



**Basic Financial Statements,  
Required Supplementary Information, and  
Supplementary Information**

**For the Fiscal Year Ended June 30, 2022**

**Sonoma County Transportation Authority  
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The management of the Sonoma County Transportation Authority (SCTA) offers the readers of SCTA's basic financial statements this narrative overview and analysis of the financial activities of SCTA for the fiscal year ended June 30, 2022.

### Financial highlights

- The assets and deferred outflows of resources of SCTA were more than liabilities and deferred inflows of resources at June 30, 2022 by approximately \$44.3 million.
- SCTA's total net position increased by \$18.4 million from June 30, 2021 to June 30, 2022. This increase was primarily due to growth in program revenues and sales tax revenues and a decrease in expenses for the fiscal year ended June 30, 2022.
- At June 30, 2022 SCTA reported ending total fund balances of \$63.5 million, an increase of \$12.4 million in comparison with the June 30, 2021 total ending fund balances.
- Unrestricted net position for SCTA as of June 30, 2022 was \$42,664,306. This is an increase of approximately \$18.0 million compared to unrestricted net position of \$24,693,119 at June 30, 2021.
- As of June 30, 2022, unassigned fund balance for the general fund was \$7,096,430 or 192% of total general fund expenditures for the fiscal year ended June 30, 2022.

### Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to SCTA's basic financial statements. SCTA's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

### Government-wide financial statements

The *government-wide financial statements*, as listed in the table of contents, provide a broad overview of SCTA's activities as a whole, and are comprised of the *statement of net position* and the *statement of activities*.

The *statement of net position* provides information about the financial position of SCTA as a whole on the full accrual basis, similar to that used in the private sector.

The *statement of activities* presents information about SCTA's revenues and expenses, also on the full accrual basis, with the emphasis on measuring net revenues and expenses of each of SCTA's programs. The *statement of activities* explains the change in *net position* for the fiscal year.

Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences).

### **Fund financial statements**

The governmental fund financial statements are as listed in the table of contents.

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. SCTA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of SCTA are governmental type funds.

*Governmental funds* are used to account for essentially the same functions reported in *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

SCTA maintains four individual governmental funds; a general fund, two special revenue funds, and a debt service fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, and for the other funds. SCTA adopts an annual appropriated budget for those funds.

### **Notes to the basic financial statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Required supplementary information**

Schedules presenting net pension liability (asset) and other post-employment benefits liability, and budgetary comparison information for SCTA's funds can be found in the table of contents.

**Government-wide financial analysis**

As noted previously, net position may serve over time as a useful indicator of a government's financial position. In the case of SCTA, assets and deferred outflows of resources were more than liabilities and deferred inflows of resources by approximately \$44.3 million at June 30, 2022 as compared to a net position of approximately \$26.0 million at June 30, 2021.

**Condensed Statement of Net Position**

<b>June 30,</b>	<b>2021</b>	<b>2022</b>
<b>Assets</b>		
Current assets	\$ 52,869,570	\$ 64,732,568
Restricted cash	3,298,917	3,420,159
Other non-current assets	1,066	1,416,189
<b>Total assets</b>	<b>56,169,553</b>	<b>69,568,916</b>
Deferred outflows of resources	1,022,266	1,255,003
<b>Liabilities</b>		
Current liabilities	10,452,869	10,453,161
Total non-current liabilities	20,290,559	14,313,579
<b>Total liabilities</b>	<b>30,743,428</b>	<b>24,766,740</b>
Deferred inflows of resources	476,404	1,727,597
<b>Net position</b>		
Net investment in capital assets	1,066	293,819
Restricted for TFCA	1,277,802	1,371,457
Unrestricted	24,693,119	42,664,306
<b>Total net position</b>	<b>\$ 25,971,987</b>	<b>\$ 44,329,582</b>

**Government-wide financial analysis** (continued)

During the fiscal year ended June 30, 2022, SCTA's net position increased by \$18.4 million to an approximate net position of \$44.3 million.

Governmental activities increased SCTA's net position by \$18.4 million. Key elements of these activities during the fiscal year ended June 30, 2022 are identified below:

- SCTA recognized sales tax revenues for Measure M totaling \$31.8 million, which is an increase of \$3.2 million from the prior fiscal year. This increase can be attributed to growth in the sale of general consumer goods, in person dining and travel for both business and pleasure.
- SCTA received \$9.2 million from federal, state and local sources towards various transportation improvement projects. The amount received increased by \$6.4 million from the prior fiscal year as a result of funding received from the Graton Rancheria tribal funds partially offset by a decrease in funding received in Regional Traffic Mitigation funds.
- Measure M intergovernmental revenue decreased by \$5.0 million due to a decrease in Highway 101 revenue related to the Marin-Sonoma Narrows project as the project nears completion.
- SCTA expenses for transportation improvement projects totaled \$2.1 million, a decrease of \$676 thousand from the previous year. This decrease is primarily related to a decrease in spending of the Regional Traffic Mitigation funds.
- Measure M expenses totaled \$19.5 million, representing a decrease of \$1.4 million from the previous year, due primarily to a decrease in Highway 101 expenditures for the construction of Marin-Sonoma Narrows project as the project nears completion. Local Street Project expenditures also decreased mainly due to reduced expenditures related to the Airport Boulevard project. Allocation to Local Bus Transit programs increase in proportion to the increase in sales tax revenue. Bicycle Pedestrian expenditures increased for construction of the Foss Creek Pathway in Healdsburg and the Petaluma River Trail.

**Sonoma County Transportation Authority**

**Management's Discussion and Analysis**

**For the Fiscal Year Ended June 30, 2022**

**Government-wide financial analysis (continued)**

**Condensed Statement of Activities**

<b>Fiscal Year Ended June 30,</b>	<b>2021</b>	<b>2022</b>
<b>Revenues:</b>		
Program revenues:		
Measure M	\$ 5,869,363	\$ 505,063
Transportation Fund for Clean Air	627,526	626,988
Transportation improvements	2,748,254	9,183,307
General revenues:		
Sales tax revenues	28,667,699	31,848,872
Investment loss	-	(1,764,533)
<b>Total revenues</b>	<b>37,912,842</b>	<b>40,399,697</b>
<b>Expenses:</b>		
Measure M	20,851,046	19,467,605
Transportation Fund for Clean Air	521,616	491,176
Transportation improvements	2,758,821	2,083,321
<b>Total expenses</b>	<b>24,131,483</b>	<b>22,042,102</b>
Change in net position	13,781,359	18,357,595
Net position, beginning of year	12,190,628	25,971,987
Net position, end of year	\$ 25,971,987	\$ 44,329,582

**Financial analysis of SCTA's funds**

***Governmental Funds***

As noted earlier, SCTA uses fund accounting to ensure and demonstrate compliance with legal and governmental accounting requirements.

The focus of SCTA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing SCTA's financing requirements. In particular, unassigned fund balance may serve as a useful measure of SCTA's net resources available for spending at the end of the fiscal year.



**Financial analysis of SCTA's funds** (continued)

**Governmental Funds** (continued)

As of June 30, 2022, SCTA's governmental funds reported ending fund balances of \$63.5 million, a increase of \$12.4 million from June 30, 2021. The increase in fund balance is due to increased sales tax revenues, increased intergovernmental revenue, and decreased expenditures. SCTA had a restricted fund balance of approximately \$56.1 million as of June 30, 2022.

The general fund is the chief operating fund of SCTA. At June 30, 2022, the unassigned fund balance of the general fund was approximately \$7.1 million.

**Budgetary Highlights**

- The SCTA general fund budget was adjusted during the fiscal year to increase appropriations for intergovernmental revenues, miscellaneous revenue, services and supplies, contributions to other governments and capital outlay. Appropriations decreased for salaries and employee benefits.
- The TFCA budget was adjusted during the fiscal year to increase appropriations for contributions to other governments and to reflect the budgeted encumbrances outstanding as of June 30, 2022.
- Measure M budgets were adjusted during the fiscal year to increase appropriations for sales tax revenues, intergovernmental revenue, service and supplies, contributions to other governments, capital outlay and inception of lease. Appropriations decreased for interest payments, transfers in and transfers out.

