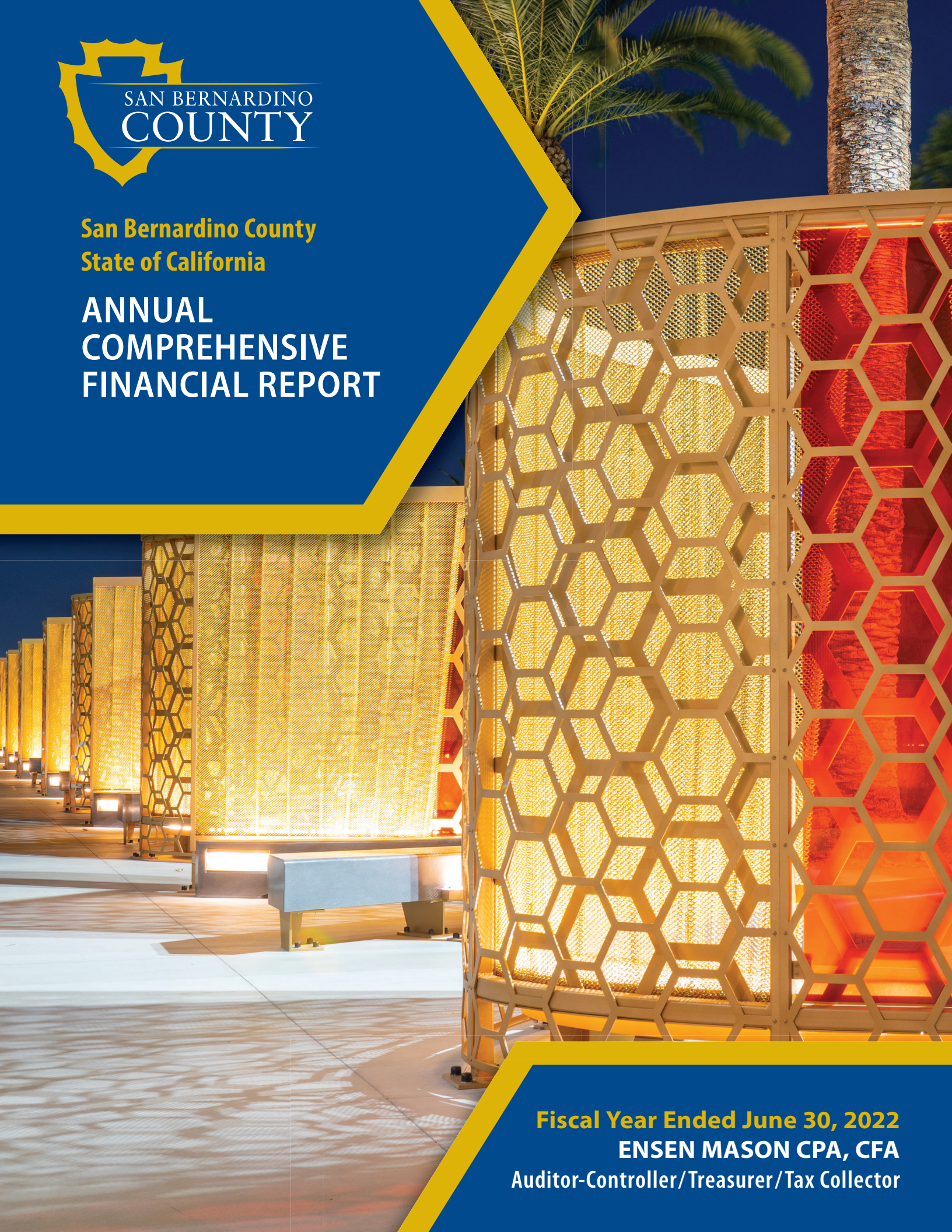




San Bernardino County
State of California

**ANNUAL
COMPREHENSIVE
FINANCIAL REPORT**



Fiscal Year Ended June 30, 2022
ENSEN MASON CPA, CFA
Auditor-Controller/Treasurer/Tax Collector

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022**

**SAN BERNARDINO COUNTY
CALIFORNIA
1853**



- Supervisor Col. Paul Cook (Ret.), Vice Chairman.....First District
- Supervisor Jesse Armendarez.....Second District
- Supervisor Dawn Rowe, Chair.....Third District
- Supervisor Curt HagmanFourth 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, 2022**

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	19

BASIC FINANCIAL STATEMENTS:

Government-Wide Financial Statements:

Statement of Net Position	38
Statement of Activities	39

Fund Financial Statements:

Balance Sheet – Governmental Funds	42
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	43
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on Budgetary Basis – General Fund	44
Statement of Net Position – Proprietary Funds	46
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	48
Statement of Cash Flows – Proprietary Funds	50
Statement of Fiduciary Net Position – Fiduciary Funds	52
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	53

TABLE OF CONTENTS

Notes to the Basic Financial Statements:

Note 1 – Summary of Significant Accounting Policies	55
Note 2 – Reconciliation of Government-Wide and Fund Financial Statements.....	68
Note 3 – Stewardship, Compliance, and Accountability	69
Note 4 – Cash and Investments	70
Note 5 – Receivables	91
Note 6 – Interfund Transactions	92
Note 7 – Restricted Cash and Investments.....	94
Note 8 – Capital Assets.....	95
Note 9 – Deferred Outflows and Deferred Inflows of Resources	98
Note 10 – Advances from Others	99
Note 11 – Long Term Liabilities	100
Note 12 – Direct Finance Capital Obligation	112
Note 13 – Closure and Postclosure Care Costs	113
Note 14 – Self-Insurance	114
Note 15 – Collateralized Facilities	115
Note 16 – Fund Balances Detail	116
Note 17 – Medicare and Medi-Cal Programs.....	118
Note 18 – Retirement Plan.....	118
Note 19 – Leases	126
Note 20 – Commitments and Contingencies.....	128
Note 21 – New Accounting Pronouncements	133

REQUIRED SUPPLEMENTARY INFORMATION:

Schedule of the County’s Proportionate Share of the Net Pension Liability	135
Schedule of the County’s Contributions.....	136

SUPPLEMENTAL INFORMATION:

Individual Nonmajor Fund Financial Statements and Other Supplementary Information:

Combined Financial Statements – Nonmajor Governmental Funds:

Combined Balance Sheet – Nonmajor Governmental Funds	139
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	140

Combining Financial Statements – Nonmajor Governmental Funds:

Nonmajor Governmental Funds Descriptions	142
Combining Balance Sheet – Special Revenue Funds	147
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Special Revenue Funds.....	153
Balance Sheet – Debt Service Funds	159

TABLE OF CONTENTS

Statement of Revenues, Expenditures, and Changes in Fund Balances – Debt Service Funds	160
Combining Balance Sheet – Capital Projects Funds	161
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Capital Projects Funds	162
Combining Balance Sheet – Permanent Funds	163
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Permanent Funds	164
Combining Financial Statements – Nonmajor Enterprise Funds:	
Nonmajor Enterprise Funds Descriptions	166
Combining Statement of Net Position – Nonmajor Enterprise Funds	167
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds	168
Combining Statement of Cash Flows – Nonmajor Enterprise Funds.....	169
Combining Financial Statements – Internal Service Funds:	
Internal Service Funds Descriptions	170
Combining Statement of Net Position – Internal Service Funds	171
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	173
Combining Statement of Cash Flows – Internal Service Funds.....	175
Combining Financial Statements – Fiduciary Funds:	
Fiduciary Funds Descriptions	176
Combining Statement of Fiduciary Net Position – Private-Purpose Trust Funds	177
Combining Statement of Fiduciary Net Position – Custodial Funds	178
Combining Statement of Changes in Fiduciary Net Position – Private-Purpose Trust Funds.....	179
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds.....	180

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	182
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on Budgetary Basis – Capital Improvement Fund	204
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual on Budgetary Basis – Certain Capital Projects Funds	205

STATISTICAL SECTION

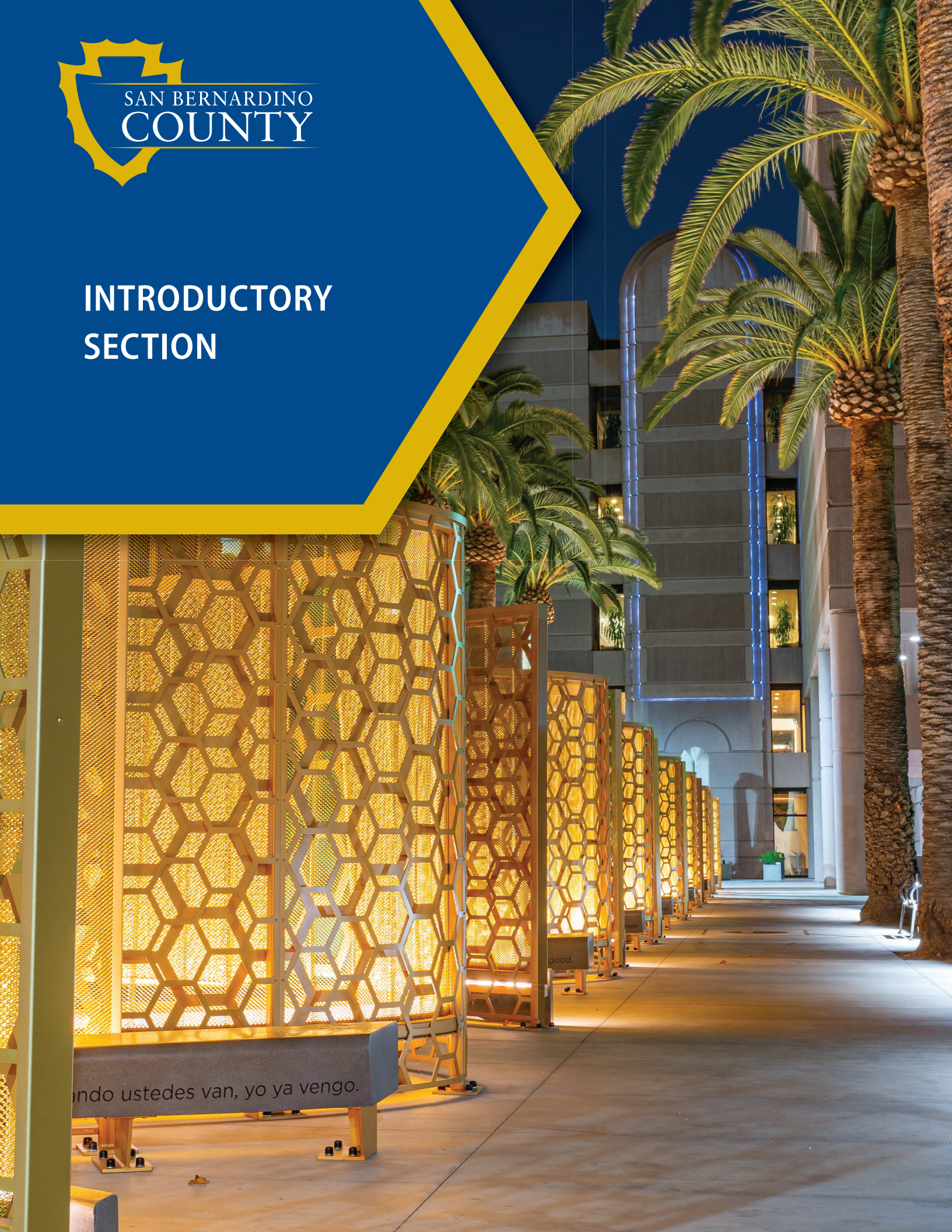
Statistical Section Descriptions	210
Net Position by Component.....	212
Changes in Net Position	213
Funds Balances – Governmental Funds.....	215
Changes in Fund Balances – Governmental Funds	216
Assessed Value and Actual Value of Taxable Property	217
Property Tax Rates – Direct and Overlapping Governments – Tax Rate Area 7000.....	218
Principal Property Taxpayers – Current Year and Nine Years Ago	219
Property Tax Levies and Collections – Last Ten Fiscal Years.....	220
Ratios of General Bonded Debt Outstanding	221
Estimated Direct and Overlapping Bonded Debt.....	222
Computation of Legal Debt Margin	224
Ratios of Outstanding Debt by Type	225
Demographic and Economic Statistics – Last Ten Fiscal Years.....	226
Principal Employers – Current Year and Nine Years Ago.....	227
County Employees by Function/Program	228
Operating Indicators by Function/Program	229
Capital Asset Statistics by Function/Program.....	230



SAN BERNARDINO
COUNTY



INTRODUCTORY SECTION



ando ustedes van, yo ya vengo.

good



Auditor–Controller/Treasurer/Tax Collector

Ensen Mason CPA, CFA

Auditor–Controller/Treasurer/Tax Collector

John Johnson

Assistant Auditor–Controller/Treasurer/Tax Collector

Tori Roberts, CPA

Assistant Auditor–Controller/Treasurer/Tax Collector

February 28, 2023

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, 2022, 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 Clifton Larson Allen 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, 2022. 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 2022, the County's population estimate at January 1, 2022 was 2.18 million, which remained consistent with the January 1, 2021 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, 2022: 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 Internal Auditors 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

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. Annual 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. Encumbrances outstanding at that time are included within restricted, committed, or assigned fund balance, as appropriate.

MAJOR INITIATIVES

San Bernardino County continues to respond to the COVID-19 Pandemic, and 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 is making strategic investments in technology to allow various departments to improve operations. There is a phased replacement of the existing Employee Management and Compensation System (EMACS) and the County's 40-year-old Debt Collection System, which is responsible for \$45 million in annual County debt collections.
- The County allocated \$55 million evenly among the five supervisorial districts. The Board's discretionary funding for the District Specific Priorities Program (Priorities Program) addresses the needs identified that support the mission of San Bernardino County, and provides services to citizens which promote health, safety, economic well-being, education, recreation, and enhance vibrant communities through the emphasis of beauty, culture, art, and recreation. The duration of the Priorities Program is approximately a four-year period, from September 21, 2021, through December 31, 2025. The efforts of the program are aimed to enhance the quality of life for county residents. The Priorities Program projects must be presented to the Board of Supervisors for full approval.
- The Community Revitalization Group is a new operational group resulting from the addition of the Community Revitalization department, and the reorganization of Community Development and Housing (CDH) and the Office of Homeless Services. This group focuses on strategic and continuous improvement efforts to prevent and additionally reduce homelessness in communities across the County. The Community Revitalization Group provides services that better people's lives and the communities they live in by diligently investing and leveraging limited federal, state, and local resources to achieve community and neighborhood revitalization.
- Under Project Homekey, the County will acquire and rehabilitate properties to 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.
- 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.

ECONOMIC CONDITION AND OUTLOOK

Overview

San Bernardino County's economy has been creating jobs at a very rapid pace as it expands following the COVID-19 pandemic. In the first quarter of 2022, the U.S. Bureau of Economic Analysis (*BEA*) placed the county's growth at 6.5%, or a gain of 50,651 jobs. In comparison, California as a whole, gained only 5.4% in growth in the same period. For the Inland Empire, of which San Bernardino County is the larger of the two counties, the California Employment Development Department (*EDD*) has the average job gain from January through September 2021-2022 at a record 94,444. Using the County's share of the job gain of 43.8% (as indicated in the first quarter from the *BEA*), there is an indication that job growth is trending toward an increase 41,367 jobs in 2022. The September 2022 unemployment rate in the County was 3.8%, just slightly higher than the state's unemployment rate of 3.7%.

The September 2022 release of data for the 2021 American Community Survey showed that while employment was expanding, the County's poverty rate fell significantly from 20.4% in 2011 to 13.2% in 2021. Important to the function of local governments, San Bernardino County saw 2021 taxable sales increase by 28.0% while California's sales tax revenue rose at a slower rate of 22.1%. In 2022, the first two quarters saw the County increases in taxable sales revenue of 13.4% and 7.2%. With housing prices and industrial property, asking rates have soared, the assessed valuation in the County grew at a rapid 8.2% from June 30, 2021, to June 30, 2022, bringing the total valuation to \$295.1 billion, nearly matching the rapid 8.6% inflation rate in that period.

As of June 30, 2022, the County's General Fund projects a cumulative structural surplus of \$5.8 million through fiscal year 2027. The County has an ongoing surplus of \$33.5 million available from prior years to start 2022-23. In addition, there are projected discretionary revenue increases totaling \$173.2 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 \$206.7 million (which includes the 2021-22 carryover and total revenue changes through the forecast) are \$200.9 million in anticipated ongoing costs including ongoing costs to maintain services, recommended changes to ongoing costs, and future estimated costs. This leaves a projected surplus of \$5.8 million through 2026-27.

Industry and Employment

In the first nine months of 2022, the Inland Empire economy, of which San Bernardino County is the largest player, saw local employment reach 1,659,156 jobs. That was a gain of 94,444 jobs or 6.0%. Meanwhile, the average number of the region's workers with jobs from January to September 2022, either within the area or elsewhere, totaled 2,079,033 also a record. As yet, the data do not show signs of the expected economic slowdown despite interest rate hikes by the Federal Reserve.

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. In the first nine months of 2022, the sector is on track to add 25,889 jobs in the Inland Empire, up 10.2%. That will be 27.4% of the 94,444 jobs added in the period. This is happening due to the growth of international trade through Southern California's ports and airports plus households increasingly using e-commerce to acquire goods. In Southern California, nearly all the large fulfillment centers are in the Inland Empire. The majority of these fulfillment centers are located within the physical jurisdiction of the County due to its expansive land area. The rapid expansion of Ontario International Airport has also contributed to the success of the logistics sector in San Bernardino County. The sector's 2021 median pay was \$51,821 with occupations such as heavy-duty truck drivers earning an average of \$54,960 in 2022 and even Hand Laborers and Freight, Stock, and Material Movers averaging \$39,868 this 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, the health care sector lost 2,800 positions as people were reticent to be in close contact with healthcare workers. In 2022, the healthcare sector is growing once again, with an average of 4,078 new jobs amounting to 4.3% of the 94,444 jobs added in the period. The health care sector's 2021 median pay was \$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% of residents in 2021.

Manufacturing is another traditional sector expanding San Bernardino County's economic base. In 2022, this industry is on course to add 3,622 jobs (3.8%) in the Inland Empire with most facilities located in the county. This is a turnaround from several years in which the sector's job base declined, largely because of California's policies that make it difficult for the sector to compete. Manufacturing workers received a median pay of \$57,403 in 2021.

Construction is San Bernardino County's other traditional sector expanding its economic base. In 2022, this industry is on course to add just 911 jobs in 2022 despite the need for homes and industrial facilities. The sector is very sensitive changes in interest rates and as such, performance is reacting to the increase in mortgage rates. For homeowners, the sector's foundation is strong with residential prices having recently exploded to all time highs. The second quarter 2022 median price was \$514,920. The increase in prices is primarily due to the low supply of available homes. Also, many construction jobs are directly related to the continuing need to add large facilities for logistics firms where vacancies are down to 0.3%. 40% of new facilities in Southern California are being built in the county. Construction workers received a median pay of \$56,670 in 2021.

Assessed Valuation

In the second quarter 2022, the median price of all homes in San Bernardino County was \$514,920. That was 17.4% above the 2021 level of \$369,500. Homebuyers still find San Bernardino County affordable compared to other Southern California areas. Current 2022 data from the CA Board of Realtors show that 39% of the County's families could still afford the prices of its bottom 50% of homes, making it the Southern California's most affordable county. This compared to Riverside (28%), Los Angeles (20%) or Orange (13%) counties. With residential prices rising, along with industrial property asking rates that are 60.4% above 2021 levels, the County's June 30, 2022, assessed valuation has reached 58.5% above its pre-Great Recession June 30, 2008, high. With 2008-2022 inflation up 37.9% since then, 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 28.0% in 2021 with total taxable sales reaching a record \$55.4 billion. That was 76.9% above the pre-Great Recession high in 2006 (\$31.3 billion) and above the 47.4% rise in prices from 2006-2022. The 2022 purchasing power of the County's sales taxes were thus far above the 2006 level. In the first and second quarter 2022, the County's taxable sales were up 13.4% and 7.2%, adding to the county's sales tax revenue.

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 and construction is currently in process detailed below:

- County Buildings Acquisition and Retrofit Project.
- ARMC Parking Structure.
- County Government Parking Garage.
- 800 MHz Upgrade Project.
- Information Services Department building and improvements.

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 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 2022-23 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.

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, 2021. This was the thirty-fourth 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, 2021. This was the sixteenth 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, Clifton Larson Allen 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,



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

**SAN BERNARDINO COUNTY
DIRECTORY OF COUNTY OFFICIALS**

ELECTED OFFICES

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

COUNTY SUPERVISOR, SECOND DISTRICTJESSE ARMENDAREZ

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

COUNTY SUPERVISOR, FOURTH DISTRICTCURT HAGMAN

COUNTY SUPERVISOR, FIFTH DISTRICTJOE BACA, JR.

ASSESSOR/RECORDER/COUNTY CLERK.....CHRIS WILHITE

AUDITOR-CONTROLLER/TREASURER/TAX COLLECTORENSEN MASON

DISTRICT ATTORNEYJASON ANDERSON

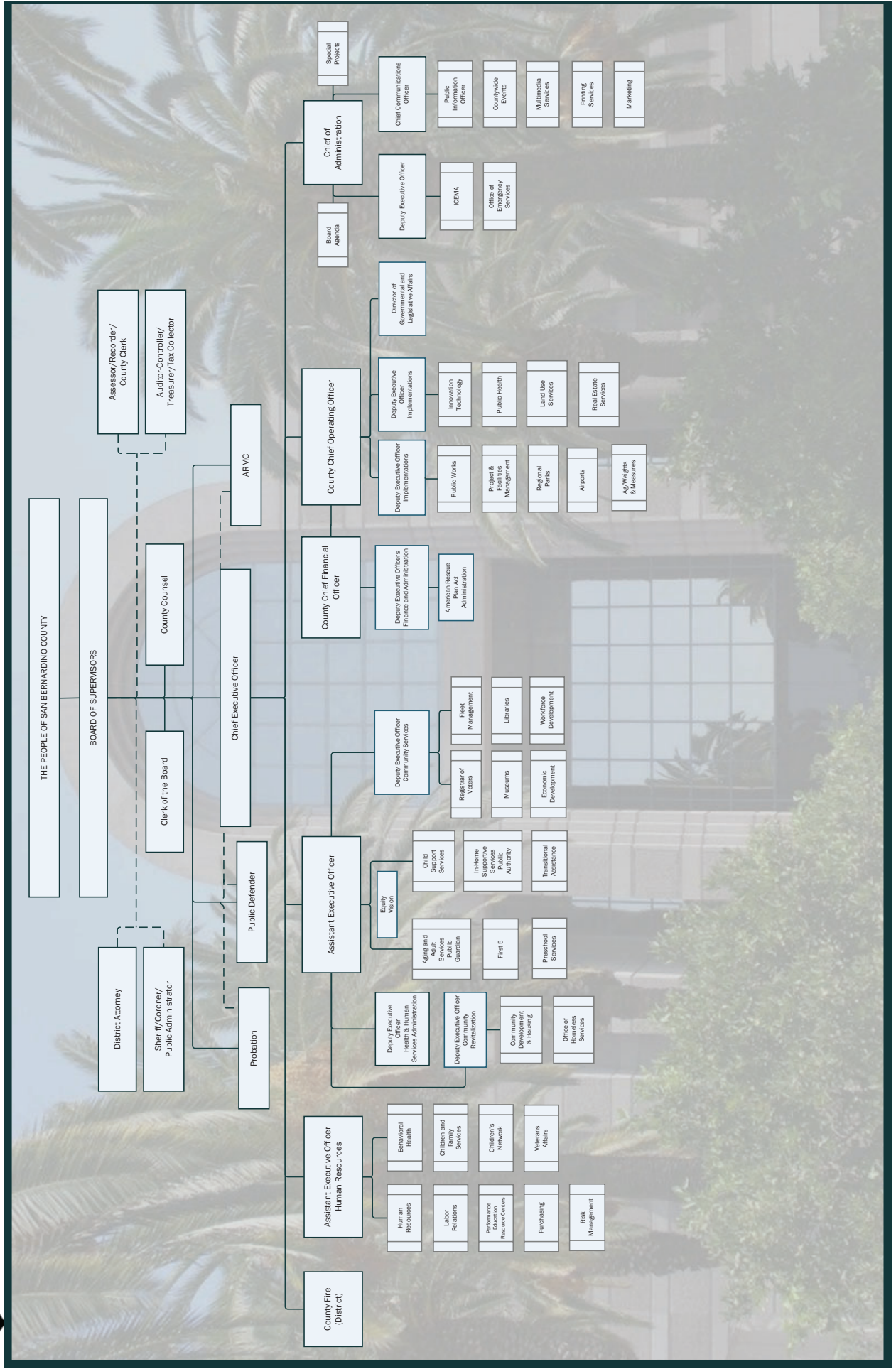
SHERIFF/CORONER/PUBLIC ADMINISTRATORSHANNON D. DICUS

**SAN BERNARDINO COUNTY
DIRECTORY OF COUNTY OFFICIALS**

APPOINTED

AGING AND ADULT SERVICES.....	SHARON NEVINS
AGRICULTURAL COMMISSIONER/SEALER.....	BRADY GERGOVICH
AIRPORTS.....	JAMES JENKINS
ARROWHEAD REGIONAL MEDICAL CENTER.....	WILLIAM GILBERT
BEHAVIORAL HEALTH	GEORGINA YOSHIOKA
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.....	JEANY ZEPEDA
CLERK OF THE BOARD OF SUPERVISORS	LYNNA MONELL
COMMUNITY DEVELOPMENT AND HOUSING (<i>INTERIM</i>).....	DIANA ATKESON
COUNTY COUNSEL	TOM BUNTON
COUNTY LIBRARIAN	MELANIE OROSCO
COUNTY MUSEUM	DAVID MYERS
ECONOMIC DEVELOPMENT AGENCY	DEREK ARMSTRONG
FIRE DEPARTMENT/FIRE CHIEF	DAN MUNSEY
FLEET MANAGEMENT	VACANT
HUMAN RESOURCES	DIANE RUNDLES
HUMAN SERVICES	DIANA ALEXANDER
INNOVATION AND TECHNOLOGY (<i>INTERIM</i>).....	JAKE CORDOVA
INLAND COUNTIES EMERGENCY MEDICAL AGENCY (<i>INTERIM</i>).....	DANIEL MUNOZ
LABOR RELATIONS	LEO GONZALEZ
LAND USE SERVICES (<i>INTERIM</i>).....	CHAD NOTTINGHAM
OFFICE OF HOMELESS SERVICES	VACANT
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.....	STEPHANIE SHEA
RISK MANAGEMENT	VICTOR TORDESILLAS
TRANSITIONAL ASSISTANCE DEPARTMENT	GILBERT RAMOS
VETERANS AFFAIRS (<i>INTERIM</i>)	VICTOR TORDESILLAS
WORKFORCE DEVELOPMENT.....	BRADLEY GATES

SAN BERNARDINO COUNTY ORGANIZATIONAL CHART





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, 2021

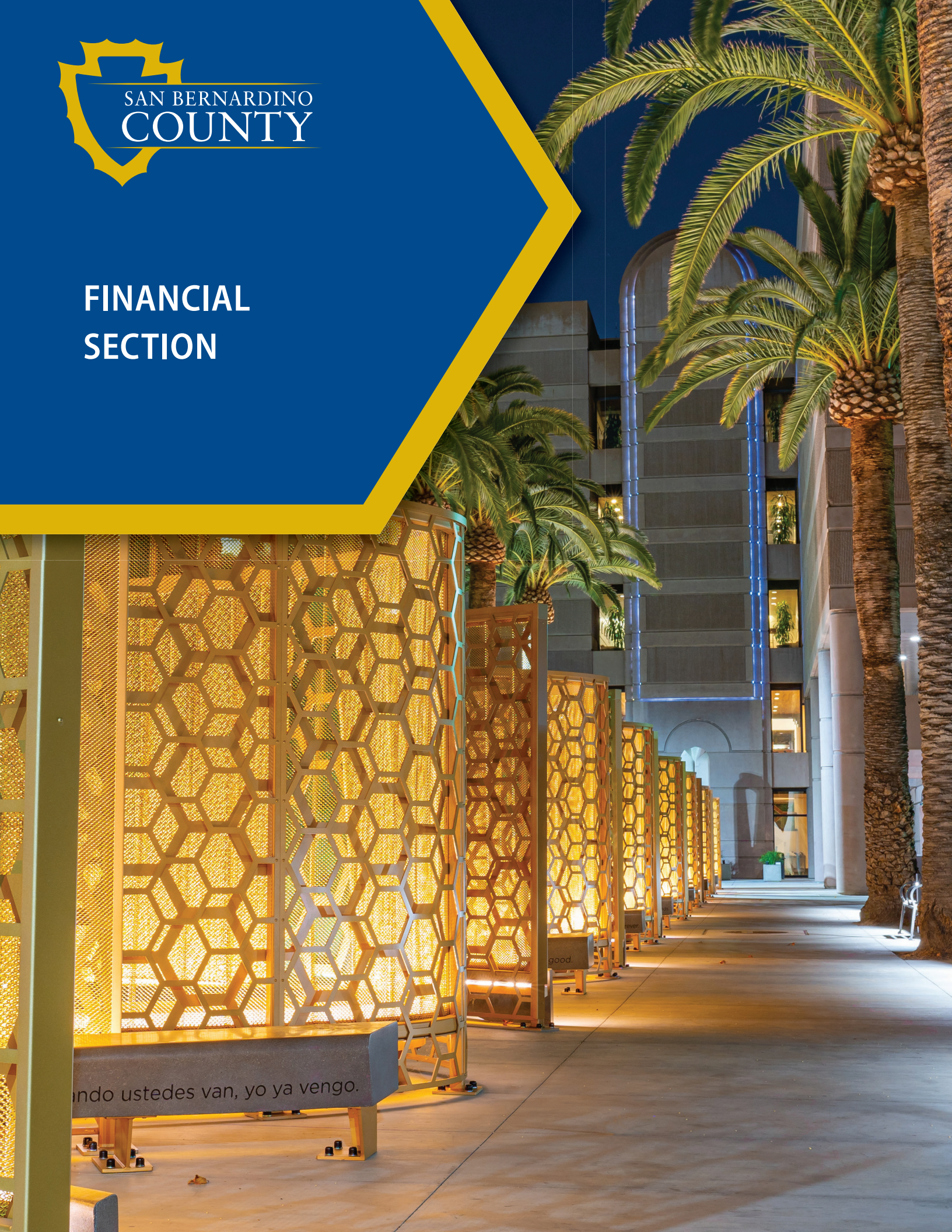
Christopher P. Morill

Executive Director/CEO





FINANCIAL SECTION



ando ustedes van, yo ya vengo.

good





INDEPENDENT AUDITORS' REPORT

Honorable Board of Supervisors
San Bernardino County, California

Report on the Audit of the Financial Statements

Opinions

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, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise San Bernardino County's basic financial statements as listed in the table of contents.

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 San Bernardino County, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the San Bernardino County Fire Protection District, the San Bernardino County Flood Control District, the San Bernardino County Redevelopment Successor Agency Private-Purpose Trust Fund, First 5 San Bernardino Children and Families Commission (First 5) and the San Bernardino County Employees' Retirement Association (SBCERA) which represent the following percentages of assets, net position/fund balances and revenues of the opinion units listed below as of June 30, 2022. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the departments and component units are based solely on the reports of the other auditors.

<u>Opinion Units</u>	<u>Assets</u>	<u>Net Position Fund Balance</u>	<u>Revenues</u>
Governmental Activities	6%	10%	7%
Aggregate Remaining Fund Information	61%	64%	4%
Discretely Presented Component Unit	100%	100%	100%

Basis for Opinions

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

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective July 1, 2021, the County adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. This Statement requires lessees to recognize a right-to-use asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified in respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of San Bernardino County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about San Bernardino County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise San Bernardino County's basic financial statements. The combined and combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, based on our audit and the reports of other auditors, the combined and combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

Honorable Board of Supervisors
San Bernardino County, California

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2023, on our consideration of San Bernardino 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 San Bernardino 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 San Bernardino County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
February 28, 2023





MANAGEMENT'S DISCUSSION AND ANALYSIS





MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2022

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, 2022. 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 \$1,020,213. The net increase is attributable to the \$937,341 increase in governmental activities net position and the \$82,872 increase in business-type activities net position.
- As of June 30, 2022, the County governmental funds reported combined fund balances of \$3,815,978, an increase of \$533,039 in comparison with the prior year. Amounts available for spending include restricted, committed, assigned, and unassigned fund balances; these totaled \$3,750,889 or 98.29% of the ending fund balance. Of this amount, \$1,901,245 is restricted by law or externally imposed requirements, and \$234,883 is committed for specific purposes.
- At the end of the fiscal year, amounts available for spending for the General Fund totaled \$1,818,818 or 57.87% of total General Fund expenditures. This is an increase of \$215,273 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 \$16,959 and 0.58% 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 \$188,606 and 21.27% 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 38-39 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 nonmajor 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 42-44 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 nonmajor 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 46-51 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 52-54 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 55-133 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 139-209 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 \$5,033,067 at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021*	2022	2021*	2022	2021
Current and Other Assets	\$ 5,171,869	\$ 4,469,252	\$ 936,365	\$ 868,021	\$ 6,108,234	\$ 5,337,273
Capital Assets	2,345,440	2,366,854	539,124	534,669	2,884,564	2,901,523
Total Assets	7,517,309	6,836,106	1,475,489	1,402,690	8,992,798	8,238,796
Deferred Outflows of Resources	786,730	1,421,533	111,192	215,894	897,922	1,637,427
Current and Other Liabilities	765,925	609,457	122,345	86,787	888,270	696,244
Long-Term Liabilities	2,009,083	4,082,825	716,725	997,146	2,725,808	5,079,971
Total Liabilities	2,775,008	4,692,282	839,070	1,083,933	3,614,078	5,776,215
Deferred Inflows of Resources	1,106,964	80,631	136,611	6,523	1,243,575	87,154
Net Position:						
Net Investment in Capital						
Assets	2,130,271	2,126,175	323,482	290,782	2,453,753	2,416,957
Restricted	1,884,804	1,632,684	-	8,898	1,884,804	1,641,582
Unrestricted	406,992	(274,133)	287,518	228,448	694,510	(45,685)
Total Net Position	\$ 4,422,067	\$ 3,484,726	\$ 611,000	\$ 528,128	\$ 5,033,067	\$ 4,012,854

*As restated for the implementation of GASB 87

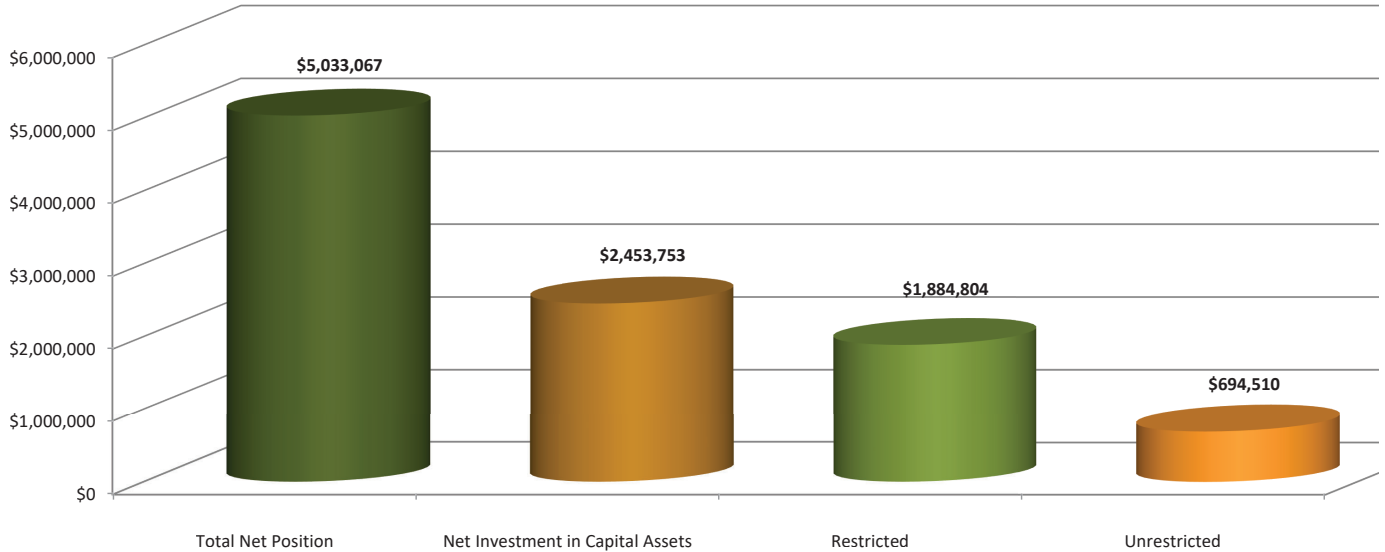
The largest portion of the County's net position of \$2,453,753 reflects the net investment in capital assets (e.g. land, land use rights, structures and improvements, equipment and software, and infrastructure); as well as capital-related deferred outflows of resources less any related debt used to 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 \$1,884,804 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)

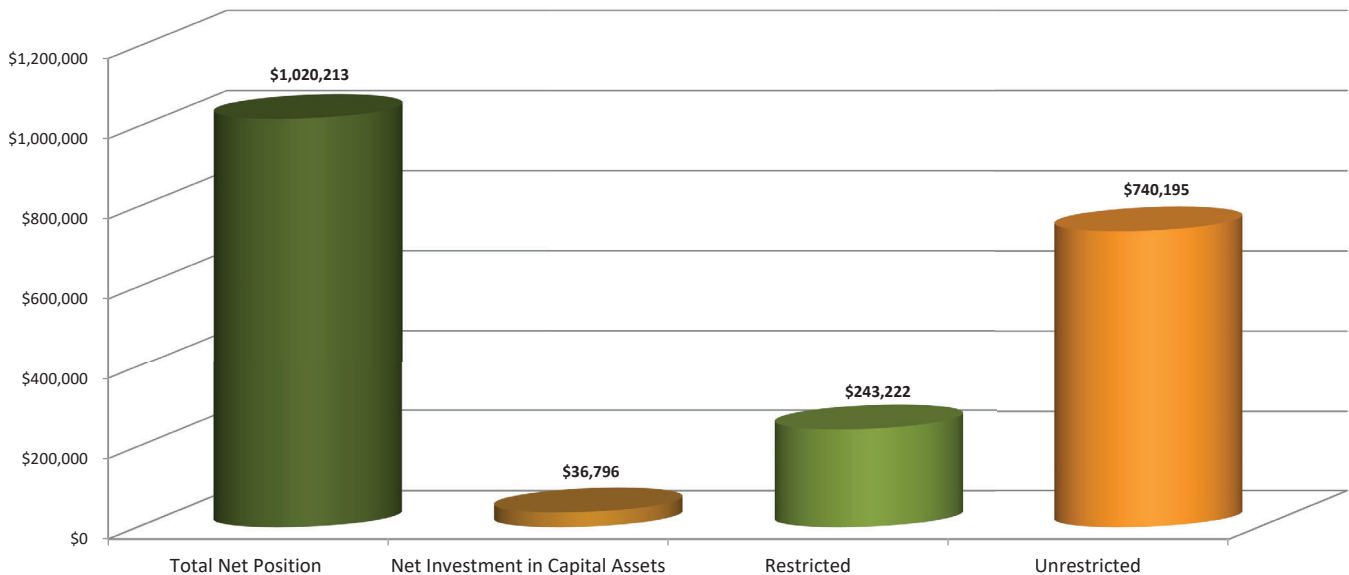
The final component of net position is unrestricted net position. Unrestricted net position represents resources that the County may use to meet its current and ongoing obligations to citizens and creditors. The overall unrestricted net position balance increased by \$740,195 primarily as the result of an overall increase in current assets.

Net Position



The County's total net position increased by \$1,020,213 (\$937,341 increase in governmental activities plus \$82,872 increase 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	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues						
Charges for Services	\$ 584,142	\$ 577,635	\$ 569,093	\$ 484,671	\$ 1,153,235	\$ 1,062,306
Operating Grants/Contributions	2,668,118	2,785,834	347,649	311,555	3,015,767	3,097,389
Capital Grants/Contributions	1,570	1,944	12,643	16,943	14,213	18,887
General Revenues						
Property Taxes, Levied for General Purposes	981,516	921,872	4,760	4,630	986,276	926,502
Public Safety Tax	277,989	221,401	-	-	277,989	221,401
Other Taxes	54,183	39,830	-	-	54,183	39,830
American Rescue Plan Act	57,739	-	-	-	57,739	-
Revenues from Use of Money and Property	(15,813)	34,433	(5,961)	61	(21,774)	34,494
Miscellaneous	55,585	72,518	1,579	852	57,164	73,370
Gain on Sale of Capital Assets	3,517	3,006	135	-	3,652	3,006
Total Revenues	4,668,546	4,658,473	929,898	818,712	5,598,444	5,477,185
Expenses:						
General Government	224,605	301,548	-	-	224,605	301,548
Public Protection	1,405,622	1,619,673	-	-	1,405,622	1,619,673
Public Ways and Facilities	101,367	106,332	-	-	101,367	106,332
Health and Sanitation	605,285	659,624	-	-	605,285	659,624
Public Assistance	1,329,724	1,438,825	-	-	1,329,724	1,438,825
Education	30,064	23,400	-	-	30,064	23,400
Recreation and Cultural Services	29,762	34,142	-	-	29,762	34,142
Interest on Long Term Debt	7,586	11,834	-	-	7,586	11,834
Medical Center	-	-	723,651	695,142	723,651	695,142
Waste Systems	-	-	102,307	109,358	102,307	109,358
Water, Sewer, and Sanitation	-	-	18,075	14,714	18,075	14,714
Others	-	-	183	63	183	63
Total Expenses	3,734,015	4,195,378	844,216	819,277	4,578,231	5,014,655
Excess (Deficiency) before Transfers	934,531	463,095	85,682	(565)	1,020,213	462,530
Transfers	2,810	4,395	(2,810)	(4,395)	-	-
Change in Net Position	937,341	467,490	82,872	(4,960)	1,020,213	462,530
Net Position -- Beginning of Year	3,484,726	3,017,236	528,128	533,088	4,012,854	3,550,324
Net Position -- End of Year	\$ 4,422,067	\$ 3,484,726	\$ 611,000	\$ 528,128	\$ 5,033,067	\$ 4,012,854

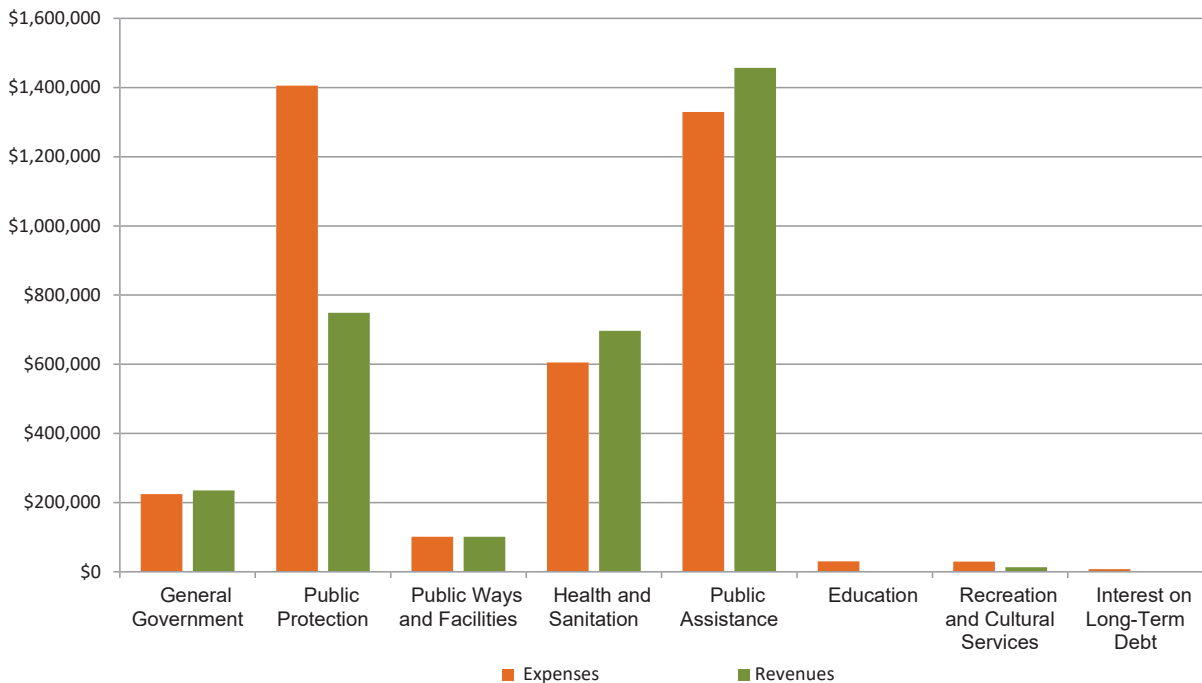
Net position within the Governmental Activities opinion unit increased from \$3,484,726 to \$4,422,067. The overall increase in net position is due to one-time and ongoing revenues exceeding related expenses.

Total revenues of County governmental activities increased primarily due to increases in Property Taxes, Levied for General Purposes, Public Safety Tax, and the American Rescue Plan Act.

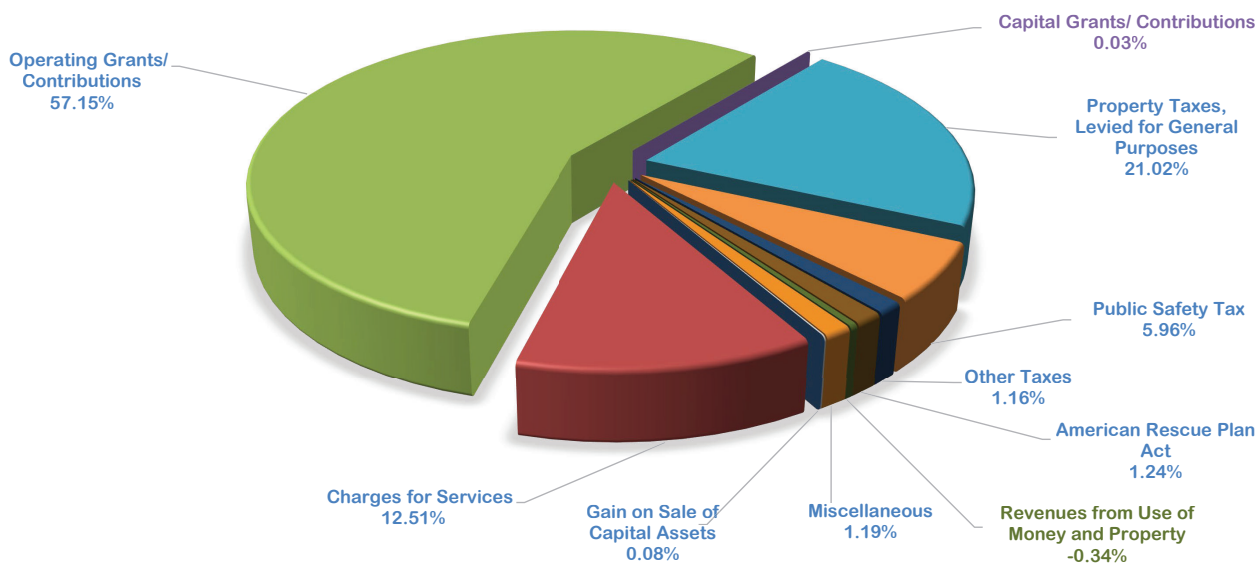
Program expenses for County governmental activities decreased as a result of decreases in General Government, Public Protection, and Public Assistance expenses. The Economic Development Agency had a decrease primarily due to reductions in expenses resulting from the completion of the COVID Compliant Business Partnership Program (CCBPP) in 2020-2021. The Registrar of Voters had a decrease in expenses due to the exclusion of reserves funding for the last payments for the voting system and the deletion of 15 limited term positions. The Sheriff/Coroner/Public Administrator had a decrease in operating expenses resulting from a reduction in one-time expenses versus the prior year. The Human Services Group had a decrease primarily due to the exclusion of COVID-19 emergency response staffing and operating expenses. Additionally, there was a decrease due to the expiration of Low-Cost Extension program expenses in Preschool Services, and the exclusion of Project Homekey property acquisition costs completed in 2020-21 in the Office of Homeless Services.

