



**San Bernardino County**  
**State of California**

**ANNUAL  
COMPREHENSIVE  
FINANCIAL REPORT**



**Fiscal Year Ended June 30, 2021**  
**ENSEN MASON CPA, CFA**  
**Auditor-Controller/Treasurer/Tax Collector**



**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2021**

**SAN BERNARDINO COUNTY  
CALIFORNIA  
1853**



Supervisor Col. Paul Cook (Ret.).....First District  
Supervisor Janice Rutherford.....Second District  
Supervisor Dawn Rowe, Vice Chair.....Third District  
Supervisor Curt Hagman, Chairman.....Fourth District  
Supervisor Joe Baca, Jr.....Fifth District

**Leonard X. Hernandez – Chief Executive Officer**

**Prepared by the Office of the Auditor-Controller/Treasurer/Tax Collector  
Ensen Mason, Auditor-Controller/Treasurer/Tax Collector**

**SAN BERNARDINO COUNTY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
JUNE 30, 2021**

**TABLE OF CONTENTS**

***INTRODUCTORY SECTION***

LETTER OF TRANSMITTAL.....	1
DIRECTORY OF ELECTED COUNTY OFFICES.....	8
DIRECTORY OF APPOINTED COUNTY OFFICIALS .....	9
ORGANIZATION CHART.....	10
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING .....	11

***FINANCIAL SECTION***

INDEPENDENT AUDITOR'S REPORT.....	14
MANAGEMENT'S DISCUSSION AND ANALYSIS .....	17

**BASIC FINANCIAL STATEMENTS:**

Government-Wide Financial Statements:

Statement of Net Position .....	36
Statement of Activities .....	37

Fund Financial Statements:

Balance Sheet – Governmental Funds .....	40
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	41
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on Budgetary Basis – General Fund .....	42
Statement of Net Position – Proprietary Funds .....	44
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds .....	46
Statement of Cash Flows – Proprietary Funds .....	48
Statement of Fiduciary Net Position – Fiduciary Funds .....	50
Statement of Changes in Fiduciary Net Position – Investment Trust Fund and Private-Purpose Trust Fund .....	51

## **TABLE OF CONTENTS**

Notes to the Basic Financial Statements:

Note 1 – Summary of Significant Accounting Policies .....	53
Note 2 – Reconciliation of Government-Wide and Fund Financial Statements.....	66
Note 3 – Stewardship, Compliance, and Accountability .....	67
Note 4 – Cash and Investments .....	68
Note 5 – Receivables .....	89
Note 6 – Interfund Transactions .....	90
Note 7 – Restricted Cash and Investments.....	93
Note 8 – Capital Assets.....	94
Note 9 – Deferred Outflows and Deferred Inflows of Resources .....	96
Note 10 – Advances from Others .....	97
Note 11 – Long-term Liabilities .....	98
Note 12 – Leases .....	111
Note 13 – Closure and Postclosure Care Costs .....	112
Note 14 – Self-Insurance .....	113
Note 15 – Collateralized Facilities .....	114
Note 16 – Fund Balances Detail .....	115
Note 17 – Medicare and Medi-Cal Programs.....	117
Note 18 – Retirement Plans.....	117
Note 19 – Lease/Leaseback .....	125
Note 20 – Commitments and Contingencies.....	126
Note 21 – Restatement of Fund Balance/Net Position .....	130
Note 22 – New Accounting Pronouncements .....	133

REQUIRED SUPPLEMENTARY INFORMATION:

Schedule of the County’s Proportionate Share of the Net Pension Liability .....	136
Schedule of the County’s Contributions.....	137

SUPPLEMENTAL INFORMATION:

Individual Nonmajor Fund Financial Statements and Other Supplementary Information:

Combined Financial Statements – Nonmajor Governmental Funds:

Combined Balance Sheet – Nonmajor Governmental Funds .....	140
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds .....	141

Combining Financial Statements – Nonmajor Governmental Funds:

Nonmajor Governmental Funds Descriptions .....	143
Combining Balance Sheet – Special Revenue Funds .....	148
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Special Revenue Funds.....	154
Combining Balance Sheet – Debt Service Funds .....	160

## **TABLE OF CONTENTS**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Debt Service Funds .....	161
Combining Balance Sheet – Capital Projects Funds .....	162
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Capital Projects Funds .....	163
Combining Balance Sheet – Permanent Funds .....	164
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Permanent Funds .....	165
Combining Financial Statements – Nonmajor Enterprise Funds:	
Nonmajor Enterprise Funds Descriptions .....	167
Combining Statement of Net Position – Nonmajor Enterprise Funds .....	168
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds .....	169
Statement of Cash Flows – Nonmajor Enterprise Funds .....	170
Combining Financial Statements – Internal Service Funds:	
Internal Service Funds Descriptions .....	171
Combining Statement of Net Position – Internal Service Funds .....	172
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds .....	174
Statement of Cash Flows – Internal Service Funds.....	176
Combining Financial Statements – Fiduciary Funds:	
Fiduciary Funds Descriptions .....	177
Combining Statement of Net Position – Fiduciary Funds Private Purpose .....	178
Combining Statement of Net Position – Fiduciary Funds Custodial .....	179
Combining Statement of Changes in Net Position – Fiduciary Funds Private Purpose .....	180
Combining Statement of Changes in Net Position – Fiduciary Funds Custodial .....	181

## **TABLE OF CONTENTS**

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Budget and Actual on Budgetary Basis:

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on Budgetary Basis – Certain Special Revenue Funds .....	183
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on Budgetary Basis – Capital Improvement Fund .....	205
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on Budgetary Basis – Certain Capital Projects Funds .....	206

### **STATISTICAL SECTION**

Statistical Section Descriptions .....	211
Net Position by Component.....	213
Changes in Net Position .....	214
Funds Balances – Governmental Funds.....	216
Changes in Fund Balances – Governmental Funds .....	217
Assessed Value and Actual Value of Taxable Property .....	218
Property Tax Rates – Direct and Overlapping Governments – Tax Rate Area 7000.....	219
Principal Property Taxpayers – Current Year and Nine Years Ago .....	220
Property Tax Levies and Collections – Last Ten Fiscal Years.....	221
Ratios of General Bonded Debt Outstanding .....	222
Estimated Direct and Overlapping Bonded Debt.....	223
Computation of Legal Debt Margin .....	225
Ratios of Outstanding Debt by Type .....	226
Demographic and Economic Statistics – Last Ten Fiscal Years.....	227
Principal Employers – Current Year and Nine Years Ago.....	228
County Employees by Function/Program .....	229
Operating Indicators by Function/Program .....	230
Capital Asset Statistics by Function/Program.....	231

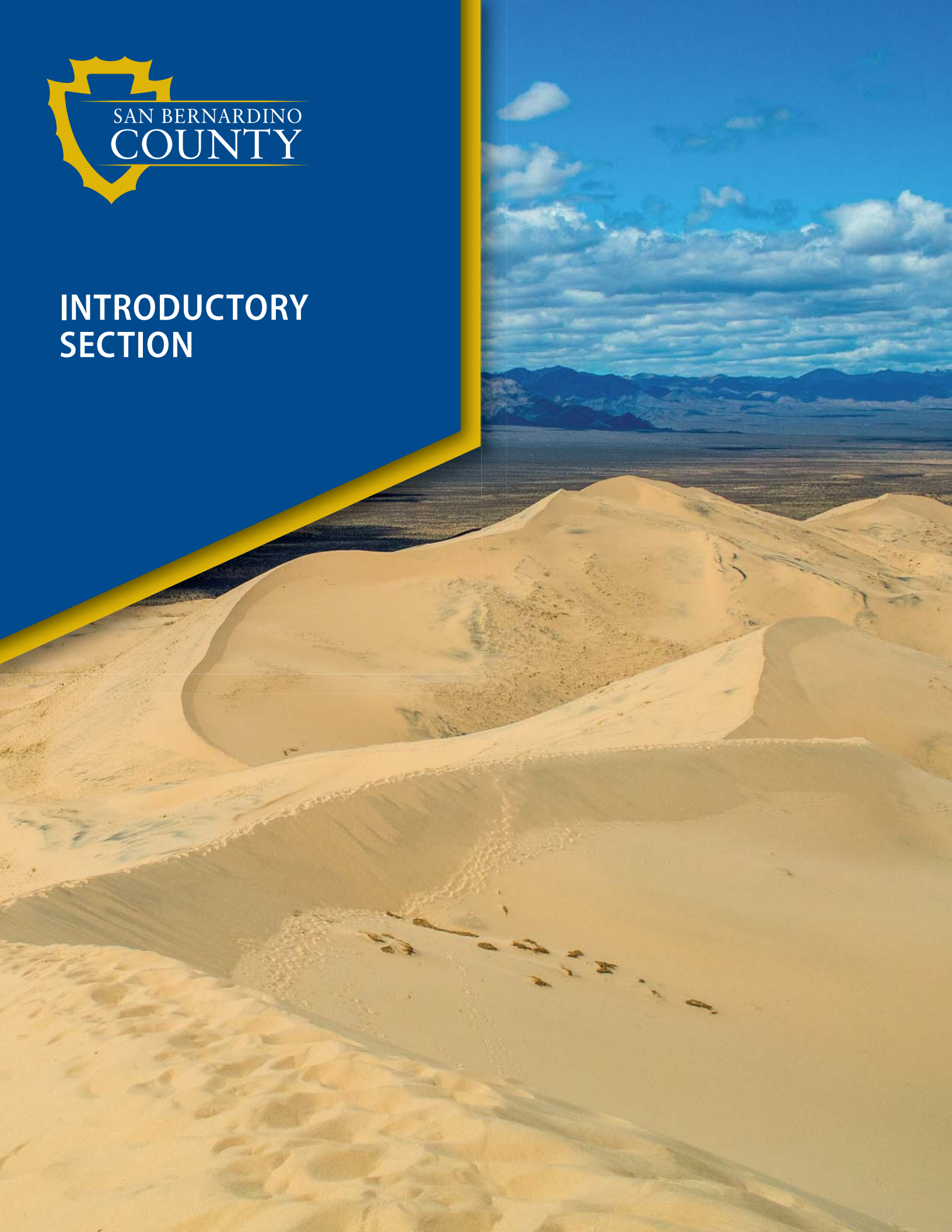


SAN BERNARDINO  
COUNTY





# INTRODUCTORY SECTION







**Auditor–Controller/Treasurer/Tax Collector**

**Ensen Mason CPA, CFA**  
*Auditor–Controller/Treasurer/Tax Collector*

**Douglas R. Boyd Sr., ESQ.**  
*Assistant Auditor–Controller/Treasurer/Tax Collector*

**Tori Roberts CPA**  
*Assistant Auditor–Controller/Treasurer/Tax Collector*

January 19, 2022

Citizens of San Bernardino County  
Honorable Board of Supervisors  
385 North Arrowhead Avenue  
San Bernardino, CA 92415-0110

Citizens of San Bernardino County and Honorable Board Members:

The Annual Comprehensive Financial Report of San Bernardino County, California for the fiscal year ended June 30, 2021, is submitted herewith in compliance with Section 25253 of the California Government Code and Article V, Section 8, of San Bernardino County’s Charter.

The accompanying Basic Financial Statements were prepared in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board, the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Responsibility for the accuracy of the presented data and the completeness and fairness of its presentation, including all disclosures, rests with the management of San Bernardino County (County). The County has established a system of internal control to provide reasonable – but not absolute – assurance that assets are safeguarded against loss or unauthorized disposition, and to provide reliable records for preparing financial statements and maintaining accountability for assets. We believe the data is presented in a manner which fairly sets forth the financial position and results of County operations, and that all disclosures necessary to enable the reader to gain a full understanding of the County’s financial activities have been included.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget 2 CFR Part 200 – *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to the single audit, including the schedule of expenditures of federal awards, schedule of findings and questioned costs, and the independent auditor’s report on compliance and internal control are published separately from this report.

**INDEPENDENT AUDIT**

The County’s financial statements have been audited by independent auditors Eide Bailly LLP, Certified Public Accountants. The independent auditors have issued an unmodified (clean) opinion on the County’s basic financial statements for the year ending June 30, 2021. The Independent Auditor’s Report is included in the Financial Section, which is an integral part of this Annual Comprehensive Financial Report located on page 14 of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. MD&A complements this transmittal letter and should be read in conjunction with it.

## **THE REPORTING ENTITY AND ITS SERVICES**

The County, located in Southern California, was established by an act of the State Legislature on April 26, 1853, forming the County from parts of Los Angeles, San Diego, and Mariposa Counties. The County is a charter law county divided into five supervisorial districts based on population. The County encompasses an area of over 20,160 square miles and includes 24 incorporated cities. In terms of land area, it is the largest county in the contiguous United States. The County is the fifth most populous of the 58 counties in California. According to the State of California Department of Finance as of May 2021, the County's population estimate at January 1, 2021 was 2.18 million, which remained consistent with the January 1, 2020 estimate of 2.18 million

The County provides a wide range of services to its residents, including police protection, criminal prosecution, medical and health services, education, senior citizen assistance, roads, library services, support for judicial institutions, airport services, cultural and environmental services, parks, and a variety of public assistance programs. Special districts and county service areas provide services to remote geographical areas and rapidly growing communities. These services include fire protection, parks, flood control, water, sewer, sanitation, street lighting, and roads.

The accompanying Basic Financial Statements include all County organizations and entities, functions, and activities for which the County Board of Supervisors is financially accountable. Also included are numerous self-governed school and special district funds for which the County acts as depository. The financial reporting for these entities, which are not governed by and act independently of the County, is limited to reporting, as Investment and Private-Purpose Trust Funds, the total amount of cash, investments, and other assets collected for, disbursed by, and held for these entities. Also included is data for legally separate entities for which the County's Board of Supervisors is financially accountable, also known as component units. Blended component units are, in substance, part of the County's operations. Therefore, data from these units are combined with data of the County. The following entities are presented as blended component units in the basic financial statements for the year ended June 30, 2021: the San Bernardino County Fire Protection District, San Bernardino County Flood Control District, San Bernardino County Park and Recreation Districts, County Service Areas, In-Home Support Services (IHSS), Inland Counties Emergency Medical Agency (ICEMA), San Bernardino County Industrial Development Authority (COIDA), Inland Empire Public Facilities Corporation (IEPFC), and San Bernardino County Financial Authority (SBCFA). The Annual Comprehensive Financial Report also includes one Fiduciary component unit, San Bernardino County Employees' Retirement Association (SBCERA) and one discretely presented component unit, First 5 San Bernardino.

## **INTERNAL AND BUDGETARY CONTROLS**

The County's internal accounting control system exists to provide reasonable – but not absolute – assurance that assets are safeguarded against loss or unauthorized disposition, and to provide reliable records for preparing financial statements and maintaining accountability for assets because the cost of a control should not exceed the benefits to be derived. The Auditor-Controller/Treasurer/Tax Collector's Auditor Division actively participates in evaluating and improving the internal control processes of County departments.

As a recipient of federal and state financial awards, the County is also responsible for ensuring that an adequate internal control structure is in place to assure compliance with applicable laws and regulations related to public assistance programs. This internal control structure is subject to periodic evaluation by management and internal audit staff.

The County uses the modified accrual basis of accounting for its Governmental Funds. Revenues are recognized when they become measurable and available to finance operations of the year. Expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term obligations, which is recognized when payment is due. The accrual basis of accounting is used for all Proprietary Fund



## ***INTERNAL AND BUDGETARY CONTROLS - Continued***

Types and the Fiduciary Funds. Revenues are recognized when they are earned and become measurable and expenses are recorded when they are incurred.

The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's Board of Supervisors. Budgets are adopted for the General Fund, certain Special Revenue Funds, Debt Service Funds, and Capital Project Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the appropriation unit level. Encumbrance accounting is utilized to assure effective budgetary control. Purchase orders and contracts are reviewed and a determination is made that valid and sufficient appropriations exist for payment of ordered goods and services. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Unencumbered appropriations expire at year-end and encumbrances outstanding at that time are included within restricted, committed, or assigned fund balance, as appropriate.

## **MAJOR INITIATIVES**

In response to the COVID-19 Pandemic, the County has been proactively engaged in measures to protect the health and safety of the community and is committed to the safe continuity of operations of essential governmental services. These, along with other programs and projects that will be undertaken in the upcoming year; include the following:

- San Bernardino County received federal funding through the American Rescue Plan Act (ARPA). On June 8, 2021, the Board of Supervisor's adopted a 3 and a half year plan for the use of the \$423.4 million in federal funds. This funding will allow the County to make strategic investments in our community to support pandemic response, economic recovery, and government operations.
- Under Project Homekey, the County will acquire and rehabilitate properties which will provide housing solutions for people experiencing homelessness. Building on the success of Project Roomkey, Homekey is the next phase in the County's response to protecting individuals experiencing homelessness who are at high risk for serious illness and are impacted by COVID-19.
- The Department of Community Development and Housing's (CDH) budget focus for 2022 include investing funds for public infrastructure improvements and development and/or construction of affordable housing to Ensure Development of a Well-Planned, Balanced, and Sustainable County. CDH will continue to provide transitional housing and homeless and essential services for those that are homeless or at-risk of homelessness for the Safety, Health, and Social Service Needs of County Residents.
- The Public Health Department's budget increased by \$30.2 million in the Public Health Consolidated Special Revenue Funds budget unit primarily due to the new Epidemiology Laboratory Capacity (ELC) Special Revenue Fund specifically created for COVID-19 emergency response efforts, which includes a total of 1,015 limited term positions, this allows the department to improve County Government Operations by continuing to focus on responding to the COVID-19 pandemic.
- Arrowhead Regional Medical Center (ARMC) is requesting to increase staffing levels in an effort to expand several programs and services including neurointerventional radiology, cardiothoracic surgery and become an accredited chest pain center, further expand primary care to increase access to healthcare, and infusion/oncology services. ARMC continues the implementation of a new Electronic Health Record with EPIC systems to unify providers across all patient care areas to achieve a "One Person-One Record" vision that will facilitate patient engagement tools of online and mobile services, telemedicine, self-scheduling, payment options and remote monitoring.

## ECONOMIC CONDITION AND OUTLOOK

### Overview

San Bernardino County's economy is recovering from its 2020 slowdown due to the COVID-19 pandemic. The job loss in 2020 was -4.2%, compared to California's loss of -6.9%. To date in 2021, the County is on track to gain back 39,209 of the 65,692 jobs lost in 2020. It is believed that the County will fully regain the net of 26,483 jobs losses during 2022. The September 2020 release of data for the 2019 American Community Survey (2020 was not done due to COVID) showed that while employment was expanding, the county's poverty rate fell significantly from 20.4% in 2011 to 13.3% in 2019. Important to the function of local governments, while San Bernardino County saw 2020 taxable sales increase by 3.58%, California's sales tax revenue fell -3.55%. In 2021, the first two quarters saw county increases of 23.0% and 42.2%. This growth also exceeded 13.0% and 38.8% for the state. Assessed valuation in the County grew at a rapid 7.59% from fiscal year 2021, bringing the total valuation to \$272.8 billion. That was 46.6% above its 2009 pre-Great Recession record. Prices had risen 29.1% since 2009, so local government purchasing power rose substantially.

### Industry and Employment

In 2019, the Inland Empire economy, of which San Bernardino County is the largest player, saw employment reach 1,567,475 jobs. During 2020, the number of people employed fell to 1,501,783, off -65,692 or -4.2%. If job growth in November-December 2021 is the same as in October (3.8%), the Inland Empire economy could end the year at an annual average of 1,540,992 positions, up 39,209 (2.6%). That will leave the region just 26,483 jobs below the 2019 level. At the compound 3.45% rate of job growth, found in normal economic growth times from 2016-2019, the year 2022 could see 53,318 jobs created taking the area's local employment to 1,594,311. This would be 26,836 jobs above the 2019 level (1.7%).

Among economic base sectors driving San Bernardino County's economy, the logistics sector has consistently led the inland area and the county's job growth. As of 2021, the sector is on track to add 23,158 jobs. That will be 41.3% of the 56,123 jobs added in growing sectors. Despite the COVID downturn, this sector group added 21,108 positions in 2020. This is happening due to the rapid growth of international trade through Southern California's ports (16% above 2018 record) and airports plus households increasing use of e-commerce to acquire goods. In Southern California, nearly all the large fulfillment centers are in the County due to its expansive land area. The sector's 2021 median pay is \$51,821 with an occupation such as commercial truck drivers earning \$51,854 a year.

Until 2020, health care was the only San Bernardino County sector to have never lost jobs from one year to the next. In 2020, it lost 2,800 positions as people were reticent to be in close contact with health care workers. In 2021, the sector is again headed for growth with 6,774 new jobs amounting to 12.1% percent of the 56,123 jobs added in growing sectors. The Health Care sector's 2021 median pay is \$70,836. The County's population growth helped drive the economic growth of this sector in addition to the continued impacts created by the Affordable Care Act (ACA). ACA Compliance among the community contributed to the continued decrease in uninsured people from 21% of residents in 2012 to 8.9% in 2019.

Construction is San Bernardino County's other traditional sector expanding its economic base. In 2021, this industry is on course to add 4,654 jobs given heavy demand for homes and industrial facilities. Its foundation is strong with residential prices having recently exploded to all time highs. This is due to a high demand and low supply of homes. Also, many construction jobs are directly related to the continuing need to add large facilities for logistics firms where vacancies are down to 0.7%. Construction workers received a median pay of \$56,670 in 2021.

### Assessed Valuation

In third quarter 2021, the median priced existing home in San Bernardino County was \$450,000. That was 21.8% above the 2020 level of \$369,500. New homes sold for \$545,250, 7.8% above their 2020 record of \$506,000. Homebuyers find San Bernardino County affordable compared to other Southern California areas. Current 2021 affordability data from the CA Board of Realtors show that 43% of the County's families could afford the prices of its bottom 50% of homes, making it the Southern California's most affordable county. This compared to Riverside (33%),

## ***ECONOMIC CONDITION AND OUTLOOK - Continued***

Los Angeles (19%) or Orange (18%) counties. With residential prices rising, along with industrial prices that are 49.2% above 2020 levels, the County's June 30, 2021 assessed valuation has reached 46.6% above its June 30, 2008 high. With 2008-2021 inflation up 27.9%, the purchasing power of the County's property taxes are at a record level.

### **Retail Sales**

Also important to the funding of local governments, San Bernardino County's retail sales increased 3.58% in 2020 with total taxable sales reaching a record \$43.3 billion. That was 38.2% above the previous record high in 2006 (\$31.3 billion) and above the 32.4% rise in prices from 2006-2020. The 2020 purchasing power of the County's sales taxes was thus above the 2006 level. In first and second quarter 2021, with the rapid recovery from the COVID-19 downturn underway, the County's taxable sales were up 23.0% and 42.2% well above the 13.0% and 38.8% increases for California.

### **LONG-TERM FINANCIAL PLANNING**

Long-term financial planning is a strategic process that provides the information needed to establish five-year budget solutions, and financial policies that address the needs of the County and its residents while maintaining fiscal strength. The County maintains a multi-year financial forecast that projects ongoing discretionary revenues and expenditures of the General Fund. This forecast establishes a framework for use in decision making by highlighting significant issues that must be addressed to maintain a structurally balanced budget. This forecast assists the County in understanding the fiscal challenges ahead and the need to establish priorities.

The County's five-year financial forecast identifies key factors that affect the County's fiscal outlook. This includes changes in major revenue streams such as property tax, and changes in costs due to retirement assumptions, Memoranda of Understanding (MOUs) with employee groups, and impacts from the State budget.

The County has established several general fund reserves for long-term financial planning purposes. This includes a general purpose reserve which holds funds to protect the County from unforeseen increases in expenditures or reductions in revenues, or other extraordinary events which could adversely impact the fiscal health of the County. Specific purpose reserves are created to meet identified future obligations and to fund capital projects.

The County's five-year Capital Improvement Plan (CIP) is reviewed annually and revised to reflect current circumstances and opportunities. The review identifies and prioritizes capital projects, estimates capital requirements, coordinates their necessary financing and timing, and estimates operational expenses of the project subsequent to completion. The County allocates base funding in the amount of \$12.0 million annually for maintenance and non-major projects.

In recent years, the County cash funded major capital projects detailed below:

- County Buildings Acquisition and Retrofit Project.
- Valley Dispatch Center.
- 800 MHz Upgrade Project.
- Information Services Department building and improvements.

Construction of the projects listed above are currently in progress.

### **RELEVANT FINANCIAL POLICIES**

#### **Fund Balance and Reserve Policy**

The County has established a number of General Fund reserves for a variety of purposes. On June 28, 2011, the Board of Supervisors revised the County policy that provides guidelines and goals for reserve levels. This

## **RELEVANT FINANCIAL POLICIES - Continued**

revision calls for a general purpose reserve targeted at 20% of locally funded appropriation built up with one-time sources until the established target is achieved. This general purpose reserve is designed to protect the County from unforeseen increases in expenditures or reductions in revenues and other extraordinary events which could adversely impact its financial condition.

County policy also includes provisions for the creation of specific purpose reserves. Specific purpose reserves are created to meet identified future obligations and to fund capital projects. The County may redirect funds in any specific purpose reserve for another purpose. Specific purpose reserves are categorized as either Committed or Assigned Fund Balance in the County's Fund Balance and Reserve Policy.

County policy also requires the establishment of a contingency account targeted at 1.5% of locally funded appropriation. This mandatory contingency account is designed to accommodate unanticipated operational changes, legislative impacts, or other economic events affecting the County's operations which could not reasonably have been foreseen at the time the budget was prepared. In addition to the mandatory contingency account, the County has two other types of contingencies:

Contingency for Uncertainties represents unallocated financing available from current year sources (both ongoing and one-time) that has not been set aside or contributed to reserves.

Ongoing Set-Aside Contingencies represent ongoing sources of financing that have been targeted for future ongoing program needs. The County has no Ongoing Set-Aside Contingencies in the 2021-22 Adopted Budget.

### **Investment Policy**

The County Treasurer's investment policy allows for the purchase of a variety of securities with limitations as to exposure, maturity, and ratings, which vary with each security type. The composition of the portfolio will change over time as existing investments mature or are sold, and as new investments are made. The Treasury Pool provides monthly reporting of its assets by sector, duration, fair value, and other features to both the Treasury Oversight Committee, who reviews investment policy, and the County Board of Supervisors, who reviews and approves investment policy.

The County's investment policy prohibits investment in inverse floaters, range notes, interest only strips that are derived from a pool of mortgages, private placement notes or bonds, funding agreements, master notes, loan participation instruments or in any other instrument that could result in zero interest if held to maturity. Additionally, investments in mutual bond funds that do not maintain a constant Net Asset Value (NAV) are also prohibited.

The County believes that the Treasury Pool is prudently invested and that investments therein are scheduled to mature at the times and in the amounts that are necessary to meet the County's expenditures and other schedule withdrawals. The Treasury Pool does not include investments of the Deferred Compensation program or the San Bernardino County Employees' Retirement Association, which are separately managed. The County utilizes a Countywide banking program, referred to as "Consolidated Banking", which accelerates the collection and deposit of monies by participating departments into the County Treasury, making them readily available for investment.

### **Debt Management Policy**

The County's debt management policy minimizes the amount of outstanding debt necessary to fulfill its infrastructure and economic development responsibilities, while maintaining its ability to incur present and future debt at minimal interest rates. The County's debt policy provides the following general guidelines:

1) Debt will not be used to finance ongoing operational costs. However, debt may be used where economically efficient, to reduce or eliminate current long-term operational liabilities. 2) Whenever possible, the County shall pursue alternative sources of funding when cost effective in order to minimize the level of debt. 3) Whenever practical, voter approval on the method of debt shall be utilized.



## Debt Management Policy - Continued

The County maintains a Debt Advisory Committee (DAC) with the responsibility for oversight and review of all debt policy and debt issuance activities. DAC makes recommendations to the Board of Supervisors regarding appropriate actions on debt matters.

### CERTIFICATE OF ACHIEVEMENT AND AWARDS

**Financial Reporting 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 County for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. This was the thirty-third consecutive year that the County received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which must conform to certificate program standards. Such reports 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 our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

**Popular Financial Reporting Award:** The County also received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report for the fiscal year ended June 30, 2020. This was the fifteenth consecutive year that the County has received this prestigious award. In order to receive this award, a government unit must publish a Popular Annual Financial Report, the contents of which must conform to program standards of creativity, presentation, understandability, and reader appeal.

### ACKNOWLEDGEMENTS

The preparation of the Annual Comprehensive Financial Report and its timely issuance is the result of a concentrated, dedicated, and coordinated effort by the entire Auditor-Controller/Treasurer/Tax Collector staff. I would like to acknowledge the special efforts of the General Accounting, Internal Audits, and Management Services sections, and of our independent auditors, Eide Bailly LLP, for their assistance in the report preparation. I would also like to thank all County departments who have participated in its preparation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ensen Mason', with a long horizontal flourish extending to the right.

Ensen Mason CPA, CFA  
Auditor-Controller/Treasurer/Tax Collector  
San Bernardino County

**SAN BERNARDINO COUNTY  
DIRECTORY OF COUNTY OFFICIALS**

**ELECTED OFFICES**

COUNTY SUPERVISOR, FIRST DISTRICT..... COL. PAUL COOK (RET.)

COUNTY SUPERVISOR, SECOND DISTRICT ..... JANICE RUTHERFORD

COUNTY SUPERVISOR, THIRD DISTRICT (VICE CHAIR) .....DAWN ROWE

COUNTY SUPERVISOR, FOURTH DISTRICT (CHAIRMAN) .....CURT HAGMAN

COUNTY SUPERVISOR, FIFTH DISTRICT .....JOE BACA, JR.

ASSESSOR/RECORDER/COUNTY CLERK..... BOB DUTTON

AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR ..... ENSEN MASON

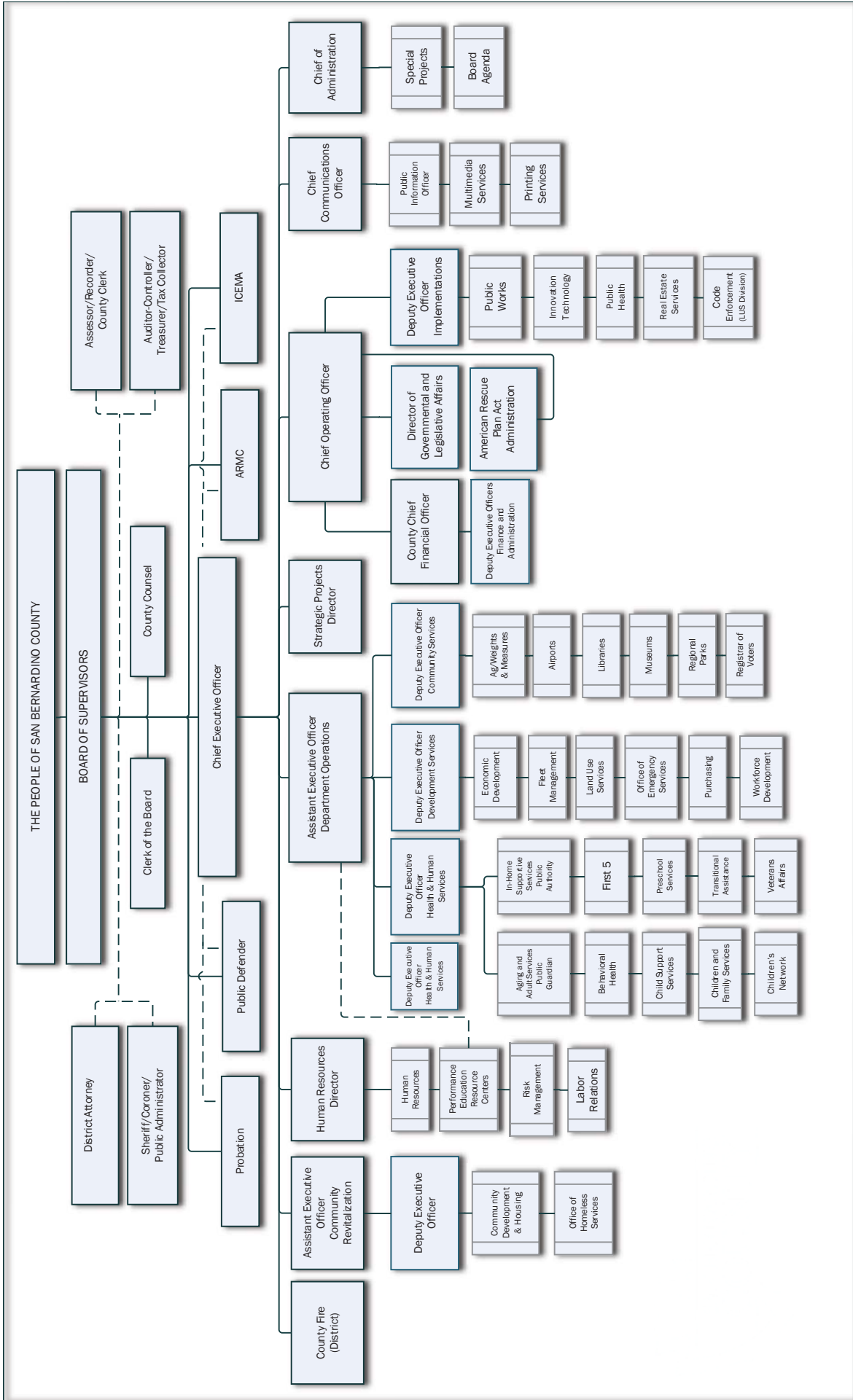
DISTRICT ATTORNEY ..... JASON ANDERSON

SHERIFF/CORONER/PUBLIC ADMINISTRATOR .....SHANNON D. DICUS

**SAN BERNARDINO COUNTY  
DIRECTORY OF COUNTY OFFICIALS**

**APPOINTED**

AGING AND ADULT SERVICES.....	SHARON NEVINS
AGRICULTURAL COMMISSIONER/SEALER.....	ANGELA GOODWIN
AIRPORTS.....	JAMES JENKINS
ARROWHEAD REGIONAL MEDICAL CENTER.....	WILLIAM GILBERT
BEHAVIORAL HEALTH ( <i>INTERIM</i> ).....	GEORGINA YOSHIOKA MORA
CHIEF EXECUTIVE OFFICER.....	LEONARD X. HERNANDEZ
CHIEF FINANCIAL OFFICER.....	MATTHEW ERICKSON
CHIEF OPERATING OFFICER.....	LUTHER SNOKE
CHILD SUPPORT SERVICES.....	MARIE GIRULAT
CHILDREN AND FAMILY SERVICES.....	MARLENE HAGEN
CLERK OF THE BOARD OF SUPERVISORS.....	LYNNA MONELL
COMMUNITY DEVELOPMENT.....	GARY HALLEN
COUNTY COUNSEL ( <i>INTERIM</i> ).....	STEVEN O'NEIL
COUNTY LIBRARIAN ( <i>INTERIM</i> ).....	PATTY TURLEY
COUNTY MUSEUM.....	MELISSA RUSSO
ECONOMIC DEVELOPMENT AGENCY ( <i>INTERIM</i> ).....	MICHAEL JIMENEZ
FIRE DEPARTMENT/FIRE WARDEN.....	DAN MUNSEY
FLEET MANAGEMENT.....	RON LINDSEY
HUMAN RESOURCES.....	DIANE RUNDLES
HUMAN SERVICES.....	CHERYL ADAMS
INNOVATION AND TECHNOLOGY.....	LARRY AINSWORTH
INLAND COUNTIES EMERGENCY MEDICAL AGENCY ( <i>INTERIM</i> ).....	DANIEL MUNOZ
LABOR RELATIONS.....	BOB WINDLE
LAND USE SERVICES.....	TERRI RAHHAL
OFFICE OF HOMELESS SERVICES.....	TOM HERNANDEZ
PRESCHOOL SERVICES ( <i>INTERIM</i> ).....	JACQUELYN GREENE
PROBATION.....	TRACY REECE
PUBLIC DEFENDER.....	THOMAS SONE
PUBLIC HEALTH.....	JOSH DUGAS
PUBLIC WORKS.....	BRENDON BIGGS
PURCHASING ( <i>INTERIM</i> ).....	PETE MENDOZA
REAL ESTATE SERVICES.....	TERRY THOMPSON
REGIONAL PARKS.....	BEAHTA DAVIS
REGISTRAR OF VOTERS.....	BOB PAGE
RISK MANAGEMENT.....	VICTOR TORDESILLAS
TRANSITIONAL ASSISTANCE DEPARTMENT.....	GILBERT RAMOS
VETERANS AFFAIRS.....	FRANK GUEVARA
WORKFORCE DEVELOPMENT ( <i>INTERIM</i> ).....	BRADLEY GATES





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**San Bernardino County  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

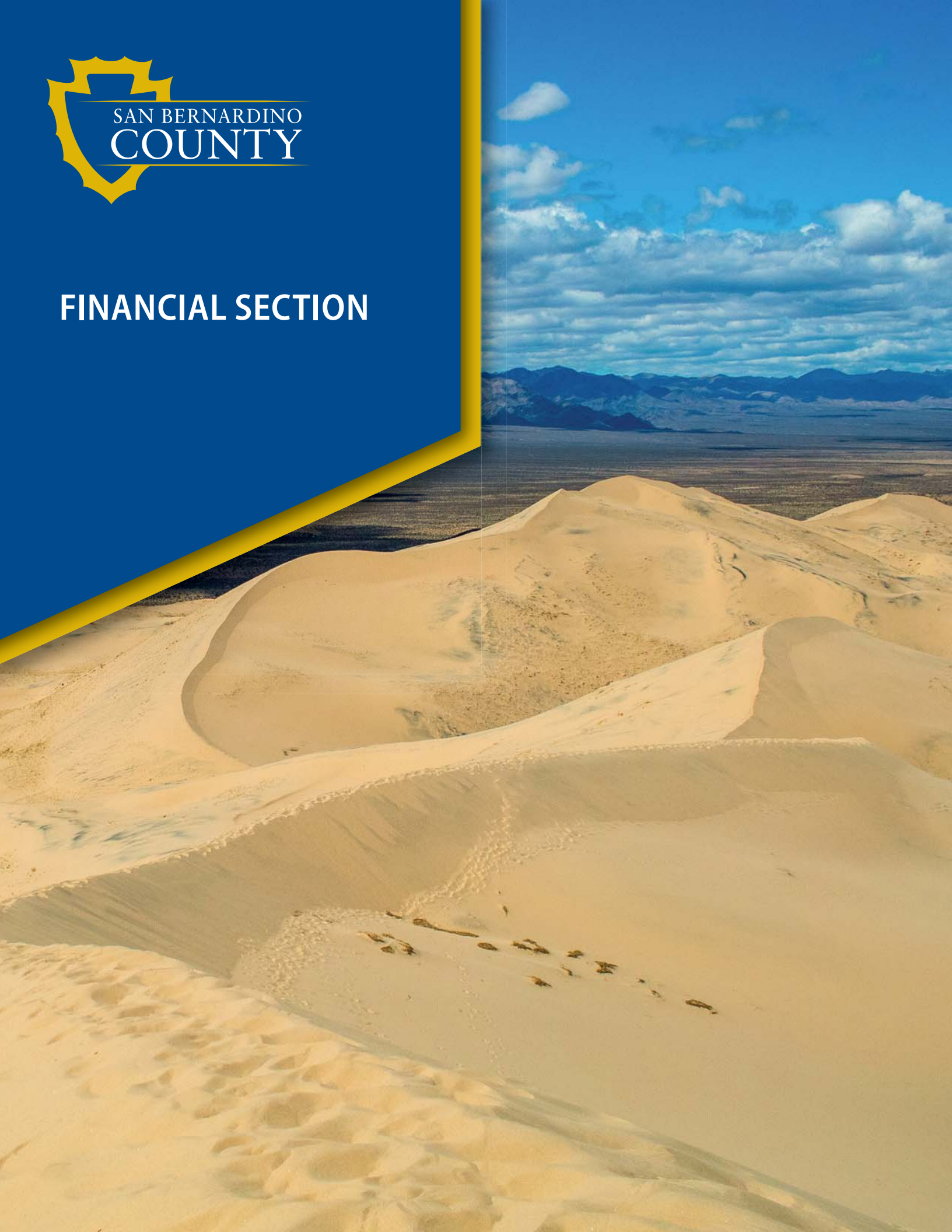
*Christopher P. Morill*

Executive Director/CEO





# FINANCIAL SECTION











## Independent Auditor’s Report

To the Honorable Board of Supervisors  
San Bernardino County, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of San Bernardino County, California (County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County'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 did not audit the financial statements of the San Bernardino County Fire Protection District, the San Bernardino County Redevelopment Successor Agency Private-Purpose Trust Fund, and the San Bernardino County Employees’ Retirement Association, which represent the following percentages of assets, net position/fund balances and revenues of the opinion units listed below as of and for the fiscal year ended June 30, 2021:

Opinion Units	Assets	Net Position/ Fund Balances	Revenues
Governmental Activities	4%	2%	6%
Aggregate Remaining Fund Information	65%	67%	21%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those entities, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 1 and Note 21 to the financial statements, the County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, which has resulted in restatements of the net position and fund balance as of July 1, 2020. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the County's proportionate share of the net pension liability, and the schedule of the County's contributions 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, and other auditors, 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 County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual nonmajor fund financial statements and other supplementary information is 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 January 19, 2022, on our consideration of the County'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 County'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 County's internal control over financial reporting and compliance.

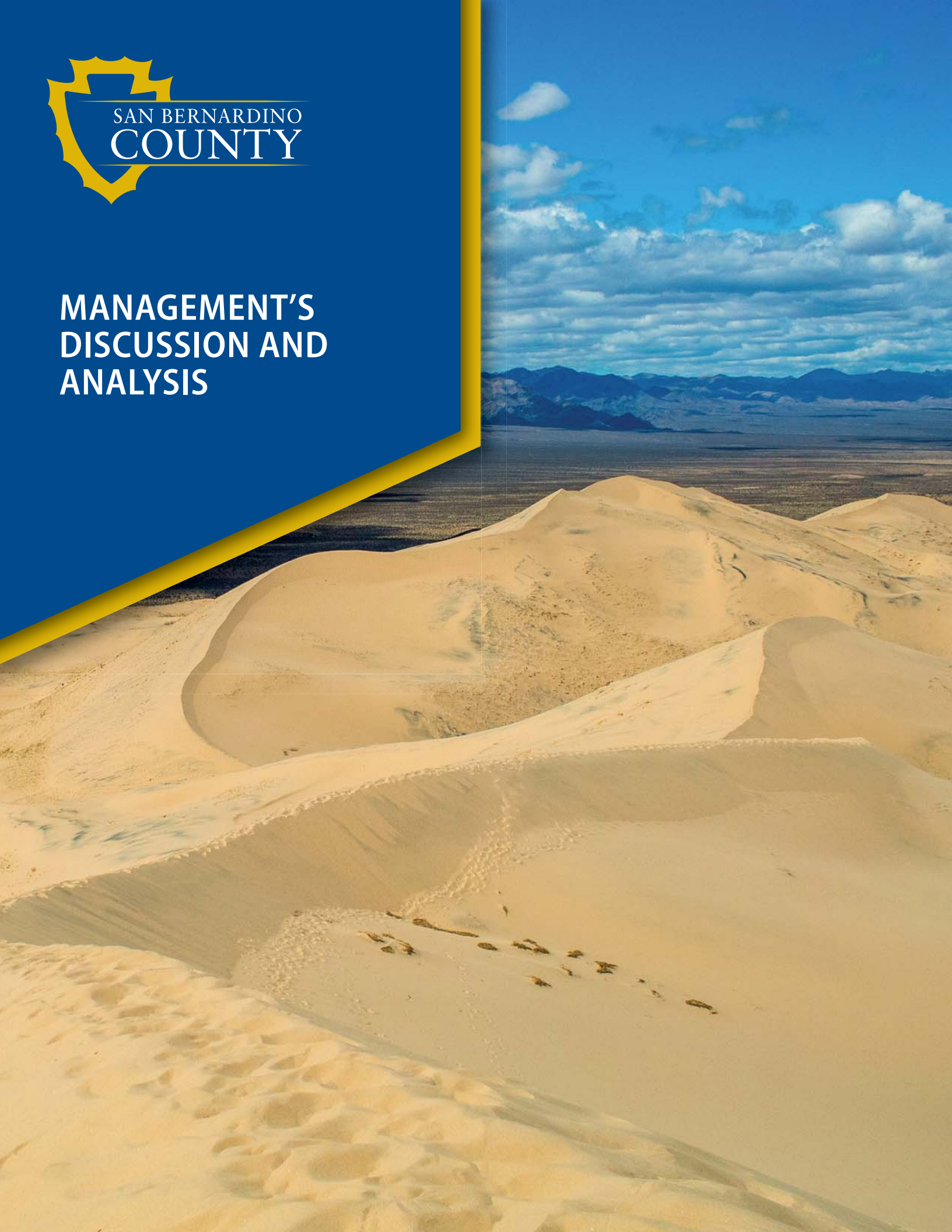


Rancho Cucamonga, California  
January 19, 2022



SAN BERNARDINO  
COUNTY

# MANAGEMENT'S DISCUSSION AND ANALYSIS









## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Fiscal Year Ended June 30, 2021

This section of the County's annual financial report presents a discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the County's Basic Financial Statements following this section.

#### FINANCIAL HIGHLIGHTS (Amounts in thousands)

- The County's total net position increased by \$462,530. The net increase is attributable to the \$467,490 increase in governmental activities net position and the \$4,960 decrease in business-type activities net position.
- As of June 30, 2021, the County governmental funds reported combined fund balances of \$3,282,939, an increase of \$581,828 in comparison with the prior year. Amounts available for spending include restricted, committed, assigned, and unassigned fund balances; these totaled \$3,208,475 or 97.73% of the ending fund balance. Of this amount, \$1,656,659 is restricted by law or externally imposed requirements, and \$261,476 is committed for specific purposes.
- At the end of the fiscal year, amounts available for spending for the General Fund totaled \$1,603,545 or 51.41% of total General Fund expenditures. This is an increase of \$420,544 in comparison with the prior year.
- At the end of the fiscal year, the County's total capital assets (net of accumulated depreciation) decreased by \$88,441 and 3.21% in comparison with the prior year (See further detail on page 32).
- At the end of the fiscal year, the County's total long-term obligations decreased by \$178,808 and 21.63% in comparison with the prior year. (See further detail on page 32.)

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components; 1) **Government-Wide** Financial Statements; 2) **Fund** Financial Statements and 3) **Notes** to the Basic Financial Statements.

**Government-Wide Financial Statements** are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business. These statements include *all* assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the County using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

## **Management's Discussion and Analysis (Amounts in thousands)**

The statement of net position presents information on all County assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollectible taxes and earned but unused vacation leave).

Both of these Government-Wide financial statements distinguish between the functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or part of their costs through user fees and charges (business-type activities). The County's governmental activities include General Government, Public Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, Education, and Recreation and Cultural Services. The County's business-type activities include Medical Center, Waste Systems Division, the County Service Areas (water, sewer, sanitation), and other nonmajor enterprise funds (i.e. Museum Gift Shop).

Component units are blended in the basic financial statements and consist of legally separate entities for which the County is financially accountable. They share substantially the same board as the County and have an operational or financial relationship with the County. The following component units have been blended into the basic financial statements: Fire Protection District, Flood Control District, Park and Recreation Districts, County Service Areas, various Joint Powers Authorities (JPAs), Inland Empire Public Facilities Corporation, and San Bernardino County Financing Authority. The County has one Fiduciary component unit, San Bernardino County Employees' Retirement Association (SBCERA).

The Government-Wide financial statements also include a discretely presented component unit, FIRST 5 of San Bernardino County. FIRST 5 is a discretely presented component unit as its governing body is not substantially the same as that of the County and FIRST 5 does not provide services entirely or almost entirely to the County but rather to the citizenry.

**The Government-Wide financial statements can be found on pages 36-37 of this report.**

**Fund Financial Statements** are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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



## **Management's Discussion and Analysis (Amounts in thousands)**

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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County reports thirty-one individual governmental funds including two major governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the Capital Improvement Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located in a separate section in this report.

**The governmental fund financial statements can be found on pages 40-42 of this report.**

**Proprietary funds** include two types of funds, enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide statements. Enterprise funds are used to account for the Medical Center, Waste Systems Division, the County Service Areas (water, sewer, sanitation), and other enterprise funds (i.e. Museum Gift Shop). Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its general services group, consisting of printing services, central mail services, and surplus property, telecommunication services, computer operations including business solutions development, fleet management, risk management, and flood control equipment. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the Government-Wide financial statements.

Proprietary funds provide the same type of information as the Government-Wide financial statements, only in more detail. The Medical Center and Waste Systems Division are considered to be major enterprise funds of the County. The County's six internal service fund activities are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in this report. Data from the other nonmajor enterprise funds are combined into a single aggregated presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements located in a separate section of this report.

**The proprietary fund financial statements can be found on pages 44-49 of this report.**

Fiduciary funds are used to account for resources held for the benefit of parties outside the primary government. Fiduciary funds are not reflected in the Government-Wide financial statements because the resources of those funds are not available to support County programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**The fiduciary fund financial statements can be found on pages 50-51 of this report.**

**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.

**The notes can be found on pages 53-134 of this report.**

## Management's Discussion and Analysis (Amounts in thousands)

### Required Supplementary Information and Supplemental Information

The Required Supplementary Information provides the County's proportionate share of the net pension liabilities and related ratios, and employer contributions to the pension plan.

**Required supplementary information can be found on pages 135-136 of this report.**

The Supplemental Information section of this report contains the combining statements and budgetary comparison schedules. This section provides additional information to the users of these financial statements.

**The Supplemental Information section can be found on pages 139-230 of this report.**

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$4,012,854 at the close of the most recent fiscal year.

	Governmental Activities		Business-type Activities		Total	
	2021	2020*	2021	2020*	2021	2020
Current and other assets	\$ 4,469,252	\$ 4,007,244	\$ 868,021	\$ 807,759	\$ 5,337,273	\$ 4,815,003
Capital assets	2,142,538	2,132,326	520,222	519,316	2,662,760	2,651,642
Total assets	<u>6,611,790</u>	<u>6,139,570</u>	<u>1,388,243</u>	<u>1,327,075</u>	<u>8,000,033</u>	<u>7,466,645</u>
Deferred outflows of resources	<u>1,421,533</u>	<u>711,059</u>	<u>215,894</u>	<u>113,195</u>	<u>1,637,427</u>	<u>824,254</u>
Current and other liabilities	609,457	776,360	86,787	71,287	696,244	847,647
Long-term liabilities	3,858,509	2,939,555	982,699	823,616	4,841,208	3,763,171
Total liabilities	<u>4,467,966</u>	<u>3,715,915</u>	<u>1,069,486</u>	<u>894,903</u>	<u>5,537,452</u>	<u>4,610,818</u>
Deferred inflows of resources	<u>80,631</u>	<u>117,478</u>	<u>6,523</u>	<u>12,279</u>	<u>87,154</u>	<u>129,757</u>
Net Position:						
Net investment in capital assets	2,126,175	2,113,071	290,782	263,330	2,416,957	2,376,401
Restricted	1,632,684	1,431,914	8,898	26,789	1,641,582	1,458,703
Unrestricted	(274,133)	(527,749)	228,448	242,969	(45,685)	(284,780)
<b>Total Net Position</b>	<u><u>\$ 3,484,726</u></u>	<u><u>\$ 3,017,236</u></u>	<u><u>\$ 528,128</u></u>	<u><u>\$ 533,088</u></u>	<u><u>\$ 4,012,854</u></u>	<u><u>\$ 3,550,324</u></u>

\*As restated, see note 21

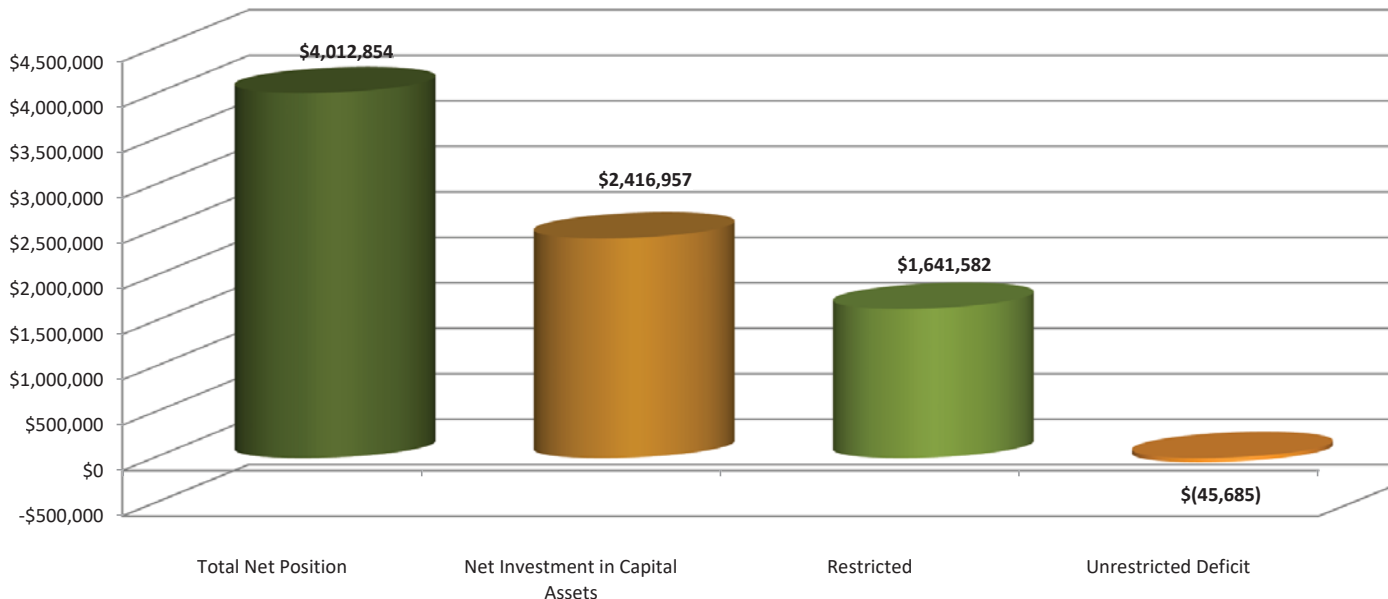
The largest portion of the County's net position of \$2,416,957 reflects the net investment in capital assets (e.g. land, land use rights, structures and improvements, equipment and software, and infrastructure); as well as capital-related deferred outflows of resources less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position of \$1,641,582 represents another significant portion of County net position. These amounts are subject to external restrictions imposed by creditors, grantors, contributors, laws and regulation of other governments, and restrictions imposed by law through constitutional provisions and enabling legislation.

## Management's Discussion and Analysis (Amounts in thousands)

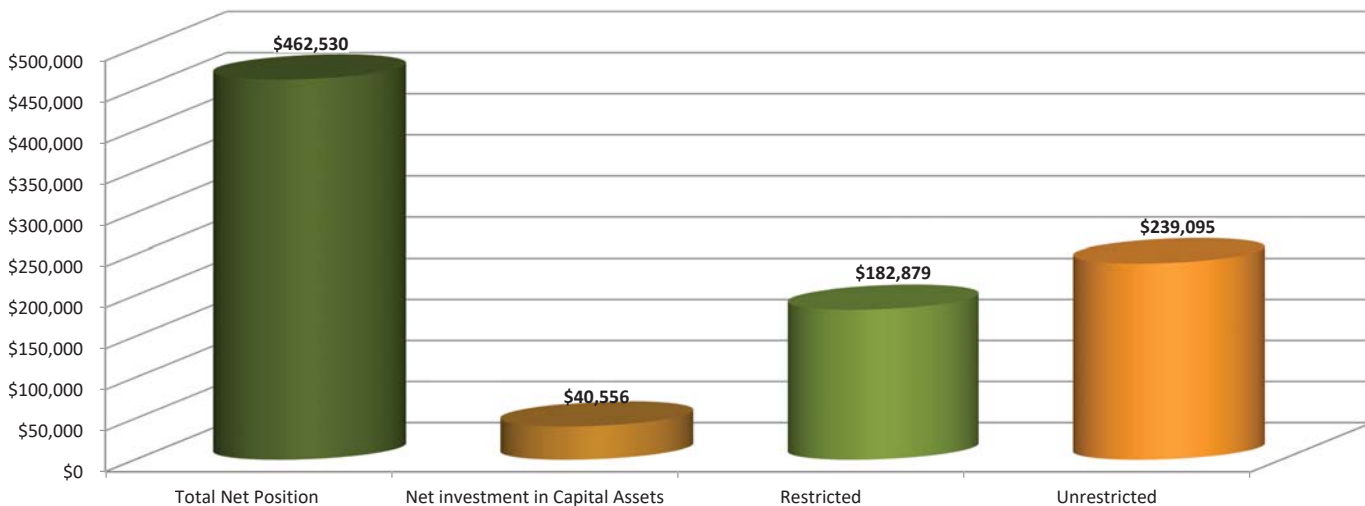
The final component of net position is unrestricted net position. Unrestricted net position represents resources that the County may use to meet its current and ongoing obligations to citizens and creditors. The overall unrestricted net position balance increased by \$239,095 primarily as the result of an overall increase in current assets.

Net Position



The County's total net position increased by \$462,530 (\$467,490 increase in governmental activities minus \$4,960 decrease in business-type activities) indicating that the County generated revenue sufficient to cover the cost of operations during the current fiscal year.

Change In Net Position



## Management's Discussion and Analysis (Amounts in thousands)

The following table illustrates the changes in net position for governmental and business-type activities.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020*	2021	2020*	2021	2020
<b>Revenues:</b>						
Program Revenues						
Charges for Services	\$ 577,635	\$ 551,055	\$ 484,671	\$ 460,597	\$ 1,062,306	\$ 1,011,652
Operating Grants/Contributions	2,785,834	2,250,819	311,555	278,306	3,097,389	2,529,125
Capital Grants/Contributions	1,944	4,364	16,943	20,654	18,887	25,018
General Revenue						
Property Taxes, Levied for General Purposes	921,872	836,582	4,630	4,397	926,502	840,979
Public Safety Tax	221,401	195,009	-	-	221,401	195,009
Other Taxes	39,830	28,221	-	-	39,830	28,221
Revenues from Use of Money and Property	34,433	93,313	61	10,878	34,494	104,191
Miscellaneous	72,518	96,229	852	2,685	73,370	98,914
Gains on Sale of Capital Assets	3,006	72,043	-	-	3,006	72,043
<b>Total Revenues</b>	<b>4,658,473</b>	<b>4,127,635</b>	<b>818,712</b>	<b>777,517</b>	<b>5,477,185</b>	<b>4,905,152</b>
<b>Expenses:</b>						
General Government	301,548	297,199	-	-	301,548	297,199
Public Protection	1,619,673	1,399,634	-	-	1,619,673	1,399,634
Public Ways and Facilities	106,332	107,443	-	-	106,332	107,443
Health and Sanitation	659,624	531,408	-	-	659,624	531,408
Public Assistance	1,438,825	1,368,787	-	-	1,438,825	1,368,787
Education	23,400	23,170	-	-	23,400	23,170
Recreation and Cultural Services	34,142	27,889	-	-	34,142	27,889
Interest on Long Term Debt	11,834	20,021	-	-	11,834	20,021
Medical Center	-	-	695,142	622,695	695,142	622,695
Waste Systems	-	-	109,358	72,411	109,358	72,411
Water, Sewer, and Sanitation	-	-	14,714	16,322	14,714	16,322
Others	-	-	63	102	63	102
<b>Total Expenses</b>	<b>4,195,378</b>	<b>3,775,551</b>	<b>819,277</b>	<b>711,530</b>	<b>5,014,655</b>	<b>4,487,081</b>
Excess (Deficiency) before Transfers	463,095	352,084	(565)	65,987	462,530	418,071
Transfers	4,395	6,536	(4,395)	(6,536)	-	-
Change in Net Position	467,490	358,620	(4,960)	59,451	462,530	418,071
Net Position -- Beginning of Year, as restated *	3,017,236	2,658,616	533,088	473,637	3,550,324	3,132,253
Net Position -- End of Year	<b>\$ 3,484,726</b>	<b>\$ 3,017,236</b>	<b>\$ 528,128</b>	<b>\$ 533,088</b>	<b>\$ 4,012,854</b>	<b>\$ 3,550,324</b>

\*As restated, see note 21

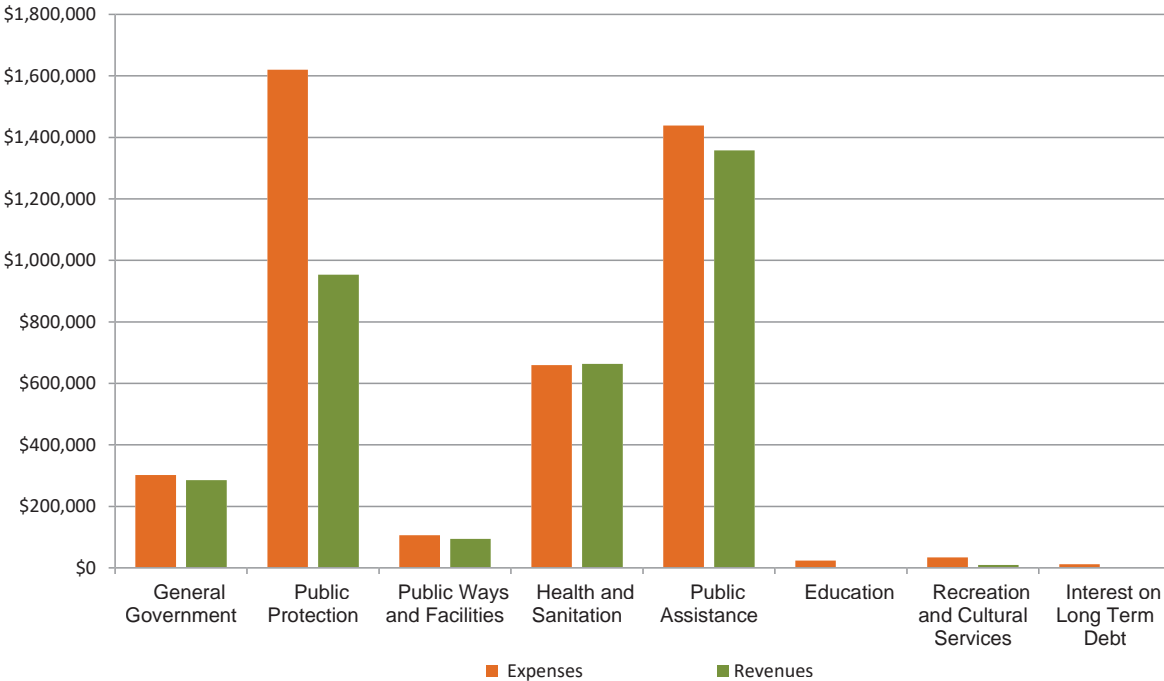
Net position within the Governmental Activities opinion unit increased from \$3,017,236 to \$3,484,726. The overall increase in net position is due to one-time and ongoing revenues exceeding related expenses.

Total revenues of County governmental activities increased primarily due to increases in Operating Grants/Contributions, and Property Taxes, Levied for General Purposes.

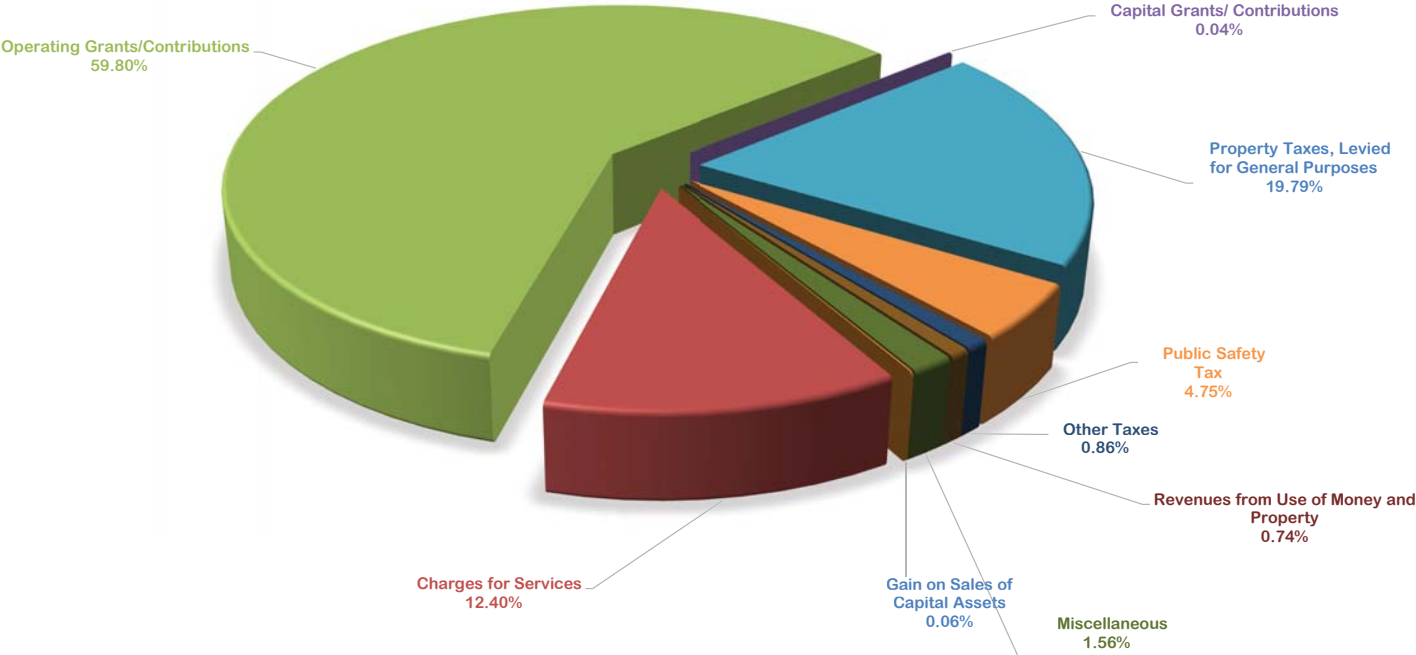
Program expenses for County governmental activities increased as a result of increases in Public Protection, Health and Sanitation, and Public Assistance expenses. The Sheriff/Coroner/Public Administrator had an increase in jail services for health/mental health costs associated with the Prison Law Office consent decree. The Human Services Group had increase in expenses primarily due to cost to maintain service and the following service level changes: an increase in operating expenses that are direct payments to benefits to clients and contracted payments to service providers, and advance to the IHSS Public Authority for negotiated health benefits for providers. There were also incremental cost increases associated with changes in the cost to maintain service levels primarily associated with costs for negotiated salary and benefit increase in various departments.

