



# Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2022 Kern County, California

Aimee X. Espinoza  
Auditor-Controller-County Clerk





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



**COUNTY OF KERN**

**Supervisor Phillip Peters..... First District**  
**Supervisor Zach Scrivner ..... Second District**  
**Supervisor Jeff Flores ..... Third District**  
**Supervisor David Couch..... Fourth District**  
**Supervisor Leticia Perez ..... Fifth District**  
**Ryan Alsop – Chief Administrative Officer**

**Prepared by the Office of Aimee X. Espinoza, Auditor-Controller-County Clerk**





**COUNTY OF KERN**  
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**INTRODUCTORY SECTION**





June 23, 2023

Board of Supervisors  
Kern County Administrative Center  
1115 Truxtun Avenue  
Bakersfield, California 93301

Honorable Board Members:

The Annual Comprehensive Financial Report (ACFR) of the County of Kern (County) for the fiscal year ended June 30, 2022 is hereby submitted in compliance with Section 25253 of the Government Code of the State of California and Board of Supervisors' Resolution No. 69-58, dated January 28, 1969. The accompanying financial statements were prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) and audited by a firm of certified public accountants in accordance with auditing standards generally accepted in the United States of America as well as the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to safeguard the County's assets from loss, theft, or misuse, as well as compile sufficient and reliable information for the purpose of preparing the County's financial statements in conformity with GAAP. As the cost of internal controls should not outweigh the respective benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert, to the best of our knowledge and belief, this financial report to be both complete and reliable in all material respects.

As the County's goal is to provide reasonable assurance that its financial statements for the fiscal year ended June 30, 2022 are free of material misstatement, the financial statements have been audited by CliftonLarsonAllen LLP, a firm of certified public accountants. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion which states the County's financial statements for the fiscal year ended June 30, 2022 are fairly presented in all material respects in conformity with GAAP. As such, the independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports will be available in the County's separately issued Single Audit Report.

Additionally, GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Please note that this letter of

transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

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### *Profile of the Government*

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The County of Kern was organized April 2, 1866, from portions of Los Angeles and Tulare Counties, making it the southernmost county of California's San Joaquin Valley and spans 8,132 square miles. Kern County is organized as a general law county under California law, and is divided into five supervisorial districts. These five supervisorial districts contain 11 incorporated cities. Bakersfield, the County seat, is home to approximately 45 percent of the County's total population of 909,813 while approximately 34 percent of Kern County residents reside in unincorporated areas.

Policymaking and legislative authority is vested in the County Board of Supervisors (Board), which consists of an elected supervisor from each of the five districts. The Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and appointing the Chief Administrative Officer and most non-elected department heads. Supervisors are elected to four-year staggered terms, with three supervisors being elected in the presidential election cycle and two supervisors being elected in the gubernatorial election cycle. The County has elected department heads responsible for the offices of the Assessor-Recorder, Auditor-Controller-County Clerk (Auditor-Controller), District Attorney, Sheriff-Coroner-Public Administrator, and Treasurer-Tax Collector. The County provides a full range of services in the following areas: general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and culture and recreation services.

#### **Budgetary and Internal Controls**

The annual budget serves as the foundation for the County's financial planning and control. The County prepares and approves a recommended budget by June 30<sup>th</sup> and adopts a budget not later than October 2<sup>nd</sup> each fiscal year in accordance with Government Code Sections 29000-29144. The County adopts budgets for all major funds and certain non-major governmental funds. The Auditor-Controller is responsible for controlling expenditures within budgeted appropriations. Expenditures are controlled at the object level for all budget units within the County. Encumbrance accounting is utilized to ensure effective budgetary control and accountability. At year-end, unencumbered appropriations are canceled and outstanding encumbrances rollover as spendable fund balance and are made available for subsequent year expenditures. Transfers of appropriations between budget units must be approved by the Board of Supervisors. Necessary supplemental appropriations, normally financed by unanticipated revenues during the year, and transfers of appropriations between expenditure object classifications, must also be approved by the Board.

In addition to these controls, the Auditor-Controller's Audit Division performs periodic internal control, compliance, and management audits of County departments. On an annual basis, an audit plan is recommended by the Auditor-Controller and approved by the Board of Supervisors. These audits help to ensure that prescribed procedures are followed while evaluating the adequacy, efficiency, and effectiveness of departmental governance, risk management, and internal controls. A fraud hotline provides County employees and the public with a way to anonymously report perceived fraud, waste or abuse in County government. Allegations reported to the hotline are evaluated by the Auditor-Controller's Audit Division and investigated, as appropriate.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and all budgeted major funds, comparisons are presented as part of the required supplementary information. For non-major governmental funds with appropriated annual budgets, these comparisons are presented in the combined and individual fund statements and schedules subsection of this report.

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## Factors Affecting Financial Condition

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The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

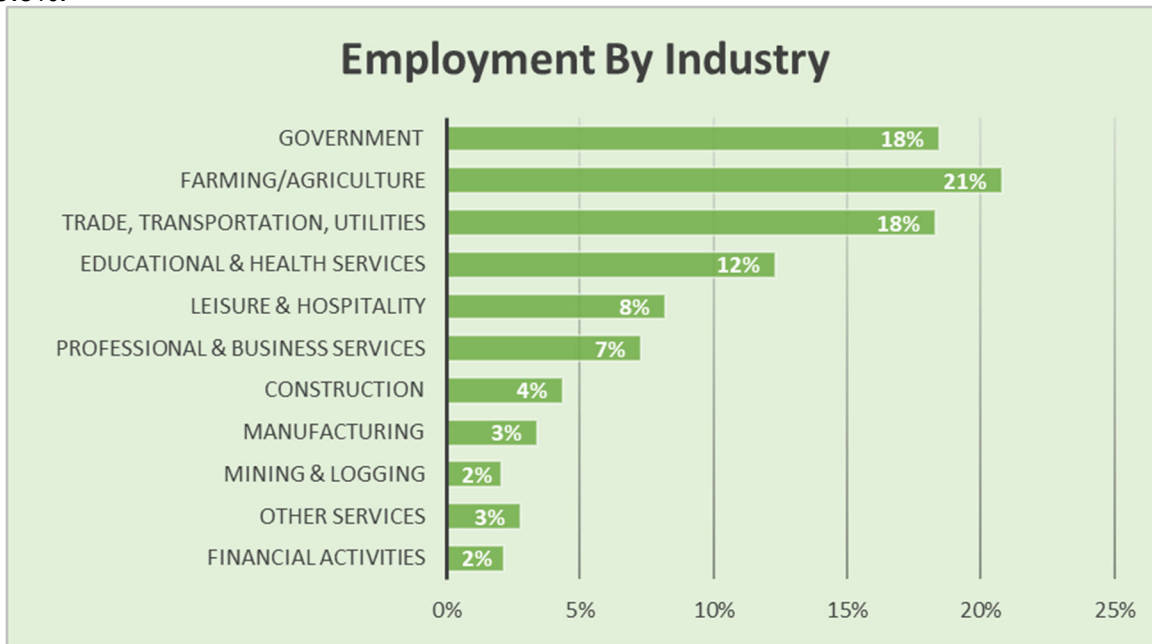
### Long-Term Financial Planning

The County cannot predict the fiscal outcome of future State budget negotiations, the impact that such budgets will have on County finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. There can be no assurances that actions taken by the State will not materially adversely affect the financial condition of the County. Current and future State budgets will be affected by national and State economic conditions and other factors, over which the County has no control. Volatility of the local assessed value of the oil & gas roll in recent years has impacted the County recently and the State has begun implementing stricter regulation over the industry. The State's goal of achieving carbon neutrality by 2045 includes managing the elimination of the transportation-related fossil fuel supply in the State. If accomplished, this would have a direct impact on the Kern County economy. Current financial planning for future major outlays is considered on a case-by-case basis by the Board of Supervisors and the County Administrative Office. In the short-term, the County Administrative Office evaluates the necessity for mid-year budgetary adjustments to be made for known shortfalls in budgeted revenue.

Since 1998-99, the Board of Supervisors has set aside funds for fiscal stability, to address the fluctuations in County discretionary revenue from one fiscal year to the next on a long-term basis. The intent is for the County to set aside funds when available to help mitigate significant service reductions in fiscal years where the amount of property tax or other discretionary revenue is estimated to be severely impacted. As the County plans for the upcoming fiscal year budgets, Board mandates on limited hiring and spending are in place to provide for future increases in benefit costs and potential declines in revenues.

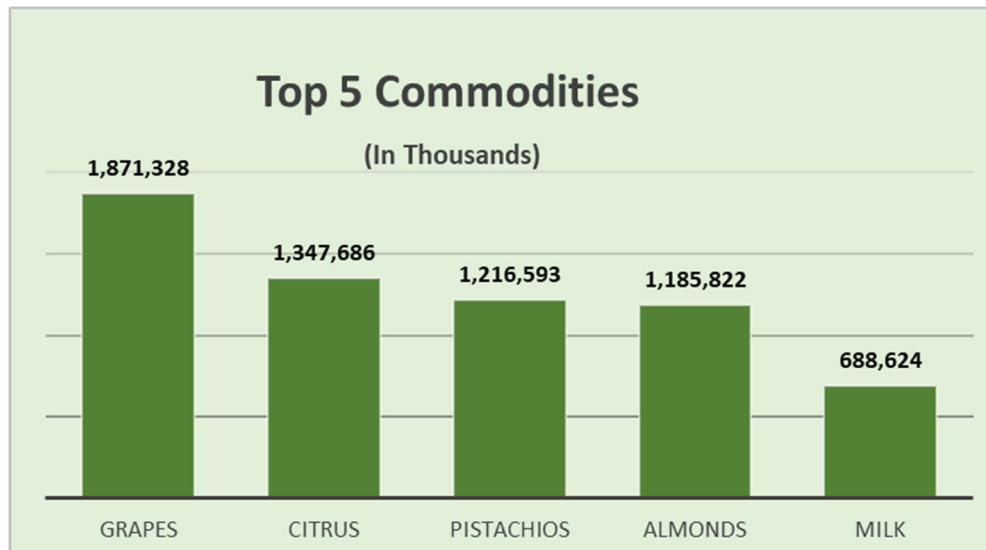
### Local Economy

According to the California Employment Development Department, as of August 2022 approximately 349,500 residents of the County were employed, resulting in an unemployment rate of 6.7%. This was an improvement over the August 2021 rate of 9.8%.



Source: State of California EDD

Kern County is fortunate to be rich in natural resources. It remains the largest oil-producing County in the State of California, producing approximately 70% of the State’s oil. Agricultural production continues to remain steady, with the County being one of the leading producers of agricultural products in the State.



Source: Kern Agricultural Crop Report – 2021

However, regulatory and market forces threaten employment in the industry sectors on which the region relies. Because of this, Kern County has joined in a public-private collaborative effort called Better Bakersfield and Boundless Kern (B3K) to address these issues. B3K is a community-driven effort, sponsored by Kern County, the City of Bakersfield, CSU Bakersfield, the Greater Bakersfield Chamber of Commerce, Kern Economic Development Corporation, and the Kern Community Foundation to identify opportunities for regional prosperity, and coordinate and align diverse existing efforts. B3K prioritizes job quality and access to ensure inclusive economic development and regional prosperity.

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*Major Initiatives*

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### **County Fiscal Plan**

On August 27, 2019 the Board of Supervisors ended a declaration of fiscal emergency that was implemented in accordance with Government Code Sections 29086 and 29127 as a proactive budgetary measure to better enable the County to meet fiscal challenges posed by the decline in property tax related to oil and gas properties from depressed market prices for oil. Fiscal Year 2019-20 was the last year of a Four-Year Deficit Mitigation Plan approved by the Board of Supervisors as a strategy to resolve the budgetary challenges resulting from the decline of property tax.

The county has continued to be proactive in its response to the COVID-19 pandemic. Through fiscally prudent measures, including reduction of costs and use of pandemic-related financial support from the federal government, the county has been able to respond to the pandemic while continuing to deliver essential public services to Kern County residents. These strategies have enabled the county to manage the financial and economic impacts of the COVID-19 pandemic while protecting residents’ health and preventing the local hospital system from becoming overwhelmed. This has included the use of CARES Act funding for assistance to vulnerable populations, other local governments, local small businesses, and non-profit organizations. The American Rescue Plan Act funding is enabling the County to continue to respond to the ongoing pandemic.

## **Awards and Acknowledgments**

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 of Kern for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the twenty-fifth consecutive year that the County of Kern has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

I wish to express my appreciation to the staff of the Auditor-Controller's Office whose hard work, professionalism, and dedication are responsible for the preparation of this report, and to the firm of CliftonLarsonAllen LLP for their professional assistance. Finally, I would like to thank the Board of Supervisors and the County Administrative Office for their continued efforts in planning and conducting the County's financial operations in a responsible and progressive manner.

Sincerely,

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

Aimee X Espinoza  
Auditor-Controller-County Clerk



**COUNTY OF KERN  
DIRECTORY OF COUNTY OFFICIALS**

**ELECTED**

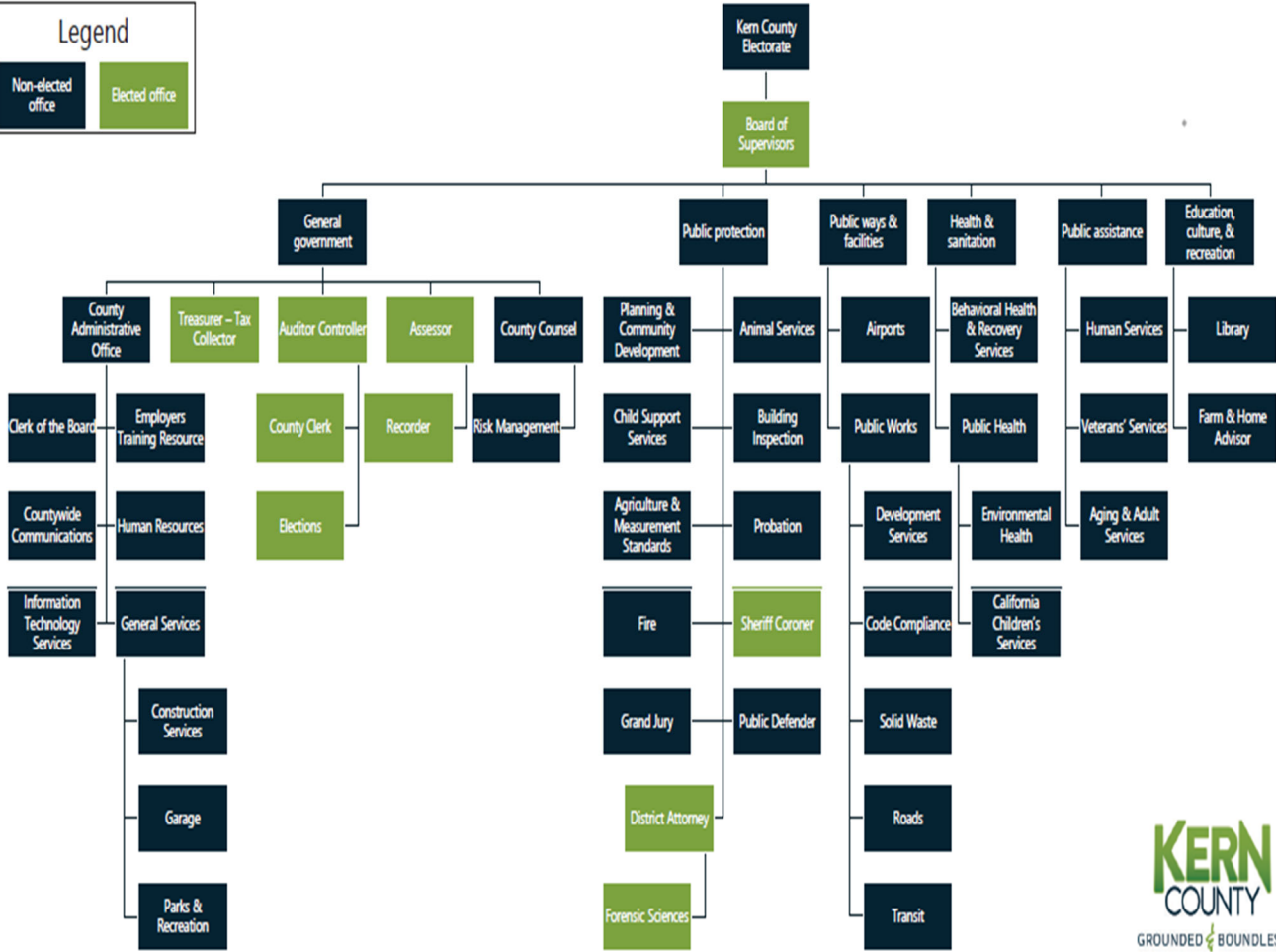
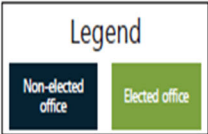
COUNTY SUPERVISOR, FIRST DISTRICT.....PHILLIP PETERS  
COUNTY SUPERVISOR, SECOND DISTRICT ..... ZACH SCRIVNER  
COUNTY SUPERVISOR, THIRD DISTRICT..... JEFF FLORES  
COUNTY SUPERVISOR, FOURTH DISTRICT ..... DAVID COUCH  
COUNTY SUPERVISOR, FIFTH DISTRICT..... LETICIA PEREZ  
ASSESSOR-RECORDER..... LAURA AVILA  
AUDITOR-CONTROLLER-COUNTY CLERK ..... AIMEE X. ESPINOZA  
DISTRICT ATTORNEY ..... CYNTHIA ZIMMER  
SHERIFF-CORONER-PUBLIC ADMINISTRATOR ..... DONNY YOUNGBLOOD  
TREASURER-TAX COLLECTOR .....JORDAN KAUFMAN

**COUNTY OF KERN**  
**DIRECTORY OF COUNTY OFFICIALS**  
(CONTINUED)

**APPOINTED**

AGING AND ADULT SERVICES .....	JEREMY OLIVER
AGRICULTURAL COMMISSIONER/SEALER.....	GLENN FANKHAUSER
AIRPORTS.....	RONALD BREWSTER
ANIMAL SERVICES.....	NICHOLAS CULLEN
CLERK OF THE BOARD .....	KATHLEEN KRAUSE
CHILD SUPPORT SERVICES .....	ELIZABETH CHAVEZ
COMMUNITY AND ECONOMIC DEVELOPMENT .....	LORELEI OVIATT
CHIEF ADMINISTRATIVE OFFICER .....	RYAN ALSOP
BOARD OF TRADE	
EMPLOYERS' TRAINING RESOURCE	
GENERAL SERVICES	
GROUP HEALTH	
HUMAN RESOURCES	
INFORMATION TECHNOLOGY SERVICES	
RETIREE GROUP HEALTH	
UNEMPLOYMENT	
COUNTY COUNSEL.....	MARGO RAISON
DEVELOPMENT SERVICES AGENCY .....	LORELEI OVIATT
EMERGENCY MEDICAL SERVICES.....	BRYNN CARRIGAN
ENVIRONMENTAL HEALTH .....	JEFFREY MARSHALL
FARM AND HOME ADVISOR.....	BRIAN MARSH
FIRE DEPARTMENT .....	AARON DUNCAN
HUMAN SERVICES .....	LITO MORILLO
LIBRARY.....	ANDREA SULLIVAN
BEHAVIORAL HEALTH & RECOVERY SERVICES .....	STACY KUWAHARA
PLANNING.....	LORELEI OVIATT
PROBATION .....	T.R. MERICKEL
PUBLIC DEFENDER .....	PETER KANG
PUBLIC HEALTH .....	BRYNN CARRIGAN
PUBLIC WORKS .....	JOSHUA CHAMPLIN (INTERIM)
ENGINEERING & SURVEY SERVICES	
ROADS	
WASTE MANAGEMENT	
VETERANS' SERVICES .....	JOSE LOPEZ (INTERIM)

# Kern County Organizational Chart for Staffed Budget Units by Function of Primary Budget Unit





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Kern  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO





**FINANCIAL SECTION**







## INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
County of Kern  
Bakersfield, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Kern, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County of Kern's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Kern, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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 First 5 Kern, Kern County Hospital Authority and Tejon Ranch Public Facilities Financing Authority, which represent 100 percent of the assets, net position and revenues of the discretely presented component units as of and for the fiscal year ended June 30, 2022. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for First 5 Kern, Kern County Hospital Authority and Tejon Ranch Public Facilities Financing Authority are based solely on the reports of the other auditors.

#### ***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 the County of Kern 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 Matters***

*Restatements of Net Position*

As disclosed in Note 16 to the financial statements, the County's beginning net position was restated for the correction of errors in prior year financial statements. Our opinion is not modified with respect to this matter.

*Change in Accounting Principle*

As discussed in Note 1 to the financial statements, effective July 1, 2021, the County adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease 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 opinion is not modified with 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 the County of Kern'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 County of Kern'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 County of Kern'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, budgetary comparison schedules, schedule of the County's proportionate share of the net pension liability and the County's contributions, and schedule of the County's proportionate share of the net OPEB liability and the County's contributions, as listed in the table of contents, 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 the County of Kern's basic financial statements. The combining and individual fund 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, the combining and individual fund 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 section and statistical section 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.

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.

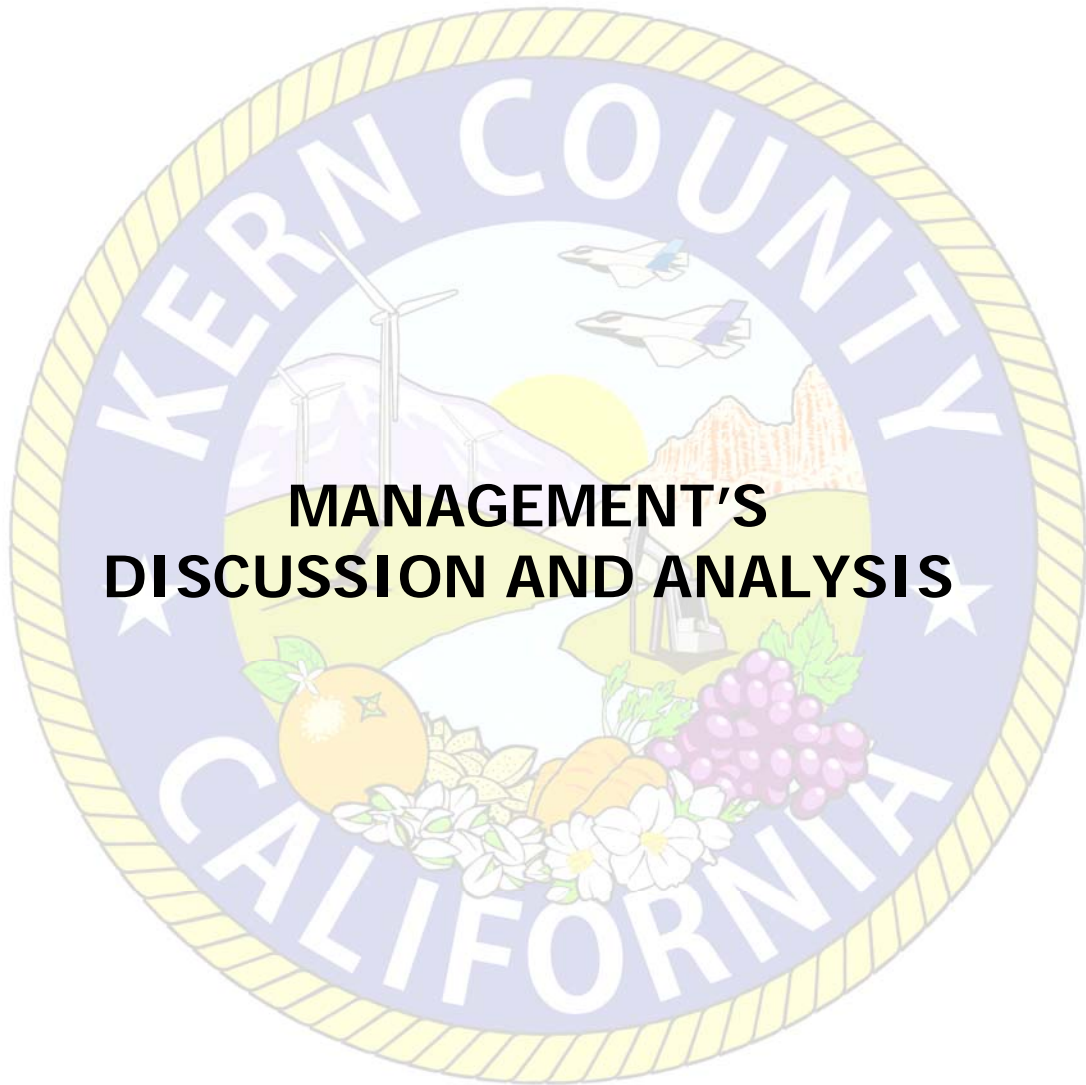
**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2023, on our consideration of the County of Kern's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Kern'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 County of Kern's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Roseville, California  
June 23, 2023



**MANAGEMENT'S  
DISCUSSION AND ANALYSIS**



**COUNTY OF KERN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**  
**UNAUDITED**

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The management's discussion and analysis section of the County of Kern's (County) Annual Comprehensive Financial Report (ACFR) presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2022. Users of these financial statements should read this section in conjunction with the transmittal letter at the front of the ACFR and the County's basic financial statements following this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

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*Financial Highlights*

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- At June 30, 2022, the County's total net position was \$1,682,508. Of this total net position, \$2,196,958, is attributed to net investment in capital assets, and \$788,992, is restricted, which may be used for the County's ongoing obligations with external restrictions. (For additional information on Restricted Net Position see Note 16. B.) The remaining balance of the total net position is a deficit balance of \$1,303,442 representing the unrestricted net position.
- During the current fiscal year, the County's net position increased by \$402,703. The County's net position increased by \$388,910 for governmental activities and increased \$13,793 for business-type activities.
- At June 30, 2022, the County's governmental funds reported total ending fund balance of \$1,184,815, an increase of 20.19% compared to prior year's total ending fund balance. Approximately \$1,166,071 or 98.42% is considered spendable fund balance. See further discussion in the Financial Analysis of the County's Governmental Funds section on page 19.
- At June 30, 2022, the spendable fund balance for the General Fund was \$430,215 or 97.37% of total General Fund expenditures.

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*Overview of the Basic Financial Statements*

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Management's 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:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all County's assets and deferred outflows of resources less liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases and 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 illustrating how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event takes place regardless of when cash is received or paid. Thus, some revenues and expenses are reported in the ACFR for some items that will only result in cash inflows and outflows in future fiscal years.



Both the *Statement of Net Position* and the *Statement of Activities* distinguish between activities that are primarily financed with taxes and intergovernmental revenues (governmental activities) and those that are intended to recover all or a significant portion of their costs through user fees and charges for services (business-type activities). The County's governmental activities include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and culture and recreation services. The County's business-type activities include the operation of seven airports, two sanitation districts, public transportation, three golf courses, solid waste disposal, and activities associated with waste pick-up for the more densely populated unincorporated areas of Bakersfield and Taft. Although the Golf Courses, Sanitation Districts, Kern Asset Leasing Corporation, and County Service Areas are legally separate entities, in substance they are part of the County's operations and have been included as part of the County's governmental and business-type activities.

The government-wide financial statements are presented on pages 25 and 26 of the ACFR.

### **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds, not the County as a whole. A fund is a fiscal and accounting entity designated to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. County's funds can be divided into three broad categories:

- Governmental funds
- Proprietary funds
- Fiduciary funds

**Governmental funds** are used to account for activities that are similar in nature to the governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the 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 used in evaluating Kern County's future financing requirements and available resources.

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. This will allow readers to get a better understanding of the long-term impact of the County's future 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 eight major individual 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 each of the major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located in the *Combining and Individual Fund Statements and Schedules* section.

The County adopted an annual appropriated budget for all its major governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with this budget and are included in the *Required Supplementary Information* section of the ACFR (debt service budgetary schedules are not required to be presented in these financial statements). Individual budgetary data for each of the budgeted non-major governmental funds is presented in the *Other Supplementary Information* section of the ACFR.

The basic governmental fund financial statements are presented on pages 27 through 32 of the ACFR.

**Proprietary funds** are reported in two ways: enterprise funds and internal service funds. Enterprise funds are reported as business-type activities in the government-wide financial statements. The County has the following enterprise funds: Airports, County Sanitation Districts, Golf Courses, Public Transportation, Waste Management, and Universal Collection. Internal service funds are used to accumulate and allocate costs internally among the County's various functions.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds' financial statements provide separate information for Airports and Waste Management, which are major funds of the County. For presentation, all other enterprise funds are combined into a single, aggregated column, as well as the internal service funds. Individual fund data for the non-major enterprise funds and the internal service funds is provided in the combining statements of the ACFR.

The County uses the following internal service funds: General Liability, General Services - Garage, Group Health, Public Works, Retiree Group Health, Unemployment Compensation, and Workers' Compensation. Because such functions predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements.

The proprietary funds basic financial statements are presented on pages 33 through 36 of the ACFR.

**Fiduciary funds** are used to account for resources held for the benefit of parties outside the County government. Because fiduciary funds are presented separately, they do not appear in the government-wide financial statements. The resources of fiduciary funds are not available to support the County's own programs. Fiduciary funds are accounted for similar to proprietary funds.

The fiduciary fund basic financial statements are presented on pages 37 and 38 of the ACFR.

### Notes to the Financial Statements

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

The notes to the financial statements are presented starting on page 41 of the ACFR.

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## *Government-Wide Financial Analysis*

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Table 1 - County of Kern's Net Position (In Thousands)

	Governmental Activities		Business-Type Activities		Total		Total Change	Percent Change
	2022	2021	2022	2021	2022	2021		
Current and Other Assets	\$ 1,706,694	\$ 1,469,838	\$ 98,026	\$ 90,918	\$ 1,804,720	\$ 1,560,756	\$ 243,964	15.63%
Capital Assets	2,045,486	2,018,817	245,916	237,300	2,291,402	2,256,117	35,285	1.56%
Right-to-Use Asset, Net	130,390	-	224	-	130,614	-	130,614	
<b>Total Assets</b>	<b>3,882,570</b>	<b>3,488,655</b>	<b>344,166</b>	<b>328,218</b>	<b>4,226,736</b>	<b>3,816,873</b>	<b>409,863</b>	<b>10.74%</b>
Total Deferred Outflows of Resources	354,945	468,822	8,070	10,916	363,015	479,738	(116,723)	(24.33%)
Current and Other Liabilities	386,797	360,916	13,826	14,788	400,623	375,704	24,919	6.63%
Long-Term Liabilities	1,964,828	2,376,496	93,082	111,651	2,057,910	2,488,147	(430,237)	(17.29%)
<b>Total Liabilities</b>	<b>2,351,625</b>	<b>2,737,412</b>	<b>106,908</b>	<b>126,439</b>	<b>2,458,533</b>	<b>2,863,851</b>	<b>(405,318)</b>	<b>(14.15%)</b>
Total Deferred Inflows of Resources	426,329	149,414	22,381	3,541	448,710	152,955	295,755	193.36%
<b>Net Position</b>								
Net Investment in Capital Assets	1,954,070	1,919,459	242,888	233,771	2,196,958	2,153,230	43,728	2.03%
Restricted	786,122	651,515	2,870	2,787	788,992	654,302	134,690	20.59%
Unrestricted	(1,280,631)	(1,500,323)	(22,811)	(27,404)	(1,303,442)	(1,527,727)	224,285	14.68%
<b>Total Net Position</b>	<b>\$ 1,459,561</b>	<b>\$ 1,070,651</b>	<b>\$ 222,947</b>	<b>\$ 209,154</b>	<b>\$ 1,682,508</b>	<b>\$ 1,279,805</b>	<b>\$ 402,703</b>	<b>31.47%</b>

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. At June 30, 2022, the County's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$1,682,508.

### Net Investment in Capital Assets

The County's largest portion of total net position is the net investment in capital assets of \$2,196,958. The net investment in capital assets includes land, buildings and improvements, roads, machinery and equipment, intangibles, construction in progress, and right-to-use assets, less accumulated depreciation and amortization and any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens, and, as a result, these assets are not available for future spending. Because the net investment in capital assets is reported net of related debt, and since the capital assets themselves cannot be used to liquidate the debt liabilities, it should be noted that the resources needed to repay this debt must be provided from other sources.

The increase in net investment in capital assets of \$43,728, or 2.03%, was the result of capital acquisitions, disposals, depreciation and amortization, and retirement of related long-term debt. In most cases, the disposals of capital assets have no effect on the change in net investment in capital assets, since assets are not typically disposed of until the end of their useful life and would carry no book value when net of associated depreciation or amortization. The largest increase in capital asset activity was in Infrastructure. The \$36,495 change, shown in Table 3 on page 21, was a result of liners for the County's landfills being reclassified to infrastructure. Depreciation and Amortization of \$78,060 was the biggest reduction to net investment in capital assets.

### Restricted Net Position

Of the County's total net position, \$788,992 is restricted, which represents external restrictions on how these resources may be used. The major portion of the restricted resources, \$253,015, is reserved for public protection. The total restricted balance increased by \$134,792, or 20.60%, predominantly from the increase of \$144,240 to Public Protection which is mainly related to 1991 Realignment.

### Unrestricted Net Position

The remaining balance of net position represents the unrestricted resources, which has a deficit balance of \$1,303,442. This deficit balance is largely due to the inclusion of the long-term debt specifically for the unfunded portions of the pension and Other Post-Employment Benefit (OPEB) liabilities. In the current fiscal year, unrestricted net position decreased by \$224,285, or 14.68%; this change is due to the current year debt payments and the reductions of the net liabilities from the pension and OPEB actuarial reports.

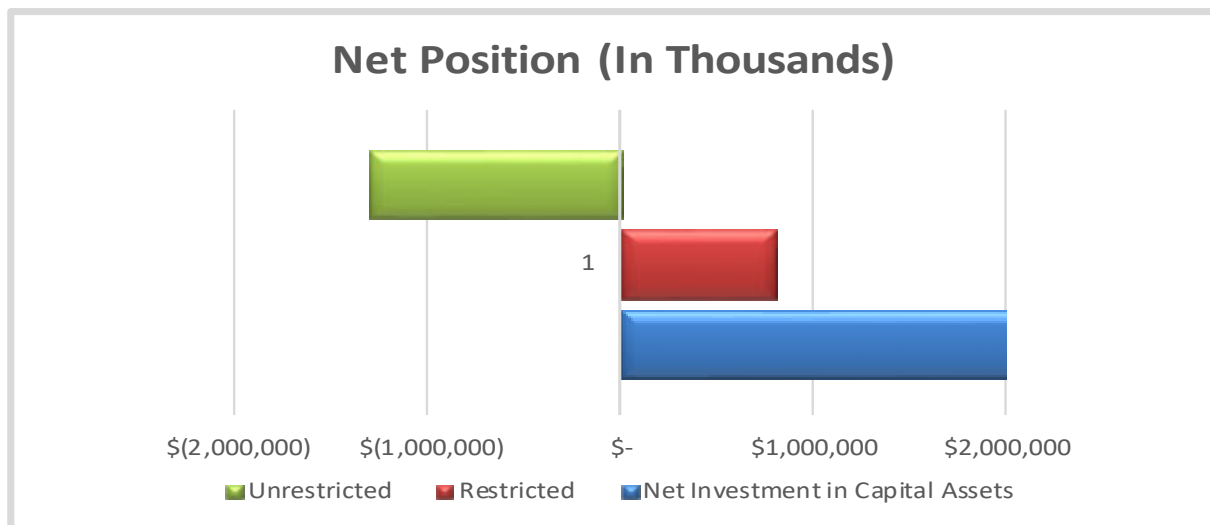


Table 2 - County of Kern's Changes in Net Position (In Thousands)

	Governmental		Business-Type		Total		Total Change
	Activities		Activities				
	2022	2021	2022	2021	2022	2021	
<b>Revenues</b>							
<b>Program Revenues</b>							
Charges for Services	\$ 362,436	\$ 380,518	\$ 101,190	\$ 88,766	\$ 463,626	\$ 469,284	\$ (5,658)
Operating Grants & Contributions	1,217,227	1,151,366	3,804	12,625	1,221,031	1,163,991	57,040
Capital Grants & Contributions	10,472	9,423	82	2,956	10,554	12,379	(1,825)
<b>General Revenues</b>							
Property Taxes	298,507	293,159	-	-	298,507	293,159	5,348
Aircraft Taxes	180	162	-	-	180	162	18
Sales & Use Taxes	66,214	50,028	-	-	66,214	50,028	16,186
Transient Occupancy Tax	4,067	3,117	-	-	4,067	3,117	950
Transfer Tax	7,658	4,961	-	-	7,658	4,961	2,697
Other Taxes	989	1,050	-	-	989	1,050	(61)
Vehicle License Taxes	111,532	110,505	-	-	111,532	110,505	1,027
Investment Earnings	(40,939)	5,495	(4,082)	60	(45,021)	5,555	(50,576)
Miscellaneous	16,403	-	-	-	16,403	-	16,403
<b>Total Revenues</b>	<b>2,054,746</b>	<b>2,009,784</b>	<b>100,994</b>	<b>104,407</b>	<b>2,155,740</b>	<b>2,114,191</b>	<b>41,549</b>
<b>Expenses</b>							
General Government	110,550	125,627	-	-	110,550	125,627	(15,077)
Public Protection	539,067	578,401	-	-	539,067	578,401	(39,334)
Public Ways & Facilities	74,937	65,488	-	-	74,937	65,488	9,449
Health & Sanitation	368,134	389,283	-	-	368,134	389,283	(21,149)
Public Assistance	535,065	514,074	-	-	535,065	514,074	20,991
Education	8,364	6,543	-	-	8,364	6,543	1,821
Culture & Recreation Services	766	913	-	-	766	913	(147)
Interest on Short & Long-Term Debt	27,759	18,935	-	-	27,759	18,935	8,824
Airports	-	-	9,768	10,244	9,768	10,244	(476)
County Sanitation Districts	-	-	5,825	4,445	5,825	4,445	1,380
Golf Courses	-	-	572	642	572	642	(70)
Public Transportation	-	-	10,527	10,987	10,527	10,987	(460)
Universal Collection	-	-	19,111	17,756	19,111	17,756	1,355
Waste Management	-	-	50,161	46,123	50,161	46,123	4,038
<b>Total Expenses</b>	<b>1,664,642</b>	<b>1,699,264</b>	<b>95,964</b>	<b>90,197</b>	<b>1,760,606</b>	<b>1,789,461</b>	<b>(28,855)</b>
Excess of Revenues Over Expenses Before Transfers	390,104	310,520	5,030	14,210	395,134	324,730	70,404
Transfers	(7,603)	(815)	7,603	815	-	-	-
Increase in Net Position	382,501	309,705	12,633	15,025	395,134	324,730	70,404
Net Position at Beginning of Year*	1,077,060	760,946	210,314	194,122	1,287,374	955,068	332,306
Net Position at End of Year	<u>\$ 1,459,561</u>	<u>\$ 1,070,651</u>	<u>\$ 222,947</u>	<u>\$ 209,147</u>	<u>\$ 1,682,508</u>	<u>\$ 1,279,798</u>	<u>\$ 402,710</u>

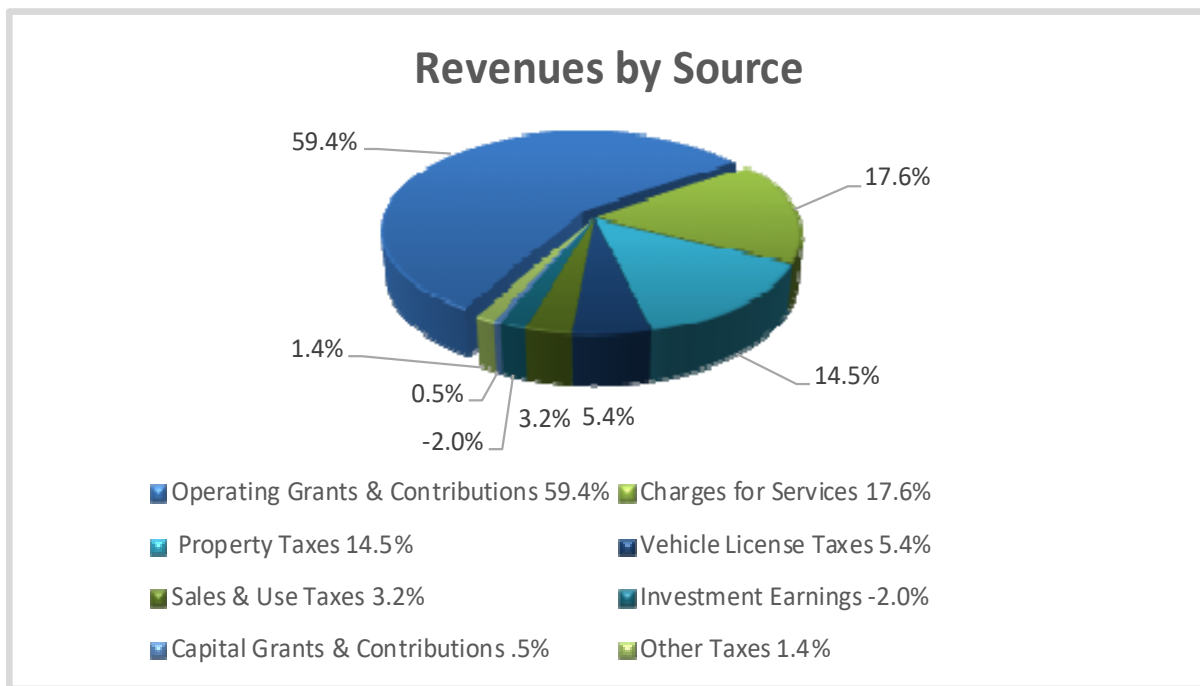
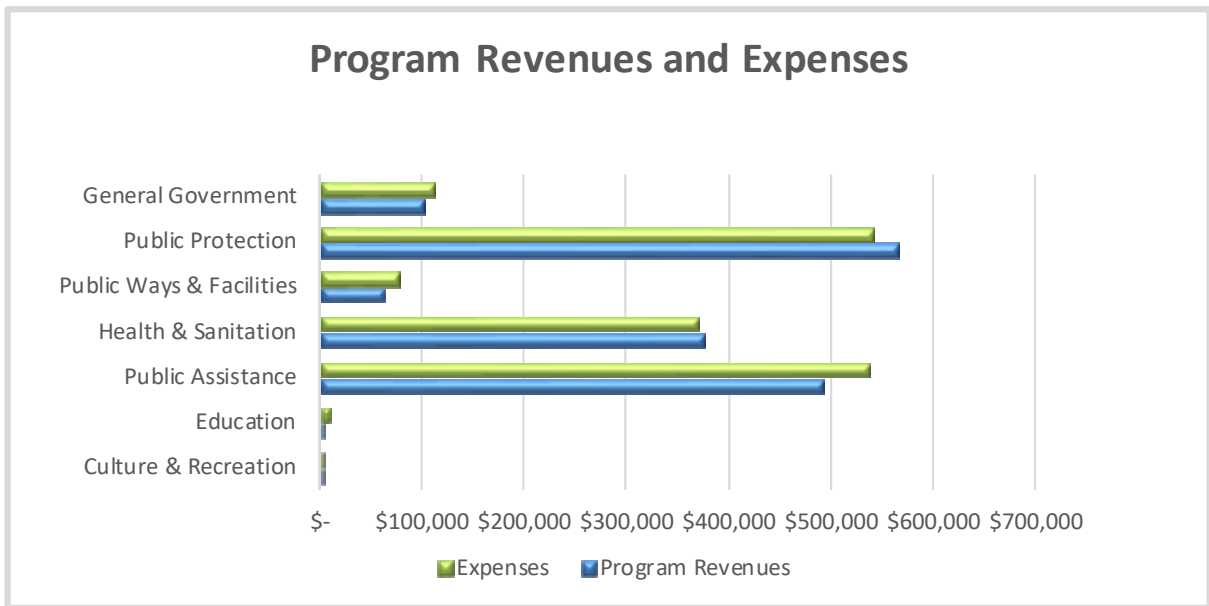
\* As restated. See Note 16 C.

## Governmental Activities

The Governmental activities increased the County's net position by \$382,501 for the year ended June 30, 2022:

- Total revenues increase by \$45,122, or 2.25%; the largest increase in revenues of \$66,021 was from operating grants & contributions.
- As an arm of the State government, operating grants and contributions serve multiple programs, representing 59.24% of the County's total revenue for governmental activities, and are tied to the mandated services such as public assistance, public health, and mental health. Funding levels for these revenue sources increased by \$66,021 or 5.73% from the prior year.
- Taxes and investment earnings that are generated locally provide the Board of Supervisors (Board) with most of its discretionary spending power. The changes are primarily due to the following:
  - Property Tax* revenues increase by \$5,348, or 1.82%, from prior year due to an increase in property values and oil prices.
  - Investment Earnings* revenues decreased by \$46,434, from prior year due to a decrease in the fair market value adjustment of investments.
- Total expenses decreased by \$34,622, or 2.04%, primarily due to the decrease in the governmental portion of the net pension liability, which gets allocated to functional expenses at the government-wide

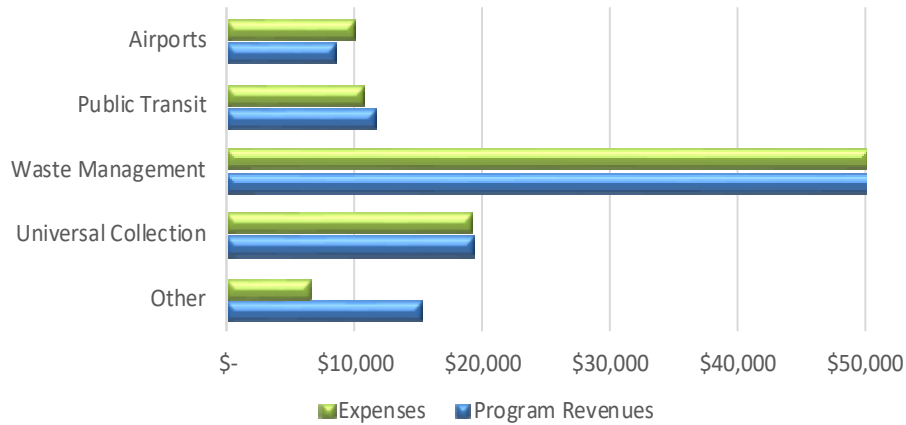
level. Additionally, personnel changes caused a decrease in costs for Health & Sanitation. The increase in Public Assistance resulted primarily from an increase in benefit payments made by Human Services.



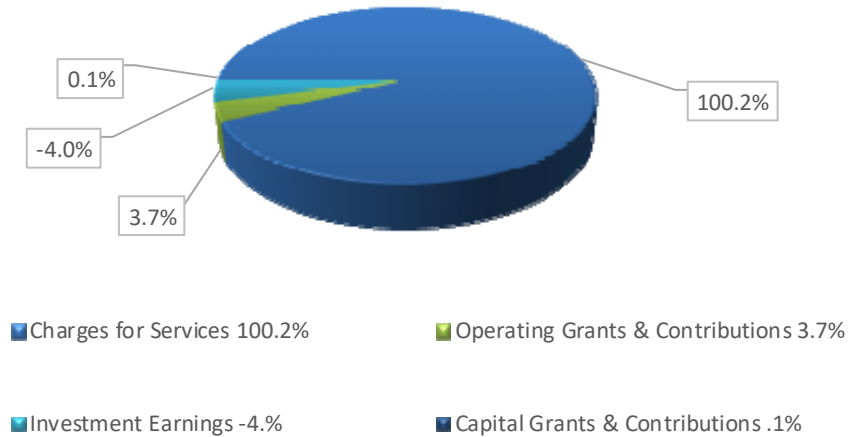
#### Business-type Activities

Business-type activities' total net position increased the County's net position by \$12,633. Charges for Services increased by \$12,424 due to higher sewer and universal collection fees, higher bin fees and gate fees. Expenses in the government-wide business-type activities increase \$5,767, or 6% due to increase in services and supplies from Waste, Universal Collection, and County Sanitation Districts. Waste and Airports had increases in depreciation expense.

### Program Revenues and Expenses



### Revenues by Source




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### *Financial Analysis of the County's Funds*

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#### **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. Particularly, total fund balance less the non-spendable portion may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

At June 30, 2022, the County's governmental funds reported total fund balances of \$1,184,815, an increase of 20.19% compared to prior year's total ending fund balance. Approximately \$1,166,071, or 98.42%, of total fund balance is spendable fund balance, which is a useful measure of the County's resources available for spending in subsequent periods. Spendable fund balance is broken out into the following categories: Restricted, Committed, Assigned, and Unassigned. These categories identify allowable usage of fund balance. The remaining balance of fund balance is non-spendable. Non-spendable fund balance indicates that it is not available for spending because it is either not in spendable form or legally or contractually required to be maintained intact.

The General Fund is the chief operating fund of the County. At June 30, 2022, spendable fund balance of the General Fund was \$430,215. As a measure of the General Fund's liquidity, it may be helpful to compare both spendable fund balance and total fund balance to total fund expenditures. Spendable fund balance represents 41.79% of total General Fund expenditures, while total fund balance represents 42.92% of total General Fund expenditures.