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)

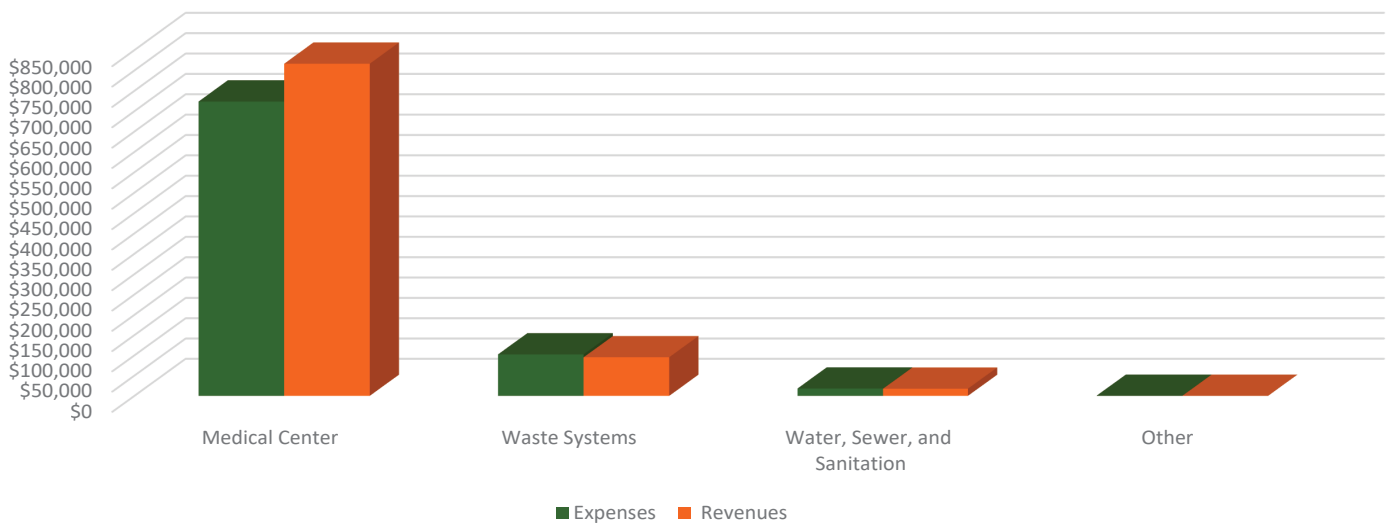
Business-Type Activities increased the County's net position from \$528,128 to \$611,000. This is primarily due to program revenues exceeding related expenses.

Total revenues of County business-type activities increased primarily due to increases in Charges for Services, and Operating Grants/Contributions.

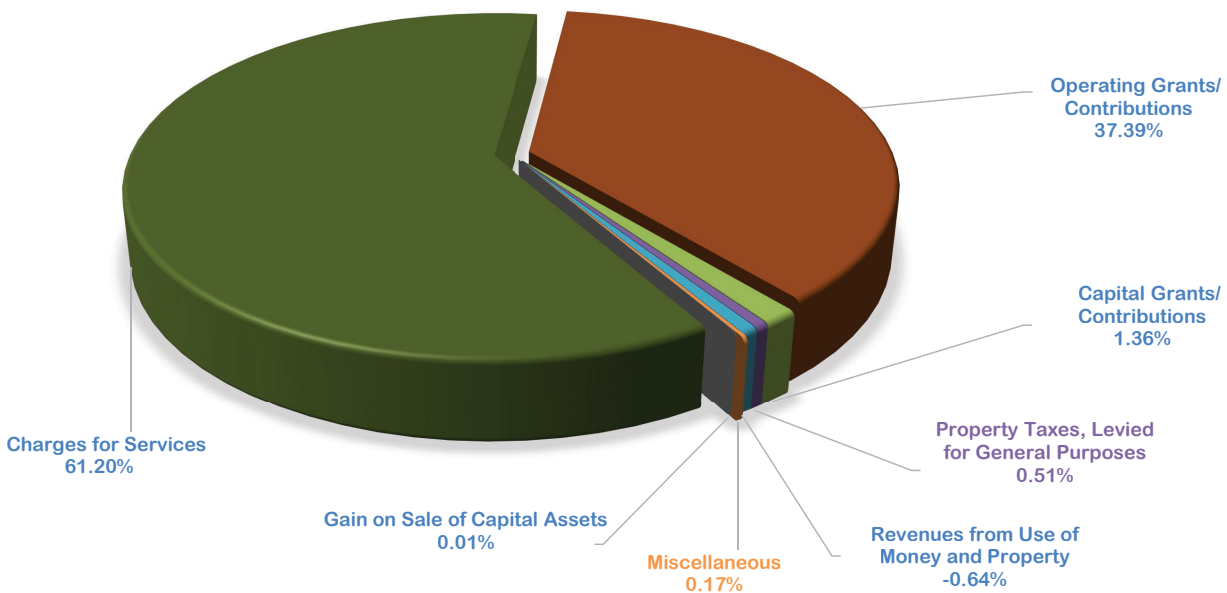
Business-Type Activities expenses increased mainly due to the Medical Center increased staffing cost.

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, 2022, the County's governmental funds reported a total fund balance of \$3,815,978, an increase of \$533,039 in comparison with the prior year. Approximately 49.8% of the total fund balance, \$1,901,245, constitutes restricted fund balance, which is restricted by external parties and enabling legislation. The remaining fund balance is comprised of nonspendable amounts of \$65,089; committed amounts of \$234,883, which are committed for specific purposes; assigned amounts of \$703,900 set-aside for specific purposes; and an unassigned amount of \$910,861 representing the residual net resources of the General Fund available for spending.

The most significant restricted amounts in the governmental funds include \$265,752 for the Mental Health Services Act, \$212,810 for Fire Protection, \$209,448 for Flood Control, \$180,522 for Social Services Realignment, \$146,813 for Law and Justice Realignment, and \$129,996 for Behavioral Health Realignment (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, 2022, the total fund balance was \$1,859,299, an increase of \$214,240 in comparison with the prior year. Approximately 35.3% or \$655,403 of the total fund balance constitutes restricted fund balance. The remaining fund balance is made up of \$40,481 of nonspendable amounts; \$234,883 of committed amounts, including \$34,891 for asset replacement, \$32,075 for the Valley Dispatch Center Reserve, \$32,075 for medical center debt service, \$31,517 for the New Property Tax System, and \$20,000 for the Building Replacement Reserve, and \$13,877 for the Earned Leave. The assigned amounts of \$17,639 is primarily for automated systems development. There is \$910,893 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 37% of total fund expenditures; while total fund balance represents 59.2%.

Capital Improvement Fund: The Capital Improvement Fund accounts for the County's major capital acquisition and construction projects. On June 30, 2022, the total fund balance of the Capital Improvement Fund was \$631,840. The capital improvement fund had an increase of \$132,984, primarily as the result of significantly increased contributions for maintenance and upgrades of County facilities.

Revenues for total governmental funds totaled \$4,672,448 in fiscal year 2022, representing a \$20,301, 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:

Revenues	Fiscal Year 2022		Over (Under) Fiscal Year 2021	
	Amount	Percent of Total	Amount Changed	Percent
Taxes	\$ 1,363,354	29%	\$ 139,037	11%
Licenses, Permits and Franchises	32,088	1%	2,937	10%
Fines, Forfeitures and Penalties	12,175	0%	2,926	32%
Revenues From Use of Money and Property	(28,998)	-1%	(61,734)	-189%
Aid From Other Governmental Agencies	2,702,879	58%	(42,383)	-2%
Charges for Current Services	535,443	12%	(3,509)	-1%
Other Revenues	55,507	1%	(16,973)	-23%
Total Revenues	<u>\$ 4,672,448</u>	<u>100%</u>	<u>\$ 20,301</u>	

The County's three major funding sources: aid from other governmental agencies, taxes, and charges for current services, constitute 98.5% of all revenues.

Tax revenues increased by \$139,037 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, 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:

Expenditures	Fiscal Year 2022		Over (Under) Fiscal Year 2021	
	Amount	Percent of Total	Amount Changed	Percent
Current:				
General Government	\$ 231,114	6%	\$ (43,786)	-16%
Public Protection	1,445,106	35%	(19,282)	-1%
Public Ways and Facilities	89,864	2%	12,569	16%
Health and Sanitation	634,278	15%	12,174	2%
Public Assistance	1,395,734	33%	48,304	4%
Education	22,470	1%	2,228	11%
Recreation and Cultural Services	23,096	1%	205	1%
Debt Service:				
Principal	172,498	4%	52,372	44%
Interest and Fiscal Charges	8,140	0%	(252)	-3%
Capital Outlay	139,956	3%	18,450	15%
Total Expenditures	<u>\$ 4,162,256</u>	<u>100%</u>	<u>\$ 82,982</u>	

Total County governmental funds expenditures increased by \$82,982 from the prior year, as compared to the restated balances for 2020.

Debt Service Principal expenditures increased by \$52,372 primarily due to implementation of GASB 87 - Leases, which reclassified rents paid out for leases to principal and interest for leases started in prior years.

Public Protection expenditures increased by \$48,304 primarily due to increase in payments to service providers in relation to Project Roomkey, Rehousing Strategy and Adoption Assistance programs. In addition, the Human

Management's Discussion and Analysis
(Amounts in thousands)

Services Administration Claim added 57 new positions to enhance the Adult Protective Services program as well as 20 new positions to support the increase in workload for multiple divisions.

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

Other Financing Sources (Uses) Governmental Funds	Fiscal Year 2022	Over (Under) Fiscal Year 2021	
	Amount	Amount Changed	Percent
Transfers Out	\$ (457,781)	\$ (184,645)	68%
Transfers In	462,781	183,696	66%
Lease Financing (Notes 11 & 19)	14,330	14,330	100%
Sale of Capital Assets	3,517	511	17%
Total Other Financing Sources and (Uses)	<u>\$ 22,847</u>	<u>\$ 13,892</u>	

Transfers in increased by \$183,696 primarily due to higher 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

	Governmental Funds			
	General Fund	Capital Improvement Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Revenues	\$ 3,645,085	\$ 278	\$ 1,027,085	\$ 4,672,448
Expenditures	(3,143,001)	(55,197)	(964,058)	(4,162,256)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>502,084</u>	<u>(54,919)</u>	<u>63,027</u>	<u>510,192</u>
Total Other Financing Sources and (Uses)	<u>(287,844)</u>	<u>187,903</u>	<u>122,788</u>	<u>22,847</u>
Net Changes In Fund Balance	214,240	132,984	185,815	533,039
Fund Balance, Beginning	<u>1,645,059</u>	<u>498,856</u>	<u>1,139,024</u>	<u>3,282,939</u>
Fund Balance, Ending	<u>\$ 1,859,299</u>	<u>\$ 631,840</u>	<u>\$ 1,324,839</u>	<u>\$ 3,815,978</u>

In fiscal year 2022, the fund balance of total governmental funds increased by \$533,039. 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:

	Business-Type Activities			Total Enterprise Funds
	Enterprise Funds			
	Medical Center	Waste Systems Division	Total Nonmajor Enterprise Funds	
Operating Revenues				
Net Patient Care and Services	\$ 456,817	\$ -	\$ -	\$ 456,817
Charges for Current Services	-	81,137	16,805	97,942
Other	284,216	14,012	321	298,549
Total Operating Revenues	<u>741,033</u>	<u>95,149</u>	<u>17,126</u>	<u>853,308</u>
Operating Expenses				
Professional Services	151,183	31,359	1,323	183,865
Salaries and Employee Benefits	323,066	7,783	3,027	333,876
Self Insurance Claims	-	-	38	38
Services and Supplies	197,586	57,953	10,659	266,198
Depreciation and Amortization	23,669	5,212	3,129	32,010
Other	19,393	-	-	19,393
Total Operating Expenses	<u>714,897</u>	<u>102,307</u>	<u>18,176</u>	<u>835,380</u>
Operating Income (Loss)	<u>26,136</u>	<u>(7,158)</u>	<u>(1,050)</u>	<u>17,928</u>
Nonoperating Revenues (Expenses)				
Investment Income (Loss)	-	(4,932)	(1,029)	(5,961)
Interest Expense	(7,804)	-	(81)	(7,885)
Tax Revenue	-	-	4,760	4,760
Grant Revenue	62,722	75	636	63,433
Other Nonoperating Revenues	-	534	1,045	1,579
Other Nonoperating Expenses	(950)	-	-	(950)
Total Nonoperating Revenues (Expenses)	<u>53,968</u>	<u>(4,323)</u>	<u>5,466</u>	<u>55,111</u>
Change in Net Position Before Contributions and Transfers	80,104	(11,481)	4,416	73,039
Capital Contributions	12,643	-	-	12,643
Transfers Out	(13,792)	(2,193)	-	(15,985)
Transfers In	13,174	-	1	13,175
Change in Net Position	92,129	(13,674)	4,417	82,872
Net Position, Beginning	250,986	161,824	115,318	528,128
Net Position, Ending	<u>\$ 343,115</u>	<u>\$ 148,150</u>	<u>\$ 119,735</u>	<u>\$ 611,000</u>

The net increase of \$82,872 in net position was primarily due to higher operating revenue in the Medical Center. Medical Center reported total operating revenue of \$741,033, which was significantly higher from the prior year amount of \$605,815.

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 6.17%. A net increase in appropriations of \$237,774 was approved during the fiscal year. The significant components of this net increase are summarized below:

General

- On September 14, 2021, the Board adopted a budget amendment which increased the Registrar of Voters' budget by \$33,898 primarily to fund costs associated with the one-time September 14, 2021 California Gubernatorial Recall Election, including payroll expenses for temporary staff, poll workers (County and non-County), other County Departments and Innovation and Technology staff, special departments expenses like ballots, voter information guides, polling places payments, postage and mail charges; professional services and rental services for equipment, contract center services and vehicle rentals, and office supplies which include additional COVID-19 supplies for staff and polling places.
- On January 25, 2022, the Board adopted Mid-Year budget amendments which increased the Human Resource Department's budget by a total of \$1,993 to purchase new furniture and to address an unanticipated increase in drug testing services for the influx of new hires mainly for the Registrar of Voters due to the Special Recall Election of September 2021, and to process potential payments in a timely manner for claims that will be settled in the current year and the estimated cost of legal expenses.
- On January 25, 2022, the Board adopted a budget amendment which decreased the Countywide Discretionary Budget unit's budget by \$10,010 in contingencies for ongoing and one-time allocations to various County departments to reflect the general fund share of the cost resulting from the adopted Mid-Year budget amendments. The Board also adopted a budget amendment to increase the Countywide Discretionary Budget unit's budget by \$35,000 to reflect the liquidation of the Capital Projects – Valley Dispatch Center Reserve which is no longer needed for its specified purpose, resulting in an overall increase to Countywide Discretionary unit's budget by \$24,990.
- On January 25, 2022, the Board adopted a budget amendment which increased the Economic Development Department's budget by \$2,743 largely to fund the California Microbusiness COVID Relief Grant Program, which provides disbursements to eligible microbusinesses that have been impacted by COVID-19 by November 30, 2022, and to fund Economic Development administrative costs (i.e., fiscal agent, marketing, and outreach) as permitted by the State program guidelines.

Health and Sanitation

- On January 25, 2022, the Board adopted budget amendments to increase the Department of Public Health's budget by \$1,766 for the significant amount of expenses in response to the COVID-19 Pandemic. The requested budget adjustments will allow the department to recognize reimbursement for such expenses from the Federal COVID-19 relief funds and fund ongoing acquisition of COVID-19 test supplies, to provide for increased payroll, outside services, equipment, and educational expenditures to improve the overall health of County residents.
- On March 15, 2022, the Board adopted budget amendments to increase the Department of Public Health's budget by \$1,900 to support the Public Health COVID-19 response. The countywide COVID-19 outreach, testing and vaccine education, and promotion services will be funded by the Department of Health and Human Services Centers for Disease Control and Prevention (CDC) COVID-19 Response through Community Collaboration grant funding.

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

Public Assistance

- On December 14, 2021, the Board adopted a budget amendment which increased the Office of Homeless Services' budget by \$11,409 to support the Project Roomkey and Rehousing Strategy programs that are funded by California Department of Social Services (CDSS). The 2021-22 allocation of \$11,409 to the San Bernardino County Office of Homeless Service (OHS) is one-time funding and must be spent or encumbered by June 30, 2022.
- On January 25, 2022, the Board adopted Mid-Year budget amendment which increased the Human Services Administrative Claim budget unit's budget by \$14,574 to increase the advance to the In-Home Supportive Services (IHSS) Public Authority and to support the Adoption Assistance Program due to the increased efforts of Children and Family Services to move children from foster care homes to permanent adoption.

Public Protection

- On January 25, 2022, the Board adopted Mid-Year budget amendments which increased the Sheriff Department's budget by \$35,700 for the Detentions, Contract Cities, and various units in the Administrative division. Adjustments include increases to allow for increased temporary staffing and on-going support in Detentions, an increase to Federal Seized Assets unit for purchase of Equipment, the Mental Health Training Grant fund for staffing reimbursements, an adjustment to the Contract Cities budget unit to reflect increased service levels, and various adjustments for the Administrative Division to support ongoing operations including the purchase of a building in Victorville to centralize operations, providing various services funded by Prop 172 reserves, supporting various grant funded activities and Equipment purchases.
- On January 25, 2022, the Board adopted budget amendments which increased the Probation's budget by \$5,902 for existing Capital Improvement Projects (CIP), including the Central Operations Office Modifications CIP for additional building and structural reinforcement, the Joshua Tree 1st Floor Office Remodel CIP for the addition of Realignment Compliance CIP for the installation of additional camera systems.
- On October 25, 2022, the Board adopted Year-End amendments which increased Sheriff's Department budget by \$2,892 for the costs associated with the countywide crime suppression efforts in 2021-22. These costs are funded with the use of the General Fund Reserve for Countywide Crime suppression and Pilot Program and the Community Concerns Reserve. Additionally, the department requested a budget increase for the increased costs of food and temporary help services used to mitigate vacancies for the Health Services division at the detention centers, and increased costs of County security services and the purchase of Vehicles in the operations budget unit. These adjustments were fully offset by a decrease in staffing expenses as a result of salary savings.

During the current fiscal year, General Government, Public Assistance, Health and Sanitation, and Protection functions accounted for the accounted for the largest expenditure variances of \$378,912, \$196,517, \$190,924, and \$150,127, respectively, between the final budget and actual expenditures. The General Government variance is primarily the result of the establishment of contingency accounts and the budget adjustment of \$24,990 on the Countywide Discretionary Fund to fund various County departments for ongoing and one-time costs resulting from the adopted Mid-Year budget amendments. 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 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 Public Protection variance is primarily the result of the actual salary expenditures and contracted services that were less than the final budgeted amounts.

Management's Discussion and Analysis (Amounts in thousands)

The total difference of \$8,399 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 and property taxes.

The General Fund budget to actual statement can be found on page 44 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, 2022, amounted to \$2,884,564, and \$11,985, respectively. The County's total related debt used to acquire those assets as of June 30, 2022, amounted to \$432,603. 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:

- Development in Progress increased approximately \$47,951, due to an increase in the following significant projects: \$15,771 for project 323 Building Acquisition and Remodel, \$14,571 for Medical Center projects, \$7,998 for project Chino Plume, \$3,664 in Solid Waste Management projects and \$1,915 for project Valley Public Safety Ops Center.
- Structures and Improvements to Structures increased approximately \$37,340, due to capitalizations related to the following significant projects: \$15,105 for the Big Bear Alpine Zoo Project, \$11,929 for Capital Improvement Fund projects (\$4,801 Barstow Probation Building, \$2,162 County Government Center Café & Conference, \$1,772 Rancho Courthouse, \$3,194 Pacific Village Project).
- Equipment and Software increased approximately \$14,330. The primary increase consists of equipment for the Medical Center, with \$16,243 in current-year additions and an offset of \$1,928 in current-year reductions.
- Right-to-Use Leased Buildings increased approximately \$14,330, due to newly entered and renewed lease agreements within the current fiscal year. Most significant leases include \$4,286 for lease contract 94-828 A-9, \$2,998 for lease contract 11-88 A2, \$1,947 for lease contract 01-693 A6, and \$1,915 for lease contract 98-08 A8.
- Right-to-Use Leased Equipment increased approximately \$2,894, due to newly entered lease agreements within the current fiscal year. Leases include two Lenovo contracts for the amounts of \$1,056 and \$1,299.

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)
	2022	2021*	2022	2021*	2022	2021	Percent of Change
Land	\$ 145,627	\$ 145,237	\$ 21,220	\$ 21,213	\$ 166,847	\$ 166,450	0.24%
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	432,002	402,379	53,372	35,044	485,374	437,423	10.96%
Improvements other than Buildings	337,567	330,948	354,006	350,357	691,573	681,305	1.51%
Structures and Improvements	1,238,809	1,202,080	575,467	574,856	1,814,276	1,776,936	2.10%
Infrastructure	1,484,948	1,465,771	-	-	1,484,948	1,465,771	1.31%
Equipment and Software	529,110	527,347	224,937	210,553	754,047	737,900	2.19%
Right-to-use Leased Land	459	459	-	-	459	459	0.00%
Right-to-use Leased Buildings	237,652	223,322	14,447	14,447	252,099	237,769	6.03%
Right-to-use Leased Equipment	3,429	535	-	-	3,429	535	540.93%
Accumulated Depreciation/Amortization	(2,090,444)	(1,957,505)	(705,785)	(673,261)	(2,796,229)	(2,630,766)	6.29%
Total	<u>\$ 2,345,440</u>	<u>\$ 2,366,854</u>	<u>\$ 539,124</u>	<u>\$ 534,669</u>	<u>\$ 2,884,564</u>	<u>\$ 2,901,523</u>	-0.58%

*As restated for the implementation of GASB 87

Additional information on the County's capital assets can be found on Note 8 on pages 95-97 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)
	2022	2021	2022	2021	2022	2021	Percent of Change
Certificates of Participation, Net	\$ -	\$ -	\$ 211,419	\$ 242,444	\$ 211,419	\$ 242,444	-12.80%
General Obligation Bonds	-	-	50	50	50	50	0.00%
Revenue Bonds, Net	-	67,494	-	-	-	67,494	-100.00%
Revenue Bonds from Direct Placements	10,890	11,880	-	-	10,890	11,880	-8.33%
Other Bonds and Notes	157,130	211,250	-	-	157,130	211,250	-25.62%
Other Bonds and Notes from Direct Borrowings and Direct Placements	8,929	12,708	1,096	1,171	10,025	13,879	-27.77%
Direct Financing Lease Obligations	-	542	1,366	1,926	1,366	2,468	-44.65%
Lease Liability	195,599	224,316	12,164	14,447	207,763	238,763	-12.98%
Other Long-Term Liabilities	-	-	99,350	98,371	99,350	98,371	1.00%
Total	<u>\$ 372,548</u>	<u>\$ 528,190</u>	<u>\$ 325,445</u>	<u>\$ 358,409</u>	<u>\$ 697,993</u>	<u>\$ 886,599</u>	-21.27%

Additional information on the County's long-term debt can be found in Note 11 on pages 101-111 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 \$184,741.

A significant portion of the revenue bonds are the Courthouse Project Bonds (2007) totaling \$10,890 that were issued by the San Bernardino Financing Authority. Included in long-term debt are also the Pension Obligation Bonds (2004) totaling \$50,000, with an AA+ rating from Standard & Poor's and the Pension Obligation Refunding Bonds (2008) totaling \$69,865, 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 2023 final budget on June 14, 2022. The County's 2023 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-

Management's Discussion and Analysis (Amounts in thousands)

time sources will not be used to fund ongoing operational costs, except within the context of a larger plan to 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 \$4.61 billion and is funded by departmental revenues, Countywide discretionary revenues, and other financing sources.

In addition, the County's fiscal planning efforts are presented with major challenges in fiscal year 2023 and beyond. These challenges include fiscal uncertainty inherent in inflation and market volatility.

The County continues to monitor other outstanding issues including:

- Inflation – Through September 2022, the Riverside-San Bernardino-Ontario Metro area has seen annual inflation rise to 8.4%. The additional costs for inflationary items such as food, gasoline, and clothing are placing pressure on departmental budgets, which will continue to be monitored and addressed throughout the upcoming fiscal year, as needed. Along with departmental budget impacts, County employees are feeling the effects of inflation as well. In recognition of this negative impact, the County has set aside additional resources for new negotiated salary and benefit cost increases in the 2022- 23 budget.
- Tightening Monetary Policy – As the federal reserve addresses inflation by raising interest rates, the risk of a potential future economic downturn increases. Through continued monitoring and careful financial planning, the 2022-23 Adopted Budget is seeking to mitigate this risk by investing substantial new revenue sources in one-time needs rather than creating long-term liabilities.
- Market Volatility – From January 1, 2022 through October 31, 2022, the broader stock market (i.e. S&P 500) lost 19.3% in value. Losses in the market particularly impact the County's pension system, resulting in additional long-term costs to the County's retirement rates.
- Future State Budget Impacts – In the 2022-23 budget, the State projected the largest budget surplus in its history. However, recent estimates by the State Legislative Analyst Office projects future deficits as a result of economic risk detailed above. A particular challenge specific to the State budget is that it is highly dependent on income tax gains amongst the state's wealthiest residents. As wealthy residents' income is largely associated with capital gains (and losses), current market losses create a high amount of risk for losses in state income tax in the future. Historically, any State budget shortfalls have led to corresponding negative impacts to the County's finances. This budget sets aside an initial \$25 million in a Liability Reserve in recognition of such risks faced by the County in the future.

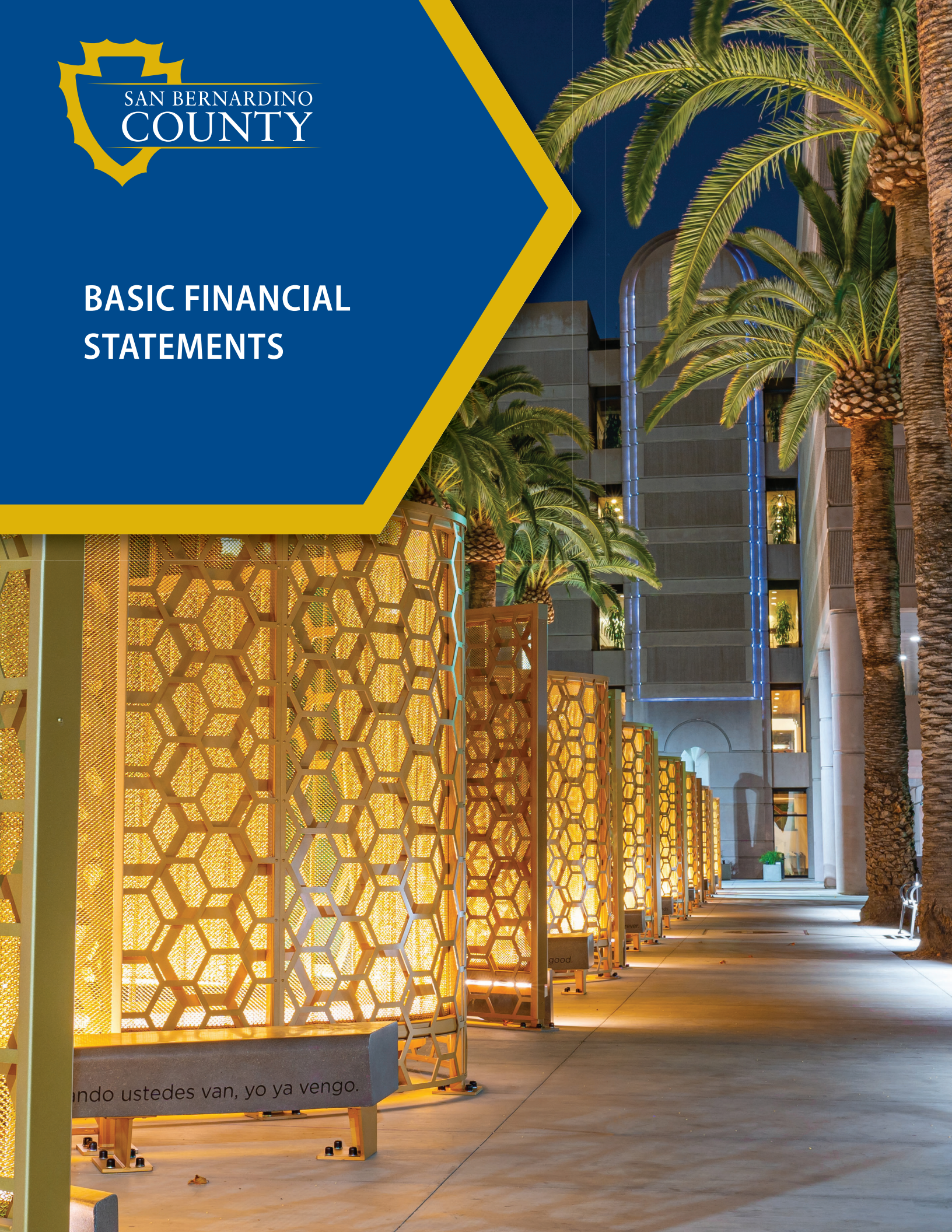
Management's Discussion and Analysis
(Amounts in thousands)

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



ando ustedes van, yo ya vengo.

good



GOVERNMENT-WIDE FINANCIAL STATEMENTS



ando ustedes van, yo ya vengo.

good



SAN BERNARDINO COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2022 (IN THOUSANDS)

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	FIRST 5 SAN BERNARDINO
ASSETS				
CASH AND INVESTMENTS (NOTE 4)	\$ 4,083,423	\$ 673,101	\$ 4,756,524	\$ 106,408
ACCOUNTS RECEIVABLE, NET (NOTE 5)	9,239	47,743	56,982	-
DUE FROM OTHER GOVERNMENTS, NET (NOTE 5)	432,995	117,809	550,804	1,941
TAXES RECEIVABLE (NOTE 5)	52,478	233	52,711	-
INTEREST RECEIVABLE (NOTE 5)	47,681	-	47,681	227
LEASE RECEIVABLE (NOTE 5)	58	-	58	-
LOANS RECEIVABLE (NOTE 5)	36,913	-	36,913	-
OTHER RECEIVABLES, NET (NOTE 5)	14,629	24,075	38,704	-
INTERNAL BALANCES (NOTE 6)	268	(268)	-	-
LAND HELD FOR RESALE	50,038	-	50,038	-
INVENTORIES	12,449	4,587	17,036	-
PREPAID ITEMS	24,908	7,434	32,342	-
RESTRICTED CASH AND INVESTMENTS (NOTES 4 & 7)	406,790	61,651	468,441	-
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:				
LAND (NOTE 8)	145,627	21,220	166,847	-
LAND USE RIGHTS (NOTE 8)	26,281	351	26,632	-
DEVELOPMENT IN PROGRESS (NOTE 8)	432,002	53,372	485,374	-
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:				
LAND USE RIGHTS (NOTE 8)	-	1,109	1,109	-
STRUCTURES, IMPROVEMENTS, AND INFRASTRUCTURE (NOTE 8)	3,061,324	929,473	3,990,797	130
EQUIPMENT AND SOFTWARE (NOTE 8)	529,110	224,937	754,047	14
RIGHT-TO-USE LEASED LAND (NOTE 8)	459	-	459	-
RIGHT-TO-USE LEASED BUILDINGS (NOTE 8)	237,652	14,447	252,099	4,123
RIGHT-TO-USE LEASED EQUIPMENT (NOTE 8)	3,429	-	3,429	-
ACCUMULATED DEPRECIATION AND AMORTIZATION (NOTE 8)	(2,090,444)	(705,785)	(2,796,229)	(459)
TOTAL ASSETS	7,517,309	1,475,489	8,992,798	112,384
DEFERRED OUTFLOWS OF RESOURCES (NOTE 9)	786,730	111,192	897,922	732
LIABILITIES				
ACCOUNTS PAYABLE AND CURRENT LIABILITIES	166,331	70,931	237,262	42
SALARIES AND BENEFITS PAYABLE	116,807	13,900	130,707	103
DUE TO OTHER GOVERNMENTS	51,539	4,397	55,936	4,513
INTEREST PAYABLE	2,885	2,433	5,318	13
ADVANCES FROM OTHERS (NOTE 10)	428,363	30,684	459,047	-
NONCURRENT LIABILITIES:				
PORTION DUE PAYABLE IN ONE YEAR:				
COMPENSATED ABSENCES PAYABLE (NOTE 11)	145,398	13,029	158,427	32
COPS, BONDS AND NOTES PAYABLE (NOTE 11)	61,205	27,302	88,507	-
DIRECT FINANCE LEASE OBLIGATIONS (NOTES 11 & 12)	-	613	613	-
LEASE LIABILITY (NOTES 11 & 19)	46,682	2,272	48,954	232
OTHER LONG TERM LIABILITIES (NOTE 11)	-	83,707	83,707	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	7,994	7,994	-
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	29,561	29,561	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	92,689	-	92,689	-
PORTION DUE OR PAYABLE AFTER ONE YEAR:				
COMPENSATED ABSENCES PAYABLE (NOTE 11)	104,307	21,127	125,434	236
COPS, BONDS AND NOTES PAYABLE, NET (NOTE 11)	115,744	185,263	301,007	-
DIRECT FINANCE LEASE OBLIGATIONS (NOTES 11 & 12)	-	753	753	-
LEASE LIABILITY (NOTES 11 & 19)	148,917	9,892	158,809	3,664
OTHER LONG TERM LIABILITIES (NOTE 11)	-	15,643	15,643	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	73,156	73,156	-
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	158,947	158,947	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	315,836	-	315,836	-
NET PENSION LIABILITY (NOTE 18)	978,305	87,466	1,065,771	714
TOTAL LIABILITIES	2,775,008	839,070	3,614,078	9,549
DEFERRED INFLOWS OF RESOURCES (NOTE 9)	1,106,964	136,611	1,243,575	1,133
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS	2,130,271	323,482	2,453,753	(88)
RESTRICTED FOR:				
GRANTS AND OTHER COUNTY PROGRAMS (NOTE 1)	1,883,003	-	1,883,003	-
PERPETUAL CARE - NONEXPENDABLE	1,801	-	1,801	-
UNRESTRICTED	406,992	287,518	694,510	102,522
TOTAL NET POSITION	\$ 4,422,067	\$ 611,000	\$ 5,033,067	\$ 102,434

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

**SAN BERNARDINO COUNTY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

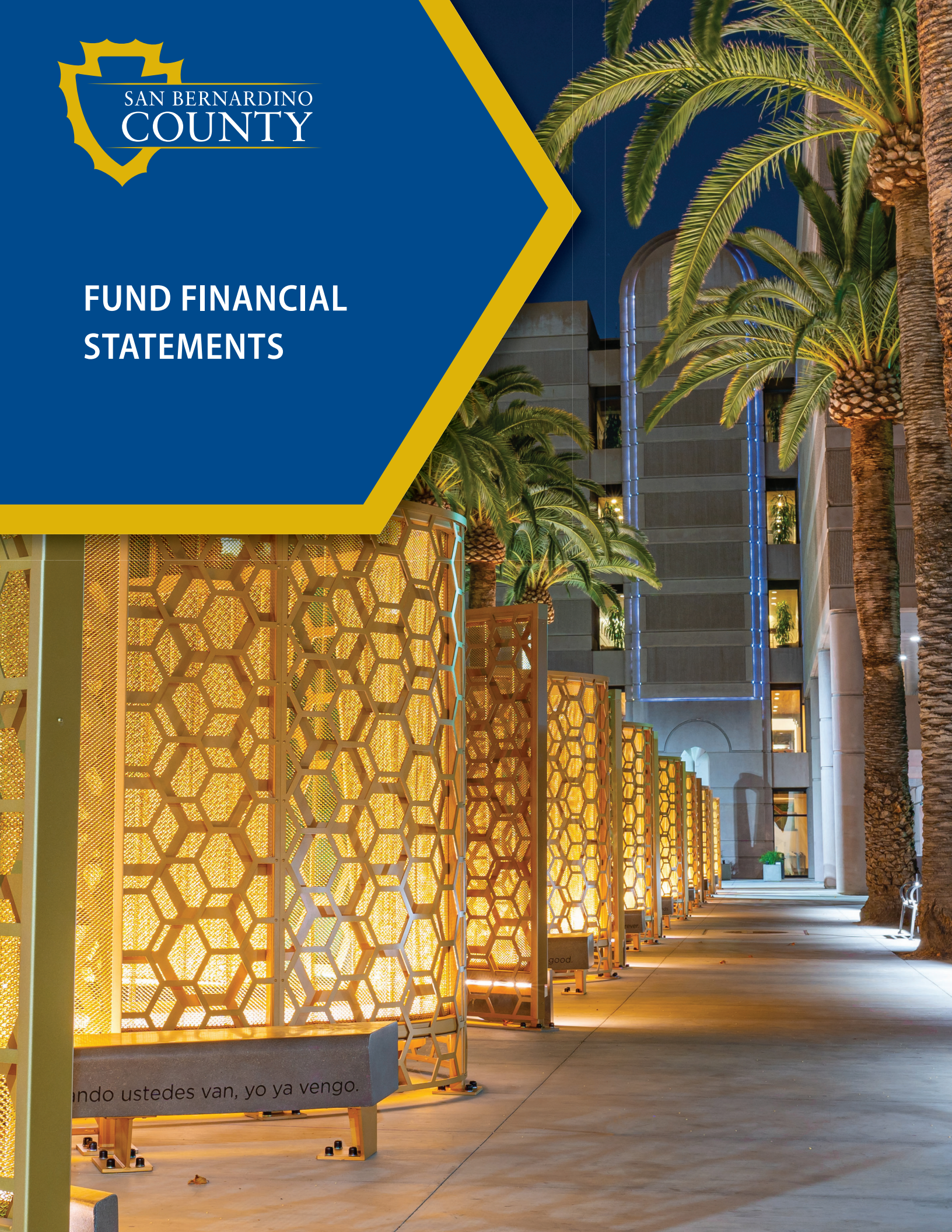
	PROGRAM REVENUES				PRIMARY GOVERNMENT			COMPONENT UNIT
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	FIRST 5 SAN BERNARDINO
FUNCTIONS/PROGRAMS								
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	\$ 224,605	\$ 151,227	\$ 84,364	\$ -	\$ 10,986	\$ -	\$ 10,986	\$ -
PUBLIC PROTECTION	1,405,622	374,154	374,601	-	(656,867)	-	(656,867)	-
PUBLIC WAYS AND FACILITIES	101,367	10,035	90,534	705	(93)	-	(93)	-
HEALTH AND SANITATION	605,285	34,010	663,031	-	91,756	-	91,756	-
PUBLIC ASSISTANCE	1,329,724	3,186	1,453,713	-	127,175	-	127,175	-
EDUCATION	30,064	507	223	-	(29,334)	-	(29,334)	-
RECREATION AND CULTURAL SERVICES	29,762	11,023	1,652	865	(16,222)	-	(16,222)	-
INTEREST ON LONG TERM DEBT	7,586	-	-	-	(7,586)	-	(7,586)	-
TOTAL GOVERNMENTAL ACTIVITIES	3,734,015	584,142	2,668,118	1,570	(480,185)	-	(480,185)	-
BUSINESS-TYPE ACTIVITIES:								
MEDICAL CENTER	723,651	456,817	346,938	12,643	-	92,747	92,747	-
WASTE SYSTEMS DIVISION	102,307	95,149	75	-	-	(7,083)	(7,083)	-
WATER, SEWER, AND SANITATION	18,075	17,034	636	-	-	(405)	(405)	-
OTHERS	183	93	-	-	-	(90)	(90)	-
TOTAL BUSINESS-TYPE ACTIVITIES	844,216	569,093	347,649	12,643	-	85,169	85,169	-
TOTAL PRIMARY GOVERNMENT	\$ 4,578,231	\$ 1,153,235	\$ 3,015,767	\$ 14,213	\$ (480,185)	\$ 85,169	\$ (395,016)	\$ -
COMPONENT UNIT								
FIRST 5 SAN BERNARDINO	\$ 17,938	\$ -	\$ 21,551	\$ -	\$ -	\$ -	\$ -	\$ 3,613
GENERAL REVENUES:								
PROPERTY TAXES, LEVIED FOR GENERAL PURPOSES					981,516	4,760	986,276	-
PUBLIC SAFETY TAX					277,989	-	277,989	-
OTHER TAXES					54,183	-	54,183	-
AMERICAN RESCUE PLAN ACT					57,739	-	57,739	-
REVENUES (EXPENSES) FROM USE OF MONEY AND PROPERTY					(15,813)	(5,961)	(21,774)	(2,029)
MISCELLANEOUS					55,585	1,579	57,164	783
GAIN ON SALE OF CAPITAL ASSETS					3,517	135	3,652	-
TRANSFERS (NOTE 6)					2,810	(2,810)	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					1,417,526	(2,297)	1,415,229	(1,246)
CHANGE IN NET POSITION					937,341	82,872	1,020,213	2,367
NET POSITION - BEGINNING					3,484,726	528,128	4,012,854	100,067
NET POSITION - ENDING					\$ 4,422,067	\$ 611,000	\$ 5,033,067	\$ 102,434

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





FUND FINANCIAL STATEMENTS



ando ustedes van, yo ya vengo.

good



**SAN BERNARDINO COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022 (IN THOUSANDS)**

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
CASH AND INVESTMENTS (NOTE 4)	\$ 1,698,033	\$ 577,508	\$ 1,308,865	\$ 3,584,406
ACCOUNTS RECEIVABLE, NET (NOTE 5)	6,551	-	2,559	9,110
DUE FROM OTHER GOVERNMENTS (NOTE 5)	312,280	-	119,162	431,442
TAXES RECEIVABLE (NOTE 5)	42,746	-	9,732	52,478
INTEREST RECEIVABLE (NOTE 5)	44,086	1,079	2,516	47,681
LEASE RECEIVABLE (NOTE 5)	58	-	-	58
LOANS RECEIVABLE (NOTE 5)	30,649	-	6,264	36,913
OTHER RECEIVABLES (NOTE 5)	4,652	-	1,405	6,057
DUE FROM OTHER FUNDS (NOTE 6)	64,444	6,908	26,857	98,209
LAND HELD FOR RESALE	549	47,827	1,662	50,038
INVENTORIES	7,551	-	262	7,813
PREPAID ITEMS	1,733	-	22,545	24,278
ADVANCES TO OTHER FUNDS (NOTE 6)	21,514	-	305	21,819
RESTRICTED CASH AND INVESTMENTS (NOTES 4 & 7)	397,820	-	8,970	406,790
TOTAL ASSETS	<u>\$ 2,632,666</u>	<u>\$ 633,322</u>	<u>\$ 1,511,104</u>	<u>\$ 4,777,092</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 113,578	\$ 194	\$ 43,322	\$ 157,094
SALARIES AND BENEFITS PAYABLE	95,114	-	19,506	114,620
DUE TO OTHER FUNDS (NOTE 6)	33,281	203	71,685	105,169
DUE TO OTHER GOVERNMENTS	45,940	-	5,538	51,478
INTEREST PAYABLE	-	-	233	233
ADVANCES FROM OTHERS (NOTE 10)	407,862	6	20,379	428,247
ADVANCES FROM OTHER FUNDS (NOTE 6)	-	-	15,969	15,969
TOTAL LIABILITIES	<u>695,775</u>	<u>403</u>	<u>176,632</u>	<u>872,810</u>
DEFERRED INFLOWS OF RESOURCES (NOTE 9)	<u>77,592</u>	<u>1,079</u>	<u>9,633</u>	<u>88,304</u>
FUND BALANCES (NOTE 16):				
NONSPENDABLE	40,481	-	24,608	65,089
RESTRICTED	655,403	52,484	1,193,358	1,901,245
COMMITTED	234,883	-	-	234,883
ASSIGNED	17,639	579,356	106,905	703,900
UNASSIGNED	910,893	-	(32)	910,861
TOTAL FUND BALANCES	<u>1,859,299</u>	<u>631,840</u>	<u>1,324,839</u>	<u>3,815,978</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,632,666</u>	<u>\$ 633,322</u>	<u>\$ 1,511,104</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.				2,280,759
Receivables that are not available to pay for current-period expenditures are deferred in the governmental funds.				88,246
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.				122,010
Interest payable on long-term debt				(2,652)
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.				(309,475)
Long-term liabilities, including net pension liability, bonds payables, leased liability, and related items, are not due and payable in the current period and, therefore not reported in the funds.				(1,572,799)
Net position of governmental activities (page 36)				<u>\$ 4,422,067</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, 2022 (IN THOUSANDS)

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
TAXES	\$ 1,122,622	\$ -	\$ 240,732	\$ 1,363,354
LICENSES, PERMITS, AND FRANCHISES	30,919	-	1,169	32,088
FINES, FORFEITURES, AND PENALTIES	7,044	-	5,131	12,175
REVENUE FROM USE OF MONEY AND PROPERTY	(13,714)	(628)	(14,656)	(28,998)
AID FROM OTHER GOVERNMENTAL AGENCIES	2,108,144	268	594,467	2,702,879
CHARGES FOR CURRENT SERVICES	383,589	225	151,629	535,443
OTHER REVENUES	6,481	413	48,613	55,507
TOTAL REVENUES	3,645,085	278	1,027,085	4,672,448
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT	223,058	-	8,056	231,114
PUBLIC PROTECTION	1,157,249	-	287,857	1,445,106
PUBLIC WAYS AND FACILITIES	3,760	-	86,104	89,864
HEALTH AND SANITATION	404,367	-	229,911	634,278
PUBLIC ASSISTANCE	1,251,706	-	144,028	1,395,734
EDUCATION	3,415	-	19,055	22,470
RECREATION AND CULTURAL SERVICES	12,403	-	10,693	23,096
DEBT SERVICE:				
PRINCIPAL	40,526	-	131,972	172,498
INTEREST AND FISCAL CHARGES	1,466	-	6,674	8,140
CAPITAL OUTLAY	45,051	55,197	39,708	139,956
TOTAL EXPENDITURES	3,143,001	55,197	964,058	4,162,256
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	502,084	(54,919)	63,027	510,192
OTHER FINANCING SOURCES (USES)				
TRANSFERS OUT (NOTE 6)	(360,244)	(23,010)	(74,527)	(457,781)
TRANSFERS IN (NOTE 6)	58,119	210,913	193,749	462,781
LEASE FINANCING (NOTES 11 & 19)	11,873	-	2,457	14,330
PROCEEDS FROM SALE OF CAPITAL ASSETS	2,408	-	1,109	3,517
TOTAL OTHER FINANCING SOURCES AND (USES)	(287,844)	187,903	122,788	22,847
NET CHANGES IN FUND BALANCE	214,240	132,984	185,815	533,039
FUND BALANCES	1,645,059	498,856	1,139,024	3,282,939
FUND BALANCES, ENDING	\$ 1,859,299	\$ 631,840	\$ 1,324,839	\$ 3,815,978

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL

\$ 533,039

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, right-to-use leased assets, and other related capital asset adjustments

\$ 146,844

Less current year depreciation/amortization expense.