**Debt Administration**

As of June 30, 2022, SCTA had long-term liabilities of \$19.5 million, a decrease of \$5.8 million from the prior fiscal year. The balance of the 2015 Series Bonds declined due to scheduled debt service payments. The net pension liability (asset) decreased by \$993 thousand primarily as a result of a favorable return on investments.

Year ended June 30,	2021	2022
Sales Tax Revenue Bond, Series 2015, including unamortized premium	\$ 23,750,491	\$ 17,995,591
Net other postemployment benefits liability	898,181	663,034
Lease liability	-	1,146,871
Net pension liability (asset)	698,688	(293,819)
<b>Total long-term liabilities</b>	<b>\$ 25,347,360</b>	<b>\$ 19,511,677</b>

Additional information on SCTA's long-term liabilities can be found in Note F of the notes to the basic financial statements.

### **Economic Factors and Next Year's Budgets**

SCTA activities receive significant funding from both federal and state programs, which can be significantly impacted by changes in the state and federal budgets. Measure M revenues, funded through a local one quarter percent sales tax, increased nearly 11.1% from the prior fiscal year ended June 30, 2021 and SCTA is projecting an increase of 0.6% in sales tax revenues for the next fiscal year. This will directly impact the apportionment programs including Transit and Local Street Repairs (LSR) programs and indirectly affect the project programs of Highway 101, Local Streets Projects (LSP), Passenger Rail and Bike/Pedestrian programs.

LSP, Passenger Rail and Bike/Pedestrian programs are paid on a reimbursement basis, however, those programs can be impacted by state and federal budget changes as each of those programs require matching funds from the various project sponsors, which are still dependent on local, state and federal funds.

### **Request for Additional Information**

This financial report is designed to provide a general overview of SCTA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sonoma County Transportation Authority, 411 King Street, Santa Rosa, CA 95404.

## **Government-wide Financial Statements**

**Sonoma County Transportation Authority**

**Statement of Net Position**

**June 30, 2022**

	Governmental Activities
<b>Assets</b>	
Cash and investments	\$ 58,279,490
Sales tax receivable	5,814,852
Due from other governments	612,494
Prepaid items and other assets	25,732
Noncurrent assets:	
Cash and investments restricted for debt service	3,420,159
Lease assets, net	1,122,370
Net pension asset	293,819
Total assets	69,568,916
<b>Deferred outflows of resources</b>	
Deferred other postemployment benefits	131,256
Deferred pension	701,706
Deferred charge on refunding	422,041
Total deferred outflows of resources	1,255,003
<b>Liabilities</b>	
Accounts payable	1,907,880
Due to other governments	610,361
Retention payable	122,723
Unearned revenue	1,974,783
Interest payable	73,354
Bonds payable, current	5,480,000
Compensated absences payable, current	123,945
Lease liability, current	160,115
Noncurrent liabilities:	
Bonds payable	12,515,591
Lease liability	986,756
Net other postemployment benefits liability	663,034
Compensated absences payable	148,198
Total liabilities	24,766,740
<b>Deferred inflows of resources</b>	
Deferred other postemployment benefits	221,134
Deferred pension	1,506,463
Total deferred inflows of resources	1,727,597
<b>Net position</b>	
Net investment in capital assets	293,819
Restricted for:	
Transportation Fund for Clean Air (TFCA)	1,371,457
Unrestricted	42,664,306
Total net position	\$ 44,329,582

**Sonoma County Transportation Authority**

**Statement of Activities**

**For the Fiscal Year Ended June 30, 2022**

Functions / Programs	Expenses	<u>Program Revenues</u> Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position
<b>Governmental activities:</b>			
Measure M	\$ 19,467,605	\$ 505,063	\$ (18,962,542)
Transportation Fund for			
Clean Air (TFCA)	491,176	626,988	135,812
Transportation improvement	2,083,321	9,183,307	7,099,986
Total governmental activities	\$ 22,042,102	\$ 10,315,358	(11,726,744)
<b>General revenues:</b>			
Sales tax revenue			31,848,872
Investment loss			(1,764,533)
Total general revenues			30,084,339
Change in net position			18,357,595
<b>Net position - beginning of year</b>			25,971,987
<b>Net position - end of year</b>			\$ 44,329,582

## **Fund Financial Statements**

**Sonoma County Transportation Authority**

**Balance Sheet - Governmental Funds**

**June 30, 2022**

	General	TFCA Special Revenue	Measure M Special Revenue	Measure M Debt Service	Total Governmental Funds
<b>Assets</b>					
Cash and investments	\$ 9,002,937	\$ 1,411,768	\$ 47,864,785	\$ -	\$ 58,279,490
Sales tax receivable	-	-	4,757,352	1,057,500	5,814,852
Prepaid items and other assets	11,479	-	14,253	-	25,732
Due from other governments	411,942	-	200,552	-	612,494
Restricted cash - debt service	-	-	-	3,420,159	3,420,159
Advances to other funds	-	-	279,705	-	279,705
<b>Total assets</b>	<b>9,426,358</b>	<b>1,411,768</b>	<b>53,116,647</b>	<b>4,477,659</b>	<b>68,432,432</b>
<b>Liabilities and fund balances</b>					
Liabilities:					
Accounts payable	10,434	-	1,897,446	-	1,907,880
Due to other governments	54,623	40,311	515,427	-	610,361
Unearned revenue	1,974,783	-	-	-	1,974,783
Retention payable	-	-	122,723	-	122,723
Advances from other funds	279,705	-	-	-	279,705
<b>Total liabilities</b>	<b>2,319,545</b>	<b>40,311</b>	<b>2,535,596</b>	<b>-</b>	<b>4,895,452</b>
Fund balances:					
Nonspendable	10,383	-	293,958	-	304,341
Restricted	-	1,371,457	50,287,093	4,477,659	56,136,209
Unassigned	7,096,430	-	-	-	7,096,430
<b>Total fund balances</b>	<b>7,106,813</b>	<b>1,371,457</b>	<b>50,581,051</b>	<b>4,477,659</b>	<b>63,536,980</b>
<b>Total liabilities and fund balance</b>	<b>\$ 9,426,358</b>	<b>\$ 1,411,768</b>	<b>\$ 53,116,647</b>	<b>\$ 4,477,659</b>	<b>\$ 68,432,432</b>

**Sonoma County Transportation Authority**

**Reconciliation of the Balance Sheet - Governmental Funds  
to the Statement of Net Position**

**June 30, 2022**

Total fund balances - governmental funds	\$	63,536,980
<p>Total net position reported in the statement of net position is different because:</p>		
<p>Certain amounts are not available to pay current period expenditures and, therefore, are not reported in the governmental funds:</p>		
Deferred outflows of resources		1,255,003
<p>GASB 87 lease assets are not current financial resources and therefore, not reported in the governmental funds.</p>		
		1,122,370
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:</p>		
Bonds payable including unamortized premium		(17,995,591)
Accrued interest payable		(73,354)
Compensated absences payable		(272,143)
Other postemployment benefits liability		(663,034)
Net pension asset (liability)		293,819
Lease liability		(1,146,871)
Deferred inflows of resources reported in the statement of net position		(1,727,597)
Total net position	\$	44,329,582