The fund balances for other governmental funds increased by \$70,952, or 10.56% compared to prior year's total ending fund balances. The following major governmental funds had significant changes in fund balance:

- Behavioral Health & Recovery Services – Fund balance increased by \$28,200 or 22.46%, to a total of \$153,738 due to increase in charges for services and aid from other governmental agencies.
- Community Development – Fund balance decreased by \$1,934, or 150.62%, to a deficit of \$650. The decrease is due to an increase in expenditures for services and COVID-19 related expenses.
- Coronavirus Relief – Fund balance decreased by \$6,202, or 303.42%. The decrease is due to a nominal change in revenue and expenditures related to federal and state assistance received and spent to assist in the local response to the pandemic.
- County Local Revenue Fund – Fund balance increased by \$25,052 or 26.42%. The increase is due to an increase of state aid for mental health and public protection.
- Human Services – Fund balance increased by \$40,995, or 238.95%, to a total of \$58,151. The increase is related to an increase in aid received from Realignment for family support, and child poverty. There is also a significant increase in revenue from realignment 2011.
- Kern Tobacco Funding Corp. – Fund balance decreased by \$362, or 3.69%. The decrease is due to a decrease on interest earned on cash with trustee and an increase in the annual debt service payment.
- Structural Fire – Fund balance decreased by \$1,205, or 2.17%, to a total of \$54,245. The decrease is due primarily to significant increase in expenditures, and a decrease in federal aid.

The following other governmental funds had significant changes in fund balance:

- Child Support Services – Fund balance decreased by \$557, or 62.37%, to a total of \$336. Changes are a result of an increase in expenditures and expenses in capital outlay.
- Environmental Health Services – Fund balance increased by \$524, or 11.39%, to a total of \$5,126. The increase is due to an increase in licenses, permits and franchises.
- Recorder – Fund balance increased by \$1,035, or 27.59%, to a total of \$4,787. The increase was due to a decrease in expenditures.
- Aging and Adult Services- Fund balance decreased by \$1,270, or 41.85%, to a total of \$1,765. Changes are primarily a result of an increase in personnel costs.
- County Clerk fund balance increased by \$528, or 1,077% to a total of \$577. Changes are a result of an increase in marriage license fees and CEQA Environmental document fees related to oil and gas.

### **Proprietary Funds**

The proprietary funds provide similar information to the government-wide financial statements, but in more detail. The enterprise funds' total net position increased by \$14,724 or 6.28%. The net position of Airports decreased by \$17, Waste Management increased by \$5,959, and the non-major enterprise funds increased by \$8,782, or 17%. Operating revenues and expenses remained consistent with prior year for Airports, Waste Management, and non-major enterprise funds.

Internal service funds had a decrease in net position of \$16,093, or 39.86%. The General Liability Fund's net position increased \$1,369 due to an increase in other operating revenues. The General Services-Garage Fund had an increase in net position of \$776 as a result of an increase in charges for services and a decrease in operating expense. The Group Health Fund decrease in net position by \$16,537 due to a decrease in charges for services and an increase in claims incurred. The Public Works Fund had an increase in net position of \$362 as a result of charges for services. The Retiree Group Health Fund decreased net position by \$778 due to a decrease in charges for current services. The Unemployment Compensation Fund had an increase to net position of \$1,897 as a result of increases in charges for services. Workers' Compensation had a decrease in net position of \$3,174 as a result of an increase in claims incurred.



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## *General Fund Budgetary Variances*

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The difference between the General Fund’s original budget and final budget includes appropriations that rolled over from the prior year and increases in supplemental appropriations. The County also adjusted for mid-year identification of any resource shortfall by adjusting appropriations down. The supplemental appropriations increases were from unanticipated revenue sources received throughout the year. All functions, except for Contingencies and Reserves, came in under budget due to various reasons, with the core reason being departments’ conservative spending and hiring. Significant variances are briefly summarized as follows:

- Increase in total General Government appropriations of \$52,749 includes prior year appropriations that consisted of major maintenance and capital projects as well as appropriations transferred from contingencies and reserves.
- Increase in total Public Protection appropriations of \$9,411 includes additional appropriations for capital assets for the Probation’s department as well as an increase in appropriations for salaries & benefits and professional services for the Sheriff’s department.
- Increase in total Health and Sanitation appropriations of \$15,284 are due to appropriations associated to the COVID-19 pandemic.
- Public Assistance increases in appropriations are due to transfers out related to social services CalWORKs, and Family and Child Support VLF.

Significant variances between the General Fund’s final budget and actual on the budgetary basis are as follows:

- Tax revenue exceeded expectations primarily due to increased collections in sales and use taxes.
- General Government excess appropriations are mostly the result of multi-year capital projects and major maintenance projects not completed this year.
- Public Protection excess appropriations are the result unspent funds in District Attorney, Probation, Public Defender, Sheriff, and Planning, with small unspent funds in all other Public Protection departments.

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## *Capital Assets and Debt Administration*

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### **Capital Assets**

Table 3 – The County’s Gross Capital Assets (In Thousands)

	Governmental Activities		Business - Type Activities		Total		Total
	2022	2021	2022	2021	2022	2021	Change
Land	\$ 33,738	\$ 34,250	\$ 36,687	\$ 36,605	\$ 70,425	\$ 70,855	\$ (430)
Land Improvements	-	-	69,267	69,267	69,267	69,267	-
Land Acquisition in Progress	-	-	86	86	86	86	-
Construction in Progress	33,089	26,840	23,506	14,068	56,595	40,908	15,687
Works of Arts	60	60	198	198	258	258	-
Infrastructure	836,639	810,737	141,384	130,791	978,023	941,528	36,495
Structures and Improvements	637,441	617,948	91,519	89,831	728,960	707,779	21,181
Equipment	229,926	217,479	46,915	46,654	276,841	264,133	12,708
Intangibles	1,181,358	1,180,232	1,221	1,109	1,182,579	1,181,341	1,238
Right-to-Use assets	146,783	-	376	-	147,159	-	147,159
<b>Total</b>	<b>\$ 3,099,034</b>	<b>\$ 2,887,546</b>	<b>\$ 411,159</b>	<b>\$ 388,609</b>	<b>\$ 3,510,193</b>	<b>\$ 3,276,155</b>	<b>\$ 234,038</b>

The County's gross capital assets total \$3,510,193 at June 30, 2022 as illustrated in Table 3. Total net capital assets which include land, land improvements, land acquisition in progress, construction in progress, works of art, infrastructure, structures and improvements, equipment, intangibles, right-to-use assets, depreciation, and amortization is \$2,422,016 as detailed in Note 6 in the Notes to the Financial Statements.

The major capital assets events during the current fiscal year include the following:

- Construction in Progress – Road’s construction increased by 15,687 and completed projects to the amount of 40,440.
- Infrastructure – The Roads Department had several completed infrastructure projects in the current fiscal year. The total infrastructure additions were \$35,116.
- Structures and Improvements – General Services reported additions of \$20,011 for 18<sup>th</sup> Street Building purchase and Crossroads’ facility.
- Equipment – The Sheriff and Fire added a total of \$11,826 in leased equipment. The Roads Department also added \$2,223 in new equipment. Total Equipment additions were \$18,985.
- Intangibles – Additions of \$629 are due to Sheriff and BHRS purchases of new software systems, and the remaining amount is from Waste.
- Right-to-Use Asset – The county implemented GASB 87 with the recognition of \$ 146,783 Right-to-Use assets for the Lease agreements for the use of Land, Building, Equipment, and Vehicles.

Additional information regarding the County’s capital assets is reported in Note 1. H and Note 7. A and B of the Notes to the Financial Statements.

### Long-Term Debt

At June 30, 2022, the County’s long-term debt is \$2,035,159, which is mainly comprised of Certificates of Participation (COP) (secured by the County’s lease rental payments), tobacco asset backed bonds, net pension liability, and Pension Obligation Bonds. The remaining long-term liabilities include other bonds payable, finance purchase agreements, lease liabilities, various loans payable, closure/post closure liabilities, compensated absences, and net OPEB liability.

The County has no general obligation debt. The COP and bonds are insured by different companies and have Standard and Poor’s (S&P) ratings of A+ through AA.

Additional information regarding the County’s long-term debt can be found in Note 8 of the Notes to the Financial Statements.

Table 4 – The County’s Outstanding Debt (In Thousands)

	Governmental Activities		Business - Type Activities		Total		Total Change
	2022	2021	2022	2021	2022	2021	
Compensated Absences	\$ 82,657	\$ 87,768	\$ 2,659	\$ 2,702	\$ 85,316	\$ 90,470	\$ (5,154)
Finance Purchase Agreements	19,693	24,424	-	-	19,693	24,424	(4,731)
Certificates of Participation	67,230	71,063	-	-	67,230	71,063	(3,833)
Tobacco - Asset Backed Bonds	62,259	69,820	-	-	62,259	69,820	(7,561)
Bonds Payable	1,341	1,659	-	-	1,341	1,659	(318)
Loans Payable	35,187	8,519	2,975	3,529	38,162	12,048	26,114
Pension Obligation Bonds	103,059	127,111	1,661	2,053	104,720	129,164	(24,444)
Lease Liabilities	130,896	-	280	-	131,176	-	131,176
Pollution Remediation	-	-	7,518	7,713	7,518	7,713	(195)
Landfill Closure Liability	-	-	30,967	30,387	30,967	30,387	580
Post Closure Liability	-	-	18,423	23,121	18,423	23,121	(4,698)
Net OPEB Liability	65,175	17,991	1,301	410	66,476	18,401	48,075
Net Pension Liability	1,369,748	1,939,652	32,038	45,046	1,401,786	1,984,698	(582,912)
<b>Total</b>	<b>\$ 1,937,245</b>	<b>\$ 2,348,007</b>	<b>\$ 97,822</b>	<b>\$ 114,961</b>	<b>\$ 2,035,067</b>	<b>\$ 2,462,968</b>	<b>\$ (427,901)</b>

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

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The Economy plays a significant role in the County's ability to provide services to the public. There are several factors that the County considers and monitors to ensure that a balanced budget is adopted, including employment levels, housing market and the state and national economy. The Fiscal Year 2022-23 \$3.6 billion adopted budget is built on a leaner baseline established over the last six years. Careful spending will remain a pivotal strategy of County operations due to stagnant growth in discretionary revenues and increases year over year of the cost of running the programs. The modest growth in discretionary revenue coupled with federal and state financial assistance will allow us to continue making investments this coming year on public safety, mitigating homelessness, public health including behavioral health, investing in parks, maintaining library services, and increasing funding for spay and neuter programs.

The following factors were considered in developing the FY 2022-23 Adopted Budget:

- The County's FY 2022-23 estimated total net assessed value is \$115.3 billion, an increase of \$11.7 billion, or 11.3% from FY 2021-22. Since 2014, the County's total assessed valuation has increased 16.1%, or 1.88% per year. This continues to be significantly below the 27.65% change in the consumer price index over this same period and is expected to continue to place Kern County as the lowest growth in assessed valuation of all 58 counties in California.
- This year's budget invests in public safety to stabilize the Sheriff's Office staffing by providing additional funding for retention and recruitment of vital sworn and non-sworn personnel, providing additional funding for the Sheriff's trainee academy and setting aside funds to establish a housing stipend for Sheriff's Deputies assigned to hard-to-fill outlying locations. However, the County's public safety departments are significantly understaffed, which has reduced services levels, and the County does not have the financial ability to make the ongoing compensation and staffing level adjustments needed to overcome this. As a result, the Board of Supervisors has placed a 1-cent local control and vital services sales tax measure on the November 2022 ballot for unincorporated voters to consider the level of services and funding they would like for their community. If approved, it would have modest impact on this year's budget but would increase discretionary revenue in future years by an estimated \$54 million, or about 13.5%.
- For FY 2022-23, Sales and Use Tax is budgeted at \$4 million more than FY 2021-22 Adopted Budget. Actual collections in FY 2021-22 totaled \$66.2 million, which was \$18.6 million more than anticipated. The additional collections were primarily related to one-time use tax receipts for construction, prior year allocation corrections and economic activity.
- While fiscal constrains continue to govern County programs, the Net General Fund Contribution (NGFC) will require the departments to manage their budgets at approximately the same level of NGFC as FY 2021-22. No adjustments to the NGFC have been included for the 2.5% cost of living adjustment afforded to all employees as the reduction in retirement costs is expected to offset the cost increase. Trial Court Funding and Indigent Defense continue to require additional NGFC to keep up with the reduction of court fees and increased workload. Additional funding was allocated to General Services to make operational improvements at park and county facilities. In addition, Animal Services' allocation for spay and neuter was increased by \$100,000 to assist with those efforts.
- The FY 2022-23 Recommended Budget anticipates the use of \$3.4 million from the East Kern Revitalization Area designation for park improvements in the communities of Boron and Rosamond.

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### *Requests for Information*

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The ACFR is designed to provide citizens, taxpayers, creditors, and investors with a general overview of the County's finances and to show the County's accountability for the funds it receives. If you have any questions about the ACFR or need additional financial information, contact Ms. Aimee X. Espinoza, Kern County Auditor-Controller-County Clerk at 1115 Truxtun Avenue, Bakersfield, California 93301, (661) 868-3599 or visit the website at [www.auditor.co.kern.ca.us](http://www.auditor.co.kern.ca.us).

The County includes three discretely presented component units in the government-wide financial statements, First 5 Kern, Tejon Ranch Public Facilities Financing Authority, and Hospital Authority. The operations of these component units are not considered to be significant in relation to the overall operations of the primary government and have not been included in this Management's Discussion & Analysis. Complete financial statements of the individual component units can be obtained from First 5 Kern located at 2724 L Street, Bakersfield, California 93301; Tejon Ranch Public Facilities Financing Authority (Tejon Ranch PFFA) located at P.O. Box 1000, Lebec, California 93243; and Hospital Authority office located at 1700 Mount Vernon Avenue, Bakersfield, CA 93306.



**BASIC FINANCIAL  
STATEMENTS**

**Government-Wide Financial Statements**



**COUNTY OF KERN  
STATEMENT OF NET POSITION  
JUNE 30, 2022 (IN THOUSANDS)**

	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Totals	
<b>ASSETS</b>				
Pooled Cash and Investments	\$ 1,326,348	\$ 100,261	\$ 1,426,609	\$ 19,210
Other Cash and Investments	-	-	-	119,340
Revolving Fund Cash	465	11	476	3
Restricted Cash and Investments	42,479	-	42,479	-
Receivables, Net	211,950	8,744	220,694	244,559
Lease Receivable	4,769	12,493	17,262	-
Due from Other Agencies	1,416	-	1,416	-
Inventories	8,754	-	8,754	5,100
Deposits with Others	2,040	-	2,040	-
Prepaid Expenses	-	-	-	4,912
Housing Loans Receivable	61,895	-	61,895	-
Housing Loans Interest Receivable	20,225	-	20,225	-
Internal Balances	26,353	(26,353)	-	-
Investment in Joint Venture	-	2,870	2,870	-
Capital Assets:				
Nondepreciable	1,231,909	60,477	1,292,386	8,847
Depreciable, Net	813,577	185,439	999,016	87,293
Right-to-Use Assets, Net	130,390	224	130,614	7,965
<b>Total Assets</b>	<b>3,882,570</b>	<b>344,166</b>	<b>4,226,736</b>	<b>497,229</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	6,868	50	6,918	347
Deferred OPEB	50,492	1,006	51,498	6,777
Deferred Pensions	297,585	7,014	304,599	92,619
<b>Total Deferred Outflows of Resources</b>	<b>354,945</b>	<b>8,070</b>	<b>363,015</b>	<b>99,743</b>
<b>LIABILITIES</b>				
Accounts Payable	43,571	6,252	49,823	34,493
Salaries and Employee Benefits Payable	29,191	65	29,256	11,816
Due to Other Agencies	9,368	-	9,368	-
Accrued Interest Payable	1,322	38	1,360	1,503
Unearned Revenue	165,880	1,945	167,825	-
Long-Term Liabilities:				
Due Within One Year:				
Long-Term Debt	36,174	939	37,113	18,109
Lease Liabilities	14,798	128	14,926	2,732
Compensated Absences	56,100	1,968	58,068	6,455
Closure, Post Closure, & Pollution Remediation Liability for Self-Insurance	-	2,491	2,491	-
Liability for Self-Insurance	30,393	-	30,393	3,606
Due After One Year:				
Certificates of Participation	63,465	-	63,465	-
Bonds and Notes Payable	139,693	1,291	140,984	-
Other Long-Term Liabilities	-	-	-	102,548
Loans Payable	49,437	2,406	51,843	-
Accrued Interest	48,758	786	49,544	6,218
Lease Liabilities	116,098	152	116,250	5,781
Compensated Absences	26,557	691	27,248	12,824
Liability for Pollution Remediation	-	6,874	6,874	-
Accrued Landfill Closure/Post Closure Costs	-	47,543	47,543	-
Liability for Self-Insurance	85,805	-	85,805	9,292
Net OPEB Liability	65,267	1,301	66,568	7,217
Net Pension Liability	1,369,748	32,038	1,401,786	284,243
<b>Total Liabilities</b>	<b>2,351,625</b>	<b>106,908</b>	<b>2,458,533</b>	<b>506,837</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Housing Payments	1,108	-	1,108	-
Deferred OPEB	29,161	581	29,742	3,602
Deferred Pensions	391,292	9,307	400,599	75,653
Deferred Lease Revenue	4,768	12,493	17,261	-
<b>Total Deferred Inflows of Resources</b>	<b>426,329</b>	<b>22,381</b>	<b>448,710</b>	<b>79,255</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,954,070	242,888	2,196,958	96,140
Restricted (Note 17. B):				
Capital Projects	30,717	-	30,717	-
General Government	36,659	-	36,659	-
Public Protection	253,015	-	253,015	-
Public Ways & Facilities	77,644	-	77,644	-
Health and Sanitation	218,624	-	218,624	-
Public Assistance	167,833	-	167,833	-
Education	386	-	386	-
Culture & Recreation Services	1,244	-	1,244	-
Other Purposes	-	2,870	2,870	9,064
Unrestricted (Deficits)	(1,280,631)	(22,811)	(1,303,442)	(94,324)
<b>Total Net Position</b>	<b>\$ 1,459,561</b>	<b>\$ 222,947</b>	<b>\$ 1,682,508</b>	<b>\$ 10,880</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Business-Type Activities		Discretely Presented Component Units
					Governmental Activities	Total	
Governmental Activities:							
General Government	\$ 110,550	\$ 74,485	\$ 38,816	\$ 476	\$ 3,227	\$ 3,227	
Public Protection	539,067	133,124	433,856	-	27,913	27,913	
Public Ways and Facilities	74,937	7,919	54,388	-	(12,630)	(12,630)	
Health and Sanitation	368,134	130,086	238,159	9,996	10,107	10,107	
Public Assistance	535,065	16,450	452,008	-	(66,607)	(66,607)	
Education	8,364	340	-	-	(8,024)	(8,024)	
Culture and Recreation Services	766	32	-	-	(734)	(734)	
Interest on Short and Long-term Debt	27,759	-	-	-	(27,759)	(27,759)	
Total Governmental Activities	<u>1,664,642</u>	<u>362,436</u>	<u>1,217,227</u>	<u>10,472</u>	<u>(74,507)</u>	<u>(74,507)</u>	
Business-type Activities:							
Airports	9,768	6,353	1,890	82	-	(1,443)	
County Sanitation Districts	5,825	7,659	95	-	-	1,929	
Golf Courses	572	348	-	-	-	(224)	
Public Transportation	10,527	10,356	1,185	-	-	1,014	
Universal Collection	19,111	19,269	-	-	-	158	
Waste Management	50,161	57,205	634	-	-	7,678	
Total Business-type Activities	<u>95,964</u>	<u>101,190</u>	<u>3,804</u>	<u>82</u>	<u>-</u>	<u>9,112</u>	
Total Primary Government	<u>\$ 1,760,606</u>	<u>\$ 463,626</u>	<u>\$ 1,221,031</u>	<u>\$ 10,554</u>	<u>\$ (74,507)</u>	<u>\$ (65,395)</u>	
Discretely Presented Component Units	\$ 498,050	\$ 277,323	\$ 347,286	\$ -	\$ -	\$ 126,559	
General Revenues:							
Taxes:							
Property Taxes					298,507	298,507	-
Aircraft Taxes					180	180	-
Sales and Use Taxes					66,214	66,214	-
Transient Occupancy Tax					4,067	4,067	-
Transfer Taxes					7,658	7,658	-
Other Taxes					989	989	6,168
Property Taxes in Lieu of Motor Vehicle License Fee					111,532	111,532	-
Unrestricted Investment Earnings					(40,939)	(40,939)	331
Miscellaneous					16,403	16,403	8,847
Transfers					(7,603)	-	-
Total General Revenues, Special Items, and Transfers					<u>457,008</u>	<u>460,529</u>	<u>15,346</u>
Change in Net Position					<u>382,501</u>	<u>395,134</u>	<u>141,905</u>
Net Position-beginning, as restated					<u>1,077,060</u>	<u>1,287,374</u>	<u>(131,025)</u>
Net Position-ending					<u>\$ 1,459,561</u>	<u>\$ 1,682,508</u>	<u>\$ 10,880</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT





# **BASIC FINANCIAL STATEMENTS**

**Fund Financial Statements**





**COUNTY OF KERN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

	<b>GENERAL FUND</b>	<b>BEHAVIORAL HEALTH &amp; RECOVERY SERVICES</b>	<b>COMMUNITY DEVELOPMENT</b>	<b>CORONAVIRUS RELIEF</b>	<b>COUNTY LOCAL REVENUE FUND</b>
<b>ASSETS AND DEFERRED</b>					
<b>OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 400,887	\$ 144,738	\$ 468	\$ 148,659	\$ 108,835
Revolving Fund Cash	335	1	-	-	-
Cash and Investments Deposited with Trustee	-	-	-	-	-
Interest Receivable	1,723	359	-	230	-
Taxes Receivable	29,449	-	-	-	-
Lease Receivables	4,472	-	-	-	-
Accounts Receivable, Net	759	238	-	-	-
Accrued Revenue	51,204	30,099	1,322	-	11,390
Due from Other Funds	4,478	128	-	-	-
Due from Other Agencies	515	357	-	-	-
Housing Loans Receivable	-	-	46,321	-	-
Housing Loans Interest Receivable	-	-	17,171	-	-
Deposits with Others	136	-	-	-	-
Inventory - Materials and Supplies	1,228	-	-	-	-
Total Assets	<u>495,186</u>	<u>175,920</u>	<u>65,282</u>	<u>148,889</u>	<u>120,225</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 495,186</u>	<u>\$ 175,920</u>	<u>\$ 65,282</u>	<u>\$ 148,889</u>	<u>\$ 120,225</u>
<b>LIABILITIES, DEFERRED INFLOWS OF</b>					
<b>RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 11,193	\$ 15,397	\$ 919	\$ -	\$ -
Salaries and Employee Benefits Payable	14,029	3,088	-	-	-
Due to Other Funds	1,038	-	1,521	34	337
Unearned Revenue	-	-	-	153,013	-
Due to Other Agencies	7,566	664	-	-	-
Advances from Grantors and Third Parties	419	-	-	-	-
Total Liabilities	<u>34,245</u>	<u>19,149</u>	<u>2,440</u>	<u>153,047</u>	<u>337</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments	-	-	63,492	-	-
Deferred Lease Revenue	4,472	-	-	-	-
Unavailable Revenue - Property Taxes	5,814	-	-	-	-
Unavailable Revenue - Reimbursements	-	3,033	-	-	-
Unavailable Revenue - Other	8,812	-	-	-	-
Total Deferred Inflows of Resources	<u>19,098</u>	<u>3,033</u>	<u>63,492</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Nonspendable	11,628	1	-	-	-
Restricted	21,318	153,737	-	-	119,888
Committed	39,056	-	-	-	-
Assigned	243,190	-	-	-	-
Unassigned	126,651	-	(650)	(4,158)	-
Total Fund Balances	<u>441,843</u>	<u>153,738</u>	<u>(650)</u>	<u>(4,158)</u>	<u>119,888</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 495,186</u>	<u>\$ 175,920</u>	<u>\$ 65,282</u>	<u>\$ 148,889</u>	<u>\$ 120,225</u>

HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP.	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL
\$ 43,177	\$ -	\$ 50,934	\$ 292,361	\$ 1,190,059
101	-	3	25	465
-	9,451	-	33,028	42,479
106	-	135	421	2,974
-	-	3,792	385	33,626
-	-	72	225	4,769
231	-	-	1,080	2,308
32,785	-	5,782	39,412	171,994
305	-	536	1,510	6,957
-	-	-	544	1,416
-	-	-	15,574	61,895
-	-	-	3,054	20,225
-	-	-	-	136
-	-	1,299	5,687	8,214
<u>76,705</u>	<u>9,451</u>	<u>62,553</u>	<u>393,306</u>	<u>1,547,517</u>
\$ <u>76,705</u>	\$ <u>9,451</u>	\$ <u>62,553</u>	\$ <u>393,306</u>	\$ <u>1,547,517</u>

**ASSETS AND DEFERRED  
OUTFLOWS OF RESOURCES**

Assets:

Pooled Cash and Investments	
Revolving Fund Cash	
Cash and Investments Deposited with Trustee	
Interest Receivable	
Taxes Receivable	
Lease Receivables	
Accounts Receivable, Net	
Accrued Revenue	
Due from Other Funds	
Due from Other Agencies	
Housing Loans Receivable	
Housing Loans Interest Receivable	
Deposits with Others	
Inventory - Materials and Supplies	
Total Assets	
Total Assets and Deferred Outflows of Resources	

\$ 3,118	\$ -	\$ 669	\$ 11,678	\$ 42,974
4,657	-	4,208	1,438	27,420
562	-	-	3,684	7,176
8,738	-	-	1,139	162,890
-	-	-	806	9,036
-	-	-	-	419
<u>17,075</u>	<u>-</u>	<u>4,877</u>	<u>18,745</u>	<u>249,915</u>
-	-	-	18,628	82,120
-	-	72	225	4,769
-	-	3,359	3,401	12,574
-	-	-	-	3,033
<u>1,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,291</u>
<u>1,479</u>	<u>-</u>	<u>3,431</u>	<u>22,254</u>	<u>112,787</u>
101	-	1,302	5,712	18,744
58,050	9,451	51,802	303,743	717,989
-	-	-	26,863	65,919
-	-	1,141	15,989	260,320
-	-	-	-	121,843
<u>58,151</u>	<u>9,451</u>	<u>54,245</u>	<u>352,307</u>	<u>1,184,815</u>
\$ <u>76,705</u>	\$ <u>9,451</u>	\$ <u>62,553</u>	\$ <u>393,306</u>	\$ <u>1,547,517</u>

**LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES, AND FUND BALANCES**

Liabilities:

Accounts Payable	
Salaries and Employee Benefits Payable	
Due to Other Funds	
Unearned Revenue	
Due to Other Agencies	
Advances from Grantors and Third Parties	
Total Liabilities	

Deferred Inflows of Resources:

Deferred Housing Loan Payments	
Deferred Lease Revenue	
Unavailable Revenue - Property Taxes	
Unavailable Revenue - Reimbursements	
Unavailable Revenue - Other	
Total Deferred Inflows of Resources	

Fund Balances:

Nonspendable	
Restricted	
Committed	
Assigned	
Unassigned	
Total Fund Balances	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	

**COUNTY OF KERN  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE GOVERNMENT-WIDE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
JUNE 30, 2022 (IN THOUSANDS)**

Fund Balances - Total Governmental Funds:		\$	1,184,815
Capital assets used in governmental activities are not current financial resources; therefore, the capital assets are not reported in the governmental funds.			2,040,821
Right-to-use lease assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.			130,390
Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized when earned in governmental activities.			104,248
Deferred outflows and inflows of resources are reported in the Statement of Net Position, but are not recognized in the governmental funds:			
Deferred Charge on Refunding	6,868		
Deferred OPEB - Outflows	50,388		
Deferred OPEB - Inflows	(29,100)		
Deferred Pensions - Outflows	297,391		
Deferred Pensions - Inflows	<u>(391,000)</u>		(65,453)
Internal service funds are used by management to charge the cost of fleet maintenance, employee benefits, personal injury, and retiree health insurance benefits to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position.			50,826
Accrued interest expense does not require the use of current financial resources; therefore, it is not accrued as a liability in the governmental funds.			(50,036)
Long-term liabilities applicable to the governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position:			
Pension Obligation Bonds	(102,968)		
Bonds Payable	(58,801)		
Certificates of Participation	(64,110)		
Net Unamortized Premium/Discount on Long-term Debt	(7,918)		
Finance Purchases	(19,693)		
Lease Liabilities	(130,896)		
Loan Payable	(35,187)		
Compensated Absences	(82,601)		
Net OPEB Liability	(65,132)		
Net Pension Liability	<u>(1,368,744)</u>		<u>(1,936,050)</u>
Net Position of Governmental Activities		\$	<u>1,459,561</u>



**COUNTY OF KERN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	CORONAVIRUS RELIEF	COUNTY LOCAL REVENUE FUND
<b>REVENUES:</b>					
Taxes	\$ 372,977	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	13,358	-	-	-	-
Fines, Forfeitures and Penalties	16,191	-	-	-	-
Revenues from Use of Money and Property	(8,882)	(4,543)	(33)	(5,002)	(4,382)
Aid from Other Governmental Agencies	249,061	98,003	13,538	47,955	256,893
Charges for Current Services	94,085	107,448	-	-	-
Other Revenues	7,697	58	3	4	-
<b>Total Revenues</b>	<b>744,487</b>	<b>200,966</b>	<b>13,508</b>	<b>42,957</b>	<b>252,511</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General Government	135,310	-	-	-	-
Public Protection	425,149	-	-	-	2,910
Public Ways and Facilities	-	-	-	-	-
Health and Sanitation	87,198	231,380	-	-	-
Public Assistance	16,886	-	12,618	49,159	-
Education	8,212	-	-	-	-
Culture and Recreation Services	-	-	-	-	-
Capital Outlay	18,983	16,177	-	-	-
<b>Debt Service:</b>					
Principal	9,323	3,655	-	-	-
Interest	602	122	-	-	-
<b>Total Expenditures</b>	<b>701,663</b>	<b>251,334</b>	<b>12,618</b>	<b>49,159</b>	<b>2,910</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	42,824	(50,368)	890	(6,202)	249,601
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In	192,078	65,213	-	-	-
Transfers Out	(204,605)	(2,822)	(2,824)	-	(224,549)
Proceeds of Long Term Debt	-	-	-	-	-
Leases Issued	18,983	16,177	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>6,456</b>	<b>78,568</b>	<b>(2,824)</b>	<b>-</b>	<b>(224,549)</b>
Net Changes in Fund Balances	49,280	28,200	(1,934)	(6,202)	25,052
Fund Balances, July 1, 2021	409,670	125,538	1,284	2,044	94,836
Prior Period Adjustment (Note 16 C.)	(17,107)	-	-	-	-
<b>Fund Balances, June 30, 2022</b>	<b>\$ 441,843</b>	<b>\$ 153,738</b>	<b>\$ (650)</b>	<b>\$ (4,158)</b>	<b>\$ 119,888</b>



HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP.	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL	
\$ -	\$ -	\$ 110,395	\$ 4,918	\$ 488,290	REVENUES:
-	-	2,654	18,065	34,077	Taxes
-	-	152	7,849	24,192	Licenses, Permits and Franchises
(1,444)	107	(1,672)	(10,912)	(36,763)	Fines, Forfeitures and Penalties
296,889	-	8,864	254,709	1,225,912	Revenues from Use of Money and Property
397	-	51,032	22,412	275,374	Aid from Other Governmental Agencies
2,488	9,998	263	17,358	37,869	Charges for Current Services
					Other Revenues
<u>298,330</u>	<u>10,105</u>	<u>171,688</u>	<u>314,399</u>	<u>2,048,951</u>	Total Revenues
-	14	-	5,381	140,705	EXPENDITURES:
-	-	172,524	35,439	636,022	Current:
-	-	-	60,813	60,813	General Government
-	-	-	10,678	329,256	Public Protection
471,116	-	-	44,236	594,015	Public Ways and Facilities
-	-	-	-	8,212	Health and Sanitation
91,755	-	2,185	19,192	148,292	Public Assistance
-	-	-	1	1	Education
5,052	7,295	218	30,967	56,510	Culture and Recreation Services
1,106	3,158	29	27,484	32,501	Capital Outlay
<u>569,029</u>	<u>10,467</u>	<u>174,956</u>	<u>234,191</u>	<u>2,006,327</u>	Debt Service:
<u>(270,699)</u>	<u>(362)</u>	<u>(3,268)</u>	<u>80,208</u>	<u>42,624</u>	Principal
					Interest
					Total Expenditures
225,923	-	8,658	87,893	579,765	Excess (Deficiency) of Revenues Over (Under) Expenditures
(5,984)	-	(8,780)	(131,071)	(580,635)	OTHER FINANCING SOURCES (USES):
-	-	-	27,612	27,612	Transfers In
91,755	-	2,185	17,682	146,782	Transfers Out
<u>311,694</u>	<u>-</u>	<u>2,063</u>	<u>2,116</u>	<u>173,524</u>	Proceeds of Long Term Debt
40,995	(362)	(1,205)	82,324	216,148	Leases Issued
17,156	9,813	55,450	269,983	985,774	Total Other Financing Sources (Uses)
-	-	-	-	(17,107)	Net Changes in Fund Balances
<u>\$ 58,151</u>	<u>\$ 9,451</u>	<u>\$ 54,245</u>	<u>\$ 352,307</u>	<u>\$ 1,184,815</u>	Fund Balances, July 1, 2021
					Prior Period Adjustment (Note 16 C.)
					Fund Balances, June 30, 2022

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF  
ACTIVITIES - GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

Net Changes in Fund Balances - Total Governmental Funds:	\$	216,148
Amounts Reported for Governmental Activities in the Statement of Activities:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense:		
Expenditures for capital assets, right-to-use assets, and other related capital asset adjustments	199,438	
Less: current year depreciation and amortization	(64,227)	
Retirement of capital assets	<u>(3,654)</u>	131,557
Capital contributions of capital assets are not reported on governmental funds but recorded at fair value on the Statement of Net Position.		1,496
Issuance of long-term debt provides current resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position.		
Leases Issued	(146,783)	
Note Issued	<u>(27,612)</u>	(174,395)
Governmental fund revenues that do not provide current financial resources are not reported as revenue in the funds. Revenue in the Statement of Activities is not limited by availability and has been included in the Statement of Activities:		
Change in unavailable property tax revenues	856	
Change in unavailable reimbursements and other revenues	<u>6,705</u>	7,561
Repayments of debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Principal repayments:		
Pension Obligation Bonds	24,025	
Certificates of Participation	3,580	
Finance Purchases	4,731	
Leases	15,887	
Tobacco - Asset Backed Bonds	7,295	
Bonds Payable	318	
Loans Payable	<u>944</u>	56,780
Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds:		
Change in accrued interest payable	16,136	
Change in compensated absences	5,134	
Change in Other Post-Employment Benefits obligation	1,493	
Change in pension expense	<u>135,316</u>	158,079
Premiums, discounts, and losses associated with the issuance of long-term debt are included in governmental funds, but deferred and amortized in the Statement of Activities:		
Amortization of bond premiums	520	
Amortization of losses on refunding	<u>(546)</u>	(26)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported within governmental activities.		
		<u>(14,699)</u>
Change in Net Position of Governmental Activities	\$	<u><u>382,501</u></u>



**COUNTY OF KERN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
	AIRPORTS	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
<b>ASSETS</b>					
Current Assets:					
Pooled Cash and Investments	\$ 9,074	\$ 55,638	\$ 35,549	\$ 100,261	\$ 136,289
Revolving Fund Cash	1	10	-	11	-
Interest Receivable	22	176	82	280	350
Accounts Receivable, Net	1,708	1,977	169	3,854	2
Accrued Revenue	14	823	26	863	752
Lease Receivable	12,387	88	18	12,493	-
Due from Other Funds	-	-	15	15	431
Inventory - Materials and Supplies	-	-	-	-	540
Total Current Assets	23,206	58,712	35,859	117,777	138,364
Non-current Assets:					
Taxes Receivable	-	1,759	1,988	3,747	-
Deposits with Others	-	-	-	-	1,904
Investment in Joint Venture	-	-	2,870	2,870	-
Capital Assets:					
Non-depreciable:					
Land	10,682	25,150	855	36,687	-
Land Acquisition in Progress	-	86	-	86	-
Works of Art	198	-	-	198	-
Construction in Progress	10,850	10,699	1,957	23,506	-
Depreciable:					
Structures and Improvements	59,228	14,322	17,968	91,518	-
Land Improvements	-	69,267	-	69,267	-
Equipment	2,480	25,592	18,842	46,914	7,890
Intangible	-	937	284	1,221	1,807
Infrastructure	91,769	25,831	23,787	141,387	-
Right-to-Use Lease Asset	-	376	-	376	-
Accumulated Depreciation and Amortization	(65,964)	(66,815)	(32,241)	(165,020)	(5,539)
Total Non-current Assets	109,243	107,204	36,310	252,757	6,062
Total Assets	132,449	165,916	72,169	370,534	144,426
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Amount on Refunding	50	-	-	50	-
Deferred OPEB	156	645	205	1,006	104
Deferred Pensions	574	5,002	1,438	7,014	195
Total Deferred Outflows of Resources	780	5,647	1,643	8,070	299
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	214	3,638	2,400	6,252	451
Salaries and Employee Benefits Payable	65	-	-	65	1,771
Due to Other Agencies	-	-	-	-	332
Due to Other Funds	-	194	22	216	11
Current Portion of Long-Term Debt	616	265	58	939	20
Lease Liability	-	128	-	128	-
Current Portion of Interest Payable	32	5	1	38	-
Current Portion of Compensated Absences	230	1,317	421	1,968	22
Current Closure, Post Closure, & Pollution Liabilities	-	2,491	-	2,491	-
Current Liability for Self-Insurance	-	-	-	-	30,393
Advances from Grantors and Third Parties	-	50	1,895	1,945	-
Total Current Liabilities	1,157	8,088	4,797	14,042	33,000
Non-current Liabilities:					
Loans Payable	2,406	-	-	2,406	-
Compensated Absences Payable	81	462	148	691	35
Long-Term Liability for Self-Insurance	-	-	-	-	85,805
Long-Term Debt - Pension Obligation Bonds	166	922	203	1,291	71
Long-Term - Interest Payable	101	561	124	786	43
Long-Term Lease Liability	-	152	-	152	-
Pollution Remediation Obligation	-	6,874	-	6,874	-
Closure Liability	-	29,567	-	29,567	-
Post Closure Liability	-	17,976	-	17,976	-
Net OPEB Liability	202	833	266	1,301	135
Net Pension Liability	2,686	24,587	4,765	32,038	1,004
Total Non-current Liabilities	5,642	81,934	5,506	93,082	87,093
Total Liabilities	6,799	90,022	10,303	107,124	120,093
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred OPEB	90	372	119	581	60
Deferred Pensions	780	7,143	1,384	9,307	292
Deferred Lease Revenue	12,387	88	18	12,493	-
Total Deferred Inflows of Resources	13,257	7,603	1,521	22,381	352
<b>NET POSITION</b>					
Net Investment in Capital Assets	106,270	105,164	31,454	242,888	4,158
Restricted:					
Deposits	-	-	-	-	1,519
Inventory	-	-	-	-	-
Investment in Joint Venture	-	-	2,870	2,870	-
Unrestricted (Deficit)	6,903	(31,226)	27,664	3,341	18,603
Total Net Position	\$ 113,173	\$ 73,938	\$ 61,988	\$ 249,099	\$ 24,280
Cumulative adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				(26,152)	
Net Position of Business-Type Activities				\$ 222,947	

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>				<b>GOVERNMENTAL ACTIVITIES</b>
	<b>AIRPORTS</b>	<b>WASTE MANAGEMENT</b>	<b>NON-MAJOR ENTERPRISE FUNDS</b>	<b>TOTAL</b>	<b>INTERNAL SERVICE FUNDS</b>
<b>OPERATING REVENUES:</b>					
Charges for Current Services	\$ 807	\$ 54,967	\$ 27,359	\$ 83,133	\$ 243,540
Revenues from Use of Property	4,641	65	214	4,920	-
Other Operating Revenues	24	1,839	114	1,977	729
<b>Total Operating Revenues</b>	<b>5,472</b>	<b>56,871</b>	<b>27,687</b>	<b>90,030</b>	<b>244,269</b>
<b>OPERATING EXPENSES:</b>					
Salaries and Employee Benefits	1,969	-	-	1,969	64,661
Services and Supplies	2,519	44,048	33,759	80,326	32,501
Claims Incurred	-	-	-	-	158,276
Other Charges	119	142	86	347	2,217
Depreciation and Amortization	5,059	5,879	2,170	13,108	675
<b>Total Operating Expenses</b>	<b>9,666</b>	<b>50,069</b>	<b>36,015</b>	<b>95,750</b>	<b>258,330</b>
<b>Operating Income (Loss)</b>	<b>(4,194)</b>	<b>6,802</b>	<b>(8,328)</b>	<b>(5,720)</b>	<b>(14,061)</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>					
Taxes and Assessments	880	-	9,575	10,455	-
Fines, Forfeitures and Penalties	1	334	367	702	-
Licenses, Permits and Franchises	-	-	3	3	-
Interest on Bank Deposits and Investments	(284)	(1,722)	(1,147)	(3,153)	(4,277)
Aid from Other Governmental Agencies	1,033	634	1,280	2,947	1,750
Other Revenues	-	1	-	1	202
Interest Expense	(103)	(90)	(20)	(213)	(7)
<b>Total Non-Operating Revenues, Net</b>	<b>1,527</b>	<b>(843)</b>	<b>10,058</b>	<b>10,742</b>	<b>(2,332)</b>
<b>Income (Loss) before Contributions and Transfers</b>	<b>(2,667)</b>	<b>5,959</b>	<b>1,730</b>	<b>5,022</b>	<b>(16,393)</b>
Capital Contributions	939	-	7,033	7,972	-
Transfers In	551	-	19	570	6,721
Transfers Out	-	-	-	-	(6,421)
<b>Changes in Net Position</b>	<b>(1,177)</b>	<b>5,959</b>	<b>8,782</b>	<b>13,564</b>	<b>(16,093)</b>
Net Position, July 1, 2021	113,190	67,979	53,206		40,373
Prior Period Adjustments	1,160	-	-		-
<b>Net Position, June 30, 2022</b>	<b>\$ 113,173</b>	<b>\$ 73,938</b>	<b>\$ 61,988</b>		<b>\$ 24,280</b>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				(929)	
Change in Net Position - Business-Type Activities				\$ 12,635	

**COUNTY OF KERN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

Page 1 of 2

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>				<b>GOVERNMENTAL ACTIVITIES</b>
	<b>AIRPORTS</b>	<b>WASTE MANAGEMENT</b>	<b>NON-MAJOR ENTERPRISE FUNDS</b>	<b>TOTAL</b>	<b>INTERNAL SERVICE FUNDS</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash Received for Current Services	\$ 1,169	\$ 55,078	\$ 28,147	\$ 84,394	\$ 251,343
Cash Received for Use of Property	4,641	65	214	4,920	-
Cash Received for Interfund Services Provided	-	-	-	-	284
Cash Received for Other Operations	24	1,839	-	1,863	445
Cash Paid for Salaries and Benefits	(2,153)	-	-	(2,153)	(64,730)
Cash Paid for Services and Supplies	(3,844)	(50,381)	(35,297)	(89,522)	(32,327)
Cash Paid for Reported Claims	-	-	-	-	(150,647)
Deposit with Others	-	-	-	-	(385)
Cash Paid for Other Charges	(119)	(140)	(87)	(346)	(2,199)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(282)</b>	<b>6,461</b>	<b>(7,023)</b>	<b>(844)</b>	<b>1,784</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
Cash Received from Other Funds	616	1	-	617	1,948
Cash Received from Taxes	880	-	9,577	10,457	-
Fines, Forfeitures, and Penalties	1	334	367	702	-
Aid from Other Governmental Agencies	968	634	1,299	2,901	175
Cash Paid to Other Governmental Agencies	-	-	-	-	202
Payment of Long-Term Debt - Pension Obligation Bonds	(54)	(275)	(61)	(390)	(27)
Interest Paid on Pension Obligation Bonds	(70)	(263)	(64)	(397)	(55)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>2,341</b>	<b>431</b>	<b>11,118</b>	<b>13,890</b>	<b>2,243</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Capital Contributions	939	-	-	939	(104)
Acquisition or Construction of Capital Assets	(450)	(11,708)	(1,720)	(13,878)	-
Principal Paid on Capital Debt	(556)	-	-	(556)	-
Interest Paid on Capital Debt	(81)	(96)	-	(177)	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(148)</b>	<b>(11,804)</b>	<b>(1,720)</b>	<b>(13,672)</b>	<b>(104)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest on Bank Deposits and Investments	(287)	(1,713)	(1,230)	(3,230)	(4,277)
<b>Net Cash Provided by Investing Activities</b>	<b>(287)</b>	<b>(1,713)</b>	<b>(1,230)</b>	<b>(3,230)</b>	<b>(4,277)</b>
<b>Net Increase (Decrease) in Cash and Investments</b>	<b>1,624</b>	<b>(6,625)</b>	<b>1,145</b>	<b>(3,856)</b>	<b>(354)</b>
Cash and Investments, July 1, 2021	7,450	62,263	34,404	104,117	136,643
<b>Cash and Investments, June 30, 2022</b>	<b>\$ 9,074</b>	<b>\$ 55,638</b>	<b>\$ 35,549</b>	<b>\$ 100,261</b>	<b>\$ 136,289</b>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

Page 2 of 2

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>				<b>GOVERNMENTAL ACTIVITIES</b>
	<b>AIRPORTS</b>	<b>WASTE MANAGEMENT</b>	<b>NON-MAJOR ENTERPRISE FUNDS</b>	<b>TOTAL</b>	<b>INTERNAL SERVICE FUNDS</b>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (4,194)	\$ 6,802	\$ (8,328)	\$ (5,720)	\$ (14,061)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	5,059	5,879	2,170	13,108	675
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:					
(Increase) Decrease in Accounts Receivable	(899)	(301)	(27)	(1,227)	3
(Increase) Decrease in Accrued Expenses	(1,324)	(578)	(465)	(2,367)	-
(Increase) Decrease in Inventory	-	-	-	-	(64)
(Increase) Decrease in Special Assessment Receivable	-	-	19	19	-
(Increase) Decrease in Accrued Revenue	1,261	(102)	299	1,458	4,504
(Increase) Decrease in Taxes Receivable	-	(46)	-	(46)	-
(Increase) Decrease in Due from Others	-	-	51	51	3,727
(Increase) Decrease in Deferred Outflows of Resources	180	3,241	57	3,478	27
(Increase) Decrease in Deposits with Others	-	-	-	-	(385)
Increase (Decrease) in Accounts Payable	-	-	-	-	(90)
Increase (Decrease) in Salaries & Benefits Payable	2	-	-	2	270
Increase (Decrease) in Due to Others	-	105	(13)	92	343
Increase (Decrease) in Unearned Revenue	-	(32)	-	(32)	-
Increase (Decrease) in Deferred Inflows of Resources	545	4,869	943	6,357	171
Increase (Decrease) in Compensated Absences Payable	4	(227)	180	(43)	25
Increase (Decrease) in Provision for Liability Claims	-	-	-	-	7,260
Increase (Decrease) in Pollution Remediation	-	(195)	-	(195)	-
Increase (Decrease) in Closure/Post Closure Liability	-	(4,120)	-	(4,120)	-
Increase (Decrease) in Advances from Grantors and Third Parties	-	-	458	458	-
Increase (Decrease) in Net OPEB Liability	149	537	204	890	92
Increase (Decrease) in Net Pension Liability	(1,065)	(9,371)	(2,571)	(13,007)	(713)
Total Adjustments	3,912	(341)	1,305	4,876	15,845
Net Cash Provided (Used) by Operating Activities	\$ (282)	\$ 6,461	\$ (7,023)	\$ (844)	\$ 1,784

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>PENSION TRUST FUND</b>	<b>INVESTMENT TRUST FUND</b>	<b>PRIVATE-PURPOSE TRUST FUND</b>	<b>CUSTODIAL FUND</b>
Cash and Cash Equivalents Held in the Pool	\$ 16,415	\$ 3,487,629	\$ 9,607	\$ 98,858
Total Cash and Cash Equivalents	16,415	3,487,629	9,607	98,858
Receivables:				
Employee and Employer Contributions	15,096	-	-	-
Taxes for other Governments	-	-	-	71,033
Interest and Dividends	8,804	7,502	22	200
Sale of Investments	74,962	-	-	-
Total Receivables	98,862	7,502	22	71,233
Investments at Fair Value:				
Short-term Investments	389,168	-	-	-
Debt Securities and Bonds	1,038,329	-	-	-
Equities	1,628,137	-	-	-
Real Estate Investments	462,020	-	-	-
Alternative Investments	1,296,766	-	-	-
Commodities	334,656	-	-	-
Collateral Held for Securites Lending	153,386	-	-	-
Total Investments	5,302,462	-	-	-
Due from Other Agencies	-	-	-	1
Prepaid Expenses	137	-	-	-
Capital Assets, Net of Accumulated Depreciation	1,077	-	-	-
Total Assets	5,418,953	3,495,131	9,629	170,092
Deferred Outflows of Resources - Pensions	-	495	-	-
Total Assets and Deferred Outflows of Resources	5,418,953	3,495,626	9,629	170,092
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>				
Accounts Payable	-	-	-	-
Due to Other Agencies	-	17,119	-	51,083
Securities Purchased	132,265	-	-	-
Collateral Held for Securities Lent	153,386	-	-	-
Net Pension Liabilities	-	2,315	-	-
Other Long-term Liabilities	2,173	-	-	-
Total Liabilities	287,824	19,434	-	51,083
Deferred Inflows of Resources - Pensions	-	673	-	-
Total Liabilities and Deferred Inflows of Resources	287,824	20,107	-	51,083
<b>NET POSITION</b>				
Pensions	5,131,129	-	-	-
Pool Participants	-	3,475,519	-	-
Individuals, organizations, and other governments	-	-	9,629	119,009
Total Net Position	\$ 5,131,129	\$ 3,475,519	\$ 9,629	\$ 119,009

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



**COUNTY OF KERN  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>PENSION TRUST FUND</u>	<u>INVESTMENT TRUST FUND</u>	<u>PRIVATE-PURPOSE TRUST FUND</u>	<u>CUSTODIAL FUND</u>
<b>ADDITIONS:</b>				
Property Tax Collections	\$ -	\$ 1,137,390	\$ -	\$ 165,653
Other Taxes and Fees Collected for Other Governments	-	44,766	-	11,996
Contributions:				
Employer	287,063	-	-	-
Plan Member	54,514	-	-	-
Private Contributions	-	6,314,043	4,883	249,537
Total Contributions	<u>341,577</u>	<u>6,314,043</u>	<u>4,883</u>	<u>249,537</u>
Investment Earnings:				
Net Increase (Decrease) in Fair Value of Investments	(253,607)	273,041	167	7,411
Interest, Dividends, and Other	93,528	14,745	39	59,686
Total Investments Earnings	<u>(160,079)</u>	<u>287,786</u>	<u>206</u>	<u>67,097</u>
Less Investment Costs:				
Investment Activity Costs	59,867	1,082	1	26
Net Investment Earnings	<u>(219,946)</u>	<u>286,704</u>	<u>205</u>	<u>67,071</u>
Total Additions	<u>121,631</u>	<u>7,782,903</u>	<u>5,088</u>	<u>494,257</u>
<b>DEDUCTIONS:</b>				
Benefits Paid to Participants or Beneficiaries	401,313	-	-	-
Administrative Expenses	6,702	722	1	18
Distributions from Pooled Investments	-	6,013,522	4,006	280,804
Property Tax Distributions	-	1,242,201	-	190,815
Payments of Taxes and Fees to Other Governments	-	44,758	-	18,910
Total Deductions	<u>408,015</u>	<u>7,301,203</u>	<u>4,007</u>	<u>490,547</u>
Change in Net Position	(286,384)	481,700	1,081	3,710
Net Position, July 1, 2021	5,417,513	2,993,819	8,548	115,299
Net Position, June 30, 2022	<u>\$ 5,131,129</u>	<u>\$ 3,475,519</u>	<u>\$ 9,629</u>	<u>\$ 119,009</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN  
STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022 (IN THOUSANDS)**

	FIRST 5 KERN	KERN COUNTY HOSPITAL AUTHORITY	TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY	Totals
<b>ASSETS</b>				
Pooled Cash and Investments	\$ 19,210	\$ -	\$ -	\$ 19,210
Other Cash and Investments	953	78,116	40,271	119,340
Revolving Fund Cash	-	3	-	3
Receivables, Net	982	243,577	-	244,559
Inventories	-	5,100	-	5,100
Prepaid Expenses	74	4,838	-	4,912
Capital Assets:				
Nondepreciable	-	8,847	-	8,847
Depreciable, Net	168	87,125	-	87,293
Right-to-Use Assets, Net	-	7,965	-	7,965
Total Assets	21,387	435,571	40,271	497,229
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Charge on Refunding	-	-	347	347
Deferred OPEB	-	6,777	-	6,777
Deferred Pensions	-	92,619	-	92,619
Total Deferred Outflows of Resources	-	99,396	347	99,743
<b>LIABILITIES</b>				
Accounts Payable	1,765	32,719	9	34,493
Salaries and Employee Benefits Payable	51	11,765	-	11,816
Long-Term Liabilities:				
Due Within One Year:				
Interest Payable	-	65	1,438	1,503
Compensated Absences	93	6,362	-	6,455
Lease Liability	82	2,650	-	2,732
Self-Insurance	-	3,606	-	3,606
Long-Term Debt	-	2,939	15,170	18,109
Due After One Year:				
Interest Payable	-	6,218	-	6,218
Compensated Absences	99	12,725	-	12,824
Lease Liability	87	5,694	-	5,781
Self-Insurance	-	9,292	-	9,292
Long-Term Debt	-	10,205	92,343	102,548
Net OPEB Liability	-	7,217	-	7,217
Net Pension Liability	-	284,243	-	284,243
Total Liabilities	2,177	395,700	108,960	506,837
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred OPEB	-	3,602	-	3,602
Deferred Pensions	-	75,653	-	75,653
Total Deferred Inflows of Resources	-	79,255	-	79,255
<b>NET POSITION</b>				
Net Investment in Capital Assets	(4)	95,972	-	95,968
Restricted:				
Other Purposes	9,064	-	-	9,064
Unrestricted (Deficits)	10,150	(35,960)	(68,342)	(94,152)
Total Net Position	\$ 19,210	\$ 60,012	\$ (68,342)	\$ 10,880

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

**COUNTY OF KERN  
STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>FIRST 5 KERN</u>	<u>KERN COUNTY HOSPITAL AUTHORITY</u>	<u>TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY</u>	<u>Totals</u>
Program (Expenses) Revenues:				
Expenses	\$ (9,691)	\$ (483,726)	\$ (4,633)	\$ (498,050)
Program Revenues:				
Charges for Services	-	277,323	-	277,323
Operating Grants and Contributions	<u>9,731</u>	<u>337,555</u>	<u>-</u>	<u>347,286</u>
Net Program (Expenses) Revenues	<u>40</u>	<u>131,152</u>	<u>(4,633)</u>	<u>126,559</u>
General Revenues:				
Special Assessments	-	-	6,168	6,168
Unrestricted Investment Earnings	187	126	18	331
Other	<u>-</u>	<u>8,847</u>	<u>-</u>	<u>8,847</u>
Total General Revenues	<u>187</u>	<u>8,973</u>	<u>6,186</u>	<u>15,346</u>
Change in Net Position	227	140,125	1,553	141,905
Net Position, July 1, 2021	18,983	(79,873)	(69,895)	(130,785)
Prior Period Adjustment	<u>-</u>	<u>(240)</u>	<u>-</u>	<u>(240)</u>
Net Position, July 1, 2021, as restated	<u>-</u>	<u>(80,113)</u>	<u>-</u>	<u>(131,025)</u>
Net Position, June 30, 2022	<u>\$ 19,210</u>	<u>\$ 60,012</u>	<u>\$ (68,342)</u>	<u>\$ 10,880</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT





**NOTES TO THE FINANCIAL  
STATEMENTS**



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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

**A. REPORTING ENTITY**

The County of Kern (the County) was established April 2, 1866, as a legal subdivision of the State of California (the State) charged with general governmental powers. The County is governed by an elected five-member Board of Supervisors (Board).