(156,726)

Less current year program expenses related to capital assets adjustments.

(13,188)

(23,070)

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.

(5,037)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

(21,749)

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.

(16,754)

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

388,602

Less current year pension expense.

(90,021)

298,581

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.

172,331

Changes in net position of governmental activities (page 37)

\$ 937,341

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, 2022 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES				
TAXES	\$ 974,041	\$ 974,544	\$ 1,122,622	\$ 148,078
LICENSES, PERMITS AND FRANCHISES	6,652	6,652	30,919	24,267
FINES, FORFEITURES AND PENALTIES	5,504	5,504	7,044	1,540
REVENUES FROM USE OF MONEY AND PROPERTY	46,016	46,016	(13,714)	(59,730)
AID FROM OTHER GOVERNMENTAL AGENCIES	1,585,634	1,843,394	1,952,271	108,877
CHARGES FOR CURRENT SERVICES	595,577	604,050	383,589	(220,461)
OTHER REVENUES	17,236	17,451	6,481	(10,970)
TOTAL REVENUES	3,230,660	3,497,611	3,489,212	(8,399)
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT	561,487	605,441	226,529	378,912
PUBLIC PROTECTION	1,192,450	1,296,142	1,146,015	150,127
PUBLIC WAYS AND FACILITIES	4,679	4,853	3,703	1,150
HEALTH AND SANITATION	580,388	584,565	393,641	190,924
PUBLIC ASSISTANCE	1,429,979	1,450,550	1,254,033	196,517
EDUCATION	3,152	3,415	3,415	-
RECREATION AND CULTURAL SERVICES	12,207	13,048	12,596	452
DEBT SERVICE:				
PRINCIPAL	40,526	40,526	40,526	-
INTEREST AND FISCAL CHARGES	1,466	1,466	1,466	-
CAPITAL OUTLAY	28,792	92,894	56,665	36,229
TOTAL EXPENDITURES	3,855,126	4,092,900	3,138,589	954,311
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(624,466)	(595,289)	350,623	945,912
OTHER FINANCING SOURCES (USES)				
TRANSFERS OUT (NOTE 6)	(327,620)	(456,614)	(360,244)	96,370
TRANSFERS IN (NOTE 6)	65,419	87,975	58,119	(29,856)
LEASE FINANCING	11,873	11,873	11,873	-
SALE OF CAPITAL ASSETS	667	667	2,408	1,741
TOTAL OTHER FINANCING SOURCES AND (USES)	(249,661)	(356,099)	(287,844)	68,255
NET CHANGE IN FUND BALANCES BEFORE EXTRAORDINARY ITEM	(874,127)	(951,388)	62,779	1,014,167
NET CHANGE IN FUND BALANCES	(874,127)	(951,388)	62,779	1,014,167
FUND BALANCES, BEGINNING	1,678,786	1,678,786	1,678,786	-
FUND BALANCES, ENDING	\$ 804,659	\$ 727,398	\$ 1,741,565	\$ 1,014,167

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, 2022 (IN THOUSANDS)**

**BUSINESS-TYPE ACTIVITIES -
ENTERPRISE FUNDS**

	<u>MEDICAL CENTER</u>	<u>WASTE SYSTEMS DIVISION</u>
ASSETS		
CURRENT ASSETS:		
CASH AND INVESTMENTS (NOTE 4)	\$ 389,244	\$ 207,356
ACCOUNTS RECEIVABLE, NET (NOTE 5)	35,242	9,695
DUE FROM OTHER GOVERNMENTS (NOTE 5)	116,090	1,345
OTHER RECEIVABLES, NET (NOTE 5)	2,271	1,965
DUE FROM OTHER FUNDS (NOTE 6)	8,017	207
INVENTORIES	4,557	-
PREPAID ITEMS	7,100	334
RESTRICTED CASH AND CASH EQUIVALENTS (NOTES 4 & 7)	-	61,651
TOTAL CURRENT ASSETS	<u>562,521</u>	<u>282,553</u>
NONCURRENT ASSETS:		
OTHER RECEIVABLES (NOTE 5)	-	19,737
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:		
LAND (NOTE 8)	-	17,359
LAND USE RIGHTS (NOTE 8)	-	93
DEVELOPMENT IN PROGRESS (NOTE 8)	44,587	5,699
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:		
LAND USE RIGHTS (NOTE 8)	-	105
STRUCTURES, IMPROVEMENTS, AND INFRASTRUCTURE (NOTE 8)	579,312	249,741
EQUIPMENT AND SOFTWARE (NOTE 8)	222,339	1,093
RIGHT-TO-USE LEASED BUILDINGS (NOTE 8)	14,447	-
ACCUMULATED DEPRECIATION AND AMORTIZATION (NOTE 8)	(507,911)	(136,889)
TOTAL NONCURRENT ASSETS	<u>352,774</u>	<u>156,938</u>
TOTAL ASSETS	<u>915,295</u>	<u>439,491</u>
DEFERRED OUTFLOWS OF RESOURCES (NOTE 9)	<u>108,775</u>	<u>2,417</u>
LIABILITIES		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE AND CURRENT LIABILITIES	60,217	9,928
SALARIES AND BENEFITS PAYABLE	13,444	454
DUE TO OTHER FUNDS (NOTE 6)	766	664
DUE TO OTHER GOVERNMENTS	-	4,343
INTEREST PAYABLE	2,144	-
ADVANCES FROM OTHERS (NOTE 10)	29,428	1,135
COMPENSATED ABSENCES PAYABLE (NOTE 11)	12,381	648
BONDS AND NOTES PAYABLE (NOTE 11)	27,175	-
DIRECT FINANCE LEASE OBLIGATIONS (NOTES 11 & 12)	613	-
LEASE LIABILITY (NOTES 11 & 19)	2,272	-
OTHER LONG TERM LIABILITIES, DUE IN ONE YEAR (NOTE 11)	83,707	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	7,994
ESTIMATED LIABILITY FOR CLOSURES/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	29,561
TOTAL CURRENT LIABILITIES	<u>232,147</u>	<u>54,727</u>
NONCURRENT LIABILITIES:		
COMPENSATED ABSENCES PAYABLE (NOTE 11)	20,408	719
BONDS AND NOTES PAYABLE (NOTE 11)	184,244	-
DIRECT FINANCE LEASE OBLIGATIONS (NOTES 11 & 12)	753	-
LEASE LIABILITY (NOTES 11 & 19)	9,892	-
OTHER LONG TERM LIABILITIES (NOTE 11)	15,643	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	73,156
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	158,947
NET PENSION LIABILITY (NOTE 18)	85,163	2,303
TOTAL NONCURRENT LIABILITIES	<u>316,103</u>	<u>235,125</u>
TOTAL LIABILITIES	<u>548,250</u>	<u>289,852</u>
DEFERRED INFLOWS OF RESOURCES (NOTE 9)	<u>132,705</u>	<u>3,906</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	138,821	135,552
UNRESTRICTED	204,294	12,598
TOTAL NET POSITION	<u>\$ 343,115</u>	<u>\$ 148,150</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, 2022 (IN THOUSANDS)**

	BUSINESS- TYPE ACTIVITIES		GOVERNMENTAL
	ENTERPRISE FUNDS		ACTIVITIES
	TOTAL NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
ASSETS			
CURRENT ASSETS:			
CASH AND INVESTMENTS (NOTE 4)	\$ 76,501	\$ 673,101	\$ 499,017
ACCOUNTS RECEIVABLE, NET (NOTE 5)	2,806	47,743	129
DUE FROM OTHER GOVERNMENTS (NOTE 5)	374	117,809	1,553
TAXES RECEIVABLE (NOTE 5)	233	233	-
OTHER RECEIVABLES, NET (NOTE 5)	102	4,338	8,572
DUE FROM OTHER FUNDS (NOTE 6)	36	8,260	2,485
INVENTORIES	30	4,587	4,636
PREPAID ITEMS	-	7,434	1,638
RESTRICTED CASH AND CASH EQUIVALENTS (NOTES 4 & 7)	-	61,651	-
TOTAL CURRENT ASSETS	<u>80,082</u>	<u>925,156</u>	<u>518,030</u>
NONCURRENT ASSETS:			
OTHER RECEIVABLES (NOTE 5)	-	19,737	-
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:			
LAND (NOTE 8)	3,861	21,220	1,504
LAND USE RIGHTS (NOTE 8)	258	351	-
DEVELOPMENT IN PROGRESS (NOTE 8)	3,086	53,372	3,960
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:			
LAND USE RIGHTS (NOTE 8)	1,004	1,109	-
STRUCTURE, IMPROVEMENTS, AND INFRASTRUCTURE (NOTE 8)	100,420	929,473	40,379
EQUIPMENT AND SOFTWARE (NOTE 8)	1,505	224,937	119,938
RIGHT-TO-USE LEASED BUILDINGS (NOTE 8)	-	14,447	-
RIGHT-TO-USE LEASED EQUIPMENT (NOTE 8)	-	-	2,386
ACCUMULATED DEPRECIATION AND AMORTIZATION (NOTE 8)	(60,985)	(705,785)	(103,486)
TOTAL NONCURRENT ASSETS	<u>49,149</u>	<u>558,861</u>	<u>64,681</u>
TOTAL ASSETS	<u>129,231</u>	<u>1,484,017</u>	<u>582,711</u>
DEFERRED OUTFLOWS OF RESOURCES (NOTE 9)	<u>-</u>	<u>111,192</u>	<u>20,246</u>
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE AND CURRENT LIABILITIES	786	70,931	9,237
SALARIES AND BENEFITS PAYABLE	2	13,900	2,187
DUE TO OTHER FUNDS (NOTE 6)	1,248	2,678	1,107
DUE TO OTHER GOVERNMENTS	54	4,397	61
INTEREST PAYABLE	289	2,433	-
ADVANCES FROM OTHERS (NOTE 10)	121	30,684	1,124
COMPENSATED ABSENCES PAYABLE (NOTE 11)	-	13,029	4,497
BONDS AND NOTES PAYABLE (NOTE 11)	127	27,302	-
DIRECT FINANCE LEASE OBLIGATIONS (NOTES 11 & 12)	-	613	-
LEASE LIABILITY (NOTES 11 & 19)	-	2,272	475
OTHER LONG TERM LIABILITIES, DUE IN ONE YEAR (NOTE 11)	-	83,707	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	7,994	-
ESTIMATED LIABILITY FOR CLOSURES/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	29,561	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	-	-	92,689
TOTAL CURRENT LIABILITIES	<u>2,627</u>	<u>289,501</u>	<u>111,377</u>
NONCURRENT LIABILITIES:			
ADVANCES FROM OTHER FUNDS (NOTE 6)	5,850	5,850	-
COMPENSATED ABSENCES PAYABLE (NOTE 11)	-	21,127	4,672
BONDS AND NOTES PAYABLE (NOTE 11)	1,019	185,263	-
DIRECT FINANCE LEASE OBLIGATIONS (NOTES 11 & 12)	-	753	-
LEASE LIABILITY (NOTES 11 & 19)	-	9,892	1,669
OTHER LONG TERM LIABILITIES (NOTE 11)	-	15,643	-
POLLUTION REMEDIATION OBLIGATIONS (NOTE 11)	-	73,156	-
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS (NOTES 11 & 13)	-	158,947	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS (NOTES 11 & 14)	-	-	315,836
NET PENSION LIABILITY (NOTE 18)	-	87,466	16,446
TOTAL NONCURRENT LIABILITIES	<u>6,869</u>	<u>558,097</u>	<u>338,623</u>
TOTAL LIABILITIES	<u>9,496</u>	<u>847,598</u>	<u>450,000</u>
DEFERRED INFLOWS OF RESOURCES (NOTE 9)	<u>-</u>	<u>136,611</u>	<u>30,947</u>
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	49,109	323,482	61,417
UNRESTRICTED	70,626	287,518	60,593
TOTAL NET POSITION	<u>\$ 119,735</u>	<u>\$ 611,000</u>	<u>\$ 122,010</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, 2022 (IN THOUSANDS)

BUSINESS-TYPE ACTIVITIES -
ENTERPRISE FUNDS

	MEDICAL CENTER	WASTE SYSTEMS DIVISION
OPERATING REVENUES:		
NET PATIENT CARE AND SERVICE CHARGES FOR CURRENT SERVICES	\$ 456,817	\$ -
OTHER	-	81,137
	284,216	14,012
TOTAL OPERATING REVENUES	741,033	95,149
OPERATING EXPENSES:		
PROFESSIONAL SERVICES	151,183	31,359
SALARIES AND EMPLOYEE BENEFITS	323,066	7,783
SERVICES AND SUPPLIES	197,586	57,953
DEPRECIATION AND AMORTIZATION	23,669	5,212
OTHER	19,393	-
TOTAL OPERATING EXPENSES	714,897	102,307
OPERATING INCOME (LOSS)	26,136	(7,158)
NONOPERATING REVENUES (EXPENSES):		
INVESTMENT INCOME (LOSS)	-	(4,932)
INTEREST EXPENSE	(7,804)	-
GRANT REVENUE	62,722	75
OTHER NONOPERATING REVENUES	-	534
OTHER NONOPERATING EXPENSES	(950)	-
TOTAL NONOPERATING REVENUES (EXPENSES)	53,968	(4,323)
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS	80,104	(11,481)
CAPITAL CONTRIBUTIONS	12,643	-
TRANSFERS OUT (NOTE 6)	(13,792)	(2,193)
TRANSFERS IN (NOTE 6)	13,174	-
CHANGE IN NET POSITION	92,129	(13,674)
TOTAL NET POSITION, BEGINNING	250,986	161,824
TOTAL NET POSITION, ENDING	\$ 343,115	\$ 148,150

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, 2022 (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	\$ -	\$ 456,817	\$ -
OTHER	16,805	97,942	299,938
	321	298,549	-
TOTAL OPERATING REVENUES	17,126	853,308	299,938
OPERATING EXPENSES:			
PROFESSIONAL SERVICES	1,323	183,865	35,521
SALARIES AND EMPLOYEE BENEFITS	3,027	333,876	51,224
SELF-INSURED CLAIMS	38	38	104,269
SERVICES AND SUPPLIES	10,659	266,198	91,411
DEPRECIATION AND AMORTIZATION	3,129	32,010	10,700
OTHER	-	19,393	1,911
TOTAL OPERATING EXPENSES	18,176	835,380	295,036
OPERATING INCOME (LOSS)	(1,050)	17,928	4,902
NONOPERATING REVENUES (EXPENSES):			
INVESTMENT INCOME (LOSS)	(1,029)	(5,961)	(9,788)
INTEREST EXPENSE	(81)	(7,885)	(7)
TAX REVENUE	4,760	4,760	-
GRANT REVENUE	636	63,433	10
GAIN (LOSS) ON SALE OF CAPITAL ASSETS	135	135	644
OTHER NONOPERATING REVENUES	1,045	1,579	1,393
OTHER NONOPERATING EXPENSES	-	(950)	(1)
TOTAL NONOPERATING REVENUES (EXPENSES)	5,466	55,111	(7,749)
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS	4,416	73,039	(2,847)
CAPITAL CONTRIBUTIONS	-	12,643	-
TRANSFERS OUT (NOTE 6)	-	(15,985)	(2,690)
TRANSFERS IN (NOTE 6)	1	13,175	500
CHANGE IN NET POSITION	4,417	82,872	(5,037)
TOTAL NET POSITION, BEGINNING	115,318	528,128	127,047
TOTAL NET POSITION, ENDING	\$ 119,735	\$ 611,000	\$ 122,010

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, 2022 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	
	MEDICAL CENTER	WASTE SYSTEMS DIVISION
CASH FLOWS FROM OPERATING ACTIVITIES:		
CASH RECEIVED FROM PATIENT CARE AND SERVICES	\$ 693,826	\$ 96,739
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(337,655)	(55,194)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(364,989)	(9,154)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(8,818)</u>	<u>32,391</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
GRANTS RECEIVED	62,722	75
OTHER NONOPERATING EXPENSE	(950)	-
TRANSFERS RECEIVED	13,174	-
TRANSFERS PAID	(13,792)	(2,193)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>61,154</u>	<u>(2,118)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(32,282)	(6,730)
CAPITAL GRANTS AND CONTRIBUTIONS	12,643	-
PRINCIPAL PAYMENTS ON DIRECT FINANCE LEASE OBLIGATIONS	(560)	-
PAYMENTS ON LEASE LIABILITY	(2,283)	-
PRINCIPAL PAID ON BONDS AND NOTES	(26,060)	-
INTEREST PAID ON BONDS AND NOTES	(9,651)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(58,193)</u>	<u>(6,730)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
INTEREST ON INVESTMENTS	-	(4,932)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>(4,932)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,857)	18,611
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>395,101</u>	<u>250,396</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 389,244</u>	<u>\$ 269,007</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
OPERATING INCOME (LOSS)	\$ 26,136	\$ (7,158)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION AND AMORTIZATION	23,669	5,212
AMORTIZATION ON LEASE ASSETS	2,444	-
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	-	534
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:		
ACCOUNTS RECEIVABLE	(1,029)	(498)
DUE FROM OTHER FUNDS	5,485	68
DUE FROM OTHER GOVERNMENTS	(52,195)	62
OTHER RECEIVABLES	(447)	1,886
INVENTORIES	(594)	-
PREPAID ITEMS	749	65
DEFERRED OUTFLOWS OF RESOURCES	98,592	2,636
ACCOUNTS PAYABLE AND OTHER LIABILITIES	30,097	4,885
SALARIES AND BENEFITS PAYABLE	1,930	136
DUE TO OTHER FUNDS	(1,210)	53
DUE TO OTHER GOVERNMENTS	-	(638)
ADVANCES FROM OTHERS	-	72
COMPENSATED ABSENCES PAYABLE	5,224	13
NET PENSION LIABILITY	(274,409)	(7,504)
DEFERRED INFLOW OF RESOURCES	126,740	3,348
POLLUTION REMEDIATION OBLIGATIONS	-	11,622
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS	-	17,597
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (8,818)</u>	<u>\$ 32,391</u>
NONCASH CAPITAL AND FINANCING ACTIVITIES:		
CAPITAL ASSET TRANSFERS FROM COUNTY	\$ -	\$ -
	BREAKDOWN OF CASH AND CASH EQUIVALENTS	
CASH AND CASH EQUIVALENTS	\$ 389,244	\$ 207,356
RESTRICTED CASH AND INVESTMENTS	-	61,651
TOTAL	<u>\$ 389,244</u>	<u>\$ 269,007</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, 2022 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		GOVERNMENTAL ACTIVITIES
	TOTAL NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH RECEIVED FROM PATIENT CARE AND SERVICES	\$ 17,291	\$ 807,856	\$ -
CASH RECEIVED FROM OTHER FUNDS FOR INTERNAL SERVICES	-	-	296,742
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(11,437)	(404,286)	(194,902)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(3,026)	(377,169)	(60,633)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,828</u>	<u>26,401</u>	<u>41,207</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
TAXES RECEIVED	4,730	4,730	-
GRANTS RECEIVED	636	63,433	10
OTHER NONOPERATING EXPENSE	-	(950)	-
INTEREST PAID ON INTERFUND LOAN	-	-	(7)
TRANSFERS RECEIVED	1	13,175	500
TRANSFERS PAID	-	(15,985)	(2,690)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>5,367</u>	<u>63,453</u>	<u>(2,187)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	238	(38,774)	(21,035)
CAPITAL GRANTS AND CONTRIBUTIONS	-	12,643	-
PRINCIPAL PAYMENTS ON DIRECT FINANCE LEASE OBLIGATIONS	-	(560)	-
PAYMENTS ON LEASE LIABILITY	-	(2,283)	2,144
PRINCIPAL PAID ON BONDS AND NOTES	(75)	(26,135)	-
INTEREST PAID ON BONDS AND NOTES	(35)	(9,686)	-
PROCEEDS FROM SALE OF CAPITAL ASSETS	-	-	9,330
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>128</u>	<u>(64,795)</u>	<u>(9,561)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
INTEREST ON INVESTMENTS	(1,029)	(5,961)	(9,788)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(1,029)</u>	<u>(5,961)</u>	<u>(9,788)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,294	20,048	19,671
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	69,207	714,704	479,346
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 76,501</u>	<u>\$ 734,752</u>	<u>\$ 499,017</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	\$ (1,050)	\$ 17,928	\$ 4,902
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION AND AMORTIZATION	3,129	32,010	10,700
AMORTIZATION ON LEASE ASSETS	-	2,444	-
BAD DEBT EXPENSE	-	-	-
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	1,045	1,579	1,392
AMORTIZATION RELATED TO DEBT	-	-	-
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:			
ACCOUNTS RECEIVABLE	(1,164)	(2,691)	(10)
DUE FROM OTHER FUNDS	-	5,553	(715)
DUE FROM OTHER GOVERNMENTS	242	(51,891)	(60)
OTHER RECEIVABLES	-	1,439	(4,501)
INVENTORIES	100	(494)	22
PREPAID ITEMS	-	814	2,823
DEFERRED OUTFLOWS OF RESOURCES	-	101,228	21,810
ACCOUNTS PAYABLE AND OTHER LIABILITIES	430	35,412	1,599
SALARIES AND BENEFITS PAYABLE	1	2,067	239
DUE TO OTHER FUNDS	-	(1,157)	-
DUE TO OTHER GOVERNMENTS	53	(585)	(1)
ADVANCES FROM OTHERS	42	114	697
COMPENSATED ABSENCES PAYABLE	-	5,237	407
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	-	-	33,766
NET PENSION LIABILITY	-	(281,913)	(57,527)
DEFERRED INFLOW OF RESOURCES	-	130,088	25,664
POLLUTION REMEDIATION OBLIGATIONS	-	11,622	-
ESTIMATED LIABILITY FOR CLOSURE/POST-CLOSURE CARE COSTS	-	17,597	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,828</u>	<u>\$ 26,401</u>	<u>\$ 41,207</u>
NONCASH CAPITAL AND FINANCING ACTIVITIES:			
CAPITAL ASSET TRANSFERS FROM COUNTY	\$ -	\$ -	\$ 500
BREAKDOWN OF CASH AND CASH EQUIVALENTS			
CASH AND CASH EQUIVALENTS	\$ 76,501	\$ 673,101	\$ 499,017
RESTRICTED CASH AND INVESTMENTS	-	61,651	-
TOTAL	<u>\$ 76,501</u>	<u>\$ 734,752</u>	<u>\$ 499,017</u>

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, 2022 (IN THOUSANDS)

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUND	INVESTMENT TRUST FUNDS	PRIVATE- PURPOSE TRUST FUNDS	CUSTODIAL FUNDS
ASSETS				
CASH AND INVESTMENTS (NOTE 4)	\$ 18,202	\$ 5,986,815	\$ 26,793	\$ 745,088
RECEIVABLES:				
EMPLOYER AND MEMBER CONTRIBUTIONS	30,984	-	-	-
ACCOUNTS RECEIVABLE - NET	26,278	-	-	22,868
TAXES RECEIVABLE	-	-	-	199,798
INTEREST AND DIVIDENDS RECEIVABLE	16,880	25,642	178	975
DUE FROM OTHER GOVERNMENTS	-	-	-	18,689
SALE OF INVESTMENTS	60,776	-	-	-
TOTAL RECEIVABLES	<u>134,918</u>	<u>25,642</u>	<u>178</u>	<u>242,330</u>
INVESTMENTS, AT FAIR VALUE:				
SHORT-TERM INVESTMENTS	2,208,935	-	-	-
DEBT SECURITIES	937,679	-	-	-
COMMON AND PREFERRED STOCK	1,560,002	-	-	-
REAL ESTATE	7,251	-	-	-
ALTERNATIVE INVESTMENTS	5,562,766	-	-	-
INTERNATIONAL INVESTMENTS	3,080,217	-	-	-
SECURITIES LENDING COLLATERAL	29,919	-	-	-
TOTAL INVESTMENTS, AT FAIR VALUE	<u>13,386,769</u>	<u>-</u>	<u>-</u>	<u>-</u>
LAND HELD FOR RESALE	-	-	13,276	-
PREPAID ITEMS	-	-	1,048	-
RESTRICTED CASH AND CASH EQUIVALENTS	-	-	3,424	-
EQUIPMENT AND SOFTWARE	19,877	-	-	-
ACCUMULATED DEPRECIATION AND AMORTIZATION	(12,355)	-	-	-
TOTAL ASSETS	<u>13,547,411</u>	<u>6,012,457</u>	<u>44,719</u>	<u>987,418</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>1,113</u>	<u>-</u>
LIABILITIES				
OBLIGATIONS UNDER SECURITIES LENDING	29,919	-	-	-
SECURITIES OPTIONS PAYABLE	18,082	-	-	-
PAYABLES FOR SECURITIES PURCHASED	156,252	59,967	-	-
ACCOUNTS PAYABLE AND OTHER LIABILITIES	40,242	-	5	89
DUE TO OTHER GOVERNMENTS	-	-	96	250,407
INTEREST PAYABLE	-	-	755	-
BONDS AND NOTES PAYABLE:				
DUE IN ONE YEAR	-	-	2,605	-
DUE AFTER ONE YEAR	-	-	58,722	-
TOTAL LIABILITIES	<u>244,495</u>	<u>59,967</u>	<u>62,183</u>	<u>250,496</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>517</u>	<u>-</u>
NET POSITION				
RESTRICTED FOR:				
PENSIONS	13,302,916	-	-	-
POOL PARTICIPANTS	-	5,952,490	-	-
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	-	-	(16,868)	736,922
TOTAL NET POSITION (DEFICIT)	<u>\$ 13,302,916</u>	<u>\$ 5,952,490</u>	<u>\$ (16,868)</u>	<u>\$ 736,922</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, 2022 (IN THOUSANDS)

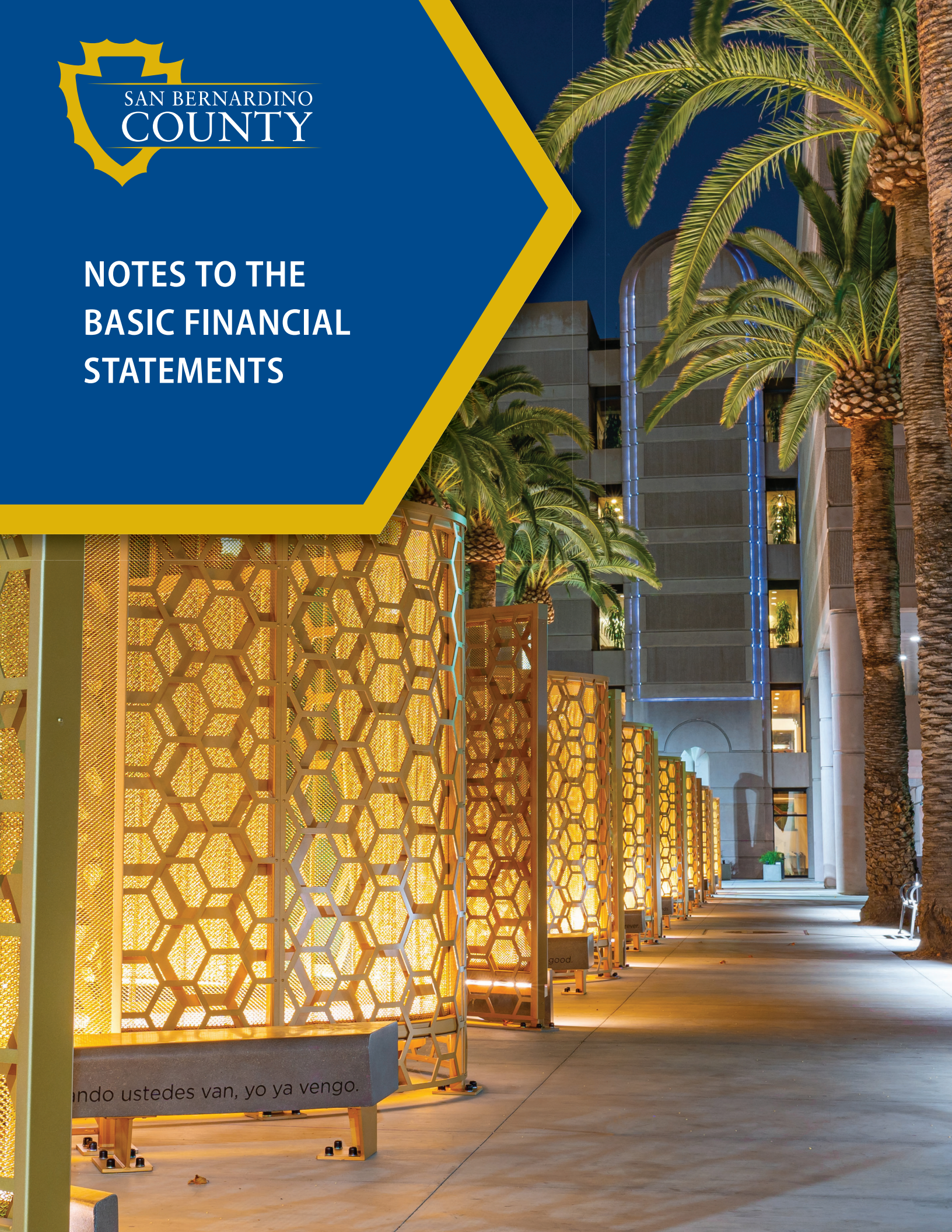
	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUND	INVESTMENT TRUST FUNDS	PRIVATE- PURPOSE TRUST FUNDS	CUSTODIAL FUNDS
ADDITIONS				
CONTRIBUTIONS:				
EMPLOYERS	\$ 550,346	\$ -	\$ -	\$ -
PLAN MEMBERS	178,893	-	-	-
CONTRIBUTIONS TO POOL INVESTMENTS	-	13,266,434	-	-
REDEVELOPMENT AGENCY PROPERTY TAX TRUST FUND	-	-	4,955	-
GIFTS AND BEQUESTS	-	-	20,106	-
TOTAL CONTRIBUTIONS	<u>729,239</u>	<u>13,266,434</u>	<u>25,061</u>	<u>-</u>
INVESTMENT INCOME/(LOSS):				
NET INCREASE/(DECREASE) IN FAIR VALUE OF INVESTMENTS	(448,254)	(124,958)	(559)	(10,770)
INTEREST, DIVIDENDS, REAL ESTATE, AND OTHER INCOME	328,259	35,046	99	3,401
SECURITIES LENDING INCOME	508	-	-	-
GROSS INVESTMENT INCOME/(LOSS)	<u>(119,487)</u>	<u>(89,912)</u>	<u>(460)</u>	<u>(7,369)</u>
LESS INVESTMENT COSTS:				
INVESTMENT ACTIVITY COSTS	201,345	-	-	-
SECURITIES LENDING COSTS	261	-	-	-
NET INVESTMENT INCOME/(LOSS)	<u>(321,093)</u>	<u>(89,912)</u>	<u>(460)</u>	<u>(7,369)</u>
OTHER ADDITIONS:				
TAXES COLLECTED FOR OTHER GOVERNMENTS	-	-	-	3,206,574
FINES AND FEES COLLECTED FOR OTHER GOVERNMENTS	-	-	-	123,313
STATE FUNDS COLLECTED FOR OTHER GOVERNMENTS	-	-	-	360,553
BOND PROCEEDS COLLECTED FOR OTHER GOVERNMENTS	-	-	-	7,951
PAYMENTS COLLECTED ON BEHALF OF OTHERS	-	-	-	17,734
TOTAL OTHER ADDITIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,716,125</u>
TOTAL ADDITIONS	<u>408,146</u>	<u>13,176,522</u>	<u>24,601</u>	<u>3,708,756</u>
DEDUCTIONS				
BENEFIT AND REFUND PAYMENTS TO PLAN MEMBERS AND BENEFICIARIES	726,448	-	-	-
BENEFIT AND REFUND PAYMENTS TO INDIVIDUALS	-	-	11,137	948
DISTRIBUTION FROM POOL INVESTMENTS	-	12,149,569	-	-
DISTRIBUTION AND OBLIGATION RETIREMENTS	-	-	2,204	294,300
DISTRIBUTION OF PROPERTY TRANSFER TAX	-	-	-	15,819
TAX COLLECTIONS DISBURSED TO OTHER GOVERNMENTS	-	-	-	2,792,965
TAX ADJUSTMENTS DISBURSED TO INDIVIDUALS	-	-	-	50,507
FINES AND FEES DISBURSED TO OTHER GOVERNMENTS	-	-	-	102,268
FINES AND FEES DISBURSED TO INDIVIDUALS	-	-	-	11,395
STATE FUNDS DISBURSED TO OTHER GOVERNMENTS	-	-	-	19,788
PAYMENTS DISBURSED TO OTHERS	-	-	-	357,590
ADMINISTRATIVE EXPENSES	10,454	-	283	17,537
OTHER EXPENSES	5,181	-	-	-
TOTAL DEDUCTIONS	<u>742,083</u>	<u>12,149,569</u>	<u>13,624</u>	<u>3,663,117</u>
CHANGE IN NET POSITION	(333,937)	1,026,953	10,977	45,639
NET POSITION (DEFICIT) HELD IN TRUST, BEGINNING	<u>13,636,853</u>	<u>4,925,537</u>	<u>(27,845)</u>	<u>691,283</u>
NET POSITION (DEFICIT) HELD IN TRUST, ENDING	<u>\$ 13,302,916</u>	<u>\$ 5,952,490</u>	<u>\$ (16,868)</u>	<u>\$ 736,922</u>

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





NOTES TO THE BASIC FINANCIAL STATEMENTS



Quando ustedes van, yo ya vengo.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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, 2022
(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, 2022
(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, 2022
(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, 2022
(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, 3rd 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 government-wide financial statements.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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). Inventories, which consist principally of materials and supplies held for resale are valued at an amount that approximates the lower of cost or market. 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, 2022
(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 represent a consumption of net assets that applies to future periods and deferred inflows of resources represent an acquisition of net assets that applies to future periods. Deferred outflows of resources have a positive effect on net position, similar to assets, and deferred inflows of resources have 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)
- Lease Infrastructure: \$150,000
- Lease Equipment: \$10,000
- Lease Land: \$0

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 and leases 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 governmental fund and government-wide presentations.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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).

(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 governmental fund financial statements, 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.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 invested in capital assets or restricted for any project or other purpose.

At June 30, 2022, the County reported a restricted net position of \$1,884,804 in the Governmental Activities restricted for the following purposes:

Restricted for:	Amount
Grants and Other County Programs:	
State Realignment Funds	\$ 627,662
Teeter Plan	19,299
Other Grants and Programs	1,236,042
Perpetual Care - Nonexpendable	1,801
	\$ 1,884,804

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,

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

once at the beginning of the fiscal year.

The County also 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, 2022, the County's general purposes reserve is \$183,945 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 2021-22 taxable assessed valuation of San Bernardino County was \$264,554,725.

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

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 2022, the County adopted the following Governmental Accounting Standards Board (GASB) Statements:

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 implemented this Statement as of July 1, 2021, which resulted in an increase to lease receivables, deferred inflows, capital assets and lease liabilities. There is no impact to the County’s net position.

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

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 implemented this Statement as of July 1, 2021. The adoption of this statement did not have a material impact on the financial statements.

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 implemented all parts of this Statement as of July 1, 2021. The adoption of this Statement did not have a material impact on the financial statements.

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 implemented this Statement as of July 1, 2021, and the changes have been reflected in the statements.

GASB Statement No. 99 – Omnibus 2022

In April 2022, GASB issued Statement No. 99. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The County has implemented some provisions in this Statement as of July 1, 2021. The topics implemented include the requirements related to extension of the use of London Interbank Offered Rate (LIBOR), accounting for Supplemental Nutrition Assistance (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63. In addition, the County has early implemented the requirements related to leases together with the implementation of Statement No. 87, Leases. The adoption of these topics in the Statement did not have a material impact on the financial statements.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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)
Assets and Deferred Outflows of Resources					
Assets:					
Cash and Investments	\$ 3,584,406	\$ -	\$ 499,017	\$ -	\$ 4,083,423
Accounts Receivable - Net	9,110	-	129	-	9,239
Due from Other Governments	431,442	-	1,553	-	432,995
Taxes Receivable	52,478	-	-	-	52,478
Interest Receivable	47,681	-	-	-	47,681
Lease Receivable	58	-	-	-	58
Loans Receivable	36,913	-	-	-	36,913
Other Receivables	6,057	-	8,572	-	14,629
Due from Other Funds	98,209	-	2,485	(100,694)	-
Internal Balances	-	-	-	268	268
Land Held for Resale	50,038	-	-	-	50,038
Inventories	7,813	-	4,636	-	12,449
Prepaid Items	24,278	-	1,638	(1,008)	24,908
Advances to Other Funds	21,819	-	-	(21,819)	-
Restricted Cash and Investments	406,790	-	-	-	406,790
Land	-	144,123	1,504	-	145,627
Land Use Rights - Not Amortized	-	26,281	-	-	26,281
Development In Progress	-	428,042	3,960	-	432,002
Structures, Improvements, and Infrastructure	-	3,020,945	40,379	-	3,061,324
Equipment and Software	-	409,172	119,938	-	529,110
Right-To-Use Leased Land	-	459	-	-	459
Right-To-Use Leased Buildings	-	237,652	-	-	237,652
Right-To-Use Leased Equipment	-	1,043	2,386	-	3,429
Accumulated Depreciation and Amortization	-	(1,986,958)	(103,486)	-	(2,090,444)
Total Assets	4,777,092	2,280,759	582,711	(123,253)	7,517,309
Deferred Outflows of Resources:					
Bond Refunding	-	539	-	-	539
Pensions	-	765,945	20,246	-	786,191
Total Deferred Outflows of Resources	-	766,484	20,246	-	786,730
Total Assets and Deferred Outflows of Resources	\$ 4,777,092	\$ 3,047,243	\$ 602,957	\$ (123,253)	\$ 8,304,039
Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position					
Liabilities:					
Accounts Payable and Other Current Liabilities	\$ 157,094	\$ -	\$ 9,237	-	\$ 166,331
Salaries and Benefits Payable	114,620	-	2,187	-	116,807
Due to Other Funds	105,169	-	1,107	(106,276)	-
Due to Other Governments	51,478	-	61	-	51,539
Interest Payable	233	2,652	-	-	2,885
Advances from Others	428,247	-	1,124	(1,008)	428,363
Advances from Other Funds	15,969	-	-	(15,969)	-
Compensated Absences Payable	-	240,536	9,169	-	249,705
Bonds and Notes Payable	-	176,949	-	-	176,949
Lease Liability	-	193,455	2,144	-	195,599
Estimated Liability for Litigation and Self-Insured Claims	-	-	408,525	-	408,525
Net Pension Liability	-	961,859	16,446	-	978,305
Total Liabilities	872,810	1,575,451	450,000	(123,253)	2,775,008
Deferred Inflows of Resources:					
Unavailable Revenues	88,246	(88,246)	-	-	-
Bond Refunding	-	36	-	-	36
Leases	58	-	-	-	58
Pensions	-	1,075,923	30,947	-	1,106,870
Total Deferred Inflows of Resources	88,304	987,713	30,947	-	1,106,964
Fund Balance/Net Position	3,815,978	484,079	122,010	-	4,422,067
Total Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position	\$ 4,777,092	\$ 3,047,243	\$ 602,957	\$ (123,253)	\$ 8,304,039

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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	\$	144,123
Land Use Rights - not being amortized		26,281
Development in Progress		428,042
Structures, Improvements, and Infrastructure		3,020,945
Equipment and Software		409,172
Right-To-Use Leased Land		459
Right-To-Use Leased buildings		237,652
Right-To-Use Leased Equipment		1,043
Accumulated Depreciation and Amortization		<u>(1,986,958)</u>
		<u>\$ 2,280,759</u>
(1) Receivables are not available to pay for current-period expenditures and are therefore deferred in the governmental funds.	\$	<u>88,246</u>
		<u>\$ 88,246</u>
(1) Interest Payable		<u>\$ (2,652)</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	\$	539
Deferred Outflows of Resources - Pensions		765,945
Deferred Inflows of Resources - Bond Refunding		(36)
Deferred Inflows of Resources - Pensions		<u>(1,075,923)</u>
		<u>\$ (309,475)</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	\$	(240,536)
Bonds and Notes Payable		(176,949)
Lease Liability		(193,455)
Net Pension Liability		<u>(961,859)</u>
		<u>\$ (1,572,799)</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>\$ 122,010</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, 2022
(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, 2022, expenditures exceeded appropriations in the capital outlay of the micrographics fees by \$337, in the interest and fiscal charges of the economic and community development funds by \$25, in the general government of the county service areas by \$1,312, and in the capital outlay of the other special revenue funds by \$698. 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:

	<u>General Fund</u>
Fund balance - budgetary basis	\$ 1,741,565
Outstanding encumbrances for budgeted funds	117,734
Fund balance - GAAP basis	\$ 1,859,299

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.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2022, 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>	<u>Total</u>
Cash and Investments	\$ 4,083,423	\$ 673,101	\$ 4,756,524	\$ 106,408	\$ 6,776,898	\$ 11,639,830
Investments, At Fair Value (SBCERA)	-	-	-	-	13,386,769	13,386,769
Restricted Cash and Investments	406,790	61,651	468,441	-	3,424	471,865
Total Cash and Investments	<u>\$ 4,490,213</u>	<u>\$ 734,752</u>	<u>\$ 5,224,965</u>	<u>\$ 106,408</u>	<u>\$ 20,167,091</u>	<u>\$ 25,498,464</u>

The following presents a condensed statement of cash investments and changes in cash and investments for the Treasurer's investment pool as of June 30, 2022:

<u>Statement of Net Position</u>	
Equity of internal pool participants	\$ 5,826,925
Equity of external pool participants:	
Voluntary	549,271
Involuntary	5,403,219
Total Net Position held for pool participants	<u>\$ 11,779,415</u>
<u>Statement of Changes in Net Position</u>	
Net Position at July 1, 2022, as restated	\$ 9,690,573
Net change in net position by pool participants	2,088,842
Net Position at June 30, 2022	<u>\$ 11,779,415</u>

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 \$5,392,982, at June 30, 2022.

As of June 30, 2022, the fair value of the County investment pool was \$11.8 billion. Approximately 17% 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, 2022, \$593,833, 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, 2022. 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.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

The County does not pool its external participants' investments separately from the County pool. The average rate of return on investments during fiscal year 2022 was 0.83%.

A summary of the total cash and investments as of June 30, 2022, 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	\$ 2,873,112	\$ 2,811,469	0.85% - 3.39%	07/31/22 - 10/31/25	787
U.S. Government Agencies	2,325,022	2,255,371	0.15% - 2.87%	07/25/22 - 11/07/25	632
Negotiable Certificates of Deposit	1,600,000	1,593,415	0.16% - 2.97%	07/01/22 - 06/14/23	115
Commercial Paper	1,507,872	1,508,759	0.18% - 2.11%	07/05/22 - 01/03/23	60
Agency Mortgage-Backed	948,851	925,863	0.44% - 3.59%	07/01/23 - 08/01/27	1,197
Medium-Term Notes	619,816	604,672	0.25% - 3.98%	07/05/22 - 06/30/25	624
Insured Placement Service Accounts	25,000	25,000	0.60%	07/01/22	1
JPA Investment Pools	251,000	251,000	1.40% - 1.48%	07/01/22	1 ^A
Money Market Mutual Funds	1,064,000	1,064,000	1.14% - 1.38%	07/01/22	1 ^B
Supranational Securities	253,026	250,223	0.23% - 3.26%	09/26/22 - 07/01/24	471
Asset-Backed Securities	448,905	439,644	0.19% - 3.39%	06/21/23 - 05/17/27	882
Repurchase Agreements	50,000	49,999	1.45%	07/05/22	5
Total County's Pooled Investments	11,966,604	11,779,415			
Investments Held Outside County Pool:					
State and Local Municipal Bonds	69,750	68,574	4.00% - 5.00%	07/01/22 - 02/01/24	255
Money Market Mutual Funds	78,726	78,726	N/A	N/A	N/A ^C
Total Investments Held Outside County Pool	148,476	147,300			
Total Investments	\$ 12,115,080	11,926,715			
Cash in Bank:					
Cash Equivalents and Demand Deposits (County)		166,778			
Total Cash in Bank		166,778			
Fiduciary Component Unit Cash and Investments					
External-SBCERA ^D		\$ 13,404,971			
Total Cash and Investments		\$ 25,498,464			

^A Weighted Average Maturity (WAM) of JPA Investment Pools held by the County Pool on 6/30/22, was 28 days.

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

^B WAM of Money Market Mutual Funds held by the County Pool on 6/30/22, was 16 days.

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

^C WAM of Money Market Mutual Funds held outside the County Pool on 6/30/22, was 12 days.

^D 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, 2022
(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 ^{A, B}	
	CGC	Investment Policy	CGC	Investment Policy	CGC	Investment Policy	CGC	Investment Policy ^C
U.S. Treasury Securities	5 years	5 years & 6 months ^D	None	None	None	None	None	None
U.S. Government Agencies	5 years	5 years & 6 months ^D	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 ^E	92 Days ^E	20%	10%	None	None	None ^F	None ^F
Municipal Debt	5 years	5 years	None	10%	None	None	None	AAA by 2 NRSROs
Medium-Term Corporate Notes	5 years	38 months	30%	15%/20% ^G	None	5%	A-	A-/A3 by 2 NRSROs
Insured Placement Service Accounts	5 years	Immediate liquidity	50%	5%	None	100MM, 100MM ^I	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%	15%	None	5% ^H	AA-	AA

Footnote:

- ^A Minimum credit rating categories are without regard to ratings modifiers (+/-). Short-term rating appears before long-term rating.
^B Standard & Poor's Ratings (quoted) or its equivalent nationally recognized statistical rating organization (NRSRO) rating or better.
^C 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.
^D California Government Code Section 53601 allows for purchases of Treasury and Agency securities beyond 5 years with approval of the Board of Supervisors.
^E 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.
^F Must have held the securities used for the agreements for at least 30 days.
^G Maximum portfolio Medium-Term Corporate Note exposure is 20%, with a limit of 15% on maturities over 13 months.
^H 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.
^I 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, 2022
(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, 2022. 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, 2022, was \$1,064,000 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 \$7,998 at June 30, 2022. The total fair value of 2a7 Money Market Mutual Funds held outside the

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

pool subject to floating NAV was \$70,728 at June 30, 2022. The total fair value of these at June 30, 2022, was \$78,726, 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, 2022, the County has the following recurring fair value measurements:

	Balance at June 30, 2022	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)
Investments by Fair Value Level				
County's Pooled Investment:				
U.S. Treasury Securities	\$ 2,811,469	\$ -	\$ 2,811,469	\$ -
U.S. Government Agencies	2,255,371	-	2,255,371	-
Negotiable Certificates of Deposit	1,593,415	-	1,593,415	-
Commercial Paper	1,508,759	-	1,508,759	-
Agency Mortgage-Backed	925,863	-	925,863	-
Medium-Term Notes	604,672	-	604,672	-
Supranational Securities	250,223	-	250,223	-
Asset-Backed Securities	439,644	-	439,644	-
Total County's Pooled Investments by Fair Value Level	<u>10,389,416</u>	<u>\$ -</u>	<u>\$ 10,389,416</u>	<u>\$ -</u>
Investments Held Outside County Pool by Fair Value Level:				
State and Local Municipal Bonds	68,574	\$ -	\$ 68,574	\$ -
Total Investments Held Outside County Pool by Fair Value Level	<u>68,574</u>	<u>\$ -</u>	<u>\$ 68,574</u>	<u>\$ -</u>
Uncategorized Investments				
Uncategorized Investments Held in County's Pool:				
Insured Placement Service Accounts	25,000			
JPA Investment Pools	251,000			
Repurchase Agreements	49,999			
Total Uncategorized Investments Held in County's Pool	<u>325,999</u>			
Investments Measured at the Net Asset Value (NAV)				
County's Pooled Investments Measured at the Net Asset Value (NAV):				
Money Market Mutual Funds	1,064,000			
Investments Held Outside County Pool Measured at the Net Asset Value (NAV):				
Money Market Mutual Funds	78,726			
Total Investments	<u>\$ 11,926,715</u>			

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, 2022
(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, 2022, all investments held by the County Pool were within policy limits.