# Management's Discussion and Analysis (Amounts in thousands)

## Expenses and Program Revenues-Governmental Activities



## REVENUES BY SOURCE-GOVERNMENTAL ACTIVITIES



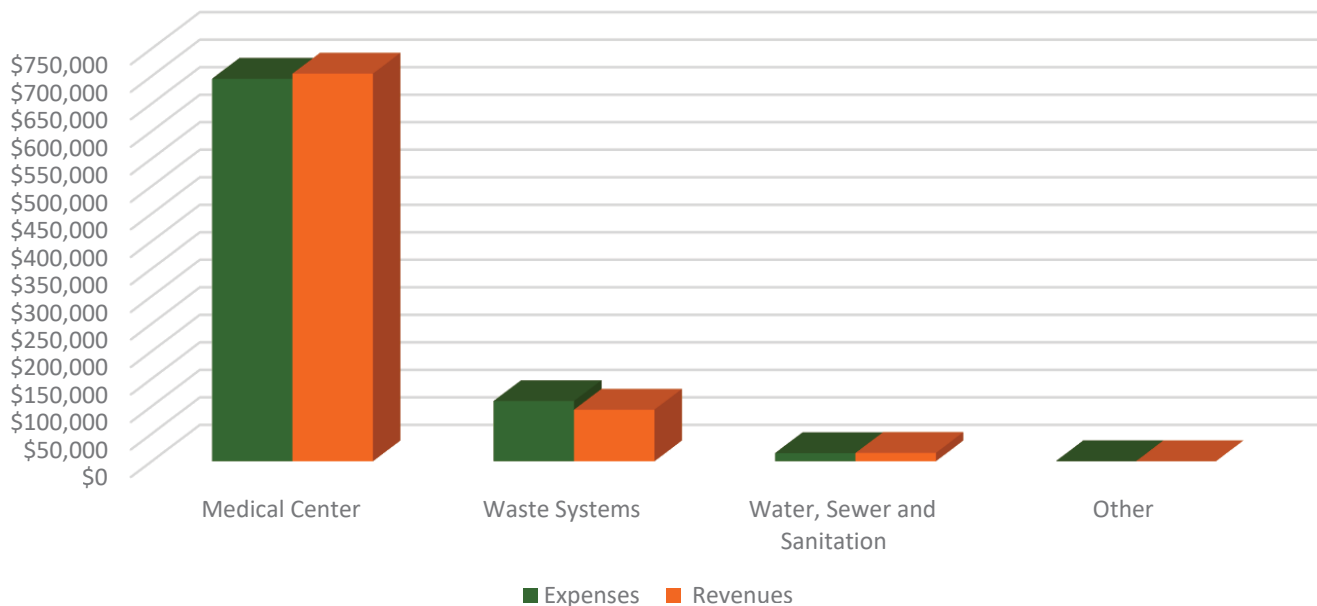
## Management's Discussion and Analysis (Amounts in thousands)

Business-type Activities decreased the County's net position from \$533,088 to \$528,128. This is primarily due to the Housing Authority no longer being a component unit of the County.

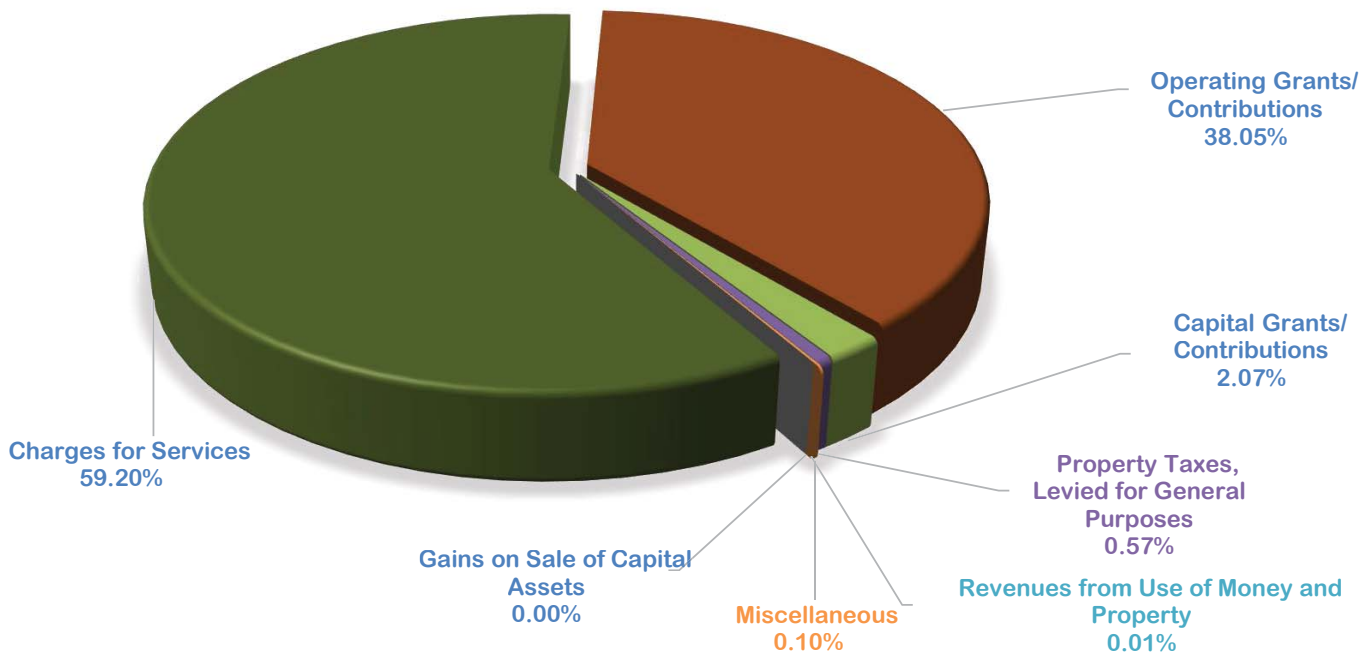
Business-Type Activities expenses increased mainly due to the Medical Center increased staffing cost.

The following table shows actual revenues and expenses for the current fiscal year:

### Expenses and Program Revenues-Business-Type Activities



### REVENUES BY SOURCE-BUSINESS-TYPE ACTIVITIES



## Management's Discussion and Analysis (Amounts in thousands)

### FINANCIAL ANALYSIS OF COUNTY FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds:** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unrestricted fund balance, which includes committed, assigned, and unassigned fund balances, may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds include the General, Special Revenue, Debt Service, Capital Project, and Permanent Funds. Included in these funds are the special districts governed by the Board of Supervisors.

On June 30, 2021, the County's governmental funds reported a total fund balance of \$3,282,939, an increase of \$581,828 in comparison with the prior year. Approximately 50.5% of the total fund balance, \$1,656,659, constitutes restricted fund balance, which is restricted by external parties and enabling legislation. The remaining fund balance is comprised of nonspendable amounts of \$74,464; committed amounts of \$261,476, which are committed for specific purposes; assigned amounts of \$484,520 set-aside for specific purposes; and an unassigned amount of \$805,820 representing the residual net resources of the General Fund available for spending.

The most significant restricted amounts in the governmental funds include \$197,956 for the Mental Health Services Act, \$176,051 for Fire Protection, \$166,246 for Flood Control, \$125,721 for Social Services Realignment, \$114,034 for Health Services Realignment, and \$115,734 for Capital Improvement Projects (See Note 16).

The County reports the General Fund and the Capital Improvement Fund as major governmental funds.

**General Fund:** The General Fund is the chief operating fund of the County. On June 30, 2021, the total fund balance was \$1,645,059, an increase of \$421,875 in comparison with the prior year. Approximately 32% or \$526,242 of the total fund balance constitutes restricted fund balance. The remaining fund balance is made up of \$41,514 of nonspendable amounts; \$261,476 of committed amounts, including \$43,131 for asset replacement, \$36,843 for the Valley Dispatch Center Reserve, \$32,075 for medical center debt service, \$21,928 for the New Property Tax System, and \$15,364 for 825 East 3RD Street expenses. The assigned amounts of \$4,130 is primarily for automated systems development. There is \$811,697 in unassigned amount available for spending.

As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total General Fund expenditures. Unrestricted fund balance represents 34.5% of total fund expenditures; while total fund balance represents 52.7%.

**Capital Improvement Fund:** The Capital Improvement Fund accounts for the County's major capital acquisition and construction projects. On June 30, 2021, the total fund balance of the Capital Improvement Fund was \$498,856. The capital improvement fund had an increase of \$9,915, primarily as the result of significantly increased contributions for maintenance and upgrades of County facilities.

Revenues for total governmental funds totaled \$4,652,147 in fiscal year 2021, representing a \$643,999, increase from the prior year.



**Management's Discussion and Analysis**  
**(Amounts in thousands)**

The following table presents the amount of revenues from various sources in the governmental funds as well as the changes from the prior year:

<u>Revenues</u>	<u>Fiscal Year 2021</u>		<u>Over (Under) Fiscal Year 2020</u>	
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount Changed</u>	<u>Percent</u>
Taxes	\$ 1,224,317	26%	\$ 125,132	11%
Licenses, Permits and Franchises	29,151	1%	1,538	6%
Fines, Forfeitures and Penalties	9,249	0%	(1,538)	-14%
Revenues From Use of Money and Property	32,736	1%	(90,075)	-73%
Aid From Other Governmental Agencies	2,745,262	59%	574,192	26%
Charges for Current Services	538,952	11%	28,309	6%
Other Revenues	72,480	2%	(18,419)	-20%
Total Revenues	<u>\$ 4,652,147</u>	<u>100%</u>	<u>\$ 619,139</u>	

The County's three major funding sources: aid from other governmental agencies, taxes, and charges for current services, constitute 96% of all revenues.

Tax revenues increased by \$125,132 mainly due to: an increase in taxes that are deposited into the Countywide Discretionary General Fund budget unit, continued increase in both assessed valuation of properties within the County, and Proposition 172 half-cent sales tax, and an increase in taxes for the Fire Protection District.

Aid from Other Government Agencies increased by \$574,192 primarily due to the County receiving federal funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The largest portion of this is a direct CARES Act federal allocation that will be used to offset direct impacts to the County in responding to the outbreak and meeting the needs of our local community.

The following table presents expenditures of governmental funds by function compared to prior year amounts:

<u>Expenditures</u>	<u>Fiscal Year 2021</u>		<u>Over (Under) Fiscal Year 2020</u>	
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount Changed</u>	<u>Percent</u>
Current:				
General Government	\$ 274,900	7%	\$ (2,436)	-1%
Public Protection	1,464,388	36%	154,150	12%
Public Ways and Facilities	77,295	2%	(12,864)	-14%
Health and Sanitation	622,104	15%	101,860	20%
Public Assistance	1,347,430	33%	957	0%
Education	20,242	0%	(1,550)	-7%
Recreation and Cultural Services	22,891	1%	598	3%
Debt Service:				
Principal	120,126	3%	8,488	8%
Interest and Fiscal Charges	8,392	0%	(3,723)	-31%
Capital Outlay	121,506	3%	(37,683)	-24%
Total Expenditures	<u>\$ 4,079,274</u>	<u>100%</u>	<u>\$ 207,797</u>	

Total County governmental funds expenditures increased by \$207,797 from the prior year, as compared to the restated balances for 2020.

Public Protection expenditures increased by \$154,150 primarily due to increase in staff expenses related to addition of positions to meet growing need for augmented health and mental health correctional services and negotiated salary increases.

**Management's Discussion and Analysis**  
**(Amounts in thousands)**

Health and Sanitation expenditures increased by \$101,860, as compared to the restated balances for 2020, primarily due to increase in staff expenses related to the Mental Health Services Act programs and increase in costs related to providing therapeutic services.

Other financing sources and uses are presented below to illustrate changes from the prior year:

<b>Other Financing Sources (Uses)</b> <b>Governmental Funds</b>	<b>Fiscal Year</b> <b>2021</b>	<b>Over (Under) Fiscal</b> <b>Year 2020</b>	
	<b>Amount</b>	<b>Amount</b> <b>Changed</b>	<b>Percent</b>
Transfers Out	\$ (273,136)	\$ 124,391	-31%
Transfers In	279,085	(126,804)	-31%
Sale of Capital Assets	3,006	(72,957)	-96%
Total Other Financing Sources and (Uses)	<u>\$ 8,955</u>	<u>\$ (75,370)</u>	

Transfers in decreased by \$126,804 primarily due to lower transfers related to capital projects.

The following table illustrates the changes in fund balances for governmental funds:

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

	<b>Governmental Funds</b>			
	<b>General Fund</b>	<b>Capital Improvement Fund</b>	<b>Total Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Revenues	\$ 3,698,407	\$ 1,432	\$ 952,308	\$ 4,652,147
Expenditures	(3,119,400)	(56,969)	(902,905)	(4,079,274)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	579,007	(55,537)	49,403	572,873
Total Other Financing Sources and (Uses)	(157,132)	65,452	100,635	8,955
Net Changes In Fund Balance	421,875	9,915	150,038	581,828
Fund Balance, Beginning	1,223,184	488,941	988,986	2,701,111
Fund Balance, Ending	<u>\$ 1,645,059</u>	<u>\$ 498,856</u>	<u>\$ 1,139,024</u>	<u>\$ 3,282,939</u>

In fiscal year 2021, the fund balance of total governmental funds increased by \$581,828. This increase is the result of a continued trend of revenues exceeding associated expenditures, with notable increases seen in tax revenue, aid from other governments, and charges for current services.

**Management's Discussion and Analysis**  
**(Amounts in thousands)**

**Proprietary funds:** County proprietary funds include two types of funds, enterprise and internal service, which provide the same type of information found in the government wide financial statements, but in more detail.

The following table shows revenues, expenses, and results of operations for the current fiscal year:

	<b>Business-Type Activities</b>			
	<b>Enterprise Funds</b>			
	<b>Medical Center</b>	<b>Waste Systems Division</b>	<b>Total Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>
Operating Revenues				
Net Patient Care and Services	\$ 376,434	\$ -	\$ -	\$ 376,434
Charges for Current Services	-	79,087	14,269	93,356
Other	229,381	14,447	434	244,262
Total Operating Revenues	<u>605,815</u>	<u>93,534</u>	<u>14,703</u>	<u>714,052</u>
Operating Expenses				
Professional Services	85,748	32,120	1,032	118,900
Salaries and Employee Benefits	367,413	9,307	3,020	379,740
Self Insurance Claims	-	-	124	124
Services and Supplies	190,569	61,459	7,379	259,407
Depreciation and Amortization	23,479	6,472	3,128	33,079
Other	17,940	-	-	17,940
Total Operating Expenses	<u>685,149</u>	<u>109,358</u>	<u>14,683</u>	<u>809,190</u>
Operating Income (Loss)	<u>(79,334)</u>	<u>(15,824)</u>	<u>20</u>	<u>(95,138)</u>
Nonoperating Revenues (Expenses)				
Interest Revenue	-	(214)	275	61
Interest Expense	(8,772)	-	(94)	(8,866)
Tax Revenue	-	-	4,630	4,630
Grant Revenue	81,675	155	344	82,174
Other Nonoperating Revenues	-	471	381	852
Other Nonoperating Expenses	(1,221)	-	-	(1,221)
Total Nonoperating Revenues (Expenses)	<u>71,682</u>	<u>412</u>	<u>5,536</u>	<u>77,630</u>
Change in Net Position Before Contributions and Transfers	(7,652)	(15,412)	5,556	(17,508)
Capital Contributions	16,926	-	17	16,943
Transfers Out	(13,801)	(2,169)	(21)	(15,991)
Transfers In	11,421	-	175	11,596
Change in Net Position	6,894	(17,581)	5,727	(4,960)
Net Position, Beginning as restated*	244,092	179,405	109,591	533,088
Net Position, Ending	<u>\$ 250,986</u>	<u>\$ 161,824</u>	<u>\$ 115,318</u>	<u>\$ 528,128</u>

\* As restated, see Note 21

The net decrease of \$4,960 in net position was primarily due to lower nonoperating revenue in the Waste Systems Division. Waste Systems Division reported total nonoperating revenue of \$412, which was significantly lower from the prior year amount of \$9,399.

## **Management's Discussion and Analysis (Amounts in thousands)**

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund final expenditure budget differs from the original budget by approximately 10.01%. A net increase in appropriations of \$365,996 was approved during the fiscal year. The significant components of this net increase are summarized below:

#### **General**

- On October 6, 2020, the Board adopted a budget amendment which increased the Registrar of Voters' budget by \$21,031 primarily to fund costs associated with one-time November 3, 2020 Presidential General Election and related COVID-19 expenses. The increase in requirements reflects the costs incurred to accommodate the new State mandates for the 2020 Presidential General Election.
- On January 5, 2021, the Board adopted a budget amendment which increased the Countywide Discretionary Budget unit's budget by \$98,661 primarily to fund the necessary emergency expenses incurred regarding the response to the COVID-19 pandemic, the ISD Building Acquisition, and litigation settlement expenses.
- On January 5, 2021, March 23, 2021, and September 21, 2021, the Board adopted quarterly budget amendments which increased the Human Resource Department's budget by a total of \$692 to fund costs associated with new employee workstations, the EMACS 9.2 project, the Capital Improvement Project for remodeling the EMACS Development unit, and departmental staff who had separated from the County employment during 2020-21.
- On January 5, 2021, the Board adopted a budget amendment which decreased the Auditor-Controller/Treasurer/Tax Collector's budget by \$949 primarily to adjust department allocation offset by a decrease in reimbursements and decrease in Salaries and Benefit as a result of the deletion of 16 positions from Central Collections due to a reduction in collection accounts.
- On June 23, 2020, the Board adopted a budget amendment which increased the Economic Development Department's budget by \$22,500 largely to fund one-time purchases related to the COVID Compliant Business Partnership Program (CCBPP). The CCBPP was funded as part of the County's Readiness and Recovery Plan approved by the Board of Supervisors on May 7, 2020, with the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Funds

#### **Health and Sanitation**

- On October 27, 2020, November 17, 2020, December 08, 2020, December 15, 2020, January 05, 2021, and January 26, 2021, the Board adopted budget amendments to increase the Department of Public Health's budget by \$107,713. This increase includes the addition of limited-term positions and acquisition of testing supplies primarily associated with COVID-19 pandemic response. These expenditures are largely eligible for reimbursement through the CARES Act Fund and the Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) grant.
- On January 5, 2021, the Board adopted a budget amendment which decreased the Department of Child Support Services budget by \$7,640 resulting from the deletion of 36 vacant positions. This change in the budget was a result of the department's allocation being decreased by the State to reduce costs to mitigate budget impacts from the Coronavirus. In addition, the Board adopted a budget amendment which increased the Department of Behavioral Health's budget by \$130 to fund the purchase of four vehicles that were utilized to provide services for the Adult Residential Premier Program, Centralized Hospital Aftercare Service

## **Management's Discussion and Analysis (Amounts in thousands)**

(CHAS) program, and for the Therapeutic Alliance Program (TAP). The increase in the department's budget was offset by a decrease to Professional Services resulting from lower than expected contract services.

### **Public Assistance**

- On September 29, 2020, the Board adopted a budget amendment which increased the Department of Aging and Adult Services budget by \$3,600 to fund costs associated with supportive services that serve the needs of seniors and people with disabilities during the COVID-19 crisis. These services include but are not limited to home-delivered meals, family caregivers, and the Ombudsman program.
- On October 6, 2020, the Board adopted a budget amendment which increased the Community Development and Housing's budget by \$2,700 to fund the acquisition of land, which is funded by a HomeKey Program (HomeKey) grant award. HomeKey is the next phase of the State's response to protecting Californians experiencing homelessness who are at high risk of serious illness and are impacted by COVID-19.
- On January 05, 2021, the Board adopted a budget amendment which increased the Human Services Administrative Claim budget unit's budget by \$5,403, primarily funding significant increases in staffing expenses. The increase in the department's requirements reflects an increase of 63 positions.

### **Public Protection**

- On March 23, 2021, the Board adopted quarterly budget amendments which increased the Sheriff's Department's budget by \$4,833 and \$3,191 for the Detentions Unit and Operations Unit, respectively. The increase in the Sheriff's Detention unit is primarily to fund ongoing operation costs incurred in response to the coronavirus pandemic and the increased usage of medical contract services to mitigate the current medical staff vacancies. The increase in the Sheriff's Operations unit is primarily to fund costs associated with transportation services, software systems upgrades to the records management system, the High Intensity Drug Trafficking Area program, the DNA Capacity Enhancement for Backlog Reduction program, the purchase of equipment and licensed software to improve services, and departmental staff who had separated from the County employment in the first quarter of 2020-21.
- On January 05, 2021, the Board approved a budget amendment which increased the Probation Department's budget by \$4,230, primarily funding various capital improvement projects including the High Desert Property Acquisition, improvements at High Desert Juvenile Detention & Assessment Center, Central Valley Juvenile Detention Center Rekey project, and Barstow Probation Building Improvements.

During the current fiscal year, General Government, Health and Sanitation, Public Assistance, and Public Protection functions accounted for the largest expenditure variances of \$365,711, \$257,120, \$157,443, and \$69,439, respectively between the final budget and actual expenditures. The Health and Sanitation variance is primarily the result of the matching reimbursement received by the Health Administration budget unit for intergovernmental transfers to cover the required local match for various healthcare programs from the State on behalf of the Medical Center. The General Government variance is primarily the result of the establishment of

## **Management's Discussion and Analysis (Amounts in thousands)**

contingency accounts and the budget adjustment of \$98,661 on the Countywide Discretionary Fund to support the County's coordinated response to the global pandemic. The Public Protection variance is primarily the result of the actual salary expenditures and contracted services that were less than the final budgeted amounts. The Public Assistance variance is primarily due to the County taking a conservative approach in budgeting for the highest potential expenditures in the Human Services Department's budget across many social services programs.

The total difference of \$21,031 between final budgeted revenues and actual revenues was caused by the receipts of aid from other governments and taxes exceeding estimates; offset by a negative variance in charges for current services primarily due to the reclassification of the matching reimbursement received by the Health Administration budget unit for intergovernmental transfers to cover the required local match for various healthcare programs from the State on behalf of the Medical Center. The differences of the receipts are primarily due to increases in the following: 1991 and 2011 Realignment revenues, the CARES Act funding, and property taxes.

**The General Fund budget to actual statement can be found on page 42 of this report.**

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

The County's total capital assets and related deferred outflows of resources for governmental/business-type activities as of June 30, 2021, amounted to \$2,662,760, and \$14,920, respectively. The County's total related debt used to acquire those assets as of June 30, 2021, amounted to \$260,273. This investment in capital assets less any related debt includes land, land use rights, improvements to land, structures and improvements, equipment and software, development-in-progress, and infrastructure, less bonds and capital leases payable related to those assets.

Major capital asset activity during the current fiscal year includes the following:

- Improvements Other Than Buildings increased approximately \$86,085 due to capitalizations related to the following significant projects: \$48,774 related to Solid Waste in the following major projects (\$23,275, to expand landfill liner at the Mid-Valley Landfill, \$15,753 to expand the liner at the Mid-Valley Landfill, and \$9,746 to expand liner at the Victorville Landfill). \$10,773, related to the following transportation projects: Yates Road Roadway Widening, Lone Pine Drainage, Improvements, and Crafton Ave Road Reconstruction.
- Structures and Improvement to Structures decreased approximately \$165,575 due to reductions relating to Housing Authority no longer being a component unit of San Bernardino County totalling \$200,231 offset by increases in Governmental Activities of \$31,809 and Business-Type Activities of \$2,847.
- Development in Progress decreased approximately \$20,035, primarily due to completion of projects and subsequent net decrease of Development in Progress of \$55,426 for Solid Waste. The decrease in Development in Progress in the Business-Type activities was offset by an increase in Development in Progress for Governmental Activities, of \$35,719, primarily due to the following Capital Improvement Fund Projects: 323 Building Acquisition and Remodel, 800 MHz Replacement Project, and the Pacific Village Project, totaling \$19,469, and the Flood Control Project (West Fontana Channel-Banana to Juniper) totaling \$12,553.



## Management's Discussion and Analysis (Amounts in thousands)

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

	Governmental Activities		Business-Type Activities		Total		Increase/ (decrease)
	2021	2020	2021	2020*	2021	2020	Percent of Change
Land	\$ 145,237	\$ 143,363	\$ 21,213	\$ 32,462	\$ 166,450	\$ 175,825	-5.33%
Land Use Rights (non-amortizable)	26,281	26,281	351	351	26,632	26,632	0.00%
Land Use Rights (amortizable)	-	-	1,109	1,109	1,109	1,109	0.00%
Development in Progress	402,379	366,658	35,044	90,800	437,423	457,458	-4.38%
Improvements other than Buildings	330,948	317,093	350,357	278,127	681,305	595,220	14.46%
Structures, Improvements, and Infrastructure	2,667,851	2,633,337	574,856	772,240	3,242,707	3,405,577	-4.78%
Equipment and Software	527,347	513,462	210,553	207,695	737,900	721,157	2.32%
Accumulated Depreciation/Amortization	(1,957,505)	(1,867,868)	(673,261)	(763,909)	(2,630,766)	(2,631,777)	-0.04%
Total	<u>\$ 2,142,538</u>	<u>\$ 2,132,326</u>	<u>\$ 520,222</u>	<u>\$ 618,875</u>	<u>\$ 2,662,760</u>	<u>\$ 2,751,201</u>	-3.21%

\*As restated for the removal of Housing Authority

Additional information on the County's capital assets can be found on Note 8 on pages 82-83 of this report.

### Long-term Debt and Obligations

Long-term obligations of the governmental and business-type activities are presented below to illustrate changes from the prior year:

	Governmental Activities		Business-Type Activities		Total		Increase/ (decrease)
	2021	2020	2021	2020*	2021	2020	Percent of Change
Certificates of Participation, Net	\$ -	\$ -	\$ 242,444	\$ 272,453	\$ 242,444	\$ 272,453	-11.01%
General Obligation Bonds	-	-	50	50	50	50	0.00%
Revenue Bonds, Net	67,494	129,939	-	-	67,494	129,939	-48.06%
Revenue Bonds from Direct Placements	11,880	12,335	-	-	11,880	12,335	-3.69%
Other Bonds and Notes	211,250	259,458	-	-	211,250	259,458	-18.58%
Other Bonds and Notes from Direct Borrowings and Direct Placements	12,708	16,382	1,171	1,243	13,879	17,625	-21.25%
Capital Lease Obligations from Direct Financing	542	722	1,926	1,924	2,468	2,646	-6.73%
Other Long-Term Liabilities	-	-	98,371	101,061	98,371	101,061	-2.66%
Total	<u>\$ 303,874</u>	<u>\$ 418,836</u>	<u>\$ 343,962</u>	<u>\$ 376,731</u>	<u>\$ 647,836</u>	<u>\$ 795,567</u>	-18.57%

\*As restated for the removal of Housing Authority

Additional information on the County's long-term debt can be found in Note 11 on pages 86-98 of this report.

The County's major long-term obligations activity during the fiscal year is as follows: reduction in long-term debt of certificates of participation (COPs), bonds and notes, and capital leases totaling \$140,840.

A significant portion of the revenue bonds are the Pension Obligation Bonds (1995) totaling \$67,494 that were issued by the San Bernardino Financing Authority. Included in long-term debt are also the Pension Obligation Bonds (2004) totaling \$75,000, with an AA+ rating from Standard & Poor's and the Pension Obligation Refunding Bonds (2008) totaling \$96,035, with an AA+ rating from Standard & Poor's.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Board of Supervisors adopted the County's fiscal year 2022 final budget on June 8, 2021. The County's 2022 Budget reflects the County's values and vision and provides a framework for the County's commitment to maximize the standard of living for all County residents. The budget plan does not use reserves to fund ongoing costs and there is limited use of one-time sources to fund operating costs. It is the policy of the County that one-time sources will not be used to fund ongoing operational costs, except within the context of a larger plan to

## **Management's Discussion and Analysis (Amounts in thousands)**

balance ongoing revenues and costs over a multi-year period. Such a plan could involve short-term use of one-time funds to preserve essential public services where longer-term financial forecasts demonstrate the near-term future potential for ongoing revenues to fund those services.

The General Fund spending authority totals \$4.18 billion and is funded by departmental revenues, Countywide discretionary revenues, and other financing sources.

As of June 30, 2021, the County's General Fund projects a cumulative structural deficit of \$22.5 million through fiscal year 2026. The County has an ongoing surplus of \$57.8 million available from prior years to start 2021-22. In addition, there are projected discretionary revenue increases totaling \$153.4 million through the term of forecasts, reflecting the current state of the economy while maintaining fiscal prudence by staying within the bounds of County policy, which prevents overly aggressive growth estimates. Offsetting the total estimated ongoing resources available of \$211.2 million (which includes the 2020-21 carryover and total revenue changes through the forecast) are \$233.7 million in anticipated ongoing costs including ongoing costs to maintain services, recommended changes to ongoing costs, and future estimated costs. This leaves a projected deficit of \$22.5 million through 2025-26.

In addition, the County's fiscal planning efforts are presented with major challenges in fiscal year 2022 and beyond. These challenges include fiscal uncertainty inherent in the State budget process, sales tax volatility, responding to the COVID-19 pandemic, and projected increases in retirement costs.

The County continues to monitor other outstanding issues including:

- COVID-19 Impacts – While substantial federal and state support has been allocated to assist counties in managing the costs associated with pandemic response, these investments continue to be on a one-time basis. The County may experience ongoing structural changes to how the County maintains public safety, ensures public health, and conducts County business.
- Evolving Tax Allocation Guidance – As e-commerce retail develops alternative ways for consumers to purchase taxable goods, the reporting and distribution of sales tax changes with it, benefiting some California cities and counties more than others. Any shifts in either business practice or tax law could reduce the sales tax gains we have seen locally, shifting those revenues to other municipalities.
- Mandates – While the County's Five-Year Forecast addresses known mandates that will require substantial investment of ongoing County funding, it is unknown how future court decisions may affect the magnitude of funding required to address certain mandates. The Prison Law Office Consent Decree and the Chino Plume Remediation efforts are just a few of the challenges that could continue to create a negative impact to available funding in future years.

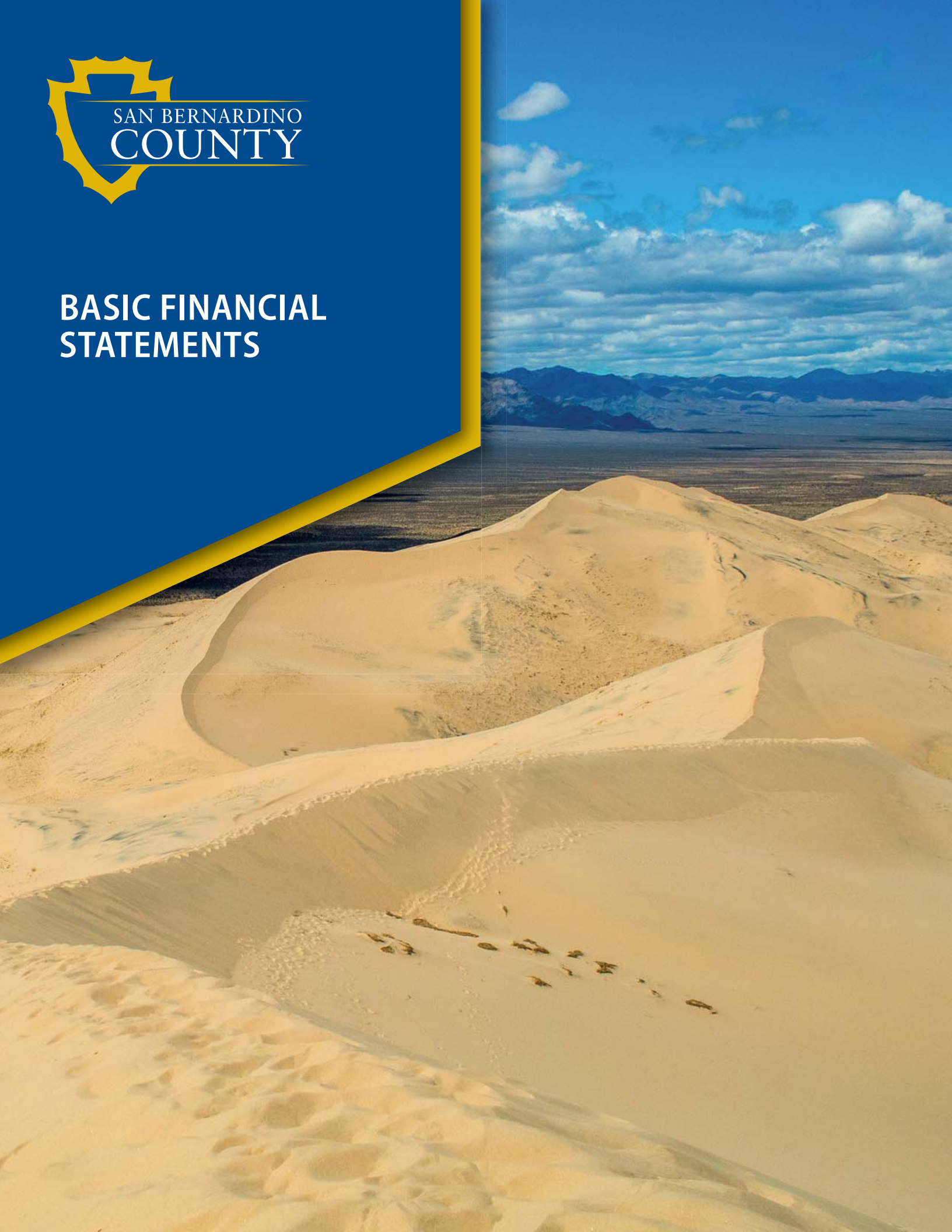
### **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, grantors, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or separate reports of the County's component units, or if you need any additional financial information, contact the Auditor-Controller/Treasurer/Tax Collector's Office, 268 W. Hospitality Lane, County of San Bernardino, California, 92415-0018.





# BASIC FINANCIAL STATEMENTS

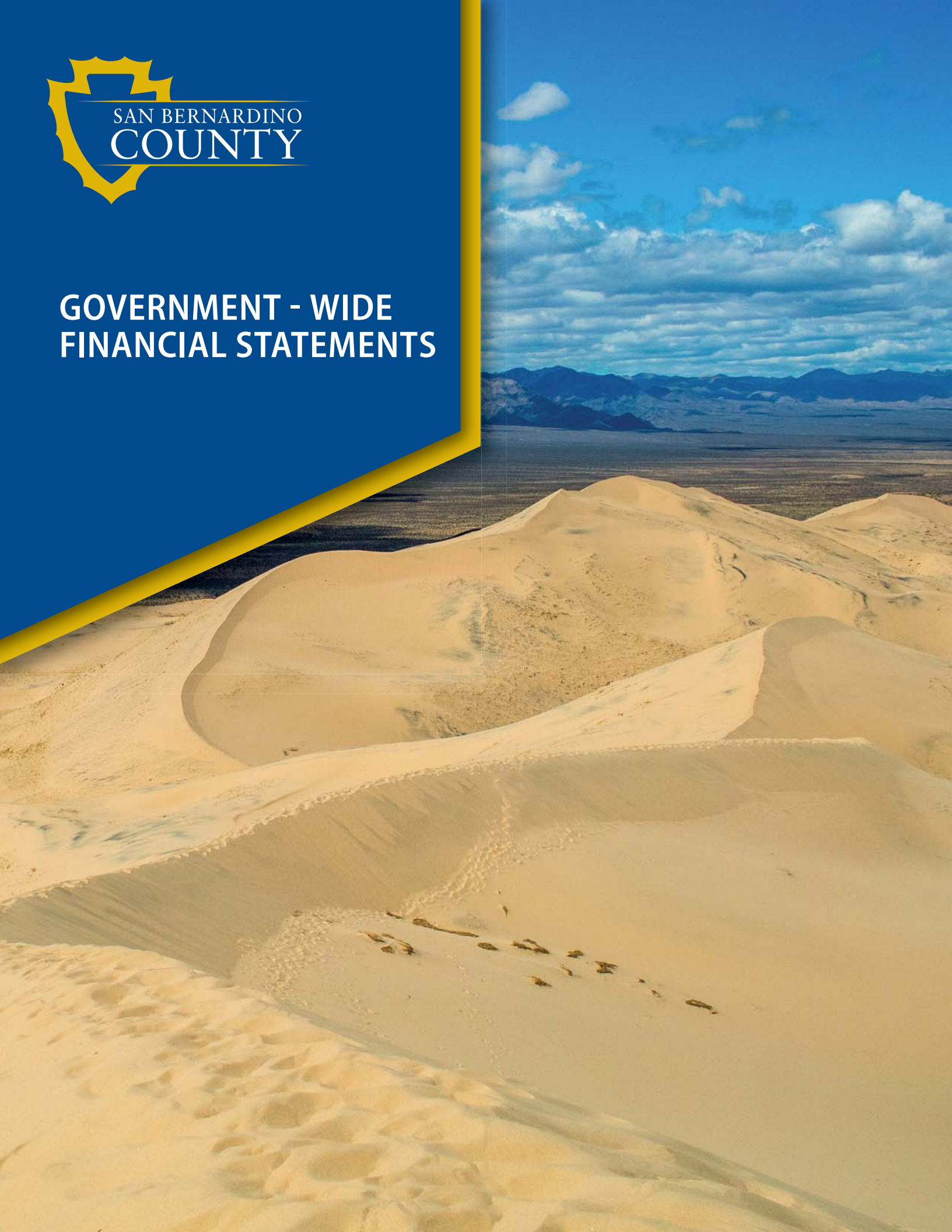








# GOVERNMENT - WIDE FINANCIAL STATEMENTS









**SAN BERNARDINO COUNTY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021 (IN THOUSANDS)**

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	FIRST 5 SAN BERNARDINO
<b>ASSETS</b>				
CASH AND INVESTMENTS (NOTE 4)	\$ 3,715,909	\$ 653,220	\$ 4,369,129	\$ 104,941
ACCOUNTS RECEIVABLE, NET (NOTE 5)	4,992	44,847	49,839	-
DUE FROM OTHER GOVERNMENTS, NET (NOTE 5)	497,291	65,918	563,209	1,844
TAXES RECEIVABLE (NOTE 5)	50,439	203	50,642	-
INTEREST RECEIVABLE (NOTE 5)	46,160	-	46,160	233
LOANS RECEIVABLE (NOTE 5)	30,923	-	30,923	-
OTHER RECEIVABLES, NET (NOTE 5)	10,082	25,529	35,611	30
INTERNAL BALANCES (NOTE 6)	(4,479)	4,479	-	-
LAND HELD FOR RESALE	50,038	-	50,038	-
INVENTORIES	13,555	4,093	17,648	-
PREPAID ITEMS	37,165	8,248	45,413	59
RESTRICTED CASH AND INVESTMENTS (NOTES 4 & 7)	17,177	61,484	78,661	-
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:				
LAND (NOTE 8)	145,237	21,213	166,450	-
LAND USE RIGHTS (NOTE 8)	26,281	351	26,632	-
DEVELOPMENT IN PROGRESS (NOTE 8)	402,379	35,044	437,423	-
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:				
LAND USE RIGHTS (NOTE 8)	-	1,109	1,109	-
STRUCTURES, IMPROVEMENTS, AND INFRASTRUCTURE (NOTE 8)	2,998,799	925,213	3,924,012	130
EQUIPMENT AND SOFTWARE (NOTE 8)	527,347	210,553	737,900	14
ACCUMULATED DEPRECIATION AND AMORTIZATION (NOTE 8)	(1,957,505)	(673,261)	(2,630,766)	(113)
<b>TOTAL ASSETS</b>	<b>6,611,790</b>	<b>1,388,243</b>	<b>8,000,033</b>	<b>107,138</b>
<b>DEFERRED OUTFLOWS OF RESOURCES (NOTE 9)</b>	<b>1,421,533</b>	<b>215,894</b>	<b>1,637,427</b>	<b>1,490</b>
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE AND CURRENT LIABILITIES	140,681	36,659	177,340	191
SALARIES AND BENEFITS PAYABLE	87,904	11,833	99,737	90
DUE TO OTHER GOVERNMENTS	269,725	4,982	274,707	4,895
INTEREST PAYABLE	3,756	2,743	6,499	-
ADVANCES FROM OTHERS (NOTE 10)	107,391	30,570	137,961	-
NONCURRENT LIABILITIES:				
PORTION DUE PAYABLE IN ONE YEAR:				
COMPENSATED ABSENCES PAYABLE (NOTE 11)	129,401	12,875	142,276	55
TERMINATION BENEFITS PAYABLE (NOTE 11)	4	-	4	-
COPS, BONDS AND NOTES PAYABLE (NOTE 11)	126,799	26,185	152,984	-
CAPITAL LEASE OBLIGATIONS (NOTES 11 & 12)	181	664	845	-
OTHER LONG TERM LIABILITIES (NOTE 11)	-	98,371	98,371	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	6,454	6,454	-
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	30,463	30,463	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	82,910	-	82,910	-
PORTION DUE OR PAYABLE AFTER ONE YEAR:				
COMPENSATED ABSENCES PAYABLE (NOTE 11)	102,585	16,044	118,629	245
COPS, BONDS AND NOTES PAYABLE, NET (NOTE 11)	176,533	217,480	394,013	-
CAPITAL LEASE OBLIGATIONS (NOTES 11 & 12)	361	1,262	1,623	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	63,074	63,074	-
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	140,448	140,448	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	291,849	-	291,849	-
NET PENSION LIABILITY (NOTE 18)	2,947,886	369,379	3,317,265	2,896
<b>TOTAL LIABILITIES</b>	<b>4,467,966</b>	<b>1,069,486</b>	<b>5,537,452</b>	<b>8,372</b>
<b>DEFERRED INFLOWS OF RESOURCES (NOTE 9)</b>	<b>80,631</b>	<b>6,523</b>	<b>87,154</b>	<b>189</b>
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	2,126,175	290,782	2,416,957	32
RESTRICTED FOR:				
GRANTS AND OTHER COUNTY PROGRAMS (NOTE 1)	1,630,847	-	1,630,847	-
PERPETUAL CARE - NONEXPENDABLE	1,837	-	1,837	-
LANDFILL CLOSURE	-	8,898	8,898	-
UNRESTRICTED	(274,133)	228,448	(45,685)	100,035
<b>TOTAL NET POSITION</b>	<b>\$ 3,484,726</b>	<b>\$ 528,128</b>	<b>\$ 4,012,854</b>	<b>\$ 100,067</b>

The notes to the basic financial statements are an integral part of this statement.

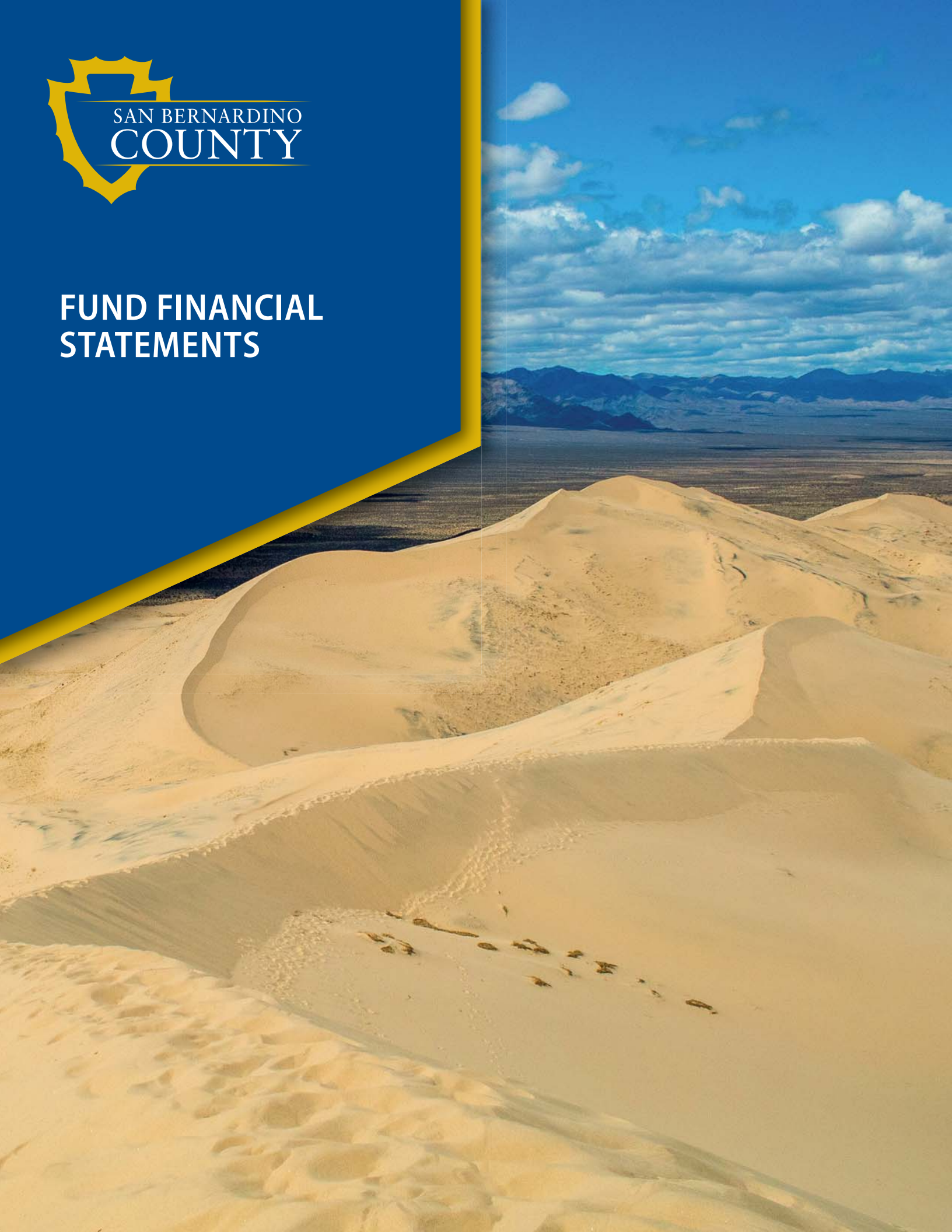
**SAN BERNARDINO COUNTY  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				PRIMARY GOVERNMENT			COMPONENT UNIT
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE)/REVENUE AND CHANGES IN NET POSITION	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
<b>PRIMARY GOVERNMENT:</b>								
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	\$ 301,548	\$ 175,884	\$ 109,154	\$ -	\$ (16,510)	\$ -	\$ (16,510)	\$ -
PUBLIC PROTECTION	1,619,673	347,206	606,516	60	(665,891)	-	(665,891)	-
PUBLICWAYS AND FACILITIES	106,332	8,394	84,015	1,884	(12,039)	-	(12,039)	-
HEALTH AND SANITATION	659,624	33,532	629,536	-	3,444	-	3,444	-
PUBLIC ASSISTANCE	1,438,825	3,355	1,354,678	-	(80,792)	-	(80,792)	-
EDUCATION	23,400	284	1,247	-	(21,869)	-	(21,869)	-
RECREATION AND CULTURAL SERVICES	34,142	8,980	688	-	(24,474)	-	(24,474)	-
INTEREST ON LONG TERM DEBT	11,834	-	-	-	(11,834)	-	(11,834)	-
TOTAL GOVERNMENTAL ACTIVITIES	4,195,378	577,635	2,785,834	1,944	(829,965)	-	(829,965)	-
BUSINESS-TYPE ACTIVITIES:								
MEDICAL CENTER	695,142	376,434	311,056	16,926	-	9,274	9,274	-
WASTE SYSTEMS DIVISION	109,358	93,534	155	-	-	(15,669)	(15,669)	-
WATER, SEWER, AND SANITATION	14,714	14,702	344	17	-	349	349	-
OTHERS	63	1	-	-	-	(62)	(62)	-
TOTAL BUSINESS-TYPE ACTIVITIES	819,277	484,671	311,555	16,943	-	(6,108)	(6,108)	-
TOTAL PRIMARY GOVERNMENT	\$ 5,014,655	\$ 1,062,306	\$ 3,097,389	\$ 18,887	\$ (829,965)	\$ (6,108)	\$ (836,073)	\$ -
<b>COMPONENT UNIT</b>								
FIRST 5 SAN BERNARDINO	\$ 19,024	\$ -	\$ 22,347	\$ -	\$ -	\$ -	\$ -	\$ 3,323
<b>GENERAL REVENUES:</b>								
PROPERTY TAXES, LEVIED FOR GENERAL PURPOSES					921,872	4,630	926,502	-
PUBLIC SAFETY TAX					221,401	-	221,401	-
OTHER TAXES					39,830	-	39,830	-
REVENUES FROM USE OF MONEY AND PROPERTY					34,433	61	34,494	16
MISCELLANEOUS					72,518	852	73,370	932
GAIN ON SALE OF CAPITAL ASSETS					3,006	-	3,006	-
TRANSFERS (NOTE 6)					4,395	(4,395)	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					1,297,455	1,148	1,298,603	948
CHANGE IN NET POSITION					467,490	(4,960)	462,530	4,271
NET POSITION - BEGINNING, AS RESTATED (NOTE 21)					3,017,236	533,088	3,550,324	95,796
NET POSITION - ENDING					\$ 3,484,726	\$ 528,128	\$ 4,012,854	\$ 100,067





# FUND FINANCIAL STATEMENTS









**SAN BERNARDINO COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021 (IN THOUSANDS)**

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>				
CASH AND INVESTMENTS (NOTE 4)	\$ 1,657,577	\$ 438,637	\$ 1,140,349	\$ 3,236,563
ACCOUNTS RECEIVABLE, NET (NOTE 5)	1,546	-	3,327	4,873
TAXES RECEIVABLE (NOTE 5)	41,992	-	8,447	50,439
INTEREST RECEIVABLE (NOTE 5)	41,282	1,781	3,097	46,160
LOANS RECEIVABLE (NOTE 5)	30,159	-	764	30,923
OTHER RECEIVABLES (NOTE 5)	4,647	-	1,364	6,011
DUE FROM OTHER FUNDS (NOTE 6)	62,930	14,008	32,666	109,604
DUE FROM OTHER GOVERNMENTS (NOTE 5)	373,082	-	122,716	495,798
LAND HELD FOR RESALE	549	47,827	1,662	50,038
INVENTORIES	8,705	-	192	8,897
PREPAID ITEMS	2,099	-	30,921	33,020
ADVANCES TO OTHER FUNDS (NOTE 6)	14,514	-	305	14,819
RESTRICTED CASH AND INVESTMENTS (NOTES 4 & 7)	4,622	-	12,555	17,177
TOTAL ASSETS	<u>\$ 2,243,704</u>	<u>\$ 502,253</u>	<u>\$ 1,358,365</u>	<u>\$ 4,104,322</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 80,383	\$ 1,579	\$ 52,052	\$ 134,014
SALARIES AND BENEFITS PAYABLE	69,635	-	16,321	85,956
DUE TO OTHER FUNDS (NOTE 6)	52,062	31	67,531	119,624
DUE TO OTHER GOVERNMENTS	262,107	-	7,556	269,663
INTEREST PAYABLE	-	-	134	134
ADVANCES FROM OTHERS (NOTE 10)	51,536	6	55,738	107,280
ADVANCES FROM OTHER FUNDS (NOTE 6)	-	-	8,969	8,969
TOTAL LIABILITIES	<u>515,723</u>	<u>1,616</u>	<u>208,301</u>	<u>725,640</u>
<b>DEFERRED INFLOWS OF RESOURCES (NOTE 9)</b>	<u>82,922</u>	<u>1,781</u>	<u>11,040</u>	<u>95,743</u>
<b>FUND BALANCES (NOTE 16):</b>				
NONSPENDABLE	41,514	-	32,950	74,464
RESTRICTED	526,242	115,734	1,014,683	1,656,659
COMMITTED	261,476	-	-	261,476
ASSIGNED	4,130	383,122	97,268	484,520
UNASSIGNED	811,697	-	(5,877)	805,820
TOTAL FUND BALANCES	<u>1,645,059</u>	<u>498,856</u>	<u>1,139,024</u>	<u>3,282,939</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 2,243,704</u>	<u>\$ 502,253</u>	<u>\$ 1,358,365</u>	
Amounts reported for governmental activities in the statement of net position are different due to the following (Note 2):				
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds.				
				2,079,505
Receivables that are not available to pay for current-period expenditures are deferred in the governmental funds.				
				95,743
Internal service funds are used by management to charge the costs of general services, telecommunication services, computer operations, fleet management, risk management, and flood control equipment to individual funds. The assets, deferred outflows of resources, liabilities and deferred inflows of resources of the internal service funds are included in the governmental activities in the statement of net position.				
				127,047
Interest payable on long-term debt				
				(3,622)
Deferred outflows and inflows of resources related to pensions and deferred amounts on refunding are applicable to future periods and therefore are not reported in the funds.				
				1,304,129
Long-term liabilities, including net pension liability, bonds payables, and related items, are not due and payable in the current period and, therefore not reported in the funds.				
				(3,401,015)
Net position of governmental activities (page 36)				
				<u>\$ 3,484,726</u>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>				
TAXES	\$ 1,002,108	\$ -	\$ 222,209	\$ 1,224,317
LICENSES, PERMITS, AND FRANCHISES	27,994	-	1,157	29,151
FINES, FORFEITURES, AND PENALTIES	4,633	-	4,616	9,249
REVENUE FROM USE OF MONEY AND PROPERTY	27,451	76	5,209	32,736
AID FROM OTHER GOVERNMENTAL AGENCIES	2,210,372	503	534,387	2,745,262
CHARGES FOR CURRENT SERVICES	401,473	-	137,479	538,952
OTHER REVENUES	24,376	853	47,251	72,480
<b>TOTAL REVENUES</b>	<b>3,698,407</b>	<b>1,432</b>	<b>952,308</b>	<b>4,652,147</b>
<b>EXPENDITURES</b>				
CURRENT:				
GENERAL GOVERNMENT	257,716	-	17,184	274,900
PUBLIC PROTECTION	1,190,519	-	273,869	1,464,388
PUBLIC WAYS AND FACILITIES	4,511	-	72,784	77,295
HEALTH AND SANITATION	386,573	-	235,531	622,104
PUBLIC ASSISTANCE	1,246,137	-	101,293	1,347,430
EDUCATION	3,015	-	17,227	20,242
RECREATION AND CULTURAL SERVICES	13,837	-	9,054	22,891
DEBT SERVICE:				
PRINCIPAL	-	-	120,126	120,126
INTEREST AND FISCAL CHARGES	-	-	8,392	8,392
CAPITAL OUTLAY	17,092	56,969	47,445	121,506
<b>TOTAL EXPENDITURES</b>	<b>3,119,400</b>	<b>56,969</b>	<b>902,905</b>	<b>4,079,274</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>579,007</b>	<b>(55,537)</b>	<b>49,403</b>	<b>572,873</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
TRANSFERS OUT (NOTE 6)	(193,440)	(671)	(79,025)	(273,136)
TRANSFERS IN (NOTE 6)	34,954	66,123	178,008	279,085
SALE OF CAPITAL ASSETS	1,354	-	1,652	3,006
<b>TOTAL OTHER FINANCING SOURCES AND (USES)</b>	<b>(157,132)</b>	<b>65,452</b>	<b>100,635</b>	<b>8,955</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>421,875</b>	<b>9,915</b>	<b>150,038</b>	<b>581,828</b>
<b>FUND BALANCES, BEGINNING, AS RESTATED (NOTE 21)</b>	<b>1,223,184</b>	<b>488,941</b>	<b>988,986</b>	<b>2,701,111</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,645,059</b>	<b>\$ 498,856</b>	<b>\$ 1,139,024</b>	<b>\$ 3,282,939</b>
<b>NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL</b>				<b>\$ 581,828</b>
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/amortization expense:				
Expenditures for general capital assets, infrastructure and other related capital asset adjustments			\$ 132,281	
Less current year depreciation/amortization expense.			(106,797)	
Less current year program expenses related to capital assets adjustments.			(13,250)	12,234
Internal service funds are used by management to charge the costs of general service group, telecommunication service, computer operations, fleet management services, risk management, and flood control equipment.				
The net revenues of the internal service fund is reported within governmental activities.				(25,920)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.				3,318
Expenses in the statement of activities that do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental fund.				(17,439)
Governmental funds report pension contributions as expenditures. However, in the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense:				
Expenditures for pension contributions			357,052	
Less current year pension expense.			(563,668)	(206,616)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources of governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds, report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.				120,085
Changes in net position of governmental activities (page 37)				<b>\$ 467,490</b>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL ON BUDGETARY BASIS**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>REVENUES</b>				
TAXES	\$ 914,746	\$ 914,548	\$ 1,002,108	\$ 87,560
LICENSES, PERMITS AND FRANCHISES	6,647	6,647	27,994	21,347
FINES, FORFEITURES AND PENALTIES	5,711	5,711	4,633	(1,078)
REVENUES FROM USE OF MONEY AND PROPERTY	46,446	46,446	27,451	(18,995)
AID FROM OTHER GOVERNMENTAL AGENCIES	1,554,637	1,926,775	1,994,989	68,214
CHARGES FOR CURRENT SERVICES	585,343	588,822	401,473	(187,349)
OTHER REVENUES	13,702	15,106	24,376	9,270
<b>TOTAL REVENUES</b>	<b>3,127,232</b>	<b>3,504,055</b>	<b>3,483,024</b>	<b>(21,031)</b>
<b>EXPENDITURES</b>				
CURRENT:				
GENERAL GOVERNMENT	509,420	621,007	255,296	365,711
PUBLIC PROTECTION	1,136,194	1,268,680	1,199,241	69,439
PUBLIC WAYS AND FACILITIES	5,473	5,704	4,542	1,162
HEALTH AND SANITATION	568,573	674,094	416,974	257,120
PUBLIC ASSISTANCE	1,393,371	1,405,202	1,247,759	157,443
EDUCATION	3,152	3,152	3,015	137
RECREATION AND CULTURAL SERVICES	14,228	14,233	13,849	384
DEBT SERVICE:				
INTEREST AND FISCAL CHARGES	6,500	500	-	500
CAPITAL OUTLAY	21,978	32,313	21,801	10,512
<b>TOTAL EXPENDITURES</b>	<b>3,658,889</b>	<b>4,024,885</b>	<b>3,162,477</b>	<b>862,408</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(531,657)</b>	<b>(520,830)</b>	<b>320,547</b>	<b>841,377</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
TRANSFERS OUT (NOTE 6)	(213,928)	(258,139)	(193,440)	64,699
TRANSFERS IN (NOTE 6)	49,628	53,691	34,954	(18,737)
SALE OF CAPITAL ASSETS	635	635	1,354	719
<b>TOTAL OTHER FINANCING SOURCES AND (USES)</b>	<b>(163,665)</b>	<b>(203,813)</b>	<b>(157,132)</b>	<b>46,681</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(695,322)</b>	<b>(724,643)</b>	<b>163,415</b>	<b>888,058</b>
<b>FUND BALANCES, BEGINNING, AS RESTATED</b>	<b>1,515,371</b>	<b>1,515,371</b>	<b>1,515,371</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 820,049</b>	<b>\$ 790,728</b>	<b>\$ 1,678,786</b>	<b>\$ 888,058</b>

The notes to the basic financial statements are an integral part of this statement.





**SAN BERNARDINO COUNTY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>	
	<b>MEDICAL CENTER</b>	<b>WASTE SYSTEMS DIVISION</b>
<b>ASSETS</b>		
CURRENT ASSETS:		
CASH AND CASH EQUIVALENTS (NOTE 4)	\$ 395,101	\$ 188,912
ACCOUNTS RECEIVABLE, NET (NOTE 5)	34,213	9,197
OTHER RECEIVABLES, NET (NOTE 5)	1,824	3,101
DUE FROM OTHER FUNDS (NOTE 6)	13,502	275
DUE FROM OTHER GOVERNMENTS (NOTE 5)	63,895	1,407
INVENTORIES	3,963	-
PREPAID ITEMS	7,849	399
RESTRICTED CASH AND CASH EQUIVALENTS (NOTES 4 & 7)	-	61,484
TOTAL CURRENT ASSETS	<u>520,347</u>	<u>264,775</u>
NONCURRENT ASSETS:		
OTHER RECEIVABLES (NOTE 5)	-	20,487
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:		
LAND (NOTE 8)	-	17,352
LAND USE RIGHTS (NOTE 8)	-	93
DEVELOPMENT IN PROGRESS (NOTE 8)	30,016	2,271
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:		
LAND USE RIGHTS (NOTE 8)	-	105
STRUCTURE, IMPROVEMENTS, AND INFRASTRUCTURE (NOTE 8)	577,844	246,518
EQUIPMENT AND SOFTWARE (NOTE 8)	208,024	1,014
ACCUMULATED DEPRECIATION AND AMORTIZATION (NOTE 8)	(483,726)	(131,670)
TOTAL NONCURRENT ASSETS	<u>332,158</u>	<u>156,170</u>
TOTAL ASSETS	<u>852,505</u>	<u>420,945</u>
<b>DEFERRED OUTFLOWS OF RESOURCES (NOTE 9)</b>	<u>210,841</u>	<u>5,053</u>
<b>LIABILITIES</b>		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE AND CURRENT LIABILITIES	31,099	5,043
SALARIES AND BENEFITS PAYABLE	11,514	318
DUE TO OTHER FUNDS (NOTE 6)	1,976	611
DUE TO OTHER GOVERNMENTS	-	4,981
INTEREST PAYABLE	2,500	-
ADVANCES FROM OTHERS (NOTE 10)	29,428	1,063
COMPENSATED ABSENCES PAYABLE (NOTE 11)	12,292	583
BONDS AND NOTES PAYABLE (NOTE 11)	25,883	-
CAPITAL LEASE OBLIGATIONS (NOTES 11 & 12)	664	-
OTHER LONG TERM LIABILITIES, DUE IN ONE YEAR (NOTE 11)	98,371	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	6,454
ESTIMATED LIABILITY FOR CLOSURES/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	30,463
TOTAL CURRENT LIABILITIES	<u>213,727</u>	<u>49,516</u>
NONCURRENT LIABILITIES:		
COMPENSATED ABSENCES PAYABLE (NOTE 11)	15,273	771
BONDS AND NOTES PAYABLE (NOTE 11)	216,561	-
CAPITAL LEASE OBLIGATIONS (NOTES 11 & 12)	1,262	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	63,074
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	140,448
NET PENSION LIABILITY (NOTE 18)	359,572	9,807
TOTAL NONCURRENT LIABILITIES	<u>592,668</u>	<u>214,100</u>
TOTAL LIABILITIES	<u>806,395</u>	<u>263,616</u>
<b>DEFERRED INFLOWS OF RESOURCES (NOTE 9)</b>	<u>5,965</u>	<u>558</u>
<b>NET POSITION</b>		
NET INVESTMENT IN CAPITAL ASSETS	102,718	135,683
RESTRICTED FOR:		
LANDFILL CLOSURE COSTS	-	8,898
UNRESTRICTED	148,268	17,243
TOTAL NET POSITION	<u>\$ 250,986</u>	<u>\$ 161,824</u>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS (CONTINUED)  
JUNE 30, 2021 (IN THOUSANDS)**

	BUSINESS- TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	TOTAL NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS (NOTE 4)	\$ 69,207	\$ 653,220	\$ 479,346
ACCOUNTS RECEIVABLE, NET (NOTE 5)	1,437	44,847	119
TAXES RECEIVABLE (NOTE 5)	203	203	-
OTHER RECEIVABLES, NET (NOTE 5)	117	5,042	4,071
DUE FROM OTHER FUNDS (NOTE 6)	226	14,003	1,770
DUE FROM OTHER GOVERNMENTS (NOTE 5)	616	65,918	1,493
INVENTORIES	130	4,093	4,658
PREPAID ITEMS	-	8,248	4,461
RESTRICTED CASH AND CASH EQUIVALENTS (NOTES 4 & 7)	-	61,484	-
TOTAL CURRENT ASSETS	<u>71,936</u>	<u>857,058</u>	<u>495,918</u>
NONCURRENT ASSETS:			
OTHER RECEIVABLES (NOTE 5)	-	20,487	-
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:			
LAND (NOTE 8)	3,861	21,213	1,504
LAND USE RIGHTS (NOTE 8)	258	351	-
DEVELOPMENT IN PROGRESS (NOTE 8)	2,757	35,044	4,261
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:			
LAND USE RIGHTS (NOTE 8)	1,004	1,109	-
STRUCTURE, IMPROVEMENTS, AND INFRASTRUCTURE (NOTE 8)	100,851	925,213	37,681
EQUIPMENT AND SOFTWARE (NOTE 8)	1,515	210,553	128,648
ACCUMULATED DEPRECIATION AND AMORTIZATION (NOTE 8)	(57,865)	(673,261)	(109,061)
TOTAL NONCURRENT ASSETS	<u>52,381</u>	<u>540,709</u>	<u>63,033</u>
TOTAL ASSETS	<u>124,317</u>	<u>1,397,767</u>	<u>558,951</u>
<b>DEFERRED OUTFLOWS OF RESOURCES (NOTE 9)</b>			
	<u>-</u>	<u>215,894</u>	<u>42,056</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE AND CURRENT LIABILITIES	517	36,659	6,667
SALARIES AND BENEFITS PAYABLE	1	11,833	1,948
DUE TO OTHER FUNDS (NOTE 6)	1,087	3,674	2,079
DUE TO OTHER GOVERNMENTS	1	4,982	62
INTEREST PAYABLE	243	2,743	-
ADVANCES FROM OTHERS (NOTE 10)	79	30,570	427
COMPENSATED ABSENCES PAYABLE (NOTE 11)	-	12,875	4,230
BONDS AND NOTES PAYABLE (NOTE 11)	302	26,185	-
CAPITAL LEASE OBLIGATIONS (NOTES 11 & 12)	-	664	-
OTHER LONG TERM LIABILITIES, DUE IN ONE YEAR (NOTE 11)	-	98,371	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	6,454	-
ESTIMATED LIABILITY FOR CLOSURES/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	30,463	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	-	-	82,910
TOTAL CURRENT LIABILITIES	<u>2,230</u>	<u>265,473</u>	<u>98,323</u>
NONCURRENT LIABILITIES:			
ADVANCE FROM OTHER FUNDS (NOTE 6)	5,850	5,850	-
COMPENSATED ABSENCES PAYABLE (NOTE 11)	-	16,044	4,532
BONDS AND NOTES PAYABLE (NOTE 11)	919	217,480	-
CAPITAL LEASE OBLIGATIONS (NOTES 11 & 12)	-	1,262	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	63,074	-
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	140,448	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	-	-	291,849
NET PENSION LIABILITY (NOTE 18)	-	369,379	73,973
TOTAL NONCURRENT LIABILITIES	<u>6,769</u>	<u>813,537</u>	<u>370,354</u>
TOTAL LIABILITIES	<u>8,999</u>	<u>1,079,010</u>	<u>468,677</u>
<b>DEFERRED INFLOWS OF RESOURCES (NOTE 9)</b>			
	<u>-</u>	<u>6,523</u>	<u>5,283</u>
<b>NET POSITION</b>			
NET INVESTMENT IN CAPITAL ASSETS	52,381	290,782	63,033
RESTRICTED FOR:			
LANDFILL CLOSURE COSTS	-	8,898	-
UNRESTRICTED	62,937	228,448	64,014
TOTAL NET POSITION	<u>\$ 115,318</u>	<u>\$ 528,128</u>	<u>\$ 127,047</u>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>BUSINESS-TYPE ACTIVITIES -</b>	
	<b>ENTERPRISE FUNDS</b>	
	<b>MEDICAL CENTER</b>	<b>WASTE SYSTEM DIVISION</b>
OPERATING REVENUES:		
NET PATIENT CARE AND SERVICE CHARGES FOR CURRENT SERVICES	\$ 376,434	\$ -
OTHER	-	79,087
	229,381	14,447
<b>TOTAL OPERATING REVENUES</b>	<b>605,815</b>	<b>93,534</b>
OPERATING EXPENSES:		
PROFESSIONAL SERVICES	85,748	32,120
SALARIES AND EMPLOYEE BENEFITS	367,413	9,307
SERVICES AND SUPPLIES	190,569	61,459
DEPRECIATION AND AMORTIZATION	23,479	6,472
OTHER	17,940	-
<b>TOTAL OPERATING EXPENSES</b>	<b>685,149</b>	<b>109,358</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(79,334)</b>	<b>(15,824)</b>
NONOPERATING REVENUES (EXPENSES):		
INVESTMENT INCOME (LOSS)	-	(214)
INTEREST EXPENSE	(8,772)	-
GRANT REVENUE	81,675	155
OTHER NONOPERATING REVENUES	-	471
OTHER NONOPERATING EXPENSES	(1,221)	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>71,682</b>	<b>412</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(7,652)</b>	<b>(15,412)</b>
CAPITAL CONTRIBUTIONS	16,926	-
TRANSFERS OUT (NOTE 6)	(13,801)	(2,169)
TRANSFERS IN (NOTE 6)	11,421	-
<b>CHANGE IN NET POSITION</b>	<b>6,894</b>	<b>(17,581)</b>
<b>TOTAL NET POSITION, BEGINNING</b>	<b>244,092</b>	<b>179,405</b>
<b>TOTAL NET POSITION, ENDING</b>	<b>\$ 250,986</b>	<b>\$ 161,824</b>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	TOTAL NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
OPERATING REVENUES:			
NET PATIENT CARE AND SERVICE CHARGES FOR CURRENT SERVICES	\$ -	\$ 376,434	\$ -
OTHER	14,269	93,356	276,388
	434	244,262	-
<b>TOTAL OPERATING REVENUES</b>	<b>14,703</b>	<b>714,052</b>	<b>276,388</b>
OPERATING EXPENSES:			
PROFESSIONAL SERVICES	1,032	118,900	33,630
SALARIES AND EMPLOYEE BENEFITS	3,020	379,740	64,979
SELF-INSURED CLAIMS	124	124	107,184
SERVICES AND SUPPLIES	7,379	259,407	82,655
DEPRECIATION AND AMORTIZATION	3,128	33,079	12,503
OTHER	-	17,940	1,243
<b>TOTAL OPERATING EXPENSES</b>	<b>14,683</b>	<b>809,190</b>	<b>302,194</b>
<b>OPERATING INCOME (LOSS)</b>	<b>20</b>	<b>(95,138)</b>	<b>(25,806)</b>
NONOPERATING REVENUES (EXPENSES):			
INVESTMENT INCOME (LOSS)	275	61	(44)
INTEREST EXPENSE	(94)	(8,866)	(1)
TAX REVENUE	4,630	4,630	-
GRANT REVENUE	344	82,174	411
GAIN (LOSS) ON SALE OF CAPITAL ASSETS	-	-	536
OTHER NONOPERATING REVENUES	381	852	538
OTHER NONOPERATING EXPENSES	-	(1,221)	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>5,536</b>	<b>77,630</b>	<b>1,440</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>5,556</b>	<b>(17,508)</b>	<b>(24,366)</b>
CAPITAL CONTRIBUTIONS	17	16,943	-
TRANSFERS OUT (NOTE 6)	(21)	(15,991)	(2,655)
TRANSFERS IN (NOTE 6)	175	11,596	1,101
<b>CHANGE IN NET POSITION</b>	<b>5,727</b>	<b>(4,960)</b>	<b>(25,920)</b>
<b>TOTAL NET POSITION, BEGINNING</b>	<b>109,591</b>	<b>533,088</b>	<b>152,967</b>
<b>TOTAL NET POSITION, ENDING</b>	<b>\$ 115,318</b>	<b>\$ 528,128</b>	<b>\$ 127,047</b>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

**BUSINESS-TYPE ACTIVITIES -  
ENTERPRISE FUNDS**

	<u>MEDICAL CENTER</u>	<u>WASTE SYSTEMS DIVISION</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
CASH RECEIVED FROM PATIENT CARE AND SERVICES	\$ 668,914	\$ 96,028
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(293,676)	(67,462)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(346,642)	(8,760)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>28,596</u>	<u>19,806</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
GRANTS RECEIVED	81,675	155
TRANSFERS RECEIVED	11,421	-
TRANSFERS PAID	(13,801)	(2,169)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>79,295</u>	<u>(2,014)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(24,185)	(7,974)
CAPITAL GRANTS AND CONTRIBUTIONS	16,926	-
PRINCIPAL PAID ON CAPITAL LEASE OBLIGATIONS	(1,052)	-
PRINCIPAL PAID ON BONDS AND NOTES	(26,538)	-
INTEREST PAID ON BONDS AND NOTES	(8,996)	-
PROCEEDS FROM SALE OF CAPITAL ASSETS	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(43,845)</u>	<u>(7,974)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
INTEREST ON INVESTMENTS	-	(214)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>(214)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	64,046	9,604
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>331,055</u>	<u>240,792</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 395,101</u>	<u>\$ 250,396</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
OPERATING INCOME (LOSS)	\$ (79,334)	\$ (15,824)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION AND AMORTIZATION	23,479	6,472
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	(1,221)	471
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:		
ACCOUNTS RECEIVABLE	(1,612)	13
DUE FROM OTHER FUNDS	(6,249)	744
DUE FROM OTHER GOVERNMENTS	41,366	(222)
OTHER RECEIVABLES	166	1,817
INVENTORIES	(130)	-
PREPAID ITEMS	300	(160)
ACCOUNTS PAYABLE AND OTHER LIABILITIES	491	(7,500)
SALARIES AND BENEFITS PAYABLE	(10,709)	(233)
DUE TO OTHER FUNDS	1,141	562
DUE TO OTHER GOVERNMENTS	-	664
ADVANCES FROM OTHERS	29,428	142
COMPENSATED ABSENCES PAYABLE	2,609	143
OTHER NON-CASH ITEMS	28,871	32,717
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 28,596</u>	<u>\$ 19,806</u>
<b>NONCASH CAPITAL AND FINANCING ACTIVITIES:</b>		
LEASE PURCHASE OF CAPITAL ASSETS	\$ 1,054	\$ -
	<b>BREAKDOWN OF CASH AND CASH EQUIVALENTS</b>	
CASH AND CASH EQUIVALENTS	\$ 395,101	\$ 188,912
RESTRICTED CASH AND INVESTMENTS	-	61,484
TOTAL	<u>\$ 395,101</u>	<u>\$ 250,396</u>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	TOTAL NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
CASH RECEIVED FROM PATIENT CARE AND SERVICES	\$ 19,973	\$ 784,915	\$ -
CASH RECEIVED FROM OTHER FUNDS FOR INTERNAL SERVICES	-	-	274,027
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(9,976)	(371,114)	(164,572)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(3,023)	(358,425)	(58,831)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	6,974	55,376	50,624
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
TAXES RECEIVED	4,623	4,623	-
GRANTS RECEIVED	344	82,174	411
INTEREST PAID ON INTERFUND LOAN	-	-	(1)
TRANSFERS RECEIVED	175	11,596	1,101
TRANSFERS PAID	(21)	(15,991)	(2,655)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	5,121	82,402	(1,144)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(772)	(32,931)	(10,686)
CAPITAL GRANTS AND CONTRIBUTIONS	17	16,943	-
PRINCIPAL PAID ON CAPITAL LEASE OBLIGATIONS	-	(1,052)	-
PRINCIPAL PAID ON BONDS AND NOTES	(71)	(26,609)	-
INTEREST PAID ON BONDS AND NOTES	(37)	(9,033)	-
PROCEEDS FROM SALE OF CAPITAL ASSETS	-	-	740
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(863)	(52,682)	(9,946)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
INTEREST ON INVESTMENTS	275	61	(44)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	275	61	(44)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,507	85,157	39,490
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	57,700	629,547	439,856
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 69,207	\$ 714,704	\$ 479,346
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
OPERATING INCOME (LOSS)	\$ 20	\$ (95,138)	\$ (25,806)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION AND AMORTIZATION	3,128	33,079	12,503
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	381	(369)	538
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:			
ACCOUNTS RECEIVABLE	(98)	(1,697)	301
DUE FROM OTHER FUNDS	-	(5,505)	622
DUE FROM OTHER GOVERNMENTS	4,955	46,099	(276)
OTHER RECEIVABLES	-	1,983	(3,080)
INVENTORIES	20	(110)	124
PREPAID ITEMS	-	140	2,521
ACCOUNTS PAYABLE AND OTHER LIABILITIES	(1,443)	(8,452)	(42)
SALARIES AND BENEFITS PAYABLE	(3)	(10,945)	(1,923)
DUE TO OTHER FUNDS	-	1,703	-
DUE TO OTHER GOVERNMENTS	(18)	646	(243)
ADVANCES FROM OTHERS	32	29,602	(466)
COMPENSATED ABSENCES PAYABLE	-	2,752	758
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	-	-	57,780
OTHER NON-CASH ITEMS	-	61,588	7,313
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 6,974	\$ 55,376	\$ 50,624
<b>NONCASH CAPITAL AND FINANCING ACTIVITIES:</b>			
LEASE PURCHASE OF CAPITAL ASSETS	\$ -	\$ 1,054	\$ -
<b>BREAKDOWN OF CASH AND CASH EQUIVALENTS</b>			
CASH AND CASH EQUIVALENTS	\$ 69,207	\$ 653,220	\$ 479,346
RESTRICTED CASH AND INVESTMENTS	-	61,484	-
TOTAL	\$ 69,207	\$ 714,704	\$ 479,346

The notes to the basic financial statements are an integral part of this statement.



