Individual and Combining Fund Financial Statements and Schedules:

Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:

Measure J Debt Service Funds .....	61
------------------------------------	----

Combining Financial Statements – Other Governmental Funds:

Combining Balance Sheet .....	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	63
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual .....	64

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2021**

*Table of Contents (continued)*

*Statistical Section (Unaudited)*

Financial Trends:

Net Position by Component .....	70
Changes in Net Position .....	71
Changes in Fund Balances .....	72
Fund Balances of Governmental Funds .....	73

Revenue Capacity:

Sales Tax Revenues .....	74
Taxable Sales by Type of Business .....	75

Debt Capacity:

Outstanding Debt by Type .....	76
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Economic and Demographic Information:

Demographics and Economic Statistics .....	77
Principal Employers .....	78

Operating Information:

Authority Employees by Function .....	79
Operating Indicators by Function / Program .....	80
Capital Asset Statistics by Function / Program .....	81

# *Introductory Section*





CONTRA COSTA  
transportation  
authority

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COMMISSIONERS

Teresa Gerringer,  
Chair

Chris Kelley,  
Vice Chair

Newell Arnerich

Tom Butt

Federal Glover

Loella Haskew

David Hudson

Karen Mitchoff

Sue Noack

Lamar Thorpe

Holland White

Timothy Haile,  
Executive Director

December 30, 2021

To the Contra Costa County Taxpayers & Contra Costa Transportation Authority Commissioners:

The Annual Comprehensive Financial Report for the Contra Costa Transportation Authority (the Authority) for the year ended June 30, 2021 is hereby submitted. Responsibility for both accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. 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 Authority. All disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities have been included.

The Authority was established in 1988 when Contra Costa County voters passed Measure C, which was a 20-year, one-half of one percent (½%) sales tax for specified transportation purposes. In 2004, based upon the success of Measure C, the voters of Contra Costa County passed Measure J which extended the one-half of one percent countywide transportation sales tax through 2034.

The Authority's financial statements have been audited by the accounting firm Macias Gini & O'Connell LLP. The independent auditor concluded that the Authority's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with U.S. Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of this report.

The Management's Discussion & Analysis (MD&A) provides a narrative introduction, overview and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A is found immediately following the independent auditor's report in the financial section.

### INTERNAL CONTROLS

The Authority's management is responsible for establishing and maintaining an internal control structure designed to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the calculation of costs and benefits requires estimates and judgments by management.

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## **PROFILE OF THE AUTHORITY**

The Authority serves Contra Costa County and its nineteen cities and towns, located in the East Bay of the San Francisco Bay Area. The county covers approximately 733 square miles and has a population of 1.1 million people.

The Authority was established with the passage of Contra Costa County's Measure C in November 1988. As required under the Local Transportation Authority and Improvement Act (SB 142, Chapter 786, Statutes of 1987: §180000 et seq. of the Public Utilities Code), the expenditures by Measure C are "for the construction and improvement of state highways, the construction maintenance, improvement, and operation of local streets, roads, and highways, and the construction, improvement, and operation of public transit systems," including paratransit services (California Public Utilities Code §180205) and for specific efforts supporting such investments.

In June 1990, the Authority was designated by the cities and towns in Contra Costa County and the County of Contra Costa (the County) as the Congestion Management Agency (the CMA) for the County pursuant to provisions of Senate Constitutional Amendment 1, approved by the voters of the State, thereby being charged with the statutory obligation to carry out congestion management responsibilities for Contra Costa County.

In 2004, the voters extended the sales tax measure by passing Measure J, which extended the one-half of one percent countywide from 2009 to 2034. Measure J built on the foundation established by Measure C, by providing needed transportation projects and programs throughout Contra Costa County.

The Authority Board is comprised of eleven members: eight elected officials appointed by each of the four sub-regional transportation committees from central, east, southwest, and west parts of the County; two elected County officials appointed by the Board of Supervisors representing the County; and one elected official appointed by the Contra Costa Conference of Mayors. The Executive Director of the Authority is appointed by the Authority Board and runs the day-to-day business.

## **ECONOMIC OUTLOOK**

Contra Costa County's economy will continue to be influenced by COVID-19. The impacts locally, within the state and globally will be seen for the next few years. In the last year, the State of California began to reopen with some regions showing stronger recovery's than others. Contra Costa was one of those regions with a steady recovery and sustained growth is expected through the end of the 2021 calendar year and into 2022. Economic concerns in the next year will be the growing inflation which is putting pressure on increasing the costs of products and services. Economic expansion will depend on addressing the supply bottlenecks and labor shortages. The continued momentum of demand for travel and experiences and the return of commuters will help stabilize the industries that have seen the biggest negative impact because of the pandemic. Continued economic growth will be dependent on the fiscal policies associated with tapering, fiscal and tax policy, COVID infection levels, inflation and any additional future stimulus plans.

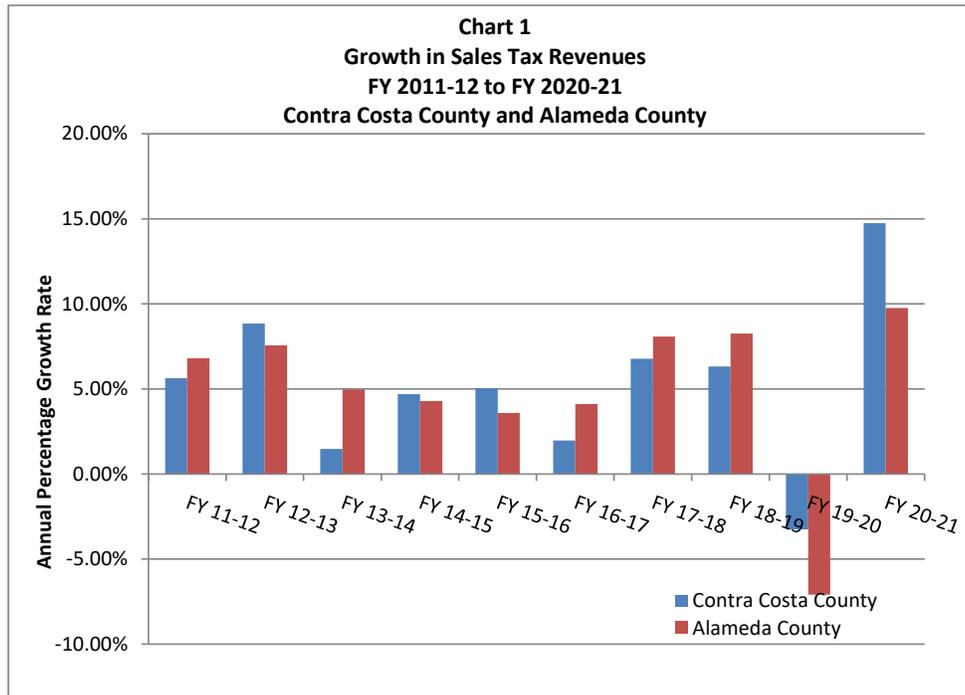
Contra Costa County's unemployment rate continues to decline as many workers return to the workforce as businesses related to professional, business and private services, leisure and hospitality, trade, restaurants and retail, transportation, manufacturing and other services re-open. Unemployment in the country reached as high as 15.1% in April of 2020 and reduced to 7.7% in December of 2020. In the period of January to June of 2021, the unemployment rate declined to 7.0%. As of October of 2021, the unemployment rate has declined to 5.7% with expectations of continued improvement into the next calendar year of 2022. The

unemployment rates will continue to parallel infection rates and how the pandemic is controlled with any additional variants of COVID-19.

Fiscal year 2021 sales tax revenue exceeded projections at \$107.3 million and increased over \$13.8 million or 14.75% over the prior year. One of the strongest industry groups was general consumer goods which directly has benefited from the passage of Assembly Bill No. 147 in April of 2019 and enacted in October of 2019 required retailers within or outside of California that meet statewide transaction thresholds to collect and remit sales tax. This bill has delivered an enormous amount of economic support during the pandemic and will continue as consumers selected digital commerce as a preferred method of shopping. The previous fiscal year ended with curtailed spending opportunities, but during the fiscal year 2021 financing rates hit all-time lows coupled with unexpected equity in the rising value of real estate and financial assets with the addition of federal stimulus created an opportunity for consumers to increase their purchasing. Autos and transportation, building and construction, and general consumer goods have directly benefited from the economic stimulus. Employees returning to work and back to working in the office full time or in a hybrid environment in addition to rising fuel prices has fueled the strong gains in the Fuel and Service Station industry group. General consumer goods continues to be the largest sales tax generator. The economy is tied to the number of COVID infection levels and the trend of consumers returning to in-person shopping and a wider opening of the state. All of the nation struggles with inventory as the supply chain seems to be a bit overloaded and the pent-up demand by consumers will remain strong in the upcoming year. Holiday shopping in the late calendar year of 2021 is set to be one of the largest on-line seasons with travel restriction and the extra stimulus provided by the robust economy in 2021.

**ECONOMIC BASE FOR SALES TAX REVENUES**

The economic base in Contra Costa County is somewhat different than the sales tax base in adjacent Bay Area counties. Chart 1 illustrates the different growth rates in sales tax revenues in Contra Costa and Alameda counties over the past several years. The chart shows the effect of the pandemic in FY 2019-20 and strong return on sales tax revenues in both counties this FY 2020-21.



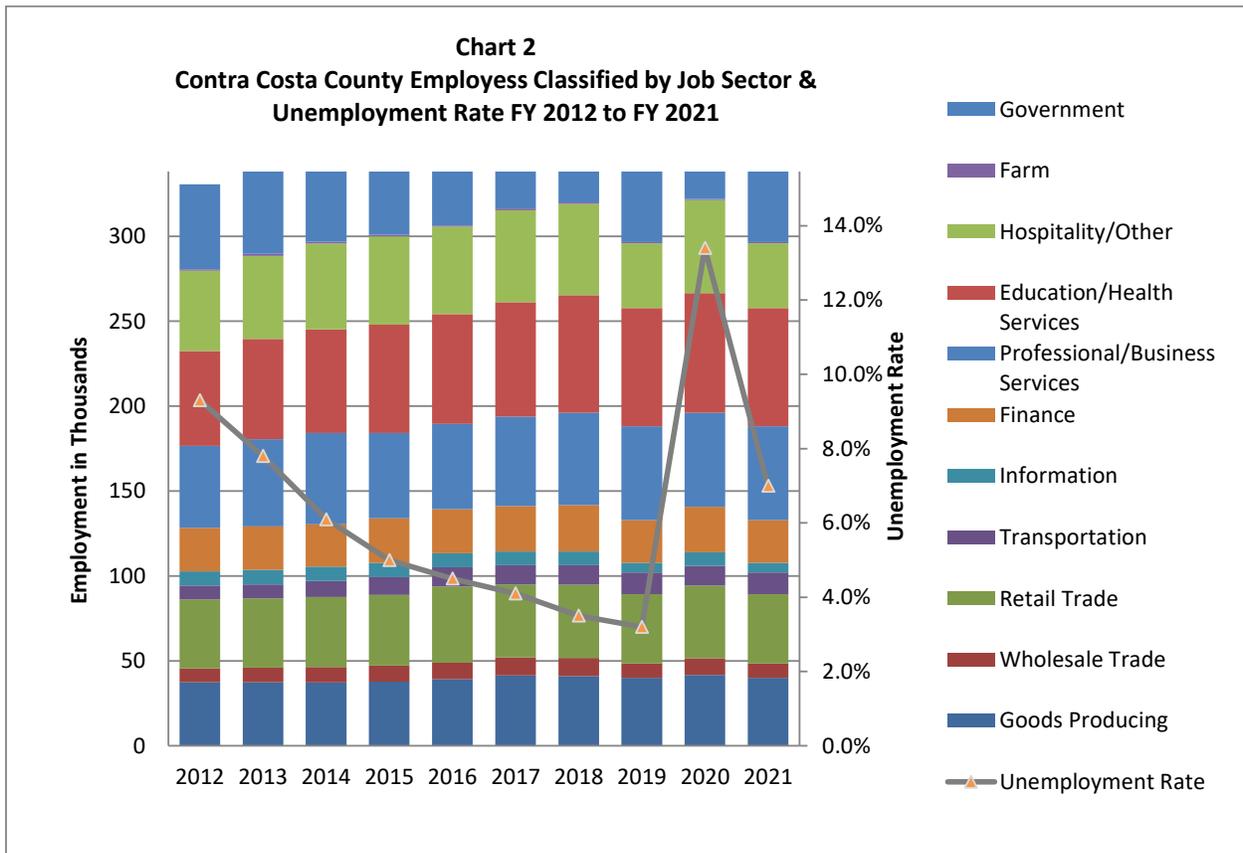
Source: Authority audited financial statements and State Board of Equalization

**COMPONENTS OF TAXABLE TRANSACTIONS**

For fiscal year 2021, Contra Costa County sales tax increased 14.75% over fiscal year 2020; whereas, Alameda County sales tax for 2021 increased 9.75% over 2020. The leading industry groups of total taxable transactions for Contra Costa County are General Consumer Goods (30%), Autos and Transportation (20%), Business and Industry (14%), Restaurants and Hotels (10%), Building and Construction (13%), Fuel and Service Stations (7%) and Food and Drug (6%).

**EMPLOYMENT**

Chart 2 shows the employment diversity in Contra Costa County as of December 2020 (most recent data available). The global pandemic started in March 2020 when unemployment in Contra Costa County was reporting 3.1% and increasing to 15.1% in April of 2020 and has steadily declined to 7.0% in June of 2021. The labor force is 536 thousand and an employment workforce of 499 thousand. Many job sectors initially were impacted by the shutdowns and unable to work from home. As of October 2021, the estimated number of employees returning to work since June was 9 thousand and the remaining unemployed is 29 thousand or 5.7% of the 512 thousand that make up the labor force in Contra Costa County. Labor markets improved over the course of the last year and some employers are having difficulty finding workers. Some of the labor shortage can be contributed to increased turnover, early retirements, childcare needs, challenges in negotiating job offers and enhanced unemployment benefits.



*Source: State of California – Employment Development Department*

## LONG RANGE FINANCIAL PLANNING

The Authority implements the Measure J Expenditure Plan by preparing Strategic Plans approximately every two to three years. The update provides the opportunity to review our plans and policies and amend them to respond to new or evolving issues. More specifically, the sales tax revenues update allows us to commit funding to specific projects and programs for a specified period of time (approximately 4 to 7 years). It also gives the Authority the ability to look long term and, if needed, allows us to make adjustments to projects and programs based on sales tax revenue reductions or increases.

The Measure C Strategic Plan update was approved by the Authority Board in January 2012. Measure C stopped collecting sales tax receipts on March 31, 2009, and the majority of Measure C projects and programs are complete. There are several projects still underway, and this update committed funds to I-680 Corridor and State Route 4. The strategic plan also includes policies to wind down Measure C by fiscal year 2023.

The last Measure J Strategic Plan update was approved by the Authority Board in September 2019. The next plan will be approved in 2022. Revenue projections play a major role in shaping the strategic plan as forecasting the future sales tax revenue is inherently uncertain. Advantageous interest rates on the 2015, 2017, 2018 and 2021 bond issuances have resulted in significant Measure J programming capacity now available for projects. The 2019 Strategic Plan makes commitments of Measure J funding for specific projects through June 30, 2025. Sales tax revenues are now estimated to total \$2.59 billion over the 25-year life of Measure J, a decrease of about \$130 million compared to the 2016 Strategic Plan update.

In September 2020, the Authority addressed the potential impacts of a declining sales tax revenue projection because of the COVID-19 pandemic. Current year sales tax revenue are exceeding projections in the current strategic plan, but the long-term impacts are unknown and need to be addressed immediately. The Authority approved the framework and principles for preparing and prioritizing future Measure J appropriations to remaining projects programed in the 2019 Measure J Strategic Plan. A total of thirty-two locally sponsored projects were evaluated and staff reviewed Authority managed projects as well to determine set priorities for advancement. This criteria and process of future allocations will be essential in allocating all remaining Measure J funding.

The result of the work done by the Authority and the regional transportation planning committees kept projects moving forward. The projects department is focused on major improvements to address current and future transportation needs. During the fiscal year, the major projects were the Interstate 680 / State Route 4 Interchange Improvements adding capacity and safety within the interchange area, Interstate 680 Carpool Lane project will provide continuous High Occupancy Vehicle lane in the southbound lane will provide a continuous High Occupancy Lane from one end of the county to the other and Express Bus infrastructure, the El Cerrito del Norte BART Station Modernization project provides upgrades for comfort and security to meet increased ridership over the next decade. These projects greatly improve the efficiency of vehicular travel and enhancing safety. Other major streets projects were completed in the cities of San Ramon, Martinez and Moraga. These projects made improvements to major thoroughfares and additional safety features for pedestrians and bicyclists. The planning department performs and works with the individual cities to help with regional planning tasks, project modeling and studies related to corridors, bus implementation plans, ridesharing and land use planning as it relates to transportation. Also, the planning department facilitates funding related to regional transportation of Livable Communities Grants while supporting local efforts to achieve pedestrian/bicycle friendly projects linked into the overall transit system. All the regional partnerships help facilitate the implementation of critical transportation improvements. These projects have and will reduce congestion and commute time throughout the county and provide needed jobs. Measure J continues to fund programs such as Bus Transit, Paratransit, Express Bus, Safe Transportation for Children, and Commute Alternatives.

## CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

## ACKNOWLEDGEMENTS

This is the tenth year the Authority has prepared the Annual Comprehensive Financial Report, made possible by the dedication of the finance staff, Sherri Sylva, Irene Ortega, and Paula Troy. I would also like to thank all Authority staff, as without their efforts this report would not be possible. Credit must be given to the Authority Board and Executive Director, Timothy Haile, for their support and leadership. Finally, we thank the taxpayers of Contra Costa County who have entrusted the Authority with the responsibility to provide improved transportation systems throughout the county.

Sincerely,



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Brian Kelleher  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Contra Costa Transportation Authority  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