Investment Type	S&P Rating *	Moody's Rating *	Fitch Rating *	Maximum Allowed % of Portfolio	Individual Issuer Limitations	Weighted % of Pool
U.S. Treasury Securities	AA+	Aaa	AAA	None	None	23.87%
U.S. Government Agencies	AA+	Aaa	AAA	None	None	14.97%
U.S. Government Agencies	AA+	Aaa	NR	None	None	4.18%
Negotiable Certificates of Deposit	A-1+	P-1	F1+	30%	5%	6.97%
Negotiable Certificates of Deposit	A-1	P-1	F1+	30%	5%	6.56%
Commercial Paper	A-1	P-1	F1	40%	5%	5.49%
Commercial Paper	A-1	P-1	F1+	40%	5%	4.22%
Commercial Paper	A-1	P-1	NR	40%	5%	0.85%
Commercial Paper	A-1+	P-1	F1	40%	5%	0.63%
Commercial Paper	A-1+	P-1	F1+	40%	5%	0.98%
Commercial Paper	A-1+	P-1	NR	40%	5%	0.63%
Repurchase Agreements	NA	NA	NA	40%	None	0.42%
Medium-Term Notes	A	A1	AA-	15%/20%	5%	2.06%
Medium-Term Notes	A	A2	A	15%/20%	5%	0.62%
Medium-Term Notes	A+	A1	A+	15%/20%	5%	0.99%
Medium-Term Notes	AA	A1	AA-	15%/20%	5%	0.84%
Medium-Term Notes	AA-	Aa2	NR	15%/20%	5%	0.23%
Medium-Term Notes	AA-	A1	AA-	15%/20%	5%	0.10%
Medium-Term Notes	AA-	Aa3	AA-	15%/20%	5%	0.30%
Insured Placement Service Accounts	NR	NR	NR	5%	\$100MM, \$100MM	0.21%
JPA Investment Pools	AAAm	NR	NR	5%	None	2.13%
Money Market Mutual Funds	AAAm	Aaa	AAA	20%	10%	9.02%
Money Market Mutual Funds	AAAm	Aaa	NR	20%	10%	0.01%
Supranational Securities	AAA	Aaa	AAA	30%	None	2.12%
Asset-Backed Securities	AAA	Aaa	NR	15%	5%	1.30%
Asset-Backed Securities	AAA	NR	AAA	15%	5%	1.66%
Asset-Backed Securities	NR	Aaa	AAA	15%	5%	0.78%
Agency Mortgage-Backed	AA+	Aaa	AAA	None	None	7.86%

* NA = Not Applicable, NR = Not Rated

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

The County's investments held outside the County Pool were rated as of June 30, 2022, as follows:

<u>Investment Type</u>	<u>S&P Rating</u>	<u>Moody's Rating</u>	<u>Fitch Rating</u>	<u>Weighted % of Investments</u>
Municipal Bonds	SP-1+	MIG1	F1+	3.45%
Municipal Bonds	A+	Aa3	AA-	4.29%
Municipal Bonds	AA+	Aa1	AA+	2.47%
Municipal Bonds	AA+	Aa1	AAA	0.68%
Municipal Bonds	AA+	Aaa	AA+	2.77%
Municipal Bonds	AA+	Aaa	NR	2.10%
Municipal Bonds	AA	Aa1	AA+	1.37%
Municipal Bonds	AA-	Aa2	AA	3.43%
Municipal Bonds	AAA	Aa1	AAA	3.54%
Municipal Bonds	AAA	Aa2	NR	1.76%
Municipal Bonds	AAA	Aa2	NR	0.35%
Municipal Bonds	AAA	Aaa	AAA	11.32%
Municipal Bonds	AAA	Aaa	NR	3.47%
Municipal Bonds	AAA	NR	NR	3.48%
Municipal Bonds	NR	Aa2	AA-	1.39%
Municipal Bonds	NR	Aaa	AAA	0.68%
Money Market Mutual Funds	AAA	Aaa	AAA	2.32%
Money Market Mutual Funds	AAA	Aaa	NR*	3.11%
Money Market Mutual Funds	AAA	NR*	NR*	48.02%

* 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, 2022, 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)	\$ 1,609,793	13.61%
Federal National Mortgage Assoc (FNMA)	669,850	5.66%

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*.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

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, 2022, is 1.30 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 on the maximum maturity of investments to be purchased by sector (see schedule). As of June 30, 2022, 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	\$ 2,811,469	31 - 1,219	2,007 days	2.02
U.S. Government Agencies	2,255,371	25-1,226	2,007 days	1.56
Negotiable Certificates of Deposit	1,593,415	1 - 349	1,156 days	0.27
Commercial Paper	1,508,759	5-187	270 days	0.15
Agency Mortgage-Backed	925,863	366-1,858	2,007 days	3.08
Medium-Term Corporate Notes	604,672	5-1,096	1,156 days	2.00
Insured Placement Service Accounts	25,000	1	Immediate liquidity	0.01
JPA Investment Pools	251,000	1	Immediate liquidity	0.01
Money Market Mutual Funds	1,064,000	1	Immediate liquidity	0.01
Supranational Securities	250,223	88-732	1,825 days	1.20
Asset-Backed Securities	439,644	356-1,782	1,825 days	2.74
Repurchase Agreements	49,999	5	180 days	0.00
Total County's Pooled Investments	\$ 11,779,415			

Weighted average maturity of the investments held outside the County Pool, as of June 30, 2022, is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Money Market Mutual Funds	\$ 78,726	0.03
State and Local Municipal Bonds	68,574	0.70
Total Investments Held Outside County Pool	\$ 147,300	

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%

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

as per CGC Sections 53651(p), 53651.6 & 53652(c).

As of June 30, 2022, the carrying amount of the County's deposits was \$166,778, and the corresponding bank balance was \$238,841, of which both balances include \$50,047, in a certain negotiable order of withdrawal account. The difference of \$72,063, 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.

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.

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, 2022 (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

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

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.

The following table provides a summary of the derivative instruments outstanding as of June 30, 2022:

<u>Investment Derivatives</u>	<u>Change</u> ¹	<u>Fair Value at June 30, 2022</u>		
		<u>Classification</u>	<u>Amount</u> ²	<u>Notional</u> ³
Credit Default Swaps Bought	\$ 4,832	Domestic & Foreign Alternatives	\$ 879	\$ 54,467
Credit Default Swaps Written	(260)	Domestic & Foreign Alternatives	(403)	\$700
Equity Options Bought	(1,377)	Domestic & Foreign Alternatives	-	-
Equity Options Written	394	Securities Options Payable	(184)	(59)
Fixed Income Futures Long	(78,877)	Domestic & Foreign Alternatives	-	890,657
Fixed Income Futures Short	(423)	Domestic & Foreign Alternatives	-	(86,803)
Fixed Income Options Bought	7,802	Domestic & Foreign Alternatives	13,912	375,000
Futures Options Bought	(153)	Domestic & Foreign Alternatives	-	-
Futures Options Written	(145)	Domestic & Foreign Alternatives	-	-
FX Forwards	(31,936)	Foreign Common and Preferred Stock	(12,548)	806,675
Index Futures Long	(280,150)	Domestic & Foreign Alternatives	-	11,000
Index Futures Short	515	Domestic & Foreign Alternatives	-	(1)
Index Options Bought	61,162	Domestic & Foreign Alternatives	2,163	55
Index Options Written	(3,141)	Securities Options Payable	(17,898)	(75)
Pay Fixed Interest Rate Swaps	7,227	Domestic & Foreign Alternatives	1,914	85,921
Receive Fixed Interest Rate Swaps	114	Domestic & Foreign Alternatives	-	9,330
Total Return Swaps Bond	630	Domestic & Foreign Alternatives	(1,279)	3,771
Total Return Swaps Equity	3,216	Domestic & Foreign Alternatives	2,817	(4,155)
Warrants	802	Domestic & Foreign Alternatives	4,028	11,555
TOTAL	\$ (309,768)		\$ (6,599)	

¹ Negative values refer to losses; change reflected in the net appreciation (depreciation) in fair value of investments for securities and alternative investments.

² Negative values refer to liabilities.

³ 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, 2022 is displayed below:

<u>Counterparty Name</u>	<u>2022</u>	
	<u>Total Fair Value</u>	<u>S&P Credit Rating</u>
Barclays Bank	\$ -	A
BNP Paribas	170	A+
Citibank N.A.	44	A+
Conversion	1,908	N/A
Conversion Non Cash	19	N/A
Goldman Sachs + Co LLC	1,737	BBB+
Goldman Sachs ICE	4	BBB+
Goldman Sachs International	336	A+
Goldman Sachs London LCH UK	263	BBB+
JP Morgan Securities Inc.	719	A-
JP Morgan Securities PLC	75	A-
JP Morgan ICE	265	A-
JP Morgan LCH	437	A-
JP Morgan Chase Bank NA London	3	A+
JP Morgan Chase Bank, N.A.	241	A+
Merrill Lynch	39	A-
Morgan Stanley ICE	117	A-
Morgan Stanley LCH	15	A-
State Street Bank And Trust Company	1,759	AA-
State Street Bank London	261	A
UBS AG	310	A+
TOTAL	\$ 8,722	

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

The maximum exposure SBCERA would face in case of default of all counterparties is \$8.7 million as of June 30, 2022. At June 30, 2022, 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, 2022, 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.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
Credit Default Swaps Bought	\$ 879	\$ (54)	\$ 933	\$ -	\$ -
Credit Default Swaps Written	(403)	-	(403)	-	-
Fixed Income Options Bought	13,912	460	9,416	-	4,036
Pay Fixed Interest Rate Swaps	1,914	-	249	1,697	(32)
Total Return Swaps Bond	(1,279)	(1,275)	-	-	(4)
Total Return Swaps Equity	2,817	-	600	-	2,217
TOTAL	\$ 17,840	\$ (869)	\$ 10,795	\$ 1,697	\$ 6,217

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:

<u>Currency</u>	<u>Fair Value</u>	<u>Options</u>	<u>Swaps</u>	<u>Forward Contracts</u>	
				<u>Net Receivables</u>	<u>Net Payables</u>
Brazilian Real	\$ 62	\$ -	\$ -	\$ 64	\$ (2)
Canadian Dollar	144	-	-	144	-
Swiss Franc	(8)	-	-	-	(8)
Euro Currency	(21,247)	(17,183)	1,269	1,313	(6,646)
Pound Sterling	(1,758)	1,264	398	899	(4,319)
Japanese Yen	(4,039)	-	-	11	(4,050)
Saudi Riyal	29	-	-	392	(363)
South African Rand	17	-	-	17	-
TOTAL	\$ (26,800)	\$ (15,919)	\$ 1,667	\$ 2,840	\$ (15,388)

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

At June 30, 2022, 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 \$42.5 million as of June 30, 2022. 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 \$335.1 million as of June 30, 2022.

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, 2022.

S&P Rating	Asset Backed	Corporate Bonds	Collateralized Mortgage Obligations	Emerging Market Debt	Foreign Bonds	Municipals	Short-Term Cash Investment Funds	Total
AAA	\$ -	\$ 10	\$ 358	\$ -	\$ -	\$ -	\$ -	\$ 368
AA	-	1,591	51,645	-	1,360	1,678	-	56,274
A	-	-	-	-	1,529	-	-	1,529
BBB	1,459	2,188	324	25,779	7,034	1,071	-	37,856
BB	-	41,457	4,974	-	25,127	-	-	71,558
B	1,213	37,599	2,897	1,625	46,511	-	-	89,845
CCC	6,313	23,441	4,498	30,379	12,755	-	-	77,386
CC	65	413	365	-	-	-	-	843
C	-	386	-	-	2,700	-	-	3,086
D	1,014	-	-	-	-	-	-	1,014
NR	62,818	107,677	109,053	13,207	451,954	24,641	2,208,935	2,978,285
NA ¹	4,571	22,774	-	14,485	-	639	-	42,469
TOTAL	\$ 77,453	\$ 237,536	\$ 174,114	\$ 85,475	\$ 548,971	\$ 28,029	\$ 2,208,935	\$ 3,360,513

¹ Private placements listed as NA.

Note: Table above does not include U.S. Treasury obligations, which amount to \$335,072 as these obligations are not subject to credit risk.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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, 2022, 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, 2022, 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, 2022, 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, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2022, SBCERA had the following Fixed Income and Short-Term Cash Investments as displayed below:

Investment Type	Fair Value	Investment Maturities			
		Less than 6 Months	6 Months to 1 Year	1-5 Years	More than 5 Years
Asset Backed	\$ 77,452	\$ 727	\$ -	\$ 40,804	\$ 35,921
Corporate Bonds	237,536	475	330	65,839	170,892
Collateralized Mortgage Obligations	174,115	1,261	-	5,580	167,274
Emerging Market Debt	85,475	3,455	4,117	12,460	65,443
Foreign Bonds	548,970	53,430	11,418	104,539	379,583
Municipals	28,029	6,376	-	3,427	18,226
Short-Term Cash Investment Funds	2,208,935	2,208,935	-	-	-
U.S. Treasury Obligations	335,072	240,427	94,433	-	212
TOTAL	\$ 3,695,584	\$ 2,515,086	\$ 110,298	\$ 232,649	\$ 837,551

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, 2022, is displayed below:

Currency	Fair Value	2022		
		Fixed Income	Equity	Cash
Argentine Peso	\$ 7	\$ -	\$ -	\$ 7
Australian Dollar	36,803	-	36,803	-
Brazilian Real	1,047	-	1,047	-
Canadian Dollar	19,850	-	18,853	997
Euro Currency	626,984	224,983	402,001	-
Hong Kong Dollar	1,291	-	-	1,291
Indonesian Rupiah	74	-	74	-
Japanese Yen	3,335	73	-	3,262
Mexican Peso	-	-	-	-
Pound Sterling	154,163	17,671	109,210	27,282
Swedish Krona	-	-	-	-
Swiss Franc	17	-	1	16
Yuan Renminbi	19	-	-	19
TOTAL	\$ 843,590	\$ 242,727	\$ 567,989	\$ 32,874

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

Rate of Return

For the years ended June 30, 2022, the annual money-weighted rate of return on the assets of the Plan, net of investment expense, was 0.0%. 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, 2022, the total capital commitments to fund partnerships were \$5.7 billion. Of this amount, \$1.4 billion, remained unfunded and is not recorded on the SBCERA Statements of Fiduciary Net Position as of June 30, 2022.

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

2022	
Total Commitments	Unfunded Commitments
\$ 5,662,071	\$ 1,436,362

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, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

The following table depicts the fair value measurements as of June 30, 2022.

Investment Type	June 30, 2022	Fair Value Measurements Using		
		Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Short-Term Cash Investment Funds	\$ 2,208,935	\$ 448,415	\$ 1,760,520	\$ -
Emerging Market Debt	70,990	-	70,895	95
United States Government Obligations and Other Municipals:				
U.S. Treasury	335,072	-	335,072	-
Municipals	28,029	-	28,029	-
Total US Government Obligations and Other Municipals:	363,101	-	363,101	-
Domestic Bonds:				
Asset Backed	77,453	-	44,550	32,903
Collateralized Mortgage Obligations	174,114	-	107,799	66,315
Corporate Bonds	237,536	-	205,064	32,472
Total Domestic Bonds	489,103	-	357,413	131,690
Foreign Bonds	548,970	-	399,841	149,129
Domestic Common and Preferred Stock	1,560,002	1,541,527	5,952	12,523
Foreign Common and Preferred Stock	643,268	596,462	30,520	16,286
Investments of Cash Collateral Received on Securities Lending	29,919	-	29,919	-
Domestic Alternatives	157,087	578	49,967	106,542
Foreign Alternatives	448,503	567	231,183	216,753
TOTAL INVESTMENTS BY FAIR VALUE LEVEL	\$ 6,519,878	\$ 2,587,549	\$ 3,299,311	\$ 633,018
Investment Derivative Instruments				
Swaps	\$ 3,928	\$ 454	\$ 3,474	\$ -
Options	16,075	-	16,075	-
Forward Contracts	(12,548)	(12,548)	-	-
Warrants	4,028	40	2,302	1,686
TOTAL INVESTMENT DERIVATIVE INSTRUMENTS	\$ 11,483	\$ (12,054)	\$ 21,851	\$ 1,686
Investments Measured at the Net Asset Value (NAV)				
Emerging Market Debt	\$ 14,485			
Foreign Common and Preferred Stock	109,738			
Real Estate	7,251			
Domestic Alternatives:				
Absolute Return Composite	1,081,855			
Non-U.S. Developed Credit	213,225			
Private Equity - Commodities	524,545			
Private Equity - Composite	2,524,785			
Private Equity - Infrastructure	1			
Private Equity - Real Assets	18,781			
Private Equity - Real Estate	569,659			
U.S. Credit Strategies	456,492			
Total Domestic Alternatives	5,389,343			
Foreign Alternatives:				
Absolute Return Composite	243			
Non-U.S. Developed Credit	814,959			
Private Equity - Composite	497,205			
Private Equity - Real Estate	22,184			
Total Foreign Alternatives	1,334,591			
TOTAL INVESTMENTS MEASURED AT THE NAV	\$ 6,855,408			
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	\$ 13,386,769			

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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, 2022.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

Such fair value measurements is shown in the table below as of June 30, 2022:

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency ¹	Redemption Notice Period
Emerging Market Debt	\$ 14,485	\$ -	NA	NA
Foreign Common and Preferred Stock	109,738	-	Q,NA	60 days, NA
Real Estate	7,251	-	NA	NA
Domestic Alternatives:				
Absolute Return Composite	1,081,855	52,266	Q,NA	65-180 days, NA
Non-U.S. Developed Credit	213,225	-	NA	NA
Private Equity - Commodities	524,545	17,671	A,NA	180 days, NA
Private Equity - Composite	2,524,785	886,338	M,Q,SA,NA	15-185 days, NA
Private Equity - Infrastructure	1	881	NA	NA
Private Equity - Real Assets	18,781	-	NA	NA
Private Equity - Real Estate	569,659	184,880	Q,SA,NA	45-180 days, NA
U.S. Credit Strategies	456,492	-	D,Q,NA	30-180 days, NA
Total Domestic Alternatives	5,389,343	1,142,036		
Foreign Alternatives:				
Absolute Return Composite	243	7,537	NA	NA
Non-U.S. Developed Credit	814,959	-	D,Q,NA	D, 180 days, NA
Private Equity - Composite	497,205	235,008	NA	NA
Private Equity - Real Estate	22,184	51,781	NA	NA
Total Foreign Alternatives	1,334,591	294,326		
TOTAL INVESTMENTS MEASURED AT THE NAV	\$ 6,855,408	\$ 1,436,362		

¹ 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, 2022. 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, 2022, 90% of investments in this category are redeemable with a 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. Investment in this category are not redeemable as of June 30, 2022.

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, 2022, 77% 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 eight years. Unless the partnership agreement allows for an indefinite continuance.

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, 2022.

Domestic alternatives: Private equity – provide exposure to inflation related assets and includes investments in partnerships that focus on natural resources and energy. The fair values of this investment

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

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, 2022, 93% 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 seven years, unless the partnership agreement allows for an indefinite continuance.

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, 2022, 25% of investments in this category are redeemable with a 15-185 day notice. It is expected that the underlying assets of the funds will be liquidated over the next nine years, unless the partnership agreement allows for an indefinite continuance.

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, 2022. The underlying assets of the funds are currently in liquidation.

Domestic alternatives: Private Equity - 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, 2022, 70% of investments in this category are redeemable with a daily or 45-180 day notice. It is expected that the underlying assets of the funds will be liquidated over the next eight years, unless the partnership agreement allows for an indefinite continuance.

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, 2022, 98% 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, 2022. 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. As of June 30, 2022, 35% of investments in this category are redeemable with a daily or 180 day notice. It is expected that the underlying assets of the funds will be liquidated over the next eight years, unless the partnership agreement allows for an indefinite continuance.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 4 – CASH AND INVESTMENTS (CONTINUED)

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, 2022. It is expected that the underlying assets of the funds will be liquidated over the next ten years, unless the partnership agreement allows for an indefinite continuance.

Foreign alternatives: Private Equity - 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. Investments in this category are not redeemable as of June 30, 2022. It is expected that the underlying assets of the funds will be liquidated over the next seven years.

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 and 105% for international loans, of the fair value of the loaned securities plus accrued income, for the year ended June 30, 2022.

SBCERA did not impose any restrictions during the year ended June 30, 2022, 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 year ended June 30, 2022, 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, 2022, the liquidity pool had an average duration of 4 days, and a weighted average final maturity of 77 days. Because the securities lending transactions were terminable at will, their duration did not generally match the duration of the investments made with the cash collateral received from the borrower.

On June 30, 2022, SBCERA had no credit risk exposure to borrowers. As of June 30, 2022, the fair value of securities on loan was \$42.1 million, with the fair value of cash collateral received for the securities on loan of \$29.9 million, and non-cash collateral of \$13.5 million.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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:

Governmental Activities:

	Accounts Receivable	Due From Other Governments	Taxes	Interest	Lease Receivable	Loans	Other Receivables	Total Governmental Activities
General Fund	\$ 7,122	\$ 312,280	\$ 42,746	\$ 44,086	\$ 58	\$ 30,649	\$ 4,652	\$ 441,593
Less Allowance for Doubtful Accounts	(571)	-	-	-	-	-	-	(571)
Capital Improvement Fund	-	-	-	1,079	-	-	-	1,079
Nonmajor Governmental Funds	2,641	119,162	9,732	2,516	-	6,264	1,405	141,720
Less Allowance for Doubtful Accounts	(82)	-	-	-	-	-	-	(82)
Internal Service Funds	129	1,553	-	-	-	-	8,572	10,254
Total Governmental Activities Receivables	\$ 9,239	\$ 432,995	\$ 52,478	\$ 47,681	\$ 58	\$ 36,913	\$ 14,629	\$ 593,993

Business-Type Activities:

	Accounts Receivable	Due From Other Governments	Taxes	Interest	Lease Receivable	Loans	Other Receivables	Total Business- Type Activities
Medical Center	\$ 493,438	\$ 116,090	\$ -	\$ -	\$ -	\$ -	\$ 2,271	\$ 611,799
Less Allowance for Doubtful Accounts	(458,196)	-	-	-	-	-	-	(458,196)
Waste Systems Division	10,044	1,345	-	-	-	-	21,817	33,206
Less Allowance for Doubtful Accounts	(349)	-	-	-	-	-	(115)	(464)
Nonmajor Enterprise Funds	2,806	374	233	-	-	-	102	3,515
Total Business-Type Activities Receivables	\$ 47,743	\$ 117,809	\$ 233	\$ -	\$ -	\$ -	\$ 24,075	\$ 189,860

Due From Other Governments

At June 30, 2022, the Governmental Funds accrued \$431,442 of receivables from other governments, of which, \$334,700 was due from the State of California. Of the amount owed by the State, \$116,788 was for health care services, \$71,043 was for public social services, \$60,640, was for motor vehicle license fees and sales tax monies, and the remaining \$86,229 was for other services. The remaining amount of \$96,742 was due from the federal government and other governmental agencies.

Loans Receivable

The loans receivable balance in the Governmental Activities is \$36,913 of this amount, \$16,802 represents the receivable under the Teeter Plan, \$6,264 is due from other various agencies, \$13,847 represents a County loan to the Adelanto Successor Agency.

Interest Receivable

Of the \$47,681 interest receivable reported in the Governmental Activities column of the statement of net position, \$33,406 is due from the Adelanto City Redevelopment Successor Agency.

Other Receivables

The \$14,629 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 \$24,075. The majority of the \$21,702 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, 2022
(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, 2022, are as follows:

	Payable Funds									
	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds	Medical Center	Waste Systems	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	Totals
Receivable Funds										
General Fund	\$ -	\$ 203	\$ 63,452	\$ 63,655	\$ 23	\$ 96	\$ 78	\$ 197	\$ 592	\$ 64,444
Capital Improvement Fund	5,328	-	1,234	6,562	-	-	37	37	309	6,908
Nonmajor Governmental Funds	19,651	-	5,425	25,076	68	568	1,133	1,769	12	26,857
Total Governmental Funds	24,979	203	70,111	95,293	91	664	1,248	2,003	913	98,209
Medical Center	7,880	-	137	8,017	-	-	-	-	-	8,017
Waste Systems	20	-	58	78	-	-	-	-	129	207
Nonmajor Enterprise Funds	36	-	-	36	-	-	-	-	-	36
Total Enterprise Funds	7,936	-	195	8,131	-	-	-	-	129	8,260
Internal Service Funds	366	-	1,379	1,745	675	-	-	675	65	2,485
Totals	\$ 33,281	\$ 203	\$ 71,685	\$ 105,169	\$ 766	\$ 664	\$ 1,248	\$ 2,678	\$ 1,107	\$ 108,954

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, 2022, are as follows:

	Payable Funds				
	Nonmajor Governmental Funds	Total Governmental Funds	Nonmajor Enterprise Funds	Total Enterprise Funds	Totals
Receivable Funds					
General Fund	\$ 15,914	\$ 15,914	\$ 5,600	\$ 5,600	\$ 21,514
Nonmajor Governmental Funds	55	55	250	250	305
Total Governmental Funds	15,969	15,969	5,850	5,850	21,819
Totals	\$ 15,969	\$ 15,969	\$ 5,850	\$ 5,850	\$ 21,819

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, 2022, reflect funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 6 – INTERFUND TRANSACTIONS (CONTINUED)

The following schedule briefly summarizes the County's transfer activity:

Transfers In/Out

(a) Between Governmental and Business-type Activities:

	Transfer In						Totals
	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds	Medical Center	Nonmajor Enterprise Funds	Total Enterprise Funds	
Transfer Out							
General Fund	\$ -	\$ -	\$ -	\$ 13,174	\$ -	\$ 13,174	\$ 13,174
Capital Improvement Fund	-	-	-	-	1	1	1
Total Governmental Funds	-	-	-	13,174	1	13,175	13,175
Medical Center	-	13,792	13,792	-	-	-	13,792
Waste Systems	1,821	372	2,193	-	-	-	2,193
Total Enterprise Funds	1,821	14,164	15,985	-	-	-	15,985
Totals	\$ 1,821	\$ 14,164	\$ 15,985	\$ 13,174	\$ 1	\$ 13,175	\$ 29,160

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

	Transfer In					Totals
	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Funds	
Transfer Out						
General Fund	\$ -	\$ 194,842	\$ 152,228	\$ 347,070	\$ -	\$ 347,070
Capital Improvement Fund	22,996	-	13	23,009	-	23,009
Nonmajor Governmental Funds	35,123	14,200	24,704	74,027	500	74,527
Total Governmental Funds	58,119	209,042	176,945	444,106	500	444,606
Internal Service Funds	-	50	2,640	2,690	-	2,690
Totals	\$ 58,119	\$ 209,092	\$ 179,585	\$ 446,796	\$ 500	\$ 447,296

(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 \$13,174 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.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 6 – INTERFUND TRANSACTIONS (CONTINUED)

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.

NOTE 7 – RESTRICTED CASH AND INVESTMENTS

Cash and cash equivalents of \$468,441, are restricted by legal or contractual requirements at June 30, 2022, and are comprised of the following:

Governmental Activities

General Fund:

Restricted cash and cash equivalents of \$397,820, 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 \$8,970, consists of \$4,018 being restricted for debt service payments, \$4,103, for construction of Cactus Basin 4 and 5, and \$849 for construction contract retainage in escrow.

Business-Type Activities

Waste System Division:

Restricted cash and cash equivalents of \$61,651, consists of \$59,865, 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), \$1,045, represents customer deposits, and the remaining \$741, represents site clean up.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 8 – CAPITAL ASSETS

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

Primary Government

	Beginning Balance*	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets, non-depreciable/non-amortizable:				
Land	\$ 145,237	\$ 390	\$ -	\$ 145,627
Land Use Rights	26,281	-	-	26,281
Development in progress	402,379	88,235	58,612	432,002
Total capital assets, non-depreciable/non-amortizable	<u>573,897</u>	<u>88,625</u>	<u>58,612</u>	<u>603,910</u>
Capital Assets, depreciable/amortizable:				
Improvements other than Buildings	330,948	6,619	-	337,567
Structures and Improvements	1,202,080	36,729	-	1,238,809
Infrastructure	1,465,771	19,177	-	1,484,948
Equipment and Software	527,347	39,455	37,692	529,110
Total capital assets, depreciable/amortizable	<u>3,526,146</u>	<u>101,980</u>	<u>37,692</u>	<u>3,590,434</u>
Lease Assets, amortizable:				
Right-to-use Leased Land	459	-	-	459
Right-to-use Leased Buildings	223,322	14,330	-	237,652
Right-to-use Leased Equipment	535	2,894	-	3,429
Total lease assets, amortizable	<u>224,316</u>	<u>17,224</u>	<u>-</u>	<u>241,540</u>
Less Capital Assets accumulated depreciation/amortization for :				
Improvements other than Buildings	198,429	11,098	-	209,527
Structures and Improvements	492,831	35,413	-	528,244
Infrastructure	920,616	30,473	-	951,089
Equipment and Software	345,629	42,353	34,487	353,495
Total accumulated depreciation/amortization	<u>1,957,505</u>	<u>119,337</u>	<u>34,487</u>	<u>2,042,355</u>
Less Lease Assets accumulated amortization for :				
Accumulated Amortization- Land	-	40	-	40
Accumulated Amortization- Buildings	-	47,383	-	47,383
Accumulated Amortization- Equipment	-	666	-	666
Total accumulated amortization	<u>-</u>	<u>48,089</u>	<u>-</u>	<u>48,089</u>
Total capital assets, depreciable/amortizable, net	<u>1,792,957</u>	<u>(48,222)</u>	<u>3,205</u>	<u>1,741,530</u>
Governmental activities capital assets, net	<u>\$ 2,366,854</u>	<u>\$ 40,403</u>	<u>\$ 61,817</u>	<u>\$ 2,345,440</u>

*Beginning Balance restated for GASB 87 Implementation

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 8 – CAPITAL ASSETS (CONTINUED)

	Beginning Balance*	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets, non-depreciable/non-amortizable:				
Land	\$ 21,213	\$ 7	\$ -	\$ 21,220
Land Use Rights	351	-	-	351
Development in progress	35,044	19,018	690	53,372
Total capital assets, non-depreciable/non-amortizable	<u>56,608</u>	<u>19,025</u>	<u>690</u>	<u>74,943</u>
Capital Assets, depreciable/amortizable:				
Land Use Rights	1,109	-	-	1,109
Improvements other than Buildings	350,357	3,649	-	354,006
Structures and Improvements	574,856	1,468	857	575,467
Infrastructure	-	-	-	-
Equipment and Software	210,553	16,322	1,938	224,937
Total capital assets, depreciable/amortizable	<u>1,136,875</u>	<u>21,439</u>	<u>2,795</u>	<u>1,155,519</u>
Lease Assets, amortizable:				
Right-to-use Leased Buildings	14,447	-	-	14,447
Total lease assets, amortizable	<u>14,447</u>	<u>-</u>	<u>-</u>	<u>14,447</u>
Less Capital Assets accumulated depreciation/amortization for :				
Land Use Rights	1,109	-	-	1,109
Improvements other than Buildings	175,446	7,964	-	183,410
Structures and Improvements	316,150	15,812	-	331,962
Equipment and Software	180,556	8,234	1,930	186,860
Total accumulated depreciation/amortization	<u>673,261</u>	<u>32,010</u>	<u>1,930</u>	<u>703,341</u>
Less Lease Assets accumulated amortization for :				
Accumulated Amortization- Buildings	-	2,444	-	2,444
Total accumulated amortization	<u>-</u>	<u>2,444</u>	<u>-</u>	<u>2,444</u>
Total capital assets, depreciable/amortizable, net	<u>478,061</u>	<u>(13,015)</u>	<u>865</u>	<u>464,181</u>
Business-type activities capital assets, net	<u>\$ 534,669</u>	<u>\$ 6,010</u>	<u>\$ 1,555</u>	<u>\$ 539,124</u>

*Beginning Balance restated for GASB 87 Implementation

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 8 – CAPITAL ASSETS (CONTINUED)

Depreciation/amortization

Depreciation/amortization expense for Capital Assets is charged to governmental activities as follows:

General Government	\$	22,514
Public Protection		56,026
Public Ways and Facilities		27,336
Health and Sanitation		2,695
Public Assistance		3,232
Education		1,408
Recreation and Cultural Services		6,126
Total depreciation/amortization expense - governmental activities	\$	<u>119,337</u>

Amortization expense is for Lease Assets charged to governmental activities as follows:

General Government	\$	226
Public Protection		3,560
Health and Sanitation		12,587
Public Assistance		30,534
Education		407
Recreation and Cultural Services		775
Total Amortization expense - governmental activities	\$	<u>48,089</u>

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

Medical Center	\$	23,669
Waste Systems Division		5,212
Non-Major Enterprise Funds		3,129
Total depreciation/amortization expense - business type activities	\$	<u>32,010</u>

Amortization expense for Lease Assets is charged to business-type activities as follows:

Medical Center	\$	2,444
Total amortization expense - business type activities	\$	<u>2,444</u>

Development in Progress

Development in Progress consists of the following projects:

	Governmental Activities	Business-Type Activities
Medical Center Projects	\$ -	\$ 44,587
Waste Systems Division Projects	-	5,699
Special Districts	-	3,086
800 MHz Replacement Project	76,751	-
Transportation Projects	108,426	-
Flood Control Projects	45,965	-
Space Programming	10,308	-
Chino Plume - CDA Agreement	8,139	-
Chino Airport Groundwater	5,727	-
Purchase of Court Street Bldg	32,540	-
Relocate Training Center	5,746	-
Remodel Hospitality Lane	11,502	-
West Valley Detention Center	5,166	-
Government Center Campus Improvements	8,606	-
Remodel 316 Bldg	3,847	-
Other County Projects	109,279	-
Total	<u>\$ 432,002</u>	<u>\$ 53,372</u>

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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, 2022, 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	\$ 786,191	\$ 99,746	\$ 885,937	\$ 732
Deferred Outflows Related to Bond Refunding:				
<u>Certificates of Participation</u>				
Medical Center Refunding Project (Series 2019 A)	-	11,337	11,337	-
Medical Center Refunding Project (Series 2019 B)	-	109	109	-
Total Certificates of Participation	-	11,446	11,446	-
<u>Other Bonds and Notes</u>				
Flood Control Refunding Bonds (Series 2008)	387	-	387	-
Pension Obligation Refunding Bonds (2008)	152	-	152	-
Total Other Bonds and Notes	539	-	539	-
Total Deferred Outflows Related to Bond Refunding	539	11,446	11,985	-
Total Deferred Outflows of Resources	<u>\$ 786,730</u>	<u>\$ 111,192</u>	<u>\$ 897,922</u>	<u>\$ 732</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, 2022, 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	\$ 1,106,870	\$ 136,611	\$ 1,243,481	\$ 1,133
Deferred Inflows Related to Bond Refunding:				
Flood Control Refunding Bonds (2016)	36	-	36	-
Deferred Inflows Related to Leases:	58	-	58	-
Total Government-Wide and Component Unit Activities	<u>\$ 1,106,964</u>	<u>\$ 136,611</u>	<u>\$ 1,243,575</u>	<u>\$ 1,133</u>

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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, 2022, of deferred inflows of resources in the fund financial statements are as follows:

Governmental Funds:	Unavailable Revenues						
	Property Tax Receivable	Interest Receivable	Other Receivable	Due from Governmental Agencies	Due from Other Agencies	Leases	Total Governmental Funds
General Fund	\$ 10,906	\$ 37,782	\$ 496	\$ 28,350	\$ -	\$ 58	\$ 77,592
Capital Improvement Fund	-	1,079	-	-	-	-	1,079
Nonmajor Governmental Funds	5,913	2,295	-	154	1,271	-	9,633
Total Unavailable Revenues	<u>\$ 16,819</u>	<u>\$ 41,156</u>	<u>\$ 496</u>	<u>\$ 28,504</u>	<u>\$ 1,271</u>	<u>\$ 58</u>	<u>\$ 88,304</u>

Proprietary Funds:	Pensions	
	San Bernardino County Employees' Retirement Association (SBCERA)	Total Proprietary Funds
Medical Center	\$ 132,705	\$ 132,705
Waste Systems Division	3,906	3,906
Total Proprietary Funds	<u>\$ 136,611</u>	<u>\$ 136,611</u>
Internal Service Fund	\$ 30,947	\$ 30,947
Total Internal Service Funds	<u>\$ 30,947</u>	<u>\$ 30,947</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, 2022, 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	\$ 10,140	\$ 1,810	\$ 391,099	\$ 4,311	\$ 502	\$ -
Capital Improvement Fund	-	6	-	-	-	-	6
Nonmajor Governmental Funds	-	127	13,026	4,408	2,818	-	20,379
Internal Service Funds	-	-	-	-	1,124	(1,008)	116
Total Governmental Activities	<u>\$ 10,140</u>	<u>\$ 1,943</u>	<u>\$ 404,125</u>	<u>\$ 8,719</u>	<u>\$ 4,444</u>	<u>\$ (1,008)</u>	<u>\$ 428,363</u>
Business-Type Activities:	Customer Deposits	Advances from Other Agencies	Advances from Other County Departments	Total			
Medical Center	\$ -	\$ 29,428	\$ -	\$ 29,428			
Waste Systems Division	1,052	31	52	1,135			
Nonmajor Enterprise Funds	82	39	-	121			
Total Business-Type Activities	<u>\$ 1,134</u>	<u>\$ 29,498</u>	<u>\$ 52</u>	<u>\$ 30,684</u>			

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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, 2022:

	Beginning Balance			Ending Balance	Due Within One Year
	*As Restated	Additions	Reductions		
Governmental Activities					
Revenue Bonds, net	\$ 67,494	\$ -	\$ 67,494	\$ -	\$ -
Revenue Bonds from Direct Placements	11,880	-	990	10,890	485
Other Bonds and Notes	211,250	-	54,120	157,130	56,875
Other Bonds and Notes from Direct Borrowings and Direct Placements	12,708	-	3,779	8,929	3,845
Total COP, Bonds and Notes Payable	<u>303,332</u>	<u>-</u>	<u>126,383</u>	<u>176,949</u>	<u>61,205</u>
Compensated Absences	231,986	170,669	152,950	249,705	145,398
Termination Benefits Payable	4	-	4	-	-
Direct Finance Lease Obligations	542	-	542	-	-
Lease Liability	224,316	17,224	45,941	195,599	46,682
Estimated Liability for Litigation and Self -Insured Claims	374,759	104,266	70,500	408,525	92,689
Net Pension Liability	2,947,886	-	1,969,581	978,305	-
Total Governmental Activities - Long-term Liabilities	<u>\$ 4,082,825</u>	<u>\$ 292,159</u>	<u>\$ 2,365,901</u>	<u>\$ 2,009,083</u>	<u>\$ 345,974</u>
Business-Type Activities					
Certificates of Participation, net	\$ 242,444	\$ -	\$ 31,025	\$ 211,419	\$ 27,175
General Obligation Bonds	50	-	-	50	50
Notes from Direct Borrowings	1,171	-	75	1,096	77
Total COP, Bonds and Notes Payable	<u>243,665</u>	<u>-</u>	<u>31,100</u>	<u>212,565</u>	<u>27,302</u>
Compensated Absences	28,919	28,945	23,708	34,156	13,029
Direct Finance Lease Obligations	1,926	140	700	1,366	613
Lease Liability	14,447	-	2,283	12,164	2,272
Other Long-Term Liabilities	98,371	9,479	8,500	99,350	83,707
Pollution Remediation Obligations	69,528	11,622	-	81,150	7,994
Estimated Liability for Closure/Postclosure Care Costs	170,911	18,499	902	188,508	29,561
Net Pension Liability	369,379	-	281,913	87,466	-
Total Business-type Activities -Long-term Liabilities	<u>\$ 997,146</u>	<u>\$ 68,685</u>	<u>\$ 349,106</u>	<u>\$ 716,725</u>	<u>\$ 164,478</u>

*Beginning balance as restated for GASB 87 implementation.

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.

Governmental Activities:

Bonds and Notes Payable

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

In November 1995, San Bernardino County Financing Authority (SBCFA) issued Pension Obligation 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. The pension obligation bonds were repaid as of June 30, 2022.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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 \$1,614. The total surcharge revenues received during the fiscal year totaled \$1,782. 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 1.66. The total principal and interest remaining on the bonds are \$16,259. 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, 2022
(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, 2022, 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 4.85% 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 4.85% 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, 2022, 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, 2022
(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.

Years Ending June 30	Principal	Interest	Total
2023	\$ 10,600	\$ 2,821	\$ 13,421
2024	10,600	1,745	12,345
2025	10,700	834	11,534
2026	5,395	77	5,472
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.

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

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 11 – LONG TERM LIABILITIES (CONTINUED)

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.

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

<u>Revenue Bonds</u>	<u>Interest Rates (%)</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Original Issue Amount</u>	<u>Outstanding as of 6/30/2022</u>
Pension Obligation Bonds (1995)	5.68 to 7.72	11/22/1995	8/1/2021	\$ 386,266	\$ -
Courthouse Project Bonds (2007) (Direct Placement)	5.10 to 5.50	6/29/2007	6/30/2037	18,370	10,890
Subtotal					<u>10,890</u>
<u>Premium/(Discounts):</u>					
* Pension Obligation Bonds (1995)					-
Total Revenue Bonds					<u>10,890</u>
<u>Other Bonds and Notes</u>					
Flood Control District:					
Refunding Bonds (Series 2007)	4.25 to 5.00	5/29/2007	8/1/2021	23,845	-
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	7,485
Pension Obligation Bonds (2004)	0.54 to 5.86	6/24/2004	8/1/2023	463,895	50,000
Pension Obligation Refunding Bonds (2008)	6.02	4/16/2008	6/30/2024	160,900	69,835
Fire Protection District 2010 Installment Loan (Direct Borrowing)	5.4	8/2/2010	8/1/2030	2,286	1,444
Total Other Bonds and Notes					<u>166,059</u>
Total Governmental Activities					<u>\$ 176,949</u>

* Updated per accretion table.

The following is a schedule of principal debt service requirements to maturity as of June 30, 2022, for bonds and notes payable in the governmental activities:

<u>Years Ending</u>	<u>Revenue Bonds from Direct Placements</u>	<u>Other Bonds and Notes</u>	<u>Other Bonds & Notes from Direct Borrowings and Direct Placements</u>	<u>Total</u>
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	605	-	171	776
2028 - 2032	3,560	9,665	703	13,928
2033 - 2037	4,605	22,540	-	27,145
2038 - 2042	-	5,090	-	5,090
Total Principal	<u>10,890</u>	<u>157,130</u>	<u>8,929</u>	<u>176,949</u>
Total Bonds and Notes Payable	<u>\$ 10,890</u>	<u>\$ 157,130</u>	<u>\$ 8,929</u>	<u>\$ 176,949</u>

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 11 – LONG TERM LIABILITIES (CONTINUED)

The following is a schedule of interest expense requirements to maturity as of June 30, 2022, 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
2023	\$ 599	\$ 5,545	\$ 189	\$ 6,333
2024	572	3,023	124	3,719
2025	544	1,811	58	2,413
2026	514	1,807	50	2,371
2027	482	1,809	41	2,332
2028 - 2032	1,872	8,696	63	10,631
2033 - 2037	786	4,690	-	5,476
2037 - 2038	-	287	-	287
Total Interest	<u>\$ 5,369</u>	<u>\$ 27,668</u>	<u>\$ 525</u>	<u>\$ 33,562</u>

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. 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.

Business-Type Activities:

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, 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, 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 District 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 deferred loss will be amortized through 2028 at \$3,473 per year.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 11 – LONG TERM LIABILITIES (CONTINUED)

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 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, 2022, approximately \$13,290 of outstanding debt was considered defeased.

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, 2022
(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:

Certificates of Participation:	Interest Rates (%)	Issue Date	Maturity Date	Original Issue Amount	Outstanding as of 6/30/2022
Medical Center Refunding Project Series 2019A	5.00	7/2/2019	10/1/2027	\$ 224,045	\$ 175,960
Medical Center Refunding Project Series 2019B	2.00 to 2.05	7/2/2019	10/1/2022	35,635	12,075
					<u>188,035</u>
Premium / (Discounts):					
Medical Center Refunding Project Series 2019A					23,384
Total Certificates of Participation					<u>211,419</u>
General Obligation Bonds					
Spring Valley Lake Sewer Facilities:					
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
Helendale Sewer Facilities:					
Series A	5.00	6/1/1978	6/1/1998	1,550	5
Helendale Water Facilities:					
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>
Notes Payable					
Oak Hills Water (Loan) (Direct Borrowing)	3.09	11/25/2003	8/25/2033	2,150	1,096
Total Notes Payable					<u>1,096</u>
Total Business-Type Activities					<u>\$ 212,565</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, 2022, 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
2023	\$ 27,175	\$ 50	\$ 77	\$ 27,302
2024	29,295	-	79	29,374
2025	30,800	-	82	30,882
2026	32,520	-	84	32,604
2027	34,265	-	87	34,352
2028 - 2032	33,980	-	476	34,456
2033 - 2037	-	-	211	211
Total Principal	188,035	50	1,096	189,181
Plus: Premium	23,384	-	-	23,384
Total Bonds and Notes Payable	<u>\$ 211,419</u>	<u>\$ 50</u>	<u>\$ 1,096</u>	<u>\$ 212,565</u>

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 11 – LONG TERM LIABILITIES (CONTINUED)

The following is a schedule of interest expense requirements to maturity as of June 30, 2022, for COPs, bonds, and notes payable in the business-type activities:

Years Ending June 30	Certificates of Participation	Notes From Direct Borrowings	Total
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	2,556	23	2,579
2028 - 2032	850	70	920
2033 - 2037	-	6	6
Total Interest	<u>\$ 29,294</u>	<u>\$ 215</u>	<u>\$ 29,509</u>

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, 2022. 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

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 11 – LONG TERM LIABILITIES (CONTINUED)

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, 2022.