As required by accounting principles generally accepted in the United States of America, these financial statements present the County as the primary government and its component units, entities for which the County is considered financially accountable. Although legally separate entities, blended component units are in substance part of the County's operations; therefore, data from these units is combined with data of the County.

**B. BLENDED COMPONENT UNITS**

Using the criteria of Governmental Accounting Standards Board (GASB) Statements No. 14 and No. 39, as amended by GASB Statements No. 61, No. 80, and No. 90, management has determined that the following component units should be blended:

**County Service Areas (CSAs)**

The County's Board serves as the governing body of the CSAs. Among the duties of the Board is to approve the CSAs' budgets, approve parcel fees, and appoint the management. The CSAs' component unit is reported in the governmental activities as a non-major governmental fund. Complete financial statements for County Service Areas may be obtained from the office of Kern County Public Works located at 2700 M Street, Bakersfield, California 93301.

**Sanitation Districts**

The County's Board serves as the governing body of the Sanitation Districts. The Board approves the budget and appoints the management of these entities, which are combined and reported as a non-major enterprise fund. Complete financial statements for Sanitation Districts may be obtained from the office of Kern County Public Works located at 2700 M Street, Bakersfield, California 93301.

**County of Kern Asset Leasing Corporation (Kern Asset Leasing Corporation)**

Although the Kern Asset Leasing Corporation has its own governing body, this component unit provides services exclusively to the County, and is reported as a non-major governmental fund. This nonprofit entity is used to finance capital assets constructed through the Certificates of Participation (COP) Program. Equipment and construction costs related to proprietary funds are recorded within each appropriate enterprise fund, and any cash related to the COP is designated as deposits with trustee. See Note 8.B. The County of Kern Asset Leasing Corporation does not issue separate audited financial statements.

**Kern County Tobacco Funding Corporation (the Corporation)**

The Corporation is a separate legal nonprofit public benefit corporation created under California Nonprofit Public Benefit Corporation Law. The Corporation was established to purchase tobacco settlement payments allocated to the County from the State, pursuant to the Master Settlement Agreement concluded on November 23, 1998, between the major tobacco companies and 46 states, including California, the District of Columbia, and four U.S. Territories. For additional information regarding the sale by the County to the Corporation of all rights, title, and interest of the County to such monies see Note 17.C. The Corporation is governed by a Board of Directors consisting of three members appointed by the County's Board. Complete financial statements for Kern County Tobacco Funding Corporation may be obtained from the Kern County Administrative Office located at 1115 Truxtun Ave, 5<sup>th</sup> Floor, Bakersfield, California 93301.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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**Kern Public Services Financing Authority**

The Kern Public Services Financing Authority was originally established as a Joint Powers Authority with the Kern County Superintendent of Schools in 2003 to finance and construct the Southeast Community Services Center. The County took over the management of the property in 2010.

The fund is blended due to the Kern Public Services Financing Authority providing services directly to the County and it would be misleading to exclude the fund because of the County's nearly exclusive use of the building. The Kern Public Services Financing Authority does not issue separate audited financial statements.

**C. DISCRETELY PRESENTED COMPONENT UNITS**

The discretely presented component units column in the County's government-wide statements includes all current audited financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County. Using the criteria of GASB Statements No. 14 and No. 39, as amended by GASB Statements No. 61 & No. 80, management has determined that the following component units should be discretely presented:

**First 5 Kern**

First 5 Kern was established under the State's California Children and Families Act. The Board enacted Ordinance G-6565, which created the Kern County Children and Families Trust Fund (Commission) and established the membership and Commission. The Board appoints a majority of the Commission and has the authority to replace all members. The Commission is responsible for allocating funds to local service providers for programs that promote, support, and improve the early development of children from prenatal through age five, and promote children's readiness to enter school. Complete financial statements for First 5 Kern may be obtained from the office of First 5 Kern located at 2724 L Street, Bakersfield, California 93301.

**Kern County Hospital Authority (Hospital Authority) – Kern Medical**

On September 26, 2014, Governor Edmund Gerald Brown approved Assembly Bill No. 2546 – Salas (AB 2546), which gave the Board the authority to establish, by ordinance, the Hospital Authority to manage, administer, and control Kern Medical. On October 6, 2015, the Board enacted Ordinance No. A-356, which added Chapter 2.170 to Title 2 of the Ordinance Code of the County creating the Hospital Authority. The purpose of the Hospital Authority is to provide access to affordable, high-quality health care services and to preserve and strengthen the viability of the health care safety net in the County in order to maintain and improve the health status of the people of the County through an organizational and operational structure that facilitates and improves Kern Medical's ability to function with flexibility, responsiveness, and innovation. On July 1, 2016, the County transferred ownership of Kern Medical and its employees to the Hospital Authority. The Board retained the right to approve certain actions and activities of the Hospital Authority including approving its budget as well as appointing its seven-member governing board. The Hospital Authority is discretely presented because its governing body is not substantially the same as the County's governing body, and it does not provide services exclusively to the County. The Hospital Authority issues a separate financial report that may be obtained from the Kern Medical office at 1700 Mount Vernon Avenue, Bakersfield, CA 93306.

**Tejon Ranch Public Facilities Financing Authority (Authority)**

The Authority, a not-for-profit governmental entity, was established as a Joint Powers Agreement between the County and the Tejon-Castac Water District under Articles 1-4 of Chapter 5, Division 7, and Title 1 of the Government Code of the State. The Authority is administered by a Board of Directors, of which three are appointed by the Board of the County, and two are members of the Tejon-Castac Water District. The County could impose its will upon the Authority; however, the Authority does not provide services to the County, qualifying the Authority to be discretely presented. The Authority was formed to establish Community Facilities Districts, the West District and the East District, and issue special tax



**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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bonds on behalf of those Districts. Financial statement requests can be made to the Authority's Treasurer at P.O. Box 1000, Lebec, California 93243.

**D. FIDUCIARY COMPONENT UNIT**

**Kern County Employee's Retirement Association – KCERA**

The County pension plan is administered by the Kern County Employee's Retirement Association (KCERA), which was established on January 1, 1945, and is administered by the Board of Retirement to provide service retirement, disability, death, and survivor benefits for employees of the County and participating districts. The Kern County Board of Supervisors and the governing boards of the participating districts adopt resolution, as permitted by the California State Government Code Section 31450 (County Employees' Retirement Law (CERL)), which affect the benefits of the KCERA members. KCERA is governed by the California Constitution; CERL; and the bylaws, policies and procedures adopted by the KCERA Board of Retirement. KCERA is reported in the Pension Trust Fund on the Statement of Fiduciary Net Position – Fiduciary Funds of the basic financial statements and has been included because there is a financial benefit or burden relationship, and the County appoints a voting majority of the Board. KCERA issues its own Annual Comprehensive Financial Report (ACFR) that may be obtained online at KCERA.org or by writing to: KCERA at 11125 River Run Blvd., Bakersfield, California 93311. See note 9 for further disclosures related to the pension plan.

**E. RELATED ORGANIZATION**

**Housing Authority of the County of Kern (Housing Authority)**

The Housing Authority is a legally separate entity from the County established by the Board under the Housing Authorities Law of the State. The Housing Authority consists of seven members, one member nominated by appointment by each Supervisor and two member tenants who are nominated by the Housing Authority and appointed by the Board. While the County's accountability does not extend beyond making appointments and no financial benefit/burden relationship exists, the Housing Authority is deemed to be a related organization. The Housing Authority issues a separate financial report that can be obtained by contacting the Housing Authority's Treasurer at 601 24<sup>th</sup> Street, Bakersfield, California 93301.

**F. BASIS OF PRESENTATION**

**Government-Wide Financial Statements**

Information relating to the primary government is displayed in the Statement of Net Position and Statement of Activities on page 25 and 26, respectively. These statements include information regarding the financial statements, excluding the fiduciary activities. These statements distinguish between governmental activities and business-type activities of the County. Governmental activities are primarily supported by taxes and business-type activities strongly depend upon fees charged to external parties. Each type is presented separately.

In the government-wide financial statements, eliminations have been made to minimize the double counting of internal activities. In the Statement of Net Position, all internal balances have been eliminated, apart from those representing balances between the governmental activities and business-type activities, which are presented as internal balances and eliminated in the total government column. In the Statement of Activities, direct expenses such as services provided and used are not eliminated, but internal service fund activity has been eliminated.

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 are presented in the Statement of Activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses are allocated

**COUNTY OF KERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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based on the County-wide Cost Allocation Plan, which allocates the cost of central service departments to service user departments. Program revenues include: 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or program. Revenues not classified as program revenues, including all taxes, are presented as general revenue.

When both restricted and unrestricted resources are available, it is County policy to use restricted resources first, and then use the unrestricted resources as needed.

**Fund Financial Statements**

The fund financial statements separately present three fund categories. The three fund categories that are presented are: governmental, proprietary, and fiduciary. The emphasis of presenting these categories is to identify the major governmental and enterprise funds. The major funds are reported separately, and the remaining governmental and enterprise funds are reported aggregately and separately as non-major funds. Proprietary funds' operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. An exchange transaction is where two parties receive and give up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions. Proprietary funds' operating expenses, such as salaries and benefits or services and supplies, result from providing services and producing and delivering goods in relation to the proprietary funds' primary operations. Expenses that are not directly related to the proprietary funds' primary operations are reported as non-operating expenses.

The County reports the following major governmental funds:

The **General Fund** is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are taxes; licenses, permits and franchises; fines, forfeitures, and penalties; use of money and property; aid from other governmental agencies; and charges for current services. Primary expenditures are for general government; public protection; health and sanitation; public assistance; education; culture and recreation services; capital outlay; and debt service.

**Behavioral Health and Recovery Services** accounts for developing and maintaining Countywide, client-centered, culturally competent mental health and substance use services for people suffering from a mental illness consistent with the provision of the California Mental Health Services Law. This special revenue fund is funded primarily through state and federal aid and mental health patient fees. Additionally, the special revenue fund also receives interest revenue and other miscellaneous revenue.

**Community Development** accounts for Federal Community Development Block Grants that are used to develop viable urban communities through the provision of decent housing, a suitable living environment, and economic opportunities for low and moderate-income individuals.

**Coronavirus Relief** accounts for funds received as a result the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and American Rescue Plan Act (ARPA) established to battle the coronavirus disease and its economic impacts. CRF revenues and necessary expenditures incurred due to the public health emergency are recorded in this fund. Additionally, this fund also receives interest revenue.

**Department of Human Services** provides for direct financial assistance payments to eligible recipients. Public assistance programs administered by the Human Services Department are mandated by the State through the Welfare and Institution Code, as implementing legislation for the Federal Social Security Act. This special revenue fund is funded primarily through state-aid and receives interest revenue and other miscellaneous revenue.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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**County Local Revenue Fund** accounts for sales tax revenues from the State's 2011 Realignment of public safety custodial responsibility of non-violent, non-sex, and non-serious offenders to local jails. Also, the State parole function was delegated to the County. In conjunction with the public safety realignment, the State also shifted full financial burden of many social service and mental health programs. The County was responsible for delivery of the social service and mental health programs before realignment but with the shift, the State no longer participates in the share of cost. Proceeds are split between Public Protection, Health and Sanitation, and Public Assistance.

The County has opted to report the following governmental funds as a major funds:

**Kern County Tobacco Funding Corporation** is a nonprofit public benefit corporation established to ensure and otherwise protect against the risk of a substantial decline in tobacco revenues and to assure a source of funding for County programs.

**Structural Fire** accounts for fire prevention, protection, and suppression services for structures and watershed areas; hazardous material control and incident response; emergency rescue and medical aid; and performance of arson investigations. This special revenue fund is funded primarily through property taxes for fire protection and charges for services. Other revenues include aid from other governments, public protection state sales tax, and licenses and permits.

The County reports the following major enterprise funds:

**Waste Management** accounts for the operation, engineering, planning, and regulatory compliance activities associated with the County's Solid Waste Disposal System.

**Airports**, headquartered at Meadows Field Airport in Bakersfield, comprises the financing requirements for administration, maintenance, and operation of the County's six airports located in Bakersfield, Buttonwillow, Poso, Taft, Kernville, and Wasco.

The County reports the following additional fund types:

**Internal Service Funds** account for services furnished to other County departments and are financed primarily by charges for such services. Internal service funds account for fleet services, public works, and self-insurance programs such as group health, retiree group health, unemployment compensation, workers' compensation, and personal injury and property damage.

Fiduciary funds include all Trust and Custodial funds, which account for assets held by the County as a trustee or as a custodian for individuals or for other government units.

The County reports the following fiduciary funds:

**Pension (and Other Employee Benefit) Trust Funds** account for the activities of KCERA pension plan which accumulate resources for pension benefit payments to qualified beneficiaries and the County deferred compensation plans available to eligible employees which are discussed further in Note 17.

The **Investment Trust Funds** are made up of funds for school districts, self-governed special districts, state trial court and other investment trusts. The County schools' operating, and debt service funds are grouped in this fund. The County is responsible for numerous self-governed special districts. Cash and investments are administered by the County Treasurer, and the Auditor-Controller-County Clerk makes disbursements upon the request of the responsible district officers.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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The **Private-Purpose Trust Funds** are funds held by the County to report trust arrangements under which principal and income benefit other governments. These funds report the assets, liabilities, and activities of various successor agencies and conservatorships.

The **Custodial Fund** contains amounts held by the County in a custodial capacity for individuals or other government units.

**G. BASIS OF ACCOUNTING**

The government-wide, proprietary funds, and Custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds are recorded on the accrual basis of accounting. Revenues are recorded when they are earned, and expenditures are recorded when they are incurred, regardless of when the cash is collected. Non-exchange transactions occur when an entity gives or receives value without giving or receiving the same value in return. An example of a non-exchange transaction would be property and sales taxes, grants, entitlements, and donations. On an accrual basis of accounting, property tax revenue is recognized in the fiscal year the taxes are levied. Revenues from donations, entitlements, and grants are recognized in the fiscal year in which all eligible requirements have been fulfilled.

Governmental funds are reported using the current financial resources measurement focus and on the modified accrual basis of accounting. Using this method, revenue is recorded when it is measurable and available. Property and sales taxes are considered available if collected within 60 days after the end of the accounting period. Interest and charges for services are accrued when their receipt occurs within 90 days after the end of the accounting period. The County considers voluntary non-exchange transactions, such as federal and state grants, available if received within 9 months after the end of the accounting period. All revenues must be both measurable and available. Under the modified accrual basis of accounting, expenditures are recorded when a liability is incurred. However, debt service expenditures, expenditures related to claims and judgments, and compensated absences are only recorded when payment is due. In governmental funds, general capital asset acquisitions are reported as expenditures. Proceeds from general long-term debt and capital leases are reported as other financing sources.

Internal service funds are used by management to charge the cost of certain activities, such as fleet management and the self-insurance programs. Both the assets and liabilities of the internal service funds are included in Governmental Activities of the Statement of Activities and the Statement of Net Position. The internal service funds' profit or loss is allocated to the function or program that benefits from the internal service funds' activity. The County does this by reviewing the usage and apportioning the cost and profit to the funds responsible.

**H. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS, AND NET POSITION/FUND BALANCE**

**Cash and Cash Equivalents**

All amounts reported to be cash and cash equivalents represent cash or short-term, highly liquid investments with an original maturity of three months or less at the time of acquisition.

**Investments**

Investments in the County Treasurer's pooled investments are reported at fair value. Interest earnings are distributed to all participating funds based on their average daily balance within the pool. The unrealized increase or decrease in the fair value of the investments have been recognized.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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**Interfund Receivables and Payables**

Transactions between funds with outstanding balances at fiscal year-end are referred to as "due to" or "due from" other funds with long-term balances referred to as "advances to" or "advances from" other funds. The outstanding balances at year-end result from either the time lag in reimbursement from one fund to another or from a lending/borrowing arrangement. See Note 5 for a detailed reconciliation of interfund transactions. These internal balances have been eliminated in the government-wide statements.

**Property Tax**

All jurisdictions within the State derive their taxing authority from the State Constitution and various legislative provisions contained in the California Government Code and Revenue and Taxation Code. Property is assessed at 100% of full cash or market value (with some exceptions) pursuant to Article XIII of the California State Constitution and statutory provisions by the County Assessor and the State Board of Equalization. The total 2021 - 2022 net assessed valuation of the County was \$102,986,506. The property tax levy to support general operations of the various jurisdictions is limited to one percent (1%) of full cash value and is distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt are excluded from this limitation and are calculated separately and levied each fiscal year. The rates are formally adopted by the Board after approval of city councils or the governing boards of special districts, where applicable. Property taxes are levied on both real and personal property. Secured property taxes are levied on or before the first business day of September of each year and become a lien on real property on March 1 proceeding the fiscal year for which taxes are levied. These tax payments can be made in two equal installments; the first is due on November 1 and delinquent with penalties after December 10; the second is due on February 1 and delinquent with penalties after April 10.

Secured property taxes, which are delinquent if unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, costs, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property may be sold at public auction. The proceeds are used to pay the delinquent amounts due, and any excess is remitted, if claimed, to the taxpayer. Unsecured personal property taxes are not a lien against real property. These taxes are due on March 1 and become delinquent if unpaid by August 31. In 1983, the Governor signed Senate Bill (SB) 813, which requires County Assessors to appraise property and issue an assessment when new construction is completed or a change in ownership occurs. The supplemental assessment will reflect the change in value for the remainder of the property tax year. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill.

**Inventory - Materials and Supplies**

Inventories in the General Fund, Roads and Structural Fire, Special Revenue Funds, and the Garage and Public Works Internal Service Funds consist of expendable supplies held for consumption. Inventories are valued at average cost. The consumption method is used to account for inventories. Under the consumption method of accounting, inventories are recorded as expenditures when consumed rather than when purchased. Reported inventories are categorized as non-spendable fund balance as required by GASB Statement No. 54 because these amounts are not available to spend.

**Capital Assets**

Capital assets are tangible and intangible assets, which include structures and improvements, equipment, intangibles (software, rights of way/easements, right-to-use), and infrastructure assets (roads, street lighting, bridges, sidewalks, and similar items), are reported under the governmental or business-type activities in the government-wide financial statements. For an asset to be considered a capitalized asset, it must exceed \$5 for equipment and software; \$50 for structures, infrastructures, and all other intangible types, and must have an estimated useful life of at least two years. Intangible assets are amortized based on estimated useful life and will vary by item. All purchased capital assets

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are valued at cost, and donated capital assets are valued at their estimated acquisition value on the date donated.

The costs of maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. As projects are constructed, major capital outlays for capital assets and improvements are capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Capital assets are depreciated or amortized using the straight-line method over the estimated useful lives of the assets as follows:

Equipment	5 - 15 years
Computer Equipment	5 - 10 years
Vehicles	5 - 25 years
Software	15 years
Infrastructure (roads, sidewalks, drains, bike paths, other improvements)	5 - 50 years
Structures and Improvements	20 - 60 years
Right-to-Use Leased Assets	2 - 50 years

**Deferred Outflows and Inflows of Resources**

Pursuant to GASB Statements No. 63 and No. 65, the County recognizes deferred outflows and inflows of resources. A deferred outflow of resources represents a consumption of net assets that applies to future periods. A deferred inflow of resources represents an acquisition of net assets that applies to future periods.

**Compensated Absences**

The County’s policy on compensated absences is to permit employees to accumulate earned but unused vacation and sick leave benefits up to a maximum balance detailed in each memorandum of understanding with the individual employee associations. The liability is accrued for the balance of unpaid compensatory time off, sick leave, and vacation earned at year-end. The accumulated benefits will be liquidated as employees elect to use them. All payments of these accumulated benefits will be funded in the year in which they are to be paid.

**Long-Term Obligations**

In the government-wide and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate governmental activities or proprietary funds statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

**Pension Plan**

For purposes of measuring the net pension liability and deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County’s pension plan with Kern County Employees’ Retirement Association (KCERA) pension plan and additions to or deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by KCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Other Post-Employment Benefits**

For purposes of measuring the net OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County’s OPEB plan (OPEB Plan) and additions to or deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by Public Agency Retirement Services (PARS). For

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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this purpose, the OPEB Plan recognized benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Fund Equity**

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned classifications based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

**Non-spendable fund balance** – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Restricted fund balance** – amounts with constraints placed on the use of the resource that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed fund balance** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority (the Board of Supervisors). An ordinance code is used by the Board to commit fund balance.

**Assigned fund balance** – amounts that are constrained by the County’s *intent* to be used for specific purposes but are neither restricted nor committed. Intent can only be expressed by the Board through the signing and approving of contracts and agreements.

**Unassigned fund balance** – the residual classification for the County’s General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if total fund balance is exceeded by expenditures.

The Board establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When various levels of restricted resources are available for use, it is the County’s policy to use restricted resources first, followed by the committed, assigned, and then unassigned resources as they are needed. The County does not have a fund balance policy that would dictate the level of financial resources required to be in the funds at year-end. The County also does not have a formal fiscal stabilization policy.

**Leases**

*Lessee:* The County is a lessee for a noncancellable lease of equipment, land, and structures. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County uses the incremental borrowing rate established by the California State Controller as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

*Lessor:* The County is a lessor for noncancellable building leases. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The County uses the incremental borrowing rate established by the California State Controller as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**I. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of certain assets and deferred outflows of resources, liabilities and deferred inflows of resources, disclosures of contingent assets and liabilities 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.



**COUNTY OF KERN  
 NOTES TO THE FINANCIAL STATEMENTS  
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**J. ADOPTION OF NEW ACCOUNTING STANDARDS**

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The County adopted the requirements of the guidance effective July 1, 2021 and has applied the provisions of this standard to the beginning of the period of adoption.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. DEFICIT NET POSITION**

The following funds have a deficit fund balance as of June 30, 2022:

<hr/>	
Governmental Funds	
Community Development	(650)
Coronavirus Relief	(4,158)
	<hr/>
	\$ (4,808)
	<hr/>

Community Developments negative fund balance represents an increase in emergency shelter services related to COVID-19. The Coronavirus Reliefs negative fund balances is related to the decrease in fair market value of investments at year-end.

The following funds have a deficit fund net position as of June 30, 2022:

<hr/>	
Proprietary Funds	
General Liability	(18,012)
Workers' Compensation	(52,202)
	<hr/>
	\$ (70,214)
	<hr/>

General Liability and Workers' Compensation negative net position represents liabilities incurred as a result of self-insurance.

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 3 - CASH AND INVESTMENTS**

**A. TOTAL CASH AND INVESTMENTS**

Cash and investments at June 30, 2022 consist of the following:

Cash and Investments in County Pool:	
Cash	\$ 56,969
Investments	5,081,359
Subtotal	<u>5,138,328</u>
Less: Outstanding Warrants and Other Reconciling Items	<u>(80,000)</u>
Total Cash and Investments in County Pool	5,058,328
Cash and Investments Outside County Pool:	
Cash with Trustee	42,479
Primary Government Revolving Cash	465
Discretely Presented Component Unit Cash	119,340
Investments of KCERA	<u>5,302,462</u>
Total Cash and Investments Outside County Pool	5,464,746
Total Cash and Investments	<u>\$ 10,523,074</u>

**B. DEPOSITS**

**Cash and Deposits**

As provided for by the California Government Code, the cash balances for all funds are pooled and invested by the County's Treasurer for the purpose of increasing interest earnings through investment activities. The respective funds' shares of the total pooled cash and investments are included in the accompanying balance sheet for governmental funds and statement of net position for proprietary funds under the caption "Pooled Cash and Investments." In accordance with Section 53652 of the California Government Code, a financial institution is required to secure deposits in excess of \$100 made by the State and local governmental units by pledging securities held in the form of an undivided collateral investment pool. The fair value of the pledged securities in the collateral investment pool must equal 110% of the total amount deposited by the public agencies. The collateral must be held at the pledging bank's trust department or another bank, acting as the pledging bank's agent, in the County's name. Interest earned on pooled investments is deposited to the participating funds based upon each fund's average daily deposit balance during the allocation period with all remaining interest deposited to the General Fund. Bank deposits are reported at cost as of the end of the reporting period.

**C. CASH AND INVESTMENTS DEPOSITED WITH TRUSTEE**

At June 30, 2022, the balance for Cash and Investments Deposited with Trustee consists of the following:

Cash	\$ 96
Commercial Paper	7,250
Money Market Account	2,679
Governmental Agency Bond/Notes	<u>32,454</u>
Total Cash and Investments Deposited with Trustee	<u>\$ 42,479</u>

Of the \$42,479 total cash and investments deposited with the trustee, \$32,808 is in the Tobacco Securitization Proceeds Fund to be utilized for capital projects. The \$9,449 is with the Corporation being held in trust for debt service reserves. The remaining \$222 is in the Pension Obligation Bond Trustee

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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Debt Service Fund used to service debt payments related to the County's Pension Obligation Bonds. The funds are currently held by Wells Fargo Bank and U.S. Bank.

**D. INVESTMENTS**

**Interest Rate Risk**

In accordance with Kern County's Investment Policy, the government manages its exposure to declines in fair values by limiting the effective duration of the pool to no more than one and a half years.

**Credit Risk, Concentration and Rating**

Statutes authorize the County to invest in obligations of the United States Treasury, Federal agencies, municipalities, bankers acceptances, certificates of deposit, and commercial paper rated either A-1 by Standard & Poor's Corporation (S&P), P-1 by Moody's Commercial Paper Record (Moody's), or F-1 by Fitch Ratings (Fitch) (securities must be rated by at least two of the three; excluding Federal agencies).

The County of Kern Investment Pool (the Pool) is subject to regulatory oversight by the Treasury Oversight Committee, as required by California Government Code Section 27143. The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2022, to support the value of the shares in the Pool. Management believes that the investments in the Pool are of high quality and that the risk of participation in the Pool is negligible. The Pool will not invest more than 6% of its assets in the Eligible Securities of a single institution, other than U.S. government and agency securities.

Investment	Rating		Weighted Average Maturity (Years)
	Moody's	Standard & Poor's (S&P)	
Commercial Paper	P-1	A-1	0.14
Negotiable Certificates of Deposit	P-1	A-1	0.21
U.S. Treasury Securities	Aaa	AA	2.29
Corporate Notes	A, Aa, Aaa	A, AA, AAA	1.96
Federal Agencies	Aaa	AA	2.14
Municipal Bonds	Aa, Aaa	AA	1.41
Supranationals	Aaa	AAA	1.39
Portfolio Weighted Average Maturity			1.01

**Custodial Credit Risk – Deposits**

The County's deposits are collateralized, and two methods of protection are used. The first method is that the bank is required by state law to collateralize the deposits to the extent of 110%. Collateral securities are held in custody by the State Treasurer's office. The second method of protection is that the bank must carry umbrella insurance to protect against theft or negligence on the part of the bank.

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Pool will not be able to recover collateral securities that are in possession of an outside party. This risk is mitigated in that of the County's total bank balance, \$250 is insured by the Federal Depository Insurance Corporation. The remaining amount on deposit, \$56,554, is collateralized with securities held by the pledging financial institution's agent.

**Custodial Credit Risk – Investments**

The County minimizes its exposure by purchasing securities with the highest credit rating from Moody's, S&P, and Fitch and by limiting the exposure to any one issuer as required by state law. Certain agencies outside of the County reporting entity participate in the Pool. The participation of these agencies is externally mandated. The participants reported under the Investment Trust Fund are schools, special districts, and special assessments. The County Pool does not issue separate financial statements. Participants may withdraw up to the amortized cost of their respective share. In accordance with this

**COUNTY OF KERN  
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statement, the fair value of the County’s combined pool is determined annually and is based on current market prices received from the securities custodian, except for governmental securities and bankers’ acceptances, which are carried at amortized cost plus accrued interest.

The Pool participates in the Local Agency Investment Fund (LAIF), the California Asset Management Program (CAMP), and the Investment Trust of California (CalTRUST). The LAIF, CAMP, and CalTRUST operate and report to participants on an amortized cost basis. For all three investment pools, the income, gains, and losses, net of administration fees, are allocated based upon the participant’s average daily balance. The fair value of the investment pools are approximately equal to the value of the pool shares.

The Local Investment Advisory Board has oversight responsibility for LAIF. The Local Investment Advisory Board consists of five members designated by state statute. The County’s investment in the LAIF is \$74,979.

The CAMP is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services directed by a seven-member Board of Trustees. The County’s investment in the CAMP is \$215,584.

CalTRUST is a Joint Powers Authority created by public agencies in 2005 to provide a convenient method for public agencies to pool their assets for investment purposes. CalTRUST is governed by a nine-member Board of Trustees made up of experienced local agency treasurers and investment officers. The County’s investment in CalTRUST is \$11,585.

A summary of the investments held in the Pool is as follows:

Investment	Fair Value	Principal	Maturity Range
State Treasury’s Pool (LAIF)	\$ 74,979	\$ 74,979	On Demand
Money Market Mutual Funds	25,015	25,015	On Demand
California Asset Management Program (CAMP)	215,584	215,584	On Demand
Investment Trust of California (CalTRUST)	11,585	11,585	On Demand
FDIC Insured Cash Sweep	15,095	15,122	On Demand
Commercial Paper	323,451	323,910	07/30/2021-01/15/2025
Negotiable Certificates of Deposit	528,947	530,979	09/07/2021-07/12/2022
U.S. Treasury Securities	1,985,421	2,095,892	07/15/2021-02/15/2026
Corporate Notes	524,628	544,632	08/08/2021-05/13/2026
Federal Agencies	1,092,619	1,128,122	07/01/2021-05/26/2026
Municipal Bonds	78,734	81,759	11/01/2021-08/01/2023
Supranationals	205,301	216,115	07/20/2021-10/28/2025
Total Investments	<u>\$ 5,081,359</u>	<u>\$ 5,263,694</u>	
Cash on Hand	165		
Cash in Banks	56,804		
Less Warrants in Transit	<u>(80,000)</u>		
Total Cash and Investments	<u>\$ 5,058,328</u>		

**COUNTY OF KERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The following represents a condensed statement of net position and changes in net position for the Pool as of June 30, 2022:

Statement of Net Position:	
Total Assets Held for Pool Participants	\$ 5,058,328
Equity of Internal Pool Participants	\$ 1,570,699
Equity of External Pool Participants (Voluntary & Involuntary)	3,487,629
Total Equity	<u>\$ 5,058,328</u>
Statement of Changes in Net Position:	
Net Position at July 1, 2021	\$ 4,375,127
Net Changes in Investments by Pool Participants	683,201
Net Position at June 30, 2022	<u>\$ 5,058,328</u>

**D. DEPOSITS WITH OTHERS**

The County has total deposits with others of \$2,040. The General Fund has deposited \$136 with the City of Bakersfield for the construction of an overpass on Bakersfield Union Avenue pursuant to a joint agency agreement between the County, the City of Bakersfield, and the Greater Bakersfield Separation of Grade District. Group Health has a balance of \$1,519 Internal Service Fund with its designated claim administrators, and the remaining amount of \$ 385 from Workers Compensation for an escrow account with Corvel third party administrator for worker's compensation payments. This amount has been determined by claim administrators to be representative of one month's billings.

**E. FAIR VALUE MEASUREMENTS**

The Pool categorizes its fair value measurement within the fair value hierarchy established by GASB Statement No. 72. The Pool has the following recurring fair value measurements as of June 30, 2022:

Investments by Fair Value Level	6/30/2022	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)
<b>Debt Securities</b>				
Commercial Paper	\$ 323,451	\$ -	\$ 323,451	\$ -
Corporate Notes	524,628	-	524,628	-
Federal Agencies	1,092,619	-	1,092,619	-
Municipal Bonds	78,734	-	78,734	-
Negotiable Certificates of Deposit	528,947	-	528,947	-
Supranationals	205,301	-	205,301	-
U.S. Treasury Securities	1,985,421	-	1,985,421	-
Total Investments by Fair Value Level	4,739,101	<u>\$ -</u>	<u>\$ 4,739,101</u>	<u>\$ -</u>
<b>Investments Measured at Amortized Cost</b>				
State Treasury's Pool (LAIF)	74,979			
California Asset Management Program (CAMP)	215,584			
Investment Trust of California (CalTRUST)	11,585			
FDIC Insured Cash Sweep	15,095			
Money Market Mutual Funds	25,015			
Total Investments Measured at Amortized Cost	<u>342,258</u>			
Total Investments Measured at Fair Value	<u>\$ 5,081,359</u>			

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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Debt Securities are classified as Level 2 of the fair value hierarchy due to use of evaluated pricing by the Pool's trustee. The trustee of the Pool has chosen this alternative pricing technique and, based on their definition of an "active market," has elected to categorize only equity securities as Level 1.

**NOTE 4 - RECEIVABLES**

**A. RECEIVABLES**

The County's net receivables for the year ended June 30, 2022 for the individual major funds, non-major funds, and internal service funds are as follows:

Governmental Activities:	Interest	Taxes	Accounts	Lease	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 1,723	\$ 29,449	\$ 805	\$ 4,472	\$ 51,204	\$ (46)	\$ 87,607
Behavior Health & Recovery Services	359	-	238	-	30,099	-	30,696
Community Development	-	-	-	-	1,322	-	1,322
Coronavirus Relief	230	-	-	-	-	-	230
County Local Revenue Fund	-	-	-	-	11,390	-	11,390
Human Services	106	-	231	-	32,785	-	33,122
Structural Fire	135	3,792	-	72	5,782	-	9,781
Other Non-major Governmental Funds	421	385	1,302	225	39,412	(222)	41,523
Internal Service Funds	350	-	2	-	752	-	1,104
Total Governmental Activities	\$ 3,324	\$ 33,626	\$ 2,578	\$ 4,769	\$ 172,746	\$ (268)	\$ 216,775

The receivables category classified as "Other" is composed of receivables from the State and other sources. The total amount of taxes receivable not expected to be collected within one-year totals \$12,574. Of this amount, \$5,814 is recorded in the General Fund, \$3,359 in the Structural Fire, and \$3,401 in Non-Major Governmental Funds.

The County's net receivables for the year ended June 30, 2022 for the enterprise funds are as follows:

Business-type Activities:	Interest	Taxes	Accounts	Lease	Other	Allowance for Uncollectibles	Net Receivables
Airports	\$ 22	\$ -	\$ 1,717	\$ 12,387	\$ 14	\$ (9)	\$ 14,131
Waste Management	176	1,759	2,004	88	823	(27)	4,823
Non-major Enterprise Funds	82	1,988	169	18	26	-	2,283
Total Business-type Activities	\$ 280	\$ 3,747	\$ 3,890	\$ 12,493	\$ 863	\$ (36)	\$ 21,237

**Housing Loans Receivable and Housing Loans Interest Receivable**

A total of \$61,895 was recorded as housing loans receivable and a total of \$20,225 was recorded as housing loans interest receivable at June 30, 2022. These represent low or no interest mortgage notes and related accrued interest to finance multi-family and single-family construction and rehabilitation projects, as well as homebuyer assistance for low-income families, as part of the County's affordable housing program with loan terms ranging from 5 to 55 years. The County's primary sources of funding for these loans come from grants from the federal HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) programs. The HOME and CDBG grants contain monitoring requirements, reflected in the loan agreements, to ensure grant compliance. Due to the terms of the loans, offsetting deferred inflows of resources of \$82,413 have been established in the Governmental Funds Balance Sheet for the housing loan principal and interest payments. Additionally, \$1,108 of deferred inflows of resources remain in the Government-wide Statement of Net Position for the principal and interest balance of loans with a forgiveness clause since these types of loans are more likely not to be repaid to the County.

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NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 5 - INTERFUND TRANSACTIONS**

**A. DUE FROM/TO OTHER FUNDS**

Due From and Due To Other Funds amounts will be repaid in the following fiscal year. Due From and Due To Other Funds at June 30, 2022 are as follows:

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Community Development	\$ 183	Expenditure Adjustment
	Coronavirus Relief Fund	34	Expenditure Reimbursement
	Non-major Governmental Funds	3,362	Expenditure Reimbursement, Proposition 172 Revenue
	Department of Human Services	562	Realignment
	County Local Revenue Fund	337	Realignment
		<u>4,478</u>	
Structural Fire	Non-major Governmental Funds	88	Proposition 172
	General Fund	448	Expenditure Reimbursement
		<u>536</u>	
Non-Major Governmental Funds	Non Major Enterprise Funds	5	Expenditure Reimbursement
	Waste	10	Expenditure Reimbursement
	Community Development	1,338	Realignment
	General Fund	157	Expenditure Reimbursement
		<u>1,510</u>	
Internal Service Fund	Waste	180	Service Provided
	Non-Major Governmental Funds	234	Service Provided
	Non-Major Enterprise Funds	17	Expenditure Reimbursement
		<u>431</u>	
Non-Major Enterprise Funds	Internal Service Funds	11	Expenditure Reimbursement
	Waste	4	Expenditure Reimbursement
		<u>15</u>	
Department of Human Services	General Fund	<u>305</u>	Expenditure Reimbursement
Behavioral Health Recovery	General Fund	<u>128</u>	Expenditure Reimbursement
Total		<u><b>\$ 7,403</b></u>	

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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**B. TRANSFERS**

Transfers are used to move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them. Transfers also include debt service payments required to be paid out of debt service funds. Other transfers include unrestricted amounts in the General Fund transferred to finance various programs accounted for in other funds as per budgetary authorizations. Transfers out/in for the year ended June 30, 2022 are as follows:

Transfers Out	Transfers In	Amount
General Fund	Airports	\$ 551
	Behavioral Health & Recovery Services	3,383
	Department of Human Services	144,198
	Non-Major Governmental Funds	49,304
	Internal Service Fund - Public Works	6,721
	Structural Fire	448
		<u>204,605</u>
Behavioral Health & Recovery Services	General Fund	185
	Non-Major Governmental	2,637
		<u>2,822</u>
Community Development	General Fund	<u>2,824</u>
County Local Revenue Fund	General Fund	70,118
	Department of Human Services	81,725
	Behavioral Health & Recovery Services	61,610
	Non-Major Governmental Funds	11,096
		<u>224,549</u>
Department of Human Services	Non-Major Governmental Funds	<u>5,984</u>
Structural Fire	Non-Major Governmental Funds	<u>8,780</u>
Non-Major Governmental Funds	General Fund	118,951
	Behavioral Health & Recovery Services	220
	Non-Major Governmental Funds	3,671
	Structural Fire	8,210
	Non-Major Enterprise	19
		<u>131,071</u>
Internal Service Funds - Public Works	Non-Major Governmental Funds	<u>6,421</u>
Total		<u><b>\$ 587,056</b></u>



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**NOTE 6 - CAPITAL AND RIGHT-TO-USE LEASED ASSETS**

**A. GOVERNMENTAL CAPITAL AND RIGHT-TO-USE LEASED ASSETS**

Capital and right-to-use leased asset governmental activity for the year ended June 30, 2022 is as follows:

	Beginning Balance Restated*	Additions	Deletions	Transfers & Adjustments	Ending Balance
<b>Governmental Activities:</b>					
Capital Assets, not depreciated:					
Land and Easement	\$ 34,250	\$ -	\$ 205	\$ (307)	\$ 33,738
Construction in Progress	49,406	24,828	705	(40,440)	33,089
Intangibles	1,164,412	-	-	610	1,165,022
Works of Art	60	-	-	-	60
Total Capital Assets, not depreciated	<u>1,248,128</u>	<u>24,828</u>	<u>910</u>	<u>(40,137)</u>	<u>1,231,909</u>
Capital Assets, depreciated and amortized:					
Infrastructure	810,737	886	-	25,016	836,639
Structures and Improvements	617,949	19,311	1,047	1,228	637,441
Equipment	218,403	13,475	7,490	5,538	229,926
Intangibles	15,819	517	-	-	16,336
Leased Land	-	4,616	-	-	4,616
Leased Structures	-	135,027	-	-	135,027
Leased Equipment	-	7,140	-	-	7,140
Total Capital and Right-to-Use Leased Assets, depreciated and amortized	<u>1,662,908</u>	<u>180,972</u>	<u>8,537</u>	<u>31,782</u>	<u>1,867,125</u>
Less: Accumulated Depreciation and Amortization for:					
Infrastructure	445,294	26,598	-	(2,365)	469,527
Structures and Improvements	250,737	8,927	851	-	258,813
Equipment	166,135	12,109	7,288	-	170,956
Intangibles	6,563	925	19	-	7,469
Leased Land	-	532	-	-	532
Leased Structures	-	13,196	-	-	13,196
Leased Equipment	-	2,665	-	-	2,665
Total Accumulated Depreciation and Amortization	<u>868,729</u>	<u>64,952</u>	<u>8,158</u>	<u>(2,365)</u>	<u>923,158</u>
Total Capital and Right-to-Use Leased Assets, depreciated and amortized, net	<u>794,179</u>	<u>116,020</u>	<u>379</u>	<u>34,147</u>	<u>943,967</u>
Capital and Right-to-Use Leased Assets, net	<u>\$ 2,042,307</u>	<u>\$ 140,848</u>	<u>\$ 1,289</u>	<u>\$ (5,990)</u>	<u>\$ 2,175,876</u>

\*As restated see Note 16. C

**COUNTY OF KERN  
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**B. ENTERPRISE AND COMPONENT UNIT CAPITAL AND RIGHT-TO-USE LEASED ASSETS**

Capital and right-to-use leased assets business-type activity for the year ended June 30, 2022 is as follows:

	Beginning Balance Restated*	Additions	Deletions	Transfers & Adjustments	Ending Balance
<b>Business-type Activities:</b>					
Capital Assets, not depreciated:					
Land	\$ 36,605	\$ 82	\$ -	\$ -	\$ 36,687
Land Acquisition in Progress	86	-	-	-	86
Construction in Progress	15,230	11,453	3,177	-	23,506
Works of Art	198	-	-	-	198
Total Capital Assets, not depreciated	52,119	11,535	3,177	-	60,477
Capital Assets, depreciated and amortized:					
Structures and Improvements	89,831	1,688	-	-	91,519
Land Improvements	69,267	-	-	-	69,267
Equipment	46,654	2,054	1,793	-	46,915
Intangibles	1,109	112	-	-	1,221
Infrastructure	130,792	1,381	-	9,211	141,384
Leased Land	-	19	-	-	19
Leased Structures	-	357	-	-	357
Total Capital and Right-to-Use Leased Assets, depreciated and amortized	337,653	5,611	\$ 1,793	\$ 9,211	350,682
Less: Accumulated Depreciation and Amortization for:					
Structures and Improvements	41,456	2,727	-	-	44,183
Land Improvements	32,293	2,739	-	-	35,032
Equipment	22,693	3,128	1,763	-	24,058
Intangibles	407	59	-	-	466
Infrastructure	54,460	4,303	-	2,365	61,128
Leased Land	-	2	-	-	2
Leased Structures	-	150	-	-	150
Total Accumulated Depreciation and Amortization	151,309	13,108	1,763	2,365	165,019
Total Capital and Right-to-Use Leased Assets, depreciated and amortized, net	186,344	(7,497)	30	6,846	185,663
Capital and Right-to-Use Leased Assets, Net	\$ 238,463	\$ 4,038	\$ 3,207	\$ 6,846	\$ 246,140

\*As restated see Note 16. C

***Discretely Presented Component Unit – Hospital Authority***

A summary of capital asset activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2022, were as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
<b>Hospital Authority Component Unit Activities:</b>					
Capital Assets, not being depreciated:					
Land	\$ 1,854	\$ -	\$ -	\$ -	\$ 1,854
Construction in Progress	8,539	7,169	-	(8,715)	6,993
Total Capital Assets, not being depreciated	10,393	7,169	-	(8,715)	8,847
Capital Assets, being depreciated:					
Equipment	67,325	2,148	-	-	69,473
Structures and Improvements	98,154	49	-	-	98,203
Intangibles	48,585	-	-	8,715	57,300
Right-to-use Leased Assets	11,580	1,510	-	-	13,090
Total Capital Assets, being depreciated and amortized	225,644	3,707	-	8,715	238,066
Less: Accumulated Depreciation	(128,615)	(14,361)	-	-	(142,976)
Total Capital Assets, being depreciated and amortized, net	97,029	(10,654)	-	8,715	95,090
Capital Assets, net	\$ 107,422	\$ (3,485)	\$ -	\$ -	\$ 103,937

**COUNTY OF KERN  
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**C. DEPRECIATION**

Depreciation and amortization expense were charged to functions or programs of the primary government as follows:

**Governmental Activities:**

General	\$	6,362
Public Protection		15,954
Public Ways and Facilities		27,381
Health and Sanitation		5,005
Public Assistance		7,512
Education		1,106
Culture and Recreation Services		908
Depreciation on Capital Assets Held by the County's Internal Service Funds are charged to various functions based on usage of the assets		725
Total Depreciation and Amortization Expense - Governmental Activities	\$	<u>64,953</u>

**Business-type Activities:**

Airports	\$	5,059
Waste Management		5,879
County Sanitation Districts		520
Golf Course		148
Public Transportation		1,502
Total Depreciation and Amortization Expense - Business-type Activities	\$	<u>13,108</u>

**D. CONSTRUCTION IN PROGRESS**

Construction in progress for governmental funds includes projects for roads and several smaller projects. Business-type construction in progress projects include rehabilitating and upgrading of the airport's taxiway, bus stop enhancements, a transit station, and the improvement of land for landfill closures.