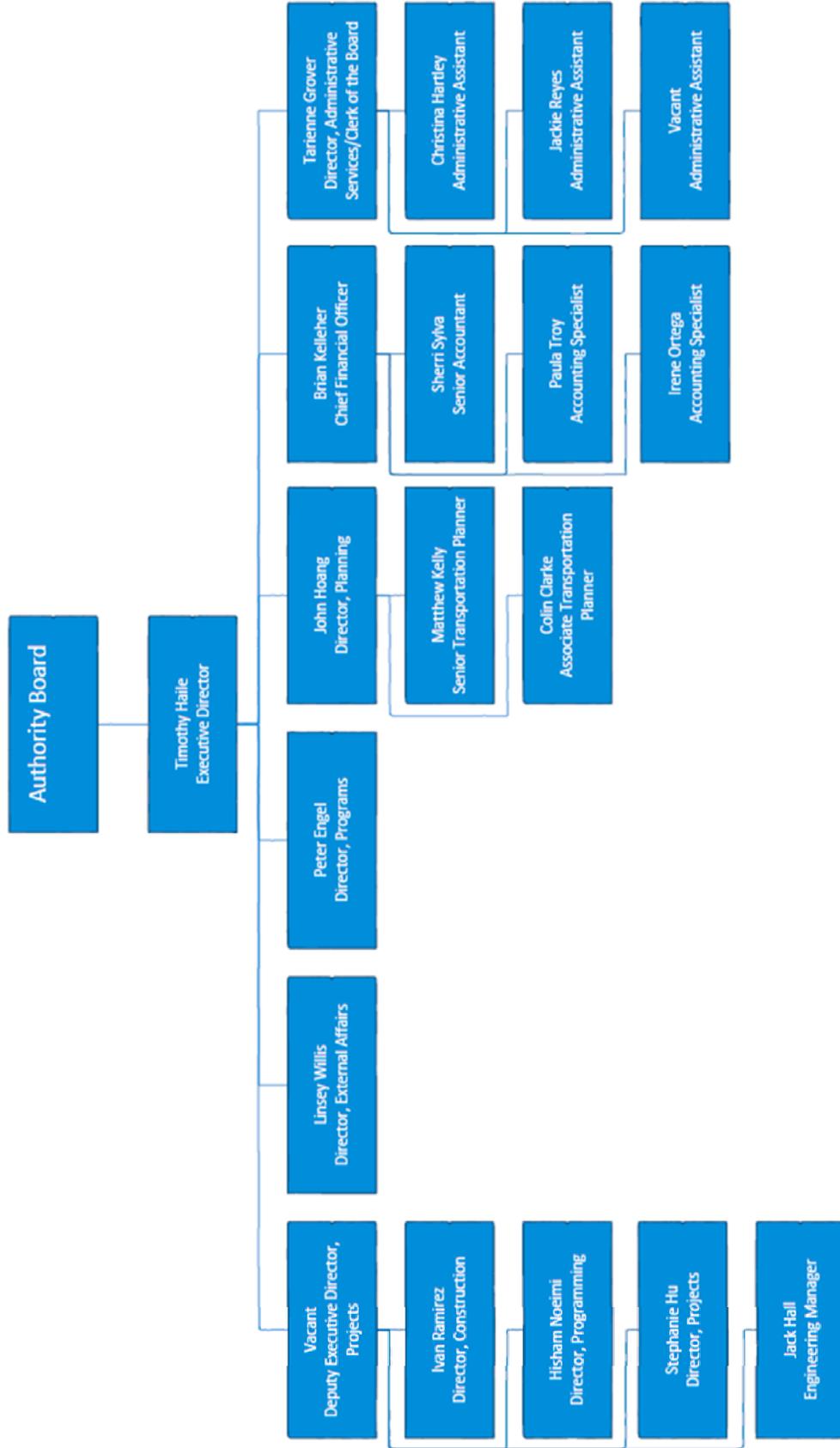
*Christopher P. Morill*

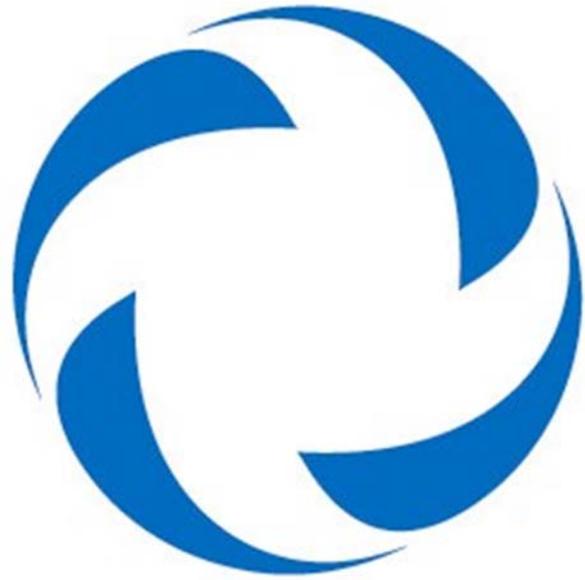
Executive Director/CEO

# CONTRA COSTA TRANSPORTATION AUTHORITY

## BOARD MEMBERS (As of June 30, 2021)

<b>Commissioners</b>	<b>Names</b>	<b>Appointed By</b>
Board Chair	Teresa Gerringer	SWAT
Board Vice Chair	Chris Kelley	WCCTAC
Commissioner	Tom Butt	WCCTAC
Commissioner	Dave Hudson	SWAT
Commissioner	Federal Glover	Board of Supervisors
Commissioner	Karen Mitchoff	Board of Supervisors
Commissioner	Newell Arnerich	Conference of Mayors
Commissioner	Loella Haskew	TRANSPAC
Commissioner	Sue Noack	TRANSPAC
Commissioner	Lamar Thorpe	TRANSPLAN
Commissioner	Holland White	TRANSPLAN
<b>Alternate Commissioners</b>	<b>Names</b>	<b>Appointed By</b>
Commissioner Alt. – 1 <sup>st</sup> (Glover)	Candace Andersen	Board of Supervisors
Commissioner Alt. – 2 <sup>nd</sup> (Glover) / 1 <sup>st</sup> (Mitchoff)	John Gioia	Board of Supervisors
Commissioner Alt. – 3 <sup>rd</sup> (Glover)	Diane Burgis	Board of Supervisors
Commissioner Alt. (Arnerich)	Dave Hudson	Conference of Mayors
Commissioner Alt. (Gerringer)	Renata Sos	SWAT
Commissioner Alt. (Hudson)	Karen Stepper	SWAT
Commissioner Alt. (Noack)	Peter Cloven	TRANSPAC
Commissioner Alt. (Haskew)	Carlyn Obringer	TRANSPAC
Commissioner Alt. (Thorpe)	Joel Bryant	TRANSPLAN
Commissioner Alt. (White)	Aaron Meadows	TRANSPLAN
Commissioner Alt. (Butt and Kelley)	Paul Fadelli	WCCTAC
<b>Ex-Officios</b>	<b>Names</b>	<b>Appointed By</b>
Representative (BART)	Debora Allen	BART
Representative (MTC)	Amy Worth	MTC
Representative (Bus Operators)	Maureen Powers	WestCat





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# *Financial Section*





## Independent Auditor's Report

Board of Commissioners  
Contra Costa Transportation Authority  
Walnut Creek, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Contra Costa Transportation Authority (Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

#### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2021, and the respective changes in financial position thereof, and the respective statements of revenues, expenditures and changes in fund balance – budget and actual for the Measure J General Fund, Measure J Local Streets and Roads Special Revenue Fund, and Measure C Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability and related ratios, schedule of contributions – pension plan, schedule of changes in net OPEB liability and related ratios, and schedule of contributions – OPEB plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

### ***Other Information***

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

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021 on our consideration of the Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.



Walnut Creek, California  
December 30, 2021

## CONTRA COSTA TRANSPORTATION AUTHORITY

Management's Discussion and Analysis (Unaudited)

For the Year Ended June 30, 2021

Contra Costa Transportation Authority's (the Authority) Management Discussion and Analysis (MD&A) provides to the Authority Board, Administration & Projects Committee (which serves as the Authority's Audit Committee), interested parties and the public in general a readable summary and analysis of the financial performance for the year ended June 30, 2021. The MD&A should be read in conjunction with the Basic Financial Statements.

### **SUMMARY OF FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED JUNE 30, 2021**

- ❖ The Authority-wide Financial Statements, the Statement of Net Position and the Statement of Activities, show that liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources of the Authority by (\$390,807) million as of June 30, 2021. The deficit is due to the Authority's issuance of debt. A major factor to consider when reviewing the Statement of Net Position is that the Authority does not hold or retain title for the projects it constructs. The Authority enters into debt financing, which is used to accelerate projects for the benefit of Contra Costa County residents and taxpayers. The reporting of this debt, without having a corresponding asset, results in a negative net position.
- ❖ No corresponding asset exists on the Authority's financial statements for assets acquired with long-term debt. Other agencies, such as Caltrans, BART, Contra Costa County, or the cities within Contra Costa County, typically hold title to the transportation assets built or improved by Measure C and Measure J financing. As of June 30, 2021, Measure C and Measure J had spent \$1.897 billion on transportation infrastructure improvements within Contra Costa County, on assets that are owned by and shown on the financial statements of other public agencies. An additional \$729.312 million to date has been spent by the Authority for Measure C and J programs (i.e. Local Street Maintenance and Improvement, Commute Alternatives, Bus Transit, and Paratransit).
- ❖ Total assets amount to \$161.752 million, consisting primarily of cash and investments amounting to \$124.447 million, receivables due from others amounting to \$36.730 million, net Other Postemployment Benefits (OPEB) asset amounting to \$407 thousand (see Note 8) and capital assets (net of depreciation) amounting to \$168 thousand. Total assets increased by \$2.664 million from the prior year, partially due to the sales tax receivable increasing \$4.901 million, intergovernmental receivables decreasing \$540 thousand and interest receivable decreasing \$218 thousand.
- ❖ Liabilities totaled \$549.642 million, consisting of accounts payable and accrued liabilities, accrued employee benefits, and long-term debt. Liabilities decreased by \$48.504 million. During the fiscal year, the interest rate swap agreement with the Sales Tax Revenue Bonds was terminated therefore reducing the associated liabilities by \$33.767 million. Long-term debt decreased \$21.859 million due to the payment of debt and amortization of the Sales Tax Revenue Bonds. Additional changes to the liabilities include a decrease of \$4.151 million in accounts payable compared to the prior year, an increase of \$11 million in deposits payable, an increase of \$362 thousand in net pension liability and a net decrease of \$89 thousand in accrued employee benefits payable.
- ❖ Sales tax revenues of \$107.256 million were earned for the year ended June 30, 2021, an increase of \$13.784 million (14.7%) from the prior year and reporting an all-time high. The county began to control COVID-19 infections and regain momentum in the economy and labor markets. All of the major industry groups experienced strong growth and was led by general consumer goods, building and construction and new auto sales. Fuel and service stations and restaurant and hotel sectors that were affected by the pandemic started to show growth as the county recovers from the pandemic. Sales tax revenue accounted for 66.3%, program revenues accounted for 33.5%, and investment income accounted for 0.2%, of revenues earned by the Authority.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

- ❖ Total expenses including interest on long-term debt were \$142.213 million, which represents a decrease of \$51.288 million from the prior year. In the year ended June 30, 2021, expenses on Programs and Transportation Projects amounted to \$48.870 million and \$66.302 million, respectively. Construction costs can fluctuate based on the phase and number of capital projects being constructed annually and decreased \$49.304 million. Some major construction projects are nearing completion and include the I-680 Carpool Lane Completion/Express Lanes, \$20.066 million, and the I-680/State Route 4 Interchange Improvements, \$31.299 million. Interest Expenses related to long-term debt increased \$257 thousand primarily as a result of refinancing bonds (see Note 6).
- ❖ The Authority's net position increased \$19,652 million during the year ended June 30, 2021. In addition to improved sales tax revenues, the Authority completed project milestones that resulted in reduced expenses.

**BACKGROUND AND SUPPORTING INFORMATION**

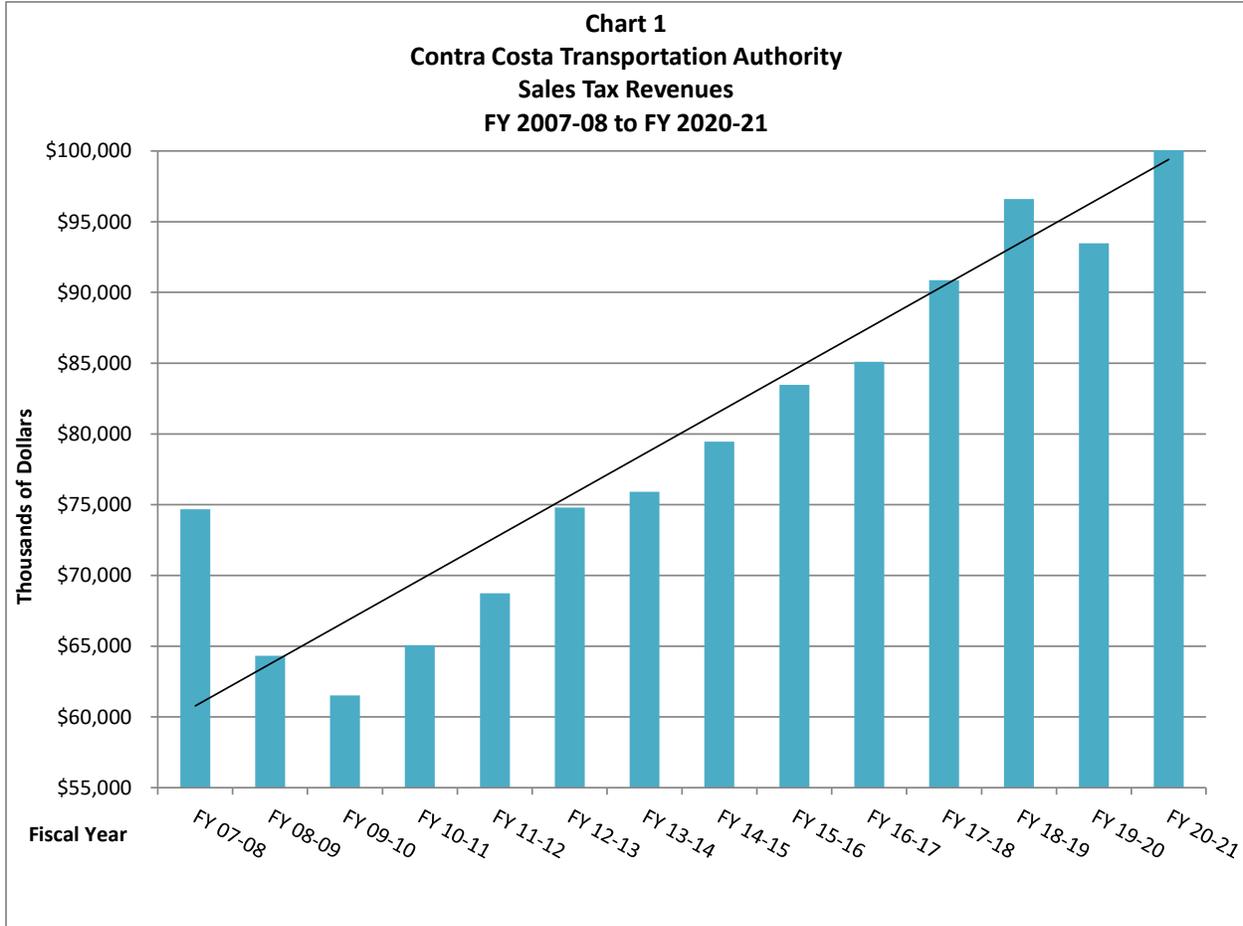
**Organization.** The Contra Costa Transportation Authority (Authority) is a government special district established under Division 19 of the California Public Utilities Code Section 180000 et seq., pursuant to Contra Costa County Ordinance 88-01 (as amended by Ordinance 06-02). The Authority became effective in its current role following a ballot referendum approved by the voters of Contra Costa County on November 8, 1988. The referendum, Measure C, established a county-wide half-percent sales tax imposed effective April 1, 1989 and remaining in effect through March 31, 2009. The Authority is responsible for carrying out the provisions of Measure C, the Expenditure Plan, and the Growth Management Plan. On November 2, 2004, the voters in Contra Costa County approved Measure J, extending the county-wide half-percent sales tax from April 1, 2009 (the end of the term of Measure C) through March 31, 2034. The Authority is also responsible for carrying out the provisions of Measure J, the Expenditure Plan and the Growth Management Plan.

The Authority is governed by a Board of 11 elected officials, two members appointed by the County Board of Supervisors, two members appointed by each of the four subregional transportation areas, and one appointed by the Contra Costa County Conference of Mayors.

**Sales Tax Revenues.** The Authority relies primarily on the county-wide half-cent sales tax revenues for carrying out the provisions of Measure C and Measure J. Sales tax revenues in the year ended June 30, 2021, were \$107.256 million, which represents 66.4% of all the revenues received by the Authority. Sales tax revenue increased \$13.784 million or 14.7% from the sales tax revenues received in Fiscal Year 2019-20. Revenues improved steadily throughout the year as businesses reopened and unemployment declined. Many sectors saw gains of 10% to 22% because of the reduction in COVID-19 infections and limits on gatherings and travel shifted. Consumers spending increased on general goods \$6.2 million (22%), autos and transportation \$3.6 million (21%), building and construction \$1.7 million (18%), food and drugs \$900 thousand (15%) and business and industry \$1.4 million (10%). Fuel and service stations remained \$800 thousand (10%) below the last fiscal year but will continue to rebound with increased return to work and travel behavior shifts. As people shifted to a work from home scenario, they had additional resources to spend based on reduced commute and work-related expenses, and few entertainment and travel options. Also, low interest rates allowed for extra money to be spent on autos and home improvement. Buyers shifted to online shopping for home offices, virtual classrooms, electronics, home furnishing and recreational equipment pushing general consumer goods up. Retailers are responding by increasing their investment in mobile shopping platforms and delivery systems.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
 Management's Discussion and Analysis (Unaudited) (Continued)  
 For the Year Ended June 30, 2021

Chart 1 shows the annual sales tax revenues received from Fiscal Year 2007-08 through Fiscal Year 2020-21.



Source: Authority audited financial statements

The county economy in the last fiscal year began to gain momentum throughout the fiscal year as the county continued to mitigate the COVID-19 pandemic moving forward on rebuilding the economic expansion that has taken place in the post-recession era of the last decade. Current economic conditions reflect the impact from the pandemic and the county-based health and safety decisions related to reopening of businesses. A decrease in unemployment has resulted as business continue to reopen. The federal stimulus packages are aimed to benefit the ones most impacted by the recovery process. The high unemployment rates were primarily felt in lower wage sectors whereas knowledge workers including professionals, analysts and marketers continued to work from home. Results from building and construction resumed and grew with lower interest rates generating construction spending on home improvements.. The business and industry groups were met with the demand for equipment, supplies and technology to accommodate work and school at home conversions and were faced with supply shortage and increased costs related to inflation. The supply chain continues to see improvements and will benefit all of the general consumers. Improved outdoor dining opportunities along with meal delivery and improved full-service online grocery stores have made a long-term change in the consumer shopping experience. Fuel and service station revenue returns as people began to return to work and the pent-up demand for travel has shifted to local and regional destinations. The current outlook will be determined by the ongoing control of the pandemic coupled with potential new variants. The Fed will keep interest rates low to support the economic recovery plan but the upward pressure on inflation will force a change in interest rates next year. As county restriction orders are modified, unemployment will improve, and consumer spending will continue to increase.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
 Management’s Discussion and Analysis (Unaudited) (Continued)  
 For the Year Ended June 30, 2021

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Authority’s Financial Statements are organized in three parts:

1. The Management Discussion and Analysis,
2. The Basic Financial Statements, which include the Authority-wide and the Fund financial statements along with the Notes to these financial statements, and
3. Required Supplementary Information

This report also contains other supplementary information in addition to the basic financial statements themselves.

*Authority-wide Government-wide Financial Statements*

The Authority-wide financial statements are designed to provide a longer-term view of the Authority’s financial position, using a full accrual accounting method similar to the model used in the private sector. A main difference for the Authority, as compared to other government entities, concerns the impacts of the volume of outstanding debt and the absence of Authority title to the transportation infrastructure assets constructed with that debt.

- The Statement of Net Position provides a broader overview of the long-term assets and liabilities of the Authority. The principal owed on the bonds issued by the Authority, over all of the years the principal is to be repaid, is reported in the current year statements as an unpaid liability.
- The Statement of Net Position also reports the Authority’s long-term assets, such as depreciated capital equipment and infrastructure. For the Authority, this is a small number, since other agencies hold title to the transportation projects that the Authority funds which upon completion were “contributed” to its members, the State, or other governments.
- The resulting negative unrestricted net position is due to the Authority borrowing to construct projects on behalf of Contra Costa County residents and taxpayers, transportation infrastructure assets that are owned by other public agencies.

Table 1 compares features of the government-wide financial statements and the traditional governmental fund accounting financial statements.

**Table 1**

Comparison of Qualities of the Government-Wide Financial Statements  
 Compared to Financial Statements Prepared Under Traditional Governmental Fund Accounting

Quality	Government-wide Financial Statements	Governmental Fund Financial Statements
Scope	Entire Authority	Activities of the Authority that are not proprietary or fiduciary
Required Statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul> (government-wide)	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> <li>• Budgetary Comparison Schedule</li> </ul> (for each individual fund)
Basis of Accounting, Measurement Focus	<ul style="list-style-type: none"> <li>• Full accrual accounting</li> <li>• Economic resources focus</li> </ul>	<ul style="list-style-type: none"> <li>• Modified accrual accounting</li> <li>• Focus on current financial resources</li> </ul>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

The **Statement of Net Position** summarizes the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. The Statement of Net Position is designed to provide information about the financial position of the Authority as a whole, including all of its capital assets and long-term liabilities, on a full accrual basis of accounting similar to the accounting model used by private sector firms. Table 2 summarizes the net position of governmental activities for the years ended June 30, 2021 and June 30, 2020.

**Table 2**  
**Statement of Net Position**  
(In Thousands)  
Governmental Activities

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
<b>ASSETS</b>		
Cash and Investments	\$ 111,161	\$ 112,372
Restricted cash and investments	13,286	13,496
Receivables	36,730	32,587
Prepaid	-	3
Net OPEB asset	407	426
Capital assets	168	204
Total assets	<u>161,752</u>	<u>159,088</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to pensions	1,098	1,231
Deferred outflows of resources related to OPEB	334	323
Deferred outflow of resources related to fair value of hedging derivative	-	3,471
Deferred outflows of resources on refunding of debt	-	34,153
Total deferred outflows of resources	<u>1,432</u>	<u>39,178</u>
<b>LIABILITIES</b>		
Long-term debt	489,246	511,105
Other liabilities	60,396	87,041
Total liabilities	<u>549,642</u>	<u>598,146</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to refunding of debt	3,338	9,449
Deferred inflows of resources related to pensions	809	817
Deferred inflows of resources related to OPEB	202	313
Total deferred inflows of resources	<u>4,349</u>	<u>10,579</u>
<b>NET POSITION (DEFICIT)</b>		
Net Investment in capital assets	168	204
Restricted for transportation projects and programs	101,208	105,249
Unrestricted deficit	<u>(492,183)</u>	<u>(515,912)</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u>\$ (390,807)</u>	<u>\$ (410,459)</u>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

**Cash and Investments** at June 30, 2021 consists of investments in the State Local Agency Investment Fund of \$37.717 million, U.S. Treasury Notes of \$44.581 million, Federal Agency securities of \$22.832 million, Corporate Notes of \$2.227 million, Municipal Obligations of \$740 thousand, Money Market Mutual Funds of \$13.406 million. (For additional details on the composition and categorization of cash and investments please see Note 3.)

**Receivables** at June 30, 2021 consists of sales tax \$21.184 million, interest \$150 thousand and intergovernmental \$15.396 million. Intergovernmental decreased \$540 thousand. The decrease is not a result of a loss in funding, but the result of the timing associated with the I-680 Carpool Lane Completion / Express Lanes and the I-680/State Route 4 Interchange Improvements capital highway projects partially funded by federal, state and local grant funds.

**Other assets** at June 30, 2021 includes the reported net OPEB asset of \$407 thousand as of the measurement date of June 30, 2020. (For additional information please see Note 8).

**Capital Assets** at June 30, 2021 was \$168 thousand. This includes \$415 thousand in office leasehold improvements, \$212 thousand in office equipment (including computers), \$217 thousand in furniture, and \$457 thousand for the financial system, minus accumulated depreciation of \$286 thousand for leasehold improvements, \$193 thousand for office equipment, \$215 thousand for furniture, and \$439 thousand for financial system. Though working on a number of large capital transportation projects during the year, the Authority does not hold title to these capital assets. (For additional information please see Note 5.)

**Deferred Outflows of Resources.** The Authority reported deferred outflows amounting to \$1.432 million. The deferred outflow of resources related to pensions as of the measurement date was \$1.098 million. (For additional information please see Note 7). The deferred outflow of resources related to OPEB as of the measurement date was \$334 thousand. (For additional information please see Note 8).

**Long-term debt.** At June 30, 2021, the Authority reported \$489.246 million for the Sales Tax Bonds used to finance transportation projects. (For additional information please see Note 6).

