

# COUNTY OF SAN BENITO

STATE OF CALIFORNIA



## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2022

Prepared and submitted by the Office of the Auditor-Controller, Joe Paul Gonzalez

### **Special Thanks!**

This year's ACFR is dedicated to the staff in the Auditor-Controller's Office. Each person is a valuable member of a team who helps ensure timely and accurate financial reporting.

### **Cover credits:**

San Juan Bautista De Anza Trail is a 5.3 mile trail near the City of San Juan Bautista. Considered a moderately challenging route, it takes an average of 2.5 hours to complete. The National Park Service is working toward the creation of a continuous, 1200-mile non-motorized recreation trail that commemorates, protects, marks, and interprets the historic route traveled by Juan Bautista de Anza during the Anza Expedition of 1774-1776. Approximately 300 miles of recreation trail have been certified so far.

Photo by Juan Carlos Godinez

# COUNTY OF SAN BENITO | ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2022

## Table of Contents

<b>INTRODUCTORY SECTION</b>	<b>Page</b>
Letter of Transmittal	i-iii
Organizational Chart	v
List of Elected and Appointed Officials	vi
Certificate of Achievement for Excellence in Financial Reporting	vii
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	1-4
Management's Discussion and Analysis	5
<b>BASIC FINANCIAL STATEMENTS:</b>	
Government-Wide Financial Statements:	
Statement of Net Position	25
Statement of Activities	26
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet - Governmental Funds	28
Reconciliation of the Balance Sheet - Governmental Funds to the Government-wide	
Statement of Net Position	29
Statement of Revenues, Expenditures, and Changes in Fund Balances	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -	
Governmental Funds to the Government-wide Statement of Activities	31
Proprietary Funds:	
Statement of Net Position	32
Statement of Revenues, Expenses and Changes in Net Position	33
Statement of Cash Flows	34
Fiduciary Funds:	
Statement of Fiduciary Net Position	35
Statement of Changes in Fiduciary Net Position	36
Notes to the Basic Financial Statements	38
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b>	
Budgetary Comparison Schedule - General Fund	90
Budgetary Comparison Schedule - Human Services Agency	99
Budgetary Comparison Schedule - Road Fund	100
Budgetary Comparison Schedule - Mental Health Fund	101
Schedule of Changes in the Net Pension Liability and Related Ratios - Miscellaneous Plan	102
Schedule of Proportionate Share of the Net Pension Liability - Safety Plan	103
Schedule of Contributions - Misc Plan & Safety Plan	104
Schedule of Changes in Net OPEB Liability & Related Ratios - Retiree Health Care Plan	106
Schedule of Contributions - OPEB	107
Notes to Required Supplementary Information	108
<b>SUPPLEMENTARY INFORMATION:</b>	
Non-major Governmental Funds	
Nonmajor Special Revenue Funds	
Combining Balance Sheet	113
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	117
Combining Balance Sheet - Nonmajor Governmental Funds	122
Combining Statement of Revenue, Expenditures and Changes in Fund Balances –	
Nonmajor Governmental Funds	123
Budgetary Comparison Schedules - Individual Special Revenue Funds	
Fish and Game	124
Victim Witness	125
Emergency Medical Services	126
Migrant Labor Camp	127
Community Services Workforce Development (CSWD)	128
Mosquito Abatement	129
Public Authority	130

# COUNTY OF SAN BENITO | ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2022

## Table of Contents (Continued)

<b>FINANCIAL SECTION (Continued)</b>	<b>Page</b>
Budgetary Comparison Schedules - Individual Special Revenue Funds (continued)	
County Service Areas (CSA's)	131
Community Facilities Districts (CFD's)	132
Substance Abuse	133
Public Health	134
Public Safety Realignment	135
Cal Fire	136
Family Support	137
County Fire Impact	138
Law Enforcement Impact	139
Jail & Juvenile Hall Impact	140
Habitat Impact	141
Road Equipment Impact	142
Parks & Recreation Impact	143
Santa Ana Storm Drain Impact	144
Traffic Impact	145
Library Impact	146
Information Technology Impact	147
County Facilities Impact	148
Inclusionary Housing	149
Home	150
CAsp Certification and Training	151
Debt Service	152
Budgetary Comparison Schedules	
Capital Improvement Projects	153
Solid Waste Fund	154
Fiduciary Funds	
Combining Statement of Fiduciary Net Position - Investment Trust Funds	157
Combining Statement of Changes in Fiduciary Net Position - Investment Trust Funds	158
Combining Statement of Fiduciary Net Position - Custodial Funds	159
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	160
<b>STATISTICAL SECTION (UNAUDITED)</b>	
Financial Trends:	
Net Position by Component	162
Changes in Net Position	163
Fund Balances of Governmental Funds	165
Changes in Fund Balance - Governmental Funds	166
Revenue Capacity:	
Assessed Value and Estimated Actual Value of Taxable Property	167
Property Tax Levies and Collections	168
Property Tax Rates as % of Assessed Value	169
Principal Property Taxpayers	170
Debt Capacity:	
Ratios of Net General Bonded Debt Outstanding	171
Ratio of Annual Debt Service Expenditures	172
Ratio of Outstanding Debt by Type	173
Computation of Legal Debt Margin	174
Demographic and Economic Information:	
Demographics and Economic Statistics	175
Construction and Building Activity	176
Operating Information:	
Full-time Equivalent County Government Employees by Function	177



# COUNTY OF SAN BENITO

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**JOE PAUL GONZALEZ**

AUDITOR, CLERK, RECORDER, REGISTRAR OF VOTERS

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January 27, 2023

To the Honorable Board of Supervisors and Citizens of San Benito County:

I am pleased to present this fiscal year 2021/2022 Annual Comprehensive Financial Report (ACFR) for the County of San Benito. This ACFR is intended to present information above and beyond what is required by generally accepted accounting principles or State Law.

This ACFR is in compliance with Sections 25250 & 25253 of the Government Code of the State of California. These statutes require all general-purpose local governments to issue an annual report on the financial position and activities of that government. The report must be presented in conformance with generally accepted accounting principles (GAAP) and must be audited by an independent firm of certified public accountants (CPA). The independent CPA conducts the audit in conformance with generally accepted auditing standards (GAAS) and generally accepted government auditing standards (GAGAS). The financial statements contained in this ACFR meet these requirements.

This report contains management's representations and is prepared by the Office of the County Auditor. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control framework that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The County of San Benito's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants, who have issued an unmodified ("clean") opinion on the County's financial statements for the fiscal year ended June 30, 2022. The auditors have concluded, based on their audit that the financial statements combined with the accompanying Notes, present fairly, in all material respects, the financial condition of San Benito County as of June 30, 2022. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County of San Benito includes the broader, federally mandated annual single audit, in conformity with the provisions of the Single Audit Act of 1984 (amended 1996) and U.S. Office of Management and Budget (OMB) Uniform Guidance, the OMB Circular. 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 of San Benito's separately issued Single Audit Report.

## **FINANCIAL INFORMATION**

Management is required by the Government Accounting Standards Board to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A) in conjunction with financial statement reporting. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of San Benito's MD&A can be found immediately following the report of the independent auditors.

The ACFR is organized into three sections:

- The *Introductory Section* is intended to familiarize the reader with the organizational structure of the County, the nature and scope of the services it provides, and the specifics of its legal operating environment.
- The *Financial Section* includes the independent auditor's report on the basic financial statements, MD&A, audited basic financial statements, note disclosures and supporting statements, and schedules necessary to provide readers with a comprehensive understanding of the county's financial activities of the past fiscal year.
- The *Statistical Section* provides the reader with additional historic perspective, context, and detail to assist in using the information in the financial statements. It provides information in five categories: Financial trends; revenue capacity; debt capacity; demographic and economic information; and operating indicators.

## **PROFILE OF THE COUNTY OF SAN BENITO**

### **Overview of the County**

San Benito County is located in the northwestern part of the State of California and is located approximately 85 miles south of San Francisco. The County of San Benito currently occupies over 1,396 square miles and serves a population of 66,677. Open space and agricultural land account for a great majority of this area. San Benito County was formed in 1874 from a portion of Monterey County. Thirteen years later, the state legislature expanded the county to include land in Fresno and Merced counties. Territorially, it has remained unchanged since 1887.

The western and southern boundary of San Benito County is established by a coastal range of mountains known as the Gabilans. To the east lie the Diablo Mountain range and Panoche Valley, separating San Benito County from Merced and Fresno Counties. To the north, the Pajaro River creates the Santa Clara and Santa Cruz County boundaries. San Benito County is the valley that stretches between these geographical features and reaches nearly eighty miles south to the Mustang Ridge. These lands are rich in Mexican and Spanish heritage. The fertile soil of the San Juan Valley portion of San Benito County is known for the colorful fields of row crops and prolific orchards.

San Benito County government is comprised of ten publicly elected officials including a five-member Board of Supervisors, the Clerk-Auditor-Recorder, the Assessor, the District Attorney, the Sheriff-Coroner and the Treasurer-Tax Collector-Public Administrator. On September 14, 2021, the County Board of Supervisors adopted an ordinance to reconsolidate the Clerk-Auditor-Recorder office into two separate elected offices, the County Auditor-Controller and the Clerk-Recorder-Registrar of Voters. In the June 7, 2022 Primary election the voters elected a Clerk-Recorder-Registrar of Voters and a County Auditor-Controller that will take office in January 2023, thereby establishing an eleventh publicly elected official. A County Administrative Officer (CAO) is appointed by the Board of Supervisors and functions as the Chief Executive. Averaging 450 full time equivalent employees, the County government provides a full range of public services including public safety, roads and facilities, social services, administrative services, health services, sanitation, library, parks and recreational facilities and a variety of other general governmental services. Every resident of the County, directly or indirectly, benefits from these services. Most services performed by the County are provided for all residents, regardless of whether those residents live in cities or unincorporated areas.

In accordance with the County Budget Act in the California Government Code, the County adopts a final budget each year. This annual budget serves as the foundation for the County's financial planning and control. The County maintains budgetary controls to assure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. If appropriations are not sufficient, Board of Supervisors-approved appropriation transfers are required before commitments or expenditures are permitted. Unencumbered annual appropriations lapse at year-end.

## **FACTORS AFFECTING FINANCIAL CONDITIONS**

### **Local Economy**

The County of San Benito's economy has continued to experience increases in housing construction. Attracting homebuyers from the northern bay area with the lower housing costs. The net assessed value of taxable property, along with the total taxes levied, have increased to \$10.5 billion. Due to increases in residential construction and increased purchasing demand, housing prices have steadily increased over the past five years. Median sale prices of single family residential homes in San Benito County were the highest they've been in the past five years during fiscal year 2021/2022, reaching \$842,500 in February 2022<sup>1</sup>. At June 2022, median sale price on single family homes was \$827,479, that's an increase of 8.10% over the previous year-end.

The unemployment rate in the County decreased from 8.4% in June 2020 to 5.6% in June 2021, and is lower than the State's June 2021 average of 7.6%. All of these factors will impact the County's revenue and tax base.

Recent local Measures have been presented to voters in order to slow down residential and commercial growth. While outcomes have yet to be decided, the leading source of revenue for the County's General Fund is property taxes and sales taxes. These revenues are critical to paying for public services, including public protection and road and infrastructure improvements. Public officials face the challenge of identifying new methods in which to generate revenues in order to meet the demands of providing services to the community.

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<sup>1</sup> source: redfin.com



### **Long-term Financial Planning**

The County continues to prioritize the Strategic Planning process to aid in successfully advancing the County's vision and priorities over the next five years. The County's fiscal year 2022/2023 budget increased by approximately \$51.5 million from the previous year's budget. The increases are related to capital improvement projects (\$18.8 million) and road improvement projects (\$12.2 million), as the Board continues to emphasize the importance of improving road infrastructure throughout the County.

On June 27, 2022, the County Board of Supervisors adopted a General Fund Reserve Policy which focuses on mitigating risks and preparing for potential revenue shortfalls; in addition, the policy demonstrates continued prudent fiscal management and creditworthiness, which allows the County to maintain a sustainable financial structure. The County intends to implement the reserve policy with a build-up approach which would ultimately achieve an operating reserve of 15% of total General Fund budget and an emergency reserve equal to 5% of total General Fund budget.

### **Acknowledgments**

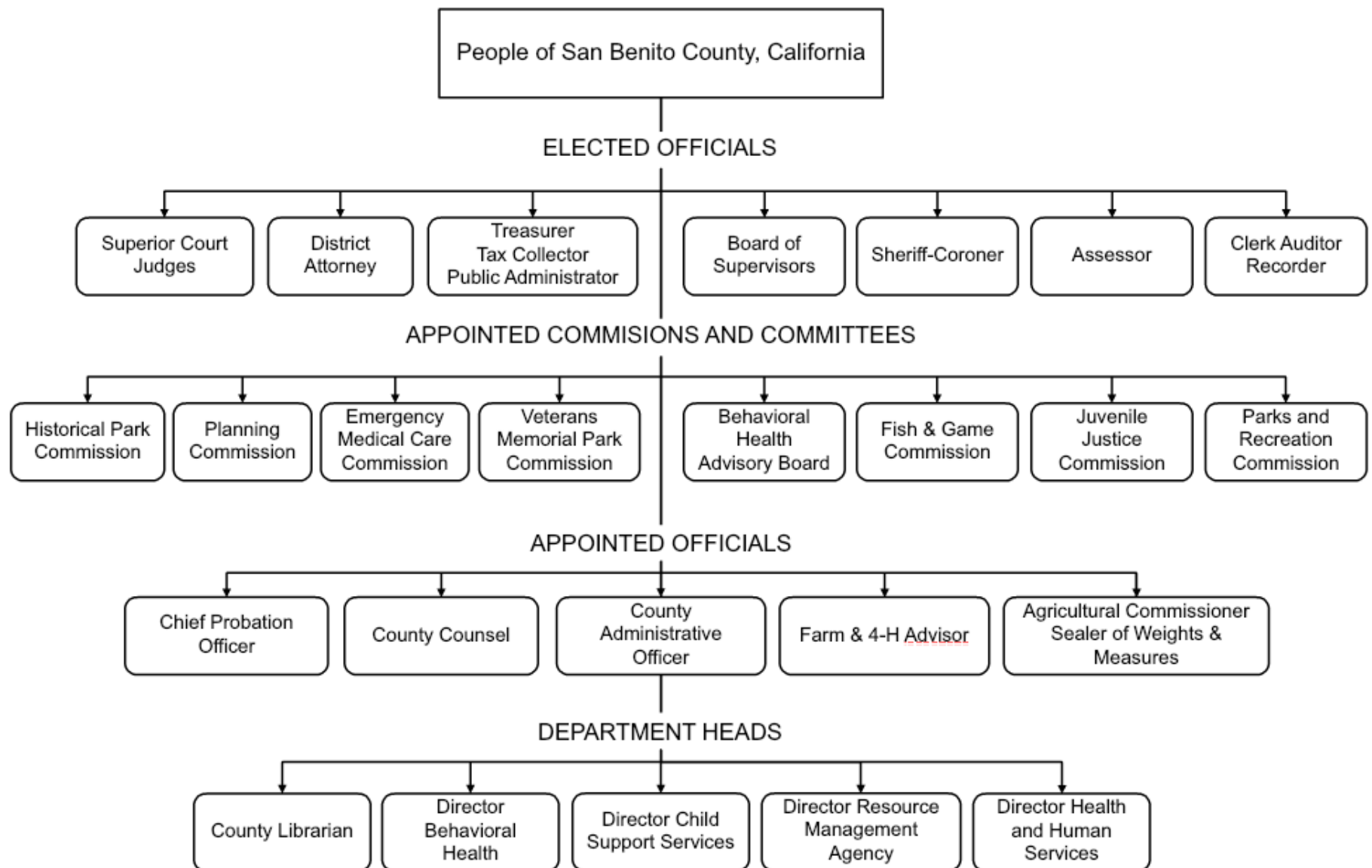
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Accounting Division of the Office of the Auditor. I would like to express my appreciation to all members of the Auditor's Office and County departments who assisted and contributed to its preparation. I would also like to thank the members of the Board of Supervisors and the County Administrator for their interest and support, and for their leadership, planning and conducting the financial operations of the County in a responsible and progressive manner. I also thank the accounting firm of Eide Bailly LLP, for their assistance and guidance in the preparation of this report.

Respectfully submitted,



Joe Paul Gonzalez  
County Auditor-Controller





## San Benito County Elected and Appointed Officials

### ***Elected Officials***

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#### Board of Supervisors:

District 1	Betsy Dirks
District 2	Kollin Kosmicki
District 3	Peter Hernandez
District 4	Bob Tiffany
District 5	Bea Gonzalez

Assessor	Tom Slavich
Clerk, Auditor, Recorder, Registrar of Voters	Joe Paul Gonzalez
District Attorney	Candice Hooper
Sheriff - Coroner	Eric Taylor
Treasurer, Tax Collector, Public Administrator	Melinda Casillas

### ***Appointed Officials***

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County Administrative Officer	Ray Espinosa
Agricultural Commissioner – Sealer of Weights & Measures	vacant
Chief Probation Officer	Joe Frontella
County Counsel	Barbara Thompson
County Health Officer	vacant
Director - Child Support Services	Jamie Murray
Director - County Library	Nora Conte
Director - Health & Human Services Agency	Tracey Belton
Director - Mental Health Services	vacant
Director - Resource Management Agency, Interim	Steve Loupe
Director - U.C. Cooperative Ext. Service	Devii Rao



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Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO



## Independent Auditor's Report

To the Board of Supervisors of the  
County of San Benito, California  
Hollister, California

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of San Benito, California (County) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 unit, each major fund, and the aggregate remaining fund information of the County, 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.

#### ***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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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### ***Adoption of New Accounting Standard***

As discussed in Note 18 to the financial statements, the County has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made to the governmental activities, general fund, and aggregate remaining fund information as of July 1, 2021, to restate beginning net position and fund balance. Our opinions are 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'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.

### ***Auditor's 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 auditor's 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 the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The nonmajor governmental funds combining balance sheets, combining statements of revenues, expenditures, and changes in fund balances, and budgetary comparison 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 auditing standards generally accepted in the United States of America. In our opinion, the nonmajor governmental funds combining balance sheets, combining statements of revenues, expenditures, and changes in fund balances, and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical information but does not include the basic financial statements and our auditor's 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 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 January 27, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Menlo Park, California  
January 27, 2023



**COUNTY OF SAN BENITO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2022

As management of the County of San Benito, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County of San Benito for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report and the County's financial statements which follow this section.

**I. FINANCIAL HIGHLIGHTS**

- On March 11, 2021 the American Rescue Plan Act (ARPA) became public law. Through ARPA, the County of San Benito received approximately \$12.2 million in federal aid. The County established an ad hoc committee in which two Board of Supervisors receive public input for proposed uses of the funds, and then submit their recommendations to the County Board of Supervisors for approval. As of the date this report was issued, the County Board of Supervisors has obligated the total federal award received.
- Through the use of ARPA funding the County has made allocations to projects, community-wide vaccination incentives, promoting tourism, and public park projects, are among the few uses in the past year.
- The unincorporated area's gross receipts from April through June were 31% higher than the same quarter of the previous year. Strong activity in the business-industry and building-construction group receipts contributed to big gains. An increase of 21.5% from the countywide use tax pool further elevated results.
- Transient occupancy taxes (TOT) increased by 33% over the previous fiscal year. TOT taxes in the unincorporated area of the County have increased fourfold since 2016.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$136.6 million, an increase of \$17.2 million in comparison to the ending fund balance in the previous fiscal year, a net change in fund balance of \$187 thousand less than the previous fiscal year. Approximately 16%, or \$21.9 million, is available for spending at the government's discretion (unassigned fund balance).
- Rising interest rates are significantly impacting investments across the state and nation. As a result, market values of investments are experiencing significant negative impacts, which is further described in the management discussion and analysis and presented in the financial statements sections of this report.

**II. OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis provided here are intended to serve as an introduction to the County of San Benito's basic financial statements. The County of San Benito's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**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 of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and cultural services. The county has one business-type activity, the John Smith Landfill (solid waste fund).

Component units are included in the basic financial statements and consist of legally separate entities for which the County is financially accountable, and have the same, or substantially the same board as the County or provides services entirely to the County. The County Service Areas (CSA's) and Community Facilities Districts (CFD's) are examples of these. Financial data of the CSA's and CFD's are combined with the presentation of the primary government's financial data and are therefore referred to as a "blended" component unit (see Note 1 for more details). On the other hand, a "discretely presented" component unit is one that is presented separately in the financial statements to emphasize its independence from the primary government. The County of San Benito has one discretely presented component unit, First 5 San Benito. The government-wide financial statements can be found on pages 25-26 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County are separated into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements because the focus of governmental funds is narrower than that of the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *government-wide* financial statements.

The County maintains 36 individual governmental funds. For financial reporting purposes, information is presented separately for major funds: General Fund, Human Services Agency Fund, Road Fund, Mental Health Fund, and Capital Improvement Projects Fund. 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 these five funds. Information for the remaining 31 governmental funds is combined into the presentation of Other Governmental Funds. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located under the Supplementary Information section in this report, starting on page 113. The governmental funds financial statements can be found on pages 28-31 of this report.

**Proprietary Funds.** *Proprietary funds* include Enterprise Funds. Enterprise funds report the same functions presented as the business-type activities in the government-wide financial statements. The County has one enterprise fund used to account for its Landfill-Solid Waste Operations. The proprietary fund financial statements can be found on pages 32-34 of this report.

**Fiduciary Funds.** *Fiduciary funds* are used to account for resources that are held for the benefit of third parties outside of the County. Fiduciary funds are not available to support the County's own programs. The fiduciary fund financial statements can be found on pages 35-36 of this report.

**Notes to the Basic Financial Statements.** The Notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 38 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's progress in funding its obligation to provide other post-employment benefits (OPEB) to its employees. It also provides information about the County's proportionate share of the California Public Employees Retirement (CalPERS) Safety pension plan collective net pension liability and information regarding the County's contributions to CalPERS; as well as, the County's net pension liability for the Miscellaneous Pension Plan and the County's net OPEB liability for retiree medical benefits. Required supplementary information can be found beginning on page 89 of this report.

This section also includes budgetary comparison schedules which compare the budgeted amounts for the fiscal year with the actual activity for four of the County's Major Governmental Funds - the General Fund, the Human Services Agency, the Road Fund, and the Mental Health Fund. This information shows how well the County stayed within the budget constraints it established.

The notes to the required supplementary information discuss the County's budgetary basis of accounting and the policies and regulations to which it adheres.

**Combining and Individual Fund Statements and Schedules.** The financial statements of the County's non-major funds are represented here. It includes all other non-major special revenue funds, the developer projects fund, and the County's debt service fund, and can be found beginning on page 113 of this report. Additional budget-to-actual comparison schedules are presented for the County's Capital Improvement Projects fund and all individual non-major special revenue funds for which annual budgets are legally adopted. The financial statements of investment trust and custodial fiduciary funds are presented in separate combining statements beginning on page 157.

### III. GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

The net position over time may serve as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$233.5 million at the close of the most recent fiscal year.

Statement of Net Position (condensed)							
(in thousands)							
	Governmental Activities		Business-type Activities		Total		Percent
	2022	2021	2022	2021	2022	2021	Change
<b>Assets:</b>							
Current and other assets	\$ 172,318	\$ 153,317	\$ 5,761	\$ 4,533	\$ 178,079	\$ 157,850	12.8 %
Capital assets, net	156,527	147,822	557	604	157,084	148,426	5.8 %
Leased assets, net	3,095	—	—	—	3,095	—	— %
Total assets	331,940	301,139	6,318	5,137	338,258	306,276	10.4 %
<b>Deferred outflows or resources:</b>	20,232	21,563	70	76	20,302	21,639	(6.2)%
<b>Liabilities:</b>							
Current and other liabilities	15,208	23,889	300	260	15,509	24,150	(35.8)%
Long-term liabilities	72,658	108,988	827	939	73,485	109,927	(33.2)%
Total liabilities	87,866	132,877	1,127	1,199	88,994	134,077	(33.6)%
<b>Deferred inflows of resources:</b>	35,966	1,379	124	6	36,090	1,385	2,505.8 %
<b>Net Position:</b>							
Net investment in capital assets	131,814	131,870	557	604	132,371	132,474	(0.1)%
Restricted	96,969	90,770	751	751	97,720	91,521	6.8 %
Unrestricted	(444)	(34,194)	3,860	2,654	3,416	(31,540)	(110.8)%
Total net position, as restated	\$ 228,339	\$ 188,446	\$ 5,168	\$ 4,009	\$ 233,507	\$ 192,454	21.3 %

The largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, infrastructure, and right-to-use assets), less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total government-wide (governmental and business-type activities) net position increased by \$41.1 million, an increase of 21% over the previous year's net position. Net investment in capital assets increased by approximately \$8.7 million over the previous year, which is attributed by infrastructure projects (roads, bridges, culverts) and facility construction in progress projects that are anticipated to be completed in subsequent fiscal years, and the implementation of GASB No. 87, *Leases* of \$3 million, net; more information on leases can be found in Note 6. The increase in total assets of \$32 million, is mainly attributed to the recognition of a net OPEB asset of \$7.8 million, an increase in construction in progress by approximately \$10 million, and the increase to capital assets being amortized. The increase

in current and other assets of \$19 million, or 12.8%, was attributed to recognition of a net OPEB asset, and an increase in due from other governments which increased by approximately \$3 million for state and federal aid for local road projects, and loan receivables for low-income first time home buyers. The \$45.1 million decrease to total liabilities was attributed by a decrease in net pension liability of approximately \$17 million and a shift from net OPEB liability in the previous year to a net OPEB asset in the current fiscal year.

**Governmental Activities.** During the current fiscal year, net position for governmental activities increased by \$39.9 million from the prior fiscal year's net position for an ending balance of \$228.3 million. The positive change to net position was the result of an increase in fines, fees, and charges for services revenue and a decrease in total expenses of \$10 million. The increase in fines, fees and charges for services revenue was created by the recognition of development fees that were pending the outcome and final decision on litigation, and the decrease to total expenses was associated to a combined decrease in GASB No. 68 (pension) and GASB No. 75 (OPEB) expenses. These changes were able to negate the impact of market values of investments which experienced a total decrease of \$2.5 million compared to the previous fiscal year. The impact on investments is due in large part to the rising interest rates in the bond market, as interest rates rise the value of investments decreases. An increase in housing development and resale within the County has helped maintain increases to property tax revenue, which increased by approximately \$1.4 million over the previous fiscal year.

**Business-type Activities.** Business-type activities are represented by the County's Landfill-Solid Waste operations and total assets increased by \$1.2 million, primarily in cash during the year. There was no transfer out to other fund which was the main reason for the decrease in the total assets in the previous fiscal year. There was minimal change over the previous fiscal year, the largest change occurring in the net accounts receivable which decreased by \$194 thousand, mainly due to timely receipt of payments from customers of the Landfill-Solid Waste; this also contributed to the increase in cash.

Changes in Net Position (in thousands)							
	Governmental Activities		Business-type Activities		Total		Percent
	2022	2021	2022	2021	2022	2021	Change
<b>Revenues:</b>							
Program revenues:							
Fees, fines and charges for services	\$ 27,426	\$ 17,725	\$ 2,313	\$ 2,154	\$ 29,739	\$ 19,879	50 %
Operating grants and contributions	72,061	76,892	155	46	72,217	76,938	(6)%
Capital grants and contributions	11,885	14,529	—	—	11,885	14,529	(18)%
General revenues:							
Property taxes	22,246	20,858	—	—	22,246	20,858	7 %
Other taxes	4,899	5,509	—	—	4,899	5,509	(11)%
Interest and investment earnings	(1,683)	885	(58)	28	(1,741)	913	(291)%
Other revenue	72	93	—	—	72	93	(23)%
Total revenues	<u>\$ 136,906</u>	<u>\$ 136,492</u>	<u>\$ 2,410</u>	<u>\$ 2,227</u>	<u>\$ 139,317</u>	<u>\$ 138,719</u>	<u>— %</u>
<b>Expenses:</b>							
General government	\$ 14,424	\$ 13,201	\$ —	\$ —	\$ 14,424	\$ 13,201	9 %
Public protection	32,859	43,327	—	—	32,859	43,327	(24)%
Public ways and facilities	9,683	6,343	—	—	9,683	6,343	53 %
Health and sanitation	12,729	15,582	—	—	12,729	15,582	(18)%
Public assistance	24,721	26,956	—	—	24,721	26,956	(8)%
Education	1,618	1,421	—	—	1,618	1,421	14 %
Recreation and culture	14	285	—	—	14	285	(95)%
Interest on long-term debt	969	787	—	—	969	787	23 %
Solid waste	—	—	1,251	986	1,251	986	27 %
Total expenses	<u>\$ 97,018</u>	<u>\$ 107,902</u>	<u>\$ 1,251</u>	<u>\$ 986</u>	<u>\$ 98,268</u>	<u>\$ 108,888</u>	<u>(10)%</u>
Excess (deficiency) of revenues over expenditures	39,888	28,590	1,159	1,241	41,049	29,831	38 %
Transfers in (out)	—	5,097	—	(5,097)	—	—	— %
Change in net position	39,888	33,687	1,159	(3,856)	41,049	29,831	—
Net position, as previously stated	188,447	154,081	—	—	188,447	—	— %
Restatement due to new GASB standards	—	678	—	—	—	—	— %
Net position, beginning	188,447	154,760	4,009	7,864	192,456	162,624	18 %
Net position, ending	<u>\$ 228,335</u>	<u>\$ 188,447</u>	<u>\$ 5,169</u>	<u>\$ 4,009</u>	<u>\$ 233,505</u>	<u>\$ 192,455</u>	<u>21 %</u>

**Changes in Net Position.** *Governmental activities* program revenue, which includes charges for services (service charges, fines and fees) and grants for operations and capital acquisitions, had a combined net increase of \$2.2 million over the previous fiscal year. Fees, fines and charges for services increased by \$9.7 million under general government primarily due to development fees settled through litigation that were recognized in the current year. Grants and contributions, for both operating and capital purposes, decreased by a combined \$7.5 million, due to decreases in reimbursable state and federal aid for capital projects, and one-time funding related to COVID-19. General revenues, which includes taxes, investment earnings and miscellaneous revenues decreased by \$1.9 million primarily due to the fair market value decrease in investments which decreased by \$2.5 million over the previous year. Expenditures for the fiscal year were \$97 million, a decrease of \$10.9 million from last year, which primarily occurred in the public protection function, which decreased by \$10.4 million over the previous year. The most significant expense decrease in public protection occurred as a result of the



decreases to pension and OPEB expense recognized through the long-term liabilities related to GASB No. 68 and GASB No. 75 entries. Additionally, public protection expenses related to mitigation of COVID-19 in the community also decreased over the previous year by \$6 million.

*Business-type activities* (Landfill-Solid Waste) experienced a \$270 thousand increase to fees, fines and charges for services while interest income decreased by approximately \$86 thousand. The fees, fines and charges for services revenue increase results from an increase in solid waste being handled/gross receipts by the franchised hauler as the revenue collected from fees are based on a percentage of the tonnage being handled by the franchised hauler. The decrease in interest income is attributed to a decrease in fair market value of pooled investments which was allocated based on the cash balance at the year end. Expenses increased by approximately \$265 thousand and no transfer out, resulting in an increase to net position of \$1.2 million. The increase in expenses was a result of filling vacant positions and increase in outside consultant services, including grant management.

#### **IV. FINANCIAL ANALYSIS OF COUNTY FUNDS**

As mentioned in the overview of the financial statements of this section, the County uses fund accounting to ensure and demonstrate compliance with budgetary and legal requirements.