**NOTE 7 - LEASES**

**A. LEASE RECEIVABLE**

The County has entered into sixty-four lease agreements as a lessor for right-to-use Land, eighty-nine lease agreements as a lessor for right-to-use Buildings, and one lease for the right-to-use equipment. For lessor leases, the County is utilizing an incremental borrowing rate between 0.20 -1.5%. The leases include a range of options to extend the lease term for a period of 37 years with the final extension period ending December 16, 2060.

The Airports department entered two regulated leases with United Airlines and American Airlines. Both regulated leases are currently month-to-month. During the year ended June 30, 2022, Airports recognized \$521 in lease revenue. The main purpose of both agreements is to obtain access to the Airport gate positions and space at the Airport. Airports grants Lessee access to various spaces in the terminal building and exclusive use of premises for Airline Ticket Office, Ticket Counter, Ticket Queue, and Airline Operations Office, all gates, and aircraft parking position.

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NOTES TO THE FINANCIAL STATEMENTS  
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**B. LEASE PAYABLE**

All leases were recognized as having an inception date as of July 1, 2021. The County has entered into one-hundred and twenty-six lease agreements as lessee for right-to-use twelve land, sixty-two buildings, one equipment, and fifty-one vehicle leases.

The leases include a range of options to extend the lease term for a period of 47 years with the final extension period ending July 9, 2069. The County is required to make annual principal and interest payments between \$9,596 and \$30,339, subject to annual rent increases ranging from 1.5 to 13.40%. The County is utilizing a range of incremental borrowing rates between 0.20 -1.5%.

For all leases classified as governmental activities an initial lease liability was recorded in the amount of \$146,783 as of July 1, 2021. As of June 30, 2022, the value of the lease liability was \$130,896. The difference of \$15,887 represents the reduction of the principal portion of the lease payments in the current year.

For all leases classified as business-type activities an initial lease liability was recorded in the amount of \$376 as of July 1, 2021. As of June 30, 2022, the value of the lease liability was \$280. The difference of \$96 represents the reduction of the principal portion of the lease payments in the current year.

The following is a schedule of future principal and interest lease payments as of June 30, 2022:

Year Ended June 30,	Governmental Activities		
	Principal	Interest	Total
2023	\$ 14,798	\$ 1,531	\$ 16,329
2024	11,874	1,425	13,299
2025	10,088	1,320	11,408
2026	9,312	1,221	10,533
2027	8,758	1,125	9,883
2028-2032	26,269	4,469	30,738
2033-2037	15,904	3,159	19,063
2038-2042	16,712	1,935	18,647
2043-2047	17,181	650	17,831
Total Leases	\$ 130,896	\$ 16,835	\$ 147,731

Year Ended June 30,	Business-Type Activities		
	Principal	Interest	Total
2023	\$ 128	\$ 1	\$ 129
2024	105	-	105
2025	37	-	37
2026	2	-	2
2027	2	-	2
2028-2032	6	-	6
Total Leases	\$ 280	\$ 1	\$ 281

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 8 - LONG-TERM DEBT**

**A. LONG-TERM LIABILITIES**

The County is not obligated in any manner for outstanding special assessment debt. However, the County acts in an agency capacity for property owners in collecting overlapping tax and assessment debt, which totals \$1,807,332. These amounts do not appear in the accompanying Financial Statements.

As indicated in Notes 1.H., 7.A., 7.B., 8.B., 8.C., 8.D., and 8.E., the County has recognized a long-term liability for compensated absences, financed purchases, certificates of participation, loans payable, bonds payable, and pension obligation bonds.

For governmental activities, the General Fund and the Special Revenue Funds for Behavioral Health & Recovery Services, Human Services, Roads, Structural Fire, Aging and Adult Services, Building Inspection, Child Support Services, County Clerk, Environmental Health, and Recorder have typically been used to liquidate compensated absences, OPEB, and Pension liabilities.

Internal Service Funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the totals for governmental activities.

The following is a summary of long-term liabilities and corresponding activity for the year ended June 30, 2022:

	Beginning Balance	Additions	Deletions	June 30, 2022	Due Within One Year
<b>Governmental Activities:</b>					
Compensated Absences	\$ 87,768	\$ 46,089	\$ 51,200	\$ 82,657	\$ 56,100
Finance Purchase	24,424	-	4,731	19,693	3,387
Lease Liabilities	-	146,783	15,887	130,896	14,798
Certificates of Participation (COP)	67,690	-	3,580	64,110	3,765
COP - Unamortized Premium	3,373	-	253	3,120	-
Tobacco - Asset Backed Bonds	64,756	-	7,295	57,461	3,600
Tobacco - Unamortized Bond Premium	5,064	-	266	4,798	-
Bonds Payable - Energy Conservation Bond	1,659	-	318	1,341	325
Loans Payable - I Bank	2,654	-	414	2,240	425
Loan Payable - Kern Psychiatric Facility	-	27,612	-	27,612	1,091
Direct Borrowing - Kern Public Services	5,865	-	530	5,335	540
Pension Obligation Bonds (1995)	3,370	-	3,370	-	-
Pension Obligation Bonds (2003)	81,456	-	20,682	60,774	23,041
Pension Obligation Bonds (2008)	42,285	-	-	42,285	-
Net OPEB Liability	17,991	47,184	-	65,175	-
Net Pension Liability	1,939,652	-	569,904	1,369,748	-
Total Governmental Activities	2,348,007	267,668	678,430	1,937,245	107,072

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
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	Beginning Balance	Additions	Deletions	June 30, 2022	Due Within One Year
<b>Business-type Activities:</b>					
Compensated Absences	2,702	1,430	1,473	2,659	1,968
Lease Liabilities	-	376	96	280	128
Direct Borrowing - Airport	3,529	-	554	2,975	568
Pension Obligation Bonds (1995)	58	-	58	-	-
Pension Obligation Bonds (2003)	1,313	-	334	979	371
Pension Obligation Bonds (2008)	682	-	-	682	-
Pollution Remediation	7,713	-	195	7,518	644
Closure Liability	30,387	-	(580)	30,967	1,400
Post-Closure Liability	23,121	-	4,698	18,423	447
Net OPEB Liability	410	891	-	1,301	-
Net Pension Liability	45,046	-	13,008	32,038	-
Total Business-type Activities	114,961	2,697	19,836	97,822	5,526
Total Government-wide Long-Term Liabilities	\$2,462,968	\$ 270,365	\$ 698,266	\$2,035,067	\$ 112,598

***Discretely Presented Component Unit – Hospital Authority***

Long-term obligations and corresponding activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2022, was as follows:

	Restated Beginning Balance	Additions	Deletions	June 30, 2022	Due Within One Year
Compensated Absences	\$ 19,443	\$ -	\$ 356	\$ 19,087	\$ 6,362
Lease Liability	9,482	-	1,138	8,344	2,650
Pension Obligation Bonds	16,352	-	3,209	13,143	2,939
Net OPEB Liability	1,654	5,563	-	7,217	-
Net Pension Liability	381,153	-	96,910	284,243	-
Total	\$ 428,084	\$ 5,563	\$ 101,613	\$ 332,034	\$ 11,951

**B. CERTIFICATES OF PARTICIPATION**

COPs are secured by annual lease rental payments payable by the County for use of facilities constructed or purchased from the certificate proceeds.

The County has outstanding COPs totaling \$64,110 at fixed interest rates. The proceeds of the COPs are being used for the acquisition of equipment, construction, and renovation of certain public facilities within the County. The COPs have been delivered to the trustee, U.S. Bank, for investment and disbursement subject to the terms and conditions of the trust agreements.

The obligation of the County to make base rental payments does not constitute a general obligation of the County for which the County is obligated to levy or pledge any form of taxation. A portion of the 2011 Refunding is being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding activity for the debt in Note 9.A. The rest of the 2011 Refunding COP and the 2016 Refunding Capital Improvement Projects COP are paid by the Kern Asset Leasing Corporation. A description of each COP and the corresponding schedules of future minimum payments owed by the primary government are as follows:

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**2016 Refunding COP, Series A**

On December 14, 2016, the County issued \$80,350 of Certificates of Participation with fixed interest rates ranging from 3.00% to 5.00% with maturity dates from November 1, 2017 – 2034 to advance refund the 2009 COP. The net proceeds plus the 2009 COP reserve account were deposited in an irrevocable trust to provide for all future debt service payments on the 2009 COP until the prepayment date of February 1, 2019, at which point the 2009 COP was paid in full. As a result, the 2009 COP is considered defeased and the liability for those bonds has been removed from the County’s long-term debt liabilities. The County has pledged three County owned properties as collateral. The 2016 COP refunding included a debt service reserve insurance policy to satisfy the reserve requirement. The 2016 Refunding COP has the following schedule of future payments:

Year Ended June 30,	Principal	Interest	Total
2023	3,765	2,489	6,254
2024	3,965	2,295	6,260
2025	4,160	2,092	6,252
2026	4,380	1,879	6,259
2027	4,600	1,654	6,254
2028-2032	25,555	5,721	31,276
2032-2035	17,685	1,073	18,758
Total	\$ 64,110	\$ 17,203	\$ 81,313

**C. LOANS PAYABLE**

**2019 Refunding Loan – Kern Public Services Financing Authority (Direct Borrowing)**

On December 1, 2019, the County issued the 2019 Lease Revenue Refunding Private Placement Loan in the amount of \$6,885 to refund the 2010 Lease Revenue Refunding Bonds. The purpose of the refunding was to accelerate the maturity date by one year from 2032 to 2031 and reduce the variable interest rate from between 4.5% to 6.5% to fixed rate of 2.19%. The refunding resulted in a decrease in total debt service payments of \$1,350 and an economic gain of \$1,955. The loan contains a provision that in the event of a continued default, the interest rate will be raised to an annual rate of 5.19%.

The 2019 Refunding Loan debt schedule is as follows:

Year Ended June 30,	Principal	Interest	Total
2023	540	117	657
2024	555	105	660
2025	565	93	658
2026	580	80	660
2027	595	68	663
2028 - 2031	2,500	138	2,638
Total	\$ 5,335	\$ 601	\$ 5,936

**COUNTY OF KERN  
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**2017 Refunding Loan – Airports (Direct Borrowing)**

On August 1, 2017, the County issued the 2017 Refunding Private Placement Loan in the amount of \$5,377 to refund the 2011 Airports Private Placement Loan. The purpose of the refunding was to lower the annual debt service payments by extending the maturity date from 2023 to 2027 and reduce the interest rate from a fixed rate of 3.08% to 2.28%. The extension of the loan resulted in an increase in total debt service payments of \$382 and an economic loss of \$79. The asset constructed with the proceeds from this issuance is pledged as collateral. The loan contains a provision that in the event of a continued default, the interest rate will be raised to an annual rate of 5.28%. The 2017 Refunding Loan debt schedule is as follows:

Year Ended June 30,	Principal	Interest	Total
2023	568	65	633
2024	581	52	633
2025	594	38	632
2026	608	25	633
2027	623	11	634
Total	\$ 2,974	\$ 191	\$ 3,165

**Fifth District Curb and Gutter Project**

To facilitate the construction of curbs, gutters, drainage and sidewalk improvements in the Fifth District, the County obtained a loan for \$7,200 in the fiscal year 2007-08 from the California Infrastructure and Economic Development Bank (I-Bank). The loan has a fixed interest rate of 2.66%, and the expected maturity dates are from August 1, 2007 to August 1, 2026. The Fifth District Curb and Gutter Project debt schedule of the outstanding balance is as follows:

Year Ended June 30,	Principal	Interest	Total
2023	425	61	486
2024	436	48	484
2025	448	35	483
2026	460	21	481
2027	471	8	479
Total	\$ 2,240	\$ 173	\$ 2,413

**2021 Private Placement Loan**

In November 2021, the County issued the 2021 Private Placement Loan in the amount of \$27,612 to facilitate the construction of two psychiatric health facilities for the department of Behavioral Health and Recovery Services. The loan has a 20-year term with a fixed interest rate of 2.38% and an expected maturity date of November 1, 2041. The 2021 Private Placement Loan future maturities is as follows:

Year Ended June 30,	Principal	Interest	Total
2023	1,091	644	1,735
2024	1,117	618	1,735
2025	1,144	591	1,735
2026	1,172	563	1,735
2027	1,200	535	1,735
2028 - 2032	6,447	2,228	8,675
2033 - 2037	7,262	1,414	8,676
2038 - 2042	8,179	496	8,675
Total	\$ 27,612	\$ 7,089	\$ 34,701



**COUNTY OF KERN  
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**D. BONDS PAYABLE**

**Tobacco Settlement Asset-Backed Refunding Bonds**

On October 21, 2014, the California County Tobacco Securitization Agency (the Agency) issued the Tobacco Settlement Asset-Backed Refunding Bonds, Series 2014, on behalf of the Corporation in the amount of \$95,860. The issuance consisted of \$29,010 in serial bonds and \$66,850 in term bonds with the expected maturity dates to range from June 1, 2015 – 2040. The bonds' interest rates range from 4.0% to 5.0%.

The Agency issued bonds and loaned the proceeds to the Corporation, which, in turn paid the proceeds to the County. The bonds are limited obligations of the Agency payable solely from payments made by the Corporation from tobacco settlement payments purchased from the County. The bonds do not constitute a charge against the general credit of the Agency (except from loan payments by the Corporation) or the County and neither will the Agency or the County be obligated to pay interest on or principal of these bonds in the event of default or in the event tobacco settlement revenues decline. These bonds do not constitute a legal debt, liability or obligation of the County. For additional information regarding the Tobacco Settlement Revenues see Note 17.C.

The Tobacco Settlement Asset-Backed Bonds debt schedule is as follows:

Year Ended June 30,	Principal	Interest	Total
2023	3,600	2,830	6,430
2024	3,840	2,650	6,490
2025	795	2,458	3,253
2026	825	2,426	3,251
2027	850	2,393	3,243
2028-2032	13,255	11,008	24,263
2033-2038	20,800	6,411	27,211
2039-2040	13,496	1,367	14,863
Total	\$ 57,461	\$ 31,543	\$ 89,004

**2011 Qualified Energy Conservation Bonds**

On April 12, 2011, to facilitate the construction of solar power systems for the County Administrative Center and the Lerdo Detention Facility, the County issued bonds in the principal amount of \$4,337. The constructed solar panels serve as collateral for these bonds. The bonds have a fixed interest rate of 5.94%, and the expected maturity dates are from January 1, 2012 to January 1, 2026.

The Qualified Energy Conservation Bonds debt schedule is as follows:

Year Ended June 30,	Principal	Interest	Total
2023	325	75	400
2024	332	55	387
2025	339	36	375
2026	345	15	360
Total	\$ 1,341	\$ 181	\$ 1,522

**E. PENSION OBLIGATION BONDS**

Debt service payments for the County's pension obligation bonds are funded by charges to County departments based on their proportionate share of salaries and benefits expenses. In the event of default, the County treasury would be required to transfer funds sufficient to pay the principal and interest due and for the expense of the Trustee incurred in the performance of its powers and duties.

**COUNTY OF KERN  
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**1995 Pension Obligation Bond**

The County's Board adopted a resolution to authorize the issuance of a County pension obligation debenture, a trust agreement, and the option to enter into an interest rate swap agreement in order to finance the County's share of the unfunded actuarial accrued liability of KCERA. The actuarial accrued liability of participating special districts was excluded from this funding source. The taxable pension obligation bonds were issued at \$227,818 to cover the County's unfunded actuarial accrued liability of not less than \$224,437. KCERA received the bond proceeds and recorded \$224,437 of contribution income for the fiscal year ended June 30, 1996.

At June 30, 2022, the 1995 Pension Obligation Bond has been paid in full.

**2003 & 2008 Pension Obligation Bonds**

The County's Board adopted a resolution to authorize the issuance of the County pension obligation debenture to finance the County's share of the unfunded actuarial accrued liability of the KCERA. The actuarial accrued liability of participating special districts was excluded from this funding source. The Taxable Pension Obligation Bonds have been issued at \$288,177, of which \$238,177 was issued as 2003 Series A Bonds and \$50,000 was issued as 2003 Series B Bonds. The 2003 Series A Bonds were issued as Current Interest Bonds and Capital Appreciation Bonds; the 2003 Series B Bonds were refunded as Adjustable-Rate Bonds in August 2008. The bonds have various maturity dates ranging from 2006 to 2023 for Current Interest Bonds and from 2023 to 2028 for Capital Appreciation Bonds. The 2003 Series A has fixed interest rates that range from 2.33% to 4.88% for the Current Interest Bonds and 5.50% to 5.57% for the Capital Appreciation Bonds. A portion of the 2003 & 2008 Pension Obligation Bonds are being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding activity for the debt in Note 8.A.

On August 27, 2008, the County entered into a Purchase Agreement with Dexia Credit to purchase the Taxable Pension Obligation Refunding Bonds, 2008 Series A in the principal amount of \$50,000 to redeem the 2003 Series B Pension Obligation Bond. The 2008 Series A Bonds have a fixed interest rate of 4.185% and maturity date of August 15, 2027.

At June 30, 2022, the amount of bonds included as a component of the County's pension liability was \$104,720. The following is a summary of the County's total funding requirements of the 2003 Series A bonds:

Year Ended June 30,	Principal	Interest	Total
2023	23,413	1,116	24,529
2024	15,871	9,645	25,516
2025	8,464	18,460	26,924
2026	8,431	19,953	28,384
2027	5,574	14,386	19,960
Total	\$ 61,753	\$ 63,560	\$ 125,313

The following is a summary of the County's total funding requirements of the 2008 Series A bonds:

Year Ended June 30,	Principal	Interest	Total
2023	-	1,798	1,798
2024	-	1,798	1,798
2025	-	1,798	1,798
2026	-	1,798	1,798
2027	10,213	1,442	11,655
2028	32,754	229	32,983
Total	\$ 42,967	\$ 8,863	\$ 51,830

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**F. FINANCE PURCHASES**

The County has entered into several long-term finance purchase agreements for certain major pieces of equipment during the fiscal year ended June 30, 2022. At the end of the finance purchase, when all terms have been met, the related equipment will become property of the County.

The following is a schedule of future minimum payments for finance purchases:

Year Ended June 30,	Principal	Interest	Total
2023	3,387	420	3,807
2024	2,770	389	3,159
2025	2,334	344	2,678
2026	965	312	1,277
2027	985	290	1,275
2028-2032	4,316	1,105	5,421
2033-2037	3,410	577	3,987
2038-2039	1,526	73	1,599
Total	\$ 19,693	\$ 3,510	\$ 23,203

**NOTE 9 - PENSION PLAN**

**PLAN DESCRIPTION**

The County's Board established KCERA under the provisions of the County Employees' Retirement Law of 1937 on January 1, 1945. All permanent employees of the County and thirteen related agencies are covered by KCERA, which operates as a cost-sharing multi-employer defined benefit plan. It is the responsibility of KCERA to function as an investment and administrative agent for the County with respect to the pension plan. Separate audited financial statements can be obtained from KCERA at 11125 River Run Blvd., Bakersfield, California 93311.

KCERA became independent from the County's supervision and control as a result of the 1992 passage of Proposition 162, which legally established the independent control of the Board of Retirement. The Board of Retirement, consisting of nine members and two alternates, establishes policy for the operation of the plan, considers applications for disability retirement, recommends contributions based on actuarial valuations and controls investment of assets.

Prior to January 1, 1996, the Kern County Treasurer-Tax Collector was responsible for financial reporting and accounting for all investments as required by California Government Code Section 31596; thereafter, responsibility for financial reporting and accounting is vested with the Board of Retirement as required by Government Code Section 31596 et seq., as amended. On January 11, 1987, the Board of Retirement authorized the retirement fund to incur an administrative expense and hire an Administrator to serve at the Board of Retirement's pleasure. The Administrator is responsible for the processing and computing of applications for retirement benefits, refunds, beneficiary allowances, death benefits, reciprocity, and any other duties the Board of Retirement may assign. The Administrator also acts as Secretary for all Board of Retirement and Committee meetings and performs other activities as directed by the Board of Retirement. The KCERA Pension Plan (the Plan) provides for retirement, disability, death, beneficiary and cost-of-living benefits.

**BENEFITS PROVIDED**

All regular, full-time employees of the County or contracting districts who work 50% or more of the regular standard hours are required to become members of KCERA effective on the first day of the payroll period following the date of hire. Safety membership includes those in active law enforcement, fire suppression, criminal investigation, detention, and probation.

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General Tier I and Tier II members are eligible to retire at age 70 regardless of service or at age 50 with 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General Tier III members are eligible to retire at age 70 regardless of service or at age 52 with 5 or more years of retirement service credit.

Safety members are eligible to retire at age 70 regardless of service or at age 50 with 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age.

The retirement benefits the member will receive is based on age at retirement, final average salary, years of retirement service credit and benefit tier.

General member benefits for Tier I and Tier II are calculated pursuant to California Government Code Sections 31676.17 and 31676.01, respectively. The monthly allowance is equal to 1/50th of final average compensation times years of accrued retirement service credit times an age factor from Section 31676.17 (Tier I), or 1/90th of final average compensation (FAC) times years of accrued retirement service credit times an age factor from Section 31676.01 (Tier II). General Tier III member benefits are calculated pursuant to the provisions found in California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by an age factor from California Government Code Section 7522.20(a).

Safety member benefits for Tier I and Tier II are calculated pursuant to California Government Code Sections 31664.1 and 31664, respectively. The monthly allowance is equal to 3% of final average compensation times years of accrued retirement service credit times an age factor from Section 31664.1 (Tier I), or 1/50th (or 2%) of final average compensation times years of accrued retirement service credit times an age factor from Section 31664 (Tier II).

For general and safety members in Tiers I and II, the maximum monthly retirement allowance is 100% of final average compensation. For General Tier III members, there is no final compensation limit on the maximum retirement benefit.

The maximum amount of compensation earnable that can be considered for 2019 for members with membership dates on or after July 1, 1996 but before January 1, 2013 is \$280,000. For General Tier III members who joined KCERA on or after January 1, 2013, the maximum pensionable compensation that can be considered for 2019 is \$124,180 for those enrolled in Social Security. These limits are adjusted on an annual basis. Members are exempt from paying member contributions and employers are exempt from paying employer contributions on compensation in excess of the annual cap.

Final compensation consists of the highest 12 consecutive months of pensionable pay for a General Tier I or Tier IIA member or a Safety Tier I or Tier IIA member, and the highest 36 consecutive months of pensionable pay for a General Tier IIB or Tier III member or a Safety Tier IIB member.

KCERA provides an annual cost-of-living adjustment for all retirees. The cost-of-living adjustment (COLA), based upon the Consumer Price Index for the Los-Angeles-Long Beach-Anaheim Area, is capped at 2.5%.

The total members included in the Plan as of June 30, 2022 are as follows:

	General	Safety	Total
Active Employees	7,375	1,701	9,076
Terminated Employees	3,550	465	4,015
Retirees and Beneficiaries			
Currently Receiving Benefits	6,851	2,164	9,015
	<u>17,776</u>	<u>4,330</u>	<u>22,106</u>

The Memorandum of Understanding (MOU) adopted March 2012 between the County and its general employees' states that all general members hired prior to the first day of payroll period 2004-16 shall

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start to pay, in the second year of the agreement, one-sixth of the employee's normal contribution to retirement. In the third year, the employee's normal contribution will increase to one-third. All general members hired on or after the first day of payroll period 2004-16 shall pay 100% of the new employees' normal contribution to retirement.

The MOUs adopted in March 2012 between the County and its safety employees state that all safety members, depending on MOU, hired before the range March 2007 – October 2007, will contribute one-sixth of the employee's normal contribution to retirement in the second year of the agreement. In the third year, the employee's normal contribution will increase to one-third.

The Kern County Prosecutors' Association's MOU adopted in March 2012 states that all employees hired prior to pay period 2005-05 will start to pay one-third of the employee's normal contribution to retirement in the first year, an additional one-third in the second and an additional one-third in the third year. In addition, any safety employee hired on or after the adoption of the new MOU will have a lower retirement tier of 2% at age 50. The County Administrative Office negotiated an agreement with the Central California Association of Public Employees (CCAPE) adopting California Government Code Section 31676.17, which provides enhanced retirement benefits, commonly known as 3% at 60, for General members, in August 2004.

**BASIS OF ACCOUNTING**

KCERA follows GASB accounting principles and reporting guidelines. The financial statements are prepared using the accrual basis of accounting and reflect the overall operations of KCERA. Employer and member contributions are recognized in the period in which the contributions are due, and benefits and refunds of prior contributions are recognized when due and payable in accordance with the terms of the Plan.

**CONTRIBUTIONS**

As a condition of participation under the provisions of the County Employees' Retirement Law of 1937 (CERL), members are required to contribute to KCERA a percentage of their salaries. Member contribution rates for fiscal year ended 2022 ranged from 4.72% to 19.29% and were applied to the member's base pay plus compensable special pay. For general members hired prior to 2013, contribution rates were determined by benefit tier and KCERA entry age. For safety members hired prior to 2013, contribution rates were determined by benefit tier and each safety-represented bargaining unit's applicable MOU. Some safety member rates were based on age of entry, whereas other safety members contribute at a flat, average rate. The contribution rates of general and safety members who first joined KCERA, on or after January 1, 2013, are at least 50% of the normal cost rate. Furthermore, the rate of members integrated with Social Security is reduced by one-third on the first \$350 of monthly salary.

Interest is credited to member contributions semi-annually on June 30 and December 31, in accordance with Article 5.5 of the CERL. Member contributions and credited interest are refundable upon termination of membership.

Each year, an actuarial valuation is performed for the purpose of determining the funded ratio of the retirement plan and the employer contributions that are necessary to pay benefits accruing to KCERA members that were not otherwise funded by member contributions or investment earnings. The employer contribution rates are actuarially determined by using the Entry Age Normal Actuarial Cost method. The Plan's employer rates provide for both normal cost and a contribution to amortize any unfunded or overfunded actuarial accrued liabilities.

**PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

At June 30, 2022, the County reported net pension liability of \$1,404,101 for its proportionate shares of the Net Pension Liability (NPL). The NPL was measured as of June 30, 2021, and the Total Pension

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Liability (TPL) used to calculate the NPL was determined by rolling forward the TPL from the actuarial valuation as of June 30, 2020.

The NPL for each membership class is the TPL minus the Plan's Fiduciary Net Position (Plan's FNP). The TPL for each membership class is obtained from internal valuation results based on the actual participants in each membership class. The Plan's FNP for each membership was estimated by adjusting the valuation value of assets for each membership class by the ratio of the total KCERA Plan's FNP (excluding the SRBR) to total KCERA valuation value of assets. Based on this methodology, any non-valuation reserves are allocated amongst the membership classes based on each membership class' valuation value of assets. At the June 30, 2021 measurement date, the County's proportion was 74.32%, which was an increase of 2.02% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the County recognized pension expense of \$95,126. Pension expense represents the change in the NPL during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	\$ 71,347	\$ -
Changes in proportion and differences between County contributions and proportionate share of contributions	266	33,054
County contributions subsequent to the measurement date	233,481	-
Net difference between projected and actual earnings on retirement plan investments	-	318,630
Differences between expected and actual experience in the Total Pension Liability	-	49,588
	<u>\$ 305,094</u>	<u>\$ 401,272</u>

Deferred outflows of resources and deferred inflows of resources in the previous schedule represent the unamortized portion of changes to NPL to be recognized in future periods in a systematic and rational manner. \$233,481 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ending June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pensions will be recognized as follows:

Year Ended June 30,	
2023	\$ (79,750)
2024	(69,067)
2025	(70,847)
2026	(109,995)
Total	<u>\$ (329,659)</u>

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A portion of the County's proportionate share of the deferred outflows of resources, deferred inflows of resources, and NPL is allocated to an Investment Trust Fund included in the County's Fiduciary Funds Statement of Net Position. A summary of pension deferred outflows of resources, deferred inflows of resources, and NPL is as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability
Governmental Activities	\$ 297,585	\$ 391,292	\$ 1,369,748
Business-Type Activities	7,014	9,307	32,038
Investment Trust Fiduciary Fund	495	673	2,315
Total	<u>\$ 305,094</u>	<u>\$ 401,272</u>	<u>\$ 1,404,101</u>

**FAIR VALUATION OF INVESTMENTS**

Fair value for investments are derived by various methods as indicated in the following table:

Publicly traded stocks	Most recent exchange closing price. International securities reflect currency exchange rates in effect at June 30, 2022 and 2021.
Short-term investments and bonds	Institutional evaluations or priced at par.
Over the Counter securities	Evaluations based on good faith opinion as to what a buyer in the marketplace would pay for a security.
Commingled funds	Net asset value provided by the investment manager.
Alternative investments	Net asset value provided by the Fund manager based on the underlying financial statements and fair value of the Fund.
Private equity real estate investments	Estimated based on the price that would be received to sell an asset in an orderly transaction between marketplace participants at the measurement date. Investments without a public market are valued based on assumptions made and multiple valuation techniques used by the investment manager.

**ACTUARIAL ASSUMPTIONS**

The TPL as reported at June 30, 2021 was measured on June 30, 2020. The actuarial assumptions used were based on the results of an experience study for the period July 1, 2016 through June 30, 2019.

The following actuarial assumptions were applied to all periods included in the measurement:

Inflation	2.75%
Projected Salary Increases	General: 4.00% to 8.75% and Safety: 3.75% to 12.00%. Varies by service, including inflation.
Investment Rate of Return	7.25%, net of pension plan investment expenses, including inflation.
Administrative Expenses	0.90% of payroll allocated to both the employer and member based on the components of the total average contribution rate (before expenses) for the employer and member.
Other Assumptions	Same as those used in the June 30, 2021 funding valuation. These assumptions were developed in the analysis of actuarial experience for the period July 1, 2016 through June 30, 2019.

The Entry Age Normal Actuarial Cost method used in KCERA's annual actuarial valuation has also been applied in measuring the service cost and TPL with one exception. For purposes of measuring the service

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cost and TPL, KCERA has reflected the same plan provisions used in determining the member’s actuarial present value of projected benefits. This is different from the version of this method applied in KCERA’s annual funding valuation, where the normal cost and actuarial accrued liability are determined as if the current benefit accrual rate had always been in effect.

The long-term expected rate of return on pension plan investments (7.25%) 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 target allocation 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 following table:

	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	37%	6.51%
Core Fixed Income	14%	1.09%
High Yield Corporate Credit	6%	3.38%
Emerging Market Debt Blend	4%	3.41%
Commodities	4%	3.08%
Core Real Estate	5%	4.59%
Private Real Estate	5%	9.50%
Midstream	5%	8.20%
Capital Efficiency Alpha Pool	5%	2.40%
Hedge Fund	10%	2.40%
Private Equity	5%	9.40%
Private Credit	5%	5.60%
Cash	-5%	0.00%
	<u>100%</u>	

**DISCOUNT RATE**

The discount rate used to measure the TPL was 7.25% as of June 30, 2021. The projection of cash flows used to determine the discount rates assumed member contributions would be made at the current contribution rate and that employer contributions would be made at rates equal to the actuarially determined contribution rates.

For this purpose, only employee and employer contributions intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions 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 for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of the measurement year.

The discount rate assumptions have been developed without taking into consideration any impact of the 50/50 allocation of future excess earnings between the retirement and Supplement Retirement Benefit Reserve (SRBR) asset pools.



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**SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE**

The following presents the County's proportionate share of the NPL calculated using a discount rate of 7.25%, and what the NPL would be if it were calculated using a discount rate that is one point lower (6.25%) or one point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Rate 7.25%	1% Increase 8.25%
County's Proportionate Share of the Net Pension Liability	2,114,640	1,404,101	819,798

**PENSION FUND FIDUCIARY NET POSITION**

Detailed information about the pension fund's fiduciary net position is available in the separately issued KCERA ACFR.

**NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**A. GENERAL INFORMATION ABOUT THE OPEB PLAN**

**Plan Description**

In addition to the pension benefits described in Note 9., eligible County employees are provided post retirement health care benefits through a cost-sharing multiple-employer OPEB plan established in an irrevocable trust administered by Public Agency Retirement Services (PARS). The authority to establish and amend the benefit terms of the OPEB plan comes from union contracts and the Board's order. The OPEB plan does not issue a separate annual financial report, however audited financial statements for PARS may be obtained at PARS (Public Agency Retirement Services), 4350 Von Karman Ave, Suite 100, Newport Beach, CA 92660.

**Benefits Provided**

The OPEB plan provides post retirement health care through two programs in accordance with union contracts and Board orders.

1. The Retiree Health Premium Supplement Program (RHPSP) provides benefits to employees who: 1) elected to participate or were required to participate, 2) retire on or after July 1, 1990, 3) are between the ages of 50 and 64, and 4) have at least 20 years of continuous County service as a permanent employee. The supplement amount is permanently fixed once determined and, depending on years of service, is equal to 50-100% of the active employee monthly health premium for a single individual at the time of retirement.
2. The Retiree Health Stipend (RHS) provides a stipend to employees who choose continuous County health coverage upon retirement. The monthly stipend paid on behalf of each retiree is a maximum of \$39.75 for single coverage, \$53.69 for two-party coverage and \$61.50 for family coverage, limited to the cost of the plan selected.

During the fiscal year 2015-2016, the County gave a one-time offer to the Service Employees International Union (SEIU) represented employees and Management, Mid-Management, and Confidential employees to opt out of the postretirement health care benefits. By opting out of the plan: the employee will be ineligible to receive the RHPSP supplement upon retirement, including service connected disability retirement; be ineligible to receive the RHS upon retirement; upon active retirement from the County, the employee will be eligible to receive an employer contribution to a Health Reimbursement Arrangement in the following manner (a lump sum contribution equivalent to all of the employee's RHPSP deductions from payroll period August 11-24, 2012, up to the final pay period that the employee contributed to the RHPSP; Employees retiring at or after age 70 will not receive any

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contribution); the change will be effective the first biweekly pay period following receipt of the form by County Human Resources- Health Benefits; and the County will no longer deduct 2.12% of the employee’s salary for participating in the RHPSP.

**Contributions**

The County’s Actuarially Determined Contribution (ADC) rate is based off an employer portion and employee portion with the County contributing all of the RHS portion. The County contributed a flat \$52 per eligible employee per pay period for the plan year ending June 30, 2022 (\$59 per pay period for plan year beginning July 1, 2022). The employer contribution is not legally or contractually determined. The employee contribution for the RHPSP is 2.12% of covered payroll for a majority of the employee union contracts. Contributions to the OPEB plan from the County were \$9,842 for the year ended June 30, 2022.

**B. OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATING TO OPEB**

At June 30, 2022, the County reported a liability of \$66,568 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County’s proportion of the net OPEB liability was based on the proportion of total OPEB liability for each group, calculated according to classification in census data. At June 30, 2022, the County’s proportion was 90.22 percent, which was a decrease of 0.53% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the County recognized an OPEB revenue of \$1,671. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between County contributions and proportionate share of contributions	\$ 512	\$ 1,249
Changes in assumptions or other inputs	43,649	4,778
Net excess of actual over projected earnings on OPEB plan investments	7,337	-
Differences between expected and actual experience in the Total OPEB Liability	-	23,715
	<u>\$ 51,498</u>	<u>\$ 29,742</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2023	\$ (79,750)
2024	(69,067)
2025	(70,847)
2026	(109,995)
Total	<u>\$ (329,659)</u>

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**Actuarial Methods and Assumptions**

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the assumptions noted on the following page, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Payroll Growth	Inflation of 2.75% per year plus "across the board" real salary increases of .50% per year.
Discount Rate	6.50% based on asset allocation in PARS OPEB Trust and understanding that the County of Kern is contributing \$59 per pay period per eligible employee for the plan year ending June 30, 2023 and the eligible employees are contributing 2.12% of payroll for the Supplement (RHPSP).

Trend Rates:

Supplement	Bargaining Units 1-6, J, M, D, & X: 4.25 % to 2023/2024, then 8.00% to 2024/2025 grading down by 0.50% per year to an ultimate rate of 4.50%  Bargaining Units (All others): 4.25% to 2023/2024, then 8.00% to 2024/2025 grading down by 0.50% per year to an ultimate rate of 4.50%
Stipend	0.00%
Retiree Claims	8.50% to 2023/2024 grading down 0.50% per year to an ultimate rate of 4.50%

Mortality Rates:

Pre-retirement	<i>General:</i> Pub-2010 General Employee Headcount-Weighted Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2019.  <i>Safety:</i> Safety Employee Headcount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2019
Post-retirement	<i>General and Safety:</i> Pub-2010 General Contingent Survivor Headcount-Weighted Mortality Table with rates increased by 10% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2019.

The non-health demographic actuarial assumptions used in the June 30, 2022 valuation were based on the KCERA Experience Study dated August 3, 2020 for the period July 1, 2016 through June 30, 2019. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real 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 on the following page:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity-Large Cap Core	29.09%	6.72%
Equity-Mid Cap Core	4.38%	6.72%
Equity-Small Cap Core	9.41%	6.72%
Equity-International	5.58%	7.12%
Equity Emerging Market	3.01%	8.82%
Real State	2.00%	4.22%
Fixed Income-Intermediate Term Bond	37.02%	0.72%
Alternatives	5.05%	3.07%
Cash	4.46%	0.22%
<b>Total</b>	<b>100%</b>	

**Discount rate**

The discount rate used to measure the Total OPEB Liability (TOL) was 6.50% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at a flat \$59 per eligible employee per pay period. 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 OPEB Plan Fiduciary Net Position (FNP) was projected to be sufficient to make projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on OPEB plan investments (6.50%) was applied to all periods of projected benefit payments to determine the TOL as of June 30, 2022.

**Sensitivity of the Net OPEB Liability to changes in the discount rate**

The following presents the County's proportionate share of the net OPEB liability, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current discount rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ 80,177	\$ 66,568	\$ 54,284

**Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates**

The following presents the County's proportionate share of the net OPEB liability, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point than the current healthcare trend rates:

	1% Decrease	Current Healthcare Trend Rates*	1% Increase
Net OPEB Liability	\$ 54,083	\$ 66,568	\$ 81,012

\*See assumption table for current trend rate

**NOTE 11 - RISK MANAGEMENT**

The County is generally self-insured for general liability, unemployment insurance, workers' compensation, professional liability, retiree "under age 65" medical claims and employee medical and dental claims. The Automobile and General Liability policy protects the County and its employees against most legal liabilities arising from automobile liability and contractual liability. The County does not self-insure against liability at its six airports. Airport Liability insurance is maintained. The amount of settlements in each of the past three years has not exceeded the amount of insurance coverage.

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Excess liability insurance is maintained for Automobile and General Liability claims over \$7,500 and are subject to annual aggregate limits. Workers' compensation claims are self-insured up to \$1,250 per occurrence with excess insurance covering claims up to statutory limits.

The liabilities for self-insurance included in the General Liability and Workers' Compensation Internal Service Funds are based upon the results of actuarial studies and include amounts for claims incurred but not reported (IBNR). The liability for self-insurance included in the Group Health Internal Service Fund is based upon historical trend analysis and includes amounts on the IBNR. The liability for self-insurance included in the Unemployment Compensation Internal Service Fund represents unpaid claims incurred as of June 30, 2022.

The Risk Management Division of the Office of County Counsel determines and administers General Liability and Workers' Compensation requirements of the County. The Risk Management Division also acquires insurance for earthquake, fire, boiler and machinery, crime and honesty, aviation, and other perils. Health and Unemployment self-insurance is administered by the County Administrative Office. Retiree claims are paid from the Group Health Internal Service Fund.

Financial activity of the self-insurance programs is accounted for in separate internal service funds. Internal service funds are maintained for General Liability, Group Health, Retiree Group Health, Unemployment Compensation, and Workers' Compensation. Changes in the Self-Insurance Fund claims liabilities during the fiscal year ended June 30, 2022 are as follows:

	July 1, 2021	Claims & Changes in Estimates	Claims Payments	June 30, 2022	Due Within One Year
General Liability	\$ 37,091	\$ 539	\$ 326	\$ 37,304	\$ 210
Group Health	12,374	136,631	135,335	13,670	13,670
Unemployment Compensation	251	1,801	1,286	766	766
Workers' Compensation	59,222	19,304	14,068	64,458	15,747
Total	\$ 108,938	\$ 158,275	\$ 151,015	\$ 116,198	\$ 30,393

	July 1, 2020	Claims & Changes in Estimates	Claims Payments	June 30, 2021
General Liability	\$ 36,962	\$ 374	\$ 245	\$ 37,091
Group Health	9,975	131,967	129,568	12,374
Unemployment Compensation	2,028	573	2,350	251
Workers' Compensation	59,086	14,395	14,259	59,222
Total	\$ 108,051	\$ 147,309	\$ 146,422	\$ 108,938

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

**Federal and State Grant Programs**

The County participates in a number of federal and state grant programs, which are subject to audit. Audit requirements for most Federal grants will be met by the completion of the County's "Single Audit" as required by Public Law 98-502. For the most part, state grants will be audited by the State in the future. The amount of any disallowed expenditures by grantor agencies, if any, as a result of the audit cannot be determined at this time. The County believes that such disallowance, if any, would not have a material effect on the financial statements.

**Mental Health Department Medicare and Medi-Cal Revenues**

The County receives Medicare and Medi-Cal payments for certain Mental Health services that are provided directly by the County as well as by contracted providers. Revenues received under these

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programs are subject to periodic review by Medicare, Medi-Cal and their agents. Periodically, as a result of these outside reviews, revisions to claimed costs and services may be required. As a result of these revisions, the County can be required to return a portion of the revenue received from Medicare and/or Medi-Cal. The timing of such reviews and the amounts of potential repayments are not known, but such potential repayments are not considered material to these financial statements.

**Contingent Property Tax Liability**

At June 30, 2022, assessment appeals are pending before the County Assessment Appeals Board (AAB). The following is a summary of the estimated contingent tax liability as of June 30, 2022:

	Principal	Interest	Impounds	Net Contingent Liability
Contingent Tax Liability:	\$ 179,356	\$ 4,385	\$ (74,596)	\$ 109,145
Total Pending AAB Matters	\$ 179,356	\$ 4,385	\$ (74,596)	\$ 109,145

The County's share of the estimated contingent tax liability is \$50,607. The County and other agencies accumulate and maintain tax impound reserves for disputed property taxes. As of June 30, 2022, the County had a total of \$5,765 accumulated in its tax reserve in the General Fund. The result is a net contingent tax liability of \$23,632 for the General Fund and \$21,210 for the Structural Fire fund.

The disputed assessments involved numerous individual cases. A significant portion of assessment appeals are attributable to oil and gas activity. If all cases were settled at one point in time against the County, the County would fund the \$44,842 liability through a combination of future reserves and the abatement of property tax revenue. The effect on the County would be a reduction in appropriations.

**Other Litigation**

There are various lawsuits and claims against the County, which in the opinion of the County Counsel will be resolved with no material adverse effect upon the County's financial position.

**Outstanding Encumbrances**

Outstanding encumbrances can carryover. As of June 30, 2022, the County reported significant encumbrances of \$84,638. These encumbrances included \$24,950 of funds that are already restricted and \$49,730 of funds that are assigned. The remaining \$9,958 are part of the unrestricted balance of the enterprise funds statement. The following is a list of significant encumbrances by fund:

	General Fund	Behavioral Health and Recovery Services	Roads	Airports	Waste Management	Total
Restricted	-	\$ 13,225	\$ 11,725	-	-	\$ 24,950
Assigned	\$ 49,730	-	-	-	-	\$ 49,730
Unrestricted	-	-	-	\$ 3,004	\$ 6,954	\$ 9,958

**NOTE 13 - LANDFILLS**

Prior to fiscal year 1988-1989, Kern County Solid Waste Management Enterprise Fund was funded entirely by the County General Fund. In fiscal year 1988-1989 the Board approved a solid waste management program land use fee on all parcels of real property, but land use fee revenue continued to be supplemented by a contribution from the General Fund. In fiscal year 1992-1993, the County General Fund contribution to the Solid Waste Management Enterprise Fund was eliminated and the department became entirely fee supported. The Board eliminated the land use fee for non-residential property and approved a tipping fee for non-residential waste beginning in fiscal year 1993-1994. All revenues are placed in the Solid Waste Management Enterprise Fund exclusively for waste management.

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State Financial Assurance Mechanism regulations require landfill operators to set aside funds, or provide alternative funding mechanisms, to fund the closure expense and post closure maintenance of landfills. In response, the County established a designated reserve account to fund closure expense and a pledge of future revenue to fund post closure maintenance. As of June 30, 2022, the Solid Waste Management Enterprise Fund had designations of \$30,967 for closure expenses. Estimated closure and post closure maintenance costs are based on the most recent preliminary closure and post closure plans approved by the State. State regulations require the County to prepare detailed preliminary closure and post closure plans for each landfill. For closure expense, the engineer’s cost estimate includes closure design, construction of final cover, construction of monitoring systems and other related activities. For post closure maintenance expense, the engineer’s cost estimate includes monitoring and erosion control. If, at some future date, these closure and post closure plans and cost estimates change (due to changes in inflation, deflation, technology, regulations, etc.), the County is required to make corresponding changes in the estimated total closure costs and post closure maintenance costs. The liabilities for closure and post closure maintenance are recognized based on the percent of the landfill capacity used to date.

The County currently operates seven Class III landfills, three large volume transfer stations, and six small volume transfer stations. All are strategically located throughout the County. These facilities serve the solid waste disposal needs of the County’s eleven incorporated cities as well as unincorporated areas.

Estimated closure and post closure liabilities as of June 30, 2022, are \$59,796 and \$33,299, respectively. The County’s landfills are listed on the following page, along with their estimated remaining useful lives, total capacity and percentage of capacity used:

Facility Name	Remaining Useful Lives	Capacity in Cubic Yards	Percent Incurred
Arvin <sup>1</sup>	0	N/A	100%
Bena I <sup>1</sup>	0	N/A	100%
Bena II A	21	39,202,594	30%
Boron	5	1,057,000	83%
Buttonwillow <sup>1</sup>	0	N/A	100%
China Grade <sup>1</sup>	0	N/A	100%
Glennville <sup>1</sup>	0	N/A	100%
Kern Valley <sup>1</sup>	0	N/A	100%
Lebec <sup>1</sup>	0	N/A	100%
Lost Hills <sup>1</sup>	0	N/A	100%
McFarland/Delano <sup>1</sup>	0	N/A	100%
Mojave/Rosamond	4	2,569,533	77%
Ridgecrest	27	10,344,165	62%
Shafter/Wasco	21	21,895,179	42%
Taft	46	10,224,114	34%
Tehachapi	4	<u>3,732,287</u>	93%
Total		<u><u>89,024,872</u></u>	

<sup>1</sup>Site is closed.

Under Title 27 of the California Code of Regulations, landfill owners/operators are required to obtain and maintain assurances of financial responsibility to initiate and complete corrective action for all known and reasonably foreseeable releases (RFRs). These requirements first came into effect when California Code of Regulations Article 5 (Title 23, Chapter 15) was revised in 1991. The Solid Waste Management Enterprise Fund has established a groundwater corrective action designated reserve to fund capital costs for each landfill where it is appropriate. In addition, the Solid Waste Management Enterprise Fund has established a pledge of revenue to cover ongoing maintenance and operation of any capital improvements that are constructed.

The current designated reserve account of \$2,000 is expected to satisfy all capital expenditures to implement corrective action at the 16 landfill sites.

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Each year a portion of the landfill's estimated closure and post closure liabilities are recognized as an expense and liability based on the capacity used to date. As of June 30, 2022, the landfill closure liability is \$30,967 and the post closure liability is \$18,423 as recorded in the liabilities of the Solid Waste Management Enterprise Fund. These represent the cumulative liabilities to date. The remaining \$28,829 and \$14,876 anticipated closure and post closure liabilities, respectively, will be recognized in future years.