**Other liabilities** totaled \$60.396 million, consisting of accounts payable and accrued liabilities \$47.660 million, accrued employee benefits \$909 thousand, and deposits payable \$11.400 million. The reported net pension liability as of the measurement date of June 30, 2020 was \$427 thousand. (For additional information please see Note 7).

**Deferred Inflows of Resources.** The Authority reported deferred inflows amounting to \$4.349 million. The deferred inflow of resources on the refunding of the 2012B and 2018A Sales Tax Revenue Bonds and the annual amortization was \$3.338 million. (For additional information please see Note 6). The Authority reported deferred inflows for resources related to pensions as of the measurement date of June 30, 2020 was \$809 thousand. (For additional information please see Note 7). The Authority reported deferred inflows for resources related to OPEB as of the measurement date of June 30, 2020 was \$202 thousand. (For additional information please see Note 8).

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

The **Statement of Activities** presents information about the Authority's revenues and expenses on the full accrual basis, with an emphasis on measuring the net revenues or expenses for each of the Authority's main activities. The statement explains the change in net position for a given year. All of the Authority's activities are governmental type activities.

Expenses are categorized by the main Authority functions and debt service. These functions primarily include transportation projects and programs. Revenues restricted to funding of specific Authority functions are considered program revenues. All other revenues are classified as general revenues, which may be used to finance all Authority functions. Sales tax revenues are included in the general revenue category, along with interest earnings on investments. Table 3 is the Statement of Activities, which presents the change in net position of governmental activities, for the years ended June 30, 2021 and June 30, 2020.

**Table 3**  
**Statement of Activities**  
(In Thousands)  
Governmental Activities

	For the Year Ended:	
	June 30, 2021	June 30, 2020
Revenues		
General revenues		
Sales taxes	\$ 107,256	\$ 93,472
Other general revenues	289	5,801
Program revenues		
Operating grants and contributions	3,262	5,107
Capital grants	51,058	78,674
Total revenues	161,865	183,054
Expenses		
Administration	2,535	5,626
Project management	2,098	2,476
Programs	48,870	45,967
Transportation projects	66,302	115,606
Regional planning	1,417	986
Congestion management	1,221	933
Transportation demand management	1,360	1,636
Transportation planning land use solutions	62	53
Transportation innovation - GoMentum	12	2,139
Debt service interest and related fees	18,336	18,079
Total expenses	142,213	193,501
Change in Net Position	19,652	(10,447)
Net position-beginning, as previously reported (deficit)	(410,459)	(400,012)
Total net position (deficit)	\$ (390,807)	\$ (410,459)

**Sales tax revenues** are the largest revenue source amounting to \$107.256 million, up 14.7% from \$93.472 million for the preceding year. Sales tax revenues are general revenues, available for all Authority purposes as defined in the Measure J Expenditure Plan and represents 66.3% of all Authority revenues for the year ended June 30, 2021. The increase in sales tax is discussed in detail at the beginning of this MD&A.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

**Investment income** was \$289 thousand for the year ended June 30, 2021, which was a \$5.506 million or 95.0% decrease from the year ended June 30, 2020. Due to market fluctuations, the Authority's investment earnings were offset by an unrealized loss of \$1.949 million during the fiscal year. Cash and investments are invested in separate portfolios depending upon the objectives of the assets being managed. The \$124.447 million of cash and investments include \$13.286 million of bond principal and interest for debt service. The Authority's investment portfolio included \$70.380 million of individual securities, such as U.S. Treasury Notes, Federal Agency Securities and other securities permitted by State law and the Authority's adopted Investment Policy. The investment portfolio yield to maturity at June 30, 2021 was 0.24%, meeting the benchmark (Bank of America/Merrill Lynch 1 to 3 Year U.S. Treasury Index) measure of 0.24%. This portfolio is actively managed by Public Trust Advisors, the Authority's independent investment advisor.

**Program revenues** represent \$54.320 million or about 33.5% of total revenues, and decreased \$29.461 million from last year. Capital grant revenues totaled \$51.058 million, which included reimbursement from the State Local Partnership Program for \$24.308 million, State Transportation Improvement Program (STIP) for \$5.165 million, Regional Measure 2 (RM2) for \$1.538 million, Bay Area Toll Authority (BATA) for \$5.980 million, Tri Valley Transportation Development for \$6.490 million, and Federal Surface Transportation Program for \$3.260 million. The major active capital projects are I-680/State Route 4 Interchange Improvements and the I-680 Carpool Lane Completion/Express Lanes. Many capital projects are in construction and some are nearing completion and the Authority has received the majority of the grant reimbursements. The funding sources vary as the Authority is reimbursed for different phases of the projects from design to construction, or draws on grants that have an earlier sunset date. Operating grants and contributions include contributions from local agencies for \$1.683 million and State Motor Vehicle Registration Surcharge for \$1.579 million.

**Expenses**, including depreciation, are classified by function. A brief description of activity within each function is as follows:

- The **Administration** function includes tasks and costs related to the overall operation and management of the Authority. Office expenses including rents and leases, office supplies, and equipment, and general service contracts are also charged to the Administration category. Finally, capital assets acquisitions and depreciation expense are adjusted to this category as assets consist mainly of the financial system and leasehold improvements. Administration expense was \$2.535 million for year ended June 30, 2021, which is a decrease of 54.9% from the prior year. In the prior fiscal year, the Authority placed the Tax Expenditure Plan (TEP) in March 2021 on the ballot for election and TEP expenditures in the amount of \$3.079 million. Administrative salaries and benefits of \$705 thousand are 0.657% of sales tax revenues in the year ended June 30, 2021, less than the 1% administrative limitation policy.
- **Project management** includes tasks and costs related to the oversight of Measure J and Measure C projects. Measure J projects include the SR 4 East Widening, I-680/State Route 4 Interchange Improvements, I-680 Carpool Lane Completion/Express Lanes and the BART East County Rail Extension. Measure C projects included the Interstate 680 Corridor. Project management for the year ended June 30, 2021 was \$2.098 million, which is a decrease of \$378 thousand as some staff costs were reallocated to alternate reimbursable projects and programs.
- **Programs** established in Measure C include expenses related to Local Street Maintenance and Improvement, Bus Transit, Paratransit, and Commute Alternatives. Measure J included these programs and created new ones to improve or expand needs in Contra Costa County. Express bus is a countywide program to transport commuters to and from residential areas to transit and employment centers. Measure J includes subregional programs to provide funds to certain regions of the county for Additional Local Street and Maintenance Improvements, Bus Transit Enhancements, Additional Paratransit, Safe Transportation for Children and Ferry Service.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

Overall program expenses increased from the prior year from \$45.967 million to \$48.870 million. The increase is due to the timing associated with program allocations. Staff worked with the participating jurisdictions to update approved allocations and timing of several project reimbursements; whereas, local street maintenance expenses decreased based on sales tax revenues over the prior year, which provides additional revenues to the various programs.

- **Transportation Projects** expenses include annual project expenses, right-of-way (ROW) costs, construction contract costs, engineering design and management contract costs, and attorney's fees for Measure C and Measure J projects as authorized in the Strategic Plans. Transportation Project expenses are further categorized by Highways and Arterials, Transit, and Trail projects. Project costs totaled \$66.302 million for the year ended June 30, 2021, which was \$49.304 million less than the project costs for the year ended June 30, 2020. Project costs are discussed in detail at the general fund level.
- The **Regional Planning** function includes tasks and costs related to implementation of the Growth Management Plan. This function also includes regional transportation planning activities, and the development and maintenance of the county-wide travel demand models. Regional Planning costs were \$1.417 million for the year ended June 30, 2021, which increased \$431 thousand from the prior year, primarily due to the regional planning tasks.
- **Congestion Management** includes activities related to the mandated Congestion Management Plan (CMP), such as monitoring of compliance with established standards. The cost of assisting local jurisdictions with funding applications for state and federal funds and participating in regional planning efforts is also charged to this organizational unit. Congestion Management costs were \$1.221 million, an increase of \$288 thousand from the prior year. Current work continues on the Bicycle and Pedestrian Plan and Congestion Management support.
- **Transportation Demand Management** spent \$1.360 million for ridesharing and the implementation of other trip reduction strategies such as the carpool and vanpool incentive programs and the guaranteed ride home program.
- **Transportation Planning Land Use Solutions** is a program that provides funding to assist local jurisdictions in developing long-range plans for Transportation Oriented Development projects. The program is funded by MTC through CMAQ/STP funds. Expenditures for this program were \$62 thousand, primarily for ongoing work related to development of the Sustainable Communities Strategy and Growth Management Programs.
- **Transportation Innovation – GoMentum** is a program that provides a public agency and private sector partnership to advance connected and automated vehicle safety. Funding to the Authority is a State of California grant to assist in redefining the role technology plays in transportation speed and efficiency. Expenditures for this program were \$12 thousand, primarily for staff oversight on automated vehicle testing and site enhancements at the vehicle testing ground to better serve our customers and surrounding communities.
- **Debt Service** is another category of expenses. Since the Statement of Activities is on a full accrual basis, only interest costs and related fees are shown in the statement. The principal repayment is not shown as an expense line item. As of June 30, 2021, the Authority incurred interest expense and bond amortization costs of \$18.336 million.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
 Management's Discussion and Analysis (Unaudited) (Continued)  
 For the Year Ended June 30, 2021

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Comparing the fiscal year 2020/21 original budget (adopted June 2020) General Fund expenditures and transfers out in the amount of \$182.735 million, to the final budget amount of \$155.272 million there was a decrease in budgeted expenditures and transfers out of \$27.463 million. The causes for these decreases are summarized below.

<u>Beginning Balance</u>	+	<u>Supplemental Changes</u>	=	<u>Final Budget</u>
\$ 182,735		\$ (27,463)		\$ 155,272

During the fiscal year, the total revenues for the General Fund were \$129.576 million. This was \$10.397 million less than budgeted. The total expenditures and transfers out for the General Fund were \$136.294 million. This was \$18.978 million less than budgeted.

Sales tax revenues were greater than budget by \$9.058 million. During the fiscal year, the COVID-19 pandemic continued to see improvements in the infection rates and the county began to alter associated restrictions. A number of economic factors increased consumer spending and in March of 2021, the Authority increased the sales tax budget by \$13.674 million or 24.2% from the original budget. Sales tax revenue was an increase of \$10.188 million or 14.7% over the prior year. Capital project expenditure reimbursements are based on timelines and these reimbursements are often difficult to project as capital project timelines may be altered by unforeseeable events. Recognized revenues related to reimbursable expenditures on three major capital projects was \$35.453 million and less than budget by \$14.235 million due to delays in capital project schedules. Program revenues were less than budget as the Authority acts as a conduit to funding programs throughout the county and relies on the project proponents to bill the Authority. Several state and local grants were under budget as these revenues are based on the timing of the capital and program expenditures. This is not a loss of funding but a timing of expenditures related to these projects and programs.

Supplemental changes to the 2020/21 fiscal year General Fund budget were:

- Decrease of \$62 thousand for supplies and services as the work from home environment has reduced necessary office expenses and travel. These decreases in budget are offset by one-time purchases for information technology equipment to support the current work from home environment.
- Decrease of \$183 thousand for salaries and benefits and services for project management division related to staff allocations to other projects and programs.
- Increase of \$3.609 million for programs associated with current funding allocations from sales tax revenue increases of 14.7%. Safe transportation for children increased \$941 thousand, bus transit enhancements increased \$925 thousand and express bus increased \$796 thousand.
- Net decrease of \$19.474 million related to capital improvement projects based on timing of project expenditures and revised project timelines.
- Net decrease of \$6.744 million related to countywide capital and maintenance based on timing of project expenditures.
- Net decrease of \$4.412 million related to subregional projects based on timing of project expenditures.
- Net decrease of \$113 thousand from original to final budget for salary and benefit and supplies and services for regional planning, congestion management and transportation planning land use solutions based on the consulting services associated with growth management, action planning and monitoring, project modeling studies, sustainable communities strategy implementation and investment growth strategy programs.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

Transportation Capital Improvement Projects were \$16.952 million under budget for the year ended June 30, 2021. Capital projects are typically multi-year and the timing is often difficult to determine accurately as many factors affect the budget projections such as weather delays and the approval process from other agencies. In FY2020-21, COVID-19 played a role in altering capital projects timelines with reduced labor and alternate project priorities. Following are the larger variances for the fiscal year:

- i. Caldecott Tunnel Fourth Bore was over budget by \$57 thousand as final costs for construction costs have not been finalized with Caltrans. Additional costs for construction management and landscaping continue as the landscaping has yet to be finalized.
- ii. eBART was under budget by \$4.529 as construction costs were reallocated to appropriate project phases as the Hillcrest Parking lot expansion progressed slower than anticipated due to COVID-19.
- iii. SR4 East Widening was under budget by \$901 thousand as close-out services progressed slower than anticipated due to COVID-19.
- iv. East County Corridor was under budget by \$4.452 million due to the Mokelumne Trail Overcrossing project that is now anticipated to start next fiscal year.
- v. I-680/SR4 Interchange Improvements was under budget \$1.045 million as construction stayed within the established timeline.
- vi. I-80 Carpool Lane Extension and Improvements projects category was under budget by \$329 thousand for construction and construction management project close-out services.
- vii. An I-680 Carpool Lane Gap Closure and Corridor improvement was under budget \$99 thousand as construction continues and meets the project timelines.
- viii. Countywide capital and maintenance projects were under budget \$4.318 million as the Authority continues to work with cities and agencies to complete projects related to BART Parking, Access & other Improvements, Transportation for Livable Communities and Pedestrian, Bicycle & Trail Facilities throughout the county.
- ix. Subregional projects were under budget \$1.134 million as the Authority continues to work with cities and agencies to complete projects with-in their jurisdiction.

**FUND FINANCIAL STATEMENTS**

**Governmental Funds.** The Authority's financial records are maintained on a standard government fund accounting, modified accrual basis. This basis is required to ensure compliance with finance-related legal standards. The perspective of fund-based financial statements is narrower than Authority-wide statements, with a focus on spendable assets and short-term liabilities rather than on cash flows in future years. The focus of these fund statements is on major funds. Measure J is the operating fund for the Authority and is the General Fund. Measure C is a Special Revenue Fund to track remaining projects and planning activities. The General Fund is always a major fund. The Measure C Special Revenue Fund, Measure J Streets and Roads Special Revenue Funds and the Measure J Debt Service Funds are also Major Funds. Budget comparison statements are also presented for the General Fund and the major Special Revenue Funds. Discussion of the Major Fund Statements is as follows:

**Measure J General Fund**

General Fund's ending fund balance was \$68.522 million as of June 30, 2021, which represents a decrease of \$6.718 million for the year. The decrease is due to the use of sales tax revenues to reimburse project costs.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

**Sales tax revenues** were \$79.273 million in the year ended June 30, 2021. Measure J saw an increase in sales tax receipts this fiscal year, which is discussed in detail at the beginning of this MD&A.

**Grant revenues** were \$50.058 million in federal, state and local grant funds, which decreased \$29.074 million from the prior year. The annual variation in grant funding is dependent on the timing of reimbursement on capital projects.

The Authority received \$24.308 million in State Local Partnership Program (LPP) funds for I-680/SR4 Interchange Improvements construction. The I-680 Carpool Lane Completion/Express Lanes received STIP funds of \$5.165 million and a contribution for \$6.490 million from the Tri Valley Transportation Development for construction and construction management services. BATA funds were \$5.980 million for I-680 Carpool Lane Gap Closure project management and construction services. Federal Surface Transportation Program funds were \$3.260 million: \$625 thousand for regional planning efforts, \$40 thousand for transportation planning land use solutions and \$2.595 million for Innovate 680 environmental and project management services. State Planning, Programming and Monitoring (PPM) funds were \$265 thousand. Contributions from local agencies associated with studies, project management and construction expenditures incurred by the Authority were \$1.608 million, \$226 thousand from local cities and the county for congestion management services, \$191 thousand from Contra Costa County for the SR239 project, \$999 thousand from the City of San Ramon for the Iron Horse Trail overcrossing project, and \$113 thousand from TRANSPAC for the Monument Boulevard study. Federal Demo funds in the amount of \$756 thousand and RM2 funds of \$1.538 million and contributions from Contra Costa County will be received in the following fiscal year as expenditures need to be incurred prior to submittal for reimbursement.

**Transportation Project** expenditures at June 30, 2021 were \$66.099 million, which represents a decrease of \$44.521 million from the prior year. Projects are categorized under Capital Improvement Projects, Countywide Capital and Maintenance Projects and Subregional Projects. Large capital project expenditures can increase significantly based on the construction phases and related construction management services.

Following are the main project costs for the fiscal year:

- i. Caldecott Tunnel Fourth Bore spent \$253 thousand on construction and construction support services related to the landscaping and mitigation project.
- ii. SR 4 East Widening projects spent \$5.526 million on construction and construction management services.
- iii. East County Corridor spent \$2.292 million on construction and construction support services for the Balfour Road Interchange and SR239 environmental projects.
- iv. I-680/SR4 Interchange Improvements spent \$31.299 million on construction, construction support and right-of-way services.
- v. I-80 San Pablo and Central Avenue Interchange Improvement projects spent \$271 thousand on construction support services.
- vi. I-680 Carpool Lane Gap Closure spent \$13.121 million on construction and construction support services.
- vii. Innovate 680 spent \$6.743 million on studies, environmental and project support services.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

Measure C Special Revenue Fund

Measure C Fund's ending fund balance was \$1.856 million as of June 30, 2021, which represents a decrease of \$199 thousand for the year. The decrease is due to expenditures of \$204 thousand on the I-680 Corridor and Regional Commuterway project improvements. The remaining fund balance of \$1.856 million will be utilized in future years on the remaining Measure C commitments.

Measure J Debt Service Fund

Measure J Debt Service Fund's ending fund balance was \$13.286 million as of June 30, 2021, which represents a decrease of \$759 thousand for the year. The decrease is due to use of cash reserves set aside for annual debt service. Remaining fund balance represents cash and restricted cash for debt service. During the fiscal year, the Authority refinanced and eliminated the floating-to-fixed swap.

*Notes to the Basic Financial Statements*

The notes provide additional information that is important for a full understanding of the data provided in the Authority-wide and the traditional fund-based financial statements. These are contained in the attached reports.

**AUTHORITY'S OUTLOOK**

The result of the work done by the Authority and the regional transportation planning committees to prioritize projects and programs in the 2019 Measure J Strategic Plan to keep projects moving forward is paying off. The Authority has participated in workshops to respond to the uncertainty and disruptions triggered by the global pandemic. Many questions have developed in light of COVID-19: how should society, governments, and individuals respond to create a more sustainable, socially equitable, and resilient transportation system? These questions are ones that has become the focus for the Authority. With the creation of the I-680 and I-80 Corridor partnerships the Authority will work with the other regional transportation agencies to develop goals and implementation of the Smart Corridor, conversion to zero-emission buses, shared mobility hubs, shared autonomous vehicle program and adaptive ramp metering. These innovative projects with enhance safety while leveraging technology through the collaboration with the regional agencies to benefit all the citizens in the Bay Area. The Authority meets annually with every city and town within the county to set goals and discuss programs, legislation, project delivery, and planning issues. It provides an opportunity for them to ask a number of questions that will be used to help prioritize projects and programs for the next strategic plan. During the fiscal year, the Authority looked to take advantage of the lower interest rates and refinance several bonds in the financial portfolio. In meeting with Fitch Ratings, the Authority provided an overview highlighting our accomplishments, successes, and financial portfolio. As result of our meeting, Fitch Ratings upgraded the Authority from an AA+ to AAA credit rating. This rating is due to the outstanding financial stewardship by the Authority and a positive long-term outlook due to our efforts to reduce risk. Reducing interest rates will allow for savings in future debt service putting more resources into the projects and programs in the county benefiting the citizens. Additional work and meetings are being done on additional ferry services and the Richmond/San Rafael Bridge to improve the corridors performance. In a collaborative effort with the City of San Ramon, the Authority is utilizing a construction manager/general contractor service to facilitate design and construction activities on the Bollinger Canyon Road – Iron Horse Trail Bicycle Pedestrian Overcrossing. The SR 239 project has completed the feasibility study and the project initiation document. This project will significantly enhance the impacted corridor in east county. However, there is a significant funding shortage that could be resolved with the potential infrastructure bills. There have been significant improvements along the I-680 corridor and construction is being completed on the I-680 HOV lane and the I-680/SR4 interchange. During the fiscal year, several other projects saw approval of environmental documents to

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended June 30, 2021

move these projects closer to the construction phase. Measure J continues to fund programs such as Bus Transit, Paratransit, Express Bus, Safe Transportation for Children, and Commute Alternatives.

The Authority continues to fund improvements to local BART stations to make commuting smoother, safer, and more enjoyable every day. These improvements include easier BART station access and wayfinding signage to help passengers navigate BART stations more easily. The Authority is also helping to fund new bike lockers to help people bike to BART and safely store their bicycle. By encouraging more residents to bike to BART, the community can reduce parking demand at the stations and increase access to transit.

In 2015, the Authority and our key partners launched GoMentum Station, a new test bed site for cutting-edge automated and connected vehicle technology at the Concord Naval Weapons Station in Contra Costa. This 5,000-acre test facility features 20 miles of paved roadway and is the largest secure testing facility in the United States. Rather than exclusively trying to "build our way" out of congestion, GoMentum Station's vision centers around the use of emerging technologies and public-private partnerships to meet transportation demands and reduce greenhouse gas emissions in Contra Costa County. Our vision is centered on: Creating smart jobs to increase the region's economic competitiveness, partnering with our communities to improve safety, mobility and the environment and creating a world-class connected vehicle test bed with active industry and government participation.