**Governmental Funds.** Governmental funds include, the General Fund, major and nonmajor special revenue funds, and Developer Project and Debt Service funds. Included in the nonmajor special revenue funds are the blended component unit special districts, governed by the County Board of Supervisors. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources, as such information is useful in assessing the County's financing requirements.

As of the end of the fiscal year, the County's governmental funds reported total fund balance of \$137 million, an increase of \$17.2 million from the previous year's fund balance, which is largely attributed to the net change in fund balances for the General Fund and Mental Health Fund. The increase to fund balance in the Mental Health Fund of \$1.4 million is primarily related to the overall increase in revenues as state aid increased by \$2.3 million or 29% in 2022. Due to the availability of revenues in the Mental Health Fund, there was a total of \$1.5 million reported as unavailable revenue in the previous fiscal year, which decreased in the current year to slightly less than \$500 thousand. The increase in aid from other governments and the increase in fund balance was due in large part to the recognition of revenues. The increase to fund balance in the General Fund of \$16.2 million is attributed to an additional \$6 million in revenue received from ARPA which was unspent at the end of the fiscal year as well as a portion of the \$12.3 million of mitigation fees collected between October 2015 and September 2021. The funding from ARPA will be budgeted and expensed in subsequent fiscal years as well as any remaining mitigation fees.

The governmental funds combined unassigned fund balance of \$21.9 million represents the County's resources that are not classified in the other categories and are considered available for current and future needs. The restricted fund balance of \$101.8 million are amounts with constraints placed on their use by those external to the County, largely found in the County's major and nonmajor special revenue funds. Major governmental funds' restricted fund balances includes amounts collected and

regulated by state statute or state and federal granting agencies, including \$10.4 million restricted by the American Rescue Plan Act of 2021. In addition, it includes amounts held at PARS for the County's pension obligations and revenues from impact fees established by the County Board of Supervisors through ordinance or resolution. The assigned fund balance of \$12.1 million is earmarked to meet the County's current and future needs, which includes designations for future capital improvement projects and future self-insurance liabilities. The nonspendable fund balance of \$778 thousand represents a balance of inventories and prepaid expenditures, which cannot be spent because of their form (see the Fund Balance section of Note 1 - Summary of Significant Accounting Policies). The major activities in the County's governmental funds are highlighted in the next section.

**General Fund.** The General Fund is the chief operating fund of the County. All County activities not included in a separate fund are included in the General Fund. At June 30, 2022, unassigned fund balance totaled \$23.2 million, while the total fund balance amounted to \$55.1 million. As a measure of the General Fund's liquidity, it is useful to note that the unassigned fund balance represents 42.2% of the fund's total expenditures. General Fund expenditures increased minimally by 0.60%, or \$321 thousand, due to a combined increase in education expenditures, debt service, and capital expenditures for general government and public protection. Expenditures in general government increased by \$2.4 million which were offset by public protection's current expenditures of \$2.4 million. General government expenditures increased primarily under salaries and benefits and services and supplies, which increased specifically for outside legal consulting services. Public protection expenditures decreased primarily due to a decrease in COVID-19 mitigation costs; public programs and operational costs associated with personal protective equipment decreased over the previous year as the impacts of COVID-19 have decreased. The Agricultural Extension and the County Library contributed a combined \$397 thousand increase to education expenditures, with the County Library contributing \$383 thousand of the increase, primarily in salaries and benefits of \$242 thousand and \$105 thousand for services and supplies. Debt service expenditures included costs associated with leases of buildings, infrastructure, and equipment, as a result of implementation of GASB No. 87; all other long-term debt is reported separately in the debt service fund under other governmental funds. Capital expenditures, unrelated to the implementation of GASB No. 87, *Leases*, totaled \$577 thousand, while the capital expenditures related to implementation of GASB No. 87 totaled \$86 thousand. The General Fund experienced a \$3.8 million or 8.4% increase in total revenues over the previous year. An increase of \$11.5 million in charges for services, through the recognition of contingency reserves collected from development fees that had been tied up in litigation, attributed to the overall increase in revenues over the previous year. Without the recognition of this specific revenue, total revenues would have experienced a decrease of \$6.9 million, with the only significant increase being under taxes revenues, which increased by \$691 thousand. The only area of taxes that saw an increase was Property tax \$1.2 million; Sales taxes declined by \$205 thousand and Other taxes declined by \$370 thousand.

**Human Services Agency.** The Human Services Agency's primary revenue sources are derived from state and federal agencies, which establish restrictions on its uses. Total revenues in the current year had minimal change over prior year totals, declining by \$83 thousand or 0.34%, with the most significant change being a \$167 thousand decrease in use of money and property which was caused by a decrease in fair market value of pooled investments. Other revenues increased by \$102 thousand due to recognition of prior year IHSS funding received in the current year. Overall, total expenditures increased by \$70 thousand as salaries and benefits increased by \$247 thousand as a result of annual

increases while services and supplies decreased by \$134 thousand attributed to a decrease in Whole Person Care program expenditures. Despite the decrease in fair market value of investments, revenues exceeded expenditures and other financing uses combined by approximately \$415 thousand in the current year. At June 30, 2022, the fund balance totaled \$7.9 million.

**Road Fund.** The Road Fund, in which all road and infrastructure projects are recorded, experienced a net decrease in fund balance of \$3.3 million. Revenues and other financing sources decreased by \$13.6 million over the previous year. Aid from other governments decreased by \$8.3 million, which represents state and federal funding for various road capital projects expenditures that have already been realized, as revenues are received on a reimbursement basis. The decrease in aid from other governments revenue is attributed to multiple factors including: an increase in unavailable revenue of approximately \$2.9 million in the current year over the previous year, revenue which will be recognized in the subsequent period, a decrease of \$2.3 million in Measure G funding which is designated for local street and road rehabilitation, and finally, the revenue decrease is attributable to delays encountered in right of way acquisitions, engineering design, and contracts award processes, which resulted in a decrease of project related reimbursable expenditures of \$1.6 million compared to the previous fiscal year. Total expenditures in the Road fund decreased by approximately \$1.3 million primarily under capital related expenditures due to aforementioned delays.

**Mental Health Fund.** The Mental Health Fund receives its funding from state and federal agencies, making its fund balance restricted. Total revenues increased by \$577 thousand over the previous fiscal year's total. The net increase in revenues was attributed by an increase in aid from other government of \$955 thousand, while interest income and other charges decreased by \$318 thousand and \$50 thousand, respectively. The increase in aid from other governments was due to the timing in the recognition of revenues for Community Services and Support (CSS), Prevention and Early Intervention (PEI), and Innovation (INN) program, as \$421 thousand was recognized in the current year. Realignment II funding was \$237 thousand higher in the current year compared to the previous year. The fund also received a new source of revenue, Quality Improvement Program (QIP), of \$351 thousand. The fund's use of money or property decreased by \$318 thousand as the fair market value of pooled investments decreased. Total expenditures increased by \$570 thousand primarily in services and supplies, and other charges. The increase in services and supplies of \$341 thousand was due to increases in the psychiatry and telepsychiatry services and the youth mental health services. The increase in other charges of \$202 thousand was mainly due to residential care expenditures and various program expenditures related to CalMHSA. Total revenues exceeded total expenditures by \$2.3 million during the year, combined with net financing uses of \$917 thousand, fund balance increased by \$1.4 million or 10%. At June 30, 2022, fund balance totaled \$15.6 million.

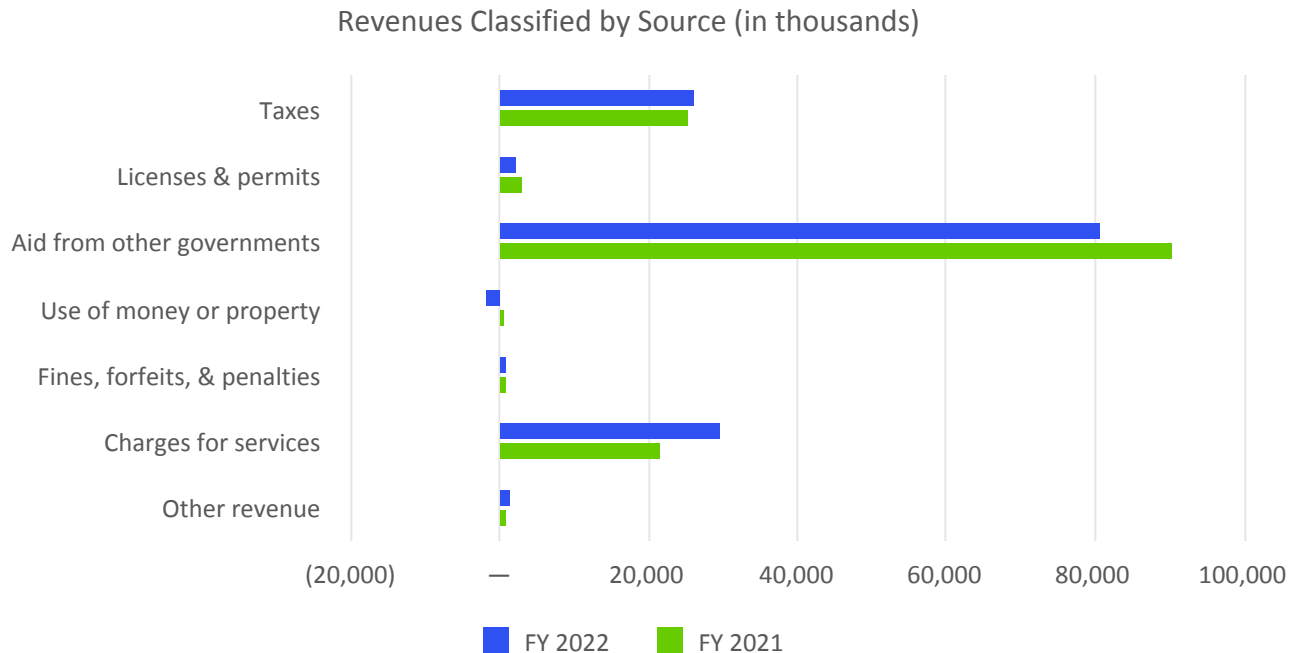
**Capital Improvement Projects Fund.** The Capital Improvement Project Fund reports all revenues and expenditures associated with capital projects primarily for property and equipment of the County. The fund's primary revenue, or other financing source, comes from transfers in from other governmental or proprietary funds, depending on the purpose of the capital improvement project. Other financing sources decreased by approximately \$4.3 million due to a decline in capital asset expenditures in the fund. The current year's capital expenditures decreased by \$9.4 million over the previous year as major construction projects, including the Behavioral health facility, were completed in the previous years; \$1.1 million in expenditures in the current year pertained to behavioral health facility's retainage fees

and various residual payments. \$1.1 million in current year expenditures were associated with the purchase of property for low-income housing; and \$900 thousand for various capital projects, including emergency homeless shelter, library kiosk, migrant camp interior remodeling, and Sunnyside Park improvement.

**Other Governmental Funds.** Other Governmental Funds finance specific services for the benefit of County constituents. Included are the County's impact fee funds, and blended component units, as well as various protective and health service funds. The sum of the restricted, committed, assigned and unassigned fund balances of the remaining governmental funds increased by approximately \$3.4 million; the operating expenditures of the funds were less than the revenues collected during the year by \$4.8 million. Combined, other governmental funds experienced an increase in aid from other governments of \$3.2 million, primarily attributed by an increase in State AB109 revenue of \$1.3 million. Other governmental funds also experienced a decrease in charges for services of \$3.4 million due to a decrease in County impact fee revenue of approximately \$4 million. Other governmental funds experienced the most significant changes in salaries and benefits expenditures. The County's blended component units reported as county service areas and community facilities districts experienced a combined increase of approximately \$662 thousand to fund balance, and all other non-major special revenue funds experienced a combined increase to fund balance of \$2.8 million.

**Revenues.** The following table presents the revenues by category from various sources as well as the amounts and changes from the prior year in governmental funds.

Revenues classified by Source						
(in thousands)						
	FY 2022		FY 2021		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Taxes	\$ 26,363	18.9 %	\$ 25,551	17.8 %	\$ 812	3.2 %
Licenses and permits	2,310	1.7 %	3,228	2.2 %	\$ (918)	(28.4)%
Aid from other governments	80,788	57.8 %	90,637	63.1 %	\$ (9,849)	(10.9)%
Use of money or property	(1,713)	(1.2)%	733	0.5 %	\$ (2,446)	(333.7)%
Fines, forfeits, and penalties	948	0.7 %	866	0.6 %	\$ 82	9.5 %
Charges for services	29,678	21.2 %	21,597	15.0 %	\$ 8,081	37.4 %
Other revenue	1,475	1.1 %	1,058	0.9 %	\$ 417	39.4 %
Total	<u>\$ 139,848</u>	<u>100 %</u>	<u>\$ 143,670</u>	<u>100 %</u>	<u>\$ (3,821)</u>	<u>(2.7)%</u>



Revenue totals reported in governmental funds decreased by \$3.8 million or 2.7%. The use of money or property, licenses and permits, followed by aid from other governments experienced the largest percentage decrease over the previous year. The largest increases are seen in other revenue and charges for services, with smaller increases in fines, fees, and penalties and tax revenues.

Tax revenues account for 19% of all revenues received by governmental funds of the County. The increase in tax revenue over the previous fiscal year of \$812 thousand is attributed to increases in current secured, current unsecured and current supplemental taxes of \$1 million, taxes in-lieu of VLF increased by \$385 thousand over the previous year, while business license tax (Measure H) decreased by \$574 thousand and sales and use tax revenue decreased by \$205 thousand over the previous fiscal year.

Licenses and permits revenue decreased by \$918 thousand, or 28.4%, primarily due to a decrease in construction and planning permit fees. From fiscal year 2020/2021 to fiscal year 2021/2022, permits issued decreased by 10%, and the average fees collected per permit decreased by 22%; fees are largely dependent on scope and size of the project.

Aid from other governments decreased by \$9.8 million over the previous fiscal year primarily due to decreases in the General Fund resulting from less COVID-19 related state and federal aid, and in the Road fund resulting from less local, state and federal aid for road and infrastructure capital expenditures. General fund aid from other governments revenue decreased by a combined \$5.3 million, largely attributed to a decrease in state and federal aid received for mitigating the impacts of COVID-19. Road fund experienced a decrease in aid from other governments which decreased by \$8.3 million; the sources which originate from the California Department of Transportation and the San Benito Council of Governments. The decrease is attributed to the timing of revenue reimbursements

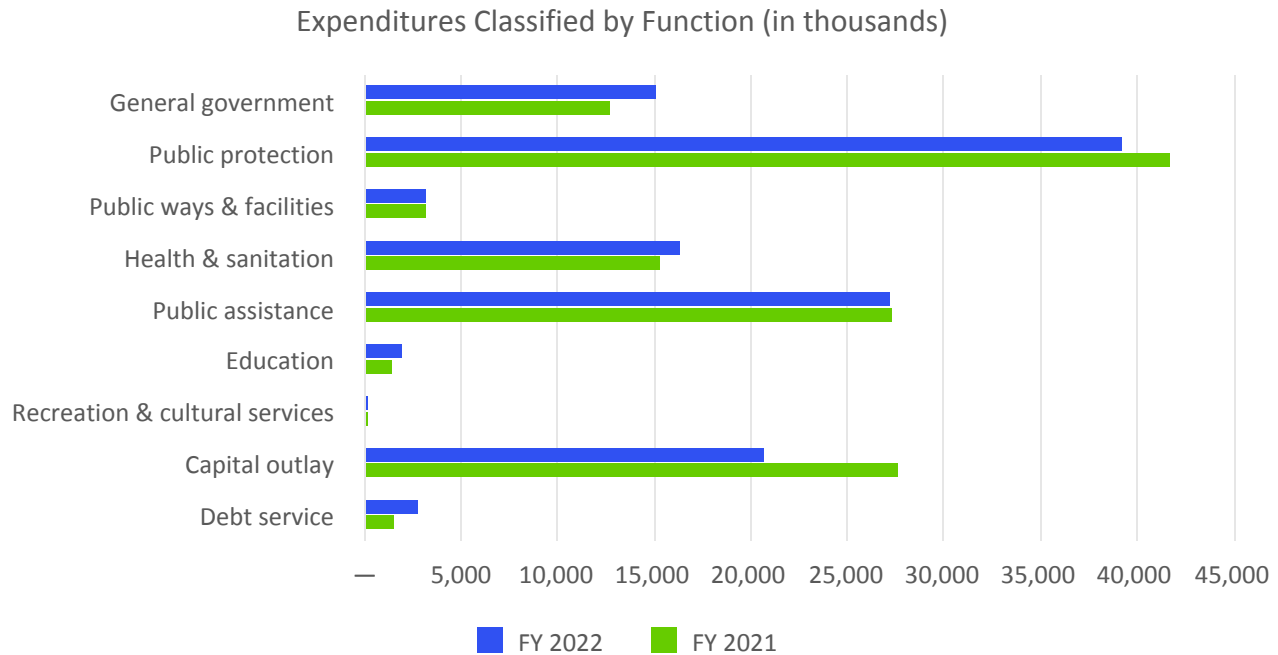
which were recorded as unavailable revenues in the current year and will be recognized as revenue in subsequent periods, and a decrease in road and infrastructure reimbursable capital expenditures. CSWD programs such as HEAP, HHAP, and WIOA youth, contributed to a \$1.4 million decrease in aid from other governments revenue under Other Governmental Funds. HEAP revenue decreased by \$1.6 million because of the one-time funding received in 2021. HHAP revenue decreased by \$168 thousand due to timing in receiving three rounds of funding; the first round (20-HHAP-00018) received in 2021 was higher than the combined allocations for the other two rounds received in 2022. WIOA youth program revenue decreased by \$148 thousand since the service level in 2022 was much lower than that of 2021.

Use of money or property revenue decreased by \$2.4 million due to economic impacts resulting from COVID-19. As the economy recovers and interest rates begin to rise, value of investments purchased over the past two years decrease. This impact is shared among all funds whose cash are invested by the County treasurer.

Charges for services had a net increase of \$8.1 million, attributed to a \$12.3 million increase of development fees to customers and a \$3.9 million decrease to impact fees collected from customers. The recognition of the development fees occurred after a final decision was issued on litigation, and the impact fee revenue decreased resulted from a decrease in permits issued compared to the previous year, as large development projects reached completion.

**Expenditures.** The following table presents expenditures by function as well as the amounts and changes from the prior year in governmental funds.

Expenditures classified by Function (in thousands)						
	FY 2022		FY 2021		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
General government	\$ 15,131	12.3 %	\$ 12,804	9.7 %	\$ 2,328	18.2 %
Public protection	39,284	31.9 %	41,760	31.8 %	(2,476)	(5.9)%
Public ways and facilities	3,250	2.6 %	3,195	2.4 %	55	1.7 %
Health and sanitation	16,350	13.3 %	15,360	11.7 %	990	6.4 %
Public assistance	27,226	22.1 %	27,350	20.8 %	(123)	(0.5)%
Education	1,919	1.6 %	1,477	1.1 %	441	29.9 %
Recreation and cultural services	228	0.2 %	215	0.2 %	13	6.0 %
Capital outlay	16,832	13.7 %	27,655	21.1 %	(10,824)	(39.1)%
Debt service	2,870	2.3 %	1,551	1.2 %	1,319	85.0 %
Total	<u>\$ 123,090</u>	<u>100 %</u>	<u>\$ 131,367</u>	<u>100 %</u>	<u>\$ (8,277)</u>	<u>(6.3)%</u>



Expenditure totals reported in governmental funds decreased by \$8.3 millions or 6.3%. The largest decreases being in public protection and capital outlay expenditures, which combined decreased by approximately \$13.3 million. Expenditures increased under general government, debt service, and health and sanitation, combining for an increase of \$4.6 million.

General government expenditures increased by \$2.3 million as a net change between the various departments reported under the General Fund. The departments that experienced the highest increase when compared to the previous fiscal year were the county administration division (\$238 thousand), county counsel division (\$233 thousand), county board of supervisors division (\$228 thousand), and the information technology division (\$221 thousand). General government divisions increased by approximately \$962 thousand under salaries and benefits classification of expenditures and \$671 thousand under services and supplies, which included outside legal consulting services.

Public protection expenditures decrease of \$2.5 million is due to a \$3.5 million decrease in services and supplies and \$2.2 million decrease in other charges, both related to COVID-19. Public protection costs, related to the mitigation of COVID-19, included testing, personal protection equipment, and meals for the public; these costs decreased significantly in the current year compared to the previous year. Other charges which included rent, food, and utility assistance for the public, as well as small business grants, also decreased in the current year when compared to the previous year.

Health and sanitation expenditures increased by \$990 thousand. The largest increase of \$570 thousand, occurring in Mental Health Fund, was due to services and supplies increases in psychiatric services, PEI-funded contracts for children's mental services, consulting and outside labor cost of youth and crises support services, and cost of inpatient hospital and/or residential services. Other governmental funds that also experienced an increase expenditures, under health and sanitation,



include the public health fund and the substance abuse fund. The public health fund increased by \$201 thousand primarily in salaries and benefits as additional limited term positions were added to administer various COVID-19 related programs. The substance abuse fund increased by \$326 thousand also in salaries and benefits due to staffing turnover and new hires.

Capital outlay expenditures decreased by \$10.8 million over the previous fiscal year. In the Capital Improvement Projects Fund a decrease of \$7.2 million was mainly attributed to the construction completion of the new behavioral health facility in the previous year. Other capital outlay expenditure decreases include a \$1.2 million decrease in Road Fund infrastructure/roads expenditures due to delays encountered in right of way acquisition, engineering design, and contract award processes.

Debt service increased by \$1.3 million during the fiscal year; principal and interest payments for the right-to-use leased assets are accounted for in each fund receiving services of the asset. The debt service payments of principal and interest for the 2019 certificates of participation (adult detention facility), the 2020 certificates of participation (behavioral health facility), loan payments, and financed capital assets are primarily accounted for under the debt service fund.

**Proprietary Fund.** The County has a proprietary fund, the John Smith Landfill (Landfill-Solid Waste Fund). The net change of revenues over expenses in the Landfill-Solid Waste Fund was approximately \$1.2 million increase. The increase to net position is a result of the fund maintaining its operating revenues, as there was no transfer out to other funds in the current year. The expenses increased by \$265 thousand in salaries and benefits due to filling vacant positions and services and supplies accounts due to increases in payments to consultants for enhanced solid waste management consulting services and grants management services. Total assets in the proprietary fund increased by \$1.2 million due to the increase in cash which mainly pertains to no cash flow decrease due to transfer out.

## **V. GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund revenues for the fiscal year were budgeted at \$55.1 million and actual revenues collected were \$69.2 million. The reason for the variance was because each revenue classification experienced higher than expected actuals. Taxes and aid from other governments totaled \$4.6 million more than expected, charges for services actuals were \$11.2 million higher than expected due to recognition of mitigation fees, and all other classifications combined variance \$1.1 million. *Tax revenues* were budgeted at \$22.4 million and actual taxes collected were \$24.6 million. The County was relatively conservative when budgeting property tax revenues, with the uncertainty in the economy and the community recovering from the coronavirus pandemic, as such, property taxes were \$1.7 million more than expected. *Aid from other governments* was budgeted at \$15.3 million and actual revenue received was \$17.7 million. The revenue sources contributing to the variance between budget and actual revenues were the \$449 thousand grant from the state to cover expenditures related to the gubernatorial recall election, \$999 thousand in higher Proposition 172 funds for Public Safety, and \$850 thousand in trial court security funds allocated from the state. During fiscal year 2021/2022 management maintained a conservative budget estimate for *use of money*, which has historically been budgeted at approximately \$130 thousand; actual use of money during the year was a negative \$716 thousand due to a decrease in fair market value of investments. *Licenses, permits and franchises* were

budgeted conservatively due to the coronavirus pandemic, with actual revenues \$8 thousand more than budgeted, however, when compared to the previous fiscal year revenues license, permit and franchises were less than the previous fiscal year by \$920 thousand. *Fines, forfeitures, and penalties* were budgeted at \$691 thousand and actual revenues collected were \$917 thousand. The difference can be attributed to revenues recorded in property tax delinquencies \$196 thousand. *Charges for services* were budgeted at \$12.5 million and actual revenues collected came in at \$23.7 million; the difference was due to the \$12.3 million charges for services related to the mitigation fees discussed earlier. *Other revenue* was budgeted at \$1.7 million with actual revenue of \$677 thousand. This difference was a result of various grants of the office of emergency services being budgeted in miscellaneous revenue accounts and the actual revenues were recognized in the *Aid from other governments classification*.

The General Fund expenditures for the fiscal year were budgeted at \$66.9 million while actual total expenditures were \$54 million, a difference of \$12.6 million. The main reason for the difference was due to lower than expected salary and benefits as well as services and supplies expenditures. The divisions within the General Fund that contributed to the lower than expected actual expenditures were the office of emergency services division for \$1.2 million materials not purchased, land developer projects division for \$1.9 million in expenditures related to development projects that did not realize, \$404 thousand in consultants and contracts budgeted within the non-departmental division that were not utilized, \$1.4 million less than anticipated consultant expenditures for the planning and zoning division, \$6 million in special contract costs for the disaster recovery division that were not spent, but are anticipated to be spent in the subsequent fiscal year.

## **VI. CAPITAL ASSETS AND LONG-TERM LIABILITIES ADMINISTRATION**

**Capital Assets.** Valuation has been established for the County's infrastructure, property improvements, equipment, and right-to-use leased assets. A schedule of depreciation and amortization has been prepared for each capital asset class. The County Landfill capital assets are discussed separately in this report.

Assets classed as infrastructure include roads, bridges, bike paths and culverts- storm drains. Right-to-use infrastructure assets includes a radio tower. Roads are depreciated at 35 years for larger, major traffic carrying streets and 50 years for minor, less utilized streets. Bridges are depreciated at 50 years, as are bike paths. Culverts and storm drains are depreciated at 30 years for metal culverts and 50 years for concrete. All infrastructure capital assets are depreciated using the straight line method and the County uses the "Basic Approach" as defined by GASB No. 34 for infrastructure reporting. Assets classed as property improvements include all improvements to land or existing structures owned by the County; land is not depreciated. Improvements that are full-scale buildings are depreciated for 50 years. All other improvements are depreciated over 15 years. All property improvements are depreciated using the straight line method.

Assets classed as equipment are either individual or grouped assets that have a cost of \$5 thousand or more. These assets are grouped as vehicles, computers, or furniture and equipment on the schedules. All assets in this class are depreciated at 3 or 5 years using the straight line method. Software is depreciated at a 5 year minimum using the straight line method.

Right-to-use assets are amortized over the lease term or the estimated remaining life of the asset, whichever is shorter.

The original cost of County infrastructure assets is \$178.3 million, an increase of \$700 thousand due to the transfer of \$700 thousand from construction in progress to depreciable infrastructure for the completion of storm drainage improvement projects in various locations. Infrastructure has accumulated depreciation of \$127.8 million, including the addition of \$3.3 million of depreciation expense for the current year. The net asset value, or unrecovered cost (net asset value) of infrastructure, is \$50.5 million.

Original cost of property and improvements is \$78.6 million, an increase of \$3.3 million for projects completed during the year. The majority of the total amount transferred to depreciable property was for the behavioral health facility of \$1.1 million, emergency homeless shelter of \$1.03 million, Juvenile Hall improvements of \$448 thousand, and radio/communication infrastructure of \$199 thousand. Property improvements depreciation expense was \$2.7 million for the year, bringing total accumulated depreciation to \$22.5 million. Unrecovered cost at the end of the year is \$56.2 million. Additionally, \$304 thousand construction in progress costs was deleted as the costs did not result in property or property improvement.

A total of \$1 million was added in capital asset equipment, bringing total original cost to \$23.1 million at fiscal year-end. \$471 thousand for purchase of multiple vehicles and vehicle equipment, \$347 thousand for various equipment, \$136 thousand for furniture and furnishings, and \$34 thousand for computers. A few vehicles in the original amount of \$415 thousand and equipment of \$128 thousand retired during the fiscal year. Accumulated depreciation totaled \$20.3 million, including \$1.3 million in depreciation expense for the current fiscal year. Unrecovered cost at the end of the year is \$2.8 million.

Right-to-use lease assets recognized as of June 30, 2022, as a result of implementing GASB No. 87, *Leases*, was \$4.3 million. Total value of right-to-use buildings added during the year is \$320 thousand, which included leased office space for the Public Health Fund. Building accumulated amortization during the year totaled \$1.1 million. Total value of right-to-use equipment, which included vehicles, copiers, and other office equipment, totaled \$153 thousand with accumulated amortization during the year of \$199 thousand. Total value of right-to-use infrastructure, which included a radio tower leased by the Sheriff's division, was \$647 thousand at fiscal year end, with accumulated amortization of \$27 thousand.

Significant highlights to capital assets in fiscal year 2021/2022 included:

- Behavioral health facility's current year construction in progress (CIP) of \$1.1 million was transferred to depreciable property which completed the project for a total cost of \$13.1 million.
- Purchased a property of \$1.1 million for future use as low-income housing.
- A total of \$1.03 million for emergency homeless shelter was transferred to depreciable property.
- \$471 thousand for vehicles, including two pot hole repair trucks of \$205 thousand.

- \$12.3 million and \$2.4 million in road and property improvement costs, respectively that were increases to construction in progress.
- Implementation of GASB No. 87, *Leases*, resulted in the recognition of \$4.3 million in right-to-use assets, including infrastructure, property, and equipment, at June 30, 2022.

More information on the primary government's capital assets reported for governmental activities and business-type activities can be found in Note 5 (capital assets) and Note 6 (leases).

**Long-Term Liabilities.** The County's long-term debt balance decreased by \$690 thousand during the fiscal year as a result of principal payments made for, the two certificates of participation (COPs) issued by the San Benito County Financing Corporation for the behavioral health facility project in the amount of \$10.2 million and adult detention facility in the amount of \$7.5 million. Capital financing debt is reported as \$8.2 million for energy conservation measures project and \$384 thousand for election equipment and copiers. Direct borrowings are reported for PG&E on-bill financing loans in the amount of \$298 thousand to finance costs for the solar improvements project. The County covenants to include all debt payments due in the operating budget for each fiscal year and to make annual appropriations; more information can be found in Note 7.

The County also recognizes long-term liabilities for pension and other post-employment benefits for health care. The County's governmental activities net pension liability decreased by \$27.3 million and reported a net OPEB asset for the first time since implementation of GASB 75. The County continues to prefund for its liabilities through its investments with CERBT and PARS; more information can be found in Note 12 and Note 13.

## VII. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The County continues to prioritize the Strategic Planning process to aid in successfully advancing the County's vision and priorities over the next five years. The Strategic Plan will ensure maximum alignment between the County's resources and the Board of Supervisors' policy direction, countywide organizational culture, employee and stakeholder interest, and customer service expectations.

As part of the American Rescue Plan Act (ARPA), signed into law on March 11th, 2021, the County of San Benito was allocated approximately \$12.2 million in aid from other governments. The Board of Supervisors established an ad hoc committee in which two Board of supervisors receive public input for proposed uses of the revenue, and then submit their recommendations to the County Board of Supervisors for approval. As of the date this report was issued, the County Board of Supervisors has obligated the total federal award received to be appropriated for various public projects in subsequent budgets.

The County's fiscal year 2022/2023 budget increased by approximately \$51.5 million from the previous year's budget. The increases are related to capital improvement projects (\$18.8 million) and road improvement projects (\$12.2 million). One-time funding received from state and federal governments in prior years will be used to fund various capital projects. The fiscal year 2022/2023 budget also includes a net increase to staffing of 29 full-time equivalents (FTEs). A net increase of 14 FTEs in the General Fund were added in public safety positions, while an additional 13 FTEs were added in the

Human Services Agency to increase social services and respond to public health needs.