**NOTE 14 - POLLUTION REMEDIATION**

The Solid Waste Management Enterprise Fund has the following pollution remediation liability for the remediation of 25 burn dumps that were either owned or operated by the County prior to 1971. The County intends to follow the guidelines set forth by the California Integrated Waste Management Board's Local Enforcement Agency (LEA) Advisory #56, dated November 4, 1998, to remediate each burn dump. Site Characterization and Environmental Assessments have been conducted for 23 of the 25 burn dumps. Based on the Site Characterization and Environmental Assessments, a remediation plan has been developed for each burn dump. Costs are based on the remediation plan for each site and on our experience with similar sites, which the Solid Waste Management Enterprise Fund has previously remediated. The Solid Waste Management Enterprise Fund does not anticipate any recoveries regarding these burn dumps. The amount accrued at June 30, 2022 was \$7,518.

**NOTE 15 - DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES/ADVANCES FROM OTHERS**

Governmental funds report deferred inflows of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. These unavailable revenues are made up of delinquent property taxes, tobacco settlement revenues, housing loan payments, reimbursements, and other long-term receivables. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

The government-wide and proprietary statements of net position also include deferred outflows of resources relating to the unamortized losses on refunding of debt. This deferred charge on refunding resulted from the difference in the carrying value of the refunding debt and its reacquisition price. This amount is deferred and amortized over the remaining life of the new debt.

For information about the deferred outflows and inflows of resources relating to deferred pensions and other post-employment benefits, see Note 9 and Note 10, respectively. The various components of deferred outflows, deferred inflows, and advances from grantors and third parties reported at June 30, 2022 are as follows:



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	<u>Deferred Inflows of Resources</u>	<u>Advances From Grantors and Third Parties</u>
<b>Governmental Fund Activities:</b>		
Deferred Housing Loan Payments		
Community Development	\$ 63,492	\$ -
Non-major Governmental Fund	18,628	-
Deferred Lease Revenue		
General Fund	4,472	-
Structural Fire	72	-
Non-major Governmental Fund	225	-
Delinquent Property Taxes Receivable		
General Fund	5,814	-
Structural Fire	3,359	-
Non-major Governmental Fund	3,401	-
Reimbursements		
Behavioral Health & Recovery Services	3,033	-
Other Long-term Receivables		
General Fund	8,812	-
Human Services	1,479	-
Advanced Funds		
General Fund	-	419
Total Governmental Activities	<u>\$ 112,787</u>	<u>\$ 419</u>
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>Government-Wide Activities:</b>		
Governmental Activities:		
Deferred OPEB	\$ 50,492	\$ 29,161
Deferred Pensions	297,585	391,292
Deferred Charge on Refunding		
2014 Tobacco Refunding	868	-
2016 Advanced Refunding COP	5,975	-
2020 Kern Public Services	25	-
Deferred Housing Loan Payments	-	1,108
Deferred Lease Revenue	-	4,768
Total Governmental Activities	<u>354,945</u>	<u>426,329</u>
Business-Type Activities:		
Deferred OPEB		
Airports	156	90
Waste Management	645	372
Non-major Enterprise Funds	205	119
Deferred Pensions		
Airports	574	780
Waste Management	5,002	7,143
Non-major Enterprise Funds	1,438	1,384
Deferred Lease Revenue		
Airports	-	13,499
Waste Management	-	88
Non-major Enterprise Funds	-	18
Deferred Charge on Refunding		
Airports	50	-
Total Business-Type Activities	<u>8,070</u>	<u>23,493</u>
Total Government-Wide Activities	<u>\$ 363,015</u>	<u>\$ 449,822</u>

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**NOTE 16 - FUND BALANCES/NET POSITION**

**A. FUND BALANCE**

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1.H. for a description of these categories). Fund balances for all the major and non-major governmental funds as of June 30, 2022, were distributed as follows:

	General	Behavioral Health & Recovery Services	Community Development	Coronavirus Relief	County Local Revenue Fund	Human Services	Kern County Tobacco Funding Corp.	Structural Fire	Other Governmental Funds	Total
<b>Nonspendable:</b>										
Receivables/Advances	\$ 9,929	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,929
Deposits/Revolving Cash	471	1	-	-	-	101	-	3	25	601
Inventory	1,228	-	-	-	-	-	-	1,299	5,687	8,214
<b>Total Nonspendable Fund Balance</b>	<b>11,628</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101</b>	<b>-</b>	<b>1,302</b>	<b>5,712</b>	<b>18,744</b>
<b>Restricted for:</b>										
1%Teeter (Fund 00264)	10,464	-	-	-	-	-	-	-	-	10,464
Gasb 84 Reclassed Funds	10,854	-	-	-	-	-	-	-	-	10,854
Mental Health Programs	-	153,737	-	-	-	-	-	-	-	153,737
Realignment	-	-	-	-	119,888	-	-	-	-	119,888
Human Services	-	-	-	-	-	58,050	-	-	-	58,050
Structural Fire	-	-	-	-	-	-	-	42,330	-	42,330
Vehicle/Apparatus	-	-	-	-	-	-	-	4,397	-	4,397
Industrial Firefighting Vehicle	-	-	-	-	-	-	-	10	-	10
Fire Dept Donations	-	-	-	-	-	-	-	17	-	17
State Fire	-	-	-	-	-	-	-	2,135	-	2,135
Fire Hazard Reduction	-	-	-	-	-	-	-	740	-	740
Flood Disaster	-	-	-	-	-	-	-	2,173	-	2,173
CSAs - Health & Sanitation	-	-	-	-	-	-	-	-	1,884	1,884
CSAs - Public Protection	-	-	-	-	-	-	-	-	440	440
CSAs - Public Ways	-	-	-	-	-	-	-	-	4,620	4,620
Child Support Services	-	-	-	-	-	-	-	-	277	277
County Clerk	-	-	-	-	-	-	-	-	570	570
Detention & Correction	-	-	-	-	-	-	-	-	12,387	12,387
Education	-	-	-	-	-	-	-	-	386	386
Environmental & Health	-	-	-	-	-	-	-	-	5,110	5,110
Health	-	-	-	-	-	-	-	-	50,105	50,105
Hospital Care	-	-	-	-	-	-	-	-	4,755	4,755
Judicial	-	-	-	-	-	-	-	-	42,303	42,303
Other Public Protection	-	-	-	-	-	-	-	-	6,190	6,190
Plant Acquisition	-	-	-	-	-	-	-	-	1,256	1,256
Police Protection	-	-	-	-	-	-	-	-	9,767	9,767
Public Assistance Administration	-	-	-	-	-	-	-	-	26,755	26,755
Public Ways	-	-	-	-	-	-	-	-	8,085	8,085
Recorder	-	-	-	-	-	-	-	-	4,778	4,778
Recreation facilities	-	-	-	-	-	-	-	-	1,244	1,244
Roads	-	-	-	-	-	-	-	-	63,547	63,547
Debt Service	-	-	-	-	-	-	9,451	-	2,889	12,340
Capital Projects	-	-	-	-	-	-	-	-	56,395	56,395
<b>Total Restricted</b>	<b>21,318</b>	<b>153,737</b>	<b>-</b>	<b>-</b>	<b>119,888</b>	<b>58,050</b>	<b>9,451</b>	<b>51,802</b>	<b>303,743</b>	<b>717,989</b>
<b>Committed to:</b>										
Tax and Resources Loss	39,056	-	-	-	-	-	-	-	-	39,056
Other Public Protection	-	-	-	-	-	-	-	-	17,814	17,814
Plant Acquisition	-	-	-	-	-	-	-	-	5,036	5,036
Property Management	-	-	-	-	-	-	-	-	2,242	2,242
Aging & Adult	-	-	-	-	-	-	-	-	1,760	1,760
Police Protection	-	-	-	-	-	-	-	-	11	11
<b>Total Committed</b>	<b>39,056</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,863</b>	<b>65,919</b>

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	General	Behavioral Health & Recovery Services	Community Development	Coronavirus Relief	County Local Revenue Fund	Human Services	Kern County Tobacco Funding Corp.	Structural Fire	Other Governmental Funds	Total
<b>Assigned to:</b>										
Encumbrances	49,869	-	-	-	-	-	-	-	-	49,869
Tax Litigation	5,765	-	-	-	-	-	-	-	-	5,765
Human Services	26,453	-	-	-	-	-	-	-	-	26,453
Safety	2,547	-	-	-	-	-	-	-	-	2,547
Salary & Benefits Adj.	500	-	-	-	-	-	-	-	-	500
Retirement	35,140	-	-	-	-	-	-	-	-	35,140
Parks Improvements	370	-	-	-	-	-	-	-	-	370
Fire Department Capital	-	-	-	-	-	-	-	1,141	-	1,141
Fire Station Replacement	355	-	-	-	-	-	-	-	-	355
PILT/TARP	2,800	-	-	-	-	-	-	-	-	2,800
Tax Litigation Reserve	945	-	-	-	-	-	-	-	-	945
Strategic WorkFRC Plan	1,903	-	-	-	-	-	-	-	-	1,903
KMC Working Capital	9,000	-	-	-	-	-	-	-	-	9,000
Info technology Projects	5,178	-	-	-	-	-	-	-	-	5,178
Sheriffs Aircraft	743	-	-	-	-	-	-	-	-	743
EH Program enhancements	1,603	-	-	-	-	-	-	-	-	1,603
F/B health Benefit	312	-	-	-	-	-	-	-	-	312
WESTARZ	1,356	-	-	-	-	-	-	-	-	1,356
Jail Operations	963	-	-	-	-	-	-	-	-	963
Capital Projects	3,000	-	-	-	-	-	-	-	-	3,000
Coroner Facility	39,423	-	-	-	-	-	-	-	-	39,423
Public Safety Comm System	54,965	-	-	-	-	-	-	-	-	54,965
Promotion	-	-	-	-	-	-	-	-	184	184
Capital Projects	-	-	-	-	-	-	-	-	11,670	11,670
Finance	-	-	-	-	-	-	-	-	2,185	2,185
Property Management	-	-	-	-	-	-	-	-	1,950	1,950
Total Assigned Fund Balance	243,190	-	-	-	-	-	-	1,141	15,989	260,320
<b>Unassigned Fund Balance:</b>	126,651	-	(650)	(4,158)	-	-	-	-	-	121,843
<b>Total Fund Balances</b>	\$ 441,843	\$ 153,738	\$ (650)	\$ (4,158)	\$ 119,888	\$ 58,151	\$ 9,451	\$ 54,245	\$ 352,307	\$ 1,184,815

**B. RESTRICTED RESOURCES**

Restricted resources represent restrictions imposed on the use of the County's resources by parties outside of the government and by law through constitutional provisions or enabling legislation. The debt service restriction is imposed by the creditors for debt payments. The deposit with others represents required cash reserves as determined by the County's health insurance administrators. The restricted amount in the Internal Service Funds was included with the governmental activities in the government-wide financial statements.

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**C. RESTATEMENT OF NET POSITION/FUND BALANCE**

Fund Balances - Governmental Funds	
Fund Balances – General Fund at June 30, 2021, as previously reported	\$ 409,670
Prior Period Adjustment:	
Deposits Held for Others Correction	<u>(17,107)</u>
Fund Balances - General Fund at June 30, 2021, as restated	<u>\$ 392,563</u>
Net Position - Proprietary Funds	
Net Position - Airport Enterprise Fund at June 30, 2021, as previously reported	\$ 113,190
Prior Period Adjustment:	
Capital Asset Correction	<u>1,160</u>
Net Position - Proprietary Funds at June 30, 2021, as restated	<u>\$ 114,350</u>
Net Position - Governmental Activities - Government-Wide	
Net Position – Governmental Activities at June 30, 2021, as previously reported	\$ 1,070,651
Prior Period Adjustments:	
Deposits Held for Others Correction - General Fund	(17,107)
Capital Asset Correction	<u>23,516</u>
Net Position - Governmental Activities at June 30, 2021, as restated	<u>\$ 1,077,060</u>
Net Position - Business-type Activities - Government-Wide	
Net Position- Business-type Activities at June 30, 2021, as previously reported	\$ 209,154
Prior Period Adjustment:	
Capital Asset Correction	<u>1,160</u>
Net Position - Business-type Activities at June 30, 2021, as restated	<u>\$ 210,314</u>

**NOTE 17 - OTHER INFORMATION**

**A. DEFERRED COMPENSATION PLAN**

The County has made available two deferred compensation plans to its eligible employees under the terms of Section 457 of the Internal Revenue Code. Of the two deferred compensation plans, one covers full-time employees and the other covers part-time, seasonal, and temporary employees. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Amounts accumulated under the plan have been invested in several investment options at the direction of the employees.

The Small Business Job Protection Act of 1996 changed the Internal Revenue Code Section 457 to protect participant assets from the creditors of a bankrupt or financially troubled public jurisdiction. The County has complied with the provisions of this act. As of June 30, 2021 (the most recent year reported), the Deferred Compensation Plans reported a net position of \$714,411 for the full-time employee plan and \$12,262 for the part-time, seasonal, and temporary employee plan. Complete Financial Statements for the Deferred Compensation Plans may be obtained from the office of the Kern County Treasurer Tax Collector located at 1115 Truxtun Avenue, Second Floor, Bakersfield, California 93301.

**B. JOINT VENTURES**

In accordance with the Joint Exercise of Powers agreement between the County's blended component unit Ford City – Taft Heights Sanitation District (the District) and the City of Taft (the City) dated May 29, 1950, and amended March 7, 1966, April 24, 1972, and August 20, 1991, the City acts on its own behalf and on behalf of the District to operate and maintain a Wastewater Treatment Plant. Costs to operate and maintain the facility are apportioned 52% to the City and

**COUNTY OF KERN  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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48% to the District. The District's investment in the Wastewater Treatment Plant increased by \$83 from \$2,787 to \$2,870 as of their most recent financial statements issued.

The Wastewater Treatment Facility and the result of its operations are reported as a component unit of the City. Audited financial statements for the Wastewater Treatment Plant of the City and Ford City-Taft Heights Sanitation District may be obtained through the City located at 209 East Kern Street, Taft, California 93268.

**C. SECURITIZATION OF TOBACCO SETTLEMENT REVENUES**

In November 1998, the Attorneys General of 46 states and the four largest U.S. tobacco manufacturers (the OPM) entered into a Master Settlement Agreement (the MSA) in resolution of cigarette smoking-related litigation between the Settling States and the OPMs. On August 5, 1998, the counsel representing the state, various cities and counties in California, and certain other parties entered into a MOU pursuant to which each participant's jurisdiction is entitled to receive a portion of the payments to be made to the State pursuant to the MSA. The members are allowed to sell or otherwise exchange their rights to receive payments under the MSA and the MOU for a cash payment, thereby self-insuring, hedging against or otherwise managing the risk associated with the receipt of such revenue, and assuring the availability of monies to fund the social needs of its population.

The County elected to participate in a Joint Powers Agreement made in accordance with Chapter 5 of Division 7 of Title I of the Government Code of the State of California dated as of November 15, 2000, by and among the County of Stanislaus, the County of Merced, and the County of Sonoma to form the Agency. Since then, the County of Marin, the County of Placer, and the County of Fresno were added on May 31, 2002, and the County of Alameda and the County of Los Angeles were added on August 15, 2002 and January 24, 2006, respectively. The Agency is an entity that is separate from each of the member Counties. The debts, liabilities, and obligations of the Agency, including any bonds, do not constitute debts, liabilities or obligation of any of the member Counties. The Agency has the power to issue bonds secured by the MSA payment of one or more members, the proceeds of which will be used directly or indirectly to purchase all or a portion of the MSA payments.

In furtherance of its objective to ensure and otherwise protect against the risk of a substantial decline in Tobacco Revenue and to assure a source of funds for County programs, the County formed the Corporation. The Agency loaned the Corporation proceeds from bonds it had issued on behalf of the County. The County sold to the Corporation all rights, title and interest of the County's Tobacco Revenue pursuant to the terms of an Installment Sale, Self-Insurance and Risk Transfer Agreement between the County and the Corporation. The Corporation has been included as a blended component unit of the County.

The bonds are limited obligations of the Agency payable solely from loan payments made by the Corporation. The Corporation funds the loan payments with the tobacco settlement payment purchased from the County. For the year ended June 30, 2022, \$9,996 of tobacco settlement payments was recorded as Other Revenues in the Kern County Tobacco Funding Corporation debt service fund. The bonds do not constitute a charge against the general credit of the Agency or the County and neither the Agency (except from loan payments by the Corporation) nor the County will be obligated to pay the interest on or principal of these bonds. These bonds do not constitute a legal debt, liability or obligation of the County.

**D. TAX ABATEMENTS**

The County provides property tax abatements through the California Land Conservation Act of 1965, commonly referred to as the Williamson Act, which includes the Farmland Security Zone (FSZ) program. Under the Williamson Act, the County's Planning and Natural Resources

**COUNTY OF KERN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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Department enrolls land in Williamson Act and/or FSZ contracts to restrict the uses of agricultural and open space lands to farming and ranching uses in exchange for reduced property tax assessments. The contracts for the Williamson Act and FSZ are for a minimum of 10 years and 20 years, respectively.

Under the provisions of these contracts, land parcels and living improvements are assessed based on the capitalization of income method of the California Revenue and Taxation Code Section 423. For the fiscal year ended June 30, 2022, the reductions in property tax assessments equaled approximately \$16,692 of property tax revenues under the Williamson Act. Of this total, \$10,916 was attributable to the General Fund and \$5,776 to Structural Fire.



**REQUIRED  
SUPPLEMENTARY  
INFORMATION**





**COUNTY OF KERN**  
**BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Taxes	\$ 341,534	\$ 341,534	\$ 372,977	\$ 31,442
Licenses, Permits, and Franchises	11,617	11,617	13,358	1,741
Fines, Forfeitures and Penalties	12,261	12,261	16,191	3,930
Revenues from Use of Money and Property	4,907	4,907	(8,882)	(13,789)
Aid from Other Governmental Agencies	254,939	254,939	249,061	(5,878)
Charges for Current Services	94,217	94,217	94,085	(131)
Other Revenues	<u>7,896</u>	<u>7,896</u>	<u>7,697</u>	<u>(200)</u>
Total Revenues	<u>727,371</u>	<u>727,371</u>	<u>744,486</u>	<u>17,115</u>
<b>EXPENDITURES:</b>				
General Government	154,187	206,936	167,196	39,740
Public Protection	482,042	491,453	438,423	53,030
Public Ways and Facilities	9,835	9,835		9,835
Health and Sanitation	102,424	117,708	91,768	25,940
Public Assistance	150,320	185,589	16,886	168,703
Education	9,514	9,685	8,212	1,473
Culture and Recreation Services				
Debt Service - General Fund	11,650	11,672	9,925	1,747
Contingencies and Reserves	<u>7,573</u>	<u>6,355</u>	<u></u>	<u>6,355</u>
Total Expenditures	<u>927,545</u>	<u>1,039,233</u>	<u>732,410</u>	<u>306,823</u>
Deficiency of Revenues Under Expenditures	<u>(200,173)</u>	<u>(311,862)</u>	<u>12,076</u>	<u>323,938</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	225,084	225,084	192,078	(33,006)
Transfers Out	<u>(163,521)</u>	<u>(201,360)</u>	<u>(204,605)</u>	<u>(3,245)</u>
Total Other Financing Sources (Uses)	<u>61,563</u>	<u>23,724</u>	<u>(12,527)</u>	<u>(36,251)</u>
Net Change in Fund Balance	(138,611)	(288,137)	(451)	287,687
Fund Balance, July 1, 2021	409,670	409,670	409,670	-
Prior Period Adjustments			<u>(17,107)</u>	
Fund Balance, June 30, 2022	<u>\$ 271,059</u>	<u>\$ 121,533</u>	<u>\$ 392,112</u>	<u>\$ 287,687</u>

Note: The Fund Balance at July 1, 2021 for Budgetary Basis is recorded on the modified accrual basis of accounting, excluding prior year encumbrances.

Explanation of differences between budgetary expenditures and Generally Accepted Accounting Principles (GAAP) expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 732,410
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(49,730)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	<u>18,983</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>701,663</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	(12,527)
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	<u>18,983</u>
Total Other Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 6,456</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
 BEHAVIORAL HEALTH & RECOVERY SERVICES  
 FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Revenues from Use of Money and Property	\$ 1,575	\$ 1,575	\$ (4,543)	\$ (6,118)
Aid from Other Governmental Agencies	81,054	81,054	98,003	16,949
Charges for Current Services	95,418	95,418	107,448	12,030
Other Revenues	175	175	58	(117)
<b>Total Revenues</b>	<u>178,222</u>	<u>178,222</u>	<u>200,966</u>	<u>22,744</u>
<b>EXPENDITURES:</b>				
Health and Sanitation	270,020	278,197	244,606	33,591
Debt Service Payments			3,777	
<b>Total Expenditures</b>	<u>270,020</u>	<u>278,197</u>	<u>248,383</u>	<u>33,591</u>
Deficiency of Revenues Under Expenditures	<u>(91,798)</u>	<u>(99,975)</u>	<u>(47,417)</u>	<u>52,558</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	141,314	141,314	65,213	(76,101)
Transfers Out	<u>(67,978)</u>	<u>(67,978)</u>	<u>(2,822)</u>	<u>65,156</u>
<b>Total Other Financing Sources (Uses)</b>	<u>73,336</u>	<u>73,336</u>	<u>62,391</u>	<u>(10,945)</u>
Net Change in Fund Balance	(18,462)	(26,639)	14,974	41,613
Fund Balance, July 1, 2021	<u>125,538</u>	<u>125,538</u>	<u>125,538</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ 107,076</u>	<u>\$ 98,899</u>	<u>\$ 140,512</u>	<u>\$ 41,613</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 248,383
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(13,226)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resource:	16,177
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances:	<u>251,334</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	62,391
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resource:	16,177
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances:	<u>\$ 78,568</u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT  
 FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>Original Budget</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	\$ -	\$ -	\$ (33)	\$ (33)
Fines, Forfeitures and Penalties	-	-	13,538	13,538
Aid from Other Governmental Agencies	46,523	46,523	-	(46,523)
Other Revenues	-	-	3	3
Total Revenues	<u>46,523</u>	<u>46,523</u>	<u>13,508</u>	<u>(33,015)</u>
EXPENDITURES:				
Public Assistance	<u>38,313</u>	<u>42,311</u>	<u>12,911</u>	<u>29,400</u>
Total Expenditures	<u>38,313</u>	<u>42,311</u>	<u>12,911</u>	<u>29,400</u>
Excess of Revenues Over Expenditures	<u>8,210</u>	<u>4,212</u>	<u>597</u>	<u>(3,615)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	10	10	-	(10)
Transfers Out	<u>(4,351)</u>	<u>(4,383)</u>	<u>(2,824)</u>	<u>1,559</u>
Total Other Financing Sources (Uses)	<u>(4,341)</u>	<u>(4,373)</u>	<u>(2,824)</u>	<u>1,549</u>
Net Change in Fund Balance	3,869	(161)	(2,227)	(2,066)
Fund Balance, July 1, 2021	<u>1,284</u>	<u>1,284</u>	<u>1,284</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ 5,153</u>	<u>\$ 1,123</u>	<u>\$ (943)</u>	<u>\$ (2,066)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 12,911
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(293)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances:	<u><u>12,618</u></u>

**COUNTY OF KERN  
 BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
 CORONAVIRUS RELIEF  
 FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>Original Budget</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	\$ 2,270	\$ 2,270	\$ (5,002)	\$ (7,272)
Aid from Other Governmental Agencies	116,226	116,226	47,955	(68,271)
Other Revenues	-	-	4	4
Total Revenues	<u>118,496</u>	<u>118,496</u>	<u>42,957</u>	<u>(75,539)</u>
EXPENDITURES:				
Public Assistance	<u>149,269</u>	<u>72,948</u>	<u>55,754</u>	<u>17,194</u>
Total Expenditures	<u>149,269</u>	<u>72,948</u>	<u>55,754</u>	<u>17,194</u>
Excess of Revenues Over Expenditures	<u>(30,773)</u>	<u>45,548</u>	<u>(12,797)</u>	<u>(58,345)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	<u>(42,827)</u>	<u>(159,012)</u>	<u>-</u>	<u>159,012</u>
Total Other Financing Sources (Uses)	<u>(42,827)</u>	<u>(159,012)</u>	<u>-</u>	<u>159,012</u>
Net Change in Fund Balance	(73,600)	(113,464)	(12,797)	100,667
Fund Balance, July 1, 2021	<u>2,044</u>	<u>2,044</u>	<u>2,044</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ (71,556)</u>	<u>\$ (111,420)</u>	<u>\$ (10,753)</u>	<u>\$ 100,667</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 55,754
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(6,595)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 49,159</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
COUNTY LOCAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ -	\$ -	\$ (4,382)	\$ (4,382)
Aid from Other Governmental Agencies	229,382	229,382	256,893	27,511
Total Revenues	<u>229,382</u>	<u>229,382</u>	<u>252,511</u>	<u>23,129</u>
EXPENDITURES:				
Public Protection	1,997	3,098	2,910	188
Total Expenditures	<u>1,997</u>	<u>3,098</u>	<u>2,910</u>	<u>188</u>
Excess of Revenues Over Expenditures	<u>227,385</u>	<u>226,284</u>	<u>249,601</u>	<u>23,317</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	(221,461)	(238,947)	(224,549)	14,398
Total Other Financing Sources (Uses)	<u>(221,461)</u>	<u>(238,947)</u>	<u>(224,549)</u>	<u>14,398</u>
Net Change in Fund Balance	5,924	(12,663)	25,052	37,715
Fund Balance, July 1, 2021	94,836	94,836	94,836	-
Fund Balance, June 30, 2022	<u>\$ 100,760</u>	<u>\$ 82,173</u>	<u>\$ 119,888</u>	<u>\$ 37,715</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
HUMAN SERVICES  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Revenues from Use of Money and Property	\$ 61	\$ 61	\$ (1,444)	\$ (1,505)
Aid from Other Governmental Agencies	331,806	331,806	296,889	(34,917)
Charges for Current Services	434	434	397	(37)
Other Revenues	<u>3,360</u>	<u>3,360</u>	<u>2,488</u>	<u>(872)</u>
Total Revenues	<u>335,661</u>	<u>335,661</u>	<u>298,330</u>	<u>(37,331)</u>
<b>EXPENDITURES:</b>				
Public Assistance	532,086	533,134	472,253	60,881
Debt Service Payments			6,158	
Total Expenditures	<u>532,086</u>	<u>533,134</u>	<u>478,411</u>	<u>54,723</u>
Deficiency of Revenues Under Expenditures	<u>(196,425)</u>	<u>(197,473)</u>	<u>(180,081)</u>	<u>17,392</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers In	196,112	196,112	225,923	29,811
Transfers Out	<u>-</u>	<u>-</u>	<u>(5,984)</u>	<u>(5,984)</u>
Total Other Financing Sources	<u>196,112</u>	<u>196,112</u>	<u>219,939</u>	<u>23,827</u>
Net Change in Fund Balance	(313)	(1,361)	39,858	41,219
Fund Balance, July 1, 2021	<u>17,156</u>	<u>17,156</u>	<u>17,156</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ 16,843</u>	<u>\$ 15,795</u>	<u>\$ 57,014</u>	<u>\$ 41,219</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 478,411
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(1,137)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resource:	<u>91,755</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance:	<u>569,029</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	219,939
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resource:	<u>91,755</u>
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance:	<u>\$ 311,694</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
STRUCTURAL FIRE  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Taxes	\$ 104,896	\$ 104,896	\$ 110,395	\$ 5,499
Licenses, Permits and Franchises	2,520	2,520	2,654	134
Fines, Forfeitures and Penalties	45	45	152	107
Revenues from Use of Money and Property	40	40	(1,672)	(1,712)
Aid from Other Governmental Agencies	6,709	6,709	8,864	2,155
Charges for Current Services	48,729	48,729	51,032	2,303
Other Revenues	331	331	263	(68)
<b>Total Revenues</b>	<u>163,270</u>	<u>163,270</u>	<u>171,688</u>	<u>8,418</u>
<b>EXPENDITURES:</b>				
Current:				
Public Protection	163,418	192,443	180,972	20,556
Debt Service			247	
<b>Total Expenditures</b>	<u>163,418</u>	<u>192,443</u>	<u>181,219</u>	<u>11,224</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(148)</u>	<u>(29,173)</u>	<u>(9,531)</u>	<u>19,642</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	10,788	10,788	8,658	(2,130)
Transfers Out	(300)	2,300	(8,780)	(11,080)
<b>Total Other Financing Sources (Uses)</b>	<u>10,488</u>	<u>13,088</u>	<u>(122)</u>	<u>(13,210)</u>
Net Change in Fund Balance	10,340	(16,085)	(9,653)	6,432
Fund Balance, July 1, 2021	<u>55,450</u>	<u>55,450</u>	<u>55,450</u>	<u>-</u>
Fund Balance, June 30, 2022	<u>\$ 65,790</u>	<u>\$ 39,365</u>	<u>\$ 45,797</u>	<u>\$ 6,432</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 181,219
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(8,448)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resource:	<u>2,185</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance:	<u>174,956</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	(122)
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resource:	<u>2,185</u>
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance:	<u>\$ 2,063</u>





**COUNTY OF KERN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

**I. BUDGETARY BASIS OF ACCOUNTING**

**A. BUDGETARY INFORMATION**

In accordance with the provisions of Sections 29000 through 29144 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and legally adopts a budget for the next fiscal year. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, except that such budgets integrate the County's encumbrance system, and, accordingly, they differ from budgets prepared in accordance with accounting principles generally accepted in the United States of America in this regard. In addition, leases are budgeted for the current annual portion, and, under accounting principles generally accepted in the United States of America, the full amount of the leased asset purchased is required to be recorded as an expenditure in the year purchased.

The major funds for which annual budgets are adopted are presented in the budgetary comparison schedules and include the General Fund, Behavioral Health & Recovery Services, Community Development, Coronavirus Relief, County Local Revenue Fund, Human Services, and Structural Fire. The County also budgets for the following non-major funds: Aging & Adult Services, Alcohol Abuse, Alcohol Program, Asset Forfeiture 15% Probation, Automated Co. Warrant System, Automated Fingerprint, Board of Trade Advertising, Building Inspection, CCP Community Recidivism, Child Restraint Loaner, Child Support Services, Code Compliance, Community Correction Performance Incentive, County Clerk, County Service Areas, Criminal Justice Facility, Criminalistics Laboratories, DA Court Ordered Penalties, DA/Sheriff/Probation DNA Fund, DA Equipment Automation, DA Federal Forfeitures, DA Local Forfeitures, Development Services, DHS Wraparound Savings, Disaster Assistance, DIVCA LCL Franchise Fee, Domestic Violence, Drug Program, Emergency Medical Payments, Employers' Training Resource, Environmental Health Services, Health-MAA TCM, IHSS Public Authority, Juvenile Inmate Welfare, Kern County Children's Fund, KNET Asset Forfeitures, Library Books, Local Public Safety, Micrographics, NSP Grant, Off Hwy. Motor Vehicle License, Oil & Gas Program, Parcel Map In-Lieu Fees, Parks & Recreation Donation Fund, Planned Local Drainage, Planned Sewer, Planning Admin. Surcharge, Probation Asset Forfeiture, Probation DJJ Realignment, Probation Federal Asset Forfeiture, Probation Training, Project Impact Mitigation Fund, Public Health Misc., Range Improvement, Real Estate Fraud, Recorder, Recorder's Electronic Recording, Recorder Modernization, Recorder SSN Truncation, Redemption Systems, RMA-Hazardous Waste Settlements, Roads, Rural Crimes Environmental Impact Fee, Shelter Care, Sheriff Cal I.D., Sheriff Civil Automated, Sheriff Civil Subpoena, Sheriff Controlled Substance, Sheriff Drug Abuse Gang Diversion, Sheriff Drug Awareness Program, Sheriff Electronic Monitoring, Sheriff Facility Training, Sheriff Inmate Welfare, Sheriff Judgment Debtor Fee, Sheriff Rural Crime, Sheriff Sidearm Conversion, Sheriff State Asset Forfeitures, Sheriff Training Fund, Sheriff's Volunteer Service Group, Sheriff Work Release, Sterilization, Strong Motion Instrumentation, Timber Harvest, Tobacco Education Control, Veterans Grant Fund, Vital Health Statistics County Clerk, Vital Health Statistics, Vital Health Statistics Recorder, Wildlife Resources, Accumulative Capital Outlay Fire, Accumulative Capital Outlay General, and Tobacco Securitization Proceeds.

The County controls expenditures from non-budgeted funds primarily by monitoring cash balances throughout its integrated accounting and warrant writing system. Non-budgeted debt service payments are determined by the terms of bond indentures.

**COUNTY OF KERN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

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The aggregated County budget is an accumulation of current operating budgets within the budgeted funds operations. The County prepares annual budgets for its Enterprise and Internal Service Fund activities; however, such budgets are not presented since such comparison would make evaluation of the accrual basis of accounting funds unduly complex. All budgetary transactions must be approved by a four-fifths (4/5) vote from the Board.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund, department, and major object level, with more stringent control over capital assets and expenditure transfers and reimbursements for all budgeted funds. The dollar amount limitation effectively lowers the legal level of budgetary control to the object level. Presentation of the Budgetary Comparison Schedules at the legal level is not feasible due to excessive length; therefore, the Budgetary Comparison Schedules have been aggregated by function and presented by activity for non-major special revenue funds. Groupings by activity can be found on page 118. The County also prepares a separate Final Budget document at the object level, which is available to the public on the Auditor-Controller-County Clerk's website at <https://www.auditor.co.kern.ca.us/budget/2021-22AdoptedBudget.pdf>.

There were no material excess expenditures over the related appropriations in any object level within any fund. Final budget amounts, as reported, represent adjusted figures at year-end. The Board must approve transfers of appropriations between departments. The Board must also approve supplemental appropriations necessary and normally financed by unanticipated revenue during the year. Unanticipated revenues of \$81,738 were added to appropriations in the General Fund during the fiscal year.

The Board must approve transfers of appropriations between objects of expenditures within the same budget unit. Final budget amounts reported in the accompanying financial statements are as amended. Any excess of budgetary expenditures and other financing uses over revenues and other financing sources is financed by beginning available fund balances as provided for in the County Budget Act.

Encumbrances, which are commitments related to executory purchases for goods or services, are recorded for budgetary control purposes in the budgeted funds. Encumbrance accounting is utilized to assure effective budgetary control and accountability. Encumbrances outstanding at year-end represent the estimated amount of expenditures ultimately to result if the purchases in process at year-end are completed. Outstanding encumbrances related to purchase orders can carryover each year and are reported as reservations of fund balance for subsequent year expenditures. Unused or unencumbered appropriations at year-end close to fund balance.

**COUNTY OF KERN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

**B. RECONCILIATION OF BUDGETARY BASIS TO GAAP**

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).

	Fund Balances (Budgetary Basis)	Basis Differences			Fund Balances (Modified Accrual Basis of Accounting)
		Right to Use & Capital Outlay	Other Financing Sources - (Leases Issued)	Outstanding Encumbrances for Budgeted Funds	
General Fund	\$ 392,113	\$ (18,983)	\$ 18,983	49,730	\$ 441,843
Behavior Health & Recovery Services	140,512	(16,177)	16,177	13,226	153,738
Corona Virus Relief	(10,753)	-	-	6,595	(4,158)
Human Services	57,014	(91,755)	91,755	1,137	58,151
Structural Fire	45,797	(2,185)	2,185	8,448	54,245
Aging & Adult Services	1,765	(4,651)	4,651	-	1,765
Child Support	312	(11,523)	11,523	24	336
Detention and Correction	11,519	-	-	868	12,387
Health	51,912	-	-	76	51,988
Other Public Protection	23,756	(122)	122	710	24,466
Property Management	4,192	(1,306)	1306	-	4,192
Public Assistance Administration	25,683	-	-	1,072	26,755
Public Ways	12,692	-	-	13	12,705
Roads	57,429	(80)	80	11,725	69,154
Total	<u>\$ 813,943</u>	<u>\$ (146,782)</u>	<u>\$ 146,782</u>	<u>\$ 93,624</u>	<u>\$ 907,567</u>

**COUNTY OF KERN  
KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION - PENSION SCHEDULES  
FOR THE YEAR ENDING JUNE 30, 2022 (IN THOUSANDS)**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Last 10 Fiscal Years\*

Reporting Fiscal Year	Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2014	6/30/2013	91.682%	\$ 1,947,691	\$ 465,506	418.40%	59.59%
6/30/2015	6/30/2014	91.914%	1,901,916	482,159	394.46%	63.49%
6/30/2016	6/30/2015	91.290%	2,011,197	477,224	421.44%	62.36%
6/30/2017	6/30/2016	90.800%	2,191,581	479,889	456.68%	59.82%
6/30/2018†	6/30/2017	77.683%	1,836,402	407,334	450.83%	62.97%
6/30/2019	6/30/2018	76.586%	1,785,079	422,276	422.73%	64.67%
6/30/2020	6/30/2019	75.842%	1,806,945	418,431	431.84%	65.04%
6/30/2021	6/30/2020	74.671%	1,987,666	433,696	458.31%	63.13%
6/30/2022	6/30/2021	74.316%	1,404,104	429,104	327.22%	74.66%

**Notes to Schedule:**

The information presented relates solely to the County and not Kern County Employees' Retirement Association (KCERA) as a whole. This information is intended to provide the reader with the status of the County's participation in KCERA. Additional information is provided in the notes section of this report.

**SCHEDULE OF THE COUNTY'S CONTRIBUTIONS**

Last 10 Fiscal Years\*

Fiscal Year of Contribution	Actuarially Determined Contribution	County's Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2014	\$ 201,221	\$ 201,221	\$ -	\$ 390,175	51.57%
6/30/2015	194,907	194,907	-	405,150	48.11%
6/30/2016	198,049	198,049	-	395,299	50.10%
6/30/2017	174,267	174,267	-	401,455	43.41%
6/30/2018	188,408	188,408	-	407,334	46.25%
6/30/2019	198,221	198,221	-	422,275	46.94%
6/30/2020	206,270	206,270	-	418,437	49.30%
6/30/2021	211,831	211,831	-	433,696	48.84%
6/30/2022‡	233,481	233,481	-	429,104	54.41%

**Notes to Schedule:**

**Valuation Date:** Actuarially determined contribution rates are calculated as of June 30, two years prior to the fiscal year in which contributions are reported.

**Methods and assumptions used to determine contribution rates:**

<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Remaining Amortization Period</b>	14.5 years as of June 30, 2021
<b>Asset Valuation Method</b>	Market value basis, recognized over a five year-period
<b>Inflation</b>	3.00%
<b>Projected Salary Increase</b>	General: 4.00% to 9.00% and Safety: 4.00% to 12.50%, varying by service, including inflation
<b>Investment Rate of Return</b>	7.25%, net of pension plan investment expense, including inflation
<b>Retirement Age</b>	General Age: 57, Safety Age: 53

\* GASB Statement No. 68 was implemented as of June 30, 2015. Additional years will be presented as they are available.

† As of the June 30, 2018 actuarial report, the Hospital Authority was no longer included in the County's portion of pension values.

‡ Current year County values based on a calculation of the most recent proportionate share of net pension liability by the plan's contribution totals.

**COUNTY OF KERN  
OTHER POST-EMPLOYMENT BENEFITS  
FOR THE YEAR ENDING JUNE 30, 2022 (IN THOUSANDS)**

**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**

Last 5 Fiscal Years\*

Fiscal Year	Measurement Date	Proportion of the Net OPEB Liability	Proportionate Share of Net OPEB Liability	County's Covered-employee Payroll†	Proportionate Share of the Net Pension Liability as a Percentage of its Covered-employee Payroll	Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability
2018	6/30/2018	92.763%	55,195	356,748	15.47%	56.56%
2019	6/30/2019	92.493%	46,482	369,234	12.59%	62.67%
2020	6/30/2020	91.917%	42,679	221,937	19.23%	66.03%
2021	6/30/2021	91.754%	18,400	215,167	8.55%	84.90%
2022	6/30/2022	90.219%	66,567	203,766	32.67%	57.54%

† Based on the total covered employee payroll for employees classified as County in the census data.

**SCHEDULE OF OPEB CONTRIBUTIONS**

Last 5 Fiscal Years\*

Fiscal Year	Actuarially Determined Contribution	County's Contribution <sup>(1)</sup>	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll
2018	11,921	9,725	2,196	404,925	2.40%
2019	9,838	10,078	(240)	419,097	2.40%
2020	8,853	10,748	(1,895)	249,328	4.31%
2021	9,801	9,193	608	241,340	3.81%
2022	N/A	9,242	N/A	227,687	4.06%

**Notes to Schedule:**

**Methods and assumptions used to determine contribution rates:**

**Valuation Date**

30-Jun-22

**Actuarial Cost Method**

Entry Age Normal, level percentage of compensation

**Asset Valuation Method**

Market value basis

**Discount Rate**

6.50% based on asset allocation in PARS OPEB Trust and County contributions of \$59 per pay period per eligible employee and the eligible employees contributing 2.12% of payroll for the Supplement

**Payroll Growth**

inflation of 2.75% per year plus "across the board" real salary increases of .50% per year.

**Projected Salary Increase**

General: 4.00% to 8.75% and Safety: 3.75% to 12.00%, varying by service, including inflation

**Trend Rates:**

**Supplement**

2.12% of covered payroll

**Mortality Rate**

Headcount-Weighted Mortality Tables

\* GASB Statement No. 75 was implemented as of June 30, 2018. Additional years will be presented as they are available.

<sup>(1)</sup> The employer contributions per eligible employee per pay period was changed from \$52 to \$59. This change did not have any impact on the TOL.





**OTHER  
SUPPLEMENTARY  
INFORMATION**







**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND  
SCHEDULES**





**NON-MAJOR  
GOVERNMENTAL FUNDS**





**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

	<b>SPECIAL REVENUE FUNDS</b>	<b>CAPITAL PROJECTS FUNDS</b>	<b>DEBT SERVICE FUNDS</b>	<b>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Pooled Cash and Investments	\$ 254,539	\$ 35,152	\$ 2,670	\$ 292,361
Revolving Fund Cash	25	-	-	25
Cash and Investments Deposited with Trustee	-	32,807	221	33,028
Interest Receivable	311	104	6	421
Taxes Receivable	385	-	-	385
Accounts Receivable	1,080	-	-	1,080
Lease Receivables	225	-	-	225
Accrued Revenue	39,403	-	9	39,412
Due from Other Funds	1,510	-	-	1,510
Due from Other Agencies	544	-	-	544
Housing Loans Receivable	15,574	-	-	15,574
Housing Loans Interest Receivable	3,054	-	-	3,054
Inventory - Materials and Supplies	5,687	-	-	5,687
Total Assets	<u>322,337</u>	<u>68,063</u>	<u>2,906</u>	<u>393,306</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 322,337</u>	<u>\$ 68,063</u>	<u>\$ 2,906</u>	<u>\$ 393,306</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 11,661	\$ -	\$ 17	\$ 11,678
Salaries and Employee Benefits Payable	1,438	-	-	1,438
Due to Other Funds	3,684	-	-	3,684
Unearned Revenue	1,139	-	-	1,139
Due to Other Agencies	806	-	-	806
Total Liabilities	<u>18,728</u>	<u>-</u>	<u>17</u>	<u>18,745</u>
Deferred Inflows of Resources:				
Deferred Housing Loan Payments	18,628	-	-	18,628
Deferred Lease Revenue	225	-	-	225
Unavailable Revenue - Other	3,401	-	-	3,401
Total Deferred Inflows of Resources	<u>22,254</u>	<u>-</u>	<u>-</u>	<u>22,254</u>
Fund Balances:				
Nonspendable	5,712	-	-	5,712
Restricted	244,460	56,394	2,889	303,743
Committed	26,863	-	-	26,863
Assigned	4,320	11,669	-	15,989
Total Fund Balances	<u>281,355</u>	<u>68,063</u>	<u>2,889</u>	<u>352,307</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 322,337</u>	<u>\$ 68,063</u>	<u>\$ 2,906</u>	<u>\$ 393,306</u>

**COUNTY OF KERN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<b>SPECIAL REVENUE FUNDS</b>	<b>CAPITAL PROJECTS FUNDS</b>	<b>DEBT SERVICE FUNDS</b>	<b>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</b>
<b>REVENUES:</b>				
Taxes	\$ 4,918	\$ -	\$ -	\$ 4,918
Licenses, Permits and Franchises	18,065	-	-	18,065
Fines, Forfeitures and Penalties	7,849	-	-	7,849
Revenues from Use of Money and Property	(8,877)	(2,457)	422	(10,912)
Aid from Other Governmental Agencies	242,172	12,537	-	254,709
Charges for Current Services	22,412	-	-	22,412
Other Revenues	14,789	-	2,569	17,358
<b>Total Revenues</b>	<b>301,328</b>	<b>10,080</b>	<b>2,991</b>	<b>314,399</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General Government	4,730	-	651	5,381
Public Protection	35,439	-	-	35,439
Public Ways and Facilities	60,813	-	-	60,813
Health and Sanitation	10,678	-	-	10,678
Public Assistance	44,236	-	-	44,236
Culture and Recreation Services	1	-	-	1
Capital Outlay	17,682	1,510	-	19,192
<b>Debt Service:</b>				
Principal	1,884	-	29,083	30,967
Interest	170	-	27,314	27,484
<b>Total Expenditures</b>	<b>175,633</b>	<b>1,510</b>	<b>57,048</b>	<b>234,191</b>
Excess (Deficiency) of Revenues over (under) Expenditures	125,695	8,570	(54,057)	80,208
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	33,756	33	54,104	87,893
Transfers Out	(125,561)	(5,510)	-	(131,071)
Proceeds of Long Term Debt	-	27,612	-	27,612
Leases	17,682	-	-	17,682
<b>Total Other Financing Sources (Uses)</b>	<b>(74,123)</b>	<b>22,135</b>	<b>54,104</b>	<b>2,116</b>
Net Changes in Fund Balances	51,572	30,705	47	82,324
Fund Balances, July 1, 2021	229,783	37,358	2,842	269,983
Fund Balances, June 30, 2022	\$ 281,355	\$ 68,063	\$ 2,889	\$ 352,307

Special revenue funds are revenues derived from specific taxes or other designated revenue sources. Primary revenue sources include taxes; fines, forfeitures and penalties; use of money and property; aid from other governmental agencies; charges for current services; and other revenues. Expenditures are for specific activities that are legally authorized to be financed from the individual funds. These special revenue funds are described below:

**Aging and Adult Services** – This fund accounts for the development and maintenance of Countywide programs to provide social, nutritional, and protective services to seniors and other adults.

**Child Support Services** – This fund accounts for the initial court actions necessary to establish financial responsibility for the support of minors, and for the enforcement and collection of child support payments from absent parents under the Social Security Act.

**County Clerk** – This fund is responsible for issuing marriage licenses and fictitious business names, and accepting filings of notary public bonds, environmental impact reports, County loyalty oaths, and other miscellaneous filings.

**Detention and Corrections:**

**Asset Forfeiture 15% Probation** – This fund was established to account for the County’s allocation of asset forfeitures to be used to combat drug abuse and divert gang activity.

**Community Corrections Partnership (CCP) Community Recidivism** – This fund accounts for 2011 realignment allocation for community-based organizations as approved by the Community Correction Partnership.

**Criminal Justice Facility** – This fund accounts for surcharges upon fines, forfeitures and penalties to assist in the construction and maintenance of County criminal justice and court facilities.

**Juvenile Inmate Welfare** – This fund accounts for revenues generated at Juvenile facilities and are used for enhancing programs within the Juvenile Institutions.

**Probation Asset Forfeiture** – This fund was established to account for the County’s allocation of asset forfeitures.

**Probation DJJ Realignment** – This fund accounts for services given to juveniles that prior to realignment received services from the Division of Juvenile Justice (DJJ).

**Probation Federal Asset Forfeiture** – This fund was established to account for the County’s allocation of Federal asset forfeitures.

**Probation Training** – This fund accounts for state money received for the development of training, program evaluation, and the research study on validated standards.

**Juvenile Justice Facility** – This fund accounts for a surcharge imposed on fines and forfeitures to assist in financing the construction and rehabilitation of the County’s juvenile facility.

**Education:**

**Library Books** – This fund holds donations received by the Library for the sole purpose of purchasing materials (books, audiovisual materials, subscriptions, etc.).

**Environmental Health Services** – This fund provides State mandated regulatory oversight, compliance assistance, and enforcement actions relating to health and safety standards for community businesses and activities.



**Finance:**

**Redemption Systems** – This fund accounts for the requirement under the Revenue and Taxation Code Section 4710.

**Health:**

**Alcohol Abuse** – This fund accounts for assessments and is used to fund alcohol abuse education and prevention programs in schools and communities throughout the County.

**Alcohol Program** – This fund accounts for DUI violation fines and is used to fund alcohol programs and services as well as to upgrade facilities to comply with State and Federal regulations regarding accessibility for handicapped persons.

**Child Restraint Loaner** – This fund accounts for fines imposed on violators of the Child Passenger Restraint Systems Law and provides a low-cost child passenger restraint purchase and/or loaner program.

**County Service Areas** – This fund accounts for a broad range of services to remote geographical areas as well as rapidly growing communities. These funds are financed principally from property taxes.

**Drug Program** – This fund accounts for fines, penalties and forfeitures and is used to develop, implement, and operate alcohol and drug assessment programs.

**Health-MAA TCM** – This fund accounts for the reimbursement of case management services known as Targeted Case Management (TCM) and for administration of the Medi-Cal program known as Medi-Cal Administrative Activities (MAA).

**Health Services** – This fund accounts for different types of services, advances from the state for certain Medi-Cal administration cost of the welfare department, also accounts for fees for issuance of a permit for disposition of human remains to fund peace office training.

**Health 1991 Realignment** – This fund accounts for revenues forthcoming from the state pursuant to Chapter 89 of 1991 and the State Controller's guidelines for Health and Welfare Realignment.