Every five years, the Authority evaluates and updates its *Countywide Transportation Plan*, or CTP, our 30-year blueprint for the county's transportation future. With feedback from stakeholders throughout the County, updating the CTP helps ensure that we accurately plan, fund, and implement our transportation vision for Contra Costa County. The CTP helped fund projects like the Caldecott Tunnel, Highway 4 expansion, extension of eBART to Antioch, and expanded bicycle and pedestrian facilities to keep our County moving. The CTP may also help garner additional money from state and federal funding sources. In the past, we have been successful at using sales tax dollars to leverage these additional funds. But we can no longer depend on State and Federal dollars, as those budgets are shrinking. The CTP was completed in 2017.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the finances of the Authority. Questions concerning information provided in this report, or any requests for additional financial information, should be addressed to Brian Kelleher, Chief Financial Officer of the Contra Costa Transportation Authority, 2999 Oak Road, Suite 100, Walnut Creek, CA 94597.

## CONTRA COSTA TRANSPORTATION AUTHORITY

### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position reports the difference between the Authority's total assets and deferred outflows of resources and the Authority's total liabilities and deferred inflows of resources. The Statement of Net Position presents information similar to the traditional balance sheet format, but presents it in a way that focuses the reader on the composition of the Authority's net position, by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources.

The Statement of Net Position summarizes the financial position of all the Authority's Governmental Activities in a single column. The Authority's Governmental Activities include the activities of all of governmental funds, capital assets and debt accounts.

The Statement of Activities reports increases and decreases in the Authority's net position. It is also prepared on the full accrual basis, which means it includes all the Authority's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund Financial Statements, which reflect only current assets, current liabilities, deferred inflows of resources, available revenues, and measurable expenditures.

The Statement of Activities presents the Authority's expenses listed by program. Program revenues—that is, revenues that are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each program. The Authority's general revenues are then listed in the Governmental Activities column, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.

**CONTRA COSTA TRANSPORTATION AUTHORITY**

STATEMENT OF NET POSITION

JUNE 30, 2021

(In thousands)

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments (Note 3)	\$ 111,161
Restricted cash and investments (Note 3)	13,286
Receivables:	
Sales tax	21,184
Interest	150
Intergovernmental	15,396
Net OPEB asset (Note 8)	407
Capital assets, net of accumulated depreciation (Note 5)	<u>168</u>
<b>TOTAL ASSETS</b>	<u>161,752</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflow of resources related to pensions (Note 7B)	1,098
Deferred outflow of resources related to OPEB (Note 8)	<u>334</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>1,432</u>
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	47,660
Accrued employee benefits	909
Deposits payable	11,400
Sales Tax Revenue Bonds (Note 6):	
Due within one year	29,281
Sales tax revenue bonds, due in more than one year	459,965
Net Pension liability (Note 7)	<u>427</u>
<b>TOTAL LIABILITIES</b>	<u>549,642</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to refunding of debt	3,338
Deferred inflows of resources related to pensions (Note 7B)	809
Deferred inflows of resources related to OPEB (Note 8)	<u>202</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>4,349</u>
<b>NET POSITION (DEFICIT) (Note 11)</b>	
Investment in capital assets	168
Restricted for:	
Transportation projects and programs	101,208
Unrestricted deficit	<u>(492,183)</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u>\$ (390,807)</u>

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		<b>Net (Expense) Revenue and Changes in Net Position</b>
		<b>Operating Grants and Contributions</b>	<b>Capital Grants</b>	
Governmental Activities:				
Administration	\$ 2,535	\$ -	\$ -	\$ (2,535)
Project management	2,098	-	-	(2,098)
Programs	48,870	207	-	(48,663)
Transportation projects	66,302	-	51,058	(15,244)
Regional planning	1,417	-	-	(1,417)
Congestion management	1,221	1,088	-	(133)
Transportation demand management	1,360	1,579	-	219
Transportation planning land use solutions	62	40	-	(22)
Transportation Innovation - GoMentum	12	348	-	336
Interest and related fees	18,336	-	-	(18,336)
<b>Total governmental activities</b>	<b>\$ 142,213</b>	<b>\$ 3,262</b>	<b>\$ 51,058</b>	<b>(87,893)</b>
General Revenues:				
Sales taxes				107,256
Investment income				289
<b>Total general revenues</b>				<b>107,545</b>
Change in net position				19,652
Net position (deficit) at beginning of year				(410,459)
Net position (deficit) at end of year				<b>\$ (390,807)</b>

See accompanying notes to basic financial statements.



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# CONTRA COSTA TRANSPORTATION AUTHORITY

## FUND FINANCIAL STATEMENTS

The Fund Financial Statements are presented by individual major funds, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year.

### MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the Authority for fiscal year 2021. Individual non-major funds may be found in the Combining Financial Statements section.

### MEASURE J GENERAL FUND

The *General Fund* is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund. All intergovernmental revenue is recorded in the General Fund, except for those restricted funds required to be recorded in the major Measure C Special Revenue Funds and the non-major Special Revenue Funds. The Authority also transfers sales tax revenues to Debt Service Funds, on a monthly basis, to cover interest and principal coming due. General Fund expenditures include salaries and benefits of the Authority's staff. Salaries and benefits for administration are limited by Measure J (as defined) to one percent of the sales tax revenue on an annual basis.

### MEASURE J LOCAL STREETS AND ROADS SPECIAL REVENUE FUND

This Fund is used by the Authority to account for the accumulation of resources required to be allocated to local cities and the County for local transportation improvements, including streets and roads. Monies are disbursed to the local agencies upon compliance with certain provisions included in Measure J. Under the provisions of Measure J and policies adopted by the Authority, 18% of net sales tax revenues are to be used for local street maintenance and improvements. An additional 2.09% of net sales tax revenue is allocated to Central County, West County, and Southwest County.

### MEASURE C SPECIAL REVENUE FUND

Prior to April 1, 2009 when Measure J became effective, there was Measure C, a County-wide half-percent sales tax to fund transportation programs and projects. The Authority is responsible for carrying out the provisions of Measure C. The Measure C Fund was established to record financial activities associated with the projects and programs in the Measure C expenditure plan.

### MEASURE J DEBT SERVICE FUND

This fund account for resources used to service the Authority's 2015, 2017, 2018 and 2021 Sales Tax Revenue Bonds.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2021**  
(In thousands)

	<b>Measure J General Fund</b>	<b>Measure J Local Streets and Roads Fund</b>	<b>Measure C Fund</b>	<b>Measure J Debt Service Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>						
Cash and investments (Note 3)	\$ 68,668	\$ 25,970	\$ 1,896	\$ -	\$ 14,627	\$ 111,161
Restricted cash and investments (Note 3)	-	-	-	13,286	-	13,286
Receivables:						
Sales tax	15,657	4,256	-	-	1,271	21,184
Interest	150	-	-	-	-	150
Intergovernmental	15,396	-	-	-	-	15,396
Total Assets	<u>\$ 99,871</u>	<u>\$ 30,226</u>	<u>\$ 1,896</u>	<u>\$ 13,286</u>	<u>\$ 15,898</u>	<u>\$ 161,177</u>
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	\$ 16,584	\$ 30,226	\$ 40	\$ -	\$ 810	\$ 47,660
Accrued employee benefits	909	-	-	-	-	909
Deposits payable	11,000	-	-	-	400	11,400
Total Liabilities	<u>28,493</u>	<u>30,226</u>	<u>40</u>	<u>-</u>	<u>1,210</u>	<u>59,969</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	2,856	-	-	-	-	2,856
<b>FUND BALANCES (Note 11)</b>						
Restricted:						
Air quality	-	-	-	-	2,402	2,402
GoMentum	-	-	-	-	303	303
Commute alternatives	-	-	-	-	1,560	1,560
Transportation projects	8,595	-	1,856	13,286	-	23,737
Paratransit program	-	-	-	-	10,423	10,423
Additional paratransit program	1,824	-	-	-	-	1,824
Safe transportation for children	5,600	-	-	-	-	5,600
Ferry service	15,102	-	-	-	-	15,102
Bus transit and improvements	1,300	-	-	-	-	1,300
Express bus	1,126	-	-	-	-	1,126
Subregional bus transit	(283)	-	-	-	-	(283)
Transportation for livable communities projects (TLC)	16,189	-	-	-	-	16,189
Additional TLC	3,460	-	-	-	-	3,460
Pedestrian, bicycle and trail facilities	5,720	-	-	-	-	5,720
Additional pedestrian, bicycle and trail facilities	168	-	-	-	-	168
Subregional transportation needs	3,604	-	-	-	-	3,604
Planning and facilities	3,670	-	-	-	-	3,670
Administration	2,447	-	-	-	-	2,447
Total Fund Balances	<u>68,522</u>	<u>-</u>	<u>1,856</u>	<u>13,286</u>	<u>14,688</u>	<u>98,352</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 99,871</u>	<u>\$ 30,226</u>	<u>\$ 1,896</u>	<u>\$ 13,286</u>	<u>\$ 15,898</u>	<u>\$ 161,177</u>

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**  
(In thousands)

Total fund balances - governmental funds \$ 98,352

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds (Note 5). 168

Net OPEB asset and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds (Note 8).

Net OPEB asset	\$	407	
Deferred outflows of resources		334	
Deferred inflows of resources		<u>(202)</u>	
			<u>539</u>

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current period expenditures. Those assets are offset by deferred inflows of resources in the governmental funds. 2,856

Long-term liabilities, including the sales tax bonds payable and its related hedging derivative, are not due and payable in the current period and, therefore, are not reported in the governmental funds (Note 6):

Sales tax revenue bonds outstanding	\$	(424,030)	
Unamortized premium on bonds		(65,216)	
Deferred inflow of resources on refunding of debt		<u>(3,338)</u>	
Subtotal			<u>(492,584)</u>

Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds. (Note 7):

Net pension liability	\$	(427)	
Deferred outflows of resources		1,098	
Deferred inflows of resources		<u>(809)</u>	
			<u>(138)</u>

Net position (deficit) of governmental activities \$ (390,807)

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	Measure J General Fund	Measure J Local Streets and Roads Fund	Measure C Fund	Measure J Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Sales tax	\$ 79,273	\$ 21,548	\$ -	\$ -	\$ 6,435	\$ 107,256
Investment income	245	-	5	1	38	289
Federal Surface Transportation Program (CMA)	625	-	-	-	-	625
Federal Surface Transportation Program (SCS)	40	-	-	-	-	40
Federal Surface Transportation Program (Innovate-680)	2,595	-	-	-	-	2,595
Federal Demo (East County Corridors)	756	-	-	-	-	756
Federal Congestion Mitigation (CMAQ)	-	-	-	-	70	70
State Planning, Programming and Monitoring (PPM)	265	-	-	-	-	265
State Local Partnership Program (680/4)	24,308	-	-	-	-	24,308
State Transportation Imp. Program (I-680 Carpool)	5,165	-	-	-	-	5,165
State Funds - (East County Integrated Transit Study)	148	-	-	-	-	148
State Funds - (Accessible Transportation Strategic Plan)	-	-	-	-	321	321
State Transportation Agency Grant (GoMentum)	-	-	-	-	27	27
Regional Measure 2 (I-680 Carpool Ln Ext & I/C Imp)	1,538	-	-	-	-	1,538
State Motor Vehicle Registration Surcharge (TFCA)	-	-	-	-	1,579	1,579
Contributions from CMA member agencies	226	-	-	-	-	226
Bay Area Toll Authority (East County Corridors)	12	-	-	-	-	12
Bay Area Toll Authority (I-680 Carpool Ln Ext & I/C Imp)	5,980	-	-	-	-	5,980
Contra Costa County (East County Corridors)	191	-	-	-	-	191
Tri Valley Transportation Development (I-680)	6,490	-	-	-	-	6,490
Contributions (MTC/SR4 Study)	79	-	-	-	-	79
Contributions (TRANSPAC/Study)	113	-	-	-	-	113
City of San Ramon (Iron Horse Trail)	999	-	-	-	-	999
Escrow Earnings (SR4 East)	528	-	-	-	-	528
<b>Total Revenues</b>	<b>129,576</b>	<b>21,548</b>	<b>5</b>	<b>1</b>	<b>8,470</b>	<b>159,600</b>
<b>Expenditures</b>						
<b>Current expenditures:</b>						
<b>Administration:</b>						
Salaries and employee benefits	705	-	-	-	-	705
Services, supplies & capital outlay	1,410	-	-	-	-	1,410
<b>Project Management:</b>						
Salaries and employee benefits	1,860	-	-	-	-	1,860
Services, supplies & capital outlay	238	-	-	-	-	238
<b>Programs:</b>						
Commuter alternatives	-	-	-	-	827	827
Additional paratransit	1,088	-	-	-	-	1,088
Bus transit enhancements	3,968	-	-	-	-	3,968
Ferry Service program	3,586	-	-	-	-	3,586
Paratransit	-	-	-	-	4,901	4,901
Express bus program	4,321	-	-	-	-	4,321
Bus transit and improvement program	5,029	-	-	-	-	5,029
Safe transportation for children	3,602	-	-	-	-	3,602
Local street and maintenance	-	19,306	-	-	-	19,306
Subregional local street and maintenance	-	2,242	-	-	-	2,242
<b>Transportation Projects:</b>						
Highways and arterials	-	-	161	-	-	161
Transit	-	-	43	-	-	43
Capital improvement projects	58,792	-	-	-	-	58,792
Countywide capital and maintenance projects	5,240	-	-	-	-	5,240
Subregional projects	2,067	-	-	-	-	2,067
<b>Regional Planning:</b>						
Salaries and employee benefits	550	-	-	-	-	550
Services, supplies & capital outlay	867	-	-	-	-	867
Contributions to other agencies	-	-	-	-	-	-
Salaries and employee benefits	816	-	-	-	-	816
Services, supplies & capital outlay	404	-	-	-	-	404
<b>Transportation Demand Management (Air Quality):</b>						
Salaries and employee benefits	-	-	-	-	94	94
Contributions to other agencies	-	-	-	-	1,266	1,266

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<b>Measure J General Fund</b>	<b>Measure J Local Streets and Roads Fund</b>	<b>Measure C Fund</b>	<b>Measure J Debt Service Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Expenditures (Continued)</b>						
Transportation Planning Land Use Solutions:						
Salaries and employee benefits	62	-	-	-	-	62
GoMentum:						
Salaries and employee benefits	-	-	-	-	2	2
Services, supplies & capital outlay	-	-	-	-	10	10
Debt service:						
Principal	-	-	-	21,060	-	21,060
Interest and related fees	-	-	-	20,305	-	20,305
Issuance costs	-	-	-	27,182	-	27,182
Total Expenditures	<u>94,605</u>	<u>21,548</u>	<u>204</u>	<u>68,547</u>	<u>7,100</u>	<u>192,004</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	34,971	-	(199)	(68,546)	1,370	(32,404)
<b>Other Financing Sources (Uses)</b>						
Bonds issued	-	-	-	109,915	-	109,915
Premium on bonds issued	-	-	-	28,633	-	28,633
Payment to refunded bond escrow agent	-	-	-	(112,450)	-	(112,450)
Transfer in (Note 4)	-	-	-	41,689	-	41,689
Transfer out (Note 4)	(41,689)	-	-	-	-	(41,689)
Total Other Financing Sources (Uses)	<u>(41,689)</u>	<u>-</u>	<u>-</u>	<u>67,787</u>	<u>-</u>	<u>26,098</u>
Change in Fund Balances	(6,718)	-	(199)	(759)	1,370	(6,306)
Fund Balances - Beginning	75,240	-	2,055	14,045	13,318	104,658
Fund Balances - Ending	<u>\$ 68,522</u>	<u>\$ -</u>	<u>\$ 1,856</u>	<u>\$ 13,286</u>	<u>\$ 14,688</u>	<u>\$ 98,352</u>

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

Net change in fund balances - total governmental funds	\$	(6,306)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets cost is allocated over their estimated useful lives and reported as depreciation expense in the current period.		(36)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This represents the change in the deferred inflows of resources during the current period.		2,265
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes the current financial resources of governmental funds. These transactions, however, have no effect on net position. The governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt and related items.		
Issuance of 2021 Sales Tax Revenue Bonds	\$ (109,915)	
Bond premium on bonds issued	(28,633)	
Amortization of bond premium	5,489	
Swap termination fee paid	25,272	
Amortization of the deferred outflows of resources	(2,300)	
Amortization of the deferred inflows of resources	690	
Retirement of long-term debt	133,510	24,113
Changes to net OPEB liability and OPEB related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		103
Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(487)
Change in net position of governmental activities	\$	19,652

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**MEASURE J GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Sales tax	\$ 56,541	\$ 70,215	\$ 79,273	\$ 9,058
Investment income	1,300	600	245	(355)
Federal Surface Transportation Program (CMA)	1,143	1,143	625	(518)
Federal Surface Transportation Program (SCS)	25	25	40	15
Federal Surface Transportation Program (Innovate 680) (CIP8)	2,875	1,500	2,595	1,095
Federal Demo (East County Corridors)	3,600	3,010	756	(2,254)
State Planning, Programming and Monitoring (PPM)	355	355	265	(90)
State Funds - (East County Integrated Transit Study)	-	-	148	148
State Local Partnership Program (680/4)	32,650	29,241	24,308	(4,933)
State Transportation Imp. Program (I-680 Carpool)	12,175	7,835	5,165	(2,670)
Regional Measure 2 (I-680 Carpool Ln Ext & I/C Imp)	-	-	1,538	1,538
Regional Measure 3 (SR4 East Widening)	2,700	-	-	-
Contributions from CMA member agencies	154	128	226	98
Bay Area Toll Authority (East County Corridors)	-	12	12	-
Bay Area Toll Authority (I-680 Carpool Ln Ext & I/C Imp)	16,150	12,612	5,980	(6,632)
East Contra Costa Regional Fee and Financing Authority	275	2,500	-	(2,500)
Tri Valley Transportation Development (I-680)	-	6,490	6,490	-
Contributions (Local Agencies)	3,994	2,824	1,382	(1,442)
Escrow Earnings (SR4 East)	100	1,482	528	(954)
Miscellaneous revenue	1	1	-	(1)
<b>Total Revenues</b>	<b>134,038</b>	<b>139,973</b>	<b>129,576</b>	<b>(10,397)</b>
<b>Expenditures</b>				
Current expenditures:				
Administration:				
Salaries and employee benefits	779	705	705	-
Services, supplies & capital outlay	1,542	1,480	1,410	70
Project Management:				
Salaries and employee benefits	2,136	1,953	1,860	93
Services, supplies & capital outlay	392	377	238	139
Programs:				
Additional paratransit	880	1,092	1,088	4
Bus transit enhancements	3,426	4,160	3,968	192
Express bus program	3,389	4,185	4,321	(136)
Bus transit and improvement program	3,925	4,850	5,029	(179)
Ferry service	3,588	3,589	3,586	3
Safe transportation for children	3,477	4,418	3,602	816
Transportation Projects:				
Capital improvement projects	89,765	70,291	58,791	11,500
Countywide capital and maintenance projects	16,302	9,558	5,240	4,318
BART Parking, Access & Other Improvements	3,856	2,656	960	1,696
Transportation for Livable Communities	8,250	4,691	3,297	1,394
Pedestrian, Bicycle & Trail Facilities	4,196	2,211	983	1,228
Subregional projects	7,614	3,202	2,068	1,134
Regional Planning:				
Salaries and employee benefits	561	512	550	(38)
Services, supplies & capital outlay	1,221	1,226	867	359
Congestion Management:				
Salaries and employee benefits	911	857	816	41
Services, supplies & capital outlay	815	805	404	401
Transportation Planning Land Use Solutions:				
Salaries and employee benefits	91	91	62	29
Services, supplies & capital outlay	10	10	-	10
<b>Total Expenditures</b>	<b>140,824</b>	<b>113,361</b>	<b>94,605</b>	<b>18,756</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,786)	26,612	34,971	8,359
<b>Other Financing Sources (Uses)</b>				
Transfer in	-	-	-	-
Transfer out	(41,911)	(41,911)	(41,689)	222
<b>Total Other Financing Sources (Uses)</b>	<b>(41,911)</b>	<b>(41,911)</b>	<b>(41,689)</b>	<b>222</b>
Change in Fund Balance	\$ (48,697)	\$ (15,299)	(6,718)	\$ 8,581
Fund Balance - Beginning			75,240	
Fund Balance - Ending			<u>\$ 68,522</u>	

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**MEASURE J LOCAL STREETS AND ROADS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<u>Budget</u>			<b>Variance with Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Sales tax	\$ 15,369	\$ 19,086	\$ 21,548	\$ 2,462
Total Revenues	<u>15,369</u>	<u>19,086</u>	<u>21,548</u>	<u>2,462</u>
<b>Expenditures</b>				
Current expenditures:				
Programs:				
Local street and maintenance	13,770	17,100	19,306	(2,206)
Subregional local street and maintenance	1,599	1,986	2,242	(256)
Total Expenditures	<u>15,369</u>	<u>19,086</u>	<u>21,548</u>	<u>(2,462)</u>
Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning			-	
Fund Balance - Ending			<u>\$ -</u>	

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**MEASURE C SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<u>Budget</u>			<b>Variance with Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Investment income	\$ 100	\$ 50	\$ 5	\$ (45)
Miscellaneous revenue	1	-	-	-
Total Revenues	<u>101</u>	<u>50</u>	<u>5</u>	<u>(45)</u>
<b>Expenditures</b>				
Current expenditures:				
Transportation Projects:				
Highways and arterials	195	154	161	(7)
Transit	100	60	43	17
Total Expenditures	<u>295</u>	<u>214</u>	<u>204</u>	<u>10</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(194)	(164)	(199)	(35)
Change in Fund Balance	<u>\$ (194)</u>	<u>\$ (164)</u>	(199)	<u>\$ (35)</u>
Fund Balance - Beginning			2,055	
Fund Balance - Ending			<u>\$ 1,856</u>	

See accompanying notes to basic financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 1 – REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES**

***A. Reporting Entity***

The Contra Costa Transportation Authority (the Authority) was established in 1988 when Contra Costa County (the County) voters passed a 20-year, one-half of one percent (½%) sales tax for specified transportation purposes. In 2004, the voters of Contra Costa County extended the one-half of one percent countywide transportation sales tax through 2034.