On June 27, 2022, the County Board of Supervisors adopted a General Fund Reserve Policy which focuses on mitigating risks and preparing for potential revenue shortfalls; in addition, the policy demonstrates continued prudent fiscal management and creditworthiness, which allows the County to maintain a sustainable financial structure.

The San Benito Health Care District (District) is a public entity, which oversees Hazel Hawkins Memorial Hospital, and provides community-based healthcare services to residents within the County of San Benito, including many of the County's employees. The District, which is governed by a five-member locally elected Board of Directors, passed a resolution on November 4, 2022 declaring a fiscal emergency. The resolution gives administrators the authority to file a petition under Chapter 9 of the Bankruptcy Code, if and when they determine that step would be appropriate. Hazel Hawkins management and Board have taken significant steps to reduce expenses over the past years, but record inflation, declining medical insurance reimbursements, and the process of recuperating post-COVID have restricted cash flow. The Board has indicated that the District will be unable to pay its obligations within the next 60 days and determined that it is in the best interest of the District, its patients, creditors, citizens, taxpayers, and employees to file the Chapter 9 bankruptcy protection petition. Hazel Hawkins Hospital is the only hospital in San Benito County, and was designated as a critical access and rural serving hospital two years ago. According to the American Hospital Association, 136 rural hospitals closed from 2010 to 2021, with 19 closures occurring in 2021, further demonstrating the financial struggles that rural hospital face, which was further compounded by the impacts of COVID-19 and inflation.

#### **VIII. REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the County's finances and assist anyone interested in the County's financial condition. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the San Benito County Auditor, 481 Fourth Street, 2nd Floor, Hollister, CA 95023.

**BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



# COUNTY OF SAN BENITO

## Statement of Net Position June 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	First 5 of San Benito
<b>Assets</b>				
Cash and investments:				
Held in County treasury	\$ 115,024,931	\$ 4,453,038	\$ 119,477,969	\$ —
Other bank accounts - restricted	14,527,650	751,586	15,279,236	—
Other bank accounts	10,062,564	—	10,062,564	925,500
Imprest cash	5,093	—	5,093	—
Receivables	6,063,529	150,448	6,213,977	171,388
Due from other governments	15,380,129	406,000	15,786,129	—
Loan receivable	2,646,996	—	2,646,996	—
Prepaid expenses and inventories	778,327	—	778,327	26,786
Net OPEB asset	7,828,494	31,333	7,859,827	156,496
Capital assets, nondepreciable	47,012,039	313,079	47,325,118	—
Capital assets, depreciable, net	109,514,519	243,683	109,758,202	621,563
Lease assets, net	3,095,321	—	3,095,321	—
<b>Total Assets</b>	<b>331,939,592</b>	<b>6,349,167</b>	<b>338,288,759</b>	<b>1,901,733</b>
<b>Deferred Outflows of Resources</b>				
Related to pension	12,237,512	21,803	12,259,315	51,122
Related to OPEB	7,994,969	48,346	8,043,315	77,100
<b>Total Deferred Outflows of Resources</b>	<b>20,232,481</b>	<b>70,149</b>	<b>20,302,630</b>	<b>128,222</b>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	9,648,591	300,203	9,948,794	43,445
Due to other agencies	381,431	—	381,431	—
Deposits from others	1,113,605	—	1,113,605	—
Unearned revenues	376,559	—	376,559	—
Accrued interest on outstanding debt	267,504	—	267,504	—
Long- Term Liabilities:				
Portion due or payable within one year:				
Lease obligations	1,264,706	—	1,264,706	123,142
Current portion of other long-term debt	283,124	—	283,124	—
Compensated absences	623,860	—	623,860	1,881
Liability for unpaid claims	833,484	—	833,484	—
Loan payable	35,749	—	35,749	—
Certificate of participation	379,707	—	379,707	—
Portion due or payable after one year:				
Closure/post-closure liability	—	714,000	714,000	—
Lease obligations	1,864,132	—	1,864,132	550,146
Other long-term debt	7,634,001	—	7,634,001	—
Compensated absences	3,119,303	16,396	3,135,699	3,333
Liability for unpaid claims	3,333,935	—	3,333,935	—
Loan payable	79,278	—	79,278	—
Certificate of participation	17,384,392	—	17,384,392	—
Net pension liability	39,243,023	96,230	39,339,253	225,644
<b>Total Liabilities</b>	<b>87,866,384</b>	<b>1,126,829</b>	<b>88,993,213</b>	<b>947,591</b>
<b>Deferred Inflows of Resources</b>				
Lease related	412,847	—	412,847	—
Deferred pension adjustments	19,472,833	42,861	19,515,694	100,504
Deferred OPEB adjustments	16,080,423	80,970	16,161,393	153,246
<b>Total Deferred Inflows of Resources</b>	<b>35,966,103</b>	<b>123,831</b>	<b>36,089,934</b>	<b>253,750</b>
<b>Net Position</b>				
Net investment in capital assets	131,814,314	556,762	132,371,076	(51,725)
Restricted (Note 16)				
General Fund programs	16,549,636	—	16,549,636	—
HSA programs	7,822,820	—	7,822,820	—
Mental Health programs	15,627,000	—	15,627,000	—
Purpose of funds	56,969,799	751,586	57,721,385	455,650
Unrestricted	(443,983)	3,860,308	3,416,325	424,689
<b>Total Net Position</b>	<b>\$ 228,339,586</b>	<b>\$ 5,168,656</b>	<b>\$ 233,508,242</b>	<b>\$ 828,614</b>

The accompanying notes are an integral part of these financial statements.



**COUNTY OF SAN BENITO**

Statement of Activities

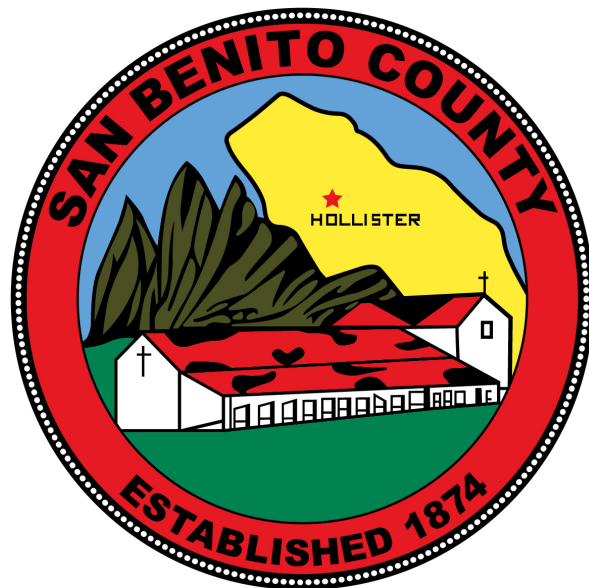
For the Fiscal Year Ended June 30, 2022

Functions/ Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component
					Governmental Activities	Business-type Activities	Total	Unit
								First 5 of San Benito
Primary Government:								
Governmental Activities:								
General government	\$ 14,424,408	\$ 15,999,888	\$ 10,492,435	\$ —	\$ 12,067,915	\$ —	\$ 12,067,915	\$ —
Public protection	32,859,389	5,154,096	12,992,667	—	(14,712,626)	—	(14,712,626)	—
Public ways and facilities	9,682,835	3,444,927	2,228,630	11,884,592	7,875,314	—	7,875,314	—
Health and sanitation	12,728,837	1,380,590	16,817,366	—	5,469,119	—	5,469,119	—
Public assistance	24,721,053	241,175	29,070,706	—	4,590,828	—	4,590,828	—
Education	1,617,662	393,987	459,489	—	(764,186)	—	(764,186)	—
Recreation and culture	14,010	811,358	—	—	797,348	—	797,348	—
Interest and debt service costs	964,210	—	—	—	(964,210)	—	(964,210)	—
Total Governmental Activities	<u>97,012,404</u>	<u>27,426,021</u>	<u>72,061,293</u>	<u>11,884,592</u>	<u>14,359,502</u>	<u>—</u>	<u>14,359,502</u>	<u>—</u>
Business-type Activities:								
Solid Waste	<u>1,250,756</u>	<u>2,313,315</u>	<u>155,422</u>	<u>—</u>	<u>—</u>	<u>1,217,981</u>	<u>1,217,981</u>	
Total Primary Government	<u>98,263,160</u>	<u>29,739,336</u>	<u>72,216,715</u>	<u>11,884,592</u>	<u>14,359,502</u>	<u>1,217,981</u>	<u>15,577,483</u>	
Component Unit:								
First Five of San Benito	<u>1,399,487</u>	<u>—</u>	<u>1,465,142</u>	<u>—</u>				<u>65,655</u>
General Revenues:								
Property taxes					22,246,015	—	22,246,015	—
Sales and use taxes					2,438,356	—	2,438,356	—
Franchise taxes					782,155	—	782,155	—
Other taxes					1,678,926	—	1,678,926	—
Interest and investment earnings					(1,683,374)	(58,238)	(1,741,612)	34,080
Miscellaneous					71,899	—	71,899	4,206
Total General Revenues					<u>25,533,977</u>	<u>(58,238)</u>	<u>25,475,739</u>	<u>38,286</u>
Change in Net Position					39,893,479	1,159,743	41,053,222	103,941
Net position - June 30, 2021					<u>188,446,107</u>	<u>4,008,913</u>	<u>192,455,020</u>	<u>724,673</u>
Net position - June 30, 2022					<u>\$ 228,339,586</u>	<u>\$ 5,168,656</u>	<u>\$ 233,508,242</u>	<u>\$ 828,614</u>

The accompanying notes are an integral part of these financial statements.

**BASIC FINANCIAL STATEMENTS**

**FUND FINANCIAL STATEMENTS**



# COUNTY OF SAN BENITO

## Balance Sheet Governmental Funds June 30, 2022

	General	Human Services Agency	Road	Mental Health	Capital Improvement Projects	Other Governmental Funds	Total
<b>Assets</b>							
Cash and investments:							
Held in County treasury	\$ 34,413,893	\$ 7,246,338	\$ 8,281,887	\$ 15,375,879	\$ 199,088	\$ 49,507,846	\$115,024,931
Other banks - restricted	3,744,998	—	—	—	10,537,182	245,470	14,527,650
Other banks	10,062,564	—	—	—	—	—	10,062,564
Imprest cash	1,393	200	—	3,450	—	50	5,093
Accounts Receivable	5,546,869	36,879	11,114	26,396	39,202	403,069	6,063,529
Loan receivable	11,027	—	—	—	—	2,635,969	2,646,996
Due from other funds	9,812,003	1,076,616	—	—	—	559,875	11,448,494
Due from other governments	2,439,272	423,386	4,923,613	1,468,423	—	6,125,435	15,380,129
Inventory and prepaids	440,940	103,844	50,610	9	—	182,924	778,327
<b>Total Assets</b>	<b>66,472,959</b>	<b>8,887,263</b>	<b>13,267,224</b>	<b>16,874,157</b>	<b>10,775,472</b>	<b>59,660,638</b>	<b>175,937,713</b>
<b>Liabilities</b>							
Accounts payable and accrued liabilities	3,915,566	607,301	2,732,689	785,728	250,231	1,357,076	9,648,591
Due to other funds	—	17,119	—	—	8,497,221	2,934,154	11,448,494
Due to other governments	286,490	90,599	—	—	—	4,342	381,431
Deposits from others	1,047,508	—	—	—	—	66,097	1,113,605
Unearned revenues	172,715	203,267	—	—	—	577	376,559
<b>Total Liabilities</b>	<b>5,422,279</b>	<b>918,286</b>	<b>2,732,689</b>	<b>785,728</b>	<b>8,747,452</b>	<b>4,362,246</b>	<b>22,968,680</b>
<b>Deferred Inflows of Resources</b>							
Lease related	367,472	—	—	—	—	45,375	412,847
Deferred impact fees	11,027	—	—	—	—	562,500	573,527
Unavailable revenues	5,571,311	42,313	4,555,250	461,420	55,367	4,648,738	15,334,399
<b>Total Deferred Inflows of Resources</b>	<b>5,949,810</b>	<b>42,313</b>	<b>4,555,250</b>	<b>461,420</b>	<b>55,367</b>	<b>5,256,613</b>	<b>16,320,773</b>
<b>Fund Balances</b>							
Nonspendable	440,940	103,844	50,610	9	—	182,924	778,327
Restricted	20,306,643	7,822,820	5,928,675	15,627,000	1,117,524	51,041,123	101,843,785
Assigned	11,123,694	—	—	—	855,129	159,750	12,138,573
Unassigned	23,229,593	—	—	—	—	(1,342,018)	21,887,575
<b>Total Fund Balances</b>	<b>\$ 55,100,870</b>	<b>\$ 7,926,664</b>	<b>\$ 5,979,285</b>	<b>\$ 15,627,009</b>	<b>\$ 1,972,653</b>	<b>\$ 50,041,779</b>	<b>\$136,648,260</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 66,472,959</b>	<b>\$ 8,887,263</b>	<b>\$13,267,224</b>	<b>\$ 16,874,157</b>	<b>\$ 10,775,472</b>	<b>\$ 59,660,638</b>	<b>\$175,937,713</b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

Reconciliation of the Balance Sheet - Governmental Funds  
to the Government-Wide Statement of Net Position  
June 30, 2022

Fund Balance - Total governmental funds	\$ 136,648,260
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Amounts reported for governmental activities in the statement  
of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds.	159,621,879
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Other assets are not available to pay for current period expenditures and therefore, are deferred in the governmental funds.	15,907,926
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Deferred outflows of resources related to pension and other post-employment benefits are applicable to future periods, and therefore, are not reported in the governmental funds.	20,232,481
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Deferred inflows of resources related to pension and other post-employment benefits are applicable to future periods, and therefore, are not reported in the governmental funds.	(35,553,256)
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Long-term liabilities are not due and payable in the current period,  
and therefore, are not reported in the governmental funds.

Interest on outstanding debt	(267,504)	
Right to use lease obligations	(3,128,838)	
Other long term debt	(7,917,125)	
Loan payable	(115,027)	
Certificate of participation	(17,764,099)	
Net OPEB asset	7,828,494	
Liability for unpaid claims	(4,167,419)	
Compensated absences	(3,743,163)	
Net pension liability	(39,243,023)	(68,517,704)

Net position of governmental activities	<u>\$ 228,339,586</u>
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The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2022**

	General	Human Services Agency	Road	Mental Health	Capital Improvement Projects	Other Governmental Funds	Total
<b>Revenues</b>							
Taxes	\$ 24,602,062	\$ —	\$ —	\$ —	\$ —	\$ 1,761,235	\$ 26,363,297
Licenses, permits and franchises	2,301,295	—	—	—	—	8,378	2,309,673
Aid from other governments	17,689,788	24,080,433	10,636,298	11,220,450	—	17,160,986	80,787,955
Use of money or property	(716,052)	(139,456)	(101,582)	(250,055)	158,155	(664,383)	(1,713,373)
Fines, forfeits and penalties	917,188	—	—	—	—	30,333	947,521
Charges for services	23,690,565	6,690	—	69,871	—	5,911,045	29,678,171
Other revenue	677,422	136,328	455,852	—	124,770	80,215	1,474,587
Total Revenues	69,162,268	24,083,995	10,990,568	11,040,266	282,925	24,287,809	139,847,831
<b>Expenditures</b>							
Current							
General government	15,144,160	—	—	—	(13,095)	—	15,131,065
Public protection	35,385,792	—	—	—	10,734	3,887,948	39,284,474
Public ways and facilities	—	—	2,229,745	—	248	1,019,830	3,249,823
Health and sanitation	—	—	—	8,613,762	10,271	7,726,030	16,350,063
Public assistance	612,139	22,126,675	—	—	3,917	4,483,613	27,226,344
Education	1,916,064	—	—	—	2,462	—	1,918,526
Recreation and culture	227,571	—	—	—	835	—	228,406
Debt Service:							
Principal	307,053	518,196	2,535	100,452	—	972,405	1,900,641
Interest and debt service costs	27,088	22,955	51	2,476	—	916,782	969,352
Capital outlay							
General government	142,301	—	—	—	36,054	—	178,355
Public protection	521,121	—	—	—	241,951	100,143	863,215
Public ways and facilities	—	—	12,579,106	—	66,074	—	12,645,180
Health and sanitation	—	—	—	—	2,210,401	349,429	2,559,830
Public assistance	—	—	—	—	234,988	—	234,988
Education	—	—	—	—	93,470	—	93,470
Recreation and culture	—	—	—	—	256,535	—	256,535
Total Expenditures	54,283,289	22,667,826	14,811,437	8,716,690	3,154,845	19,456,180	123,090,267
Excess (deficiency) of revenues over expenditures	14,878,979	1,416,169	(3,820,869)	2,323,576	(2,871,920)	4,831,629	16,757,564
<b>Other Financing Sources/(Uses)</b>							
Transfers in	2,676,807	777	536,271	91,544	1,903,700	2,649,036	7,858,135
Transfers out	(1,419,915)	(1,002,357)	—	(1,008,177)	—	(4,427,686)	(7,858,135)
Leases issued	86,418	—	—	—	—	385,957	472,375
Total other financing sources/(uses)	1,343,310	(1,001,580)	536,271	(916,633)	1,903,700	(1,392,693)	472,375
<b>Net change in fund balances</b>	16,222,289	414,589	(3,284,598)	1,406,943	(968,220)	3,438,936	17,229,939
Fund balances - beginning of year	38,878,581	7,512,075	9,263,883	14,220,066	2,940,873	46,602,843	119,418,321
Fund balances - end of year	\$ 55,100,870	\$ 7,926,664	\$ 5,979,285	\$ 15,627,009	\$ 1,972,653	\$ 50,041,779	\$ 136,648,260

The accompanying notes are an integral part of these financial statements.

# COUNTY OF SAN BENITO

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities For the Fiscal Year Ended June 30, 2022

Net change in fund balances- total governmental funds	17,229,939
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Amounts reported for governmental activities in the statement  
of activities are different because:

Governmental funds report capital outlay as expenditures. However,  
in the statement of activities, the cost of these assets is allocated over their  
estimated useful lives and reported as depreciation/amortization expense.

Expenditures for capital assets, right to use assets, retirements, transfers and adjustments.	16,522,391	
Less current year depreciation/amortization	<u>(8,624,558)</u>	7,897,833

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	3,809,385
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Revenues included in the governmental funds related to long-term debt proceeds that are not reported as revenues in the statement of activities.	(472,375)
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Some expenses reported in the statement of activities do not  
require the use of current financial resources and, therefore, are  
not reported as expenditures in governmental funds.

Change in compensated absences	214,365	
Change in liability for unpaid claims	(520,316)	
Current year long-term debt principal payments	1,905,783	
Current year long-term debt interest expense	34,082	
Current year OPEB cost difference	2,628,421	
Current year pension cost difference	<u>7,166,362</u>	11,428,697

Change in net position of governmental activities	<u>\$ 39,893,479</u>
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The accompanying notes are an integral part of these financial statements.

# COUNTY OF SAN BENITO

## Statement of Net Position Proprietary Funds June 30, 2022

	Business-type Activities Solid Waste Fund
<b>Assets</b>	
Current Assets:	
Cash and investments	\$ 4,453,038
Accounts receivable	150,448
Due from other governments	406,000
Net OPEB asset	31,333
Total Current Assets	5,040,819
Noncurrent Assets:	
Restricted Assets	
Cash and investments	751,586
Capital Assets (nondepreciable)	
Land	313,079
Capital Assets (depreciable)	
Structures and improvements	876,710
Equipment	74,145
Less: accumulated depreciation	(707,172)
Total Noncurrent Assets	1,308,348
<b>Total Assets</b>	6,349,167
<b>Deferred Outflows of Resources</b>	
Related to pension	21,803
Related to OPEB	48,346
<b>Total Deferred Outflows of Resources</b>	70,149
<b>Liabilities</b>	
Current Liabilities:	
Accounts payable and accrued liabilities	300,203
Noncurrent Liabilities:	
Closure/post-closure liability	714,000
Compensated absences	16,396
Net pension liability	96,230
Total Noncurrent Liabilities	826,626
<b>Total Liabilities</b>	1,126,829
<b>Deferred Inflows of Resources</b>	
Deferred pension adjustments	42,861
Deferred OPEB adjustments	80,970
<b>Total Deferred Inflows of Resources</b>	123,831
<b>Net Position</b>	
Investment in capital assets	556,762
Restricted	751,586
Unrestricted	3,860,308
<b>Total Net Position of Proprietary Funds</b>	\$ 5,168,656

The accompanying notes are an integral part of these financial statements.

# COUNTY OF SAN BENITO

## Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds For the Fiscal Year Ended June 30, 2022

	Business-type Activities
	Solid Waste Fund
<b>Operating Revenues:</b>	
Licenses, permits and franchises	\$ 375,460
Aid from other governmental units	155,422
Charges for services	1,937,855
Total Operating Revenues	2,468,737
<b>Operating Expenses:</b>	
Salaries, wages and employee benefits	287,969
Services and supplies	886,188
Landfill closure and postclosure charges	8,900
Depreciation	47,632
Indirect Costs	20,067
Total Operating Expense	1,250,756
<b>Operating income (loss)</b>	1,217,981
<b>Non-Operating Revenues (Expenses)</b>	
Interest income	(58,238)
Total Non-Operating Revenues (Expenses)	(58,238)
<b>Income Before Transfers</b>	1,159,743
Transfers In (Out)	—
<b>Change in Net Position</b>	1,159,743
Net position - beginning of year	4,008,913
Net position - end of year	\$ 5,168,656

The accompanying notes are an integral part of these financial statements.



**COUNTY OF SAN BENITO**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2022

	Business-type Activities Solid Waste Fund
<b>Cash Flows from Operating Activities</b>	
Receipts from customers	\$ 2,668,739
Payments to suppliers for goods and services	(886,199)
Payments to employees for salaries and benefits	(294,252)
Net cash provided by operating activities	1,488,288
<b>Cash Flows from Investing Activities</b>	
Interest received	(64,393)
Net Increase in Cash and Cash Equivalents	1,423,895
Cash and cash equivalents, July 1	3,780,729
Cash and cash equivalents, June 30	\$ 5,204,624
<b>Reconciliation of cash and investments to the Statement of Net Position</b>	
Current assets - cash and investments	\$ 4,453,038
Restricted assets - cash and investments	751,586
	\$ 5,204,624
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>	
Operating income	\$ 1,217,981
Adjustments to reconcile operating income to net cash provided by operating activities:	
Effects of changes in assets and deferred outflows:	
Receivables	345,684
Prepaid expenses	1,749
Due From Other Agencies	(145,682)
PERS contributions	(1,212)
Deferred pension adjustment	5,368
OPEB contributions	(4,682)
Deferred OPEB adjustment	6,790
Depreciation	47,632
Effects of changes in liabilities and deferred inflows:	
Payables	40,722
Compensated absences	7,910
Net Pension liability	(61,490)
Net OPEB liability	(90,668)
Deferred inflows - pension adjustments	42,862
Deferred inflows - OPEB adjustments	75,324
Total adjustments	270,307
Net cash provided by operating activities	\$ 1,488,288
Non cash capital, financing, and investing activities	\$ —

The accompanying notes are an integral part of these financial statements.

# COUNTY OF SAN BENITO

## Statement of Fiduciary Net Position Fiduciary Funds June 30, 2022

	Investment Trust Funds	Custodial Funds
<b>Assets</b>		
Cash and investments	\$ 143,328,833	\$ 19,166,985
Receivables:		
Interest receivable	1,107	331,157
Taxes for other governments	—	5,873,845
Accounts receivable	—	24,761
Due from other	688,838	—
Due from other governments	4,665,131	—
Inventories and other assets	3,311	—
Nondepreciable capital assets	2,248	—
Depreciable capital assets, net	1,107,922	—
<b>Total Assets</b>	<b>149,797,390</b>	<b>25,396,748</b>
<b>Liabilities</b>		
Accounts payable and other liabilities	1,315,175	2,898,053
Due to other	688,603	—
Due to other governments	109,712	1,431,996
Deposits	—	510,963
Unearned revenue	3,105	—
<b>Total Liabilities</b>	<b>2,116,595</b>	<b>4,841,012</b>
<b>Net Position</b>		
Restricted for individuals, organizations and other governments	147,680,795	20,555,736
<b>Total Net Position</b>	<b>\$ 147,680,795</b>	<b>\$ 20,555,736</b>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF SAN BENITO

## Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Fiscal Year Ended June 30, 2022

	Investment Trust Funds	Custodial Funds
<b>Additions</b>		
Contributions to pooled investments	\$ —	\$ 72,758,111
Taxes	71,274,861	10,018,494
Aid from other governments	160,222,628	609,507
Charges for services	158,796	491,157
Fines, forfeitures and penalties	—	602,149
Other revenue	65,463	—
Net investment earnings	(2,360,846)	(595,555)
<b>Total Additions</b>	<b>229,360,902</b>	<b>83,883,863</b>
<b>Deductions</b>		
Distributions from pooled investments	—	74,124,374
Operating expenses	182,377,681	457,191
Other charges	14,979,982	14,724
Depreciation expense	416,847	—
Benefit payments	—	9,621,520
<b>Total Deductions</b>	<b>197,774,510</b>	<b>84,217,809</b>
<b>Net increase (decrease) in fiduciary net position</b>	<b>31,586,392</b>	<b>(333,946)</b>
Net position - beginning of year	116,094,403	20,889,682
Net position - end of year	<u>\$ 147,680,795</u>	<u>\$ 20,555,736</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**  
**INDEX TO THE NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED June 30, 2022**

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	Page
1 Summary of Significant Accounting Policies	38
2 Cash and Investments	51
3 Interfund Transactions	59
4 Receivables	60
5 Capital Assets	61
6. Leases	64
7. Long-Term Liabilities	67
8. Contingencies	70
9. Excess of Expenditures Over Appropriations in Individual Funds	71
10. Deficit Fund Balances	71
11. Closure and Post-closure Care Cost	72
12. Pension Plans	73
13. Other Post-Employment Benefits (OPEB)	79
14. Risk Management	84
15. Tax Abatements	85
16. Fund Balances	86
17. Authoritative Pronouncements Issued But Not Yet Adopted	87



**COUNTY OF SAN BENITO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED June 30, 2022**

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

**A. Description of the Reporting Entity**

The County of San Benito (County), was created pursuant to general law as a subdivision of the State of California. It is governed by a five-member elected Board of Supervisors. As required by generally accepted accounting principles, the accompanying financial statements present the County (the primary government) and its component units, entities for which the government is considered to be financially accountable and has a potential financial benefit/burden relationship under the criteria set by Government Auditing Standards Board (GASB) Statements.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County, so data from these units are combined with the data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30 year-end.

**Blended Component Units**

*County Service Areas (CSA)*

CSAs are special districts established by the Board of Supervisors for the purpose of providing specific services to County residents. Although the CSAs are legally separate from the County, they are reported as if they were part of the primary government because they are governed by the County Board of Supervisors and the Board has operational responsibility for the CSAs. The books and records of these CSAs are maintained by the County, and their activities are reported within non-major governmental funds.

CSA #4 Santa Rosa Acres	CSA #33 Fallon/Fairview
CSA #5 Hillcrest/ El Toro	CSA #34 Ausaymas Estates
CSA #8 Bonnie View	CSA #35 Union Heights
CSA #9 Ridgemark	CSA #36 Advanced Life Support
CSA #11 Barnes Lane	CSA #42 Lemmon Acres
CSA #16 Holiday Estates	CSA #45 Rancho Larios
CSA #19 Springwood	CSA #46 Quail Hollow
CSA #21 Long Acres	CSA #47 Oak Creek
CSA #22 Cielo Vista	CSA #48 Dry Creek Estates
CSA #23 Rancho San Joaquin	CSA #49 Hollister Ranch Estates
CSA #24 Santa Ana Acres	CSA #50 Dunnville
CSA #25 Vineyard Estates	CSA #51 Creekbridge
CSA #28 Heatherwood	CSA #52 Monte Bello
CSA #29 Brown/ Magladry	CSA #53 Riverview Estates
CSA #30 McCloskey Acres	CSA #54 Pacheco Creek Estates
CSA #31 Stonegate	CSA #55 Creekside

### *Community Facilities Districts (CFD)*

CFDs are special districts established by the Board of Supervisors for the purpose of providing specific services to County residents. Although the CFDs are legally separate from the County, they are reported as if they were part of the primary government because they are governed by the County Board of Supervisors and the Board has operational responsibility for the CFDs. The books and records of these Districts are maintained by the County, and their activities are reported within non-major governmental funds.

CFD - Santana Ranch

CFD - Brigantino-Sunnyside Estates (zone 1)

CFD - Fay-Bennet Ranch (zone 2)

CFD - Bluffs (zone 3)

### *San Benito County Financing Corporation (SBCFC)*

The San Benito County Financing Corporation (SBCFC) is a nonprofit public benefit corporation which provides financial assistance to the County of San Benito by financing various public facilities, and by leasing certain facilities for the use and benefit of the public served by the County. Even though the SBCFC is legally separate, it is reported as if it were part of the County because it is governed by a board composed of the members of the Board of Supervisors of the County. The County covenanted to make payments for any debt issuance and to make necessary annual appropriations for all such payments. The SBCFC does not issue separate financial statements.

### ***Discretely Presented Component Units***

#### *First 5 San Benito*

The First 5 San Benito (First 5) was created under the provisions of the California Children and Families Act of 1998 (the Act). The Act became law in 1998 when California voters approved Proposition 10, authorizing the State to levy a tax on tobacco products to pay for programs to promote the healthy development of young children. First 5's Board consists of nine members, four of whom are officers of the County, while the remaining five are appointed by the Board of Supervisors. First 5 does not provide a financial benefit nor impose a financial burden on the County. However, due to the nature and significance of First 5's relationship with the County, it would be misleading to exclude the First 5 therefore the First 5 is included as a discretely presented component unit of the County. A separately issued financial report can be obtained from First 5 San Benito, 351 Tres Pinos Road, Suite 100A, Hollister, CA 95023.

## **B. Measurement Focus and Basis of Accounting**

### *Government-Wide Financial Statements*

The Statement of Net Position and Statement of Activities display information about the primary government (County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. All internal balances in the Statement of Net Position have been eliminated with the exception of those representing balances between governmental activities and the business-type activities, which are presented as internal balances. Eliminations have been made to minimize the double counting of internal activities. These statements

distinguish between the governmental and business-type activities of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between program 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. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. 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 requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

### *Fund Financial Statements*

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category - *governmental, proprietary and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the County's enterprise fund is charges to customers for sales and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet these definitions are reported as non-operating revenues and expenses.

The County reports the following major governmental funds:

- The *General fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public safety and protection, public ways and facilities, health and sanitation, public assistance, education and recreation services.
- The *Human Services Agency fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that relate to health programs, children's programs and veterans services, such as public health, veteran's services, public guardian, and drug and alcohol programs. Revenues are primarily from aid from other governments, both state and federal.
- The *Road fund* is used to account for the planning, design, construction, maintenance and administration of County roads. It is also used to account for traffic safety and other transportation planning activities. Funding comes primarily from local sales and state highway user taxes, along with state and federal highway improvement grants for road

improvement projects.

- The *Mental Health fund* is used to account for mandated community health services under the California Mental Health Act including a mandated responsibility to “guarantee and protect public safety.” Revenue sources are primarily charges for services, sales tax revenue and state and federal grants.
- The *Capital Improvement Project fund* is used for all County capital projects, excluding infrastructure projects. The fund is administered by the Resource Management Agency of the County. Revenue sources are primarily from local and state funding, depending on the project; and recently funding from the issuance of long-term debt for facility construction projects.

The County reports the following enterprise fund:

- The *Solid Waste Fund* is used to account for operations of the solid waste handling activity.