**SAN BERNARDINO COUNTY**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2021 (IN THOUSANDS)**

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUND	INVESTMENT TRUST FUNDS	PRIVATE- PURPOSE TRUST FUNDS	CUSTODIAL FUNDS
<b>ASSETS</b>				
CASH AND INVESTMENTS (NOTE 4)	\$ 6,423	\$ 4,907,882	\$ 18,605	\$ 708,890
RECEIVABLES:				
EMPLOYER AND MEMBER CONTRIBUTIONS	50,141	-	-	-
ACCOUNTS RECEIVABLE - NET	23,363	-	-	23,949
TAXES RECEIVABLE	-	-	-	177,371
INTEREST AND DIVIDENDS RECEIVABLE	15,316	17,655	43	951
DUE FROM OTHER GOVERNMENTS	-	-	-	19,849
SALE OF INVESTMENTS	72,365	-	-	-
TOTAL RECEIVABLES	<u>161,185</u>	<u>17,655</u>	<u>43</u>	<u>222,120</u>
INVESTMENTS, AT FAIR VALUE:				
SHORT-TERM INVESTMENTS	2,078,026	-	-	-
DEBT SECURITIES	969,167	-	-	-
COMMON AND PREFERRED STOCK	1,609,376	-	-	-
REAL ESTATE	513,393	-	-	-
ALTERNATIVE INVESTMENTS	4,858,455	-	-	-
INTERNATIONAL INVESTMENTS	3,540,872	-	-	-
SECURITIES LENDING COLLATERAL	102,597	-	-	-
TOTAL INVESTMENTS, AT FAIR VALUE	<u>13,671,886</u>	<u>-</u>	<u>-</u>	<u>-</u>
LAND HELD FOR RESALE	-	-	13,276	-
PREPAID ITEMS	-	-	1,113	-
RESTRICTED CASH AND CASH EQUIVALENTS	-	-	3,485	-
EQUIPMENT AND SOFTWARE	18,286	-	-	-
ACCUMULATED DEPRECIATION AND AMORTIZATION	(11,950)	-	-	-
TOTAL ASSETS	<u>13,845,830</u>	<u>4,925,537</u>	<u>36,522</u>	<u>931,010</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>1,176</u>	<u>-</u>
<b>LIABILITIES</b>				
OBLIGATIONS UNDER SECURITIES LENDING	102,597	-	-	-
SECURITIES OPTIONS PAYABLE	129	-	-	-
PAYABLES FOR SECURITIES PURCHASED	82,436	-	-	-
ACCOUNTS PAYABLE AND OTHER LIABILITIES	23,815	-	5	658
DUE TO OTHER GOVERNMENTS	-	-	193	239,069
INTEREST PAYABLE	-	-	780	-
BONDS AND NOTES PAYABLE:				
DUE IN ONE YEAR	-	-	2,645	-
DUE AFTER ONE YEAR	-	-	61,365	-
TOTAL LIABILITIES	<u>208,977</u>	<u>-</u>	<u>64,988</u>	<u>239,727</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>555</u>	<u>-</u>
<b>NET POSITION</b>				
RESTRICTED FOR:				
PENSIONS	13,636,853	-	-	-
POOL PARTICIPANTS	-	4,925,537	-	-
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	-	-	(27,845)	691,283
TOTAL NET POSITION (DEFICIT)	<u>\$ 13,636,853</u>	<u>\$ 4,925,537</u>	<u>\$ (27,845)</u>	<u>\$ 691,283</u>

The notes to the basic financial statements are an integral part of this statement.

**SAN BERNARDINO COUNTY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

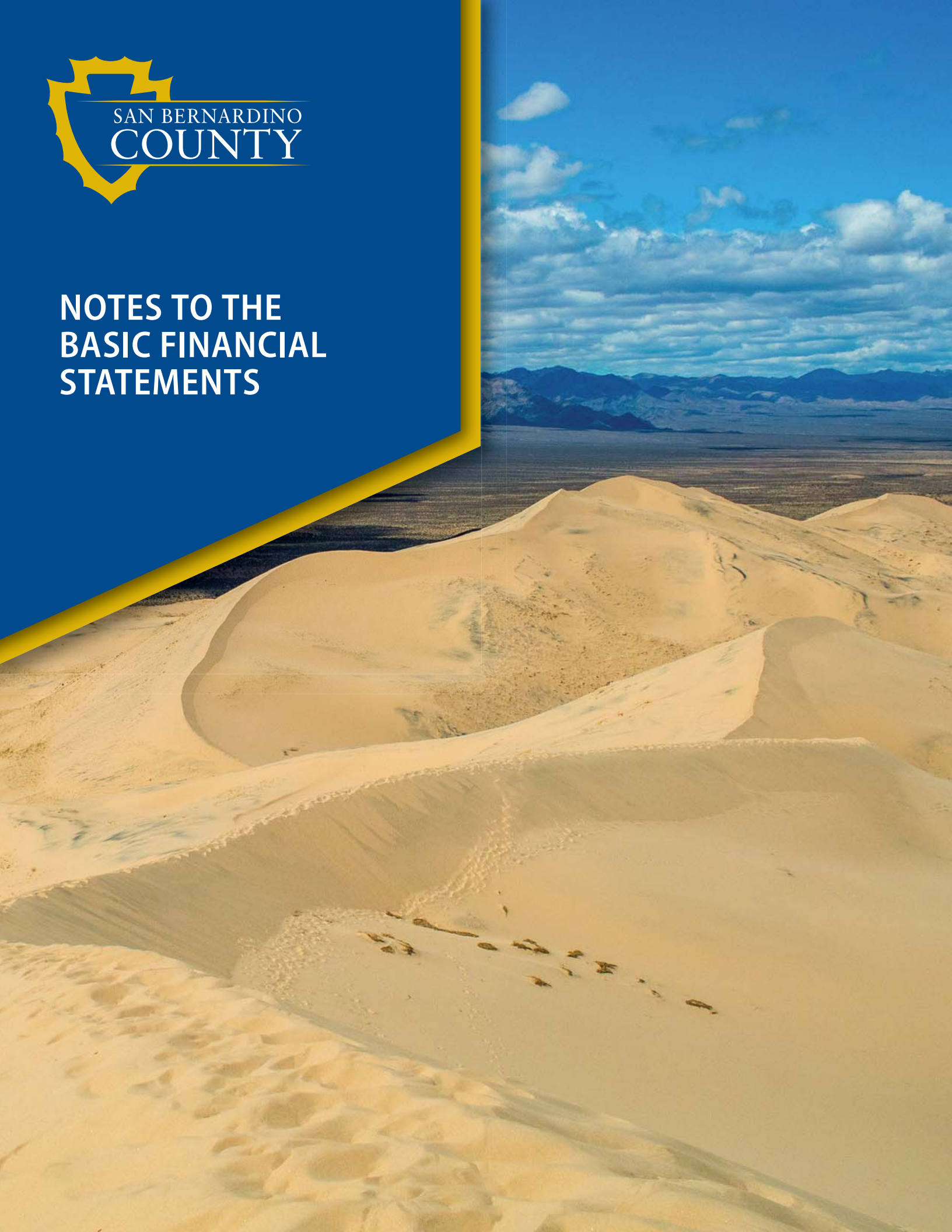
	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUND	INVESTMENT TRUST FUNDS	PRIVATE- PURPOSE TRUST FUNDS	CUSTODIAL FUNDS
<b>ADDITIONS</b>				
CONTRIBUTIONS:				
EMPLOYERS	\$ 498,747	\$ -	\$ -	\$ -
PLAN MEMBERS	172,953	-	-	-
CONTRIBUTIONS TO POOL INVESTMENTS	-	11,544,886	-	-
REDEVELOPMENT AGENCY PROPERTY TAX TRUST FUND	-	-	4,900	-
GIFTS AND BEQUESTS	-	-	15,298	-
TOTAL CONTRIBUTIONS	<u>671,700</u>	<u>11,544,886</u>	<u>20,198</u>	<u>-</u>
INVESTMENT INCOME:				
NET INCREASE/(DECREASE) IN FAIR VALUE OF INVESTMENTS	3,162,340	(38,352)	(9)	(2,310)
INTEREST, DIVIDENDS, REAL ESTATE, AND OTHER INCOME	329,088	47,266	177	5,048
SECURITIES LENDING INCOME	231	-	-	-
GROSS INVESTMENT INCOME	<u>3,491,659</u>	<u>8,914</u>	<u>168</u>	<u>2,738</u>
LESS INVESTMENT COSTS:				
INVESTMENT ACTIVITY COSTS	138,419	-	-	-
SECURITIES LENDING COSTS	87	-	-	-
NET INVESTMENT INCOME	<u>3,353,153</u>	<u>8,914</u>	<u>168</u>	<u>2,738</u>
OTHER ADDITIONS:				
TAXES COLLECTED FOR OTHER GOVERNMENTS	-	-	-	2,598,521
FINES AND FEES COLLECTED FOR OTHER GOVERNMENTS	-	-	-	100,204
STATE FUNDS COLLECTED FOR OTHER GOVERNMENTS	-	-	-	357,354
BOND PROCEEDS COLLECTED FOR OTHER GOVERNMENTS	-	-	-	8,323
PAYMENTS COLLECTED ON BEHALF OF OTHERS	-	-	-	22,784
OTHER REVENUES	-	-	248	-
TOTAL OTHER ADDITIONS	<u>-</u>	<u>-</u>	<u>248</u>	<u>3,087,186</u>
TOTAL ADDITIONS	<u>4,024,853</u>	<u>11,553,800</u>	<u>20,614</u>	<u>3,089,924</u>
<b>DEDUCTIONS</b>				
BENEFIT AND REFUND PAYMENTS TO PLAN MEMBERS AND BENEFICIARIES	660,822	-	-	-
BENEFIT AND REFUND PAYMENTS TO INDIVIDUALS	-	-	11,218	821
DISTRIBUTION FROM POOL INVESTMENTS	-	10,531,402	-	-
DISTRIBUTION AND OBLIGATION RETIREMENTS	-	-	2,296	295,340
TAX COLLECTIONS DISBURSED TO OTHER GOVERNMENTS	-	-	-	2,222,139
TAX ADJUSTMENTS DISBURSED TO INDIVIDUALS	-	-	-	38,472
FINES AND FEES DISBURSED TO OTHER GOVERNMENTS	-	-	-	83,030
FINES AND FEES DISBURSED TO INDIVIDUALS	-	-	-	6,946
STATE FUNDS DISBURSED TO OTHER GOVERNMENTS	-	-	-	16,085
PAYMENTS DISBURSED TO OTHERS	-	-	-	362,974
ADMINISTRATIVE EXPENSES	9,720	-	1,013	15,149
OTHER EXPENSES	4,792	-	-	-
TOTAL DEDUCTIONS	<u>675,334</u>	<u>10,531,402</u>	<u>14,527</u>	<u>3,040,956</u>
CHANGE IN NET POSITION	3,349,519	1,022,398	6,087	48,968
NET POSITION (DEFICIT) HELD IN TRUST, BEGINNING, AS RESTATED (NOTE 21)	<u>10,287,334</u>	<u>3,903,139</u>	<u>(33,932)</u>	<u>642,315</u>
NET POSITION (DEFICIT) HELD IN TRUST, ENDING	<u>\$ 13,636,853</u>	<u>\$ 4,925,537</u>	<u>\$ (27,845)</u>	<u>\$ 691,283</u>

The notes to the basic financial statements are an integral part of this statement.





# NOTES TO THE BASIC FINANCIAL STATEMENTS





**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting entity**

San Bernardino County (County), which was established by an act of the State Legislature on April 26, 1853, is a legal subdivision of the State of California charged with governmental powers. The County's powers are exercised through a five-member Board of Supervisors (Board) which, as the governing body of the County, is responsible for the legislative and executive control of the County. As required by generally accepted accounting principles (GAAP), the accompanying financial statements present the activities of the County (the primary government) and its component units.

**Blended Component Units**

Because of their relationship to the County and the nature of their operations, blended component units are, in substance, part of the County's operations and, accordingly, the activities of these component units are combined, or blended, with the activities of the County for purposes of reporting in the accompanying basic financial statements. The basis for blending the component units is that their governing bodies are substantially the same as the County's Board and their operational or financial relationships with the County.

While each of these component units is legally separate from the County, the County has financial benefit or burden and/or fiscal dependence for these entities, and potential exclusion would result in misleading financial reporting of the County. Financial accountability is demonstrated by the County's Board acting as the governing board for each of the component units.

The component units below are included in the County's reporting entity:

- *Fire Protection District* - Established per Local Agency Formation Commission (LAFCO) Resolution 2986/2989 (adopted on January 16, 2008), effective July 1, 2008. Services provided include fire management, ambulance billing, fire prevention, hazardous materials, household hazardous waste, and the Office of Emergency Services. The district is included in the reporting entity because it has the same governing board and management as the County.
- *Flood Control District (Flood Control)* - Established under Chapter 73 of the 1939 Statutes for the State of California. The District maintains and constructs flood control channels, basins, storm drains, and dams in six geographical zones within the County. The District is included in the reporting entity because it has the same governing board and management as the County.
- *Park and Recreation Districts* - Responsible for the operation and maintenance of parks and improvement zones located throughout the County. The Districts are included in the reporting entity because they have the same governing board and management as the County.
- *County Service Areas* - Established to provide specific services to distinct geographical areas within the County. Services include but are not limited to, management and maintenance of streetlights, roads, sanitation collection systems, and water distribution systems. The County Service Areas are included in the reporting entity because they have the same governing board and management as the County.
- *Various Joint Powers Authorities (JPAs)* – Includes In-Home Support Services (IHSS), Inland Counties Emergency Medical Agency (ICEMA), and San Bernardino County Industrial Development Authority (COIDA). With the exception of ICEMA, separate financial statements are not available for these JPAs. The JPAs are included in the reporting entity because they have the same governing board and management as the County.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- *Inland Empire Public Facilities Corporation (IEPFC)* - A nonprofit public benefit corporation, formed on May 30, 1986, to serve the County by financing, refinancing, acquiring, constructing, improving, leasing and selling buildings, building improvements, equipment, land, land improvements, and any other real or personal property for the benefit of residents of the County. The Corporation is included in the reporting entity because it has the same governing board as the County, and there is a financial benefit or burden relationship with the County.
- *San Bernardino County Financing Authority (SBCFA)* - Created pursuant to a Joint Exercise of Powers Agreement dated May 16, 1966, as amended on July 1, 1982, and May 1, 1983, as amended and restated on March 27, 1989, and as amended on February 15, 1994. SBCFA provides financing for public capital improvements for the County, to acquire such public capital improvements, and to purchase certain underlying obligations issued by or on behalf of the County. The Authority is included in the reporting entity because it has the same governing board as the County, and there is a financial benefit or burden relationship with the County.

The fiduciary component unit below is included in the County's reporting entity:

- *San Bernardino County Employees' Retirement Association (SBCERA)* – SBCERA was established on January 1, 1945, under the County Employees Retirement Law of 1937 following a vote by the people of the County on May 16, 1944. SBCERA is an independent, defined benefit pension plan administrator providing retirement, disability, and death benefits on behalf of approximately 43,000 members and beneficiaries. SBCERA is a fiduciary component unit of the County reported in the Pension (and Other Employee Benefit) Trust Funds column of the fiduciary fund financial statements. SBCERA is included in the reporting entity because San Bernardino County is financially accountable for SBCERA since it appoints a voting majority of SBCERA's governing body (GASB 61, paragraph 6) and there is a financial benefit/burden relationship (GASB 84). SBCERA's separately issued financial statements can be obtained from their office located at 348 W. Hospitality Lane, Suite 100, San Bernardino, CA 92408.

Additional detailed financial information, including separately issued financial statements (except as noted above) of the County's component units, can be obtained from the Auditor-Controller/Treasurer/Tax Collector's Office at 268 W. Hospitality Lane, San Bernardino, CA 92415-0018.

**Discretely Presented Component Unit**

FIRST 5 San Bernardino, formerly known as the Children and Families First Commission, was formed in 1998 under the California Health and Safety Code - Section 130100, Chapter 29 of Title 1 of the San Bernardino County Code, and the California Children and Families First Act of 1998. The Commission was created for the purpose of promoting, supporting, and improving the early development of children from the prenatal stage to five years of age and is funded by allocations of California Proposition 10 Tobacco Tax. The FIRST 5 is a discretely presented component unit because its governing body is not substantially the same as the County's governing body, it does not provide services entirely or exclusively to the County, and the County has the ability to impose its will by appointing all of the Commissioners who serve at the pleasure of the San Bernardino County Board of Supervisors.

Additional detailed financial information, including separately issued financial statements can be obtained from First 5 San Bernardino's Office at 735 E. Carnegie Drive, Suite 150, San Bernardino, CA 92408.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-wide and fund financial statements**

The basic financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements, and
- Notes to the basic financial statements

*Government-wide Financial Statements*

The Statement of Net Position and Statement of Activities display information about the primary government, the County, and its component units. These statements include the financial activities of the overall government, except for fiduciary activities and fiduciary-type component units. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which normally are supported by taxes and inter-governmental revenues are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County'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. Certain indirect costs are included in the program expenses of the appropriate functions. Program revenues include 1) charges paid by the recipient for goods or services offered by the program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. 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 County's funds, including fiduciary funds and blended component units. Separate statements for each fund group classification – governmental, proprietary, and fiduciary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in separate columns. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- The *General Fund* accounts for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as General Government, Public Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, Education, and Recreation and Cultural Services.
- The *Capital Improvement Fund* accounts for the construction, rehabilitation, and repair projects for numerous facilities and structures administered by the Project Management Division. The fund is primarily financed by transfers from the general fund.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The County reports the following major enterprise funds:

- *Medical Center* accounts for the operation of Arrowhead Regional Medical Center inpatient and outpatient care operations, including emergency room services and indigent care to County residents. The fund is financed primarily by patient care services. Separately issued financial statements for the County Medical Center can be obtained from the Auditor-Controller/Treasurer/Tax Collector's Office at 268 W. Hospitality Lane, San Bernardino, CA 92415-0018.
- *Waste Systems Division* accounts for refuse disposal services provided to the public by five landfill sites. The waste disposal program is financed by funds derived from gate fees at the San Bernardino Valley landfill sites and from land use fees charged to property owners in both the mountain and desert areas.

The County reports the following internal service funds in summary form as part of the proprietary fund financial statements:

- *Internal Service Funds* account for central services group that provides services to other departments or agencies of the County on a cost reimbursement basis. Central services group includes printing services, surplus property, central mail, telecommunication services, computer operations, business solutions development, fleet management, risk management, and flood control equipment operations.

The County reports the following fiduciary funds:

- The *Pension (and Other Employee Benefit) Trust Fund* accounts for the San Bernardino County Employee's Retirement Association (SBCERA) which is a cost sharing multiple-employer defined benefit pension plan administered through trusts.
- The *Investment Trust Fund* accounts for the external portion of pooled investments of numerous self-governed school and special districts for which cash and investments are held by the County Treasurer. The financial reporting for these governmental entities, which are independent of the County, is limited to the total amount of cash and investments and other assets, and the related fiduciary responsibility of the County for disbursements of these assets. Activities of the school districts and special districts are administered by their own separate elected boards and are independent of the County Board of Supervisors. The County Auditor-Controller/Treasurer/Tax Collector makes disbursements upon the request of the responsible school and self-governed district officers. The County Board of Supervisors has no effective authority to govern, manage, approve budgets, assume financial responsibility, establish revenue limits, or to appropriate surplus funds available in these entities. Therefore, these entities are fiscally independent of the County.
- The *Private Purpose Trust Fund* accounts for the San Bernardino Redevelopment Successor Agency (Successor Agency) which operates under the auspices of a legislatively formed San Bernardino Countywide Oversight Board comprised of representatives per Health and Safety Code 34179(j) that serve the redevelopment project area. The Oversight Board, in its fiduciary capacity, has authority over the operations and the timely dissolution of the former Redevelopment Agency (RDA). It is tasked with fulfilling the obligations of the former RDA, and is also responsible for revenue collection, maintaining necessary bond reserves, and disposing of excess property. The Successor Agency is responsible for continuing to pay and meet the former Redevelopment Agency's enforceable obligations, overseeing the completion of redevelopment projects, disposing of assets and properties of the former Redevelopment Agency, as directed and approved by the San Bernardino Countywide Oversight Board. The Successor

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Agency issues a stand-alone financial report, which may be obtained by contacting the Successor Agency, 385 North Arrowhead Ave, 3<sup>rd</sup> Floor, San Bernardino, CA 92415-0043.

- The *Custodial Funds* are fiduciary in nature and do not involve measurement of results of operations. Such funds primarily account for assets held by the County in an custodial capacity pending transfer or distribution to individuals, private organizations, other governmental agencies, or other funds.

**C. Measurement focus, basis of accounting, and financial statement presentation**

The government-wide, proprietary, and fiduciary funds 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 at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes and sales taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants and donations are recognized in the fiscal year 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, earned, and available. In the fund financial statements, property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after fiscal year-end. Property taxes are recorded as deferred inflows of resources when not received within sixty days after fiscal year-end. In the government-wide financial statements, property taxes are recorded as revenue when levied regardless of when the cash is collected. Sales taxes, interest, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period and are recognized as revenue.

The County considers items available if received within 9 months of year-end, for voluntary non-exchange transactions such as federal and state grants and government-mandated non-exchange transactions. 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 and claims and judgments, are recorded only when the payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

The County reports items as deferred inflows of resources when all eligibility requirements are met except for timing requirements or resources recognized as assets that do not meet the availability criterion for recognition as revenue in governmental funds.

Proprietary funds are used to account for business-type activities, which are financed mainly by fees and charges to users of the services provided by the funds' operations. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds include all trust and custodial funds, which account for assets held in a trustee or an custodial capacity for individuals, private organizations, or other governments. Fiduciary funds are not included in the primary government.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position**

**(a) Cash and Cash Equivalents**

For purposes of the statement of cash flows, the County considers all pooled investments and other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**(b) Investments**

The County's pooled investments are governed by the California Government Code (CGC) and the County's Investment Policy. These approved investments include U.S. Government Treasury and Agency securities, commercial paper, certificates of deposit, medium-term notes, mutual funds, repurchase agreements, and reverse repurchase agreements as authorized by the CGC Sections 53601, 53635, and 53638 that limit the investments to certain maximum percentages by investment type in the pool.

The County's pooled investments and securities are reported at fair value. The County intends to either hold investments until maturity or until market values equal or exceed cost. The value of the various investments will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Certain money market investments and investment contracts are recorded at cost.

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: 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.

**(c) Land Held for Resale**

Land held for resale are assets acquired and held with the intent of sale, and are recorded at the lower of cost or market, until such time as there is an event that would indicate an agreed-upon sales price. It is not the intent of the County to hold these assets for gain or profit.

**(d) Inventories and Prepaid Items**

Inventories, which consist principally of materials and supplies held for consumption, are valued at cost (first-in, first-out basis) for governmental fund types and at an amount that approximates the lower of cost or market for proprietary fund types. Inventories of the governmental and business-type activities are accounted for as expenses when the inventory items are consumed. In the governmental fund financial statements, reported inventories are offset with nonspendable fund balance because these amounts are not available for appropriation and expenditure.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and accounted for as expenses when consumed rather than purchased in both the government-wide and the fund financial statements.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(e) Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources are a consumption of net position that is applicable to a future reporting period and deferred inflows of resources are an acquisition of net position that is applicable to a future reporting period. A deferred outflows of resources have a positive effect on net position, similar to assets, and a deferred inflows of resources has a negative effect on net position, similar to liabilities. The County has certain items, which qualify for reporting as deferred outflows and deferred inflows of resources (Note 9 and Note 18).

**(f) Capital Assets**

Capital assets, which include land, structures, and improvements, equipment, software, land use rights including easement/right-of-way, and infrastructure assets (roadways, bridges, roadway signage, guardrails, drainage systems, traffic lights, dams, and flood control), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. These capital assets have initial useful lives extending beyond a single reporting period.

Such assets are recorded at historical cost or estimated historical cost if purchased or developed. Donated capital assets are recorded at acquisition value (an entry price) at the date of donation.

The capitalization threshold for the County is \$5,000 (amount not rounded) except for the following assets:

- Structures and infrastructure: \$100,000 (amount not rounded)
- Internally generated software: \$100,000 (amount not rounded)
- Easements/right-of-way: \$10,000 (amount not rounded)

Structures and improvements, equipment, software, and infrastructure of the primary government are depreciated or amortized using the straight-line method over the following estimated useful lives:

- |                               |                 |
|-------------------------------|-----------------|
| • Infrastructure              | 10 to 100 years |
| • Structures and improvements | Up to 45 years  |
| • Equipment and software      | 5 to 15 years   |

Certain intangible assets with contractual, legal, regulatory, or any other factors, which limit the useful lives of those assets are amortized in accordance with such factors or provisions.

**(g) Employee Compensated Absences**

Compensated employee absences (vacation, compensatory time off, annual leave, perfect attendance leave, and sick leave) are accrued as an expense and liability in the proprietary funds when incurred. In the governmental funds, only those amounts that are due and payable at year-end are accrued. Compensated employee absences that exceed this amount represent a reconciling item between the fund and government-wide presentations.

**(h) Termination Benefits**

The County offered monetary incentives to hasten employee voluntary termination of services. Termination benefits are different in nature than salaries and benefits, including post-employment benefits. Accordingly, a liability for termination benefits is accrued and presented separately from the salaries and benefits (Note 11).



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(i) Pollution Remediation Obligations**

The County estimates pollution remediation outlays to remediate the effects of a pollution event in accordance with generally accepted accounting principles. Those outlays include remedial investigation, site assessment, corrective measures feasibility studies, remediation work, equipment, and monitoring of the polluted site (Note 11).

**(j) Long-term Liabilities**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method, with the exception of prepaid bond insurance. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the fund financial statements, governmental bond premiums and discounts, as well as bond issuance costs, are recognized in the period issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**(k) Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's cost-sharing multiple-employer defined benefit retirement plan (the Plan) administered by the San Bernardino County Employees' Retirement Association (SBCERA) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by SBCERA. For this purpose, employer and employee contributions are recognized in the period the related salaries are earned and become measurable pursuant to formal commitments, statutory or contractual requirement, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, and investments are reported at fair value.

**(l) Interfund Transactions**

Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "Due to/from other funds" (i.e., the current portion of interfund loans) or "Interfund receivables/payables" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Interfund receivables, as reported in the fund financial statements, are offset by the corresponding fund balance classification to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

presentation.

**(m) Net Position/Fund Balances**

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, and capital-related deferred outflows of resources into one component of net position. Accumulated depreciation, capital-related deferred inflows of resources, and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets as well as any premium or discount paid on debt reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulation of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Examples of restricted net position include federal and state grants that are restricted by grant agreements for specific purposes and restricted cash set aside for debt service payments.
- *Unrestricted Net Position* – This category represents the net position of the County, not restricted for any project or other purpose.

At June 30, 2021, the County reported a restricted net position of \$1,632,684 in the Governmental Activities restricted for the following purposes:

Restricted for:	Amount
Grants and Other County Programs:	
State Realignment Funds	\$ 505,137
Teeter Plan	17,755
Other Grants and Programs	1,107,955
Perpetual Care - Nonexpendable	1,837
	\$ 1,632,684

In the fund financial statements, governmental funds report fund balance as (1) Nonspendable Fund Balance, (2) Restricted Fund Balance, (3) Committed Fund Balance, (4) Assigned Fund Balance, and (5) Unassigned Fund Balance. These components of fund balance are reported primarily to indicate the extent to which the County is bound to honor constraint on the specific purposes for which amounts in the fund can be spent (Note 16).

- 1) *Nonspendable Fund Balance*: Amounts cannot be spent because they are: (a) not in spendable form or (b) legally or contractually required to be maintained intact. Due to the nature or form of the resources, they generally cannot be expected to be converted into cash or a spendable form.
- 2) *Restricted Fund Balance*: Amounts are restricted by external parties, i.e., creditors, grantors, contributors, or laws/regulations of other governments or restricted by law through constitutional provisions or enabling legislation.
- 3) *Committed Fund Balance*: Amounts can only be used for a specific purpose pursuant to constraints imposed by formal action of the government’s highest level of decision making authority (the Board of Supervisors). The formal action must occur prior to the end of the reporting period, however, the amount



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

may be determined in the subsequent period. These are self-imposed limitations on available resources. These committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same level of action it employed to previously commit those amounts. These committed amounts would be approved and adopted by formal action of the Board.

- 4) *Assigned Fund Balance*: Amounts are constrained by the government's intent to be used for specific purposes that are neither restricted nor committed. The intent will be expressed by the body or official to which the governing body has delegated the authority, i.e. the County Administrative Office. The County Administrative Office will assign fund balance for specific departmental projects through the use of the respective department's general fund savings.
- 5) *Unassigned Fund Balance*: The general fund, as the principal operating fund, often has net resources in excess of what can properly be classified in one of the four categories already described. Therefore, in order to calculate unassigned fund balance, total fund balance less nonspendable, restricted, committed, or assigned equals unassigned fund balance. This amount is available for any purpose and will be placed in either the general purpose reserve, general fund – mandatory contingencies, or the general fund - uncertainties contingencies until allocated for a specific purpose by the Board, by a four-fifths vote. Negative equity in all other governmental funds is reflected as unassigned.

The County Board of Supervisors establishes, modifies, or rescinds fund balance commitments by the passage of a resolution. The County also uses budget and finance policy to authorize the assignment of fund balance, which is done through adoption of the budget and subsequent budget amendments throughout the year.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then followed by unrestricted resources; committed, assigned and unassigned, as they are needed.

**(n) Fund Balance and Reserve Policy**

The objective of the County's fund balance and reserve policy is to ensure San Bernardino County maintains a minimum level of unassigned fund balance designated as general purpose reserve to meet seasonal cash flow shortfalls, revenue shortfalls, unanticipated expenditures, economic downturns, or effects of local disasters. The policy also addresses the circumstances under which unassigned fund balance can be "spent down" and how the unassigned fund balance will be replenished if it falls below the established minimum.

*General Purpose Reserve and Mandatory Contingencies Reserve*

The County has established an unassigned fund balance designated as general purpose reserve for the general fund targeted at 20% of locally funded appropriations based on the adopted budget. Locally funded appropriations are those funded by countywide discretionary revenues such as unrestricted property tax, sales tax, interest income, and other revenues not linked to specific programs and those funded by ongoing operating transfers in.

The unassigned fund balance designated as general purpose reserve is built up with one-time sources until the established target is achieved. In the event the locally funded appropriations decline from the previous fiscal year, the general purpose reserve shall have no downward adjustments. Increases to the general purpose reserve generally are only made once at the beginning of the fiscal year.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

maintains a mandatory contingencies reserve set at a minimum of 1.5% of locally funded appropriations based on the adopted budget. The amount needed to fund the mandatory contingencies reserve for the succeeding fiscal year will be categorized as unassigned fund balance. In the event the locally funded appropriation declines from the previous fiscal year, the mandatory contingencies shall have no downward adjustments. Increases to the mandatory contingencies generally are only made once at the beginning of the fiscal year.

The remaining unassigned fund balance amount not allocated to the general purpose reserve or mandatory contingencies reserve will be included in uncertainties contingencies reserve.

*Fund Balance Spend Down and Replenishment Procedure*

Use of unassigned fund balance will be limited to nonrecurring expenditures, debt reduction, one-time capital costs or emergency situations (such as economic conditions or natural disasters). The County generally will use the uncertainties contingencies reserve first, then the mandatory contingencies and finally the general purpose reserve allocation when using the unassigned fund balance.

The County recognizes that unforeseen events may cause the use of unassigned fund balance which will result in it falling below the established minimum. However, if this occurs, or is expected to occur within the five year planning cycle, the budget balancing strategies will be invoked to determine corrective actions. When necessary, the following budget balancing strategies will be used in order of priority:

- 1) Seek other revenue opportunities, including new service fees or increase to existing fees;
- 2) Reduce expenditures through improved productivity;
- 3) Reduce or eliminate services;
- 4) Reduce employee salaries and benefits.

A planned draw down of unassigned fund balance generally should not exceed 3% of locally funded appropriation in a given fiscal year. Generally, before the unassigned fund balance can be withdrawn below the target, a replenishment plan must be adopted. For withdrawals, as soon as economic conditions have recovered, one-time sources will be used to replenish reserves before using them for one-time, non-emergency expenses. The unassigned fund balance shall be built up with one-time sources until the established target is achieved/replenished.

As of June 30, 2021, the County's general purposes reserve is \$143,008 which is included in the unassigned fund balance as determined by the fund balance policy.

**(o) Property Taxes**

The County levies, collects, and apportions property taxes for all taxing jurisdictions within the County, including school and special districts. Property taxes are determined by applying approved rates to the assessed values of properties. The total 2020-21 taxable assessed valuation of San Bernardino County was \$248,625,155.

Article XIII A of the State of California Constitution limits the property tax levy to support general government services of the various taxing jurisdictions to \$1.00 per \$100.00 of assessed value. Taxes levied to service voter-approved debt prior to June 30, 1978, are excluded from this limitation. Secured property taxes are levied in two equal installments, November 1 and February 1. They become delinquent with penalties after December 10 and April 10, respectively. The lien date is January 1 of each year. Unsecured property taxes are due on the March 1 lien date and become delinquent with penalties after August 31. The term "unsecured" refers to taxes on

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

personal property other than land and buildings. These taxes are secured by liens on the property being taxed.

The County apportions property tax according to the Teeter Plan, which is an alternate property tax distribution procedure authorized by the California Legislature in 1949. Generally, the Teeter Plan provides for a property tax distribution procedure by which secured roll taxes are distributed based on the tax levy, rather than on the basis of actual tax collections, for agencies that elect to participate in the Teeter Plan (including the County General Fund). Under the Teeter Plan, the County advances each participant an amount equal to the participant's Teeter Secured Levy (adjusted at year end for corrections to the assessment roll) that remains unpaid at the end of the fiscal year. In return, the County General Fund receives all future delinquent tax payments, penalties and interest. The County bears the risk of loss on the delinquent property taxes but benefits from the penalties and interest associated with these delinquent taxes when they are paid. Under the Teeter Plan, the County is also required to establish a tax loss reserve fund to cover losses that may occur as a result of sales of tax-defaulted properties.

**(p) Use of Estimates**

The presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**(q) Implemented Accounting Pronouncements**

During fiscal year 2021, the County adopted the following Governmental Accounting Standards Board (GASB) Statements:

**GASB Statement No. 84 – Fiduciary Activities**

In January 2017, GASB issued Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement were postponed by GASB 95 and are effective for the fiscal year ending June 30, 2021. The County has implemented this Statement as of July 1, 2020, which resulted in a material impact to the County. The effect of the implementation of this standard on beginning net position and fund balance is disclosed in Note 21.

**GASB Statement No. 90 - Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61**

In August 2018, 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. The requirements of this Statement were postponed by GASB 95 and are effective for the fiscal year ending June 30, 2021. The County has implemented this Statement as of July 1, 2020. The adoption of this Statement did not have a material impact on the financial statements.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

GASB Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32

In June 2020, GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. 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 that are related to the accounting and financial reporting for Section 457 plans are effective for the fiscal year ending June 30, 2022. The County determined to early implement the requirements that are related to the accounting and financial reporting for Section 457 plans together with the implementation of Statement No. 84, Fiduciary Activities in this fiscal year. The County has implemented all parts of this Statement as of July 1, 2020 and did not have an impact on the financial statements.

GASB Statement No. 98 – The Annual Comprehensive Financial Report

In October 2021, GASB issued Statement No. 98, The Annual Comprehensive Financial Report. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. The County has early implemented this Statement in the fiscal year ending June 30, 2021, and the changes have been reflected in the statements.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

Amounts reported for governmental activities in the statement of net position are different from those reported for governmental funds in the balance sheet.

The following provides a reconciliation of those differences:

	Total Governmental Funds (Page 40)	Long-term Assets Deferred Outflows Deferred Inflows and Liabilities (1)	Internal Service Funds (2) (Page 45)	Eliminations	Statement of Net Position Totals (Page 36)
<b>Assets and Deferred Outflows of Resources</b>					
Assets:					
Cash and Investments	\$ 3,236,563	\$ -	\$ 479,346	\$ -	\$ 3,715,909
Accounts Receivable - Net	4,873	-	119	-	4,992
Taxes Receivable	50,439	-	-	-	50,439
Interest Receivable	46,160	-	-	-	46,160
Loans Receivable	30,923	-	-	-	30,923
Other Receivables	6,011	-	4,071	-	10,082
Due from Other Funds	109,604	-	1,770	(111,374)	-
Due from Other Governments	495,798	-	1,493	-	497,291
Internal Balances	-	-	-	(4,479)	(4,479)
Land Held for Resale	50,038	-	-	-	50,038
Inventories	8,897	-	4,658	-	13,555
Prepaid Items	33,020	-	4,461	(316)	37,165
Interfund Receivable	14,819	-	-	(14,819)	-
Restricted Cash and Investments	17,177	-	-	-	17,177
Land	-	143,733	1,504	-	145,237
Land Use Rights - Not Amortized	-	26,281	-	-	26,281
Development In Progress	-	398,118	4,261	-	402,379
Structures, Improvements, and Infrastructure	-	2,961,118	37,681	-	2,998,799
Equipment and Software	-	398,699	128,648	-	527,347
Accumulated Depreciation and Amortization	-	(1,848,444)	(109,061)	-	(1,957,505)
<b>Total Assets</b>	<b>4,104,322</b>	<b>2,079,505</b>	<b>558,951</b>	<b>(130,988)</b>	<b>6,611,790</b>
Deferred Outflows of Resources:					
Bond Refunding	-	706	-	-	706
Pensions	-	1,378,771	42,056	-	1,420,827
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>1,379,477</b>	<b>42,056</b>	<b>-</b>	<b>1,421,533</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 4,104,322</b>	<b>\$ 3,458,982</b>	<b>\$ 601,007</b>	<b>\$ (130,988)</b>	<b>\$ 8,033,323</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position</b>					
Liabilities:					
Accounts Payable and Other Current Liabilities	\$ 134,014	\$ -	\$ 6,667	\$ -	\$ 140,681
Salaries and Benefits Payable	85,956	-	1,948	-	87,904
Due to Other Funds	119,624	-	2,079	(121,703)	-
Due to Other Governments	269,663	-	62	-	269,725
Interest Payable	134	3,622	-	-	3,756
Advances from Others	107,280	-	427	(316)	107,391
Interfund Payable	8,969	-	-	(8,969)	-
Compensated Absences Payable	-	223,224	8,762	-	231,986
Termination Benefits Payable	-	4	-	-	4
Bonds and Notes Payable	-	303,748	-	-	303,748
Discount	-	(416)	-	-	(416)
Capital Lease Obligations	-	542	-	-	542
Estimated Liability for Litigation and Self-Insured Claims	-	-	374,759	-	374,759
Net Pension Liability	-	2,873,913	73,973	-	2,947,886
<b>Total Liabilities</b>	<b>725,640</b>	<b>3,404,637</b>	<b>468,677</b>	<b>(130,988)</b>	<b>4,467,966</b>
Deferred Inflows of Resources:					
Unavailable Revenues	95,743	(95,743)	-	-	-
Bond Refunding	-	72	-	-	72
Pensions	-	75,276	5,283	-	80,559
<b>Total Deferred Inflows of Resources</b>	<b>95,743</b>	<b>(20,395)</b>	<b>5,283</b>	<b>-</b>	<b>80,631</b>
<b>Fund Balance/Net Position</b>	<b>3,282,939</b>	<b>74,740</b>	<b>127,047</b>	<b>-</b>	<b>3,484,726</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position</b>	<b>\$ 4,104,322</b>	<b>\$ 3,458,982</b>	<b>\$ 601,007</b>	<b>\$ (130,988)</b>	<b>\$ 8,033,323</b>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

(1) Capital assets used in governmental activities that are not financial resources and, therefore, are not reported in the funds.		
Land	\$	143,733
Land Use Rights - not being amortized		26,281
Development in Progress		398,118
Structures, Improvements, and Infrastructure		2,961,118
Equipment and Software		398,699
Accumulated Depreciation and Amortization		<u>(1,848,444)</u>
		<u>\$ 2,079,505</u>
(1) Receivables are not available to pay for current-period expenditures and are therefore deferred in the governmental funds.	\$	<u>95,743</u>
		<u>\$ 95,743</u>
(1) Interest Payable		<u>\$ (3,622)</u>
(1) Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Deferred Outflows of Resources - Bond Refunding	\$	706
Deferred Outflows of Resources - Pensions		1,378,771
Deferred Inflows of Resources - Bond Refunding		(72)
Deferred Inflows of Resources - Pensions		<u>(75,276)</u>
		<u>\$ 1,304,129</u>
(1) Long-term liabilities, including bonds payable, that are not due and payable in the current period and therefore are not reported in the funds.		
Compensated Absences Payable	\$	(223,224)
Termination Benefits Payable		(4)
Bonds and Notes Payable		(303,748)
Discount		416
Capital Lease Obligations		(542)
Net Pension Liability		<u>(2,873,913)</u>
		<u>\$ (3,401,015)</u>
(2) Internal service funds that are used by management to charge the costs of general services, telecommunication services, computer operations, fleet management, risk management, and flood control equipment to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.		<u>\$ 127,047</u>
(1) GASB 34 Conversion Entries		
(2) Internal Service Funds reported as part of Governmental Activities		

**NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**(a) Budgetary Information**

In accordance with the provisions of Section 29000 – 29144 and 30200 of the Government Code of the State of California, commonly known as the County Budget Act, the County prepares and adopts the final budget no later than October 2, for each fiscal year. Budgets are adopted for the General Fund, certain Special Revenue Funds, certain Debt Service Funds, and certain Capital Projects Funds. Budgets are prepared on the modified accrual basis of accounting, except that current year encumbrances are budgeted as expenditures.

Annual budgets are not adopted for the following funds: Pension Obligation Bonds Debt Service, Joint Powers Authorities Special Revenue and Debt Service Funds, and Permanent Funds.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

The legal level of budgetary control is maintained at the object level for general expenditures and sub-object level for capital assets within departments. However, presentation of the basic financial statements at the legal level of control is not feasible due to excessive length. Because of the large volume of detail, the budget and the actual statements have been aggregated by function. The County does prepare a separate final budget document at the object and sub-object level that is available to the public by the office of the Auditor-Controller/Treasurer/Tax Collector.

Amendments or transfers of appropriations between funds or departments must be approved by the Board. Throughout the year, supplemental appropriations may be necessary and are normally financed by unanticipated revenues. These must also be approved by the Board. Amendments or transfers of appropriations between object code levels within the same department may be approved by the Board or the County Administrative Office. Transfers at the sub-object code level or cost center level may be done at the discretion of the department head. Any deficiency of the budgeted revenues and other financing sources over expenditures and other financing uses is financed by beginning available fund balances as provided in the County Budget Act.

**(b) Excess of Expenditures Over Appropriations**

For the year ended June 30, 2021, expenditures exceeded appropriations in the general government of the county service areas by \$1,862, and in the interest and fiscal charges of the economic and community development funds by \$9. These over expenditures were funded by available fund balance.

**(c) Reconciliation of Budgetary Basis to GAAP Basis**

The annual County Budget is prepared, approved, and adopted in accordance with provisions of the County Budget Act. In preparing the budget, the County utilizes a basis of accounting which is different from the basis prescribed by generally accepted accounting principles (GAAP). The accompanying General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on a Budgetary Basis presents a comparison of the legally adopted budget and the actual data on a budgetary basis.

The following adjustments are necessary to provide a meaningful comparison of the actual results of operations with the budget:

	General Fund
Fund balance - budgetary basis	\$ 1,678,786
Outstanding encumbrances for budgeted funds	122,146
Unearned Revenue for Corona Virus Relief Fund	(155,873)
Fund balance - GAAP basis	\$ 1,645,059

**NOTE 4 – CASH AND INVESTMENTS**

Cash and investments include the cash balances of substantially all funds which are pooled (the “pool”) and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. The pool is not registered as an investment company with the Securities and Exchange Commission (SEC) and is not rated. Included also are cash and investments held by certain joint powers and certain public agencies authorities and cash held by various trustee financial institutions in accordance with the California Government Code.

State law requires that all operating monies of the County, school districts, and certain special districts be held by the County Treasurer. The net position value associated with legally mandated external participants in the investment pool was \$4,488,006, at June 30, 2021.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

As of June 30, 2021, the fair value of the County investment pool was \$9.7 billion. Approximately 16% of the County pool is attributable to the County General Fund, with the remainder of the balance comprised of other county funds, component units, school districts and special districts. Additionally, as of June 30, 2021, \$419,876, of the amounts deposited in the County pool was attributable to depositors who are not required to, but choose to, invest in the County pool. These include independent special districts, State Trial Court, and other governmental agencies. The deposits held for both involuntary and voluntary external participants are reported in the Investment Trust Fund.

The fair value of the pool is determined monthly, and depends on, among other factors, the maturities and types of investments and general market conditions. The fair value of each participant's position including both voluntary and involuntary participants is the same as the value of the pool share. The method used to determine participants' equity withdrawn is based on the daily average book value of the participants' percentage participation in the pool.

The County has not produced or provided any letters of credit or legal binding guarantees as supplemental support of the pool values during the year ended at June 30, 2021. The pool provides monthly reporting to both The Treasury Oversight Committee who reviews investment policy and the County Board of Supervisors who reviews and approves investment policy.

The County does not pool its external participants' investments separately from the County pool. The average rate of return on investments during fiscal year 2021 was 1.00%.

A summary of the total cash and investments as of June 30, 2021, is as follows:

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Interest Rate Range</u>	<u>Maturity Range</u>	<u>Average Maturity (days)</u>
U.S. Treasury Securities	\$ 1,474,013	\$ 1,513,219	0.09% - 2.37%	07/31/21 - 05/15/25	715
U.S. Government Agencies	2,500,269	2,527,570	0.15% - 3.02%	09/10/21 - 11/07/25	835
Negotiable Certificates of Deposit	2,460,046	2,459,851	0.10% - 0.35%	07/01/21 - 07/01/22	135
Commercial Paper	1,599,531	1,600,446	0.05% - 0.23%	07/01/21 - 03/09/22	93
Agency Mortgage-Backed	225,752	223,504	0.44% - 1.58%	07/01/23 - 10/01/26	1,435
Medium-Term Notes	280,164	281,428	0.00% - 3.50%	07/08/21 - 06/18/24	531
Insured Placement Service Accounts	25,000	25,000	0.05%	07/01/21	1
JPA Investment Pools	472,000	472,000	0.15%	07/01/21	1 <sup>A</sup>
Money Market Mutual Funds	2,000	2,000	0.01% - 0.10%	07/01/21	1 <sup>B</sup>
Supranational Securities	300,591	303,048	0.14% - 3.06%	07/23/21 - 06/17/24	554
Asset-Backed Securities	281,321	282,507	0.22% - 2.91%	03/15/22 - 11/17/25	850
<b>Total County's Pooled Investments</b>	<u>9,620,687</u>	<u>9,690,573</u>			
<b>Investments Held Outside County Pool:</b>					
Money Market Mutual Funds	116,737	116,726	N/A	N/A	N/A <sup>C</sup>
<b>Total Investments Held Outside County Pool</b>	<u>116,737</u>	<u>116,726</u>			
<b>Total Investments</b>	<u>\$ 9,737,424</u>	9,807,299			
<b>Cash in Bank:</b>					
Cash Equivalents and Demand Deposits (County)		384,294			
<b>Total Cash in Bank</b>		<u>384,294</u>			
<b>Fiduciary Component Unit Cash and Investments</b>					
External-SBCERA <sup>D</sup>		\$ 13,678,309			
<b>Total Cash and Investments</b>		<u>\$ 23,869,902</u>			

<sup>A</sup> Weighted Average Maturity (WAM) of JPA Investment Pools held by the County Pool on 6/30/21, was 52 days.

Individual JPA Pool WAM was not used to calculate County Pool WAM as funds are available daily at \$1.00 NAV.

<sup>B</sup> WAM of Money Market Mutual Funds held by the County Pool on 6/30/21, was 43 days.

Individual fund WAM was not used to calculate County Pool WAM as funds are available daily at \$1.00 NAV.

<sup>C</sup> WAM of Money Market Mutual Funds held outside the County Pool on 6/30/21, was 16 days.

<sup>D</sup> Starting FY 2021, SBCERA is reported as a Fiduciary Component Unit of the County. SBCERA's cash and investments are held by SBCERA and are not with the County's Treasurer. For more information regarding investments with SBCERA, refer to their most recently issued financial statements available at <https://www.sbcera.org>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

The following table presents the authorized investment types per California Government Code (CGC), along with their respective requirements and restrictions per the CGC and the County Investment Pool Policy:

Investment Type	Maximum Maturity		Maximum % of Pool		Maximum % Per Issuer		Minimum Rating <sup>A, B</sup>	
	CGC	Investment Policy	CGC	Investment Policy	CGC	Investment Policy	CGC	Investment Policy <sup>C</sup>
U.S. Treasury Securities	5 years	5 years & 6 months <sup>D</sup>	None	None	None	None	None	None
U.S. Government Agencies	5 years	5 years & 6 months <sup>D</sup>	None	None	None	None	None	None
Negotiable Certificates of Deposit	5 years	38 months	30%	30%	None	5%	None	A-1/P-1/F1/A-/A3/A-
Collateralized Certificates of Deposit	5 years	1 year	None	10%	None	None	None	None
Commercial Paper	270 days	270 days	40%	40%	10%	5%	A-1/A	A-1/P-1/F1
Repurchase Agreements	1 year	180 days	None	40%	None	None	None	None
Reverse Repurchase Agreements	92 Days <sup>E</sup>	92 Days <sup>E</sup>	20%	10%	None	None	None <sup>F</sup>	None <sup>F</sup>
Municipal Debt	5 years	5 years	None	10%	None	None	None	AAA by 2 NRSROs
Medium-Term Corporate Notes	5 years	38 months	30%	10%/20% <sup>G</sup>	None	5%	A-	A-/A3 by 2 NRSROs
Insured Placement Service Accounts	5 years	Immediate liquidity	50%	5%	None	100MM, 100MM <sup>I</sup>	None	Not applicable
JPA Investment Pools	Not applicable	Immediate liquidity	None	5%	None	None	None	AAA
Money Market Mutual Funds	Not applicable	Immediate liquidity	20%	20%	None	10%	AAAm by 2 NRSROs	AAA by 2 NRSROs
Supranational Securities	5 years	5 years	30%	30%	None	None	AA-	AA
Asset-Backed Securities	5 years	5 years	20%	10%	None	5% <sup>H</sup>	AA-	AA

**Footnote:**

- <sup>A</sup> Minimum credit rating categories are without regard to ratings modifiers (+/-). Short-term rating appears before long-term rating.  
<sup>B</sup> Standard & Poor's Ratings (quoted) or its equivalent nationally recognized statistical rating organization (NRSRO) rating or better.  
<sup>C</sup> The County uses the credit ratings issued by the following nationally recognized statistical rating organizations: Standard & Poor's Ratings Services, Moody's Investors Service, and Fitch Ratings.  
<sup>D</sup> California Government Code Section 53601 allows for purchases of Treasury and Agency securities beyond 5 years with approval of the Board of Supervisors.  
<sup>E</sup> May exceed 92 days if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale and final maturity dates of the same security.  
<sup>F</sup> Must have held the securities used for the agreements for at least 30 days.  
<sup>G</sup> Maximum portfolio Medium-Term Corporate Note exposure is 20%, with a limit of 10% on maturities over 13 months.  
<sup>H</sup> Subject to 5% overall special purpose entity limit - a legally separated pass-through entity, trust or equivalent that makes its obligation secure and independent from the parent entity.  
<sup>I</sup> FICA accounts balances are fully covered by FDIC insurance. Term deposits are not permitted. Maximum \$100MM per selected depository institution. Maximum \$100MM per placement service.

**Fair value measurements**

The County 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. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County has the ability to access.

Level 2 — Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the County's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the County's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

of unobservable inputs. The determination of what constitutes observable requires judgment by the County's management. County management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to County management's perceived risk of that investment.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals in governmental investment pools, such as LAIF and JPA Investment Pools, guaranteed investment agreements and insured placement service accounts are made on the basis of \$1 and not fair value. Accordingly, the fair value of the County's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

The following is a description of the valuation methods and assumptions used by the County to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2021. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. County management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The County treasury pool's asset market prices are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.

For investments classified within Level 2 of the fair value hierarchy, the County's custodians generally use a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads, and benchmark securities, among others.

Investments classified at Level 3 represent securities that are entirely owned by the County and have not traded publicly. The securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated.

The valuation of 2a7 Money Market Mutual funds held by the pool is at one-dollar net asset value (NAV) per share. The total fair value of these at June 30, 2021, was \$2,000 with \$0 unfunded commitments. The redemption frequency is daily and redemption notice period of intra-daily. This type of investment primarily invests in short term U.S Treasury and government securities (including repurchase agreements collateralized by U.S. Treasury and government agency securities).

The valuation of 2a7 Money Market Mutual funds held outside the pool at one-dollar net asset value (NAV) per share was \$9,616 at June 30, 2021. The total fair value of 2a7 Money Market Mutual Funds held outside the

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

pool subject to floating NAV was \$107,110 at June 30, 2021. The total fair value of these at June 30, 2021, was \$116,726, with \$0 unfunded commitments. The redemption frequency is daily and redemption notice period of intra-daily. This type of investment primarily invests in short term U.S Treasury, government securities (including repurchase agreements collateralized by U.S. Treasury and government agency securities), agency mortgage-backed securities, and short term high quality municipal obligations that provide income exempt from federal and California state income tax and federal alternative minimum tax.

As of June 30, 2021, the County has the following recurring fair value measurements:

	Balance at June 30, 2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments by Fair Value Level</b>				
<b>County's Pooled Investment:</b>				
U.S. Treasury Securities	\$ 1,513,219	\$ -	\$ 1,513,219	\$ -
U.S. Government Agencies	2,527,570	-	2,527,570	-
Negotiable Certificates of Deposit	2,459,851	-	2,459,851	-
Commercial Paper	1,600,446	-	1,600,446	-
Agency Mortgage-Backed	223,504	-	223,504	-
Medium-Term Notes	281,428	-	281,428	-
Supranational Securities	303,048	-	303,048	-
Asset-Backed Securities	282,507	-	282,507	-
<b>Total County's Pooled Investments by Fair Value Level</b>	<b>9,191,573</b>	<b>\$ -</b>	<b>\$ 9,191,573</b>	<b>\$ -</b>
<b>Uncategorized Investments</b>				
<b>Uncategorized Investments Held in County's Pool:</b>				
Insured Placement Service Accounts	25,000			
JPA Investment Pools	472,000			
<b>Total Uncategorized Investments Held in County's Pool</b>	<b>497,000</b>			
<b>Investments Measured at the Net Asset Value (NAV)</b>				
<b>County's Pooled Investments Measured at the Net Asset Value (NAV):</b>				
Money Market Mutual Funds	2,000			
<b>Investments Held Outside County Pool Measured at the Net Asset Value (NAV):</b>				
Money Market Mutual Funds	116,726			
<b>Total Investments</b>	<b>\$ 9,807,299</b>			

**Investments authorized by debt agreements**

Investment of debt proceeds held by bond trustees are governed by provisions of the trust agreements, created in connection with the issuance of debt (see Note 11) rather than the general provisions of the California Government Code. Certificates of Participation, Pension Obligation Bond, and Revenue Bond indentures specify the types of securities in which proceeds may be invested as well as any related insurance, collateral, or minimum credit rating requirements. Although requirements may vary between debt issues, money market funds are all required to be investment grade. Guaranteed investment contracts are required to be acceptable to the municipal bond insurer. The fair value of investments is based on the valuation provided by trustee banks.

**Investment credit risk**

*Investment credit risk* exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. Generally accepted accounting principles requires the disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, and other pooled investments of fixed income securities.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

California Law and San Bernardino County Treasury Pool Investment Policy (where more restrictive) place limitations on the purchase of investments in the County Pool. Purchases of commercial paper, banker's acceptances, and negotiable certificates of deposit are restricted to issuers rated in the top three long-term letter ratings by a minimum of two of three nationally recognized statistical rating organizations (NRSRO's). For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F-1 (Fitch) while an issuer of medium-term corporate notes must have a minimum letter rating of "A". Asset-backed securities must have a minimum letter rating of "AA." Purchases of Supranational issuer securities must have a minimum long-term letter rating of "AA" from one NRSRO. Municipal notes and bonds and money market mutual funds must have a minimum letter rating of "AAA" from two of three NRSRO's (if rated). JPA Pools must have a minimum letter rating of "AAA" from one NRSRO. (Letter ratings are stated without regard to ratings modifiers +/-) Limits are also placed on the maximum percentage investment by sector and by individual issuer (see schedule).

As of June 30, 2021, all investments held by the County Pool were within policy limits.

<b>Investment Type</b>	<b>S&amp;P Rating *</b>	<b>Moody's Rating *</b>	<b>Fitch Rating *</b>	<b>Maximum Allowed % of Portfolio</b>	<b>Individual Issuer Limitations</b>	<b>Weighted % of Pool</b>
U.S. Treasury Securities	AA+	Aaa	AAA	None	None	15.62%
U.S. Government Agencies	AA+	Aaa	AAA	None	None	20.96%
U.S. Government Agencies	AA+	Aaa	NR	None	None	5.12%
Negotiable Certificates of Deposit	A-1	P-1	F1+	30%	5%	12.90%
Negotiable Certificates of Deposit	A-1+	P-1	F1+	30%	5%	12.49%
Commercial Paper	A-1	NR	F1+	40%	5%	1.55%
Commercial Paper	A-1	P-1	F1	40%	5%	4.39%
Commercial Paper	A-1	P-1	F1+	40%	5%	6.19%
Commercial Paper	A-1	P-1	NR	40%	5%	0.52%
Commercial Paper	A-1+	P-1	F1	40%	5%	1.81%
Commercial Paper	A-1+	P-1	NR	40%	5%	2.06%
Medium-Term Notes	AAA	Aaa	AA+	10%/20%	5%	0.10%
Medium-Term Notes	AA	Aa1	NR	10%/20%	5%	0.03%
Medium-Term Notes	A	A1	AA-	10%/20%	5%	0.57%
Medium-Term Notes	A	A2	A	10%/20%	5%	0.53%
Medium-Term Notes	A+	A1	A+	10%/20%	5%	0.36%
Medium-Term Notes	AA	Aa2	NR	10%/20%	5%	0.25%
Medium-Term Notes	AA-	A1	A+	10%/20%	5%	0.26%
Medium-Term Notes	AA-	A1	AA-	10%/20%	5%	0.33%
Medium-Term Notes	A+	Aa2	AA-	10%/20%	5%	0.21%
Medium-Term Notes	AA-	A1	AA-	10%/20%	5%	0.26%
Insured Placement Service Accounts	NR	NR	NR	5%	\$100MM, \$100MM	0.26%
JPA Investment Pools	AAA	NR	NR	5%	None	4.87%
Money Market Mutual Funds	AAA	Aaa	AAA	20%	10%	0.02%
Money Market Mutual Funds	AAA	Aaa	NR	20%	10%	0.00%
Supranational Securities	AAA	Aaa	AAA	30%	None	3.13%
Asset-Backed Securities	AAA	Aaa	NR	10%	5%	1.05%
Asset-Backed Securities	AAA	NR	AAA	10%	5%	1.57%
Asset-Backed Securities	NR	Aaa	AAA	10%	5%	0.30%
Agency Mortgage-Backed	AA+	Aaa	AAA	None	None	2.31%

\* NA = Not Applicable, NR = Not Rated

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

The County's investments held outside the County Pool were rated as of June 30, 2021, as follows:

<u>Investment Type</u>	<u>S&amp;P Rating</u>	<u>Moody's Rating</u>	<u>Fitch Rating</u>	<u>Weighted % of Investments</u>
Money Market Mutual Funds	AAA	Aaa	AAA	2.99%
Money Market Mutual Funds	AAA	Aaa	NR*	5.25%
Money Market Mutual Funds	NR*	NR*	NR*	91.76%

\* NR = Not Rated

**Concentration of credit risk**

An increased risk of loss occurs as more investments are acquired from one issuer (i.e. lack of diversification). This results in a *concentration of credit risk*.