**Sonoma County Transportation Authority**

**Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Governmental Funds**

**For the Fiscal Year Ended June 30, 2022**

	General	TFCA Special Revenue	Measure M Special Revenue	Measure M Debt Service	Total Governmental Funds
<b>Revenues</b>					
Measure M sales tax	\$ -	\$ -	\$ 25,504,934	\$ 6,343,938	\$ 31,848,872
Intergovernmental revenue	9,096,090	626,988	505,063	-	10,228,141
Investment loss	(301,129)	(42,157)	(1,419,645)	(1,602)	(1,764,533)
Miscellaneous revenue	87,217	-	-	-	87,217
<b>Total revenues</b>	<b>8,882,178</b>	<b>584,831</b>	<b>24,590,352</b>	<b>6,342,336</b>	<b>40,399,697</b>
<b>Expenditures</b>					
Current:					
Salaries and employee benefits	1,456,165	-	-	-	1,456,165
Services and supplies	586,228	-	2,076,573	-	2,662,801
Administration	-	32,264	-	-	32,264
Contributions to other governments	182,502	458,912	16,764,064	-	17,405,478
Capital outlay	1,301,234	-	-	-	1,301,234
Debt service:					
Principal	154,363	-	-	5,215,000	5,369,363
Interest	17,133	-	52,544	995,375	1,065,052
<b>Total expenditures</b>	<b>3,697,625</b>	<b>491,176</b>	<b>18,893,181</b>	<b>6,210,375</b>	<b>29,292,357</b>
<b>Other Financing Sources</b>					
Inception of lease	1,301,234	-	-	-	1,301,234
<b>Total other financing sources</b>	<b>1,301,234</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,301,234</b>
<b>Net change in fund balances</b>	<b>6,485,787</b>	<b>93,655</b>	<b>5,697,171</b>	<b>131,961</b>	<b>12,408,574</b>
Fund Balances at June 30, 2021	621,026	1,277,802	44,883,880	4,345,698	51,128,406
Fund Balances at June 30, 2022	\$ 7,106,813	\$ 1,371,457	\$ 50,581,051	\$ 4,477,659	\$ 63,536,980

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds to the Statement of Activities**

**For the Fiscal Year Ended June 30, 2022**

Net change in fund balances - total governmental funds	\$	12,408,574
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:</p>		
Capital outlay		1,301,234
Depreciation and amortization expense		(179,929)
<p>Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds and reduces long-term liabilities in the statement of net position:</p>		
Lease issued		(1,301,234)
Principal paid on bonds		5,215,000
Principal paid on lease		154,363
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>		
Change in compensated absences		(9,969)
Change in interest payable		20,459
Change in net other postemployment benefits liability		78,556
Change in net pension asset (liability)		271,321
Amortization of bond premiums and deferred charge on refunding		399,220
Change in net position	\$	18,357,595

**Note A. Reporting Entity**

The Sonoma County Transportation Authority (SCTA) was created by the Sonoma County Board of Supervisors, under Resolution No. 90-1522 on August 7, 1990 in accordance with California Public Utilities Code Section 180000 et seq. SCTA's Board of Directors is governed by a twelve member board. Nine of these members are chosen from the councils of the nine incorporated cities or towns of Sonoma County and three are chosen from the Sonoma County Board of Supervisors.

SCTA was established to accomplish the stated purpose and goals of the Public Utilities Code Section 180000 et seq., also known as the Local Transportation Authority and Improvement Act (the Act).

**Note B. Summary of Significant Accounting Policies**

***Government-wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of SCTA.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include grants and contributions that are restricted to meeting operational or capital requirements of a particular function or program, as well as restricted investment income. Tax and other revenues not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Governmental funds are reported in separate columns in the fund financial statements.

***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Sales tax revenue is recognized in the period that the exchange transaction occurs on which the tax is imposed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Note B. Summary of Significant Accounting Policies (continued)**

***Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)***

Governmental fund financial statements 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 are considered available when they are collectible within the period or soon enough thereafter to pay liabilities of the current period. For this purpose, SCTA considers revenues available if they are collected within 365 days of the end of the current fiscal period. Sales tax revenue, intergovernmental revenue when eligibility requirements are met, and investment income, are considered measurable and are recognized if available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

SCTA reports three types of governmental funds: the General Fund, special revenue funds, and a debt service fund.

*General Fund:* This fund is established to account for resources used to finance the general services performed by SCTA. Revenues are primarily intergovernmental, including state and federal grants as well as local contributions. The fund is charged with all costs of operating SCTA for which a separate fund has not been established.

*Special Revenue Funds:* These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The major funds in this category are TFCA and Measure M.

*Transportation Fund for Clean Air (TFCA) Special Revenue Fund:* This fund is established to account for resources that are legally restricted to expenditures on transportation projects that demonstrate a positive effect on local air quality. Revenues are primarily derived from a vehicle registration surcharge applied to vehicles registered in the Bay Area Air Quality Management District.

*Measure M Special Revenue Fund:* This fund is established to account for revenues that are legally restricted for expenditures related to specific transportation projects in Sonoma County. The projects include improvements to Highway 101, local streets, transit, bicycle, and pedestrian facilities. Revenues are primarily derived from a voter-approved local sales tax.

*Measure M Debt Service Fund:* This fund is established for the purpose of accumulating resources for the payment of principal and interest related to the 2015 Measure M Sales Tax Revenue Bonds.

**Note B. Summary of Significant Accounting Policies (continued)**

***Cash and Investments***

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31 and No. 72, SCTA reports cash and investments at fair value in the statement of net position and balance sheet and recognizes the corresponding change in the fair value of investments in the year in which the change occurred.

Restricted cash and investments are held by a third party trustee and are restricted for debt service payments and Measure M expenditures pursuant to various bond covenants. Included in these amounts are sales tax revenues collected by the trustee for making the annual principal and interest payments on the Series 2015 bonds.

***Sales Tax Revenue and Receivable***

Sales tax receivable represents sales tax amounts allocated to SCTA through Measure M as discussed in Note J below, but uncollected at year end. Due to the nature of the sales tax receivable, management does not consider any portion uncollectible.

Sales tax revenues are presented net of administrative assessments by the California Department of Tax and Fee Administration. The total administrative assessments for the year were \$520,150.

***Unearned Revenue***

Unearned revenue represents amounts collected before revenue recognition criteria are met.

***Capital Assets***

Capital asset balances at year end are reported in the government-wide financial statements in the statement of net position. Capital assets are defined by SCTA as assets with an initial, individual cost of more than \$5,000 (except right-to-use lease assets, which are discussed below) and an estimated useful life in excess of one year. The cost of a capital asset may include not only its purchase or construction cost, but also ancillary charges necessary to place the asset in its intended location and condition for use.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

SCTA's equipment is depreciated using the straight-line method over estimated useful lives of 5 to 10 years.

**Note B. Summary of Significant Accounting Policies (continued)**

***Leases***

During the fiscal year ended June 30, 2022, SCTA implemented GASB Statement No. 87, *Leases*. This statement requires the 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. In addition, it establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use and underlying asset. The implementation of GASB Statement No. 87 did not have an effect on SCTA's beginning fund balance.

A lessee should recognize a lease liability and a lease asset at the commencement of the lease term; unless the lease is a short-term lease, below the lease capitalization threshold of \$25,000, or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

SCTA uses estimates and judgements to determine 1) the discount rate it uses to discount the expected lease payments and lease receipts to present value, and 2) the lease term. SCTA uses the interest rate identified in the contract as the discount rate. If no interest rate is specified, SCTA uses its estimated incremental borrowing rate as the discount rate. The lease term includes the noncancelable period of the lease and extensions SCTA is reasonably certain to exercise.

SCTA monitors changes in circumstances that are expected to significantly affect the amount of a lease liability or receivable that may require a remeasurement of its lease.

***Bonds Payable and Bond Premium***

In the government-wide financial statements bonds payable, inclusive of unamortized bond premiums, are reported as a liability in the statement of net position. Bond premiums are amortized to interest expense over the life of the bonds using the straight-line method, which approximates the effective interest method.

In the fund financial statements, bond premiums are recognized in the period that the underlying bonds are issued. The face amount of the bonds issued and related premiums are reported as other financing sources.

**Note B. Summary of Significant Accounting Policies (continued)**

***Compensated Absences***

It is SCTA's policy to permit employees to accumulate earned but unused vacation benefits. Compensated absences are accrued when incurred in the government-wide financial statements. A liability for this amount is reported in the governmental funds only for matured portions, for example, as a result of known employee resignation or retirement.