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 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.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 11 – LONG TERM LIABILITIES (CONTINUED)

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 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, 2022, 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 2022, and the County began design and construction shortly thereafter. The full-scale SVE system has been installed and as of June 30, 2022, 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 2022-2023 fiscal year.

In fiscal year 2022, the estimated total pollution remediation liability increased from \$69,528 at June 30, 2021, to \$81,149 at June 30, 2022. 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 increase by a net amount of \$11,621 are listed below:

- The Mid-Valley net liability increased by a net of \$11,359 primarily due to Perchlorate Four-Party Agreement with City of Rialto, higher groundwater treatment system OM&M costs, and soil investigation costs. The outstanding liability as of June 30, 2022, is \$67,935.
- The Yucaipa net liability increased by a net of \$214 primarily due to the Full Scale In-Situ Bio-Enhancement Treatment System long-term costs and annual permit fees. The outstanding liability as of June 30, 2022, is \$2,369.
- The Heaps Peak net liability increased by a net of \$107 primarily due to the Leachate Treatment System OM&M future long-term costs, and increased in disposal and treatment costs for Running Springs Water District. The outstanding liability as of June 30, 2022, is \$8,821.
- The Lenwood-Hinkley net liability decreased by a net of \$59 primarily due to the Groundwater VOC Treatment System and annual permit fees. The outstanding liability as of June 30, 2022, is \$2,025.

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 2022, Waste Systems expended \$2,432 in performing pollution remediation activities at Mid-Valley Landfill, Yucaipa Disposal Site, Heaps Peak Disposal Site, and

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 11 – LONG TERM LIABILITIES (CONTINUED)

Lenwood-Hinkley Disposal Site. Outlays are expected to be incurred in fiscal year 2023 totaling \$7,994. The presence of perchlorate, VOC, and leachate will continue to be remediated and monitored with an expected estimated outlay of \$73,156 from fiscal year 2024 through fiscal year 2043.

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 \$192 and Multi-Family Mortgage Revenue Bonds of \$50,265 at June 30, 2022, do not represent a liability of the County and, as such, do not appear in the accompanying basic financial statements.

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, 2022, 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 \$86,303 at June 30, 2022, 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, 2022, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated Absences	\$ 300	\$ 219	\$ 251	\$ 268	\$ 32
Net Pension Liability	2,896	-	2,182	714	-
Total Long-Term Liabilities	<u>\$ 3,196</u>	<u>\$ 219</u>	<u>\$ 2,433</u>	<u>\$ 982</u>	<u>\$ 32</u>

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 12 – DIRECT FINANCE CAPITAL OBLIGATION

The County has financed purchase agreements with financial institutions and medical equipment manufacturers expiring at various dates through fiscal year ended 2025. Equipment acquired under these agreements has been accounted for as financed purchase obligations.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 728
2024	399
2024	245
2025	<u>10</u>
Total Minimum Payments	1,382
Less: Amount Representing Interest	<u>(16)</u>
Present Value of Net Minimum Payments	1,366
Less: Current Portion of Finance Purchase Obligations	<u>(613)</u>
Finance Purchase Obligations, Excluding Current Portion	<u><u>\$ 753</u></u>

The gross value of equipment acquired under finance purchase obligations at June 30, 2022, was \$29,686, net of accumulated amortization of \$28,286.

The County's outstanding financed purchase obligations, secured by the related equipment of \$1,394, contain provision that in the event of default, outstanding amounts may become immediately due if the County is unable to make the payment.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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%	441	Needles	100%	Closed
Big Bear	100%	Closed	Newberry Springs	100%	Closed
Colton	100%	Inactive	Phelan	100%	Closed
Hesperia	100%	Closed	San Timoteo	49%	16
Landers	25%	79	Trona-Argus	100%	Closed
Lenwood-Hinkley	100%	Closed	Twentynine Palms	100%	Closed
Lucerne Valley	100%	Closed	Victorville	21%	99
Mid-Valley	44%	34	Yermo	100%	Closed

The estimated closure and post-closure activity for the year ended June 30, 2022, includes the following:

	<u>Beginning Balance</u>	<u>Increase (Decrease)</u>	<u>Ending Balance</u>
Estimated Liability for Closure Care Costs	\$ 50,853	\$ 12,982	\$ 63,835
Estimated Liability for Postclosure Care Costs	120,058	4,615	124,673
Total	<u>\$ 170,911</u>	<u>\$ 17,597</u>	<u>\$ 188,508</u>

The annually inflated landfill closure and post-closure care cost estimates of \$243,592 and \$250,910, respectively for a total of \$494,502, 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, 2022, the aggregate expense recorded by the County based upon individual landfill capacity usage was \$309,509 (\$152,690 closure costs and \$156,819 post-closure costs). The remaining \$184,992 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 \$88,855 and \$32,146 have been incurred through June 30, 2022. Landfill closure liabilities increased to \$63,835 and post-closure liabilities also increased to \$124,673. 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, 2022
(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, 2022, is \$188,508 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 \$81,137 and post-closure expenses were \$2,310. 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 \$61,651 in the Waste System Division enterprise fund, of this amount, \$59,865 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 (Actual Amounts)

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 million per occurrence with a one-time corridor retention of \$2 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) 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 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, 2022
(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 \$408.53 million reported at June 30, 2022, 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 are presented **in thousands** for fiscal years 2021 and 2022 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>
2020-21	\$316,979	\$107,184	(\$49,404)	\$374,759
2021-22	\$374,759	\$104,266	(\$70,500)	\$408,525

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>
Arrowhead Regional Medical Center	490,481	-	-	490,481
	<u>\$ 490,481</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,481</u>

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, 2022
(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 Nonmajor Funds	Total
Nonspendable:								
Loan Receivable	\$ 30,649	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,649
Noncurrent Interfund Receivable	-	-	-	-	-	-	-	-
Prepaid Items and Inventories	9,284	-	22,807	-	-	-	22,807	32,091
Land Held for Resale	548	-	-	-	-	-	-	548
Endowments	-	-	-	-	-	1,801	1,801	1,801
Total Nonspendable Fund Balance	40,481	-	22,807	-	-	1,801	24,608	65,089
Restricted for:								
Social Services Realignment	180,522	-	-	-	-	-	-	180,522
Health Services Realignment	92,284	-	-	-	-	-	-	92,284
Behavioral Health Realignment	129,996	-	-	-	-	-	-	129,996
Law and Justice Realignment	146,813	-	-	-	-	-	-	146,813
Family Support Realignment	73,542	-	-	-	-	-	-	73,542
Coronavirus Fund	4,264	-	-	-	-	-	-	4,264
CalWORKs Maintenance of Effort Realignment	4,505	-	-	-	-	-	-	4,505
Teeter Plan	19,299	-	-	-	-	-	-	19,299
Aging Programs	4,178	-	-	-	-	-	-	4,178
Debt Service	-	-	-	8,911	-	-	8,911	8,911
Central Courthouse Project	-	-	3,953	-	-	-	3,953	3,953
Redemption Restitution Maintenance	-	-	2,383	-	-	-	2,383	2,383
Redevelopment Housing	-	-	5,306	-	19,076	-	24,382	24,382
Capital Improvement Projects	-	52,484	-	-	-	-	-	52,484
Flood Control	-	-	209,448	-	-	-	209,448	209,448
Domestic Violence Programs	-	-	2,308	-	-	-	2,308	2,308
Crime Prosecution	-	-	7,847	-	-	-	7,847	7,847
Probation Programs	-	-	43,913	-	-	-	43,913	43,913
Recorder's Micrographics	-	-	25,675	-	-	-	25,675	25,675
Local Law Enforcement Block Grant	-	-	3,152	-	-	-	3,152	3,152
Sheriff Special Projects	-	-	14,773	-	-	-	14,773	14,773
Fire Protection	-	-	204,385	-	8,425	-	212,810	212,810
Chino Agriculture Preserve	-	-	31,696	-	-	-	31,696	31,696
Road Operations	-	-	66,545	-	-	-	66,545	66,545
Measure I	-	-	37,498	-	-	-	37,498	37,498
Regional Development Mitigation Plan	-	-	36,234	-	-	-	36,234	36,234
Facilities Development Plans	-	-	3,964	-	-	-	3,964	3,964
Airport Operations	-	-	5,939	-	-	-	5,939	5,939
Mental Health Services Act	-	-	265,752	-	-	-	265,752	265,752
Block Grant Carryover Program	-	-	9,602	-	-	-	9,602	9,602
Vector Control Assessments	-	-	6,673	-	-	-	6,673	6,673
Public Health - Other	-	-	42	-	-	-	42	42
Inland Counties Emergency Medical Agencies	-	-	7,779	-	-	-	7,779	7,779
Aging and Adult Services - Other	-	-	1,571	-	-	-	1,571	1,571
Job and Employment Services	-	-	430	-	-	-	430	430
Economic and Community Development	-	-	36,239	-	-	-	36,239	36,239
Wraparound Reinvestment	-	-	48,044	-	-	-	48,044	48,044
Regional Parks	-	-	3,252	-	-	-	3,252	3,252
Park and Recreation Districts	-	-	-	-	513	-	513	513
County Free Library	-	-	27,993	-	-	-	27,993	27,993
County Assessors Program	-	-	1,701	-	-	-	1,701	1,701
County Service Area	-	-	34,960	-	4,077	-	39,037	39,037
Other Restricted Programs	-	-	3,299	-	-	-	3,299	3,299
Total Restricted Fund Balance	655,403	52,484	1,152,356	8,911	32,091	-	1,193,358	1,901,245

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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 Nonmajor Funds	Total
Committed to:								
Medical Center Debt Service	\$ 32,075	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,075
Bloomington Community Benefit/Improvement Reserve	37	-	-	-	-	-	-	37
Body Camera Implementation Project	5,296	-	-	-	-	-	-	5,296
Vision to Succeed	249	-	-	-	-	-	-	249
New PIMS Replacement System	9,588	-	-	-	-	-	-	9,588
New Voting System	2,388	-	-	-	-	-	-	2,388
Glen Helen Rehabilitation Center Jail Upgrade	75	-	-	-	-	-	-	75
New Property Tax System	31,517	-	-	-	-	-	-	31,517
Building Replacement Reserve	20,000	-	-	-	-	-	-	20,000
Earned Leave	13,877	-	-	-	-	-	-	13,877
Animal Shelter Capital Project	9,900	-	-	-	-	-	-	9,900
Community Concerns Reserve	8,495	-	-	-	-	-	-	8,495
Adelanto Detention Center Jail Upgrade	4,781	-	-	-	-	-	-	4,781
Retirement	10,944	-	-	-	-	-	-	10,944
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	34,891	-	-	-	-	-	-	34,891
Strategic Initiatives Reserve	308	-	-	-	-	-	-	308
Big Bear Apline Zoo	1,700	-	-	-	-	-	-	1,700
Cedar Avenue Interchange	6,723	-	-	-	-	-	-	6,723
Litigation Expenses	8,140	-	-	-	-	-	-	8,140
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	1,000	-	-	-	-	-	-	1,000
Archives Acquisition	1,712	-	-	-	-	-	-	1,712
Enterprise Financial System Post Implementation Costs	2,500	-	-	-	-	-	-	2,500
Agenda Management Systems	557	-	-	-	-	-	-	557
December 2nd Memorial	382	-	-	-	-	-	-	382
Indigent Defence Costs	500	-	-	-	-	-	-	500
Public Guardian Lease Space Reserve	119	-	-	-	-	-	-	119
Countywide Crime Suppression and Pilot Program	4,223	-	-	-	-	-	-	4,223
Revolving Loan Program	2,000	-	-	-	-	-	-	2,000
Total Committed Fund Balance	234,883	-	-	-	-	-	-	234,883
Assigned to:								
Automated Systems Development	17,337	-	-	-	-	-	-	17,337
800 MHZ Upgrade Project	-	42,282	-	-	-	-	-	42,282
Rancho Court Remodel	-	77	-	-	-	-	-	77
County Buildings Retrofit and Improvements	-	285,659	-	-	-	-	-	285,659
Valley Public Safety	-	95,418	-	-	-	-	-	95,418
ISD Acquisition & Improvements	-	26,498	-	-	-	-	-	26,498
DA Building Acquisition	-	7,855	-	-	-	-	-	7,855
Chino Airport	-	3,492	-	-	-	-	-	3,492
Maintenance, Upgrades and Other Capital Outlay	-	112,065	-	-	-	-	-	112,065
High Desert Animal Shelter	-	1,128	-	-	-	-	-	1,128
Disaster Recovery	-	-	1,674	-	-	-	1,674	1,674
Flood Control	-	-	9,164	-	-	-	9,164	9,164
Sheriff Special Projects	-	4,882	-	-	-	-	-	4,882
Road Operations	-	-	30,863	-	-	-	30,863	30,863
Master Settlement Agreement	-	-	37,895	-	-	-	37,895	37,895
Mental Health	-	-	4,162	-	-	-	4,162	4,162
Human Resources	-	-	13,529	-	-	-	13,529	13,529
Economic and Community Development	-	-	4,321	-	-	-	4,321	4,321
Regional Parks	-	-	4,368	-	-	-	4,368	4,368
San Manuel Amphitheater	-	-	452	-	-	-	452	452
Other Assigned Programs	302	-	477	-	-	-	477	779
Total Assigned Fund Balance	17,639	579,356	106,905	-	-	-	106,905	703,900
Unassigned Fund Balance	910,893	-	(32)	-	-	-	(32)	910,861
Total Fund Balances	\$ 1,859,299	\$ 631,840	\$ 1,282,036	\$ 8,911	\$ 32,091	\$ 1,801	\$ 1,324,839	\$ 3,815,978

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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, 2022 and 2021, the Medi-Cal program represented approximately 59% and 46%, respectively, and the Medicare program represented approximately 27% and 28%, 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.

The County recognized net pension liabilities, deferred inflows of resources related to pensions, and pension expenses from the SBCERA retirement plan in the government-wide financial statements. The balances as of June 30, 2022 of net pension liabilities are as follows:

	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Net Pension Liabilities	\$ 978,305	\$ 87,466	\$ 1,065,771	\$ 714
Deferred Outflows of Resources Related to Pensions	\$ 786,191	\$ 99,746	\$ 885,937	\$ 732
Deferred Inflows of Resources Related to Pensions	\$ 1,106,870	\$ 136,611	\$ 1,243,481	\$ 1,133
Pension Expenses	\$ 87,555	\$ 3,518	\$ 91,073	\$ (32)

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 18 – RETIREMENT PLAN (CONTINUED)

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 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.

Plan Membership

As of the June 30, 2021 actuarial valuation, SBCERA membership consisted of 43,989 members, including 21,500 active members, 14,292 inactive members or beneficiaries currently receiving benefits, 3,217 inactive members eligible for but not yet receiving benefits, and 4,980 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

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 18 – RETIREMENT PLAN (CONTINUED)

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.

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, 2022
(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, 2022, 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	9.05% to 15.77%	9.09%	12.44% to 18.48%	16.06%
Employer contribution rates	28.49%	25.34%	61.66%	53.34%

For the year ended June 30, 2022, 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	\$ 236,539	\$ 54,450	\$ 290,989	\$ 449
Safety Members	162,274	-	162,274	-
Total	<u>\$ 398,813</u>	<u>\$ 54,450</u>	<u>\$ 453,263</u>	<u>\$ 449</u>

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 18 – RETIREMENT PLAN (CONTINUED)

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

As of June 30, 2022, 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	\$ 389,941	\$ 87,466	\$ 477,407	\$ 714
Safety Members	588,364	-	588,364	-
Total	<u>\$ 978,305</u>	<u>\$ 87,466</u>	<u>\$ 1,065,771</u>	<u>\$ 714</u>

The net pension liability was measured as of June 30, 2021, 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 2021 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 80.91%, including 80.86% for the primary government and 0.05% 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 1.92%, including 1.90% for primary government and a decrease of 0.02% for discretely presented component unit, from its proportion measured as of June 30, 2020.

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 2021 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, 2020 are as follows:

	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Proportion - June 30, 2021				
General Members	36.56%	8.20%	44.76%	0.07%
Safety Members	55.17%	-	55.17%	-
Total	<u>91.73%</u>	<u>8.20%</u>	<u>99.93%</u>	<u>0.07%</u>
Change - Increase (Decrease)				
General Members	-15.92%	-2.93%	-18.85%	-0.02%
Safety Members	18.87%	-	18.87%	-
Total	<u>2.95%</u>	<u>-2.93%</u>	<u>0.02%</u>	<u>-0.02%</u>

For the year ended June 30, 2022, the County recognized pension expense of \$91,041 as follows:

	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Pension Expense	\$ 87,555	\$ 3,518	\$ 91,073	\$ (32)

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 18 – RETIREMENT PLAN (CONTINUED)

At June 30, 2022, 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	\$ 233,963	\$ 20,918	\$ 254,881	\$ 171
Differences between actual and expected experience	58,917	5,268	64,185	43
Changes in proportion and differences between County contributions and proportionate share of contributions	94,498	19,110	113,608	69
Pension contributions subsequent to the measurement date	398,813	54,450	453,263	449
Total	\$ 786,191	\$ 99,746	\$ 885,937	\$ 732

	Deferred Inflows of Resources			
	Governmental Activities	Business-Type Activities	Primary Government Total	Discretely Presented Component Unit
Differences between actual and expected experience	\$ 5,853	\$ 523	\$ 6,376	\$ 4
Net differences between projected and actual earnings on pension plan investments	1,022,807	91,444	1,114,251	747
Changes in proportion and differences between County contributions and proportionate share of contributions	78,210	44,644	122,854	382
Total	\$ 1,106,870	\$ 136,611	\$ 1,243,481	\$ 1,133

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 18 – RETIREMENT PLAN (CONTINUED)

The total amount of \$453,712 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, 2023. 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
2023	\$ (85,587)	\$ (12,852)	\$ (98,439)	\$ (167)
2024	(125,067)	(16,191)	(141,258)	(170)
2025	(174,211)	(20,715)	(194,926)	(180)
2026	(339,400)	(37,311)	(376,711)	(305)
2027	4,773	(4,246)	527	(28)
Total	<u>\$ (719,492)</u>	<u>\$ (91,315)</u>	<u>\$ (810,807)</u>	<u>\$ (850)</u>

Actuarial Assumptions

The County's proportion of the Plan's total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	June 30, 2021
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, 2021 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, 2021 actuarial valuation.

Mortality rates used in the June 30, 2021 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, 2022
(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, 2021 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 ⁽¹⁾	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, 2021. 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, 2021.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(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:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Primary Government Total</u>	<u>Discretely Presented Component Unit</u>
County's proportionate share of the net pension liability				
1.00% Decrease (6.25%)	\$ 2,478,319	\$ 309,226	\$ 2,787,545	\$ 2,525
Current Discount Rate (7.25%)	978,306	87,466	1,065,772	714
1.00% Increase (8.25%)	(248,895)	(93,962)	(342,857)	(767)

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 – LEASES

The County leases buildings, equipment, and land for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2035, with an interest rate range of 0.15%-1.45%.

Lease obligations consist of the following for the year ended June 30, 2022:

<u>Lease Liabilities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities	\$ 224,316	\$ 17,224	\$ 45,941	\$ 195,599	\$ 46,682
Business Activities	14,447	-	2,283	12,164	2,272
Totals	<u>\$ 238,763</u>	<u>\$ 17,224</u>	<u>\$ 48,224</u>	<u>\$ 207,763</u>	<u>\$ 48,954</u>

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 19 – LEASES (CONTINUED)

Total future minimum lease payments under lease agreements are as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 46,682	\$ 1,499	\$ 2,272	\$ 95	\$ 50,548
2024	39,602	1,255	2,203	77	43,137
2025	25,625	1,030	2,088	59	28,802
2026	21,155	831	1,898	42	23,926
2027	17,088	647	1,955	24	19,714
2028-2032	38,967	1,397	1,748	7	42,119
2033 and thereafter	6,480	91	-	-	6,571
Total minimum lease payments	<u>\$ 195,599</u>	<u>\$ 6,750</u>	<u>\$ 12,164</u>	<u>\$ 304</u>	<u>\$ 214,817</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Buildings	\$ 237,652	\$ 14,447
Equipment	3,429	-
Land	459	-
Less: accumulated amortization	48,089	2,444
	<u>\$ 193,451</u>	<u>\$ 12,003</u>

The County, acting as lessor, leases buildings under long-term, non-cancelable lease agreements. The leases expire at various dates through 2024. During the year ended June 30, 2022, the County recognized \$52 in lease revenue and interest revenue, respectively, pursuant to these lease agreements.

The County leases office space to a related party, and a related lease receivable and deferred inflow have been recorded. The lease provides for minimum annual lease payments of \$58 through July 31, 2023.

Total Future minimum lease payments to be received under lease agreements are as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 54	\$ -	\$ -	\$ -	\$ 54
2024	4	-	-	-	4
Total minimum lease payments	<u>\$ 58</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58</u>

The County, acting as lessor, leases buildings and land under long-term regulated lease agreements. The leases expire at various dates through 2048. During the year ended June 30, 2022, the County recognized \$1,420, in lease revenue, with an interest rate range of 0.0%-0.19%, respectively, pursuant to these lease agreements.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 19 – LEASES (CONTINUED)

Total future minimum lease payments to be received under regulated lease agreements are as follows:

<u>Regulated Activities</u>	
	<u>Payments</u>
2023	\$ 1,437
2024	1,463
2025	1,029
2026	894
2027	867
2028-2032	4,578
2033 and thereafter	<u>8,492</u>
Total minimum lease payments	<u>\$ 18,760</u>

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, 2022, 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, 2022
(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.

	Outstanding Encumbrances
Major Governmental Funds:	
General Fund	\$ 117,734
Capital Improvement Fund	26,685
Total Major Governmental Funds	144,419
Nonmajor Governmental Funds	141,613
Total Governmental Funds	\$ 286,032

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 \$2,029.

(b) Economic and Community Development

The Economic Development Agency has various business and housing loan programs funded by the Department of Housing and Urban Development (HUD) that were administered by either the Economic Development Department and/or the Department of Community Development and Housing (CDH). While the programs are no longer being administered, the loan portfolios are actively maintained to provide oversight and ensure compliance. HUD funds are used to develop viable communities, provide decent, safe and sanitary housing, create suitable living environments, and expand economic opportunities for low-income and moderate-income individuals/households.

CDH issues various loans for the creation of affordable housing units through new construction or acquisition/rehabilitation. The loans issued for the multi-family affordable housing projects have two loan types: debt service or residual receipts. The debt service loans require a set payment, annually. Some of the debt service loans are fully amortized, while others are partially amortized requiring a balloon payment or refinancing upon maturity. The residual receipts loans have more flexibility whereas payments are required and calculated based upon the amount of excess cashflow available after above the line expenses are absorbed; the residual receipts calculations are done on an annual basis. If the aggregate residual receipts payments received over the term of the loan are insufficient to fully satisfy the loan, the remaining balance is forgivable providing the terms and conditions, as set forth in the Regulatory Agreement, have been met. The multi-family loan portfolio is comprised of 45 and is valued at \$101,069.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Under HUD regulations, any monies received from the repayments of the loans is considered Program Income and is subject to the same regulations and use restrictions imposed upon the original funding sources. The total long-term receivables for the loan portfolio as of June 30, 2022 is \$108,589; however, given the nature of the residual receipts loans, the forgivable loans, and the grants, it is anticipated that a significantly lower amount will be collected. Due to the contingent nature of these 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 \$297 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. The agreement with Rialto expired in May 2020 and the County agreed to an additional two-year agreement to pay for water rights such that for the 2020/2021 water year the County paid approximately \$297 and for the 2021/2022 water year the County paid approximately \$302 for the water rights. This agreement to pay for water rights will expire on December 31, 2022, and the County negotiated an amendment to extend the agreement until December 31, 2025. Pursuant to the revised three year agreement, for the 2022/2023 water year the County will pay \$317, for the 2023/2024 water year the County will pay \$333, and for the 2024/2025 water year the County will pay \$349 for the water rights.

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, 2022, these lawsuits were substantially resolved as to the County, and the other litigants, through various settlements. In the ongoing lawsuit *City of Colton v. American Promotional Events, Inc., et. al.* (Los Angeles Superior Court Case No. BC376008, and related actions), in which the County is not a defendant, Pyro Spectaculars, Inc. filed a claim with the County on October 21, 2021, indicating it intends to file a cross-claim against the County seeking contribution for alleged contamination to groundwater drinking wells that service the City of Riverside. The County denied the claim but entered into a tolling agreement effective from May 16, 2022, to February 16, 2023, in an attempt for Pyro Spectaculars, Inc. to resolve the matter and avoid naming the County as a cross-defendant. The County remains obligated to continue remediation of groundwater contamination in compliance with the settlements, court orders and agency orders.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

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 Clean up and Abatement Order (CAO) No. R8-2017-0011 to supersede Order No. R8-2008-0064. The County is now complying with the new CAO 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.

The County purchased three, multiyear insurance policies covering the period 1966-1975 issued by The Insurance Company of the State of Pennsylvania (ICSOP). The County tendered a claim to ICSOP in 2008 for costs incurred in compliance with the CAO. ICSOP stopped making payments on the claim and disputed its obligation to continue to reimburse the County for more than one occurrence. The County disputes this interpretation of the policies and on November 24, 2021, the County initiated the legal action San Bernardino County v. The

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 20 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Insurance Company of the State of Pennsylvania, Case No. 5:21-cv-01978 alleging breach of contract, breach of implied covenant of good faith and fair dealing, and declaratory relief. Trial is currently set for May 4, 2023. The County expects to recover from ICSOP additional funds for costs incurred to comply with the CAO.

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. Governor Newsom has announced he will end the State of Emergency on February 28, 2023. 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.

On March 1, 2022, the Board of Supervisors terminated the general local Emergency Proclamation resulting from COVID-19 and proclaimed a local emergency resulting from the impacts of COVID-19 to the Emergency Medical Services system. On June 25, 2022, the San Bernardino County Health Officer issued an Order clarifying that all previous Health Orders related directly to COVID-19 are rescinded. On October 4, 2022, the Board of Supervisors terminated the local Emergency Proclamation resulting from the impacts of COVID-19 to the Emergency Medical Services system.

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.

SAN BERNARDINO COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2022
(Amounts in thousands)

NOTE 21 – NEW ACCOUNTING PRONOUNCEMENTS

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. 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.

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.

GASB Statement No. 100 – Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62

In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for the fiscal year ending June 30, 2024. The County has not determined the effect of this Statement.

GASB Statement No. 101 – Compensated Absences

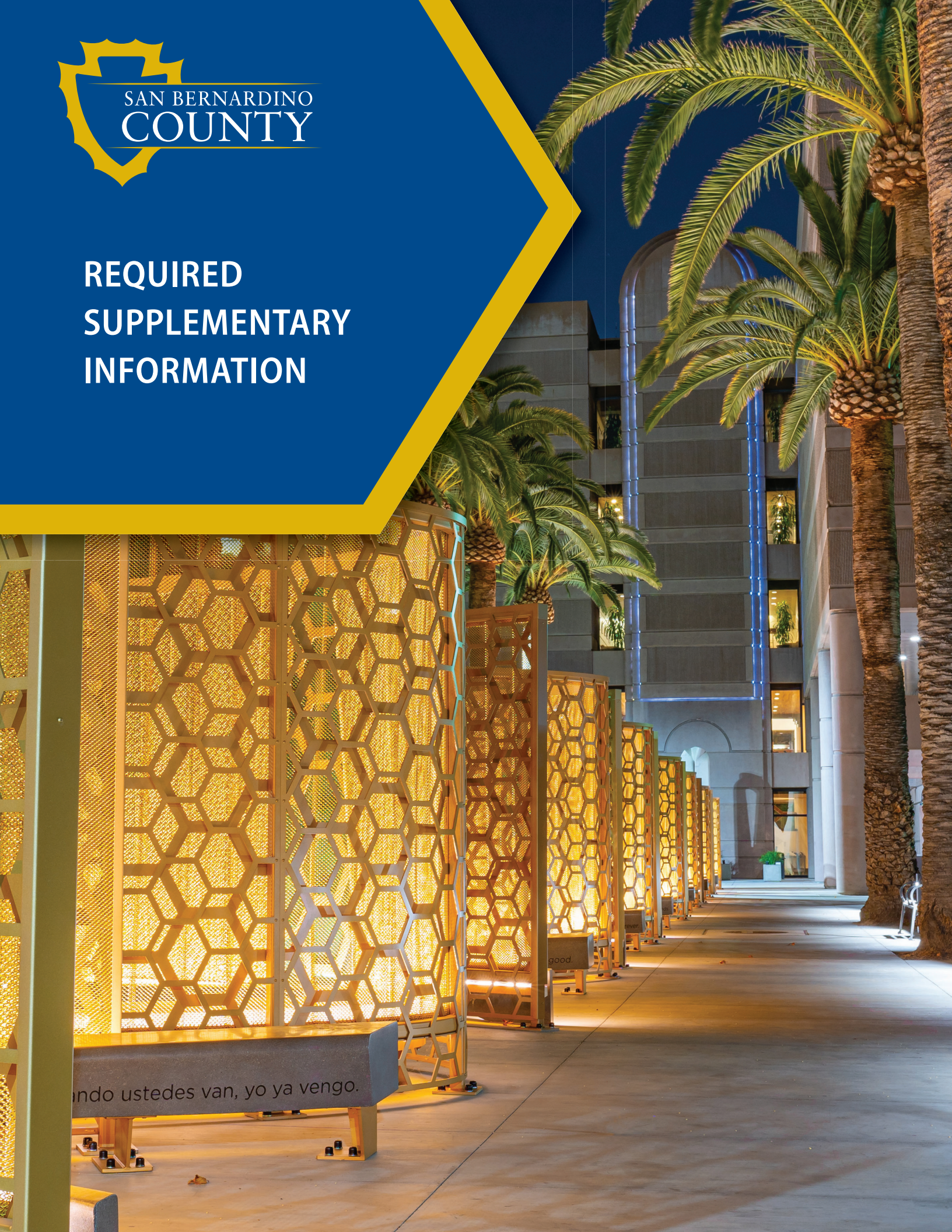
In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for the fiscal year ending June 30, 2025. The County has not determined the effect of this Statement.



SAN BERNARDINO
COUNTY



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 ⁽¹⁾
(Amounts in thousands)**

County Total	2022	2021	2020	2019	2018	2017	2016	2015
County's proportion of the net pension liability ⁽²⁾	80.91%	82.83%	81.73%	81.36%	82.57%	82.92%	83.37%	84.40%
County's proportionate share of the net pension liability	\$ 1,066,486	\$ 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	\$ 1,338,809	\$ 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	79.66%	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	91.19%	71.96%	79.61%	79.89%	77.90%	76.86%	80.98%	82.47%
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Primary Government								
Primary Government's portion of the net pension liability	80.86%	82.76%	81.66%	81.29%	82.48%	82.81%	83.27%	84.29%
Primary Government's proportionate share of the net pension liability	\$ 1,065,772	\$ 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	\$ 1,337,246	\$ 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	79.70%	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	91.19%	71.96%	79.61%	79.89%	77.90%	76.86%	80.98%	82.47%
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Discretely Presented Component Unit								
Component Unit's proportion of the net pension liability	0.05%	0.07%	0.07%	0.07%	0.09%	0.11%	0.10%	0.11%
Component Unit's proportionate share of the net pension liability	\$ 714	\$ 2,896	\$ 1,887	\$ 1,741	\$ 2,032	\$ 2,184	\$ 1,672	\$ 1,571
Component Unit's covered payroll	\$ 1,563	\$ 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	45.70%	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	91.19%	71.96%	79.61%	79.89%	77.90%	76.86%	80.98%	82.47%
Measurement date	June 30, 2021	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 2022, there was no changes of assumptions. Amounts reported in 2022 primarily reflect the 32.61% return on the market value of assets during 2020-2021 that was higher than the assumed return of 7.25% and the changes in benefit terms based on a decision in the Alameda County Deputy Sheriffs' Assn. et al. v. Alameda County Employees' Retirement Assn. litigation issued by the California Supreme Court on July 30, 2020. The Board of Retirement adopted Resolution 2020-5, which detailed the implementation of the Alameda decision including reclassifying certain pay items for inclusion in compensation earnable. The results in this valuation reflect the reclassification of those pay codes, which reduced the Plan's net pension liability by \$132.8 million.

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.

⁽¹⁾ Fiscal year 2015 was the first year of implementation, therefore, only eight years are shown.

⁽²⁾ 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 ⁽¹⁾
(Amounts in thousands)**

<u>County Total</u>	<u>2022</u>	<u>2021⁽²⁾</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 453,712	\$ 413,599	\$ 387,854	\$ 371,241	\$ 315,907	\$ 303,138	\$ 286,271	\$ 255,377
Contributions in relation to the actuarially determined contribution	453,712	413,599	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>	<u>\$ -</u>
County's covered payroll	\$ 1,368,248	\$ 1,338,809	\$ 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	33.16%	30.89%	30.15%	30.38%	27.16%	27.15%	27.70%	24.36%
<u>Primary Government</u>	<u>2022</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	\$ 453,263	\$ 413,204	\$ 387,511	\$ 370,902	\$ 315,618	\$ 302,836	\$ 285,943	\$ 255,080
Contributions in relation to the actuarially determined contribution	453,263	413,204	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>	<u>\$ -</u>
County's covered payroll	\$ 1,366,611	\$ 1,337,246	\$ 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	33.17%	30.90%	30.15%	30.38%	27.16%	27.16%	26.98%	24.36%
<u>Discretely Presented Component Unit</u>	<u>2022</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	\$ 449	\$ 395	\$ 343	\$ 339	\$ 289	\$ 302	\$ 328	\$ 297
Contributions in relation to the actuarially determined contribution	449	395	343	339	289	302	328	297
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 1,637	\$ 1,563	\$ 1,380	\$ 1,390	\$ 1,301	\$ 1,372	\$ 1,443	\$ 1,406
Contributions as a percentage of covered payroll	33.14%	25.25%	24.89%	24.42%	22.19%	21.98%	22.91%	21.18%

Note to Schedule:

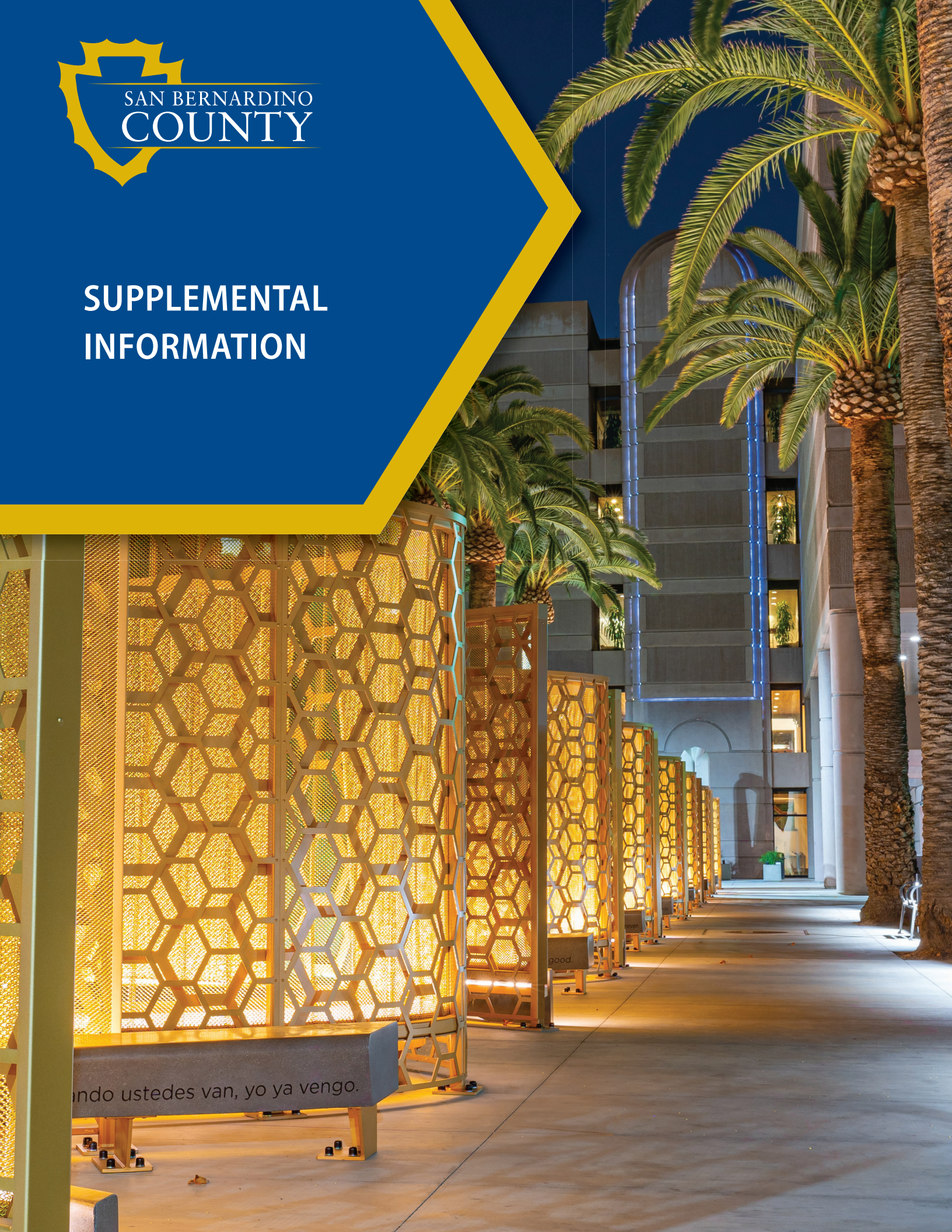
⁽¹⁾ Fiscal year 2015 was the first year of implementation, therefore, only eight years are shown.

⁽²⁾ 2021 Contributions have been revised due to the Plan corrected an error on the 415 replacement benefit plan adjustment.





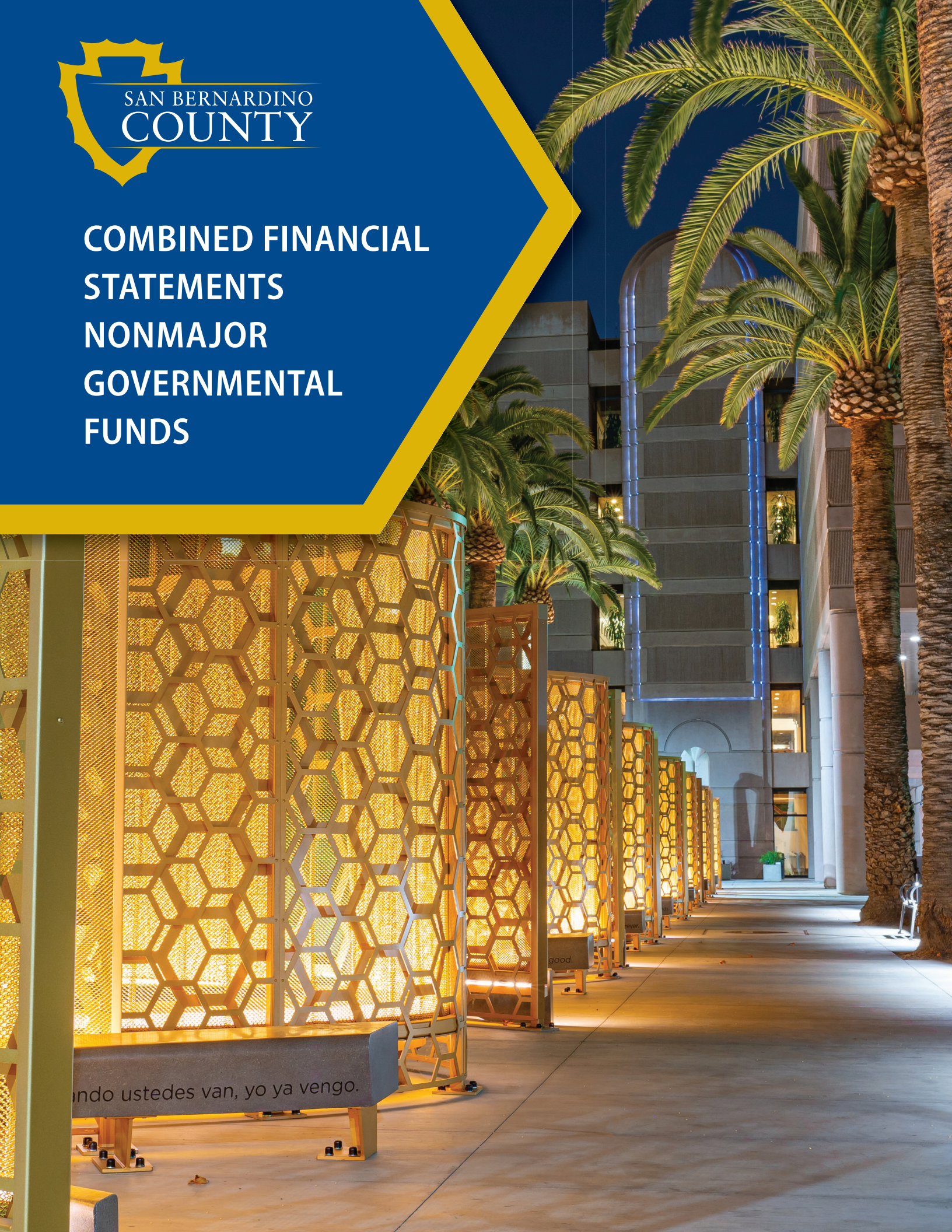
SUPPLEMENTAL INFORMATION



ndo ustedes van, yo ya vengo.