**Public Health Miscellaneous** – This fund accounts for various private donations.

**Oil & Gas Mitigation** – This fund accounts for the collection of mitigation fees collected for Oil & Gas activity to fund different types of impact topic like Valley Fever, Bio Habitat, Paleo, Road Maintenance, and Drinking Water.

**RMA-Hazardous Waste Settlements** – This fund accounts for monies to be used only for the enforcement of laws pertaining to Hazardous Waste Control.

**Tobacco Education Control** – This fund accounts for deposits of prospective payments toward the Tobacco Education Program per State AB99.

**Tobacco Control Grant Funding** – This Fund accounts for grant monies related to the California Department of Public Health for the acceptance of Proposition 56. The agreement requires to set up separate interest-bearing trust funds.

**Vital Health Statistics County Clerk** – This fund collects a \$1 fee for each certified copy of a birth, death, or marriage certificate, and reimburses the County Clerk for allowable budget expenditures.

**Vital Health Statistics** – This fund collects a \$1 fee for each certified copy of a birth, death, or marriage certificate, and reimburses the Health Department for allowable budget expenditures.

**Vital Health Statistics Recorder** – This fund collects a \$1 fee for each certified copy of a birth, death, or marriage certificate and reimburses the Recorder for allowable budget expenditures.

**Hospital Care:**

**Emergency Medical Payments** – This fund provides for the coordination of all participants in the emergency medical services system in the County, as authorized under the Health and Safety Code.

**Judicial:**

**Automated County Warrant System** – This fund accounts for fines imposed on driving offenses and is used for the development and operation of the automated County warrant system.

**Criminalistics Laboratories** – This fund uses revenues received from a \$50 fine on each conviction for controlled substance offense to defray costs of providing controlled substances analysis in the County.

**District Attorney Court Ordered Penalties** – This fund accounts for court-ordered penalties occurring within the County and are for the exclusive use by the District Attorney for the enforcement of consumer protection laws.

**District Attorney/Sheriff/Probation DNA Fund** – This fund accounts for penalty assessments associated with DNA testing.

**District Attorney Equipment Automation** – This fund accounts for special grants for the acquisition of equipment for automation of the District Attorney, and specialized equipment for the Crime Laboratory.

**District Attorney Federal Forfeitures** – This fund accounts for asset forfeiture distributions received through the equitable sharing program with the U.S. Department of Justice when the County's District Attorney's Office either prosecutes a related state criminal action or is responsible for the prosecution of the federal, judicial forfeiture.

**District Attorney Local Forfeitures** – This fund was established to account for the County's allocation of civil judgments and asset forfeitures.

**Domestic Violence** – This fund accounts for a surcharge on marriage licenses and is used to finance domestic violence programs.

**Local Public Safety** – This fund is used to separately account for proceeds from a half-cent sales tax enacted through the passage of Proposition 172 in November 1993. Proceeds are allocated from this fund to the District Attorney, Public Defender, Sheriff, Probation and Fire.

**Real Estate Fraud** – This fund accounts for recording of real estate instrument fees to fund the deterrence, investigation, and prosecution of real estate fraud crimes.

**Victim Services** – This fund accounts for the collection of unclaimed restitution funds and Ordinance G-8535 fees for use within Victim Services Unite and Family Justice Center activities.

**Other Public Protection:**

**Building Inspection** – This fund provides for enforcement of State and local regulations governing construction through the issuance of building permits and inspection of new construction in the unincorporated areas of the County.

**Code Compliance** – This fund accounts for the public nuisance abatement work done by the Code Compliance division.

**County Service Areas** – This fund accounts for a broad range of services to remote geographical areas as well as rapidly growing communities. These funds are financed principally from property taxes.

**Oil and Gas Program** – This fund accounts for fees from permits issued for the drilling and production of oil and gas.

**Planning Administration Surcharge** – This fund collects specified building permit fees applied to new developments to offset costs related to the administration and update of the General Plan and Specific Plans affecting Kern County's growth and development.

**Project Impact Mitigation Fund** – This fund accounts for monies received from project impact mitigation measures that must be used to satisfy the required mitigation.

**Range Improvement** – This fund accounts for grazing fees used to support range improvement costs.

**Recorder's Electronic Recording** – This fund accounts for recording fees used to maintain the County's system of recorded documents.

**Recorder Modernization** – This fund accounts for monies collected through a \$1 fee added per recorded document to pay for the County's electronic recording delivery system.

**Recorder SSN Truncation** – This fund accounts for recording fees used to protect social security numbers on public records.

**Sterilization** – This fund holds 10% of all natural and altered dog license fees collected annually to be utilized to fund the Low-Cost Spay/Neuter Program.

**Strong Motion Instrumentation** – This fund receives revenue through fees charged for permits and is used for the purpose of promoting seismic education and awareness as part of a State mandate.

**Wildlife Resources** – This fund accounts for funds received from the State to fund projects recommended by the Parks and Recreations Commission.

#### **Plant Acquisition:**

**Planned Local Drainage** – This fund accounts for Planned Drainage Areas established in 1976 to finance the construction of storm drain facilities.

**Planned Sewer** – This fund accounts for sewer facility impact fees charged to building permit applicants to defray the costs of constructing planned drainage and sewer facilities.

#### **Police Protection:**

**Automated Fingerprint** – This fund accounts for an assessment on every fine, forfeiture, or penalty collected for criminal offenses and is to be used for maintaining the Cal-ID/Ran system.

**KNET Asset Forfeitures** – The fund accounts for funds received for asset forfeitures from the Kern Narcotics Enforcement Team (KNET).

**Rural Crimes Environmental Impact Fee** – This fund accounts for fees collected from permits to be used to supplement general funds allocated to staffing the Rural Crimes Unit, for the prevention and investigation of rural crimes.

**Sheriff Cal I.D.** – This fund accounts for monies collected through a \$1 fee added to all vehicle registrations to the County with the cost of purchase and replacement of automated fingerprint equipment.

**Sheriff Civil Automated** – This fund allocates a portion of fees obtained from the service of Civil Process for

the exclusive use of the Sheriff's Civil Division for implementation, maintenance, and purchase of auxiliary equipment for automated systems.

**Sheriff Civil Subpoena** – This fund is used to account for funds that cover the expense of County employees obligated by subpoena to attend civil action. Funding is provided by parties requesting subpoenas.

**Sheriff Controlled Substance** – This fund holds monies forfeited to the Sheriff to reimburse the Sheriff's department for expenditures made or incurred in connection with forfeiture proceedings and criminal convictions.

**Sheriff Drug Abuse Gang Diversion** – This fund is used to support programs designed to combat drug abuse and divert gang activity.

**Sheriff Drug Awareness Program** – This fund accounts for donations received for the sole purpose of benefiting the drug awareness efforts of the Sheriff's department.

**Sheriff Electronic Monitoring** – This fund is used to collect administrative and registration fees in accordance with Penal Code section 1208.2(b)(1). The fees collected would be used for the Electronic Monitoring Program.

**Sheriff Facility Training** – This fund accounts for the training and recruitment of Sheriff personnel in order to adhere to the California Penal Code.

**Sheriff Inmate Welfare** – This fund accounts for monies derived from the commissary sales and telephone charges at the County Jail. Funds are used for the welfare and benefit of inmates housed in the County Jail.

**Sheriff Judgment Debtor Fee** – This fund collects processing fees for disbursements of certain monies to supplement the cost of purchase and maintenance of the Sheriff's vehicles and equipment.

**Sheriff Rural Crime** – This fund holds grant money to be used by the rural crime investigation program to reduce losses caused by criminal activity in the agricultural, oil, and livestock industries.

**Sheriff Sidearm Conversion** – This fund accounts for the deposit of monies generated from the sale of firearms to fund departmental transition to a standardized departmental sidearm.

**Sheriff State Asset Forfeitures** – This fund holds revenues received from assets seized during arrests.

**Sheriff Training Fund** – This fund accounts for the deposit of monies generated from a contract with Cerro Coso Community College for Law Enforcement training.

**Sheriff's Volunteer Service Group** – This fund accounts for donations received for the purchase of equipment and supplies for the Search and Rescue Team.

**Sheriff Work Release** – This fund collects the revenues from the Work Release Program, which promotes successful reintegration of law violators into society and reduce jail overcrowding.

**Promotion:**

**Board of Trade Advertising** – This fund holds monies received from the sale of advertising by the Board of Trade and is used to pay for related advertising expenses.

**Property Management:**

**Development Services** – This fund, a division of the Public Works Department, is responsible for reviewing and processing tract and parcel maps, reviewing construction and grading plans for code and regulation compliance, and oversees drainage, floodplain, and geologic activities related to land-development permits.

**DIVCA LCL Franchise Fee** – This fund accounts for a surcharge on cable providers’ franchise fees to be used for audio/visual infrastructure capital equipment purchases.

**Public Assistance Administration:**

**Department of Human Services (DHS) Wraparound Savings** – This fund accounts for the placement and holding of savings of Wraparound monies used to provide specialized intensive “wraparound” services to youth in an effort to achieve positive outcomes.

**Disaster Assistance** – This fund accounts for funding received from the California Governor’s Office of Emergency Services for the purchase of temporary modular housing units for families affected by the Erskine Fire.

**Employers’ Training Resource (ETR)** – This fund administers the Federal Workforce Investment Act and Welfare-to-Work funds received through the Department of Labor, State Employment Development Department, and the Kern County Department of Human Services. ETR accounts for job training and support services for workers of all economic classes.

**In-Home Supportive Services (IHSS) Public Authority** – This fund accounts for supportive services given to aged, blind, or disabled persons, who are unable to perform the services themselves and who cannot safely remain in their homes or abodes of their own choosing unless these services are provided.

**Kern County Children’s Fund** – This fund accounts for fees from birth certificate requests with the monies used in funding child abuse and neglect prevention and intervention programs.

**NSP Grant** – This fund accounts for grant funds from the Housing and Economic Recovery Act of 2008, which are restricted for use in addressing the effects of abandoned and foreclosed properties in Kern County.

**Shelter Care** – This fund accounts for donations received for the purchase of emergency items, arts and crafts supplies, and entertainment and recreation for the benefit of the children at the Jamison Center.

**Veterans Grant Fund** – This fund is used to account for grant and donation revenue received by the Veterans Department.

**Public Ways:**

**County Service Areas** – This fund accounts for a broad range of services to remote geographical areas as well as rapidly growing communities. These funds are financed principally from property taxes.

**Off Highway Motor Vehicle License** – This fund supports Off Highway Projects.

**Parcel Map In-lieu Fees** – This fund accounts for providing park or recreational facilities and improvement of Parks.

**Recorder** – This fund accounts for recording fees used for the operations of the Recorder’s office.

**Recreation Facilities:**

**Parks and Recreation Donation Fund** – This fund holds donations received to be used for park improvement projects.

**Timber Harvest** – This fund accounts for payments received to harvest timber to be used for improvement projects in County parks.

**Roads** – This fund accounts for planning, designing, constructing, and maintaining public roads, bridges, streets, and traffic control devices in the unincorporated areas of the County, except for State-maintained highways and bridges. This special revenue fund is funded through various revenues including gas tax, impact fee permits, federal and state aid for construction, charges for services, and County contributions.



**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

Page 1 of 3

	<u>TOTAL</u>	<u>AGING &amp; ADULT SERVICES</u>	<u>CHILD SUPPORT SERVICES</u>	<u>COUNTY CLERK</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Pooled Cash and Investments	\$ 254,539	\$ 101	\$ 1,845	\$ 584
Revolving Fund Cash	25	5	2	3
Interest Receivable	311	-	7	-
Taxes Receivable	385	-	-	-
Accounts Receivable, Net	1,080	-	-	-
Lease Receivables	225	-	-	-
Accrued Revenue	39,403	5,950	-	-
Due from Other Funds	1,510	20	56	-
Due from Other Agencies	544	-	-	-
Housing Loans Receivable	15,574	-	-	-
Housing Loans Interest Receivable	3,054	-	-	-
Inventory - Materials and Supplies	5,687	-	-	-
Total Assets	<u>322,337</u>	<u>6,076</u>	<u>1,910</u>	<u>587</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 322,337</u>	<u>\$ 6,076</u>	<u>\$ 1,910</u>	<u>\$ 587</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 11,661	\$ 747	\$ 97	\$ -
Salaries and Employee Benefits Payable	1,438	496	671	10
Due to Other Funds	3,684	673	-	-
Unearned Revenue	1,139	26	-	-
Due to Other Agencies	806	-	806	-
Total Liabilities	<u>18,728</u>	<u>1,942</u>	<u>1,574</u>	<u>10</u>
Deferred Inflows of Resources:				
Deferred Housing Loan Payments	18,628	-	-	-
Deferred Lease Revenue	225	-	-	-
Unavailable Revenue - Other	3,401	2,369	-	-
Total Deferred Inflows of Resources	<u>22,254</u>	<u>2,369</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	5,712	5	2	3
Restricted	244,460	-	334	574
Committed	26,863	1,760	-	-
Assigned	4,320	-	-	-
Total Fund Balances	<u>281,355</u>	<u>1,765</u>	<u>336</u>	<u>577</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 322,337</u>	<u>\$ 6,076</u>	<u>\$ 1,910</u>	<u>\$ 587</u>



DETENTION AND CORRECTIONS	EDUCATION	ENVIRONMENTAL HEALTH SERVICES	FINANCE
\$ 12,374	\$ 386	\$ 5,391	\$ 2,186
-	-	-	-
15	-	18	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	16	-
141	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>12,530</u>	<u>386</u>	<u>5,425</u>	<u>2,186</u>
<u>\$ 12,530</u>	<u>\$ 386</u>	<u>\$ 5,425</u>	<u>\$ 2,186</u>

**ASSETS AND DEFERRED  
OUTFLOWS OF RESOURCES**

Assets:

Pooled Cash and Investments	-
Revolving Fund Cash	-
Interest Receivable	-
Taxes Receivable	-
Accounts Receivable, Net	-
Lease Receivables	-
Accrued Revenue	-
Due from Other Funds	-
Due from Other Agencies	-
Housing Loans Receivable	-
Housing Loans Interest Receivable	-
Inventory - Materials and Supplies	-

Total Assets

Total Assets and Deferred Outflows of Resources

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES,  
AND FUND BALANCES**

Liabilities:

Accounts Payable	-
Salaries and Employee Benefits Payable	-
Due to Other Funds	-
Unearned Revenue	-
Due to Other Agencies	-

Total Liabilities

Deferred Inflows of Resources:

Deferred Housing Loan Payments	-
Deferred Lease Revenue	-
Unavailable Revenue - Other	-

Total Deferred Inflows of Resources

Fund Balances:

Nonspendable	-
Restricted	-
Committed	-
Assigned	2,186

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources,  
and Fund Balances

**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

Page 2 of 3

	<u>HEALTH</u>	<u>HOSPITAL CARE</u>	<u>JUDICIAL</u>	<u>OTHER PUBLIC PROTECTION</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Pooled Cash and Investments	\$ 48,196	\$ 4,591	\$ 25,036	\$ 24,001
Revolving Fund Cash	-	-	-	11
Interest Receivable	-	12	6	43
Taxes Receivable	260	-	-	-
Accounts Receivable, Net	-	-	-	534
Lease Receivables	-	-	-	-
Accrued Revenue	3,776	-	18,904	-
Due from Other Funds	-	-	-	340
Due from Other Agencies	11	152	26	200
Housing Loans Receivable	-	-	-	-
Housing Loans Interest Receivable	-	-	-	-
Inventory - Materials and Supplies	-	-	-	-
Total Assets	<u>52,243</u>	<u>4,755</u>	<u>43,972</u>	<u>25,129</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 52,243</u>	<u>\$ 4,755</u>	<u>\$ 43,972</u>	<u>\$ 25,129</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 2	-	-	\$ 82
Salaries and Employee Benefits Payable	-	-	-	-
Due to Other Funds	6	-	916	581
Unearned Revenue	247	-	753	-
Due to Other Agencies	-	-	-	-
Total Liabilities	<u>255</u>	<u>-</u>	<u>1,669</u>	<u>663</u>
Deferred Inflows of Resources:				
Deferred Housing Loan Payments	-	-	-	-
Deferred Lease Revenue	-	-	-	-
Unavailable Revenue - Other	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	-	-	-	11
Restricted	51,988	4,755	42,303	6,641
Committed	-	-	-	17,814
Assigned	-	-	-	-
Total Fund Balances	<u>51,988</u>	<u>4,755</u>	<u>42,303</u>	<u>24,466</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 52,243</u>	<u>\$ 4,755</u>	<u>\$ 43,972</u>	<u>\$ 25,129</u>

	PLANT ACQUISITION	POLICE PROTECTION	PROMOTION	PROPERTY MANAGEMENT
\$	6,285	9,749	184	4,181
	-	-	-	-
	7	7	-	12
	-	8	-	-
	-	-	-	7
	-	-	-	-
	-	-	-	-
	-	14	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	6,292	9,778	184	4,200
\$	<u>6,292</u>	<u>9,778</u>	<u>184</u>	<u>4,200</u>

**ASSETS AND DEFERRED  
OUTFLOWS OF RESOURCES**

Assets:

Pooled Cash and Investments	-
Revolving Fund Cash	-
Interest Receivable	12
Taxes Receivable	-
Accounts Receivable, Net	7
Lease Receivables	-
Accrued Revenue	-
Due from Other Funds	-
Due from Other Agencies	-
Housing Loans Receivable	-
Housing Loans Interest Receivable	-
Inventory - Materials and Supplies	-

Total Assets

Total Assets and Deferred Outflows of Resources

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES,  
AND FUND BALANCES**

Liabilities:

Accounts Payable	-
Salaries and Employee Benefits Payable	-
Due to Other Funds	8
Unearned Revenue	-
Due to Other Agencies	-

Total Liabilities

Deferred Inflows of Resources:

Deferred Housing Loan Payments	-
Deferred Lease Revenue	-
Unavailable Revenue - Other	-

Total Deferred Inflows of Resources

Fund Balances:

Nonspendable	-
Restricted	-
Committed	2,242
Assigned	1,950

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources,  
and Fund Balances

\$	-	2	-	-
	-	-	-	-
	-	1	-	8
	-	8	-	-
	-	-	-	-
	-	11	-	8
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	1,256	9,756	-	-
	5,036	11	-	2,242
	-	-	184	1,950
	6,292	9,767	184	4,192
\$	<u>6,292</u>	<u>9,778</u>	<u>184</u>	<u>4,200</u>

**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

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	PUBLIC ASSISTANCE ADMINISTRATION	PUBLIC WAYS	RECORDER	RECREATION FACILITIES	ROADS
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>					
Assets:					
Pooled Cash and Investments	\$ 29,400	\$ 13,094	\$ 4,821	\$ 1,244	\$ 60,890
Revolving Fund Cash	-	-	4	-	-
Interest Receivable	6	12	12	-	154
Taxes Receivable	-	117	-	-	-
Accounts Receivable, Net	-	-	18	-	521
Lease Receivables	-	-	-	-	225
Accrued Revenue	1,659	-	-	-	9,114
Due from Other Funds	-	-	5	-	1,073
Due from Other Agencies	-	-	-	-	-
Housing Loans Receivable	15,574	-	-	-	-
Housing Loans Interest Receivable	3,054	-	-	-	-
Inventory - Materials and Supplies	-	-	-	-	5,687
Total Assets	<u>49,693</u>	<u>13,223</u>	<u>4,860</u>	<u>1,244</u>	<u>77,664</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 49,693</u>	<u>\$ 13,223</u>	<u>\$ 4,860</u>	<u>\$ 1,244</u>	<u>\$ 77,664</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 3,005	\$ 369	\$ 15	\$ -	\$ 7,140
Salaries and Employee Benefits Payable	-	-	58	-	-
Due to Other Funds	1,305	44	-	-	113
Unearned Revenue	-	105	-	-	-
Due to Other Agencies	-	-	-	-	-
Total Liabilities	<u>4,310</u>	<u>518</u>	<u>73</u>	<u>-</u>	<u>7,253</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments	18,628	-	-	-	-
Deferred Lease Revenue	-	-	-	-	225
Unavailable Revenue - Other	-	-	-	-	1,032
Total Deferred Inflows of Resources	<u>18,628</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,257</u>
Fund Balances:					
Nonspendable	-	-	4	-	5,687
Restricted	26,755	12,705	4,783	1,244	63,467
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Total Fund Balances	<u>26,755</u>	<u>12,705</u>	<u>4,787</u>	<u>1,244</u>	<u>69,154</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 49,693</u>	<u>\$ 13,223</u>	<u>\$ 4,860</u>	<u>\$ 1,244</u>	<u>\$ 77,664</u>



**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

Page 1 of 3

	<u>TOTAL</u>	<u>AGING &amp; ADULT SERVICES</u>	<u>CHILD SUPPORT SERVICES</u>	<u>COUNTY CLERK</u>
<b>REVENUES:</b>				
Taxes	\$ 4,918	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	18,065	-	-	155
Fines, Forfeitures and Penalties	7,849	-	-	-
Revenues from Use of Money and Property	(8,877)	(9)	(49)	(23)
Aid from Other Governmental Agencies	242,172	16,161	24,606	16
Charges for Current Services	22,412	2,435	-	277
Other Revenues	14,789	250	1,422	552
Total Revenues	<u>301,328</u>	<u>18,837</u>	<u>25,979</u>	<u>977</u>
<b>EXPENDITURES:</b>				
General Government	4,730	-	-	-
Public Protection	35,439	-	24,187	437
Public Ways and Facilities	60,813	-	-	-
Health and Sanitation	10,678	-	-	-
Public Assistance	44,236	22,443	-	-
Culture and Recreation Services	1	-	-	-
Capital Outlay	17,682	4,651	11,523	-
Debt Service:				
Principal	1,884	501	1,200	-
Interest	170	42	100	-
Total Expenditures	<u>175,633</u>	<u>27,637</u>	<u>37,010</u>	<u>437</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>125,695</u>	<u>(8,800)</u>	<u>(11,031)</u>	<u>540</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	33,756	3,275	56	-
Transfers Out	(125,561)	(396)	(1,105)	(12)
Leases	17,682	4,651	11,523	-
Total Other Financing Sources (Uses)	<u>(74,123)</u>	<u>7,530</u>	<u>10,474</u>	<u>(12)</u>
Net Changes in Fund Balances	51,572	(1,270)	(557)	528
Fund Balances, July 1, 2021	<u>229,783</u>	<u>3,035</u>	<u>893</u>	<u>49</u>
Fund Balances, June 30, 2022	<u>\$ 281,355</u>	<u>\$ 1,765</u>	<u>\$ 336</u>	<u>\$ 577</u>

DETENTION AND CORRECTIONS	EDUCATION	ENVIRONMENTAL HEALTH SERVICES	FINANCE	
\$ -	\$ -	\$ -	\$ -	REVENUES:
-	-	5,017	-	Taxes
1,731	-	106	245	Licenses, Permits and Franchises
(427)	(13)	(131)	(91)	Fines, Forfeitures and Penalties
1,885	-	180	-	Revenues from Use of Money and Property
-	-	4,320	-	Aid from Other Governmental Agencies
-	104	5	-	Charges for Current Services
<u>3,189</u>	<u>91</u>	<u>9,497</u>	<u>154</u>	Other Revenues
				Total Revenues
-	-	-	-	EXPENDITURES:
1,396	-	-	-	General Government
-	-	-	-	Public Protection
-	-	-	-	Public Ways and Facilities
-	-	8,776	-	Health and Sanitation
-	-	-	-	Public Assistance
-	-	-	-	Culture and Recreation Services
-	-	-	-	Capital Outlay
-	-	-	-	Debt Service:
-	-	-	-	Principal
-	-	-	-	Interest
<u>1,396</u>	<u>-</u>	<u>8,776</u>	<u>-</u>	Total Expenditures
<u>1,793</u>	<u>91</u>	<u>721</u>	<u>154</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
8,610	-	115	-	OTHER FINANCING SOURCES (USES):
(8,015)	(139)	(312)	-	Transfers In
-	-	-	-	Transfers Out
-	-	-	-	Leases
<u>595</u>	<u>(139)</u>	<u>(197)</u>	<u>-</u>	Total Other Financing Sources (Uses)
2,388	(48)	524	154	Net Changes in Fund Balances
<u>9,999</u>	<u>434</u>	<u>4,602</u>	<u>2,032</u>	Fund Balances, July 1, 2021
<u>\$ 12,387</u>	<u>\$ 386</u>	<u>\$ 5,126</u>	<u>\$ 2,186</u>	Fund Balances, June 30, 2022

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

Page 2 of 3

	HEALTH	HOSPITAL CARE	JUDICIAL	OTHER PUBLIC PROTECTION
<b>REVENUES:</b>				
Taxes	\$ 869	\$ -	\$ -	\$ 372
Licenses, Permits and Franchises	-	-	48	9,495
Fines, Forfeitures and Penalties	251	1,828	1,276	115
Revenues from Use of Money and Property	(1,860)	(147)	(925)	(803)
Aid from Other Governmental Agencies	15,065	-	110,497	7
Charges for Current Services	206	-	1,283	2,492
Other Revenues	5,281	-	13	-
Total Revenues	<u>19,812</u>	<u>1,681</u>	<u>112,192</u>	<u>11,678</u>
<b>EXPENDITURES:</b>				
General Government	-	-	-	-
Public Protection	-	-	100	9,117
Public Ways and Facilities	-	-	-	-
Health and Sanitation	628	1,274	-	-
Public Assistance	-	-	-	-
Culture and Recreation Services	-	-	-	-
Capital Outlay	-	-	-	122
Debt Service:				
Principal	-	-	-	77
Interest	-	-	-	-
Total Expenditures	<u>628</u>	<u>1,274</u>	<u>100</u>	<u>9,316</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,184</u>	<u>407</u>	<u>112,092</u>	<u>2,362</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	-	-	1,099
Transfers Out	(1,873)	(475)	(87,905)	(3,372)
Leases	-	-	-	122
Total Other Financing Sources (Uses)	<u>(1,873)</u>	<u>(475)</u>	<u>(87,905)</u>	<u>(2,151)</u>
Net Changes in Fund Balances	17,311	(68)	24,187	211
Fund Balances, July 1, 2021	<u>34,677</u>	<u>4,823</u>	<u>18,116</u>	<u>24,255</u>
Fund Balances, June 30, 2022	<u>\$ 51,988</u>	<u>\$ 4,755</u>	<u>\$ 42,303</u>	<u>\$ 24,466</u>



	PLANT ACQUISITION	POLICE PROTECTION	PROMOTION	PROPERTY MANAGEMENT	
\$	-	\$ 34	\$ -	\$ -	REVENUES:
	-	-	-	386	Taxes
	-	2,276	-	-	Licenses, Permits and Franchises
	(207)	(326)	(7)	(128)	Fines, Forfeitures and Penalties
	-	175	-	-	Revenues from Use of Money and Property
	63	418	-	1,197	Aid from Other Governmental Agencies
	-	2,515	-	-	Charges for Current Services
	(144)	5,092	(7)	1,455	Other Revenues
					Total Revenues
	-	-	-	1,771	EXPENDITURES:
	-	202	-	-	General Government
	-	-	-	-	Public Protection
	-	-	-	-	Public Ways and Facilities
	-	-	-	-	Health and Sanitation
	-	-	-	-	Public Assistance
	-	-	-	1,306	Culture and Recreation Services
	-	-	-	-	Capital Outlay
	-	-	-	87	Debt Service:
	-	-	-	28	Principal
	-	-	-	-	Interest
	-	202	-	3,192	Total Expenditures
	(144)	4,890	(7)	(1,737)	Excess (Deficiency) of Revenues Over (Under) Expenditures
	-	-	-	1,475	OTHER FINANCING SOURCES (USES):
	-	(4,998)	(28)	(228)	Transfers In
	-	-	-	1,306	Transfers Out
	-	(4,998)	(28)	2,553	Leases
					Total Other Financing Sources (Uses)
	(144)	(108)	(35)	816	Net Changes in Fund Balances
	6,436	9,875	219	3,376	Fund Balances, July 1, 2021
\$	6,292	\$ 9,767	\$ 184	\$ 4,192	Fund Balances, June 30, 2022

**COUNTY OF KERN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

Page 3 of 3

	PUBLIC ASSISTANCE ADMINISTRATION	PUBLIC WAYS	RECORDER	RECREATION FACILITIES	ROADS
REVENUES:					
Taxes	\$ -	\$ 2,834	\$ -	\$ -	\$ 809
Licenses, Permits and Franchises	-	434	2	-	2,528
Fines, Forfeitures and Penalties	-	21	-	-	-
Revenues from Use of Money and Property	(1,161)	(464)	(152)	(50)	(1,904)
Aid from Other Governmental Agencies	20,456	10	68	127	52,919
Charges for Current Services	3,983	(20)	2,972	14	2,772
Other Revenues	4,032	-	(74)	2	687
Total Revenues	<u>27,310</u>	<u>2,815</u>	<u>2,816</u>	<u>93</u>	<u>57,811</u>
EXPENDITURES:					
General Government	-	-	2,959	-	-
Public Protection	-	-	-	-	-
Public Ways and Facilities	-	2,807	-	-	58,006
Health and Sanitation	-	-	-	-	-
Public Assistance	21,793	-	-	-	-
Culture and Recreation Services	-	-	-	1	-
Capital Outlay	-	-	-	-	80
Debt Service:					
Principal	-	-	-	-	19
Interest	-	-	-	-	-
Total Expenditures	<u>21,793</u>	<u>2,807</u>	<u>2,959</u>	<u>1</u>	<u>58,105</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,517</u>	<u>8</u>	<u>(143)</u>	<u>92</u>	<u>(294)</u>
OTHER FINANCING SOURCES (USES):					
Transfers In	11,378	-	1,280	-	6,468
Transfers Out	(15,547)	(18)	(102)	(116)	(920)
Leases	-	-	-	-	80
Total Other Financing Sources (Uses)	<u>(4,169)</u>	<u>(18)</u>	<u>1,178</u>	<u>(116)</u>	<u>5,628</u>
Net Changes in Fund Balances	1,348	(10)	1,035	(24)	5,334
Fund Balances, July 1, 2021	<u>25,407</u>	<u>12,715</u>	<u>3,752</u>	<u>1,268</u>	<u>63,820</u>
Fund Balances, June 30, 2022	<u>\$ 26,755</u>	<u>\$ 12,705</u>	<u>\$ 4,787</u>	<u>\$ 1,244</u>	<u>\$ 69,154</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	AGING AND ADULT SERVICES			CHILD SUPPORT SERVICES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
<b>REVENUES:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	-	-	-
Fines, Forfeitures and Penalties	-	-	-	-	-	-
Revenues from Use of Money and Property	78	(9)	(87)	31	(49)	(80)
Aid from Other Governmental Agencies	18,305	16,161	(2,144)	29,201	24,606	(4,595)
Charges for Current Services	2,440	2,435	(5)	-	-	-
Other Revenues	244	250	6	1,247	1,422	175
<b>Total Revenues</b>	<b>21,067</b>	<b>18,837</b>	<b>(2,230)</b>	<b>30,479</b>	<b>25,979</b>	<b>(4,500)</b>
<b>EXPENDITURES:</b>						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	29,259	24,211	5,048
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	26,517	22,443	4,074	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	543	(543)	-	1,300	(1,300)
<b>Total Expenditures</b>	<b>26,517</b>	<b>22,986</b>	<b>3,531</b>	<b>29,259</b>	<b>25,511</b>	<b>3,748</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,450)	(4,149)	1,301	1,220	468	(752)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	3,384	3,275	(109)	-	56	56
Transfers Out	-	(396)	(396)	-	(1,105)	(1,105)
<b>Total Other Financing Sources (Uses)</b>	<b>3,384</b>	<b>2,879</b>	<b>(505)</b>	<b>-</b>	<b>(1,049)</b>	<b>(1,049)</b>
Net Changes in Fund Balances	(2,066)	(1,270)	796	1,220	(581)	(1,801)
Fund Balances, July 1, 2021	3,035	3,035	-	893	893	-
Fund Balances, June 30, 2022	\$ <u>969</u>	\$ <u>1,765</u>	\$ <u>796</u>	\$ <u>2,113</u>	\$ <u>312</u>	\$ <u>(1,801)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule	\$ 22,986	\$ 25,511
Differences - Budget to GAAP		
Encumbrances for goods and/or services ordered but not received within the recognition period.	-	(24)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	4,651	11,523
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ <u>27,637</u>	\$ <u>37,010</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	\$ 2,879	\$ (1,049)
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	4,651	11,523
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ <u>7,530</u>	\$ <u>10,474</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	COUNTY CLERK			DETENTION AND CORRECTIONS		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	266	155	(111)	-	-	-
Fines, Forfeitures and Penalties	-	-	-	1,866	1,731	(135)
Revenues from Use of Money and Property	3	(23)	(26)	67	(427)	(494)
Aid from Other Governmental Agencies	-	16	16	1,914	1,885	(29)
Charges for Current Services	355	277	(78)	-	-	-
Other Revenues	-	552	552	-	-	-
Total Revenues	<u>624</u>	<u>977</u>	<u>353</u>	<u>3,847</u>	<u>3,189</u>	<u>(658)</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	627	437	190	8,335	2,264	6,071
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	<u>627</u>	<u>437</u>	<u>190</u>	<u>8,335</u>	<u>2,264</u>	<u>6,071</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3)</u>	<u>540</u>	<u>543</u>	<u>(4,488)</u>	<u>925</u>	<u>5,413</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	3	-	(3)	8,747	8,610	(137)
Transfers Out	-	(12)	(12)	(8,359)	(8,015)	344
Total Other Financing Sources (Uses)	<u>3</u>	<u>(12)</u>	<u>(15)</u>	<u>388</u>	<u>595</u>	<u>207</u>
Net Changes in Fund Balances	-	528	528	(4,100)	1,520	5,620
Fund Balances, July 1, 2021	<u>49</u>	<u>49</u>	<u>-</u>	<u>9,999</u>	<u>9,999</u>	<u>-</u>
Fund Balances, June 30, 2022	<u>\$ 49</u>	<u>\$ 577</u>	<u>\$ 528</u>	<u>\$ 5,899</u>	<u>\$ 11,519</u>	<u>\$ 5,620</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule	\$ 2,264
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period.	(868)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 1,396</u>

Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule

Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources

Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	EDUCATION			ENVIROMENTAL HEALTH SERVICES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	4,673	5,017	344
Fines, Forfeitures and Penalties	-	-	-	100	106	6
Revenues from Use of Money and Property	7	(13)	(20)	80	(131)	(211)
Aid from Other Governmental Agencies	-	-	-	35	180	145
Charges for Current Services	-	-	-	4,083	4,320	237
Other Revenues	100	104	4	5	5	-
Total Revenues	107	91	(16)	8,976	9,497	521
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	11,284	8,776	2,508
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	-	-	-	11,284	8,776	2,508
Excess (Deficiency) of Revenues Over (Under) Expenditures	107	91	(16)	(2,308)	721	3,029
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	499	115	(384)
Transfers Out	(140)	(139)	1	-	(312)	(312)
Total Other Financing Sources (Uses)	(140)	(139)	1	499	(197)	(696)
Net Changes in Fund Balances	(33)	(48)	(15)	(1,809)	524	2,333
Fund Balances, July 1, 2021	434	434	-	4,602	4,602	-
Fund Balances, June 30, 2022	\$ 401	\$ 386	\$ (15)	\$ 2,793	\$ 5,126	\$ 2,333

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule  
Differences - Budget to GAAP  
Encumbrances for goods and/or services ordered but not received within the recognition period.  
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources  
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule  
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources  
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	FINANCE			HEALTH		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	807	869	1,676
Fines, Forfeitures and Penalties	200	245	45	180	251	431
Revenues from Use of Money and Property	-	(91)	(91)	40	(1,860)	(1,820)
Aid from Other Governmental Agencies	-	-	-	734	15,065	15,799
Charges for Current Services	-	-	-	193	206	399
Other Revenues	-	-	-	100	5,281	5,381
Total Revenues	200	154	(46)	2,054	19,812	21,866
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	887	628	259
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	-	-	-	887	628	259
Excess (Deficiency) of Revenues Over (Under) Expenditures	200	154	(46)	1,167	19,184	18,017
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	54	-	(54)
Transfers Out	387	-	(387)	(2,960)	(1,873)	1,087
Total Other Financing Sources (Uses)	387	-	(387)	(2,906)	(1,873)	1,033
Net Changes in Fund Balances	587	154	(433)	(1,739)	17,311	19,050
Fund Balances, July 1, 2021	2,032	2,032	-	34,677	34,677	-
Fund Balances, June 30, 2022	\$ 2,619	\$ 2,186	\$ (433)	\$ 32,938	\$ 51,988	\$ 19,050

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule  
Differences - Budget to GAAP  
Encumbrances for goods and/or services ordered but not received within the recognition period.  
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources  
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule  
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources  
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	HOSPITAL CARE			JUDICIAL		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	80	48	(32)
Fines, Forfeitures and Penalties	1,995	1,828	(167)	1,226	1,276	50
Revenues from Use of Money and Property	50	(147)	(197)	12	(925)	(937)
Aid from Other Governmental Agencies	-	-	-	85,351	110,498	25,147
Charges for Current Services	-	-	-	1,200	1,283	83
Other Revenues	-	-	-	-	13	13
Total Revenues	<u>2,045</u>	<u>1,681</u>	<u>(364)</u>	<u>87,869</u>	<u>112,193</u>	<u>24,324</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	200	100	100
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	1,740	1,274	466	-	-	-
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	<u>1,740</u>	<u>1,274</u>	<u>466</u>	<u>200</u>	<u>100</u>	<u>100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>305</u>	<u>407</u>	<u>102</u>	<u>87,669</u>	<u>112,093</u>	<u>24,424</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	-	-	-
Transfers Out	(639)	(475)	164	(88,059)	(87,905)	154
Total Other Financing Sources (Uses)	<u>(639)</u>	<u>(475)</u>	<u>164</u>	<u>(88,059)</u>	<u>(87,905)</u>	<u>154</u>
Net Changes in Fund Balances	(334)	(68)	266	(390)	24,187	24,578
Fund Balances, July 1, 2021	<u>4,823</u>	<u>4,823</u>	<u>-</u>	<u>18,116</u>	<u>18,116</u>	<u>-</u>
Fund Balances, June 30, 2022	<u>\$ 4,489</u>	<u>\$ 4,755</u>	<u>\$ 266</u>	<u>\$ 17,726</u>	<u>\$ 42,303</u>	<u>\$ 24,578</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule  
Differences - Budget to GAAP  
Encumbrances for goods and/or services ordered but not received within the recognition period.  
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources  
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule  
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources  
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	OTHER PUBLIC PROTECTION			PLANT ACQUISITION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ 372	\$ 372	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	9,400	9,495	95	8	-	(8)
Fines, Forfeitures and Penalties	43	115	72	-	-	-
Revenues from Use of Money and Property	113	(803)	(916)	31	(207)	(238)
Aid from Other Governmental Agencies	9	7	(2)	-	-	-
Charges for Current Services	1,457	2,492	1,035	5	63	58
Other Revenues	1	-	(1)	-	-	-
Total Revenues	<u>11,023</u>	<u>11,678</u>	<u>655</u>	<u>44</u>	<u>(144)</u>	<u>(188)</u>
EXPENDITURES:						
General Government	-	-	-	22	-	22
Public Protection	12,487	9,827	2,660	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	77	(77)	-	-	-
Total Expenditures	<u>12,487</u>	<u>9,904</u>	<u>2,583</u>	<u>22</u>	<u>-</u>	<u>22</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,464)</u>	<u>1,774</u>	<u>3,238</u>	<u>22</u>	<u>(144)</u>	<u>(166)</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	1,785	1,099	(686)	-	-	-
Transfers Out	(2,912)	(3,372)	(460)	-	-	-
Total Other Financing Sources (Uses)	<u>(1,127)</u>	<u>(2,273)</u>	<u>(1,146)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	(2,591)	(499)	2,092	22	(144)	(166)
Fund Balances, July 1, 2021	<u>24,255</u>	<u>24,255</u>	<u>-</u>	<u>6,436</u>	<u>6,436</u>	<u>-</u>
Fund Balances, June 30, 2022	<u>\$ 21,664</u>	<u>\$ 23,756</u>	<u>\$ 2,092</u>	<u>\$ 6,458</u>	<u>\$ 6,292</u>	<u>\$ (166)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule	\$ 9,904
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period.	(710)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	122
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 9,316</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	\$ (2,273)
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	122
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ (2,151)</u>



**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<b>POLICE PROTECTION</b>			<b>PROMOTION</b>		
	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
<b>REVENUES:</b>						
Taxes	\$ 30	\$ 34	\$ 4	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	-	-	-
Fines, Forfeitures and Penalties	1,721	2,276	555	-	-	-
Revenues from Use of Money and Property	145	(326)	(471)	4	(7)	(11)
Aid from Other Governmental Agencies	-	175	175	-	-	-
Charges for Current Services	528	418	(110)	-	-	-
Other Revenues	2,119	2,515	396	-	-	-
<b>Total Revenues</b>	<b>4,543</b>	<b>5,092</b>	<b>549</b>	<b>4</b>	<b>(7)</b>	<b>(11)</b>
<b>EXPENDITURES:</b>						
General Government	-	-	-	-	-	-
Public Protection	177	202	(25)	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>177</b>	<b>202</b>	<b>(25)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,366	4,890	524	4	(7)	(11)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	1	-	(1)	-	-	-
Transfers Out	(8,756)	(4,998)	3,758	50	(28)	(78)
<b>Total Other Financing Sources (Uses)</b>	<b>(8,755)</b>	<b>(4,998)</b>	<b>3,757</b>	<b>50</b>	<b>(28)</b>	<b>(78)</b>
<b>Net Changes in Fund Balances</b>	<b>(4,389)</b>	<b>(108)</b>	<b>4,281</b>	<b>54</b>	<b>(35)</b>	<b>(89)</b>
Fund Balances, July 1, 2021	9,875	9,875	-	219	219	-
Fund Balances, June 30, 2022	\$ 5,486	\$ 9,767	\$ 4,281	\$ 273	\$ 184	\$ (89)

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule  
Differences - Budget to GAAP  
Encumbrances for goods and/or services ordered but not received within the recognition period.  
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources  
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule  
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources  
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	PROPERTY MANAGEMENT			PUBLIC ASSISTANCE ADMINISTRATION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
<b>REVENUES:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	300	386	86	-	-	-
Fines, Forfeitures and Penalties	-	-	-	-	-	-
Revenues from Use of Money and Property	23	(128)	(151)	72	(1,161)	(1,233)
Aid from Other Governmental Agencies	-	-	-	28,149	20,456	(7,693)
Charges for Current Services	3,867	1,197	(2,670)	7,216	3,983	(3,233)
Other Revenues	-	-	-	7,105	4,032	(3,073)
<b>Total Revenues</b>	<b>4,190</b>	<b>1,455</b>	<b>(2,735)</b>	<b>42,542</b>	<b>27,310</b>	<b>(15,232)</b>
<b>EXPENDITURES:</b>						
General Government	2,509	1,771	738	-	-	-
Public Protection	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	32,485	22,865	9,620
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	115	(115)	-	-	-
<b>Total Expenditures</b>	<b>2,509</b>	<b>1,886</b>	<b>623</b>	<b>32,485</b>	<b>22,865</b>	<b>9,620</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,681	(431)	(2,112)	10,057	4,445	5,612
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	1,475	1,475	-	12,530	11,378	(1,152)
Transfers Out	(452)	(228)	224	(21,898)	(15,547)	6,351
<b>Total Other Financing Sources (Uses)</b>	<b>1,023</b>	<b>1,247</b>	<b>224</b>	<b>(9,368)</b>	<b>(4,169)</b>	<b>5,199</b>
Net Changes in Fund Balances	2,704	816	(1,888)	689	276	(413)
Fund Balances, July 1, 2021	3,376	3,376	-	25,225	25,407	182
Fund Balances, June 30, 2022	\$ 6,080	\$ 4,192	\$ (1,888)	\$ 25,914	\$ 25,683	\$ (231)

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule	\$ 1,886	\$ 22,865
Differences - Budget to GAAP		
Encumbrances for goods and/or services ordered but not received within the recognition period.	-	(1,072)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	1,306	-
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 3,192	\$ 21,793
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	\$ 1,247	
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	\$ 1,306	
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 2,553	

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	PUBLIC WAYS			RECORDER		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ 2,613	\$ 2,834	\$ 221	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	434	434	3	2	(1)
Fines, Forfeitures and Penalties	-	21	21	-	-	-
Revenues from Use of Money and Property	60	(464)	(524)	20	(152)	(172)
Aid from Other Governmental Agencies	-	10	10	-	68	68
Charges for Current Services	3,310	(20)	(3,330)	2,410	2,972	562
Other Revenues	-	-	-	1	(74)	(75)
Total Revenues	<u>5,983</u>	<u>2,815</u>	<u>(3,168)</u>	<u>2,434</u>	<u>2,816</u>	<u>382</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	5,614	2,959	2,655
Public Ways and Facilities	3,632	2,807	825	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	<u>3,632</u>	<u>2,807</u>	<u>825</u>	<u>5,614</u>	<u>2,959</u>	<u>2,655</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,351</u>	<u>8</u>	<u>(2,343)</u>	<u>(3,180)</u>	<u>(143)</u>	<u>3,037</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	23	-	(23)	2,033	1,280	(753)
Transfers Out	-	(18)	(18)	-	(102)	(102)
Total Other Financing Sources (Uses)	<u>23</u>	<u>(18)</u>	<u>(41)</u>	<u>2,033</u>	<u>1,178</u>	<u>(855)</u>
Net Changes in Fund Balances	2,374	(10)	(2,384)	(1,147)	1,035	2,182
Fund Balances, July 1, 2021	<u>12,715</u>	<u>12,715</u>	<u>-</u>	<u>3,752</u>	<u>3,752</u>	<u>-</u>
Fund Balances, June 30, 2022	<u>\$ 15,089</u>	<u>\$ 12,705</u>	<u>\$ (2,384)</u>	<u>\$ 2,605</u>	<u>\$ 4,787</u>	<u>\$ 2,182</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule  
Differences - Budget to GAAP  
Encumbrances for goods and/or services ordered but not received within the recognition period.  
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources  
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule  
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources  
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	RECREATION FACILITIES			ROADS		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ 2,464	\$ 809	\$ (1,655)
Licenses, Permits and Franchises	-	-	-	-	2,528	2,528
Fines, Forfeitures and Penalties	-	-	-	210	-	(210)
Revenues from Use of Money and Property	3	(50)	(53)	-	(1,904)	(1,904)
Aid from Other Governmental Agencies	126	127	1	73,275	52,919	(20,356)
Charges for Current Services	2	14	12	1,875	2,772	897
Other Revenues	2	2	-	3,026	687	(2,339)
Total Revenues	133	93	(40)	80,850	57,811	(23,039)
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	106,217	69,731	36,486
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Education	-	-	-	-	-	-
Culture and Recreation Services	41	1	40	-	-	-
Debt Service	-	-	-	-	19	(19)
Total Expenditures	41	1	40	106,217	69,750	36,467
Excess (Deficiency) of Revenues Over (Under) Expenditures	92	92	-	(25,367)	(11,939)	13,428
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	9,721	6,468	(3,253)
Transfers Out	(377)	(116)	261	(3,300)	(920)	2,380
Total Other Financing Sources (Uses)	(377)	(116)	261	6,421	5,548	(873)
Net Changes in Fund Balances	(285)	(24)	261	(18,946)	(6,391)	12,555
Fund Balances, July 1, 2021	1,268	1,268	-	63,820	63,820	-
Fund Balances, June 30, 2022	\$ 983	\$ 1,244	\$ 261	\$ 44,874	\$ 57,429	\$ 12,555

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount on budgetary basis from the budgetary comparison schedule	\$ 69,750
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period.	(11,725)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	80
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 58,105
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	\$ 5,548
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 80
	5,628

## **NON-MAJOR GOVERNMENTAL FUNDS**

### **CAPITAL PROJECTS FUNDS DESCRIPTIONS**

The capital projects funds serve as depositories for revenues received from the sale of real property and such other revenue as designated by the Board of Supervisors. The Board of Supervisors generally appropriates these funds for capital outlay.

**Accumulated Capital Outlay – General and Accumulated Capital Outlay – Fire** – These funds provide the funding of lease payments, consisting of both interest and principal, on the Certificates of Participation issued by the County to finance the construction of various County facilities. These funds have been re-classified as Capital Projects funds as they are no longer making debt service payments.

**ARPA Projects** – This fund accounts for various infrastructure construction projects funded by the American Rescue Plan Act (ARPA).

**Psychiatric Health Facilities** – This fund accounts for the construction of two Psychiatric Health Facilities managed by the Behavioral Health and Recovery Services Department. The construction is funded by the issuance of the 2021 private placement loan.

**Tobacco Securitization Proceeds** – This fund accounts for the sale of rights to future tobacco settlement payments. The proceeds from the sale have been used to finance certain capital projects and to set up an endowment fund.