Generally accepted accounting principles requires disclosure of investments by amount and issuer that represent five-percent or more of total investments held. This requirement excludes investments issued or explicitly guaranteed by the United States Government, investments in mutual funds, external investment pools, and other pooled investments.

As of June 30, 2021, the following issuers represented more than five-percent of the County's Pooled Investment balance:

<u>Issuer</u>	<u>Fair Value</u>	<u>% of Portfolio</u>
Federal Home Loan Mortgage Corp (FHLMC)	\$ 934,782	9.46%
Federal National Mortgage Assoc (FNMA)	841,532	8.51%
Federal Home Loan Bank (FHLB)	496,627	5.02%

**Interest rate risk**

*Interest rate risk* exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. Generally, the longer the maturity of an investment, the greater the interest rate risk associated with that investment.

Generally accepted accounting principles requires that *interest rate risk* be disclosed using a minimum of one of five approved methods, which are: *segmented time distribution, specific identification, weighted average maturity, duration, and simulated model*.

The County manages its exposure to interest rate risk by carefully matching cash flows and maturing positions to meet expenditures, limiting 40% of the County Pool to maturities of one year or less, and by maintaining an overall Duration-to-Maturity of 2.0 or less. Modified Duration, which the County uses, is a measure of a fixed income's cash flow using present values, weighted for cash flows as a percentage of the investments full price. The modified duration of the total pooled investment at June 30, 2021, is 1.24 Effective Duration makes assumptions based on current market conditions regarding the most likely timing and amounts of variable cash flows arising from such investments as callable bonds. Duration-to-Maturity assumes that all securities in the portfolio, including callable and floating rate notes, are held to final maturity. California Law and where more restrictive, the San Bernardino County Pool Investment Policy, place limitations



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

on the maximum maturity of investments to be purchased by sector (see schedule). As of June 30, 2021, all investments held by the County Pool were within policy limits.

A summary of County pooled investments for Maturity Range, Limits, and Modified Duration is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity Range (days)</u>	<u>Maturity Limits</u>	<u>Modified Duration</u>
U.S. Treasury Securities	\$ 1,513,219	31 - 1,415	2,007 days	1.87
U.S. Government Agencies	2,527,570	72-1,591	2,007 days	2.14
Negotiable Certificates of Deposit	2,459,851	1 - 366	1,156 days	0.42
Commercial Paper	1,600,446	1-252	270 days	0.28
Agency Mortgage-Backed	223,504	731-1,919	2,007 days	3.61
Medium-Term Corporate Notes	281,428	8-1,084	1,156 days	2.08
Insured Placement Service Accounts	25,000	1	Immediate liquidity	0.01
JPA Investment Pools	472,000	1	Immediate liquidity	0.01
Money Market Mutual Funds	2,000	1	Immediate liquidity	0.01
Supranational Securities	303,048	23-1,083	1,825 days	1.29
Asset-Backed Securities	282,507	258-1,601	1,825 days	2.86
<b>Total County's Pooled Investments</b>	<b><u>\$ 9,690,573</u></b>			

Weighted average maturity of the investments held outside the County Pool, as of June 30, 2021, is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Money Market Mutual Funds	\$ 116,726	0.00
<b>Total Investments Held Outside County Pool</b>	<b><u>\$ 116,726</u></b>	

**Custodial credit risk**

*Custodial Credit Risk for Deposits* exists when, in the event of a depository financial institution failure, a government may be unable to recover deposits, or recover collateral securities that are in the possession of an outside party.

GASB Statement No. 40 requires the disclosure of deposits into a financial institution that are not covered by FDIC depository insurance and that are uncollateralized.

California Law requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure County deposits by pledging a letter of credit from the Federal Home Loan Bank of San Francisco having a value of 105% of the secured public deposits, as per CGC Sections 53651(p), 53651.6 & 53652(c).

As of June 30, 2021, the carrying amount of the County's deposits was \$390,717, and the corresponding bank balance was \$432,139, of which both balances include \$200,011, in a certain negotiable order of withdrawal account. The difference of \$41,422, was primarily due to outstanding warrants, wires, and deposits in transit. Of the bank balances, \$1,000 was insured by FDIC depository insurance and the remainder was collateralized, as required by California Government Code Section 53652.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

*Custodial Credit Risk for Investments* exists when, in the event of a failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

In order to limit *Custodial Credit Risk for Investments*, San Bernardino County Pool Investment Policy requires that all investments and investment collateral be transacted on a delivery-vs-payment basis with a third-party custodian and registered in the County's name. All counterparties to repurchase agreements must sign a SIFMA Global Master Repurchase Agreement and/or Tri-Party Repurchase Agreement before engaging in repurchase agreement transactions.

As of June 30, 2021, Cash and Investments are classified in the accompanying financial statements as follows:

	<u>Total Governmental Activities</u>	<u>Total Business-type Activities</u>	<u>Total Primary Government</u>	<u>Discretely Presented Component Unit</u>	<u>Total Fiduciary Funds</u>
Cash and Investments	\$ 3,715,909	\$ 653,220	\$ 4,369,129	\$ 104,941	\$ 5,641,800
Investments, At Fair Value (SBCERA)	-	-	-	-	13,671,886
Restricted Cash and Investments	17,177	61,484	78,661	-	3,485
<b>Total Cash and Investments</b>	<u>\$ 3,733,086</u>	<u>\$ 714,704</u>	<u>\$ 4,447,790</u>	<u>\$ 104,941</u>	<u>\$ 19,317,171</u>

The following presents a condensed statement of cash and investments, and changes in cash and investments, for the Treasurer's investment pool as of June 30, 2021:

<u>Statement of Net Position</u>	
Equity of internal pool participants	\$ 4,765,036
Equity of external pool participants:	
Voluntary	428,257
Involuntary	4,497,280
<b>Total Net Position held for pool participants</b>	<u>\$ 9,690,573</u>
<u>Statement of Changes in Net Position</u>	
Net Position at July 1, 2020, as restated	\$ 8,148,957
Net change in net position by pool participants	1,541,616
<b>Net Position at June 30, 2021</b>	<u>\$ 9,690,573</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

**SBCERA Investments**

Narratives and tables presented for investments managed by SBCERA are taken directly from SBCERA's Annual Comprehensive Financial Reports for the fiscal year ended June 30, 2021 (tables were formatted to conform with the County's presentation). The credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk related to SBCERA investments are different than the corresponding risk on investments held by the County Treasurer.

The Board is authorized by the California County Employees Retirement Law of 1937 (CERL) to invest in any form or type of investment deemed prudent in the informed opinion of the Board. The CERL vests the SBCERA's Board with exclusive control over SBCERA's investment portfolio. The Board has adopted its Investment Plan, Policy, and Guidelines, which provide the framework for the management of SBCERA's investments, in accordance with applicable local, state, and federal laws. The Board members exercise authority and control over the management of SBCERA's assets by setting policy, which the Investment Staff executes either internally or through the use of external prudent experts. SBCERA retains investment managers specializing in specific strategies and/or investments within a particular asset class. Investment managers are subject to the guidelines and controls established in SBCERA's Investment Plan, Policy and Guidelines, various types of investment manager agreements, and other applicable policies and documents.

**The Investment Plan, Policy, and Guidelines encompass the following:**

- Purpose and Core Beliefs
- Governing Law
- Functional Organization and Responsibilities
- General Objectives and Plan Policies
- Asset Allocation Plan and Objectives
- Investment Structure
- Investment Program Implementation
- Review and Modification of Investment Plan
- Emergency Actions

**Derivatives**

SBCERA invests in investment derivative instruments and did not enter into any synthetic guaranteed investment contracts or hedging derivative instruments. SBCERA does post collateral for investment derivatives for speculation purposes pursuant to clearing requirements or swap agreements.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

The following table provides a summary of the derivative instruments outstanding as of June 30, 2021:

Investment Derivatives	Change <sup>1</sup>	Fair Value at June 30, 2021		
		Classification	Amount <sup>2</sup>	Notional <sup>3</sup>
Commodity Futures Long	\$ (625,000)	Short-Term Cash Investment Funds	\$ -	\$ -
Commodity Futures Short	1,203,000	Short-Term Cash Investment Funds	-	-
Credit Default Swaps Bought	(2,758,000)	Domestic & Foreign Alternatives	(3,132)	179
Credit Default Swaps Written	446,000	Domestic & Foreign Alternatives	1,360	111
Equity Options Bought	100,876,000	Domestic & Foreign Alternatives	1,289	2,019
Equity Options Written	(85,381,000)	Securities Options Payable	(514)	(332)
Fixed Income Futures Long	(1,761,000)	Domestic & Foreign Alternatives	-	263,400
Fixed Income Futures Short	10,445,000	Domestic & Foreign Alternatives	-	369,048
Fixed Income Options Bought	1,571,000	Domestic & Foreign Alternatives	6,110	375,000
Foreign Currency Futures Short	(972,000)	Domestic & Foreign Alternatives	-	-
Fx Forwards	(47,256,000)	Foreign Common and Preferred Stock	2,632	618
Index Futures Long	778,987,000	Domestic & Foreign Alternatives	-	22,080
Index Futures Short	(21,000)	Domestic & Foreign Alternatives	-	-
Index Options Bought	179,243,000	Domestic & Foreign Alternatives	14,114	251
Index Options Written	(171,170,000)	Securities Options Payable	-	-
Pay Fixed Interest Rate Swaps	2,253,000	Domestic & Foreign Alternatives	1	73
Receive Fixed Interest Rate Swaps	2,281,000	Domestic & Foreign Alternatives	(2,036)	3
Total Return Swaps Bond	(1,859,000)	Domestic & Foreign Alternatives	-	-
Total Return Swaps Equity	1,367,000	Domestic & Foreign Alternatives	(768)	12
Warrants	2,870,000	Domestic & Foreign Alternatives	3,226	12
<b>TOTAL</b>	<b>\$ 769,739,000</b>		<b>\$ 22,282</b>	

<sup>1</sup> Negative values refer to losses; change reflected in the net appreciation in fair value of investments for securities and alternative investments.

<sup>2</sup> Negative values refer to liabilities.

<sup>3</sup> Notional may be a dollar amount or quantity of underlying investment; negative values refer to short positions.

The counterparty credit ratings of SBCERA's non-exchange traded investment derivative instruments outstanding and subject to loss as of June 30, 2021 is displayed below:

Counterparty Name	2021	
	Total Fair Value	S&P Credit Rating
Bank of America	\$ -	A+
Barclays Bank	340	A
BNP Paribas	166	A+
Citibank N.A.	143	A+
Commonwealth Bank of Australia Sydney	-	AA-
Conversion Non Cash	18	N/A
Goldman Sachs + Co LLC	363	BBB+
Goldman Sachs International	912	A+
Goldman Sachs London LCH UK	106	BBB+
JP Morgan Securities	1,583	A-
JP Morgan FX	-	N/A
JP Morgan Chase Bank NA London	15	A+
JP Morgan Chase Bank, N.A.	932	A+
Merrill Lynch	-	N/A
Morgan Stanley LCH	-	BBB+
Royal Bank of Canada	-	AA-
State Street Bank And Trust Company	2,794	AA-
State Street Bank London	1,999	A
UBS AG	-	A+
<b>TOTAL</b>	<b>\$ 9,371</b>	

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

The maximum exposure SBCERA would face in case of default of all counterparties is \$9.4 million as of June 30, 2021. At June 30, 2021, SBCERA did not have any significant exposure to counterparty credit risk with any single party. SBCERA does not have any specific policies relating to the posting of collateral or master netting agreements.

As of June 30, 2021, SBCERA is exposed to interest rate risk on its investments in various swap arrangements and fixed income options based on daily interest rates for LIBOR (London Interbank Offered Rate), EURIBOR (Euro Interbank Offered Rate), and federal funds rate. The following tables describe the maturity periods of these derivative instruments.

Investment Type	Fair Value	Investment Maturities			
		Less than 1	1-5 Years	6-10 Years	More than 10
		Year			Years
Credit Default Swaps Bought	\$ (3,132)	\$ -	\$ (3,132)	\$ -	\$ -
Credit Default Swaps Written	1,360	-	1,360	-	-
Fixed Income Options Bought	6,110	-	139	4,749	1,222
Pay Fixed Interest Rate Swaps	1	-	68	(3)	(64)
Receive Fixed Interest Rate Swaps	(2,036)	-	-	(2,036)	-
Total Return Swaps Equity	(768)	(65)	-	-	(703)
<b>TOTAL</b>	<b>\$ 1,535</b>	<b>\$ (65)</b>	<b>\$ (1,565)</b>	<b>\$ 2,710</b>	<b>\$ 455</b>

SBCERA is exposed to foreign currency risk for its investments in derivative instruments denominated in foreign currencies that may be adversely affected by changes in the currency exchange rates as displayed below:

Currency	Fair Value	Options	Swaps	Forward Contracts	
				Net Receivables	Net Payables
Argentine Peso	\$ (279)	\$ -	\$ -	\$ -	\$ (279)
Brazilian Real	(36)	-	-	-	(36)
Canadian Dollar	88	-	-	88	-
Swiss Franc	3	-	-	3	-
Euro Currency	(901)	(129)	(2,049)	3,856	(2,579)
Pound Sterling	1,384	-	(192)	2,040	(464)
Japanese Yen	(230)	-	-	-	(230)
South Korean Won	(35)	-	-	-	(35)
Mexican Peso	3	-	-	14	(11)
Norwegian Krone	(52)	-	-	-	(52)
Peruvian Sol	98	-	-	365	(267)
Russian Ruble	54	-	-	54	-
Saudi Riyal	164	-	-	993	(829)
Swedish Krona	4	-	-	4	-
Turkish Lira	(20)	-	-	4	(24)
South African Rand	17	-	-	17	-
<b>TOTAL</b>	<b>\$ 262</b>	<b>\$ (129)</b>	<b>\$ (2,241)</b>	<b>\$ 7,438</b>	<b>\$ (4,806)</b>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

At June 30, 2021, SBCERA did not hold any positions in derivatives containing contingent features.

Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. SBCERA seeks to maintain a diversified portfolio of debt investments in order to obtain the highest total return for the fund at an acceptable level of risk within this asset class. To mitigate credit risk, investment guidelines have been established for each manager investing on behalf of SBCERA.

Private placement investments' credit risk is controlled through limited partnership agreements and other applicable commingled fund documents. These investments are not rated by nationally recognized statistical rating organizations although they may be partly or wholly made up of individual securities rated by nationally recognized statistical rating organizations. The short-term cash investment funds consist primarily of open-ended mutual funds and external investment pools. These investments are not rated by a nationally recognized statistical rating organization. Therefore, they are disclosed as such in the aforementioned tables. Private placement investments considered fixed income investments are not shown in the following tables, but amount to \$87.9 million as of June 30, 2021. U.S. Treasury obligations are considered obligations of the U.S. Government, are explicitly guaranteed by the U.S. Government, are not considered to have credit risk, and are not shown in the following tables, but amount to \$340.5 million as of June 30, 2021.

The credit quality ratings of investments in fixed income securities and short-term cash investments by a nationally recognized statistical rating organization, Standard and Poor's (S&P) as of June 30, 2021.

S&P Rating	Asset Backed	Corporate Bonds	Collateralized Mortgage Obligations	Emerging Market Debt	Foreign Bonds	Municipals	Short-Term Cash Investment Funds	Total
AAA	\$ -	\$ 26	\$ 646	\$ -	\$ -	\$ -	\$ -	\$ 672
AA	-	2,316	38,069	-	-	84	-	40,469
A	16	-	69	-	1,353	-	-	1,438
BBB	1,086	1,381	466	22,506	1,392	-	-	26,831
BB	8,724	37,229	2,690	-	17,617	-	-	66,260
B	14,437	32,845	5,990	-	46,903	-	-	100,175
CCC	5,544	29,230	7,354	28,413	18,168	-	-	88,709
CC	2,142	4,304	625	-	13	-	-	7,084
D	1,304	658	46	12,957	-	-	-	14,965
NR	82,038	72,578	82,306	16,309	450,593	26,393	2,078,026	2,808,243
NA <sup>1</sup>	10,330	61,647	-	15,199	-	749	-	87,925
<b>TOTAL</b>	<b>\$ 125,621</b>	<b>\$ 242,214</b>	<b>\$ 138,261</b>	<b>\$ 95,384</b>	<b>\$ 536,039</b>	<b>\$ 27,226</b>	<b>\$ 2,078,026</b>	<b>\$ 3,242,771</b>

<sup>1</sup> Private placements listed as NA.

Note: Table above does not include U.S. Treasury obligations, which amount to \$340,461 as these obligations are not subject to credit risk.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

Custodial Credit Risk

Custodial Credit Risk for deposits is the risk that, in the event of a financial institution's failure, SBCERA would not be able to recover its deposits. Deposits are exposed to custodial credit risk if they are not insured or not collateralized. As of June 30, 2021, SBCERA's deposits with a financial institution are insured up to \$250 by the Federal Deposit Insurance Corporation (FDIC) with the remaining balance exposed to custodial credit risk as it is not insured. However, the financial institution does collateralize the deposit of monies in excess of the FDIC insurance amount with eligible securities held by the pledging financial institution, but not in SBCERA's name. Deposits with San Bernardino County Treasurer's Investment Pool are not exposed to custodial credit risk as they are held in a trust fund in SBCERA's name. SBCERA does not have a general policy relating to custodial credit risk.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, SBCERA would not be able to recover the value of the investment or collateral securities that are in possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in SBCERA's name, and held by the counterparty.

SBCERA's investment securities and collateral received through securities lending are not exposed to custodial credit risk because all securities are held by SBCERA's custodial bank in SBCERA's name or by other qualified third-party administrator trust accounts.

At June 30, 2021, SBCERA did not hold any positions in derivatives containing contingent features.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of an investment in a single issuer. As of June 30, 2021, SBCERA did not hold any investments in any one issuer that would represent 5% or more of total investments. Investments issued or explicitly guaranteed by the U.S. Government and pooled investments are excluded from this requirement

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, an investment with a longer maturity date has a greater sensitivity of its fair value to changes in market interest rates. One of the ways that SBCERA manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments, and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time, as necessary, to provide the cash flow and liquidity needed for operations.

To mitigate interest rate risk, the managers investing on behalf of SBCERA have applicable investment guidelines. Interest rate risk for emerging market and private placement debt investments is managed through limited partnership agreements and applicable fund documents.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

As of June 30, 2021, SBCERA had the following Fixed Income and Short-Term Cash Investments as displayed below:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less than 6 Months</u>	<u>6 Months to 1 Year</u>	<u>1-5 Years</u>	<u>More than 5 Years</u>
Asset Backed	\$ 125,621	\$ 5,115	\$ -	\$ 21,888	\$ 98,618
Corporate Bonds	242,214	564	36,680	73,859	131,111
Collateralized Mortgage Obligations	138,261	-	17	3,163	135,081
Emerging Market Debt	95,384	6,839	2,914	17,252	68,379
Foreign Bonds	536,039	5,015	15,546	111,288	404,190
Municipals	27,226	4,729	61	3,101	19,335
Short-Term Cash Investment Funds	2,078,026	2,078,026	-	-	-
U.S. Treasury Obligations	340,461	336,345	-	-	4,116
<b>TOTAL</b>	<b>\$ 3,583,232</b>	<b>\$ 2,436,633</b>	<b>\$ 55,218</b>	<b>\$ 230,551</b>	<b>\$ 860,830</b>

Foreign Currency Risk

SBCERA's exposure to foreign currency risk primarily derives from its positions in foreign currency denominated international equity, fixed income investments, and foreign currency overlay exposure. SBCERA's investment policy allows international managers to enter into foreign exchange contracts provided the contracts have a maturity of one year or less and are limited to hedging currency exposure existing in the portfolio. Specific managers in international equities or fixed income may engage in the active management of currencies, per individual investment agreements approved by the Board.

SBCERA's net exposure to foreign currency risk in U.S. dollars as of June 30, 2021, is displayed below:

<u>Currency</u>	<u>2021</u>			
	<u>Fair Value</u>	<u>Fixed Income</u>	<u>Equity</u>	<u>Cash</u>
Argentine Peso	\$ 1,664	\$ 1,655	\$ -	\$ 9
Australian Dollar	42,329	-	32,553	9,776
Brazilian Real	9,531	-	9,531	-
Canadian Dollar	16,584	-	15,967	617
Euro Currency	830,234	242,882	489,900	97,452
Hong Kong Dollar	1,314	-	-	1,314
Indonesian Rupiah	76	-	76	-
Japanese Yen	-	-	-	-
Mexican Peso	896	896	-	-
Pound Sterling	154,696	9,916	115,829	28,951
Swedish Krona	8,025	5,614	-	2,411
Swiss Franc	18	-	1	17
<b>TOTAL</b>	<b>\$ 1,065,367</b>	<b>\$ 260,963</b>	<b>\$ 663,857</b>	<b>\$ 140,547</b>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

Rate of Return

For the years ended June 30, 2021, the annual money-weighted rate of return on the assets of the Plan, net of investment expense, was 33.2%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the timing of cash flows and the changing amounts actually invested.

Commitments to Fund Partnerships

As of June 30, 2021, the total capital commitments to fund partnerships were \$5.5 billion. Of this amount, \$1.3 billion, remained unfunded and is not recorded on the SBCERA Statements of Fiduciary Net Position as of June 30, 2021.

The following tables depict the total commitments and unfunded commitments, respectively, by asset class.

<b>Asset Class</b>	<b>2021</b>	
	<b>Total Commitments</b>	<b>Unfunded Commitments</b>
Real Estate	\$ 892,312	\$ 221,343
Alternatives	4,589,802	1,122,000
<b>TOTAL</b>	<b>\$ 5,482,114</b>	<b>\$ 1,343,343</b>

Fair Value Measurements

SBCERA categorizes its fair value measurements of its investments based on the fair value hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are unadjusted quoted prices in active markets for identical assets. Level 2 inputs are quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs are observable. Level 3 inputs are valuations derived from valuation techniques in which significant inputs are unobservable.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

The table on the next page depicts the fair value measurements as of June 30, 2021.

Investment Type	June 30, 2021	Fair Value Measurements Using		
		Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
<b>Investments by Fair Value Level</b>				
Short-Term Cash Investment Funds	\$ 2,078,026	\$ 505,142	\$ 1,572,884	\$ -
Emerging Market Debt	80,185	-	80,163	22
<b>United States Government Obligations and Other Municipals:</b>				
U.S. Treasury	340,461	129,985	210,476	-
Municipals	27,226	-	27,226	-
<b>Total US Government Obligations and Other Municipals:</b>	<b>367,687</b>	<b>129,985</b>	<b>237,702</b>	<b>-</b>
<b>Domestic Bonds:</b>				
Asset Backed	125,621	-	49,870	75,751
Collateralized Mortgage Obligations	138,261	-	126,851	11,410
Corporate Bonds	242,214	-	222,951	19,263
<b>Total Domestic Bonds</b>	<b>506,096</b>	<b>-</b>	<b>399,672</b>	<b>106,424</b>
<b>Foreign Bonds</b>	<b>536,039</b>	<b>-</b>	<b>510,771</b>	<b>25,268</b>
<b>Domestic Common and Preferred Stock</b>	<b>1,609,376</b>	<b>1,601,378</b>	<b>3,607</b>	<b>4,391</b>
<b>Foreign Common and Preferred Stock</b>	<b>933,217</b>	<b>924,186</b>	<b>8,861</b>	<b>170</b>
<b>Investments of Cash Collateral Received on Securities Lending</b>	<b>102,597</b>	<b>-</b>	<b>102,597</b>	<b>-</b>
<b>Domestic Alternatives</b>	<b>194,342</b>	<b>400</b>	<b>37,544</b>	<b>156,398</b>
<b>Foreign Alternatives</b>	<b>506,420</b>	<b>302</b>	<b>284,299</b>	<b>221,819</b>
<b>TOTAL INVESTMENTS BY FAIR VALUE LEVEL</b>	<b>\$ 6,913,985</b>	<b>\$ 3,161,393</b>	<b>\$ 3,238,100</b>	<b>\$ 514,492</b>
<b>Investment Derivative Instruments</b>				
Swaps	\$ (5,446)	\$ -	\$ (5,446)	\$ -
Options	21,128	904	20,224	-
Forward Contracts	2,632	2,632	-	-
Warrants	3,226	50	2,260	916
<b>TOTAL INVESTMENT DERIVATIVE INSTRUMENTS</b>	<b>\$ 21,540</b>	<b>\$ 3,586</b>	<b>\$ 17,038</b>	<b>\$ 916</b>
<b>Investments Measured at the Net Asset Value (NAV)</b>				
Emerging Market Debt	\$ 15,199			
Domestic Common and Preferred Stock	-			
Foreign Common and Preferred Stock	134,950			
Real Estate	513,393			
<b>Domestic Alternatives:</b>				
Absolute Return Composite	1,128,646			
Non-U.S. Developed Credit	265,200			
Private Equity - Commodities	423,208			
Private Equity - Composite	2,353,457			
Private Equity - Infrastructure	237			
Private Equity - Real Assets	22,246			
U.S. Credit Strategies	456,320			
<b>Total Domestic Alternatives</b>	<b>4,649,314</b>			
<b>Foreign Alternatives:</b>				
Absolute Return Composite	1,285			
Non-U.S. Developed Credit	839,361			
Private Equity - Composite	582,859			
<b>Total Foreign Alternatives</b>	<b>1,423,505</b>			
<b>TOTAL INVESTMENTS MEASURED AT THE NAV</b>	<b>\$ 6,736,361</b>			
<b>TOTAL INVESTMENTS MEASURED AT FAIR VALUE</b>	<b>\$ 13,671,886</b>			

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements, in their entirety, are categorized based on the lowest level input that is significant to the valuation. SBCERA's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. Investments are measured by type of investment as follows:

Short-term cash investments generally include investments in currency, classified in Level 1 of the fair value hierarchy at fair value, and money market-type securities, and other short-term investment funds, classified in Level 2 of the fair value hierarchy at fair value.

Debt securities includes emerging market debt, U.S. Government obligations and other municipals, domestic bonds, and foreign bonds. Debt securities classified in Level 2 of the fair value hierarchy are valued using the matrix pricing technique or the discounted cash flow method. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Debt securities classified in Level 3 of the fair value hierarchy are valued using the discounted cash flow method or proprietary pricing information. Equity securities includes domestic and foreign common and preferred stock.

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Equity securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar securities. Equity securities classified in Level 3 of the fair value hierarchy are valued with last trade data having limited trading volume.

Cash collateral received on securities lending consists primarily of U.S. Government debt obligations, and also includes domestic equity, domestic fixed income, international equity, and international fixed income securities classified in Level 2 of the fair value hierarchy using prices quoted in active markets for similar securities.

Alternative securities include domestic and foreign alternatives. Alternative securities classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Alternative securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar securities. Alternative securities classified in Level 3 of the fair value hierarchy are valued using the discounted cash flow method or proprietary pricing information.

Derivative instruments classified in Level 1 of the fair value hierarchy are valued using a market approach using prices quoted in active markets for those securities. Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates and foreign exchange rates.

The fair value of investments in certain equity, fixed income, real estate, and marketable alternatives are based on the investment's net asset value (NAV) per share (or its equivalent) provided by the investee. The fair values of investments in certain private equity funds have been determined using recent observable transaction information for similar investments and nonbinding bids received from potential buyers of the investments. Such fair value measurements are shown in the tables on the next page as of June 30, 2021.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

Such fair value measurements is shown in the table below as of June 30, 2021:

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency <sup>1</sup>	Redemption Notice Period
Emerging Market Debt	\$ 15,199	\$ -	NA	NA
Foreign Common and Preferred Stock	134,950	-	D,Q	30-60 days
Real Estate	513,393	221,343	D,Q,NA	D, 30-90 days, NA
<b>Domestic Alternatives:</b>				
Absolute Return Composite	1,128,646	37,677	D,Q,NA	D, 65-180 days, NA
Non-U.S. Developed Credit	265,200	-	NA	NA
Private Equity - Commodities	423,208	19,261	A,NA	180 days, NA
Private Equity - Composite	2,353,457	804,579	D,Q,SA,NA	30-185 days, NA
Private Equity - Infrastructure	237	881	D	3 days
Private Equity - Real Assets	22,246	-	NA	NA
U.S. Credit Strategies	456,320	-	D,Q,SA,NA	30-180 days, NA
<b>Total Domestic Alternatives</b>	<b>4,649,314</b>	<b>862,398</b>		
<b>Foreign Alternatives:</b>				
Absolute Return Composite	1,285	8,415	NA	NA
Non-U.S. Developed Credit	839,361	14,412	NA	NA
Private Equity - Composite	582,859	236,775	NA	NA
<b>Total Foreign Alternatives</b>	<b>1,423,505</b>	<b>259,602</b>		
<b>TOTAL INVESTMENTS MEASURED AT THE NAV</b>	<b>\$ 6,736,361</b>	<b>\$ 1,343,343</b>		

<sup>1</sup> D= Daily, M= Monthly, Q= Quarterly, SA= Semi-Annually, A= Annually, NA= Not Applicable

The investment types listed in the tables above were measured at the NAV as follows:

Emerging market debt includes investments in alternative funds that invest primarily in debt in emerging markets to access income from a broader global pool of assets. The fair values of the investments in this type have been determined using the NAV per share of the investments. Investments in this category are not redeemable as of June 30, 2021. It is expected that the underlying assets of the funds will be liquidated over the next ten years.

Foreign common and preferred stock includes investments in equities that invest in assets that focus on global credit strategies to provide an income-focus by utilizing credit dislocation opportunities. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments. As of June 30, 2021, 100% of investments in this category are redeemable with a 30-60 day notice.

Real estate investments provide stable income and participation in broad economic growth. This type includes real estate funds that invest in global commercial real estate and commingled funds. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. As of June 30, 2021, 65% of investments in this category are redeemable with a daily or 30-90 day notice.

Domestic alternatives: Absolute return composite provides income and diversification through below investment grade credit and distressed debt strategies. This type includes credit and debt securities. As of June 30, 2021, 68% of investments in this category are redeemable with a 65-180 day notice. It is expected that the underlying assets of the funds will be liquidated over the next two to five years.

Domestic alternatives: Non-U.S. developed credit provides access to income from a broader pool of assets in Europe. This type includes investments in funds that focus on corporate and sovereign bonds of developed economies issued in U.S. dollars. Investments in this category are not redeemable as of June 30, 2021.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

Domestic alternatives: Private equity – commodities provide exposure to inflation related assets and includes investments in partnerships that focus on natural resources and energy. The fair values of this investment type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. As of June 30, 2021, 92% of investments in this category are redeemable with a 180 day notice. It is expected that the underlying assets of the funds will be liquidated over the next eight years.

Domestic alternatives: Private equity – composite provides participation in equity and debt instruments that provide for a premium on illiquid assets. This type includes investments in partnerships as a limited partner that invest in private equity and private debt. The fair values of this investment type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. As of June 30, 2021, 28% of investments in this category are redeemable with a 30-185 day notice. It is expected that the underlying assets of the funds will be liquidated over the next ten years.

Domestic alternatives: Private equity – infrastructure provides participation in equity and debt instruments that provide for a premium on illiquid assets. This type includes investments in partnerships that focus on infrastructure in highly regulated markets. The fair values of this investment type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. The underlying assets of the funds are currently in liquidation.

Domestic alternatives: Private equity – real assets provide exposure to inflation related assets and includes investments in partnerships that focus on real assets including timber and wetlands. The fair values of this investment type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Investments in this category are not redeemable as of June 30, 2021. It is expected that the underlying assets of the funds will be liquidated over the next two years.

Domestic alternatives: U.S. credit strategies include investments in assets that focus on U.S. credit strategies to provide an income-focus by utilizing credit dislocation. This type includes investments in funds that focus on credit strategies, including direct loans, securitized products, and public-traded debt products. As of June 30, 2021, 87% of investments in this category are redeemable with a 30-180 day notice. It is expected that the underlying assets of the funds will be liquidated over the next year, unless the partnership agreement allows for an indefinite continuance.

Foreign alternatives: Absolute return composite provides income and diversity through below investment grade global credit and distressed debt strategies. This type includes global credit and debt securities. Investments in this category are not redeemable as of June 30, 2021. It is expected that the underlying assets of the funds will be liquidated over the next year.

Foreign alternatives: Non-U.S. developed credit provides access to income from a broader pool of assets in Europe. This type includes investments in funds that focus on corporate and sovereign bonds of developed economies. Only 0% of investments in this category are redeemable as of June 30, 2021. The remaining assets may not be redeemed.

Foreign alternatives: Private equity – composite provides participation in equity and debt instruments that provide for a premium on illiquid assets. This type includes investments in partnerships as a limited partner that invest in private equity and private debt. The fair values of this investment type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Investments in this category are not redeemable as of June 30, 2021. It is expected that the underlying assets of the funds will be liquidated over the next twelve years.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 4 – CASH AND INVESTMENTS (CONTINUED)**

Securities Lending

SBCERA, pursuant to a Securities Lending Authorization Agreement (Agreement), has authorized State Street Bank and Trust Company (State Street) to act as SBCERA's agent in lending the Plan's securities to approved borrowers. State Street, as agent, enters into Securities Loan Agreements with borrowers.

State Street lent, on behalf of SBCERA, certain securities of the Plan held by State Street as custodian and received cash or other collateral including securities issued or guaranteed by the U.S. Government. The types of securities loaned are U.S. Government obligations and other municipals, domestic equity, domestic fixed income, international equity, and international fixed income securities. State Street does not have the ability to pledge or sell collateral securities delivered absent a borrower default. Borrowers are required to deliver collateral for each loan equal to 102% for domestic loans of the fair value of the loaned securities plus accrued income, for the year ended June 30, 2021.

SBCERA did not impose any restrictions during the year ended June 30, 2021, on the amount of loans that State Street made on its behalf. Pursuant to the Agreement, State Street had an obligation to indemnify SBCERA in the event of default by a borrower. There were no failures by any borrowers to return loaned securities or pay distributions thereon during the same year that resulted in a declaration or notice of default of the borrower.

During the years ended June 30, 2021, SBCERA and the borrowers maintained the right to terminate securities lending transactions upon notice. The cash collateral received on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders, in a collective investment fund comprised of a liquidity pool. The pool is not rated. All securities in this pool with maturities of 13 months or less are rated at least "A1", "P1", or "F1", and maturities in excess of 13 months are rated at least "A-" or "A3", by at least two nationally recognized statistical rating organizations, or if unrated, have been determined by the bank to be of comparable quality. As of June 30, 2021, the liquidity pool had an average duration of 20 days, and a weighted average final maturity of 104 days.

On June 30, 2021, SBCERA had no credit risk exposure to borrowers. As of June 30, 2021, the fair value of securities on loan was \$104.7 million, with the fair value of cash collateral received for the securities on loan of \$102.6 million, and non-cash collateral of \$4.3 million.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 5 – RECEIVABLES**

Receivables at year-end of major individual funds, nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

<b>Governmental Activities:</b>	<b>Accounts Receivable</b>	<b>Due From Other Governments</b>	<b>Taxes</b>	<b>Interest</b>	<b>Loans</b>	<b>Other Receivables</b>	<b>Total Governmental Activities</b>
General Fund	\$ 1,670	\$ 373,082	\$ 41,992	\$ 41,282	\$ 30,159	\$ 4,647	\$ 492,832
Less Allowance for Doubtful Accounts	(124)	-	-	-	-	-	(124)
Capital Improvement Fund	-	-	-	1,781	-	-	1,781
Nonmajor Governmental Funds	3,469	122,716	8,447	3,097	764	1,364	139,857
Less Allowance for Doubtful Accounts	(142)	-	-	-	-	-	(142)
Internal Service Funds	119	1,493	-	-	-	4,071	5,683
Total Governmental Activities Receivables	<u>\$ 4,992</u>	<u>\$ 497,291</u>	<u>\$ 50,439</u>	<u>\$ 46,160</u>	<u>\$ 30,923</u>	<u>\$ 10,082</u>	<u>\$ 639,887</u>
<b>Business-Type Activities:</b>	<b>Accounts Receivable</b>	<b>Due From Other Governments</b>	<b>Taxes</b>	<b>Interest</b>	<b>Loans</b>	<b>Other Receivables</b>	<b>Total Business- Type Activities</b>
Medical Center	\$ 257,206	\$ 63,895	\$ -	\$ -	\$ -	\$ 1,824	\$ 322,925
Less Allowance for Doubtful Accounts	(222,993)	-	-	-	-	-	(222,993)
Waste Systems Division	9,529	1,407	-	-	-	23,739	34,675
Less Allowance for Doubtful Accounts	(332)	-	-	-	-	(151)	(483)
Nonmajor Enterprise Funds	1,437	616	203	-	-	117	2,373
Total Business-Type Activities Receivables	<u>\$ 44,847</u>	<u>\$ 65,918</u>	<u>\$ 203</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,529</u>	<u>\$ 136,497</u>

**Due From Other Governments**

At June 30, 2021, the Governmental Funds accrued \$495,798 of receivables from other governments, of which, \$322,223 was due from the State of California. Of the amount owed by the State, \$125,062 was for health care services, \$51,571 was for public social services, \$50,282 was for motor vehicle license fees and sales tax monies, and the remaining \$95,308 was for other services. The remaining amount of \$173,575 was due from the federal government and other governmental agencies.

**Loans Receivable**

The loans receivable balance in the Governmental Activities is \$30,923, of this amount, \$16,802 represents the receivable under the Teeter Plan, \$764 is due from other various agencies, \$13,357 represents a County loan to the Adelanto Successor Agency.

**Interest Receivable**

Of the \$46,160 interest receivable reported in the Governmental Activities column of the statement of net position, \$30,337 is due from the Adelanto City Redevelopment Successor Agency.

**Other Receivables**

The \$10,082 other receivables in the Governmental Activities column of the statement of net position are accrued for amounts due to the County that do not specifically relate to one of the above receivable accounts. This amount is primarily due to delinquent penalties, redemption penalties, insurance recoveries and redemption interest related to receivable under the Teeter Plan. The other receivables in the Business-Type Activities total \$25,529. The majority of the \$23,588 reported in the Waste Systems Division represents insurance recoveries related to the Mid-Valley Landfill Perchlorate pollution remediation activities.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 6 – INTERFUND TRANSACTIONS**

Interfund receivables and payables have been eliminated in the government-wide financial statements to minimize the grossing-up effect on assets and liabilities within the governmental and business-type activities. Internal balances that are residual amounts due between the governmental and business-type activities are not subject to elimination.

Due To/From Other Funds at June 30, 2021, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 59,528
	Medical Center	1,852
	Waste Systems	107
	Nonmajor Enterprise Funds	39
	Internal Service Funds	1,404
		<u>62,930</u>
Capital Improvement Fund	General Fund	11,326
	Nonmajor Governmental Funds	2,248
	Nonmajor Enterprise Funds	1
	Internal Service Funds	433
	<u>14,008</u>	
Nonmajor Governmental Funds	General Fund	26,426
	Nonmajor Governmental Funds	5,020
	Medical Center	5
	Waste Systems	169
	Nonmajor Enterprise Funds	1,046
	<u>32,666</u>	
Medical Center	General Fund	13,373
	Nonmajor Governmental Funds	129
	<u>13,502</u>	
Waste Systems	General Fund	37
	Nonmajor Governmental Funds	86
	Internal Service Funds	152
	<u>275</u>	
Nonmajor Enterprise Funds	General Fund	226
		<u>226</u>
Internal Service Funds	General Fund	674
	Capital Improvement Funds	31
	Nonmajor Governmental Funds	520
	Medical Center	119
	Waste Systems	335
	Nonmajor Enterprise Funds	1
Internal Service Funds	90	
	<u>1,770</u>	
	Total	<u>\$ 125,377</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 6 – INTERFUND TRANSACTIONS (CONTINUED)**

The Due To/From Other Funds balances primarily result from a time lag between the dates that goods and services are provided or reimbursable expenditures occur and payments between funds are made or transfers post in the system.

Advances To/From Other Funds at June 30, 2021, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 8,914
	Nonmajor Enterprise Funds	5,600
		<u>14,514</u>
Nonmajor Governmental Funds	Nonmajor Governmental Funds	55
	Nonmajor Enterprise Funds	250
		<u>305</u>
	Total	<u>\$ 14,819</u>

These amounts represent noncurrent interfund loans (advances) between funds and blended component units of the County for the purpose of financing cash flow needs. Interfund loans are expected to be repaid within a reasonable period of time. The \$5,600 is an amount loaned from the general fund to County Service Area 70 Zone W-4 to provide cash flow for the water pipeline project.

Transfers To/From Other Funds for the year ended June 30, 2021, reflect funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues. The following schedule briefly summarizes the County's transfer activity:

Transfers In/Out

**(a) Between Governmental and Business-type Activities:**

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Medical Center	\$ 11,421
	Capital Improvement Funds	24
	Nonmajor Enterprise Funds	175
		<u>11,620</u>
Medical Center	Nonmajor Governmental Funds	13,801
		<u>13,801</u>
Waste Systems	Nonmajor Governmental Funds	372
	Capital Improvement Funds	1,797
		<u>2,169</u>
Nonmajor Enterprise Funds	Capital Improvement Funds	21
		<u>21</u>
	Total	<u>\$ 27,611</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 6 – INTERFUND TRANSACTIONS (CONTINUED)**

**(b) Between Funds within the Governmental or Business-type Activities (1):**

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Capital Improvement Funds	\$ 46,193
	Nonmajor Governmental Funds	135,627
		<u>181,820</u>
Capital Improvement Funds	General Fund	7
	Nonmajor Governmental Funds	663
	Internal Service Funds	1
		<u>671</u>
Nonmajor Governmental Funds	General Fund	34,947
	Capital Improvement Funds	18,088
	Nonmajor Governmental Funds	24,890
	Internal Service Funds	1,100
		<u>79,025</u>
Internal Service Funds	Nonmajor Governmental Funds	<u>2,655</u>
		<u>2,655</u>
	Total	<u>\$ 264,171</u>

(1) These transfers were eliminated in the consolidation, by column, for the Governmental and Business-type Activities.

Amounts transferred from the Nonmajor Governmental Funds to the General Fund are primarily the result of \$17,000 of the tobacco settlement agreement for debt service of the Medical Center.

Amounts transferred from the Nonmajor Governmental Funds to the Capital Improvement Fund are primarily the result of \$10,000 for a new Department of Public Works building of which portions were funded by Flood Control District and Transportation as well as the Waste System Division.

Amounts transferred from the General Fund to the Medical Center are the result of \$11,421 for year-end budgeted transfers for the Medical Center's debt service payments.

Amounts transferred from the General Fund to the Nonmajor Governmental Funds are the result of the joint power authorities' debt service payments, the pension obligation bond debt service payments, and various capital improvement projects.

Amounts transferred from the Medical Center and the Internal Service Funds to the Nonmajor Governmental Funds are the result of their share of the pension obligation bond debt service payments.

Amounts transferred from the General Fund to the Capital Improvement Fund are mainly for various capital improvement projects.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 7 – RESTRICTED CASH AND INVESTMENTS**

Cash and cash equivalents of \$78,661 are restricted by legal or contractual requirements at June 30, 2021, and are comprised of the following:

**Governmental Activities**

*General Fund:*

Restricted cash and cash equivalents of \$4,622 represent funds held by a trustee, which are restricted for electronic benefits payments.

*Nonmajor Governmental Funds:*

*Flood Control District:*

Restricted cash and cash equivalents of \$12,555 consists of \$7,054 being restricted for debt service payments and \$4,064 for construction of Cactus Basin 4 and 5, and \$1,437 for construction contract retainage in escrow.

**Business-Type Activities**

*Waste System Division:*

Restricted cash and cash equivalents of \$61,484 consists of \$59,751 set aside for groundwater detection, treatment and remediation, and for State mandated site closure, maintenance costs, and corrective action as required by the Department of Resources Recycling and Recovery (CalRecycle) formerly California Integrated Waste Management Board (CIWMB), \$981 represents customer deposits, and the remaining \$752 represents site clean up.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 8 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021, is as follows:

**Primary Government**

	Beginning Balance*	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets, non-depreciable/non-amortizable:				
Land	\$ 143,363	\$ 1,874	\$ -	\$ 145,237
Land Use Rights	26,281	-	-	26,281
Development in progress	366,658	81,138	45,417	402,379
Total capital assets, non-depreciable/non-amortizable	<u>536,302</u>	<u>83,012</u>	<u>45,417</u>	<u>573,897</u>
Capital Assets, depreciable/amortizable:				
Improvements other than Buildings	317,093	13,855	-	330,948
Structures, Improvements, and Infrastructure	2,633,337	34,514	-	2,667,851
Equipment and Software	513,462	44,818	30,933	527,347
Total capital assets, depreciable/amortizable	<u>3,463,892</u>	<u>93,187</u>	<u>30,933</u>	<u>3,526,146</u>
Less accumulated depreciation/amortization for :				
Improvements other than Buildings	187,733	10,696	-	198,429
Structures, Improvements, and Infrastructure	1,348,148	65,299	-	1,413,447
Equipment and Software	331,987	43,305	29,663	345,629
Total accumulated depreciation/amortization	<u>1,867,868</u>	<u>119,300</u>	<u>29,663</u>	<u>1,957,505</u>
Total capital assets, depreciable/amortizable, net	<u>1,596,024</u>	<u>(26,113)</u>	<u>1,270</u>	<u>1,568,641</u>
Governmental activities capital assets, net	<u>\$ 2,132,326</u>	<u>\$ 56,899</u>	<u>\$ 46,687</u>	<u>\$ 2,142,538</u>
<b>Business-type Activities</b>				
Capital assets, non-depreciable/non-amortizable:				
Land	\$ 21,213	\$ -	\$ -	\$ 21,213
Land Use Rights	351	-	-	351
Development in progress	85,393	17,599	67,948	35,044
Total capital assets, non-depreciable/non-amortizable	<u>106,957</u>	<u>17,599</u>	<u>67,948</u>	<u>56,608</u>
Capital Assets, depreciable/amortizable:				
Land Use Rights	1,109	-	-	1,109
Improvements other than Buildings	278,127	72,230	-	350,357
Structures and Improvements	572,009	2,847	-	574,856
Equipment and Software	203,900	9,255	2,602	210,553
Total capital assets, depreciable/amortizable	<u>1,055,145</u>	<u>84,332</u>	<u>2,602</u>	<u>1,136,875</u>
Less accumulated depreciation/amortization for :				
Land Use Rights	1,109	-	-	1,109
Improvements other than Buildings	166,300	9,146	-	175,446
Structures and Improvements	300,382	15,768	-	316,150
Equipment and Software	174,993	8,165	2,602	180,556
Total accumulated depreciation/amortization	<u>642,784</u>	<u>33,079</u>	<u>2,602</u>	<u>673,261</u>
Total capital assets, depreciable/amortizable, net	<u>412,361</u>	<u>51,253</u>	<u>-</u>	<u>463,614</u>
Business-type activities capital assets, net	<u>\$ 519,318</u>	<u>\$ 68,852</u>	<u>\$ 67,948</u>	<u>\$ 520,222</u>

\*Business-type Activities Beginning Balance as restated for removal of Housing Authority

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 8 – CAPITAL ASSETS (CONTINUED)**

**Depreciation/amortization**

Depreciation/amortization expense is charged to governmental activities functions as follows:

General Government	\$	24,121
Public Protection		55,355
Public Ways and Facilities		27,092
Health and Sanitation		2,651
Public Assistance		2,834
Education		1,355
Recreation and Cultural Services		5,892
		5,892
Total depreciation/amortization expense - governmental activities	\$	119,300

Depreciation/amortization expense is charged to business-type activities functions as follows:

Medical Center	\$	23,479
Waste Systems Division		6,472
Non-Major Enterprise Funds		3,128
		3,128
Total depreciation/amortization expense - business type activities	\$	33,079

**Development in Progress**

Development in Progress consists of the following projects:

	Governmental Activities	Business-Type Activities
Medical Center Projects	\$ -	\$ 30,016
Waste Systems Division Projects	-	2,271
Special Districts	-	2,757
800 MHz Replacement Project	75,871	-
Transportation Projects	44,800	-
Flood Control Projects	117,080	-
Space Programming	10,275	-
HVAC Control Systems	2,546	-
New Probation Bldg	4,801	-
Purchase of Court Street Bldg	16,768	-
Relocate Training Center	5,705	-
Remodel Hospitality Lane	11,371	-
Remodel 303 Bldg	2,164	-
Campus Improvements	8,440	-
Construct New Zoo	15,049	-
Remodel 316 Bldg	3,677	-
Pacific Village Project	3,194	-
Other County Projects	80,638	-
	80,638	-
Total	\$ 402,379	\$ 35,044

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 9 – DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES**

The County recognized deferred outflows of resources in the government-wide financial statements. These items are a consumption of net position by the County that is applicable to a future reporting period. The County has two items that are reportable on the Government-Wide Statement of Net Position: from changes in the net pension liability and charges on refunding that result from the difference in the carrying value of refunded debt and its reacquisition price.

The balances as of June 30, 2021, of deferred outflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government Total</u>	<u>Discretely Presented Component Unit</u>
Deferred Outflows Related to Pensions	\$ 1,420,827	\$ 200,974	\$ 1,621,801	\$ 1,490
Deferred Outflows Related to Bond Refunding:				
<u>Certificates of Participation</u>				
Medical Center Refunding Project (Series 2019 A)	-	13,497	13,497	-
Medical Center Refunding Project (Series 2019 B)	-	1,423	1,423	-
Total Certificates of Participation	-	14,920	14,920	-
<u>Other Bonds and Notes</u>				
Flood Control Refunding Bonds (Series 2008)	411	-	411	-
Pension Obligation Refunding Bonds (2008)	295	-	295	-
Total Other Bonds and Notes	706	-	706	-
Total Deferred Outflows Related to Bond Refunding	706	14,920	15,626	-
Total Deferred Outflows of Resources	<u>\$ 1,421,533</u>	<u>\$ 215,894</u>	<u>\$ 1,637,427</u>	<u>\$ 1,490</u>

Refer to Note 18 Retirement Plan for additional details on Deferred Outflows of Resources information related to pensions.

The County recognized deferred inflows of resources in the government-wide and fund financial statements. These items are an acquisition of net position by the County that is applicable to a future reporting period.

The balances as of June 30, 2021, of deferred inflows of resources in the government-wide financial statements are as follows:

<u>Government-Wide and Component Unit Activities</u>				
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government Total</u>	<u>Discretely Presented Component Unit</u>
Deferred Inflows Related to Pensions	\$ 80,559	\$ 6,523	\$ 87,082	\$ 189
Deferred Inflows Related to Bond Refunding:				
Flood Control Refunding Bonds (2016)	72	-	72	-
Total Government-Wide and Component Unit Activities	<u>\$ 80,631</u>	<u>\$ 6,523</u>	<u>\$ 87,154</u>	<u>\$ 189</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 9 – DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES (CONTINUED)**

Refer to Note 18 Retirement Plans for additional Deferred Inflows of Resources information related to pensions.

The balances as of June 30, 2021, of deferred inflows of resources in the fund financial statements are as follows:

Governmental Funds:	Unavailable Revenues					Total Governmental Funds
	Property Tax Receivable	Interest Receivable	Other Receivable	Due from Governmental Agencies	Due from Other Agencies	
General Fund	\$ 12,401	\$ 37,170	\$ 1,074	\$ 32,277	\$ -	\$ 82,922
Capital Improvement Fund	-	1,781	-	-	-	1,781
Nonmajor Governmental Funds	6,745	3,098	-	154	1,043	11,040
Total Unavailable Revenues	<u>\$ 19,146</u>	<u>\$ 42,049</u>	<u>\$ 1,074</u>	<u>\$ 32,431</u>	<u>\$ 1,043</u>	<u>\$ 95,743</u>

Proprietary Funds:	Pensions	
	San Bernardino County Employees' Retirement Association (SBCERA)	Total Proprietary Funds
Medical Center	\$ 5,965	\$ 5,965
Waste Systems Division	558	558
Total Proprietary Funds	<u>\$ 6,523</u>	<u>\$ 6,523</u>
Internal Service Fund	\$ 5,283	\$ 5,283
Total Internal Service Funds	<u>\$ 5,283</u>	<u>\$ 5,283</u>

**NOTE 10 – ADVANCES FROM OTHERS**

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, both governmental funds and proprietary funds defer revenue recognition in connection with resources that have been received as of year-end, but not yet earned. A liability for advances from others such as grantors or third parties is offset by the corresponding assets recognized with a transaction before the earnings process is completed.

The balances as of June 30, 2021, of advances from others are as follows:

Governmental Activities:	Developer Deposits	Customer Deposits	Advances from Governmental Agencies	Advances from Other Agencies	Advances from Other County Departments	Government-Wide Eliminations	Total
	General Fund	\$ 7,049	\$ 3,237	\$ 38,262	\$ 2,877	\$ 111	\$ -
Capital Improvement Fund	-	6	-	-	-	-	6
Nonmajor Governmental Funds	-	302	49,460	5,279	697	-	55,738
Internal Service Funds	-	-	-	-	427	(316)	111
Total Governmental Activities	<u>\$ 7,049</u>	<u>\$ 3,545</u>	<u>\$ 87,722</u>	<u>\$ 8,156</u>	<u>\$ 1,235</u>	<u>\$ (316)</u>	<u>\$ 107,391</u>

Business-Type Activities:	Customer Deposits	Advances from Other Agencies	Total
	Medical Center	\$ -	\$ 29,428
Waste Systems Division	987	76	1,063
Nonmajor Enterprise Funds	51	28	79
Total Business-Type Activities	<u>\$ 1,038</u>	<u>\$ 29,532</u>	<u>\$ 30,570</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES**

**Primary Government**

The following is a summary of long-term liability transactions for the year ended June 30, 2021:

	Beginning Balance, *As Restated	Additions	Reductions	Ending Balance	Due Within One Year
<b><u>Governmental Activities</u></b>					
Revenue Bonds, net	\$ 129,939	\$ -	\$ 62,445	\$ 67,494	\$ 67,910
Revenue Bonds from Direct Placements	12,335	-	455	11,880	990
Other Bonds and Notes	259,458	-	48,208	211,250	54,120
Other Bonds and Notes from Direct Borrowings and Direct Placements	16,382	-	3,674	12,708	3,779
Total COP, Bonds and Notes Payable	<u>418,114</u>	<u>-</u>	<u>114,782</u>	<u>303,332</u>	<u>126,799</u>
Compensated Absences	217,221	152,607	137,842	231,986	129,401
Termination Benefits Payable	14	-	10	4	4
Capital Lease Obligations from Direct Financing	722	-	180	542	181
Estimated Liability for Litigation and Self -Insured Claims	316,979	107,184	49,404	374,759	82,910
Net Pension Liability	1,986,505	961,381	-	2,947,886	-
Total Governmental Activities - Long-term Liabilities	<u>\$ 2,939,555</u>	<u>\$ 1,221,172</u>	<u>\$ 302,218</u>	<u>\$ 3,858,509</u>	<u>\$ 339,295</u>
<b><u>Business-Type Activities</u></b>					
Certificates of Participation, net	\$ 272,453	\$ -	\$ 30,009	\$ 242,444	\$ 26,060
General Obligation Bonds	50	-	-	50	50
Notes from Direct Borrowings	1,243	-	72	1,171	75
Total COP, Bonds and Notes Payable	<u>273,746</u>	<u>-</u>	<u>30,081</u>	<u>243,665</u>	<u>26,185</u>
Compensated Absences	27,168	23,607	21,856	28,919	12,875
Capital Lease Obligations from Direct Financing	1,924	1,054	1,052	1,926	664
Other Long-Term Liabilities	101,061	67,702	70,392	98,371	98,371
Pollution Remediation Obligations	70,200	-	672	69,528	6,454
Estimated Liability for Closure/Postclosure Care Costs	138,159	32,752	-	170,911	30,463
Net Pension Liability	227,944	141,435	-	369,379	-
Total Business-type Activities -Long-term Liabilities	<u>\$ 840,202</u>	<u>\$ 266,550</u>	<u>\$ 124,053</u>	<u>\$ 982,699</u>	<u>\$ 175,012</u>

\*Beginning Balance as restated for removal of Housing Authority

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for internal service funds are included as part of the above totals for governmental activities.

For the governmental activities, liabilities for compensated absences, termination benefits, and net pension liability are typically liquidated by the General Fund and other funds in which financial resources are received to account for such outflows of resources, respectively. The liability for litigation and self-insured claims is liquidated by the Risk Management Internal Service Fund.

**Termination Benefits Payable**

In March 2009, the County offered a Retirement Incentive Program to employees as a salary savings measure for the upcoming years. Under this program, employees retiring between March 3, 2009, and June 30, 2009, were eligible to receive \$250 (not expressed in thousands) for each completed quarter of continuous regular County service or \$1,000 per year of service (not expressed in thousands), payable annually over a five-year period. The position would have to remain vacant.

Approximately 304 employees accepted the incentive and retired during the eligible period. The county-wide termination benefit payable at June 30, 2021, is \$4. Over the span of the program, 16 employees returned to work and are not eligible to receive payments during a year in which they are employed by the County. Of the 16 employees who returned to work, zero remain employed by the County as of June 30, 2021.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

**Pollution Remediation Obligations**

GASB 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, addresses pollution remediation obligations. Once an obligating event occurs, governments are required to estimate expected cash outlays for the various components of expected remediation activities related to current or potential detrimental effects of existing pollution.

*Waste Systems Division*

*Mid-Valley Sanitary Landfill*

The County, through its Waste Systems Division (Waste Systems) has been named as a discharger in orders issued by the Santa Ana Regional Water Quality Control Board (RWQCB) for perchlorate and volatile organic compounds (VOCs) in the groundwater in the Rialto-Colton Basin. The County operates its Mid-Valley Sanitary Landfill (MVSL), including historic, unlined landfill cells, and operating landfill cell and an undeveloped area planned for expansion, on land overlying the Rialto-Colton basin. The County was previously named in lawsuits to compel it to participate in pollution remediation in the Rialto-Colton Basin alleged to be related to activities at the Mid-Valley Sanitary Landfill, including the expansion property.

Waste Systems is currently managing a groundwater remediation project down gradient from the Mid-Valley Landfill and the expansion property. The expansion property is immediately adjacent to land formerly used in various manufacturing operations. Perchlorate and VOCs have been detected in groundwater.

Waste Systems investigated impacts to groundwater from VOCs on the west side of the MVSL that resulted in the construction of a pump and treat system. This was converted to include a soil vapor extraction optional system on County-owned land to capture as much VOC contamination as possible. The on-site system continues to be operated by Waste Systems as of June 30, 2021. The remediation plan also included the settlement with San Gabriel Valley Water Company DBA Fontana Water Company whereby the water company would pump and treat VOCs that escaped the County-run system and the County pays the water company for the treatment of VOCs at the company's groundwater production wells. It is not currently possible to determine when the County's obligation to San Gabriel Valley Water Company will end.

Waste Systems, following RWQCB protocol, later conducted a variety of additional tests and analysis for perchlorate and VOCs in the portion of the Rialto-Colton Basin down gradient of the MVSL, including the expansion property on the east side. The result was the preparation and implementation of a remediation plan approved by the RWQCB. That remediation system has continued to be operated as of June 30, 2021.

*Yucaipa Disposal Site*

Waste Systems disclosed the occurrence of a pollution event at the inactive Yucaipa Disposal Site. A VOC plume had been detected in the groundwater, which had migrated beyond the landfill boundary. Waste Systems continues to work closely with the RWQCB to ensure its pollution remediation measures adequately address the contamination.

On August 1, 2018, RWQCB approved the County's Work Plan to expand the in-situ remedial design to full scale. The Yucaipa Corrective Action Program (CAP) was expanded to 26 injection wells by October 2019 and



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

electron-donor media to stimulate in-situ bioactivity that consumes pollution was completed by the end of the month. Working with the RWQCB, the County periodically re-doses its bio-remedial wells, as needed, to support ongoing removal of VOC's in groundwater at the site. In 2019 and 2020, additional bacteria colonies that perform the in-situ consumption of pollution were added to the system.

*Heaps Peak Disposal Site*

Waste Systems disclosed, to the State of California, the occurrence of a pollution event at the inactive Heaps Peak Disposal Site (HPDS). A landfill leachate discharge occurred that threatened the groundwater. Waste Systems prepared and submitted a Report of Waste Discharge (ROWD) to the RWQCB and received approval to contain and treat the leachate. The leachate treatment system was installed within the HPDS maintenance building. The leachate treatment system has been periodically improved and upgraded and now functions well. Waste Systems continues to work very closely with the RWQCB to ensure its pollution control and remediation measures are successful.

*Lenwood Hinkley Sanitary Landfill*

The RWQCB notified Waste Systems regarding the violation of the Waste Discharge Requirements based upon a 2013 Groundwater Monitoring Reports submitted by Waste Systems, which showed VOCs and other contaminants above set regulatory standards at the Lenwood Hinkley Sanitary Landfill (LHSL).

Waste Systems initiated a bioenhanced in-situ remedial Pilot Study consisting of an initial injection of carbon donor media near compliance well LHSL and monthly sampling and analyses to track the chemical response in groundwater. The velocity of groundwater north of the landfill is relatively slow, however, and quarterly monitoring activities were later resumed and soon set regulatory standards were met. Analytical results for the Pilot Study obtained since 2016 have been positive and suggest conditions in the aquifer are capable of promoting and sustaining anaerobic biogenic reductive dechlorination.

With approval from the RWQCB, the County injected a second dose of electron-donor media. Board staff also approved injecting additional colonies of bacteria capable of consuming polluted groundwater and this inoculation occurred in February 2019.

*Milliken Landfill (Pilot Study)*

In 2015, the RWQCB sent a letter to Waste Systems concerning the inactive Milliken Landfill. The RWQCB letter requested Waste Systems perform gas samples from existing landfill gas probes and evaluate the potential for landfill impacts to off-site structures; to update reports for the landfill due to lack of groundwater to run the Corrective Action Program (CAP) pump and treat program and to evaluate the need for additional downgradient monitoring. Waste Systems engaged a consultant to complete a workplan pursuant to the RWQCB letter and to implement the workplan. Waste Systems later received a draft evaluation report prepared as part of the workplan. The workplan concluded that sufficient landfill gas may be present along the downgradient border of the landfill to support soil vapor extraction (SVE) as an additional CAP mitigation measure.

In September 2018, a two-day pilot study at two extraction wells along the south perimeter of the Milliken site was conducted, followed by a longer SVE pilot study beginning on October 18, 2019, and concluding on December 18, 2019. The second pilot study included: engineering, design, permitting, Southern California Edison (SCE) temporary power, and construction of a block wall enclosure to house the rental SCE equipment (blower, granular activated carbon vessel, piping and instrumentation). SVE blower and GAC data collected from this month-long

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

study will assess the viability for a full-scale SVE system at Milliken. A Summary Report of pilot study findings was submitted to the RWQCB on February 12, 2021, which recommended installation and operation of a full-scale SVE system at the site. RWQCB approval for installation and operation of the full-scale system was obtained in February 2021, and the County began design and construction shortly thereafter. The full-scale SVE system has been installed and as of June 30, 2021, awaits operational approval from the South Coast Air Quality Management District before operations begin. Subsequent operation and maintenance on the system is anticipated to begin in the 2021-2022 fiscal year.

In fiscal year 2021, the estimated total pollution remediation liability decreased from \$70,200 at June 30, 2020, to \$69,528 at June 30, 2021. The effect of any changes in the estimated total current cost of pollution remediation is reported primarily in the period of change. The major contributing factors that caused the pollution remediation liability to decrease by a net amount of \$672 are listed below:

- The Mid-Valley net liability decreased by a net of \$60 primarily due to higher Perchlorate treatment plant operational costs, groundwater treatment system OM&M costs, and a newly added Unit 5 Investigation work, all of which was more than offset by the removal of prior years' accumulated inflation factor costs from the reset of future long-term costs. The outstanding liability as of June 30, 2021, is \$56,576.
- The Yucaipa net liability decreased by a net of \$180 primarily due to the Full Scale In-Situ Bio-Enhancement Treatment System increased future long-term OM&M costs, which were more than offset by current year annual expenditures. The outstanding liability as of June 30, 2021, is \$2,154.
- The Heaps Peak net liability decreased by a net of \$133 primarily due to the Leachate Treatment System long-term OM&M inflation factor costs, which were more than offset by the current year annual expenditures. The outstanding liability as of June 30, 2021, is \$8,714.
- The Lenwood-Hinkley net liability decreased by a net of \$299 primarily due to the Groundwater VOC Treatment System well installation and media injection future cost estimate closeout/completion and the current year expenditures. The outstanding liability as of June 30, 2021, is \$2,084.

Current and future estimated remediation costs are based on actual component costs adjusted for inflation in future fiscal years. Future estimates may be revised to reflect changes to equipment and service costs as well as any changes in technology and regulations. In fiscal year 2021, Waste Systems expended \$2,537 in performing pollution remediation activities at Mid-Valley Landfill, Yucaipa Disposal Site, Heaps Peak Disposal Site, and Lenwood-Hinkley Disposal Site. Outlays are expected to be incurred in fiscal year 2021 totaling \$6,454. The presence of perchlorate, VOC, and leachate will continue to be remediated and monitored with an expected estimated outlay of \$63,074 from fiscal year 2023 through fiscal year 2043.

**Bonds and Notes Payable**

*San Bernardino County Financing Authority – Pension Obligation Bonds (1995)*

In November 1995, San Bernardino County Financing Authority (SBCFA) issued Revenue Bonds for the purpose of enabling the County to finance its share of unfunded pension indebtedness. SBCFA has discounts associated with the pension obligation bonds, which is being amortized based on the accreted value of the bonds at year-end. SBCFA records the amortization of the discount as accretion of interest expense. As of June 30, 2021, the amount of accretion of interest expense remaining is \$416. The bonds contain a provision that, in the event of default, the outstanding principal balance and accrued interest are due and payable immediately.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

*San Bernardino County Financing Authority – Courthouse Project Bonds (2007)*

In June 2007, SBCFA entered into a direct placement agreement with Wells Fargo Bank, National Association to issue revenue bonds in order to provide funds for the County to finance the costs of refurbishing and renovating a county courthouse facility. The Revenue Bonds are special, limited obligations of SBCFA payable solely from and secured by a first pledge of an exclusive lien on surcharge revenues consisting of a fee not to exceed thirty-five dollars charged on certain civil court filings made in superior courts located in the County. Only surcharge revenue received after June 29, 2007, has been pledged. The collection of the surcharge shall terminate upon repayment of the amortized costs incurred, or 30 years from the sale of the revenue bonds, whichever occurs first. Surcharge revenues are projected to produce 150 percent of the debt service requirements over the remaining life of the bonds. Excess surcharge revenue shall be used to pay for costs of improvements.

The debt service schedule for the current fiscal year required principal and interest payments totaling \$1,133. The total surcharge revenues received during the fiscal year totaled \$1,582. The bonds are subject to a special mandatory redemption prior to maturity if the debt service coverage ratio for the immediately prior bond year is less than 150 percent. The current coverage ratio was 1.230. The total principal and interest remaining on the bonds are \$17,873. Interest is payable semi-annually at interest rates from 5.10 percent to 5.50 percent starting December 1, 2007. \$15,270 is expected to mature on June 1, 2037. The bonds are not subject to optional redemption prior to maturity. The bonds contain a provision that, in the event of default, the outstanding principal balance and accrued interest are due and payable immediately.

*San Bernardino County Flood Control District – Refunding Bonds (Series 2007, 2008 and 2016)*

In May 2007, San Bernardino County Flood Control District (Flood Control) issued Refunding Bonds, Series 2007 in the amount of \$23,845 to refund the obligation of Flood Control under a contract with the County relating to a loan made by and between the United States of America and the County, finance a reserve fund surety bond and pay certain expenses in connection with the issuance of the Bonds. The contract referred to above was entered into under the Small Reclamation Projects ACT of 1956.