Measure C, passed in November 1988, officially authorizing the imposition of the ½% countywide sales tax, the proceeds of which are principally reserved for highway improvements, local transportation improvements, transit funding, growth management, and regional planning purposes in the County. The Measure C ½% sales tax commenced April 1, 1989 and expired on March 31, 2009. The Measure J ½% sales tax began April 1, 2009 and will remain in effect until March 31, 2034.

The sales tax revenues received by the Authority under Measure C and Measure J, after deducting certain administrative costs, are to be spent for programs as set forth in the respective expenditure plans. All revenues, including interest and other revenues, not designated by Measure C or Measure J for a specific purpose (see Sales Taxes discussion below) are to be spent on capital projects set forth in the expenditure plans. The Authority may, under certain circumstances, amend the original expenditure plans.

The Authority has been designated by the cities in Contra Costa County and the County (collectively, the Members) as the Congestion Management Agency (the CMA) for the County pursuant to provisions of Senate Constitutional Amendment 1, approved by the voters of the State in June 1990, thereby being charged with the statutory obligation to carry out congestion management responsibilities for Contra Costa County. In 1992, the Authority amended Measure C by ordinance to permit expenditures associated with the CMA to be eligible General Fund expenditures under Measure C, as defined in the expenditure plan. Measure J authorizes these expenditures in the original expenditure plan. The CMA Members are required to reimburse the Authority for expenditures as approved by the Board.

The Authority has also been designated by the CMA Members to be the recipient of funds generated from the motor vehicle registrations surcharge collected by the Bay Area Air Quality Management District (the Air Quality District) for programs to reduce air pollution from motor vehicles. The Authority anticipates that all expenditures incurred for the Air Quality District program will be reimbursed by the Air Quality District.

The basic financial statements of the Authority include all of its financial activities. The Authority is the sole independent entity responsible for receiving and allocating funds necessary to complete the programs and is governed by an eleven-member board comprised of representatives who are elected officials from the County and local cities. The Authority Board is comprised of eleven members: eight elected officials appointed by each of the four sub-regional transportation committees from central, east, southwest, and west parts of the County; two elected County officials appointed by the Board of Supervisors representing the County; and one elected official appointed by the Contra Costa Conference of Mayors. The Executive Director of the Authority is appointed by the Authority Board and runs the day-to-day business.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 1 – REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***B. Basis of Presentation***

The Authority's basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board is the acknowledged standard-setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

These standards require that the financial statements described below be presented.

**Government-wide Statements:** The Statement of Net Position and the Statement of Activities display information about the primary government (the Authority). Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Authority's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) grants and contributions that are restricted to meeting the operational needs of a particular program and (b) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements:** The fund financial statements provide information about the Authority's funds. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

***C. Sales Taxes***

The Authority recognizes taxpayer-assessed revenues such as sales taxes, net of estimated refunds, in the accounting period in which they become susceptible to accrual, which means when the revenues become both measurable and available to finance expenditures of the current fiscal period in the governmental fund financial statements. In the government-wide financial statements, sales taxes are recognized on the accrual basis in the period the underlying sales exchange transaction occurs.

Sales tax receivables represent sales tax receipts in the two months subsequent to the Authority's fiscal year-end relating to the prior fiscal year's sales activities. The Authority has contracted with the California Department of Tax and Fee Administration for collection and distribution of the ½% sales tax. The Department of Tax and Fee Administration receives an administrative fee for providing this service. The Authority records sales tax revenues net of such fees in the Measure J General Fund, major fund Measure J Local Streets and Roads Special Revenue Fund, and non-major funds Measure J Paratransit and Measure J Commute Alternatives Special Revenue Funds.

Under the provisions of Measure J and policies adopted by the Authority, portions of net sales taxes are required to be expended on certain programs and activities. Measure J includes programs that were successful under Measure C and added additional programs to improve or expand transit needs in Contra Costa County. Local Street and Maintenance, Bus Transit, Paratransit, and Commute Alternatives (formerly Carpool/Vanpool) continued on. Additional programs such as Express Bus, Safe Transportation for Children and Ferry Service were developed to address transportation needs countywide and specific regions within it.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 1 – REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Specifically, 20.09% of net sales tax revenues are to be used for local street maintenance and improvements, 1.00% is to be used for commute alternative programs, including carpools, vanpools and transit, and 5.00% for transportation services for seniors and people with disabilities. These programs are accounted for in the Measure J Local Streets and Roads Special Revenue Fund, Measure J Commute Alternatives Special Revenue Fund, and Measure J Paratransit Special Revenue Fund, respectively.

In addition, bus services (5.00%) provide bus transit operators funding and alleviate traffic congestion and improve regional or local mobility. Express bus (4.30%) is a countywide program to transport commuters to and from residential areas to transit and employment centers.

Subregional programs were created to address the diverse transportation needs in each subregion of the County. The following programs are allocated to subregions based on the Measure J expenditure plan: Bus Transit Enhancements (3.36%), Additional Paratransit (1.15%), Safe Transportation for Children (4.55%) and Ferry Service (2.25%). These programs are accounted for in the Measure J General Fund and any fund balances remaining at year-end are reported in the Measure J General Fund as Restricted for Bus Transit and Improvements, Restricted for Express Bus, Restricted for Subregional Bus Transit, Restricted for Additional Paratransit, Restricted for Safe Transportation for Children, and Restricted for Ferry Service, respectively.

The Authority transfers sales tax revenues to the Measure J Debt Service Fund, on a monthly basis, to cover interest and principal expenditures.

***D. Major Funds***

The Authority's major governmental funds are required to be identified and presented separately in the fund financial statements.

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures equal to at least ten percent of the totals for all funds, and those that are determined by management to be particularly important to financial statement users. The Authority reports the following major funds: Measure J General Fund, Measure J Local Streets and Roads Special Revenue Fund, Measure C Special Revenue Fund, and Measure J Debt Service Fund.

***MEASURE J GENERAL FUND*** – The *General Fund* is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund. All intergovernmental revenue is recorded in the General Fund, except for those restricted funds required to be recorded in Special Revenue Funds. The Authority transfers sales tax revenues to the Debt Service Fund, on a monthly basis, to cover interest and principal coming due. General Fund expenditures include salaries and benefits of the Authority's staff. Salaries and benefits for administration are limited by Measure J to one percent of the sales tax revenue on an annual basis.

***MEASURE J LOCAL STREETS AND ROADS SPECIAL REVENUE FUND*** – This Fund is used by the Authority to account for the accumulation of resources required to be allocated to local cities and the County for local transportation improvements, including streets and roads. Monies are disbursed to the local agencies upon compliance with certain provisions included in Measure J. Under the provisions of Measure J and policies adopted by the Authority, 18.00% of net sales tax revenues are to be used for local street maintenance and improvements and 2.09% of net sales tax revenues is allocated to Central County, West County, and Southwest County.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 1 – REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**MEASURE C SPECIAL REVENUE FUND** – Prior to April 1, 2009, when Measure J became effective, there was Measure C, a County-wide half-percent sales tax to fund transportation programs and projects.

The Authority is responsible for carrying out the provisions of Measure C. The Measure C Fund was established to record financial activities associated with the projects and programs in the Measure C expenditure plan.

**MEASURE J DEBT SERVICE FUND** – This fund accounts for resources used to service the Authority’s Sales Tax Revenue Bonds, Series 2015, Series 2017, Series 2018 and Series 2021.

**NON-MAJOR FUNDS**

The Authority has other governmental funds discussed below, which were determined to be non-major funds and are presented in the supplementary information of this report. These non-major *special revenue funds* are used by the Authority to account for the accumulation and expenditures of restricted resources. These special revenue funds include:

- *Measure J Paratransit Special Revenue Fund* – accounts for the portion of sales tax to be used to transport seniors and people with disabilities.
- *Measure J Commute Alternatives Special Revenue Fund* – accounts for the portion of sales taxes to be used for commuter alternative programs, including carpools, vanpools and park and ride lots.
- *Air Quality Special Revenue Fund* – accounts for funds received from the Air Quality District to be used for programs to reduce air pollution from motor vehicles.
- *GoMentum Special Revenue Fund* – accounts for funds received from the State of California and contributions from GoMentum Station to be used for planning, operations and construction of GoMentum Station.

**E. Basis of Accounting**

The government-wide financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place. Revenues from grants are recognized in the fiscal year for which all eligibility requirements have been satisfied. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Non-exchange transactions, in which the Authority gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, sales tax revenues are recognized in the period the underlying sales exchange transaction occurs. Revenue from grants, entitlements, and donations is recognized in the period in which all eligibility requirements have been satisfied.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. Revenues susceptible to accrual include sales tax, interest, and grants, which are accrued

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 1 – REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

when earned and its receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

The Authority may fund projects with a combination of cost-reimbursement grants, bond proceeds, advances, and general revenues. Thus, both restricted and unrestricted net position may be available to finance expenditures. The Authority's strategy is to first apply restricted resources to such activities, followed by general revenues if necessary.

***F. Return of Funds from Local Agencies***

Return of funds from local agencies represents amounts determined to be owed to the Authority based on a final reconciliation of project costs, or as a result of Measure C or Measure J compliance audits commissioned by the Authority. There were no returns of funds from local agencies during the year ended June 30, 2021.

***G. Compensated Absences***

Compensated absences comprise of unpaid vacation and sick leave, which is accrued as earned. The Authority's liability for compensated absences is recorded in the Authority's General Fund.

***H. Fund Balance***

The Authority is required to report the fund balance for governmental funds in specific classifications (nonspendable, restricted, committed, assigned and unassigned), which creates a hierarchy primarily based on the extent to which the Authority is bound to honor the constraints on the specific purposes for which funds can be spent. The Authority can only spend sales tax revenues as approved by the voters in the Measure C and Measure J Expenditure Plans, grants in accordance with the terms of the grants, and bond proceeds in accordance with the terms of the bond agreement; therefore, all of the Authority's fund balance is restricted at June 30, 2021.

***I. Use of Management Estimates***

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

***J. Rounding***

All amounts included on the basic financial statements, combining statements, footnotes and schedules are presented to the nearest thousands in accordance with the Authority's practice.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 1 – REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***K. Effects of New Pronouncements***

During the year ended June 30, 2021, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. The statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. Implementation of this statement did not have an impact on the Authority's financial statements for the fiscal year ended June 30, 2021.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61*. The objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. Implementation of this statement did not have an impact on the Authority's financial statements for the fiscal year ended June 30, 2021.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This statement establishes the term annual comprehensive financial report and its acronym ACFR and eliminates the prior name and acronym in generally accepted accounting principles for state and local governments. No changes were made to the report's structure or content. Implementation of this statement did not have a significant impact on the Authority's financial statements for the fiscal year ended June 30, 2021.

The Authority is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational 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, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the Authority's fiscal year ending June 30, 2022.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this statement are 1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and 2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this statement are effective for the Authority's fiscal year ending June 30, 2022.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 1 – REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosure. The requirements of this statement are effective for the Authority’s fiscal year ending June 30, 2023.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The requirements of this statement are effective for the Authority’s fiscal year ending June 30, 2022.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate. The requirements of this statement are effective for the Authority’s fiscal year ending June 30, 2022.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for the Authority’s fiscal year ending June 30, 2023.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for the Authority’s fiscal year ending June 30, 2023.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this statement are effective for the Authority’s fiscal year ending June 30, 2022.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING**

The Authority’s level of budgetary control where expenditures may not exceed appropriations is established at the fund level. The Authority follows these procedures in establishing the budgetary data reflected in the financial statements. The Measure C and Measure J Funds, however, may exceed the budgetary expenditures as long as the amounts owed to the Cities and the County are based on the expenditure plan:

1. The Executive Director or his or her designee submits a proposed operating budget to the Authority Board for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to adoption of the final budget, public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted by the Authority Board.
4. All budget adjustments must be approved by the Authority Board. Expenditures may not legally exceed the levels as specified in the budget control resolution.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Budgets are adopted on a basis consistent with GAAP.

Overages in any particular budget expenditures category (organizational unit) must receive an approved budget change adjustment by the Authority Board for the following conditions: for capital project expenditures, if expenditures are expected to exceed the budget by \$10 thousand or five percent, whichever is greater; for all other expenditures, if expenditures are projected to exceed the budget for the budgetary category by \$5 thousand or five percent, whichever is greater.

The Authority has also adopted a Strategic Plan, which determines availability of funds for projects and is used as a guide for project appropriations. The plan is normally updated every two to three years, and is used in the development of the annual budget. The Authority maintains a financial system for budgetary and financial control. The Authority issued the 2011 Measure C Strategic Plan and the Measure J Strategic Plan updated in September 2019, March 2016, December 2013 and December 2011, respectively.

**A. Excess of Expenditures over Appropriation**

During fiscal year 2021, the following funds had expenditures in excess of budget are shown below (in thousands):

Fund	Excess of Expenditures Over Appropriations
<b>Measure J General Fund</b>	
Program: Express buss	\$ 136
Program: Bus Transit and improvement	179
Planning: Salaries and benefits	38
<b>Measure J Local Streets and Roads Special Revenue Fund</b>	
Program: Local street and maintenance	2,206
Program: Subregional local street and maintenance	256
<b>Measure C Special Revenue Fund</b>	
Transportation Projects: Highways and arterials	7
<b>Measure J Paratransit Other Governmental Fund</b>	
Program: Paratransit	492

These funds had sufficient resources to finance these expenditures.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 3 – CASH AND INVESTMENTS**

The Authority pools cash from all sources and funds except cash and investments held by fiscal agents so that it can be invested at the maximum yield, consistent with safety and liquidity objectives, while individual funds can make expenditures at any time. Each fund’s portion of the pool is displayed on the statement of net position and combined balance sheet as “Cash and Investments.”

The Authority records investment transactions on the trade date. Investments are reported at fair value. The Authority measures its investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, using observable market transactions or available market information. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year. Investment income is allocated among funds on the basis of year-end fund balances in these funds. Investment income from cash and investments with trustees is credited directly to the related fund.

**A. Carrying Amount at Fair Value**

Cash and investments are carried at fair value and are categorized as follows at June 30, 2021 (in thousands):

	Available for Operations	Held by Fiscal Agents	Total
U.S. Treasury Notes	\$ 44,581	\$ -	\$ 44,581
Federal Agency Securities	22,832	-	22,832
Corporate Notes	2,227	-	2,227
Municipal Obligations	740	-	740
Money Market Mutual Funds	120	13,286	13,406
Local Agency Investment Fund	37,717	-	37,717
Total Investments	<u>108,217</u>	<u>13,286</u>	<u>121,503</u>
Cash in Bank	<u>2,944</u>	<u>-</u>	<u>2,944</u>
Total Cash and Investments	<u>\$ 111,161</u>	<u>\$ 13,286</u>	<u>\$ 124,447</u>
Cash and Investments:			
Unrestricted Cash and Investments	\$ 111,161	\$ -	\$ 111,161
Restricted Cash and Investments	-	13,286	13,286
Total Cash and Investments	<u>\$ 111,161</u>	<u>\$ 13,286</u>	<u>\$ 124,447</u>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

***B. Authorized Investments by the Authority and Debt Agreements***

The Authority has contracted with Public Trust Advisors to serve as the Authority’s investment advisor. The Authority has adopted a written Investment Policy, which is more restrictive than State law as to terms of maturity, credit quality and type of investment. The following table identifies the investment types authorized for the Authority by the Authority’s Investment Policy and the California Government Code. The following table also identifies certain provisions that address interest rate risk, credit risk, and concentration of credit risk.

The Authority must also maintain required amounts of cash and investments with fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds. The California Government Code requires these funds to be invested in accordance with Authority ordinance, bond indentures or State statute.

The investments authorized by debt agreements are the same as those authorized by the Authority’s Investment Policy:

<b>Authorized Investment Type</b>	<b>Maximum Maturity</b>	<b>Minimum Credit Quality</b>	<b>Maximum Percentage of Portfolio <sup>(B)</sup></b>	<b>Maximum Investment in One Issuer <sup>(B)</sup></b>
U.S. Treasury Obligations	5 years	N/A	None	None
U.S. Agency Obligations <sup>(A)</sup>	5 years	N/A	None	None
Repurchase Agreements	90 days	N/A	None	None
Reverse Repurchase Agreements (requires Authority approval)	92 days	N/A	20 % of the base value	None
State of California Obligations	5 years	Highest 2 rating categories	None	None
California Local Agency Obligations	5 years	Highest 2 rating categories	None	None
Bankers Acceptances	180 days	Highest rating categories	40%	None
Commercial Paper	270 days	A1	25%	None
Medium Term Corporate Notes	5 years	AA	30%	None
Mortgage Pass-Through Securities	5 years	AA	10%	None
Insured or Collateralized Bank Deposits	N/A	N/A	None	None
Negotiable Certificates of Deposit	5 years	AA	30%	None
California Local Agency Investment Fund	Upon Demand	N/A	\$75,000,000 per account	\$75,000,000 per account
Joint Powers Authority	N/A	N/A	None	None
Money Market Mutual Funds	N/A	Highest rating categories	20%	5%

<sup>(A)</sup> Securities issued by agencies of the federal government such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation (FHLMC).

<sup>(B)</sup> “None” means “No limitation”

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

**C. Custodial Credit Risk**

**Deposits:** Custodial credit risk is the risk that in the event of a bank failure, the Authority’s deposits may not be returned. The Authority does not have a policy for custodial credit risk on deposits. As of June 30, 2021, the carrying amount of the Authority’s deposits was \$2.944 million and the bank balance was \$5.104 million. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. Of the Authority’s deposits in bank, \$500 thousand was covered by federal depository insurance and \$4.604 million was collateralized by the pledging financial institutions as required by Section 53652 of the California Governmental Code.

Under the California Government Code, Section 53652, the market value of the pledged securities must equal at least 110 percent of the Authority’s deposits, with the exception of mortgage-backed securities, which must equal at least 150 percent.

**Investments:** For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority does not have a policy regarding custodial credit risk on investments. As of June 30, 2021, the Authority’s investments are not exposed to custodial credit risk.

**D. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates and 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.

Information about the sensitivity of the fair values of the Authority’s investments to market interest rate fluctuations is provided by the following table that shows the distribution to the Authority’s investments by maturity (in thousands):

Investment Type	Maturities		Total
	Less than One Year	One to Five Years	
U.S. Treasury Notes	\$ 4,114	\$ 40,467	\$ 44,581
Federal Agency Securities	-	22,832	22,832
Corporate Notes	-	2,227	2,227
Municipal Obligations	-	740	740
Money Market Mutual Funds *	13,406	-	13,406
Local Agency Investment Fund *	37,717	-	37,717
Total Investments	<u>\$ 55,237</u>	<u>\$ 66,266</u>	<u>\$ 121,503</u>

\* Maturity is based on the weighted-average maturity of the investment.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

***E. Credit Risk***

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. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality. Presented below is the actual rating as of June 30, 2021 for each investment type (in thousands) as provided by Standard and Poor’s investment rating system:

Investment Type	Credit Rating		Total
	AAA	AA	
Federal Agency Securities	\$ -	\$ 22,832	\$ 22,832
Corporate Notes	-	2,227	2,227
Municipal Obligations	-	740	740
Money Market Mutual Funds	13,406	-	13,406
Total	<u>\$ 13,406</u>	<u>\$ 25,799</u>	39,205
Not rated:			
Local Agency Investment Fund			37,717
Total Investments			<u>\$ 76,922</u>

***F. Concentration of Credit Risk***

Concentration of credit risk is the risk of loss attributed to the magnitude of the Authority’s investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this disclosure. As of June 30, 2021, the Authority invested in Federal Home Loan Mortgage Corp, which represented 15.40% of the Authority’s investments.

***G. Investments Measured at Fair Value***

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Authority has the following recurring fair value measurements as of June 30, 2021 (in thousands):

Investments	Balance at June 30, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments subject to fair value hierarchy:			
U.S. Treasury Notes	\$ 44,581	\$ 44,581	\$ -
Federal Agency Securities	22,832	-	22,832
Corporate Notes	2,227	-	2,227
Municipal Obligations	740	-	740
Money Market Mutual Funds	13,406	-	13,406
Total investments subject to fair value hierarchy	<u>\$ 83,786</u>	<u>\$ 44,581</u>	<u>\$ 39,205</u>
Investments not subject to fair value hierarchy			
Local Agency Investment Fund	37,717		
Total Investments	<u>\$ 121,503</u>		

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Authority's investment of \$37.717 million in the Local Agency Investment Fund is not subject to fair value hierarchy.

***H. Local Agency Investment Fund (LAIF)***

The Authority is a participant in the 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. The fair value of the Authority's investment in the LAIF pool is reported in the accompanying financial statements at amounts based upon the Authority's pro rata share of the fair value provided by LAIF, for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. The total amount invested by all public agencies in LAIF as of June 30, 2021 is approximately \$37.1 billion. LAIF is part of the Pooled Money Investment Account (PMIA) with a total portfolio of approximately \$193.3 billion as of June 30, 2021. Of that amount, 97.69% is invested in non-derivative financial products and 2.31% in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members, as designated by State statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis that is different than the fair value of the Authority's position in the pool. At June 30, 2021, these investments have an average maturity of 291 days.