**COUNTY OF KERN  
 COMBINING BALANCE SHEET  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>ACCUMULATED CAPITAL OUTLAY FIRE</u>	<u>ACCUMULATED CAPITAL OUTLAY GENERAL</u>	<u>ARPA PROJECTS</u>	<u>PSYCHIATRIC HEALTH FACILITY CONSTRUCTION</u>	<u>TOBACCO SECURITIZATION PROCEEDS</u>
<b>ASSETS</b>						
Assets:						
Pooled Cash and Investments	\$ 35,152	\$ 291	\$ 9,154	\$ -	\$ 25,678	\$ 29
Cash and Investments Deposited with Trustee	32,807	-	-	-	-	32,807
Interest Receivable	104	-	37	-	67	-
Total Assets	<u>68,063</u>	<u>291</u>	<u>9,191</u>	<u>-</u>	<u>25,745</u>	<u>32,836</u>
Total Assets	\$ <u>68,063</u>	\$ <u>291</u>	\$ <u>9,191</u>	\$ <u>-</u>	\$ <u>25,745</u>	\$ <u>32,836</u>
<b>FUND BALANCES</b>						
Fund Balances:						
Restricted	56,394	-	-	-	23,558	32,836
Assigned	11,669	291	9,191	-	2,187	-
Total Fund Balances	<u>68,063</u>	<u>291</u>	<u>9,191</u>	<u>-</u>	<u>25,745</u>	<u>32,836</u>
Total Fund Balances	\$ <u>68,063</u>	\$ <u>291</u>	\$ <u>9,191</u>	\$ <u>-</u>	\$ <u>25,745</u>	\$ <u>32,836</u>

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>ACCUMULATED CAPITAL OUTLAY FIRE</u>	<u>ACCUMULATED CAPITAL OUTLAY GENERAL</u>	<u>ARPA PROJECTS</u>	<u>PSYCHIATRIC HEALTH FACILITY CONSTRUCTION</u>	<u>TOBACCO SECURITIZATION PROCEEDS</u>
<b>REVENUES:</b>						
Revenues From Use of Money and Property	\$ (2,457)	\$ (10)	\$ (225)	\$ -	\$ (778)	\$ (1,444)
Aid From Other Governmental Agencies	12,537	-	12,429	108	-	-
Total Revenues	<u>10,080</u>	<u>(10)</u>	<u>12,204</u>	<u>108</u>	<u>(778)</u>	<u>(1,444)</u>
<b>EXPENDITURES:</b>						
Capital Outlay	<u>1,510</u>	<u>-</u>	<u>-</u>	<u>141</u>	<u>1,089</u>	<u>280</u>
Total Expenditures	<u>1,510</u>	<u>-</u>	<u>-</u>	<u>141</u>	<u>1,089</u>	<u>280</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,570</u>	<u>(10)</u>	<u>12,204</u>	<u>(33)</u>	<u>(1,867)</u>	<u>(1,724)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers In	33	-	-	33	-	-
Transfers Out	(5,510)	-	(5,510)	-	-	-
Proceeds of Long Term Debt	27,612	-	-	-	27,612	-
Total Other Financing Sources (Uses)	<u>22,135</u>	<u>-</u>	<u>(5,510)</u>	<u>33</u>	<u>27,612</u>	<u>-</u>
Net Changes in Fund Balances	30,705	(10)	6,694	-	25,745	(1,724)
Fund Balances, July 1, 2021	<u>37,358</u>	<u>301</u>	<u>2,497</u>	<u>-</u>	<u>-</u>	<u>34,560</u>
Fund Balances, June 30, 2022	<u>\$ 68,063</u>	<u>\$ 291</u>	<u>\$ 9,191</u>	<u>\$ -</u>	<u>\$ 25,745</u>	<u>\$ 32,836</u>

**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

**ACCUMULATED CAPITAL OUTLAY FIRE**

	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Taxes			
Aid from other Governmental Agencies			
Revenues From Use of Money and Property	\$ 4	\$ (10)	\$ (14)
Total Revenues	4	(10)	(14)
Excess of Revenues Over Expenditures	4	(10)	(14)
Net Change in Fund Balance	4	(10)	(14)
Fund Balance, July 1, 2021	301	301	-
Fund Balance (Deficit), June 30, 2022	\$ 305	\$ 291	\$ (14)

**ACCUMULATED CAPITAL OUTLAY GENERAL**

	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Aid from other Governmental Agencies	\$ 5,510	\$ 12,429	\$ 6,919
Revenues From Use of Money and Property	25	(225)	(250)
Total Revenues	5,535	12,204	6,669
EXPENDITURES:			
General Government	-	-	-
Total Expenditures	-	-	-
Excess of Revenues Over Expenditures	5,535	12,204	6,669
OTHER FINANCING SOURCES (USES)			
Transfers In			
Transfers Out	-	(5,510)	(5,510)
Total Other Financing Sources (Uses)	-	(5,510)	(5,510)
Net Change in Fund Balance	5,535	6,694	1,159
Fund Balance, July 1, 2021	2,497	2,497	-
Fund Balance (Deficit), June 30, 2022	\$ 8,032	\$ 9,191	\$ 1,159

**TOBACCO SECURITIZATION PROCEEDS**

	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
REVENUES:			
Revenues From Use of Money and Property	\$ 400	\$ (1,444)	\$ (1,844)
Total Revenues	400	(1,444)	(1,844)
EXPENDITURES:			
Capital Outlay	-	280	(280)
Total Expenditures	-	280	(280)
Excess (Deficiency) of Revenues Over (Under) Expenditures	400	(1,724)	(2,124)
OTHER FINANCING SOURCES			
Transfers Out	-	-	-
Total Other Financing Sources	-	-	-
Net Change in Fund Balance	400	(1,724)	(2,124)
Fund Balance, July 1, 2021	34,560	34,560	-
Fund Balance (Deficit), June 30, 2022	\$ 34,960	\$ 32,836	\$ (2,124)



**COUNTY OF KERN  
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)  
CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

**PSYCHIATRIC HEALTH FACILITY CONSTRUCTION**

	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
<b>REVENUES:</b>			
Revenues From Use of Money and Property	\$ 76	\$ (778)	\$ (854)
Aid From Other Governmental Agencies	27,612	-	(27,612)
Other Revenues	-	-	-
Total Revenues	<u>27,688</u>	<u>(778)</u>	<u>(28,466)</u>
<b>EXPENDITURES:</b>			
Capital Outlay	27,611	1,089	26,522
Total Expenditures	<u>27,611</u>	<u>1,089</u>	<u>26,522</u>
Deficiency of Revenues Under Expenditures	77	(1,867)	(1,944)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers Out	-	-	-
Proceeds of Long Term Debt	-	27,612	27,612
Total Other Financing Sources (Uses)	<u>-</u>	<u>27,612</u>	<u>27,612</u>
Net Change in Fund Balance	77	25,745	(1,944)
Fund Balance, July 1, 2021	-	-	-
Fund Balance (Deficit), June 30, 2022	<u>\$ 77</u>	<u>\$ 25,745</u>	<u>\$ (1,944)</u>

**ARPA PROJECTS**

	<b>Final Budget</b>	<b>Actual on Budgetary Basis</b>	<b>Variance with Final Budget</b>
<b>REVENUES:</b>			
Aid from other Governmental Agencies	\$ -	\$ 108	\$ 108
Total Revenues	<u>-</u>	<u>108</u>	<u>108</u>
<b>EXPENDITURES:</b>			
Capital Outlay	34,987	141	(34,846)
Total Expenditures	<u>34,987</u>	<u>141</u>	<u>(34,846)</u>
Excess of Revenues Over Expenditures	(34,987)	(33)	34,954
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	34,987	33	(34,954)
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>34,987</u>	<u>33</u>	<u>(34,954)</u>
Net Change in Fund Balance	-	-	-
Fund Balance, July 1, 2021	-	-	-
Fund Balance (Deficit), June 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## **NON-MAJOR GOVERNMENTAL FUNDS**

### **DEBT SERVICE FUNDS DESCRIPTIONS**

Debt service funds account for the accumulation of resources for the payment of general long-term debt principal, interest and related costs.

**Kern Asset Leasing Corporation** – This is a nonprofit entity that holds the capital assets constructed through the Certificates of Participation Program. Equipment and construction costs related to proprietary funds are recorded within each appropriate enterprise fund, and any cash related to the Certificates of Participation is designated as deposits with trustee.

**Pension Obligation Bond Trustee** – This fund administers the debt service payments related to the County's Pension Obligation Bonds.

**Public Services Financing Authority** – This fund administers the debt service payments related to the Lease Revenue Refunding Bonds.

**COUNTY OF KERN  
COMBINING BALANCE SHEET  
NON-MAJOR DEBT SERVICE FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Pooled Cash and Investments	\$ 2,670	\$ -	\$ -	\$ 2,670
Cash and Investments Deposited with Trustee	221	-	221	-
Interest Receivable	6	-	-	6
Accrued Revenue	9	-	-	9
Total Assets	<u>2,906</u>	<u>-</u>	<u>221</u>	<u>2,685</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,906</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ 2,685</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 17	\$ -	\$ -	\$ 17
Total Liabilities	<u>17</u>	<u>-</u>	<u>-</u>	<u>17</u>
Fund Balances:				
Restricted	<u>2,889</u>	<u>-</u>	<u>221</u>	<u>2,668</u>
Total Fund Balances	<u>2,889</u>	<u>-</u>	<u>221</u>	<u>2,668</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,906</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ 2,685</u>

**COUNTY OF KERN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
REVENUES:				
Revenues from Use of Money and Property	422	-	-	422
Other Revenues	\$ 2,569	\$ -	\$ 1,953	\$ 616
Total Revenues	<u>2,991</u>	<u>-</u>	<u>1,953</u>	<u>1,038</u>
EXPENDITURES:				
General Government	651	-	-	651
Debt Service:				
Principal	29,083	3,580	24,973	530
Interest	27,314	2,672	24,514	128
Total Expenditures	<u>57,048</u>	<u>6,252</u>	<u>49,487</u>	<u>1,309</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(54,057)</u>	<u>(6,252)</u>	<u>(47,534)</u>	<u>(271)</u>
OTHER FINANCING SOURCES:				
Transfers In	54,104	6,252	47,534	318
Total Other Financing Sources	<u>54,104</u>	<u>6,252</u>	<u>47,534</u>	<u>318</u>
Net Changes in Fund Balances	47	-	-	47
Fund Balances, July 1, 2021	2,842	-	221	2,621
Fund Balances, June 30, 2022	<u>\$ 2,889</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ 2,668</u>





**NON-MAJOR  
ENTERPRISE FUNDS**





## **NON-MAJOR ENTERPRISE FUNDS**

### **FUNDS DESCRIPTIONS**

Enterprise funds are used to account for operations: (a) that are financed and operated in a similar manner to a private business (where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges) or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**County Sanitation Districts** - These funds consist of two sanitation districts, Kern Sanitation Authority and Ford City-Taft Heights Sanitation District. These funds are administered by the Public Works Department, which is responsible for the planning, design, construction, operations, and maintenance of the County's sanitation districts.

**Golf Courses** - This fund is used to finance new capital improvements and replace existing capital improvements as necessary. Revenues are generated primarily from a percentage of user fees collected by the lessee.

**Public Transportation** - This fund is administered by the Public Works Department and provides for the planning, development and management of public transportation for intercity routes and unincorporated areas of Kern County.

**Universal Collection** - This fund is administered by the Public Works Department and segregates the revenues and expenses related to hauling of residential waste from the universal collection area that encompasses the more densely populated unincorporated areas of metropolitan Bakersfield, South Taft, Lost Hills, Rosamond and South Shafter.

**COUNTY OF KERN  
COMBINING STATEMENT OF NET POSITION  
NON-MAJOR ENTERPRISE FUNDS  
JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SANITATION DISTRICTS</u>	<u>GOLF COURSES</u>	<u>PUBLIC TRANSPORTATION</u>	<u>UNIVERSAL COLLECTION</u>
<b>ASSETS</b>					
Current Assets:					
Pooled Cash and Investments	\$ 35,549	\$ 23,353	\$ 924	\$ 9,265	\$ 2,007
Revolving Fund Cash	-	-	-	-	-
Interest Receivable	82	50	-	22	10
Accounts Receivable - Net	169	136	-	33	-
Accrued Revenue	26	-	-	26	-
Lease Receivable	18	18	-	-	-
Due from Other Funds	15	4	-	11	-
Total Current Assets	<u>35,859</u>	<u>23,561</u>	<u>924</u>	<u>9,357</u>	<u>2,017</u>
Non-Current Assets:					
Taxes Receivable	1,988	709	-	-	1,279
Investment in Joint Venture	2,870	2,870	-	-	-
Capital Assets:					
Non-Depreciable:					
Land	855	603	65	187	-
Construction in Progress	1,957	1,364	-	593	-
Depreciable:					
Structures and Improvements	17,968	9,162	6,483	2,323	-
Equipment	18,842	1,972	-	16,870	-
Intangible Assets	284	36	-	248	-
Infrastructure	23,787	23,787	-	-	-
Accumulated Depreciation and Amortization	<u>(32,241)</u>	<u>(15,908)</u>	<u>(4,112)</u>	<u>(12,221)</u>	<u>-</u>
Total Non-Current Assets	<u>36,310</u>	<u>24,595</u>	<u>2,436</u>	<u>8,000</u>	<u>1,279</u>
Total Assets	<u>72,169</u>	<u>48,156</u>	<u>3,360</u>	<u>17,357</u>	<u>3,296</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred OPEB	205	110	-	95	-
Deferred Pensions	<u>1,438</u>	<u>793</u>	<u>-</u>	<u>645</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>1,643</u>	<u>903</u>	<u>-</u>	<u>740</u>	<u>-</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	2,400	1,687	-	713	-
Due to Other Funds	22	22	-	-	-
Current Portion of Long-Term Debt	58	45	-	13	-
Interest Payable - Current	1	1	-	-	-
Current Portion of Compensated Absences	421	226	-	195	-
Advances from Grantors and Third Parties	<u>1,895</u>	<u>159</u>	<u>-</u>	<u>1,736</u>	<u>-</u>
Total Current Liabilities	<u>4,797</u>	<u>2,140</u>	<u>-</u>	<u>2,657</u>	<u>-</u>
Non-Current Liabilities:					
Compensated Absences Payable	148	79	-	69	-
Long-Term Debt - Pension Obligation Bonds	203	156	-	47	-
Long-Term - Interest Payable	124	95	-	29	-
Net OPEB Liability	266	143	-	123	-
Net Pension Liability	<u>4,765</u>	<u>2,965</u>	<u>-</u>	<u>1,800</u>	<u>-</u>
Total Non-Current Liabilities	<u>5,506</u>	<u>3,438</u>	<u>-</u>	<u>2,068</u>	<u>-</u>
Total Liabilities	<u>10,303</u>	<u>5,578</u>	<u>-</u>	<u>4,725</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred OPEB	119	64	-	55	-
Deferred Pensions	1,384	861	-	523	-
Deferred Lease Revenue	<u>18</u>	<u>18</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>1,521</u>	<u>943</u>	<u>-</u>	<u>578</u>	<u>-</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	31,454	21,018	2,436	8,000	-
Restricted	2,870	2,870	-	-	-
Unrestricted	<u>27,664</u>	<u>18,650</u>	<u>924</u>	<u>4,794</u>	<u>3,296</u>
Total Net Position	<u>\$ 61,988</u>	<u>\$ 42,538</u>	<u>\$ 3,360</u>	<u>\$ 12,794</u>	<u>\$ 3,296</u>

**COUNTY OF KERN**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SANITATION DISTRICTS</u>	<u>GOLF COURSES</u>	<u>PUBLIC TRANSPORTATION</u>	<u>UNIVERSAL COLLECTION</u>
<b>OPERATING REVENUES:</b>					
Charges for Current Services	\$ 27,359	\$ 7,387	\$ 348	\$ 610	\$ 19,014
Revenues from Use of Property	214	151	-	56	7
Other Operating Revenues	114	-	-	114	-
<b>Total Operating Revenues</b>	<b>27,687</b>	<b>7,538</b>	<b>348</b>	<b>780</b>	<b>19,021</b>
<b>OPERATING EXPENSES:</b>					
Salaries and Employee Benefits	-	-	-	-	-
Services and Supplies	33,759	5,267	398	8,996	19,098
Other Charges	86	22	26	24	14
Depreciation and Amortization	2,170	520	148	1,502	-
<b>Total Operating Expenses</b>	<b>36,015</b>	<b>5,809</b>	<b>572</b>	<b>10,522</b>	<b>19,112</b>
<b>Operating Income (Loss)</b>	<b>(8,328)</b>	<b>1,729</b>	<b>(224)</b>	<b>(9,742)</b>	<b>(91)</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>					
Taxes and Assessments	9,575	-	-	9,575	-
Fines, Forfeitures, and Penalties	367	118	-	-	249
Licenses, Permits and Franchises	3	3	-	-	-
Interest on Bank Deposits and Investments	(1,147)	(747)	(31)	(292)	(77)
Aid from Other Governmental Agencies	1,280	95	-	1,185	-
Interest Expense	(20)	(15)	-	(5)	-
<b>Total Non-Operating Revenues, Net</b>	<b>10,058</b>	<b>(546)</b>	<b>(31)</b>	<b>10,463</b>	<b>172</b>
<b>Income (Loss) before Contributions</b>	<b>1,730</b>	<b>1,183</b>	<b>(255)</b>	<b>721</b>	<b>81</b>
Capital Contributions	7,033	7,033	-	-	-
Operating Transfers In	19	19	-	-	-
<b>Changes in Net Position</b>	<b>8,782</b>	<b>8,235</b>	<b>(255)</b>	<b>721</b>	<b>81</b>
<b>Net Position, July 1, 2021</b>	<b>53,206</b>	<b>34,303</b>	<b>3,615</b>	<b>12,073</b>	<b>3,215</b>
<b>Net Position, June 30, 2022</b>	<b>\$ 61,988</b>	<b>\$ 42,538</b>	<b>\$ 3,360</b>	<b>\$ 12,794</b>	<b>\$ 3,296</b>

**COUNTY OF KERN  
COMBINING STATEMENT OF CASH FLOWS  
NON-MAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>COUNTY SANITATION DISTRICTS</u>	<u>GOLF COURSES</u>	<u>PUBLIC TRANSPORTATION</u>	<u>UNIVERSAL COLLECTION</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash Received for Current Services	\$ 28,147	\$ 7,414	\$ 348	\$ 1,347	\$ 19,038
Cash Received for Use of Property	214	151	-	56	7
Cash Paid for Services and Supplies	(35,297)	(4,496)	(398)	(9,845)	(20,558)
Cash Paid for Other Charges	(87)	(22)	(26)	(24)	(15)
Net Cash Provided (Used) by Operating Activities	<u>(7,023)</u>	<u>3,047</u>	<u>(76)</u>	<u>(8,466)</u>	<u>(1,528)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
Cash Received from Taxes and Special Assessments	9,577	2	-	9,575	-
Aid from Other Governmental Agencies	1,299	114	-	1,185	-
Fines, Forfeitures, and Penalties	367	118	-	-	249
Principal Paid on Pension Obligation Bonds	(61)	(47)	-	(14)	-
Interest Paid on Pension Obligation Bonds	(64)	(49)	-	(15)	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>11,118</u>	<u>138</u>	<u>-</u>	<u>10,731</u>	<u>249</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Acquisition or Construction of Capital Assets	(1,720)	(1,410)	-	(310)	-
Net Cash Used by Capital and Related Financing Activities	<u>(1,720)</u>	<u>(1,410)</u>	<u>-</u>	<u>(310)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest on Bank Deposits and Investments	(1,230)	(825)	(28)	(296)	(81)
Net Cash Provided (Used) by Investing Activities	<u>(1,230)</u>	<u>(825)</u>	<u>(28)</u>	<u>(296)</u>	<u>(81)</u>
Net Increase (Decrease) in Cash and Investments	1,145	950	(104)	1,659	(1,360)
Cash and Investments, July 1, 2021	34,404	22,403	1,028	7,606	3,367
Cash and Investments, June 30, 2022	<u>\$ 35,549</u>	<u>\$ 23,353</u>	<u>\$ 924</u>	<u>\$ 9,265</u>	<u>\$ 2,007</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ (8,328)	\$ 1,729	\$ (224)	\$ (9,742)	\$ (91)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	2,170	520	148	1,502	-
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:					
(Increase) Decrease in Accounts Receivable	(27)	6	-	(33)	-
Increase (Decrease) in Accounts Payable	(465)	1,133	-	(136)	(1,462)
(Increase) Decrease in Accrued Revenue	299	-	-	299	-
(Increase) Decrease in Due from Other Funds	51	37	-	14	-
(Increase) Decrease in Deferred Outflows of Resources	57	109	-	(52)	-
(Increase) Decrease in Special Assessment Receivable	19	(6)	-	-	25
Increase (Decrease) in Due to Other Funds	(13)	8	-	(21)	-
Increase (Decrease) in Deferred Inflows of Resources	943	602	-	341	-
Increase (Decrease) in Compensated Absences Payable	180	63	-	117	-
Increase (Decrease) in Advances from Grantors and Third Parties	458	-	-	458	-
Increase (Decrease) in Net OPEB Liability	204	105	-	99	-
Increase (Decrease) in Net Pension Liability	(2,571)	(1,259)	-	(1,312)	-
Total Adjustments	<u>1,305</u>	<u>1,318</u>	<u>148</u>	<u>1,276</u>	<u>(1,437)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (7,023)</u>	<u>\$ 3,047</u>	<u>\$ (76)</u>	<u>\$ (8,466)</u>	<u>\$ (1,528)</u>



**INTERNAL SERVICE FUNDS**



## INTERNAL SERVICE FUNDS DESCRIPTIONS

Internal service funds account for services furnished to other County departments and are financed primarily by charges for such services. Because the internal service funds are separated from the regular County operations, they are free to employ commercial accounting techniques and are often used in situations where a more accurate determination of costs is desired.

**General Liability** - This fund provides for the funding, administration, and operation of a self-insured system to meet the County's legal liability for damages to persons and/or property arising out of the County's general and automotive activities.

**General Services - Garage** - This fund provides funding for the purchase and maintenance service for vehicles assigned operationally to County departments, excluding those departments that maintain and operate their own vehicle fleets (Parks, Fire, Roads, Airports, and Sheriffs Lerdo Facility).

**Group Health** - This fund provides for the funding, administration, and operation of the County employees' health and dental insurance plans. This fund is administered by the County Administrative Office and is financed through charges to the operating departments and special districts enrolled in the program.

**Public Works** – This fund provides for the administrative activities for the Roads, Public Transit, Waste Management, Engineering, Surveying and Permit Services, Code Compliance, and Building Inspection budget units.

**Retiree Group Health** - This fund provides for the County's contributions to the Retired Employees Health Insurance and the Retiree Premium Support Program.

**Unemployment Compensation** - This fund provides for the funding, administration, and operation of the Unemployment Compensation Program to meet the County's obligation of providing unemployment benefits to former employees eligible under State law.

**Workers' Compensation** - This fund provides for the funding, administration, and operation of the self-insured system to meet the County's statutory obligation to compensate its employees for work related injuries and illnesses.

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

	<b>TOTAL</b>	<b>GENERAL LIABILITY</b>	<b>GENERAL SERVICES- GARAGE</b>	<b>GROUP HEALTH</b>
<b>ASSETS</b>				
Current Assets:				
Pooled Cash and Investments	\$ 136,289	\$ 19,239	\$ 8,008	\$ 83,815
Interest Receivable	350	53	21	213
Accounts Receivable	2	-	-	-
Accrued Revenue	752	-	-	-
Due from Other Funds	431	-	-	-
Inventory- Materials and Supplies	540	-	71	-
Total Current Assets	<u>138,364</u>	<u>19,292</u>	<u>8,100</u>	<u>84,028</u>
Non-Current Assets:				
Deposits with Others	1,904	-	-	1,519
Equipment	7,890	-	7,253	-
Intangible Assets	1,807	-	37	1,752
Accumulated Depreciation and Amortization	<u>(5,539)</u>	<u>-</u>	<u>(4,595)</u>	<u>(759)</u>
Total Non-Current Assets	<u>6,062</u>	<u>-</u>	<u>2,695</u>	<u>2,512</u>
Total Assets	<u>144,426</u>	<u>19,292</u>	<u>10,795</u>	<u>86,540</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred OPEB	104	-	104	-
Deferred Pensions	195	-	195	-
Total Deferred Outflows of Resources	<u>299</u>	<u>-</u>	<u>299</u>	<u>-</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	451	-	5	64
Salaries and Employee Benefits Payable	1,771	-	20	-
Due to Other Funds	11	-	-	-
Due to Other Agencies	332	-	-	332
Current Portion of Long-Term Debt	20	-	20	-
Current Portion of Compensated Absences	22	-	22	-
Current Portion of Liability for Self-Insurance	<u>30,393</u>	<u>210</u>	<u>-</u>	<u>13,670</u>
Total Current Liabilities	<u>33,000</u>	<u>210</u>	<u>67</u>	<u>14,066</u>
Non-Current Liabilities				
Compensated Absences Payable	35	-	35	-
Long-Term Liability for Self-Insurance	85,805	37,094	-	-
Long-Term Debt - Pension Obligation Bonds	71	-	71	-
Long-Term - Interest Payable	43	-	43	-
Net OPEB Liability	135	-	135	-
Net Pension Liability	<u>1,004</u>	<u>-</u>	<u>1,004</u>	<u>-</u>
Total Non-Current Liabilities	<u>87,093</u>	<u>37,094</u>	<u>1,288</u>	<u>-</u>
Total Liabilities	<u>120,093</u>	<u>37,304</u>	<u>1,355</u>	<u>14,066</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred OPEB	60	-	60	-
Deferred Pensions	292	-	292	-
Total Deferred Inflows of Resources	<u>352</u>	<u>-</u>	<u>352</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	4,158	-	2,695	993
Restricted:				
Deposits	1,519	-	-	1,519
Unrestricted (Deficit)	<u>18,603</u>	<u>(18,012)</u>	<u>6,692</u>	<u>69,962</u>
Total Net Position	<u>\$ 24,280</u>	<u>\$ (18,012)</u>	<u>\$ 9,387</u>	<u>\$ 72,474</u>



	<b>PUBLIC WORKS</b>	<b>RETIREE GROUP HEALTH</b>	<b>UNEMPLOYMENT COMPENSATION</b>	<b>WORKERS' COMPENSATION</b>	
					<b>ASSETS</b>
					Current Assets:
\$	7,657	\$ 2,408	\$ 3,768	\$ 11,394	Pooled Cash and Investments
	12	5	10	36	Interest Receivable
	2	-	-	-	Accounts Receivable
	67	-	-	685	Accrued Revenue
	431	-	-	-	Due from Other Funds
	469	-	-	-	Inventory- Materials and Supplies
	<u>8,638</u>	<u>2,413</u>	<u>3,778</u>	<u>12,115</u>	Total Current Assets
					Non-Current Assets:
	-	-	-	385	Deposits with Others
	637	-	-	-	Equipment
	18	-	-	-	Intangible Assets
	(185)	-	-	-	Accumulated Depreciation and Amortization
	<u>470</u>	<u>-</u>	<u>-</u>	<u>385</u>	Total Non-Current Assets
	<u>9,108</u>	<u>2,413</u>	<u>3,778</u>	<u>12,500</u>	Total Assets
					<b>DEFERRED OUTFLOWS OF RESOURCES</b>
	-	-	-	-	Deferred OPEB
	-	-	-	-	Deferred Pensions
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total Deferred Outflows of Resources
					<b>LIABILITIES</b>
					Current Liabilities:
	138	-	-	244	Accounts Payable
	1,751	-	-	-	Salaries and Employee Benefits Payable
	11	-	-	-	Due to Other Funds
	-	-	-	-	Due to Other Agencies
	-	-	-	-	Current Portion of Long-Term Debt
	-	-	-	-	Current Portion of Compensated Absences
	-	-	766	15,747	Current Portion of Liability for Self-Insurance
	<u>1,900</u>	<u>-</u>	<u>766</u>	<u>15,991</u>	Total Current Liabilities
					Non-Current Liabilities
	-	-	-	-	Compensated Absences Payable
	-	-	-	48,711	Long-Term Liability for Self-Insurance
	-	-	-	-	Long-Term Debt - Pension Obligation Bonds
	-	-	-	-	Long-Term - Interest Payable
	-	-	-	-	Net OPEB Liability
	-	-	-	-	Net Pension Liability
	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,711</u>	Total Non-Current Liabilities
	<u>1,900</u>	<u>-</u>	<u>766</u>	<u>64,702</u>	Total Liabilities
					<b>DEFERRED INFLOWS OF RESOURCES</b>
	-	-	-	-	Deferred OPEB
	-	-	-	-	Deferred Pensions
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total Deferred Inflows of Resources
					<b>NET POSITION</b>
	470	-	-	-	Net Investment in Capital Assets
	-	-	-	-	Restricted:
	-	-	-	-	Deposits
	6,738	2,413	3,012	(52,202)	Unrestricted (Deficit)
\$	<u>7,208</u>	<u>2,413</u>	<u>3,012</u>	<u>(52,202)</u>	Total Net Position

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

	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
<b>OPERATING REVENUES:</b>				
Charges for Current Services	\$ 243,540	\$ 10,126	\$ 2,519	\$ 130,598
Other Operating Revenues	729	259	22	-
Total Operating Revenues	<u>244,269</u>	<u>10,385</u>	<u>2,541</u>	<u>130,598</u>
<b>OPERATING EXPENSES:</b>				
Salaries and Employee Benefits	64,661	-	271	-
Services and Supplies	32,501	6,703	896	7,830
Claims Incurred	158,276	539	-	136,632
Other Charges	2,217	1,176	84	96
Depreciation and Amortization	675	-	481	117
Total Operating Expenses	<u>258,330</u>	<u>8,418</u>	<u>1,732</u>	<u>144,675</u>
Operating Income	<u>(14,061)</u>	<u>1,967</u>	<u>809</u>	<u>(14,077)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Interest on Bank Deposits and Investments	(4,277)	(598)	(254)	(2,636)
Aid from Other Governmental Agencies	1,750	-	26	176
Other Revenues	202	-	202	-
Interest Expense	(7)	-	(7)	-
Total Non-Operating Revenues, Net	<u>(2,332)</u>	<u>(598)</u>	<u>(33)</u>	<u>(2,460)</u>
Income before Contributions and Transfers	<u>(16,393)</u>	<u>1,369</u>	<u>776</u>	<u>(16,537)</u>
Transfers In	6,721	-	-	-
Transfers Out	<u>(6,421)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in Net Position	(16,093)	1,369	776	(16,537)
Net Position, July 1, 2021	<u>40,373</u>	<u>(19,381)</u>	<u>8,611</u>	<u>89,011</u>
Net Position, June 30, 2022	<u>\$ 24,280</u>	<u>\$ (18,012)</u>	<u>\$ 9,387</u>	<u>\$ 72,474</u>

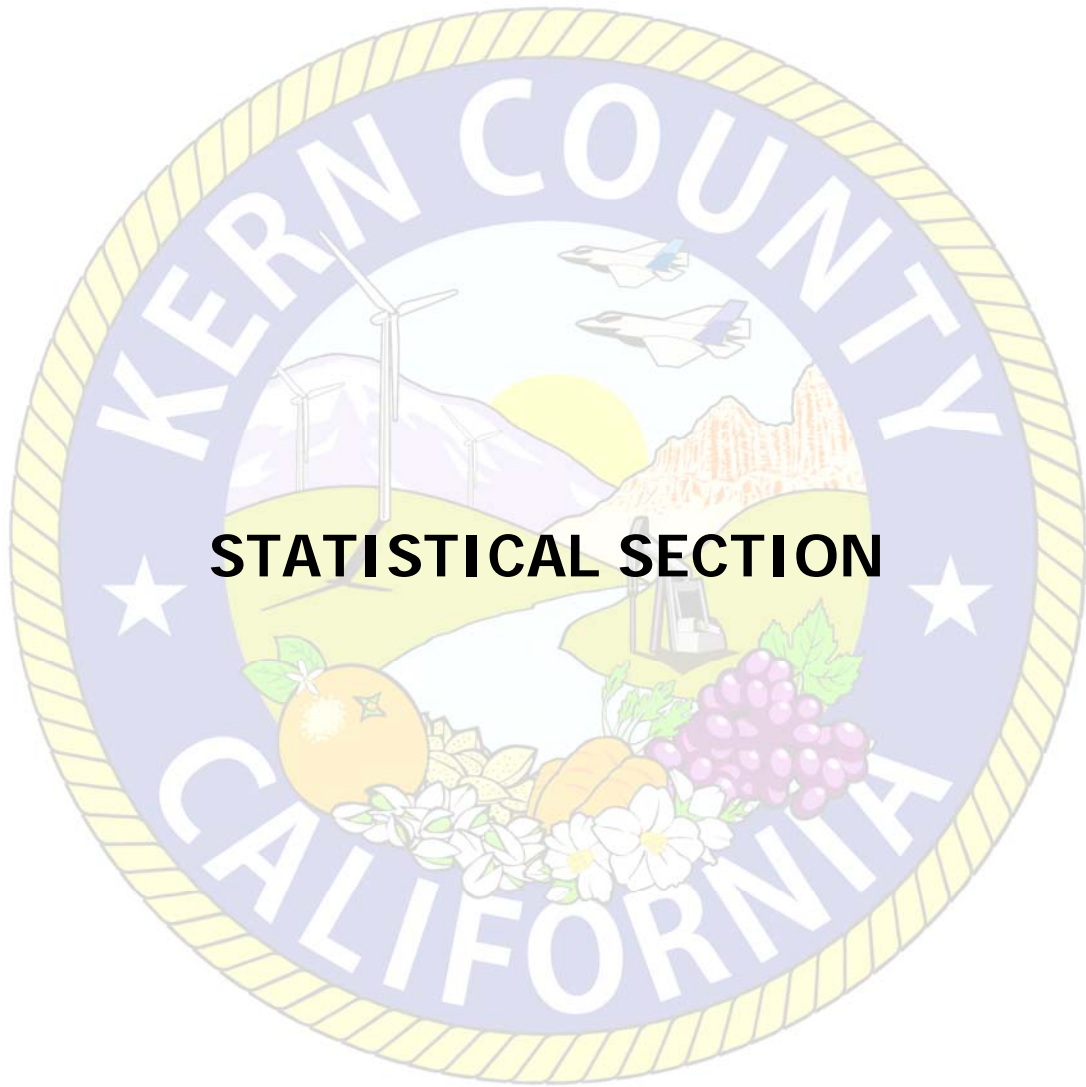
	<b>PUBLIC WORKS</b>	<b>RETIREE GROUP HEALTH</b>	<b>UNEMPLOYMENT COMPENSATION</b>	<b>WORKERS' COMPENSATION</b>	
\$	66,903	\$ 8,167	\$ 3,831	\$ 21,396	OPERATING REVENUES:
	3	-	-	445	Charges for Current Services
	66,906	8,167	3,831	21,841	Other Operating Revenues
					Total Operating Revenues
	55,680	8,710	-	-	OPERATING EXPENSES:
	11,113	169	27	5,763	Salaries and Employee Benefits
	-	-	1,801	19,304	Services and Supplies
	1,253	(18)	1	(375)	Claims Incurred
	77	-	-	-	Other Charges
	68,123	8,861	1,829	24,692	Depreciation and Amortization
	(1,217)	(694)	2,002	(2,851)	Total Operating Expenses
					Operating Income
	(268)	(84)	(114)	(323)	NON-OPERATING REVENUES (EXPENSES):
	1,548	-	-	-	Interest on Bank Deposits and Investments
	-	-	-	-	Aid from Other Governmental Agencies
	-	-	-	-	Other Revenues
	1,280	(84)	(114)	(323)	Interest Expense
					Total Non-Operating Revenues, Net
	63	(778)	1,888	(3,174)	Income before Contributions and Transfers
	6,721	-	-	-	Transfers In
	(6,421)	-	-	-	Transfers Out
	363	(778)	1,888	(3,174)	Changes in Net Position
	6,845	3,191	1,124	(49,028)	Net Position, July 1, 2021
\$	<u>7,208</u>	<u>2,413</u>	<u>3,012</u>	<u>(52,202)</u>	Net Position, June 30, 2022

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

	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash Received for Current Services	\$ 251,343	\$ 10,126	\$ 2,524	\$ 138,419
Cash Received for Interfund Services Provided	22	-	22	-
Cash Received from Others	262	259	-	-
Cash Received from Other Operations	445	-	-	-
Cash Paid for Salaries and Benefits	(64,730)	-	(607)	-
Cash Paid for Services and Supplies	(32,327)	(6,703)	(1,061)	(7,505)
Cash Paid for Reported Claims	(150,647)	(326)	-	(135,335)
Cash Paid for Other Charges	(2,199)	(1,176)	(84)	(96)
Deposits with Others	(385)	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>1,784</u>	<u>2,180</u>	<u>794</u>	<u>(4,517)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>				
Cash Received from Other Funds	1,948	-	100	79
Cash Paid to Other Governmental Agencies	202	-	202	-
Aid from Other Governmental Agencies	175	-	-	97
Payment of Long-Term Debt - Pension Obligation Bonds	(27)	-	(27)	-
Interest Paid on Pension Obligation Bonds	(55)	-	(55)	-
Net Cash Provided by Non-Capital Financing Activities	<u>2,243</u>	<u>-</u>	<u>220</u>	<u>176</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital Contributions	(104)	-	-	-
Net Cash Used by Capital and Related Financing Activities	<u>(104)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on Bank Deposits and Investments	(4,277)	(605)	(256)	(2,616)
Net Increase (Decrease) in Cash and Investments	(354)	1,575	758	(6,957)
Beginning Cash and Investments at July 1, 2021	<u>136,643</u>	<u>17,664</u>	<u>7,250</u>	<u>90,772</u>
Ending Cash and Investments at June 30, 2022	<u>\$ 136,289</u>	<u>\$ 19,239</u>	<u>\$ 8,008</u>	<u>\$ 83,815</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ (14,061)	\$ 1,967	\$ 809	\$ (14,077)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	675	-	481	117
Changes in Assets, Deferred Outflows, Liabilities, and Differed Inflows:				
(Increase) Decrease in Inventory	(64)	-	(16)	-
(Increase) Decrease in Accounts Receivable	3	-	5	-
(Increase) Decrease in Accrued Revenue	4,504	-	-	4,094
(Increase) Decrease in Due from Others	3,727	-	-	3,727
(Increase) Decrease in Deferred Outflows of Resources	27	-	87	-
(Increase) Decrease in Deposits with Others	(385)	-	-	-
Increase (Decrease) in Accounts Payable	(90)	-	(150)	(6)
Increase (Decrease) in Due to Others	343	-	-	332
Increase (Decrease) in Salaries & Benefits Payable	270	-	3	-
Increase (Decrease) in Deferred Inflows of Resources	171	-	171	-
Increase (Decrease) in Compensated Absences Payable	25	-	25	-
Increase (Decrease) in Provision for Liability Claims	7,260	213	-	1,296
Increase (Decrease) in Net OPEB Liability	92	-	92	-
Increase (Decrease) in Net Pension Liability	(713)	-	(713)	-
Total Adjustments	<u>15,845</u>	<u>213</u>	<u>(15)</u>	<u>9,560</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,784</u>	<u>\$ 2,180</u>	<u>\$ 794</u>	<u>\$ (4,517)</u>

	<b>PUBLIC WORKS</b>	<b>RETIREE GROUP HEALTH</b>	<b>UNEMPLOYMENT COMPENSATION</b>	<b>WORKERS' COMPENSATION</b>	
					<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>
\$	66,881	\$ 8,167	\$ 3,830	\$ 21,396	Cash Received for Current Services
	-	-	-	-	Cash Received for Interfund Services Provided
	3	-	-	-	Cash Received from Others
	-	-	-	445	Cash Received from Other Operations
	(55,413)	(8,710)	-	-	Cash Paid for Salaries and Benefits
	(11,282)	(168)	(27)	(5,581)	Cash Paid for Services and Supplies
	-	-	(1,286)	(13,700)	Cash Paid for Reported Claims
	(1,252)	18	-	391	Cash Paid for Other Charges
	-	-	-	(385)	Deposits with Others
	<u>(1,063)</u>	<u>(693)</u>	<u>2,517</u>	<u>2,566</u>	Net Cash Provided (Used) by Operating Activities
					<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>
	1,769	-	-	-	Cash Received from Other Funds
	-	-	-	-	Cash Paid to Other Governmental Agencies
	78	-	-	-	Aid from Other Governmental Agencies
	-	-	-	-	Payment of Long-Term Debt - Pension Obligation Bonds
	-	-	-	-	Interest Paid on Pension Obligation Bonds
	<u>1,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	Net Cash Provided by Non-Capital Financing Activities
					<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>
	(104)	-	-	-	Capital Contributions
	<u>(104)</u>	<u>-</u>	<u>-</u>	<u>-</u>	Net Cash Used by Capital and Related Financing Activities
					<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>
	(266)	(84)	(121)	(329)	Interest on Bank Deposits and Investments
	414	(777)	2,396	2,237	Net Increase (Decrease) in Cash and Investments
	<u>7,243</u>	<u>3,185</u>	<u>1,372</u>	<u>9,157</u>	Beginning Cash and Investments at July 1, 2021
\$	<u><u>7,657</u></u>	<u><u>2,408</u></u>	<u><u>3,768</u></u>	<u><u>11,394</u></u>	Ending Cash and Investments at June 30, 2022
					<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>
\$	<u>(1,217)</u>	<u>(694)</u>	<u>2,002</u>	<u>(2,851)</u>	Operating Income (Loss)
					Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:
	77	-	-	-	Depreciation
	(48)	-	-	-	Changes in Assets, Deferred Outflows, Liabilities, and Differed Inflows:
	(2)	-	-	-	(Increase) Decrease in Inventory
	41	1	-	368	(Increase) Decrease in Accounts Receivable
	-	-	-	-	(Increase) Decrease in Accrued Revenue
	(60)	-	-	-	(Increase) Decrease in Due from Others
	-	-	-	(385)	(Increase) Decrease in Deferred Outflows of Resources
	(132)	-	-	198	(Increase) Decrease in Deposits with Others
	11	-	-	-	Increase (Decrease) in Accounts Payable
	267	-	-	-	Increase (Decrease) in Due to Others
	-	-	-	-	Increase (Decrease) in Salaries & Benefits Payable
	-	-	-	-	Increase (Decrease) in Deferred Inflows of Resources
	-	-	-	-	Increase (Decrease) in Compensated Absences Payable
	-	-	515	5,236	Increase (Decrease) in Provision for Liability Claims
	-	-	-	-	Increase (Decrease) in Net OPEB Liability
	-	-	-	-	Increase (Decrease) in Net Pension Liability
	<u>154</u>	<u>1</u>	<u>515</u>	<u>5,417</u>	Total Adjustments
\$	<u><u>(1,063)</u></u>	<u><u>(693)</u></u>	<u><u>2,517</u></u>	<u><u>2,566</u></u>	Net Cash Provided (Used) by Operating Activities





**STATISTICAL SECTION**





# STATISTICAL SECTION

## CONTENTS

### **Financial Trends**

The financial trend schedules contain trend information to assist the reader in understanding how the County's financial performance and well-being have changed over time and to help the reader follow the direction the County's economic condition is heading. These schedules also provide information to assist the user in comprehending how spending priorities and funding sources have changed from year to year.

### **Revenue Capacity**

The revenue capacity schedules contain information to help the reader assess the factors affecting the County's ability to generate its most significant revenue source, property taxes. The schedules have information to help the user assess the tax burden on the taxpayers. Information is provided to help the user evaluate whether the County is disproportionately dependent on a single taxpayer.

### **Debt Capacity**

The debt capacity 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. Information is provided to give users an idea of the burden of debt on the taxpayers, both the direct burden and the portion of debt issued by other governmental entities for which the County's taxpayers are responsible.

### **Demographic and Economic Information**

The demographic and economic information schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

### **Operating Information**

The operating information schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs. The schedules provide information to give the user a sense of the size of the County, the types of services it provides, the volume of these services and the non-financial resources used to provide those services.

**Sources:** Unless otherwise noted, the information in the statistical schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant years.

**COUNTY OF KERN**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
 (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>					
Net Investment in Capital Assets	\$ 1,711,461	\$ 1,726,834	\$ 1,750,564	\$ 1,770,797	\$ 1,840,822
Restricted	363,662	347,207	375,293	381,142	397,190
Unrestricted (Deficit)	(262,932)	(294,565)	(1,805,642)	(1,708,445)	(1,713,301)
Total Governmental Activities Net Position	<u>\$ 1,812,191</u>	<u>\$ 1,779,476</u>	<u>\$ 320,215</u>	<u>\$ 443,494</u>	<u>\$ 524,711</u>
<b>Business-type Activities:</b>					
Net Investment in Capital Assets	\$ 166,895	\$ 180,025	\$ 198,605	\$ 204,567	\$ 184,012
Restricted	15,671	15,231	10,601	8,567	
Unrestricted (Deficit)	(125,371)	(114,309)	(450,784)	(405,360)	(27,323)
Total Business-type Activities Net Position	<u>\$ 57,195</u>	<u>\$ 80,947</u>	<u>\$ (241,578)</u>	<u>\$ (192,226)</u>	<u>\$ 156,689</u>
<b>Primary Government:</b>					
Net Investment in Capital Assets	\$ 1,878,356	\$ 1,906,859	\$ 1,949,169	\$ 1,975,364	\$ 2,024,834
Restricted	379,333	362,438	385,894	389,709	397,190
Unrestricted (Deficit)	(388,303)	(408,874)	(2,256,426)	(2,113,805)	(1,740,624)
Total Primary Government Net Position	<u>\$ 1,869,386</u>	<u>\$ 1,860,423</u>	<u>\$ 78,637</u>	<u>\$ 251,268</u>	<u>\$ 681,400</u>

<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	
					<b>Governmental Activities:</b>
\$ 1,875,532	\$ 1,852,704	\$ 1,849,934	\$ 1,919,459	\$ 1,954,070	Net Investment in Capital Assets
405,102	443,866	(1,244,015)	651,515	811,872	Restricted
(1,689,857)	(1,586,845)	100,505	(1,500,323)	(1,306,381)	Unrestricted (Deficit)
<u>\$ 590,777</u>	<u>\$ 709,725</u>	<u>\$ 494,775</u>	<u>\$ 1,070,651</u>	<u>\$ 1,459,561</u>	Total Governmental Activities Net Position
		70,945			
		349,545			<b>Business-type Activities:</b>
\$ 192,196	\$ 208,752	\$ 525,117	\$ 233,771	\$ 242,888	Net Investment in Capital Assets
2,402	2,274	8,424	2,787	2,870	Restricted
(16,973)	(23,184)	912	(27,404)	(22,811)	Unrestricted (Deficit)
<u>\$ 177,625</u>	<u>\$ 187,842</u>	<u>\$ 15,040</u>	<u>\$ 209,154</u>	<u>\$ 222,947</u>	Total Business-type Activities Net Position
					<b>Primary Government:</b>
\$ 2,067,728	\$ 2,061,456	\$ 2,375,051	\$ 2,153,230	\$ 2,196,958	Net Investment in Capital Assets
407,504	446,140	(1,235,591)	654,302	814,742	Restricted
(1,706,830)	(1,610,029)	73,296	(1,527,727)	(1,329,192)	Unrestricted (Deficit)
<u>\$ 768,402</u>	<u>\$ 897,567</u>	<u>\$ 134,727</u>	<u>\$ 1,279,805</u>	<u>\$ 1,682,508</u>	Total Primary Government Net Position

**COUNTY OF KERN**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
 (ACCRUAL BASIS OF ACCOUNTING)

Page 1 of 2

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>					
<b>Expenses:</b>					
General Government	\$ 94,901	\$ 85,816	\$ 92,981	\$ 86,975	\$ 108,559
Public Protection	547,416	558,228	593,634	631,913	597,476
Public Ways and Facilities	69,153	122,567	63,111	48,945	60,666
Health and Sanitation	156,302	157,183	146,941	165,023	206,660
Public Assistance	391,318	411,182	425,161	466,599	466,736
Education	8,153	8,600	8,229	8,874	8,403
Culture and Recreation Services	14,319	14,565	13,604	11,586	777
Interest on Short and Long-term Debt	41,161	37,679	37,914	46,805	35,566
Total Expenses	<u>1,322,723</u>	<u>1,395,820</u>	<u>1,381,575</u>	<u>1,466,720</u>	<u>1,484,843</u>
<b>Program Revenues:</b>					
Charges for Services:					
General Government	58,620	58,908	65,900	63,550	65,439
Public Protection	84,355	106,151	93,559	99,788	104,186
Health and Sanitation	45,590	39,080	61,195	67,699	78,007
Other	16,790	23,222	23,441	22,382	21,248
Operating Grants and Contributions	741,506	703,323	724,439	762,670	814,087
Capital Grants and Contributions	18,936	44,419	47,657	53,269	87,051
Total Program Revenues	<u>965,797</u>	<u>975,103</u>	<u>1,016,191</u>	<u>1,069,358</u>	<u>1,170,018</u>
Total Governmental Activities, Net Program Expenses	<u>(356,926)</u>	<u>(420,717)</u>	<u>(365,384)</u>	<u>(397,362)</u>	<u>(314,825)</u>
<b>General Revenues:</b>					
Taxes:					
Property Taxes	271,564	270,406	270,191	265,638	248,903
Vehicle License Taxes <sup>a</sup>	99,756	101,645	107,308	96,965	93,082
Aircraft Taxes	151	113	120	256	271
Sales and Use Taxes	55,718	52,240	58,683	45,554	44,699
Transient Occupancy Tax	1,845	1,772	2,721	2,437	2,403
Special Assessments	2,807	2,717	2,710	3,022	3,265
Transfer Taxes	2,961	2,942	3,183	3,888	3,607
Other Taxes	1,435	1,440	1,664	1,444	1,544
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	16,870	17,307	12,785	29,511	10,514
Miscellaneous	22,356	3,369	11,822	9,372	8,519
Proceeds of Long-Term Debt					
Special Items	-	-	-	-	7,748
Transfers	(37,735)	(65,949)	(42,916)	(33,407)	(328)
Total General Revenues and Transfers	<u>437,728</u>	<u>388,002</u>	<u>428,271</u>	<u>424,680</u>	<u>424,227</u>
Total Governmental Activities Change in Net Position	<u>\$ 80,802</u>	<u>\$ (32,715)</u>	<u>\$ 62,887</u>	<u>\$ 27,318</u>	<u>\$ 109,402</u>

Notes:

<sup>a</sup> Due to a change in the State's method of distribution, beginning in fiscal year 04-05, vehicle license fees are reported separately as vehicle license taxes. In prior years, they were reported under operating grants and contributions.