**COMBINED FINANCIAL
STATEMENTS
NONMAJOR
GOVERNMENTAL
FUNDS**





**SAN BERNARDINO COUNTY
COMBINED BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022 (IN THOUSANDS)**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUNDS	TOTAL NONMAJOR FUNDS
ASSETS					
CASH AND INVESTMENTS	\$ 1,253,145	\$ 21,601	\$ 32,318	\$ 1,801	\$ 1,308,865
ACCOUNTS RECEIVABLE - NET	2,559	-	-	-	2,559
DUE FROM OTHER GOVERNMENTS	119,162	-	-	-	119,162
TAXES RECEIVABLE	9,732	-	-	-	9,732
INTEREST RECEIVABLE	2,415	39	62	-	2,516
LOAN RECEIVABLE	6,264	-	-	-	6,264
OTHER RECEIVABLES	1,405	-	-	-	1,405
DUE FROM OTHER FUNDS	22,178	1,461	3,218	-	26,857
LAND HELD FOR RESALE	361	-	1,301	-	1,662
INVENTORIES	262	-	-	-	262
PREPAID ITEMS	22,545	-	-	-	22,545
ADVANCES TO OTHER FUNDS	305	-	-	-	305
RESTRICTED CASH AND INVESTMENTS	8,970	-	-	-	8,970
TOTAL ASSETS	\$ 1,449,303	\$ 23,101	\$ 36,899	\$ 1,801	\$ 1,511,104
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE	\$ 43,170	\$ -	\$ 152	\$ -	\$ 43,322
SALARIES AND BENEFITS PAYABLE	19,506	-	-	-	19,506
DUE TO OTHER FUNDS	57,467	14,151	67	-	71,685
DUE TO OTHER GOVERNMENTS	5,538	-	-	-	5,538
INTEREST PAYABLE	206	-	27	-	233
ADVANCES FROM OTHERS	20,379	-	-	-	20,379
ADVANCES FROM OTHER FUNDS	11,469	-	4,500	-	15,969
TOTAL LIABILITIES	157,735	14,151	4,746	-	176,632
DEFERRED INFLOWS OF RESOURCES	9,532	39	62	-	9,633
FUND BALANCES:					
NONSPENDABLE	22,807	-	-	1,801	24,608
RESTRICTED	1,129,220	8,911	32,091	-	1,170,222
ASSIGNED	130,041	-	-	-	130,041
UNASSIGNED	(32)	-	-	-	(32)
TOTAL FUND BALANCES	1,282,036	8,911	32,091	1,801	1,324,839
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,449,303	\$ 23,101	\$ 36,899	\$ 1,801	\$ 1,511,104

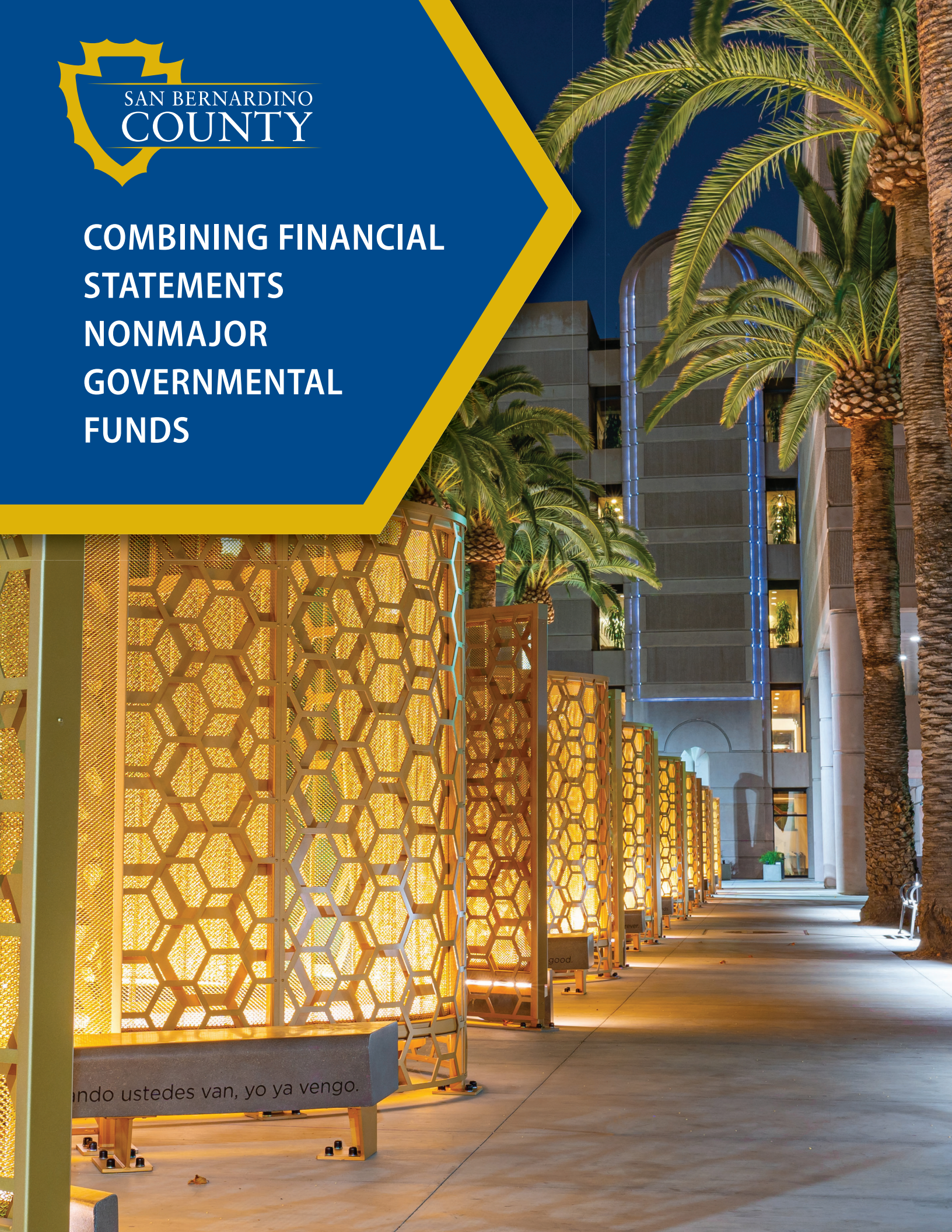
**SAN BERNARDINO COUNTY
 COMBINED - STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	PERMANENT FUNDS	TOTAL NONMAJOR FUNDS
REVENUES					
TAXES	\$ 240,732	\$ -	\$ -	\$ -	\$ 240,732
LICENSES, PERMITS, AND FRANCHISES	1,169	-	-	-	1,169
FINES, FORFEITURES, AND PENALTIES	5,131	-	-	-	5,131
REVENUES FROM USE OF MONEY AND PROPERTY	(14,111)	-	(509)	(36)	(14,656)
AID FROM OTHER GOVERNMENTAL AGENCIES	594,288	-	179	-	594,467
CHARGES FOR CURRENT SERVICES	151,628	-	1	-	151,629
OTHER REVENUES	43,333	1,781	3,499	-	48,613
TOTAL REVENUES	1,022,170	1,781	3,170	(36)	1,027,085
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT	7,538	3	515	-	8,056
PUBLIC PROTECTION	287,857	-	-	-	287,857
PUBLIC WAYS AND FACILITIES	86,104	-	-	-	86,104
HEALTH AND SANITATION	229,911	-	-	-	229,911
PUBLIC ASSISTANCE	144,028	-	-	-	144,028
EDUCATION	19,055	-	-	-	19,055
RECREATION AND CULTURAL SERVICES	10,693	-	-	-	10,693
DEBT SERVICE:					
PRINCIPAL	12,863	119,109	-	-	131,972
INTEREST AND FISCAL CHARGES	1,425	5,222	27	-	6,674
CAPITAL OUTLAY	37,157	-	2,551	-	39,708
TOTAL EXPENDITURES	836,631	124,334	3,093	-	964,058
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	185,539	(122,553)	77	(36)	63,027
OTHER FINANCING SOURCES (USES):					
TRANSFERS OUT	(72,589)	-	(1,938)	-	(74,527)
TRANSFERS IN	74,616	114,192	4,941	-	193,749
LEASE FINANCING	2,457	-	-	-	2,457
SALE OF CAPITAL ASSETS	1,109	-	-	-	1,109
TOTAL OTHER FINANCING SOURCES AND (USES)	5,593	114,192	3,003	-	122,788
NET CHANGE IN FUND BALANCES	191,132	(8,361)	3,080	(36)	185,815
FUND BALANCES, BEGINNING	1,090,904	17,272	29,011	1,837	1,139,024
FUND BALANCES, ENDING	\$ 1,282,036	\$ 8,911	\$ 32,091	\$ 1,801	\$ 1,324,839





COMBINING FINANCIAL STATEMENTS NONMAJOR GOVERNMENTAL FUNDS



ando ustedes van, yo ya vengo.

good

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, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>TRANSPORTATION</u>	<u>SPECIAL TRANSPORTATION</u>	<u>SPECIAL AVIATION</u>
ASSETS				
CASH AND INVESTMENTS	\$ 1,253,145	\$ 91,529	\$ 75,771	\$ 5,102
ACCOUNTS RECEIVABLE - NET	2,559	1	-	-
DUE FROM OTHER GOVERNMENTS	119,162	11,148	2,308	-
TAXES RECEIVABLE	9,732	-	-	-
INTEREST RECEIVABLE	2,415	174	144	10
LOANS RECEIVABLE	6,264	-	-	-
OTHER RECEIVABLES	1,405	-	-	-
DUE FROM OTHER FUNDS	22,178	3,337	90	851
LAND HELD FOR RESALE	361	-	-	-
INVENTORIES	262	99	-	-
PREPAID ITEMS	22,545	53	-	-
ADVANCES TO OTHER FUNDS	305	55	-	-
RESTRICTED CASH AND CASH EQUIVALENTS	8,970	-	-	-
TOTAL ASSETS	<u>\$ 1,449,303</u>	<u>\$ 106,396</u>	<u>\$ 78,313</u>	<u>\$ 5,963</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 43,170	\$ 5,736	\$ 107	\$ -
SALARIES AND BENEFITS PAYABLE	19,506	1,005	-	-
DUE TO OTHER FUNDS	57,467	687	311	14
DUE TO OTHER GOVERNMENTS	5,538	251	-	-
INTEREST PAYABLE	206	-	-	-
ADVANCES FROM OTHERS	20,379	982	-	-
ADVANCES FROM OTHER FUNDS	11,469	-	55	-
TOTAL LIABILITIES	<u>157,735</u>	<u>8,661</u>	<u>473</u>	<u>14</u>
DEFERRED INFLOWS OF RESOURCES	<u>9,532</u>	<u>175</u>	<u>144</u>	<u>10</u>
FUND BALANCES:				
NONSPENDABLE	22,807	152	-	-
RESTRICTED	1,129,220	66,545	77,696	5,939
ASSIGNED	130,041	30,863	-	-
UNASSIGNED	(32)	-	-	-
TOTAL FUND BALANCES	<u>1,282,036</u>	<u>97,560</u>	<u>77,696</u>	<u>5,939</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,449,303</u>	<u>\$ 106,396</u>	<u>\$ 78,313</u>	<u>\$ 5,963</u>

**SAN BERNARDINO COUNTY
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2022 (IN THOUSANDS)**

	MENTAL HEALTH SERVICES ACT	PRESCHOOL SERVICES	AGING AND ADULT SERVICES	JOBS AND EMPLOYMENT SERVICES
ASSETS				
CASH AND INVESTMENTS	\$ 242,568	\$ 1,856	\$ 775	\$ 1,215
DUE FROM OTHER GOVERNMENTS	49,506	5,864	4,648	2,103
INTEREST RECEIVABLE	458	4	2	2
OTHER RECEIVABLE	67	-	-	-
DUE FROM OTHER FUNDS	1,543	153	33	34
TOTAL ASSETS	<u>\$ 294,142</u>	<u>\$ 7,877</u>	<u>\$ 5,458</u>	<u>\$ 3,354</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 19,180	\$ 3,832	\$ 12	\$ 1,579
SALARIES AND BENEFITS PAYABLE	1,726	965	90	274
DUE TO OTHER FUNDS	3,883	617	3,783	112
DUE TO OTHER GOVERNMENTS	3,143	366	-	910
ADVANCES FROM OTHERS	-	21	-	-
TOTAL LIABILITIES	<u>27,932</u>	<u>5,801</u>	<u>3,885</u>	<u>2,875</u>
DEFERRED INFLOWS OF RESOURCES	<u>458</u>	<u>4</u>	<u>2</u>	<u>49</u>
FUND BALANCES:				
RESTRICTED	<u>265,752</u>	<u>2,072</u>	<u>1,571</u>	<u>430</u>
TOTAL FUND BALANCES	<u>265,752</u>	<u>2,072</u>	<u>1,571</u>	<u>430</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 294,142</u>	<u>\$ 7,877</u>	<u>\$ 5,458</u>	<u>\$ 3,354</u>

**SAN BERNARDINO COUNTY
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2022 (IN THOUSANDS)**

	COURTHOUSE TEMPORARY CONSTRUCTION	CRIMINAL JUSTICE TEMPORARY CONSTRUCTION	CENTRAL COURTHOUSE SURCHARGE	MICROGRAPHICS FEES
ASSETS				
CASH AND INVESTMENTS	\$ 63	\$ 4,856	\$ -	\$ 24,792
ACCOUNTS RECEIVABLE - NET	-	-	-	14
DUE FROM OTHER GOVERNMENTS	1	1	-	-
INTEREST RECEIVABLE	-	-	-	47
LOANS RECEIVABLE	-	-	-	764
DUE FROM OTHER FUNDS	-	-	-	147
TOTAL ASSETS	<u>\$ 64</u>	<u>\$ 4,857</u>	<u>\$ -</u>	<u>\$ 25,764</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ -	\$ -	\$ -	\$ 31
SALARIES AND BENEFITS PAYABLE	-	-	-	11
DUE TO OTHER FUNDS	-	4,856	-	-
DUE TO OTHER GOVERNMENTS	64	-	-	-
TOTAL LIABILITIES	<u>64</u>	<u>4,856</u>	<u>-</u>	<u>42</u>
DEFERRED INFLOWS OF RESOURCES	-	-	-	47
FUND BALANCES:				
RESTRICTED	-	1	-	25,675
TOTAL FUND BALANCES	<u>-</u>	<u>1</u>	<u>-</u>	<u>25,675</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 64</u>	<u>\$ 4,857</u>	<u>\$ -</u>	<u>\$ 25,764</u>

**SAN BERNARDINO COUNTY
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2022 (IN THOUSANDS)**

	LOCAL LAW ENFORCEMENT BLOCK GRANT	SHERIFF SPECIAL PROJECTS	FIRE PROTECTION DISTRICTS	ECONOMIC AND COMMUNITY DEVELOPMENT
ASSETS				
CASH AND INVESTMENTS	\$ 4,132	\$ 15,142	\$ 210,016	\$ 36,849
ACCOUNTS RECEIVABLE - NET	-	-	1,227	-
DUE FROM OTHER GOVERNMENTS	251	1,009	2,956	17,517
TAXES RECEIVABLE	-	-	4,358	-
INTEREST RECEIVABLE	8	29	-	71
LOANS RECEIVABLE	-	-	-	5,500
OTHER RECEIVABLES	-	-	1,338	-
DUE FROM OTHER FUNDS	542	-	2,298	1,826
PREPAID ITEMS	-	-	8,785	13,562
TOTAL ASSETS	<u>\$ 4,933</u>	<u>\$ 16,180</u>	<u>\$ 230,978</u>	<u>\$ 75,325</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ -	\$ 363	\$ 5,410	\$ 324
SALARIES AND BENEFITS PAYABLE	-	-	7,118	106
DUE TO OTHER FUNDS	1,757	788	1,086	2,139
DUE TO OTHER GOVERNMENTS	16	227	161	75
INTEREST PAYABLE	-	-	-	25
ADVANCES FROM OTHERS	-	-	947	12,961
ADVANCES FROM OTHER FUNDS	-	-	-	5,500
TOTAL LIABILITIES	<u>1,773</u>	<u>1,378</u>	<u>14,722</u>	<u>21,130</u>
DEFERRED INFLOWS OF RESOURCES	<u>8</u>	<u>29</u>	<u>3,086</u>	<u>73</u>
FUND BALANCES:				
NONSPENDABLE	-	-	8,785	13,562
RESTRICTED	3,152	14,773	181,249	36,239
ASSIGNED	-	-	23,136	4,321
TOTAL FUND BALANCES	<u>3,152</u>	<u>14,773</u>	<u>213,170</u>	<u>54,122</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 4,933</u>	<u>\$ 16,180</u>	<u>\$ 230,978</u>	<u>\$ 75,325</u>

**SAN BERNARDINO COUNTY
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2022 (IN THOUSANDS)**

	FLOOD CONTROL DISTRICT	COUNTY SERVICE AREAS	PARK AND RECREATION DISTRICTS	COUNTY FREE LIBRARY
ASSETS				
CASH AND INVESTMENTS	\$ 213,708	\$ 34,247	\$ 5,683	\$ 27,747
ACCOUNTS RECEIVABLE - NET	833	33	19	156
DUE FROM OTHER GOVERNMENTS	1,281	246	-	7
TAXES RECEIVABLE	3,852	245	145	1,132
INTEREST RECEIVABLE	908	24	-	51
DUE FROM OTHER FUNDS	1,194	1,688	419	240
INVENTORIES	-	-	163	-
PREPAID ITEMS	145	-	-	-
ADVANCES TO OTHER FUNDS	-	250	-	-
RESTRICTED CASH AND INVESTMENTS	8,970	-	-	-
TOTAL ASSETS	<u>\$ 230,891</u>	<u>\$ 36,733</u>	<u>\$ 6,429</u>	<u>\$ 29,333</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE	\$ 1,853	\$ 427	\$ 235	\$ 334
SALARIES AND BENEFITS PAYABLE	547	320	77	284
DUE TO OTHER FUNDS	1,248	157	225	36
DUE TO OTHER GOVERNMENTS	91	187	9	29
INTEREST PAYABLE	-	12	169	-
ADVANCES FROM OTHERS	4,397	27	-	-
ADVANCES FROM OTHER FUNDS	-	414	5,500	-
TOTAL LIABILITIES	<u>8,136</u>	<u>1,544</u>	<u>6,215</u>	<u>683</u>
DEFERRED INFLOWS OF RESOURCES	<u>3,998</u>	<u>229</u>	<u>83</u>	<u>657</u>
FUND BALANCES:				
NONSPENDABLE	145	-	163	-
RESTRICTED	209,448	34,960	-	27,993
ASSIGNED	9,164	-	-	-
UNASSIGNED	-	-	(32)	-
TOTAL FUND BALANCES	<u>218,757</u>	<u>34,960</u>	<u>131</u>	<u>27,993</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 230,891</u>	<u>\$ 36,733</u>	<u>\$ 6,429</u>	<u>\$ 29,333</u>

**SAN BERNARDINO COUNTY
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2022 (IN THOUSANDS)**

	REDEVELOPMENT SUCCESSOR HOUSING	JOINT POWERS AUTHORITIES	OTHER SPECIAL REVENUE
ASSETS			
CASH AND INVESTMENTS	\$ 3,653	\$ 3,950	\$ 249,491
ACCOUNTS RECEIVABLE - NET	-	-	276
DUE FROM OTHER GOVERNMENTS	-	-	20,316
INTEREST RECEIVABLE	7	3	473
DUE FROM OTHER FUNDS	1,316	-	6,467
LAND HELD FOR RESALE	361	-	-
TOTAL ASSETS	<u>\$ 5,337</u>	<u>\$ 3,953</u>	<u>\$ 277,023</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES:			
ACCOUNTS PAYABLE	\$ 20	\$ -	\$ 3,727
SALARIES AND BENEFITS PAYABLE	-	-	6,983
DUE TO OTHER FUNDS	4	-	35,764
DUE TO OTHER GOVERNMENTS	-	-	9
ADVANCES FROM OTHERS	-	-	1,044
TOTAL LIABILITIES	<u>24</u>	<u>-</u>	<u>47,527</u>
DEFERRED INFLOWS OF RESOURCES	<u>7</u>	<u>-</u>	<u>473</u>
FUND BALANCES:			
RESTRICTED	5,306	3,953	166,466
ASSIGNED	-	-	62,557
TOTAL FUND BALANCES	<u>5,306</u>	<u>3,953</u>	<u>229,023</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 5,337</u>	<u>\$ 3,953</u>	<u>\$ 277,023</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>TRANSPORTATION</u>	<u>SPECIAL TRANSPORTATION</u>	<u>SPECIAL AVIATION</u>
REVENUES:				
TAXES	\$ 240,732	\$ -	\$ 8,495	\$ -
LICENSES, PERMITS AND FRANCHISES	1,169	292	-	-
FINES, FORFEITURES AND PENALTIES	5,131	-	-	-
REVENUES FROM USE OF MONEY AND PROPERTY	(14,111)	(1,756)	(1,383)	(131)
AID FROM OTHER GOVERNMENTAL AGENCIES	594,288	85,042	864	-
CHARGES FOR CURRENT SERVICES	151,628	2,309	3,514	-
OTHER REVENUES	43,333	117	75	-
TOTAL REVENUES	<u>1,022,170</u>	<u>86,004</u>	<u>11,565</u>	<u>(131)</u>
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	7,538	-	-	15
PUBLIC PROTECTION	287,857	-	-	-
PUBLIC WAYS AND FACILITIES	86,104	78,813	4,902	-
HEALTH AND SANITATION	229,911	-	-	-
PUBLIC ASSISTANCE	144,028	-	-	-
EDUCATION	19,055	-	-	-
RECREATION AND CULTURAL SERVICES	10,693	-	-	-
DEBT SERVICE:				
PRINCIPAL	12,863	-	-	-
INTEREST AND FISCAL CHARGES	1,425	-	-	-
CAPITAL OUTLAY	37,157	3,633	-	-
TOTAL EXPENDITURES	<u>836,631</u>	<u>82,446</u>	<u>4,902</u>	<u>15</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>185,539</u>	<u>3,558</u>	<u>6,663</u>	<u>(146)</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS OUT	(72,589)	(6,270)	(964)	(1,128)
TRANSFERS IN	74,616	4,545	-	856
LEASE FINANCING	2,457	-	-	-
SALE OF CAPITAL ASSETS	1,109	715	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,593</u>	<u>(1,010)</u>	<u>(964)</u>	<u>(272)</u>
NET CHANGE IN FUND BALANCES	191,132	2,548	5,699	(418)
FUND BALANCES, BEGINNING	1,090,904	95,012	71,997	6,357
FUND BALANCES, ENDING	<u>\$ 1,282,036</u>	<u>\$ 97,560</u>	<u>\$ 77,696</u>	<u>\$ 5,939</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	MENTAL HEALTH SERVICES ACT	PRESCHOOL SERVICES	AGING AND ADULT SERVICES	JOBS AND EMPLOYMENT SERVICES
REVENUES:				
REVENUES FROM USE OF MONEY AND PROPERTY	\$ (1,666)	\$ (54)	\$ (38)	\$ 439
AID FROM OTHER GOVERNMENTAL AGENCIES	240,600	67,548	15,273	20,936
CHARGES FOR CURRENT SERVICES	22	-	-	-
OTHER REVENUES	9,566	79	2,517	240
TOTAL REVENUES	248,522	67,573	17,752	21,615
EXPENDITURES:				
CURRENT:				
HEALTH AND SANITATION	176,966	-	-	-
PUBLIC ASSISTANCE	-	62,392	17,579	19,291
DEBT SERVICE:				
PRINCIPAL	1,829	1,499	-	558
INTEREST AND FISCAL CHARGES	12	31	-	67
CAPITAL OUTLAY	1,812	3,367	-	-
TOTAL EXPENDITURES	180,619	67,289	17,579	19,916
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	67,903	284	173	1,699
OTHER FINANCING SOURCES (USES):				
TRANSFERS OUT	(2,283)	(2,939)	(14,949)	(339)
TRANSFERS IN	2,176	3	14,832	270
LEASE FINANCING	-	2,260	-	-
SALE OF CAPITAL ASSETS	-	10	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(107)	(666)	(117)	(69)
NET CHANGE IN FUND BALANCES	67,796	(382)	56	1,630
FUND BALANCES, BEGINNING	197,956	2,454	1,515	(1,200)
FUND BALANCES, ENDING	\$ 265,752	\$ 2,072	\$ 1,571	\$ 430

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>COURTHOUSE TEMPORARY CONSTRUCTION</u>	<u>CRIMINAL JUSTICE TEMPORARY CONSTRUCTION</u>	<u>CENTRAL COURTHOUSE SURCHARGE</u>	<u>MICROGRAPHICS FEES</u>
REVENUES:				
FINES, FORFEITURES AND PENALTIES	\$ 586	\$ 1,504	\$ -	\$ -
REVENUES FROM USE OF MONEY AND PROPERTY	1	(55)	-	(162)
AID FROM OTHER GOVERNMENTAL AGENCIES	-	-	-	1
CHARGES FOR CURRENT SERVICES	-	-	1,781	3,959
TOTAL REVENUES	<u>587</u>	<u>1,449</u>	<u>1,781</u>	<u>3,798</u>
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	587	-	-	-
PUBLIC PROTECTION	-	-	-	3,469
CAPITAL OUTLAY	-	-	-	75
TOTAL EXPENDITURES	<u>587</u>	<u>-</u>	<u>-</u>	<u>3,544</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>1,449</u>	<u>1,781</u>	<u>254</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS OUT	-	(2,792)	(1,782)	(15)
TRANSFERS IN	-	-	-	2,186
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(2,792)</u>	<u>(1,782)</u>	<u>2,171</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>(1,343)</u>	<u>(1)</u>	<u>2,425</u>
FUND BALANCES, BEGINNING	<u>-</u>	<u>1,344</u>	<u>1</u>	<u>23,250</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 25,675</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	LOCAL LAW ENFORCEMENT BLOCK GRANT	SHERIFF SPECIAL PROJECTS	FIRE PROTECTION DISTRICTS	ECONOMIC AND COMMUNITY DEVELOPMENT
REVENUES:				
TAXES	\$ -	\$ -	\$ 119,347	\$ -
FINES, FORFEITURES AND PENALTIES	542	42	-	-
REVENUES FROM USE OF MONEY AND PROPERTY	(57)	(296)	(3,406)	(790)
AID FROM OTHER GOVERNMENTAL AGENCIES	863	11,503	22,854	39,790
CHARGES FOR CURRENT SERVICES	2,158	529	117,245	7
OTHER REVENUES	-	8	1,076	59
TOTAL REVENUES	3,506	11,786	257,116	39,066
EXPENDITURES:				
CURRENT:				
PUBLIC PROTECTION	2,346	9,687	221,257	-
PUBLIC ASSISTANCE	-	-	-	43,159
DEBT SERVICE:				
PRINCIPAL	-	-	566	-
INTEREST AND FISCAL CHARGES	-	-	293	25
CAPITAL OUTLAY	-	1,849	11,210	-
TOTAL EXPENDITURES	2,346	11,536	233,326	43,184
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,160	250	23,790	(4,118)
OTHER FINANCING SOURCES (USES):				
TRANSFERS OUT	-	-	(9,948)	(4,410)
TRANSFERS IN	-	-	25,428	1,575
SALE OF CAPITAL ASSETS	-	-	79	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	15,559	(2,835)
NET CHANGE IN FUND BALANCES	1,160	250	39,349	(6,953)
FUND BALANCES, BEGINNING	1,992	14,523	173,821	61,075
FUND BALANCES, ENDING	<u>\$ 3,152</u>	<u>\$ 14,773</u>	<u>\$ 213,170</u>	<u>\$ 54,122</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	FLOOD CONTROL DISTRICT	COUNTY SERVICE AREAS	PARK AND RECREATION DISTRICTS	COUNTY FREE LIBRARY
REVENUES:				
TAXES	\$ 79,369	\$ 5,203	\$ 3,224	\$ 25,059
LICENSES, PERMITS AND FRANCHISES	321	-	-	-
FINES, FORFEITURES AND PENALTIES	2	1	-	-
REVENUES FROM USE OF MONEY AND PROPERTY	(1,670)	(529)	(85)	(7)
AID FROM OTHER GOVERNMENTAL AGENCIES	4,821	40	51	230
CHARGES FOR CURRENT SERVICES	1,542	4,804	2,545	507
OTHER REVENUES	125	265	1,188	126
TOTAL REVENUES	84,510	9,784	6,923	25,915
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	-	4,540	-	-
PUBLIC PROTECTION	27,960	-	-	-
PUBLIC WAYS AND FACILITIES	-	2,389	-	-
EDUCATION	-	-	-	19,055
RECREATION AND CULTURAL SERVICES	-	2,049	4,965	-
DEBT SERVICE:				
PRINCIPAL	6,580	-	-	388
INTEREST AND FISCAL CHARGES	286	3	43	12
CAPITAL OUTLAY	3,478	1,116	45	225
TOTAL EXPENDITURES	38,304	10,097	5,053	19,680
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	46,206	(313)	1,870	6,235
OTHER FINANCING SOURCES (USES):				
TRANSFERS OUT	(4,660)	(470)	(400)	(351)
TRANSFERS IN	3,891	2,850	803	4
LEASE FINANCING	-	-	-	197
SALE OF CAPITAL ASSETS	290	6	9	-
TOTAL OTHER FINANCING SOURCES (USES)	(479)	2,386	412	(150)
NET CHANGE IN FUND BALANCES	45,727	2,073	2,282	6,085
FUND BALANCES, BEGINNING	173,030	32,887	(2,151)	21,908
FUND BALANCES, ENDING	\$ 218,757	\$ 34,960	\$ 131	\$ 27,993

SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)

	REDEVELOPMENT SUCCESSOR HOUSING	JOINT POWERS AUTHORITIES	OTHER SPECIAL REVENUE
REVENUES:			
TAXES	\$ -	\$ -	\$ 35
LICENSES, PERMITS AND FRANCHISES	-	-	556
FINES, FORFEITURES AND PENALTIES	-	-	2,454
REVENUES FROM USE OF MONEY AND PROPERTY	(88)	1	(2,379)
AID FROM OTHER GOVERNMENTAL AGENCIES	-	-	83,872
CHARGES FOR CURRENT SERVICES	-	-	10,706
OTHER REVENUES	339	-	27,553
TOTAL REVENUES	251	1	122,797
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	-	1	2,395
PUBLIC PROTECTION	-	-	23,138
HEALTH AND SANITATION	-	-	52,945
PUBLIC ASSISTANCE	138	-	1,469
RECREATION AND CULTURAL SERVICES	-	-	3,679
DEBT SERVICE:			
PRINCIPAL	-	990	453
INTEREST AND FISCAL CHARGES	-	639	14
CAPITAL OUTLAY	-	-	10,347
TOTAL EXPENDITURES	138	1,630	94,440
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	113	(1,629)	28,357
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	-	-	(18,889)
TRANSFERS IN	-	1,782	13,415
TOTAL OTHER FINANCING SOURCES (USES)	-	1,782	(5,474)
NET CHANGE IN FUND BALANCES	113	153	22,883
FUND BALANCES	5,193	3,800	206,140
FUND BALANCES, ENDING	\$ 5,306	\$ 3,953	\$ 229,023

**SAN BERNARDINO COUNTY
 BALANCE SHEET
 DEBT SERVICE FUNDS
 JUNE 30, 2022 (IN THOUSANDS)**

	PENSION OBLIGATION BONDS
ASSETS	
CASH AND INVESTMENTS	\$ 21,601
INTEREST RECEIVABLE	39
DUE FROM OTHER FUNDS	1,461
TOTAL ASSETS	<u>\$ 23,101</u>
DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
DUE TO OTHER FUNDS	\$ 14,151
TOTAL LIABILITIES	<u>14,151</u>
DEFERRED INFLOWS OF RESOURCES	<u>39</u>
FUND BALANCES:	
RESTRICTED	8,911
TOTAL FUND BALANCES	<u>8,911</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 23,101</u>

**SAN BERNARDINO COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	PENSION OBLIGATION BONDS
REVENUES	
OTHER REVENUES	\$ 1,781
TOTAL REVENUES	<u>1,781</u>
EXPENDITURES	
CURRENT:	
GENERAL GOVERNMENT	3
DEBT SERVICE:	
PRINCIPAL	119,109
INTEREST AND FISCAL CHARGES	<u>5,222</u>
TOTAL EXPENDITURES	<u>124,334</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(122,553)</u>
OTHER FINANCING SOURCES (USES):	
TRANSFERS IN	<u>114,192</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>114,192</u>
NET CHANGE IN FUND BALANCES	(8,361)
FUND BALANCES, BEGINNING	<u>17,272</u>
FUND BALANCES, ENDING	<u>\$ 8,911</u>

**SAN BERNARDINO COUNTY
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
JUNE 30, 2022 (IN THOUSANDS)**

	TOTAL	REDEVELOPMENT SUCCESSOR HOUSING	FIRE PROTECTION DISTRICTS	PARK AND RECREATION DISTRICTS	COUNTY SERVICE AREAS
ASSETS					
CASH AND INVESTMENTS	\$ 32,318	\$ 17,789	\$ 8,425	\$ 2,047	\$ 4,057
INTEREST RECEIVABLE	62	34	16	4	8
DUE FROM OTHER FUNDS	3,218	-	-	3,000	218
LAND HELD FOR RESALE	1,301	1,301	-	-	-
TOTAL ASSETS	\$ 36,899	\$ 19,124	\$ 8,441	\$ 5,051	\$ 4,283
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES:					
ACCOUNTS PAYABLE	\$ 152	\$ 1	\$ -	\$ -	\$ 151
DUE TO OTHER FUNDS	67	13	-	7	47
INTEREST PAYABLE	27	-	-	27	-
ADVANCES FROM OTHER FUNDS	4,500	-	-	4,500	-
TOTAL LIABILITIES	4,746	14	-	4,534	198
DEFERRED INFLOWS OF RESOURCES	62	34	16	4	8
FUND BALANCES:					
RESTRICTED	32,091	19,076	8,425	513	4,077
TOTAL FUND BALANCES	32,091	19,076	8,425	513	4,077
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 36,899	\$ 19,124	\$ 8,441	\$ 5,051	\$ 4,283

**SAN BERNARDINO COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	TOTAL	REDEVELOPMENT SUCCESSOR HOUSING	FIRE PROTECTION DISTRICTS	PARK AND RECREATION DISTRICTS	COUNTY SERVICE AREAS
REVENUES					
REVENUES FROM USE OF MONEY AND PROPERTY	\$ (509)	\$ (368)	\$ (75)	\$ (21)	\$ (45)
AID FROM OTHER GOVERNMENTAL AGENCIES	179	-	-	-	179
CHARGES FOR CURRENT SERVICES	1	-	-	-	1
OTHER REVENUES	3,499	-	-	169	3,330
TOTAL REVENUES	3,170	(368)	(75)	148	3,465
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT	515	339	-	16	160
INTEREST AND FISCAL CHARGES	27	-	-	27	-
CAPITAL OUTLAY	2,551	-	-	77	2,474
TOTAL EXPENDITURES	3,093	339	-	120	2,634
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	77	(707)	(75)	28	831
OTHER FINANCING SOURCES (USES):					
TRANSFERS OUT	(1,938)	-	-	(1,680)	(258)
TRANSFERS IN	4,941	-	-	4,608	333
TOTAL OTHER FINANCING SOURCES AND (USES)	3,003	-	-	2,928	75
NET CHANGE IN FUND BALANCES	3,080	(707)	(75)	2,956	906
FUND BALANCES, BEGINNING	29,011	19,783	8,500	(2,443)	3,171
FUND BALANCES, ENDING	\$ 32,091	\$ 19,076	\$ 8,425	\$ 513	\$ 4,077

**SAN BERNARDINO COUNTY
 COMBINING BALANCE SHEET
 PERMANENT FUNDS
 JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>LUCERNE VALLEY CEMETERY ENDOWMENT CARE FUND</u>	<u>ETIWANDA CSA 120 ENDOWMENT CARE FUND</u>
ASSETS			
CASH AND INVESTMENTS	\$ 1,801	\$ 108	\$ 1,693
TOTAL ASSETS	<u>\$ 1,801</u>	<u>\$ 108</u>	<u>\$ 1,693</u>
FUND BALANCES			
NONSPENDABLE	\$ 1,801	\$ 108	\$ 1,693
TOTAL FUND BALANCES	<u>\$ 1,801</u>	<u>\$ 108</u>	<u>\$ 1,693</u>

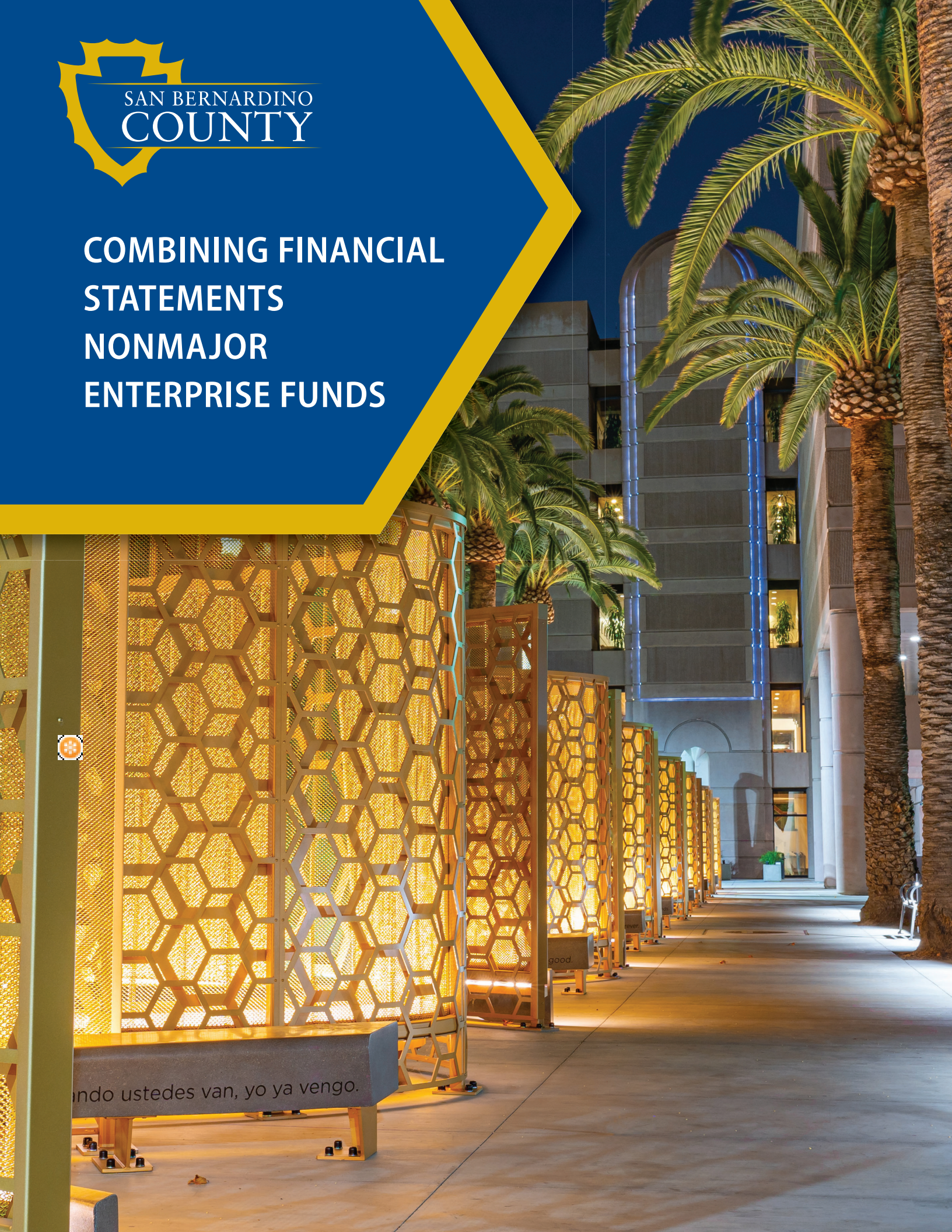
**SAN BERNARDINO COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 PERMANENT FUNDS
 YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>LUCERNE VALLEY CEMETERY ENDOWMENT CARE FUND</u>	<u>ETIWANDA CSA 120 ENDOWMENT CARE FUND</u>
REVENUES			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ (36)	\$ (2)	\$ (34)
TOTAL REVENUES	<u>(36)</u>	<u>(2)</u>	<u>(34)</u>
NET CHANGE IN FUND BALANCES	(36)	(2)	(34)
FUND BALANCES, BEGINNING	1,837	110	1,727
FUND BALANCES, ENDING	<u>\$ 1,801</u>	<u>\$ 108</u>	<u>\$ 1,693</u>





COMBINING FINANCIAL STATEMENTS NONMAJOR ENTERPRISE FUNDS



Quando ustedes van, yo ya vengo.

good

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, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SERVICE AREAS</u>	<u>OTHER ENTERPRISE</u>
ASSETS			
CURRENT ASSETS:			
CASH AND INVESTMENTS	\$ 76,501	\$ 76,177	\$ 324
ACCOUNTS RECEIVABLE, NET	2,806	2,806	-
DUE FROM OTHER GOVERNMENTS	374	374	-
TAXES RECEIVABLE	233	233	-
OTHER RECEIVABLES	102	102	-
DUE FROM OTHER FUNDS	36	36	-
INVENTORIES	30	-	30
TOTAL CURRENT ASSETS	<u>80,082</u>	<u>79,728</u>	<u>354</u>
NONCURRENT ASSETS:			
CAPITAL ASSETS NOT BEING DEPRECIATED OR AMORTIZED:			
LAND	3,861	3,861	-
LAND USE RIGHTS	258	258	-
DEVELOPMENT IN PROGRESS	3,086	3,086	-
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:			
LAND USE RIGHTS	1,004	1,004	-
STRUCTURES, IMPROVEMENTS, AND INFRASTRUCTURE	100,420	100,420	-
EQUIPMENT AND SOFTWARE	1,505	1,505	-
ACCUMULATED DEPRECIATION AND AMORTIZATION	(60,985)	(60,985)	-
TOTAL NONCURRENT ASSETS	<u>49,149</u>	<u>49,149</u>	<u>-</u>
TOTAL ASSETS	<u>129,231</u>	<u>128,877</u>	<u>354</u>
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE	786	785	1
SALARIES AND BENEFITS PAYABLE	2	-	2
DUE TO OTHER FUNDS	1,248	1,248	-
DUE TO OTHER GOVERNMENTS	54	54	-
INTEREST PAYABLE	289	289	-
ADVANCES FROM OTHERS	121	121	-
BONDS AND NOTES PAYABLE	127	127	-
TOTAL CURRENT LIABILITIES	<u>2,627</u>	<u>2,624</u>	<u>3</u>
NONCURRENT LIABILITIES:			
ADVANCES FROM OTHER FUNDS	5,850	5,850	-
BONDS AND NOTES PAYABLE	1,019	1,019	-
TOTAL NONCURRENT LIABILITIES	<u>6,869</u>	<u>6,869</u>	<u>-</u>
TOTAL LIABILITIES	<u>9,496</u>	<u>9,493</u>	<u>3</u>
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	49,109	49,109	-
UNRESTRICTED	70,626	70,275	351
TOTAL NET POSITION	<u>\$ 119,735</u>	<u>\$ 119,384</u>	<u>\$ 351</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SERVICE AREAS</u>	<u>OTHER ENTERPRISE</u>
OPERATING REVENUES:			
CHARGES FOR CURRENT SERVICES	\$ 16,805	\$ 16,712	\$ 93
OTHER OPERATING REVENUES	321	321	-
TOTAL OPERATING REVENUES	<u>17,126</u>	<u>17,033</u>	<u>93</u>
OPERATING EXPENSES:			
PROFESSIONAL SERVICES	1,323	1,323	-
SALARIES AND EMPLOYEES BENEFITS	3,027	2,977	50
SELF-INSURANCE CLAIMS	38	38	-
SERVICES AND SUPPLIES	10,659	10,526	133
DEPRECIATION AND AMORTIZATION	3,129	3,129	-
TOTAL OPERATING EXPENSES	<u>18,176</u>	<u>17,993</u>	<u>183</u>
OPERATING INCOME (LOSS)	<u>(1,050)</u>	<u>(960)</u>	<u>(90)</u>
NONOPERATING REVENUES (EXPENSES):			
INVESTMENT INCOME (LOSS)	(1,029)	(1,029)	-
INTEREST EXPENSE	(81)	(81)	-
TAX REVENUE	4,760	4,760	-
GRANT REVENUE	636	636	-
GAIN (LOSS) ON SALE OF CAPITAL ASSETS	135	135	-
OTHER NONOPERATING REVENUES	1,045	1,045	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>5,466</u>	<u>5,466</u>	<u>-</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	4,416	4,506	(90)
TRANSFERS IN	1	1	-
CHANGE IN NET POSITION	4,417	4,507	(90)
TOTAL NET POSITION, BEGINNING	<u>115,318</u>	<u>114,877</u>	<u>441</u>
TOTAL NET POSITION, ENDING	<u>\$ 119,735</u>	<u>\$ 119,384</u>	<u>\$ 351</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SERVICE AREAS</u>	<u>OTHER NONMAJOR ENTERPRISE</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH RECEIVED FROM SERVICES	\$ 17,291	\$ 17,011	\$ 280
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(11,437)	(11,405)	(32)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(3,026)	(2,977)	(49)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>2,828</u>	<u>2,629</u>	<u>199</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
TAXES RECEIVED	4,730	4,730	-
GRANTS RECEIVED	636	636	-
TRANSFERS RECEIVED	1	1	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>5,367</u>	<u>5,367</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	238	238	-
PRINCIPAL PAID ON BONDS AND NOTES	(75)	(75)	-
INTEREST PAID ON BONDS AND NOTES	(35)	(35)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>128</u>	<u>128</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
INTEREST ON INVESTMENTS	(1,029)	(1,029)	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>(1,029)</u>	<u>(1,029)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,294	7,095	199
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	69,207	69,082	125
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 76,501</u>	<u>\$ 76,177</u>	<u>\$ 324</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	\$ (1,050)	\$ (960)	\$ (90)
DEPRECIATION AND AMORTIZATION	3,129	3,129	-
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	1,045	1,045	-
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:			
ACCOUNTS RECEIVABLE	(1,164)	(1,351)	187
DUE FROM OTHER GOVERNMENTS	242	242	-
INVENTORIES	100	-	100
ACCOUNTS PAYABLE AND OTHER LIABILITIES	430	429	1
SALARIES AND BENEFITS PAYABLE	1	-	1
DUE TO OTHER GOVERNMENTS	53	53	-
ADVANCES FROM OTHERS	42	42	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,828</u>	<u>\$ 2,629</u>	<u>\$ 199</u>
<u>BREAKDOWN OF CASH AND CASH EQUIVALENTS</u>			
CASH AND CASH EQUIVALENTS	<u>\$ 76,501</u>	<u>\$ 76,177</u>	<u>\$ 324</u>



COMBINING FINANCIAL STATEMENTS INTERNAL SERVICE FUNDS



ando ustedes van, yo ya vengo.

good

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, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL SERVICES GROUP</u>	<u>TELECOMMUNICATION SERVICES</u>	<u>COMPUTER OPERATIONS</u>
ASSETS				
CURRENT ASSETS:				
CASH AND INVESTMENTS	\$ 499,017	\$ 2,468	\$ 23,877	\$ 39,351
ACCOUNTS RECEIVABLE - NET	129	-	129	-
DUE FROM OTHER GOVERNMENTS	1,553	31	1,007	223
OTHER RECEIVABLES	8,572	-	-	-
DUE FROM OTHER FUNDS	2,485	256	786	828
INVENTORIES	4,636	33	2,029	-
PREPAID ITEMS	1,638	208	-	1,315
TOTAL CURRENT ASSETS	<u>518,030</u>	<u>2,996</u>	<u>27,828</u>	<u>41,717</u>
NONCURRENT ASSETS:				
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:				
LAND	1,504	610	-	-
DEVELOPMENT IN PROGRESS	3,960	144	298	2,710
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:				
STRUCTURES AND IMPROVEMENTS	40,379	2,024	7,712	10,953
EQUIPMENT AND SOFTWARE	119,938	1,044	17,271	33,134
RIGHT-TO-USE LEASED EQUIPMENT	2,386	2,355	-	-
ACCUMULATED DEPRECIATION AND AMORTIZATION	(103,486)	(864)	(18,269)	(29,533)
TOTAL NONCURRENT ASSETS	<u>64,681</u>	<u>5,313</u>	<u>7,012</u>	<u>17,264</u>
TOTAL ASSETS	<u>582,711</u>	<u>8,309</u>	<u>34,840</u>	<u>58,981</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>20,246</u>	<u>819</u>	<u>3,639</u>	<u>11,025</u>
LIABILITIES				
CURRENT LIABILITIES:				
ACCOUNTS PAYABLE	9,237	178	604	1,593
SALARIES AND BENEFITS PAYABLE	2,187	98	404	1,088
DUE TO OTHER FUNDS	1,107	3	137	186
DUE TO OTHER GOVERNMENTS	61	2	10	9
ADVANCES FROM OTHERS	1,124	-	-	-
COMPENSATED ABSENCES PAYABLE	4,497	203	1,212	1,938
LEASE LIABILITY	475	465	-	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	92,689	-	-	-
TOTAL CURRENT LIABILITIES	<u>111,377</u>	<u>949</u>	<u>2,367</u>	<u>4,814</u>
NONCURRENT LIABILITIES:				
COMPENSATED ABSENCES PAYABLE	4,672	83	465	3,272
LEASE LIABILITY	1,669	1,657	-	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	315,836	-	-	-
NET PENSION LIABILITY	16,446	772	3,394	8,087
TOTAL NONCURRENT LIABILITIES	<u>338,623</u>	<u>2,512</u>	<u>3,859</u>	<u>11,359</u>
TOTAL LIABILITIES	<u>450,000</u>	<u>3,461</u>	<u>6,226</u>	<u>16,173</u>
DEFERRED INFLOWS OF RESOURCES	<u>30,947</u>	<u>1,270</u>	<u>5,637</u>	<u>16,692</u>
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS UNRESTRICTED	61,417 60,593	3,191 1,206	6,949 19,667	16,615 20,526
TOTAL NET POSITION	<u>\$ 122,010</u>	<u>\$ 4,397</u>	<u>\$ 26,616</u>	<u>\$ 37,141</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS (CONTINUED)
JUNE 30, 2022 (IN THOUSANDS)**