The County reports the following fiduciary fund types:

- The *Investment Trust Funds* are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds. These include the external portion of the County Treasurer's investment pool, which commingles resources of legally separate local governments within the County in an investment portfolio for the benefit of all participants. These include amounts held on behalf of special districts of the county and school districts.
- The *Custodial Funds* are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. These include unapportioned property taxes, amounts collected on behalf of and payable to beneficiaries, including individuals or other government entities.

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they have been earned and they are both measurable and available. The County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service



principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, and post-employment benefits are recorded only when payment is due. General capital assets acquisitions, including entering into contracts giving the County the right to use leased assets, are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing through leases are reported as other financing sources.

### **C. Cash and Investments**

The County follows the practice of pooling cash and investments of all funds with the County Treasurer, except for certain amounts which are generally held by outside custodians and classified as “other bank accounts” on the accompanying financial statements. Cash and cash equivalents are combined with investments and displayed as cash and investments.

The County is required, by the California Integrated Waste Management board, to set aside the amounts identified as restricted cash in the Solid Waste Fund to assure that these amounts will be available in a timely manner for the postclosure class I maintenance cost, as specified in the California Public Resources Code. These amounts are reported as restricted, non-current assets in the Statement of Net Position of the Proprietary Fund. The County owns an area referred to as the class III site for landfill waste, which is operated by Waste Solutions Group of San Benito County, LLC.

The County reported cash with fiscal agents in the General Fund for amounts held at Trindel Insurance, River City Bank, and the Public Agencies Post-Employment Benefits Trust (PARS). Trindel Insurance is the County’s insurance claims-servicing joint powers agency. These amounts are managed for the purposes specified in the agreements with these agents. Cash with fiscal agents, reported in the Capital Improvement Projects Fund, represent long-term debt proceeds for the purpose of the behavioral health facility construction project. Long-term debt proceeds are discussed in more detail in Note 7. Additionally, cash with fiscal agents is reported in the Migrant Labor Camp Fund, listed under Other Governmental Funds.

State statutes authorize the County to invest its surplus cash in obligations of the U.S. Treasury, agencies and instruments, corporate bonds rated P-1 by Standard & Poor’s Corporation or A-1 by Moody’s Investor Service, bankers’ acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Gains and losses are recognized upon sale based upon the specific identification method. Investments in nonparticipating, interest earning investment contracts (guaranteed investment contracts) are reported at cost, commercial paper with maturities of less than 90 days are reported at amortized cost and all other investments are reported at fair value. The fair values of investments are obtained by using quotations from independent published sources.

The County participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pooled funds in derivatives and similar transactions. LAIF’s investments are subject to credit risk with the full faith of the State of California collateralizing these investments. In addition, these derivatives and similar transactions are subject to market risk as to change in interest rates. LAIF’s investments are managed by the State Treasurer. The Fund is not SEC registered, but is required to invest according to California Government Code. A Local Investment Advisory Board has oversight responsibility for LAIF. Interest income earned on pooled cash

and investments is allocated quarterly to the appropriate funds for the quarter in which the interest was earned.

**D. Inventories and Prepaid Items**

Inventories are valued at cost using first-in/first-out (FIFO) method and consist of expendable supplies. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Reported inventories and prepaid items of governmental funds are equally offset by corresponding nonspendable portion of fund balance to indicate that they are not expendable financial resources.

**E. Capital Assets**

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years.

As the County constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at their acquisition value on the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. All capital assets acquired through purchase or donation are approved by the County Board of Supervisors.

Land and construction in progress are not depreciated. Capital assets, purchased or acquired through donation, that are used in operations are depreciated or amortized (lease assets) using the straight-line method over the lesser of the lease term or estimated useful lives in the government-wide statements and proprietary funds.

Depreciation begins when the asset is placed in service and ends in the fiscal year that it is retired from service or is fully depreciated.

The estimated useful lives are as follows:

Roads and bridges	35 to 50 years
Infrastructure (except for the maintained pavement subsystem)	15 to 50 years
Structures and improvements	10 to 50 years
Equipment	3 to 25 years
Software	5 to 7 years

## **F. Receivables**

The County considers all of its receivables to be collectible and therefore does not report an allowance for doubtful accounts. The County considers all receivables to be collectible until they prove to be uncollectible. At that time, the County asks for approval from the Board of Supervisors to write-off any uncollectible receivables.

## **G. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

## **H. Unearned Revenue**

In the government-wide financial statements, unearned revenue is a liability reported when revenue has been received prior to revenue recognition.

## **I. Compensated Absences**

The County allows employees to accumulate unused sick leave and unused vacation leave up to a specified maximum cap based on an employee's bargaining unit or management group. Sick leave is paid only upon retirement at half the employee's hourly rate. Upon separation, all accrued vacation is paid to the employee. County employees can also accrue compensatory time which is payable upon separation.

Vacation and compensatory time is accrued when incurred in the government-wide and proprietary fund statements. In the governmental funds financial statements, a liability for these amounts is reported only as a result of employee resignations or retirements that occur prior to year-end, and payment of the liability is made subsequent to year-end. The liability for compensated absences will be paid by the Fund in which the employee works at the time compensated absences are paid, which include the General Fund, the Human Services Agency Fund, the Road Fund, and the Mental Health Fund.

During the fiscal year ended June 30, 2022, changes to compensated absences were as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Due within one year
Governmental Activities	\$ 3,957,528	\$ 2,310,064	\$ (2,524,429)	\$ 3,743,163	\$ 374,316
Business-type Activities	\$ 8,487	\$ 18,550	\$ (10,640)	\$ 16,397	\$ 1,640

**J. Other Long-term Obligations**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligation are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Long-term debt premiums and discounts are deferred and amortized over the life of the debt using a method that approximates the effective interest method. Long-term debt issuance costs are reported as expenses in the period incurred. Debt payables are reported net of the applicable premium or discount. Gains or losses from advance refunding are deferred and amortized as interest expense over the life of the new refunding debt.

In the fund financial statements, governmental fund types recognize bond premium and discount, during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**K. Property Taxes**

The State of California Constitution, Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by the voters. Assessed value is calculated at 100% of market value as defined by Article XIII A and may be increased by no more than 2% per year unless the property is sold or transferred. These general property tax rates do not apply to taxes levied to pay the interest and redemption charges on any indebtedness incurred prior to June 6, 1978, or subsequently approved by the voters. Supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction. The State Legislature has determined the method of distribution among the counties, cities, school districts, and other districts of receipts from the 1% property tax levy.

Property taxes are levied by San Benito County on January 1 and are payable in two installments on April 10 and December 10. San Benito County bills and collects its own property taxes and also collects such taxes for cities, schools and special districts. Property tax revenues are recognized when levied to the extent they result in current receivables.

The County assesses properties and bills for and collects property taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/lien dates	January 1	January 1
Levy dates	January 1	January 1
Due dates (*delinquent as of)	50% on November 1 (December 10) 50% on February 1 (April 10)	March 1 (August 31)

\*Delinquent taxes are subject to late penalties and interest. Secured property taxes remaining delinquent for more than five years may be subject to tax sale.

The term “unsecured” refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed. The county adopted the Alternate Method of Property Tax Allocation (commonly referred to as the Teeter Plan). Under the Teeter Plan, the County Auditor-Controller, an elected official, is authorized to pay 100% of the property taxes billed (secured, supplemental and debt service) to the taxing agencies within the County. The County recognizes

property tax revenues in the period for which the taxes are levied. Previously, such taxes were allocated and paid as the taxes were collected.

#### **L. Interfund Transactions**

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation, and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

#### **M. Estimates**

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

#### **N. Budgetary Basis of Accounting**

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County’s Board of Supervisors.

An operating budget is adopted each fiscal year for the majority of the Governmental Funds. Expenditures are controlled at the object level of each department of the General fund and at the fund level for special revenue funds of the County. Department and/or fund level expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between departments or funds are authorized by the County Administrative Office and must be approved by the Board of Supervisors. Supplementary appropriations normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Pursuant to Board Resolution, the County Administrative Officer and/or appointed department head are authorized to approve transfers and revisions of appropriations under \$25,000 within a single budget unit as deemed necessary and appropriate unless it is to a capital asset object. Transfers to capital asset objects must be approved by the Board of Supervisors. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

## **O. Net Position**

The government-wide and business-type activities financial statements utilize a net position presentation. Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and are displayed in three components:

- *Net Investment in Capital Assets* - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* - This category represents net position that is subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* - This category represents the net position of the County, not restricted for any project or other purpose.
- When both restricted and unrestricted net assets are available, restricted resources are used first, then unrestricted resources as they are needed.

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

## **P. Fund Balances**

Fund balance classifications are based primarily on the extent to which the County is bound to honor constraints on the use of the resources reported in each governmental fund.

The County reports the following classifications:

- *Nonspendable fund balance* - This category represents amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact.
- *Restricted fund balance* - This category represents amounts with constraints placed on their use by those external to the County, including creditors, grantors, contributors or laws and regulations of other governments. It also includes constraints imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* - This category represents amounts that can only be used for specific purposes determined by formal action (ordinance) of the County's highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the

same manner. The underlying action (ordinance) that imposed the limitation needs to occur no later than the close of the reporting period.

- *Assigned fund balance* - This category represents amounts that are constrained by the County Administrative Officer intent to be used for specific purposes. The assigned fund balance and the purpose of the assignment is presented to the highest level of decision making, the County Board of Supervisors, on an annual basis.
- *Unassigned fund balance* - This category represents the residual classification that includes amounts not contained in the other classifications.

The County's Board establishes, modifies or rescinds fund balance commitments by passage of a resolution. When restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, followed by the unrestricted resources that are committed, assigned and unassigned, in this order as they are needed.

#### Fund Balance Policy:

Fund balance of governmental funds is reported in various categories based on the nature of any limitation requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

The purpose of the County's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures. The County believes that sound financial management principles require that sufficient funds be retained by the County to provide a stable financial base at all times. To retain this stable financial base, the County needs to maintain unrestricted fund balance in its county funds sufficient to fund cash flows of the County and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

#### **Q. Leases**

The County of San Benito is a lessee and lessor for noncancellable leases of equipment, buildings and infrastructure.

For agreements wherein the County is a *lessee*, a lease liability and an intangible right-to-use lease asset (lease asset) are recognized in the government-wide financial statements. The County recognized lease liabilities with an initial, individual value of \$5,000 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 the useful life of

the lease asset.

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

- 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 its estimated incremental borrowing rate 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.

For agreements wherein the County is a *lessor*, a lease receivable and a deferred inflow of resources is recognized 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 useful life of the lease term.

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

- The County uses its estimated incremental borrowing rate 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 are 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.

## **R. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Pension expense is liquidated by the Fund in where the employee worked at the time of retirement, which include the General Fund, the Human Services Agency Fund, the Road Fund, and the Mental Health Fund. Investments are reported at fair value.



## **S. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County of San Benito Retiree Healthcare Plan (Plan) and additions to/deductions from the California Employer's Retirement Benefit Trust's (CERBT) fiduciary net position. For this purpose, the OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms. OPEB expense is liquidated by the Fund in where the employee worked at the time of separation from employment, which include the General Fund, the Human Services Agency Fund, the Road Fund, and the Mental Health Fund. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

## **T. Effects of New Pronouncements**

As of July 1, 2021, the County adopted GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The effect of the implementation of this standard on beginning fund balance and net position is described in Note 18. For a list of pronouncements that the County will implement in the coming years, see Note 17.

## NOTE 2. CASH AND INVESTMENTS

The County maintains a cash and investment pool for the purpose of increasing interest income through pooled investment activities. This pool, which is available for use by all funds, is displayed on the basic financial statements as "Cash and Investments." Interest earned on the investment pool is distributed to the participating funds quarterly using a formula based on the average daily cash balance of each fund.

Cash and investments with the County Treasurer are invested pursuant to investment policy guidelines established by the County Treasurer. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are, in order of priority, safety of principal, liquidity, availability and yield. The County investment pool is not registered as an investment company with the Securities and Exchange Commission (SEC) nor is it an SEC Rule 2a7-like pool.

The following is a summary of investments held by the County as of June 30, 2022:

Investment	Fair Value
Treasurer's pooled investments	
CAMP	\$ 54,595,477
LAIF	74,918,000
Money Market Funds	186,589
U.S. Treasury Notes	63,153,522
Medium Term Notes	46,138,028
U.S. Federal Agency Securities	26,167,230
Negotiable Certificates of Deposit	10,494,467
Asset Secured Indebtedness	5,522,433
Collateralized Mortgage Obligations	1,899,147
Total pooled investments	283,074,893
Cash and investments held with fiscal agents	26,267,301
<i>Cash and investments held with fiscal agents for component unit</i>	925,500
<i>Total investments</i>	<u>\$ 309,342,194</u>
Cash in banks	5,186,726
Imprest cash	5,093
Outstanding checks/deposits in transit	(6,287,832)
<i>Total cash</i>	<u>\$ (1,096,013)</u>
<b><i>Total cash and investments</i></b>	<b><u>\$ 308,246,181</u></b>
Total unrestricted cash and investments	210,525,340
Total restricted cash and investments	97,720,841
<b><i>Total cash and investments</i></b>	<b><u>\$ 308,246,181</u></b>
Total cash and investments summary:	
Total governmental activities	139,620,238
Total business-type activities	5,204,624
Total fiduciary funds	162,495,818
Total component unit	925,500
<b><i>Total cash and investments</i></b>	<b><u>\$ 308,246,180</u></b>

## NOTE 2. CASH AND INVESTMENTS (Continued)

The following is a reconciliation between cash and investments and the Net Position of the Treasurer's investment pool as of June 30, 2022:

<b>Total cash and investments</b>	<b>\$ 308,246,181</b>
Less: investments held with fiscal agents	(25,341,801)
Less: imprest cash	(5,093)
Less: deposits in transit	(26,044)
Add: outstanding checks/deposits	6,313,876
<b>Total pooled cash and investments</b>	<b><u>\$ 289,187,119</u></b>

The following represents a condensed Statement of Net Position and Changes in Net Position for the Treasurer's investment pool as of June 30, 2022:

### Statement of Net Position

Net position held in trust	<u>\$ 289,187,119</u>
Equity of internal pool	\$ 145,858,286
Equity of external pool participants	<u>143,328,833</u>
Total equity	<u>\$ 289,187,119</u>

### Statement of Changes in Net Position

Net position held for pool participants, July 1, 2021	\$ 242,132,153
Net change in investments by pool	<u>47,054,966</u>
Net position held for pool participants, June 30, 2022	<u>\$ 289,187,119</u>

Investment income consisted of the following for the year ended June 30, 2022:

Investment earnings	\$ 1,252,881
Less: administrative expenses	<u>452,045</u>
Net investment income	<u>\$ 800,836</u>

## Custodial Credit Risk Related to Deposits

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 deposits nor be able to recover collateral securities that are in possession of an outside party. At year-end, the balance of deposits at the County's banking institution was \$5,186,726. Any difference between the carrying amount of the County's deposits and the bank balance is a result of transactions in transit. Of the bank balance, \$250,000 was covered by federal depository insurance and \$4,936,726 was covered by collateral pledged by the financial institution. Per Government Code Section 53652, the depository is required to maintain a market value of at least 110% of the pledged collateral.

The County follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on a quarterly basis to the various funds based on their average daily cash balance and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

## NOTE 2. CASH AND INVESTMENTS (Continued)

### Investments

The County's investment policy requires that securities be registered in the name of the County. All safekeeping receipts for investment instruments are held in accounts in the County's name and all securities are registered in the County's name.

Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. If the yield of the portfolio can be improved upon the sale of an investment, prior to its maturity, with the reinvestment of the proceeds, then this provision is also allowed.

The following table identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk.

Authorized Investment Types	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	None	10%	10%
U.S. Treasury obligations	None	None	None
State of California Obligations	None	None	10%
Obligation of California local agency	None	None	10%
Joint Powers Authority investment funds	N/A	25%	10%
U.S. Government Agency obligations	None	25%	15%
Bankers' acceptances	180 days	40%	10%
Commercial paper	270 days	30%	10%
Negotiable certificates of deposit	5 years	30%	10%
Repurchase agreements	1 year	None	10%
Reverse Repurchase agreements	92 days	20%	10%
Medium-term notes	5 years	30%	10%
Mutual funds/money market mutual funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	\$75 million	None
Asset secured indebtedness	None	None	10%
Collateralized Mortgage obligations	5 years	20%	10%
Contracted Non-Neg. Time Deposits	1 year	5%	10%
Deposited Pooled small C.D.s	None	30%	10%

Segregated funds held in trust, separate and apart from the County's Treasury pool, are invested in accordance with applicable Trust Agreements. The PARS 115 Retirement Trust shall be governed by the Government code §53216 et seq.

## NOTE 2. CASH AND INVESTMENTS (Continued)

### Credit Risk and Concentration of Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The County Treasurer mitigates these risks by holding a diversified portfolio of high quality investments. The adopted investment policy contains specific limitations on investments by credit quality, maturity length and the maximum allocation by asset class.

As of June 30, 2022, the County of San Benito's investments were rated by Standard & Poor's investment rating system as follows:

Investment Type	Fair Value	S&P Rating
U.S. Treasury Notes	63,153,522	AA+
Medium Term Notes	1,794,132	AAA
Medium Term Notes	4,869,844	AA+
Medium Term Notes	1,807,292	AA
Medium Term Notes	2,457,734	AA-
Medium Term Notes	1,269,101	A+
Medium Term Notes	6,246,717	A
Medium Term Notes	27,693,208	A-
U.S. Federal Agency Securities	26,167,230	AA+
Certificate of Deposit	7,504,442	A-1+
Certificate of Deposit	2,990,025	A-1
Asset Secured Indebtedness	5,522,433	AAA *
Collateralized Mortgage Obligations	1,899,147	AAA
Money Market Funds	186,589	AAA
CAMP	54,595,477	NR
LAIF	74,918,000	NR
Total	<u>\$ 283,074,893</u>	

\* Includes the \$1,046,040 security issued by GM Financial, which did not receive a rating from S&P, but it was rated AAA by Fitch.

Generally, credit risk is the risk that an insurer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assessment of a rating by a nationally recognized statistical rating organization. It is the County's policy to purchase investments meeting ratings requirements established by the California Government Code.

## NOTE 2. CASH AND INVESTMENTS (Continued)

Instruments in any one issuer that represent 5% or more the County's investments as of June 30, 2022, are as follows (excluding investment pools and debt explicitly guaranteed by the U.S. government):

Issuer	Issuer Type	Fair Value Holdings	Percentage Holdings
Treasurer's Pooled Investments:			
Mitsubishi UFG Fin Grp Note	Medium-term notes	24,221,489	8.56 %
CAMP LGIP	Government Sponsored	54,595,477	19.29 %
LAIF LGIP	Government Sponsored	74,918,000	26.47 %
			<u>54.32 %</u>

The fair value of the Treasurer's investments is determined on a quarterly basis. Values are obtained from the securities custodian for registered securities.

### Custodial Credit Risk Related to Investments

Custodial credit risk for investments is the risk that the Pool will not be able to recover the value of investment securities that are in the possession of an outside party. All securities owned by the Pool are deposited in trust for safekeeping with a custodial bank different from the County's primary bank. Securities are not held in broker accounts.

### Interest Rate Risk

In accordance with its investment policy, the County manages its interest rate risk by limiting the weighted average maturity of its investment portfolio to three years or less. No security, at the time of purchase, shall have a maturity exceeding five (5) years. As of June 30, 2022 the County Treasurer's investment pool consisted of the following:

Type of Investment	Maturities			Total
	Less Than One Year	One to Three Years	Three to Five Years	
U.S. Treasury Notes	\$ 2,461,633	\$ 45,246,066	\$ 15,445,824	\$ 63,153,523
California Asset Management Program	54,595,477	—	—	54,595,477
Medium Term Notes	25,695,149	11,183,245	9,259,635	46,138,029
U.S. Federal Agency Securities	4,399,660	17,496,083	4,271,488	26,167,231
Certificate of Deposits - Negotiable	10,494,466	—	—	10,494,466
Asset secured indebtedness	—	3,283,001	2,239,430	5,522,431
Collateralized Mortgage obligations	—	—	1,899,147	1,899,147
Mutual funds/money market mutual funds	186,589	—	—	186,589
Local Agency Investment Fund (LAIF)	74,918,000	—	—	74,918,000
Total pooled investments	<u>\$172,750,974</u>	<u>\$ 77,208,395</u>	<u>\$ 33,115,524</u>	<u>\$283,074,893</u>

## **NOTE 2. CASH AND INVESTMENTS (Continued)**

Local Agency Investment Fund – The County participates in the Local Agency Investment Fund (LAIF) which, under the oversight of the Treasury of the State of California, is regulated by California Government Code Section 16429. LAIF management calculates the fair value and cost of the entire LAIF pool. The Authority adjusts its cost basis invested in LAIF to fair value based on this ratio. The fair value of the County's position in the pool is the same as the value of the pool share. The balance available for withdrawal on demand is based on accounting records maintained by LAIF, which are recorded on an amortized cost basis. At June 30, 2022 LAIF had a weighted average maturity of 311 days.

The amount in the Local Agency Investment Fund (LAIF) was \$74.9 million at June 30, 2022. The state pools these funds with those of other local agencies in the state and invests the cash as prescribed by the California Government Code. Interest earned is deposited quarterly into participating funds. Any investment gains/losses are shared proportionately by all funds in the pool. Funds are accessible and transferable to the County's bank accounts on the same day for amounts under \$10,000,000 and require a twenty-four (24) hour notice for larger amounts. The Local Agency Investment Fund has a very diversified and regulated investment portfolio; the fund is not insured by either the State of California or the Federal Government.

California Asset Management Program – The County is a voluntary participant in the California Asset Management Program (CAMP) which is under the oversight of CAMP's governing board. CAMP is an investment pool offered by the California Asset Management Trust (Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "Act") for the purpose of exercising the common power of its participants to invest certain proceeds of debt issues and surplus funds. Funds are accessible and transferable to the County's bank accounts on demand. The County's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The County reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. On June 30, 2022, CAMP had a weighted average maturity of not more than 60 days.

Deposits in the LAIF and CAMP are not insured or otherwise guaranteed by the State of California, and participants share proportionally in any realized gains or losses on investments.

### **Fair Value Measurements**

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active. The certificates of deposit, commercial paper, and corporate bonds, are valued using quoted matrix pricing models; and,
- Level 3: Investments reflect prices based upon unobservable sources.

**NOTE 2. CASH AND INVESTMENTS (Continued)**

Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

The Pool uses fair value measurements determined by the financial institution holding the investment.

The following table presents fair value of investments held within the Pool as of June 30, 2022:

Investments by fair value level		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities:				
U.S. Treasury Notes	\$ 63,153,522	\$ —	\$ 63,153,522	\$ —
Medium Term Notes	46,138,028	—	46,138,028	—
U.S. Federal Agency Securities	26,167,230	—	26,167,230	—
Negotiable Certificates of Deposit	10,494,467	—	10,494,467	—
Asset Secured Indebtedness	5,522,433	—	5,522,433	—
Collateralized Mortgage Obligations	1,899,147	—	1,899,147	—
Total investments by fair value hierarchy	153,374,827	\$ —	\$ 153,374,827	\$ —
Investments not subject to fair value hierarchy:				
CAMP	54,595,477			
LAIF	74,918,000			
Money Market Funds	186,589			
Total investments not subject to fair value hierarchy	129,700,066			
Total investments measured at fair value	\$ 283,074,893			

The fair value of the Authority's investment in Local Agency Investment Fund and California Asset Management Program is reported in the accompanying financial statements at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

Deposits and withdrawals in the Local Agency Investment Fund and California Asset Management Program are made on the basis of \$1 and not fair value. Accordingly, the Authority's proportionate share of investments in those funds at June 30, 2022 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.



## **NOTE 2. CASH AND INVESTMENTS (Continued)**

### **Restricted Cash and Investments**

Cash and Investments at June 30, 2022 that are restricted by legal or contractual requirements are comprised of the following:

<b>Governmental Activities</b>	
General Fund	\$ 20,306,643
Human Services Agency	7,822,820
Road Fund	5,928,675
Mental Health Fund	15,627,000
Capital Improvement Projects	1,972,653
Other Governmental Funds	51,041,123
Total governmental activities	<u>102,698,914</u>
<b>Business-type Activities</b>	
Integrated Waste Management Fund	
Financial assurance for landfill corrective action	<u>751,586</u>
Total business-type activities	<u>751,586</u>
Total restricted cash and investments	<u><u>\$ 103,450,500</u></u>

Additional detail can be found in Note 16: Fund Balances

### NOTE 3. INTERFUND TRANSACTIONS

#### ***Interfund Receivables/Payable***

The balances below are due to be paid in the subsequent fiscal year and resulted from when funds overdrew their share of pooled cash; or the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The composition of interfund balances as of June 30, 2022 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
<b>Due to/from other funds:</b>			
General Fund	Capital Improvement Projects fund	\$ 8,497,221	Interfund borrowing
General Fund	Non-major governmental fund	1,314,782	Interfund borrowing
Health Services Agency	Non-major governmental fund	1,076,616	Interfund borrowing
Non-major governmental fund	Non-major governmental fund	542,756	Interfund borrowing
Non-major governmental fund	Health Services Agency	17,119	Interfund borrowing
	<b>Total interfund balances</b>	<u><u>\$ 11,448,494</u></u>	

#### ***Transfers***

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenue. The following schedule briefly summarizes the County's transfer activities:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Health Services Agency	777	Funding for operations
General Fund	Mental Health fund	91,544	Funding for operations
General Fund	Non-major governmental fund	994,690	Funding for operations
General Fund	Capital Improvement Projects fund	332,904	Funding for capital outlay
Health Services Agency	Capital Improvement Projects fund	1,000,000	Funding for capital outlay
Health Services Agency	Non-major governmental fund	2,357	Funding for operations
Mental Health Fund	Non-major governmental fund	600,000	Funding for operations
Mental Health Fund	Other governmental fund	408,177	Funding for operations
Non-major governmental fund	General Fund	2,676,807	Funding for operations
Non-major governmental fund	Road Fund	536,271	Funding for capital outlay
Non-major governmental fund	Non-major governmental fund	643,812	Funding for operations
Non-major governmental fund	Capital Improvement Projects fund	570,796	Funding for capital outlay
	<b>Total transfers</b>	<u><u>\$ 7,858,135</u></u>	

#### **NOTE 4. RECEIVABLES**

GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, requires disclosure of significant receivable balances not expected to be collected within one year of the date of the financial statements.

##### *Panoche Valley Solar Project Receivable*

In 2010, a development agreement was entered into between the County and Solargen Energy, Inc. (Solargen). In 2011, Solargen assigned its interests to PV2 Energy, LLC (PV2) and again in 2012 PV2 assigned its interests to Panoche Valley Solar, LLC (PVS). One of the terms of the agreement was for the developer to provide the County 0.14% of the assessed value of the property for a period of twenty years, on the value of the solar energy improvements which would otherwise be exempt from taxation pursuant to California Revenue and Taxation Code Section 73. When the amended agreement was approved in 2018, the principal's net present value of \$4,259,238 with discount rate of 3% was recorded in the General Fund. The current portion of the receivable is \$340,453 and non current portion is \$2,745,837 at June 30, 2022.

##### *Housing Loans Receivable*

A total of \$2,073,469, a net increase of \$489 thousand over the previous year, was recorded as housing loans receivable under other governmental funds at June 30, 2022. These loan receivables represent low or zero interest mortgage notes and related accrued interest to finance multi-family and single family construction and rehabilitation projects, as well as home-buyer assistance for low income families, as part of the County's affordable housing program. Loan terms range from 15 to 55 years with interest rates from 0% to 6%. 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 to ensure grant compliance. These requirements are reflected in the loan agreements.

##### *Deferred Impact Fee Receivable*

In June 2020, the County was awarded a HOME grant up to \$1.1 million for 24 units of first-time homebuyer new construction project. Ten applicants out of 24 total applicants met the requirements of the HOME grant and awarded the grant in October 2021 and February 2022 that ranges from \$15 thousand to \$80 thousand, a total of \$493 thousand which is included in aforementioned housing loans receivable of \$2 million. To proceed with the new housing construction project for low income new homebuyers, the County has determined to defer various impact fees which would have been imposed to new construction projects, in the form of a loan. Two loan amounts, \$22 thousand and \$30 thousand, were awarded to all 24 applicants based on each applicant's income level. The total amount of the loan is \$574 thousand and the term is 33 years or 38 years with no interest.

**NOTE 4. RECEIVABLES (continued)***Other Receivable*

Other receivables as of June 30, 2022, for the County's individual major, nonmajor and enterprise fund that are expected to be collected within in the next fiscal year is as follows:

<b>Governmental Funds:</b>	<u>General</u>	<u>Human Services Agency</u>	<u>Road</u>	<u>Mental Health</u>	<u>Capital Improvement Projects</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
Accounts Receivable:							
PVSolar receivable	\$ 3,086,290	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,086,290
From customers	<u>2,460,579</u>	<u>36,879</u>	<u>11,114</u>	<u>26,396</u>	<u>39,202</u>	<u>403,069</u>	<u>2,977,239</u>
Total accounts receivable	<u>\$ 5,546,869</u>	<u>\$ 36,879</u>	<u>\$ 11,114</u>	<u>\$ 26,396</u>	<u>\$ 39,202</u>	<u>\$ 403,069</u>	<u>\$ 6,063,529</u>
Loan Receivable:							
Housing loan receivable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,073,469	\$ 2,073,469
Deferred impact fee receivable	<u>11,027</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>562,500</u>	<u>573,527</u>
Total loan receivable	<u>\$ 11,027</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,635,969</u>	<u>\$ 2,646,996</u>
<b>Proprietary Fund:</b>	<u>Solid Waste</u>						
Accounts receivable	\$ 150,448						
Due from other governments	<u>406,000</u>						
Totals	<u><u>\$ 556,448</u></u>						

## NOTE 5. CAPITAL ASSETS

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

	*Restated, Balance June 30, 2021	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2022
<b>Governmental Activities</b>					
Capital assets, not being depreciated:					
Land	\$ 1,910,902	\$ 671,652	\$ —	\$ —	\$ 2,582,554
Construction in progress	34,018,936	14,679,643	(303,574)	(3,965,520)	44,429,485
Total capital assets not being depreciated	35,929,838	15,351,295	(303,574)	(3,965,520)	47,012,039
Capital assets, being depreciated:					
Infrastructure	177,588,487	—	—	696,483	178,284,970
Buildings & Improvements	75,363,100	—	—	3,269,037	78,632,137
Equipment	22,639,681	1,003,850	(543,585)	—	23,099,946
Total capital assets being depreciated	275,591,268	1,003,850	(543,585)	3,965,520	280,017,053
Less accumulated depreciation for:					
Infrastructure	(124,417,967)	(3,348,734)	—	—	(127,766,701)
Buildings & Improvements	(19,756,367)	(2,723,657)	—	—	(22,480,024)
Equipment	(19,524,885)	(1,272,954)	542,030	—	(20,255,809)
Total accumulated depreciation	(163,699,219)	(7,345,345)	542,030	—	(170,502,534)
Total capital assets being depreciated, net	111,892,049	(6,341,495)	(1,555)	3,965,520	109,514,519
Governmental Activities, capital assets, net	\$ 147,821,887	\$ 9,009,800	\$ (305,129)	\$ —	\$ 156,526,558
Amortized assets, as restated:					
Right to use leased assets	\$ 3,902,159	472,375	\$ —	\$ —	\$ 4,374,534
Total amortized assets	3,902,159	472,375	—	—	4,374,534
Less: accumulated amortization					
Right to use leased assets	—	(1,279,213)	—	—	(1,279,213)
Total accumulated amortization	—	(1,279,213)	—	—	(1,279,213)
Amortized assets, net	\$ 3,902,159	\$ (806,838)	\$ —	\$ —	\$ 3,095,321

**NOTE 5. CAPITAL ASSETS (continued)**

	Balance June 30, 2021	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2022
<b>Business - Type Activities</b>					
Capital assets not being depreciated:					
Land	\$ 313,079	\$ —	\$ —	\$ —	\$ 313,079
Construction in progress	70,448	—	—	(70,448)	—
Total capital assets not being depreciated	383,527	—	—	(70,448)	313,079
Capital assets being depreciated:					
Improvements	806,262	—	—	70,448	876,710
Equipment	74,145	—	—	—	74,145
Total capital assets being depreciated	880,407	—	—	70,448	950,855
Less accumulated depreciation	(659,540)	(47,632)	—	—	(707,172)
Total capital assets, being depreciated, net	220,867	(47,632)	—	70,448	243,683
Business-type activities, capital assets, net	<u>\$ 604,394</u>	<u>\$ (47,632)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 556,762</u>

**Depreciation/Amortization**

Depreciation/amortization expense was charged to governmental and business-type activities by function as follows:

**Governmental Activities:**

General government	\$ 388,599
Public protection	2,369,890
Public ways and facilities	3,966,547
Health and sanitation	936,862
Public assistance	877,114
Education	12,843
Recreation and cultural services	72,703
Total Governmental Activities Depreciation/Amortization Expense	<u>\$ 8,624,558</u>

**Business-Type Activities:**

Solid Waste - County Landfill	<u>\$ 47,632</u>
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**NOTE 6.      LEASES**

During the current fiscal year, the financial statements include the implementation of GASB Statement No. 87, *Leases*. The County of San Benito implemented the standard on July 1, 2021. Under this statement, a lessee is required to recognize a lease liability and an intangible right to use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

***Lease receivable***

On July 1, 2021, the County of San Benito had only two agreements as lessor for an office space and tower. The CAO tower is being leased for a term of 135 months to Verizon with an initial lease receivable of \$396,955. As of June 30, 2022, the value of the lease receivable was \$367,472. The lessee is required to make monthly fixed payments of \$2,570. The lease has an interest rate of 0.3870%. The value of the deferred inflow of resources as of June 30, 2022 was \$361,740, and San Benito County recognized lease revenue of \$35,215 during the fiscal year. The lessee has two extension option(s), each for 60 months, and such period is included in the 135-month term of the lease.