***Other Postemployment Benefits***

For purposes of measuring the net other postemployment benefit (OPEB) liability, deferred outflows of resources, deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of the County's OPEB Plan and additions to/deductions from the County's OPEB Plan fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Net Position***

Net position is classified into three components: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. These classifications are defined as follows:

- Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation.
- Restricted net position – This component of net position consists of net position with limits on its use that are imposed by outside parties or enabling legislation.
- Unrestricted net position – This component of net position consists of net position that does not meet the definitions of "restricted" or "invested in capital assets."

**Note B. Summary of Significant Accounting Policies (continued)**

***Fund Balance***

Governmental funds report fund balance as non-spendable, restricted, committed, assigned or unassigned based primarily on the extent to which SCTA is bound to honor constraints on *how* specific amounts can be spent. The fund balance classifications are defined below:

- Non-spendable – amounts that are not in a spendable form or are to be maintained intact.
- Restricted – amounts that can be spent only for the specific purpose stipulated by external resource providers or through enabling legislation.
- Committed – amounts that can be used only for the specific purpose determined by a formal action of the entity's highest level of decision making authority.
- Assigned – amounts intended to be used by the government for specific purposes determined either by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned – the residual classification for the general fund and includes all amounts not contained in the other classifications. This amount is technically available for any purpose.

In general, when both restricted and unrestricted resources are available, restricted resources are used first. When expenditures are made of unrestricted resources, SCTA first applies committed, then assigned, and then unassigned resources.

***Estimates***

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Note C. Cash and Investments**

***Investment in the Sonoma County Treasurer's Investment Pool***

Cash and investments are comprised of cash pooled with the Sonoma County Treasury Pool (the Treasury Pool), an external investment pool. The Sonoma County Treasurer's office also acts as a disbursing agent for SCTA. The fair value of SCTA's investment in this pool is based upon SCTA's pro-rata share of the fair value provided by the Treasury Pool for the entire Treasury Pool portfolio (in relation to the amortized cost of that portfolio).



**Note C. Cash and Investments (continued)**

***Investment in the Sonoma County Treasurer's Investment Pool (continued)***

The balance available for withdrawal is based on accounting records maintained by the Treasury Pool, which are recorded on an amortized cost basis. Interest earned on investments pooled with the Treasury Pool is allocated quarterly to the appropriate fund based on its respective average daily balance for that quarter. The Treasury Oversight Committee of the Treasury Pool has oversight for all monies deposited into the Treasury Pool.

***Treasury Pool Investment Guidelines***

SCTA's pooled cash and investments are invested pursuant to investment policy guidelines established by the Treasurer and approved by the Board of Supervisors. The objectives of the policy are, in order of priority: safety of capital, liquidity and maximum rate of return. The policy addresses the soundness of financial institutions in which the Treasurer will deposit funds, types of investment instruments as permitted by the California Government Code, and the percentage of the portfolio that may be invested in certain instruments with longer terms to maturity.

Permitted investments include the following:

- U.S. Treasury and Federal Agency securities
- Bonds and notes issued by local agencies
- Registered state warrants and municipal notes and bonds
- Negotiable certificates of deposit
- Bankers' acceptances
- Commercial paper
- Medium-term corporate notes
- Local Agency Investment Fund (State Pool) deposits
- Repurchase agreements
- Reverse repurchase agreements
- Securities lending agreements
- Mutual funds and money market mutual funds
- Collateralized mortgage obligations
- Collateralized time deposits
- Joint power agreements
- Investment Trust of California (CalTRUST)
- Obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation or Inter-American Development Bank

A copy of the County Investment Policy is available upon request from the Treasurer at 585 Fiscal Drive, Room 100, Santa Rosa, California 95403.

Note C. **Cash and Investments** (continued)

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Due to the highly liquid nature of SCTA's investment with the Treasury Pool, SCTA's exposure to interest rate risk is deemed by management to be insignificant.

The weighted average maturity of Treasury Pool investments at June 30, 2022 was 651 days.

***Credit Risk***

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

***Custodial Credit Risk***

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Treasury Pool).

***Concentration of Credit Risk***

The investment policy of SCTA contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no non-pooled investments in any one issuer that represent 5% or more of total SCTA investments.

***Fair Value Measurements***

SCTA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

SCTA has the following fair value measurements as of June 30, 2022:

- Investment in Money Market Mutual Funds of \$3,420,159 which are valued using quoted prices in active markets (Level 1).
- Investment in the Sonoma County Treasury Pool of \$58,279,490 which is valued using significant other observable inputs (Level 2).

Sonoma County Transportation Authority

**Notes to the Basic Financial Statements**

**For the Fiscal Year ended June 30, 2022**

**Note D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Transfers & Reclassification	Ending Balance
Capital assets, being depreciated/amortized					
Equipment	\$ 29,629	\$ -	\$ -	\$ -	\$ 29,629
Right-to-use leased office space	-	1,301,234	-	-	1,301,234
Total capital assets, being depreciated/amortized	29,629	1,301,234	-	-	1,330,863
Less accumulated depreciation/amortization for:					
Equipment	(28,563)	(1,066)	-	-	(29,629)
Right-to-use leased office space	-	(178,864)	-	-	(178,864)
Total accumulated depreciation/amortization:	(28,563)	(179,930)	-	-	(208,493)
Capital assets, net	\$ 1,066	\$ 1,121,304	\$ -	\$ -	\$ 1,122,370

Depreciation and amortization expense for the year ended June 30, 2022 was \$179,930.

**Note E. Unearned Revenue**

SCTA has received advanced funding related to several funding agreements. These amounts have been deferred and revenue is being recognized as qualified expenses are incurred. As of June 30, 2022, SCTA reports the following unearned revenue balances:

Funding Source	Project	Amount
City of Rohnert Park	Regional Traffic Mitigation	\$ 1,753,411
Metropolitan Transportation Commission	Highway 37 Interim	221,372
<b>Total</b>		<b>\$ 1,974,783</b>

**Sonoma County Transportation Authority**

**Notes to the Basic Financial Statements**

**For the Fiscal Year ended June 30, 2022**

**Note F. Long-term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Sales Tax Revenue Bonds,					
Series 2015	\$ 22,515,000	\$ -	\$ (5,215,000)	\$ 17,300,000	\$ 5,480,000
Unamortized bond premium	1,235,491	-	(539,900)	695,591	-
Total 2015 Series Bonds	23,750,491	-	(5,754,900)	17,995,591	5,480,000
Lease liability	-	1,301,234	(154,363)	1,146,871	160,115
Net other postemployment liability	898,181	73,259	(308,406)	663,034	-
Net pension liability (asset)	698,688	771,915	(1,176,784)	(293,819)	-
Compensated absences	262,174	161,612	(151,643)	272,143	123,945
Total long-term liabilities	\$ 25,609,534	\$ 2,308,020	\$ (7,546,096)	\$ 19,783,820	\$ 5,764,060

**Note G. Sales Tax Revenue Bonds**

In June 2015, SCTA refunded the outstanding 2008 Bonds and issued \$49,265,000 in Sales Tax Revenue Bonds, Series 2015 (Limited Tax Bonds) for the purpose of financing certain transportation projects included in the Measure M Expenditure Plan. The 2015 Bonds were issued at a premium of \$7,225,509 and bond issuance costs totaled \$347,463. The 2015 Bonds carry interest rates ranging from 1% to 5% and are payable solely from Measure M sales tax revenue through 2025.

The 2015 Bonds are limited obligations of SCTA secured solely by a pledge of \$62,098,689 from Measure M sales tax revenue. Pledged sales tax revenues represent 22% of estimated total revenues from the Measure M sales tax.

Debt service payments made from the Measure M Debt Service Fund were \$6,210,375 in scheduled debt payments, representing 19% of the \$31,848,872 in Measure M sales tax revenue recognized during the same period. The scheduled debt service payment consisted of \$5,215,000 in principal payments and \$995,375 in interest payments on the 2015 Bonds.