**NOTE 4 – INTERFUND TRANSACTIONS**

***Transfers Between Funds***

With Board approval, as required under Measure C and Measure J or under the terms of the Authority's debt issues, resources are transferred from one Authority fund to another. Interfund transfers for the year ended June 30, 2021 were as follows (in thousands):

Fund Receiving Transfer	Fund Making Transfer	Purpose	Amount Transferred
Measure J Debt Service Fund	Measure J General Fund	(A)	\$ 41,689
	Total		<u>\$ 41,689</u>

Purposes of Transfers:

(A) Transfer sales tax revenues for debt service on the Sales Tax Revenue Bonds.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 5 – CAPITAL ASSETS**

***A. Capital Assets Contributed to Other Entities***

The Authority excludes from its financial statements assets contributed to and maintained by other governments or organizations. The Authority has constructed a variety of capital projects consisting of local streets and roads and other transportation infrastructure projects, which upon completion were “contributed” to its Members, the State, or other governments responsible for their maintenance and care. Since those other agencies maintain the contributed capital assets, the cost of those assets has been excluded from the accompanying financial statements. This concept is followed regardless of whether infrastructure is financed with revenues or long-term debt. As of June 30, 2021, through Measures C and J, the Authority has expended \$1.9 billion on infrastructure capital asset projects since the Authority’s inception.

***B. Authority Capital Assets***

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The Authority defines capital assets as equipment, financial systems and leasehold improvements with an individual cost of more than \$5 thousand and an estimated useful life in excess of two years.

Capital assets with limited useful lives are required to be depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year’s pro rata share of the cost of capital assets.

Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Authority has assigned a useful life of three to five years for Office Equipment, seven years for Furniture, five years for the Financial System and sixteen years for Leasehold Improvements.

Some capital assets may be acquired using federal and State grant funds, or they may be contributed by developers or other governments. Contributions are required to be accounted for as revenues at the time the capital assets are contributed.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 5 – CAPITAL ASSETS (Continued)**

The Authority's capital assets comprise the following at June 30, 2021 (in thousands):

	Balance at June 30, 2020	Additions	Retirements	Balance at June 30, 2021
<b>Cost:</b>				
Office Equipment	\$ 242	\$ 24	\$ (54)	\$ 212
Furniture	217	-	-	217
Financial System	457	-	-	457
Leasehold Improvements	415	-	-	415
Subtotal	<u>1,331</u>	<u>24</u>	<u>(54)</u>	<u>1,301</u>
<b>Accumulated Depreciation:</b>				
Office Equipment	(231)	(16)	54	(193)
Furniture	(214)	(1)	-	(215)
Financial System	(422)	(17)	-	(439)
Leasehold Improvements	(260)	(26)	-	(286)
Subtotal	<u>(1,127)</u>	<u>(60)</u>	<u>54</u>	<u>(1,133)</u>
Capital Assets, net of accumulated depreciation	<u>\$ 204</u>	<u>\$ (36)</u>	<u>\$ -</u>	<u>\$ 168</u>

**NOTE 6 – LONG-TERM DEBT**

**A. Changes in Long-Term Obligations**

The Authority issued the debt summarized below to finance infrastructure capital assets contributed to other governments (See Note 5) (in thousands).

	Balance June 30, 2020	Additions	Payments/ Adjustments	Balance June 30, 2021	Amounts Due Within One Year
<b>Bonds</b>					
2012A&B Sales Tax Revenue Bonds	\$ 12,450	\$ -	\$ (12,450)	\$ -	\$ -
2015A Sales Tax Revenue Bonds	164,260	-	(18,200)	146,060	19,480
2017A Sales Tax Revenue Bonds	75,885	-	(2,860)	73,025	4,075
2018A&B Sales Tax Revenue Bonds	195,030	-	(100,000)	95,030	-
2021A&B Sales Tax Revenue Bonds	-	109,915	-	109,915	190
Total long-term debt	<u>447,625</u>	<u>-</u>	<u>(133,510)</u>	<u>424,030</u>	<u>23,745</u>
<b>Add Unamortized Premium:</b>					
2012B Bond Premium	2,848	-	(2,848)	-	-
2015A Bond Premium	27,164	-	(3,833)	23,331	3,884
2017A Bond Premium	14,184	-	(931)	13,253	1,082
2018B Bond Premium	19,284	-	(19,284)	-	-
2021A Bond Premium	-	28,633	-	28,633	570
Total Unamortized Premium	<u>63,480</u>	<u>28,633</u>	<u>(26,896)</u>	<u>65,217</u>	<u>5,536</u>
Total long-term debt, net	<u>\$ 511,105</u>	<u>\$ 28,633</u>	<u>\$ (160,406)</u>	<u>\$ 489,247</u>	<u>\$ 29,281</u>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 6 – LONG-TERM DEBT (Continued)**

On June 2, 2021, the Authority issued \$109.9 million in Sales Tax Revenue Bonds (Limited Tax Bonds), comprised of \$97.2 million Series 2021A and \$12.7 million Taxable Refunding Bonds Series 2021B (the “2021 Bonds”). Proceeds of the 2021A Bonds were used to current refund \$100 million of the 2018A Bonds and fund a termination fee relating the 2018A Bonds Swap, while proceeds of the 2021B Bonds were used to current refund \$12.5 million of the 2012B Bonds. Interest rates on the 2021A Series range 4.00 percent to 5.00 percent. Interest rates on the Taxable 2021B Series range 0.20 percent to 2.25 percent. The refunding resulted in net present value savings of \$3.6 million and an accounting gain of \$51.4 million.

In addition, the refunding of the 2012B and 2018A Sales Tax Revenue Bonds resulted in a deferred inflow of resources on refunding of debt in the amount of \$1.59 million, which represents the gain and is being amortized over 12.5 years. As of June 30, 2021, the Authority has amortized \$10 thousand, and reports a balance of \$1.58 million.

On August 23, 2018, the Authority issued \$195.0 million in Sales Tax Revenue Bonds (Limited Tax Bonds), comprised of \$100.0 million Series 2018A and \$95.0 million Series 2018B (the “2018 Bonds”). Proceeds of the 2018A Bonds were used to current refund \$100 million of the 2012A Bonds, while proceeds of the 2018B Bonds were used to current refund \$101.5 million of the 2012A Bonds and fund a partial termination fee relating the 2012A Bonds’ Swap (see Section C below). Interest rates on the 2012B Series is 5.00 percent. Series 2018A was refunded in the amount of \$100 million by the Series 2021A on June 2, 2021.

On June 1, 2017, the Authority issued \$83.6 million in Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2017A (the “2017 Bonds”). Proceeds of the 2017 Bonds and the bond premium of \$16.9 million will be used to finance a portion of the costs associated with certain transportation projects authorized by the Measure J expenditure plan. Interest rates on the 2017A Series range 2.00 percent to 5.00 percent.

On October 15, 2015, the Authority issued \$166.6 million in Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2015A (the “2015 Bonds”). Proceeds of the 2015 Bonds were used to partially current refund \$84.47 million of the 2012B Sales Tax Revenue Bonds, (Limited Tax Bonds), Series 2012B (the “2012B Bonds”), which were issued to finance the costs of certain transportation facility and service improvements within the County, including highway improvements, and public transit improvements.

In addition, proceeds of the 2015 Bonds of \$85.9 million and a bond premium of \$32.1 million were used to finance a portion of the costs associated with certain transportation projects authorized by the Measure J expenditure plan. Interest rates on the 2015 Bonds range 2.00 percent to 5.00 percent.

In 2012, the current refunding of the 2010 Sales Tax Revenue Bonds resulted in a deferred outflow of resources on refunding of debt in the amount of \$52.78 million, which represents the termination of the hedge related to the 2010 Sales Tax Revenue Bonds. As of June 30, 2021, the Authority has amortized \$21.11 million, and reports a balance of \$31.67 million.

The 2015, 2017, 2018 and 2021 Bonds are limited obligations of the Authority payable solely from and secured solely by a pledge of sales tax revenues collected from Measure J. The Measure J sales tax will expire on March 31, 2034. The 2015, 2017, 2018 and 2021 Bonds are not secured by a debt service reserve.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 6 – LONG-TERM DEBT (Continued)**

The total projected Measure J Sales Tax revenue, as reported in the 2019 Measure J Strategic Plan, is expected to approximate \$2.6 billion, which is sufficient to repay the estimated debt service of \$570.7 million on the 2015, 2017, 2018 and 2021 Bonds.

**B. Annual Future Payments**

The following table presents the Authority’s aggregate annual amount of principal and interest payments required to amortize the outstanding debt (in thousands):

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 23,745	\$ 18,386	\$ 42,131
2023	26,335	18,685	45,020
2024	27,595	16,762	44,357
2025	28,305	16,100	44,405
2026	29,105	14,744	43,849
2027-2031	167,300	51,357	218,657
2032-2034	121,645	10,590	132,235
	<u>\$ 424,030</u>	<u>\$ 146,624</u>	<u>\$ 570,654</u>

**NOTE 7 – PENSION PLAN**

**A. General Information about the Pension Plan**

**Plan Descriptions:** All qualified permanent and probationary Authority employees are eligible to participate in the Local Government’s Miscellaneous (all other) Employee Pension Plan, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS) Authority’s. Benefit provisions under the Pension Plan are established by State statute and Authority resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website <https://www.calpers.ca.gov>.

The State passed the California Employees’ Pension Reform Act (PEPRA) which became effective on January 1, 2013. PEPRA changes include the classification of active employees into two distinct classifications: classic members and new members. Classic members represent active members hired before January 1, 2013, and retain the pension plan benefits in effect. New members are active members hired on or after January 1, 2013, and are subject to PEPRA.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 7 – PENSION PLAN (Continued)**

**Benefits Provided:** CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees’ Retirement Law.

The Pension Plan’s provisions and benefits in effect at June 30, are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 – 67
Monthly benefits, as a percentage of eligible compensation	2%-2.418%	2.00%
Required employee contribution rates	7.00%	6.75%
Required employer contribution rates	10.484%	7.732%

**Contributions:** The Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Pension Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2021, the Authority actuarially determined contractually required contribution was \$293 thousand.

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

The Authority’s net pension liability for the Pension Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Pension Plan is measured as of June 30, 2020, and the total pension liability for the Pension Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. The Authority’s proportion of the net pension liability was based on a projection of the Authority’s long-term share of contributions to the pension plans related to the projected contributions of all participating employers, actuarially determined. The Authority’s proportionate share of the net pension liability for the Pension Plan was 0.00392% or \$427 thousand, an increase of \$362 thousand from the prior year.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 7 – PENSION PLAN (Continued)**

For the measurement period ended June 30, 2020, the Authority recognized pension expense of \$780 thousand. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 293	\$ -
Differences between expected and actual experience	22	-
Change in assumptions	-	3
Net differences between projected and actual earnings on plan investments	13	-
Change in employer's proportion	356	407
Difference between the employer's contributions and the employer's proportionate share of contributions	414	399
<b>Total</b>	<b>\$ 1,098</b>	<b>\$ 809</b>

For the measurement period ended June 30, 2020, the Authority reported \$293 thousand as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the measurement year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows (in thousands):

Year Ending June 30:	Deferred Outflows/(Inflows) of Resources
2022	\$ 39
2023	(27)
2024	(23)
2025	6
	<b>\$ (4)</b>

**Actuarial Assumptions:** The total pension liabilities in the June 30, 2019 actuarial valuations, which were rolled forward to June 30, 2020, were determined using the following actuarial assumptions:

	<b>Miscellaneous</b>
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15% net of Pension Plan Investment and administrative expenses; includes inflation
Mortality	Derived using CalPERS' Membership Data for all Funds <sup>(1)</sup>

<sup>(1)</sup> The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the CalPERS December 2017 experience study report available on CalPERS website.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 7 – PENSION PLAN (Continued)**

All other actuarial assumptions used in the June 30, 2019 valuation was based on the results an actuarial experience study for the fiscal years 1997 to 2015, including updates to salary increase, mortality and retirement rates. The experience study report can be obtained at the CalPERS website under Forms and Publications.

**Discount Rate:** The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans would run out of assets. Therefore, the 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report named “GASB Crossover Testing Report” that can be obtained from the CalPERS website under the GASB Statement No. 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

In December of 2016, the CalPERS Board of Administration approved lowering the discount rate assumption from 7.50% to 7.00% over the next three years. This has increased public agency employer contribution costs beginning in Fiscal Year 2018-19.

The table below reflects the long-term expected real rate of return by asset class, which was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Year 1-10 <sup>(a)</sup></u>	<u>Real Return Year 11+ <sup>(b)</sup></u>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Infrastructure and Forestland	0.00%	0.00%	0.00%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

<sup>(a)</sup> An expected inflation of 2.50% used for this period

<sup>(b)</sup> An expected inflation of 2.92% used for this period

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 7 – PENSION PLAN (Continued)**

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate:** The following presents the Authority’s proportionate share of the net pension liability of the Pension Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate (in thousands):

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Proportionate Share of Net Pension Liability / (Asset)	\$2,682	\$427	\$(1,436)

**Pension Plan Fiduciary Net Position:** Detailed information about the Pension Plan’s fiduciary net position is available in the separately issued CalPERS financial report, copies of which may be obtained from the CalPERS Executive Offices, Lincoln Plaza East, 400 Q Street, Sacramento, California 95814.

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB)**

**A. General Information about the Pension Plan**

**Plan Descriptions and Benefits Provided:** The Authority participates in the California Employers’ Retirement Benefit Trust (CERBT), an irrevocable trust established to fund postemployment healthcare benefits. The CERBT fund is an agent multiple employer trust that was established by CalPERS and is managed by an appointed governing body not under the control of the Authority. This trust is not considered a component unit of the Authority and has been excluded from these financial statements.

The Authority adopted an additional Employer Health Vesting plan which became effective on November 1, 2019, and shall apply to employees hired after the effective date. Employees hired before November 1, 2019, retain the plan benefits in effect. Employees become eligible to retire and receive healthcare benefits upon reaching the age of 50 or over with 5 years of PERS-credited service or being converted to disability, retiring directly from the Authority, and continue participating in Public Employees’ Medical and Hospital Care Act (PEMHCA) after retirement. New employees hired on or after November 1, 2019, and are subject to the new vesting schedule requirements. Employees become eligible to retire and receive healthcare benefits upon reaching the age of 50 or over with 10 years of PERS-credited service is required to receive 50% of the employer contribution. Five of the ten years of service must be with the Authority. Each additional service credit year after ten years increases the employer contribution percentage by 5% until 20 years at which time the retiring employee is eligible for 100% of the employer contribution. As an exception to the vesting requirement, an employee who retires under disability directly from the Authority, and continues to participate in Public Employees’ Medical and Hospital Care Act (PEMHCA) after retirement, is eligible for the full employer contributions. Each eligible retiree is entitled to reimbursement for health care premium costs incurred on a CalPERS health insurance plan based on 95% Kaiser Region 1 Basic plan. The Authority pays monthly health insurance premiums up to \$773, \$1,546, \$2,010 for a retiree, couple, and family, respectively.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

**Contribution:** The Authority contributes an amount equal to the actuarially determined contribution (ADC) to the CERBT annually.

**Employees covered by benefit terms:** At the June 30, 2020 measurement date, the following employees were covered by the benefit terms:

	Number of Covered Participants
Inactive plan members or beneficiaries currently receiving benefits	14
Active plan members	18
	32

**Net OPEB Liability and assumptions:** The Authority’s net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019.

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal, Level Percentage of Payroll
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.75%
Salary Increase	3% per annum, in aggregate
Investment Rate of Return	6.75%
Healthy Mortality	CalPERS 1997-2015 Experience Study projected fully generational using scale MP-19
Disabled Mortality	CalPERS 1997-2015 Experience Study projected fully generational using scale MP-19
Health Trend Rate	7.25% for non-Medicare and 6.3% for Medicare for 2019, decreasing to an ultimate rate of 4% in 2076 and later years

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges 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 and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59%	4.82%
Fixed Income	25%	1.47%
TIPS	5%	1.29%
Commodities	3%	0.84%
REITs	8%	3.76%
Total	100%	
Long-Term Expected Rate of Inflation		2.75%
Long-Term Net Rate of Return (rounded)		6.75%

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that the Authority's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability:** The changes in the net OPEB liability of the OPEB Plan, measured as of June 30, 2020 are as follows (in thousands):

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020 (Measurement Date June 30, 2019)	\$ 4,120	\$ 4,546	\$ (426)
Changes recognized for the measurement period:			
Service cost	221	-	221
Interest	287	-	287
Contributions - employer	-	323	(323)
Net investment income	-	168	(168)
Benefit payments	(171)	(171)	-
Administrative expense	-	(2)	2
Net Change	337	318	19
Balance at June 30, 2021 (Measurement Date June 30, 2020)	\$ 4,457	\$ 4,864	\$ (407)

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate:*** The following presents the net OPEB liability of the Authority, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current discount rate (in thousands):

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability / (Asset)	\$209	\$(407)	\$(910)

***Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rate:*** The following presents the net OPEB liability of the Authority, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rates that is 1-percentage-point lower or 1- percentage-point higher than the current healthcare cost trend rates (in thousands):

	1% Decrease (4.50%)	Current Discount Rate (5.50%)	1% Increase (6.50%)
Net OPEB Liability / (Asset)	\$(936)	\$(407)	\$253

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial report, which may be obtained from CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811

**B. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

Most changes in the net OPEB liability are included in OPEB expense in the year of change, including changes resulting from current-period service cost, interest on the total OPEB liability, changes in benefit terms, and projected earnings on the OPEB plan's investments. Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in the future as OPEB expense. OPEB expense for the year ended June 30, 2021 is \$146 thousand.

The recognition period differs depending on the source of the gain or loss:

Source	Initial Recognition Period
Difference between projected and actual earnings on OPEB plan investments	5 years
Changes of assumptions	Expected remaining service lives
Differences between expected and actual experience	Expected remaining service lives

The expected remaining service lives for the measurement period ended June 30, 2020 was 6.7 years.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

As of June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 249	\$ -
Differences between expected and actual experience	-	195
Change in assumptions	-	7
Net difference between projected and actual earnings on OPEB plan investments	85	-
	<u>\$ 334</u>	<u>\$ 202</u>

The \$249 thousand reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2022. Other amounts reported as deferred inflows and outflows of resources related to OPEB will be recognized in expense as follows (in thousands):

Year Ending June 30:	Deferred Outflows/(Inflows) of Resources
2022	\$ (47)
2023	(23)
2024	(13)
2025	(15)
2026	(19)
Thereafter	-
	<u>\$ (117)</u>

**NOTE 9 – DEFERRED COMPENSATION PLAN**

Authority employees may voluntarily defer a portion of their compensation under Authority-sponsored Deferred Compensation Plans created in accordance with Internal Revenue Code Section 457. The Executive Director also currently receives a 457 Plan contribution as part of his compensation agreement. For staff, the Authority will contribute \$1,200 to \$3,600 annually based on years of service. Under these 457 Plans, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plans.

The Authority has no liability for any losses which may be incurred by the Plans and does not participate in any gains, but it does have the duty of due care that would be required of an ordinary prudent investor. The Authority has contracts with CalPERS and with Lincoln Financial Group to manage and invest the assets of the 457 Plans. These administrators pool the assets of the 457 Plans with those of other participants and do not make separate investments for the Authority. 457 Plan assets are subject to agreements which incorporated changes in the laws governing deferred compensation plan assets and are held by a trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these 457 Plans are not the Authority's property and are not subject to claims by general creditors of the Authority, they have been excluded from these financial statements.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 10 – RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Authority manages and finances these risks by purchasing commercial insurance and has a \$1 thousand deductible for general and special property liability with limits of \$10 million and \$350 million, respectively. For automobile, the Authority has a \$1 thousand deductible with a limit of \$10 million. The Authority's deductible for crime is \$2.5 thousand, with a limit of \$1 million. The Authority has no deductible for workers compensation with a \$1 million limit. There have been no significant reductions in insurance coverage from the previous year, nor have settled claims exceeded the Authority's commercial insurance coverage's in any of the past three years.

As of June 30, 2021, the Authority had no material claims outstanding for general liability or for workers' compensation cases.

**NOTE 11 – NET POSITION AND FUND BALANCES**

Net Position is measured on the full accrual basis of accounting, while Fund Balance is measured on the modified accrual basis.

**A. Net Position**

Net Position is the excess of all the Authority assets and deferred outflows of resources over all its liabilities and deferred inflows of resources. Net Position is divided into three captions. These captions apply only to Net Position, which are determined only at the Government-wide level, and are described below:

**Investment in Capital Assets:** This category describes the portion of Net Position which is represented by the current net book value of the Authority's capital assets.

**Restricted:** This category describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions, which the Authority cannot unilaterally alter. These principally include restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those amounts, to fund construction commitments and debt service requirements.

**Unrestricted:** This category describes the portion of net position which is not restricted to use. As of June 30, 2021, the Authority had an unrestricted negative net position amounting to \$492.183 million. This negative net position is a result of long-term debt that have been issued to fund capital projects, which are contributed or transferred to other governments upon completion since those entities are responsible for maintaining them. Authority management has estimated that since Measure C's inception, and subsequently Measure J's, the Authority has constructed \$1.9 billion in capital assets. These assets are reflected on other governments' financial statements in accordance with generally accepted accounting principles. The Authority's debt will be funded by Measure J sales tax revenues, which is expected to be sufficient to repay the Authority's outstanding debt.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

**NOTE 11 – NET POSITION AND FUND BALANCES (Continued)**

***B. Fund Balances***

In the fund financial statements, fund balances represent the net current assets of each fund. Net current assets generally represent a fund’s cash and receivables, less its liabilities and deferred inflows of resources.