Suite 107 at the HHSA 1111 San Felipe Road building is being leased for a term of 24 months to the State of California Employment Development Department (EDD) with an initial lease receivable of \$90,517. HHSA is leasing Suite 107 from CSDC and subleasing about 2,214 square feet to EDD. As of June 30, 2022, the value of the lease receivable was \$45,375. The lessee is required to make monthly fixed payments of \$3,792. The lease has an interest rate of 0.5140%. The value of the deferred inflow of resources as of June 30, 2022 was \$45,259, and San Benito County recognized lease revenue of \$45,259 during the fiscal year.

The future principal and interest receivables as of June 30, 2022, were as follows:

<u>June 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 75,539	\$ 1,495	\$ 77,034
2024	31,229	1,250	32,479
2025	32,326	1,128	33,454
2026	33,457	1,000	34,457
2027	34,622	869	35,491
2028-2032	191,871	2,207	194,078
2033-2034	13,803	11	13,814
	<u>\$ 412,847</u>	<u>\$ 7,960</u>	<u>\$ 420,807</u>

**NOTE 6. LEASES (continued)*****Lease payable***

Through the implementation of GASB No. 87, the County recognized lease liabilities for buildings, equipment, infrastructure, and vehicles. On July 1, 2021, the County of San Benito had 57 agreements as lessee for assets classified as buildings and office space (15), equipment (41), and infrastructure (1) with a combined initial lease liability of \$3,902,159, with additions during the year of \$472,375, broken out by asset type as follows:

	Restated, Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
<b>Governmental Activities:</b>					
Buildings & improvements	\$ 2,629,120	\$ 319,536	\$ (1,042,891)	\$ 1,905,765	\$ 1,048,185
Infrastructure	646,500	—	(9,515)	636,985	8,935
Equipment	626,539	152,839	(193,290)	586,088	207,586
Total	<u>\$ 3,902,159</u>	<u>\$ 472,375</u>	<u>\$ (1,245,696)</u>	<u>\$ 3,128,838</u>	<u>\$ 1,264,706</u>

As of June 30, 2022, the value of the lease liability was \$3,128,838. The County of San Benito is required to make fixed principal and interest payments for these leases either on a monthly, quarterly, or annual basis. The lease interest rates are between 0.49% and 11.26%.

The future principal and interest lease payments as of June 30, 2022, were as follows:

June 30	Governmental Activities		
	Principal	Interest	Total
2023	\$ 1,264,706	\$ 47,141	\$ 1,311,847
2024	493,605	37,478	531,083
2025	292,261	30,740	323,001
2026	202,507	25,242	227,749
2027	160,971	21,213	182,184
2028-2032	227,207	84,757	311,964
2033-2037	138,402	65,976	204,378
2038-2042	196,796	40,134	236,930
2043-2046	152,383	7,524	159,907
	<u>\$ 3,128,838</u>	<u>\$ 360,205</u>	<u>\$ 3,489,043</u>

On July 1, 2021, San Benito County had a 24-month lease as lessee for the use of CSWD Suite 107 at the 1111 San Felipe Road building, which is approximately 6,637 square feet of office space, a third of which is being subleased to the Employment Development Department of California (EDD). An initial lease liability was recorded in the amount of \$199,020. As of June 30, 2022, the value of the lease liability was \$99,723. San Benito County is required to make monthly fixed payments of \$8,333. The lease has an interest rate of 0.5140%. The book value of the right to use asset as of June 30, 2022 was \$99,510 with accumulated amortization of \$99,510.



**NOTE 6. LEASES (continued)****Lease asset**

The estimated useful life of buildings is 30 years, equipment and vehicles is 5 years, and infrastructure is 15 years. As of the implementation date, the remaining useful life for most buildings was one year, Public Health suites has five years remaining, while the BH Esperanza Center has passed the 30-year estimated useful life for buildings. The equipment and vehicle remaining useful life ranges between one year and five years from lease commencement date while the Sheriff Radio Tower has passed the 15-year estimated useful life for infrastructure at implementation date.

The value of the right to use asset as of June 30, 2022 was \$4,374,534, with an accumulated amortization of \$1,279,213, broken out by asset type in the table found below:

	Restated, Balance June 30, 2021	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2022
<b>Governmental Activities</b>					
Right to use assets being amortized:					
Buildings & improvements	\$ 2,629,120	\$ 319,536	\$ —	\$ —	\$ 2,948,656
Infrastructure	646,500	—	—	—	646,500
Equipment	626,539	152,839	—	—	779,378
Total right to use assets	3,902,159	472,375	—	—	4,374,534
Less: accumulated amortization of right to use assets					
Infrastructure	—	(26,937)	—	—	(26,937)
Buildings & improvements	—	(1,053,741)	—	—	(1,053,741)
Equipment	—	(198,535)	—	—	(198,535)
Total accumulated amortization	—	(1,279,213)	—	—	(1,279,213)
Governmental Activities right to use assets, net	\$ 3,902,159	\$ (806,838)	\$ —	\$ —	\$ 3,095,321

## NOTE 7. LONG-TERM LIABILITIES

### Summary of Long-Term Liabilities

The following is a summary of long-term liability transactions for the fiscal year ended June 30, 2022:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
<b>Governmental Activities:</b>					
Capital financing	\$ 8,179,414	\$ —	\$ (262,289)	\$ 7,917,125	\$ 238,124
Loans payable (direct borrowings)	177,826	—	(62,799)	115,027	35,749
2019 Certificates of Participation (COP)	7,235,000	—	(140,000)	7,095,000	145,000
Unamortized premium on COP	260,249	—	(9,463)	250,786	9,464
Subtotal 2019 COP	7,495,249	—	(149,463)	7,345,786	154,464
2020 Certificates of Participation (COP)	10,060,000	—	(195,000)	9,865,000	205,000
Unamortized premium on COP	573,556	—	(20,243)	553,313	20,243
Subtotal 2020 COP	10,633,556	—	(215,243)	10,418,313	225,243
<b>Total Governmental Activities LT Liabilities</b>	<b>\$ 26,486,045</b>	<b>\$ —</b>	<b>\$ (689,794)</b>	<b>\$ 25,796,251</b>	<b>\$ 653,580</b>

### Capital financing - 2019 Equipment Lease/Purchase Agreement

The County entered into an Equipment Lease/Purchase Agreement with Bank of America on August 3, 2018. The terms of the agreement were a 20-year lease with a principal amount of \$8,175,000 at 3.760% interest rate per annum. The agreement was related to the Energy Conservation Measures Project which consists of the design, construction, installation, and monitoring of certain energy conservation measurement improvements to various County facilities. Solar energy panels, lighting and HVAC improvements are part of the scope of work.

The County also has other financed purchase agreements for equipment, including copiers and voting equipment.

June 30,	Governmental Activities		
	Principal	Interest	Total
2023	\$ 283,124	\$ 292,384	\$ 575,508
2024	299,824	381,559	681,383
2025	319,176	270,315	589,491
2026	295,000	258,218	553,218
2027	320,000	246,656	566,656
2028-2032	2,040,000	1,022,908	3,062,908
2033-2037	2,905,000	561,274	3,466,274
2038-2042	1,455,000	55,554	1,510,554
	<u>\$ 7,917,124</u>	<u>\$ 3,088,868</u>	<u>\$ 11,005,992</u>

## **NOTE 7. LONG-TERM LIABILITIES (continued)**

### **Loans Payable - direct borrowings (PG&E On-Bill Financing)**

In addition to the lease/purchase agreement for the above referenced Energy Conservation Measures Project, the County executed a total of eight on-bill financing loan agreements with Pacific, Gas, and Electric Company (PG&E) in fiscal year 2018/2019 totaling \$51,022 and additional \$246,888 in fiscal year 2019/2020 in loan proceeds. Loan proceeds are disbursed to the County after work has been completed at each County facility, and a post installation inspection and project verification has been conducted. As of June 30, 2022, eight loans had been executed and a loan payable was recognized. Each loan carries zero percent interest rate, and payment terms range from 27 to 94 months.

### **2019 and 2020 Certificates of Participation**

The San Benito County Financing Corporation (the "Corporation") is a nonprofit public benefit corporation duly organized and existing under the laws of the State of California. The Corporation was established for the purpose of facilitating the financing of public projects in the County. The Board of Directors of the Corporation is composed of the sitting members of the Board of Supervisors of the County.

#### **2019 Certificates of Participation**

The County agreed to lease the County sheriff administration building, approximately 42,000 square feet located at 2301 Technology Parkway in Hollister, California to the San Benito County Financing Corporation (the "Corporation"). The lease agreement terminates on October 1, 2048. The Corporation then subleases the leased property back to the County under the lease agreement. The County has the option at any time during the term of the lease agreement to substitute or remove the leased property, upon satisfaction of certain conditions set forth in the lease agreement. Under the lease agreement the County pays semiannual lease payments as the rental for the use and occupancy of the leased property. The County is obligated to deposit with Wells Fargo Bank, N.A. (the "Trustee") the full amount of the lease payment.

In fiscal year 2018/2019, the County issued \$7.48 million in certificates of participation. The certificates were sold to provide funds to the County to finance the acquisition of land and the costs of construction of the County adult detention facility (capital asset). These certificates are secured by annual lease payments, described in the previous paragraph, paid by the County directly to the Trustee, as assignee of the Corporation, and the lease payments are used to pay the principal and interest of the debt. The final maturity of the certificates is October 1, 2048, which corresponds to the final lease payment, with an interest rate of 3.34% .

#### **2020 Certificates of Participation**

In December 2019, the County has determined that it is in the best interest of the County to provide for the financing of a portion of the cost of improving certain real property to be used as a County behavioral health facility (the "Project"). The County agreed to lease the County jail located at 710 Flynn Road in Hollister, California and the site on which the Project will be constructed, which is adjacent to the existing County behavioral health facility located at 1131 San Felipe Road in Hollister,

CA to the San Benito County Financing Corporation (the "Corporation"). The lease agreement terminates on October 1, 2049. The Corporation then subleases the leased property back to the County under the lease agreement. The County has the option to prepay the principal component of the lease payments, in whole or in part, on any date on or after October 1, 2029. Under the lease agreement the County pays semiannual lease payments as the rental for the use and occupancy of the leased property. The County is obligated to deposit with Wells Fargo Bank, N.A. (the "Trustee") the full amount of the lease payment.

In fiscal year 2019/2020, the County issued \$10.19 million in certificates of participation. The certificates were sold to provide funds to the County to finance the costs of construction of the County behavioral health facility (capital asset). These certificates are secured by annual lease payments, described in the previous paragraph, paid by the County directly to the Trustee, as assignee of the Corporation, and the lease payments are used to pay the principal and interest of the debt. The final maturity of the certificates is October 1, 2049, which corresponds to the final lease payment, with an interest rate of 3.14%.

The certificates contain debt covenants, which are deemed by the County to be duties imposed by law. The County must include the applicable lease payments due each year in its annual budget and make the necessary appropriations. The County is also required to maintain certain levels of public liability and property damage, fire and extended coverage insurance, rental interruption insurance, and title insurance in connection with the lease agreement. The County is under no obligation to provide insurance against loss or damage occasioned by the perils of earthquake or flood. The County is in compliance with all significant financial restrictions and requirements as set forth in its debt covenants.

The County maintains a Standard & Poor's "AA" rating for long-term certificates of participation. There is no assurance that any credit rating given will be maintained for any period of time.

The following is a schedule of total COP debt service obligations to maturity as of June 30, 2022:

Year Ending June 30	2019 Certificates of Participation		2020 Certificates of Participation	
	Principal	Interest	Principal	Interest
2023	\$ 145,000	\$ 258,644	\$ 205,000	\$ 303,913
2024	155,000	251,144	215,000	293,412
2025	165,000	243,144	225,000	282,413
2026	170,000	234,769	235,000	270,913
2027	180,000	226,019	245,000	258,913
2028-2032	1,045,000	1,096,653	1,445,000	1,090,563
2033-2037	1,255,000	776,719	1,720,000	815,122
2038-2042	1,460,000	565,272	1,925,000	601,647
2043-2047	1,735,000	293,213	2,190,000	338,363
2048-2049	785,000	27,738	1,460,000	58,144
Sub-total	7,095,000	3,973,315	9,865,000	4,313,403
Unamortized Premium	250,786		553,313	
Total COP debt	<u>\$ 7,345,786</u>	<u>\$ 3,973,315</u>	<u>\$ 10,418,313</u>	<u>\$ 4,313,403</u>

## **NOTE 8. CONTINGENCIES**

### **Litigation**

The County is involved in various litigation arising from the normal course of business. Some of the lawsuits have been filed solely against the County, while in others, the County is one of a group of defendants. In the opinion of management, the disposition of all litigation pending is not expected to have a material effect on the overall financial position of the County on June 30, 2022.

### **Grants**

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. The County participates in other federal and state programs where County costs are recovered on a reimbursement basis. Grant expenditures and reimbursements are subject to audit by the appropriate grantor government. If, after an audit is performed, expenditures are disallowed due to noncompliance with the relevant regulations, the County may be required to reimburse the appropriate governmental agency. As of June 30, 2022, significant amounts of grant expenditures and records relating to reimbursements have not been audited, but the County believes that disallowed expenditures or reimbursements, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

**NOTE 9. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL DEPARTMENTS/FUNDS**

The following fund(s), or individual department within a fund, reported an excess of expenditures over appropriations for the fiscal year ended June 30, 2022:

Fund	Department	Amount in Excess
General Fund:		
	Clerk of the Board of Supervisors	\$ 27,869
	Geographical Information Systems	\$ 21,546
	Internal Services	\$ 163,651
	County Auditor/Controller	\$ 5,679
	County Assessor	\$ 15,365
	Grand Jury	\$ 1,361
	Public Defender	\$ 108,679
	Sheriff - Operations Division	\$ 222,977
	911 Communications Center	\$ 18,878
	Juvenile Detention Facility	\$ 55,931
	Gang Prevention	\$ 3,874
	Animal Control & Veterinarian Services	\$ 86,868
	Economic Development	\$ 10,750
	Veteran Services	\$ 792
	First 5 San Benito	\$ 24,182
	De Anza Trail	\$ 243
Mosquito Abatement Special Revenue Fund		\$ 642
Public Safety Realignment Special Revenue Fund		\$ 380,903
Debt Service Special Revenue Fund		\$ 40,341

**NOTE 10. DEFICIT FUND EQUITY**

The special revenue fund *Victim Witness* had a deficit of \$210,801 at fiscal year end. Victim Witness is solely funded through Federal and State grants. The deficit was caused by the timing of grant reimbursements. As grant reimbursements are received in the following fiscal year the deficit will be resolved.

The special revenue fund *Community Services Workforce Development (CSWD)* had a deficit of \$640,138 at fiscal year end. CSWD is solely funded through Federal and State grants. The deficit was caused by the timing of grant reimbursements. As grant reimbursements are received in the following fiscal year the deficit will be resolved.

The special revenue fund *Cal Fire* had a deficit of \$410,402 at fiscal year end. Cal Fire is mainly funded through taxes and general fund contributions. The deficit was caused by the timing of the general fund contributions. As the general fund contributions are completed in the following fiscal year the deficit will be resolved.

The *debt service* fund had a deficit fund balance of \$41,149 due to year-end accrued liabilities. In the following fiscal year those unreimbursed expenditures will be charged out to the beneficiaries of the long-term debt and the deficit will be resolved.

#### **NOTE 11. CLOSURE AND POSTCLOSURE CARE COSTS**

The County owns the John Smith Landfill, a Class III facility. Approximately 90 acres are for solid waste disposal. An additional 5 acres of the landfill are for Class I operations that ceased in 1983, with closure activities completed in 1992. Ownership of the hazardous waste Class I site was transferred to the City of Hollister in 1984. As part of a 1994 agreement, the County shares fifty percent of the postclosure costs with the City of Hollister for the Class I hazardous waste site.

The estimated cost of closure and postclosure care are subject to change due to variables such as inflation, changes in the cost of materials, revisions of Federal and state laws, changes in technology and other variables. In addition to the above, State and federal laws and regulations require that landfill operators demonstrate the availability of financial resources to fund closure, postclosure and corrective activities at the landfill site. The California Environmental Protection Agency, Department of Resources Recycling and Recovery (CalRecycle) holds a beneficiary authority in the form of an “Enterprise Fund and Pledge of Revenue Agreement” in the closure and postclosure funds.

The total postclosure cost of the Class I site has been estimated and verified by the Department of Toxic Substance Control at \$1.4 million in 2016 dollars. Per the 1994 agreement with the City of Hollister, and as the California law requires to have financial assurance for postclosure care, the County's share of the Class I postclosure costs of \$714 thousand, subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations. A liability is recognized for the postclosure obligation, and is restricted as net position in the Solid Waste Fund. The balance of the restricted net position as of June 30, 2022 is \$752 thousand.

On December 21, 2010, Waste Solutions Group of San Benito County, LLC., the contract operator of the Class III landfill, entered into a new Landfill Operating Agreement with the County. One of the conditions of the new agreement was the transfer of the Class III closure, postclosure and corrective liability from the County to Waste Solutions Group. Waste Solutions Group posted surety bonds with CalRecycle to cover the liability for these activities. On July 9, 2014, CalRecycle accepted the bonds as a substitute for the “Enterprise Fund and Pledge of Revenue Agreement” thereby freeing the dedicated County enterprise funds held for this purpose. As of May 22, 2019, Waste Solutions Group provided CalRecycle with surety bond riders to update coverage for the liability as required. Consequently, the County does not recognize closure, postclosure and corrective costs for its Class III landfill operations.

## NOTE 12. PENSION PLANS

### *General Information about the County Employees Retirement Plan (Defined Benefit Pension Plans)*

#### **A. Plan Description**

All qualified permanent and probationary employees are eligible to participate in the County's Safety (sheriff and other public protection members) Plan or Miscellaneous (all others) Plan. The County's Safety Plan is a cost-sharing multiple-employer defined benefit pension plan while the County's Miscellaneous Plan is an agent multiple-employer defined benefit pension plan. The Plans are administered by the California Public Employees Retirement Systems (CalPERS) which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** - CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employee' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	<b>Miscellaneous</b>		<b>Safety</b>	
	Prior to	On or after	Prior to	On or after
Hire Date	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Benefit Formula	2.0% @ 55	2.0% @ 62	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	52-62	50	50-57
Monthly benefits, as a % of eligible compensation	2.0% to 2.418%	1.0% to 2.5%	3.0%	2.0% to 2.7%
Required employee contribution rates	7%	7.25%	9.0%	13.75%
Required employer contribution rates	8.98%	8.98%	22.47%	13.98%
Required employer contribution for unfunded liability (prepayment option)	\$4,085,990	\$—	\$1,814,360	\$22,487



**Employees Covered** - At June 30, 2022, the following employees were covered by the benefit terms for the Miscellaneous Plan and Safety Plan.

	Miscellaneous	Safety	Safety (PEPRA)
Active employees	418	49	28
Inactive employees entitled to but not yet receiving benefits	599	66	8
Inactive employees or beneficiaries currently receiving benefits	571	101	—
Total	1,588	216	36

**Contributions** - Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined contribution rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance the unfunded accrued liability. The County is required to contribute the difference between the actuarially determined contribution normal cost rate and the contribution rate of employees.

## B. Net Pension Liability

The County's net pension liability for each plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Actuarial Assumptions** - The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry - Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return	7.00%	7.00%
Mortality	Derived using CalPERS' Membership Data for all Funds	

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period 1997 to 2015. Further details of the Experience study can be found on the CalPERS website under Forms and Publications.

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

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

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

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

<u>Asset Class</u>	Current Target Allocation	Real Return Years 1-10 <sup>(a)</sup>	Real Return Years 11+ <sup>(b)</sup>
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Assets	—%	0.77%	1.81%
Real Assets	13%	3.75%	4.93%
Private Equity	8%	6.30%	7.23%
Liquidity	1%	—%	(0.92)%
Total	100%		

<sup>(a)</sup> An expected inflation of 2.00% used for this period

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

## C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for the Miscellaneous Plan are as follows:

<b>Miscellaneous Plan:</b>			
<b>Primary Government</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability/(Asset)</b>
<b>Balance at June 30, 2019, measurement date</b>	<b>\$ 175,879,506</b>	<b>\$ 127,675,186</b>	<b>\$ 48,204,320</b>
<b>Changes in the year:</b>			
Service Cost	3,968,502	—	3,968,502
Interest on the Total Pension Liability	11,982,798	—	11,982,798
Differences between Expected and Actual Experience	850,967	—	850,967
Contributions - Employer	—	5,563,809	(5,563,809)
Contributions - Employees	—	1,828,237	(1,828,237)
Net Investment Income	—	27,311,651	(27,311,651)
Benefit Payments, including Refunds of Employee Contributions	(8,305,225)	(8,305,225)	—
Administrative Expense	—	(125,825)	125,825
<b>Net Changes</b>	<b>8,497,042</b>	<b>26,272,647</b>	<b>(17,775,605)</b>
<b>Balance at June 30, 2020, measurement date</b>	<b>\$ 184,376,548</b>	<b>\$ 153,947,833</b>	<b>\$ 30,428,715</b>
<b>Component Unit</b>			
<b>Balance at June 30, 2019, measurement date</b>	<b>\$ 962,062</b>	<b>\$ 583,536</b>	<b>\$ 378,526</b>
<b>Changes in the year:</b>			
Service Cost	29,428	—	29,428
Interest on the Total Pension Liability	88,858	—	88,858
Differences between Expected and Actual Experience	6,310	—	6,310
Contributions - Employer	—	41,258	(41,258)
Contributions - Employees	—	13,557	(13,557)
Net Investment Income	—	202,529	(202,529)
Benefit Payments, including Refunds of Employee Contributions	(61,587)	(61,587)	—
Administrative Expense	—	20,134	(20,134)
<b>Net Changes</b>	<b>63,009</b>	<b>215,891</b>	<b>(152,882)</b>
<b>Balance at June 30, 2020, measurement date</b>	<b>\$ 1,025,071</b>	<b>\$ 799,427</b>	<b>\$ 225,644</b>

The above schedule excludes the Courts' share of the Miscellaneous Plan determined at June 30, 2022 to be 7.62 percent of the plans total pension liability.

As of June 30, 2022, the County reported net pension liabilities of \$8,910,539 for its proportionate share of the net pension liability of the Safety Plan. The County's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021, using standard update procedures. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The County's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

	Safety
Proportion - June 30, 2019	0.277524%
Proportion - June 30, 2020	0.253899%
Change - Increase (Decrease)	(0.023625)%

### ***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the net pension liability of the County's Plans as of the measurement date, calculated using the discount rate of 7.15%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15 %	6.15 %
Net Pension Liability	\$ 53,326,227	\$ 19,847,065
Current Discount Rate	7.15 %	7.15 %
Net Pension Liability	\$ 30,428,715	\$ 8,910,539
1% Increase	8.15 %	8.15 %
Net Pension Liability/(Asset)	\$ 11,487,558	\$ (72,466)

***Pension Plan Fiduciary Net Position*** - Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

### **D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2022, the primary government recognized total pension expense of \$2,133,895, of which \$2,938,507 is for the Miscellaneous Plan and \$(804,612) for the Safety Plan. Pension expense represents the change in the net pension liability 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:

	Primary Government						Component Unit	
	Miscellaneous Plan		Safety Plan		Total Primary Govt		Miscellaneous Plan	
	Deferred	Deferred	Deferred	Deferred	Deferred	Deferred	Deferred	Deferred
	Outflows of	Inflows of	Outflows of	Inflows of	Outflows of	Inflows of	Outflows of	Inflows of
	Resources	Resources	Resources	Resources	Resources	Resources	Resources	Resources
Pension contributions subsequent to measurement date	\$ 6,014,416	\$ —	\$ 3,193,452	\$ —	\$ 9,207,868	\$ —	\$ 44,600	\$ —
Difference in proportion	—	—	576,366	(34,593)	576,366	(34,593)	—	—
Changes in assumptions	—	—	26,643	(26,643)	26,643	(26,643)	—	—
Differences between actual and expected experience	879,494	—	1,522,359		2,401,853	—	6,522	—
Difference between employer's contribution and employer's proportionate share of contributions	—	—	46,587	(597,773)	46,587	(597,773)	—	—
Net differences between projected and actual investment earnings	—	(13,553,204)	—	(5,303,485)	0	(18,856,689)	—	(100,504)
Total	<u>\$ 6,893,910</u>	<u>\$(13,553,204)</u>	<u>\$ 5,365,407</u>	<u>\$(5,962,494)</u>	<u>\$12,259,317</u>	<u>\$(19,515,698)</u>	<u>\$ 51,122</u>	<u>\$ (100,504)</u>

The primary government reports a combined \$9,207,868, and the primary government's component unit reports \$44,600, as deferred outflows of resources related to pension contributions made subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred inflows of resources, related to pensions, will be recognized as pension expense as follows:

Fiscal Year Ended June 30	Primary Government			Component Unit
	Miscellaneous Plan	Safety Plan	Total	Miscellaneous Plan
	Deferred	Deferred	Deferred	Deferred
	Outflows/(Inflows) of Resources	Outflows/(Inflows) of Resources	Outflows/(Inflows) of Resources	Outflows/(Inflows) of Resources
2023	\$ (2,791,226)	\$ (534,058)	\$ (3,325,284)	\$ (20,698)
2024	(2,871,647)	(734,244)	(3,605,891)	(21,295)
2025	(3,261,758)	(1,062,790)	(4,324,548)	(24,188)
2026	(3,749,080)	(1,459,444)	(5,208,524)	(27,801)
	<u>\$ (12,673,711)</u>	<u>\$ (3,790,536)</u>	<u>\$ (16,464,247)</u>	<u>\$ (93,982)</u>

At June 30, 2022 the Primary Government reported the following balances for the pension plans:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Miscellaneous Plan	\$ 30,428,715	\$ 6,893,910	\$ (13,553,204)	\$ 2,938,507
Safety Plan	8,910,539	5,365,407	(5,962,494)	(804,612)
Total Primary Government	<u>\$ 39,339,254</u>	<u>\$ 12,259,317</u>	<u>\$ (19,515,698)</u>	<u>\$ 2,133,895</u>

## NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

### *General Information about the OPEB Plan*

#### **A. Plan Description**

The County of San Benito participates in the California Employers' Retiree Benefit Trust Fund Program (CERBT), an agent-multiple employer post-employment health plan, to prefund other postemployment benefits through CalPERS. On June 24, 2021 the County liquidated all assets held at CERBT and transferred assets to the PARS Section 115 Public Agencies Post-Employment Benefits Trust irrevocably dedicated to pre-funding OPEB, as defined by Government Accounting Standards Board (GASB), and the pre-funding of pension obligations appointing the authority to the County Auditor as Plan Administrator. Public Agency Retirement System (PARS) serves as Trust Administrator, and U.S. Bank, N.A. serves as Trustee.

The County's Retiree Healthcare Plan (Plan) provides healthcare insurance benefits to eligible retirees. Effective 2017, the County left the CalPERS Healthcare Program provided through PEMHCA and joined CSAC-EIA Healthcare Plan. CSAC-EIA operates a community-rated employer purchasing pool with employees and non-Medicare retirees rated together.

The County provides post-employment healthcare benefits to all employees who retire through CalPERS from the County on or after attaining age 50 with at least five years of service. The surviving spouse of an eligible retiree is eligible for the employer contribution upon the death of the retiree. Under CSAC-EIA, the premium rates are the same for both active and retired employees covered under the same medical plan. The premium contributions of the plan members and the County are established and may be amended by the County. The County's contribution is based on the retiree's elected family coverage category and whether the retiree is Medicare eligible. Currently, 261 retirees meet those eligibility requirements.

A Schedule of Changes in Fiduciary Net Position by Employer, Independent Accountant's Report, and Notes to the GASB No. 75 Schedule for measurement date June 30, 2021, are now available and can be accessed at <https://www.calpers.ca.gov/docs/forms-publications/gasb-68-fiduciary-net-position-2020.pdf>

**Employees Covered** - At the OPEB liability measurement date of June 30, 2021, the following employees were covered by the benefit terms:

	Primary Government	Component Unit
Inactive plan members or beneficiaries currently receiving benefits	261	3
Inactive plan members entitled to but not receiving benefits	—	—
Active plan members	202	10
	<u>463</u>	<u>13</u>

**Contributions** - An actuarial valuation determines the County's actuarially determined contribution (ADC) for OPEB. The ADC is a target or recommended contribution to a defined contribution OPEB plan, determined in accordance with the parameters and in conformity with Actuarial Standards of Practice. For the fiscal year ended June 30, 2022, the County's employer contribution was \$1,434,473, and the component unit contributed \$24,226.

## B. Net OPEB Liability

The net OPEB asset measured as of June 30, 2021, including its discretely presented component unit, was reported as \$(8,016,322).