The 2015 Bonds have a provision that in the event of default, SCTA shall transfer all sales tax revenues held by it and the Trustee shall apply all sales tax revenues then held or thereafter received to debt payments then due on the bonds.

**Sonoma County Transportation Authority**

**Notes to the Basic Financial Statements**

**For the Fiscal Year ended June 30, 2022**

**Note G. Sales Tax Revenue Bonds (continued)**

The annual debt service requirements to maturity for the 2015 Bonds are as follows as of June 30, 2022:

Fiscal Year Ending June 30:	Principal	Interest	Total
2023	\$ 5,480,000	\$ 728,000	\$ 6,208,000
2024	5,760,000	447,000	6,207,000
2025	6,060,000	151,500	6,211,500
<b>Total requirements</b>	<b>\$ 17,300,000</b>	<b>\$ 1,326,500</b>	<b>\$ 18,626,500</b>

Future years' amortization of bond premium and deferred charge on refunding for the 2015 Bonds are as follows as of June 30, 2022:

Fiscal Year Ending June 30:	Premium	Deferred Charge on Refunding	Total
2023	\$ 391,023	\$ 140,680	\$ 531,703
2024	234,559	140,680	375,239
2025	70,009	140,681	210,690
<b>Total requirements</b>	<b>\$ 695,591</b>	<b>\$ 422,041</b>	<b>\$ 1,117,632</b>

Debt service payments for the 2015 Bonds are made from the Measure M Debt Service Fund.

**Note H. Intergovernmental Revenues**

Intergovernmental revenues represent grant and contract revenues received from the Metropolitan Transportation Commission, Transportation Fund for Clean Air funding received from the Bay Area Air Quality Management District, State of California Transportation and Federal Highway Administration Funds received from the California Department of Transportation (Caltrans), Graton Rancheria tribal funds, and contributions from SCTA member governments.

**Note I. Due to Other Governments**

Due to other governments represents amounts owed to various cities in Sonoma County and the County of Sonoma.

**Note J. Measure M Sales Tax Revenues**

The Measure M Special Revenue Fund was created in November 2004 with the passage of the Traffic Relief Act for Sonoma County to account for the related sales tax revenues and expenditures of Measure M. Measure M is funded by a one-quarter percent sales tax in Sonoma County and creates a stable funding source for local transportation projects intended to make significant progress in widening Highway 101, maintaining local roads, improving local transit services, developing passenger rail service, providing safe bike and pedestrian routes, and making key local street improvements.

The Measure M 2019 Strategic Plan as updated in 2022 (the Strategic Plan) serves as the guiding policy and programming document for the implementation of Measure M projects. It covers a five year period and is updated periodically in order to reflect the actual revenues received.

According to the Strategic Plan, the Measure M sales tax revenues are to be allocated as follows:

- 20% to fix pot holes and maintain local streets.
- 20% for key local road projects throughout the County.
- 40% to help fund Highway 101 widening throughout the County.
- 10% to improving local bus transit service.
- 5% to Sonoma-Marín Area Rail Transit (SMART) for the development of passenger rail service.
- 4% for bicycle and pedestrian routes.

There is an overall limitation of 1% of Measure M sales tax revenues for administrative expenses.

**Note K. Risk Management**

SCTA is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. SCTA is covered for general, automobile, crime and errors and omissions liability through Alliant Insurance Services. Limits of this coverage are \$1,000,000 per occurrence. The deductible for these occurrences is \$5,000.

SCTA participates in the County of Sonoma's self-insurance program providing \$300,000 per occurrence for workers' compensation claims. The self-insurance program is accounted for in the County's Risk Management Internal Service Fund. Excess workers' compensation coverage with statutory limits is obtained through participation in the Public Risk Innovation, Solutions, and Management (PRISM) Excess Workers Compensation Program. Employers' liability limits are \$5,000,000 per claim.

**Note L. Employees' Retirement Plan**

***Plan Description***

SCTA contributes to the County's cost sharing multiple-employer defined benefit pension plan (the Plan) that is administered by the Sonoma County Employees' Retirement Association (SCERA), a public employee retirement system. Substantially all full-time employees of SCTA participate in this plan. The Plan provides retirement, disability, death and survivor benefits and cost-of-living adjustments to plan members and beneficiaries. All permanent employees working at least half time of a full-time position for SCTA are eligible. The Plan is governed by the California Government Code, Title 3, Division 4, Part 3, Chapter 3. The Board of Retirement has the authority to establish and amend benefit provisions and these shall then be adopted by the County Board of Supervisors.

The California Public Employees' Pension Reform Act of 2013 (PEPRA) was signed into law by Governor Jerry Brown on September 12, 2012, with an effective date of January 1, 2013. All General and Safety employees hired on or after January 1, 2013, with the exception of employees who are eligible for reciprocity with another qualified California retirement system, are part of a new tier called Plan B.

SCERA issues an annual financial report that includes financial statements and required supplementary information for the Plan which can be obtained by writing to the Sonoma County Employees' Retirement Association, 433 Aviation Blvd., Suite 100, Santa Rosa, CA 95403-1069.

The financial statements for the County of Sonoma contain additional financial information for the defined pension benefits, which is not presented here.

***Funding Policy***

The contribution requirements of Plan members and the County are determined by an independent actuary, approved by the SCERA Board of Retirement, and adopted by the Board of Supervisors. The contribution rates for the fiscal year ended June 30, 2022 were based on the Plan's valuation dated December 31, 2019. The contribution rates determined in each actuarial valuation take effect at the beginning of the fiscal year starting at least twelve months after the beginning of the valuation year, except when significant benefit or actuarial assumption changes occur. Plan A members are required to contribute 9.9% - 15.6% of their annual covered salary based upon the member's age at the date of entry into the system and Plan B general members are required to contribute 10.7% of their annual covered salary. The County is required to contribute the remaining amounts necessary to finance the coverage of their employees through periodic contributions at actuarially determined rates. Employer and member contributions are funded and recognized through the County payroll system via employer benefit payments and employee deductions. For the fiscal year ended June 30, 2022, SCTA contributed \$255,381 or approximately 15.39% of covered payroll.

**Note L. Employees' Retirement Plan (continued)*****Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension***

At June 30, 2022, SCTA reported an asset of (\$293,819) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. SCTA's proportion of the net pension liability (asset) was based on a projection of the SCTA's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At December 31, 2021, SCTA's proportion was .479% which represents an increase from its proportion measured as of December 31, 2020.

For the year ended June 30, 2022, SCTA recognized pension expense/(credit) of (\$15,940). Pension expense represents the change in the net pension liability (asset) during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or methods, and plan benefits. At June 30, 2022, SCTA reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>of Resources</u>	<u>of Resources</u>
Differences between expected and actual experience	\$ 27,531	\$ 107,388
Changes in assumptions	286,343	-
Net difference between projected and actual earnings on retirement plan investments	-	1,362,167
Changes in proportion and in differences between SCTA contributions and proportionate share of contributions	259,103	36,908
SCTA contributions subsequent to the measurement date	128,729	-
	<u>\$ 701,706</u>	<u>\$ 1,506,463</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability (asset) to be recognized in future periods in a systematic and rational manner.



**Note L. Employees' Retirement Plan (continued)**

***Pension Asset, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension*** (continued)

Deferred outflows of resources related to pensions resulting from SCTA contributions subsequent to the measurement date totaling \$128,729 will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (reduction of expense) as follows:

Year Ending	Amount
June 30,	
2023	\$ (95,492)
2024	(375,009)
2025	(172,150)
2026	(290,835)
Total	\$ <u>(933,486)</u>

***Actuarial Assumptions***

The total pension liability was determined based on the December 31, 2021 actuarial valuation, using the following actuarial assumptions:

**Actuarial Assumptions**

Valuation Date	December 31, 2021
Measurement Date	December 31, 2021
Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumption:	
Inflation	2.50%
Projected Salary Increase	3.55% - 8.00%
Investment Rate of Return	6.75%

**Note L. Employees' Retirement Plan (continued)**

***Sensitivity of SCTA's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate***

The discount rate used to measure the total pension liability was 6.75% as of December 31, 2021, the measurement date. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates.