In April 2008, Flood Control issued Refunding Bonds, Series 2008, in the amount of \$37,295 to refund all of Flood Control's outstanding \$45,000 San Bernardino County Flood Control Judgment Obligation Bonds, Series B, which were issued to refund a portion of certain obligations of Flood Control under a settlement agreement relating to an inverse condemnation action against Flood Control.

In February 2016, Flood Control entered into a direct placement agreement with Wells Fargo, National Association to issue Refunding Judgment Obligation Bonds, Series A, in the amount of \$27,870 to pay in full the outstanding principal balance of the 2007 Judgment Obligation Bonds, Series A.

The Flood Control bonds contain a provision that in the event principal and interest are not paid when due, Flood Control is in default and all outstanding principal and interest accrued thereon are immediately due. All amounts held in the bonds' debt service reserve account are for collateral for the bond holders.

Additional information on Flood Control's long-term debt can be found in the separately issued financial statements of Flood Control.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

*Pension Obligation Bonds (Series 2004 and 2008)*

The County Board of Supervisors adopted a resolution to authorize the issuance of San Bernardino County pension obligation debenture in order to finance the County's share of the unfunded accrued actuarial liability of the San Bernardino County Employee Retirement Association (SBCERA). In June 2004, the County issued County of San Bernardino Pension Obligation Bonds, Series 2004 A (Fixed Rate Bonds), County of San Bernardino Pension Obligation Bonds, Series 2004 B (Auction Rate Bonds), and County of San Bernardino Pension Obligation Bonds, Series 2004 C (Index Bonds – based on LIBOR) in respective aggregate principal amounts of \$189,070, \$149,825, and \$125,000.

The Bonds have various maturity dates ranging from 2004 to 2023 for Auction Rate Bonds; and 2004 to 2023 for Index Bonds. Series 2004 A Fixed Rate Bonds have fixed interest rates that range from 2.43% to 5.86%. The Series 2004 B Pension Obligation Bonds were fully refunded in April 2008 by the issued Pension Obligation Refunding Bonds, Series 2008, which have a fixed interest rate of 6.02%.

The 2004 and 2008 Series bonds contain a provision that, in the event of default, the outstanding principal balance and accrued interest are due and payable immediately.

*San Bernardino County Fire Protection District (SBCFPD) – 2010 Installment Loan*

In August 2010, Crest Forest Fire Protection District (dissolved and annexed into SBCFPD effective July 2015) entered into a direct borrowing lease/leaseback agreement with Municipal Finance Corporation (MFC) in the amount of \$2,286. The agreement contains (1) a provision that, in the event of default, SBCFPD shall remain liable until the amount in default has been fully paid with interest at a rate of 8% per annum (2) a provision that, in the event of default, MFC may terminate the lease and re-lease all or any portion of the leased property. SBCFPD agrees to pay to MFC all costs, loss, or damages occurring payable at the same time and in the same manner of the lease payments. There shall be no right, under any circumstances, to accelerate the lease payments to be immediately due and payable.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

A summary of bonds and notes payable recorded in the governmental activities and payable from Debt Service Funds is as follows:

Revenue Bonds	Interest Rates (%)	Issue Date	Maturity Date	Original Issue Amount	Outstanding as of 6/30/2021
Pension Obligation Bonds (1995)	5.68 to 7.72	11/22/1995	8/1/2021	\$ 386,266	\$ 67,910
Courthouse Project Bonds (2007) (Direct Placement)	5.10 to 5.50	6/29/2007	6/30/2037	18,370	11,880
Subtotal					<u>79,790</u>
<b>Premium/(Discounts):</b>					
* Pension Obligation Bonds (1995)					(416)
Total Revenue Bonds					<u>79,374</u>
<b>Other Bonds and Notes</b>					
Flood Control District:					
Refunding Bonds (Series 2007)	4.25 to 5.00	5/29/2007	8/1/2021	23,845	2,920
Refunding Bonds (Series 2008)	0.66 to 4.86	4/16/2008	8/1/2037	37,295	37,295
Refunding Bonds (Series 2016) (Direct Placement)	1.54	2/25/2016	8/1/2023	27,870	11,145
Pension Obligation Bonds (2004)	0.54 to 5.86	6/24/2004	8/1/2023	463,895	75,000
Pension Obligation Refunding Bonds (2008)	6.02	4/16/2008	6/30/2024	160,900	96,035
Fire Protection District 2010 Installment Loan (Direct Borrowing)	5.4	8/2/2010	8/1/2030	2,286	1,563
Total Other Bonds and Notes					<u>223,958</u>
Total Governmental Activities					<u>\$ 303,332</u>

\* Updated per accretion table.

*Arrowhead Regional Medical Center (Certificates of Participation Series 2019A and 2019B)*

Certificates of Participation (COP) are secured by annual lease payments payable by the County for use of the facilities constructed or acquired from the COP proceeds. The County has created a nonprofit organization and a joint powers authority to issue the Certificates in accordance with California Government Code. The County leases various projects from the corporation. The lease payments are used by the corporation to pay interest on, and principal of, the COPs.

The Arrowhead Refunding Project Series 2019 A Certificates of Participation were issued by IEPFC, dated July 1, 2019, in the amount of \$224,045,000, with interest rates from 4.75 percent to 5.50 percent. The Arrowhead Refunding Project Series 2019 B Certificates of Participation were issued by the Corporation, dated July 1, 2019, in the amount of \$35,653,000, with interest rates from 5.50 percent to 7 percent.

Proceeds from the 2019 Arrowhead Refunding Project Certificates Series A and B, along with other Corporation and County funds, were used to pay or prepay in full the outstanding principal balance of the 1994, 1996, 2009 A&B Certificates of Participation. The refunding reduced debt service payments by \$101,981,234 over the next 7 years resulting in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$46,332,269. The refunding resulted in a loss in the amount of \$18,392,394 and is reported as a deferred outflow of resources. The deferred loss will be amortized through 2028 at \$3,643,751 per year.

The COPs contain certain bond covenants, which are deemed by the County to be duties imposed by law. The County must include the applicable lease-purchase payments due each year in its annual budget and make the



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

necessary appropriations. The County is also covenanted to maintain certain levels of liability, property damage, casualty, rental interruption, and earthquake insurance in connection with each lease-purchase agreement. The County is in compliance with all significant financial restrictions and requirements as set forth in its various debt covenants. In addition, the County is in compliance with arbitrage regulations on all applicable bonds. Arbitrage computations are computed on an annual basis to determine if a rebate or liability exists as described in Section 103 of the Internal Revenue Code of 1954, Section 148(f) of the Internal Revenue Code of 1986, as amended and all applicable regulations issued there under.

In prior years, the County has defeased certain COPs by placing the proceeds of new certificates in an irrevocable trust to provide for all future debt service payments on the old certificates. Accordingly, the trust account assets and the liability for the defeased certificates are not included in the County's basic financial statements. At June 30, 2021, approximately \$38,040 of outstanding debt was considered defeased.

The COPs contain a provision that, should the County default under the lease agreement, the Trustee may terminate the lease agreement and hold the County liable for all lease payments on an annual basis. According to the lease agreement, lease payments may not be accelerated upon default. The COPs are secured with collateral of the Arrowhead Regional Medical Center.

*County Service Area (General Obligation Bonds and Notes Payable)*

General Obligation Bonds are issued to provide funds for the acquisition and construction of major capital facilities. These bonds are backed by the full faith and credit of the County and revenue for the retirement of such bonds is provided by ad valorem taxes on property within the jurisdiction of the governmental unit issuing the bonds. The bonds are matured but not redeemed and thus debt provisions are not presented.

CSA issued \$2,150 in direct borrowing notes with California Infrastructure and Economic Development Bank. The notes contain a provision that, in the event of default, the outstanding principal balance and accrued interest are due and payable immediately.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

A summary of bonds and notes payable recorded in the business-type activities are as follows:

<u>Certificates of Participation:</u>	<u>Interest Rates (%)</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Original Issue Amount</u>	<u>Outstanding as of 6/30/2021</u>
Medical Center Refunding Project Series 2019A	5.00	7/2/2019	10/1/2027	\$ 224,045	\$ 190,280
Medical Center Refunding Project Series 2019B	2.00 to 2.05	7/2/2019	10/1/2022	35,635	23,815
					<u>214,095</u>
<u>Premium / (Discounts):</u>					
Medical Center Refunding Project Series 2019A					28,349
Total Certificates of Participation					<u>242,444</u>
 <b>General Obligation Bonds</b>					
<u>Spring Valley Lake Sewer Facilities:</u>					
Series A	6.50 to 6.75	2/15/1972	2/15/2002	1,300	15
Series B	6.10 to 6.15	4/1/1974	4/1/2004	1,000	15
<u>Helendale Sewer Facilities:</u>					
Series A	5.00	6/1/1978	6/1/1998	1,550	5
<u>Helendale Water Facilities:</u>					
Series B	7.00	9/1/1982	6/1/1997	1,450	5
Series C	9.00 to 11.00	11/1/1984	3/1/2005	1,518	5
Oak Hills Water Distribution Facilities	7.00	9/1/1974	9/1/1994	750	5
Total General Obligation Bonds					<u>50</u>
 <b>Notes Payable</b>					
Oak Hills Water (Loan) (Direct Borrowing)	3.09	11/25/2003	8/25/2033	2,150	1,171
Total Notes Payable					<u>1,171</u>
Total Business-Type Activities					<u>\$ 243,665</u>

Additional information on the County's long-term debt can be found in the separately issued financial statements of the Inland Empire Public Facilities Corporation and the San Bernardino County Financing Authority.

The following is a schedule of principal debt service requirements to maturity as of June 30, 2021, for bonds and notes payable in the governmental activities:

<u>Years Ending</u>	<u>Revenue Bonds</u>	<u>Revenue Bonds from Direct Placements</u>	<u>Other Bonds and Notes</u>	<u>Other Bonds &amp; Notes from Direct Borrowings and Direct Placements</u>	<u>Total</u>
2022	\$ 67,910	\$ 990	\$ 54,120	\$ 3,779	\$ 126,799
2023	-	485	56,875	3,845	61,205
2024	-	520	62,960	3,905	67,385
2025	-	540	-	145	685
2026	-	575	-	160	735
2027 - 2031	-	3,390	5,730	874	9,994
2032 - 2036	-	4,365	21,590	-	25,955
2037 - 2038	-	1,015	9,975	-	10,990
Total Principal	<u>67,910</u>	<u>11,880</u>	<u>211,250</u>	<u>12,708</u>	<u>303,748</u>
Less: Discount	(416)	-	-	-	(416)
Total Bonds and Notes Payable	<u>\$ 67,494</u>	<u>\$ 11,880</u>	<u>\$ 211,250</u>	<u>\$ 12,708</u>	<u>\$ 303,332</u>



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

The following is a schedule of interest expense requirements to maturity as of June 30, 2021, for bonds and notes payable in the governmental activities:

Years Ending	Revenue Bonds from Direct Placements	Other Bonds and Notes	Other Bonds & Notes from Direct Borrowings and Direct Placements	Total
2022	\$ 624	\$ 7,044	\$ 252	\$ 7,920
2023	599	5,146	189	5,934
2024	572	2,965	124	3,661
2025	544	1,811	58	2,413
2026	514	1,807	50	2,371
2027 - 2031	2,058	8,959	104	11,121
2032 - 2036	1,026	5,733	-	6,759
2037 - 2038	56	790	-	846
Total Interest	<u>\$ 5,993</u>	<u>\$ 34,255</u>	<u>\$ 777</u>	<u>\$ 41,025</u>

The following is a schedule of principal debt service requirements to maturity as of June 30, 2021, for COPs, bonds and notes payable in the business-type activities:

Years Ending June 30	Certificates of Participation	General Obligation Bonds	Notes From Direct Borrowings	Total
2022	\$ 26,060	\$ 50	\$ 75	\$ 26,185
2023	27,175	-	77	27,252
2024	29,295	-	79	29,374
2025	30,800	-	82	30,882
2026	32,520	-	84	32,604
2027 - 2031	68,245	-	461	68,706
2032 - 2036	-	-	313	313
Total Principal	214,095	50	1,171	215,316
Plus: Premium	28,349	-	-	28,349
Total Bonds and Notes Payable	<u>\$ 242,444</u>	<u>\$ 50</u>	<u>\$ 1,171</u>	<u>\$ 243,665</u>

The following is a schedule of interest expense requirements to maturity as of June 30, 2021, for COPs, bonds and notes payable in the business-type activities:

Years Ending June 30	Certificates of Participation	Notes From Direct Borrowings	Total
2022	\$ 9,523	\$ 35	\$ 9,558
2023	8,544	33	8,577
2024	7,311	30	7,341
2025	5,808	28	5,836
2026	4,225	25	4,250
2027 - 2031	3,405	85	3,490
2032 - 2036	-	14	14
Total Interest	<u>\$ 38,816</u>	<u>\$ 250</u>	<u>\$ 39,066</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

Agreement with Liquidity Facilities

*Flood Control Refunding Bonds (Series 2008)*: In April 2008, Flood Control issued Refunding Bonds, Series 2008, in the amount of \$37,295. Interest on the Refunding Bonds, Series 2008 is paid at a Weekly Rate Mode interest rate payable on the first Business Day of each calendar month commencing on May 1, 2008. Principal payments are due annually in various amounts commencing August 1, 2029, through 2037. The outstanding balance at June 30, 2021, was \$37,295.

The Bonds were issued to refund all of Flood Control's outstanding \$45,000 San Bernardino County Flood Control Judgment Obligation Bonds, Series B, which were issued to refund a portion of certain obligations of Flood Control under a settlement agreement relating to an inverse condemnation action against Flood Control, fund interest on the Series 2008 Bonds at an assumed rate of 4.86% through August 1, 2008, and costs of issuance incurred in connection with the issuance of the Series 2008 Bonds. The interest rate is variable and is shown at the assumed rate of 4.86% in the repayment schedule.

The Bonds have an optional tender provision that gives the bondholder the option of selling their Bonds back to Flood Control, at par, upon seven days' notice. Flood Control has obtained a direct pay, irrevocable letter of credit (LC) from Bank of America ("Bank") to provide credit support, and cash for such tenders, in the event tendered Bonds cannot be immediately remarketed to another investor. Flood Control entered into a Reimbursement Agreement and Fee Letter with the Bank in July of 2011, to document the terms related to the issuance of the LC. Flood Control did not pay any upfront commitment fee to the Bank for this LC; however, it pays a facility fee at agreed upon rates on the Available Amount of the LC (as defined in the LC agreement). This LC is an irrevocable direct pay letter of credit with a current stated expiration date of July 5, 2022.

The LC is directly drawn on monthly to make the interest payment on the Bonds. The Bank is reimbursed for the monthly draw on the LC with the debt service payments made by Flood Control. An LC draw would also occur if an investor exercises the optional tender provision and the Bonds cannot be immediately remarketed to another investor. In the event of a draw on the LC to purchase bonds that have been tendered but not remarketed (Liquidity Advance) that is not repaid by Flood Control within 90 days, the Liquidity Advance will convert to a Term Loan on the ninety first day, if conditions precedent to a Term Loan are satisfied by Flood Control.

As of June 30, 2021, there were no outstanding 2008 Judgment Obligation Bonds (Bonds) that have been tendered but failed to be remarketed. In accordance with the agreement, in the event, any Bonds are optionally tendered and cannot be remarketed, interest on tendered Bonds for the first ninety days is paid to the Bank at the highest of a) Prime Rate in effect for such day plus 1.5%, b) overnight effective federal funds rate for such day as quoted in the "Composition Closing Quotations for U.S. Government Securities" published by the Federal Reserve Bank of New York plus 3%, c) 7.5% or d) the maximum rate of interest borne by Bonds that are still held by investors. If a Liquidity Advance remains outstanding after ninety days, and if conditions precedent to a Term Loan is satisfied by Flood Control, the rate paid to the Bank on the Term Loan is the highest of a) through d) above, plus 1%.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

The following schedule represents a debt service scenario in which all the bonds are tendered by investors on July 1, 2021, and fail to be remarketed during the Liquidity Advance and Term Loan periods. The scenario assumes that interest on the Liquidity Advance is paid at a rate of 7.5% and that interest on the Term Loan is paid at a rate of 8.5%. Principal is amortized as required in the Reimbursement Agreement over the Term Loan period.

<b>Years Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 10,600	\$ 2,821	\$ 13,421
2023	10,600	1,743	12,343
2024	10,700	837	11,537
2025	5,395	76	5,471
Total	<u>\$ 37,295</u>	<u>\$ 5,477</u>	<u>\$ 42,772</u>

If Flood Control does not make punctual payment and performance, conform to the extension of payment of the bonds provisions of the indenture, conform to the additional obligations provision of the indenture, debt service coverage ratio of the indenture, other replacement proceeds provision of the indenture, budgets provision of the indenture, tax covenant provisions of the indenture, or further assurances provisions of the indenture, Flood Control will be considered in default. In the event of default, upon written direction of the owners or not less than a majority in aggregate principal amount of the outstanding bonds, may declare immediately due and payable the unpaid principal and accrued interest thereon of all the outstanding bonds. In addition, an acceleration fee shall become immediately due and payable provided however that the Trustee shall not declare an acceleration until least seven days after the occurrence of an event default.

**Conduit Debt (Limited Obligation)**

*Single and Multi-Family Mortgage Revenue Bonds*

The County issues Single Family Mortgage Revenue Bonds to provide funds to purchase mortgage loans secured by first trust deeds on newly constructed and existing single-family residences. Additionally, the County issues Multi-Family Mortgage Revenue Bonds to finance the construction of multi-family apartment projects in the County. These programs assist persons and families of low and moderate income within the County to afford the costs of safe and sanitary housing. The bonds will be payable solely from and secured by a pledge of payment received on the acquired mortgage loans, certain insurance with respect thereto, and other monies pledged under the bond resolution. Single Family Mortgage Revenue Bonds of \$190 and Multi-Family Mortgage Revenue Bonds of \$50,265 at June 30, 2021, do not represent a liability of the County and, as such, do not appear in the accompanying basic financial statements.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 11 – LONG TERM LIABILITIES (CONTINUED)**

*School District General Obligation Bonds*

San Bernardino County issued General Obligation Bonds (GOB) on behalf of certain Schools within the San Bernardino School District. The GOBs are payable solely by ad valorem taxes to be levied within the District. The General Obligation Bonds of \$11,900 at June 30, 2021, do not represent a liability of the County and, as such, do not appear in the accompanying basic financial statements.

*Special Assessment Bonds*

The County acts as an agent for the property owners benefited by the projects financed from special assessment bond proceeds, in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings, if appropriate. Special assessment bonds of \$88,690 at June 30, 2021, do not represent a liability of the County and, as such, do not appear in the accompanying basic financial statements.

***Discretely Presented Component Unit***

Long-term liability transactions for FIRST 5 San Bernardino for the year ended June 30, 2021, are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 245	\$ 237	\$ 182	\$ 300	\$ 55
Net Pension Liability	1,887	1,009	-	2,896	-
Total Long-Term Liabilities	<u>\$ 2,132</u>	<u>\$ 1,246</u>	<u>\$ 182</u>	<u>\$ 3,196</u>	<u>\$ 55</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 12 – LEASES**

**Capital Leases**

The County has entered into certain capital lease agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met. Equipment and related accumulated depreciation as of June 30, 2021, for capital leases are as follows:

	<u>Governmental-type Activities</u>	<u>Business-type Activities</u>
Asset:		
Equipment	\$ 1,043	\$ 31,132
Less: Accumulated depreciation	(138)	(27,870)
Total	<u>\$ 905</u>	<u>\$ 3,262</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, are as follows:

<u>Year Ending June 30</u>	<u>Governmental-type Activities</u>	<u>Business-type Activities</u>
2022	\$ 181	\$ 690
2023	180	690
2024	181	361
2025	-	208
2026	-	18
Total Minimum Lease Payments	<u>542</u>	<u>1,967</u>
Less: Amount Representing Interest	-	(41)
Present Value of Minimum Lease Payments	<u>\$ 542</u>	<u>\$ 1,926</u>
Less: Current Portion, Net of Interest	(181)	(664)
Capital Lease Obligation, excluding current portion	<u>\$ 361</u>	<u>\$ 1,262</u>

**Operating Leases**

The County leases building and office facilities and other equipment under non-cancelable operating leases. Total costs for such leases for governmental-type activities were \$59,578, and business-type activities were \$9,256, respectively for the year ended June 30, 2021. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30</u>	<u>Governmental-type Activities</u>	<u>Business-type Activities</u>
2022	\$ 59,288	\$ 781
2023	50,302	793
2024	43,347	805
2025	28,485	817
2026	22,832	829
2027-2031	53,962	1,764
Total Minimum Payments	<u>\$ 258,216</u>	<u>\$ 5,789</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 13 – CLOSURE AND POSTCLOSURE CARE COSTS**

State Financial Assurance Mechanism regulations require landfill operators to set aside funds, or provide alternative funding mechanisms to fund the closure and post-closure maintenance of landfills. The funding must be completed prior to the final date of closure. These regulations apply to solid waste landfills that have been or will be operated on or after January 1, 1988. The closure and post-closure care costs of other landfills not subject to these State regulations is funded separately in the Waste Systems Division.

Closure and post-closure care costs include, but are not limited to, such items as final cover, groundwater monitoring, well installations and landfill gas monitoring systems.

The twenty (20) landfills listed below (with their capacity used and estimated remaining lives) are those currently subject to State and federal regulations:

<u>Landfill</u>	<u>Capacity Used</u>	<u>Years Remaining</u>	<u>Landfill</u>	<u>Capacity Used</u>	<u>Years Remaining</u>
Apple Valley	100%	Closed	Milliken	100%	Closed
Baker	100%	Closed	Morongo Valley	100%	Closed
Barstow	6%	483	Needles	100%	Closed
Big Bear	100%	Closed	Newberry Springs	100%	Closed
Colton	100%	Inactive	Phelan	100%	Closed
Hesperia	100%	Closed	San Timoteo	45%	25
Landers	24%	82	Trona-Argus	100%	Closed
Lenwood-Hinkley	100%	Closed	Twentynine Palms	100%	Closed
Lucerne Valley	100%	Closed	Victorville	20%	127
Mid-Valley	43%	38	Yermo	100%	Inactive

The estimated closure and post-closure activity for the year ended June 30, 2021, includes the following:

	<u>Beginning Balance</u>	<u>Increase (Decrease)</u>	<u>Ending Balance</u>
Estimated Liability for Closure Care Costs	\$ 32,962	\$ 17,891	\$ 50,853
Estimated Liability for Postclosure Care Costs	105,197	14,861	120,058
Total	<u>\$ 138,159</u>	<u>\$ 32,752</u>	<u>\$ 170,911</u>

The annually inflated landfill closure and post-closure care cost estimates of \$228,470 and \$233,578, respectively for a total of \$462,048, are based upon the most recently submitted Closure/Post-Closure Maintenance Plan documents filed with the State and Federal permitting agencies. If, at some future date, these closure cost estimates are adjusted (due to changes in inflation, technology, regulations, etc.), the County is required to make corresponding changes in the amount of funds deposited for closure.

As of June 30, 2021, the aggregate expense recorded by the County based upon individual landfill capacity usage was \$289,385 (\$139,491 closure costs and \$149,894 post-closure costs). The remaining \$172,663 of estimated closure and post-closure costs will be recorded and funded as landfill capacities are used.

Cumulative closure and post-closure related outlays of \$88,639 and \$29,836 have been incurred through June 30, 2021. Landfill closure liabilities increased to \$50,853 and post-closure liabilities also increased to \$120,058. In accordance with GASB 18, "Accounting for Municipal Solid Waste Landfill (MSWLF) Closure and Postclosure Care Costs", the effect of any changes in the estimated total current cost of closure and postclosure care is



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 13 – CLOSURE AND POSTCLOSURE CARE COSTS (CONTINUED)**

reported primarily in the period of change. The total Estimated Liability for Closure and Postclosure Care Costs at June 30, 2021, is \$170,911 and is recorded in the Waste Systems Division proprietary fund and the Business Type Activities.

In accordance with a pledge of revenue funding mechanism adopted by San Bernardino County Board of Supervisors on July 28, 2009, the County has pledged tipping fees and interest revenue to fund the post-closure maintenance costs, as needed. Total tipping fees received in the current fiscal year were \$79,023 and post-closure expenses were \$3,063. Each landfill site's maintenance costs are budgeted annually following the Closure and Post-Closure Maintenance Plan as approved by the Department of Resources Recycling and Recovery (CalRecycle). The County has restricted cash of \$61,484 in the Waste System Division enterprise fund, of this amount, \$59,751 is to provide financial assurance for landfill closure costs as required by CalRecycle. The term for each landfill site funding requirements is thirty (30) years starting with the date of closure as certified by the State.

**NOTE 14 – SELF-INSURANCE**

The County has self-insurance programs for public liability, property damage, unemployment insurance, employee dental insurance, hospital and medical malpractice liability, environmental liability, and workers' compensation claims. Public liability claims are self-insured for up to \$3.0 million per occurrence with a one-time corridor retention of \$2.0 million. Excess insurance coverage over the Self-Insured Retention (SIR) up to \$50 million is provided through a combination of insurance policies as recommended by Alliant Insurance Services Inc., Insurance Broker through PRISM (Public Risk Innovation, Solutions, and Management) formerly CSAC-EIA, as follows: Primary Liability coverage \$7 million excess of \$3 million self-insured retention with PRISM; QBE Insurance; and reinsurance provided by ACE American Insurance Company. Excess Liability coverage for \$5 million, excess of \$10 million with PRISM with quota share reinsurance provided by Great American Insurance Company, Everest Reinsurance Company and Greenlight Reinsurance LTD, and \$10 million excess of \$15 million provided by PRISM with reinsurance provided by Safety National Casualty Corporation. Great American and Allied World National Assurance Co. provide \$10 million excess of \$25 million, Allied World National Assurance Co. provides \$5 million excess of \$35 million and Munich Reinsurance America, Inc. provides \$10 million excess of \$40 million. In addition, the actuary has recommended that the County maintains a \$24 million reserve to cover SIR exposure for auto and general liability programs. No settlements related to these programs have exceeded insurance coverage in the last three years.

The Workers' Compensation program continued under PRISM Excess Workers' Compensation Program with a policy of \$2 million SIR and statutory limits with Great American Insurance Co., ACE American Insurance Co. and Liberty Insurance Corp. Property damage claims are insured on an occurrence basis over a \$25 thousand deductible through PRISM and reinsured with National Union Fire Insurance Co. of Pittsburg, PA. and with several insurers/reinsurers like Westchester Fire, Aspen Insurance UK Limited, Homeland Insurance Co. of New York, Ironshore Indemnity Inc., and Lloyd's of London, among others.

The County supplements its self-insurance for medical malpractice claims with a \$25 million policy (\$35 million aggregate) with BETA Risk Management Authority, which provides annual coverage on a claims made basis with a SIR of \$1 million for each claim.

Environmental claims are expected to occur infrequently but have the potential to be expensive when they do occur. The County has experienced only two significant environmental liability claims since it began self-insuring this exposure in 1983. Given that environmental liability is an extremely volatile coverage, which is characterized by low frequency and high severity, the County has taken a conservative stance, as recommended by the actuary, by setting aside a minimum of \$10 million to cover future environmental liability claims.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 14 – SELF-INSURANCE (CONTINUED)**

All public officials and County employees are insured under a blanket Comprehensive Disappearance, Destruction, and Dishonesty policy covering County monies and securities, with Berkley Regional Insurance Co. with a \$100 thousand deductible, and excess limits up to \$10 million per occurrence.

The activities related to such programs are accounted for in the Risk Management Department's internal service funds ("Funds"), except for unemployment insurance, and employee dental insurance, which are accounted for in the General Fund. The liabilities recorded in these Funds are based on the results of actuarial studies and include amounts for allocated and unallocated loss adjustment expenses. The liabilities for these claims are reported using a discounted rate of 0.79% and an actuarially-determined 80% confidence level. It is the County's practice to obtain actuarial studies on an annual basis.

The total claims liability of \$374.76 million reported at June 30, 2021, is based on the requirements of GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated.

Changes in the claims liability amounts in fiscal years 2020 and 2021 were:

<u>Fiscal Year</u>	<u>Beginning of Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Year End</u>
2019-20	\$287,658	\$83,389	(\$54,068)	\$316,979
2020-21	\$316,979	\$107,184	(\$49,404)	\$374,759

**NOTE 15 – COLLATERALIZED FACILITIES**

The following County Facilities have been pledged as collateral in certain County financing transactions:

<u>Facilities</u>	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
West Valley Juvenile Detention Center	\$ 5,077	\$ -	\$ 5,077	\$ -
Arrowhead Regional Medical Center	490,481	-	-	490,481
Hall of Records (New)	12,666	-	12,666	-
Glen Helen Pavilion Amphitheater	26,174	-	26,174	-
Sheriff's Admin Bldg	13,416	-	13,416	-
County Government Center	25,711	-	25,711	-
	<u>\$ 573,525</u>	<u>\$ -</u>	<u>\$ 83,044</u>	<u>\$ 490,481</u>

These facilities remain pledged as collateral until the associated County financing transactions become paid in full. As of January 1, 2021, the County terminated the sublease on the Lease/Lease Back transaction for the following facilities: West Valley Juvenile Detention Center, Hall of Records (New), Glen Helen Pavilion Amphitheater, Sheriff's Admin Bldg., and County Government Center.

In addition to these facilities, the County entered into a ground lease agreement with the State of California for the property located on 9438 Commerce Way in Adelanto, California, known as the Adelanto Detention Center Expansion, to assist the County in obtaining eligibility for AB900 funding. The State, in turn, has pledged the facility as collateral for lease-revenue bonds it issued to fund the project.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 16 – FUND BALANCES DETAIL**

Details of Fund Balance Classifications reported in Governmental Funds are as follows:

	General Fund	Capital Improvement Fund	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Project Funds	Nonmajor Permanent Funds	Total
<b>Nonspendable:</b>							
Loan Receivable	\$ 30,159	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,159
Noncurrent Interfund Receivable	2	-	-	-	-	-	2
Prepaid Items and Inventories	10,804	-	31,113	-	-	-	41,917
Land Held for Resale	549	-	-	-	-	-	549
Endowments	-	-	-	-	-	1,837	1,837
<b>Total Nonspendable Fund Balance</b>	<b>41,514</b>	<b>-</b>	<b>31,113</b>	<b>-</b>	<b>-</b>	<b>1,837</b>	<b>74,464</b>
<b>Restricted for:</b>							
Social Services Realignment	125,721	-	-	-	-	-	125,721
Health Services Realignment	114,034	-	-	-	-	-	114,034
Behavioral Health Realignment	105,771	-	-	-	-	-	105,771
Law and Justice Realignment	111,275	-	-	-	-	-	111,275
Family Support Realignment	37,627	-	-	-	-	-	37,627
CalWORKs Maintenance of Effort Realignment	10,709	-	-	-	-	-	10,709
Teeter Plan	17,755	-	-	-	-	-	17,755
Aging Programs	3,350	-	-	-	-	-	3,350
Debt Service	-	-	-	17,272	-	-	17,272
Central Courthouse Project	-	-	3,800	-	-	-	3,800
Redemption Restitution Maintenance	-	-	2,375	-	-	-	2,375
Redevelopment Housing	-	-	5,193	-	19,783	-	24,976
Capital Improvement Projects	-	115,734	-	-	-	-	115,734
Flood Control	-	-	166,246	-	-	-	166,246
Domestic Violence Programs	-	-	1,825	-	-	-	1,825
Crime Prosecution	-	-	8,004	-	-	-	8,004
Probation Programs	-	-	37,630	-	-	-	37,630
Recorder's Micrographics	-	-	23,250	-	-	-	23,250
Local Law Enforcement Block Grant	-	-	1,992	-	-	-	1,992
Sheriff Special Projects	-	-	14,523	-	-	-	14,523
Fire Protection	-	-	167,551	-	8,500	-	176,051
Chino Agriculture Preserve	-	-	31,976	-	-	-	31,976
Road Operations	-	-	64,678	-	-	-	64,678
Measure I	-	-	33,511	-	-	-	33,511
Regional Development Mitigation Plan	-	-	34,965	-	-	-	34,965
Facilities Development Plans	-	-	3,521	-	-	-	3,521
Airport Operations	-	-	6,357	-	-	-	6,357
Mental Health Services Act	-	-	197,956	-	-	-	197,956
Block Grant Carryover Program	-	-	10,225	-	-	-	10,225
Vector Control Assessments	-	-	3,614	-	-	-	3,614
Public Health - Other	-	-	1,195	-	-	-	1,195
Inland Counties Emergency Medical Agencies	-	-	7,133	-	-	-	7,133
Aging and Adult Services - Other	-	-	1,515	-	-	-	1,515
Economic and Community Development	-	-	34,221	-	-	-	34,221
Wraparound Reinvestment	-	-	38,732	-	-	-	38,732
Regional Parks	-	-	2,121	-	-	-	2,121
County Free Library	-	-	21,908	-	-	-	21,908
County Assessors Program	-	-	2,064	-	-	-	2,064
County Service Area	-	-	32,887	-	3,171	-	36,058
Other Restricted Programs	-	-	4,989	-	-	-	4,989
<b>Total Restricted Fund Balance</b>	<b>526,242</b>	<b>115,734</b>	<b>965,957</b>	<b>17,272</b>	<b>31,454</b>	<b>-</b>	<b>1,656,659</b>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 16 – FUND BALANCES DETAIL (CONTINUED)**

	General Fund	Capital Improvement Fund	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Project Funds	Nonmajor Permanent Funds	Total
<b>Committed to:</b>							
Medical Center Debt Service	\$ 32,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,075
Bloomington Community Benefit/Improvement Reserve	1,000	-	-	-	-	-	1,000
Vision to Succeed	249	-	-	-	-	-	249
New PIMS Replacement System	7,231	-	-	-	-	-	7,231
825 East 3rd Street	15,364	-	-	-	-	-	15,364
New Voting System	2,388	-	-	-	-	-	2,388
Glen Helen Rehabilitation Center Jail Upgrade	75	-	-	-	-	-	75
New Property Tax System	21,928	-	-	-	-	-	21,928
Earned Leave	10,207	-	-	-	-	-	10,207
Rim Forest Drainage Project	2,576	-	-	-	-	-	2,576
Animal Shelter Capital Project	9,900	-	-	-	-	-	9,900
Adelanto Detention Center Jail Upgrade	4,781	-	-	-	-	-	4,781
Retirement	10,944	-	-	-	-	-	10,944
Permit Systems Upgrade	153	-	-	-	-	-	153
West Valley Detention Center Jail Upgrade	6,598	-	-	-	-	-	6,598
Land Use Services Plan and Amendments	884	-	-	-	-	-	884
National Trails Highway	3,920	-	-	-	-	-	3,920
Labor	5,146	-	-	-	-	-	5,146
Rock Springs Bridge Project	2,037	-	-	-	-	-	2,037
Asset Replacement	43,131	-	-	-	-	-	43,131
Strategic Initiatives Reserve	308	-	-	-	-	-	308
Big Bear Apline Zoo	1,700	-	-	-	-	-	1,700
Valley Dispatch Reserve	36,843	-	-	-	-	-	36,843
Cedar Avenue Interchange	6,723	-	-	-	-	-	6,723
Litigation Expenses	13,640	-	-	-	-	-	13,640
County Fire - Fire Training Center	820	-	-	-	-	-	820
Stanfield Cutoff Road Repair and Bridge Replacement	405	-	-	-	-	-	405
Chino Airport Development Plan Reserve	250	-	-	-	-	-	250
Glen Helen Parkway Bridge Project	1,666	-	-	-	-	-	1,666
MOU - California University of Science and Medicine	2,000	-	-	-	-	-	2,000
Archives Acquisition	4,300	-	-	-	-	-	4,300
Enterprise Financial System Post Implementation Costs	5,000	-	-	-	-	-	5,000
Agenda Management Systems	995	-	-	-	-	-	995
Juvenile Dependency Court Building	1,650	-	-	-	-	-	1,650
CGC Board Chambers	1,250	-	-	-	-	-	1,250
December 2nd Memorial	449	-	-	-	-	-	449
Indigent Defence Costs	500	-	-	-	-	-	500
Public Guardian Lease Space Reserve	167	-	-	-	-	-	167
Countywide Crime Suppression and Pilot Program	223	-	-	-	-	-	223
Revolving Loan Program	2,000	-	-	-	-	-	2,000
<b>Total Committed Fund Balance</b>	<b>261,476</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>261,476</b>
<b>Assigned to:</b>							
Automated Systems Development	3,828	-	-	-	-	-	3,828
800 MHZ Upgrade Project	-	47,587	-	-	-	-	47,587
Rancho Court Remodel	-	8	-	-	-	-	8
County Buildings Retrofit and Improvements	-	88,769	-	-	-	-	88,769
Maintenance, Upgrades and Other Capital Outlay	-	241,358	-	-	-	-	241,358
High Desert Animal Shelter	-	1,128	-	-	-	-	1,128
Disaster Recovery	-	-	4,649	-	-	-	4,649
Flood Control	-	-	6,451	-	-	-	6,451
Sheriff Special Projects	-	4,272	-	-	-	-	4,272
Road Operations	-	-	29,918	-	-	-	29,918
Master Settlement Agreement	-	-	29,440	-	-	-	29,440
Mental Health	-	-	4,118	-	-	-	4,118
Human Resources	-	-	13,847	-	-	-	13,847
Economic and Community Development	-	-	2,842	-	-	-	2,842
Regional Parks	-	-	5,024	-	-	-	5,024
San Manuel Amphitheater	-	-	444	-	-	-	444
Other Assigned Programs	302	-	535	-	-	-	837
<b>Total Assigned Fund Balance</b>	<b>4,130</b>	<b>383,122</b>	<b>97,268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>484,520</b>
<b>Unassigned Fund Balance</b>	<b>811,697</b>	<b>-</b>	<b>(3,434)</b>	<b>-</b>	<b>(2,443)</b>	<b>-</b>	<b>805,820</b>
<b>Total Fund Balances</b>	<b>\$ 1,645,059</b>	<b>\$ 498,856</b>	<b>\$ 1,090,904</b>	<b>\$ 17,272</b>	<b>\$ 29,011</b>	<b>\$ 1,837</b>	<b>\$ 3,282,939</b>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 17 – MEDICARE AND MEDI-CAL PROGRAMS**

The Medical Center provides services to eligible patients under Medi-Cal and Medicare programs. For the years ended June 30, 2021 and 2020, the Medi-Cal program represented approximately 51% and 52%, and the Medicare program represented approximately 28% and 27%, respectively, of the Medical Center's net patient service revenues. Medi-Cal inpatient services are reimbursed at contractually agreed upon per diem rates and outpatient services are reimbursed under a schedule of maximum allowances. Medicare inpatient services are reimbursed based upon pre-established rates for Medicare Severity-Diagnostic Related Group (MS-DRG). Outpatient services are reimbursed based on prospectively determined payments per procedure under a system called Ambulatory Payment Classifications. Certain defined capital and the medical education costs related to Medicare beneficiaries continue to be paid based on a cost-reimbursement methodology. The Medical Center is reimbursed for cost reimbursable items at a tentative rate, with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the fiscal intermediary. The Medical Center's classification of patients under these programs and the appropriateness of their admissions are subject to an independent review by a peer review organization under contract with the Medical Center. Final reports on the results of such audits have been received through June 30, 2015 for Medi-Cal. Notice of Amount of Program Reimbursement (NPR) has been received for Medicare cost reports through June 30, 2019. Adjustments as a result of such audits are recorded in the year the amounts can be determined.

Additional detailed financial information, including separately issued financial statements, can be obtained from the Auditor-Controller/Treasurer/Tax Collector's Office at 268 W. Hospitality Lane, San Bernardino, CA 92415-0018.

**NOTE 18 – RETIREMENT PLAN**

The County provides pension benefits to eligible employees through a cost sharing multiple-employer defined benefit pension plan (the Plan) administered by the San Bernardino County Employees' Retirement Association (SBCERA). SBCERA is a fiduciary component unit of the County pursuant to GASB Statement Nos. 61 and 84 and its fiduciary activity is included in the pension (and other employee benefit) trust fund column of the County's fiduciary fund financial statements.

**Plan Description**

SBCERA was established in 1945 and operates under the provisions of the California County Employees Retirement Law of 1937 (CERL), and the California Public Employees' Pension Reform Act of 2013 (PEPRA). The Plan's authority to establish and amend the benefit terms are set by the CERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the San Bernardino County Board of Supervisors and/or the SBCERA Board of Retirement (Board). SBCERA is a tax qualified plan under Section 401(a) of the Internal Revenue Code.

SBCERA provides benefits to its members, who are employed by 16 active plan sponsors (participating employers), and five withdrawn employers. These include: The San Bernardino County, Barstow Fire Protection District, Big Bear Fire Authority, California State Association of Counties, City of Big Bear Lake, City of Chino Hills, Crestline Sanitation District, Department of Water and Power of the City of Big Bear Lake, Hesperia Recreation and Park District, Law Library for San Bernardino County, Local Agency Formation Commission, Mojave Desert Air Quality Management District, SBCERA, San Bernardino County Transportation Authority, South Coast Air Quality

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

Management District, and Superior Court of California San Bernardino County (Superior Court), Inland Valley Development Agency (withdrew June 30, 2012), San Bernardino International Airport Authority (withdrew June 30, 2012), Rim of the World Recreation and Park District (withdrew May 4, 2013), Inland Library System (withdrew May 31, 2019), and California Electronic Recording Transaction Network Authority (withdrew June 30, 2021).

Fiduciary oversight of SBCERA is vested with the SBCERA Board, which consists of nine voting members and three alternate members. Four members are appointed by the San Bernardino County's Board of Supervisors, six members (which include two alternates) are elected by the members of SBCERA (General members elect two members, Safety members elect one member and one alternate, and Retired members elect one member and one alternate), and the San Bernardino County Treasurer (County Treasurer) is an ex-officio member who has designated one alternate. Board members serve three-year terms, with the exception of the County Treasurer, who serves during their tenure in office. SBCERA's Chief Executive Officer is appointed by the Board, and implements the policies and direction set by the Board.

SBCERA publishes its own comprehensive annual financial report that includes its financial statements and required supplementary information, which can be obtained by contacting SBCERA, attention Fiscal Services Department, 348 W. Hospitality Lane, San Bernardino, California 92408 or visiting the website at [www.SBCERA.org](http://www.SBCERA.org).

**Plan Membership**

As of the June 30, 2020 actuarial valuation, SBCERA membership consisted of 43,141 members, including 21,814 active members, 13,833 inactive members or beneficiaries currently receiving benefits, 3,049 inactive members eligible for but not yet receiving benefits, and 4,445 inactive members with fewer than five years of service credit and eligible for refund value of account only.

**Benefits Provided**

SBCERA provides retirement, disability, death and survivor benefits. SBCERA administers the Plan which provides benefits for two membership classifications, General and Safety, and those benefits are tiered based upon date of SBCERA membership. Safety membership is extended to those involved in active law enforcement and fire suppression. All other members are classified as General members. Generally, those who become members prior to January 1, 2013 are Tier 1 members. All other members are Tier 2. An employee who is appointed to a regular or contract position, whose service is at least fifty percent of the full standard of hours required is a member of SBCERA, and is provided with pension benefits pursuant to Plan requirements.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

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

	<u>General - Tier 1</u>	<u>General - Tier 2</u>	<u>Safety - Tier 1</u>	<u>Safety - Tier 2</u>
Final Average Compensation	Highest 12 consecutive months	Highest 36 consecutive months	Highest 12 consecutive months	Highest 36 consecutive months
Normal Retirement Age	The later of age 55 or the age at which the member vests in his/her benefits under the CERL, but not later than age 70	The later of age 55 or the age at which the member vests in his/her benefits under the CERL, but not later than age 70	The later of age 50 or the age at which the member vests in his/her benefits under the CERL, but not later than age 70	The later of age 50 or the age at which the member vests in his/her benefits under the CERL, but not later than age 70
Early Retirement: Years of service required and /or age eligible for	Age 70 any years 10 years age 50 30 years any age	Age 70 any years 5 years age 52 N/A	Age 70 any years 10 years age 50 20 years any age	Age 70 any years 5 years age 50 N/A
Benefit	At normal retirement age, 2.00% per year of final average compensation for every year of service credit	At age 67, 2.50% per year of final average compensation for every year of service credit	At normal retirement age, 3.00% per year of final average compensation for every year of service credit	At age 57, 2.70% per year of final average compensation for every year of service credit
Benefit Adjustments	Reduced before age 55, increased after 55 up to age 65	Reduced before age 67	Reduced before age 50	Reduced before age 57
Final Average Compensation Limitation	Internal Revenue Code section 401(a)(17)	Government Code section 7522.10	Internal Revenue Code section 401(a)(17)	Government Code section 7522.10

An automatic cost of living adjustment is provided to benefit recipients based on changes in the local region Consumer Price Index (CPI) up to a maximum of 2% per year. Any increase greater than 2% is banked and may be used in years where the CPI is less than 2%. There is a one-time 7% increase at retirement for members hired before August 19, 1975. The Plan also provides disability and death benefits to eligible members and their beneficiaries, respectively. For retired members, the death benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to benefits based on the members years of service or if the death was caused by employment. General members are also eligible for survivor benefits which are payable upon a member's death.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

**Contributions**

Participating employers and active members are required by statute to contribute a percentage of covered payroll to the Plan. This requirement is pursuant to Government Code sections 31453.5 and 31454 for participating employers, and Government Code sections 31621.6, 31639.25, and 7522.30 for active members. The contribution requirements are established and may be amended by the SBCERA Board pursuant to Article 1 of the CERL, which is consistent with the Plan’s actuarial funding policy. The contribution rates are adopted yearly based on an annual actuarial valuation, which is conducted by an independent actuary, that requires actuarial assumptions with regard to mortality, expected future service (including age at entry into the Plan, if applicable and tier), and compensation increases of the members and beneficiaries. The combined active member and employer contribution rates are expected to finance the costs of benefits for employees that are allocated during the year, with an additional amount to finance any unfunded accrued liability. Participating employers may pay a portion of the active members’ contributions through negotiations and bargaining agreements.

Employee and employer contribution rates for the fiscal year ended June 30, 2021, are as follows:

	<u>General - Tier 1</u>	<u>General - Tier 2</u>	<u>Safety - Tier 1</u>	<u>Safety - Tier 2</u>
Employee contribution rates	8.71% to 15.55%	9.11%	11.58% to 18.02%	16.13%
Employer contribution rates	25.84%	23.32%	57.11%	51.51%

For the year ended June 30, 2021, the County’s employer contributions to the Plan were equal to the actuarially determined required employer contributions as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government Total</u>	<u>Discretely Presented Component Unit</u>
Employer Contributions				
General Members	\$ 216,265	\$ 48,509	\$ 264,774	\$ 396
Safety Members	149,909	-	149,909	-
Total	<u>\$ 366,174</u>	<u>\$ 48,509</u>	<u>\$ 414,683</u>	<u>\$ 396</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

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

As of June 30, 2021, the County reported net pension liabilities for its proportionate share of the Plan's net pension liability as follows:

	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
General Members	\$ 1,742,708	\$ 369,379	\$ 2,112,087	\$ 2,896
Safety Members	1,205,178	-	1,205,178	-
Total	<u>\$ 2,947,886</u>	<u>\$ 369,379</u>	<u>\$ 3,317,265</u>	<u>\$ 2,896</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's fiscal year 2020 actual contributions to the Plan relative to the total employer contributions of all SBCERA's participating employers. The County's proportion in the Plan was 82.83%, including 82.76% for the primary government and 0.07% for the discretely presented component unit. This proportion excludes the Consolidated Fire Agencies of the East Valley as it is not part of the County's reporting entity. There was an increase of 1.10%, including 1.10% for primary government and a slight increase 0.003% for discretely presented component unit, from its proportion measured as of June 30, 2019.

The allocation of the County's proportion of the net pension liability to governmental activities, business-type activities, and a discretely presented component unit was based on each fund group's fiscal year 2020 actual contributions to the County's pension plan relative to the total contributions of the County. The allocation of the County's proportion and its change from its proportion measured as of June 30, 2019 are as follows:

	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Proportion - June 30, 2020				
General Members	52.48%	11.13%	63.61%	0.09%
Safety Members	36.30%	-	36.30%	-
Total	<u>88.78%</u>	<u>11.13%</u>	<u>99.91%</u>	<u>0.09%</u>
Change - Increase (Decrease)				
General Members	3.14%	0.85%	3.99%	0.00%
Safety Members	-3.99%	-	-3.99%	-
Total	<u>-0.85%</u>	<u>0.85%</u>	<u>0.00%</u>	<u>0.00%</u>

For the year ended June 30, 2021, the County recognized pension expense of \$658,648 as follows:

	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Pension Expense	\$ 580,103	\$ 78,014	\$ 658,117	\$ 531

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

At June 30, 2021, the County reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions, from the following sources:

	Deferred Outflows of Resources			
	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Changes of assumptions	\$ 345,331	\$ 43,271	\$ 388,602	\$ 339
Differences between actual and expected experience	36,150	4,530	40,680	36
Net differences between projected and actual earnings on pension plan investments	622,052	77,945	699,997	611
Changes in proportion and differences between County contributions and proportionate share of contributions	51,120	26,719	77,839	108
Pension contributions subsequent to the measurement date	366,174	48,509	414,683	396
<b>Total</b>	<b>\$ 1,420,827</b>	<b>\$ 200,974</b>	<b>\$ 1,621,801</b>	<b>\$ 1,490</b>

	Deferred Inflows of Resources			
	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Differences between actual and expected experience	\$ 27,969	\$ 3,505	\$ 31,474	\$ 27
Changes in proportion and differences between County contributions and proportionate share of contributions	52,590	3,018	55,608	162
<b>Total</b>	<b>\$ 80,559</b>	<b>\$ 6,523</b>	<b>\$ 87,082</b>	<b>\$ 189</b>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

The total amount of \$415,079 reported as deferred outflows of resources related to contributions to the Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
2022	\$ 198,408	\$ 30,725	\$ 229,133	\$ 165
2023	288,543	41,052	329,595	247
2024	249,416	36,347	285,763	234
2025	200,668	30,104	230,772	212
2026	37,059	7,714	44,773	47
Total	<u>\$ 974,094</u>	<u>\$ 145,942</u>	<u>\$ 1,120,036</u>	<u>\$ 905</u>

**Actuarial Assumptions**

The County's proportion of the Plan's total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Inflation	2.75%
Projected Salary Increases	General: 4.55% to 12.75%; Safety: 4.75% to 12.25%
Cost of Living Adjustments	Consumer price index with a 2.00% maximum
Administrative Expenses	0.85% of payroll

The actuarial assumptions used to determine the total pension liability as of June 30, 2020 were based on the results of the June 30, 2019 Actuarial Experience Study, which covered the period from July 1, 2016 through June 30, 2019. They are the same assumptions used in the June 30, 2020 actuarial valuation.

Mortality rates used in the June 30, 2020 actuarial valuation were based on the Pub-2010 Amount-Weighted Above-Median Mortality Table projected generationally with the two-dimensional MP-2019 projection scale. For healthy General members, the General Healthy Retiree rates increased by 10% were used. For healthy Safety members, the Safety Healthy Retiree rates were used. For disabled General members, the Non-Safety Disabled Retiree rates were used. For disabled Safety members, the Safety Disabled Retiree rates were used. For beneficiaries, the General Contingent Survivor rates increased by 10% were used.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

The long-term expected rate of return on the Plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation, and subtracting expected investment expenses and a risk margin. The June 30, 2020 target allocation (approved by the SBCERA Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the table as follows:

Asset Class	Investment Classification	Target Allocation <sup>(1)</sup>	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	Domestic Common and Preferred Stock	11.00%	5.42%
Small Cap U.S. Equity	Domestic Common and Preferred Stock	2.00%	6.21%
Developed International Equity	Foreign Common and Preferred Stock	9.00%	6.50%
Emerging Market Equity	Foreign Common and Preferred Stock	6.00%	8.80%
U.S. Core Fixed Income	U.S. Government and Municipals/Domestic Bonds	2.00%	1.13%
High Yield/Credit Strategies	Domestic Bonds/Foreign Bonds	13.00%	3.40%
International Core Fixed Income	Foreign Bonds	1.00%	-0.04%
Emerging Market Debt	Emergng Market Debt	8.00%	3.44%
Real Estate	Real Estate	3.50%	4.57%
Value Added Real Estate	Real Estate	3.50%	6.53%
International Credit	Foreign Alternatives	11.00%	5.89%
Absolute Return	Domestic Alternatives/Foreign Alternatives	7.00%	3.69%
Real Assets	Domestic Alternatives/Foreign Alternatives	5.00%	10.64%
Private Equity	Domestic Alternatives/Foreign Alternatives	16.00%	10.70%
Cash and Equivalents	Short-Term Cash Investment Funds	2.00%	-0.03%
Total		100.00%	

(1) For actuarial purposes, target allocations only change once every three years based on the triennial actuarial experience study.

**Discount Rate**

The discount rate used to measure the Plan's total pension liability was 7.25% for the year ended June 30, 2020. The projection of cash flows used to determine the discount rate assumed employer and member contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Plan investments of 7.25% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2020.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 18 – RETIREMENT PLAN (CONTINUED)**

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the County's proportionate share of the net pension liability, calculated using the discount rate of 7.25%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
County's proportionate share of the net pension liability				
1.00% Decrease (6.25%)	\$ 4,390,542	\$ 571,839	\$ 4,962,381	\$ 4,484
Current Discount Rate (7.25%)	2,947,887	369,379	3,317,266	2,896
1.00% Increase (8.25%)	1,766,591	203,597	1,970,188	1,596

**Pension Plan Fiduciary Net Position**

Detailed information about the pension fund's fiduciary net position is available in the separately issued SBCERA annual comprehensive financial report.

**NOTE 19 – LEASE/LEASEBACK**

In May 1997, the County entered into a lease agreement whereby seven separate County parcels (each a Parcel and together, the Parcels), including related buildings, valued at a total of approximately \$146 million, were leased to a Delaware business trust (Trust) formed for a certain lease-leaseback transaction to act in various capacities for the benefit of the investor (the Investor) as described in the transaction. The County simultaneously entered into a sublease agreement with the Trust to lease the buildings back. With respect to the lease agreement, the County received a prepayment of \$25.6 million from the Trust, which was created by the Investor and the trustee for the Trust. The County transferred \$17.0 million to a sublease guaranty entity (Sublease Guaranty Trust) in order to induce the Sublease Guaranty Trust to provide a guaranty for the County's obligations under the sublease agreement. In order to secure its obligations, the Sublease Guaranty Trust used the monies to cause AIG-FP Special Finance and AIG-Matched Funding Corp to deliver a Letter of Credit (Loan) and a Letter of Credit (Equity), respectively, under the terms of a certain Debt Payment Agreement and a certain Equity Payment Agreement. After transaction expenses were paid, the County retained \$8.8 million.

The Letter of Credit (Loan) and the Letter of Credit (Equity) provide for the payment of the County's obligation under the sublease and exercise of its purchase option. As a result, obligations under the lease-leaseback arrangement are considered to be economically, although not legally defeased. Therefore, the trust assets and the related debt have been excluded from the County's financial statements. The term of the full lease with the financing institution ends in 2034. However, the sublease provides a procedure whereby the sublease with respect to one Parcel was terminated as of January 2010 and, with respect to another Parcel, terminated on July 1, 2014, and with respect to the remaining five Parcels, terminates in 2021. The County terminated the sublease as to the five remaining parcels on January 1, 2021.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 19 – LEASE/LEASEBACK (CONTINUED)**

AIG is subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (SEC). Such reports, proxy statements and other information can be inspected and copied at public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, United States, at prescribed rates. In addition, the SEC maintains a website at <http://www.sec.gov>, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC. The County takes no responsibility for the accuracy, completeness or timeliness of such reports, proxy statements or other information, and such reports, proxy statements and other information is not incorporated herein by reference.

The Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA), enacted on May 17, 2006, included excise taxes and disclosure rules that target certain tax shelter transactions to which a tax exempt entity is a party. In August 2006, the County received notice from the lease/leaseback Investor that the transaction is a prohibited tax shelter transaction as defined in the new TIPRA legislation. The U.S. Treasury issued proposed, temporary and final regulations related to TIPRA and they provide that disclosure by a tax-exempt entity is not required for any transaction entered into by the entity on or before May 17, 2006. The County is unable to determine at this time whether and/or to what extent excise taxes would be applicable to this transaction.

**NOTE 20 – COMMITMENTS AND CONTINGENCIES**

**Lawsuits and Other Claims**

The County has been named as a defendant in numerous lawsuits and claims arising in the normal course of operations. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable loss to the County, such loss has been recorded in the accompanying basic financial statements. In the opinion of County management and County Counsel, the ultimate outcome of the remaining claims cannot be determined at this time.

**Grants**

The County recognizes as revenue, grant monies received as reimbursement for costs incurred in certain Federal and State programs it administers. Although the County's grant programs are being audited through June 30, 2021, in accordance with the provisions of the Single Audit Act of 1996, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Commitments**

The County has entered into contractual agreements for various projects. The following encumbered amounts are included within restricted, committed or assigned fund balance for their specific purposes, respectively.

	<b>Outstanding Encumbrances</b>
Major Governmental Funds:	
General Fund	\$ 122,146
Capital Improvement Fund	29,947
Total Major Governmental Funds	152,093
Nonmajor Governmental Funds	96,361
Total Governmental Funds	\$ 248,454

**Agreements/Certain Claims**

**(a) El Mirage Off-Highway Vehicle Park**

The County entered into an Interagency Agreement (Agreement) with the California Off-Highway Motor Vehicle Recreation Commission, the California Department of Parks and Recreation (Parks), the County of Los Angeles, and the Bureau of Land Management (BLM) to create an off-road vehicle park and camping area on November 14, 1988. The County, BLM, and Parks entered into a MOU to further define the roles of each agency in the development of the El Mirage Off-Highway Vehicle Park (Park) in 1990. In accordance with the Agreement and the MOU, Parks provided the funding, the County is to appraise and acquire land in the Park as an acquisition agent initially taking title in trust for the BLM, and then, convey the land to the BLM to operate and manage the Park. Approximately 1,306 parcels have been acquired and approximately 399 have been transferred to the BLM. There are 135 parcels remaining to be acquired. The El Mirage Trust Fund balance is \$2,005,000.

**(b) Economic and Community Development**

The Economic Development Agency has multiple programs for business and housing loans funded by the Department of Housing and Urban Development (HUD) and administered by either the Economic Development Department or the Department of Community Development and Housing. The grant funds are used to develop viable communities by providing decent, safe and sanitary housing, suitable living environments and expanded economic opportunities for low and moderate income persons.

Business loans were issued for low and moderate income job creation and retention. Housing loans were provided for housing rehabilitation, home buyer assistance, and creation of new affordable housing units. Most of these loans contain forgiveness clauses that allow for the forgiveness of the debt and the amounts become grants once certain conditions have been met. Certain loans for multiple-family and housing rehabilitation contain residual receipts clauses in which the County only collects on the loan balance if income generated by the property exceeds certain levels. At the end of the agreement a remaining balance exists because the residual receipts generated were insufficient to defease the loan; the remaining balance may be forgiven as long as all affordability conditions have been met.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

Under HUD regulations any monies received from the repayments of a business loan or a housing loan are considered to be program income and can only be used for programs or projects that primarily benefit low to moderate income persons. The total amount of these various loans at June 30, 2021, is \$83,460. The estimated amount that will probably be collected in future years is substantially lower due to the nature of the funding source of these loans. Due to this contingent nature of the loans, they are not currently recognized in the financial statements.

**Pollution Remediation**

**(a) Sanitary Landfills**

*Volatile Organic Compound Contamination of Ground Water:* On November 10, 1998, the County approved a settlement agreement with the San Gabriel Valley Water Company (SGVWC). This agreement settles the claim that a volatile organic compound (perchloroethylene (PCE)) released from the Mid-Valley Sanitary Landfill has negatively impacted some of SGVWC's wells which it operates through its subsidiary, Fontana Water Company (FWC). This agreement requires the County to pay for the annual operation and maintenance cost of FWC's (PCE) treatment system for as long as the specified contaminants continue to be detected at FWC's wells in this area.

As security for each annual payment, the County must annually post a letter of credit for 125% of the year's operations and maintenance costs, based upon an estimated budget submitted by the SGVWC. When the agreement was approved, the then-current estimate for the annual operations and maintenance costs was \$500 per year. The operations and maintenance costs over the life of the agreement have averaged about \$289 per year. The agreement does not state a specified number of years over which these annual operations and maintenance costs may be incurred; therefore, a reasonable estimate of the contingent liability cannot be determined. In addition to these costs, the County has historically paid \$224 per year for water rights used to run the PCE remediation systems. Pursuant to a revised two year agreement, for the 2020/2021 water year the County will pay \$297 and for the 2021/2022 water year the County will pay \$302 for the water rights. The agreements upon which these amounts are based expired in May, 2020 and the County is currently determining the extent of any continuing obligation to pay these amounts.

On September 16, 2013, SGVWC orally advised the County that it had been sued by several water purveyors in the Rialto-Colton Basin on September 12, 2013, and that it considered this new lawsuit to be within the defense and indemnity obligations of the 1998 settlement agreement. By letter dated September 20, 2013, SGVWC formally tendered the defense and indemnity of the lawsuit. By letter dated October 4, 2013, the County timely rejected SGVWC's tender. On September 24, 2013, the County received from Fontana Union Water Company (FUWC) its tender of the same lawsuit, and on October 8, 2013, the County timely rejected that tender. Lastly, on October 11, 2013, the County received from Cucamonga Valley Water District (CVWD) its tender of the same lawsuit. The County timely rejected that tender on October 25, 2013. In general, the County's rejection of all tenders was based on the apparent purpose of the new lawsuit to challenge the use of water and water rights by SGVWC and FUWC, not on the existence of leachate contamination in groundwater. On April 17, 2014, San Gabriel Valley Water Company DBA Fontana Water Company and Fontana Union Water Company each filed with the County individual claims asserting that each has been damaged by the County's denial of the tenders and Fontana Water Company also claims property damage from contamination from the landfill. No further communications have been received by the County concerning these claims as of the date of this report. As of September 12, 2018, the lawsuit filed by water purveyors against SGVWC has settled.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

*Perchlorate Contamination of Ground Water:* Commencing in about 2004, numerous lawsuits were filed naming the County concerning perchlorate groundwater contamination in the Rialto-Colton Basin alleged to be emanating from or near the Mid-Valley Sanitary Landfill (“MVSL”) operated by the Solid Waste Management Division. As of June 30, 2021, these lawsuits were substantially resolved as to the County, and the other litigants, through various settlements. The County remains obligated to continue remediation of groundwater contamination in compliance with the settlements, court orders and agency orders.

*San Gabriel Valley Water Company lawsuit involving perchlorate at the MVSL:* On July 1, 2008, San Gabriel Valley Water Company filed a claim alleging that perchlorate from the County’s MVSL, including the expansion portion of the property where aggregate mining is taking place, has impacted its wells in the Rialto-Colton Basin. It is too early to determine the potential liability of the County. While San Gabriel never pursued that claim in court, on April 17, 2014, San Gabriel Valley Water Company DBA Fontana Water Company and Fontana Union Water Company each filed with the County individual claims asserting that each has been damaged by the County’s denial of the tenders and Fontana Water Company also claims property damage from contamination from the landfill. No further communications have been received by the County concerning these claims as of the date of this report. It is uncertain how San Gabriel Valley Water Company will proceed on its claim.

**(b) Chino Airport**

On June 27, 2008, the California Regional Water Quality Control Board (Regional Board) issued a Clean-up and Abatement Order (Order No. R8-2008-0064) to the San Bernardino County Department of Airports concerning contaminated groundwater near the Chino Airport. The Order required the County to conduct an investigation of Volatile Organic Compounds (VOCs) located in groundwater off-site, south, of the Chino Airport and to develop a remedial action plan. Trichloroethylene (TCE), which is a VOC, was originally found in wells down gradient of Chino Airport in the 1980s. The County complied with the Regional Board’s Order through various investigatory plans and processes. The County installed monitoring wells during fiscal year 2012-13 to allow better characterization of the width and depth of the groundwater contamination plume located south of Chino Airport. The characterization of the groundwater plume was completed in mid-2013 and accepted by the Regional Board. The recent (2013-2016) characterization work done by the County indicates that the plume is made up of several VOCs (primarily consisting of TCE and 1, 2, 3-trichloropropane (1, 2, 3-TCP) which was used as an industrial solvent and soil fumigant).

In June 2013, the County submitted to the Regional Board a Work Plan for Additional Site Characterization on the Chino Airport property and that work commenced in late 2013, continuing through calendar year 2014. This site work was completed in early 2015. Reports concerning this Additional Site Characterization work were submitted to the Regional Board. Starting in 2015, the County commenced work on an Engineering Feasibility Study (EFS) to analyze various remediation plans to address the groundwater contamination. The draft EFS was submitted to the Regional Board in August 2016 and approved in 2017.

On January 11, 2017, the Regional Board issued Order No. R8-2017-0011 to supersede Order No. R8-2008-0064. The County is now complying with the new Order and is preparing a final remediation plan for review and approval by the Regional Board. In December 2017, the County submitted to the Regional Board a Draft Interim Remedial Action Plan (IRAP) which identifies the proposed remedial plan to contain and treat the contaminated groundwater. The proposed remedial action set forth in the IRAP contemplates a long term settlement and operations agreement with the Chino Desalter Authority (CDA). The settlement agreement between the County and CDA was approved by their respective boards in September-October 2019. The final IRAP was submitted to the Regional Board on May 18, 2020 and was approved on November 4, 2020.



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

The County expects to receive from one of its insurers reimbursements for investigatory costs incurred as of June 30, 2020. The scope and cost of a final remediation plan is dependent on approval by the Regional Board and will require cooperation with the CDA and possibly the Water Master. Further, the workplan to implement the remediation has not yet been approved by the oversight agency – the Regional Board. However, the County has estimated costs for the Remediation Plan including operations and maintenance over 30-50 years to possibly range between \$32-52 million.

**Contingencies**

**COVID-19 Pandemic**

The COVID-19 virus originated in late 2019 and began spreading, initially, within China and then to other countries. On January 30, 2020, the World Health Organization declared the outbreak to be a “public health emergency of international concern”. This was followed on January 31, 2020 by the United States Human Services Secretary declaring a public health emergency. The number of cases internationally, within the US and within California continue to rise.

On March 4, 2020, Governor Newsom issued a Proclamation of a State of Emergency as a result of the COVID-19 outbreak due to the rising number of confirmed cases and anticipated complications for those infected. On March 10, 2020, the County Public Health Officer declared a local health emergency to help ensure county government and the public were prepared for the possibility that COVID-19 will appear within the county. On March 10, 2020, the Board of Supervisors proclaimed the existence of a local emergency within San Bernardino County resulting from COVID-19, which causes infectious disease resulting in symptoms of fever, coughing and shortness of breath with outcomes ranging from mild to severe illness and in some cases, death.

The County is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the current and future full impact to the County is not known.

**NOTE 21 – RESTATEMENT OF FUND BALANCE/NET POSITION**

During the fiscal year ended June 30, 2021, the County implemented the provisions of GASB Statement No. 84, Fiduciary Activities, which establishes criteria for identifying and reporting fiduciary activities. As a result, certain activities formerly classified as agency funds and investment trust funds are now categorized as custodial funds, private-purpose trusts, investment trust funds, or governmental funds. Additionally, a pension trust fund, the San Bernardino County Public Employees’ Association, was added to the County’s fiduciary trust funds as required by this statement. As a result of this implementation, beginning net position for governmental funds and fiduciary funds were restated, increasing beginning fund balance and net position by \$27,481 and \$10,999,244, respectively.