	Fiscal Year Ending		Fiscal Year Ending	
	2022	2021	2022	2021
Measurement Date	(2021)	(2020)	(2021)	(2020)
	Primary Government		Component Unit	
Total OPEB Liability (TOL)	25,061,858	36,674,715	467,069	455,703
Fiduciary Net Position (FNP)	32,921,684	26,437,551	623,565	489,275
Net OPEB Liability (Asset)	(7,859,826)	10,237,164	(156,496)	(33,572)
Funded Status (FNP/TOL)	131.36 %	72.09 %	133.51 %	107.37 %

**Actuarial Assumptions** - The total OPEB liability measured as of June 30, 2021 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	June 30, 2021																										
Contribution Policy	actuarially determined contribution																										
Discount Rate	6.65%																										
Expected Long-term Rate of Return on Investments	6.75%; combines CERBT asset allocation long-term rate of return of 7.00% and PARS asset allocation long-term rate of return of 6.5%.																										
Inflation	2.5% per year																										
Salary Increases	3%																										
Pre-retirement turnover	according to the termination rates under the 2017 experience study for the CalPERS pension plan.																										
Medical trend rates	medical costs are adjusted in future years by the following trends:																										
	<table> <tr> <th>Year</th><th>Trend</th><th>Year</th><th>Trend</th></tr> <tr> <td>2023</td><td>6.50%</td><td>2028</td><td>5.25%</td></tr> <tr> <td>2024</td><td>6.25%</td><td>2029</td><td>5.00%</td></tr> <tr> <td>2025</td><td>6.00%</td><td>2030</td><td>4.75%</td></tr> <tr> <td>2026</td><td>5.75%</td><td>2031+</td><td>4.50%</td></tr> <tr> <td>2027</td><td>5.50%</td><td></td><td></td></tr> </table>	Year	Trend	Year	Trend	2023	6.50%	2028	5.25%	2024	6.25%	2029	5.00%	2025	6.00%	2030	4.75%	2026	5.75%	2031+	4.50%	2027	5.50%				
Year	Trend	Year	Trend																								
2023	6.50%	2028	5.25%																								
2024	6.25%	2029	5.00%																								
2025	6.00%	2030	4.75%																								
2026	5.75%	2031+	4.50%																								
2027	5.50%																										

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing them based on the target asset allocation percentage and adding in expected inflation (2.30%). The best estimates of real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021 as summarized in the following table:

Asset class	CERBT		PARS	
	Target allocation	Long-term expected real rate of return*	Target allocation	Long-term expected real rate of return
Global Equity	59%	N/A	—%	—
Global Debt Securities	25%	N/A	—%	—
Inflation Assets	5%	N/A	—%	—
Commodities	3%	N/A	—%	—
REIT's	8%	N/A	—%	—
Equity	—%	—	75%	—
Fixed Income	—%	—	20%	—
Cash	—%	—	5%	—
	100%	6.80%	100%	6.50%

\*Long-term Real Rate of Return is not provided by asset class from CERBT and therefore is shown as N/A.

**Discount Rate** - The discount rate used to measure the total OPEB liability is 6.65%. This discount rate assumes the County contributes the recommended actuarially determined contribution towards its retiree health benefits and makes disbursements from the assets held with CERBT and PARS, under its investment allocation strategy 1. The rate is a blended rate between the CERBT balance and PARS balance. The discount rate used for the County's component unit was 6.75%.



### C. Changes in the Net OPEB Liability

The table below shows the changes in the Total OPEB liability, the Plan Fiduciary Net Position, and the Net OPEB liability during the measurement period ending on June 30, 2021 for the County's proportionate share, including its discretely presented component unit:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
	(a)	(b)	(a) - (b)
<b><u>Primary Government</u></b>			
<b>Balances at June 30, 2020, measurement date</b>	\$ 36,674,715	\$ 26,437,551	\$ 10,237,164
<b>Changes in the year:</b>			
Service cost	1,048,248	—	1,048,248
Interest	1,519,359	—	1,519,359
Differences between expected and actual experience	(5,140,811)	—	(5,140,811)
Changes of assumptions	(6,086,521)	—	(6,086,521)
Contributions - employer	—	500,000	(500,000)
Net investment income	—	8,978,889	(8,978,889)
Benefit payments, including refunds of member contributions	(2,953,132)	(2,953,132)	—
Administrative expense	—	(41,624)	41,624
<b>Net changes</b>	<b>(11,612,857)</b>	<b>6,484,133</b>	<b>(18,096,990)</b>
<b>Balance at June 30, 2021, measurement date</b>	<b>\$ 25,061,858</b>	<b>\$ 32,921,684</b>	<b>\$ (7,859,826)</b>
<b><u>Component Unit</u></b>			
<b>Balances at June 30, 2020, measurement date</b>	\$ 455,703	\$ 489,275	\$ (33,572)
<b>Changes in the year:</b>			
Service cost	14,245	—	14,245
Interest	31,519	—	31,519
Expected investment interest	—	34,243	(34,243)
Unexpected investment interest	—	100,232	(100,232)
Benefit payments, including refunds of member contributions	(24,427)	(24,427)	—
Changes of assumptions	4,226	—	4,226
Changes in benefit terms	(40,380)	—	(40,380)
Expected minus actual benefit payments	(674)	24,427	(25,101)
Administrative expense	—	(185)	185
Experience gains/losses	26,857	—	26,857
<b>Net changes</b>	<b>11,366</b>	<b>134,290</b>	<b>(122,924)</b>
<b>Balance at June 30, 2021, measurement date</b>	<b>\$ 467,069</b>	<b>\$ 623,565</b>	<b>\$ (156,496)</b>

***Sensitivity of the Net OPEB Asset to Changes in the Discount Rate*** - The following presents the Net OPEB Asset of the County, calculated using the discount rate of 6.65%, as well as what the County's Net OPEB Asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.65%) or 1-percentage-point higher (7.65%) than the current rate:

	1% Decrease 5.65%	Current Discount Rate 6.65%	1% Increase 7.65%
<b><u>Primary Government</u></b>			
Net OPEB Liability/(Asset)	\$(5,527,294)	\$(7,859,826)	\$(9,873,875)
	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
<b><u>Component Unit</u></b>			
Net OPEB Asset/(Liability)	\$99,095	\$156,496	\$203,722

## Sensitivity of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rates

	1% Decrease 5.50% decreasing to 3.50%	Current Healthcare Cost Trend Rates 6.50% decreasing to 4.50%	1% Increase 7.50% decreasing to 5.50%
<b>Primary Government</b>			
Net OPEB Liability/(Asset)	\$(10,173,614)	\$(7,859,826)	\$(5,124,583)
	1% Decrease 3.00%	Current Healthcare Cost Trend Rates 4.00%	1% Increase 5.00%
<b>Component Unit</b>			
Net OPEB Asset/(Liability)	\$203,578	\$156,496	\$92,231

**OPEB Plan Fiduciary Net Position** - Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT and PARS financial reports.

## E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the County recognized OPEB expense of \$(1,207,185), and its component unit recognized OPEB expense of \$47,743. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2022, the County, including its discretely presented component unit, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		Component Unit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
County contributions subsequent to the measurement date	\$ 1,434,473	\$ —	\$ 24,226	\$ —
Differences between expected and actual experience	671,410	(4,526,632)	37,533	72,268
Changes of assumptions	5,937,430	(5,589,861)	4,034	—
Net difference between projected and actual investment earnings	—	(6,044,900)	11,307	80,978
	<u>\$ 8,043,313</u>	<u>\$ (16,161,393)</u>	<u>\$ 77,100</u>	<u>\$ 153,246</u>

For the primary government and its component unit, \$1,434,473 and \$24,226, respectively, is reported as deferred outflows of resources, related to contributions subsequent to the measurement date, and will be recognized as OPEB expense in the fiscal year ended June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources	
	Primary Government	Component Unit
2023	(1,972,140)	(18,864)
2024	(1,853,791)	(18,073)
2025	(1,891,884)	(18,813)
2026	(1,805,814)	(22,085)
2027	(425,022)	(2,041)
Thereafter	(1,603,902)	(20,496)
	<u>\$ (9,552,553)</u>	<u>\$ (100,372)</u>

#### **NOTE 14. RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County is a member of a joint powers agency (JPA), Trindel Insurance Fund, which self-insures losses up to \$300,000 for workers compensation, up to \$250,000 for general liability, \$10,000 for auto liability, and \$25,000 for all risk property, per occurrence. The liability rests with the County. Trindel Insurance Fund is classified as a claims-servicing or account pool, wherein the County retains the risk of loss and is considered self-insured with regard to liability coverage. Trindel provides for an annual actuarial study to determine the necessary annual premium and to attain a reserve for claims at the 90% confidence level. Reserves are currently booked at the expected 70% confidence level.

In January 2018, the Trindel Board approved the creation of the workers compensation pool; the pool was established on July 1, 2018. Premiums paid into the pool are combined and shared between all members, and reported separately from individual self-insurance funds. Risk pooling does not prevent losses, nor transfer risk. Premiums for the pool will be determined by a third party actuary; premium calculations use a funding level of 80% confidence level. The pool insures losses between \$300,000 and \$1 million for workers compensation.

The County also belongs to another larger JPA called the California State Association of Counties Excess Insurance Authority (CSACEIA). CSACEIA, along with other commercial carriers, increases the coverage for general liability to \$25 million. Also, CSACEIA, with other commercial carriers, covers replacement cost on property to \$600 million with a \$25,000 deductible for real property and a \$20,000 deductible for vehicles. Trindel covers all but \$1,000 of these deductibles, per occurrence.

The actuarial expected claims liability at June 30, 2022 is \$4,167,419.

<u>Fiscal Year Ending,</u>	<u>Beginning Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year End</u>
2022	3,647,103	1,194,276	(673,960)	4,167,419
2021	4,139,743	115,309	(607,949)	3,647,103

The County has not incurred a claim that has exceeded its insurance coverage limits in any of the last three fiscal years, nor has there been any significant reduction in insurance coverage.

**NOTE 15.     TAX ABATEMENT**

The County provides tax abatements for restricted parcels of land under the Land Conservation Act (Williamson Act). Under the Williamson Act private landowners can enter into a contract with the County restricting the use of their land for agricultural or related open space use in exchange for reduced property tax assessments.

Property tax under the Williamson Act is assessed at a rate consistent with the property's actual use rather than the market value. The contracts are binding for a period of ten years and are automatically renewed each year unless the property owner files a Notice of Non-Renewal with the Assessor's Office. After the filing of the notice the land may not be converted to other uses for ten years, during which time the property taxes are gradually increased to reflect the full market value of the land.

No other commitments were made by the County as part of the Williamson Act contracts. For the fiscal year ended June 30, 2022, the County tax abatements under the Williamson Act totaled \$3,039,757.

## NOTE 16. FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). Presented below is a detailed schedule of fund balances, for major and nonmajor governmental funds, at June 30, 2022.

	General	Human Services Agency	Road	Mental Health	Capital Improvement Projects	Other Governmental	Total
<b>Nonspendable:</b>							
Inventory	—	—	50,610	—	—	—	50,610
Prepays	440,940	103,844	—	9	—	182,924	727,717
<i>Total nonspendable fund balance</i>	<u>440,940</u>	<u>103,844</u>	<u>50,610</u>	<u>9</u>	<u>—</u>	<u>182,924</u>	<u>778,327</u>
<b>Restricted:</b>							
General government							
Assessor - SCAPAP	181,244	—	—	—	—	—	181,244
Office of Emergency Services - PSPS	299,706	—	—	—	—	—	299,706
PARS - pension	3,757,007	—	—	—	—	—	3,757,007
ARPA (American Rescue Plan Act of 2021)	10,381,143	—	—	—	—	—	10,381,143
Tobacco securitization	—	—	—	—	—	20	20
General government impact fees	—	—	—	—	—	2,369,368	2,369,368
Public protection							
Sheriff programs	3,553,378	—	—	—	—	—	3,553,378
Recorder programs	1,621,611	—	—	—	—	—	1,621,611
District attorney programs	133,838	—	—	—	—	—	133,838
Juvenile probation programs	224,223	—	—	—	—	—	224,223
Probation programs	136,493	—	—	—	—	—	136,493
Public safety realignment	—	—	—	—	—	9,476,192	9,476,192
Pipeline safety initiative	18,000	—	—	—	—	—	18,000
Fish and game programs	—	—	—	—	—	4,428	4,428
Public protection impact fees	—	—	—	—	—	3,264,945	3,264,945
CASp training fund	—	—	—	—	—	2,304	2,304
Family Support	—	—	—	—	—	28,950	28,950
Public ways and facilities							
Purpose of fund	—	—	5,928,675	—	1,117,524	—	7,046,199
Development projects	—	—	—	—	—	3,350,800	3,350,800
Public ways and facilities impact fees	—	—	—	—	—	14,714,440	14,714,440
Health and sanitation							
Substance abuse programs	—	—	—	—	—	659,941	659,941
Public health programs	—	—	—	—	—	2,857,056	2,857,056
Emergency medical services	—	—	—	—	—	1,173,408	1,173,408
Purpose of fund	—	—	—	15,627,000	—	—	15,627,000
Public assistance							
Migrant labor camp	—	—	—	—	—	307,897	307,897
Housing assistance programs	—	—	—	—	—	1,737,605	1,737,605
Public authority	—	—	—	—	—	232,708	232,708
Public assistance programs	—	7,822,820	—	—	—	—	7,822,820
Inclusionary housing impact fees	—	—	—	—	—	1,014,397	1,014,397
Recreation and culture							
Parks and recreation impact fees	—	—	—	—	—	5,699,989	5,699,989
County service areas	—	—	—	—	—	2,225,855	2,225,855
Community Facilities District	—	—	—	—	—	1,920,820	1,920,820
<i>Total restricted fund balance</i>	<u>20,306,643</u>	<u>7,822,820</u>	<u>5,928,675</u>	<u>15,627,000</u>	<u>1,117,524</u>	<u>51,041,123</u>	<u>101,843,785</u>
<b>Assigned:</b>							
General government							
Insurance and general liability	8,568,335	—	—	—	—	—	8,568,335
River City	580,301	—	—	—	—	—	580,301
Capital Improvement Projects	1,975,058	—	—	—	855,129	—	2,830,187
Public Protection							
Mosquito Abatement	—	—	—	—	—	159,750	159,750
<i>Total assigned fund balance</i>	<u>11,123,694</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>855,129</u>	<u>159,750</u>	<u>12,138,573</u>
<b>Unassigned</b>	<u>23,229,593</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(1,342,018)</u>	<u>21,887,575</u>
<b>Total Fund Balances</b>	<u>\$ 55,100,870</u>	<u>\$ 7,926,664</u>	<u>\$ 5,979,285</u>	<u>\$ 15,627,009</u>	<u>\$ 1,972,653</u>	<u>\$ 50,041,779</u>	<u>\$136,648,260</u>

**NOTE 17. AUTHORITATIVE PRONOUNCEMENTS ISSUED BUT NOT YET IMPLEMENTED**

**GASB Statements effective in future fiscal years:**

Statement No. 91, Conduit Debt Obligations	The requirements of this Statement are effective for reporting periods beginning after December 15, 2020 (FY2021/22). Moreover, GASB issued Statement No. 95 to provide temporary relief to governments in light of the COVID-19 pandemic, which postponed by one year the effective date of Statement No. 91. Hence, the requirements of Statement No. 91 are now effective for reporting periods beginning after December 15, 2021 (FY2022/23).
Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements	The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 (FY2022/23).
Statement No. 96, Subscription-Based Information Technology Arrangements	The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 (FY2022/23).
Statement No. 99, Omnibus 2022	The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance.
GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62	The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023 (FY 2023/24), and all reporting periods thereafter.
GASB Statement No. 101, Compensated Absences	The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

**NOTE 18. PRIOR PERIOD ADJUSTMENTS**

As described in Note 1, under the sub-header "effects of new pronouncements", as of July 1, 2021, the County adopted GASB Statement No. 87, *Leases*. As a result of the implementation of GASB 87, the County recognized a right to use lease asset, lease receivable, lease liability, and a deferred inflow of resources from leases. The effect of the implementation of GASB 87 is summarized in the following table:

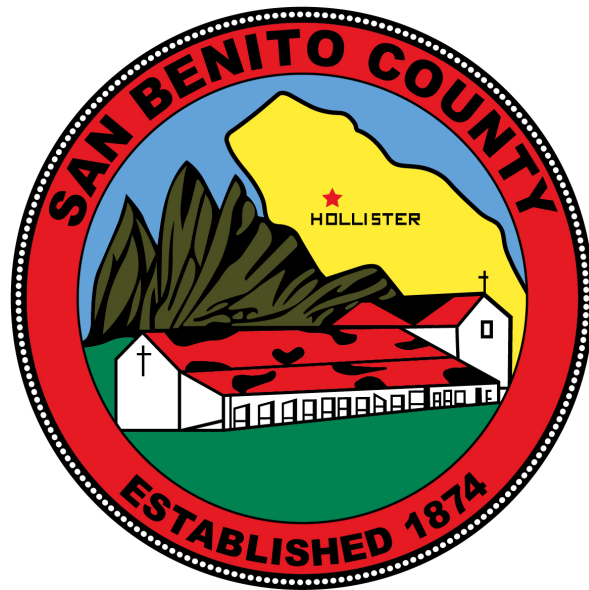
	General Fund	Human Services Fund	Road Fund	Mental Health Fund	Other Governmental Funds	Governmental Activities
Fund balance/net position, previously reported as of July 1, 2021	\$38,878,581	\$ 7,512,075	\$ 9,263,883	\$ 14,220,066	\$ 46,602,843	\$ 154,081,084
Recognition of a right-to-use lease asset, net of accumulated amortization	1,171,642	1,808,639	6,851	346,240	568,787	3,902,159
Recognition of a lease liability	(1,171,642)	(1,808,639)	(6,851)	(346,240)	(568,787)	(3,902,159)
Recognition of lease receivable	396,955	—	—	—	90,517	487,472
Recognition of Deferred Inflows	(396,955)	—	—	—	(90,517)	(487,472)
Fund balance/net position at June 30, 2021, as restated	<u>\$ 38,878,581</u>	<u>\$ 7,512,075</u>	<u>\$ 9,263,883</u>	<u>\$ 14,220,066</u>	<u>\$ 46,602,843</u>	<u>\$ 154,081,084</u>

**NOTE 19. SUBSEQUENT EVENTS**

**Changes in interest rates.** As of November 30, 2022, the market value of the County's June 30, 2022 investment portfolio is 2.34 percent of the book value, or \$7.1 million unrealized market loss. Interest rates are expected to increase further, and it is expected, as of the report date, that the market value will likely decline further. The County's practice is to buy and hold investments until maturity; this minimizes the risk of loss for investment principal due to lower market values.

**Pension investments.** In July of 2022, CalPERS announced a net investment return of negative 6.1% for the fiscal year ending 2021-22. This, along with the change in the discount rate to 6.8%, will negatively impact the net pension liability in future reporting periods. As the investment pool experienced gains in fiscal year 2021, resulting in a drastically reduced liability in fiscal year 2022, the County expects the inverse to be true in fiscal year 2023 as all gains were lost in fiscal year 2022.

**REQUIRED SUPPLEMENTARY INFORMATION**





# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Fund balance - beginning of year</b>	<b>38,878,581</b>	<b>38,878,581</b>	<b>38,878,581</b>	<b>—</b>
<b>REVENUES</b>				
Taxes	22,383,908	22,383,908	24,602,062	2,218,154
Licenses, permits and franchises	2,293,000	2,293,000	2,301,295	8,295
Aid from other governments	15,251,293	15,327,514	17,689,788	2,362,274
Use of money or property	130,000	130,000	(716,052)	(846,052)
Fines, forfeits and penalties	690,735	690,735	917,188	226,453
Charges for services	12,023,547	12,509,146	23,690,565	11,181,419
Other revenue	1,631,318	1,746,318	677,422	(1,068,896)
<b>Total Revenues</b>	<b>54,403,801</b>	<b>55,080,621</b>	<b>69,162,268</b>	<b>14,081,647</b>
<b>EXPENDITURES</b>				
<b>CURRENT:</b>				
<b>General Government</b>				
<b>Non-Departmental</b>				
Services & Supplies	580,000	580,000	324,069	255,931
Other Charges	886,824	886,824	878,023	8,801
Indirect Cost	7,993	7,993	7,993	—
<b>Total</b>	<b>1,474,817</b>	<b>1,474,817</b>	<b>1,210,085</b>	<b>264,732</b>
<b>Board of Supervisors</b>				
Salaries & Benefits	601,422	601,422	538,392	63,030
Services & Supplies	133,000	133,000	74,946	58,054
Other Charges	19,467	19,467	22,827	(3,360)
Indirect Cost	227,594	232,954	227,594	5,360
<b>Total</b>	<b>981,483</b>	<b>986,843</b>	<b>863,759</b>	<b>123,084</b>
<b>Clerk of the Board of Supervisors</b>				
Salaries & Benefits	151,312	151,312	170,159	(18,847)
Services & Supplies	51,150	75,225	84,247	(9,022)
Other Charges	1,787	1,787	3,931	(2,144)
Indirect Cost	69,647	71,791	69,647	2,144
<b>Total</b>	<b>273,896</b>	<b>300,115</b>	<b>327,984</b>	<b>(27,869)</b>

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund (continued) For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Administration Officer</b>				
Salaries & Benefits	1,063,059	1,063,059	823,185	239,874
Services & Supplies	116,600	116,600	165,032	(48,432)
Other Charges	5,361	5,361	11,792	(6,431)
Indirect Cost	—	6,432	—	6,432
Total	1,185,020	1,191,452	1,000,009	191,443
<b>Census 2020</b>				
Services & Supplies	2,000	2,000	—	2,000
Indirect Cost	965	965	965	—
Total	2,965	2,965	965	2,000
<b>Information Technology</b>				
Salaries & Benefits	606,234	606,234	629,909	(23,675)
Services & Supplies	628,500	628,500	550,328	78,172
Other Charges	5,361	5,361	11,792	(6,431)
Capital Assets	40,000	40,000	—	40,000
Indirect Cost	—	6,432	—	6,432
Total	1,280,095	1,286,527	1,192,029	94,498
<b>Geographical Information Systems</b>				
Salaries & Benefits	119,153	119,153	128,971	(9,818)
Services & Supplies	43,105	43,105	54,834	(11,729)
Other Charges	894	894	1,965	(1,071)
Indirect Cost	16,176	17,248	16,176	1,072
Total	179,328	180,400	201,946	(21,546)
<b>Internal Services</b>				
Salaries & Benefits	509,363	509,363	634,129	(124,766)
Services & Supplies	192,600	192,600	231,485	(38,885)
Other Charges	4,467	4,467	9,827	(5,360)
Indirect Cost	—	5,360	—	5,360
Total	706,430	711,790	875,441	(163,651)
<b>Elections</b>				
Salaries & Benefits	580,505	580,505	477,759	102,746
Services & Supplies	797,250	797,250	695,961	101,289
Other Charges	3,887	3,887	8,549	(4,662)
Capital Assets	207,000	207,000	56,936	150,064
Indirect Cost	92,343	97,006	92,343	4,663
Total	1,680,985	1,685,648	1,331,548	354,100

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund (continued) For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>County Auditor/Controller</b>				
Salaries & Benefits	1,356,604	1,356,604	1,459,098	(102,494)
Services & Supplies	386,200	386,200	289,386	96,814
Other Charges	11,525	11,525	25,353	(13,828)
Indirect Cost	—	13,829	—	13,829
Total	1,754,329	1,768,158	1,773,837	(5,679)
<b>County Treasurer</b>				
Salaries & Benefits	255,200	255,200	308,125	(52,925)
Services & Supplies	132,100	132,100	71,534	60,566
Other Charges	2,681	2,681	5,896	(3,215)
Indirect Cost	27,095	30,311	27,095	3,216
Total	417,076	420,292	412,650	7,642
<b>Tax Collector</b>				
Salaries & Benefits	403,776	403,776	373,249	30,527
Services & Supplies	77,700	77,700	61,565	16,135
Other Charges	3,574	3,574	7,861	(4,287)
Capital Assets	—	—	13,779	(13,779)
Indirect Cost	37,062	41,350	37,062	4,288
Total	522,112	526,400	493,516	32,884
<b>County Assessor</b>				
Salaries & Benefits	1,865,237	1,865,237	1,980,016	(114,779)
Services & Supplies	283,800	283,800	208,055	75,745
Other Charges	18,761	18,761	41,272	(22,511)
Capital Assets	—	47,335	23,667	23,668
Indirect Cost	246,913	269,425	246,913	22,512
Total	2,414,711	2,484,558	2,499,923	(15,365)
<b>County Counsel</b>				
Salaries & Benefits	977,070	977,070	958,669	18,401
Services & Supplies	771,637	771,637	618,617	153,020
Other Charges	5,361	5,361	11,792	(6,431)
Indirect Cost	—	6,432	—	6,432
Total	1,754,068	1,760,500	1,589,078	171,422
<b>Risk Management</b>				
Salaries & Benefits	—	—	(1,748,968)	1,748,968
Services & Supplies	25,000	25,000	15,617	9,383
Other Charges	1,412,410	1,412,410	2,419,811	(1,007,401)
Total	1,437,410	1,437,410	686,460	750,950

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund (continued) For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Maintenance - Buildings &amp; Grounds</b>				
Salaries & Benefits	402,902	544,782	420,149	124,633
Services & Supplies	859,700	936,639	534,115	402,524
Other Charges	—	—	9,827	(9,827)
Capital Assets	27,000	234,500	47,918	147,140
Indirect Cost	—	5,360	—	5,360
Total	1,289,602	1,721,281	1,012,009	669,830
<b>Total General Government</b>	<b>17,354,327</b>	<b>17,939,156</b>	<b>15,471,239</b>	<b>2,467,917</b>
<b>Public Protection</b>				
<b>Grand Jury</b>				
Services & Supplies	16,000	26,000	27,361	(1,361)
Indirect Cost	29,291	29,291	29,291	—
Total	45,291	55,291	56,652	(1,361)
<b>District Attorney</b>				
Salaries & Benefits	1,936,351	1,936,351	1,941,940	(5,589)
Services & Supplies	112,965	112,965	89,694	23,271
Other Charges	12,507	12,507	27,515	(15,008)
Indirect Cost	195,048	210,056	195,048	15,008
Total	2,256,871	2,271,879	2,254,197	17,682
<b>Public Defender</b>				
Services & Supplies	1,018,000	1,018,000	1,126,679	(108,679)
Indirect Cost	12,799	12,799	12,799	—
Total	1,030,799	1,030,799	1,139,478	(108,679)
<b>Sheriff - Operations Division</b>				
Salaries & Benefits	5,445,377	5,445,377	5,681,997	(236,620)
Services & Supplies	667,720	738,120	738,054	66
Other Charges	26,801	26,801	58,960	(32,159)
Capital Assets	215,400	169,547	155,912	13,635
Indirect Cost	393,143	425,304	393,203	32,101
Total	6,748,441	6,805,149	7,028,126	(222,977)
<b>911 Communications Center</b>				
Salaries & Benefits	92,932	92,932	106,773	(13,841)
Services & Supplies	552,655	552,655	557,693	(5,038)
Other Charges	894	894	1,965	(1,071)
Capital Assets	—	90,144	90,144	—
Indirect Cost	9,820	10,892	9,820	1,072
Total	656,301	747,517	766,395	(18,878)

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
General Fund (continued)  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>UNET - Anti-Drug Task Force</b>				
Salaries & Benefits	110,891	110,891	93,830	17,061
Services & Supplies	124,106	124,106	108,119	15,987
Other Charges	447	447	983	(536)
Indirect Cost	13,572	14,108	13,572	536
Total	249,016	249,552	216,504	33,048
<b>Sheriff's Grant</b>				
Salaries & Benefits	294,404	287,404	115,613	171,791
Services & Supplies	17,200	17,200	15,962	1,238
Other Charges	1,340	1,340	2,948	(1,608)
Capital Assets	65,000	72,000	10,901	61,099
Indirect Cost	481	2,089	481	1,608
Total	378,425	380,033	145,905	234,128
<b>Corrections Division - Jail</b>				
Salaries & Benefits	4,353,014	4,703,014	4,677,383	25,631
Services & Supplies	2,766,247	2,704,247	2,637,446	66,801
Other Charges	42,264	42,264	220,718	(178,454)
Capital Assets	60,300	73,300	5,821	67,479
Indirect Cost	612,304	646,608	612,304	34,304
Total	7,834,129	8,169,433	8,153,672	15,761
<b>Probation Department</b>				
Salaries & Benefits	2,797,374	2,889,470	2,776,924	112,546
Services & Supplies	634,262	755,681	354,702	400,979
Other Charges	51,514	51,514	55,501	(3,987)
Capital Assets	10,000	10,000	25,580	(15,580)
Indirect Cost	417,618	447,634	413,744	33,890
Total	3,910,768	4,154,299	3,626,451	527,848
<b>Juvenile Detention Facility</b>				
Salaries & Benefits	1,155,618	1,155,618	1,269,925	(114,307)
Services & Supplies	471,312	596,489	531,946	64,543
Other Charges	11,721	35,721	63,752	(28,031)
Capital Assets	9,000	9,000	—	9,000
Indirect Cost	134,197	147,061	134,197	12,864
Total	1,781,848	1,943,889	1,999,820	(55,931)
<b>Gang Prevention</b>				
Indirect Cost	(3,874)	(3,874)	—	(3,874)
Total	(3,874)	(3,874)	—	(3,874)

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund (continued) For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Agricultural Commissioner</b>				
Salaries & Benefits	948,526	948,526	928,709	19,817
Services & Supplies	104,500	104,500	88,744	15,756
Other Charges	8,487	8,487	27,769	(19,282)
Capital Assets	26,000	26,000	26,692	(692)
Indirect Cost	99,462	109,646	99,462	10,184
Total	1,186,975	1,197,159	1,171,376	25,783
<b>Public Works - Administration &amp; Engineering</b>				
Salaries & Benefits	1,619,898	1,619,898	1,243,466	376,432
Services & Supplies	389,300	389,300	235,715	153,585
Other Charges	—	—	33,411	(33,411)
Indirect Cost	317,925	336,149	590,698	(254,549)
Total	2,327,123	2,345,347	2,103,290	242,057
<b>County Clerk</b>				
Salaries & Benefits	282,002	282,002	275,505	6,497
Services & Supplies	167,260	167,260	113,089	54,171
Other Charges	1,698	1,698	3,734	(2,036)
Indirect Cost	20,797	22,834	20,797	2,037
Total	471,757	473,794	413,125	60,669
<b>County Recorder</b>				
Salaries & Benefits	340,534	340,534	355,424	(14,890)
Services & Supplies	151,300	151,300	60,787	90,513
Other Charges	3,440	3,440	7,567	(4,127)
Capital Assets	30,000	30,000	7,098	22,902
Indirect Cost	33,411	37,538	33,411	4,127
Total	558,685	562,812	464,287	98,525
<b>Coroner</b>				
Services & Supplies	102,920	102,920	63,784	39,136
Other Charges	15,000	15,000	6,604	8,396
Indirect Cost	3,535	3,535	3,535	—
Total	121,455	121,455	73,923	47,532
<b>Public Administrator</b>				
Services & Supplies	5,060	5,060	3,771	1,289
Indirect Cost	(1,332)	(1,332)	(1,332)	—
Total	3,728	3,728	2,439	1,289
<b>Disaster Recovery</b>				
Salaries & Benefits	—	—	75,200	(75,200)
Services & Supplies	6,100,000	6,100,000	231,280	5,868,720
Other Charges	11,566	11,566	1,210,522	(1,198,956)
Indirect Cost	11,566	11,566	11,566	34,698
Total	6,123,132	6,123,132	1,528,568	4,629,262