The following presents SCTA's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.75%, as well as what SCTA's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate.

	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
SCTA's proportionate share of the net pension plan liability (asset)	\$ 981,311	\$ (293,819)	\$ (1,353,082)

**Note M. Other Postemployment Benefits (OPEB)**

***Plan Description***

The County of Sonoma (County) maintains an Other Postemployment Healthcare Plan (OPEB or Plan). The Plan is a single employer defined benefit plan which is administered by the County. The authority to establish and amend benefit provisions of the Plan resides with the County Board of Supervisors. SCTA participates in the OPEB Plan.

The County established an OPEB trust with the Public Agency Retirement Services (PARS) in 2008 to accumulate resources to fund future benefit payments of the Plan. The OPEB trust is reported in the County of Sonoma's Annual Comprehensive Financial Report (ACFR) and can be found at [www.sonoma-county.org](http://www.sonoma-county.org).

In accordance with a County Board of Supervisors approved salary resolution and applicable memorandum of understanding, the Plan includes unrepresented and represented employees hired prior to January 1, 2009, with at least 10 consecutive years of regular full-time paid employment. The Plan was closed to new participants on December 31, 2008.

**Note M. Other Postemployment Benefits (OPEB) (continued)**

***Benefits Provided***

Retirees and the County share in the cost of monthly premiums for medical coverage. The County contribution toward plan member premiums is a \$500 per month maximum contribution. Retirees may enroll eligible dependents in the County medical plan elected by the retiree, but the retiree is responsible for all premium costs in excess of the County's contribution. In the case of a Safety employee's line-of-duty death pursuant to the California labor code, dependents of the deceased employee are eligible to receive County-subsidized medical coverage. In addition to the monthly contribution, the County reimburses retirees hired prior to January 1, 2009, a fixed amount of \$96.40 per month for Medicare Part B premiums.

***Contributions***

The OPEB Plan funding policy provides for periodic contributions by the County. The contribution rate as a percentage of covered payroll is 8.8%, and is authorized annually by the County Board of Supervisors to finance the costs of benefits for plan members, with an additional amount to finance the unfunded accrued liability. Contributions to the OPEB Plan from SCTA were \$131,711 for the year ended June 30, 2022. Employees are not required to contribute to the OPEB Plan.

The net OPEB liability and asset information is reported within certain defined timeframes as listed below:

Reporting Date	June 30, 2022
Valuation Date	June 30, 2021
Measurement Date	June 30, 2021

At June 30, 2022, SCTA reported a liability of \$663,034 for its proportionate share of the net OPEB liability. SCTA's covered payroll is used as the basis for determining its proportion of the OPEB amounts. At June 30, 2021, SCTA's proportion was .437%. At June 30, 2022 SCTA's proportion was .403% a decrease of .034%.

***Discount Rate***

The discount rate used to measure the total OPEB liability was 6.50% as of June 30, 2021 and June 30, 2020. The projection of cash flows used to determine the discount rate as of June 30, 2021 assumed employer contributions of 8.8% of future open group payroll. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. As a result, the discount rate is equal to the assumed investment return of 6.50%.

**Note M. Other Postemployment Benefits (OPEB) (continued)**

***Actuarial Methods and Assumptions***

The Net OPEB Liability (NOL) was measured as of June 30, 2021 and determined based on the total OPEB liability from actuarial valuations as of June 30, 2021.

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry Age Normal Cost Method
Inflation	2.75%
Investment rate of return	6.50%, net of OPEB plan investment expense, including inflation
Projected salary increases	3.25%
Other assumptions	Analysis of actuarial experience per the January 1, 2015 through December 31, 2017 Actuarial Experience Study dated September 25, 2018 for the Sonoma County Employees' Retirement Association (SCERA).

***Investments***

The long-term expected rate of return on OPEB Plan investments was determined using a building-block method in which the expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rate of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the table below.

**Note M. Other Postemployment Benefits (OPEB) (continued)**

*Investments* (continued)

The County’s Investment Guidelines for OPEB are detailed in the “Investment Guidelines Document – County of Sonoma Post-Employment Health Care Plan Investment Policy Document – June 2021.” The following is the Board’s adopted asset allocation policy for OPEB as of June 2021:

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return
Large Cap U.S. Equity	30%	6.55%
Mid Cap U.S. Equity	4%	6.55%
Small Cap U.S. Equity	8%	6.55%
International Equity	8%	8.25%
Global Equity	6%	8.25%
U.S. Core Fixed Income	31%	0.40%
Alternatives	8%	3.03%
Cash	1%	0.29%
Real Estate	4%	3.65%
<b>Total</b>	<b>100%</b>	

***Sensitivity of SCTA’s Proportionate Share of the Net OPEB Liability***

*Sensitivity of SCTA’s Proportionate Share of the Net OPEB Liability to Changes in Discount Rate*

The following presents SCTA’s proportionate share of the Net OPEB liability if it were calculated using the discount rate of 6.50%, as well as what SCTA’s proportionate share of the Net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate, for measurement period ended June 30, 2021:

1% Decrease 5.50%	Discount Rate 6.50%	1% Increase 7.50%
\$ 754,713	\$ 663,034	\$ 583,755

**Note M. Other Postemployment Benefits (OPEB) (continued)**

***Sensitivity of SCTA’s Proportionate Share of the Net OPEB Liability (continued)***

*Sensitivity of SCTA’s Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate*

The following present SCTA’s proportionate share of the Net OPEB liability if it were calculated using the trend rate that is 1%, higher as well as using trend rate 1% lower than the current trend rates, for measurement period ended June 30, 2021:

1% Decrease Trend Rate	Current Trend Rates	1% Increase Trend Rates
\$ 642,651	\$ 663,034	\$ 684,874

The County Health Plan medical trends for ages under 65 grade from 6.5% in 2021/2022 graded down to 4.5% over 4 years. County Health Plan medical trends for ages 65 and over graded down to 4.5% over 4 years. HMO Medical/Drug trends grade from 6.5% in 2021/2022 down to 4.50% over 8 years. ASO fees assumed trend was 4.50% in 2021/2022, and thereafter.

***Amortization of Deferred Outflows and Deferred Inflows of Resources***

The net difference between projected and actual earnings on OPEB Plan investments is amortized over a 5-year period on a straight-line basis. One-fifth was recognized in OPEB expense during the measurement period, and the remaining net difference between projected and actual investment earnings on OPEB Plan investments at June 30, 2021, is to be amortized over the remaining 4-year period.

The changes in assumptions and differences between expected and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided OPEB through the Plan (active and inactive) determined as of the beginning of the measurement period. For the measurement period ended June 30, 2021, the average is 5.47 years.