The fund balance for governmental funds are reported in specific classifications (nonspendable, restricted, committed, assigned and unassigned) that create a hierarchy primarily based on the extent to which the Authority is bound to honor the constraints on the specific purposes for which funds can be spent. The Authority has \$98,352 million in restricted fund balance at June 30, 2021 as it is bound by the Measure C and Measure J Expenditure Plans approved by voters, and terms of grant and bond agreements.

**NOTE 12 – COMMITMENTS AND CONTINGENCIES**

The Authority is subject to litigation arising in the normal course of business. In the opinion of the Authority’s management, there is no pending litigation which is likely to have a material adverse effect on the financial position of the Authority.

The Authority receives federal and State grant funds. The amounts, if any, of the Authority's grant expenditures which may be disallowed upon audit by the granting agencies cannot be determined at this time, although the Authority expects any such amounts to be immaterial.

The Authority has various contracts with private consulting companies and cooperative agreements with governmental entities. As of June 30, 2021, the Authority had outstanding commitments approximating \$134.9 million. These commitments include \$47.4 million to Caltrans-Department of Transportation, \$10.5 million to Brosamer & Wall Inc., \$11.9 million to WSP USA Inc., \$2.9 million to Bay Cities Paving and Grading, \$8.4 million to the San Francisco Bay Area Rapid Transit District (BART) system, \$6.3 million to HDR Engineering, Inc., \$10.3 million to Advanced Mobility Group, \$1.8 million to Cole Management, \$2.4 million to Contra Costa County and \$4.5 million to City of Richmond for Authority projects related to Innovate 680, I-680/State Route 4 Interchange improvements, State Highway Route 4 widening, SR239 environmental and engineering, I-680 HOV Lane Completion and Express Lane, I-80/Central Avenue improvements, Innovate 680 improvements, Walnut Creek BART Station Modernization, eBART Antioch Parking Lot Expansion and Norris Canyon safety improvements.

The Authority leases its office facility and certain office equipment under operating lease agreements. During the year ended June 30, 2021, lease expenditures approximated \$404 thousand. A schedule of future minimum lease payments on noncancelable operating leases follows (in thousands):

<u>Year Ending June 30:</u>		
2022	\$	401
2023		450
2024		464
2025		478
2026		490
2027		40
	<u>\$</u>	<u>2,323</u>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
 Required Supplementary Information (Unaudited)  
 Schedule of Proportionate Share of the Net Pension Liability and Related Ratios  
 As of June 30, 2021  
 Last 10 Years\*  
 (Dollars In Thousands)

Fiscal year	2015	2016	2017	2018	2019	2020	2021
Proportion of net pension liability	0.03557%	0.00001%	0.00896%	0.01157%	0.01083%	0.00064%	0.00392%
Proportionate share of the net pension liability	\$ 2,213	\$ -	\$ 776	\$ 1,147	\$ 1,044	\$ 65	\$ 427
Covered payroll	\$ 2,087	\$ 2,215	\$ 2,430	\$ 2,416	\$ 2,548	\$ 2,777	\$ 3,145
Proportionate share of the net pension liability as a percentage of covered payroll	106.04%	0.00%	31.93%	47.47%	40.97%	2.34%	13.58%
Plan fiduciary net position as a percentage of total pension liability	80.43%	78.40%	74.06%	73.31%	75.26%	75.26%	75.10%

**Notes to Schedule:**

Change in benefit terms - The figures above do not include any liability impact that may have resulted from plan changes that occurred after June 30, 2014, as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of two years additional service credit.

Changes in assumptions

The discount rates were changed as follows: 7.50% in measurement period 2014, 7.65% in measurement periods 2015 and 2016, 7.15% in measurement period 2017.

During measurement period 2018, demographic assumptions and inflation rate were changed based on the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

\* Fiscal year 2015 was the first year of implementation of GASB Statement No. 68, therefore only seven years of information is shown.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Required Supplementary Information (Unaudited)  
Schedule of Contributions - Pension Plan  
As of June 30, 2021  
Last 10 Years\*  
(Dollars In Thousands)

Fiscal year	2014	2015	2016	2017	2018	2019	2020	2021
Contractually required contribution (actuarially determined)	\$ 318	\$ 207	\$ 206	\$ 226	\$ 229	\$ 256	\$ 275	\$ 293
Contributions in relation to the contractually required contributions	(318)	(207)	(206)	(226)	(229)	(256)	(275)	(293)
One-time lump sum contributions	-	(2,210)	-	-	-	(1,238)	-	-
Contribution deficiency (excess)	-	(2,210)	-	-	-	(1,238)	-	-
Covered payroll	\$ 2,087	\$ 2,215	\$ 2,430	\$ 2,416	\$ 2,548	\$ 2,777	\$ 3,145	\$ 3,116
Contributions as a percentage of covered payroll	15.24%	109.12%	8.48%	9.35%	8.99%	53.80%	8.74%	9.40%

**Notes to Schedule:**

The actuarial methods and assumptions used to determine the fiscal year 2021 contribution rates are as follows:

Valuation date:	6/30/2018
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level percent of payroll
Asset Valuation Method	Actuarial value of assets
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.00%, net of pension plan investment and administrative expenses, includes inflation
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

\* Fiscal year 2015, using the fiscal year 2014 measurement period, was the first year of implementation of GASB Statement No. 68, therefore only eight years of information is shown.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Required Supplementary Information (Unaudited)  
Schedules of Changes in Net OPEB Liability and Related Ratios  
As of June 30, 2021  
Last 10 Years\*  
(Dollars in thousands)

Fiscal year	2018	2019	2020	2021
<b>Total OPEB liability</b>				
Service cost	\$ 231	\$ 238	\$ 245	\$ 221
Interest on total OPEB liability	235	259	284	287
Changes in assumptions	-	-	(11)	-
Differences between expected and actual experience	-	-	(283)	-
Benefits payments, including refunds of employee contributions	(106)	(124)	(148)	(171)
Net change in total OPEB liability	360	373	87	337
Total OPEB liability - beginning	3,300	3,660	4,033	4,120
Total OPEB liability - ending	3,660	4,033	4,120	4,457
<b>Plan fiduciary net position</b>				
Contributions - Employer	278	291	325	323
Net investment income	346	297	272	168
Benefit payments, including refunds of employee contributions	(106)	(124)	(148)	(171)
Administrative expense	(2)	(7)	(1)	(2)
Net change in plan fiduciary net position	516	457	448	318
Plan fiduciary net position - beginning	3,125	3,641	4,098	4,546
Plan fiduciary net position - ending	3,641	4,098	4,546	4,864
<b>Plan net OPEB liability / (asset) - ending</b>	<u>\$ 19</u>	<u>\$ (65)</u>	<u>\$ (426)</u>	<u>\$ (407)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	99.48%	101.61%	110.34%	109.13%
Covered-employee payroll	2,740	2,800	3,062	3,562
Plan net OPEB liability as a percentage of covered-employee payroll	0.69%	-2.32%	-13.91%	-11.43%

\* Fiscal year 2018 was the first year implementation of GASB Statement No. 75, therefore only four years of information is shown.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
Required Supplementary Information (Unaudited)  
Schedule of Contributions - OPEB Plan  
As of June 30, 2021  
Last 10 Years\*  
(Dollars In Thousands)

Fiscal year	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 278	\$ 292	\$ 325	\$ 323	\$ 249
Contractually in relation to the actuarially determined	<u>(278)</u>	<u>(292)</u>	<u>(325)</u>	<u>(323)</u>	<u>(249)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Covered-employee payroll	\$ 2,740	\$ 2,800	\$ 3,062	\$ 3,562	\$ 3,478
Contributions as a percentage of covered-employee payroll	10.15%	10.43%	10.61%	9.07%	7.16%

**Notes to Schedule:**

Actuarially determined contribution for fiscal year	June 30, 2021
Valuation date:	June 30, 2019
Actuarial cost method	Entry Age Normal, Level Percentage of Payroll
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Discount rate	6.75%
Inflation	2.75%
Medical trend	Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare: 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years
Mortality	CalPERS 1997-2015 experience study
Mortality improvement	Mortality projected fully generational with Scale MP-19

\* Fiscal year 2018 was the first year of implementation of GASB Statement No. 75, therefore only five years of information is shown.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**MEASURE J DEBT SERVICE FUND**  
**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<b>Measure J Bonds</b>			
	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Investment income	\$ 220	\$ 110	\$ 1	\$ (109)
Total Revenues	<u>220</u>	<u>110</u>	<u>1</u>	<u>(109)</u>
<b>Expenditures</b>				
Debt service:				
Principal	21,060	21,060	21,060	-
Interest and related fees	20,851	20,851	20,305	546
Issuance costs	-	27,182	27,182	-
Total Expenditures	<u>41,911</u>	<u>69,093</u>	<u>68,547</u>	<u>546</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(41,691)</u>	<u>(68,983)</u>	<u>(68,546)</u>	<u>437</u>
<b>Other Financing Sources (Uses)</b>				
Bond proceeds	-	109,915	109,915	-
Premium on bonds issued	-	28,633	28,633	-
Refunded bond	-	(112,450)	(112,450)	-
Transfer in	41,911	41,911	41,689	(222)
Total Other Financing Sources (Uses)	<u>41,911</u>	<u>68,009</u>	<u>67,787</u>	<u>(222)</u>
Change in Fund Balances	<u>\$ 220</u>	<u>\$ (974)</u>	<u>(759)</u>	<u>\$ 215</u>
Fund Balances - Beginning			<u>14,045</u>	
Fund Balances - Ending			<u>\$ 13,286</u>	

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**OTHER GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2021**  
(In thousands)

	<b>Measure J Paratransit</b>	<b>Measure J Commute Alternatives</b>	<b>Air Quality</b>	<b>GoMentum</b>	<b>Total Non-Major Special Revenue Funds</b>
<b>Assets</b>					
Cash and investments	\$ 9,804	\$ 1,431	\$ 2,685	\$ 707	\$ 14,627
Receivables:					
Sales tax	1,059	212	-	-	1,271
<b>Total Assets</b>	<b>\$ 10,863</b>	<b>\$ 1,643</b>	<b>\$ 2,685</b>	<b>\$ 707</b>	<b>\$ 15,898</b>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 440	\$ 83	\$ 283	\$ 4	\$ 810
Deposits payable (Note 6)	-	-	-	400	400
<b>Total Liabilities</b>	<b>440</b>	<b>83</b>	<b>283</b>	<b>404</b>	<b>1,210</b>
<b>Fund Balances</b>					
Restricted:					
Paratransit program	10,423	-	-	-	10,423
Commute alternatives	-	1,560	-	-	1,560
Air quality	-	-	2,402	-	2,402
GoMentum	-	-	-	303	303
<b>Total Fund Balances</b>	<b>10,423</b>	<b>1,560</b>	<b>2,402</b>	<b>303</b>	<b>14,688</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 10,863</b>	<b>\$ 1,643</b>	<b>\$ 2,685</b>	<b>\$ 707</b>	<b>\$ 15,898</b>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**OTHER GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<b>Measure J Paratransit</b>	<b>Measure J Commute Alternatives</b>	<b>Air Quality</b>	<b>GoMentum</b>	<b>Total Non-Major Special Revenue Funds</b>
<b>Revenues</b>					
Sales tax	\$ 5,363	\$ 1,072	\$ -	\$ -	\$ 6,435
Investment income	27	5	5	1	38
Federal Congestion Mitigation (CMAQ)	-	70	-	-	70
State Transportation Agency Grant	-	-	-	27	27
State Funds (ATSP)	321	-	-	-	321
State Motor Vehicle Registration Surcharge (TFCA)	-	-	1,579	-	1,579
<b>Total Revenues</b>	<b>5,711</b>	<b>1,147</b>	<b>1,584</b>	<b>28</b>	<b>8,470</b>
<b>Expenditures</b>					
Current expenditures:					
Program Management:					
Salaries and employee benefits	-	-	94	2	96
Programs:					
Paratransit	4,901	-	-	-	4,901
Commute alternatives	-	827	-	-	827
Air Quality	-	-	1,266	-	1,266
GoMentum	-	-	-	10	10
<b>Total Expenditures</b>	<b>4,901</b>	<b>827</b>	<b>1,360</b>	<b>12</b>	<b>7,100</b>
Net Change in Fund Balances	810	320	224	16	1,370
Fund Balances - Beginning	9,613	1,240	2,178	287	13,318
<b>Fund Balances - Ending</b>	<b>\$ 10,423</b>	<b>\$ 1,560</b>	<b>\$ 2,402</b>	<b>\$ 303</b>	<b>\$ 14,688</b>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**MEASURE J PARATRANSIT FUND**  
**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<u>Budget</u>			<b>Variance with Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Sales tax	\$ 3,825	\$ 4,750	\$ 5,363	\$ 613
Investment income	100	50	27	(23)
State Funds (ATSP)	-	-	321	321
Total Revenues	<u>3,925</u>	<u>4,800</u>	<u>5,711</u>	<u>911</u>
<b>Expenditures</b>				
Current expenditures:				
Program:				
Paratransit	3,643	4,409	4,901	(492)
Total Expenditures	<u>3,643</u>	<u>4,409</u>	<u>4,901</u>	<u>(492)</u>
Change in Fund Balance	<u>\$ 282</u>	<u>\$ 391</u>	810	<u>\$ 419</u>
Fund Balance - Beginning			9,613	
Fund Balance - Ending			<u>\$ 10,423</u>	

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**MEASURE J COMMUTE ALTERNATIVES**  
**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<u>Budget</u>			<b>Variance with Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Sales tax	\$ 765	\$ 950	\$ 1,072	\$ 122
Investment income	20	10	5	(5)
Federal Congestion Mitigation (CMAQ)	500	175	70	(105)
Total Revenues	<u>1,285</u>	<u>1,135</u>	<u>1,147</u>	<u>12</u>
<b>Expenditures</b>				
Current expenditures:				
Program:				
Commute alternatives	1,065	1,250	827	423
Total Expenditures	<u>1,065</u>	<u>1,250</u>	<u>827</u>	<u>423</u>
Change in Fund Balance	<u>\$ 220</u>	<u>\$ (115)</u>	320	<u>\$ 435</u>
Fund Balance - Beginning			<u>1,240</u>	
Fund Balance - Ending			<u>\$ 1,560</u>	

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**AIR QUALITY**  
**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
(In thousands)

	<u>Budget</u>			<b>Variance with Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Investment income	\$ 25	\$ 15	\$ 5	\$ (10)
State Motor Vehicle Registration Surcharge (TFCA)	1,646	1,646	1,579	(67)
Total Revenues	<u>1,671</u>	<u>1,661</u>	<u>1,584</u>	<u>(77)</u>
<b>Expenditures</b>				
Current expenditures:				
Program:				
Air Quality	1,671	1,662	1,266	396
Total Expenditures	<u>1,671</u>	<u>1,662</u>	<u>1,266</u>	<u>396</u>
Change in Fund Balance	<u>\$ -</u>	<u>\$ (1)</u>	318	<u>\$ 319</u>
Fund Balance - Beginning			2,178	
Fund Balance - Ending			<u>\$ 2,496</u>	

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**GOMENTUM**  
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2021  
(In thousands)

	<u>Budget</u>			<b>Variance with Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Investment income	\$ 5	\$ 3	\$ 1	\$ (2)
State Transportation Agency Grant	-	-	27	27
State Funds (ATSP)	280	713	-	(713)
Total Revenues	<u>285</u>	<u>716</u>	<u>28</u>	<u>(688)</u>
<b>Expenditures</b>				
Current expenditures:				
Program Management:				
Salaries and employee benefits	279	283	2	281
Program:				
GoMentum	945	2,010	10	2,000
Total Expenditures	<u>1,224</u>	<u>2,293</u>	<u>12</u>	<u>2,281</u>
Change in Fund Balance	<u>\$ (939)</u>	<u>\$ (1,577)</u>	16	<u>\$ 1,593</u>
Fund Balance - Beginning			<u>287</u>	
Fund Balance - Ending			<u>\$ 303</u>	



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# *Statistical Section*



# *Statistical Section*

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

## **Financial Trends**

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

## **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the Authority's most significant local revenue source, sales taxes.

## **Debt Capacity**

These schedules contain information to help the reader assess the affordability of the Authority's current levels of outstanding debt.

## **Economic and Demographic Information**

These schedules contain demographic and economic information to help the reader understand the environment within which the Authority's financial activities take place.

## **Operating Information**

These schedules contain operational and resource information to help the reader understand how the Authority's financial information relates to the services the Authority provides and the activities it performs.

*Sources: Unless otherwise noted, the information in these schedules is derived from the Authority's relevant Annual Comprehensive Financial Reports.*

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**NET POSITION BY COMPONENT**  
**LAST 10 FISCAL YEARS**  
 (Accrual basis of accounting)  
 (In thousands)

	<u>2012 <sup>(b)</sup></u>	<u>2013</u>	<u>2014 <sup>(c)</sup></u>	<u>2015</u>	<u>2016</u>	<u>2017 <sup>(d)</sup></u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Governmental Activities</b>										
Net Investment in capital assets	\$ 728	\$ 582	\$ 482	\$ 440	\$ 367	\$ 402	\$ 328	\$ 260	\$ 204	\$ 168
Restricted for:										
Transportation projects and programs	196,826	291,500	230,932	152,107	187,528	252,914	200,636	137,143	105,249	101,208
Unrestricted deficit	<u>(200,177)</u>	<u>(409,613)</u>	<u>(415,656)</u>	<u>(399,074)</u>	<u>(489,151)</u>	<u>(573,026)</u>	<u>(557,967)</u>	<u>(537,415)</u>	<u>(515,912)</u>	<u>(492,183)</u>
<b>TOTAL NET POSITION <sup>(a)</sup></b>	<u>\$ (2,623)</u>	<u>\$ (117,531)</u>	<u>\$ (184,242)</u>	<u>\$ (246,527)</u>	<u>\$ (301,256)</u>	<u>\$ (319,710)</u>	<u>\$ (357,003)</u>	<u>\$ (400,012)</u>	<u>\$ (410,459)</u>	<u>\$ (390,807)</u>

- (a)** The Authority is required to exclude from its financial statements assets contributed to and maintained by other governments or organizations. The Authority has constructed a variety of capital projects consisting of streets and roads and other transportation infrastructure projects, which upon completion were “contributed” to its members, the State of California, or other governments responsible for their maintenance and care. Since those other agencies maintain the contributed capital assets, the cost of those assets has been excluded from the accompanying financial statements. This concept is followed regardless of whether infrastructure is financed with general and program revenues or long-term debt. The reporting of Authority debt without having a corresponding asset, results in a negative net position.
- (b)** The unrestricted deficit was restated in fiscal year ended June 30, 2012. The Authority adopted provisions of GASB Statement No. 65 and restated beginning net position in the amount of \$0.913 million.
- (c)** The unrestricted deficit was restated in fiscal year ended June 30, 2014. The Authority adopted provisions of GASB Statement No. 68 and restated beginning net position in the amount of \$2.510 million.
- (d)** The unrestricted deficit was restated in fiscal year ended June 30, 2017. The Authority adopted provisions of GASB Statement No. 75 and restated beginning net position in the amount of \$0.506 million.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**CHANGES IN NET POSITION**  
**LAST 10 FISCAL YEARS**  
 (Accrual basis of accounting)  
 (In thousands)

<b>Governmental Activities</b>	<b>Fiscal Year Ending June 30:</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Expenses										
Administration	\$ 1,768	\$ 1,789	\$ 2,077	\$ 2,030	\$ 1,692	\$ 3,615	\$ 2,181	\$ 1,965	\$ 5,626	\$ 2,535
Project management	718	1,022	1,084	1,231	1,910	1,667	2,162	1,995	2,476	2,098
Programs	27,785	30,119	33,407	34,155	37,397	36,530	37,502	41,877	45,967	48,870
Transportation projects	65,403	197,337	147,827	142,860	130,525	81,077	69,539	108,989	115,606	66,302
Regional planning	661	753	1,241	1,907	2,763	984	845	948	986	1,417
Congestion management	1,674	2,096	1,704	2,240	2,643	2,267	1,726	1,551	933	1,221
Transportation demand management	1,355	996	1,188	1,235	1,424	1,396	1,501	1,522	1,636	1,360
Transportation planning land use solutions	134	227	317	160	199	91	140	88	53	62
Transportation innovation -GoMentum	-	-	-	-	-	-	-	1,047	2,139	12
Interest and related fees	8,432	10,529	16,856	15,385	15,790	17,800	20,074	18,168	18,079	18,336
<b>Total expenses</b>	<b>107,930</b>	<b>244,868</b>	<b>205,701</b>	<b>201,203</b>	<b>194,343</b>	<b>145,427</b>	<b>135,670</b>	<b>178,150</b>	<b>193,501</b>	<b>142,213</b>
Program Revenues										
Operating and capital grants and contributions	20,461	54,703	64,498	58,335	54,234	41,738	5,877	31,575	83,781	54,320
<b>Net (Expense) / Revenue and Changes in Net Position</b>	<b>(87,469)</b>	<b>(190,165)</b>	<b>(141,203)</b>	<b>(142,868)</b>	<b>(140,109)</b>	<b>(103,689)</b>	<b>(129,793)</b>	<b>(146,575)</b>	<b>(109,720)</b>	<b>(87,893)</b>
General Revenues:										
Sales taxes	68,729	74,798	75,899	79,455	83,468	85,106	90,863	96,608	93,472	107,256
Investment income	1,050	449	1,100	1,128	1,911	635	1,636	6,956	5,795	289
Miscellaneous	11	10	3	-	1	-	1	2	6	-
<b>Total general revenues</b>	<b>69,790</b>	<b>75,257</b>	<b>77,002</b>	<b>80,583</b>	<b>85,380</b>	<b>85,741</b>	<b>92,500</b>	<b>103,566</b>	<b>99,273</b>	<b>107,545</b>
<b>Change in net position</b>	<b>\$ (17,679)</b>	<b>\$ (114,908)</b>	<b>\$ (64,201)</b>	<b>\$ (62,285)</b>	<b>\$ (54,729)</b>	<b>\$ (17,948)</b>	<b>\$ (37,293)</b>	<b>\$ (43,009)</b>	<b>\$ (10,447)</b>	<b>\$ 19,652</b>