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund (continued) For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Office of Emergency Services</b>				
Salaries & Benefits	188,249	188,249	252,223	(63,974)
Services & Supplies	1,455,318	1,399,228	191,039	1,208,189
Other Charges	1,787	60,132	172,445	(112,313)
Capital Assets	—	43,630	198,973	(155,343)
Indirect Cost	45,629	47,773	45,629	2,144
Total	1,690,983	1,739,012	860,309	878,703
<b>Planning and Zoning</b>				
Salaries & Benefits	1,425,861	1,425,861	1,140,874	284,987
Services & Supplies	2,417,400	2,417,400	1,034,082	1,383,318
Other Charges	—	—	23,584	(23,584)
Indirect Cost	423,083	435,947	447,013	(11,066)
Total	4,266,344	4,279,208	2,645,553	1,633,655
<b>Animal Control &amp; Veterinarian Services</b>				
Services & Supplies	346,000	346,000	432,868	(86,868)
Indirect Cost	23,310	23,310	23,310	—
Total	369,310	369,310	456,178	(86,868)
<b>Housing</b>				
Salaries & Benefits	—	—	11,053	(11,053)
Services & Supplies	50,900	50,900	29,824	21,076
Indirect Cost	(1,447)	(1,447)	(1,447)	—
Total	49,453	49,453	39,430	10,023
<b>Economic Development</b>				
Services & Supplies	—	—	110,750	(110,750)
Other Charges	100,000	100,000	—	100,000
Total	100,000	100,000	110,750	(10,750)
<b>Land Development Projects</b>				
Services & Supplies	2,151,000	2,418,250	794,744	1,623,506
Indirect Cost	23,930	23,930	—	23,930
Total	2,174,930	2,442,180	794,744	1,647,436
<b>Cannabis</b>				
Salaries & Benefits	59,000	59,000	—	59,000
Services & Supplies	36,850	36,850	4,954	31,896
Other Charges	14,000	14,000	—	14,000
Indirect Cost	150	150	150	—
Total	110,000	110,000	5,104	104,896
<b>Total Public Protection</b>	<b>44,441,890</b>	<b>45,720,557</b>	<b>36,056,276</b>	<b>9,664,281</b>

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund (continued) For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Assistance</b>				
<b>Aid to Indigents</b>				
Other Charges	450,000	450,000	364,591	85,409
Total	450,000	450,000	364,591	85,409
<b>Contributions to Community Organizations</b>				
Other Charges	120,000	120,000	80,220	39,780
Indirect Cost	1,774	1,774	1,774	—
Total	121,774	121,774	81,994	39,780
<b>Veteran Services</b>				
Salaries & Benefits	19,670	19,670	18,840	830
Services & Supplies	110,000	110,000	111,622	(1,622)
Indirect Cost	10,910	10,910	10,910	—
Total	140,580	140,580	141,372	(792)
<b>First 5 San Benito</b>				
Other Charges	—	—	24,182	(24,182)
Total	—	—	24,182	(24,182)
<b>Total Public Assistance</b>	<b>712,354</b>	<b>712,354</b>	<b>612,139</b>	<b>124,397</b>
<b>Education</b>				
<b>County Library</b>				
Salaries & Benefits	1,167,073	1,167,073	1,111,575	55,498
Services & Supplies	465,100	540,468	538,384	2,084
Other Charges	6,254	6,254	13,757	(7,503)
Capital Assets	7,000	7,000	—	7,000
Indirect Cost	149,546	157,050	149,546	7,504
Total	1,794,973	1,877,845	1,813,262	64,583



# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule General Fund (continued) For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Agricultural Extension</b>				
Services & Supplies	59,940	62,843	59,747	3,096
Indirect Cost	43,055	43,055	43,055	—
Total	102,995	105,898	102,802	3,096
<b>Total Education</b>	<b>1,897,968</b>	<b>1,983,743</b>	<b>1,916,064</b>	<b>67,679</b>
<b>Parks and Recreation</b>				
<b>Veterans Memorial Park</b>				
Salaries & Benefits	50,074	50,074	—	50,074
Services & Supplies	88,800	118,800	86,924	31,876
Indirect Cost	2,541	2,541	2,541	—
Total	186,415	216,415	89,465	126,950
<b>De Anza Trail</b>				
Services & Supplies	—	—	243	(243)
Total	—	—	243	(243)
<b>Regional Parks</b>				
Services & Supplies	—	—	879	(879)
Capital Assets	—	170,000	—	170,000
Total	—	170,000	879	169,121
<b>Historical &amp; San Justo Reservoir Parks</b>				
Salaries & Benefits	51,011	51,011	97,725	(46,714)
Services & Supplies	68,400	68,400	18,591	49,809
Indirect Cost	18,703	19,775	18,703	1,072
Total	138,114	139,186	136,984	2,202
<b>Total Parks and Recreation</b>	<b>324,529</b>	<b>525,601</b>	<b>227,571</b>	<b>298,030</b>
<b>Total Expenditures</b>	<b>64,731,068</b>	<b>66,881,411</b>	<b>54,283,289</b>	<b>12,598,122</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>(10,327,267)</b>	<b>(11,800,790)</b>	<b>14,878,979</b>	<b>26,679,769</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,305,656	2,878,453	2,676,807	(201,646)
Transfers out	(4,041,186)	(4,529,567)	(1,419,915)	(3,109,652)
Leases issued	—	—	86,418	(86,418)
Total other financing sources (uses)	<b>(1,735,530)</b>	<b>(1,651,114)</b>	<b>1,343,310</b>	<b>(3,397,716)</b>
<b>Net Change in Fund Balance</b>	<b>(12,062,797)</b>	<b>(13,451,904)</b>	<b>16,222,289</b>	<b>29,674,193</b>
Fund balance - beginning of year	38,878,581	38,878,581	38,878,581	—
Fund balance - end of year	26,815,784	25,426,677	55,100,870	29,674,193

(Concluded)

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule Human Services Agency Fund Special Revenue Fund For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 24,943,569	\$ 24,943,569	\$ 24,080,433	\$ (863,136)
Use of money or property	—	—	(139,456)	(139,456)
Charges for services	—	—	6,690	6,690
Other revenue	10,000	10,000	136,328	126,328
Total Revenues	24,953,569	24,953,569	24,083,995	(869,574)
<b>Expenditures:</b>				
Current:				
Salaries & Benefits	12,964,376	12,964,376	10,289,071	2,675,305
Services & Supplies	2,822,127	2,822,127	2,182,460	639,667
Other Charges	9,064,495	9,064,495	8,960,109	104,386
Capital Assets	50,000	50,000	—	50,000
Indirect Costs	1,236,186	1,385,194	1,236,186	149,008
Total Expenditures	26,137,184	26,286,192	22,667,826	3,618,366
Excess (deficiency) of revenues over expenditures	(1,183,615)	(1,332,623)	1,416,169	2,748,792
<b>Other Financing Sources (Uses):</b>				
Transfers in	531,297	531,297	777	(530,520)
Transfers out	(1,000,000)	(1,000,000)	(1,002,357)	2,357
Total other financing sources (uses)	(468,703)	(468,703)	(1,001,580)	(528,163)
<b>Net change in fund balance</b>	(1,652,318)	(1,801,326)	414,589	2,215,915
Fund balance - beginning of year	7,134,578	7,134,578	7,512,075	377,497
Fund balance - end of year	\$ 5,482,260	\$ 5,333,252	\$ 7,926,664	\$ 2,593,412

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule Road Fund Special Revenue Fund For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 15,845,596	\$ 16,019,596	\$ 10,636,298	(5,383,298)
Use of money or property	—	—	(101,582)	(101,582)
Other revenue	—	—	455,852	455,852
Total Revenues	15,845,596	16,019,596	10,990,568	(5,029,028)
<b>Expenditures:</b>				
Current:				
Salaries & Benefits	1,490,483	1,472,259	1,078,469	393,790
Services & Supplies	22,025,808	22,604,506	777,505	21,827,001
Other Charges	15,000	15,000	62,022	(47,022)
Capital Assets	279,000	1,448,355	12,579,106	(11,130,751)
Indirect Costs	587,108	605,332	314,335	290,997
Total Expenditures	24,397,399	26,145,452	14,811,437	11,334,015
Excess (deficiency) of revenues over expenditures	(8,551,803)	(10,125,856)	(3,820,869)	6,304,987
<b>Other Financing Sources (Uses):</b>				
Transfers in	7,784,359	8,261,898	536,271	(7,725,627)
Transfers out	—	(116,000)	—	(116,000)
Total other financing sources (uses)	7,784,359	8,145,898	536,271	(7,841,627)
<b>Net change in fund balance</b>	(767,444)	(1,979,958)	(3,284,598)	(1,304,640)
Fund balance - beginning of year	9,263,883	9,263,883	9,263,883	—
Fund balance - end of year	\$ 8,496,439	\$ 7,283,925	\$ 5,979,285	\$ (1,304,640)

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule Mental Health Fund Special Revenue Fund For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 8,755,200	\$ 8,755,200	\$ 11,220,450	\$ 2,465,250
Use of money or property	—	—	(250,055)	(250,055)
Charges for services	95,000	95,000	69,871	(25,129)
Total Revenues	8,850,200	8,850,200	11,040,266	2,190,066
<b>Expenditures:</b>				
Current:				
Salaries & Benefits	7,165,361	7,105,865	5,203,015	1,902,850
Services & Supplies	3,677,400	3,677,400	2,405,239	1,272,161
Other Charges	761,657	761,657	632,243	129,414
Indirect Costs	476,193	535,689	476,193	59,496
Total Expenditures	12,080,611	12,080,611	8,716,690	3,363,921
Excess (deficiency) of revenues over expenditures	(3,230,411)	(3,230,411)	2,323,576	5,553,987
<b>Other Financing Sources (Uses):</b>				
Transfer in	1,756,508	1,756,508	91,544	(1,664,964)
Transfer out	(1,694,264)	(1,694,264)	(1,008,177)	(686,087)
Total other financing sources (uses)	62,244	62,244	(916,633)	(2,351,051)
<b>Net change in fund balance</b>	(3,168,167)	(3,168,167)	1,406,943	4,575,110
Fund balance - beginning of year	14,220,068	14,220,068	14,220,066	(2)
Fund balance - end of year	\$ 11,051,901	\$ 11,051,901	\$ 15,627,009	\$ 4,575,108

# COUNTY OF SAN BENITO

## Schedule of Changes in the Net Pension Liability and Related Ratios - Miscellaneous Plan Last 10 years\*

Reporting Fiscal Year (Measurement Period)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
<b>Total Pension Liability</b>								
Service Cost	\$ 3,968,502	\$ 3,437,102	\$ 3,244,088	\$ 3,231,619	\$ 2,995,157	\$ 2,601,753	\$ 2,669,215	\$ 2,807,691
Interest on Total Pension Liability	11,982,798	11,424,781	10,883,604	10,218,985	9,798,018	9,519,074	9,982,906	9,676,904
Changes in Assumptions	—	—	—	(786,892)	8,085,676	—	(2,443,007)	—
Differences between Expected and Actual Experience	850,967	1,126,755	2,892,787	(161,111)	(1,463,872)	(450,028)	(2,370,448)	—
Benefit Payments, Including Refunds of Employee Contributions	(8,305,225)	(8,079,840)	(7,238,413)	(6,870,098)	(7,064,583)	(6,802,297)	(6,375,115)	(5,888,439)
Proportional Difference between County and Courts Share	—	—	—	—	—	—	(116,765)	(3,171,456)
Net Change in Total Pension Liability	8,497,042	7,908,798	9,782,066	5,632,503	12,350,396	4,868,502	1,346,786	3,424,700
Total Pension Liability - Beginning	175,879,506	167,970,708	158,188,642	152,556,139	140,205,743	135,337,241	133,990,455	130,565,755
Total Pension Liability - Ending (a)	\$184,376,548	\$175,879,506	\$167,970,708	\$158,188,642	\$152,556,139	\$140,205,743	\$135,337,241	\$133,990,455
<b>Plan Fiduciary Net Position</b>								
Plan to Plan Resource Movement	\$ —	\$ —	\$ —	\$ 86,268	\$ (1,723)	\$ 147	\$ 12,552	\$ —
Contributions - Employer	5,563,809	5,010,850	4,435,281	3,893,261	3,318,269	3,349,688	2,643,107	2,335,003
Contributions - Employee	1,828,237	1,739,433	1,564,693	1,570,462	1,319,054	1,307,237	1,282,053	1,317,844
Net Investment Income	27,311,651	5,801,522	7,198,449	8,681,388	10,496,935	496,432	2,363,317	15,669,334
Administrative Expense	(125,825)	(130,019)	(65,447)	(296,150)	(139,492)	(58,279)	(129,721)	—
Benefit Payments	(8,305,225)	(8,079,840)	(7,238,413)	(6,870,098)	(7,064,583)	(6,802,297)	(6,375,115)	(5,888,439)
Net Change in Plan Fiduciary Net Position	26,272,647	4,341,946	5,894,563	7,065,131	7,928,460	(1,707,072)	(203,807)	13,433,742
Plan Fiduciary Net Position - Beginning	127,675,186	123,333,240	117,438,677	110,373,546	102,445,086	104,152,158	104,355,965	90,922,223
Plan Fiduciary Net Position - Ending (b)	153,947,833	127,675,186	123,333,240	117,438,677	110,373,546	102,445,086	104,152,158	104,355,965
Net Pension Liability - Ending [(a) - (b)]	\$30,428,715	\$48,204,320	\$44,637,468	\$40,749,965	\$42,182,593	\$37,760,657	\$31,185,083	\$29,634,490
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.5 %	72.6 %	73.4 %	74.2 %	72.3 %	73.1 %	77.0 %	77.9 %
Covered Payroll	\$26,346,195	\$24,473,579	\$20,294,993	\$21,656,716	\$19,535,316	\$18,698,111	\$16,887,977	\$16,609,778
Net Pension Liability as a Percentage of Covered Payroll	115.5 %	197.0 %	219.9 %	188.2 %	215.9 %	201.9 %	184.7 %	178.4 %

\*The amounts presented were determined as of June 30. This schedule is presented to illustrate information for 10 years, however, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

### Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Changes in benefits - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2020 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of assumptions - None in 2019 or 2021. In 2018, demographic assumptions and inflation rates were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes to the discount rate. In 2017, the accounting discount rate reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

# COUNTY OF SAN BENITO

## Schedule of Proportionate Share of the Net Pension Liability - Safety Plan Last 10 years\*

	Reporting Fiscal Year (Measurement Period)							
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Proportion of the net pension liability	0.253899 %	0.277524 %	0.275818 %	0.278882 %	0.281291 %	0.29129 %	0.28241 %	0.204400 %
Proportionate share of the net pension liability	\$8,910,539	\$18,489,611	\$17,218,033	\$16,363,570	\$16,807,744	\$15,056,206	\$12,283,792	\$12,718,583
Covered Payroll	\$7,289,649	\$6,930,972	\$6,273,888	\$6,464,677	\$6,127,371	\$5,712,124	\$5,032,565	\$4,639,083
Proportionate share of the net pension liability as percentage of covered payroll	122.24 %	266.77 %	274.44 %	253.12 %	274.31 %	263.58 %	244.09 %	274.16 %
Plan's fiduciary net position as a percentage of total pension liability	89.03 %	75.85 %	75.99 %	75.51 %	73.05 %	72.73 %	76.31 %	74.65 %

\*The amounts presented were determined as of June 30. This schedule is presented to illustrate information for 10 years, however, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

### Notes to Schedule of Proportionate Share of the Net Pension Liability:

Benefit changes - There were no changes to benefit terms that applied to all members of the Safety plan. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2020 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of assumptions - None in 2019 and 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes of assumptions. In 2015, the discount rate changed from 7.5% (net of administrative expense) to 7.65% to correct for an adjustment to exclude administrative expense.

## COUNTY OF SAN BENITO

### Schedule of Contributions - Miscellaneous Plan Last 10 years\*

	Fiscal Year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contributions	\$6,014,416	\$5,563,809	\$5,010,850	\$4,435,281	\$3,893,261	\$3,318,269	\$3,349,688	\$2,643,107	\$2,335,003
Contributions in Relation to the Actuarially Determined Contributions	(6,014,416)	(5,563,809)	(5,010,850)	(4,435,281)	(3,893,261)	(3,318,269)	(3,349,688)	(2,643,107)	(2,335,003)
Contribution Deficiency (Excess)	—	—	—	—	—	—	—	—	—
Covered Payroll	\$27,597,876	\$26,346,195	\$24,473,579	\$20,294,993	\$21,656,716	\$19,535,316	\$18,698,111	\$16,887,977	\$16,609,778
Contributions as a Percentage of Covered Payroll	21.79 %	21.12 %	20.47 %	21.85 %	17.98 %	16.99 %	17.91 %	15.65 %	14.06 %

\*The amounts presented were determined as of June 30. This schedule is presented to illustrate information for 10 years, however, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

#### Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020/21 were derived from the June 30, 2018 funding valuation report.

Actuarial Cost Method	Entry age normal
Amortization Method/Period	For details, see June 30, 2018 Funding Valuation Report
Asset valuation method	Fair Value of Assets. For details, see June 30, 2018 Funding Valuation Report
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment rate of return	7.00%, net of pension plan investment and administrative expenses, including inflation
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

# COUNTY OF SAN BENITO

## Schedule of Contributions - Safety Plan Last 10 years\*

	Fiscal Year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution (actuarially determined)	\$3,193,452	\$3,110,909	\$2,905,823	\$2,607,926	\$2,425,269	\$2,218,718	\$2,000,014	\$1,614,663	\$1,480,209
Contribution in relation to the actuarially determined contributions	\$(3,193,452)	\$(3,110,909)	\$(2,905,823)	\$(2,607,926)	\$(2,425,269)	\$(2,218,718)	\$(2,000,014)	\$(1,614,663)	\$(1,480,209)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Covered Payroll	\$7,229,666	\$7,289,649	\$6,930,972	\$6,273,888	\$6,464,677	\$6,127,371	\$5,712,124	\$5,032,565	\$4,650,125
Contributions as a percentage of covered payroll	44.17 %	42.68 %	41.93 %	41.57 %	37.52 %	36.21 %	35.01 %	32.08 %	31.83 %

\*The amounts presented were determined as of June 30. This schedule is presented to illustrate information for 10 years, however, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

### Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020/21 were derived from the June 30, 2018 funding valuation report.

Actuarial Cost Method	Entry age normal cost method
Amortization Method/Period	For details, see June 30, 2018 Funding Valuation Report
Asset valuation method	Market Value of Assets. For details, see June 30, 2018 Funding Valuation Report
Inflation	2.5%
Salary increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment rate of return	7.00%, net of pension plan investment and administrative expenses, including inflation
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.



# COUNTY OF SAN BENITO

## Schedule of Changes in Net OPEB Liability/(Assets) and Related Ratios - Retiree Healthcare Plan (OPEB) Last 10 Fiscal Years\*

	Reporting Fiscal Year (Measurement Period)				
	2022	2021	2020	2019	2018
	(2021)	(2020)	(2019)	(2018)	(2017)
<b>Total OPEB Liability</b>					
Service Cost	\$ 1,048,248	\$ 622,814	\$ 726,910	\$ 704,029	\$ 657,971
Interest	1,519,359	1,942,483	1,916,269	1,924,449	1,881,943
Differences between expected and actual experience	(5,140,811)	(60,215)	1,174,966	(386,064)	—
Changes of assumptions	(6,086,521)	8,312,402	(652,473)	—	—
Benefit payments, including refunds of member contributions	(2,953,132)	(2,497,179)	(2,919,250)	(1,845,051)	(2,112,439)
Net change in Total OPEB Liability	(11,612,857)	8,320,305	246,422	397,363	427,475
Total OPEB Liability - Beginning	36,674,715	28,354,410	28,107,988	27,710,625	27,283,150
Total OPEB Liability - Ending (a)	<u>\$ 25,061,858</u>	<u>\$36,674,715</u>	<u>\$ 28,354,410</u>	<u>\$ 28,107,988</u>	<u>\$ 27,710,625</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	500,000	2,422,635	2,919,250	1,845,051	806,487
Contributions - employee	—	—	—	—	—
Net investment income	8,978,889	2,135,278	1,418,940	1,697,805	2,105,057
Benefit payments, including refunds of member contributions	(2,953,132)	(2,497,179)	(2,919,250)	(1,845,051)	(2,112,439)
Administrative expense	(41,624)	(31,260)	(4,925)	(11,371)	(10,790)
Other expense	—	—	—	(28,220)	—
Net change in Plan Fiduciary Net Position	6,484,133	2,029,474	1,414,015	1,658,214	788,315
Plan Fiduciary Net Position - Beginning	26,437,551	24,408,077	22,994,062	21,335,848	20,547,533
Plan Fiduciary Net Position - Ending (b)	<u>\$ 32,921,684</u>	<u>\$26,437,551</u>	<u>\$ 24,408,077</u>	<u>\$ 22,994,062</u>	<u>\$ 21,335,848</u>
Net OPEB Liability - Ending [(a) - (b)]	<u>\$ (7,859,826)</u>	<u>\$10,237,164</u>	<u>\$ 3,946,333</u>	<u>\$ 5,113,926</u>	<u>\$ 6,374,777</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	131.36 %	72.09 %	86.08 %	81.81 %	77.00 %
Covered-Employee Payroll	\$36,324,548	\$33,995,335	\$31,811,023	\$29,739,194	\$28,000,717
Net OPEB Liability as a Percentage of Covered-Employee Payroll	(21.64)%	30.11 %	12.41 %	17.20 %	22.77 %

\*The amounts presented were determined as of June 30th. This schedule is presented to illustrate information for 10 fiscal years, however, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

## COUNTY OF SAN BENITO

### Schedule of Contributions - Retiree Healthcare Plan (OPEB) Last 10 years\*

	Fiscal Year					
	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ —	\$ 1,009,960	\$ 991,673	\$ 1,438,409	\$ 1,413,606	\$ 775,313
Contribution in relation to the actuarially determined contributions	1,434,473	500,000	2,422,636	2,919,250	1,845,052	806,487
Contribution deficiency (excess)	(1,434,473)	509,960	(1,430,963)	(1,480,841)	(431,446)	(31,174)
Covered-Employee Payroll	\$ 39,135,542	\$ 36,324,548	\$ 33,995,335	\$ 31,811,023	\$ 29,739,194	\$ 28,000,717
Contributions as a Percentage of Covered-Employee Payroll	3.67 %	1.38 %	7.13 %	9.18 %	6.20 %	2.88 %

\*The amounts presented were determined as of June 30th. This schedule is presented to illustrate information for 10 fiscal years, however, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

#### Notes to Schedule of Contributions (OPEB):

The actuarial methods and assumptions used to set the actuarially determined contributions are described below:

Valuation Date	June 30, 2021
Actuarial Cost Method	The actuarial cost method used to determine the allocation of the retiree health actuarial liability to the past (accrued), current and future periods is the Entry Age Normal (EAN) cost method. The EAN cost method is a projected benefit cost method which means the "cost" is based on the projected benefit expected to be paid at retirement.
Expected average remaining service lifetime	4 years
Asset Valuation Method	Investment gains and losses are amortized over a 5-year period
Discount Rate	6.65%

## **Notes to Required Supplementary Information**

### *Budgetary Principles*

In accordance with Chapter 1, Division 3, Title 3, of the Government Code of the State of California, known as the "Budget Act," the County adopts a budget for each fiscal year on or before October 2. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

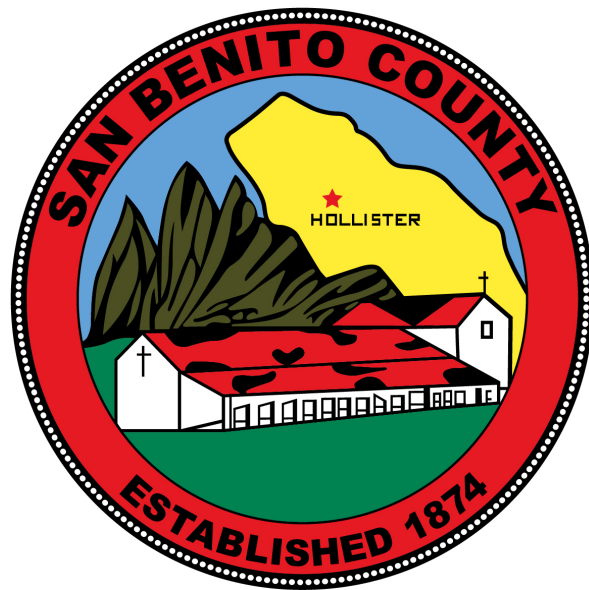
An operating budget is adopted each fiscal year for most Governmental Funds and the County's Proprietary Funds; excluded is the County's other governmental funds: Tobacco Securitization fund and Developer Projects fund. The adopted budget is prepared on the modified accrual basis for governmental funds and on an accrual basis for proprietary funds, consistent with generally accepted accounting principles (GAAP). Expenditures are controlled at the object level within budget units for the County. The object level within a budget unit is the level at which expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between object levels within the same budget unit or between departments or funds are authorized by the County Administrator's office and must be approved by the Board of Supervisors.

Supplementary appropriations normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Pursuant to Board Resolution, the County Administrator is authorized to approve transfers and revision of appropriations under \$50,000 within a single budget unit as deemed necessary and appropriate. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and are amended during the fiscal year by resolutions approved by the Board of Supervisors.

### *Encumbrances*

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary accounting in the General and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities. Encumbrances at year end are rebudgeted in the new year. For the fiscal year ending June 30, 2022, there were no recorded encumbrances outstanding at year end for any of the Governmental Funds.

**SUPPLEMENTARY INFORMATION**



## Nonmajor Governmental Funds

## Non-major Special Revenue Funds

<u>Fish and Game Fund</u>	This Fund is financed through the collection of fines of violation of the California Fish and Game Code within the County. An advisory committee provides recommendations for the use of funding for expenditures related to protecting, conserving, propagating, and preserving fish and wildlife.
<u>Victim Witness Fund</u>	This Fund focuses on advocacy, victim compensation claims, and restitution. Services for the community include, crisis support and counseling, guidance navigating the criminal justice system, relocation and transportation assistance. Revenues derive from state and federal sources.
<u>Emergency Medical Services Fund</u>	This Fund provides health and safety services to the residents of the County. Revenues derive from special assessment fees, and other fees authorized through state law.
<u>Migrant Labor Camp Fund</u>	This Fund provides quality housing for migrant families who work in agriculture. Revenues derive from state and federal sources.
<u>CSWD Fund</u>	This Fund provides a collection of services that includes temporary and short-term housing assistance and other services aimed at removing barriers to seeking and securing permanent community employment for all able-bodied adults. Revenues derive from state and federal sources.
<u>Mosquito Abatement Fund</u>	The purpose of this Fund is to respond to the impacts of the West Nile Virus and enhancing the quality of life for the community by providing effective and environmentally sound mosquito control and disease prevention through timely and efficient surveillance, control and public awareness programs.
<u>Public Authority Fund</u>	This Fund enhances the availability and quality of In-Home Supportive Services (IHSS) and personal assistance services.
<u>County Service Areas Fund</u>	This Fund is comprised of county service areas within the unincorporated area of the County. Revenues are generated through direct charges to property owners which are used to fund general public services within the respective areas.
<u>Community Facilities Districts Fund</u>	Revenues are generated through assessment fees to property owners which are used to fund public improvements and services, such as police, fire, water, sewage, parks, within the established districts in the unincorporated area of the County.
<u>Substance Abuse Fund</u>	This Fund receives state and federal revenues to provide continuum of care encompassing prevention, intervention, and treatment services. Outpatient treatment is available through school-based and community-focused programs.
<u>Public Health Fund</u>	This Fund receives state and federal revenues to help residents navigate access to quality physical and mental health services, protect the community from health hazards by preparing and responding to public health emergencies, and manage various protection services within the food service facilities.
<u>Public Safety Realignment Fund</u>	This Fund receives Assembly Bill (AB) 109 revenues, designated to create a substantial change in the criminal justice system. Realignment revenues received from the State are used to fund the supervision of lower-risk inmates and parolees from the California Dept of Corrections and Rehabilitation.
<u>Cal Fire Fund</u>	A special property tax assessment funds the fire services within the unincorporated area of the County, for which the County contracts with the City of Hollister to carry out services to the community.
<u>Family Support Fund</u>	This Fund provides services mandated by Title IV-D of the Social Security Act. Services are offered to parents and guardians to ensure children and families receive court-ordered financial and medical support. Revenues primarily derive from state and federal sources.

## Non-major Special Revenue Funds (continued)

<u>County Fire Impact Fund</u>	The purpose of this Fund is to finance fire protection facilities and other capital expenditures as demands increase due to new development.
<u>Law Enforcement Impact Fund</u>	The purpose of this Fund is to finance law enforcement protection facilities and equipment necessitated by new development.
<u>Jail and Juvenile Hall Impact Fund</u>	The purpose of this Fund is to defray the costs of capital improvements necessitated by new development in the County.
<u>Habitat Conservation Impact Fund</u>	The purpose of this Fund is to provide funding for the development and implementation of a Habitat Conservation Plan and issuance of a Section 10(a) permit under the Endangered Species Act of 1973.
<u>Road Equipment Impact Fund</u>	The purpose of this Fund is to provide funding to fund the purchase of road equipment for the repair and construction of road facilities.
<u>Parks and Recreation Impact Fund</u>	The purpose of this Fund is to acquire land and equipment, and to construct recreational improvements to accommodate the County's increased population created through new development.
<u>Santa Ana Storm Drainage Impact Fund</u>	The purpose of this Fund is to finance and construct storm drainage facilities necessitated in whole or in part by new development to prevent inundation during a 100-year flood. The fee is based on projected amount of development in the Santa Ana Creek benefit area.
<u>Inclusionary Housing Fund</u>	The purpose of this Fund is to provide funding for affordable housing within the County.
<u>Traffic Impact Fund</u>	The purpose of this Fund is to mitigate the costs of transportation and transit facilities and adverse impacts necessitated by new development. The need to repair, reconstruct and expand County roadways is a direct consequence of new development.
<u>Library Impact Fund</u>	The purpose of this Fund is to fund the cost of certain library facilities, the need for which is directly generated by new development within the County.
<u>Information Technology Impact Fund</u>	The purpose of this Fund is to fund the cost of information technology infrastructure and equipment, the need for which is created by new development within the County.
<u>County Facilities Impact Fund</u>	The purpose of this Fund is to fund the cost of general government facilities necessitated by increase in county services created by new development within the County.
<u>Tobacco Securitization Fund</u>	The purpose of this Fund was to finance operational and capital needs of the County which was funded through the Master Settlement Agreement signed by four major tobacco companies.
<u>HOME Fund</u>	The purpose of this Fund is to report on the grants to the County to create affordable housing for low-income households in the County.
<u>CASp Certification and Training Fund</u>	The purpose of this Fund is to fund needs for experienced, trained, and tested individuals who can inspect buildings and sites for compliance with applicable state and federal construction-related accessibility standards.