In addition, a prior period adjustment of \$82,955 was made to decrease the Business-Type Activities’ beginning net position. The Housing Authority of the County of San Bernardino (HACSB) was no longer a component unit of the County due to the impacts on change in governance structure in January 2020. As a result, the County excludes the HACSB from the County’s annual comprehensive financial report as from the fiscal year 2021.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 21 – RESTATEMENT OF FUND BALANCE/NET POSITION (CONTINUED)**

The restatement of beginning fund balance/net position is summarized as follows:

**Restatement to the Government-Wide:**

	Governmental Activities	Business-Type Activities
Beginning Net Position, as previously reported	\$ 2,992,455	\$ 616,043
Prior Period Adjustments - General Fund	7,241	-
Prior Period Adjustments - Special Revenue Funds		
Redevelopment Housing Successor	2,262	-
Other Special Revenue Funds	15,278	-
Exclusion of a Proprietary Fund - Housing Authority		(82,955)
Beginning Net Position, as restated	<u>\$ 3,017,236</u>	<u>\$ 533,088</u>

**Restatement to the Fund Financials:**

	Governmental Funds		Proprietary Fund
	General Fund	Nonmajor Governmental Funds	Housing Authority
Beginning Fund Balance/Net Position, as previously reported	\$ 1,215,943	\$ 971,446	\$ 82,955
Reclassification from agency funds to the general fund:			
Human Resources benefits clearing funds	6,304	-	-
Recorder-Clerk fees clearing funds	937	-	-
Reclassification to the general fund total	<u>7,241</u>	<u>-</u>	<u>-</u>
Reclassification from agency funds to special revenue funds:			
Community Development and Housing funds	<u>-</u>	<u>2,262</u>	<u>-</u>
Reclassification from agency funds to other special revenue funds:			
Human Resources benefits clearing funds	-	10,259	-
Emergency Medical Services funds	-	3,034	-
Reclassification from an investment trust fund to other special revenue funds:			
El Mirage Off-Road Vehicle project fund	<u>-</u>	<u>1,985</u>	<u>-</u>
Reclassification to other special revenue funds total	<u>-</u>	<u>15,278</u>	<u>-</u>
Exclusion of a previously reported enterprise fund:			
Housing Authority (HACSB)	<u>-</u>	<u>-</u>	<u>(82,955)</u>
Beginning Fund Balance/Net Position, as restated	<u>\$ 1,223,184</u>	<u>\$ 988,986</u>	<u>\$ -</u>



**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 21 – RESTATEMENT OF FUND BALANCE/NET POSITION (CONTINUED)**

**Restatement to Fiduciary Funds:**

	<b>Fiduciary Funds</b>			
	Pension (and Other Employee Benefit) Trust Fund	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
Beginning Net Position (Deficit), as previously reported	\$ -	\$ 3,845,442	\$ (45,830)	\$ -
Inclusion of Pension (and Other Employee Benefit) trust fund	10,287,334	-	-	-
Reclassification of an inmate welfare fund from an agency fund	-	543	-	-
Reclassification of custodial funds from investment trust funds	-	(8)	-	8
Reclassification from an investment trust fund to a special revenue fund: El Mirage Off-Road Vehicle project fund	-	(1,985)	-	-
Reclassification from agency funds to private-purpose trust funds:				
Public Guardian	-	-	6,284	-
Public Administrator	-	-	5,614	-
Reclassification of investment trust funds from agency funds	-	59,147	-	-
Reclassification of custodial funds from agency funds	-	-	-	642,307
Beginning Net Position (Deficit), as restated	<u>\$ 10,287,334</u>	<u>\$ 3,903,139</u>	<u>\$ (33,932)</u>	<u>\$ 642,315</u>

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

**NOTE 22 – NEW ACCOUNTING PRONOUNCEMENTS**

*GASB Statement No. 87 – Leases*

In June 2017, 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. The requirements of this Statement were postponed by GASB 95 and are effective for the fiscal year ending June 30, 2022. The County has not determined the effect of this Statement.

*GASB Statement No. 89 – Accounting for Interest Cost Incurred before the End of a Construction Period*

In June 2018, 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 were postponed by GASB 95 and are effective for the fiscal year ending June 30, 2022. The County has not determined the effect of this Statement.

*GASB Statement No. 91 – Conduit Debt Obligations*

In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The primary 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 disclosures. The requirements of this Statement were postponed by GASB 95 and are effective for the fiscal year ending June 30, 2023. The County has not determined the effect of this Statement.

*GASB Statement No. 92 – Omnibus 2020*

In January 2020, 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 were postponed by GASB 95 and are effective for the fiscal year ending June 30, 2022. The County has not determined the effect of this Statement.

*GASB Statement No. 93 – Replacement of Interbank Offered Rates*

In March 2020, GASB issued Statement No. 93, Replacement of Interbank Offered Rates (IBOR). The primary objectives of this Statement are to address the accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement were postponed by GASB 95 and are effective for the fiscal year ending June 30, 2022. The County has not determined the effect of this Statement.

*GASB Statement No. 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statements is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for the fiscal year ending June 30, 2023. The County has not determined the effect of this Statement.

**SAN BERNARDINO COUNTY**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2021**  
**(Amounts in thousands)**

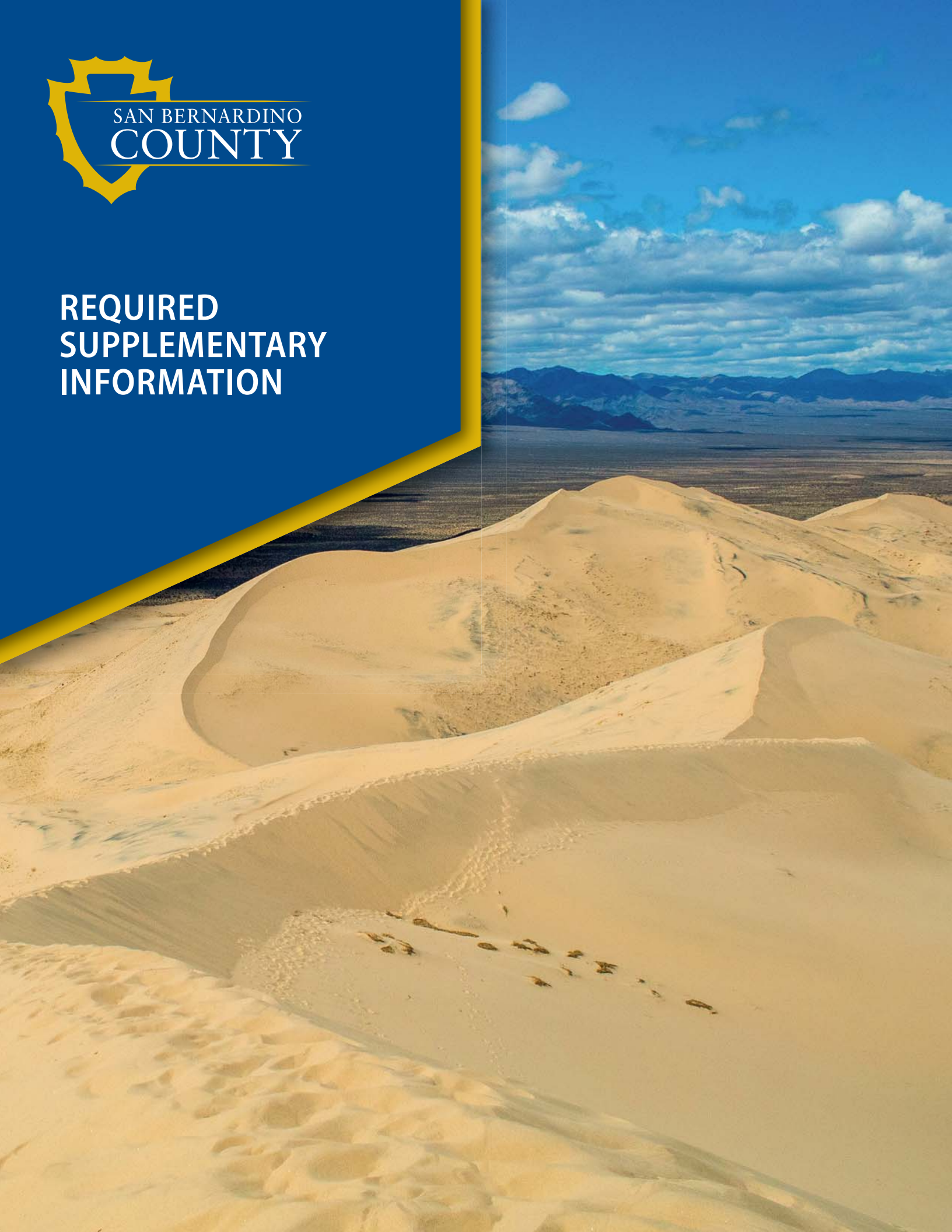
**NOTE 22 – NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)**

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

In May 2020, 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. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statements are effective for the fiscal year ending June 30, 2023. The County has not determined the effect of this Statement.



**REQUIRED  
SUPPLEMENTARY  
INFORMATION**









**SAN BERNARDINO COUNTY  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
Costing Sharing Retirement Plan - San Bernardino County Employees' Retirement Association  
Last 10 Fiscal Years <sup>(1)</sup>  
(Amounts in thousands)**

<b>County Total</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
County's proportion of the net pension liability <sup>(2)</sup>	82.83%	81.73%	81.36%	82.57%	82.92%	83.37%	84.40%
County's proportionate share of the net pension liability	\$ 3,320,161	\$ 2,216,336	\$ 2,061,295	\$ 2,176,107	\$ 2,046,702	\$ 1,619,806	\$ 1,434,500
County's covered payroll	\$ 1,286,478	\$ 1,222,101	\$ 1,163,251	\$ 1,116,557	\$ 1,061,307	\$ 1,048,550	\$ 1,028,958
County's proportionate share of the net pension liability as a percentage of its covered payroll	258.08%	181.35%	177.20%	194.89%	192.85%	154.48%	139.41%
Plan fiduciary net position as a percentage of the total pension liability	71.96%	79.61%	79.89%	77.90%	76.86%	80.98%	82.47%
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Primary Government</b>							
Primary Government's portion of the net pension liability	82.76%	81.66%	81.29%	82.48%	82.81%	83.27%	84.29%
Primary Government's proportionate share of the net pension liability	\$ 3,317,265	\$ 2,214,449	\$ 2,059,554	\$ 2,174,075	\$ 2,044,518	\$ 1,618,134	\$ 1,432,929
Primary Government's covered payroll	\$ 1,285,098	\$ 1,220,711	\$ 1,161,950	\$ 1,115,185	\$ 1,059,874	\$ 1,047,144	\$ 1,027,569
Primary Government's proportionate share of the net pension liability as a percentage of its covered payroll	258.13%	181.41%	177.25%	194.95%	192.90%	154.53%	139.45%
Plan fiduciary net position as a percentage of the total pension liability	71.96%	79.61%	79.89%	77.90%	76.86%	80.98%	82.47%
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Discretely Presented Component Unit</b>							
Component Unit's proportion of the net pension liability	0.07%	0.07%	0.07%	0.09%	0.11%	0.10%	0.11%
Component Unit's proportionate share of the net pension liability	\$ 2,896	\$ 1,887	\$ 1,741	\$ 2,032	\$ 2,184	\$ 1,672	\$ 1,571
Component Unit's covered payroll	\$ 1,380	\$ 1,390	\$ 1,301	\$ 1,372	\$ 1,433	\$ 1,406	\$ 1,389
Component Unit's proportionate share of the net pension liability as a percentage of its covered payroll	209.91%	135.77%	133.89%	148.15%	152.40%	118.99%	113.13%
Plan fiduciary net position as a percentage of the total pension liability	71.96%	79.61%	79.89%	77.90%	76.86%	80.98%	82.47%
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

**Note to Schedule:**

In 2021, the actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2019. Amounts reported in 2021 primarily a decrease of 0.25% inflation rate, an increase of 0.15% payroll for administrative expenses, and adjustments of projected salary increases and mortality rates to more closely reflect actual experience. Mortality rates were based on the Pub-2010 Amount-Weighted Above-Median Mortality Table projected generationally with the two-dimensional MP-2019 projection scale.

In 2019 and 2020, there were no changes of assumptions. In 2018, the actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the three year period of July 1, 2013 through June 30, 2016. Amounts reported in 2018 primarily reflect a decrease of 0.25% for both the investment rate of return and inflation rate, an increase of 0.1% of payroll for administrative expenses, and adjustments of projected salary increases and mortality rates to more closely reflect actual experience. Mortality rates used in the June 30, 2017 actuarial valuation are based on the Headcount-Weighted RP 2014 Healthy Annuitant Mortality Table rather than on the RP-2000 Combined Healthy Mortality Table, which was used to determine amounts reported prior to 2018.

<sup>(1)</sup> Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

<sup>(2)</sup> Percentage excludes the Consolidated Fire Agencies of the East Valley which is not part of the San Bernardino County's reporting entity.

**SAN BERNARDINO COUNTY  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS  
Costing Sharing Retirement Plan - San Bernardino County Employees' Retirement Association  
Last 10 Fiscal Years <sup>(1)</sup>  
(Amounts in thousands)**

<u>County Total</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 415,079	\$ 387,854	\$ 371,241	\$ 315,907	\$ 303,138	\$ 286,271	\$ 255,377
Contributions in relation to the actuarially determined contribution	415,079	387,854	371,241	315,907	303,138	286,271	255,377
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 1,341,050	\$ 1,286,478	\$ 1,222,101	\$ 1,163,251	\$ 1,116,557	\$ 1,033,349	\$ 1,048,550
Contributions as a percentage of covered payroll	30.95%	30.15%	30.38%	27.16%	27.15%	27.70%	24.36%
<u>Primary Government</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 414,683	\$ 387,511	\$ 370,902	\$ 315,618	\$ 302,836	\$ 285,943	\$ 255,080
Contributions in relation to the actuarially determined contribution	414,683	387,511	370,902	315,618	302,836	285,943	255,080
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 1,339,487	\$ 1,285,098	\$ 1,220,711	\$ 1,161,950	\$ 1,115,185	\$ 1,059,864	\$ 1,047,144
Contributions as a percentage of covered payroll	30.96%	30.15%	30.38%	27.16%	27.16%	26.98%	24.36%
<u>Discretely Presented Component Unit</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 396	\$ 343	\$ 339	\$ 289	\$ 302	\$ 328	\$ 297
Contributions in relation to the actuarially determined contribution	396	343	339	289	302	328	297
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 1,563	\$ 1,380	\$ 1,390	\$ 1,301	\$ 1,372	\$ 1,443	\$ 1,406
Contributions as a percentage of covered payroll	25.34%	24.89%	24.42%	22.19%	21.98%	22.91%	21.18%

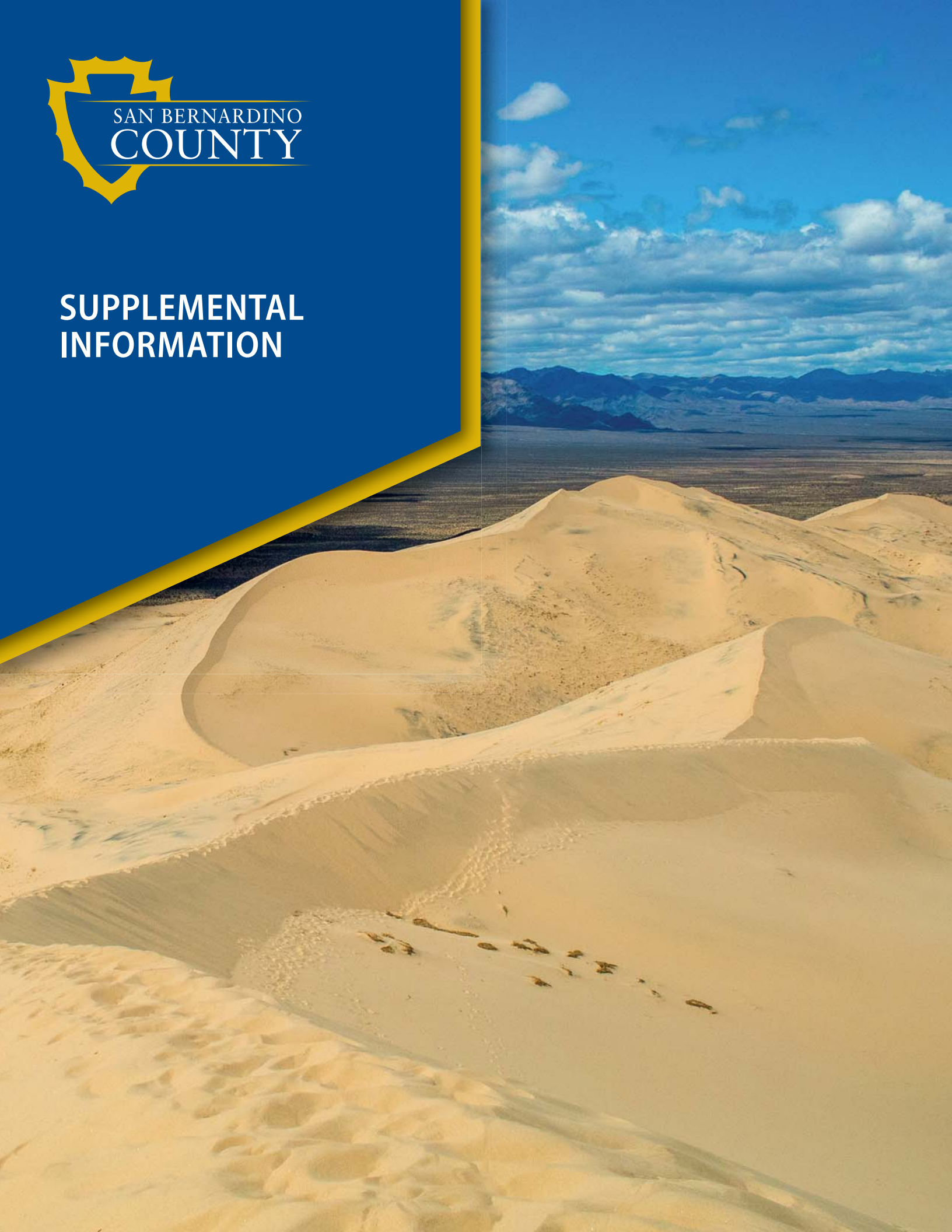
**Note to Schedule:**

<sup>(1)</sup> Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.





# SUPPLEMENTAL INFORMATION



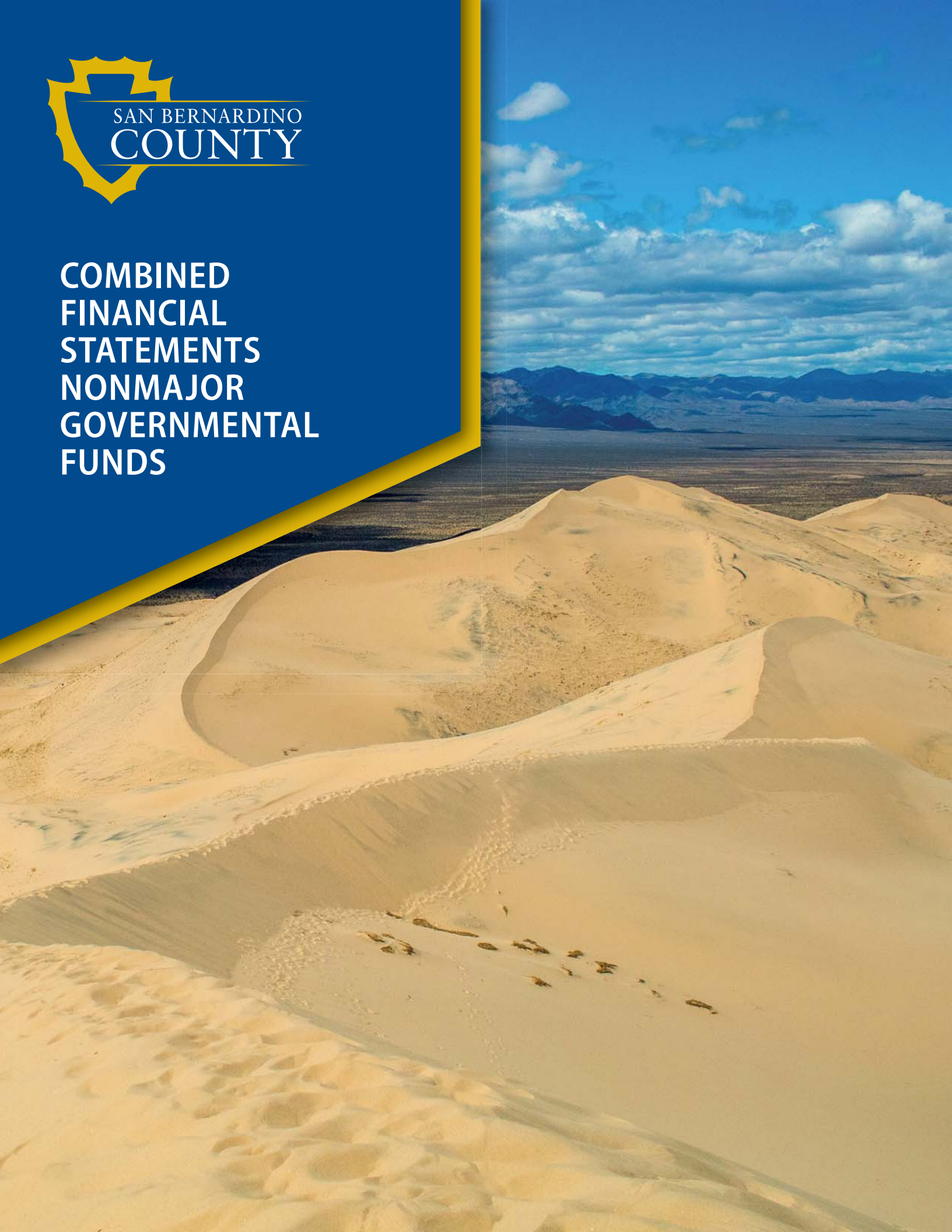






SAN BERNARDINO  
COUNTY

**COMBINED  
FINANCIAL  
STATEMENTS  
NONMAJOR  
GOVERNMENTAL  
FUNDS**









**SAN BERNARDINO COUNTY  
COMBINED BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>SPECIAL REVENUE FUNDS</b>	<b>DEBT SERVICE FUNDS</b>	<b>CAPITAL PROJECTS FUNDS</b>	<b>PERMANENT FUNDS</b>	<b>TOTAL NONMAJOR FUNDS</b>
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 1,091,782	\$ 12,997	\$ 31,123	\$ 1,837	\$ 1,137,739
INVESTMENTS	-	2,610	-	-	2,610
ACCOUNTS RECEIVABLE - NET	3,327	-	-	-	3,327
TAXES RECEIVABLE	8,447	-	-	-	8,447
INTEREST RECEIVABLE	2,918	53	126	-	3,097
LOAN RECEIVABLE	764	-	-	-	764
OTHER RECEIVABLES	1,364	-	-	-	1,364
DUE FROM OTHER FUNDS	28,001	1,665	3,000	-	32,666
DUE FROM OTHER GOVERNMENTS	122,716	-	-	-	122,716
LAND HELD FOR RESALE	361	-	1,301	-	1,662
INVENTORIES	192	-	-	-	192
PREPAID ITEMS	30,921	-	-	-	30,921
ADVANCES TO OTHER FUNDS	305	-	-	-	305
RESTRICTED CASH AND INVESTMENTS	12,555	-	-	-	12,555
<b>TOTAL ASSETS</b>	<b>\$ 1,303,653</b>	<b>\$ 17,325</b>	<b>\$ 35,550</b>	<b>\$ 1,837</b>	<b>\$ 1,358,365</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$ 51,760	\$ -	\$ 292	\$ -	\$ 52,052
SALARIES AND BENEFITS PAYABLE	16,321	-	-	-	16,321
DUE TO OTHER FUNDS	64,410	-	3,121	-	67,531
DUE TO OTHER GOVERNMENTS	7,556	-	-	-	7,556
INTEREST PAYABLE	134	-	-	-	134
ADVANCES FROM OTHERS	55,738	-	-	-	55,738
ADVANCES FROM OTHER FUNDS	5,969	-	3,000	-	8,969
<b>TOTAL LIABILITIES</b>	<b>201,888</b>	<b>-</b>	<b>6,413</b>	<b>-</b>	<b>208,301</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>10,861</b>	<b>53</b>	<b>126</b>	<b>-</b>	<b>11,040</b>
<b>FUND BALANCES:</b>					
NONSPENDABLE	31,113	-	-	1,837	32,950
RESTRICTED	965,957	17,272	31,454	-	1,014,683
ASSIGNED	97,268	-	-	-	97,268
UNASSIGNED	(3,434)	-	(2,443)	-	(5,877)
<b>TOTAL FUND BALANCES</b>	<b>1,090,904</b>	<b>17,272</b>	<b>29,011</b>	<b>1,837</b>	<b>1,139,024</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,303,653</b>	<b>\$ 17,325</b>	<b>\$ 35,550</b>	<b>\$ 1,837</b>	<b>\$ 1,358,365</b>

**SAN BERNARDINO COUNTY  
COMBINED - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

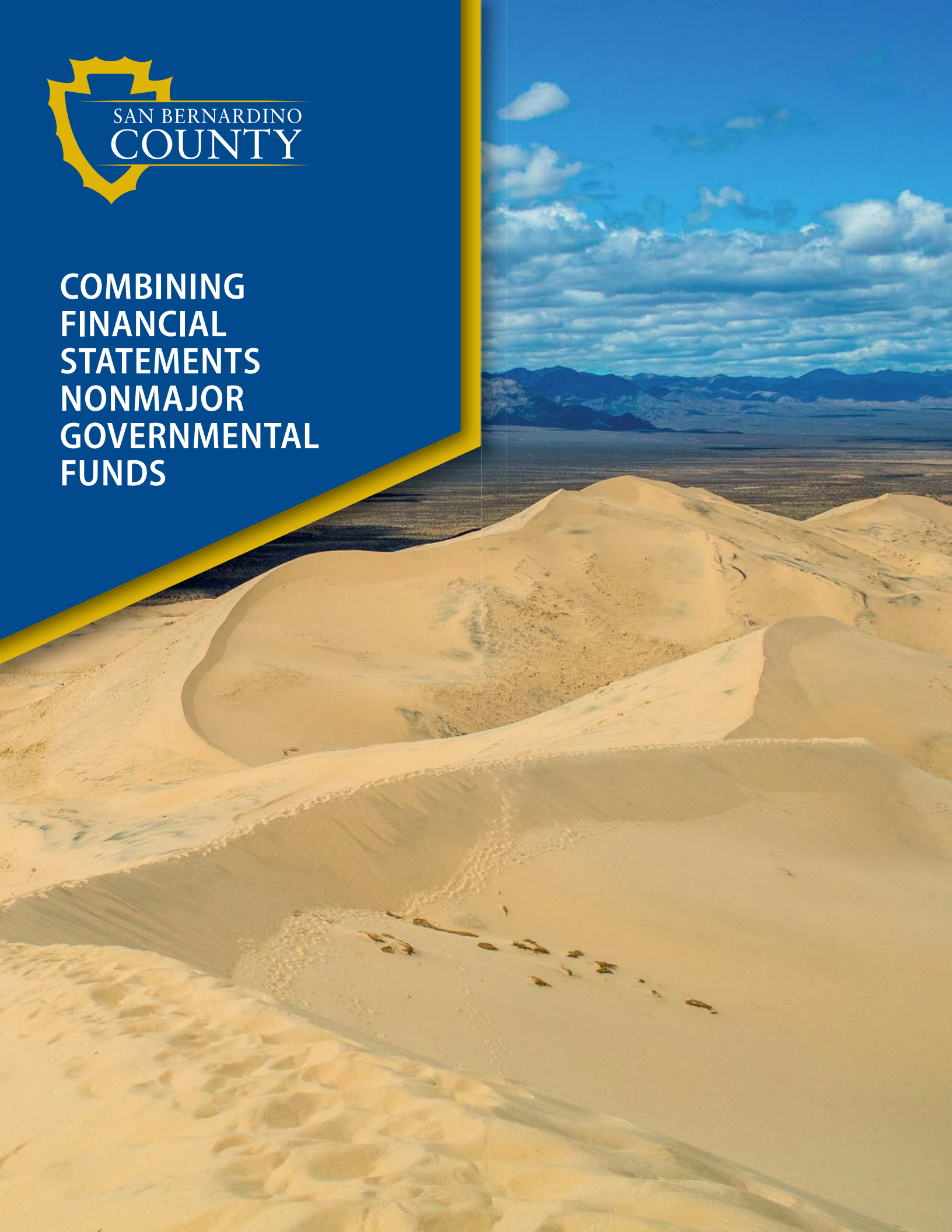
	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUNDS	TOTAL NONMAJOR FUNDS
<b>REVENUES</b>					
TAXES	\$ 222,209	\$ -	\$ -	\$ -	\$ 222,209
LICENSES, PERMITS, AND FRANCHISES	1,157	-	-	-	1,157
FINES, FORFEITURES, AND PENALTIES	4,616	-	-	-	4,616
REVENUES FROM USE OF MONEY AND PROPERTY	5,264	1	(53)	(3)	5,209
AID FROM OTHER GOVERNMENTAL AGENCIES	534,387	-	-	-	534,387
CHARGES FOR CURRENT SERVICES	137,478	-	1	-	137,479
OTHER REVENUES	42,621	1,885	2,743	2	47,251
<b>TOTAL REVENUES</b>	<b>947,732</b>	<b>1,886</b>	<b>2,691</b>	<b>(1)</b>	<b>952,308</b>
<b>EXPENDITURES</b>					
CURRENT:					
GENERAL GOVERNMENT	16,388	3	793	-	17,184
PUBLIC PROTECTION	273,869	-	-	-	273,869
PUBLIC WAYS AND FACILITIES	72,784	-	-	-	72,784
HEALTH AND SANITATION	235,531	-	-	-	235,531
PUBLIC ASSISTANCE	101,293	-	-	-	101,293
EDUCATION	17,227	-	-	-	17,227
RECREATION AND CULTURAL SERVICES	9,054	-	-	-	9,054
DEBT SERVICE:					
PRINCIPAL	6,539	113,587	-	-	120,126
INTEREST AND FISCAL CHARGES	1,681	6,711	-	-	8,392
CAPITAL OUTLAY	44,778	-	2,667	-	47,445
<b>TOTAL EXPENDITURES</b>	<b>779,144</b>	<b>120,301</b>	<b>3,460</b>	<b>-</b>	<b>902,905</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	168,588	(118,415)	(769)	(1)	49,403
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS OUT	(75,910)	-	(3,115)	-	(79,025)
TRANSFERS IN	60,337	117,364	307	-	178,008
SALE OF CAPITAL ASSETS	1,652	-	-	-	1,652
<b>TOTAL OTHER FINANCING SOURCES AND (USES)</b>	<b>(13,921)</b>	<b>117,364</b>	<b>(2,808)</b>	<b>-</b>	<b>100,635</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>154,667</b>	<b>(1,051)</b>	<b>(3,577)</b>	<b>(1)</b>	<b>150,038</b>
FUND BALANCES, BEGINNING, AS RESTATED (NOTE 21)	936,237	18,323	32,588	1,838	988,986
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,090,904</b>	<b>\$ 17,272</b>	<b>\$ 29,011</b>	<b>\$ 1,837</b>	<b>\$ 1,139,024</b>





SAN BERNARDINO  
COUNTY

**COMBINING  
FINANCIAL  
STATEMENTS  
NONMAJOR  
GOVERNMENTAL  
FUNDS**







# NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

## SPECIAL REVENUE FUNDS DESCRIPTIONS

### ***TRANSPORTATION***

The Transportation fund accounts for the administration, planning, design, construction, traffic operations, maintenance, and improvements of approximately 2,552 miles of County roadways. The fund is financed principally from state and federal fuel taxes (Highway User Tax or Gas Tax), voter-approved state transportation infrastructure bond proceeds (Proposition 1B), sales tax revenues, and developer fees.

### ***SPECIAL TRANSPORTATION***

The Special Transportation fund accounts for roadway resurfacing, rehabilitation, and widening projects, as well as elderly and handicap transit services. The source of funding is a countywide one-half cent sales tax that was passed by the voters of the County in November, 1989 (Measure I). The Measure I funds received must be spent within the sub-area in which they were collected.

### ***SPECIAL AVIATION***

The Special Aviation fund accounts for County airport construction projects financed principally by state and federal grants.

### ***MENTAL HEALTH SERVICES ACT***

Mental Health Services Act accounts for funds used for reducing the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness. Revenues are derived from a state income tax surcharge of one percent on the portion of taxpayers' annual income that exceeds \$1 million.

### ***PRESCHOOL SERVICES DEPARTMENT***

The Preschool Services Department fund administers the Federal Head Start and Early Head Start programs, California Department of Education State Preschool program, as well as the Child and Adult Care Food Program throughout the County. These programs are funded from federal and state sources with no net County cost.

### ***AGING AND ADULT SERVICES***

The Aging and Adult Services fund accounts for services provided to the County's elderly through senior citizen programs financed primarily by state aid.

### ***JOBS AND EMPLOYMENT SERVICES***

The Jobs and Employment Services fund was established to provide services to job seekers, incumbent workers, entrepreneurs, and employers through Workforce Investment Act (WIA) funding from the Department of Labor.

### ***COURTHOUSE TEMPORARY CONSTRUCTION***

The Courthouse Temporary Construction fund accounts for revenues derived from a surcharge on parking fines, non-parking offenses, and criminal fines used solely for the acquisition, rehabilitation, construction, and financing of courtrooms and courtroom facilities pursuant to Government Code Section 76100.

## **NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS – Continued**

### ***CRIMINAL JUSTICE TEMPORARY CONSTRUCTION***

The Criminal Justice Temporary Construction fund accounts for the monies that are restricted to be used for improvements to criminal justice facilities. Revenues are derived from a surcharge on parking fines and criminal fines pursuant to Government Code Section 76101.

### ***CENTRAL COURTHOUSE SURCHARGE***

The Central Courthouse Surcharge fund accounts for the monies to be used solely for the Central Courthouse seismic retrofit/remodel project as well as contributions to the state for the new courthouse in downtown San Bernardino. Revenue comes from a surcharge on civil filings as authorized by Government Code Section 70624.

### ***MICROGRAPHICS FEES***

The Micrographics Fees fund was established to support, maintain, and modernized the creation, retention, and retrieval of information in the County's systems of recorded documents, recorder records, electronic recording, social security number (SSN) truncation, and vital records. Revenue includes fees collected pursuant to Government Code Sections 27361 on legal documents, 27397 on electronic recording and 27301 on SSN truncation, and Health and Safety Code Section 103605(f) and 103625(g)(2) for certified copies of vital statistics records.

### ***LOCAL LAW ENFORCEMENT BLOCK GRANT***

Local Law Enforcement Block Grant fund accounts for the law enforcement activities to improve the overall criminal justice system and prevent or reduce crime and violence. These activities are funded through federal grants and the Southwest Border Prosecution Initiative reimbursement project.

### ***SHERIFF SPECIAL PROJECTS***

The Sheriff Special Projects fund accounts for the following specific functions: Inland Regional Narcotics Enforcement Team, local detention facility projects, federal and state asset forfeitures, vehicle registration assessments, law enforcement, vehicle replacement, equipment and maintenance, civil process operations associated with court services, and Cal-ID regional crime laboratory for the County and other fire and law enforcement agencies. Revenues are primarily derived from federal and state grants, joint trust contributions by all local contracting municipal agencies, and court fees as authorized by Government Code Sections 26731 and 26746.

### ***FIRE PROTECTION DISTRICTS***

The Fire Protection Districts fund accounts for emergency mitigation and management of fire suppression, emergency medical services, ambulance services, HAZMAT response, arson investigation, technical rescue including water borne, flooding, mudslide and winter rescue operations, terrorism and weapons of mass destruction. Revenues are primarily derived from property taxes, federal and state grants, and HAZMAT generator and handler fees.

### ***ECONOMIC AND COMMUNITY DEVELOPMENT***

The Economic and Community Development fund accounts for administration of federal, state, and local grant funds allocated to the County for housing and community development programs. Federal grants comprise a large percentage of the funding.

## **NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS – Continued**

### ***FLOOD CONTROL DISTRICT***

The Flood Control District fund was established to intercept and convey flood flows through and away from developed areas of the County, as well as to promote water conservation and improved water quality with a very extensive system of flood control and water conservation facilities. District revenue is primarily derived from property taxes, federal and state aid on specific projects, subdivision and permit fees, rents and royalties, and revenue from local water agencies for water spreading services.

### ***COUNTY SERVICE AREAS***

The County Service Areas fund accounts for essential programs and municipal services provided to remote geographical areas as well as rapidly growing communities. These funds are primarily financed from property taxes, federal and state grants, rental income, interest income, and service fees.

### ***PARK AND RECREATION DISTRICTS***

The Park and Recreation Districts fund accounts for the operation and maintenance of developed parks, undeveloped parks, community buildings, an equestrian arena, and sports fields. Revenues are primarily derived from property taxes, grant funds, park and swim program revenues, concessions, and rent.

### ***COUNTY FREE LIBRARY***

The County Free Library fund provides public library services through a network of thirty-two branches to all County unincorporated areas and seventeen cities within the County. It also accounts for the Bloomington Library being co-located within the Bloomington Intergenerational Housing Project. The Library is funded primarily through property tax revenues, federal and state funds, service fees, contributions from local Friends of the Library organizations, and the Bloomington Library reserve provided by the developer of the housing project.

### ***REDEVELOPMENT SUCCESSOR HOUSING***

The Redevelopment Successor Housing fund was established to retain the housing functions of the former Redevelopment Agency (RDA) and has all rights, power, duties, and obligations related to building, preserving, and rehabilitating affordable housing for low to moderate income households.

### ***JOINT POWERS AUTHORITIES***

The Joint Powers Authorities funds account for cash accumulated from financing activities to be used for all administrative costs and obligations of the authorities

### ***OTHER SPECIAL REVENUE***

Other Special Revenue funds account for revenues received for various activities and programs including Master Settlement Agreement, Block Grant Carryover Program, Workers' Compensation Insurance Fraud Prosecution, Specialized Prosecutions, San Manuel Amphitheater, Bio-terrorism Preparedness, Vital Statistics State Fees, Vector Control Assessments, Chino Agricultural Preserve, Off-Highway Vehicle License Fees, County Trails System, Park Maintenance and Development, Disaster Recovery, State Supplementation for County Assessors Program, Project Roomkey and Rehousing Strategy, El Mirage Off-Road Vehicle Park, Epidemiology Laboratory Capacity, and Inland Counties Emergency Medical Agency. Revenues are primarily derived from the tobacco lawsuit Master Settlement Agreement, federal and state funds, park admission fees, rents, and service fees.

# NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS – Continued

## DEBT SERVICE FUNDS DESCRIPTIONS

### *PENSION OBLIGATION BONDS*

The Pension Obligation Bond fund administers the debt service payments related to the County's pension obligation bonds.

## CAPITAL PROJECTS FUNDS DESCRIPTIONS

### *REDEVELOPMENT SUCCESSOR HOUSING*

The Redevelopment Successor Housing Capital Projects fund was established to account for projects related to building, preserving, and rehabilitating affordable housing for low to moderate income households.

### *FIRE PROTECTION DISTRICTS*

The Fire Protection Districts Capital Projects funds account for the financial resources used to acquire and construct fire protection facilities within certain geographical areas of the County. These funds are primarily financed by transfers from the Fire Protection Districts' special revenue funds, and interest income.

### *PARK AND RECREATION DISTRICTS*

The Park and Recreation Districts Capital Projects fund accounts for the financial resources used to acquire and construct recreational facilities within certain geographical areas of the County. These funds are primarily financed by Proposition 40 project funds, transfers from the Park and Recreation Districts' special revenue funds, and interest income.

### *COUNTY SERVICE AREAS*

The County Service Areas Capital Projects fund accounts for the financial resources and acquisition and construction of facilities within certain geographical areas of the County. These funds are primarily financed by state capital grants, transfers from the County Service Areas special revenue funds, and interest income.

## PERMANENT FUNDS DESCRIPTIONS

### *LUCERNE VALLEY CEMETERY ENDOWMENT CARE FUND*

The Lucerne Valley Cemetery Endowment Care fund accounts for cash contributions for the Lucerne Valley Cemetery endowment. Interest earnings are used for care and maintenance of the cemetery.

### *ETIWANDA CSA 120 ENDOWMENT CARE FUND*

The Etiwanda CSA 120 Endowment Care fund, previously known as the Etiwanda CSA 70 OS-1, uses all interest earned for operating activities for the North Etiwanda Preserve.





**SAN BERNARDINO COUNTY  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS  
JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>TRANSPORTATION</u>	<u>SPECIAL TRANSPORTATION</u>	<u>SPECIAL AVIATION</u>
<b>ASSETS</b>				
CASH AND CASH EQUIVALENTS	\$ 1,091,782	\$ 90,783	\$ 70,076	\$ 7,432
ACCOUNTS RECEIVABLE - NET	3,327	32	-	-
TAXES RECEIVABLE	8,447	-	-	-
INTEREST RECEIVABLE	2,918	361	282	30
LOANS RECEIVABLE	764	-	-	-
OTHER RECEIVABLES	1,364	-	-	-
DUE FROM OTHER FUNDS	28,001	1,446	235	15
DUE FROM OTHER GOVERNMENTS	122,716	10,408	2,561	-
LAND HELD FOR RESALE	361	-	-	-
INVENTORIES	192	109	-	-
PREPAID ITEMS	30,921	306	-	-
ADVANCES TO OTHER FUNDS	305	55	-	-
RESTRICTED CASH AND CASH EQUIVALENTS	12,555	-	-	-
TOTAL ASSETS	<u>\$ 1,303,653</u>	<u>\$ 103,500</u>	<u>\$ 73,154</u>	<u>\$ 7,477</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 51,760	\$ 5,213	\$ 322	\$ -
SALARIES AND BENEFITS PAYABLE	16,321	988	-	-
DUE TO OTHER FUNDS	64,410	746	498	1,090
DUE TO OTHER GOVERNMENTS	7,556	87	-	-
INTEREST PAYABLE	134	-	-	-
ADVANCES FROM OTHERS	55,738	1,092	-	-
ADVANCES FROM OTHER FUNDS	5,969	-	55	-
TOTAL LIABILITIES	<u>201,888</u>	<u>8,126</u>	<u>875</u>	<u>1,090</u>
DEFERRED INFLOWS OF RESOURCES	<u>10,861</u>	<u>362</u>	<u>282</u>	<u>30</u>
<b>FUND BALANCES:</b>				
NONSPENDABLE	31,113	415	-	-
RESTRICTED	965,957	64,678	71,997	6,357
ASSIGNED	97,268	29,919	-	-
UNASSIGNED	(3,434)	-	-	-
TOTAL FUND BALANCES	<u>1,090,904</u>	<u>95,012</u>	<u>71,997</u>	<u>6,357</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,303,653</u>	<u>\$ 103,500</u>	<u>\$ 73,154</u>	<u>\$ 7,477</u>

**SAN BERNARDINO COUNTY  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>MENTAL HEALTH SERVICES ACT</b>	<b>PRESCHOOL SERVICES</b>	<b>AGING AND ADULT SERVICES</b>	<b>JOBS AND EMPLOYMENT SERVICES</b>
<b>ASSETS</b>				
CASH AND CASH EQUIVALENTS	\$ 177,415	\$ 1,545	\$ 1,147	\$ 497
INTEREST RECEIVABLE	713	6	5	2
DUE FROM OTHER FUNDS	164	729	69	67
DUE FROM OTHER GOVERNMENTS	71,193	5,492	4,009	531
TOTAL ASSETS	<u>\$ 249,485</u>	<u>\$ 7,772</u>	<u>\$ 5,230</u>	<u>\$ 1,097</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 34,966	\$ 2,924	\$ 37	\$ 1,488
SALARIES AND BENEFITS PAYABLE	1,646	901	85	239
DUE TO OTHER FUNDS	10,324	1,162	3,588	8
DUE TO OTHER GOVERNMENTS	3,880	306	-	513
ADVANCES FROM OTHERS	-	19	-	-
TOTAL LIABILITIES	<u>50,816</u>	<u>5,312</u>	<u>3,710</u>	<u>2,248</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>713</u>	<u>6</u>	<u>5</u>	<u>49</u>
<b>FUND BALANCES:</b>				
RESTRICTED	197,956	2,454	1,515	-
UNASSIGNED	-	-	-	(1,200)
TOTAL FUND BALANCES	<u>197,956</u>	<u>2,454</u>	<u>1,515</u>	<u>(1,200)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 249,485</u>	<u>\$ 7,772</u>	<u>\$ 5,230</u>	<u>\$ 1,097</u>

**SAN BERNARDINO COUNTY  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2021 (IN THOUSANDS)**

	<u>COURTHOUSE TEMPORARY CONSTRUCTION</u>	<u>CRIMINAL JUSTICE TEMPORARY CONSTRUCTION</u>	<u>CENTRAL COURTHOUSE SURCHARGE</u>	<u>MICROGRAPHICS FEES</u>
<b>ASSETS</b>				
CASH AND CASH EQUIVALENTS	\$ 88	\$ 2,814	\$ 1	\$ 22,293
ACCOUNTS RECEIVABLE - NET	-	-	-	9
INTEREST RECEIVABLE	-	-	-	90
LOANS RECEIVABLE	-	-	-	764
DUE FROM OTHER FUNDS	-	1,343	-	219
DUE FROM OTHER GOVERNMENTS	1	1	-	-
<b>TOTAL ASSETS</b>	<u>\$ 89</u>	<u>\$ 4,158</u>	<u>\$ 1</u>	<u>\$ 23,375</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	\$ -	\$ -	\$ 25
SALARIES AND BENEFITS PAYABLE	-	-	-	10
DUE TO OTHER FUNDS	-	2,814	-	-
DUE TO OTHER GOVERNMENTS	89	-	-	-
<b>TOTAL LIABILITIES</b>	<u>89</u>	<u>2,814</u>	<u>-</u>	<u>35</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90</u>
<b>FUND BALANCES:</b>				
RESTRICTED	-	1,344	1	23,250
<b>TOTAL FUND BALANCES</b>	<u>-</u>	<u>1,344</u>	<u>1</u>	<u>23,250</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 89</u>	<u>\$ 4,158</u>	<u>\$ 1</u>	<u>\$ 23,375</u>

**SAN BERNARDINO COUNTY  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>LOCAL LAW ENFORCEMENT BLOCK GRANT</b>	<b>SHERIFF SPECIAL PROJECTS</b>	<b>FIRE PROTECTION DISTRICTS</b>	<b>ECONOMIC AND COMMUNITY DEVELOPMENT</b>
<b>ASSETS</b>				
CASH AND CASH EQUIVALENTS	\$ 1,992	\$ 14,642	\$ 163,254	\$ 68,744
ACCOUNTS RECEIVABLE - NET	-	-	985	-
TAXES RECEIVABLE	-	-	3,763	-
INTEREST RECEIVABLE	8	59	-	278
OTHER RECEIVABLES	-	-	1,251	-
DUE FROM OTHER FUNDS	-	-	10,344	3,000
DUE FROM OTHER GOVERNMENTS	-	941	2,198	16,640
PREPAID ITEMS	-	-	6,270	24,012
TOTAL ASSETS	<u>\$ 2,000</u>	<u>\$ 15,642</u>	<u>\$ 188,065</u>	<u>\$ 112,674</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ -	\$ 1	\$ 1,257	\$ 219
SALARIES AND BENEFITS PAYABLE	-	-	6,221	109
DUE TO OTHER FUNDS	-	777	1,370	691
DUE TO OTHER GOVERNMENTS	-	244	1,881	304
ADVANCES FROM OTHERS	-	38	13	49,996
TOTAL LIABILITIES	<u>-</u>	<u>1,060</u>	<u>10,742</u>	<u>51,319</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>8</u>	<u>59</u>	<u>3,502</u>	<u>280</u>
<b>FUND BALANCES:</b>				
NONSPENDABLE	-	-	6,270	24,012
RESTRICTED	1,992	14,523	167,551	34,221
ASSIGNED	-	-	-	2,842
TOTAL FUND BALANCES	<u>1,992</u>	<u>14,523</u>	<u>173,821</u>	<u>61,075</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,000</u>	<u>\$ 15,642</u>	<u>\$ 188,065</u>	<u>\$ 112,674</u>

**SAN BERNARDINO COUNTY  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>FLOOD CONTROL DISTRICT</b>	<b>COUNTY SERVICE AREAS</b>	<b>PARK AND RECREATION DISTRICTS</b>	<b>COUNTY FREE LIBRARY</b>
<b>ASSETS</b>				
CASH AND CASH EQUIVALENTS	\$ 165,245	\$ 32,518	\$ 3,856	\$ 21,846
ACCOUNTS RECEIVABLE - NET	920	32	20	158
TAXES RECEIVABLE	3,446	98	124	1,016
INTEREST RECEIVABLE	-	22	-	88
OTHER RECEIVABLE	-	113	-	-
DUE FROM OTHER FUNDS	1,009	1,839	39	305
DUE FROM OTHER GOVERNMENTS	2,131	246	-	9
INVENTORIES	-	-	83	-
PREPAID ITEMS	333	-	-	-
ADVANCES TO OTHER FUNDS	-	250	-	-
RESTRICTED CASH AND INVESTMENTS	12,555	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 185,639</b>	<b>\$ 35,118</b>	<b>\$ 4,122</b>	<b>\$ 23,422</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES:</b>				
ACCOUNTS PAYABLE	\$ 3,004	\$ 482	\$ 252	\$ 401
SALARIES AND BENEFITS PAYABLE	542	302	58	275
DUE TO OTHER FUNDS	1,092	579	234	26
DUE TO OTHER GOVERNMENTS	34	183	9	25
INTEREST PAYABLE	-	8	126	-
ADVANCES FROM OTHERS	4,559	21	-	-
ADVANCES FROM OTHER FUNDS	-	414	5,500	-
<b>TOTAL LIABILITIES</b>	<b>9,231</b>	<b>1,989</b>	<b>6,179</b>	<b>727</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>3,378</b>	<b>242</b>	<b>94</b>	<b>787</b>
<b>FUND BALANCES:</b>				
NONSPENDABLE	333	-	83	-
RESTRICTED	166,246	32,887	-	21,908
ASSIGNED	6,451	-	-	-
UNASSIGNED	-	-	(2,234)	-
<b>TOTAL FUND BALANCES</b>	<b>173,030</b>	<b>32,887</b>	<b>(2,151)</b>	<b>21,908</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 185,639</b>	<b>\$ 35,118</b>	<b>\$ 4,122</b>	<b>\$ 23,422</b>

**SAN BERNARDINO COUNTY  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>REDEVELOPMENT SUCCESSOR HOUSING</b>	<b>JOINT POWERS AUTHORITIES</b>	<b>OTHER SPECIAL REVENUE</b>
<b>ASSETS</b>			
CASH AND CASH EQUIVALENTS	\$ 4,832	\$ 3,800	\$ 236,962
ACCOUNTS RECEIVABLE - NET	-	-	1,171
INTEREST RECEIVABLE	19	1	954
DUE FROM OTHER FUNDS	-	-	7,178
DUE FROM OTHER GOVERNMENTS	-	-	6,355
LAND HELD FOR RESALE	361	-	-
TOTAL ASSETS	<u>\$ 5,212</u>	<u>\$ 3,801</u>	<u>\$ 252,620</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
LIABILITIES:			
ACCOUNTS PAYABLE	\$ -	\$ -	\$ 1,169
SALARIES AND BENEFITS PAYABLE	-	-	4,945
DUE TO OTHER FUNDS	-	-	39,411
DUE TO OTHER GOVERNMENTS	-	-	1
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>45,526</u>
DEFERRED INFLOWS OF RESOURCES	<u>19</u>	<u>1</u>	<u>954</u>
<b>FUND BALANCES:</b>			
RESTRICTED	5,193	3,800	148,084
ASSIGNED	-	-	58,056
TOTAL FUND BALANCES	<u>5,193</u>	<u>3,800</u>	<u>206,140</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 5,212</u>	<u>\$ 3,801</u>	<u>\$ 252,620</u>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	TRANSPORTATION	SPECIAL TRANSPORTATION	SPECIAL AVIATION
<b>REVENUES:</b>				
TAXES	\$ 222,209	\$ -	\$ 7,847	\$ -
LICENSES, PERMITS AND FRANCHISES	1,157	360	-	-
FINES, FORFEITURES AND PENALTIES	4,616	-	-	-
REVENUES FROM USE OF MONEY AND PROPERTY	5,264	(171)	28	(28)
AID FROM OTHER GOVERNMENTAL AGENCIES	534,387	77,849	521	55
CHARGES FOR CURRENT SERVICES	137,478	202	4,504	-
OTHER REVENUES	42,621	809	7	-
<b>TOTAL REVENUES</b>	<b>947,732</b>	<b>79,049</b>	<b>12,907</b>	<b>27</b>
<b>EXPENDITURES:</b>				
<b>CURRENT:</b>				
GENERAL GOVERNMENT	16,388	-	-	-
PUBLIC PROTECTION	273,869	-	-	-
PUBLIC WAYS AND FACILITIES	72,784	67,126	3,700	-
HEALTH AND SANITATION	235,531	-	-	-
PUBLIC ASSISTANCE	101,293	-	-	-
EDUCATION	17,227	-	-	-
RECREATION AND CULTURAL SERVICES	9,054	-	-	-
<b>DEBT SERVICE:</b>				
PRINCIPAL	6,539	-	-	-
INTEREST AND FISCAL CHARGES	1,681	-	-	-
CAPITAL OUTLAY	44,778	6,061	-	-
<b>TOTAL EXPENDITURES</b>	<b>779,144</b>	<b>73,187</b>	<b>3,700</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>168,588</b>	<b>5,862</b>	<b>9,207</b>	<b>27</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS OUT	(75,910)	(6,104)	(435)	(1,187)
TRANSFERS IN	60,337	3,265	-	-
SALE OF CAPITAL ASSETS	1,652	617	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(13,921)</b>	<b>(2,222)</b>	<b>(435)</b>	<b>(1,187)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>154,667</b>	<b>3,640</b>	<b>8,772</b>	<b>(1,160)</b>
<b>FUND BALANCES, BEGINNING, AS RESTATED (NOTE 21)</b>	<b>936,237</b>	<b>91,372</b>	<b>63,225</b>	<b>7,517</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,090,904</b>	<b>\$ 95,012</b>	<b>\$ 71,997</b>	<b>\$ 6,357</b>



**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	MENTAL HEALTH SERVICES ACT	PRESCHOOL SERVICES	AGING AND ADULT SERVICES	JOBS AND EMPLOYMENT SERVICES
<b>REVENUES:</b>				
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 2,256	\$ 5	\$ (4)	\$ 545
AID FROM OTHER GOVERNMENTAL AGENCIES	214,238	62,551	10,393	15,579
CHARGES FOR CURRENT SERVICES	20	-	-	-
OTHER REVENUES	3,104	54	1,632	321
<b>TOTAL REVENUES</b>	<b>219,618</b>	<b>62,610</b>	<b>12,021</b>	<b>16,445</b>
<b>EXPENDITURES:</b>				
CURRENT:				
HEALTH AND SANITATION	202,103	-	-	-
PUBLIC ASSISTANCE	-	56,684	10,740	17,623
DEBT SERVICE:				
INTEREST AND FISCAL CHARGES	-	6	-	-
CAPITAL OUTLAY	1,083	697	-	-
<b>TOTAL EXPENDITURES</b>	<b>203,186</b>	<b>57,387</b>	<b>10,740</b>	<b>17,623</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	16,432	5,223	1,281	(1,178)
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS OUT	(3,304)	(3,809)	(7,025)	(349)
TRANSFERS IN	162	-	5,825	232
SALE OF CAPITAL ASSETS	-	15	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(3,142)</b>	<b>(3,794)</b>	<b>(1,200)</b>	<b>(117)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>13,290</b>	<b>1,429</b>	<b>81</b>	<b>(1,295)</b>
FUND BALANCES, BEGINNING	184,666	1,025	1,434	95
FUND BALANCES, ENDING	<u>\$ 197,956</u>	<u>\$ 2,454</u>	<u>\$ 1,515</u>	<u>\$ (1,200)</u>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>COURTHOUSE TEMPORARY CONSTRUCTION</b>	<b>CRIMINAL JUSTICE TEMPORARY CONSTRUCTION</b>	<b>CENTRAL COURTHOUSE SURCHARGE</b>	<b>MICROGRAPHICS FEES</b>
<b>REVENUES:</b>				
FINES, FORFEITURES AND PENALTIES	\$ 709	\$ 1,230	\$ -	\$ -
REVENUES FROM USE OF MONEY AND PROPERTY	8	(120)	-	(7)
AID FROM OTHER GOVERNMENTAL AGENCIES	-	-	-	1
CHARGES FOR CURRENT SERVICES	-	-	1,581	4,796
<b>TOTAL REVENUES</b>	<b>717</b>	<b>1,110</b>	<b>1,581</b>	<b>4,790</b>
<b>EXPENDITURES:</b>				
<b>CURRENT:</b>				
GENERAL GOVERNMENT	717	-	-	-
PUBLIC PROTECTION	-	-	-	1,584
CAPITAL OUTLAY	-	-	-	30
<b>TOTAL EXPENDITURES</b>	<b>717</b>	<b>-</b>	<b>-</b>	<b>1,614</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	1,110	1,581	3,176
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS OUT	-	(1,281)	(1,582)	(1,384)
TRANSFERS IN	-	1,513	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>232</b>	<b>(1,582)</b>	<b>(1,384)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>1,342</b>	<b>(1)</b>	<b>1,792</b>
FUND BALANCES, BEGINNING	-	2	2	21,458
<b>FUND BALANCES, ENDING</b>	<b>\$ -</b>	<b>\$ 1,344</b>	<b>\$ 1</b>	<b>\$ 23,250</b>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>LOCAL LAW ENFORCEMENT BLOCK GRANT</b>	<b>SHERIFF SPECIAL PROJECTS</b>	<b>FIRE PROTECTION DISTRICTS</b>	<b>ECONOMIC AND COMMUNITY DEVELOPMENT</b>
<b>REVENUES:</b>				
TAXES	\$ -	\$ -	\$ 109,662	\$ -
FINES, FORFEITURES AND PENALTIES	-	22	-	-
REVENUES FROM USE OF MONEY AND PROPERTY	(9)	26	641	376
AID FROM OTHER GOVERNMENTAL AGENCIES	142	9,888	23,879	43,396
CHARGES FOR CURRENT SERVICES	-	481	106,315	-
OTHER REVENUES	-	-	990	773
<b>TOTAL REVENUES</b>	<b>133</b>	<b>10,417</b>	<b>241,487</b>	<b>44,545</b>
<b>EXPENDITURES:</b>				
CURRENT:				
PUBLIC PROTECTION	142	10,084	205,207	-
PUBLIC ASSISTANCE	-	-	-	14,926
DEBT SERVICE:				
PRINCIPAL	-	-	289	-
INTEREST AND FISCAL CHARGES	-	-	477	9
CAPITAL OUTLAY	-	740	10,177	-
<b>TOTAL EXPENDITURES</b>	<b>142</b>	<b>10,824</b>	<b>216,150</b>	<b>14,935</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9)	(407)	25,337	29,610
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS OUT	-	-	(9,449)	(5,698)
TRANSFERS IN	-	5	27,198	3,750
SALE OF CAPITAL ASSETS	-	-	168	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>5</b>	<b>17,917</b>	<b>(1,948)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(9)</b>	<b>(402)</b>	<b>43,254</b>	<b>27,662</b>
FUND BALANCES, BEGINNING	2,001	14,925	130,567	33,413
<b>FUND BALANCES, ENDING</b>	<b>\$ 1,992</b>	<b>\$ 14,523</b>	<b>\$ 173,821</b>	<b>\$ 61,075</b>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	FLOOD CONTROL DISTRICT	COUNTY SERVICE AREAS	PARK AND RECREATION DISTRICTS	COUNTY FREE LIBRARY
<b>REVENUES:</b>				
TAXES	\$ 73,635	\$ 4,853	\$ 2,982	\$ 23,203
LICENSES, PERMITS AND FRANCHISES	216	-	-	-
REVENUES FROM USE OF MONEY AND PROPERTY	85	106	(4)	-
AID FROM OTHER GOVERNMENTAL AGENCIES	9,883	162	111	1,248
CHARGES FOR CURRENT SERVICES	1,582	4,596	1,826	284
OTHER REVENUES	248	904	848	107
<b>TOTAL REVENUES</b>	<b>85,649</b>	<b>10,621</b>	<b>5,763</b>	<b>24,842</b>
<b>EXPENDITURES:</b>				
CURRENT:				
GENERAL GOVERNMENT	-	5,547	-	-
PUBLIC PROTECTION	33,939	-	-	-
PUBLIC WAYS AND FACILITIES	-	1,958	-	-
EDUCATION	-	-	-	17,227
RECREATION AND CULTURAL SERVICES	-	1,884	4,394	-
DEBT SERVICE:				
PRINCIPAL	5,795	-	-	-
INTEREST AND FISCAL CHARGES	445	3	63	-
CAPITAL OUTLAY	25,477	397	37	-
<b>TOTAL EXPENDITURES</b>	<b>65,656</b>	<b>9,789</b>	<b>4,494</b>	<b>17,227</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	19,993	832	1,269	7,615
<b>OTHER FINANCING SOURCES (USES):</b>				
TRANSFERS OUT	(5,313)	(677)	(781)	(409)
TRANSFERS IN	1,441	1,115	-	-
SALE OF CAPITAL ASSETS	839	8	5	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(3,033)</b>	<b>446</b>	<b>(776)</b>	<b>(409)</b>
NET CHANGE IN FUND BALANCES	16,960	1,278	493	7,206
FUND BALANCES, BEGINNING	156,070	31,609	(2,644)	14,702
FUND BALANCES, ENDING	<u>\$ 173,030</u>	<u>\$ 32,887</u>	<u>\$ (2,151)</u>	<u>\$ 21,908</u>

**SAN BERNARDINO COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>REDEVELOPMENT SUCCESSOR HOUSING</b>	<b>JOINT POWERS AUTHORITIES</b>	<b>OTHER SPECIAL REVENUE</b>
<b>REVENUES:</b>			
TAXES	\$ -	\$ -	\$ 27
LICENSES, PERMITS AND FRANCHISES	-	-	581
FINES, FORFEITURES AND PENALTIES	-	-	2,655
REVENUES FROM USE OF MONEY AND PROPERTY	59	-	1,472
AID FROM OTHER GOVERNMENTAL AGENCIES	-	-	64,491
CHARGES FOR CURRENT SERVICES	-	-	11,291
OTHER REVENUES	817	-	32,007
<b>TOTAL REVENUES</b>	<b>876</b>	<b>-</b>	<b>112,524</b>
<b>EXPENDITURES:</b>			
<b>CURRENT:</b>			
GENERAL GOVERNMENT	-	2	10,122
PUBLIC PROTECTION	-	-	22,913
HEALTH AND SANITATION	-	-	33,428
PUBLIC ASSISTANCE	230	-	1,090
RECREATION AND CULTURAL SERVICES	-	-	2,776
<b>DEBT SERVICE:</b>			
PRINCIPAL	-	455	-
INTEREST AND FISCAL CHARGES	-	678	-
CAPITAL OUTLAY	-	-	79
<b>TOTAL EXPENDITURES</b>	<b>230</b>	<b>1,135</b>	<b>70,408</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>646</b>	<b>(1,135)</b>	<b>42,116</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
TRANSFERS OUT	-	-	(27,123)
TRANSFERS IN	-	3,192	12,639
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>3,192</b>	<b>(14,484)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>646</b>	<b>2,057</b>	<b>27,632</b>
<b>FUND BALANCES, BEGINNING, AS RESTATED (NOTE 21)</b>	<b>4,547</b>	<b>1,743</b>	<b>178,508</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 5,193</b>	<b>\$ 3,800</b>	<b>\$ 206,140</b>

**SAN BERNARDINO COUNTY  
 COMBINING BALANCE SHEET  
 DEBT SERVICE FUNDS  
 JUNE 30, 2021 (IN THOUSANDS)**

	<b>PENSION OBLIGATION BONDS</b>
<b>ASSETS</b>	
CASH AND CASH EQUIVALENTS	\$ 12,997
INVESTMENTS	2,610
INTEREST RECEIVABLE	53
DUE FROM OTHER FUNDS	1,665
TOTAL ASSETS	<u>\$ 17,325</u>
<b>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ 53</u>
<b>FUND BALANCES:</b>	
RESTRICTED	17,272
TOTAL FUND BALANCES	<u>17,272</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 17,325</u>

**SAN BERNARDINO COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 DEBT SERVICE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>PENSION OBLIGATION BONDS</b>
<b>REVENUES</b>	
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 1
OTHER REVENUES	1,885
TOTAL REVENUES	<u>1,886</u>
<b>EXPENDITURES</b>	
CURRENT:	
GENERAL GOVERNMENT	3
DEBT SERVICE:	
PRINCIPAL	113,587
INTEREST AND FISCAL CHARGES	6,711
TOTAL EXPENDITURES	<u>120,301</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(118,415)</u>
<b>OTHER FINANCING SOURCES (USES):</b>	
TRANSFERS IN	117,364
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>117,364</u>
NET CHANGE IN FUND BALANCES	(1,051)
FUND BALANCES, BEGINNING	18,323
FUND BALANCES, ENDING	<u>\$ 17,272</u>



**SAN BERNARDINO COUNTY  
COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUNDS  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>TOTAL</b>	<b>REDEVELOPMENT SUCCESSOR HOUSING</b>	<b>FIRE PROTECTION DISTRICTS</b>	<b>PARK AND RECREATION DISTRICTS</b>	<b>COUNTY SERVICE AREAS</b>
<b>ASSETS</b>					
CASH AND CASH EQUIVALENTS	\$ 31,123	\$ 18,482	\$ 8,500	\$ 651	\$ 3,490
INTEREST RECEIVABLE	126	74	35	3	14
DUE FROM OTHER FUNDS	3,000	-	-	3,000	-
LAND HELD FOR RESALE	1,301	1,301	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 35,550</b>	<b>\$ 19,857</b>	<b>\$ 8,535</b>	<b>\$ 3,654</b>	<b>\$ 3,504</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES:</b>					
ACCOUNTS PAYABLE	\$ 292	\$ -	\$ -	\$ 27	\$ 265
DUE TO OTHER FUNDS	3,121	-	-	3,067	54
ADVANCES FROM OTHER FUNDS	3,000	-	-	3,000	-
<b>TOTAL LIABILITIES</b>	<b>6,413</b>	<b>-</b>	<b>-</b>	<b>6,094</b>	<b>319</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>126</b>	<b>74</b>	<b>35</b>	<b>3</b>	<b>14</b>
<b>FUND BALANCES:</b>					
RESTRICTED	31,454	19,783	8,500	-	3,171
UNASSIGNED	(2,443)	-	-	(2,443)	-
<b>TOTAL FUND BALANCES</b>	<b>29,011</b>	<b>19,783</b>	<b>8,500</b>	<b>(2,443)</b>	<b>3,171</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 35,550</b>	<b>\$ 19,857</b>	<b>\$ 8,535</b>	<b>\$ 3,654</b>	<b>\$ 3,504</b>

**SAN BERNARDINO COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>REDEVELOPMENT SUCCESSOR HOUSING</u>	<u>FIRE PROTECTION DISTRICTS</u>	<u>PARK AND RECREATION DISTRICTS</u>	<u>COUNTY SERVICE AREAS</u>
<b>REVENUES</b>					
REVENUES FROM USE OF MONEY AND PROPERTY	\$ (53)	\$ (42)	\$ -	\$ 3	\$ (14)
CHARGES FOR CURRENT SERVICES	1	-	-	-	1
OTHER REVENUES	2,743	-	-	1,006	1,737
TOTAL REVENUES	<u>2,691</u>	<u>(42)</u>	<u>-</u>	<u>1,009</u>	<u>1,724</u>
<b>EXPENDITURES</b>					
CURRENT:					
GENERAL GOVERNMENT	793	268	-	408	117
CAPITAL OUTLAY	2,667	71	-	2,031	565
TOTAL EXPENDITURES	<u>3,460</u>	<u>339</u>	<u>-</u>	<u>2,439</u>	<u>682</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(769)</u>	<u>(381)</u>	<u>-</u>	<u>(1,430)</u>	<u>1,042</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
TRANSFERS OUT	(3,115)	-	-	(3,000)	(115)
TRANSFERS IN	307	-	-	42	265
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(2,808)</u>	<u>-</u>	<u>-</u>	<u>(2,958)</u>	<u>150</u>
NET CHANGE IN FUND BALANCES	(3,577)	(381)	-	(4,388)	1,192
FUND BALANCES, BEGINNING	32,588	20,164	8,500	1,945	1,979
FUND BALANCES, ENDING	<u>\$ 29,011</u>	<u>\$ 19,783</u>	<u>\$ 8,500</u>	<u>\$ (2,443)</u>	<u>\$ 3,171</u>

**SAN BERNARDINO COUNTY  
 COMBINING BALANCE SHEET  
 PERMANENT FUNDS  
 JUNE 30, 2021 (IN THOUSANDS)**

	<b>TOTAL</b>	<b>LUCERNE VALLEY CEMETERY ENDOWMENT CARE FUND</b>	<b>ETIWANDA CSA 120 ENDOWMENT CARE FUND</b>
<b>ASSETS</b>			
CASH AND CASH EQUIVALENTS	\$ 1,837	\$ 110	\$ 1,727
TOTAL ASSETS	<u>\$ 1,837</u>	<u>\$ 110</u>	<u>\$ 1,727</u>
<b>FUND BALANCES</b>			
NONSPENDABLE	\$ 1,837	\$ 110	\$ 1,727
TOTAL FUND BALANCES	<u>\$ 1,837</u>	<u>\$ 110</u>	<u>\$ 1,727</u>

**SAN BERNARDINO COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 PERMANENT FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>LUCERNE VALLEY CEMETERY ENDOWMENT CARE FUND</u>	<u>ETIWANDA CSA 120 ENDOWMENT CARE FUND</u>
<b>REVENUES</b>			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ (3)	\$ -	\$ (3)
OTHER REVENUES	2	2	-
TOTAL REVENUES	<u>(1)</u>	<u>2</u>	<u>(3)</u>
NET CHANGE IN FUND BALANCES	(1)	2	(3)
FUND BALANCES, BEGINNING	1,838	108	1,730
FUND BALANCES, ENDING	<u>\$ 1,837</u>	<u>\$ 110</u>	<u>\$ 1,727</u>





**COMBINING  
FINANCIAL  
STATEMENTS  
NONMAJOR  
ENTERPRISE FUNDS**







## **NONMAJOR ENTERPRISE FUNDS DESCRIPTIONS**

### ***COUNTY SERVICE AREAS***

The County Service Areas Enterprise Funds account for water, sewer, and sanitation facilities within certain geographical areas of the County. User fees are the principal source of revenue.