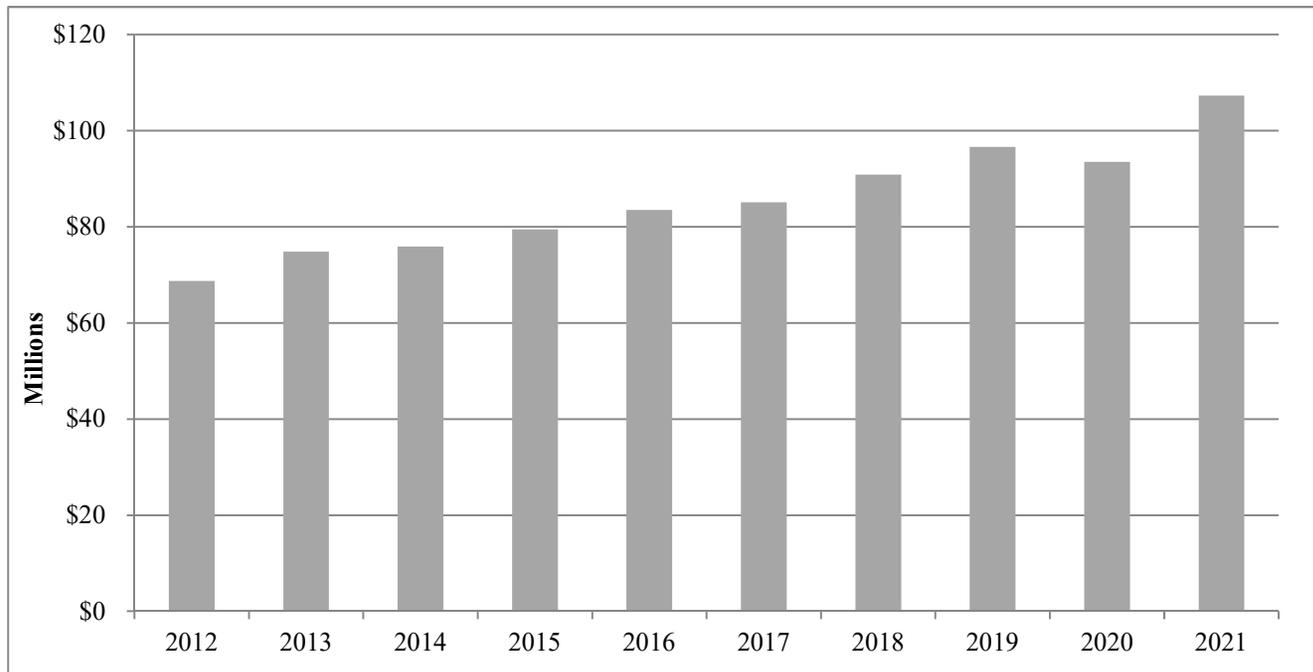
**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**CHANGES IN FUND BALANCES**  
**LAST 10 FISCAL YEARS**  
 (Accrual basis of accounting)  
 (In thousands)

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Sales tax	\$ 68,729	\$ 74,798	\$ 75,899	\$ 79,455	\$ 83,468	\$ 85,106	\$ 90,863	\$ 96,608	\$ 93,472	\$ 107,256
Investment income	1,050	449	1,100	1,128	1,911	635	1,636	6,956	5,795	289
Federal grants and contributions	1,049	503	4,096	2,679	2,106	3,387	1,377	1,831	1,973	4,086
State grants and contributions	492	827	3,670	2,189	6,090	10,986	583	5,320	56,405	29,913
Local grants and contributions	28,968	36,568	71,270	51,660	48,795	26,631	5,725	24,301	25,177	18,056
Miscellaneous revenue	11	10	3	-	1	-	1	2	6	-
<b>Total Revenues</b>	<b>100,299</b>	<b>113,155</b>	<b>156,038</b>	<b>137,111</b>	<b>142,371</b>	<b>126,745</b>	<b>100,185</b>	<b>135,018</b>	<b>182,828</b>	<b>159,600</b>
<b>Expenditures</b>										
<b>Current expenditures:</b>										
<b>Administration:</b>										
Salaries and employee benefit:	512	506	614	2,834	666	668	629	1,864	795	705
Services, supplies & capital outlay	1,005	1,102	1,326	1,409	1,277	2,568	1,326	1,323	4,531	1,410
<b>Project Management:</b>										
Salaries and employee benefit:	712	1,018	1,065	1,179	1,650	1,566	1,883	1,825	2,294	1,860
Services, supplies & capital outlay	6	5	19	52	260	102	279	169	182	238
<b>Programs:</b>										
Additional paratransit	416	704	767	783	948	878	953	1,130	1,256	1,088
Bus transit enhancements	2,159	2,231	2,596	2,689	2,967	2,897	2,890	3,133	3,598	3,968
Ferry service	-	-	-	-	-	-	-	1,240	2,489	3,586
Express bus program	2,747	2,754	3,338	3,498	3,793	3,643	3,769	3,508	4,420	4,321
Bus transit and improvement program	3,187	3,205	3,885	4,036	4,408	4,257	4,388	4,091	5,139	5,029
Safe transportation for children	2,394	2,712	3,500	3,100	4,089	3,852	3,106	4,287	3,958	3,602
Local street and maintenance	12,371	13,464	13,662	14,302	15,024	15,319	16,355	17,390	16,825	19,306
Subregional local street and maintenance	1,437	1,563	1,586	1,661	1,745	1,779	1,899	2,019	1,954	2,242
<b>Transportation Projects:</b>										
Highways and arterials	2,669	6,673	7,009	5,131	4,237	1,766	5,964	2,535	4,937	161
Transit	10,245	16,828	6,326	3,514	9,461	121	20	643	50	43
Capital improvement projects	49,559	170,427	122,518	114,379	101,324	62,729	43,671	87,448	95,104	58,792
Countywide capital and maintenance project	235	976	3,325	5,337	6,793	7,716	14,012	10,841	5,289	5,240
Subregional projects	2,696	2,434	8,647	14,499	8,710	8,744	5,872	7,524	10,227	2,067
<b>Regional Planning</b>										
Salaries and employee benefit:	394	233	249	280	386	393	352	427	449	550
Services, supplies & capital outlay	268	519	992	1,626	2,377	591	493	521	537	867
<b>Congestion Management</b>										
Salaries and employee benefit:	1,447	1,311	1,171	1,371	912	1,019	880	1,024	397	816
Services, supplies & capital outlay	226	785	533	869	1,730	1,248	846	527	536	404
<b>Transportation Planning Land Use Solutions</b>										
Salaries and employee benefit:	65	87	157	91	70	73	140	88	53	62
Services, supplies & capital outlay	68	140	160	69	129	18	-	-	-	-
Paratransit	2,403	2,563	3,137	3,313	3,764	3,310	3,223	4,017	5,457	4,900
Carpool/Commute alternatives	671	923	937	773	659	594	920	1,062	872	828
Transportation Demand Management (Air Quality)	1,355	996	1,189	1,236	1,424	1,395	1,501	1,522	1,636	1,360
Transportation innovation - GoMentur	-	-	-	-	-	-	-	1,047	2,139	12
<b>Debt service:</b>										
Bond principal	-	-	11,860	12,095	12,460	15,305	15,225	16,350	18,620	21,060
Note principal	-	200,990	-	-	-	-	-	-	-	-
Interest and related fees	8,386	9,319	16,038	15,810	15,183	18,893	21,794	20,852	21,569	20,305
Issuance costs	-	1,457	-	-	975	381	73	14,003	-	27,182
<b>Total Expenditures</b>	<b>107,633</b>	<b>445,925</b>	<b>216,606</b>	<b>215,936</b>	<b>207,421</b>	<b>161,825</b>	<b>152,463</b>	<b>212,410</b>	<b>215,313</b>	<b>192,004</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(7,334)</b>	<b>(332,770)</b>	<b>(60,568)</b>	<b>(78,825)</b>	<b>(65,050)</b>	<b>(35,080)</b>	<b>(52,278)</b>	<b>(77,392)</b>	<b>(32,485)</b>	<b>(32,404)</b>
<b>Other Financing Sources (Uses)</b>										
Bond proceeds	-	390,220	-	-	166,640	83,570	-	195,030	-	109,915
Premium	-	37,224	-	-	32,066	16,896	-	20,319	-	28,633
Payment to refunded bond escrow agent	-	-	-	-	(98,235)	-	-	(201,450)	-	(112,450)
Transfer in	36,361	142,605	91,861	108,152	105,214	74,885	78,111	79,581	55,705	41,689
Transfer out	(36,361)	(142,605)	(91,861)	(108,152)	(105,214)	(74,885)	(78,111)	(79,581)	(55,705)	(41,689)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>427,444</b>	<b>-</b>	<b>-</b>	<b>100,471</b>	<b>100,466</b>	<b>-</b>	<b>13,899</b>	<b>-</b>	<b>26,098</b>
<b>Net Change in Fund Balances</b>	<b>(7,334)</b>	<b>94,674</b>	<b>(60,568)</b>	<b>(78,825)</b>	<b>35,421</b>	<b>65,386</b>	<b>(52,278)</b>	<b>(63,493)</b>	<b>(32,485)</b>	<b>(6,306)</b>
Fund Balances - Beginning	204,160	196,826	291,500	230,932	152,107	187,528	252,914	200,636	137,143	104,658
Fund Balances - Ending	\$ 196,826	\$ 291,500	\$ 230,932	\$ 152,107	\$ 187,528	\$ 252,914	\$ 200,636	\$ 137,143	\$ 104,658	\$ 98,352
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>7.80%</b>	<b>47.16%</b>	<b>12.88%</b>	<b>12.93%</b>	<b>13.33%</b>	<b>21.15%</b>	<b>24.28%</b>	<b>17.52%</b>	<b>18.67%</b>	<b>21.55%</b>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST 10 FISCAL YEARS**  
 (Modified accrual basis of accounting)  
 (In thousands)

	<b>Fiscal Year Ending June 30:</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 3	\$ -
Restricted	<u>55,501</u>	<u>61,275</u>	<u>70,736</u>	<u>72,338</u>	<u>95,816</u>	<u>107,053</u>	<u>102,870</u>	<u>85,387</u>	<u>75,237</u>	<u>68,522</u>
<b>All Other Governmental Funds</b>										
Restricted	<u>141,325</u>	<u>230,225</u>	<u>160,196</u>	<u>79,769</u>	<u>91,712</u>	<u>145,861</u>	<u>97,766</u>	<u>51,754</u>	<u>29,418</u>	<u>29,830</u>
<b>Total Governmental Funds</b>										
Restricted	<u>\$ 196,826</u>	<u>\$ 291,500</u>	<u>\$ 230,932</u>	<u>\$ 152,107</u>	<u>\$ 187,528</u>	<u>\$ 252,914</u>	<u>\$ 200,636</u>	<u>\$ 137,143</u>	<u>\$ 104,658</u>	<u>\$ 98,352</u>

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**SALES TAX REVENUES**  
**LAST 10 FISCAL YEARS**



<u>Fiscal Year Ended</u> <u>June 30:</u>	<u>Authority Sales</u> <u>Tax Rate</u>	<u>Sales Tax</u>	<u>Annual Growth</u>	<u>Taxable Sales (A)</u>
2012	0.5%	\$ 68,728,259	5.64%	\$ 13,997,249,000
2013	0.5%	\$ 74,797,783	8.83%	\$ 14,471,988,000
2014	0.5%	\$ 75,898,529	1.47%	\$ 15,030,047,000
2015	0.5%	\$ 79,454,678	4.69%	\$ 15,670,053,000
2016	0.5%	\$ 83,467,877	5.05%	\$ 15,924,591,516
2017	0.5%	\$ 85,106,100	1.96%	\$ 16,558,840,255
2018	0.5%	\$ 90,862,632	6.76%	\$ 17,607,890,223
2019	0.5%	\$ 96,608,409	6.32%	\$ 18,080,745,538
2020	0.5%	\$ 93,472,111	-3.25%	\$ 18,043,574,659
2021	0.5%	\$ 107,255,903	14.75%	Not Available

(A) Source: California Department of Tax and Fee Administration (CDTFA). The CDTFA data is based on calendar year through 2020.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**TAXABLE SALES BY TYPE OF BUSINESS**  
**CALENDAR YEAR 2020 & 2016**  
(In Thousands)

Type of Business	2020	2016 (a)	\$ Difference	% Difference
Apparel Stores	\$ 733,374	\$ 754,372	\$ (20,998)	-2.8%
General Merchandise	3,233,378	2,015,490	1,217,888	60.4%
Food Stores	664,314	590,720	73,594	12.5%
Eating and Drinking Places	1,552,724	1,742,490	(189,766)	-10.9%
Building Materials	1,712,486	1,356,964	355,522	26.2%
Auto Dealers and Supplies	3,285,652	3,252,768	32,884	1.0%
Service Stations	1,213,580	1,310,926	(97,346)	-7.4%
Other Retail Stores	3,012,036	2,585,010	427,026	16.5%
<i>Total Retail and Food Services</i>	15,407,544	13,608,740	1,798,804	13.2%
<i>All Other Outlets</i>	3,687,700	3,482,500	205,200	5.9%
<b>Total All Outlets</b>	<b>\$ 19,095,244</b>	<b>\$ 17,091,240</b>	<b>\$ 2,004,004</b>	<b>11.7%</b>

Source: State Board of Equalization, California Department of Tax and Fee Administration, The HdL Companies (*most recent available*)

Data is based on the applicable taxable sales approved for the Measure J Sales Tax Measure.

(a) 2016 data is used as lastest data available by The HdL Companies

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**OUTSTANDING DEBT BY TYPE**  
**LAST 10 FISCAL YEARS**  
(In thousands)

Fiscal Year Ended June 30:	Debt Service (a)			Outstanding Debt		Outstanding Debt per Capita	Percentage of Personal Income
	Principal	Interest	Total	Sales Tax Bonds	Total Debt		
2012	\$ -	\$ 8,386	\$ 8,386	\$ 200,990	\$ 200,990	\$ 0.19	0.30%
2013	200,990	9,319	210,309	427,197	427,197	0.40	0.63%
2014	11,860	16,038	27,898	412,428	412,428	0.38	0.58%
2015	12,095	15,810	27,905	397,424	397,424	0.36	0.51%
2016	12,460	15,183	27,643	480,145	480,145	0.43	0.58%
2017	15,305	18,893	34,198	561,485	561,485	0.49	0.64%
2018	15,225	21,794	37,019	542,118	542,118	0.47	0.57%
2019	16,350	20,852	37,202	534,974	534,974	0.46	0.54%
2020	18,620	21,569	40,189	511,105	511,105	0.44	0.48%
2021 (a)	21,060	20,305	41,365	510,596	510,596	0.44	0.47%

(a) Details regarding the Authority's outstanding debt can be found in Note 6 of this report.

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**DEMOGRAPHICS AND ECONOMIC STATISTICS**  
**CALENDAR YEAR 2012-2021**

Year	Population (a)	Personal Income (b) (In thousands)	Per Capita Personal Income (b)	Outstanding Debt per Capita	Labor Force (c)	Employment (c)	Unemployment (c)	Unemployment Rate (c)
2012	1,066,597	\$ 66,733,882	\$ 62,567	\$ 0.19	535,800	487,600	48,200	9.0%
2013	1,076,429	67,315,559	62,536	0.40	538,200	499,000	39,200	7.3%
2014	1,087,008	71,152,275	65,457	0.38	539,000	506,500	32,500	6.0%
2015	1,102,871	77,877,241	70,613	0.36	546,200	517,400	28,800	5.3%
2016	1,123,429	82,426,924	73,371	0.43	554,000	527,000	27,000	4.9%
2017	1,139,513	88,024,256	77,247	0.49	555,400	532,400	23,000	4.1%
2018	1,149,363	94,900,003	82,567	0.47	561,900	542,200	19,700	3.5%
2019	1,155,879	98,778,343	85,457	0.46	564,600	546,800	17,800	3.2%
2020	1,153,561	106,318,748	92,166	0.44	546,900	473,500	73,400	13.4%
2021	1,153,854	109,004,396 *	94,470	0.44	537,200	495,800	41,400	7.7%

\* Estimated growth based on population and CPI

(a) Source: State of California Department of Finance

(b) Source: Bureau of Economic Analysis

(c) Source: State of California Employment Development Department

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<b>Employer</b>	<b>2021</b>			<b>2012</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percent of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percent of Total County Employment</b>
Chevron Corp	10,000+	1	2.02%	5,000-9,999	1	1.44%
John Muir Medical	5,000-9,999	2	1.51%	1,000-4,999	3	0.72%
Kaiser Permanente	5,000-9,999	3	1.51%	1,000-4,999	2	1.03%
BART	1,000-4,999	4	0.91%	1,000-4,999	4	0.62%
Bio-Rad Laboratories Inc.	1,000-4,999	5	0.66%	1,000-4,999	6	0.23%
Chevron Global Downstream LLC	1,000-4,999	6	0.66%			
Contra-Costa Regional Medical Center	1,000-4,999	7	0.61%			
USS Posco Industries	1,000-4,999	8	0.61%	1,000-4,999	10	0.21%
Chevron Richmond Refinery	1,000-4,999	9	0.61%			
St Mary's College	1,000-4,999	10	0.50%			
AT&T				1,000-4,999	5	0.64%
Kaiser Foundation Hospital				1,000-4,999	7	0.47%
24 Hour Fitness				1,000-4,999	8	0.21%
Bay Alarm				1,000-4,999	9	0.21%
All Others	382,200		77.09%	422,100		86.57%
<b>Total</b>	<b>495,800</b>		<b>86.67%</b>	<b>487,600</b>		<b>92.31%</b>

Source: State of California Employment Development Department

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**AUTHORITY EMPLOYEES BY FUNCTION**  
 LAST 10 FISCAL YEARS

**Full-time Equivalent Employees**

<b>Functions/Programs</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Governmental Activities:										
Administration	3.35	3.37	3.80	3.59	3.70	3.74	2.97	2.80	3.54	2.98
Project management	4.95	7.02	6.89	6.74	8.37	8.69	9.04	8.74	11.01	8.50
Programs	0.38	0.49	0.54	0.69	0.83	0.94	0.92	1.13	0.98	1.09
Regional planning	2.35	1.54	1.48	1.53	1.52	1.26	1.66	1.91	1.98	2.33
Congestion management	7.13	6.50	5.85	6.46	4.65	4.70	4.29	4.58	1.76	3.45
Transportation demand management	0.49	0.62	0.58	0.53	0.52	0.33	0.46	0.45	0.49	0.40
Transportation planning land use solutions	0.35	0.46	0.86	0.46	0.41	0.34	0.66	0.39	0.24	0.25
<b>Total</b>	<b>19.00</b>	<b>20.00</b>	<b>19.00</b>							

Source: Authority's Finance Department

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**OPERATING INDICATORS BY FUNCTION / PROGRAM**  
**LAST 10 FISCAL YEARS**

<b>Functions/Programs</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
General Government:										
Accounts Payable Invoices Processed	1,555	1,646	2,050	2,171	2,127	1,791	1,791	1,644	1,774	1,514
Number of Payments Processed (a)	1,129	1,219	1,466	1,605	1,645	1,517	2,184	2,109	2,133	1,923
Number of Contracts Processed	92	99	95	99	83	104	105	144	131	110
Purchase Orders Issued	97	118	115	100	101	98	94	97	99	45
Number of Journals Processed	1,783	1,533	1,454	1,399	1,528	1,333	1,183	1,056	979	883
Number of Receipts Processed	89	88	103	89	94	77	63	70	83	121
<b>Total</b>	<b>4,745</b>	<b>4,703</b>	<b>5,283</b>	<b>5,463</b>	<b>5,578</b>	<b>4,920</b>	<b>5,420</b>	<b>5,120</b>	<b>5,199</b>	<b>4,596</b>

Source: Authority's Finance Department

**CONTRA COSTA TRANSPORTATION AUTHORITY**  
**CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM**  
**LAST 10 FISCAL YEARS**

<u>Functions/Programs (a)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Government:										
Leashold Improvements	1	1	1	1	1	1	1	1	1	1
Financial System	1	1	1	1	1	1	1	1	1	1
Total	<u>2</u>									

Source: Authority's Finance Department

(a) The Authority was established with the passage of Contra Costa's Measure C in November 1988, which was a 20-year, one-half of one percent (½%) sales tax for specified transportation purposes. In 2004, based upon the success of Measure C, the voters of Contra Costa passed Measure J which extended the one-half of one percent countywide transportation sales tax through 2034. As required under the Local Transportation Authority and Improvement Act (SB 142, Chapter 786, Statutes of 1987: §180000 et seq. of the Public Utilities Code), the expenditures by Measure C and Measure J are "for the construction and improvement of state highways, the construction maintenance, improvement, and operation of local streets, roads, and highways, and the construction, improvement, and operation of public transit systems," including paratransit services (California Public Utilities Code §180205) and for specific efforts supporting such investments. The main difference for the Authority, as compared to other government entities, is that all capital expenditures are paid for on behalf of the local jurisdictions; therefore, no corresponding asset exists on the Authority's ledger for transportation infrastructure assets. The only assets held by the Authority is related to the administration of the Authority.



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