Sonoma County Transportation Authority

**Notes to the Basic Financial Statements**

**For the Fiscal Year ended June 30, 2022**

**Note M. Other Postemployment Benefits (OPEB) (continued)**

*Amortization of Deferred Outflows and Deferred Inflows of Resources (continued)*

For the year ended June 30, 2022, SCTA recognized OPEB expense of 35,723. At June 30, 2022, SCTA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ 63,781
Changes of assumptions	-	47,913
Net differences between projected and actual earnings on plan investments	-	43,765
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	65,675
Contributions made subsequent to the measurement date	131,256	-
<b>Total</b>	<b>\$ 131,256</b>	<b>\$ 221,134</b>

The \$131,256 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as OPEB expense (reduction of expense) as follows:

Year Ending June 30,	Amount
2023	\$ (55,784)
2024	(55,524)
2025	(55,112)
2026	(43,512)
2027	(11,202)
<b>Total</b>	<b>\$ (221,134)</b>

**Note M. Other Postemployment Benefits (OPEB) (continued)**

***Defined Contribution Plan Description***

For employees hired on or after January 1, 2009, the County provides a defined contribution into a Retiree Health Reimbursement Arrangement (HRA) account. Eligibility for this benefit is based upon completion of two full years of consecutive County regular service and have been a contributing member of the Sonoma County Employees Retirement Association. Upon completion of the initial eligibility requirements, the County provides (a) an initial contribution of \$2,400 to an HRA account established in the employee's name; this initial contribution of \$2,400 is based on full-time status and is prorated based on the employee's allocated position, and (b) thereafter contributes \$.58 per pay status hour, not including overtime, into the HRA account for each eligible employee. Once an employee has worked the two full years of service and the initial contribution into their HRA account is made, there are no further service requirements. All contributions into the Retiree HRA are made only while an employee is in active pay status, and upon separation of employment, there are no further post-employment contributions. Participants may access their HRA account at age 50 or upon retirement from the County, whichever is earlier, and may defer this date. There is no requirement to be enrolled in a County offered medical plan to receive this benefit. Retirees and dependents that elect coverage under a County-sponsored plan are responsible for all costs.

**Note N. Deferred Compensation**

The Deferred Compensation Benefit Plans are administered through a third-party administrator. The plan is excluded from the SCTA's financial statements. The Deferred Compensation Benefit Plan is an employer discretionary, defined contribution plan established and governed under Internal Revenue Code Sections 401(a) and 457(b). The plan is available to employee groups based on bargaining unit and job class.

Employer-only annual contributions are calculated based upon a percentage of employee compensation. For the fiscal year ended June 30, 2022, SCTA's contribution was \$13,247. SCTA offers employees an optional deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code. This plan is available to substantially all employees and allows participants to defer a portion of their current income until future years, up to a maximum of \$20,500 per calendar year.



**Sonoma County Transportation Authority**

**Notes to the Basic Financial Statements**

**For the Fiscal Year ended June 30, 2022**

**Note O. Commitments**

SCTA has the following contractual commitments related to its activities as of June 30, 2022:

Activity	Outstanding Commitment Balance
Measure M	\$ 17,481,884
Transportation Fund for Clean Air (TFCA)	1,289,456
Transportation Improvement	2,195,243
Total	\$ 20,966,583

**Note P. Leases**

During the year ended June 30, 2022, SCTA recorded an initial lease liability of \$1,301,234 related to an office space lease. As of June 30, 2022, the value of the lease liability was \$1,146,871. SCTA is required to make monthly principal and interest payments of \$14,253, which increase 3% per year. The value of the right-to-use asset as of June 30, 2022 was \$1,301,234 and had accumulated amortization of \$178,864.

Remaining obligations associated with the lease are as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2023	\$ 160,115	\$ 14,770	\$ 174,885
2024	167,610	12,521	180,131
2025	175,367	10,168	185,535
2026	183,394	7,706	191,100
2027	191,701	5,133	196,834
2028-2029	268,684	2,639	271,323
Total requirements	\$ 1,146,871	\$ 52,937	\$ 1,199,808

**Note Q. Future Governmental Accounting Standards**

*GASB Statement No. 92 – Omnibus 2020*

The requirements of this Statement are effective for the fiscal year ending June 30, 2022. The objective of this Statement enhances comparability in accounting and financial reporting by addressing practices issues that have been identified during the implementation and application of certain GASB Statements.

**Note Q. Future Governmental Accounting Standards (continued)**

*GASB Statement No. 96 – Subscription-Based Information Technology Arrangements (SBITA)*

The requirements of this statement are effective for the fiscal year ending June 30, 2023. Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology 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. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

The impact on the basic financial statements of SCTA of these pronouncements, which have not yet been adopted, is unknown at this time.

## **Required Supplementary Information**

**Sonoma County Transportation Authority**

**Schedule of SCTA's Proportionate Share of the Net Pension Liability (Asset)  
and Schedule of SCTA's Contributions**

**For the Fiscal Year Ended June 30, 2022**

**Sonoma County Employee Retirement Association - Schedule of SCTA's Proportionate Share of the Net Pension Liability (Asset)**

Last 10 Fiscal Years * Measurement Date	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014	12/31/2013
SCTA's proportion of the net pension liability (asset)	0.48%	0.37%	0.39%	0.33%	0.31%	0.32%	0.32%	0.31%	0.32%
SCTA's proportionate share of the net pension liability (asset)	\$ (293,819)	\$ 698,688	\$ 881,829	\$ 1,635,864	\$ 527,894	\$ 1,259,436	\$ 1,309,554	\$ 672,050	\$ 779,172
SCTA's covered payroll	\$ 1,516,958	\$ 1,475,295	\$ 1,502,149	\$ 1,280,735	\$ 1,274,122	\$ 1,185,073	\$ 1,099,977	\$ 1,007,787	\$ 1,030,693
SCTA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-19.37%	47.36%	58.70%	127.73%	41.43%	106.27%	119.05%	66.69%	75.60%
Plan fiduciary net position as a percentage of the total pension liability	102.70%	93.60%	92.26%	83.50%	94.03%	85.92%	84.63%	90.88%	89.76%

**Sonoma County Employee Retirement Association - Schedule of SCTA's Contributions**

Last 10 Fiscal Years * Reporting Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarially determined contribution	\$ 255,381	\$ 277,152	\$ 262,920	\$ 211,171	\$ 217,033	\$ 190,574	\$ 239,614	\$ 195,659
Contributions in relation to the actuarially determined contribution	255,381	277,152	262,920	211,171	217,033	190,574	239,614	195,659
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SCTA's covered payroll	\$ 1,659,282	\$ 1,469,283	\$ 1,501,435	\$ 1,440,885	\$ 1,272,420	\$ 1,227,147	\$ 1,150,999	\$ 989,162
Contributions as a percentage of covered payroll	15.39%	18.86%	17.51%	14.66%	17.06%	15.53%	20.82%	19.78%

\* Additional years will be presented as they become available.

The information presented relates solely to the County of Sonoma funds and blended component units and not the Sonoma County Employee Retirement Association as a whole.

**Sonoma County Transportation Authority**

**Schedule of SCTA's Proportionate Share of the Net OPEB Liability**

**For the Fiscal Year Ended June 30, 2022**

	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
Proportion of the net OPEB liability	0.403%	0.437%	0.439%	0.386%	0.382%	0.378%
Proportionate share of the net OPEB liability	\$ 663,034	\$ 898,181	\$ 1,043,299	\$ 965,171	\$ 1,282,277	\$ 1,392,712
Covered payroll	\$ 1,469,283	\$ 1,509,992	\$ 1,437,731	\$ 1,272,420	\$ 1,227,147	\$ 1,150,999
Proportionate share of the net OPEB liability as a percentage of its covered payroll	45.13%	59.48%	72.57%	75.85%	104.49%	121.00%
Plan fiduciary net position as a percentage of the total OPEB liability	38.18%	26.46%	21.73%	18.77%	12.90%	10.25%

Amounts presented above were determined as of the measurement date, which is one year prior to the reporting date (the other postemployment benefit liability). Additional years will be presented as they come available.