		Fiscal Year								
		2018	2019	2020	2021	2022				
							<b>Governmental Activities:</b>			
							<b>Expenses:</b>			
\$	97,224	\$	117,969	\$	125,107	\$	125,627	\$	110,550	General Government
	564,490		583,013		623,722		578,401		539,067	Public Protection
	51,826		53,158		69,698		65,488		74,937	Public Ways and Facilities
	240,493		268,994		364,610		389,283		368,134	Health and Sanitation
	471,462		482,731		539,287		514,074		535,065	Public Assistance
	7,789		6,335		7,379		6,543		8,364	Education
	920		902		988		913		766	Culture and Recreation Services
	28,423		24,839		23,794		18,935		27,759	Interest on Short and Long-term Debt
	<u>1,462,627</u>		<u>1,537,941</u>		<u>1,754,585</u>		<u>1,699,264</u>		<u>1,664,642</u>	Total Expenses
							<b>Program Revenues:</b>			
							Charges for Services:			
	64,126		70,009		69,266		82,636		74,485	General Government
	107,854		110,116		114,449		142,003		133,124	Public Protection
	78,668		72,788		107,855		119,760		130,086	Health and Sanitation
	19,435		28,270		35,113		36,119		24,742	Other
	831,071		864,539		923,221		1,151,366		1,217,227	Operating Grants and Contributions
	37,551		18,290		29,778		9,423		10,472	Capital Grants and Contributions
	<u>1,138,705</u>		<u>1,164,012</u>		<u>1,279,682</u>		<u>1,541,307</u>		<u>1,590,135</u>	Total Program Revenues
	<u>(323,922)</u>		<u>(373,929)</u>		<u>(474,903)</u>		<u>(157,957)</u>		<u>(74,507)</u>	Total Governmental Activities, Net Program Expenses
							<b>General Revenues:</b>			
							Taxes:			
	256,436		264,690		267,250		293,159		298,507	Property Taxes
	98,609		102,935		107,421		110,505		111,532	Vehicle License Taxes <sup>a</sup>
	195		155		176		162		180	Aircraft Taxes
	41,872		53,153		44,914		50,028		66,214	Sales and Use Taxes
	2,700		2,901		2,492		3,117		4,067	Transient Occupancy Tax
	3,780		3,828							Special Assessments
	4,489		4,606		4,110		4,961		7,658	Transfer Taxes
	1,673		1,770		1,237		1,050		989	Other Taxes
							Grants and Contributions not Restricted to Specific Programs:			
	5,659		29,608		31,946		5,495		(40,939)	Unrestricted Investment Earnings
	6,190		6,073		12,492				16,403	Miscellaneous
	-		-		-		-		-	Proceeds of Long-Term Debt
	-		-		-		-		-	Special Items
	<u>(305)</u>		<u>(396)</u>		<u>(436)</u>		<u>(815)</u>		<u>(7,603)</u>	Transfers
	<u>421,298</u>		<u>469,323</u>		<u>471,602</u>		<u>467,662</u>		<u>457,008</u>	Total General Revenues and Transfers
\$	<u>97,376</u>	\$	<u>95,394</u>	\$	<u>(3,301)</u>	\$	<u>309,705</u>	\$	<u>382,501</u>	Total Governmental Activities Change in Net Position

**COUNTY OF KERN**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
 (ACCRUAL BASIS OF ACCOUNTING)

Page 2 of 2

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Business-type Activities:</b>					
<b>Expenses:</b>					
Airports	\$ 7,089	\$ 8,330	\$ 7,312	\$ 8,255	\$ 7,040
County Sanitation Districts	3,620	3,707	4,248	3,807	4,156
Golf Courses	391	779	456	509	216
Kern Medical	287,972	302,694	297,570	281,624	311,695
Public Transportation	8,319	8,367	8,817	9,099	10,101
Universal Collection	10,573	10,867	12,800	12,862	13,132
Waste Management	31,404	32,080	30,385	33,352	32,138
Total Expenses	<u>349,368</u>	<u>366,824</u>	<u>361,588</u>	<u>349,508</u>	<u>378,478</u>
<b>Revenues:</b>					
Charges for Services:					
Airports	4,136	4,095	4,395	4,066	4,027
County Sanitation Districts	4,007	4,081	4,162	4,368	4,827
Golf Courses	492	474	462	282	199
Kern Medical	118,038	114,264	134,888	183,547	185,544
Public Transportation	6,634	5,896	6,677	6,929	6,779
Universal Collection	10,806	9,817	12,922	12,963	13,291
Waste Management	36,137	38,787	39,892	40,661	40,568
Operating Grants and Contributions	78,973	112,218	99,819	83,151	135,960
Capital Grants and Contributions	3,811	16,316	15,267	8,120	5,720
Total Revenues	<u>263,034</u>	<u>305,948</u>	<u>318,484</u>	<u>344,087</u>	<u>396,915</u>
Total Business-type Activities, Net Program Expenses	<u>(86,334)</u>	<u>(60,876)</u>	<u>(43,104)</u>	<u>(5,421)</u>	<u>18,437</u>
<b>General Revenues:</b>					
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	598	181	907	634	1,401
Miscellaneous	2,770				
Gain (Loss) on Sale of Capital Assets					
Special Item - Transfer of Operations					
Transfers	37,681	37,735	65,949	42,916	33,407
Total General Revenues and Transfers	<u>41,049</u>	<u>37,916</u>	<u>66,856</u>	<u>43,550</u>	<u>34,808</u>
Total Business-type Activities Change in Net Position	<u>\$ (45,285)</u>	<u>\$ (22,960)</u>	<u>\$ 23,752</u>	<u>\$ 38,129</u>	<u>\$ 53,245</u>
Total Primary Government Change in Net Position	<u>\$ 35,517</u>	<u>\$ (55,675)</u>	<u>\$ 86,639</u>	<u>\$ 65,447</u>	<u>\$ 162,647</u>

Fiscal Year					
2018	2019	2020	2021	2022	
<b>Business-type Activities:</b>					
<b>Expenses:</b>					
\$ 7,320	\$ 8,630	\$ 8,198	\$ 10,244	\$ 9,768	Airports
4,255	4,772	5,074	4,445	5,825	County Sanitation Districts
217	331	312	642	572	Golf Courses
-	-	-	-	-	Kern Medical
10,621	10,362	10,660	10,956	10,527	Public Transportation
13,305	16,026	16,218	17,756	19,111	Universal Collection
37,626	33,265	52,539	46,123	50,161	Waste Management
<u>73,344</u>	<u>73,386</u>	<u>93,001</u>	<u>90,166</u>	<u>95,964</u>	Total Expenses
<b>Revenues:</b>					
Charges for Services:					
4,198	4,225	4,555	5,063	6,353	Airports
5,330	7,515	7,763	7,918	7,659	County Sanitation Districts
190	200	188	332	348	Golf Courses
				-	Kern Medical
7,453	7,696	8,109	9,654	10,356	Public Transportation
13,341	15,706	16,783	17,910	19,269	Universal Collection
42,710	42,941	46,015	47,888	57,205	Waste Management
2,974	3,387	3,067	12,625	3,804	Operating Grants and Contributions
25,291	10,344	8,331	2,956	82	Capital Grants and Contributions
<u>101,487</u>	<u>92,014</u>	<u>94,811</u>	<u>104,346</u>	<u>105,076</u>	Total Revenues
28,143	18,628	1,810	14,180	9,112	Total Business-type Activities, Net Program Expenses
<b>General Revenues:</b>					
Grants and Contributions not Restricted to Specific Programs:					
432	716	4,114	60	(4,082)	Unrestricted Investment Earnings
					Miscellaneous
		3,897	7	-	Gain (Loss) on Sale of Capital Assets
282,147					Special Item - Transfer of Operations
328	305	396	815	7,603	Transfers
<u>282,907</u>	<u>1,021</u>	<u>8,407</u>	<u>882</u>	<u>3,521</u>	Total General Revenues and Transfers
<u>\$ 311,050</u>	<u>\$ 19,649</u>	<u>\$ 10,217</u>	<u>\$ 15,062</u>	<u>\$ 12,633</u>	Total Business-type Activities Change in Net Position
<u>\$ 408,426</u>	<u>\$ 115,043</u>	<u>\$ 6,916</u>	<u>\$ 324,767</u>	<u>\$ 395,134</u>	Total Primary Government Change in Net Position

**COUNTY OF KERN**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
 (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year				
	2013	2014	2015	2016	2017
General Fund Balances:					
Nonspendable	\$ 34,005	\$ 42,785	\$ 18,088	\$ 22,035	\$ 22,370
Restricted	9,557	9,718	10,867	11,471	11,915
Committed	130	16		37,301	44,488
Assigned	106,528	100,909	156,780	147,459	118,153
Unassigned	99,865	72,898	115,098	74,508	91,217
Total General Fund Balances	<u>\$ 250,085</u>	<u>\$ 226,326</u>	<u>\$ 300,833</u>	<u>\$ 292,774</u>	<u>\$ 288,143</u>
All Other Governmental Fund Balances:					
Nonspendable	\$ 7,415	\$ 3,515	\$ 3,645	\$ 2,511	\$ 2,109
Restricted	307,781	298,854	333,275	339,633	359,807
Committed	18,474	21,602	26,075	27,981	26,728
Assigned	30,039	23,239	18,709	11,020	6,634
Unassigned	(48)		(20,744)	-	-
Total All Other Governmental Fund Balances	<u>\$ 363,661</u>	<u>\$ 347,210</u>	<u>\$ 360,960</u>	<u>\$ 381,145</u>	<u>\$ 395,278</u>

<sup>1</sup> GASB Statement No. 54 was implemented as of June 30, 2011.



<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	
					General Fund Balances:
\$ 17,924	\$ 17,995	\$ 18,416	\$ 16,734	\$ 11,628	Nonspendable
9,753	10,650	100,505	41,898	21,318	Restricted
35,528	47,316	494,775	34,891	39,056	Committed
140,264	153,451	70,945	191,965	243,190	Assigned
80,804	88,191	349,545	124,182	126,651	Unassigned
<u>\$ 284,273</u>	<u>\$ 317,603</u>	<u>\$ 525,117</u>	<u>\$ 409,670</u>	<u>\$ 441,843</u>	Total General Fund Balances
					All Other Governmental Fund Balances:
\$ 2,535	\$ 4,447	\$ 15,040	\$ 5,800	\$ 7,116	Nonspendable
370,395	407,095	303,890	535,183	696,671	Restricted
25,242	25,787	(435,608)	27,326	26,863	Committed
4,929	4,325	87,448	7,795	17,130	Assigned
-	(4,786)	(241,193)	-	(4,808)	Unassigned
<u>\$ 403,101</u>	<u>\$ 436,868</u>	<u>\$ 73,296</u>	<u>\$ 576,104</u>	<u>\$ 742,972</u>	Total All Other Governmental Fund Balances

**COUNTY OF KERN**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS (IN THOUSANDS)**  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>REVENUES:</b>				
Taxes	\$ 443,342	\$ 425,124	\$ 473,579	\$ 418,682
Licenses, Permits and Franchises	23,363	37,957	25,642	26,807
Fines, Forfeitures and Penalties	24,865	23,574	22,983	21,211
Revenues from Use of Money and Property	16,130	16,777	12,343	28,876
Aid from Other Governmental Agencies	739,574	768,169	763,446	807,542
Charges for Current Services	145,223	152,546	180,449	188,698
Other Revenues	51,301	55,802	67,715	69,955
<b>Total Revenues</b>	<b>1,443,798</b>	<b>1,479,949</b>	<b>1,546,157</b>	<b>1,561,771</b>
<b>EXPENDITURES:</b>				
General Government	98,654	109,822	108,827	119,021
Public Protection	538,082	575,008	575,159	597,620
Health and Sanitation	156,409	114,488	152,244	164,076
Public Assistance	396,036	437,019	435,492	466,352
Education	7,744	12,391	7,919	8,034
Culture and Recreation Services	12,379	17,324	11,911	11,852
Public Ways and Facilities	54,147	69,496	50,682	45,376
Capital Outlay	16,010	59,887	22,708	31,266
<b>Debt Service:</b>				
Principal	35,731	36,241	41,021	24,546
Interest	28,458	24,155	21,612	52,725
Cost of Issuance	-	-	1,371	-
<b>Total Expenditures</b>	<b>1,343,650</b>	<b>1,455,831</b>	<b>1,428,946</b>	<b>1,520,868</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>100,148</b>	<b>24,118</b>	<b>117,211</b>	<b>40,903</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	357,551	408,858	416,587	448,059
Transfers Out	(394,551)	(475,807)	(459,503)	(487,883)
Refunding Bonds Issued	-	-	95,860	-
Premium (Discount) on Bond Issuance	-	-	6,840	-
Payment for Defeasance of Debt	-	-	-	-
Payment to Refunded Bonds Escrow Agent	-	-	(82,445)	-
Proceeds from Long-term Debt	-	-	-	-
Proceeds from Pension Obligation Bonds	-	-	-	-
Leases Issued	7,375	2,150	15	106
Proceeds from Issuance of Certificates of Participation	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(29,625)</b>	<b>(64,799)</b>	<b>(22,646)</b>	<b>(39,718)</b>
<b>Net Changes in Fund Balances (Deficits)</b>	<b>\$ 70,523</b>	<b>\$ (40,681)</b>	<b>\$ 94,565</b>	<b>\$ 1,185</b>
<b>Debt Service as a Percentage of Non-Capital Expenditures</b>	<b>4.86%</b>	<b>4.31%</b>	<b>4.56%</b>	<b>5.32%</b>

Fiscal Year						
2017	2018	2019	2020	2021	2022	
						REVENUES:
\$ 397,468	\$ 409,734	\$ 431,070	\$ 433,790	\$ 461,808	\$ 488,290	Taxes
25,168	27,474	31,385	30,771	100,505	34,077	Licenses, Permits and Franchises
21,826	21,823	21,785	19,302	494,775	24,192	Fines, Forfeitures and Penalties
10,314	5,230	25,562	27,517	70,945	(36,763)	Revenues from Use of Money and Property
885,447	865,206	867,411	963,401	349,545	1,225,912	Aid from Other Governmental Agencies
204,358	205,172	207,675	229,664	269,134	275,374	Charges for Current Services
75,554	79,089	29,594	44,367	53,500	37,869	Other Revenues
1,620,135	1,613,728	1,614,482	1,748,812	1,800,212	2,048,951	Total Revenues
						EXPENDITURES:
127,674	123,469	111,433	123,795	119,424	140,705	General Government
591,876	612,013	572,965	577,006	596,568	636,022	Public Protection
51,775	62,177	41,559	329,133	318,514	329,256	Health and Sanitation
212,621	231,172	265,540	556,213	591,195	594,015	Public Assistance
473,512	485,450	490,272	6,964	6,331	8,212	Education
7,945	7,585	6,965	-	2	1	Culture and Recreation Services
23	5	-	72,058	77,325	60,813	Public Ways and Facilities
74,887	22,523	17,822	4,760	9,000	148,292	Capital Outlay
						Debt Service:
26,289	29,367	33,367	36,242	41,094	56,510	Principal
49,058	41,616	43,117	44,605	45,743	32,501	Interest
2,139	-	-	-	-	-	Cost of Issuance
1,617,799	1,615,377	1,583,040	1,750,776	1,805,196	2,006,327	Total Expenditures
2,336	(1,649)	31,442	(1,964)	(4,984)	42,624	Excess (Deficiency) of Revenues Over (Under) Expenditures
						Other Financing Sources (Uses):
424,776	463,434	531,413	565,056	586,893	579,765	Transfers In
(426,368)	(463,739)	(531,002)	(566,616)	(587,804)	(580,635)	Transfers Out
-	-	-	-	-	-	Refunding Bonds Issued
4,512	-	-	-	-	-	Premium (Discount) on Bond Issuance
-	-	-	(8,596)	-	-	Payment for Defeasance of Debt
(84,862)	-	-	-	-	-	Payment to Refunded Bonds Escrow Agent
-	-	-	6,885	-	27,612	Proceeds from Long-term Debt
						Proceeds from Pension Obligation Bonds
7,338	6,300	11,690	4,635	9,000	146,782	Leases Issued
80,350	-	-	-	-	-	Proceeds from Issuance of Certificates of Participation
5,746	5,995	12,101	1,364	8,089	173,524	Total Other Financing Sources (Uses)
\$ 8,082	\$ 4,346	\$ 43,543	\$ (600)	3,105	216,148	Net Changes in Fund Balances (Deficits)
5.00%	4.63%	4.93%	4.73%	4.92%	4.96%	Debt Service as a Percentage of Non-Capital Expenditures

**COUNTY OF KERN**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
**(RATE PER \$1,000 OF ASSESSED VALUE)**

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>County of Kern</b>					
Total County Rate	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
<b>Range of Overlapping Rates</b>					
Total City Rate					
City of Bakersfield	N/A	N/A	N/A	N/A	N/A
Total School District Rate	0% to .151517%	.01067% to .004545%	0% to .063958%	0% to .065744%	0% to .068085%
Total Special District Rate	.003285% to .070490%	.011248% to .016354%	0% to .070490%	0% to .070490%	0% to .070490%

Source: Auditor-Controller-County Clerk, County of Kern

<b>Fiscal Year</b>					
<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	
1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	<b>County of Kern</b> Total County Rate
					<b>Range of Overlapping Rates</b>
N/A	N/A	N/A	N/A	N/A	Total City Rate
0% to .069500%	0% to .073749%	0% to .065541%	0% to .065541%	0% to .075513%	City of Bakersfield
0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%	Total School District Rate
					Total Special District Rate

**COUNTY OF KERN  
 ASSESSED VALUE OF TAXABLE PROPERTY AND ACTUAL VALUE OF PROPERTY (UNAUDITED)  
 LAST TEN FISCAL YEARS (IN THOUSANDS)**

<b>Fiscal Year</b>	<b>Secured <sup>a</sup></b>	<b>Unsecured <sup>b</sup></b>	<b>Unitary <sup>c</sup></b>	<b>Exempt <sup>d</sup></b>	<b>Total Taxable Assessed Value <sup>e</sup></b>	<b>Total Direct Tax Rate</b>
2012 - 13	85,881,074	3,155,489	1,880,462	(759,161)	90,157,864	1.00000%
2013 - 14	87,753,748	3,252,933	1,997,051	(739,715)	92,264,018	1.00000%
2014 - 15	93,210,470	3,397,078	1,899,707	(726,775)	97,780,480	1.00000%
2015 - 16	84,427,685	3,495,892	2,068,574	(748,489)	89,243,662	1.00000%
2016 - 17	80,574,940	3,356,283	2,235,440	(735,112)	85,431,551	1.00000%
2017 - 18	85,722,602	3,173,638	2,584,612	(725,054)	90,755,798	1.00000%
2018 - 19	88,994,738	3,762,481	2,634,392	(716,358)	94,675,253	1.00000%
2019 - 20	92,826,332	3,939,290	2,693,033	(707,238)	98,751,417	1.00000%
2020 - 21	95,765,618	3,896,525	2,915,611	(699,437)	101,878,317	1.00000%
2021 - 22	96,807,316	3,355,625	3,498,002	(674,437)	102,986,506	1.00000%

Notes:

<sup>a</sup> Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines.

<sup>b</sup> Unsecured property is generally personal property including machinery, equipment, office tools and supplies.

<sup>c</sup> Unitary properties are railroads and utilities crossing the County and are assessed by the State Board of Equalization.

<sup>d</sup> 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.

<sup>e</sup> Due to 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 Consumer Price Index 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 of 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.

Source: Auditor-Controller-County Clerk, County of Kern

**COUNTY OF KERN  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO (IN THOUSANDS)**

TAXPAYER	2022				2013			
	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE
Chevron USA Inc	\$ 3,573,811	1	41,104	3.47%	\$ 7,674,442	2	81,898	8.51%
*California Resources Elk Hills LLC	2,455,357	2	28,446	2.38%	11,254,038	1	119,670	12.48%
Aera Energy LLC	2,265,056	3	24,565	2.20%	6,378,885	3	65,904	7.08%
Pacific Gas & Electric Co	1,324,992	4	22,397	1.29%	749,063	9	10,424	0.83%
Southern California Edison Co	1,216,782	5	20,572	1.18%	440,330	6	6,127	0.49%
Berry Petroleum Company LLC	1,216,782	6	12,439	1.18%	1,702,250	4	18,003	1.89%
Sentinel Peak Resources Cal LLC	777,926	7	8,415	0.76%				
Southern California Gas Co	437,607	8	7,386	0.42%				
Wonderful Nut Orchards, LLC	510,269	9	6,563	0.50%				
Wonderful Citrus	502,241	10	6,148	0.49%				
Plains Exploration Production Company					1,314,085	5	13,586	1.46%
Vintage Production Cal LLC					636,269	7	6,983	0.71%
Seneca Resources Corporation					620,219	8	6,473	0.69%
Macpherson Oil Co					501,335	10	5,717	0.56%
<b>Total</b>	<b>\$ 14,280,823</b>		<b>\$ 178,035</b>	<b>13.87%</b>	<b>\$ 31,270,916</b>		<b>\$ 334,785</b>	<b>34.70%</b>

\* Formerly Occidental of Elk Hills Inc

Source: The principal property taxpayers for June 30, 2013 were obtained from the 2013 CAFR. The 2022 information was obtained from the "2021-2022 Tax Rates and Assessed Valuations Report."

**COUNTY OF KERN  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS (IN THOUSANDS)**

	Fiscal Year				
	2013 <sup>a</sup>	2014 <sup>a</sup>	2015 <sup>a</sup>	2016 <sup>a</sup>	2017 <sup>a</sup>
Original Levy	\$ 1,181,437	\$ 1,228,246	\$ 1,300,154	\$ 1,232,638	\$ 1,230,570
Adjustments to Original Levy	7,100	9,424	(7,384)	1,695	2,844
Taxes Levied	1,188,537	1,237,670	1,292,770	1,234,333	1,233,414
Collected within the Fiscal Year of the Levy: <sup>b</sup>					
Amount	\$ 1,163,336	\$ 1,211,804	\$ 1,265,444	\$ 1,206,061	\$ 1,202,759
Percentage of Adjusted Levy	97.88%	97.91%	97.89%	97.71%	97.51%
Collections in subsequent years	22,263	22,917	19,671	19,418	18,050
Total Collections to Date:					
Amount	\$ 1,185,599	\$ 1,234,721	\$ 1,285,115	\$ 1,225,479	\$ 1,220,809
Percentage of Adjusted Levy	99.75%	99.76%	99.41%	99.28%	98.98%

Notes:

<sup>a</sup> Denotes Secured, Unsecured and Supplemental Property Taxes.

<sup>b</sup> The above amounts do not include any penalties collected or any penalties due with delinquency amount.

Source: Auditor-Controller-County Clerk, County of Kern



<b>Fiscal Year</b>						
	<b>2018<sup>a</sup></b>	<b>2019<sup>a</sup></b>	<b>2020<sup>a</sup></b>	<b>2021<sup>a</sup></b>	<b>2022<sup>a</sup></b>	
\$	1,309,211	\$ 1,363,339	\$ 1,428,289	\$ 1,479,020	\$ 1,515,796,270	Original Levy
	(3,523)	2,701	(437)	36,490	9,621,167	Adjustments to Original Levy
	1,305,688	1,366,040	1,427,852	1,515,510	1,525,417,437	Taxes Levied
Collected within the Fiscal Year of the Levy: <sup>b</sup>						
\$	1,277,247	\$ 1,334,142	\$ 1,359,412	\$ 1,472,898	\$ 1,478,747,804	Amount
	97.82%	97.66%	95.21%	97.19%	96.94%	Percentage of Adjusted Levy
	19,823	16,901	20,969	26,809	27,680,703	Collections in subsequent years
Total Collections to Date:						
\$	1,297,070	\$ 1,351,043	\$ 1,380,381	\$ 1,499,707	\$ 1,506,428,507	Amount
	99.34%	98.90%	96.68%	98.96%	98.76%	Percentage of Adjusted Levy

**COUNTY OF KERN  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS (IN THOUSANDS, EXCEPT PER CAPITA)**

	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>					
Financed Purchase	\$ 14,704	\$ 12,798	\$ 8,552	\$ 5,005	\$ 8,400
Certificates of Participation	96,168	93,001	89,732	86,346	86,188
Bonds Payable	98,687	95,289	113,432	108,986	104,403
Loans Payable	5,266	5,266	4,922	4,568	4,205
Pension Obligation Bonds <sup>(1)</sup>	308,871	280,342	247,301	231,266	213,851
Total Governmental Activities	523,696	486,696	463,939	436,171	417,047
<b>Business-type Activities:</b>					
Financed Purchase	9,545	8,044	750	2,453	
Loans Payable	448	384	6,930	6,126	5,302
Certificates of Participation	14,512	11,894	9,172	6,339	
Pension Obligation Bonds	48,075	43,060	37,256	34,682	3,473
Total Business-type Activities	72,580	63,382	54,108	49,600	8,775
Total Primary Government	\$ 596,276	\$ 550,078	\$ 518,047	\$ 485,771	\$ 425,822
Percentage of Personal Income <sup>a</sup>	1.97%	1.72%	1.57%	1.46%	1.30%
Per Capita Outstanding Debt <sup>b</sup>	\$ 682	\$ 624	\$ 584	\$ 543	\$ 476
General Bonded Debt	\$	\$	\$	\$	\$
General Bonded Debt Ratio <sup>c</sup>	0.00%	0.00%	0.00%	0.00%	0.00%
Per Capita General Bonded Debt <sup>b</sup>	\$	\$	\$	\$	\$

Notes:

<sup>(1)</sup> Under the original bond official statements, Kern County's Pension Obligation Bonds do not qualify as General Obligation Bonds.

<sup>a</sup> Refer to the "Demographic and Economic Statistics" for the personal income figures.

<sup>b</sup> Refer to the "Demographic and Economic Statistics" for the population figures. This ratio is calculated using the population for the latest calendar year for each corresponding fiscal year.

<sup>c</sup> Refer to the "Assessed Value of Taxable Property and Actual Value of Property" for taxable property used in this ratio.

Source: Auditor-Controller-County Clerk, County of Kern

		<b>Fiscal Year</b>								
		<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>				
							<b>Governmental Activities:</b>			
\$	11,340	\$	20,091	\$	21,079	\$	19,693	Financed Purchase		
	82,542		78,724		74,721		71,063	Certificates of Participation		
	98,185		92,017		100,505		71,479	Bonds Payable		
	3,832		3,450		494,775		8,519	Loans Payable		
	194,902		174,260		70,945		127,111	Pension Obligation Bonds <sup>(1)</sup>		
	<u>390,801</u>		<u>368,542</u>		<u>349,545</u>		<u>302,596</u>	<u>288,769</u>	Total Governmental Activities	
									<b>Business-type Activities:</b>	
									Financed Purchase	
	5,250		4,667		4,072		3,529	2,974	Loans Payable	
									Certificates of Participation	
	3,162		2,823		2,455		2,053	1,161	Pension Obligation Bonds	
	<u>8,412</u>		<u>7,490</u>		<u>6,527</u>		<u>5,582</u>	<u>4,135</u>	Total Business-type Activities	
\$	<u>399,213</u>		<u>376,032</u>	\$	<u>356,072</u>	\$	<u>308,178</u>	<u>292,904</u>	Total Primary Government	
	1.17%		1.05%		0.89%		0.73%		0.69%	Percentage of Personal Income <sup>a</sup>
\$	446		420	\$	398	\$	344	\$	327	Per Capita Outstanding Debt <sup>b</sup>
\$				\$		\$		\$		General Bonded Debt
	0.00%		0.00%		0.00%		0.00%		0.00%	General Bonded Debt Ratio <sup>c</sup>
\$				\$		\$		\$		Per Capita General Bonded Debt <sup>b</sup>

**COUNTY OF KERN  
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT  
JUNE 30, 2022 (IN THOUSANDS)**

2021 - 2022 Assessed Value (includes unitary utility valuation)	<u>\$ 102,986,506</u>	
	<b>Debt 06/30/22</b>	<b>Percentage Applicable<sup>b</sup></b>
<b>Overlapping Tax and Assessment Debt</b>		
Kern Community College Safety, Repair and Improvement District	\$ 87,007	91.923
Kern Community College Safety, Repair and Improvement District No. 1	137,992	91.354
Antelope Valley Joint Community College District and West Kern Community College District	22,947	5.796-100
West Kern Community College District	26,152	100
Mojave Unified School District School Facilities Improvement Districts No. 1 and No. 2	29,501	100
Southern Kern Unified School District	52,302	100
Other Unified School Districts	89,042	92.105-100
Kern High School District	348,771	100
Other Union High School District	53,915	0.011-100
Bakersfield School District	132,832	100
Delano Union School District	24,300	100
Fruitvale School District	34,260	100
Norris School District	31,116	100
Panama-Buena Vista School District	114,040	100
Taft School District	22,316	100
Other School Districts	257,118	64.229-100
Tehachapi Valley Healthcare District	60,975	100
Bear Valley Community Services District, I.D. No. 2	463	100
Buttonwillow Recreation and Park District	3,802	100
Community Facilities Districts	235,780	100
1915 Act Bonds (Estimated)	42,701	100
Total Overlapping Tax and Assessment Debt	<u>1,807,332</u>	
<b>Overlapping General Fund Debt</b>		
Kern County Board of Education Certificates of Participation	32,610	100
Community College District Certificates of Participation and Other Post-Employment Benefit Bonds	111,489	Various
Unified School District General Fund Obligations	19,461	Various
Antelope Valley Union High School District General Fund Obligations	1	0.011
School District General Fund Obligations	114,328	100
City of Arvin General Fund Obligations	3,885	100
Proceeds of Long-Term Debt		
City of Delano Certificates of Participation	15,015	100
City of McFarland General Fund Obligations	5,030	100
City of Ridgecrest General Fund Obligations	17,770	100
Tehachapi Valley Recreation and Park General Fund Obligations	277	100
Total Overlapping General Fund Debt	<u>319,866</u>	
Total Overlapping Debt	<u>2,127,198</u>	
<b>Direct General Fund Debt</b>		
Kern County General Fund Obligations	185,710	
Kern County Pension Obligations	103,059	
Total Direct General Fund Debt	<u>288,769</u>	
<b>Overlapping Tax Increment Debt</b>	68,075	
<b>Total Direct and Overlapping Debt</b>	<u>\$ 2,484,042<sup>a</sup></u>	
Ratios to 2021 - 2022 Assessed Valuation:		
Total Overlapping Tax and Assessment Debt	1.75%	
Ratios to Adjusted Assessed Valuation:		
<b>Combined Direct Debt (\$335,242)</b>	<b>0.28%</b>	
Combined Total Debt	2.35%	

Notes:

<sup>a</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

<sup>b</sup> Percentage of overlapping agency's assessed valuation located within the boundaries of the County.

Source: California Municipal Statistics, Inc.

**COUNTY OF KERN  
COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2022**

**Legislation does not mandate a debt limit for County of Kern.**

**COUNTY OF KERN  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2013	2014	2015	2016	2017
Population <sup>a</sup>	865,787	874,190	882,176	886,507	895,112
Personal Income (in Thousands) <sup>b</sup>	\$ 30,336,210	\$ 32,059,138	\$ 32,953,453	\$ 33,368,619	\$ 32,852,879
Per Capita Personal Income <sup>b</sup>	\$ 35,039	\$ 36,673	\$ 37,355	\$ 37,641	\$ 36,783
Unemployment Rate County of Kern <sup>c</sup>	11.9%	10.3%	10.4%	10.8%	9.5%
School Enrollment <sup>d</sup>	178,671	179,680	180,304	181,393	185,236

Notes:

<sup>a</sup> 2018 through 2022 estimates from the California Department of Finance as of January 1. All other year's data from the U.S. Census Bureau midyear population estimates.

<sup>b</sup> U.S. Department of Commerce, Bureau of Economic Analysis. 2022 information not available at time of issuance; estimate based on average change of previous three years.

<sup>c</sup> State of California - Employment Development Department, Labor Market Information

<sup>d</sup> Educational Demographics Unit, California Department of Education

Fiscal Year					
2018	2019	2020	2021	2022	
905,801	916,464	917,553	914,193	929,851	Population <sup>a</sup>
\$ 33,980,966	\$ 35,784,162	\$ 40,097,301	\$ 42,177,029	\$ 39,352,831	Personal Income (in Thousands) <sup>b</sup>
\$ 37,743	\$ 39,477	\$ 44,063	\$ 45,961	\$ 43,167	Per Capita Personal Income <sup>b</sup>
8.7%	7.4%	17.5%	10.0%	6.7%	Unemployment Rate County of Kern <sup>c</sup>
189,949	192,446	198,910	195,310	196,030	School Enrollment <sup>d</sup>

**COUNTY OF KERN  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

**June 30, 2022**

<b>EMPLOYER</b>	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</b>	<b>INDUSTRY</b>
Edwards Air Force Base	11,130	1	3.05%	Federal Government - National Security
County of Kern	6,682	2	1.83%	County Government
Grimmway Farms	6,352	3	1.74%	Agriculture
China Lake Naval Air Weapons Station	5,850	4	1.60%	Federal Government - National Security
Dignity Health	3,541	5	0.97%	Health Care
Wonderful Company	2,800	6	0.77%	Agriculture
Mojave Air & Spaceport at Rutan Field	2,500	7	0.68%	Private Industry
Kern Medical	2,400	8	0.66%	Health Care
Amazon	2,400	9	0.66%	Government
Wasco State Prison Reception Center	2,200	10	0.60%	Oil and Gas
<b>Total</b>	<b>45,855</b>		<b>12.56%</b>	

**June 30, 2013**

<b>EMPLOYER</b>	<b>EMPLOYEES</b>	<b>RANK</b>	<b>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</b>	<b>INDUSTRY</b>
Edwards Air Force Base	11,000	1	3.18%	Federal Government - National Security
County of Kern	8,951	2	2.59%	County Government
China Lake Naval Air Weapons Station	6,000	3	1.74%	Federal Government - National Security
Grimmway Farms	4,600	4	1.33%	Agriculture
Giumarra Vineyards	3,500	5	1.01%	Agriculture
Mercy and Memorial Hospitals	3,053	6	0.88%	Agriculture
Wm. Bolt House Farms, Inc.	2,350	7	0.68%	Health Care
San Joaquin Community Hospital	2,100	8	0.61%	Agriculture
Chevron	1,500	9	0.43%	Government
City of Bakersfield	1,500	10	0.43%	Health Care
<b>Total</b>	<b>44,554</b>		<b>12.89%</b>	

Sources:

State of California - Employment Development Department, Labor Market Information  
Data for 2013 was obtained from the June 30, 2013 CAFR.



**COUNTY OF KERN  
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function / Program	FULL-TIME EQUIVALENT EMPLOYEES AS OF JUNE 30										Function / Program
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
General Government:											General Government:
Assessor	97	98	93	98	95	86	81	76	77	76	Assessor
Information Technology	49	46	41	45	42	55	68	77	69	73	Information Technology
County Counsel	43	45	47	47	42	43	45	44	44	47	County Counsel
Other <sup>a</sup>	343	366	354	337	373	378	376	394	379	383	Other <sup>a</sup>
Public Protection:											Public Protection:
District Attorney	214	236	240	244	228	239	205	221	210	210	District Attorney
Public Defender	87	94	87	92	87	81	78	83	82	82	Public Defender
Sheriff - Coroner	1,210	1,199	1,182	1,173	1,141	1,177	1,155	1,125	1,102	1,032	Sheriff - Coroner
Probation	514	532	521	559	528	526	518	531	538	530	Probation
Fire Department	597	622	605	599	589	592	600	554	573	641	Fire Department
Other <sup>a</sup>	385	380	381	329	323	328	397	393	377	372	Other <sup>a</sup>
Public Ways & Facilities:											Public Ways & Facilities:
Roads <sup>a</sup>	180	188	181								Roads <sup>a</sup>
Health and Sanitation:											Health and Sanitation:
Public Health	228	195	183	175	180	183	180	185	172	178	Public Health
Behavioral Health & Recovery	444	440	450	517	606	667	796	810	794	781	Behavioral Health & Recovery
Other	111	112	99	126	95	96	78	76	69	76	Other
Public Assistance:											Public Assistance:
Human Services	1,358	1,457	1,518	1,515	1,510	1,502	1,483	1,461	1,428	1,435	Human Services
Other	173	183	183	190	194	200	218	238	238	251	Other
Education:											Education:
Library	50	52	47	50	46	40	42	38	35	44	Library
Other	4	4	4	4	4	4	4	4	4	4	Other
Culture & Recreation Services <sup>c</sup>	78	74	69	69							Culture & Recreation Services
Airports	17	19	21	22	21	18	20	18	19	18	Airports
Kern Medical <sup>b</sup>	1,326	1,274	1,273	1,276							Kern Medical <sup>b</sup>
Public Transportation <sup>a</sup>	3	4	4								Public Transportation <sup>a</sup>
Public Works <sup>a</sup>				348	338	357	422	422	448	449	Public Works <sup>a</sup>
Waste Management <sup>a</sup>	110	112	114								Waste Management <sup>a</sup>
<b>Total Full-Time Employees</b>	<b>7,621</b>	<b>7,732</b>	<b>7,697</b>	<b>7,815</b>	<b>6,442</b>	<b>6,572</b>	<b>6,766</b>	<b>6,750</b>	<b>6,658</b>	<b>6,682</b>	<b>Total Full - Time Employees</b>

Note:

<sup>a</sup> In 2016, the Internal Service Fund - Public Works was created. The employees from Roads, Public Transportation, Waste Management, Engineering, Surveying and Permit Services, Building Inspection, and Code Compliance departments were consolidated into this new fund.

<sup>b</sup> Kern Medical transferred operations on July 1, 2016 to a new special district (Hospital Authority)

<sup>c</sup> In fiscal year 2016-17, the Parks and Recreation employees were moved to General Services located in General Government - Other.

Source: County Administrative Office - Human Resources Department

**COUNTY OF KERN  
OPERATING INDICATORS BY FUNCTION / PROGRAM  
LAST TEN FISCAL YEARS**

Page 1 of 2

Function / Program	Fiscal Year				
	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>					
<b>General Government</b>					
<b>Assessor - Recorder</b>					
Recorded documents	235,424	188,908	191,660	199,972	206,612
<b>County Counsel</b>					
Litigated & administrative hearings	9,804	6,667	9,241	7,882	8,585
Attorneys	29	28	29	30	26
Attorneys per capita	0.000034	0.000032	0.000033	0.000034	0.000029
<b>Human Resources</b>					
Applications received	21,977	22,688	26,520	38,118	29,935
<b>County Clerk - Elections</b>					
Marriage licenses	4,716	4,805	4,700	4,792	4,940
Fictitious business names	7,149	5,937	5,873	6,511	6,630
<b>Public Protection</b>					
<b>District Attorney</b>					
Misdemeanors cases filed	28,275	31,604	22,671	27,361	25,220
Felony cases filed	8,916	8,938	17,923	5,795	5,869
Felony information filed*	2,016	2,373	1,966	1,819	1,726
Felony cases with juries	149	160	210	189	204
<b>Public Defender</b>					
Public defense cases accepted/received	40,827	44,880	46,166	46,853	39,479
Public defense cases opened	21,994	21,725	20,984	20,530	21,102
Public defense cases closed	36,721	35,830	37,937	41,978	36,366
Public defense cases closed within 12 months	36,721	35,830	37,937	41,978	36,366
<b>Sheriff - Coroner</b>					
Dispatched calls for service	224,588	317,487	293,448	257,425	261,829
Violent crimes:	2,273	1,626	2,005	1,858	1,731
Homicide	21	28	35	42	37
Proceeds of Long-Term Debt					
Robbery	495	335	354	405	422
Aggravated assault	1,669	1,161	1,500	1,237	1,102
Property crimes	11,472	9,806	4,783	6,628	6,636
Total larceny - theft	5,305	3,411	4,521	3,484	3,257
Bookings	19,486	18,430	14,730	14,749	16,372
Fingerprints	4,983	5,949	6,315	7,426	7,797
<b>Fire Department</b>					
Total incident calls	42,281	42,770	45,363	48,585	50,262
Fire calls	2,918	2,711	2,596	3,000	3,360
Overpressure, Ruptures, Explosion	186	173	126	119	58
Other type of incidents	736	543	499	751	1,401
EMS / rescue calls	24,356	24,371	25,882	26,317	26,033
Hazardous condition calls	1,726	1,776	1,772	1,678	1,486
Public service calls	2,004	2,089	2,129	2,692	2,849
False calls	1,646	1,739	1,982	2,082	2,093

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

<sup>a</sup> Information was updated from prior year report.

Fiscal Year					Function / Program
2018	2019	2020	2021	2022	
<b>Governmental Activities:</b>					
<b>General Government</b>					
<b>Assessor - Recorder</b>					
195,708	181,238	194,767	277,578	250,055	Recorded documents
<b>County Counsel</b>					
8,654	8,713	9,578	10,021	7,619	Litigated & administrative hearings
25	27	26	26	27	Attorneys
0.000028	0.000029	0.000028	0.000028	0.000029	Attorneys per capita
<b>Human Resources</b>					
36,922	38,216	31,904	27,320	31,204	Applications received
<b>County Clerk - Elections</b>					
4,705	4,420	2,045	3,782	4,576	Marriage licenses
6,609	6,613	5,396	5,960	7,353	Fictitious business names
<b>Public Protection</b>					
<b>District Attorney</b>					
20,390	21,733	21,312	20,456	18,257	Misdemeanors cases filed
5,954	6,662	6,617	7,155	6,954	Felony cases filed
1,420	N/A	N/A	N/A	N/A	Felony information filed*
167	192	101	104	124	Felony cases with juries
<b>Public Defender</b>					
32,773	35,354	35,709	38,598	32,746	Public defense cases accepted/received
18,558	19,083	16,941	16,040	32,746	Public defense cases opened
30,575	31,838	31,755	32,485	25,980	Public defense cases closed
30,575	31,838	31,755	32,485	32,746	Public defense cases closed within 12 months
<b>Sheriff - Coroner</b>					
242,210	208,689	193,560	171,326	155,331	Dispatched calls for service
1,734	4,404	5,821	6,743	5,988	Violent crimes:
52	40	55	67	54	Homicide
472	428	530	430	496	Robbery
1,054	1,020	1,204	1,556	5,311	Aggravated assault
6,307	2,579	6,566	8,501	9,281	Property crimes
3,257	3,192	3,387	2,872	3,663	Total larceny - theft
15,765	17,843	13,576	11,197	10,902	Bookings
5,795	5,516	4,005	3,662	2,584	Fingerprints
<b>Fire Department</b>					
52,922	53,722	54,639	52,075	63,581	Total incident calls
3,715	3,465	4,052	5,007	4,760	Fire calls
92	238	155	554	280	Overpressure, Ruptures, Explosion
1,592	1,930	1,825	353	76	Other type of incidents
27,935	29,082	29,732	35,711	40,759	EMS / rescue calls
1,503	1,380	1,485	1,322	1,424	Hazardous condition calls
2,895	2,857	3,175	3,276	3,473	Public service calls
2,073	1,965	1,979	1,520	1,489	False calls

**COUNTY OF KERN  
OPERATING INDICATORS BY FUNCTION / PROGRAM  
LAST TEN FISCAL YEARS**

Page 2 of 2

Function / Program	Fiscal Year			Fiscal Year	
	2013	2014	2015	2016	2017
<b>Building Inspection</b>					
Building permits issued	7,134	7,758	9,005	9,172	9,028
<b>Animal Services</b>					
Received calls for response	22,219	19,529	20,258	19,443	19,290
Animals impounded	29,200	18,406	16,521	17,551	17,444
Animals returned to owner^	1,217	717	742	796	912
Animals rescued+					
Animals adopted	3,691	3,774	3,228	5,097	5,394
Animals euthanized	20,428	8,302	7,211	5,893	4,882
<b>Public Ways &amp; Facilities</b>					
<b>Roads</b>					
Maintained road lanes (in miles)	3,331	3,332	3,337	3,332	3,319
<b>Health and Sanitation</b>					
<b>Mental Health Services</b>					
Unique clients served	24,551	24,207	26,113	27,729	28,356
Unique clients served with outpatient services*	24,482	24,099	26,036	27,652	28,356
Unique clients served with intensive services	1,443	1,349	1,398	1,537	1,393
<b>Public Assistance</b>					
<b>Aging &amp; Adult Services</b>					
Senior Nutrition participation:					
Congregate senior participants	3,351	3,218	3,228	3,010	2,767
Congregate meals	150,076	144,274	145,762	141,851	134,465
Home delivered senior participants	1,695	1,715	1,614	1,572	1,522
Home delivered meals	233,272	231,831	232,157	212,853	208,147
COVID19 Senior Participants					
COVID19 Meals					
<b>Human Services</b>					
Children Admitted to the Jamison Center:	1,445	1,538	1,579	1,839	1,687
Protective Custody/New Intakes	1,320	1,418	1,463	1,634	1,492
Change of Placement	125	120	116	205	195
Children released from the Jamison Center	1,303	629	724	807	1,492
Average day stay in the Jamison Center	4	4	4	5	3
Admissions - Breakdown by Age:					
Newborn - 5 years	585	685	689	719	657
6 - 12 years	296	358	417	475	436
13 - 18 years	438	377	357	440	399
Over 18	-	-	-	-	-
<b>Culture and Recreation Services &amp; Education</b>					
<b>Parks &amp; Recreation</b>					
Annual Boat Permits	3,080	1,680	1,618	1,591	2,699
Day Use Boat Fees	14,579	11,742	10,895	10,409	12,358
<b>Business-type Activities:</b>					
<b>Waste Management</b>					
Landfill capacity in cubic yards	95,375,858	94,962,970	88,239,785	88,288,861	88,288,861

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

\*In 2018, information for this activity was not available.

^As of 2019, Animal Services does not track "redeemed,"

they track "returned to owner," formally stated as redeemed.

+As of 2019, Animal Services is newly reporting "Animals rescued" as a new statistic.

2018	2019	2020	2021	2022	Function / Program
					<b>Building Inspection</b>
7,791	8,818	8,903	10,331	9,755	Building permits issued
					<b>Animal Services</b>
16,649	16,435	13,394	12,157	14,713	Received calls for response
15,567	13,859	12,810	8,296	10,691	Animals impounded
911	851	653	445	558	Animals returned to owner^
	2,360	2,213	1,418	1,280	Animals rescued+
5,813	5,316	3,793	2,408	3,665	Animals adopted
3,819	3,351	2,249	634	2,048	Animals euthanized
					<b>Public Ways &amp; Facilities</b>
					<b>Roads</b>
3,324	3,327	3,331	3,329	3,329	Maintained road lanes (in miles)
					<b>Health and Sanitation</b>
					<b>Behavioral Health &amp; Recovery Services</b>
30,540	32,227	31,554	32,317	33,168	Unique clients served
	55,283	62,264	61,388	63,762	Unique clients served with outpatient services*
2,595	2,735	3,072	3,202	3,033	Unique clients served with intensive services
					<b>Public Assistance</b>
					<b>Aging &amp; Adult Services</b>
					Senior Nutrition participation:
2,522	2,108	1,671	240	1,267	Congregate senior participants
129,694	115,083	73,221	4,756	54,112	Congregate meals
1,505	1,384	2,974	1,507	2,546	Home delivered senior participants
208,311	185,408	227,079	214,488	357,893	Home delivered meals
			1,870	1,340	COVID19 Senior Participants
			270,566	144,191	COVID19 Meals
					<b>Human Services</b>
1,577	1,433	1,340	1,472	1,538	Children Admitted to the Jamison Center:
1,383	1,279	1,123	1,224	1,281	Protective Custody/New Intakes
194	154	217	248	257	Change of Placement
1,399	1,556	1,372	1,443	1,550	Children released from the Jamison Center
4	3	3	4	5	Average day stay in the Jamison Center
					Admissions - Breakdown by Age:
581	529	510	628	587	Newborn - 5 years
424	399	403	445	511	6 - 12 years
378	351	427	399	440	13 - 18 years
-	-	-	-	-	Over 18
					<b>Culture and Recreation Services &amp; Education</b>
					<b>Parks &amp; Recreation</b>
2,870	2,711	3,235	2,613	1,882	Annual Boat Permits
12,236	10,785	12,457	13,586	9,700	Day Use Boat Fees
					<b>Business-type Activities:</b>
					<b>Waste Management</b>
88,288,940	88,309,205	88,572,485	89,024,872	89,024,872	Landfill capacity in cubic yards

**COUNTY OF KERN  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function / Program	Fiscal Year										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
<b>Education</b>											
Public Library											
Main Library	1	1	1	1	1	1	1	1	1	1	
Branches	25	25	23	23	23	23	23	23	23	21	
Law Library	1	1	1	1	1	1	1	1	1	1	
<b>Parks and Land Use</b>											
Number of Neighborhood Parks	40	40	40	40	40	40	43	43	40	40	
Number of Regional Parks	8	8	8	8	8	7	8	8	8	8	
County Golf Courses	3	3	3	3	3	3	3	3	3	3	
<b>Public Works</b>											
Miles of County Roads	3,332	3,332	3,337	3,332	3,319	3,324	3,327	3,331	3,331	3,332	
<b>Public Safety</b>											
Number of Sheriff Stations	15	15	15	15	14	14	15	15	12	12	
Number of Fire Stations	46	46	47	47	47	47	47	47	47	47	
<b>Airports</b>											
Number of Runways	8	8	8	8	8	8	8	7	7	7	

Source: Departments of the County of Kern