	FLEET MANAGEMENT	RISK MANAGEMENT	FLOOD CONTROL EQUIPMENT
ASSETS			
CURRENT ASSETS:			
CASH AND INVESTMENTS	\$ 22,174	\$ 407,905	\$ 3,242
DUE FROM OTHER GOVERNMENTS	209	77	6
OTHER RECEIVABLES	-	8,572	-
DUE FROM OTHER FUNDS	146	160	309
INVENTORIES	2,574	-	-
PREPAID ITEMS	-	115	-
TOTAL CURRENT ASSETS	<u>25,103</u>	<u>416,829</u>	<u>3,557</u>
NONCURRENT ASSETS:			
CAPITAL ASSETS NOT BEING DEPRECIATED AND AMORTIZED:			
LAND	894	-	-
DEVELOPMENT IN PROGRESS	808	-	-
CAPITAL ASSETS BEING DEPRECIATED AND AMORTIZED:			
STRUCTURES AND IMPROVEMENTS	19,690	-	-
EQUIPMENT AND SOFTWARE	48,813	663	19,013
RIGHT-TO-USE LEASED EQUIPMENT	31	-	-
ACCUMULATED DEPRECIATION AND AMORTIZATION	(44,197)	(663)	(9,960)
TOTAL NONCURRENT ASSETS	<u>26,039</u>	<u>-</u>	<u>9,053</u>
TOTAL ASSETS	<u>51,142</u>	<u>416,829</u>	<u>12,610</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>2,710</u>	<u>2,053</u>	<u>-</u>
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE	2,009	4,839	14
SALARIES AND BENEFITS PAYABLE	373	224	-
DUE TO OTHER FUNDS	266	515	-
DUE TO OTHER GOVERNMENTS	40	-	-
ADVANCES FROM OTHERS	-	1,124	-
COMPENSATED ABSENCES PAYABLE	637	507	-
LEASE LIABILITY	10	-	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	-	92,689	-
TOTAL CURRENT LIABILITIES	<u>3,335</u>	<u>99,898</u>	<u>14</u>
NONCURRENT LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	609	243	-
LEASE LIABILITY	12	-	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	-	315,836	-
NET PENSION LIABILITY	2,399	1,794	-
TOTAL NONCURRENT LIABILITIES	<u>3,020</u>	<u>317,873</u>	<u>-</u>
TOTAL LIABILITIES	<u>6,355</u>	<u>417,771</u>	<u>14</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>4,137</u>	<u>3,211</u>	<u>-</u>
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	25,609	-	9,053
UNRESTRICTED	17,751	(2,100)	3,543
TOTAL NET POSITION	<u>\$ 43,360</u>	<u>\$ (2,100)</u>	<u>\$ 12,596</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL SERVICES GROUP</u>	<u>TELECOMMUNICATION SERVICES</u>	<u>COMPUTER OPERATIONS</u>
OPERATING REVENUES:				
CHARGES FOR CURRENT SERVICES	\$ 299,938	\$ 9,848	\$ 24,404	\$ 66,045
TOTAL OPERATING REVENUES	<u>299,938</u>	<u>9,848</u>	<u>24,404</u>	<u>66,045</u>
OPERATING EXPENSES:				
PROFESSIONAL SERVICES	35,521	943	1,610	10,628
SALARIES AND EMPLOYEES BENEFITS	51,224	3,332	9,281	24,537
SELF-INSURED CLAIMS	104,269	-	-	-
SERVICES AND SUPPLIES	91,411	4,658	15,918	15,344
DEPRECIATION AND AMORTIZATION	10,700	398	1,753	2,772
OTHER	1,911	-	-	-
TOTAL OPERATING EXPENSES	<u>295,036</u>	<u>9,331</u>	<u>28,562</u>	<u>53,281</u>
OPERATING INCOME (LOSS)	<u>4,902</u>	<u>517</u>	<u>(4,158)</u>	<u>12,764</u>
NONOPERATING REVENUES (EXPENSES):				
INVESTMENT INCOME (LOSS)	(9,788)	(46)	(466)	(723)
INTEREST EXPENSE	(7)	(7)	-	-
GRANT REVENUE	10	-	-	-
GAIN (LOSS) ON SALE OF CAPITAL ASSETS	644	(272)	(27)	(1)
OTHER NONOPERATING REVENUES	1,393	3	12	27
OTHER NONOPERATING EXPENSES	(1)	-	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(7,749)</u>	<u>(322)</u>	<u>(481)</u>	<u>(697)</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	<u>(2,847)</u>	<u>195</u>	<u>(4,639)</u>	<u>12,067</u>
TRANSFERS OUT	(2,690)	(116)	(537)	(1,347)
TRANSFERS IN	500	-	-	-
CHANGE IN NET POSITION	<u>(5,037)</u>	<u>79</u>	<u>(5,176)</u>	<u>10,720</u>
TOTAL NET POSITION, BEGINNING	<u>127,047</u>	<u>4,318</u>	<u>31,792</u>	<u>26,421</u>
TOTAL NET POSITION, ENDING	<u>\$ 122,010</u>	<u>\$ 4,397</u>	<u>\$ 26,616</u>	<u>\$ 37,141</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	FLEET MANAGEMENT	RISK MANAGEMENT	FLOOD CONTROL EQUIPMENT
OPERATING REVENUES:			
CHARGES FOR CURRENT SERVICES	\$ 38,881	\$ 156,753	\$ 4,007
TOTAL OPERATING REVENUES	<u>38,881</u>	<u>156,753</u>	<u>4,007</u>
OPERATING EXPENSES:			
PROFESSIONAL SERVICES	3,318	19,018	4
SALARIES AND EMPLOYEES BENEFITS	8,398	5,676	-
SELF-INSURED CLAIMS	3	104,266	-
SERVICES AND SUPPLIES	18,962	34,318	2,211
DEPRECIATION AND AMORTIZATION	4,555	2	1,220
OTHER	-	1,911	-
TOTAL OPERATING EXPENSES	<u>35,236</u>	<u>165,191</u>	<u>3,435</u>
OPERATING INCOME (LOSS)	<u>3,645</u>	<u>(8,438)</u>	<u>572</u>
NONOPERATING REVENUES (EXPENSES):			
INVESTMENT INCOME (LOSS)	(381)	(8,102)	(70)
GRANT REVENUE	10	-	-
GAIN (LOSS) ON SALE OF CAPITAL ASSETS	834	-	110
OTHER NONOPERATING REVENUES	2	1,333	16
OTHER NONOPERATING EXPENSES	(1)	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>464</u>	<u>(6,769)</u>	<u>56</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	4,109	(15,207)	628
TRANSFERS OUT	(386)	(304)	-
TRANSFERS IN	-	-	500
CHANGE IN NET POSITION	3,723	(15,511)	1,128
TOTAL NET POSITION, BEGINNING	<u>39,637</u>	<u>13,411</u>	<u>11,468</u>
TOTAL NET POSITION, ENDING	<u>\$ 43,360</u>	<u>\$ (2,100)</u>	<u>\$ 12,596</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	TOTAL	GENERAL SERVICES GROUP	TELE- COMMUNICATION SERVICES	COMPUTER OPERATIONS	FLEET MANAGEMENT	RISK MANAGEMENT	FLOOD CONTROL EQUIPMENT
CASH FLOWS FROM OPERATING ACTIVITIES:							
CASH RECEIVED FROM OTHER FUNDS FOR INTERNAL SERVICES	\$ 296,742	\$ 9,716	\$ 23,734	\$ 65,453	\$ 39,116	\$ 154,881	\$ 3,842
CASH PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES	(194,902)	(6,105)	(12,891)	(26,471)	(22,709)	(124,197)	(2,529)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(60,633)	(3,831)	(11,440)	(28,668)	(9,782)	(6,912)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	41,207	(220)	(597)	10,314	6,625	23,772	1,313
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:							
GRANTS RECEIVED	10	-	-	-	10	-	-
INTEREST PAID ON INTERFUND LOAN	(7)	(7)	-	-	-	-	-
TRANSFERS RECEIVED	500	-	-	-	-	-	500
TRANSFERS PAID	(2,690)	(116)	(537)	(1,347)	(386)	(304)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	(2,187)	(123)	(537)	(1,347)	(376)	(304)	500
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:							
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(21,035)	(2,265)	(1,258)	(9,087)	(6,261)	-	(2,164)
PAYMENTS ON LEASE LIABILITY	2,144	2,122	-	-	22	-	-
PROCEEDS FROM SALE OF CAPITAL ASSETS	9,330	-	3,647	2,876	2,729	-	78
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(9,561)	(143)	2,389	(6,211)	(3,510)	-	(2,086)
CASH FLOWS FROM INVESTING ACTIVITIES:							
INTEREST ON INVESTMENTS	(9,788)	(46)	(466)	(723)	(381)	(8,102)	(70)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(9,788)	(46)	(466)	(723)	(381)	(8,102)	(70)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	19,671	(532)	789	2,033	2,358	15,366	(343)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	479,346	3,000	23,088	37,318	19,816	392,539	3,585
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 499,017	\$ 2,468	\$ 23,877	\$ 39,351	\$ 22,174	\$ 407,905	\$ 3,242
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
OPERATING INCOME (LOSS)	\$ 4,902	\$ 517	\$ (4,158)	\$ 12,764	\$ 3,645	\$ (8,438)	\$ 572
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
DEPRECIATION AND AMORTIZATION	10,700	398	1,753	2,772	4,555	2	1,220
NONOPERATING REVENUE (EXPENSE) RELATED TO OPERATING ACTIVITIES	1,392	3	12	27	1	1,333	16
CHANGES IN ASSETS, DEFERRED OUTFLOWS, LIABILITIES AND DEFERRED INFLOWS:							
ACCOUNTS RECEIVABLE	(10)	-	(10)	-	-	-	-
DUE FROM OTHER FUNDS	(715)	(130)	(648)	(609)	292	561	(181)
DUE FROM OTHER GOVERNMENTS	(60)	(5)	(24)	(10)	(59)	38	-
OTHER RECEIVABLES	(4,501)	-	-	-	-	(4,501)	-
INVENTORIES	22	(26)	569	-	(521)	-	-
PREPAID ITEMS	2,823	(87)	3,944	(1,315)	-	281	-
DEFERRED OUTFLOWS OF RESOURCES	21,810	891	4,188	11,508	2,975	2,248	-
ACCOUNTS PAYABLE AND OTHER LIABILITIES	1,599	(391)	124	816	94	1,270	(314)
SALARIES AND BENEFITS PAYABLE	239	5	(15)	174	49	26	-
DUE TO OTHER GOVERNMENTS	(1)	-	-	-	(1)	-	-
ADVANCES FROM OTHERS	697	-	-	-	-	697	-
COMPENSATED ABSENCES PAYABLE	407	(35)	(213)	602	104	(51)	-
NET PENSION LIABILITY	(57,527)	(2,435)	(11,166)	(29,069)	(8,381)	(6,476)	-
DEFERRED INFLOWS OF RESOURCES	25,664	1,075	5,047	12,654	3,872	3,016	-
ESTIMATED LIABILITY FOR LITIGATION AND SELF-INSURED CLAIMS	33,766	-	-	-	-	33,766	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 41,207	\$ (220)	\$ (597)	\$ 10,314	\$ 6,625	\$ 23,772	\$ 1,313
NONCASH CAPITAL AND FINANCING ACTIVITIES:							
CAPITAL ASSET TRANSFERS FROM COUNTY	500	-	-	-	-	-	500
BREAKDOWN OF CASH AND CASH EQUIVALENTS							
CASH AND CASH EQUIVALENTS	\$ 499,017	\$ 2,468	\$ 23,877	\$ 39,351	\$ 22,174	\$ 407,905	\$ 3,242



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
JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>PUBLIC GUARDIAN</u>	<u>PUBLIC ADMINISTRATOR</u>	<u>RDA SUCCESSOR AGENCY</u>
ASSETS				
CASH AND INVESTMENTS (NOTE 4)	\$ 26,793	\$ 8,163	\$ 16,415	\$ 2,215
RECEIVABLES:				
INTEREST AND DIVIDENDS RECEIVABLE	178	17	155	6
TOTAL RECEIVABLES	178	17	155	6
LAND HELD FOR RESALE	13,276	-	-	13,276
PREPAID ITEMS	1,048	-	-	1,048
RESTRICTED CASH AND CASH EQUIVALENTS	3,424	-	-	3,424
TOTAL ASSETS	44,719	8,180	16,570	19,969
DEFERRED OUTFLOWS OF RESOURCES	1,113	-	-	1,113
LIABILITIES				
ACCOUNTS PAYABLE AND OTHER LIABILITIES	5	5	-	-
DUE TO OTHER GOVERNMENTS	96	-	-	96
INTEREST PAYABLE	755	-	-	755
BONDS AND NOTES PAYABLE:				
DUE IN ONE YEAR	2,605	-	-	2,605
DUE AFTER ONE YEAR	58,722	-	-	58,722
TOTAL LIABILITIES	62,183	5	-	62,178
DEFERRED INFLOWS OF RESOURCES	517	-	-	517
NET POSITION				
RESTRICTED FOR:				
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	(16,868)	8,175	16,570	(41,613)
TOTAL NET POSITION (DEFICIT)	\$ (16,868)	\$ 8,175	\$ 16,570	\$ (41,613)

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022 (IN THOUSANDS)**

	TOTAL	UNAPPORTIONED COLLECTIONS	CALSAWS CONSORTIUM	TAX COLLECTIONS FOR SCHOOL BONDS	OTHER CUSTODIAL
ASSETS					
CASH AND INVESTMENTS (NOTE 4)	\$ 745,088	\$ 383,386	\$ 16,548	\$ 329,617	\$ 15,537
RECEIVABLES:					
ACCOUNTS RECEIVABLE - NET	22,868	22,737	-	-	131
TAXES RECEIVABLE	199,798	199,798	-	-	-
INTEREST AND DIVIDENDS RECEIVABLE	975	325	-	647	3
DUE FROM OTHER GOVERNMENTS	18,689	17,140	-	-	1,549
TOTAL RECEIVABLES	<u>242,330</u>	<u>240,000</u>	<u>-</u>	<u>647</u>	<u>1,683</u>
 TOTAL ASSETS	 <u>987,418</u>	 <u>623,386</u>	 <u>16,548</u>	 <u>330,264</u>	 <u>17,220</u>
LIABILITIES					
ACCOUNTS PAYABLE AND OTHER LIABILITIES	89	89	-	-	-
DUE TO OTHER GOVERNMENTS	250,407	233,538	16,548	-	321
TOTAL LIABILITIES	<u>250,496</u>	<u>233,627</u>	<u>16,548</u>	<u>-</u>	<u>321</u>
NET POSITION					
RESTRICTED FOR:					
INDIVIDUALS, ORGANIZATIONS, AND OTHER GOVERNMENTS	736,922	389,759	-	330,264	16,899
TOTAL NET POSITION	<u>\$ 736,922</u>	<u>\$ 389,759</u>	<u>\$ -</u>	<u>\$ 330,264</u>	<u>\$ 16,899</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2022 (IN THOUSANDS)**

	TOTAL	PUBLIC GUARDIAN	PUBLIC ADMINISTRATOR	RDA SUCCESSOR AGENCY
ADDITIONS				
CONTRIBUTIONS:				
REDEVELOPMENT AGENCY PROPERTY TAX TRUST FUND	\$ 4,955	\$ -	\$ -	\$ 4,955
GIFTS AND BEQUESTS	20,106	9,154	10,952	-
TOTAL CONTRIBUTIONS	<u>25,061</u>	<u>9,154</u>	<u>10,952</u>	<u>4,955</u>
INVESTMENT INCOME/(LOSS):				
NET INCREASE/(DECREASE) IN FAIR VALUE OF INVESTMENTS	(559)	(194)	(284)	(81)
INTEREST, DIVIDENDS, AND OTHER INCOME	99	54	26	19
NET INVESTMENT INCOME/(LOSS)	<u>(460)</u>	<u>(140)</u>	<u>(258)</u>	<u>(62)</u>
TOTAL ADDITIONS	<u>24,601</u>	<u>9,014</u>	<u>10,694</u>	<u>4,893</u>
DEDUCTIONS				
BENEFIT AND REFUND PAYMENTS TO INDIVIDUALS	11,137	7,991	3,146	-
DISTRIBUTION AND OBLIGATION RETIREMENTS	2,204	-	-	2,204
ADMINISTRATIVE EXPENSES	283	-	-	283
TOTAL DEDUCTIONS	<u>13,624</u>	<u>7,991</u>	<u>3,146</u>	<u>2,487</u>
CHANGE IN NET POSITION	10,977	1,023	7,548	2,406
NET POSITION (DEFICIT) HELD IN TRUST, BEGINNING	<u>(27,845)</u>	<u>7,152</u>	<u>9,022</u>	<u>(44,019)</u>
NET POSITION (DEFICIT) HELD IN TRUST, ENDING	<u>\$ (16,868)</u>	<u>\$ 8,175</u>	<u>\$ 16,570</u>	<u>\$ (41,613)</u>

**SAN BERNARDINO COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>UNAPPORTIONED COLLECTIONS</u>	<u>CALSAWS CONSORTIUM</u>	<u>TAX COLLECTIONS FOR SCHOOL BONDS</u>	<u>OTHER CUSTODIAL</u>
ADDITIONS					
INVESTMENT INCOME/(LOSS):					
NET INCREASE/(DECREASE) IN FAIR VALUE OF INVESTMENTS	\$ (10,770)	\$ (3,240)	\$ -	\$ (7,477)	\$ (53)
INTEREST, DIVIDENDS, AND OTHER	3,401	1,424	-	1,968	9
NET INVESTMENT INCOME/(LOSS)	<u>(7,369)</u>	<u>(1,816)</u>	<u>-</u>	<u>(5,509)</u>	<u>(44)</u>
TAXES COLLECTED FOR OTHER GOVERNMENTS	3,206,574	2,899,266	-	284,769	22,539
FINES AND FEES COLLECTED FOR OTHER GOVERNMENTS	123,313	93,505	-	-	29,808
STATE FUNDS COLLECTED FOR OTHER GOVERNMENTS	360,553	-	340,752	-	19,801
BOND PROCEEDS COLLECTED FOR OTHER GOVERNMENTS	7,951	-	-	7,951	-
PAYMENTS COLLECTED ON BEHALF OF OTHERS	17,734	-	16,786	-	948
TOTAL ADDITIONS	<u>3,708,756</u>	<u>2,990,955</u>	<u>357,538</u>	<u>287,211</u>	<u>73,052</u>
DEDUCTIONS					
BENEFIT AND REFUND PAYMENTS TO INDIVIDUALS	948	-	-	-	948
DISTRIBUTION AND OBLIGATION RETIREMENTS	294,300	-	-	294,196	104
DISTRIBUTION OF PROPERTY TRANSFER TAX	15,819	-	-	-	15,819
TAX COLLECTIONS DISBURSED TO OTHER GOVERNMENTS	2,792,965	2,786,440	-	-	6,525
TAX ADJUSTMENTS DISBURSED TO INDIVIDUALS	50,507	50,506	-	-	1
FINES AND FEES DISBURSED TO OTHER GOVERNMENTS	102,268	73,481	-	-	28,787
FINES AND FEES DISBURSED TO INDIVIDUALS	11,395	10,459	-	-	936
STATE FUNDS DISBURSED TO OTHER GOVERNMENTS	19,788	-	-	-	19,788
PAYMENTS DISBURSED TO OTHERS	357,590	340	357,250	-	-
ADMINISTRATIVE EXPENSES	17,537	16,750	288	486	13
TOTAL DEDUCTIONS	<u>3,663,117</u>	<u>2,937,976</u>	<u>357,538</u>	<u>294,682</u>	<u>72,921</u>
CHANGE IN NET POSITION	45,639	52,979	-	(7,471)	131
NET POSITION HELD IN TRUST, BEGINNING	691,283	336,780	-	337,735	16,768
NET POSITION HELD IN TRUST, ENDING	<u>\$ 736,922</u>	<u>\$ 389,759</u>	<u>\$ -</u>	<u>\$ 330,264</u>	<u>\$ 16,899</u>





SAN BERNARDINO
COUNTY

**COMBINING SCHEDULE OF
REVENUES, EXPENDITURES,
AND CHANGES IN FUND
BALANCES (DEFICIT)
BUDGET AND ACTUAL
ON BUDGETARY BASIS**



ando ustedes van, yo ya vengo.

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, 2022 (IN THOUSANDS)

	TOTAL		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 202,928	\$ 240,732	\$ 37,804
LICENSES, PERMITS AND FRANCHISES	-	1,169	1,169
FINES, FORFEITURES AND PENALTIES	4,816	5,131	315
REVENUES FROM USE OF MONEY AND PROPERTY	42,021	(14,112)	(56,133)
AID FROM OTHER GOVERNMENTAL AGENCIES	642,659	594,228	(48,431)
CHARGES FOR CURRENT SERVICES	143,325	151,628	8,303
OTHER REVENUES	46,406	43,333	(3,073)
TOTAL REVENUES	<u>1,082,155</u>	<u>1,022,109</u>	<u>(60,046)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	28,378	7,438	20,940
PUBLIC PROTECTION	419,519	275,492	144,027
PUBLIC WAYS AND FACILITIES	143,190	83,173	60,017
HEALTH AND SANITATION	337,440	248,336	89,104
PUBLIC ASSISTANCE	253,339	168,002	85,337
EDUCATION	26,161	19,664	6,497
RECREATION AND CULTURAL SERVICES	13,253	10,807	2,446
DEBT SERVICE:			
PRINCIPAL	11,992	11,873	119
INTEREST AND FISCAL CHARGES	2,941	786	2,155
CAPITAL OUTLAY	100,136	54,637	45,499
TOTAL EXPENDITURES	<u>1,336,349</u>	<u>880,208</u>	<u>456,141</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(254,194)</u>	<u>141,901</u>	<u>396,095</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(181,802)	(72,589)	109,213
TRANSFERS IN	194,084	72,834	(121,250)
LONG-TERM DEBT ISSUED	5,500	-	(5,500)
LEASE FINANCING	2,457	2,472	15
SALE OF CAPITAL ASSETS	1,431	1,094	(337)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>21,670</u>	<u>3,811</u>	<u>(17,859)</u>
NET CHANGE IN FUND BALANCES	<u>(232,524)</u>	<u>145,712</u>	<u>378,236</u>
FUND BALANCES, BEGINNING	<u>990,938</u>	<u>990,938</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 758,414</u>	<u>\$ 1,136,650</u>	<u>\$ 378,236</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, 2022 (IN THOUSANDS)

	TRANSPORTATION		
	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
LICENSES, PERMITS AND FRANCHISES	\$ -	\$ 292	\$ 292
REVENUES FROM USE OF MONEY AND PROPERTY	1,657	(1,756)	(3,413)
AID FROM OTHER GOVERNMENTAL AGENCIES	95,750	84,982	(10,768)
CHARGES FOR CURRENT SERVICES	1,437	2,309	872
OTHER REVENUES	206	117	(89)
TOTAL REVENUES	<u>99,050</u>	<u>85,944</u>	<u>(13,106)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC WAYS AND FACILITIES	109,033	75,838	33,195
CAPITAL OUTLAY	17,695	8,487	9,208
TOTAL EXPENDITURES	<u>126,728</u>	<u>84,325</u>	<u>42,403</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(27,678)</u>	<u>1,619</u>	<u>29,297</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(10,867)	(6,270)	4,597
TRANSFERS IN	14,871	4,545	(10,326)
SALE OF CAPITAL ASSETS	165	715	550
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>4,169</u>	<u>(1,010)</u>	<u>(5,179)</u>
NET CHANGE IN FUND BALANCES	(23,509)	609	24,118
FUND BALANCES, BEGINNING	<u>84,649</u>	<u>84,649</u>	<u>-</u>
FUND BALANCES, ENDING	<u><u>\$ 61,140</u></u>	<u><u>\$ 85,258</u></u>	<u><u>\$ 24,118</u></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, 2022 (IN THOUSANDS)**

SPECIAL TRANSPORTATION

	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 6,246	\$ 8,495	\$ 2,249
REVENUES FROM USE OF MONEY AND PROPERTY	975	(1,383)	(2,358)
AID FROM OTHER GOVERNMENTAL AGENCIES	6,550	864	(5,686)
CHARGES FOR CURRENT SERVICES	3,788	3,514	(274)
OTHER REVENUES	-	75	75
	<u>17,559</u>	<u>11,565</u>	<u>(5,994)</u>
TOTAL REVENUES			
EXPENDITURES:			
CURRENT:			
PUBLIC WAYS AND FACILITIES	<u>29,900</u>	<u>4,947</u>	<u>24,953</u>
TOTAL EXPENDITURES	<u>29,900</u>	<u>4,947</u>	<u>24,953</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(12,341)</u>	<u>6,618</u>	<u>18,959</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(3,585)	(964)	2,621
TRANSFERS IN	<u>25</u>	<u>-</u>	<u>(25)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(3,560)</u>	<u>(964)</u>	<u>2,596</u>
NET CHANGE IN FUND BALANCES	(15,901)	5,654	21,555
FUND BALANCES, BEGINNING	<u>71,726</u>	<u>71,726</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 55,825</u>	<u>\$ 77,380</u>	<u>\$ 21,555</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, 2022 (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	\$ 20	\$ (131)	\$ (151)
AID FROM OTHER GOVERNMENTAL AGENCIES	40	-	(40)
TOTAL REVENUES	<u>60</u>	<u>(131)</u>	<u>(191)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	20	15	5
TOTAL EXPENDITURES	<u>20</u>	<u>15</u>	<u>5</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>40</u>	<u>(146)</u>	<u>(186)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(7,001)	(1,128)	5,873
TRANSFERS IN	2,870	856	(2,014)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(4,131)</u>	<u>(272)</u>	<u>3,859</u>
NET CHANGE IN FUND BALANCES	(4,091)	(418)	3,673
FUND BALANCES, BEGINNING	<u>6,318</u>	<u>6,318</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 2,227</u>	<u>\$ 5,900</u>	<u>\$ 3,673</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, 2022 (IN THOUSANDS)

MENTAL HEALTH SERVICES ACT

	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 4,387	\$ (1,666)	\$ (6,053)
AID FROM OTHER GOVERNMENTAL AGENCIES	177,253	240,600	63,347
CHARGES FOR CURRENT SERVICES	388	22	(366)
OTHER REVENUES	<u>6,878</u>	<u>9,566</u>	<u>2,688</u>
TOTAL REVENUES	<u>188,906</u>	<u>248,522</u>	<u>59,616</u>
EXPENDITURES:			
CURRENT:			
HEALTH AND SANITATION	249,091	194,747	54,344
PRINCIPAL	1,829	1,829	-
INTEREST AND FISCAL CHARGES	12	12	-
CAPITAL OUTLAY	<u>4,276</u>	<u>1,812</u>	<u>2,464</u>
TOTAL EXPENDITURES	<u>255,208</u>	<u>198,400</u>	<u>56,808</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(66,302)</u>	<u>50,122</u>	<u>116,424</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(2,819)	(2,283)	536
TRANSFERS IN	17,490	2,176	(15,314)
SALE OF CAPITAL ASSETS	<u>2</u>	<u>-</u>	<u>(2)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>14,673</u>	<u>(107)</u>	<u>(14,780)</u>
NET CHANGE IN FUND BALANCES	(51,629)	50,015	101,644
FUND BALANCES, BEGINNING	<u>145,811</u>	<u>145,811</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 94,182</u>	<u>\$ 195,826</u>	<u>\$ 101,644</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, 2022 (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	\$ -	\$ (54)	\$ (54)
AID FROM OTHER GOVERNMENTAL AGENCIES	82,919	67,548	(15,371)
OTHER REVENUES	-	79	79
TOTAL REVENUES	<u>82,919</u>	<u>67,573</u>	<u>(15,346)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	73,114	60,662	12,452
DEBT SERVICE:			
PRINCIPAL	1,499	1,499	-
INTEREST AND FISCAL CHARGES	37	31	6
CAPITAL OUTLAY	<u>5,148</u>	<u>3,600</u>	<u>1,548</u>
TOTAL EXPENDITURES	<u>79,798</u>	<u>65,792</u>	<u>14,006</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,121</u>	<u>1,781</u>	<u>(1,340)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(3,671)	(2,939)	732
TRANSFERS IN	-	3	3
SALE OF CAPITAL ASSETS	6	10	4
LEASE FINANCING	<u>2,260</u>	<u>2,260</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(1,405)</u>	<u>(666)</u>	<u>739</u>
NET CHANGE IN FUND BALANCES	1,716	1,115	(601)
FUND BALANCES (DEFICIT), BEGINNING	<u>(1,689)</u>	<u>(1,689)</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 27</u>	<u>\$ (574)</u>	<u>\$ (601)</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, 2022 (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	\$ 8	\$ (38)	\$ (46)
AID FROM OTHER GOVERNMENTAL AGENCIES	16,802	15,273	(1,529)
OTHER REVENUES	<u>3,388</u>	<u>2,517</u>	<u>(871)</u>
TOTAL REVENUES	<u>20,198</u>	<u>17,752</u>	<u>(2,446)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	<u>20,081</u>	<u>17,687</u>	<u>2,394</u>
TOTAL EXPENDITURES	<u>20,081</u>	<u>17,687</u>	<u>2,394</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>117</u>	<u>65</u>	<u>(52)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(16,617)	(14,949)	1,668
TRANSFERS IN	<u>16,500</u>	<u>14,832</u>	<u>(1,668)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(117)</u>	<u>(117)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(52)	(52)
FUND BALANCES, BEGINNING	<u>1,513</u>	<u>1,513</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,513</u>	<u>\$ 1,461</u>	<u>\$ (52)</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, 2022 (IN THOUSANDS)**

	JOBS AND EMPLOYMENT SERVICES		
	<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	\$ 439	\$ (109)
AID FROM OTHER GOVERNMENTAL AGENCIES	27,061	20,936	(6,125)
OTHER REVENUES	186	240	54
TOTAL REVENUES	<u>27,795</u>	<u>21,615</u>	<u>(6,180)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	23,720	18,605	5,115
PRINCIPAL	558	558	-
INTEREST AND FISCAL CHARGES	67	67	-
CAPITAL OUTLAY	50	-	50
TOTAL EXPENDITURES	<u>24,395</u>	<u>19,230</u>	<u>5,165</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,400</u>	<u>2,385</u>	<u>(1,015)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(339)	(339)	-
TRANSFERS IN	280	270	(10)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(59)</u>	<u>(69)</u>	<u>(10)</u>
NET CHANGE IN FUND BALANCES	3,341	2,316	(1,025)
FUND BALANCES (DEFICIT), BEGINNING	<u>(3,197)</u>	<u>(3,197)</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ 144</u>	<u>\$ (881)</u>	<u>\$ (1,025)</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, 2022 (IN THOUSANDS)

	<u>COURTHOUSE TEMPORARY CONSTRUCTION</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
FINES, FORFEITURES AND PENALTIES	\$ 2,232	\$ 586	\$ (1,646)
REVENUES FROM USE OF MONEY AND PROPERTY	<u>2</u>	<u>1</u>	<u>(1)</u>
TOTAL REVENUES	<u>2,234</u>	<u>587</u>	<u>(1,647)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	<u>2,234</u>	<u>587</u>	<u>1,647</u>
TOTAL EXPENDITURES	<u>2,234</u>	<u>587</u>	<u>1,647</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, 2022 (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	\$ 1,504	\$ 504
REVENUES FROM USE OF MONEY AND PROPERTY	12	(55)	(67)
TOTAL REVENUES	<u>1,012</u>	<u>1,449</u>	<u>437</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	<u>(1,621)</u>	<u>(2,792)</u>	<u>(1,171)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(1,621)</u>	<u>(2,792)</u>	<u>(1,171)</u>
NET CHANGE IN FUND BALANCES	(609)	(1,343)	(734)
FUND BALANCES, BEGINNING	<u>1,344</u>	<u>1,344</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ 735</u>	<u>\$ 1</u>	<u>\$ (734)</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, 2022 (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 CHARGES FOR CURRENT SERVICES	\$ 1 <u>2,000</u>	\$ - <u>1,781</u>	\$ (1) <u>(219)</u>
TOTAL REVENUES	<u>2,001</u>	<u>1,781</u>	<u>(220)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	<u>(2,001)</u>	<u>(1,782)</u>	<u>219</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(2,001)</u>	<u>(1,782)</u>	<u>219</u>
NET CHANGE IN FUND BALANCES	-	(1)	(1)
FUND BALANCES, BEGINNING	<u>1</u>	<u>1</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1</u>	<u>\$ -</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, 2022 (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	\$ 92	\$ (162)	\$ (254)
AID FROM OTHER GOVERNMENTAL AGENCIES	-	1	1
CHARGES FOR CURRENT SERVICES	3,831	3,959	128
OTHER REVENUES	<u>75</u>	<u>-</u>	<u>(75)</u>
TOTAL REVENUES	<u>3,998</u>	<u>3,798</u>	<u>(200)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	8,373	4,709	3,664
CAPITAL OUTLAY	<u>-</u>	<u>337</u>	<u>(337)</u>
TOTAL EXPENDITURES	<u>8,373</u>	<u>5,046</u>	<u>3,327</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,375)</u>	<u>(1,248)</u>	<u>3,127</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(15)	(15)	-
TRANSFERS IN	<u>2,588</u>	<u>2,186</u>	<u>(402)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>2,573</u>	<u>2,171</u>	<u>(402)</u>
NET CHANGE IN FUND BALANCES	(1,802)	923	2,725
FUND BALANCES, BEGINNING	<u>21,965</u>	<u>21,965</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 20,163</u>	<u>\$ 22,888</u>	<u>\$ 2,725</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, 2022 (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:			
FINES, FORFEITURES AND PENALTIES	\$ -	\$ 542	\$ 542
REVENUES FROM USE OF MONEY AND PROPERTY	37	(57)	(94)
AID FROM OTHER GOVERNMENTAL AGENCIES	5,642	863	(4,779)
CHARGES FOR CURRENT SERVICES	-	2,158	2,158
TOTAL REVENUES	<u>5,679</u>	<u>3,506</u>	<u>(2,173)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	5,955	2,346	3,609
CAPITAL OUTLAY	130	-	130
TOTAL EXPENDITURES	<u>6,085</u>	<u>2,346</u>	<u>3,739</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(406)</u>	<u>1,160</u>	<u>1,566</u>
NET CHANGE IN FUND BALANCES	(406)	1,160	1,566
FUND BALANCES, BEGINNING	<u>1,992</u>	<u>1,992</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,586</u>	<u>\$ 3,152</u>	<u>\$ 1,566</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, 2022 (IN THOUSANDS)

	<u>SHERIFF SPECIAL PROJECTS</u>		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
FINES, FORFEITURES AND PENALTIES	\$ 75	\$ 42	\$ (33)
REVENUES FROM USE OF MONEY AND PROPERTY	217	(296)	(513)
AID FROM OTHER GOVERNMENTAL AGENCIES	10,509	11,503	994
CHARGES FOR CURRENT SERVICES	1,000	529	(471)
OTHER REVENUES	<u>2</u>	<u>8</u>	<u>6</u>
TOTAL REVENUES	<u>11,803</u>	<u>11,786</u>	<u>(17)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	17,279	9,161	8,118
CAPITAL OUTLAY	<u>3,868</u>	<u>2,101</u>	<u>1,767</u>
TOTAL EXPENDITURES	<u>21,147</u>	<u>11,262</u>	<u>9,885</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(9,344)</u>	<u>524</u>	<u>9,868</u>
NET CHANGE IN FUND BALANCES	(9,344)	524	9,868
FUND BALANCES, BEGINNING	<u>13,826</u>	<u>13,826</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 4,482</u>	<u>\$ 14,350</u>	<u>\$ 9,868</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, 2022 (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	\$ 106,403	\$ 119,347	\$ 12,944
REVENUES FROM USE OF MONEY AND PROPERTY	2,234	(3,406)	(5,640)
AID FROM OTHER GOVERNMENTAL AGENCIES	27,008	22,854	(4,154)
CHARGES FOR CURRENT SERVICES	110,418	117,245	6,827
OTHER REVENUES	7,191	1,076	(6,115)
TOTAL REVENUES	<u>253,254</u>	<u>257,116</u>	<u>3,862</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	247,753	210,751	37,002
DEBT SERVICE:			
PRINCIPAL	566	566	-
INTEREST AND FISCAL CHARGES	657	293	364
CAPITAL OUTLAY	47,413	22,392	25,021
TOTAL EXPENDITURES	<u>296,389</u>	<u>234,002</u>	<u>62,387</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(43,135)</u>	<u>23,114</u>	<u>66,249</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(63,028)	(9,948)	53,080
TRANSFERS IN	85,384	25,428	(59,956)
SALE OF CAPITAL ASSETS	-	79	79
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>22,356</u>	<u>15,559</u>	<u>(6,797)</u>
NET CHANGE IN FUND BALANCES	(20,779)	38,673	59,452
FUND BALANCES, BEGINNING	<u>161,642</u>	<u>161,642</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 140,863</u>	<u>\$ 200,315</u>	<u>\$ 59,452</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, 2022 (IN THOUSANDS)

ECONOMIC AND COMMUNITY DEVELOPMENT

	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 27,097	\$ (790)	\$ (27,887)
AID FROM OTHER GOVERNMENTAL AGENCIES	81,867	39,790	(42,077)
CHARGES FOR CURRENT SERVICES	4	7	3
OTHER REVENUES	822	59	(763)
TOTAL REVENUES	<u>109,790</u>	<u>39,066</u>	<u>(70,724)</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	129,263	69,091	60,172
DEBT SERVICE:			
INTEREST AND FISCAL CHARGES	-	25	(25)
CAPITAL OUTLAY	58	-	58
TOTAL EXPENDITURES	<u>129,321</u>	<u>69,116</u>	<u>60,205</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(19,531)</u>	<u>(30,050)</u>	<u>(10,519)</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(4,855)	(4,410)	445
TRANSFERS IN	5,250	1,575	(3,675)
LONG-TERM DEBT ISSUED	5,500	-	(5,500)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>5,895</u>	<u>(2,835)</u>	<u>(8,730)</u>
NET CHANGE IN FUND BALANCES	(13,636)	(32,885)	(19,249)
FUND BALANCES, BEGINNING	<u>57,736</u>	<u>57,736</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 44,100</u>	<u>\$ 24,851</u>	<u>\$ (19,249)</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, 2022 (IN THOUSANDS)**

	FLOOD CONTROL DISTRICT		
	<u>FINAL BUDGET</u>	<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:			
TAXES	\$ 63,581	\$ 79,369	\$ 15,788
LICENSES, PERMITS AND FRANCHISES	-	321	321
FINES, FORFEITURES AND PENALTIES	-	2	2
REVENUES FROM USE OF MONEY AND PROPERTY	140	(1,670)	(1,810)
AID FROM OTHER GOVERNMENTAL AGENCIES	4,014	4,821	807
CHARGES FOR CURRENT SERVICES	1,370	1,542	172
OTHER REVENUES	4,002	125	(3,877)
TOTAL REVENUES	<u>73,107</u>	<u>84,510</u>	<u>11,403</u>
EXPENDITURES:			
CURRENT:			
PUBLIC PROTECTION	112,664	25,325	87,339
DEBT SERVICE:			
PRINCIPAL	6,635	6,580	55
INTEREST AND FISCAL CHARGES	1,997	286	1,711
CAPITAL OUTLAY	6,945	3,491	3,454
TOTAL EXPENDITURES	<u>128,241</u>	<u>35,682</u>	<u>92,559</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(55,134)</u>	<u>48,828</u>	<u>103,962</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(24,027)	(4,660)	19,367
TRANSFERS IN	22,573	3,891	(18,682)
SALE OF CAPITAL ASSETS	1,258	290	(968)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(196)</u>	<u>(479)</u>	<u>(283)</u>
NET CHANGE IN FUND BALANCES	(55,330)	48,349	103,679
FUND BALANCES, BEGINNING	<u>164,262</u>	<u>164,262</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 108,932</u>	<u>\$ 212,611</u>	<u>\$ 103,679</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, 2022 (IN THOUSANDS)

	COUNTY SERVICE AREAS		
	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
TAXES	\$ 4,202	\$ 5,203	\$ 1,001
FINES, FORFEITURES AND PENALTIES	-	1	1
REVENUES FROM USE OF MONEY AND PROPERTY	406	(529)	(935)
AID FROM OTHER GOVERNMENTAL AGENCIES	184	40	(144)
CHARGES FOR CURRENT SERVICES	4,796	4,804	8
OTHER REVENUES	131	265	134
TOTAL REVENUES	9,719	9,784	65
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	3,171	4,483	(1,312)
PUBLIC WAYS AND FACILITIES	4,257	2,388	1,869
RECREATION AND CULTURAL SERVICES	2,318	2,053	265
DEBT SERVICE:			
PRINCIPAL	64	-	64
INTEREST AND FISCAL CHARGES	15	3	12
CAPITAL OUTLAY	4,167	1,414	2,753
TOTAL EXPENDITURES	13,992	10,341	3,651
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,273)	(557)	3,716
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(1,060)	(470)	590
TRANSFERS IN	2,931	2,850	(81)
LEASE FINANCING	-	6	6
TOTAL OTHER FINANCING SOURCES AND (USES)	1,871	2,386	515
NET CHANGE IN FUND BALANCES	(2,402)	1,829	4,231
FUND BALANCES, BEGINNING	32,552	32,552	-
FUND BALANCES, ENDING	<u>\$ 30,150</u>	<u>\$ 34,381</u>	<u>\$ 4,231</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, 2022 (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	\$ 3,057	\$ 3,224	\$ 167
REVENUES FROM USE OF MONEY AND PROPERTY	48	(85)	(133)
AID FROM OTHER GOVERNMENTAL AGENCIES	91	51	(40)
CHARGES FOR CURRENT SERVICES	1,932	2,545	613
OTHER REVENUES	<u>1,357</u>	<u>1,188</u>	<u>(169)</u>
TOTAL REVENUES	<u>6,485</u>	<u>6,923</u>	<u>438</u>
EXPENDITURES:			
CURRENT:			
RECREATION AND CULTURAL SERVICES	6,728	5,021	1,707
DEBT SERVICE:			
INTEREST AND FISCAL CHARGES	130	43	87
CAPITAL OUTLAY	<u>97</u>	<u>88</u>	<u>9</u>
TOTAL EXPENDITURES	<u>6,955</u>	<u>5,152</u>	<u>1,803</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(470)</u>	<u>1,771</u>	<u>2,241</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(512)	(400)	112
TRANSFERS IN	529	803	274
LEASE FINANCING	<u>-</u>	<u>9</u>	<u>9</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>17</u>	<u>412</u>	<u>395</u>
NET CHANGE IN FUND BALANCES	(453)	2,183	2,636
FUND BALANCES, BEGINNING	<u>(2,181)</u>	<u>(2,181)</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ (2,634)</u>	<u>\$ 2</u>	<u>\$ 2,636</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, 2022 (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	\$ 19,407	\$ 25,059	\$ 5,652
REVENUES FROM USE OF MONEY AND PROPERTY	6	(7)	(13)
AID FROM OTHER GOVERNMENTAL AGENCIES	240	230	(10)
CHARGES FOR CURRENT SERVICES	1,096	507	(589)
OTHER REVENUES	141	126	(15)
TOTAL REVENUES	<u>20,890</u>	<u>25,915</u>	<u>5,025</u>
EXPENDITURES:			
CURRENT:			
EDUCATION	26,161	19,664	6,497
DEBT SERVICE:			
PRINCIPAL	388	388	-
INTEREST AND FISCAL CHARGES	12	12	-
CAPITAL OUTLAY	303	231	72
TOTAL EXPENDITURES	<u>26,864</u>	<u>20,295</u>	<u>6,569</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(5,974)</u>	<u>5,620</u>	<u>11,594</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(451)	(351)	100
TRANSFERS IN	100	4	(96)
LEASE FINANCING	197	197	-
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(154)</u>	<u>(150)</u>	<u>4</u>
NET CHANGE IN FUND BALANCES	(6,128)	5,470	11,598
FUND BALANCES, BEGINNING	<u>21,843</u>	<u>21,843</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 15,715</u>	<u>\$ 27,313</u>	<u>\$ 11,598</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, 2022 (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	\$ (88)	\$ (118)
OTHER REVENUES	-	339	339
TOTAL REVENUES	<u>30</u>	<u>251</u>	<u>221</u>
EXPENDITURES:			
CURRENT:			
PUBLIC ASSISTANCE	<u>4,829</u>	<u>489</u>	<u>4,340</u>
TOTAL EXPENDITURES	<u>4,829</u>	<u>489</u>	<u>4,340</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,799)</u>	<u>(238)</u>	<u>4,561</u>
NET CHANGE IN FUND BALANCES	(4,799)	(238)	4,561
FUND BALANCES, BEGINNING, AS RESTATED	<u>5,167</u>	<u>5,167</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 368</u>	<u>\$ 4,929</u>	<u>\$ 4,561</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, 2022 (IN THOUSANDS)

	OTHER SPECIAL REVENUE		
	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
TAXES	\$ 32	\$ 35	\$ 3
LICENSES, PERMITS AND FRANCHISES	-	556	556
FINES, FORFEITURES AND PENALTIES	1,509	2,454	945
REVENUES FROM USE OF MONEY AND PROPERTY	4,104	(2,379)	(6,483)
AID FROM OTHER GOVERNMENTAL AGENCIES	106,729	83,872	(22,857)
CHARGES FOR CURRENT SERVICES	11,265	10,706	(559)
OTHER REVENUES	22,027	27,553	5,526
TOTAL REVENUES	<u>145,666</u>	<u>122,797</u>	<u>(22,869)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	22,953	2,353	20,600
PUBLIC PROTECTION	27,495	23,200	4,295
HEALTH AND SANITATION	88,349	53,589	34,760
PUBLIC ASSISTANCE	2,332	1,468	864
RECREATION AND CULTURAL SERVICES	4,207	3,733	474
DEBT SERVICE:			
PRINCIPAL	453	453	-
INTEREST AND FISCAL CHARGES	14	14	-
CAPITAL OUTLAY	9,986	10,684	(698)
TOTAL EXPENDITURES	<u>155,789</u>	<u>95,494</u>	<u>60,295</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(10,123)</u>	<u>27,303</u>	<u>37,426</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(39,333)	(18,889)	20,444
TRANSFERS IN	22,693	13,415	(9,278)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(16,640)</u>	<u>(5,474)</u>	<u>11,166</u>
NET CHANGE IN FUND BALANCES	(26,763)	21,829	48,592
FUND BALANCES, BEGINNING, AS RESTATED	<u>205,658</u>	<u>205,658</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 178,895</u>	<u>\$ 227,487</u>	<u>\$ 48,592</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, 2022 (IN THOUSANDS)**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
REVENUES:				
REVENUES FROM USE OF MONEY AND PROPERTY	\$ -	\$ -	\$ (628)	\$ (628)
AID FROM OTHER GOVERNMENTAL AGENCIES	4,274	4,291	268	(4,023)
CHARGES FOR CURRENT SERVICES	-	-	225	225
OTHER REVENUES	-	-	413	413
TOTAL REVENUES	<u>4,274</u>	<u>4,291</u>	<u>278</u>	<u>(4,013)</u>
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	-	-	(30,142)	30,142
CAPITAL OUTLAY	579,554	680,782	82,077	598,705
TOTAL EXPENDITURES	<u>579,554</u>	<u>680,782</u>	<u>51,935</u>	<u>628,847</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(575,280)</u>	<u>(676,491)</u>	<u>(51,657)</u>	<u>624,834</u>
OTHER FINANCING SOURCES (USES):				
TRANSFERS OUT	(9,491)	(242,502)	(23,010)	219,492
TRANSFERS IN	163,864	498,086	210,913	(287,173)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>154,373</u>	<u>255,584</u>	<u>187,903</u>	<u>(67,681)</u>
NET CHANGE IN FUND BALANCES	<u>(420,907)</u>	<u>(420,907)</u>	<u>136,246</u>	<u>557,153</u>
FUND BALANCES, BEGINNING	468,909	468,909	468,909	-
FUND BALANCES, ENDING	<u>\$ 48,002</u>	<u>\$ 48,002</u>	<u>\$ 605,155</u>	<u>\$ 557,153</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, 2022 (IN THOUSANDS)