**Sonoma County Transportation Authority**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance-  
Budget and Actual - General Fund**

**For the Fiscal Year Ended June 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Intergovernmental revenue	\$ 4,593,021	\$ 4,899,966	\$ 9,096,090	\$ 4,196,124
Miscellaneous revenue	44,000	94,000	87,217	(6,783)
Investment earnings (loss)	6,000	6,000	(301,129)	(307,129)
Total revenues	<u>4,643,021</u>	<u>4,999,966</u>	<u>8,882,178</u>	<u>3,882,212</u>
<b>Expenditures</b>				
Current				
Salaries and employee benefits	1,681,717	1,648,105	1,456,165	191,940
Services and supplies	1,462,130	1,723,437	586,228	1,137,209
Contributions to other governments	1,501,510	1,599,010	182,502	1,416,508
Capital outlay	-	925,926	1,301,234	(375,308)
Debt Service:				
Principal	-	-	154,363	(154,363)
Interest	-	-	17,133	(17,133)
Total expenditures	<u>4,645,357</u>	<u>5,896,478</u>	<u>3,697,625</u>	<u>2,198,853</u>
<b>Other Financing Sources</b>				
Inception of lease	-	925,926	1,301,234	375,308
Net change in fund balance	<u>(2,336)</u>	<u>29,414</u>	<u>6,485,787</u>	<u>6,456,373</u>
<b>Fund Balance at June 30, 2021</b>	<u>621,026</u>	<u>621,026</u>	<u>621,026</u>	<u>-</u>
<b>Fund Balance at June 30, 2022</b>	<u>\$ 618,690</u>	<u>\$ 650,440</u>	<u>\$ 7,106,813</u>	<u>\$ 6,456,373</u>

**Sonoma County Transportation Authority**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual - Special Revenue Fund (TFCA)**

**For the Fiscal Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental revenue	\$ 556,125	\$ 556,125	\$ 626,988	\$ 70,863
Investment income (loss)	12,000	12,000	(42,157)	(54,157)
Total revenues	<u>568,125</u>	<u>568,125</u>	<u>584,831</u>	<u>16,706</u>
<b>Expenditures</b>				
Current:				
Administration	32,371	32,371	32,264	107
Contributions to other governments	523,754	1,759,871	1,498,909	260,962
Encumbrances	-	(1,236,117)	(1,039,997)	(196,120)
Total expenditures	<u>556,125</u>	<u>556,125</u>	<u>491,176</u>	<u>64,949</u>
Net change in fund balance	<u>12,000</u>	<u>12,000</u>	<u>93,655</u>	<u>81,655</u>
<b>Fund Balance at June 30, 2021</b>	<u>1,277,802</u>	<u>1,277,802</u>	<u>1,277,802</u>	<u>-</u>
<b>Fund Balance at June 30, 2022</b>	<u>\$ 1,289,802</u>	<u>\$ 1,289,802</u>	<u>\$ 1,371,457</u>	<u>\$ 81,655</u>

**Sonoma County Transportation Authority**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budgets and Actual - Special Revenue and Debt Service Funds (Measure M)**

**For the Fiscal Year Ended June 30, 2022**

	Total Measure M Budgeted Amounts		Actual Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Special	Debt	Total	
			Revenue	Service	Measure M	
<b>Revenues</b>						
Measure M sales tax	\$ 27,584,638	\$ 29,527,726	\$ 25,504,934	\$ 6,343,938	\$ 31,848,872	\$ 2,321,146
Intergovernmental revenue	464,000	525,000	505,063	-	505,063	(19,937)
Investment income (loss)	406,510	406,510	(1,419,645)	(1,602)	(1,421,247)	(1,827,757)
Total revenues	<u>28,455,148</u>	<u>30,459,236</u>	<u>24,590,352</u>	<u>6,342,336</u>	<u>30,932,688</u>	<u>473,452</u>
<b>Expenditures</b>						
Current:						
Services and supplies	3,424,670	3,569,583	2,076,573	-	2,076,573	1,493,010
Contributions to other governments	25,266,886	29,273,671	16,764,064	-	16,764,064	12,509,607
Capital outlay	-	325,308	-	-	-	325,308
Debt service:						
Interest	1,044,375	997,375	52,544	995,375	1,047,919	(50,544)
Principal	5,217,000	5,217,000	-	5,215,000	5,215,000	2,000
Total expenditures	<u>34,952,931</u>	<u>39,382,937</u>	<u>18,893,181</u>	<u>6,210,375</u>	<u>25,103,556</u>	<u>14,279,381</u>
<b>Other Financing Sources (uses)</b>						
Inception of lease	-	325,308	-	-	-	(325,308)
Transfers in	1,310,000	295,000	-	-	-	(295,000)
Transfers out	(1,310,000)	(295,000)	-	-	-	295,000
Total other financing sources	<u>-</u>	<u>325,308</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(325,308)</u>
Net change in fund balance	<u>(6,497,783)</u>	<u>(8,598,393)</u>	<u>5,697,171</u>	<u>131,961</u>	<u>5,829,132</u>	<u>14,427,525</u>
<b>Fund Balance at June 30, 2021</b>	<u>49,229,578</u>	<u>49,229,578</u>	<u>44,883,880</u>	<u>4,345,698</u>	<u>49,229,578</u>	<u>-</u>
<b>Fund Balance at June 30, 2022</b>	<u>\$ 42,731,795</u>	<u>\$ 40,631,185</u>	<u>\$ 50,581,051</u>	<u>\$ 4,477,659</u>	<u>\$ 55,058,710</u>	<u>\$ 14,427,525</u>



**Note A. Budgetary Information**

Budgetary revenue estimates represent original estimates modified for any authorized adjustment which was contingent upon new or additional revenue sources. Budgetary expenditure amounts represent original appropriations adjusted by budget transfers and authorized appropriation adjustments made during the year. Budgets are adopted on a basis consistent with generally accepted accounting principles. SCTA budgetary information was amended during the year by the Board of Directors.

## **Supplementary Information**

**Sonoma County Transportation Authority**

**Schedule of Expenditures of Federal Awards**

<b>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Fiscal Year Ended June 30, 2022 Pass-Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
<b>Department of Transportation</b>			
<b>Highway Planning and Construction Cluster</b>			
California Department of Transportation Highway Planning and Construction (Federal-Aid Highway Program)	20.205	CMLNI-6364(021)	\$ 421,513
Metropolitan Transportation Commission Highway Planning and Construction (Federal-Aid Highway Program) MTC Surface Transportation Program (STP)	20.205	STPL-6084(206)	1,137,169
<b>Total Highway Planning and Construction Cluster</b>			<b>1,558,682</b>
<b>Total Department of Transportation</b>			<b>1,558,682</b>
Total Expenditures of Federal Awards			\$ 1,558,682

**Notes to Schedule of Expenditures of Federal Awards**

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**For the Fiscal Year Ended June 30, 2022**

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**Note A. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the schedule) includes the federal award activity of the Sonoma County Transportation Authority (SCTA) under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulation (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of SCTA, it is not intended to and does not present the financial position, changes in net assets, or cash flows of SCTA.

**Note B. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note C. Indirect Cost Rate**

SCTA has elected not to use the 10% de minimis cost rate as allowed under the *Uniform Guidance*.

**Note D. Pass Through Funding**

SCTA did not provide pass through funding to sub recipients during the fiscal year ended June 30, 2022.

The following is a roster of the Sonoma County Transportation Authority Board of Directors and the Executive Director at June 30, 2022:

<b>Board of Directors</b>	<b>Agency</b>
Chris Rogers, Chair	City of Santa Rosa
Lynda Hopkins, Vice Chair	County of Sonoma
Melanie Bagby	City of Cloverdale
Mark Landman	City of Cotati
Ariel Kelley	City of Healdsburg
D’Lynda Fischer	City of Petaluma
Gerard Giudice	City of Rohnert Park
Sarah Gurney	City of Sebastopol
Sandra Lowe	City of Sonoma
Chris Coursey	County of Sonoma
David Rabbitt	County of Sonoma
Rosa Reynoza	Town of Windsor
Alternate Marta Cruz	City of Cloverdale
Alternate Susan Harvey	City of Cotati
Alternate Skylaer Palacios	City of Healdsburg
Alternate Kevin McDonnell	City of Petaluma
Alternate Jackie Elward	City of Rohnert Park
Alternate Victoria Fleming	City of Santa Rosa
Alternate Neysa Hinton	City of Sebastopol
Alternate Kelso Barnett	City of Sonoma
Alternate Esther Lemus	Town of Windsor
<b>Executive Director</b>	
Suzanne Smith	Executive Director

## **Compliance**