### ***OTHER ENTERPRISE***

The Other Enterprise Funds account for the Museum Gift Shop and Regional Parks Snack Bar operations. Sales are the principal source of revenue.

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SERVICE AREAS</u>	<u>OTHER ENTERPRISE</u>
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS	\$ 69,207	\$ 69,082	\$ 125
ACCOUNTS RECEIVABLE, NET	1,437	1,437	-
TAXES RECEIVABLE	203	203	-
OTHER RECEIVABLES	117	117	-
DUE FROM OTHER FUNDS	226	39	187
DUE FROM OTHER GOVERNMENTS	616	616	-
INVENTORIES	130	-	130
TOTAL CURRENT ASSETS	<u>71,936</u>	<u>71,494</u>	<u>442</u>
NONCURRENT ASSETS:			
CAPITAL ASSETS NOT BEING DEPRECIATED OR AMORTIZED:			
LAND	3,861	3,861	-
LAND USE RIGHTS	258	258	-
DEVELOPMENT IN PROGRESS	2,757	2,757	-
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:			
LAND USE RIGHTS	1,004	1,004	-
STRUCTURES, IMPROVEMENTS, AND INFRASTRUCTURE	100,851	100,851	-
EQUIPMENT AND SOFTWARE	1,515	1,515	-
ACCUMULATED DEPRECIATION AND AMORTIZATION	(57,865)	(57,865)	-
TOTAL NONCURRENT ASSETS	<u>52,381</u>	<u>52,381</u>	<u>-</u>
TOTAL ASSETS	<u>124,317</u>	<u>123,875</u>	<u>442</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE	517	517	-
SALARIES AND BENEFITS PAYABLE	1	-	1
DUE TO OTHER FUNDS	1,087	1,087	-
DUE TO OTHER GOVERNMENTS	1	1	-
INTEREST PAYABLE	243	243	-
ADVANCES FROM OTHERS	79	79	-
BONDS AND NOTES PAYABLE	302	302	-
TOTAL CURRENT LIABILITIES	<u>2,230</u>	<u>2,229</u>	<u>1</u>
NONCURRENT LIABILITIES:			
INTERFUND PAYABLE	5,850	5,850	-
BONDS AND NOTES PAYABLE	919	919	-
TOTAL NONCURRENT LIABILITIES	<u>6,769</u>	<u>6,769</u>	<u>-</u>
TOTAL LIABILITIES	<u>8,999</u>	<u>8,998</u>	<u>1</u>
<b>NET POSITION</b>			
NET INVESTMENT IN CAPITAL ASSETS	52,381	52,381	-
UNRESTRICTED	62,937	62,496	441
TOTAL NET POSITION	<u>\$ 115,318</u>	<u>\$ 114,877</u>	<u>\$ 441</u>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SERVICE AREAS</u>	<u>OTHER ENTERPRISE</u>
OPERATING REVENUES:			
CHARGES FOR CURRENT SERVICES	\$ 14,269	\$ 14,268	\$ 1
OTHER OPERATING REVENUES	434	434	-
TOTAL OPERATING REVENUES	<u>14,703</u>	<u>14,702</u>	<u>1</u>
OPERATING EXPENSES:			
PROFESSIONAL SERVICES	1,032	1,012	20
SALARIES AND EMPLOYEES BENEFITS	3,020	3,002	18
SELF-INSURANCE CLAIMS	124	124	-
SERVICES AND SUPPLIES	7,379	7,354	25
DEPRECIATION AND AMORTIZATION	3,128	3,128	-
TOTAL OPERATING EXPENSES	<u>14,683</u>	<u>14,620</u>	<u>63</u>
OPERATING INCOME (LOSS)	<u>20</u>	<u>82</u>	<u>(62)</u>
NONOPERATING REVENUES (EXPENSES):			
INTEREST REVENUES	275	275	-
INTEREST EXPENSE	(94)	(94)	-
TAX REVENUE	4,630	4,630	-
GRANT REVENUE	344	344	-
OTHER NONOPERATING REVENUES	381	369	12
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>5,536</u>	<u>5,524</u>	<u>12</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	5,556	5,606	(50)
CAPITAL CONTRIBUTIONS	17	17	-
TRANSFERS OUT	(21)	(21)	-
TRANSFERS IN	175	-	175
CHANGE IN NET POSITION	5,727	5,602	125
TOTAL NET POSITION, BEGINNING	<u>109,591</u>	<u>109,275</u>	<u>316</u>
TOTAL NET POSITION, ENDING	<u>\$ 115,318</u>	<u>\$ 114,877</u>	<u>\$ 441</u>

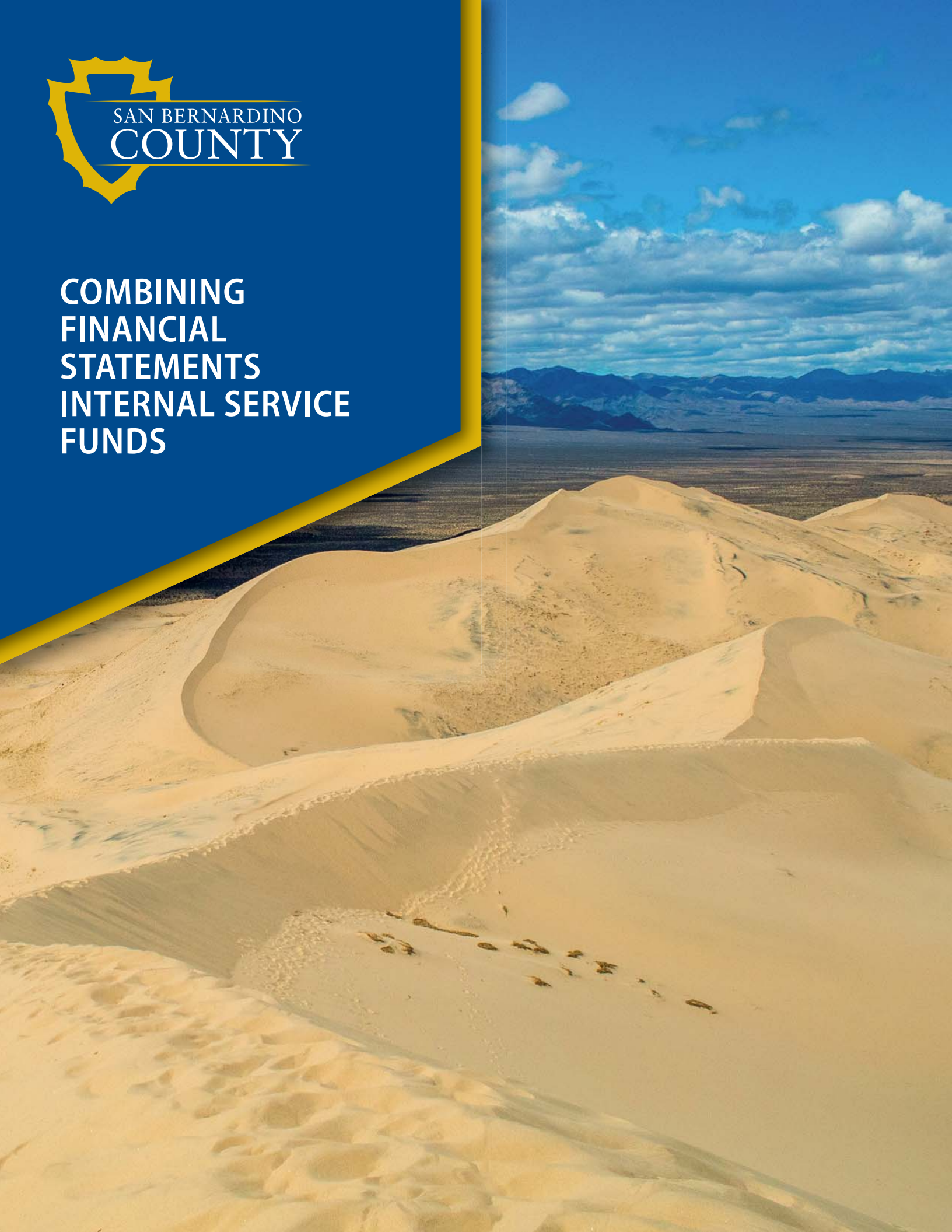
**SAN BERNARDINO COUNTY  
STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>TOTAL</b>	<b>COUNTY SERVICE AREAS</b>	<b>OTHER NONMAJOR ENTERPRISE</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
CASH RECEIVED FROM SERVICES	\$ 19,973	\$ 20,145	\$ (172)
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(9,976)	(9,951)	(25)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(3,023)	(3,002)	(21)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>6,974</u>	<u>7,192</u>	<u>(218)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
TAXES RECEIVED	4,623	4,623	-
GRANTS RECEIVED	344	344	-
TRANSFERS RECEIVED	175	-	175
TRANSFERS PAID	(21)	(21)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>5,121</u>	<u>4,946</u>	<u>175</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(772)	(772)	-
CAPITAL CONTRIBUTIONS	17	17	-
PRINCIPAL PAID ON BONDS AND NOTES	(71)	(71)	-
INTEREST PAID ON BONDS AND NOTES	(37)	(37)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(863)</u>	<u>(863)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
INTEREST ON INVESTMENTS	275	275	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>275</u>	<u>275</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,507	11,550	(43)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>57,700</u>	<u>57,532</u>	<u>168</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 69,207</u>	<u>\$ 69,082</u>	<u>\$ 125</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
OPERATING INCOME (LOSS)	\$ 20	\$ 82	\$ (62)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION AND AMORTIZATION	3,128	3,128	-
BAD DEBT EXPENSE	-	-	-
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	381	369	12
AMORTIZATION RELATED TO DEBT	-	-	-
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:			
ACCOUNTS RECEIVABLE	(98)	87	(185)
DUE FROM OTHER GOVERNMENTS	4,955	4,955	-
INVENTORIES	20	-	20
ACCOUNTS PAYABLE AND OTHER LIABILITIES	(1,443)	(1,443)	-
SALARIES AND BENEFITS PAYABLE	(3)	-	(3)
DUE TO OTHER GOVERNMENTS	(18)	(18)	-
ADVANCES FROM OTHERS	32	32	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 6,974</u>	<u>\$ 7,192</u>	<u>\$ (218)</u>
<b>BREAKDOWN OF CASH AND CASH EQUIVALENTS</b>			
CASH AND CASH EQUIVALENTS	<u>\$ 69,207</u>	<u>\$ 69,082</u>	<u>\$ 125</u>



SAN BERNARDINO  
COUNTY

**COMBINING  
FINANCIAL  
STATEMENTS  
INTERNAL SERVICE  
FUNDS**





## **INTERNAL SERVICE FUNDS DESCRIPTIONS**

### ***GENERAL SERVICES GROUP***

The General Services Fund accounts for the County Purchasing Department's Printing Services, Central Mail Services, and Surplus Property and Storage divisions. Services which are available to all County departments and special districts are financed by user fees for services provided.

### ***TELECOMMUNICATION SERVICES***

The Telecommunication Services Fund accounts for County-wide telephone operations including related hardware, software, communication facilities, and a network of microwave sites.

### ***COMPUTER OPERATIONS***

The Computer Operations Fund accounts for 24-hour-per-day, County-wide data processing services including data entry, report distribution, distributed data processing with technical support and application development. Business Solutions Development is part of the Computer Operations.

### ***FLEET MANAGEMENT***

The Fleet Management Fund includes both the County Garage and Motor Pool. The Fund accounts for vehicle rental services to all County departments, and maintenance and repair services to the County's vehicle and heavy equipment fleet.

### ***RISK MANAGEMENT***

The Risk Management Fund accounts for the County's self-insured worker's compensation, and public liabilities, including property conservation, safety programs, medical malpractice, environmental liability other than pollution remediation in relation to landfill and other general obligations which are provided to all County departments and special districts.

### ***FLOOD CONTROL EQUIPMENT***

The Flood Control Equipment Fund accounts for heavy equipment rental and maintenance services provided to each of the six flood control zones within various geographical regions of the County.



**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL SERVICES GROUP</u>	<u>TELECOMMUNICATION SERVICES</u>	<u>COMPUTER OPERATIONS</u>
<b>ASSETS</b>				
CURRENT ASSETS:				
CASH AND CASH EQUIVALENTS	\$ 479,346	\$ 3,000	\$ 23,088	\$ 37,318
ACCOUNTS RECEIVABLE - NET	119	-	119	-
OTHER RECEIVABLES	4,071	-	-	-
DUE FROM OTHER FUNDS	1,770	126	138	219
DUE FROM OTHER GOVERNMENTS	1,493	26	983	213
INVENTORIES	4,658	7	2,598	-
PREPAID ITEMS	4,461	121	3,944	-
TOTAL CURRENT ASSETS	<u>495,918</u>	<u>3,280</u>	<u>30,870</u>	<u>37,750</u>
NONCURRENT ASSETS:				
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:				
LAND	1,504	610	-	-
DEVELOPMENT IN PROGRESS	4,261	475	914	1,514
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:				
STRUCTURES AND IMPROVEMENTS	37,681	1,714	7,502	9,649
EQUIPMENT AND SOFTWARE	128,648	1,857	41,054	25,236
ACCUMULATED DEPRECIATION AND AMORTIZATION	(109,061)	(938)	(38,289)	(22,573)
TOTAL NONCURRENT ASSETS	<u>63,033</u>	<u>3,718</u>	<u>11,181</u>	<u>13,826</u>
TOTAL ASSETS	<u>558,951</u>	<u>6,998</u>	<u>42,051</u>	<u>51,576</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>42,056</u>	<u>1,710</u>	<u>7,827</u>	<u>22,533</u>
<b>LIABILITIES</b>				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE	6,667	165	552	473
SALARIES AND BENEFITS PAYABLE	1,948	93	419	914
DUE TO OTHER FUNDS	2,079	407	65	490
DUE TO OTHER GOVERNMENTS	62	2	10	9
ADVANCES FROM OTHERS	427	-	-	-
COMPENSATED ABSENCES PAYABLE	4,230	167	948	2,062
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	82,910	-	-	-
TOTAL CURRENT LIABILITIES	<u>98,323</u>	<u>834</u>	<u>1,994</u>	<u>3,948</u>
NONCURRENT LIABILITIES:				
COMPENSATED ABSENCES PAYABLE	4,532	154	942	2,546
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	291,849	-	-	-
NET PENSION LIABILITY	73,973	3,207	14,560	37,156
TOTAL NONCURRENT LIABILITIES	<u>370,354</u>	<u>3,361</u>	<u>15,502</u>	<u>39,702</u>
TOTAL LIABILITIES	<u>468,677</u>	<u>4,195</u>	<u>17,496</u>	<u>43,650</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>5,283</u>	<u>195</u>	<u>590</u>	<u>4,038</u>
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	63,033	3,718	11,181	13,826
UNRESTRICTED	64,014	600	20,611	12,595
TOTAL NET POSITION	<u>\$ 127,047</u>	<u>\$ 4,318</u>	<u>\$ 31,792</u>	<u>\$ 26,421</u>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS (CONTINUED)  
JUNE 30, 2021 (IN THOUSANDS)**

	<b>FLEET MANAGEMENT</b>	<b>RISK MANAGEMENT</b>	<b>FLOOD CONTROL EQUIPMENT</b>
<b>ASSETS</b>			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS	\$ 19,816	\$ 392,539	\$ 3,585
OTHER RECEIVABLES	-	4,071	-
DUE FROM OTHER FUNDS	438	721	128
DUE FROM OTHER GOVERNMENTS	150	115	6
INVENTORIES	2,053	-	-
PREPAID ITEMS	-	396	-
TOTAL CURRENT ASSETS	<u>22,457</u>	<u>397,842</u>	<u>3,719</u>
NONCURRENT ASSETS:			
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:			
LAND	894	-	-
DEVELOPMENT IN PROGRESS	1,358	-	-
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:			
STRUCTURES AND IMPROVEMENTS	18,816	-	-
EQUIPMENT AND SOFTWARE	42,853	663	16,985
ACCUMULATED DEPRECIATION AND AMORTIZATION	<u>(37,693)</u>	<u>(660)</u>	<u>(8,908)</u>
TOTAL NONCURRENT ASSETS	<u>26,228</u>	<u>3</u>	<u>8,077</u>
TOTAL ASSETS	<u>48,685</u>	<u>397,845</u>	<u>11,796</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>5,685</u>	<u>4,301</u>	<u>-</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE	1,934	3,215	328
SALARIES AND BENEFITS PAYABLE	324	198	-
DUE TO OTHER FUNDS	247	870	-
DUE TO OTHER GOVERNMENTS	41	-	-
ADVANCES FROM OTHERS	-	427	-
COMPENSATED ABSENCES PAYABLE	602	451	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	-	82,910	-
TOTAL CURRENT LIABILITIES	<u>3,148</u>	<u>88,071</u>	<u>328</u>
NONCURRENT LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	540	350	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	-	291,849	-
NET PENSION LIABILITY	10,780	8,270	-
TOTAL NONCURRENT LIABILITIES	<u>11,320</u>	<u>300,469</u>	<u>-</u>
TOTAL LIABILITIES	<u>14,468</u>	<u>388,540</u>	<u>328</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>265</u>	<u>195</u>	<u>-</u>
<b>NET POSITION</b>			
NET INVESTMENT IN CAPITAL ASSETS	26,228	3	8,077
UNRESTRICTED	13,409	13,408	3,391
TOTAL NET POSITION	<u>\$ 39,637</u>	<u>\$ 13,411</u>	<u>\$ 11,468</u>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL SERVICES GROUP</u>	<u>TELECOMMUNICATION SERVICES</u>	<u>COMPUTER OPERATIONS</u>
OPERATING REVENUES:				
CHARGES FOR CURRENT SERVICES	\$ 276,388	\$ 10,558	\$ 33,946	\$ 54,497
TOTAL OPERATING REVENUES	<u>276,388</u>	<u>10,558</u>	<u>33,946</u>	<u>54,497</u>
OPERATING EXPENSES:				
PROFESSIONAL SERVICES	33,630	967	1,765	10,802
SALARIES AND EMPLOYEES BENEFITS	64,979	3,421	13,722	31,129
SELF-INSURED CLAIMS	107,184	-	-	-
SERVICES AND SUPPLIES	82,655	5,714	23,281	7,466
DEPRECIATION AND AMORTIZATION	12,503	197	3,076	3,435
OTHER	1,243	-	-	-
TOTAL OPERATING EXPENSES	<u>302,194</u>	<u>10,299</u>	<u>41,844</u>	<u>52,832</u>
OPERATING INCOME (LOSS)	<u>(25,806)</u>	<u>259</u>	<u>(7,898)</u>	<u>1,665</u>
NONOPERATING REVENUES (EXPENSES):				
INVESTMENT INCOME (LOSS)	(44)	(34)	(99)	35
INTEREST EXPENSE	(1)	(1)	-	-
GRANT REVENUE	411	61	22	267
GAIN (LOSS) ON SALE OF CAPITAL ASSETS	536	-	(204)	-
OTHER NONOPERATING REVENUES	538	-	1	1
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1,440</u>	<u>26</u>	<u>(280)</u>	<u>303</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	(24,366)	285	(8,178)	1,968
TRANSFERS OUT	(2,655)	(125)	(547)	(1,305)
TRANSFERS IN	1,101	-	-	-
CHANGE IN NET POSITION	<u>(25,920)</u>	<u>160</u>	<u>(8,725)</u>	<u>663</u>
TOTAL NET POSITION, BEGINNING	<u>152,967</u>	<u>4,158</u>	<u>40,517</u>	<u>25,758</u>
TOTAL NET POSITION, ENDING	<u>\$ 127,047</u>	<u>\$ 4,318</u>	<u>\$ 31,792</u>	<u>\$ 26,421</u>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>FLEET MANAGEMENT</b>	<b>RISK MANAGEMENT</b>	<b>FLOOD CONTROL EQUIPMENT</b>
OPERATING REVENUES:			
CHARGES FOR CURRENT SERVICES	\$ 36,260	\$ 139,069	\$ 2,058
TOTAL OPERATING REVENUES	<u>36,260</u>	<u>139,069</u>	<u>2,058</u>
OPERATING EXPENSES:			
PROFESSIONAL SERVICES	3,622	16,469	5
SALARIES AND EMPLOYEES BENEFITS	10,022	6,685	-
SELF-INSURED CLAIMS	-	107,184	-
SERVICES AND SUPPLIES	15,265	28,231	2,698
DEPRECIATION AND AMORTIZATION	4,888	2	905
OTHER	-	1,243	-
TOTAL OPERATING EXPENSES	<u>33,797</u>	<u>159,814</u>	<u>3,608</u>
OPERATING INCOME (LOSS)	<u>2,463</u>	<u>(20,745)</u>	<u>(1,550)</u>
NONOPERATING REVENUES (EXPENSES):			
INVESTMENT INCOME (LOSS)	36	32	(14)
GRANT REVENUE	25	36	-
GAIN (LOSS) ON SALE OF CAPITAL ASSETS	414	-	326
OTHER NONOPERATING REVENUES	-	515	21
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>475</u>	<u>583</u>	<u>333</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	2,938	(20,162)	(1,217)
TRANSFERS OUT	(388)	(290)	-
TRANSFERS IN	1	-	1,100
CHANGE IN NET POSITION	2,551	(20,452)	(117)
TOTAL NET POSITION, BEGINNING	<u>37,086</u>	<u>33,863</u>	<u>11,585</u>
TOTAL NET POSITION, ENDING	<u>\$ 39,637</u>	<u>\$ 13,411</u>	<u>\$ 11,468</u>

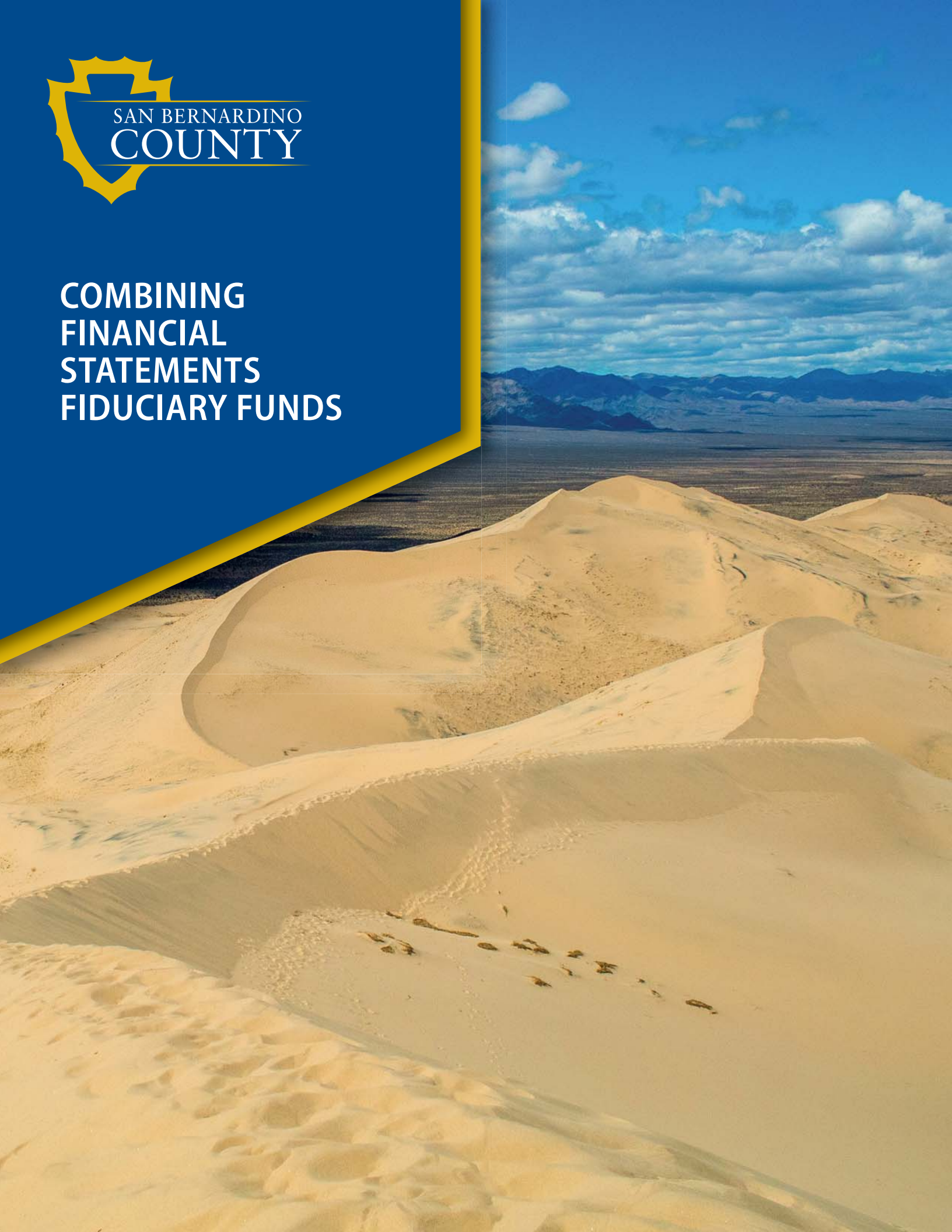
**SAN BERNARDINO COUNTY  
STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	GENERAL SERVICES GROUP	TELE- COMMUNICATION SERVICES	COMPUTER OPERATIONS	FLEET MANAGEMENT	RISK MANAGEMENT	FLOOD CONTROL EQUIPMENT
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
CASH RECEIVED FROM OTHER FUNDS FOR INTERNAL SERVICES	\$ 274,027	\$ 10,889	\$ 33,973	\$ 55,174	\$ 36,276	\$ 135,755	\$ 1,960
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(164,572)	(6,130)	(22,473)	(18,644)	(18,327)	(96,623)	(2,375)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(58,831)	(3,329)	(12,847)	(27,053)	(9,461)	(6,141)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	50,624	1,430	(1,347)	9,477	8,488	32,991	(415)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>							
GRANTS RECEIVED	411	61	22	267	25	36	-
INTEREST PAID ON INTERFUND LOAN	(1)	(1)	-	-	-	-	-
TRANSFERS RECEIVED	1,101	-	-	-	1	-	1,100
TRANSFERS PAID	(2,655)	(125)	(547)	(1,305)	(388)	(290)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(1,144)	(65)	(525)	(1,038)	(362)	(254)	1,100
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(10,686)	(494)	1,663	(5,685)	(4,874)	(1)	(1,295)
PROCEEDS FROM SALE OF CAPITAL ASSETS	740	-	-	-	414	-	326
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(9,946)	(494)	1,663	(5,685)	(4,460)	(1)	(969)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
INTEREST ON INVESTMENTS	(44)	(34)	(99)	35	36	32	(14)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(44)	(34)	(99)	35	36	32	(14)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	39,490	837	(308)	2,789	3,702	32,768	(298)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	439,856	2,163	23,396	34,529	16,114	359,771	3,883
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 479,346	\$ 3,000	\$ 23,088	\$ 37,318	\$ 19,816	\$ 392,539	\$ 3,585
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>							
OPERATING INCOME (LOSS)	\$ (25,806)	\$ 259	\$ (7,898)	\$ 1,665	\$ 2,463	\$ (20,745)	\$ (1,550)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
DEPRECIATION AND AMORTIZATION	12,503	197	3,076	3,435	4,888	2	905
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	538	-	1	1	-	515	21
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:							
ACCOUNTS RECEIVABLE	301	-	47	-	254	-	-
DUE FROM OTHER FUNDS	622	321	28	867	(250)	(216)	(128)
DUE FROM OTHER GOVERNMENTS	(276)	10	(49)	(191)	12	(67)	9
OTHER RECEIVABLES	(3,080)	-	-	-	-	(3,080)	-
INVENTORIES	124	6	5	-	113	-	-
PREPAID ITEMS	2,521	84	2,630	-	-	(193)	-
ACCOUNTS PAYABLE AND OTHER LIABILITIES	(42)	461	(62)	(138)	452	(1,083)	328
SALARIES AND BENEFITS PAYABLE	(1,923)	(90)	(364)	(927)	(340)	(202)	-
DUE TO OTHER GOVERNMENTS	(243)	-	-	(238)	(5)	-	-
ADVANCES FROM OTHERS	(466)	-	-	-	-	(466)	-
COMPENSATED ABSENCES PAYABLE	758	3	194	473	26	62	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	57,780	-	-	-	-	57,780	-
OTHER NON-CASH ITEMS	7,313	179	1,045	4,530	875	684	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 50,624	\$ 1,430	\$ (1,347)	\$ 9,477	\$ 8,488	\$ 32,991	\$ (415)
<b>BREAKDOWN OF CASH AND CASH EQUIVALENTS</b>							
CASH AND CASH EQUIVALENTS	\$ 479,346	\$ 3,000	\$ 23,088	\$ 37,318	\$ 19,816	\$ 392,539	\$ 3,585



SAN BERNARDINO  
COUNTY

**COMBINING  
FINANCIAL  
STATEMENTS  
FIDUCIARY FUNDS**







## FIDUCIARY FUNDS DESCRIPTIONS

### ***PRIVATE-PURPOSE TRUST FUNDS***

#### **Public Guardian**

The Public Guardian fund accounts for assets which are held in trust for San Bernardino County residents who are gravely disabled or otherwise incompetent and have lost the ability to properly care for themselves and administer their estates.

#### **Public Administrator**

The Public Administrator fund accounts for assets which are held in trust for the administration of decedents' estates on behalf of San Bernardino County dependents who have no known relatives who are willing to administer their estates.

#### **RDA Successor Agency**

The RDA Successor Agency fund accounts for assets which are held by San Bernardino County in trust to wind down the affairs of the former redevelopment agency according to the Dissolution Act (ABX1 26) of 2012.

### ***CUSTODIAL FUNDS***

#### **Unapportioned Collections**

The Unapportioned Collections fund accounts for secured and unsecured property taxes receivable, court fines, amounts which are impounded because of disputes or litigation, as well as amounts held pending authority for apportionment.

#### **CalSAWS Consortium**

The CalSAWS Consortium fund accounts for cash accumulated for the operation and maintenance of an automated welfare system to be used by each of the fifty-eight member counties in California on behalf of CalSAWS Consortium Joint Power Authority.

#### **Tax Collections for School Bonds**

Tax Collections for School Bonds fund accounts for cash accumulated from property tax levy to be used for debt service payments of school bonds on behalf of School Districts and Community College Districts.

#### **Other Custodial**

Other Custodial funds account for assets of various other funds which are held for other governmental agencies or individuals by the County in a custodial capacity.

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	PUBLIC GUARDIAN	PUBLIC ADMINISTRATOR	RDA SUCCESSOR AGENCY
<b>ASSETS</b>				
CASH AND INVESTMENTS (NOTE 4)	\$ 18,605	\$ 7,246	\$ 9,005	\$ 2,354
RECEIVABLES:				
INTEREST AND DIVIDENDS RECEIVABLE	43	15	17	11
TOTAL RECEIVABLES	43	15	17	11
LAND HELD FOR RESALE	13,276	-	-	13,276
PREPAID ITEMS	1,113	-	-	1,113
RESTRICTED CASH AND CASH EQUIVALENTS	3,485	-	-	3,485
TOTAL ASSETS	36,522	7,261	9,022	20,239
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	1,176	-	-	1,176
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE AND OTHER LIABILITIES	5	5	-	-
DUE TO OTHER GOVERNMENTS	193	104	-	89
INTEREST PAYABLE	780	-	-	780
BONDS AND NOTES PAYABLE:				
DUE IN ONE YEAR	2,645	-	-	2,645
DUE AFTER ONE YEAR	61,365	-	-	61,365
TOTAL LIABILITIES	64,988	109	-	64,879
<b>DEFERRED INFLOWS OF RESOURCES</b>	555	-	-	555
<b>NET POSITION</b>				
RESTRICTED FOR:				
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	(27,845)	7,152	9,022	(44,019)
TOTAL NET POSITION (DEFICIT)	\$ (27,845)	\$ 7,152	\$ 9,022	\$ (44,019)

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>UNAPPORTIONED COLLECTIONS</u>	<u>CALSAWS CONSORTIUM</u>	<u>TAX COLLECTIONS FOR SCHOOL BONDS</u>	<u>OTHER CUSTODIAL</u>
<b>ASSETS</b>					
CASH AND INVESTMENTS (NOTE 4)	\$ 708,890	\$ 330,119	\$ 25,247	\$ 337,427	\$ 16,097
RECEIVABLES:					
ACCOUNTS RECEIVABLE - NET	23,949	23,949	-	-	-
TAXES RECEIVABLE	177,371	177,371	-	-	-
INTEREST AND DIVIDENDS RECEIVABLE	951	287	-	661	3
DUE FROM OTHER GOVERNMENTS	19,849	18,440	-	-	1,409
TOTAL RECEIVABLES	<u>222,120</u>	<u>220,047</u>	<u>-</u>	<u>661</u>	<u>1,412</u>
TOTAL ASSETS	<u>931,010</u>	<u>550,166</u>	<u>25,247</u>	<u>338,088</u>	<u>17,509</u>
<b>LIABILITIES</b>					
ACCOUNTS PAYABLE AND OTHER LIABILITIES	658	658	-	-	-
DUE TO OTHER GOVERNMENTS	239,069	212,728	25,247	353	741
TOTAL LIABILITIES	<u>239,727</u>	<u>213,386</u>	<u>25,247</u>	<u>353</u>	<u>741</u>
<b>NET POSITION</b>					
RESTRICTED FOR:					
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	691,283	336,780	-	337,735	16,768
TOTAL NET POSITION	<u>\$ 691,283</u>	<u>\$ 336,780</u>	<u>\$ -</u>	<u>\$ 337,735</u>	<u>\$ 16,768</u>

**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PRIVATE-PURPOSE TRUST FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>PUBLIC GUARDIAN</u>	<u>PUBLIC ADMINISTRATOR</u>	<u>RDA SUCCESSOR AGENCY</u>
<b>ADDITIONS</b>				
CONTRIBUTIONS:				
REDEVELOPMENT AGENCY PROPERTY TAX TRUST FUND	\$ 4,900	\$ -	\$ -	\$ 4,900
GIFTS AND BEQUESTS	15,298	9,663	5,635	-
TOTAL CONTRIBUTIONS	<u>20,198</u>	<u>9,663</u>	<u>5,635</u>	<u>4,900</u>
INVESTMENT EARNINGS:				
NET INCREASE/(DECREASE) IN FAIR VALUE OF INVESTMENTS	(9)	26	47	(82)
INTEREST, DIVIDENDS, AND OTHER	177	101	22	54
NET INVESTMENT EARNINGS	<u>168</u>	<u>127</u>	<u>69</u>	<u>(28)</u>
OTHER REVENUES	248	-	-	248
TOTAL ADDITIONS	<u>20,614</u>	<u>9,790</u>	<u>5,704</u>	<u>5,120</u>
<b>DEDUCTIONS</b>				
BENEFIT AND REFUND PAYMENTS TO INDIVIDUALS	11,218	8,922	2,296	-
DISTRIBUTION AND OBLIGATION RETIREMENTS	2,296	-	-	2,296
ADMINISTRATIVE EXPENSES	1,013	-	-	1,013
TOTAL DEDUCTIONS	<u>14,527</u>	<u>8,922</u>	<u>2,296</u>	<u>3,309</u>
CHANGE IN NET POSITION	6,087	868	3,408	1,811
NET POSITION (DEFICIT) HELD IN TRUST, BEGINNING, AS RESTATED (NOTE 21)	<u>(33,932)</u>	<u>6,284</u>	<u>5,614</u>	<u>(45,830)</u>
NET POSITION (DEFICIT) HELD IN TRUST, ENDING	<u>\$ (27,845)</u>	<u>\$ 7,152</u>	<u>\$ 9,022</u>	<u>\$ (44,019)</u>

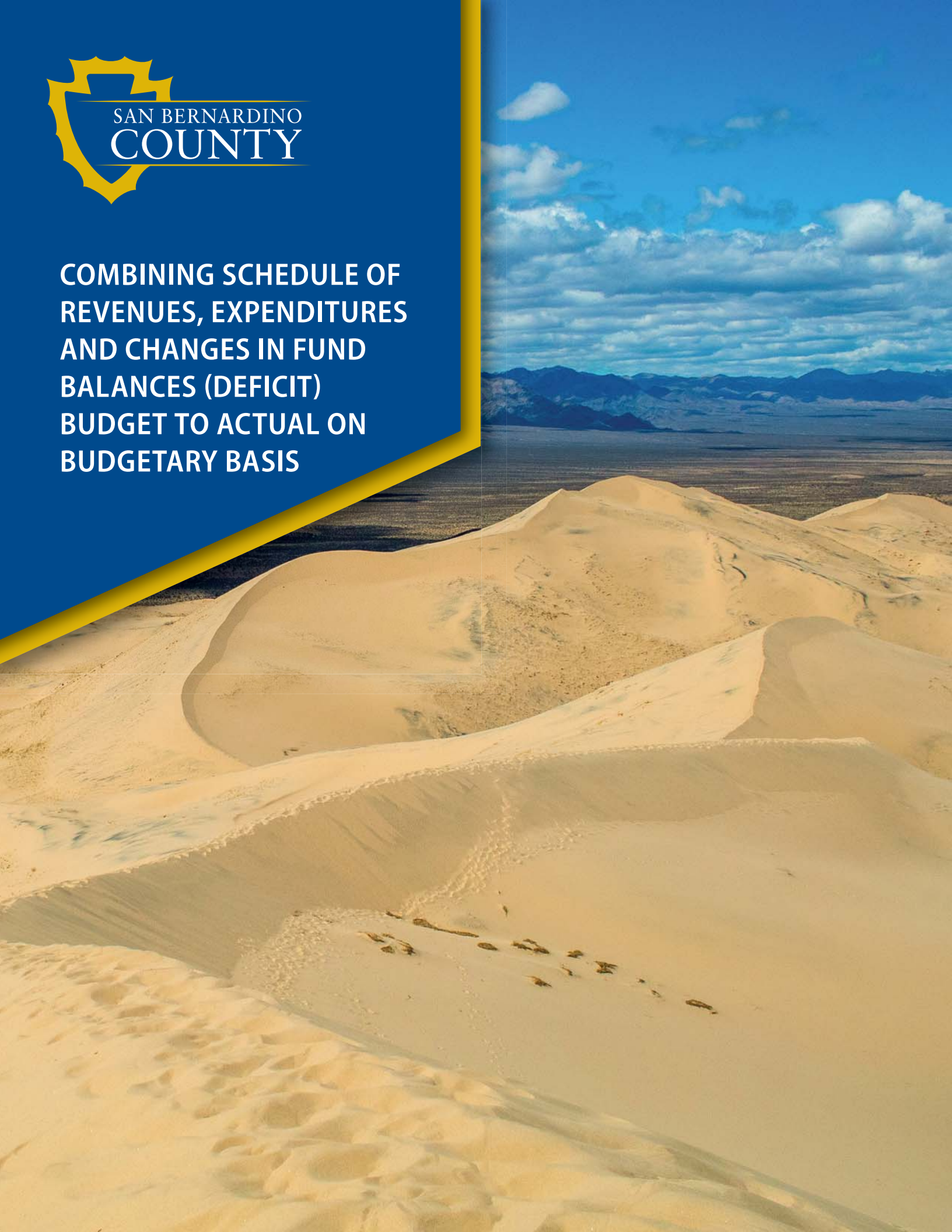
**SAN BERNARDINO COUNTY  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	UNAPPORTIONED COLLECTIONS	CALSAWS CONSORTIUM	TAX COLLECTIONS FOR SCHOOL BONDS	OTHER CUSTODIAL
<b>ADDITIONS</b>					
INVESTMENT EARNINGS:					
NET INCREASE/(DECREASE) IN FAIR VALUE OF INVESTMENTS	\$ (2,310)	\$ 638	\$ -	\$ (2,896)	\$ (52)
INTEREST, DIVIDENDS, AND OTHER	<u>5,048</u>	<u>1,757</u>	<u>-</u>	<u>3,283</u>	<u>8</u>
NET INVESTMENT EARNINGS	2,738	2,395	-	387	(44)
TAXES COLLECTED FOR OTHER GOVERNMENTS	2,598,521	2,322,934	-	258,339	17,248
FINES AND FEES COLLECTED FOR OTHER GOVERNMENTS	100,204	65,645	-	-	34,559
STATE FUNDS COLLECTED FOR OTHER GOVERNMENTS	357,354	-	341,256	-	16,098
BOND PROCEEDS COLLECTED FOR OTHER GOVERNMENTS	8,323	-	-	8,323	-
PAYMENTS COLLECTED ON BEHALF OF OTHERS	<u>22,784</u>	<u>-</u>	<u>21,963</u>	<u>-</u>	<u>821</u>
TOTAL ADDITIONS	<u>3,089,924</u>	<u>2,390,974</u>	<u>363,219</u>	<u>267,049</u>	<u>68,682</u>
<b>DEDUCTIONS</b>					
BENEFIT AND REFUND PAYMENTS TO INDIVIDUALS	821	-	-	-	821
DISTRIBUTION AND OBLIGATION RETIREMENTS	295,340	-	-	284,823	10,517
TAX COLLECTIONS DISBURSED TO OTHER GOVERNMENTS	2,222,139	2,215,441	-	-	6,698
TAX ADJUSTMENTS DISBURSED TO INDIVIDUALS	38,472	38,471	-	-	1
FINES AND FEES DISBURSED TO OTHER GOVERNMENTS	83,030	52,418	-	-	30,612
FINES AND FEES DISBURSED TO INDIVIDUALS	6,946	6,858	-	-	88
STATE FUNDS DISBURSED TO OTHER GOVERNMENTS	16,085	-	-	-	16,085
PAYMENTS DISBURSED TO OTHERS	362,974	-	362,865	-	109
ADMINISTRATIVE EXPENSES	<u>15,149</u>	<u>14,429</u>	<u>354</u>	<u>353</u>	<u>13</u>
TOTAL DEDUCTIONS	<u>3,040,956</u>	<u>2,327,617</u>	<u>363,219</u>	<u>285,176</u>	<u>64,944</u>
CHANGE IN NET POSITION	48,968	63,357	-	(18,127)	3,738
NET POSITION (DEFICIT) HELD IN TRUST, BEGINNING, AS RESTATED (NOTE 21)	<u>642,315</u>	<u>273,423</u>	<u>-</u>	<u>355,862</u>	<u>13,030</u>
NET POSITION (DEFICIT) HELD IN TRUST, ENDING	<u>\$ 691,283</u>	<u>\$ 336,780</u>	<u>\$ -</u>	<u>\$ 337,735</u>	<u>\$ 16,768</u>





**COMBINING SCHEDULE OF  
REVENUES, EXPENDITURES  
AND CHANGES IN FUND  
BALANCES (DEFICIT)  
BUDGET TO ACTUAL ON  
BUDGETARY BASIS**







**SAN BERNARDINO COUNTY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL ON BUDGETARY BASIS**  
**CERTAIN SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<b>TOTAL</b>		
	<b>FINAL BUDGET</b>	<b>ACTUAL ON BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET</b>
REVENUES:			
TAXES	\$ 187,969	\$ 222,209	\$ 34,240
LICENSES, PERMITS AND FRANCHISES	94	1,157	1,063
FINES, FORFEITURES AND PENALTIES	5,287	4,616	(671)
REVENUES FROM USE OF MONEY AND PROPERTY	15,847	5,264	(10,583)
AID FROM OTHER GOVERNMENTAL AGENCIES	640,769	534,386	(106,383)
CHARGES FOR CURRENT SERVICES	137,675	137,478	(197)
OTHER REVENUES	38,531	42,621	4,090
TOTAL REVENUES	<u>1,026,172</u>	<u>947,731</u>	<u>(78,441)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	19,259	15,473	3,786
PUBLIC PROTECTION	399,854	295,560	104,294
PUBLIC WAYS AND FACILITIES	147,828	71,991	75,837
HEALTH AND SANITATION	293,999	200,634	93,365
PUBLIC ASSISTANCE	228,962	101,967	126,995
EDUCATION	22,318	17,094	5,224
RECREATION AND CULTURAL SERVICES	13,313	9,129	4,184
DEBT SERVICE:			
PRINCIPAL	8,688	6,084	2,604
INTEREST AND FISCAL CHARGES	3,039	1,003	2,036
CAPITAL OUTLAY	65,693	21,702	43,991
TOTAL EXPENDITURES	<u>1,202,953</u>	<u>740,637</u>	<u>462,316</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(176,781)</u>	<u>207,094</u>	<u>383,875</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(150,521)	(75,910)	74,611
TRANSFERS IN	152,120	57,145	(94,975)
LONG-TERM DEBT ISSUED	376	-	(376)
SALE OF CAPITAL ASSETS	229	1,652	1,423
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>2,204</u>	<u>(17,113)</u>	<u>(19,317)</u>
NET CHANGE IN FUND BALANCES	(174,577)	189,981	364,558
FUND BALANCES, BEGINNING, AS RESTATED	800,957	800,957	-
FUND BALANCES, ENDING	<u>\$ 626,380</u>	<u>\$ 990,938</u>	<u>\$ 364,558</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>TRANSPORTATION</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
LICENSES, PERMITS AND FRANCHISES	\$ -	\$ 360	\$ 360
REVENUES FROM USE OF MONEY AND PROPERTY	1,658	(171)	(1,829)
AID FROM OTHER GOVERNMENTAL AGENCIES	100,624	77,849	(22,775)
CHARGES FOR CURRENT SERVICES	1,759	202	(1,557)
OTHER REVENUES	202	809	607
TOTAL REVENUES	<u>104,243</u>	<u>79,049</u>	<u>(25,194)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC WAYS AND FACILITIES	109,377	66,530	42,847
CAPITAL OUTLAY	17,924	5,510	12,414
TOTAL EXPENDITURES	<u>127,301</u>	<u>72,040</u>	<u>55,261</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(23,058)</u>	<u>7,009</u>	<u>30,067</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(11,656)	(6,104)	5,552
TRANSFERS IN	16,007	3,265	(12,742)
SALE OF CAPITAL ASSETS	223	617	394
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>4,574</u>	<u>(2,222)</u>	<u>(6,796)</u>
NET CHANGE IN FUND BALANCES	(18,484)	4,787	23,271
FUND BALANCES, BEGINNING	<u>79,862</u>	<u>79,862</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 61,378</u>	<u>\$ 84,649</u>	<u>\$ 23,271</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>SPECIAL TRANSPORTATION</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 5,227	\$ 7,847	\$ 2,620
REVENUES FROM USE OF MONEY AND PROPERTY	1,082	28	(1,054)
AID FROM OTHER GOVERNMENTAL AGENCIES	12,934	521	(12,413)
CHARGES FOR CURRENT SERVICES	2,602	4,504	1,902
TOTAL REVENUES	<u>21,845</u>	<u>12,907</u>	<u>(8,938)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC WAYS AND FACILITIES	34,798	3,472	31,326
TOTAL EXPENDITURES	<u>34,798</u>	<u>3,472</u>	<u>31,326</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(12,953)</u>	<u>9,435</u>	<u>22,388</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(3,670)	(435)	3,235
TRANSFERS IN	25	-	(25)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(3,645)</u>	<u>(435)</u>	<u>3,210</u>
NET CHANGE IN FUND BALANCES	(16,598)	9,000	25,598
FUND BALANCES, BEGINNING	<u>62,726</u>	<u>62,726</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 46,128</u>	<u>\$ 71,726</u>	<u>\$ 25,598</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>SPECIAL AVIATION</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 30	\$ (28)	\$ (58)
AID FROM OTHER GOVERNMENTAL AGENCIES	4,253	55	(4,198)
OTHER REVENUES	-	-	-
TOTAL REVENUES	<u>4,283</u>	<u>27</u>	<u>(4,256)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	121	(93)	214
CAPITAL OUTLAY	-	(338)	338
TOTAL EXPENDITURES	<u>121</u>	<u>(431)</u>	<u>552</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,162</u>	<u>458</u>	<u>(3,704)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(8,726)	(1,187)	7,539
TRANSFERS IN	3,189	-	(3,189)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(5,537)</u>	<u>(1,187)</u>	<u>4,350</u>
NET CHANGE IN FUND BALANCES	(1,375)	(729)	646
FUND BALANCES, BEGINNING	<u>7,047</u>	<u>7,047</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 5,672</u>	<u>\$ 6,318</u>	<u>\$ 646</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>MENTAL HEALTH SERVICES ACT</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 4,881	\$ 2,256	\$ (2,625)
AID FROM OTHER GOVERNMENTAL AGENCIES	184,174	214,238	30,064
CHARGES FOR CURRENT SERVICES	-	20	20
OTHER REVENUES	<u>5,702</u>	<u>3,104</u>	<u>(2,598)</u>
TOTAL REVENUES	<u>194,757</u>	<u>219,618</u>	<u>24,861</u>
EXPENDITURES:			
CURRENT:			
HEALTH AND SANITATION	245,038	167,216	77,822
CAPITAL OUTLAY	<u>5,473</u>	<u>1,282</u>	<u>4,191</u>
TOTAL EXPENDITURES	<u>250,511</u>	<u>168,498</u>	<u>82,013</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(55,754)</u>	<u>51,120</u>	<u>106,874</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(3,371)	(3,304)	67
TRANSFERS IN	20,800	162	(20,638)
SALE OF CAPITAL ASSETS	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>17,429</u>	<u>(3,142)</u>	<u>(20,571)</u>
NET CHANGE IN FUND BALANCES	(38,325)	47,978	86,303
FUND BALANCES, BEGINNING	<u>97,833</u>	<u>97,833</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 59,508</u>	<u>\$ 145,811</u>	<u>\$ 86,303</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>PRESCHOOL SERVICES</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ -	\$ 5	\$ 5
AID FROM OTHER GOVERNMENTAL AGENCIES	77,249	62,551	(14,698)
OTHER REVENUES	-	54	54
	<u>77,249</u>	<u>62,610</u>	<u>(14,639)</u>
TOTAL REVENUES			
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	67,808	58,922	8,886
DEBT SERVICE:			
INTEREST AND FISCAL CHARGES	9	6	3
CAPITAL OUTLAY	2,044	1,581	463
	<u>69,861</u>	<u>60,509</u>	<u>9,352</u>
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER EXPENDITURES	<u>7,388</u>	<u>2,101</u>	<u>(5,287)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(7,356)	(3,809)	3,547
SALE OF CAPITAL ASSETS	6	15	9
	<u>(7,350)</u>	<u>(3,794)</u>	<u>3,556</u>
TOTAL OTHER FINANCING SOURCES AND (USES)			
NET CHANGE IN FUND BALANCES	38	(1,693)	(1,731)
FUND BALANCES (DEFICIT), BEGINNING	<u>4</u>	<u>4</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 42</u>	<u>\$ (1,689)</u>	<u>\$ (1,731)</u>



SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>AGING AND ADULT SERVICES</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ -	\$ (4)	\$ (4)
AID FROM OTHER GOVERNMENTAL AGENCIES	11,409	10,393	(1,016)
OTHER REVENUES	738	1,632	894
TOTAL REVENUES	<u>12,147</u>	<u>12,021</u>	<u>(126)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	<u>13,952</u>	<u>10,736</u>	<u>3,216</u>
TOTAL EXPENDITURES	<u>13,952</u>	<u>10,736</u>	<u>3,216</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,805)</u>	<u>1,285</u>	<u>3,090</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(9,196)	(7,025)	2,171
TRANSFERS IN	<u>11,000</u>	<u>5,825</u>	<u>(5,175)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>1,804</u>	<u>(1,200)</u>	<u>(3,004)</u>
NET CHANGE IN FUND BALANCES	(1)	85	86
FUND BALANCES, BEGINNING	<u>1,428</u>	<u>1,428</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,427</u>	<u>\$ 1,513</u>	<u>\$ 86</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>JOBS AND EMPLOYMENT SERVICES</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 548	\$ 545	\$ (3)
AID FROM OTHER GOVERNMENTAL AGENCIES	24,547	15,579	(8,968)
OTHER REVENUES	560	321	(239)
TOTAL REVENUES	<u>25,655</u>	<u>16,445</u>	<u>(9,210)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	24,212	18,363	5,849
CAPITAL OUTLAY	50	-	50
TOTAL EXPENDITURES	<u>24,262</u>	<u>18,363</u>	<u>5,899</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,393</u>	<u>(1,918)</u>	<u>(3,311)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(349)	(349)	-
TRANSFERS IN	279	232	(47)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(70)</u>	<u>(117)</u>	<u>(47)</u>
NET CHANGE IN FUND BALANCES	1,323	(2,035)	(3,358)
FUND BALANCES (DEFICIT), BEGINNING	<u>(1,162)</u>	<u>(1,162)</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ 161</u>	<u>\$ (3,197)</u>	<u>\$ (3,358)</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

COURTHOUSE TEMPORARY CONSTRUCTION

	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
FINES, FORFEITURES AND PENALTIES	\$ 2,232	\$ 709	\$ (1,523)
REVENUES FROM USE OF MONEY AND PROPERTY	<u>2</u>	<u>8</u>	<u>6</u>
TOTAL REVENUES	<u>2,234</u>	<u>717</u>	<u>(1,517)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	<u>2,234</u>	<u>717</u>	<u>1,517</u>
TOTAL EXPENDITURES	<u>2,234</u>	<u>717</u>	<u>1,517</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>CRIMINAL JUSTICE TEMPORARY CONSTRUCTION</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
FINES, FORFEITURES AND PENALTIES	\$ 1,000	\$ 1,230	\$ 230
REVENUES FROM USE OF MONEY AND PROPERTY	10	(120)	(130)
TOTAL REVENUES	<u>1,010</u>	<u>1,110</u>	<u>100</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(1,621)	(1,281)	340
TRANSFERS IN	-	1,513	1,513
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(1,621)</u>	<u>232</u>	<u>1,853</u>
NET CHANGE IN FUND BALANCES	(611)	1,342	1,953
FUND BALANCES, BEGINNING	<u>2</u>	<u>2</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ (609)</u>	<u>\$ 1,344</u>	<u>\$ 1,953</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>CENTRAL COURTHOUSE SURCHARGE</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 1	\$ -	\$ (1)
CHARGES FOR CURRENT SERVICES	<u>2,000</u>	<u>1,581</u>	<u>(419)</u>
TOTAL REVENUES	<u>2,001</u>	<u>1,581</u>	<u>(420)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	<u>(2,001)</u>	<u>(1,582)</u>	<u>419</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(2,001)</u>	<u>(1,582)</u>	<u>419</u>
NET CHANGE IN FUND BALANCES	-	(1)	(1)
FUND BALANCES, BEGINNING	<u>2</u>	<u>2</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ (1)</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>MICROGRAPHICS FEES</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 147	\$ (7)	\$ (154)
CHARGES FOR CURRENT SERVICES	3,275	4,796	1,521
OTHER REVENUES	75	-	(75)
TOTAL REVENUES	<u>3,497</u>	<u>4,789</u>	<u>1,292</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	4,696	978	3,718
CAPITAL OUTLAY	114	82	32
TOTAL EXPENDITURES	<u>4,810</u>	<u>1,060</u>	<u>3,750</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,313)</u>	<u>3,729</u>	<u>5,042</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	<u>(1,384)</u>	<u>(1,384)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(1,384)</u>	<u>(1,384)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(2,697)	2,345	5,042
FUND BALANCES, BEGINNING	<u>19,620</u>	<u>19,620</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 16,923</u>	<u>\$ 21,965</u>	<u>\$ 5,042</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>LOCAL LAW ENFORCEMENT BLOCK GRANT</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 30	\$ (9)	\$ (39)
AID FROM OTHER GOVERNMENTAL AGENCIES	222	142	(80)
TOTAL REVENUES	<u>252</u>	<u>133</u>	<u>(119)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	659	142	517
TOTAL EXPENDITURES	<u>659</u>	<u>142</u>	<u>517</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(407)</u>	<u>(9)</u>	<u>398</u>
NET CHANGE IN FUND BALANCES	(407)	(9)	398
FUND BALANCES, BEGINNING	<u>2,001</u>	<u>2,001</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,594</u>	<u>\$ 1,992</u>	<u>\$ 398</u>



SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

SHERIFF SPECIAL PROJECTS

	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
FINES, FORFEITURES AND PENALTIES	\$ 75	\$ 22	\$ (53)
REVENUES FROM USE OF MONEY AND PROPERTY	232	26	(206)
AID FROM OTHER GOVERNMENTAL AGENCIES	10,358	9,888	(470)
CHARGES FOR CURRENT SERVICES	1,000	481	(519)
OTHER REVENUES	2	-	(2)
TOTAL REVENUES	<u>11,667</u>	<u>10,417</u>	<u>(1,250)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	18,230	10,145	8,085
CAPITAL OUTLAY	2,869	514	2,355
TOTAL EXPENDITURES	<u>21,099</u>	<u>10,659</u>	<u>10,440</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(9,432)</u>	<u>(242)</u>	<u>9,190</u>
NET CHANGE IN FUND BALANCES	(9,432)	(237)	9,195
FUND BALANCES, BEGINNING	<u>14,063</u>	<u>14,063</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 4,631</u>	<u>\$ 13,826</u>	<u>\$ 9,195</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>FIRE PROTECTION DISTRICTS</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 97,698	\$ 109,662	\$ 11,964
REVENUES FROM USE OF MONEY AND PROPERTY	1,758	641	(1,117)
AID FROM OTHER GOVERNMENTAL AGENCIES	18,419	23,879	5,460
CHARGES FOR CURRENT SERVICES	106,623	106,315	(308)
OTHER REVENUES	6,871	990	(5,881)
TOTAL REVENUES	<u>231,369</u>	<u>241,487</u>	<u>10,118</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	234,655	208,669	25,986
DEBT SERVICE:			
PRINCIPAL	289	289	-
INTEREST AND FISCAL CHARGES	741	477	264
CAPITAL OUTLAY	24,964	11,804	13,160
TOTAL EXPENDITURES	<u>260,649</u>	<u>221,239</u>	<u>39,410</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(29,280)</u>	<u>20,248</u>	<u>49,528</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(29,766)	(9,449)	20,317
TRANSFERS IN	57,335	27,198	(30,137)
SALE OF CAPITAL ASSETS	-	168	168
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>27,569</u>	<u>17,917</u>	<u>(9,652)</u>
NET CHANGE IN FUND BALANCES	(1,711)	38,165	39,876
FUND BALANCES, BEGINNING	<u>123,477</u>	<u>123,477</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 121,766</u>	<u>\$ 161,642</u>	<u>\$ 39,876</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

ECONOMIC AND COMMUNITY DEVELOPMENT

	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 454	\$ 376	\$ (78)
AID FROM OTHER GOVERNMENTAL AGENCIES	112,604	43,396	(69,208)
CHARGES FOR CURRENT SERVICES	4	-	(4)
OTHER REVENUES	772	773	1
TOTAL REVENUES	<u>113,834</u>	<u>44,545</u>	<u>(69,289)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	118,621	12,591	106,030
INTEREST AND FISCAL CHARGES	-	9	(9)
TOTAL EXPENDITURES	<u>118,621</u>	<u>12,600</u>	<u>106,021</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,787)</u>	<u>31,945</u>	<u>36,732</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(8,327)	(5,698)	2,629
TRANSFERS IN	3,858	3,750	(108)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(4,469)</u>	<u>(1,948)</u>	<u>2,521</u>
NET CHANGE IN FUND BALANCES	(9,256)	29,997	39,253
FUND BALANCES, BEGINNING	<u>27,739</u>	<u>27,739</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 18,483</u>	<u>\$ 57,736</u>	<u>\$ 39,253</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>FLOOD CONTROL DISTRICT</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 59,646	\$ 73,635	\$ 13,989
LICENSES, PERMITS AND FRANCHISES	-	216	216
REVENUES FROM USE OF MONEY AND PROPERTY	98	85	(13)
AID FROM OTHER GOVERNMENTAL AGENCIES	4,097	9,883	5,786
CHARGES FOR CURRENT SERVICES	1,434	1,582	148
OTHER REVENUES	3	248	245
TOTAL REVENUES	<u>65,278</u>	<u>85,649</u>	<u>20,371</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	115,934	52,754	63,180
DEBT SERVICE:			
PRINCIPAL	6,580	5,795	785
INTEREST AND FISCAL CHARGES	2,124	445	1,679
CAPITAL OUTLAY	5,712	773	4,939
TOTAL EXPENDITURES	<u>130,350</u>	<u>59,767</u>	<u>70,583</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(65,072)</u>	<u>25,882</u>	<u>90,954</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(29,598)	(5,313)	24,285
TRANSFERS IN	25,262	1,441	(23,821)
SALE OF CAPITAL ASSETS	-	839	839
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(4,336)</u>	<u>(3,033)</u>	<u>1,303</u>
NET CHANGE IN FUND BALANCES	(69,408)	22,849	92,257
FUND BALANCES, BEGINNING	<u>141,413</u>	<u>141,413</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 72,005</u>	<u>\$ 164,262</u>	<u>\$ 92,257</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	COUNTY SERVICE AREAS		
	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
TAXES	\$ 3,741	\$ 4,853	\$ 1,112
REVENUES FROM USE OF MONEY AND PROPERTY	448	106	(342)
AID FROM OTHER GOVERNMENTAL AGENCIES	29	162	133
CHARGES FOR CURRENT SERVICES	4,867	4,596	(271)
OTHER REVENUES	100	904	804
TOTAL REVENUES	<u>9,185</u>	<u>10,621</u>	<u>1,436</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	3,733	5,595	(1,862)
PUBLIC WAYS AND FACILITIES	3,653	1,989	1,664
RECREATION AND CULTURAL SERVICES	2,049	1,884	165
DEBT SERVICE:			
PRINCIPAL	64	-	64
INTEREST AND FISCAL CHARGES	15	3	12
CAPITAL OUTLAY	1,304	378	926
TOTAL EXPENDITURES	<u>10,818</u>	<u>9,849</u>	<u>969</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,633)</u>	<u>772</u>	<u>2,405</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(1,152)	(677)	475
TRANSFERS IN	1,343	1,115	(228)
LONG-TERM DEBT ISSUED	376	-	(376)
SALE OF CAPITAL ASSETS	-	8	8
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>567</u>	<u>446</u>	<u>(121)</u>
NET CHANGE IN FUND BALANCES	(1,066)	1,218	2,284
FUND BALANCES, BEGINNING	<u>31,334</u>	<u>31,334</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 30,268</u>	<u>\$ 32,552</u>	<u>\$ 2,284</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>PARK AND RECREATION DISTRICTS</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 2,824	\$ 2,982	\$ 158
REVENUES FROM USE OF MONEY AND PROPERTY	67	(4)	(71)
AID FROM OTHER GOVERNMENTAL AGENCIES	510	111	(399)
CHARGES FOR CURRENT SERVICES	1,930	1,826	(104)
OTHER REVENUES	738	848	110
TOTAL REVENUES	<u>6,069</u>	<u>5,763</u>	<u>(306)</u>
EXPENDITURES:			
CURRENT:			
RECREATION AND CULTURAL SERVICES	5,344	4,422	922
DEBT SERVICE:			
PRINCIPAL	1,755	-	1,755
INTEREST AND FISCAL CHARGES	150	63	87
CAPITAL OUTLAY	96	37	59
TOTAL EXPENDITURES	<u>7,345</u>	<u>4,522</u>	<u>2,823</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,276)</u>	<u>1,241</u>	<u>2,517</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(1,431)	(781)	650
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(1,281)</u>	<u>(776)</u>	<u>505</u>
NET CHANGE IN FUND BALANCES	(2,557)	465	3,022
FUND BALANCES, BEGINNING	<u>(2,646)</u>	<u>(2,646)</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ (5,203)</u>	<u>\$ (2,181)</u>	<u>\$ 3,022</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>COUNTY FREE LIBRARY</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 18,800	\$ 23,203	\$ 4,403
REVENUES FROM USE OF MONEY AND PROPERTY	4	-	(4)
AID FROM OTHER GOVERNMENTAL AGENCIES	230	1,248	1,018
CHARGES FOR CURRENT SERVICES	1,096	284	(812)
OTHER REVENUES	141	107	(34)
	<u>20,271</u>	<u>24,842</u>	<u>4,571</u>
TOTAL REVENUES			
EXPENDITURES:			
CURRENT:			
EDUCATION	22,318	17,094	5,224
CAPITAL OUTLAY	63	-	63
	<u>22,381</u>	<u>17,094</u>	<u>5,287</u>
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,110)</u>	<u>7,748</u>	<u>9,858</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(509)	(409)	100
TRANSFERS IN	100	-	(100)
	<u>(409)</u>	<u>(409)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES AND (USES)			
NET CHANGE IN FUND BALANCES	(2,519)	7,339	9,858
FUND BALANCES, BEGINNING	<u>14,504</u>	<u>14,504</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 11,985</u>	<u>\$ 21,843</u>	<u>\$ 9,858</u>



SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>REDEVELOPMENT SUCCESSOR HOUSING</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 30	\$ 59	\$ 29
OTHER REVENUES	191	817	626
TOTAL REVENUES	<u>221</u>	<u>876</u>	<u>655</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	<u>2,037</u>	<u>256</u>	<u>1,781</u>
TOTAL EXPENDITURES	<u>2,037</u>	<u>256</u>	<u>1,781</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,816)</u>	<u>620</u>	<u>2,436</u>
NET CHANGE IN FUND BALANCES	(1,816)	620	2,436
FUND BALANCES, BEGINNING, AS RESTATED	<u>4,547</u>	<u>4,547</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 2,731</u>	<u>\$ 5,167</u>	<u>\$ 2,436</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>OTHER SPECIAL REVENUE</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 33	\$ 27	\$ (6)
LICENSES, PERMITS AND FRANCHISES	94	581	487
FINES, FORFEITURES AND PENALTIES	1,980	2,655	675
REVENUES FROM USE OF MONEY AND PROPERTY	4,367	1,472	(2,895)
AID FROM OTHER GOVERNMENTAL AGENCIES	79,110	64,491	(14,619)
CHARGES FOR CURRENT SERVICES	11,085	11,291	206
OTHER REVENUES	<u>22,436</u>	<u>32,007</u>	<u>9,571</u>
TOTAL REVENUES	<u>119,105</u>	<u>112,524</u>	<u>(6,581)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	13,171	9,254	3,917
PUBLIC PROTECTION	25,680	22,872	2,808
HEALTH AND SANITATION	48,961	33,418	15,543
PUBLIC ASSISTANCE	2,332	1,099	1,233
RECREATION AND CULTURAL SERVICES	5,920	2,823	3,097
CAPITAL OUTLAY	<u>5,080</u>	<u>79</u>	<u>5,001</u>
TOTAL EXPENDITURES	<u>101,144</u>	<u>69,545</u>	<u>31,599</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>17,961</u>	<u>42,979</u>	<u>25,018</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(30,408)	(27,123)	3,285
TRANSFERS IN	<u>12,772</u>	<u>12,639</u>	<u>(133)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(17,636)</u>	<u>(14,484)</u>	<u>3,152</u>
NET CHANGE IN FUND BALANCES	325	28,495	28,170
FUND BALANCES, BEGINNING, AS RESTATED	<u>177,163</u>	<u>177,163</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 177,488</u>	<u>\$ 205,658</u>	<u>\$ 28,170</u>

**SAN BERNARDINO COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL ON BUDGETARY BASIS  
CAPITAL IMPROVEMENT FUND  
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES:				
REVENUES FROM USE OF MONEY AND PROPERTY	\$ -	\$ -	\$ 76	\$ 76
AID FROM OTHER GOVERNMENTAL AGENCIES	2,327	5,805	503	(5,302)
OTHER REVENUES	-	-	853	853
TOTAL REVENUES	<u>2,327</u>	<u>5,805</u>	<u>1,432</u>	<u>(4,373)</u>
EXPENDITURES:				
CAPITAL OUTLAY	<u>468,172</u>	<u>491,392</u>	<u>40,258</u>	<u>451,134</u>
TOTAL EXPENDITURES	<u>468,172</u>	<u>491,392</u>	<u>40,258</u>	<u>451,134</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(465,845)</u>	<u>(485,587)</u>	<u>(38,826)</u>	<u>446,761</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS OUT	(10,540)	(22,904)	(671)	22,233
TRANSFERS IN	<u>81,359</u>	<u>113,465</u>	<u>66,123</u>	<u>(47,342)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>70,819</u>	<u>90,561</u>	<u>65,452</u>	<u>(25,109)</u>
NET CHANGE IN FUND BALANCES	(395,026)	(395,026)	26,626	421,652
FUND BALANCES, BEGINNING	<u>442,283</u>	<u>442,283</u>	<u>442,283</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 47,257</u>	<u>\$ 47,257</u>	<u>\$ 468,909</u>	<u>\$ 421,652</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
 BUDGET AND ACTUAL ON BUDGETARY BASIS  
 CERTAIN CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	TOTAL		
	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 314	\$ (53)	\$ (367)
AID FROM OTHER GOVERNMENTAL AGENCIES	400	-	(400)
CHARGES FOR CURRENT SERVICES	-	1	1
OTHER REVENUES	<u>1,139</u>	<u>2,743</u>	<u>1,604</u>
TOTAL REVENUES	<u>1,853</u>	<u>2,691</u>	<u>838</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	6,298	745	5,553
DEBT SERVICE:			
CAPITAL OUTLAY	<u>24,736</u>	<u>2,505</u>	<u>22,231</u>
TOTAL EXPENDITURES	<u>31,034</u>	<u>3,250</u>	<u>27,784</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(29,181)</u>	<u>(559)</u>	<u>28,622</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(11,894)	(3,115)	8,779
TRANSFERS IN	1,110	307	(803)
LONG-TERM DEBT ISSUED	<u>6,750</u>	<u>-</u>	<u>(6,750)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(4,034)</u>	<u>(2,808)</u>	<u>1,226</u>
NET CHANGE IN FUND BALANCES	(33,215)	(3,367)	29,848
FUND BALANCES, BEGINNING	<u>32,244</u>	<u>32,244</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ (971)</u>	<u>\$ 28,877</u>	<u>\$ 29,848</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

REDEVELOPMENT SUCCESSOR HOUSING

	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 307	\$ (42)	\$ (349)
TOTAL REVENUES	<u>307</u>	<u>(42)</u>	<u>(349)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	5,698	268	5,430
CAPITAL OUTLAY	<u>13,011</u>	<u>71</u>	<u>12,940</u>
TOTAL EXPENDITURES	<u>18,709</u>	<u>339</u>	<u>18,370</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(18,402)</u>	<u>(381)</u>	<u>18,021</u>
NET CHANGE IN FUND BALANCES	(18,402)	(381)	18,021
FUND BALANCES, BEGINNING	<u>20,164</u>	<u>20,164</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,762</u>	<u>\$ 19,783</u>	<u>\$ 18,021</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>FIRE PROTECTION DISTRICTS</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	\$ (8,500)	\$ -	\$ 8,500
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(8,500)</u>	<u>-</u>	<u>8,500</u>
NET CHANGE IN FUND BALANCES	(8,500)	-	8,500
FUND BALANCES, BEGINNING	<u>8,500</u>	<u>8,500</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 8,500</u>	<u>\$ 8,500</u>

SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>PARK AND RECREATION DISTRICTS</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 3	\$ 3	\$ -
OTHER REVENUES	1,139	1,006	(133)
TOTAL REVENUES	<u>1,142</u>	<u>1,009</u>	<u>(133)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	444	360	84
CAPITAL OUTLAY	2,553	1,849	704
TOTAL EXPENDITURES	<u>2,997</u>	<u>2,209</u>	<u>788</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,855)</u>	<u>(1,200)</u>	<u>655</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(3,000)	(3,000)	-
TRANSFERS IN	197	42	(155)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(2,803)</u>	<u>(2,958)</u>	<u>(155)</u>
NET CHANGE IN FUND BALANCES	(4,658)	(4,158)	500
FUND BALANCES, BEGINNING	1,688	1,688	-
FUND BALANCES, ENDING	<u>\$ (2,970)</u>	<u>\$ (2,470)</u>	<u>\$ 500</u>

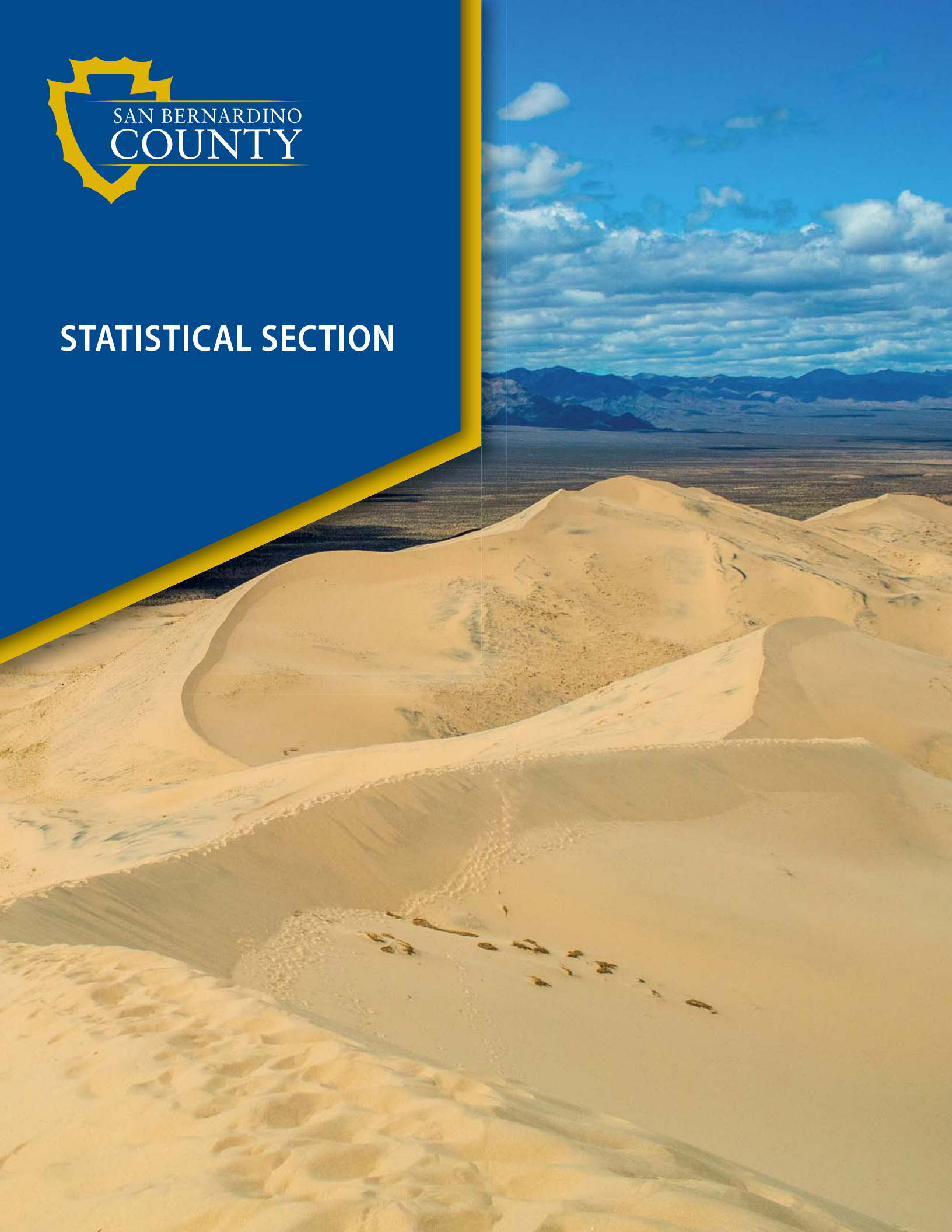


SAN BERNARDINO COUNTY  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)  
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)  
 CERTAIN CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>COUNTY SERVICE AREAS</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 4	\$ (14)	\$ (18)
AID FROM OTHER GOVERNMENTAL AGENCIES	400	-	(400)
CHARGES FOR CURRENT SERVICES	-	1	1
OTHER REVENUES	-	1,737	1,737
TOTAL REVENUES	<u>404</u>	<u>1,724</u>	<u>1,320</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	156	117	39
CAPITAL OUTLAY	9,172	585	8,587
TOTAL EXPENDITURES	<u>9,328</u>	<u>702</u>	<u>8,626</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,924)</u>	<u>1,022</u>	<u>9,946</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(394)	(115)	279
TRANSFERS IN	913	265	(648)
LONG-TERM DEBT ISSUED	6,750	-	(6,750)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>7,269</u>	<u>150</u>	<u>(7,119)</u>
NET CHANGE IN FUND BALANCES	(1,655)	1,172	2,827
FUND BALANCES, BEGINNING	<u>1,892</u>	<u>1,892</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ 237</u>	<u>\$ 3,064</u>	<u>\$ 2,827</u>



# STATISTICAL SECTION





# STATISTICAL SECTION

The information in this section is not covered by the Independent Auditors' Report but is presented as supplemental data for the benefit of the readers of the annual comprehensive financial report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess a government's condition.

## **CONTENTS**

### **FINANCIAL TRENDS**

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

### **REVENUE CAPACITY**

These schedules contain trend information to help the reader assess the County's most significant local revenue source, the property tax.

### **DEBT CAPACITY**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

### **ECONOMIC AND DEMOGRAPHIC INFORMATION**

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

### **OPERATION INFORMATION**

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.



**SAN BERNARDINO COUNTY**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
*(accrual basis of accounting)*

	2011-12	2012-13 as restated	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20	2020-21
<b>GOVERNMENTAL ACTIVITIES</b>										
NET INVESTMENT IN CAPITAL ASSETS	\$ 1,598,182	\$ 1,670,509	\$ 1,749,238	\$ 1,809,961	\$ 1,843,897	\$ 1,919,224	\$ 1,969,174	\$ 2,050,846	\$ 2,113,071	\$ 2,126,175
RESTRICTED	714,879	740,232	776,259	947,882	942,150	1,046,820	1,153,493	1,322,967	1,426,618	1,632,684
UNRESTRICTED	265,813	344,912	519,085	(1,508,357)	(1,147,159)	(1,004,921)	(887,566)	(715,197)	(547,234)	(274,133)
SUBTOTAL GOVERNMENTAL ACTIVITIES NET POSITION	<u>2,578,874</u>	<u>2,755,653</u>	<u>3,044,582</u>	<u>1,249,486</u>	<u>1,638,888</u>	<u>1,961,123</u>	<u>2,235,101</u>	<u>2,658,616</u>	<u>2,992,455</u>	<u>3,484,726</u>
<b>BUSINESS-TYPE ACTIVITIES</b>										
NET INVESTMENT IN CAPITAL ASSETS	57,487	102,982	110,155	180,714	202,941	205,158	209,059	255,966	335,006	290,782
RESTRICTED	67,968	63,781	62,286	73,040	74,990	80,983	72,006	70,922	31,218	8,898
UNRESTRICTED	31,697	9,209	51,458	(12,512)	39,906	124,939	173,311	239,605	249,819	228,448
SUBTOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	<u>157,152</u>	<u>175,972</u>	<u>223,899</u>	<u>241,242</u>	<u>317,837</u>	<u>411,080</u>	<u>454,376</u>	<u>566,493</u>	<u>616,043</u>	<u>528,128</u>
<b>PRIMARY GOVERNMENT</b>										
NET INVESTMENT IN CAPITAL ASSETS	1,655,669	1,773,491	1,859,393	1,990,675	2,046,838	2,124,382	2,178,233	2,306,812	2,448,077	2,416,957
RESTRICTED	782,847	804,013	838,545	1,020,922	1,017,140	1,127,803	1,225,499	1,393,889	1,457,836	1,641,582
UNRESTRICTED	297,510	354,121	570,543	(1,520,869)	(1,107,253)	(879,982)	(714,255)	(475,592)	(297,415)	(45,685)
TOTAL PRIMARY GOVERNMENT NET POSITION	<u>\$2,736,026</u>	<u>\$2,931,625</u>	<u>\$3,268,481</u>	<u>\$1,490,728</u>	<u>\$1,956,725</u>	<u>\$2,372,203</u>	<u>\$2,689,477</u>	<u>\$3,225,109</u>	<u>\$3,608,498</u>	<u>\$4,012,854</u>

**Notes:**  
Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when  
1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

**SAN BERNARDINO COUNTY**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
*(accrual basis of accounting)*

	2011-12	2012-13 as restated	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20	2020-21
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 156,960	\$ 195,447	\$ 178,980	\$ 162,261	\$ 158,981	\$ 169,368	\$ 176,594	\$ 193,206	\$ 297,199	\$ 301,548
Public Protection	957,600	985,004	1,007,434	979,458	1,054,075	1,164,533	1,225,387	1,301,638	1,399,634	1,619,673
Public Ways and Facilities	80,200	80,002	91,744	71,614	81,902	86,017	87,993	89,908	107,443	106,332
Health and Sanitation	291,415	311,856	331,551	325,261	338,910	390,442	433,482	491,059	531,405	659,624
Public Assistance	991,174	1,014,443	1,046,447	1,008,353	1,079,575	1,138,660	1,196,683	1,232,193	1,368,711	1,438,825
Education	16,905	16,469	20,923	16,718	19,424	20,010	21,182	22,375	23,170	23,400
Recreation and Cultural Services	26,701	26,672	25,290	24,103	24,505	24,984	24,563	26,583	27,889	34,142
Interest on Long Term Debt	58,449	53,484	50,189	45,233	42,744	39,447	30,563	28,131	20,021	11,834
Total Governmental Activities	<u>2,579,404</u>	<u>2,683,377</u>	<u>2,752,558</u>	<u>2,633,001</u>	<u>2,800,116</u>	<u>3,033,461</u>	<u>3,196,447</u>	<u>3,385,093</u>	<u>3,775,472</u>	<u>4,195,378</u>
<b>Business-type Activities:</b>										
Medical Center	475,957	487,578	513,609	488,239	507,668	535,515	542,185	572,061	622,695	695,142
Waste Systems	66,571	53,748	61,883	76,160	60,717	62,075	92,211	82,267	72,411	109,358
Housing Authority (2)	-	-	-	104,759	105,876	114,722	130,533	129,967	141,340	-
Water, Sewer, and Sanitation (1)	14,679	15,448	15,204	18,154	20,804	16,745	16,454	19,263	16,322	14,714
Paramedic and Emergency (1)	527	-	-	-	-	-	-	-	-	-
Others (1)	71	87	69	131	67	47	24	69	102	63
Total Business-type Activities	<u>557,805</u>	<u>556,861</u>	<u>590,765</u>	<u>687,443</u>	<u>695,132</u>	<u>729,104</u>	<u>781,407</u>	<u>803,627</u>	<u>852,870</u>	<u>819,277</u>
Total Primary Government Expenses	<u>\$3,137,209</u>	<u>\$3,240,238</u>	<u>\$3,343,323</u>	<u>\$3,320,444</u>	<u>\$3,495,248</u>	<u>\$3,762,565</u>	<u>\$3,977,854</u>	<u>\$4,188,720</u>	<u>\$ 4,628,342</u>	<u>\$5,014,655</u>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
General Government	\$ 152,268	\$ 143,236	\$ 143,368	\$ 138,561	\$ 150,204	\$ 155,023	\$ 167,377	\$ 167,121	\$ 171,032	\$ 175,884
Public Protection	220,028	228,319	235,102	246,438	251,153	278,441	304,073	299,488	323,211	347,206
Public Ways and Facilities	7,206	10,751	12,856	9,258	9,047	6,209	8,433	8,308	9,303	8,394
Health and Sanitation	23,298	24,075	23,261	23,999	22,304	23,516	24,201	24,101	34,999	33,532
Public Assistance	1,000	984	2,833	3,441	3,034	2,891	3,778	3,315	3,574	3,355
Education	979	1,027	1,046	1,053	1,011	1,114	1,312	1,328	1,042	284
Recreation and Cultural Services	9,070	8,446	8,632	8,715	8,773	8,805	9,100	9,494	7,454	8,980
Operating Grants/Contributions:										
General Government	29,249	7,705	20,832	42,644	7,822	10,117	31,099	40,837	81,325	109,154
Public Protection	190,394	244,678	240,781	227,133	279,206	267,910	271,012	304,698	334,240	606,516
Public Ways and Facilities	61,721	53,063	75,682	62,369	46,838	42,414	50,998	85,258	87,642	84,015
Health and Sanitation	268,409	343,019	372,615	383,128	376,831	442,958	405,087	493,278	471,039	629,536
Public Assistance	951,801	935,079	1,026,267	997,915	1,080,108	1,102,910	1,115,919	1,199,953	1,271,794	1,354,678
Education	457	253	249	247	254	234	269	332	644	1,247
Recreation and Cultural Services	1,117	772	430	481	686	415	2,110	2,517	2,483	688
Capital Grants/Contributions:										
General Government	-	-	-	23,766	182	996	20	-	201	-
Public Protection	14	-	-	-	2	-	-	167	-	60
Public Ways and Facilities	59,054	17,755	25,971	1,237	250	7,051	3,725	95	3,895	1,884
Health and Sanitation	-	-	-	-	-	-	-	-	-	-
Recreation and Cultural Services	-	-	-	-	50	-	-	-	268	-
Subtotal Governmental Activities	<u>1,976,065</u>	<u>2,019,162</u>	<u>2,189,925</u>	<u>2,170,385</u>	<u>2,237,755</u>	<u>2,351,004</u>	<u>2,398,513</u>	<u>2,640,290</u>	<u>2,804,146</u>	<u>3,365,413</u>
<b>Business-type Activities:</b>										
Charges for Services:										
Medical Center	376,004	365,169	398,628	431,606	448,135	473,065	342,236	376,232	353,683	376,434
Waste System	56,014	58,044	59,784	76,303	76,869	77,671	83,612	87,274	92,408	93,534
Housing Authority (2)	-	-	-	18,396	16,300	17,354	20,553	22,813	24,794	-
Water, Sewer, and Sanitation	11,590	11,711	14,696	14,222	13,459	12,778	14,163	14,073	14,331	14,702
Others (1)	118	58	95	89	74	84	69	61	175	1
Operating Grants & Contributions:										
Medical Center	46,904	50,132	46,070	120,742	95,250	105,475	221,142	218,366	276,129	311,056
Waste System	928	1,751	2,661	79	79	78	77	77	90	155
Housing Authority (2)	-	-	-	87,965	91,044	96,883	109,603	115,878	106,066	-
Water, Sewer, and Sanitation (1)	147	70	101	584	72	34	167	3,759	2,085	344
Others (3)	-	-	-	-	-	-	-	-	2	-
Capital Grants & Contributions:										
Medical Center	18,820	18,901	21,247	16,501	18,855	18,826	24,637	21,351	20,654	16,926
Housing Authority (2)	-	-	-	541	161	462	102	1,723	-	-
Water, Sewer, and Sanitation (1)	167	-	-	60	170	28	-	-	-	17
Subtotal Business-type Activities	<u>510,692</u>	<u>505,836</u>	<u>543,282</u>	<u>767,088</u>	<u>760,468</u>	<u>802,738</u>	<u>816,361</u>	<u>861,607</u>	<u>890,417</u>	<u>813,169</u>
Total Primary Government Program Revenues	<u>\$2,486,757</u>	<u>\$2,524,998</u>	<u>\$2,733,207</u>	<u>\$2,937,473</u>	<u>\$2,998,223</u>	<u>\$3,153,742</u>	<u>\$3,214,874</u>	<u>\$3,501,897</u>	<u>\$ 3,694,563</u>	<u>\$4,178,582</u>
<b>Net (Expense) / Revenue</b>										
Governmental Activities	\$ (603,339)	\$ (664,215)	\$ (562,633)	\$ (462,616)	\$ (562,361)	\$ (682,457)	\$ (797,934)	\$ (744,803)	\$ (971,326)	\$ (829,965)
Business-type Activities	(47,113)	(51,025)	(47,483)	79,645	65,336	73,634	34,954	57,980	37,547	(6,108)
Total Primary Government Net Expenses	<u>\$ (650,452)</u>	<u>\$ (715,240)</u>	<u>\$ (610,116)</u>	<u>\$ (382,971)</u>	<u>\$ (497,025)</u>	<u>\$ (608,823)</u>	<u>\$ (762,980)</u>	<u>\$ (686,823)</u>	<u>\$ (933,779)</u>	<u>\$ (836,073)</u>

(Continued)

**Notes:**

- (1) Starting fiscal year 2009-10 business activities previously reported under Other are reported separately for different identifiable activities, based on the types of goods or services provided.
- (2) Housing Authority (HACSB) became a blended component unit effective July 1, 2014 through June 30, 2020. HACSB is no longer a blended component unit effective July 1, 2020.
- (3) Starting in fiscal year 2019-20 business activities had Other reported for Operating Grants and Contributions.

**SAN BERNARDINO COUNTY**  
**CHANGES IN NET POSITION (CONTINUED)**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
*(accrual basis of accounting)*

	2011-12	2012-13 as restated	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20	2020-21
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Property Taxes, Levied for General Purposes	\$ 499,002	\$ 523,190	\$ 553,303	\$ 573,482	\$ 617,923	\$ 664,059	\$ 704,316	\$ 785,169	\$ 836,582	\$ 921,872
Property Taxes, Levied for Debt Service	6,324	-	-	-	-	-	-	-	-	-
Public Safety Tax	133,581	145,097	156,352	160,337	164,993	174,648	188,194	197,665	195,009	221,401
Sales Taxes	24,555	30,158	29,103	28,437	43,595	28,019	29,886	-	-	-
Other Taxes	10,070	11,791	16,099	18,767	20,743	20,125	25,257	27,465	28,221	39,830
Unrestricted Revenues from Use of Money and Property	39,797	46,383	43,603	44,616	42,739	48,663	36,935	88,199	92,872	34,433
Miscellaneous	61,989	71,998	74,416	74,480	69,822	70,077	78,121	82,549	73,902	72,518
Gains on Sale of Capital Assets	1,708	4,998	5,565	3,335	11,676	3,781	4,750	4,073	72,043	3,006
Extraordinary Item - RDA Dissolution	(3,841)	63,969	10,415	-	-	-	-	-	-	-
Transfers	(40,962)	(50,720)	(37,294)	(12,428)	(19,728)	(4,680)	4,453	(16,802)	6,536	4,395
Subtotal Governmental Activities	732,223	846,864	851,562	891,026	951,763	1,004,692	1,071,912	1,168,318	1,305,165	1,297,455
Business-type Activities:										
Property Taxes, Levied for General Purposes	2,674	2,627	2,786	2,850	2,981	3,105	3,198	3,424	4,397	4,630
Unrestricted Revenues from Use of Money and Property	4,753	1,674	2,210	2,569	3,155	1,263	2,835	11,336	11,402	61
Miscellaneous	1,898	19,264	53,070	13,361	4,536	10,132	6,561	18,076	2,685	852
Gains on Sale of Capital Assets	-	-	50	774	671	329	201	4,499	55	-
Extraordinary Item - RDA Dissolution	-	221	-	-	-	-	-	-	-	-
Transfers	40,962	50,720	37,294	12,428	19,628	4,780	(4,453)	16,802	(6,536)	(4,395)
Subtotal Business-type Activities	50,287	74,506	95,410	31,982	30,971	19,609	8,342	54,137	12,003	1,148
Total Primary Government	\$ 782,510	\$ 921,370	\$ 946,972	\$ 923,008	\$ 982,734	\$ 1,024,301	\$ 1,080,254	\$ 1,222,455	\$ 1,317,168	\$ 1,298,603
<b>Changes in Net Position</b>										
Governmental Activities	\$ 128,884	\$ 182,649	\$ 288,929	\$ 428,410	\$ 389,402	\$ 322,235	\$ 273,978	\$ 423,515	\$ 333,839	\$ 467,490
Business-type Activities	3,174	23,481	47,927	111,627	96,307	93,243	43,296	112,117	49,550	(4,960)
Total Primary Government	\$ 132,058	\$ 206,130	\$ 336,856	\$ 540,037	\$ 485,709	\$ 415,478	\$ 317,274	\$ 535,632	\$ 383,389	\$ 462,530



**SAN BERNARDINO COUNTY**  
**FUND BALANCES – GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
*(modified accrual basis accounting)*

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
General Fund										
Nonspendable	\$ 72,307	\$ 56,256	\$ 64,204	\$ 55,918	\$ 49,048	\$ 43,943	\$ 44,349	\$ 36,506	\$ 40,183	\$ 41,514
Restricted	240,833	238,552	309,067	352,444	397,574	435,337	436,740	457,807	469,130	526,242
Committed	99,991	106,635	175,620	187,123	306,216	295,051	283,268	224,504	258,226	261,476
Assigned	14,200	11,975	28,680	11,809	8,862	4,391	4,086	3,466	2,644	4,130
Unassigned	122,523	302,616	239,221	322,130	294,958	271,914	333,915	477,914	445,760	811,697
Subtotal General Fund	<u>549,854</u>	<u>716,034</u>	<u>816,792</u>	<u>929,424</u>	<u>1,056,658</u>	<u>1,050,636</u>	<u>1,102,358</u>	<u>1,200,197</u>	<u>1,215,943</u>	<u>1,645,059</u>
Capital Improvement Fund										
Restricted	-	1,495	6,774	29,875	35,760	42,891	101,627	86,459	93,962	115,734
Committed	22,879	22,879	-	-	-	-	-	-	-	-
Assigned	109,701	69,685	132,193	82,415	99,575	198,281	212,320	258,818	394,979	383,122
Subtotal Capital Improvement Fund	<u>132,580</u>	<u>94,059</u>	<u>138,967</u>	<u>112,290</u>	<u>135,335</u>	<u>241,172</u>	<u>313,947</u>	<u>345,277</u>	<u>488,941</u>	<u>498,856</u>
All Other Governmental Funds										
Nonspendable (1)	1,833	2,383	2,938	1,958	1,902	2,122	3,450	7,763	8,695	32,950
Restricted (1)	472,342	525,080	513,859	629,918	649,637	704,127	738,023	826,518	891,052	1,014,683
Assigned (1)	30,582	50,146	52,623	48,255	43,386	46,658	66,072	73,046	74,395	97,268
Unassigned (1)	-	-	-	-	-	-	-	-	(2,696)	(5,877)
Subtotal All Other Governmental Funds	<u>504,757</u>	<u>577,609</u>	<u>569,420</u>	<u>680,131</u>	<u>694,925</u>	<u>752,907</u>	<u>807,545</u>	<u>907,327</u>	<u>971,446</u>	<u>1,139,024</u>
Total Governmental Fund Balance	<u>\$ 1,187,191</u>	<u>\$ 1,387,702</u>	<u>\$ 1,525,179</u>	<u>\$ 1,721,845</u>	<u>\$1,886,918</u>	<u>\$2,044,715</u>	<u>\$2,223,850</u>	<u>\$2,452,801</u>	<u>\$2,676,330</u>	<u>\$3,282,939</u>

**Notes:**  
(1) In fiscal year 2010-11 the County implemented GASB 54 to report governmental fund balance as nonspendable, restricted, committed, assigned and unassigned.

**SAN BERNARDINO COUNTY**  
**CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
*(modified accrual basis accounting)*

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20 as restated	2020-21
<b>Revenues (by Source)</b>										
Taxes	\$ 676,218	\$ 713,528	\$ 749,232	\$ 788,712	\$ 849,399	\$ 891,168	\$ 952,455	\$ 1,042,036	\$ 1,099,185	\$ 1,224,317
Licenses, Permits, and Franchises	22,282	22,635	24,919	25,587	25,159	26,731	25,849	27,421	27,613	29,151
Fines, Forfeitures, and Penalties	17,970	16,743	14,865	15,704	11,996	14,326	11,785	12,683	10,787	9,249
Rev from Use of Money and Property	33,644	47,841	41,658	42,129	47,632	44,417	50,644	111,750	122,370	32,736
Aid from Other Governments	1,560,692	1,600,825	1,705,488	1,755,929	1,787,474	1,871,165	1,880,144	2,071,634	2,169,418	2,745,262
Charges for Current Services	369,715	373,821	382,716	388,092	403,193	434,218	477,874	468,459	510,203	538,952
Other Revenues	61,862	70,078	67,629	61,155	61,320	62,571	67,351	72,639	68,572	72,480
<b>Total Revenues</b>	<b>2,742,383</b>	<b>2,845,471</b>	<b>2,986,507</b>	<b>3,077,308</b>	<b>3,186,173</b>	<b>3,344,596</b>	<b>3,466,102</b>	<b>3,806,622</b>	<b>4,008,148</b>	<b>4,652,147</b>
<b>Expenditures (by Function)</b>										
General Government	145,634	172,922	160,755	145,589	149,160	151,379	161,434	178,915	275,911	274,900
Public Protection	905,548	927,819	957,832	990,078	1,052,371	1,121,754	1,166,446	1,256,078	1,310,238	1,464,388
Public Ways and Facilities	75,144	77,609	103,267	75,559	62,292	72,848	65,421	70,253	90,159	77,295
Health and Sanitation	284,652	303,006	331,830	343,769	352,781	392,447	428,487	493,272	519,330	622,104
Public Assistance	966,485	985,940	1,037,741	1,068,461	1,130,864	1,148,941	1,190,633	1,243,632	1,346,279	1,347,430
Education	15,824	15,304	17,295	16,967	18,240	19,388	20,248	21,567	21,792	20,242
Recreation and Cultural Services	21,082	20,941	20,466	20,753	19,720	20,475	20,273	22,010	22,293	22,891
Debt Service										
Principal	124,338	76,938	83,495	91,977	111,752	102,499	104,460	111,562	111,638	120,126
Interest	33,504	25,861	24,156	22,034	20,443	17,247	15,978	14,984	12,115	8,392
Bond Issuance Costs	135	-	-	-	187	-	-	-	-	-
Capital Outlay	116,050	120,294	94,354	132,041	120,909	140,905	124,914	154,843	159,189	121,506
<b>Total Expenditures</b>	<b>2,688,396</b>	<b>2,726,634</b>	<b>2,831,191</b>	<b>2,907,228</b>	<b>3,038,719</b>	<b>3,187,883</b>	<b>3,298,294</b>	<b>3,567,116</b>	<b>3,868,944</b>	<b>4,079,274</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	53,987	118,837	155,316	170,080	147,454	156,713	167,808	239,506	139,204	572,873
<b>Other Financing Sources (Uses)</b>										
Transfer to Other Funds	(319,341)	(274,470)	(263,941)	(249,063)	(302,893)	(395,117)	(352,170)	(332,559)	(397,527)	(273,136)
Transfer from Other Funds	279,257	287,177	227,341	238,802	301,385	391,807	358,747	316,888	405,889	279,085
Refunding Bonds Issued	51,585	-	-	-	27,870	-	-	-	-	-
Payment To Refunded Bond Escrow Agent	-	-	-	-	(27,870)	-	-	-	-	-
Long-Term Debt Issued	-	-	-	-	-	-	-	-	-	-
Discount on Debt	-	-	-	-	-	-	-	-	-	-
Inception Of Capital Leases Obligations	-	-	-	-	-	-	-	1,043	-	-
Insurance Recoveries	-	-	-	14,000	3,916	-	-	-	-	-
Sale of Capital Assets	1,708	4,998	8,346	3,148	15,211	4,394	4,750	4,073	75,963	3,006
<b>Total Other Financing Sources and (Uses)</b>	<b>13,209</b>	<b>17,705</b>	<b>(28,254)</b>	<b>6,887</b>	<b>17,619</b>	<b>1,084</b>	<b>11,327</b>	<b>(10,555)</b>	<b>84,325</b>	<b>8,955</b>
Extraordinary Item	(89,386)	63,969	10,415	-	-	-	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>\$ (22,190)</b>	<b>\$ 200,511</b>	<b>\$ 137,477</b>	<b>\$ 176,967</b>	<b>\$ 165,073</b>	<b>\$ 157,797</b>	<b>\$ 179,135</b>	<b>\$ 228,951</b>	<b>\$ 223,529</b>	<b>\$ 581,828</b>
Debt Service as a Percentage of Noncapital Expenditures:	6.17%	3.94%	3.99%	4.11%	4.53%	3.93%	3.80%	3.71%	3.34%	3.26%

**Notes:**

- Starting as of fiscal year 2010-11, noncapital expenditures used in calculating the debt service ratio equal total governmental fund expenditures less:
- a- The amount reported separately in the changes in fund balances schedule as capital expenditures (to extent capitalized for the government-wide statement of net position), and
  - b- Any expenditures for capitalized assets contained within the functional expenditure categories.

**SAN BERNARDINO COUNTY**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**

<b>FISCAL YEAR</b>	<b>(1) SECURED</b>	<b>(2) UNSECURED</b>	<b>(3) UNITARY</b>	<b>(4) EXEMPT</b>	<b>TOTAL ASSESSED</b>	<b>TOTAL TAX RATE</b>
2011-2012	152,756,444	9,533,571	5,034,449	(1,842,311)	165,482,153	1.00%
2012-2013	153,740,135	9,765,041	5,062,258	(1,806,750)	166,760,684	1.00%
2013-2014	158,228,018	10,042,150	5,426,075	(1,770,329)	171,925,914	1.00%
2014-2015	168,228,346	10,389,487	5,625,640	(1,734,191)	182,509,282	1.00%
2015-2016	176,866,857	10,805,367	6,132,273	(1,704,541)	192,099,956	1.00%
2016-2017	185,232,143	10,295,276	6,615,389	(1,782,634)	200,360,174	1.00%
2017-2018	190,354,962	10,496,638	6,441,374	(1,760,914)	205,532,060	1.00%
2018-2019	204,399,952	11,065,053	6,979,903	(1,730,443)	220,714,465	1.00%
2019-2020	217,914,643	11,666,728	7,432,683	(1,715,734)	235,298,320	1.00%
2020-2021	229,418,815	12,487,688	8,407,987	(1,689,335)	248,625,155	1.00%

**Notes:**

Due to the 1978 passage of the property tax initiative Proposition 13 (Prop 13) the County does not track the estimated actual value of all County properties. Under Prop 13 property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the CPI on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date purchase. Additionally, Prop 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter-approved bonds and special assessments.

- (1) Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines.
- (2) Unsecured property is generally personal property including machinery, equipment, office tools and supplies.
- (3) Unitary properties are railroads and utilities crossing the county and are assessed by the State Board of Equalization.
- (4) Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.

**Source:**

Auditor-Controller/Treasurer/Tax Collector, San Bernardino County

SAN BERNARDINO COUNTY  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - TAX RATE AREA 7000 (1)  
(\$1 PER \$100 OF ASSESSED VALUE)  
LAST TEN FISCAL YEARS

<u>FISCAL YEAR</u>	<u>SAN BERNARDINO COUNTY GENERAL</u>	<u>SCHOOLS</u>	<u>SAN BERNARDINO MUNICIPAL WATER</u>	<u>TOTAL</u>
2011-12 (2)	1.0000	0.1351	0.1650	1.3001
2012-13	1.0000	0.1457	0.1625	1.3082
2013-14	1.0000	0.1769	0.1625	1.3394
2014-15	1.0000	0.1474	0.1625	1.3099
2015-16	1.0000	0.1585	0.1625	1.3210
2016-17	1.0000	0.1145	0.1625	1.2770
2017-18	1.0000	0.1383	0.1525	1.2908
2018-19	1.0000	0.1533	0.1525	1.3058
2019-20	1.0000	0.1531	0.1425	1.2956
2020-21	1.0000	0.1685	0.1425	1.3110

**Notes:**

- (1) The tax rate for Tax Rate Area 7000, which applies to most of the property within the City of San Bernardino, is used to illustrate the breakdown of a tax rate within the County.
- (2) Fiscal year 2011-12 rates for Schools and San Bernardino Municipal Water were restated due to a recording error.

**Source:**

Auditor-Controller/Treasurer/Tax Collector, San Bernardino County.

SAN BERNARDINO COUNTY  
 PRINCIPAL PROPERTY TAXPAYERS  
 CURRENT YEAR AND NINE YEARS AGO

TAXPAYERS	TYPE OF BUSINESS	FISCAL YEAR 2021		FISCAL YEAR 2012	
		TAXABLE ASSESSED VALUE	PERCENTAGE OF TOTAL COUNTY TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	PERCENTAGE OF TOTAL COUNTY TAXABLE ASSESSED VALUE
SOUTHERN CALIFORNIA EDISON CO	UTILITY	\$ 5,431,987,751	2.18%	\$ 2,968,029,238	1.79%
PROLOGIS L P	LOGISTICS/REAL ESTATE	1,865,763,015	0.75%	613,737,940	0.37%
MAJESTIC REALTY CO	REAL ESTATE	886,872,206	0.36%	269,029,951	0.16%
SOUTHERN CALIFORNIA GAS COMPANY	UTILITY	874,579,174	0.35%	324,554,240	0.20%
WATSON LAND COMPANY	REAL ESTATE	732,659,099	0.29%	230,055,180	0.14%
TEACHERS INSURANCE & ANNUITY ASSN	FINANCIAL SERVICES	670,119,074	0.27%	160,769,423	0.10%
TARGET CORPORATION	RETAIL	512,990,198	0.21%	311,552,234	0.19%
WAL-MART STORES INC	RETAIL	511,154,928	0.21%	368,698,792	0.22%
HOMECOMING I AT TERRA VISTA LLC	REAL ESTATE	461,120,769	0.19%	109,326,144	0.07%
CEMEX CONSTRUCTION MATERIALS PACIFIC	REAL ESTATE	427,820,140	0.17%	309,476,025	0.19%
TOTAL		<u>\$ 12,375,066,354</u>	<u>4.98%</u>	<u>\$ 5,665,229,167</u>	<u>3.43%</u>

**Note:**  
 Net Assessed Secured amounts include Secured & Unitary less exemptions.

**Source:**  
 Auditor-Controller/Treasurer/Tax Collector, San Bernardino County.

**SAN BERNARDINO COUNTY  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS (IN THOUSANDS)**

FISCAL YEAR	(2) COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY			COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
	(1) TAXES LEVIED	AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2021	\$ 3,350,751	\$ 3,302,450	98.56%		\$ 3,302,450	98.56%
2020	3,178,868	3,103,176	97.62%	75,951	3,179,127	100.01%
2019	2,974,194	2,916,381	98.06%	63,170	2,979,551	100.18%
2018 (3)	2,758,323	2,727,028	98.87%	75,579	2,802,607	101.61%
2017 (3)	2,598,465	2,555,888	98.36%	64,987	2,620,875	100.86%
2016 (3)	2,473,896	2,413,149	97.54%	63,660	2,476,809	100.12%
2015 (3)	2,337,923	2,277,885	97.43%	60,440	2,338,325	100.02%
2014	2,222,023	2,151,777	96.84%	63,180	2,214,957	99.68%
2013	2,146,261	2,038,622	94.98%	65,476	2,104,098	98.04%
2012	2,132,085	1,954,521	91.67%	73,210	2,027,731	95.11%

**Notes:**

- (1) Secured and Unitary tax levy for the County itself, school districts, cities, and special districts under the supervision of their own governing boards.
- (2) Included are amounts collected by the County on behalf of itself, school districts, cities, and special districts under the supervision of their own governing boards. Includes Assessor corrections and supplemental collections.
- (3) Total collections to date exceed taxes levied due to subsequent levied amounts that apply to the previous fiscal year.

**Source:**

Auditor-Controller/Treasurer/Tax Collector, San Bernardino County.

**SAN BERNARDINO COUNTY**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS (IN THOUSANDS, EXCEPT PER CAPITA)**  
**JUNE 30, 2021**

FISCAL YEAR	GENERAL BONDED DEBT OUTSTANDING			TOTAL	PERCENTAGE OF PERSONAL INCOME (1)	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY (2)	PER CAPITA (1)
	GENERAL BONDED DEBT	LESS: AMOUNTS AVAILABLE FOR DEBT SERVICE					
2011-12	\$ 1,009,684	\$ (41,443)	\$	968,241	1.58%	0.59%	469.11
2012-13 (3)	967,552	(34,179)		933,373	1.50%	0.56%	449.60
2013-14	917,961	(32,624)		885,337	1.32%	0.51%	424.42
2014-15	860,067	(32,286)		827,781	1.20%	0.45%	393.25
2015-16 (4)	781,907	(27,847)		754,060	1.07%	0.39%	352.36
2016-17	708,004	(28,382)		679,622	0.89%	0.34%	314.64
2017-18	617,859	(39,687)		578,172	0.72%	0.28%	265.83
2018-19	519,958	(29,173)		490,785	0.58%	0.22%	223.90
2019-20	418,164	(33,209)		384,955	0.44%	0.16%	176.50
2020-21	303,382	(33,627)		269,755	0.29%	0.11%	123.97

**Notes:**

- (1) See the "Demographic and Economic Statistics" table for the personal income and the population figures.
- (2) See the "Assessed Value and Actual Value of Taxable Property" table for total taxable assessed value. Assessed value does not include tax exempt property.
- (3) Fiscal year 2012-13 Amounts Available for Debt Service was restated due to a calculation error.
- (4) As of fiscal year 2015-16 Deferred Inflows of Resources and Deferred Outflows of Resources are excluded from the General Bonded Debt.

**Source:**

Auditor-Controller/Treasurer/Tax Collector, San Bernardino County

**SAN BERNARDINO COUNTY  
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT  
AS OF JUNE 30, 2021**

**2020-21 ASSESSED VALUATION:** \$ 248,625,155,000 (includes unitary utility valuation)

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>PERCENT APPLICABLE</u>	<u>DEBT 06/30/21</u>
METROPOLITAN WATER DISTRICT	3.900 %	\$ 1,046,370
CHAFFEY COMMUNITY COLLEGE DISTRICT	100.000	315,490,000
SAN BERNARDINO COMMUNITY COLLEGE DISTRICT	98.820	718,992,943
OTHER COMMUNITY COLLEGE DISTRICTS	VARIOUS	179,753,988
APPLE VALLEY UNIFIED SCHOOL DISTRICT	100.000	20,393,758
CHINO VALLEY UNIFIED SCHOOL DISTRICT	100.000	557,230,000
COLTON JOINT UNIFIED SCHOOL DISTRICT	98.833	201,305,684
FONTANA UNIFIED SCHOOL DISTRICT	100.000	278,934,841
REDLANDS UNIFIED SCHOOL DISTRICT	100.000	63,768,512
RIALTO UNIFIED SCHOOL DISTRICT	100.000	100,756,111
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT	100.000	289,886,327
UPLAND UNIFIED SCHOOL DISTRICT	100.000	90,918,463
OTHER UNIFIED SCHOOL DISTRICTS	VARIOUS	113,668,065
UNION HIGH SCHOOL DISTRICTS	100.000	645,820,468
ELEMENTARY SCHOOL DISTRICTS	100.000	389,520,621
MOJAVE WATER AGENCY	100.000	3,290,000
MOJAVE WATER AGENCY, I.D. M	100.000	4,685,000
COUNTY WATER DISTRICTS	100.000	45,000
ETIWANDA SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICTS	100.000	72,935,000
CITY OF CHINO COMMUNITY FACILITIES DISTRICTS	100.000	184,560,000
CITY OF CHINO HILLS COMMUNITY FACILITIES DISTRICTS	100.000	21,615,000
CITY OF FONTANA COMMUNITY FACILITIES DISTRICTS	100.000	156,520,000
CITY OF RANCHO CUCAMONGA COMMUNITY FACILITIES DISTRICTS	100.000	60,350,000
CITY OF UPLAND COMMUNITY FACILITIES DISTRICTS	100.000	59,055,000
OTHER COMMUNITY FACILITIES DISTRICTS	49.775-100	385,286,819
CITY, COUNTY AND SPECIAL DISTRICT 1915 ACT BONDS (Estimate)	100.000	11,585,026
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 4,927,412,996</u>

RATIO TO 2020-21 ASSESSED VALUATION:  
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT.....1.98%



**SAN BERNARDINO COUNTY  
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT (CONTINUED)  
AS OF JUNE 30, 2021**

<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>	<u>PERCENT APPLICABLE</u>	<u>DEBT 6/30/21</u>	
SAN BERNARDINO COUNTY GENERAL OBLIGATIONS	100.000 %	\$ 13,985,000	(2)
SAN BERNARDINO COUNTY PENSION OBLIGATIONS	100.000	238,529,000	
SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT GENERAL FUND OBLIGATIONS	100.000	51,360,000	
COMMUNITY COLLEGE DISTRICT CERTIFICATES OF PARTICIPATION	VARIOUS	32,649,178	
FONTANA UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	22,110,000	
HESPERIA UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	123,050,000	
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	90,000,000	
SNOWLINE JOINT UNIFIED SCHOOL DISTRICT GENERAL FUND OBLIGATIONS	98.286	62,126,581	
OTHER UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	VARIOUS	42,197,501	
VICTOR VALLEY UNION HIGH SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	20,235,000	
CUCAMONGA SCHOOL DISTRICT GENERAL FUND OBLIGATIONS	100.000	4,207,000	
ORO GRANDE SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	33,160,000	
OTHER ELEMENTARY SCHOOL DISTRICT GENERAL FUND OBLIGATIONS	100.000	9,855,000	
CITY OF COLTON GENERAL FUND OBLIGATIONS AND PENSION OBLIGATION BONDS	100.000	26,014,400	
CITY OF FONTANA GENERAL FUND OBLIGATIONS	100.000	36,185,000	
CITY OF HESPERIA GENERAL FUND OBLIGATIONS	100.000	32,480,000	
CITY OF MONTCLAIR GENERAL FUND OBLIGATIONS	100.000	40,155,000	
CITY OF ONTARIO GENERAL FUND OBLIGATIONS AND PENSION OBLIGATION BONDS	100.000	291,080,000	
CITY OF SAN BERNARDINO GENERAL FUND OBLIGATIONS AND PENSION OBLIGATION BONDS	100.000	21,721,537	
OTHER CITY GENERAL FUND AND PENSION OBLIGATION BONDS	100.000	42,646,735	
SAN BERNARDINO MOUNTAINS COMMUNITY HOSPITAL DISTRICT GENERAL FUND OBLIGATIONS	100.000	2,696,900	
BIG BEAR MUNICIPAL WATER DISTRICT GENERAL FUND OBLIGATIONS	100.000	2,740,000	
APPLE VALLEY FIRE PROTECTION DISTRICT GENERAL FUND OBLIGATIONS	100.000	486,643	
WEST VALLEY VECTOR CONTROL DISTRICT GENERAL FUND OBLIGATIONS	100.000	2,046,710	
TOTAL DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT		<u>\$ 1,241,717,185</u>	
TOTAL DIRECT DEBT		\$ 303,874,000	
TOTAL OVERLAPPING DEBT (1)		\$ 5,865,256,181	
COMBINED DEBT		\$ 6,169,130,181	(3)

**RATIOS TO 2020-21 ASSESSED VALUATION**

TOTAL DIRECT DEBT (\$303,874,000) .....	0.12%
COMBINED TOTAL DEBT .....	2.48%

**Notes:**

- (1) The method used to calculate the overlapping debt is based on the percentage of the overlapping agency's assessed valuation located within boundaries of the County.  
(2) Includes Revenue bonds (Courthouse Project Bonds), and certain notes and loans related to the County's governmental activities (Fire Protection District Installment Loan).  
(Note 11, Page 91).  
(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.  
Qualified Zone Academy Bonds are included based on principal due at maturity.

**Source:**

California Municipal Statistics

SAN BERNARDINO COUNTY  
 COMPUTATION OF LEGAL DEBT MARGIN  
 LAST TEN FISCAL YEARS (IN THOUSANDS)

<u>FISCAL YEAR</u>	<u>(1) ASSESSED VALUE</u>	<u>(2) LEGAL DEBT LIMIT</u>	<u>(3) BONDED DEBT</u>	<u>(4) LEGAL DEBT MARGIN</u>	<u>RATIO OF BONDED DEBT TO DEBT LIMIT</u>
2011-12	165,482,153	2,068,527	1,155	2,067,372	0.06%
2012-13	166,760,684	2,084,509	1,005	2,083,504	0.05%
2013-14	171,925,914	2,149,074	845	2,148,229	0.04%
2014-15	182,509,282	2,281,366	685	2,280,681	0.03%
2015-16	192,099,956	2,401,249	515	2,400,734	0.02%
2016-17	200,360,174	2,504,502	335	2,504,167	0.01%
2017-18	205,532,060	2,569,151	145	2,569,006	0.01%
2018-19	220,714,465	2,758,931	50	2,758,881	0.00%
2019-20	235,298,320	2,941,229	50	2,941,179	0.00%
2020-21	248,625,155	3,107,814	50	3,107,764	0.00%

**Notes:**

- (1) Assessed Value does not include tax exempt property. Property value data can be found in the "Assessed Value and Actual Value of Property" schedule.
- (2) The legal debt limit is 1.25% of assessed value.
- (3) Bonded debt subject to limitation; amount includes only general obligation bonds.
- (4) The legal debt margin is the County's available borrowing authority under state finance statutes and is calculated by subtracting the debt applicable to the legal debt limit.

**Source:**

Auditor-Controller/Treasurer/Tax Collector, San Bernardino County

SAN BERNARDINO COUNTY  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS (IN THOUSANDS, EXCEPT PER CAPITA)  
JUNE 30, 2021

FISCAL YEAR	GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES					TOTAL OUTSTANDING DEBT	PERCENTAGE OF ASSESSED VALUE (1)	PERCENTAGE OF PERSONAL INCOME (2)	PER CAPITA (2)
	CERTIFICATES OF PARTICIPATION	REVENUE BONDS	BONDS AND NOTES	CAPITAL LEASE OBLIGATION	OTHER LONG-TERM LIABILITIES	CERTIFICATES OF PARTICIPATION	GENERAL OBLIGATION BONDS	NOTES	CAPITAL LEASE OBLIGATION					
2011-12	28,120	418,810	589,719	1,615	4,000	494,830	1,155	1,748	4,709	1,544,706	0.93%	2.53%	748	
2012-13	23,047	401,404	565,143	743	4,000	433,822	1,005	1,691	6,091	1,436,946	0.86%	2.31%	692	
2013-14	18,006	380,119	541,030	314	3,000	443,979	845	1,633	8,434	1,397,360	0.81%	2.09%	670	
2014-15	12,299	353,978	508,815	-	-	423,980	685	38,605	5,292	1,343,654	0.74%	1.95%	638	
2015-16	6,205	323,169	458,223	-	-	402,936	515	35,131	4,192	1,230,371	0.64%	1.75%	575	
2016-17	-	289,805	417,864	-	-	380,782	335	32,338	3,962	1,125,086	0.56%	1.47%	521	
2017-18	-	245,291	372,423	-	-	357,336	145	31,508	2,256	1,008,959	0.49%	1.26%	464	
2018-19	-	197,346	322,562	903	-	332,598	50	27,471	2,593	883,523	0.40%	1.04%	403	
2019-20	-	142,274	275,840	722	-	272,453	50	29,126	1,924	722,389	0.31%	0.82%	331	
2020-21	-	79,374	223,958	542	-	242,444	50	1,171	1,926	549,465	0.22%	0.60%	253	

**Notes:**

- (1) See the "Assessed Value and Actual Value of Taxable Property" table for total taxable assessed value. Assessed value does not include tax exempt property.
- (2) See the "Demographic and Economic Statistics" table for the personal income and the population figures.

**Source:**

Auditor-Controller/Treasurer/Tax Collector, San Bernardino County

**SAN BERNARDINO COUNTY  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS (IN THOUSANDS)  
 JUNE 30, 2021**

**GEOGRAPHICAL LOCATION:** San Bernardino County is located in the southern portion of California and is bordered on the east by the State of Arizona and the State of Nevada, on the north by Inyo County, on the west by Kern and Los Angeles Counties, and on the south by Orange and Riverside Counties.

**ELEVATION:** Highest elevation, Mt. San Gorgonio 11,502 feet.

**AREA OF COUNTY:** Approximately 20,160 square miles (largest area in the contiguous United States).

**COUNTY SEAT:** San Bernardino, California

**FORM OF GOVERNMENT:** Chartered County, governed by five-member Board of Supervisors

**DATE CHARTER ADOPTED:** April 7, 1913

**REGISTERED VOTERS:** 1,137,948 (Not Rounded) as of June 30, 2021

<u>CALENDAR YEAR</u>	<u>(1), (2) POPULATION</u>	<u>(2) PERSONAL INCOME</u>	<u>(2) PER CAPITA PERSONAL INCOME</u>	<u>(3) SCHOOL ENROLLMENT</u>	<u>(4) UNEMPLOYMENT RATE</u>
2012	2,064	61,094,000	29.60	414	12.60%
2013	2,076	62,259,000	29.99	412	10.30%
2014	2,086	66,902,000	32.07	412	8.40%
2015	2,105	68,939,000	32.75	411	6.90%
2016	2,140	70,385,000	32.89	409	6.70%
2017	2,160	76,529,000	35.43	407	5.90%
2018	2,175	80,127,000	36.84	403	4.40%
2019	2,192 (5)	85,093,000	38.82	406	4.50%
2020	2,181	87,937,000	40.32	407	10.30%
2021	2,176	91,479,000	42.04	399	7.90%

**ESTIMATED POPULATION OF SAN BERNARDINO COUNTY AS OF JANUARY 1, 2021 (whole numbers):**

**INCORPORATED CITIES**

Adelanto	35,147	Montclair	39,598
Apple Valley	74,350	Needles	5,353
Barstow	24,205	Ontario	182,004
Big Bear Lake	5,189	Rancho Cucamonga	175,131
Chino	88,184	Redlands	71,154
Chino Hills	82,661	Rialto	102,567
Colton	54,198	San Bernardino	216,291
Fontana	213,944	Twentynine Palms	29,967
Grand Terrace	12,399	Upland	78,513
Hesperia	96,053	Victorville	127,170
Highland	55,060	Yucaipa	55,634
Loma Linda	24,895	Yucca Valley	22,330
		Total	1,871,997
		Unincorporated Areas:	303,912
		Total Population	2,175,909

**Sources:**

- (1) California Department of Finance
- (2) Bureau of Economic Analysis U.S. Department of Commerce
- (3) Superintendent of Schools
- (4) California Employment Development Department
- (5) San Bernardino County 2020-21 Adopted Budget

**SAN BERNARDINO COUNTY  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

<u>2020-2021 (2)</u>				<u>2011-2012</u>			
<u>Employer</u>	<u>Employees (1)</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employer</u>	<u>Employees (1)</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
San Bernardino County	>10,000	1	1.11%	San Bernardino County	17,395	1	1.85%
Loma Linda University Medical Center	>10,000	2	1.11%	U.S. Army, Fort Irwin & National Training Center	13,805	2	1.47%
Amazon	5,000 - 9,999	3	0.55% - 1.11%	U.S. Marine Corps Air Ground Combat Center	12,486	3	1.33%
Ontario International Airport	5,000 - 9,999	4	0.55% - 1.11%	Loma Linda University and Medical Center	8,582	4	0.91%
Plaxicon Holding Corporation	5,000 - 9,999	5	0.55% - 1.11%	San Bernardino City Unified School District	8,574	5	0.91%
California State University San Bernardino	5,000 - 9,999	6	0.55% - 1.11%	Ontario International Airport	7,510	6	0.80%
James Jones Company	2,500 - 4,999	7	0.28% - 0.55%	Stater Bros	6,902	7	0.73%
Barrett Business Services Inc	2,500 - 4,999	8	0.28% - 0.55%	Walmart Stores Inc	6,125	8	0.65%
Damao Luggage International Inc	2,500 - 4,999	9	0.28% - 0.55%	Kaiser Permanente (Fontana Only)	5,682	9	0.60%
San Manuel Indian Bingo and Casino	2,500 - 4,999	10	0.28% - 0.55%	United Parcel Service Inc	5,304	10	0.56%
				Total	<u>92,365</u>		<u>9.81%</u>

**Notes:**

- (1) Data represents estimated number of employees.
- (2) Due to the confidentiality of reporting number of employees, ranges have been provided.

**Sources:**

San Bernardino County, Economic Development Agency  
State of California Employment Development Department  
D&B Hoovers

**SAN BERNARDINO COUNTY  
COUNTY EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<b>FUNCTION/PROGRAM</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	1,432	1,332	1,417	1,456	1,491	1,496	1,560	1,628	1,624	1,591
Public Protection	6,147	6,186	6,355	6,362	6,526	6,825	7,024	6,961	7,079	6,861
Public Ways & Facilities	433	429	412	411	407	418	365	354	370	364
Health and Sanitation	4,163	4,302	4,407	4,431	4,594	4,686	4,813	4,869	5,184	5,516
Public Assistance	4,898	4,946	5,051	5,132	5,249	5,190	4,946	5,098	5,036	4,993
Education	149	155	144	130	150	152	169	171	160	149
Recreation & Cultural	317	292	270	261	216	211	136	127	114	104
<b>Total</b>	<b>17,539</b>	<b>17,642</b>	<b>18,056</b>	<b>18,183</b>	<b>18,633</b>	<b>18,978</b>	<b>19,013</b>	<b>19,208</b>	<b>19,567</b>	<b>19,578</b>

**Notes:**

A full-time employee is scheduled to work 260 days per year. At eight hours per day, 2080 hours are scheduled per year (including vacation and sick leave), and full-time equivalent employment (FTE) is calculated by dividing all paid hours by 2080.

Starting fiscal year 2009, Court total FTE, reported previously under Public Protection function, is no longer included as part of the County FTE.

**Source:**

San Bernardino County payroll records as of June 30.

**SAN BERNARDINO COUNTY  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>General Government</b>										
Legal documents recorded (W)	547,996	583,461	503,126	540,267	554,691	581,372	525,566	458,496	324,701	396,073
Percentage of payments processed within 10 days (P) (2)	66%	62%	73%	*	*	*	*	*	*	*
<b>Public Protection</b>										
Criminal felonies filed - District Attorney (W)	20,551	19,687	20,556	16,476	12,246	14,193	13,084	11,360	12,578	13,603
Criminal misdemeanors filed - District Attorney (W)	40,250	37,222	35,926	37,835	35,467	42,727	40,610	37,795	35,200	28,032
Average cases supervised - Probation (W)	23,961	24,155	27,722	25,574	25,295	24,149	22,995	22,179	21,126	20,074
Percentage of new adults cases assessed with a valid risk instrument - Probation (P)	87%	95%	95%	96%	99%	99%	99%	99%	99%	99%
Sheriff's calls for service (W)	1,009,040	1,076,383	1,066,770	1,103,136	1,117,717	1,109,862	1,132,708	1,089,603	1,089,718	1,060,351
Number of inmate-on-inmate assaults per 1,000 per month (P)	8%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Percent of autopsies performed per reportable deaths - Coroner (P)	15%	17%	19%	17%	17%	21%	21%	22%	21%	20%
Fire Protection - Number of fire calls (W)	154,953	153,975	156,864	180,125	186,021	126,150	138,547	149,332	126,087	130,000
<b>Public Ways &amp; Facilities</b>										
Solid Waste										
Total tonnage landfilled (W) (3)	1,130,770	1,094,433	1,257,365	1,655,332	1,689,413	1,758,574	1,768,447	1,870,778	1,951,720	1,861,864
Pounds of trash per cubic yard of capacity - High Volume Sites (P) (3)	1,250	1,259	1,348	1,522	1,328	1,390	1,342	1,398	1,400	1,190
Transportation										
Maintained road miles (W)	2,770	2,769	2,554	2,550	2,550	2,550	2,552	2,551	2,551	2,560
Average Pavement Condition Index (PCI) of county maintained roads (P) (1)	76	Good	Good	Good	Good	Good	Good	Good	Good	Good
<b>Health and Sanitation</b>										
Direct billable hours: Clinic - Behavioral Health (W)	230,201	233,673	237,996	243,731	264,769	284,747	275,375	262,852	253,792	211,302
Patient visits - Public Health (W)	75,664	72,920	61,831	50,832	67,393	62,012	58,161	56,699	60,184	54,383
Arrowhead Regional Medical Center - Emergency room visits (W)	117,616	113,307	106,335	97,108	92,028	92,021	86,256	83,280	76,917	68,315
<b>Public Assistance</b>										
Annual paid cases - CalWORKS-All Other Families (W)	464,196	465,804	471,285	469,097	441,741	405,256	383,094	350,802	342,288	312,020
Percentage of successful placements of people in Work Participation Rate (P)	47%	49%	45%	60%	45%	53%	55%	41%	48%	42%
Annual paid cases - CalWORKS-2 Parent Families (W)	58,296	57,402	60,122	65,022	61,519	53,484	47,973	42,130	40,895	35,133
Average child support collections per month (W)	14,396,490	13,839,034	14,158,216	14,516,145	14,969,848	15,541,421	15,821,837	16,076,175	17,737,720	18,363,629
Percentage of current support collected - Child Support (W)	59%	61%	64%	65%	66%	64%	64%	64%	65%	66%
<b>Education</b>										
County Library										
Circulation (W)	2,515,202	2,425,711	3,026,943	3,825,935	4,490,819	5,389,994	5,567,102	6,024,761	4,718,617	3,046,901
Total patron visits (W)	3,579,262	4,091,200	3,375,816	3,366,474	3,008,349	2,850,066	2,890,624	2,547,954	1,730,210	619,402
Total feet of space available at branch libraries (P)	379,511	383,511	383,511	383,511	388,511	388,511	388,511	388,511	387,459	387,459
<b>Recreation and Cultural Services</b>										
County Museum										
Total paid attendance (W)	69,348	34,110	28,299	30,682	34,398	34,423	40,217	58,205	27,025	8,801
Collected lots, objects, and specimens (W)	2,400,125	2,400,125	2,409,050	2,410,000	2,410,200	2,410,046	2,409,813	1,784,599	1,783,899	1,783,899
Regional Parks										
Total attendance (W)	1,915,278	1,867,264	1,594,916	1,364,500	1,364,500	969,702	1,030,103	999,257	508,054	555,316
Number of miles of open and usable trails maintained by Regional Parks (P)	28	28	28	28	28	28	52	52	52	52

**Notes:**  
 (1) As of fiscal year 12-13, PCI numbers are no longer used for measurement, instead the pavement condition is rated as failed, poor, fair, good or excellent.  
 (2) As of fiscal year 14-15, this performance measure is no longer available.  
 (3) In fiscal year 20-21, the total tonnage landfilled and pounds of trash provided by Solid Waste are estimates.

**Key:**  
 (W) Work Indicator  
 (P) Performance Measures  
 (\*) Information not available

**Sources:**  
 San Bernardino County Budget  
 San Bernardino County Departments  
 Auditor/Controller/Treasurer/Tax Collector, San Bernardino County

**SAN BERNARDINO COUNTY  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
<b>General Government</b>										
Recorder's Data Processing Equipment	42	47	52	46	51	59	54	71	82	80
<b>Public Protection</b>										
Major Correction & Detention Facilities	7	7	7	7	8	8	8	8	8	8
Sheriff Stations	9	9	9	9	10	10	10	10	10	10
Sheriff Vehicles	1,698	1,687	1,787	1,747	1,769	1,743	1,877	2,020	1,902	1,839
Fire Department Equipment	457	495	503	558	598	566	554	657	759	806
<b>Public Ways &amp; Facilities</b>										
Solid Waste Heavy Equipment	10	10	3	3	3	4	4	4	5	5
Transportation: Trucks, Trailers, and Other Vehicles	281	277	277	281	291	296	299	331	346	337
Airports	6	6	6	6	6	6	6	6	6	6
Bridges	318	318	318	318	318	318	318	318	318	318
Traffic Signal (1)	365	381	83	83	90	90	90	90	90	90
<b>Health and Sanitation</b>										
Major Health Administration Buildings	2	2	2	2	2	2	2	2	2	2
Animal Shelter and Insecticide Buildings	2	2	2	2	2	2	2	2	2	2
Public Health Laboratory/Science/Engineering Equipment	158	162	163	163	182	181	184	185	194	203
Medical Center: Number of Hospitals	1	1	1	1	1	1	1	1	1	1
<b>Public Assistance</b>										
Administrative & Office Equipment	631	640	657	668	678	642	651	606	617	567
<b>Education</b>										
Library Branches	31	32	32	32	32	32	32	32	32	32
Bookmobiles	2	1	0	0	0	0	0	1	1	1
<b>Recreation and Cultural Services</b>										
County Museum: Main Facility	1	1	1	1	1	1	1	1	1	1
County Regional Parks	9	9	9	9	9	9	9	9	9	9

**Notes:**

(1) In fiscal year 2013-14 the unit count for traffic signals was changed from 1 per controller to 1 per maintained intersection.

**Source:**

San Bernardino County Budget  
San Bernardino County Departments  
Auditor-Controller/Treasurer/Tax Collector, San Bernardino County





SAN BERNARDINO  
COUNTY





SAN BERNARDINO  
COUNTY



**CURT HAGMAN**  
CHAIRMAN  
Fourth District Supervisor

**DAWN ROWE**  
VICE CHAIR  
Third District Supervisor

**COL. PAUL COOK (RET.)**  
First District Supervisor

**JANICE RUTHERFORD**  
Second District Supervisor

**JOE BACA, JR.**  
Fifth District Supervisor



## BOARD OF SUPERVISORS



**Ensen Mason CPA, CFA**

**AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR**

268 West Hospitality Lane  
San Bernardino, California 92415-0018

[www.SBCounty.gov/atc](http://www.SBCounty.gov/atc)