	TOTAL		
	FINAL BUDGET	ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
REVENUES:			
REVENUES FROM USE OF MONEY AND PROPERTY	\$ 316	\$ (509)	\$ (825)
AID FROM OTHER GOVERNMENTAL AGENCIES	1,500	179	(1,321)
CHARGES FOR CURRENT SERVICES	-	1	1
OTHER REVENUES	3,000	3,499	499
TOTAL REVENUES	<u>4,816</u>	<u>3,170</u>	<u>(1,646)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	5,906	390	5,516
PRINCIPAL	3,000	-	3,000
INTEREST AND FISCAL CHARGES	135	27	108
CAPITAL OUTLAY	22,175	2,722	19,453
TOTAL EXPENDITURES	<u>31,216</u>	<u>3,139</u>	<u>28,077</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(26,400)</u>	<u>31</u>	<u>26,431</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(10,459)	(1,938)	8,521
TRANSFERS IN	2,511	4,941	2,430
LONG-TERM DEBT ISSUED	4,461	-	(4,461)
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>(3,487)</u>	<u>3,003</u>	<u>6,490</u>
NET CHANGE IN FUND BALANCES	(29,887)	3,034	32,921
FUND BALANCES, BEGINNING	<u>28,877</u>	<u>28,877</u>	<u>-</u>
FUND BALANCES (DEFICIT), ENDING	<u>\$ (1,010)</u>	<u>\$ 31,911</u>	<u>\$ 32,921</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, 2022 (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	\$ 307	\$ (368)	\$ (675)
TOTAL REVENUES	<u>307</u>	<u>(368)</u>	<u>(675)</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	5,627	339	5,288
CAPITAL OUTLAY	<u>13,011</u>	<u>-</u>	<u>13,011</u>
TOTAL EXPENDITURES	<u>18,638</u>	<u>339</u>	<u>18,299</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(18,331)</u>	<u>(707)</u>	<u>17,624</u>
NET CHANGE IN FUND BALANCES	(18,331)	(707)	17,624
FUND BALANCES, BEGINNING	<u>19,783</u>	<u>19,783</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,452</u>	<u>\$ 19,076</u>	<u>\$ 17,624</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, 2022 (IN THOUSANDS)

	<u>FIRE PROTECTION 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	\$ -	\$ (75)	\$ (75)
TOTAL REVENUES	<u>-</u>	<u>(75)</u>	<u>(75)</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)	(75)	8,425
FUND BALANCES, BEGINNING	<u>8,500</u>	<u>8,500</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 8,425</u>	<u>\$ 8,425</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, 2022 (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	\$ 1	\$ (21)	\$ (22)
AID FROM OTHER GOVERNMENTAL AGENCIES	1,500	-	(1,500)
OTHER REVENUES	<u>3,000</u>	<u>169</u>	<u>(2,831)</u>
 TOTAL REVENUES	 <u>4,501</u>	 <u>148</u>	 <u>(4,353)</u>
 EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	35	(12)	47
DEBT SERVICE:			
PRINCIPAL	3,000	-	3,000
INTEREST AND FISCAL CHARGES	40	27	13
CAPITAL OUTLAY	<u>1,960</u>	<u>165</u>	<u>1,795</u>
 TOTAL EXPENDITURES	 <u>5,035</u>	 <u>180</u>	 <u>4,855</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>(534)</u>	 <u>(32)</u>	 <u>502</u>
 OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(1,680)	(1,680)	-
TRANSFERS IN	<u>1,721</u>	<u>4,608</u>	<u>2,887</u>
 TOTAL OTHER FINANCING SOURCES AND (USES)	 <u>41</u>	 <u>2,928</u>	 <u>2,887</u>
 NET CHANGE IN FUND BALANCES	 (493)	 2,896	 3,389
 FUND BALANCES, BEGINNING	 <u>(2,470)</u>	 <u>(2,470)</u>	 <u>-</u>
 FUND BALANCES, ENDING	 <u>\$ (2,963)</u>	 <u>\$ 426</u>	 <u>\$ 3,389</u>

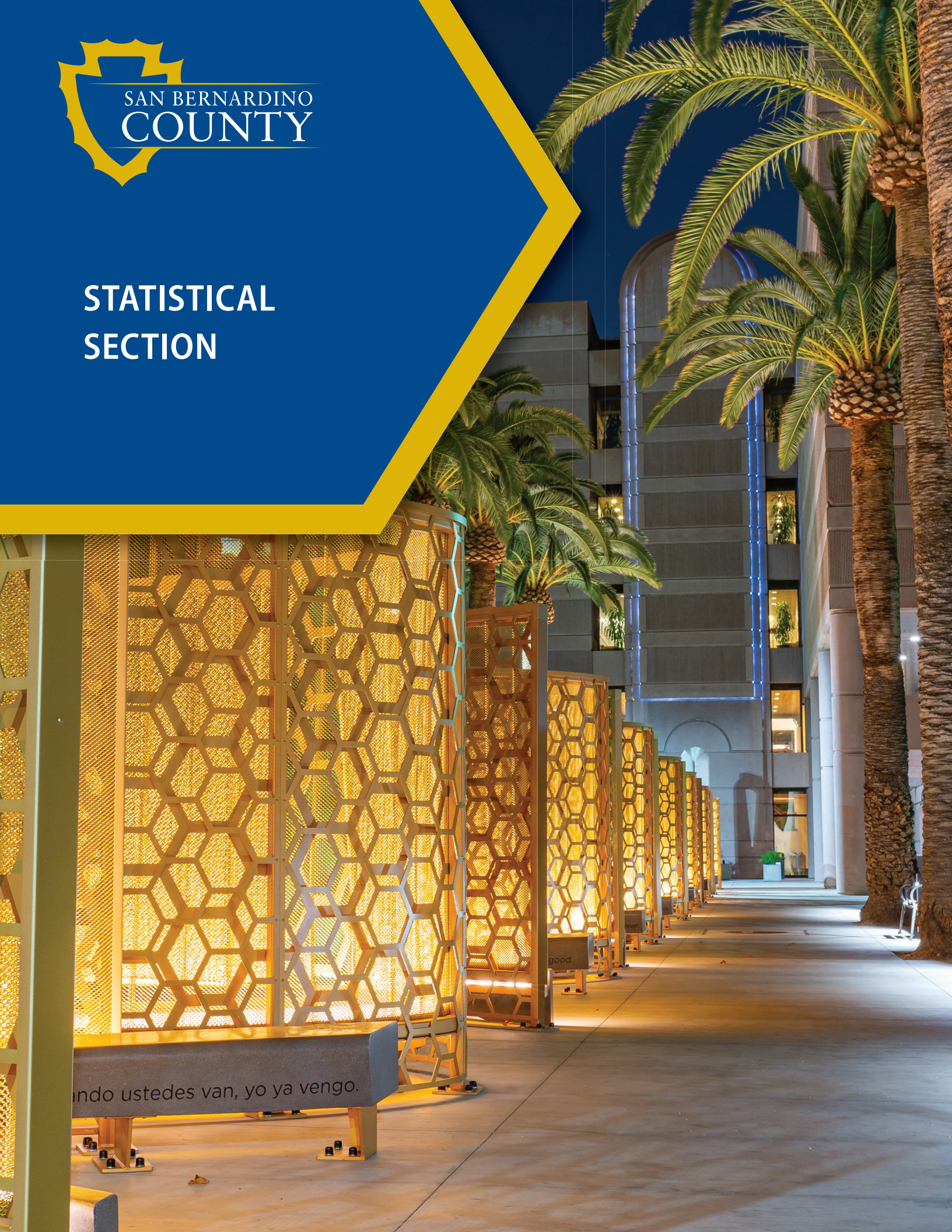
SAN BERNARDINO COUNTY
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)
 BUDGET AND ACTUAL ON BUDGETARY BASIS (CONTINUED)
 CERTAIN CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)

	<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	\$ 8	\$ (45)	\$ (53)
AID FROM OTHER GOVERNMENTAL AGENCIES	-	179	179
CHARGES FOR CURRENT SERVICES	-	1	1
OTHER REVENUES	-	3,330	3,330
	<u>8</u>	<u>3,465</u>	<u>3,457</u>
TOTAL REVENUES	<u>8</u>	<u>3,465</u>	<u>3,457</u>
EXPENDITURES:			
CURRENT:			
GENERAL GOVERNMENT	244	63	181
DEBT SERVICE:			
INTEREST AND FISCAL CHARGES	95	-	95
CAPITAL OUTLAY	7,204	2,557	4,647
	<u>7,543</u>	<u>2,620</u>	<u>4,923</u>
TOTAL EXPENDITURES	<u>7,543</u>	<u>2,620</u>	<u>4,923</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(7,535)</u>	<u>845</u>	<u>8,380</u>
OTHER FINANCING SOURCES (USES):			
TRANSFERS OUT	(279)	(258)	21
TRANSFERS IN	790	333	(457)
LONG-TERM DEBT ISSUED	4,461	-	(4,461)
	<u>4,972</u>	<u>75</u>	<u>(4,897)</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>4,972</u>	<u>75</u>	<u>(4,897)</u>
NET CHANGE IN FUND BALANCES	(2,563)	920	3,483
FUND BALANCES, BEGINNING	3,064	3,064	-
FUND BALANCES (DEFICIT), ENDING	<u>\$ 501</u>	<u>\$ 3,984</u>	<u>\$ 3,483</u>



SAN BERNARDINO
COUNTY

STATISTICAL SECTION



ando ustedes van, yo ya vengo.

good

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)

	2012-13 as restated	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20	2020-21	2021-22
GOVERNMENTAL ACTIVITIES										
NET INVESTMENT IN CAPITAL ASSETS	\$ 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	\$ 2,130,271
RESTRICTED	740,232	776,259	947,882	942,150	1,046,820	1,153,493	1,322,967	1,426,618	1,632,684	1,884,804
UNRESTRICTED	344,912	519,085	(1,508,357)	(1,147,159)	(1,004,921)	(987,566)	(715,197)	(547,234)	(274,133)	406,992
SUBTOTAL GOVERNMENTAL ACTIVITIES NET POSITION	2,755,653	3,044,582	1,249,486	1,638,888	1,961,123	2,235,101	2,658,616	2,992,455	3,484,726	4,422,067
BUSINESS-TYPE ACTIVITIES										
NET INVESTMENT IN CAPITAL ASSETS	102,982	110,155	180,714	202,941	205,158	209,059	255,966	335,006	290,782	323,482
RESTRICTED	63,781	62,286	73,040	74,990	80,983	72,006	70,922	31,218	8,898	-
UNRESTRICTED	9,209	51,458	(12,512)	39,906	124,939	173,311	239,605	249,819	228,448	287,518
SUBTOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	175,972	223,899	241,242	317,837	411,080	454,376	566,493	616,043	528,128	611,000
PRIMARY GOVERNMENT										
NET INVESTMENT IN CAPITAL ASSETS	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	2,453,753
RESTRICTED	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	1,884,804
UNRESTRICTED	354,121	570,543	(1,520,869)	(1,107,253)	(879,982)	(714,255)	(475,592)	(297,415)	(45,685)	694,510
TOTAL PRIMARY GOVERNMENT NET POSITION	\$ 2,931,625	\$ 3,268,481	\$ 1,490,728	\$ 1,956,725	\$ 2,372,203	\$ 2,669,477	\$ 3,225,109	\$ 3,608,498	\$ 4,012,854	\$ 5,033,067

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)

	2012-13		2014-15		2015-16		2016-17		2017-18		2018-19		2019-20		2020-21		2021-22	
	as restated	2013-14	2014-15	2015-16	2016-17	as restated	2018-19	2019-20	2020-21	2021-22								
Expenses																		
<u>Governmental Activities:</u>																		
General Government	\$ 195,447	\$ 178,980	\$ 162,261	\$ 158,981	\$ 169,368	\$ 176,594	\$ 193,206	\$ 297,199	\$ 301,548	\$ 224,605								
Public Protection	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	1,405,622								
Public Ways and Facilities	80,002	91,744	71,614	81,902	86,017	87,993	89,908	107,443	106,332	101,367								
Health and Sanitation	311,856	331,551	325,261	338,910	390,442	433,482	491,059	531,405	659,624	605,285								
Public Assistance	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	1,329,724								
Education	16,469	20,923	16,718	19,424	20,010	21,182	22,375	23,170	23,400	30,064								
Recreation and Cultural Services	26,672	25,290	24,103	24,505	24,984	24,563	26,583	27,889	34,142	29,762								
Interest on Long Term Debt	53,484	50,189	45,233	42,744	39,447	30,563	28,131	20,021	11,834	7,586								
Total Governmental Activities	2,683,377	2,752,558	2,633,001	2,800,116	3,033,461	3,196,447	3,385,093	3,775,472	4,195,378	3,734,015								
<u>Business-type Activities:</u>																		
Medical Center	487,578	513,609	488,239	507,668	535,515	542,185	572,061	622,695	695,142	723,651								
Waste Systems	53,748	61,883	76,160	60,717	62,075	92,211	82,267	72,411	109,358	102,307								
Housing Authority (2)	-	-	104,759	105,876	114,722	130,533	129,967	141,340	-	-								
Water, Sewer, and Sanitation (1)	15,448	15,204	18,154	20,804	16,745	16,454	19,263	16,322	14,714	18,075								
Paramedic and Emergency (1)	-	-	-	-	-	-	-	-	-	-								
Others (1)	87	69	131	67	47	24	69	102	63	183								
Total Business-type Activities	556,861	590,765	687,443	695,132	729,104	781,407	803,627	852,870	819,277	844,216								
Total Primary Government Expenses	\$3,240,238	\$3,343,323	\$3,320,444	\$3,495,248	\$3,762,565	\$3,977,854	\$4,188,720	\$ 4,628,342	\$5,014,655	\$ 4,578,231								
Program Revenues																		
<u>Governmental Activities:</u>																		
Charges for Services:																		
General Government	\$ 143,236	\$ 143,368	\$ 138,561	\$ 150,204	\$ 155,023	\$ 167,377	\$ 167,121	\$ 171,032	\$ 175,884	\$ 151,227								
Public Protection	228,319	235,102	246,438	251,153	278,441	304,073	299,488	323,211	347,206	374,154								
Public Ways and Facilities	10,751	12,856	9,258	9,047	6,209	8,433	8,308	9,303	8,394	10,035								
Health and Sanitation	24,075	23,261	23,999	22,304	23,516	24,201	24,101	34,999	33,532	34,010								
Public Assistance	984	2,833	3,441	3,034	2,891	3,778	3,315	3,574	3,355	3,186								
Education	1,027	1,046	1,053	1,011	1,114	1,312	1,328	1,042	284	507								
Recreation and Cultural Services	8,446	8,632	8,715	8,773	8,805	9,100	9,494	7,454	8,980	11,023								
Operating Grants/Contributions:																		
General Government	7,705	20,832	42,644	7,822	10,117	31,099	40,837	81,325	109,154	84,364								
Public Protection	244,678	240,781	227,133	279,206	267,910	271,012	304,698	334,240	606,516	374,601								
Public Ways and Facilities	53,063	75,682	62,369	46,838	42,414	50,998	85,258	87,642	84,015	90,534								
Health and Sanitation	343,019	372,615	383,128	376,831	442,958	405,087	493,278	471,039	629,536	663,031								
Public Assistance	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	1,453,713								
Education	253	249	247	254	234	269	332	644	1,247	223								
Recreation and Cultural Services	772	430	481	686	415	2,110	2,517	2,483	688	1,652								
Capital Grants/Contributions:																		
General Government	-	-	23,766	182	996	20	-	201	-	-								
Public Protection	-	-	-	2	-	-	167	-	60	-								
Public Ways and Facilities	17,755	25,971	1,237	250	7,051	3,725	95	3,895	1,884	705								
Health and Sanitation	-	-	-	-	-	-	-	-	-	-								
Recreation and Cultural Services	-	-	-	50	-	-	-	268	-	865								
Subtotal Governmental Activities	2,019,162	2,189,925	2,170,385	2,237,755	2,351,004	2,398,513	2,640,290	2,804,146	3,365,413	3,253,830								
<u>Business-type Activities:</u>																		
Charges for Services:																		
Medical Center	365,169	398,628	431,606	448,135	473,065	342,236	376,232	353,683	376,434	456,817								
Waste System	58,044	59,784	76,303	76,869	77,671	83,612	87,274	92,408	93,534	95,149								
Housing Authority (2)	-	-	18,396	16,300	17,354	20,553	22,813	24,794	-	-								
Water, Sewer, and Sanitation	11,711	14,696	14,222	13,459	12,778	14,163	14,073	14,331	14,702	17,034								
Others (1)	58	95	89	74	84	69	61	175	1	93								
Operating Grants & Contributions:																		
Medical Center	50,132	46,070	120,742	95,250	105,475	221,142	218,366	276,129	311,056	346,938								
Waste System	1,751	2,661	79	79	78	77	77	90	155	75								
Housing Authority (2)	-	-	87,965	91,044	96,883	109,603	115,878	106,066	-	-								
Water, Sewer, and Sanitation (1)	70	101	584	72	34	167	3,759	2,085	344	636								
Others (3)	-	-	-	-	-	-	-	2	-	-								
Capital Grants & Contributions:																		
Medical Center	18,901	21,247	16,501	18,855	18,826	24,637	21,351	20,654	16,926	12,643								
Housing Authority (2)	-	-	541	161	462	102	1,723	-	-	-								
Water, Sewer, and Sanitation (1)	-	-	60	170	28	-	-	-	17	-								
Subtotal Business-type Activities	505,836	543,282	767,088	760,468	802,738	816,361	861,607	890,417	813,169	929,385								
Total Primary Government Program Revenues	\$2,524,998	\$2,733,207	\$2,937,473	\$2,998,223	\$3,153,742	\$3,214,874	\$3,501,897	\$ 3,694,563	\$4,178,582	\$ 4,183,215								
Net (Expense) / Revenue																		
Governmental Activities	\$ (664,215)	\$ (562,633)	\$ (462,616)	\$ (562,361)	\$ (682,457)	\$ (797,934)	\$ (744,803)	\$ (971,326)	\$ (829,965)	\$ (480,185)								
Business-type Activities	(51,025)	(47,483)	79,645	65,336	73,634	34,954	57,980	37,547	(6,108)	85,169								
Total Primary Government Net Expenses	\$ (715,240)	\$ (610,116)	\$ (382,971)	\$ (497,025)	\$ (608,823)	\$ (762,980)	\$ (686,823)	\$ (933,779)	\$ (836,073)	\$ (395,016)								

(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)

	2012-13 as restated	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20	2020-21	2021-22
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes, Levied for General Purposes	\$ 523,190	\$ 553,303	\$ 573,482	\$ 617,923	\$ 664,059	\$ 704,316	\$ 785,169	\$ 836,582	\$ 921,872	\$ 981,516
Public Safety Tax	145,097	156,352	160,337	164,993	174,648	188,194	197,665	195,009	221,401	277,989
Sales Taxes	30,158	29,103	28,437	43,595	28,019	29,886	-	-	-	-
Other Taxes	11,791	16,099	18,767	20,743	20,125	25,257	27,465	28,221	39,830	54,183
American Rescue Plan Act	-	-	-	-	-	-	-	-	-	57,739
Unrestricted Revenues from Use of Money and Property	46,383	43,603	44,616	42,739	48,663	36,935	88,199	92,872	34,433	(15,813)
Miscellaneous	71,998	74,416	74,480	69,822	70,077	78,121	82,549	73,902	72,518	55,585
Gains on Sale of Capital Assets	4,998	5,565	3,335	11,676	3,781	4,750	4,073	72,043	3,006	3,517
Extraordinary Item - RDA Dissolution	63,969	10,415	-	-	-	-	-	-	-	-
Transfers	(50,720)	(37,294)	(12,428)	(19,728)	(4,680)	4,453	(16,802)	6,536	4,395	2,810
Subtotal Governmental Activities	846,864	851,562	891,026	951,763	1,004,692	1,071,912	1,168,318	1,305,165	1,297,455	1,417,526
Business-type Activities:										
Property Taxes, Levied for General Purposes	2,627	2,786	2,850	2,981	3,105	3,198	3,424	4,397	4,630	4,760
Unrestricted Revenues from Use of Money and Property	1,674	2,210	2,569	3,155	1,263	2,835	11,336	11,402	61	(5,961)
Miscellaneous	19,264	53,070	13,361	4,536	10,132	6,561	18,076	2,685	852	1,579
Gains on Sale of Capital Assets	-	50	774	671	329	201	4,499	55	-	135
Extraordinary Item - RDA Dissolution	221	-	-	-	-	-	-	-	-	-
Transfers	50,720	37,294	12,428	19,628	4,780	(4,453)	16,802	(6,536)	(4,395)	(2,810)
Subtotal Business-type Activities	74,506	95,410	31,982	30,971	19,609	8,342	54,137	12,003	1,148	(2,297)
Total Primary Government	\$ 921,370	\$ 946,972	\$ 923,008	\$ 982,734	\$ 1,024,301	\$ 1,080,254	\$ 1,222,455	\$ 1,317,168	\$ 1,298,603	\$ 1,415,229
Changes in Net Position										
Governmental Activities	\$ 182,649	\$ 288,929	\$ 428,410	\$ 389,402	\$ 322,235	\$ 273,978	\$ 423,515	\$ 333,839	\$ 467,490	\$ 937,341
Business-type Activities	23,481	47,927	111,627	96,307	93,243	43,296	112,117	49,550	(4,960)	82,872
Total Primary Government	\$ 206,130	\$ 336,856	\$ 540,037	\$ 485,709	\$ 415,478	\$ 317,274	\$ 535,632	\$ 383,389	\$ 462,530	\$ 1,020,213

SAN BERNARDINO COUNTY
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (IN THOUSANDS)
(modified accrual basis accounting)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Fund										
Nonspendable	\$ 56,256	\$ 64,204	\$ 55,918	\$ 49,048	\$ 43,943	\$ 44,349	\$ 36,506	\$ 40,183	\$ 41,514	\$ 40,481
Restricted	238,552	309,067	352,444	397,574	435,337	436,740	457,807	469,130	526,242	655,403
Committed	106,635	175,620	187,123	306,216	295,051	283,268	224,504	258,226	261,476	234,883
Assigned	11,975	28,680	11,809	8,862	4,391	4,086	3,466	2,644	4,130	17,639
Unassigned	302,616	239,221	322,130	294,958	271,914	333,915	477,914	445,760	811,697	910,893
Subtotal General Fund	<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>	<u>1,859,299</u>
Capital Improvement Fund										
Nonspendable	-	-	29,875	35,760	42,891	101,627	86,459	93,962	115,734	52,484
Restricted	1,495	6,774	-	-	-	-	-	-	-	-
Committed	22,879	-	-	-	-	-	-	-	-	-
Assigned	69,685	132,193	82,415	99,575	198,281	212,320	258,818	394,979	383,122	579,356
Subtotal Capital Improvement Fund	<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>	<u>631,840</u>
All Other Governmental Funds										
Nonspendable (1)	2,383	2,938	1,958	1,902	2,122	3,450	7,763	8,695	32,950	24,608
Restricted (1)	525,080	513,859	629,918	649,637	704,127	738,023	826,518	891,052	1,014,683	1,193,358
Committed (1)	-	-	-	-	-	-	-	-	-	-
Assigned (1)	50,146	52,623	48,255	43,386	46,658	66,072	73,046	74,395	97,268	106,905
Unassigned (1)	-	-	-	-	-	-	-	(2,696)	(5,877)	(32)
Subtotal All Other Governmental Funds	<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>	<u>1,324,839</u>
Total Governmental Fund Balance	<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>	<u>\$ 3,815,978</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)

Revenues (by Source)	2017-18 as restated					2019-20 as restated					2020-21					2021-22					
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20 as restated	2020-21	2021-22	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 as restated	2018-19	2019-20 as restated	2020-21	2021-22	
Taxes	\$ 713,928	\$ 749,232	\$ 788,712	\$ 849,399	\$ 891,168	\$ 952,455	\$ 1,042,036	\$ 1,099,185	\$ 1,224,317	\$ 1,363,354	\$ 713,928	\$ 749,232	\$ 788,712	\$ 849,399	\$ 891,168	\$ 952,455	\$ 1,042,036	\$ 1,099,185	\$ 1,224,317	\$ 1,363,354	
Licenses, Permits, and Franchises	22,635	24,919	25,587	25,159	26,731	25,849	27,421	27,613	29,151	32,088	22,635	24,919	25,587	25,159	26,731	25,849	27,421	27,613	29,151	32,088	
Fines, Forfeitures, and Penalties	16,743	14,865	15,704	11,996	14,326	11,785	12,683	10,787	9,249	12,175	16,743	14,865	15,704	11,996	14,326	11,785	12,683	10,787	9,249	12,175	
Rev from Use of Money and Property	47,841	41,658	42,129	47,632	44,417	50,644	111,750	122,370	32,736	(28,998)	47,841	41,658	42,129	47,632	44,417	50,644	111,750	122,370	32,736	(28,998)	
Aid from Other Governments	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	2,702,879	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	2,702,879	
Charges for Current Services	373,821	382,716	388,092	403,193	434,218	477,874	468,459	510,203	538,952	535,443	373,821	382,716	388,092	403,193	434,218	477,874	468,459	510,203	538,952	535,443	
Other Revenues	70,078	67,629	61,155	61,320	62,571	67,351	72,639	68,572	72,480	55,507	70,078	67,629	61,155	61,320	62,571	67,351	72,639	68,572	72,480	55,507	
Total Revenues	2,845,471	2,986,507	3,077,308	3,186,173	3,344,596	3,466,102	3,806,622	4,008,148	4,652,147	4,672,448	2,845,471	2,986,507	3,077,308	3,186,173	3,344,596	3,466,102	3,806,622	4,008,148	4,652,147	4,672,448	
Expenditures (by Function)																					
General Government	172,922	160,755	145,589	149,160	151,379	161,434	178,915	275,911	274,900	231,114	172,922	160,755	145,589	149,160	151,379	161,434	178,915	275,911	274,900	231,114	
Public Protection	927,819	957,832	990,078	1,052,371	1,121,754	1,166,446	1,256,078	1,310,238	1,464,388	1,445,106	927,819	957,832	990,078	1,052,371	1,121,754	1,166,446	1,256,078	1,310,238	1,464,388	1,445,106	
Public Ways and Facilities	77,609	103,267	75,559	62,292	72,848	65,421	70,253	90,159	77,295	89,864	77,609	103,267	75,559	62,292	72,848	65,421	70,253	90,159	77,295	89,864	
Health and Sanitation	303,006	331,830	343,769	352,781	392,447	428,487	493,272	519,330	622,104	634,278	303,006	331,830	343,769	352,781	392,447	428,487	493,272	519,330	622,104	634,278	
Public Assistance	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	1,395,734	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	1,395,734	
Education	15,304	17,295	16,967	18,240	19,388	20,248	21,567	21,792	20,242	22,470	15,304	17,295	16,967	18,240	19,388	20,248	21,567	21,792	20,242	22,470	
Recreation and Cultural Services	20,941	20,466	20,753	19,720	20,475	20,273	22,010	22,293	22,891	23,096	20,941	20,466	20,753	19,720	20,475	20,273	22,010	22,293	22,891	23,096	
Debt Service																					
Principal	76,938	83,495	91,977	111,752	102,499	104,460	111,562	111,638	120,126	172,498	76,938	83,495	91,977	111,752	102,499	104,460	111,562	111,638	120,126	172,498	
Interest	25,861	24,156	22,034	20,443	17,247	15,978	14,984	12,115	8,392	8,140	25,861	24,156	22,034	20,443	17,247	15,978	14,984	12,115	8,392	8,140	
Bond Issuance Costs	-	-	-	187	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Outlay	120,294	94,354	132,041	120,909	140,905	124,914	154,843	159,189	121,506	139,956	120,294	94,354	132,041	120,909	140,905	124,914	154,843	159,189	121,506	139,956	
Total Expenditures	2,726,634	2,831,191	2,907,228	3,038,719	3,187,883	3,298,294	3,567,116	3,868,944	4,079,274	4,162,256	2,726,634	2,831,191	2,907,228	3,038,719	3,187,883	3,298,294	3,567,116	3,868,944	4,079,274	4,162,256	
Excess (Deficiency) of Revenues Over (Under) Expenditures	118,837	155,316	170,080	147,454	156,713	167,808	239,506	139,204	572,873	510,192	118,837	155,316	170,080	147,454	156,713	167,808	239,506	139,204	572,873	510,192	
Other Financing Sources (Uses)																					
Transfer to Other Funds	(274,470)	(263,941)	(249,063)	(302,893)	(395,117)	(352,170)	(332,559)	(397,527)	(273,136)	(457,781)	(274,470)	(263,941)	(249,063)	(302,893)	(395,117)	(352,170)	(332,559)	(397,527)	(273,136)	(457,781)	
Transfer from Other Funds	287,177	227,341	238,802	301,385	391,807	358,747	316,888	405,889	279,085	462,781	287,177	227,341	238,802	301,385	391,807	358,747	316,888	405,889	279,085	462,781	
Refunding Bonds Issued	-	-	-	27,870	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment To Refunded Bond Escrow Agent	-	-	-	(27,870)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Financing	-	-	-	-	-	-	1,043	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Recoveries	-	-	14,000	3,916	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	4,998	8,346	3,148	15,211	4,394	4,750	4,073	75,963	3,006	3,517	4,998	8,346	3,148	15,211	4,750	4,073	75,963	3,006	3,517	3,517	
Total Other Financing Sources and (Uses)	17,705	(28,254)	6,887	17,619	1,084	11,327	(10,555)	84,325	8,955	22,847	17,705	(28,254)	6,887	17,619	1,084	11,327	(10,555)	84,325	8,955	22,847	
Extraordinary Item	63,969	10,415	-	-	-	-	-	-	-	-	63,969	10,415	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	\$ 200,511	\$ 137,477	\$ 176,967	\$ 165,073	\$ 157,797	\$ 179,135	\$ 228,951	\$ 223,529	\$ 581,828	\$ 533,039	\$ 200,511	\$ 137,477	\$ 176,967	\$ 165,073	\$ 157,797	\$ 179,135	\$ 228,951	\$ 223,529	\$ 581,828	\$ 533,039	
Debt Service as a Percentage of Noncapital Expenditures:	3.94%	3.99%	4.11%	4.53%	3.93%	3.80%	3.71%	3.34%	3.26%	4.50%	3.94%	3.99%	4.11%	4.53%	3.80%	3.71%	3.34%	3.26%	3.26%	4.50%	

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)**

FISCAL YEAR	(1) SECURED	(2) UNSECURED	(3) UNITARY	(4) EXEMPT	TOTAL ASSESSED	TOTAL TAX RATE
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%
2021-2022	244,958,960	12,872,445	8,393,142	(1,669,822)	264,554,725	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

FISCAL YEAR	SAN BERNARDINO COUNTY GENERAL	SCHOOLS	SAN BERNARDINO MUNICIPAL WATER	TOTAL
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
2021-22	1.0000	0.1623	0.1300	1.2923

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.

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 2022		FISCAL YEAR 2013	
		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	\$ 5,554,642,384	2.10%	\$ 3,111,168,408	1.87%
PROLOGIS L P	LOGISTICS/REAL ESTATE	1,971,364,659	0.75%	616,900,445	0.37%
SOUTHERN CALIFORNIA GAS COMPANY	REAL ESTATE	928,527,245	0.35%	331,082,667	0.20%
WATSON LAND COMPANY	UTILITY	875,784,129	0.33%	235,899,667	0.14%
WAL-MART STORES INC	REAL ESTATE	731,201,621	0.28%	340,386,746	0.20%
MAJESTIC REALTY CO	FINANCIAL SERVICES	675,160,661	0.26%	274,413,285	0.16%
TEACHERS INSURANCE & ANNUITY ASSN	RETAIL	645,326,473	0.24%	159,758,631	0.10%
HOMECOMING I AT TERRA VISTA LLC	RETAIL	591,199,025	0.22%	105,836,999	0.06%
TARGET CORPORATION	REAL ESTATE	508,811,343	0.19%	328,954,138	0.20%
UNION PACIFIC RAILROAD COMPANY	REAL ESTATE	445,529,960	0.17%	228,129,963	0.14%
TOTAL		<u>\$ 12,927,547,500</u>	<u>4.89%</u>	<u>\$ 5,732,530,949</u>	<u>3.44%</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
2022	\$ 3,545,242	\$ 3,494,264	98.56%		\$ 3,494,264	98.56%
2021 (3)	3,350,751	3,302,450	98.56%	84,051	3,386,501	101.07%
2020 (3)	3,178,868	3,103,176	97.62%	75,951	3,179,127	100.01%
2019 (3)	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%

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, 2022

FISCAL YEAR	GENERAL BONDED DEBT OUTSTANDING			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	TOTAL			
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
2021-22	176,999	(21,834)	155,165	0.27%	0.06%	70.92

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, 2022**

2021-22 ASSESSED VALUATION: \$ 264,554,725,000 (includes unitary utility valuation)

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>PERCENT APPLICABLE</u>	<u>DEBT 06/30/22</u>
METROPOLITAN WATER DISTRICT	3.984 %	\$ 803,772
CHAFFEY COMMUNITY COLLEGE DISTRICT	100.000	302,930,000
SAN BERNARDINO COMMUNITY COLLEGE DISTRICT	98.810	721,329,922
OTHER COMMUNITY COLLEGE DISTRICTS	VARIOUS	174,174,188
APPLE VALLEY UNIFIED SCHOOL DISTRICT	100.000	18,498,758
CHINO VALLEY UNIFIED SCHOOL DISTRICT	100.000	682,369,867
COLTON JOINT UNIFIED SCHOOL DISTRICT	98.908	187,077,223
FONTANA UNIFIED SCHOOL DISTRICT	100.000	269,259,841
REDLANDS UNIFIED SCHOOL DISTRICT	100.000	59,303,512
RIALTO UNIFIED SCHOOL DISTRICT	100.000	93,496,428
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT	100.000	276,764,806
UPLAND UNIFIED SCHOOL DISTRICT	100.000	86,283,463
OTHER UNIFIED SCHOOL DISTRICTS	VARIOUS	115,313,406
UNION HIGH SCHOOL DISTRICTS	100.000	626,269,302
ELEMENTARY SCHOOL DISTRICTS	100.000	397,338,842
MOJAVE WATER AGENCY	100.000	1,685,000
MOJAVE WATER AGENCY, I.D. M	100.000	1,905,000
COUNTY WATER DISTRICTS	100.000	31,000
ETIWANDA SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICTS	100.000	69,760,000
CITY OF CHINO COMMUNITY FACILITIES DISTRICTS	100.000	198,955,000
CITY OF CHINO HILLS COMMUNITY FACILITIES DISTRICTS	100.000	19,245,000
CITY OF FONTANA COMMUNITY FACILITIES DISTRICTS	100.000	158,685,000
CITY OF RANCHO CUCAMONGA COMMUNITY FACILITIES DISTRICTS	100.000	57,051,000
CITY OF UPLAND COMMUNITY FACILITIES DISTRICTS	100.000	55,330,000
OTHER COMMUNITY FACILITIES DISTRICTS	49.775-100	440,866,172
CITY, COUNTY AND SPECIAL DISTRICT 1915 ACT BONDS (Estimate)	100.000	22,720,026
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 5,037,446,528</u>

RATIO TO 2021-22 ASSESSED VALUATION:
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT.....1.90%

**SAN BERNARDINO COUNTY
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT (CONTINUED)
AS OF JUNE 30, 2022**

<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>	<u>PERCENT APPLICABLE</u>	<u>DEBT 6/30/22</u>	
SAN BERNARDINO COUNTY GENERAL OBLIGATIONS	100.000 %	\$ 12,334,000	(2)
SAN BERNARDINO COUNTY PENSION OBLIGATIONS	100.000	119,835,000	
SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT GENERAL FUND OBLIGATIONS	100.000	44,780,000	
COMMUNITY COLLEGE DISTRICT CERTIFICATES OF PARTICIPATION	VARIOUS	31,332,337	
FONTANA UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	20,515,000	
HESPERIA UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	120,185,000	
SAN BERNARDINO CITY UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	83,385,000	
SNOWLINE JOINT UNIFIED SCHOOL DISTRICT GENERAL FUND OBLIGATIONS	98.357	61,079,697	
OTHER UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	VARIOUS	54,603,279	
VICTOR VALLEY UNION HIGH SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	18,720,000	
CUCAMONGA SCHOOL DISTRICT GENERAL FUND OBLIGATIONS	100.000	3,426,000	
ORO GRANDE SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION	100.000	31,120,000	
OTHER ELEMENTARY SCHOOL DISTRICT GENERAL FUND OBLIGATIONS	100.000	9,455,000	
CITY OF COLTON GENERAL FUND OBLIGATIONS AND PENSION OBLIGATION BONDS	100.000	24,274,400	
CITY OF FONTANA GENERAL FUND OBLIGATIONS	100.000	53,015,000	
CITY OF HESPERIA GENERAL FUND OBLIGATIONS	100.000	31,385,000	
CITY OF MONTCLAIR GENERAL FUND OBLIGATIONS	100.000	83,995,000	
CITY OF ONTARIO GENERAL FUND OBLIGATIONS AND PENSION OBLIGATION BONDS	100.000	379,750,000	
CITY OF SAN BERNARDINO GENERAL FUND OBLIGATIONS AND PENSION OBLIGATION BONDS	100.000	20,773,847	
OTHER CITY GENERAL FUND AND PENSION OBLIGATION BONDS	100.000	76,751,835	
SAN BERNARDINO MOUNTAINS COMMUNITY HOSPITAL DISTRICT GENERAL FUND OBLIGATIONS	100.000	2,471,700	
BIG BEAR MUNICIPAL WATER DISTRICT GENERAL FUND OBLIGATIONS	100.000	2,550,000	
APPLE VALLEY FIRE PROTECTION DISTRICT GENERAL FUND OBLIGATIONS	100.000	164,836	
WEST VALLEY VECTOR CONTROL DISTRICT GENERAL FUND OBLIGATIONS	100.000	1,866,938	
TOTAL DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT		\$ 1,287,768,869	
TOTAL DIRECT DEBT		\$ 176,949,000	
TOTAL OVERLAPPING DEBT (1)		\$ 5,037,446,528	
COMBINED DEBT		\$ 5,214,395,528	(3)

RATIOS TO 2021-22 ASSESSED VALUATION

TOTAL DIRECT DEBT (\$307,870,000)	0.07%
COMBINED TOTAL DEBT	1.97%

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>
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%
2021-22	264,554,725	3,306,934	50	3,306,884	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, 2022

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	DIRECT FINANCE LEASE OBLIGATION (3)	LEASE LIABILITY	OTHER LONG-TERM LIABILITIES	CERTIFICATES OF PARTICIPATION	GENERAL OBLIGATION BONDS	NOTES	DIRECT FINANCE LEASE OBLIGATION (3)				
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	
2021-22	-	10,890	166,059	-	-	211,419	50	1,096	1,366	598,643	0.23%	1.04%	274	

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.
- (3) Changed in FY 2021-22 from Capital Lease Obligations to Direct Finance Lease Obligations due to the implementation of GASB Statement No. 87.

Direct Finance Lease Obligations arises from lease agreements without a termination option which transfer ownership of the underlying asset to the lessee at the end of the contract.

Source:

Auditor/Controller/Treasurer/Tax Collector, San Bernardino County

SAN BERNARDINO COUNTY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS (IN THOUSANDS)
JUNE 30, 2022

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: 1,140,527 (Not Rounded) as of June 30, 2022

CALENDAR YEAR	(1), (2) POPULATION	(2) PERSONAL INCOME	(2) PER CAPITA PERSONAL INCOME	(3) SCHOOL ENROLLMENT	(4) UNEMPLOYMENT RATE
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%
2022	2,188	57,763,000	26.40	399	4.00%

ESTIMATED POPULATION OF SAN BERNARDINO COUNTY AS OF JANUARY 1, 2021 (whole numbers):

INCORPORATED CITIES

Adelanto	36,357	Montclair	37,846
Apple Valley	75,628	Needles	4,876
Barstow	25,202	Ontario	179,516
Big Bear Lake	5,041	Rancho Cucamonga	174,476
Chino	91,998	Redlands	72,585
Chino Hills	77,964	Rialto	103,954
Colton	53,617	San Bernardino	220,840
Fontana	212,809	Twentynine Palms	27,685
Grand Terrace	13,042	Upland	79,139
Hesperia	100,324	Victorville	136,561
Highland	56,546	Yucaipa	54,494
Loma Linda	25,349	Yucca Valley	21,813
		Total	1,887,662
		Unincorporated Areas:	300,003
		Total Population	2,187,665

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 2021-22 Adopted Budget

**SAN BERNARDINO COUNTY
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

2021-2022 (2)

Employer	Employees (1)	Rank	Percentage of Total Employment	
			Employment	Employment
San Bernardino County	5,000-9,999	1	0.60%	-1.19%
Amazon	5,000-9,999	2	0.60%	-1.19%
Loma Linda University Medical Center	5,000-9,999	3	0.60%	-1.19%
Staters Brothers	1,000-5,000	4	0.12%	-0.60%
Burlington Distribution Corp	1,000-5,000	5	0.12%	-0.60%
Environmental Systems Research	1,000-5,000	6	0.12%	-0.60%
Fedex Ground	1,000-5,000	7	0.12%	-0.60%
Inland Empire Health Plan	1,000-5,000	8	0.12%	-0.60%
San Antonio Community Hospital	1,000-5,000	9	0.12%	-0.60%
San Manuel Resort & Casino	1,000-5,000	10	0.12%	-0.60%
Total				

2012-2013

Employer	Employees (1)	Rank	Percentage of Total Employment	
			Employment	Employment
San Bernardino County	19,000	1		2.00%
Stater Bros. Market	18,221	2		1.92%
U.S. Army, Fort Irwin & National Training Center	13,805	3		1.45%
Loma Linda University	13,805	4		1.45%
U.S. Marine Corps Air Ground Combat Center	12,486	5		1.31%
United Parcel Service	8,600	6		0.91%
San Bernardino City Unified School District	8,574	7		0.90%
Ontario International Airport	7,695	8		0.81%
Loma Linda University Medical Center	6,147	9		0.65%
Kaiser Permanente (Fontana only)	6,000	10		0.63%
Total	114,333			12.03%

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

SAN BERNARDINO COUNTY
COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General	1,332	1,417	1,456	1,491	1,496	1,560	1,628	1,624	1,591	1,669
Public Protection	6,186	6,355	6,362	6,526	6,825	7,024	6,961	7,079	6,861	6,740
Public Ways & Facilities	429	412	411	407	418	365	354	370	364	337
Health and Sanitation	4,302	4,407	4,431	4,594	4,686	4,813	4,869	5,184	5,516	5,282
Public Assistance	4,946	5,051	5,132	5,249	5,190	4,946	5,098	5,036	4,993	4,810
Education	155	144	130	150	152	169	171	160	149	140
Recreation & Cultural	292	270	261	216	211	136	127	114	104	128
Total	17,642	18,056	18,183	18,633	18,978	19,013	19,208	19,567	19,578	19,106

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Government										
Legal documents recorded (W)	583,461	503,126	540,267	554,691	581,372	525,566	458,496	324,701	396,073	700,502
Percentage of payments processed within 10 days (P) (2)	62%	73%	*	*	*	*	*	*	*	*
Public Protection										
Criminal felonies filed - District Attorney (W)	19,687	20,566	16,476	12,246	14,193	13,084	11,360	12,578	13,603	10,712
Criminal misdemeanors filed - District Attorney (W)	37,222	35,926	37,835	35,467	42,727	40,610	37,795	35,200	28,032	22,923
Average cases supervised - Probation (W)	24,155	27,722	25,574	25,295	24,149	22,995	22,179	21,126	20,074	18,730
Percentage of new adults cases assessed with a valid risk instrument - Probation (P)	95%	95%	96%	99%	99%	99%	99%	99%	99%	100%
Sheriff's calls for service (W)	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	1,035,538
Number of inmate-on-inmate assaults per 1,000 per month (P)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Percent of autopsies performed per reportable deaths - Coroner (P)	17%	19%	17%	17%	21%	21%	22%	21%	20%	28%
Fire Protection - Number of fire calls (W)	153,975	156,864	180,125	186,021	126,150	138,547	149,332	126,087	130,000	133,165
Public Ways & Facilities										
Solid Waste										
Total tonnage landfilled (W) (3)	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	1,979,915
Pounds of trash per cubic yard of capacity - High Volume Sites (P) (3)	1,259	1,348	1,522	1,328	1,390	1,342	1,398	1,400	1,190	1,162
Transportation										
Maintained road miles (W)	2,769	2,554	2,550	2,550	2,550	2,552	2,551	2,551	2,560	2,573
Average Pavement Condition Index (PCI) of county maintained roads (P) (1)	Good	Good	Good	Good	Good	Good	Good	Good	Good	Good
Health and Sanitation										
Direct billable hours: Clinic - Behavioral Health (W)	233,673	237,996	243,731	264,769	284,747	275,375	262,852	253,792	211,302	196,261
Patient visits - Public Health (W)	72,920	61,831	60,832	67,393	62,012	58,161	56,699	60,184	54,383	56,582
Arrowhead Regional Medical Center - Emergency room visits (W)	113,307	106,335	97,108	92,028	92,021	86,256	83,280	76,917	68,315	80,267
Public Assistance										
Annual paid cases - CalWORKS-All Other Families (W)	465,804	471,285	469,097	441,741	405,256	383,094	350,802	342,288	312,020	249,796
Percentage of successful placements of people in Work Participation Rate (P)	49%	45%	60%	45%	53%	55%	41%	48%	42%	34%
Annual paid cases - CalWORKS-2 Parent Families (W)	57,402	60,122	65,022	61,519	53,484	47,973	42,130	40,895	35,133	25,955
Average child support collections per month (W)	13,939,034	14,158,216	14,516,145	14,969,848	15,541,421	15,821,837	16,076,175	17,737,720	18,363,629	16,761,131
Percentage of current support collected - Child Support (W)	61%	64%	65%	66%	64%	64%	64%	65%	66%	63%
Education										
County Library										
Circulation (W)	2,425,711	3,025,943	3,825,935	4,490,819	5,389,994	5,567,102	6,024,761	4,718,617	3,046,901	3,435,119
Total patron visits (W)	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	145,771
Total feet of space available at branch libraries (P)	383,511	383,511	383,511	388,511	388,511	388,511	388,511	387,459	387,459	368,894
Recreation and Cultural Services										
County Museum										
Total paid attendance (W)	34,110	28,299	30,682	34,398	34,423	40,217	58,205	27,025	8,801	62,433
Collected lots, objects, and specimens (W)	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	1,783,899
Regional Parks										
Total attendance (W)	1,867,264	1,594,916	1,364,500	1,364,500	969,702	1,030,103	999,257	508,054	555,316	293,367
Number of miles of open and usable trails maintained by Regional Parks (P)	28	28	28	28	28	52	52	52	52	62

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	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Government										
Recorder's Data Processing Equipment	47	52	46	51	59	54	71	82	80	92
Public Protection										
Major Correction & Detention Facilities	7	7	7	8	8	8	8	8	8	8
Sheriff Stations	9	9	9	10	10	10	10	10	10	10
Sheriff Vehicles	1,687	1,787	1,747	1,769	1,743	1,877	2,020	1,902	1,839	2,031
Fire Department Equipment	495	503	558	598	566	554	657	759	806	750
Public Ways & Facilities										
Solid Waste Heavy Equipment	10	3	3	3	4	4	4	5	5	6
Transportation: Trucks, Trailers, and Other Vehicles	277	277	281	291	296	299	331	346	337	328
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)	381	83	83	90	90	90	90	90	90	90
Health and Sanitation										
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	162	163	163	182	181	184	185	194	203	220
Medical Center: Number of Hospitals	1	1	1	1	1	1	1	1	1	1
Public Assistance										
Administrative & Office Equipment	640	657	668	678	642	651	606	617	567	591
Education										
Library Branches	32	32	32	32	32	32	32	32	32	32
Bookmobiles	1	0	0	0	0	0	1	1	1	1
Recreation and Cultural Services										
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

DAWN ROWE
CHAIR

Third District Supervisor

COL. PAUL COOK (RET.)
VICE CHAIR

First District Supervisor

JESSE ARMENDAREZ
Second District Supervisor

CURT HAGMAN

Fourth 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