**COUNTY OF SAN BENITO**

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2022

	Fish and Game	Victim Witness	Emergency Medical Services	Migrant Labor Camp	CSWD	Mosquito Abatement	Public Authority
<b>Assets</b>							
Cash and investments in Treasury	\$ 4,421	\$ 2,971	\$ 1,177,950	\$ 414,096	\$ 6,716	\$ 169,073	\$ 74,548
Restricted assets - cash with fiscal agent	—	—	—	245,296	—	—	—
Imprest cash	—	—	—	—	—	—	—
Receivables	7	(243)	18,546	30,946	44,902	288	220
Due from other governments	—	202,818	—	187,996	1,511,573	—	291,511
Inventories and other assets	—	—	262	87	39,528	—	306
<b>Total Assets</b>	<u>4,428</u>	<u>205,546</u>	<u>1,196,758</u>	<u>878,421</u>	<u>1,602,719</u>	<u>169,361</u>	<u>366,585</u>
<b>Liabilities</b>							
Accounts payable and accrued liabilities	—	15,325	14,754	93,492	248,293	9,611	19,885
Due to other funds	—	198,204	—	338,213	743,560	—	10,002
Due to other agencies	—	—	21	4,321	—	—	—
Deposits from others	—	—	—	12,777	9,254	—	—
<b>Total Liabilities</b>	<u>—</u>	<u>213,529</u>	<u>14,775</u>	<u>448,803</u>	<u>1,001,107</u>	<u>9,611</u>	<u>29,887</u>
<b>Deferred Inflows of Resources</b>							
Lease related	—	—	—	—	45,375	—	—
Deferred impact fees	—	—	—	—	—	—	—
Unavailable revenues	—	202,818	8,313	121,634	1,196,375	—	103,684
<b>Total Deferred Inflows of Resources</b>	<u>—</u>	<u>202,818</u>	<u>8,313</u>	<u>121,634</u>	<u>1,241,750</u>	<u>—</u>	<u>103,684</u>
<b>Fund Balances</b>							
Nonspendable	—	—	262	87	39,528	—	306
Restricted	4,428	—	1,173,408	307,897	—	—	232,708
Assigned	—	—	—	—	—	159,750	—
Unassigned	—	(210,801)	—	—	(679,666)	—	—
<b>Total Fund Balances</b>	<u>4,428</u>	<u>(210,801)</u>	<u>1,173,670</u>	<u>307,984</u>	<u>(640,138)</u>	<u>159,750</u>	<u>233,014</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 4,428</u>	<u>\$ 205,546</u>	<u>\$ 1,196,758</u>	<u>\$ 878,421</u>	<u>\$ 1,602,719</u>	<u>\$ 169,361</u>	<u>\$ 366,585</u>

The accompanying notes are an integral part of these financial statements.



**COUNTY OF SAN BENITO**

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2022

	County Service Areas	Community Facilities Districts	Substance Abuse	Public Health	Public Safety Realignment	Cal Fire	Family Support
<b>Assets</b>							
Cash and investments in Treasury	\$ 2,457,992	\$ 1,940,328	\$ 806,898	\$ 2,843,464	\$ 9,399,024	\$ 1,858	\$ —
Restricted assets - cash with fiscal agent	—	—	—	—	—	—	—
Imprest cash	—	—	—	50	—	—	—
Receivables	4,099	3,083	338	35,032	17,690	(153)	—
Due from other governments	—	—	435,403	1,108,810	140,241	—	906,398
Inventories and other assets	—	—	—	127,290	15,451	—	—
<b>Total Assets</b>	<u>2,462,091</u>	<u>1,943,411</u>	<u>1,242,639</u>	<u>4,114,646</u>	<u>9,572,406</u>	<u>1,705</u>	<u>906,398</u>
<b>Liabilities</b>							
Accounts payable and accrued liabilities	197,420	22,591	138,757	277,506	80,763	—	58,698
Due to other funds	34,500	—	—	—	—	412,107	643,873
Due to other agencies	—	—	—	—	—	—	—
Deposits from others	4,316	—	—	—	—	—	—
<b>Total Liabilities</b>	<u>236,236</u>	<u>22,591</u>	<u>138,757</u>	<u>277,506</u>	<u>80,763</u>	<u>412,107</u>	<u>702,571</u>
<b>Deferred Inflows of Resources</b>							
Lease related	—	—	—	—	—	—	—
Deferred impact fees	—	—	—	—	—	—	—
Unavailable revenues	—	—	443,941	852,794	—	—	174,877
<b>Total Deferred Inflows of Resources</b>	<u>—</u>	<u>—</u>	<u>443,941</u>	<u>852,794</u>	<u>—</u>	<u>—</u>	<u>174,877</u>
<b>Fund Balances</b>							
Nonspendable	—	—	—	127,290	15,451	—	—
Restricted	2,225,855	1,920,820	659,941	2,857,056	9,476,192	—	28,950
Assigned	—	—	—	—	—	—	—
Unassigned	—	—	—	—	—	(410,402)	—
<b>Total Fund Balances</b>	<u>2,225,855</u>	<u>1,920,820</u>	<u>659,941</u>	<u>2,984,346</u>	<u>9,491,643</u>	<u>(410,402)</u>	<u>28,950</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 2,462,091</u>	<u>\$ 1,943,411</u>	<u>\$ 1,242,639</u>	<u>\$ 4,114,646</u>	<u>\$ 9,572,406</u>	<u>\$ 1,705</u>	<u>\$ 906,398</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2022

	County Fire Impact	Law Enforcement Impact	Jail & Juvenile Impact	Habitat Impact	Road Equip. Impr. Impact	Parks/Rec. Impact	Santa Ana Storm Drain	Inclusionary Housing
<b>Assets</b>								
Cash and investments in Treasury	\$ 1,627,859	\$ 887,982	\$ 743,904	\$ 1,336,074	\$ 792,485	\$ 4,354,737	\$ 1,057,464	\$ 526,427
Imprest cash	—	—	—	—	—	—	—	—
Loan Receivable	31,994	29,222	50,320	3,999	11,512	89,205	—	—
Receivables	14,066	1,417	1,134	2,205	1,295	6,973	2,580	1,611
Due from other funds	—	—	—	—	—	—	—	493,097
Due from other governments	—	—	576,449	—	—	—	—	—
Inventories and other assets	—	—	—	—	—	—	—	—
<b>Total Assets</b>	<b>1,673,919</b>	<b>918,621</b>	<b>1,371,807</b>	<b>1,342,278</b>	<b>805,292</b>	<b>4,450,915</b>	<b>1,060,044</b>	<b>1,021,135</b>
<b>Liabilities</b>								
Accounts payable and accrued liabilities	—	—	—	—	—	—	121,600	6,738
Due to other funds	—	—	—	—	—	—	—	—
Due to other agencies	—	—	—	—	—	—	—	—
Deposits from others	—	—	—	—	—	—	—	—
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>121,600</b>	<b>6,738</b>
<b>Deferred Inflows of Resources</b>								
Lease related	—	—	—	—	—	—	—	—
Deferred impact fees	31,994	29,222	50,320	3,999	11,512	89,205	—	—
Unavailable revenues	11,417	—	576,449	—	—	—	—	—
<b>Total Deferred Inflows of Resources</b>	<b>43,411</b>	<b>29,222</b>	<b>626,769</b>	<b>3,999</b>	<b>11,512</b>	<b>89,205</b>	<b>—</b>	<b>—</b>
<b>Fund Balances</b>								
Nonspendable	—	—	—	—	—	—	—	—
Restricted	1,630,508	889,399	745,038	1,338,279	793,780	4,361,710	938,444	1,014,397
Assigned	—	—	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—	—	—
<b>Total Fund Balances</b>	<b>1,630,508</b>	<b>889,399</b>	<b>745,038</b>	<b>1,338,279</b>	<b>793,780</b>	<b>4,361,710</b>	<b>938,444</b>	<b>1,014,397</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,673,919</b>	<b>\$ 918,621</b>	<b>\$ 1,371,807</b>	<b>\$ 1,342,278</b>	<b>\$ 805,292</b>	<b>\$ 4,450,915</b>	<b>\$ 1,060,044</b>	<b>\$ 1,021,135</b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2022

	Traffic Impact	Library Impact	Information Technology Impact	County Facilities Impact	Tobacco Securitization	HOME	CASp Certification & Training	Total Special Revenue Funds
<b>Assets</b>								
Cash and investments in Treasury	\$ 12,926,770	\$ 1,143,943	\$ 110,714	\$ 1,110,931	\$ 20	\$ 158,317	\$ 1,690	\$ 46,078,656
Restricted assets - cash with fiscal agent	—	—	—	—	—	—	—	245,296
Imprest cash	—	—	—	—	—	—	—	50
Receivables	20,946	1,856	174	1,750	—	191,693	614	403,069
Loan receivable	265,974	24,833	5,121	50,320	—	2,073,469	—	2,635,969
Due from other funds	34,500	—	—	—	—	—	—	527,597
Due from other governments	—	271,139	—	—	—	493,097	—	6,125,435
Inventories and other assets	—	—	—	—	—	—	—	182,924
<b>Total Assets</b>	<b>13,248,190</b>	<b>1,441,771</b>	<b>116,009</b>	<b>1,163,001</b>	<b>20</b>	<b>2,916,576</b>	<b>2,304</b>	<b>56,198,996</b>
<b>Liabilities</b>								
Accounts payable and accrued liabilities	—	—	—	—	—	—	—	1,305,433
Due to other funds	—	—	—	—	—	493,097	—	2,873,556
Due to other agencies	—	—	—	—	—	—	—	4,342
Deposits from others	—	—	—	—	—	—	—	26,347
Unearned revenues	—	—	—	—	—	577	—	577
<b>Total Liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>493,674</b>	<b>—</b>	<b>4,210,255</b>
<b>Deferred Inflows of Resources</b>								
Lease related	—	—	—	—	—	—	—	45,375
Deferred impact fees	265,974	24,833	5,121	50,320	—	—	—	562,500
Unavailable revenues	—	271,139	—	—	—	685,297	—	4,648,738
<b>Total Deferred Inflows of Resources</b>	<b>265,974</b>	<b>295,972</b>	<b>5,121</b>	<b>50,320</b>	<b>—</b>	<b>685,297</b>	<b>—</b>	<b>5,256,613</b>
<b>Fund Balances</b>								
Nonspendable	—	—	—	—	—	—	—	182,924
Restricted	12,982,216	1,145,799	110,888	1,112,681	20	1,737,605	2,304	47,690,323
Assigned	—	—	—	—	—	—	—	159,750
Unassigned	—	—	—	—	—	—	—	(1,300,869)
<b>Total Fund Balances</b>	<b>12,982,216</b>	<b>1,145,799</b>	<b>110,888</b>	<b>1,112,681</b>	<b>20</b>	<b>1,737,605</b>	<b>2,304</b>	<b>46,732,128</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 13,248,190</b>	<b>\$ 1,441,771</b>	<b>\$ 116,009</b>	<b>\$ 1,163,001</b>	<b>\$ 20</b>	<b>\$ 2,916,576</b>	<b>\$ 2,304</b>	<b>\$ 56,198,996</b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2022

	Fish and Game	Victim Witness	Emergency Medical Services	Migrant Labor Camp	CSWD	Mosquito Abatement	Public Authority
<b>Revenues:</b>							
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 236,004	\$ —
Licenses, Permits and Franchises	—	—	6,055	—	—	—	—
Aid from other governments	—	553,091	—	533,170	2,671,325	—	374,201
Use of money and property	(68)	2,093	(18,296)	(1,531)	54,691	(2,768)	(1,999)
Fines, forfeitures and penalties	44	—	22,415	—	—	—	—
Charges for services	—	15,249	620,856	67,850	—	(48)	—
Other revenue	—	—	155	6,000	49,673	—	—
Total Revenues	(24)	570,433	631,185	605,489	2,775,689	233,188	372,202
<b>Expenditures:</b>							
Current:							
Public protection	589	367,505	—	—	—	—	—
Public ways and facilities	—	—	—	—	—	—	—
Health and sanitation	—	—	411,266	—	—	235,380	—
Public assistance	—	—	—	475,495	3,592,493	—	390,885
Debt Service:							
Principal	—	—	—	—	103,453	—	3,489
Interest	—	—	—	—	2,026	—	384
Capital outlay:							
Public protection	—	—	—	—	—	—	—
Public ways and facilities	—	—	—	—	—	—	—
Health and sanitation	—	—	—	—	—	—	—
Public assistance	—	—	—	—	—	—	—
Total Expenditures	589	367,505	411,266	475,495	3,697,972	235,380	394,758
Excess (deficiency) of revenues over expenditures	(613)	202,928	219,919	129,994	(922,283)	(2,192)	(22,556)
<b>Other Financing Sources (uses):</b>							
Transfers in	—	—	119,620	—	32,855	8,250	—
Transfers out	—	(24,547)	(97,468)	(37,455)	(137,865)	—	—
Leases issued	—	—	—	—	—	—	—
Total other financing sources (uses)	—	(24,547)	22,152	(37,455)	(105,010)	8,250	—
<b>Net Change in Fund Balances</b>	(613)	178,381	242,071	92,539	(1,027,293)	6,058	(22,556)
Fund balances - beginning of year	5,041	(389,182)	931,599	215,445	387,155	153,692	255,570
Fund balances - end of year	\$ 4,428	\$ (210,801)	\$ 1,173,670	\$ 307,984	\$ (640,138)	\$ 159,750	\$ 233,014

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2022

	County Service Areas	Community Facilities Districts	Substance Abuse	Public Health	Public Safety Realignment	Cal Fire	Family Support
<b>Revenues:</b>							
Taxes	\$ 150,041	\$ —	\$ —	\$ —	\$ —	\$ 1,375,190	\$ —
Licenses and permits	—	—	—	—	—	—	—
Aid from other governments	822	—	1,374,773	5,709,745	4,003,623	7,384	1,894,502
Use of money and property	(38,844)	(29,728)	(3,041)	(46,439)	(169,311)	591	—
Fines, forfeitures and penalties	—	—	7,300	574	—	—	—
Charges for services	693,550	821,800	3,400	641,699	—	—	—
Other revenue	—	—	—	14,909	—	—	—
Total Revenues	805,569	792,072	1,382,432	6,320,488	3,834,312	1,383,165	1,894,502
<b>Expenditures:</b>							
Current:							
Public protection	—	—	—	—	274,922	2,016,881	1,228,051
Public ways and facilities	853,318	82,321	—	—	—	—	—
Health and sanitation	—	—	1,843,876	5,235,508	—	—	—
Public assistance	—	—	—	—	—	—	—
Debt Service:							
Principal	—	—	9,839	156,343	9,997	—	86,486
Interest	—	—	273	2,626	299	—	630
Capital outlay:							
Public protection	—	—	—	—	100,143	—	—
Public ways and facilities	—	—	—	—	—	—	—
Health and sanitation	—	—	—	349,429	—	—	—
Public assistance	—	—	—	—	—	—	—
Total Expenditures	853,318	82,321	1,853,988	5,743,906	385,361	2,016,881	1,315,167
Excess (deficiency) of revenues over expenditures	(47,749)	709,751	(471,556)	576,582	3,448,951	(633,716)	579,335
<b>Other Financing Sources (uses):</b>							
Transfers in	5	—	600,000	2,357	—	874,776	—
Transfers out	—	—	(102,044)	(7,961)	(1,933,749)	—	(42,172)
Leases issued	—	—	—	319,536	66,421	—	—
Total other financing sources (uses)	5	—	497,956	313,932	(1,867,328)	874,776	(42,172)
<b>Net Change in Fund Balances</b>	(47,744)	709,751	26,400	890,514	1,581,623	241,060	537,163
Fund balances - beginning of year	2,273,599	1,211,069	633,541	2,093,832	7,910,020	(651,462)	(508,213)
Fund balances - end of year	\$ 2,225,855	\$ 1,920,820	\$ 659,941	\$ 2,984,346	\$ 9,491,643	\$ (410,402)	\$ 28,950

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2022

	County Fire Impact	Law Enforcement Impact	Jail & Juvenile Impact	Habitat Impact	Road Equip. Impr. Impact	Parks/Rec Impact	Santa Ana Storm Drain	Inclusionary Housing
<b>Revenues:</b>								
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Licenses and permits	—	—	—	—	—	—	—	—
Aid from other governments	—	—	—	—	—	—	—	—
Use of money and property	(25,082)	(13,450)	(10,821)	(20,837)	(12,292)	(66,105)	(24,370)	(15,124)
Fines, forfeitures and penalties	—	—	—	—	—	—	—	—
Charges for services	138,363	135,031	199,222	33,201	119,243	650,933	83,944	58,500
Other revenue	—	—	—	—	—	—	—	—
Total Revenues	<u>113,281</u>	<u>121,581</u>	<u>188,401</u>	<u>12,364</u>	<u>106,951</u>	<u>584,828</u>	<u>59,574</u>	<u>43,376</u>
<b>Expenditures:</b>								
Current:								
Public protection	—	—	—	—	—	—	—	—
Public ways and facilities	—	—	—	—	—	—	—	—
Health and sanitation	—	—	—	—	—	—	—	—
Public assistance	—	—	—	—	—	—	—	25,351
Debt Service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Capital outlay:								
Public protection	—	—	—	—	—	—	—	—
Public ways and facilities	—	—	—	—	—	—	—	—
Health and sanitation	—	—	—	—	—	—	—	—
Public assistance	—	—	—	—	—	—	—	—
Total Expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>25,351</u>
Excess (deficiency) of revenues over expenditures	<u>113,281</u>	<u>121,581</u>	<u>188,401</u>	<u>12,364</u>	<u>106,951</u>	<u>584,828</u>	<u>59,574</u>	<u>18,025</u>
<b>Other Financing Sources (uses):</b>								
Transfers in	—	—	—	420	—	23,170	—	—
Transfers out	(92,674)	—	(157,520)	—	—	(203,304)	(536,271)	(150,000)
Leases issued	—	—	—	—	—	—	—	—
Total other financing sources (uses)	<u>(92,674)</u>	<u>—</u>	<u>(157,520)</u>	<u>420</u>	<u>—</u>	<u>(180,134)</u>	<u>(536,271)</u>	<u>(150,000)</u>
<b>Net Change in Fund Balances</b>	<u>20,607</u>	<u>121,581</u>	<u>30,881</u>	<u>12,784</u>	<u>106,951</u>	<u>404,694</u>	<u>(476,697)</u>	<u>(131,975)</u>
Fund balances - beginning of year	<u>1,609,901</u>	<u>767,818</u>	<u>714,157</u>	<u>1,325,495</u>	<u>686,829</u>	<u>3,957,016</u>	<u>1,415,141</u>	<u>1,146,372</u>
Fund balances - end of year	<u>\$ 1,630,508</u>	<u>\$ 889,399</u>	<u>\$ 745,038</u>	<u>\$ 1,338,279</u>	<u>\$ 793,780</u>	<u>\$ 4,361,710</u>	<u>\$ 938,444</u>	<u>\$ 1,014,397</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF SAN BENITO**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2022

	Traffic Impact	Library Impact	Information Technology Impact	County Facilities Impact	Tobacco Securitization	H.O.M.E	CASp Certification & Training Fund	Total Special Revenue Funds
<b>Revenues:</b>								
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,761,235
Licenses and permits	—	—	—	—	—	—	2,323	8,378
Aid from other governments	—	—	—	—	—	—	—	17,122,636
Use of money and property	(198,143)	(17,618)	(1,647)	(16,569)	230	7,636	(19)	(668,861)
Fines, forfeitures and penalties	—	—	—	—	—	—	—	30,333
Charges for services	819,351	57,072	12,624	119,943	—	—	—	5,291,783
Other revenue	—	—	—	—	—	9,478	—	80,215
Total Revenues	621,208	39,454	10,977	103,374	230	17,114	2,304	23,625,719
<b>Expenditures:</b>								
Current:								
Public protection	—	—	—	—	—	—	—	3,887,948
Public ways and facilities	—	—	—	—	—	—	—	935,639
Health and sanitation	—	—	—	—	—	—	—	7,726,030
Public assistance	—	—	—	—	—	(611)	—	4,483,613
Debt Service:								
Principal	—	—	—	—	—	—	—	369,607
Interest	—	—	—	—	—	—	—	6,238
Capital outlay:								
Public protection	—	—	—	—	—	—	—	100,143
Health and sanitation	—	—	—	—	—	—	—	349,429
Public assistance	—	—	—	—	—	—	—	—
Total Expenditures	—	—	—	—	—	(611)	—	17,858,647
Excess (deficiency) of revenues over expenditures	621,208	39,454	10,977	103,374	230	17,725	2,304	5,767,072
<b>Other Financing Sources (uses):</b>								
Transfers in	69,084	—	—	—	—	—	—	1,730,537
Transfers out	—	—	—	—	(871,802)	(32,854)	—	(4,427,686)
Leases issued	—	—	—	—	—	—	—	385,957
Total other financing sources (uses)	69,084	—	—	—	(871,802)	(32,854)	—	(2,311,192)
<b>Net Change in Fund Balances</b>	690,292	39,454	10,977	103,374	(871,572)	(15,129)	2,304	3,455,880
Fund balances - beginning of year	12,291,924	1,106,345	99,911	1,009,307	871,592	1,752,734	—	43,276,248
Fund balances - end of year	\$ 12,982,216	\$ 1,145,799	\$ 110,888	\$ 1,112,681	\$ 20	\$ 1,737,605	\$ 2,304	\$ 46,732,128

The accompanying notes are an integral part of these financial statements.

## Non-major Governmental Funds

### Developer Projects Fund

This Fund tracks and reports on development projects established through an executed developer agreement. Expenditures are funded by third party developers.

### Debt Service Fund

The debt service fund is used to pay debt associated with the County's certificates of participation (COP) and financed purchases of solar and energy efficiency equipment.



**COUNTY OF SAN BENITO**

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2022

	Special Revenue Funds	Developer Projects Fund	Debt Service Fund	Total Other Governmental Funds
<b>Assets</b>				
Cash and investments in Treasury	\$ 46,078,656	\$ 3,429,190	\$ —	\$ 49,507,846
Restricted assets - cash with fiscal agent	245,296	—	174	245,470
Imprest cash	50	—	—	50
Receivables	403,069	—	—	403,069
Loan receivable	2,635,969	—	—	2,635,969
Due from other funds	527,597	—	32,278	559,875
Due from other governments	6,125,435	—	—	6,125,435
Inventories and other assets	182,924	—	—	182,924
<b>Total Assets</b>	<u>56,198,996</u>	<u>3,429,190</u>	<u>32,452</u>	<u>59,660,638</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	1,305,433	38,640	13,003	1,357,076
Due to other funds	2,873,556	—	60,598	2,934,154
Due to other agencies	4,342	—	—	4,342
Deposits from others	26,347	39,750	—	66,097
Unearned revenues	577	—	—	577
<b>Total Liabilities</b>	<u>4,210,255</u>	<u>78,390</u>	<u>73,601</u>	<u>4,362,246</u>
<b>Deferred Inflows of Resources</b>				
Lease related	45,375	—	—	45,375
Deferred impact fees	562,500	—	—	562,500
Unavailable revenues	4,648,738	—	—	4,648,738
<b>Total Deferred Inflows of Resources</b>	<u>5,256,613</u>	<u>—</u>	<u>—</u>	<u>5,256,613</u>
<b>Fund Balances</b>				
Nonspendable	182,924	—	—	182,924
Restricted	47,690,323	3,350,800	—	51,041,123
Assigned	159,750	—	—	159,750
Unassigned	(1,300,869)	—	(41,149)	(1,342,018)
<b>Total Fund Balances</b>	<u>46,732,128</u>	<u>3,350,800</u>	<u>(41,149)</u>	<u>50,041,779</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 56,198,996</u>	<u>\$ 3,429,190</u>	<u>\$ 32,452</u>	<u>\$ 59,660,638</u>

**COUNTY OF SAN BENITO**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2022

	Special Revenue Funds	Developer Projects Fund	General Debt Service Fund	Total Other Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 1,761,235	\$ —	\$ —	\$ 1,761,235
Licenses and permits	8,378	—	—	8,378
Aid from other governmental agencies	17,122,636	38,350	—	17,160,986
Use of money or property	(668,861)	4,474	4	(664,383)
Fines, forfeitures and penalties	30,333	—	—	30,333
Charges for services	5,291,783	55,379	563,883	5,911,045
Other revenue	80,215	—	—	80,215
Total Revenues	<u>23,625,719</u>	<u>98,203</u>	<u>563,887</u>	<u>24,287,809</u>
<b>Expenditures:</b>				
Current:				
Public protection	3,887,948	—	—	3,887,948
Public ways and facilities	935,639	84,191	—	1,019,830
Health and sanitation	7,726,030	—	—	7,726,030
Public assistance	4,483,613	—	—	4,483,613
Debt Service:				
Principal	369,607	—	602,798	972,405
Interest and debt service costs	6,238	—	910,544	916,782
Capital outlay:				
Public protection	100,143	—	—	100,143
Health and sanitation	349,429	—	—	349,429
Public assistance	—	—	—	—
Total Expenditures	<u>17,858,647</u>	<u>84,191</u>	<u>1,513,342</u>	<u>19,456,180</u>
Excess (deficiency) of revenues over expenditures	<u>5,767,072</u>	<u>14,012</u>	<u>(949,455)</u>	<u>4,831,629</u>
<b>Other Financing Sources (uses):</b>				
Transfers in	1,730,537	—	918,499	2,649,036
Transfers out	(4,427,686)	—	—	(4,427,686)
Leases issued	385,957	—	—	385,957
Total other financing sources (uses)	<u>(2,311,192)</u>	<u>—</u>	<u>918,499</u>	<u>(1,392,693)</u>
<b>Net change in fund balances</b>	<b>3,455,880</b>	<b>14,012</b>	<b>(30,956)</b>	<b>3,438,936</b>
Fund balances - beginning of year	<u>43,276,248</u>	<u>3,336,788</u>	<u>(10,193)</u>	<u>46,602,843</u>
Fund balances - end of year	<u>\$ 46,732,128</u>	<u>\$ 3,350,800</u>	<u>\$ (41,149)</u>	<u>\$ 50,041,779</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Fish and Game Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 50	\$ 50	\$ (68)	\$ (118)
Fines, forfeits and penalties	250	250	44	(206)
Total Revenues	300	300	(24)	(324)
<b>Expenditures:</b>				
Current:				
Services and supplies	1,000	1,000	589	411
Total Expenditures	1,000	1,000	589	411
Excess (deficiency) of revenues over expenditures	(700)	(700)	(613)	87
<b>Net change in fund balance</b>	(700)	(700)	(613)	87
Fund balance - beginning of year	5,041	5,041	5,041	—
Fund balance - end of year	\$ 4,341	\$ 4,341	\$ 4,428	\$ 87

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Victim Witness Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 447,676	\$ 447,676	\$ 553,091	\$ 105,415
Use of money or property	—	—	2,093	2,093
Charges for services	5,000	5,000	15,249	10,249
Total Revenues	452,676	452,676	570,433	117,757
<b>Expenditures:</b>				
Current:				
Salaries and benefits	324,287	319,999	284,209	35,790
Services and supplies	70,216	45,669	39,247	6,422
Other charges	13,549	13,549	12,231	1,318
Indirect costs	19,890	24,178	31,818	(7,640)
Total Expenditures	427,942	403,395	367,505	43,530
Excess (deficiency) of revenues over expenditures	24,734	49,281	202,928	153,647
<b>Other Financing Sources (Uses):</b>				
Transfers out	—	(24,547)	(24,547)	—
Total other financing sources (uses)	—	(24,547)	(24,547)	—
<b>Net change in fund balance</b>	24,734	24,734	178,381	153,647
Fund balance - beginning of year	(389,182)	(389,182)	(389,182)	—
Fund balance - end of year	\$ (364,448)	\$ (364,448)	\$ (210,801)	\$ 153,647

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Emergency Medical Services Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses, permits and franchises	\$ —	\$ —	\$ 6,055	6,055
Use of money or property	—	—	(18,296)	\$ (18,296)
Fines, forfeits and penalties	—	—	22,415	22,415
Charges for services	652,000	652,000	620,856	(31,144)
Other revenue	—	—	155	155
Total Revenues	652,000	652,000	631,185	(20,815)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	185,415	183,271	93,999	89,272
Services and supplies	494,000	494,000	297,539	196,461
Other charges	1,787	1,787	10,439	(8,652)
Indirect costs	9,289	11,433	9,289	2,144
Total Expenditures	690,491	690,491	411,266	279,225
Excess (deficiency) of revenues over expenditures	(38,491)	(38,491)	219,919	258,410
<b>Other Financing Sources (Uses):</b>				
Transfers in	—	—	119,620	119,620
Transfers out	(1,227)	(1,227)	(97,468)	(96,241)
Total other financing sources (uses)	(1,227)	(1,227)	22,152	23,379
<b>Net change in fund balance</b>	(39,718)	(39,718)	242,071	281,789
Fund balance - beginning of year	931,599	931,599	931,599	—
Fund balance - end of year	\$ 891,881	\$ 891,881	\$ 1,173,670	\$ 281,789

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Migrant Labor Camp Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 625,325	\$ 3,011,299	\$ 533,170	\$ (2,478,129)
Use of money or property	58,521	58,521	(1,531)	(60,052)
Charges for services	—	—	67,850	67,850
Other revenue	—	—	6,000	6,000
Total Revenues	683,846	3,069,820	605,489	(2,464,331)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	290,230	393,968	274,686	119,282
Services and supplies	350,574	2,630,666	185,841	2,444,825
Other charges	1,787	1,787	3,706	(1,919)
Indirect costs	11,255	13,399	11,262	2,137
Total Expenditures	653,846	3,039,820	475,495	2,564,325
Excess (deficiency) of revenues over expenditures	30,000	30,000	129,994	99,994
<b>Other Financing Sources (Uses):</b>				
Transfers out	(30,000)	(30,000)	(37,455)	(7,455)
Total other financing sources (uses)	(30,000)	(30,000)	(37,455)	(7,455)
<b>Net change in fund balance</b>	—	—	92,539	92,539
Fund balance - beginning of year	215,445	215,445	215,445	—
Fund balance - end of year	\$ 215,445	\$ 215,445	\$ 307,984	\$ 92,539

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Community Services Workforce Development (CSWD) Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 3,710,092	\$ 4,245,263	\$ 2,671,325	\$ (1,573,938)
Use of money or property	179,420	179,420	54,691	(124,729)
Other revenue	555,000	555,000	49,673	(505,327)
Total Revenues	4,444,512	4,979,683	2,775,689	(2,203,994)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	1,887,915	2,153,891	1,418,462	735,429
Services and supplies	728,716	772,116	382,425	389,691
Other charges	1,746,852	1,960,400	1,666,784	293,616
Capital assets	20,000	20,000	—	20,000
Indirect costs	410,467	456,205	230,301	225,904
Total Expenditures	4,793,950	5,362,612	3,697,972	1,664,640
Excess (deficiency) of revenues over expenditures	(349,438)	(382,929)	(922,283)	(539,354)
<b>Other Financing Sources (Uses):</b>				
Transfers in	—	—	32,855	32,855
Transfers out	(250,000)	(250,000)	(137,865)	112,135
Total other financing sources (uses)	(250,000)	(250,000)	(105,010)	144,990
<b>Net change in fund balance</b>	(599,438)	(632,929)	(1,027,293)	394,364
Fund balance - beginning of year	387,155	387,155	387,155	—
Fund balance - end of year	<u>\$ (212,283)</u>	<u>\$ (245,774)</u>	<u>\$ (640,138)</u>	<u>\$ (394,364)</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Mosquito Abatement Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 234,750	\$ 234,750	\$ 236,004	\$ 1,254
Use of money or property	—	—	(2,768)	(2,768)
Charges for services	5,000	5,000	(48)	(5,048)
Total Revenues	239,750	239,750	233,188	(6,562)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	160,000	160,000	187,770	(27,770)
Services and supplies	61,000	61,000	37,997	23,003
Other charges	10,000	10,000	5,875	4,125
Indirect costs	3,738	3,738	3,738	—
Total Expenditures	234,738	234,738	235,380	(642)
Excess (deficiency) of revenues over expenditures	5,012	5,012	(2,192)	(7,204)
<b>Other Financing Sources (Uses):</b>				
Transfers in	—	—	8,250	8,250
Total other financing sources (uses)	—	—	8,250	8,250
<b>Net change in fund balance</b>	5,012	5,012	6,058	1,046
Fund balance - beginning of year	153,692	153,692	153,692	—
Fund balance - end of year	\$ 158,704	\$ 158,704	\$ 159,750	\$ 1,046



**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Public Authority Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 300,000	\$ 300,000	\$ 374,201	\$ 74,201
Use of money or property	—	—	(1,999)	(1,999)
Total Revenues	300,000	300,000	372,202	72,202
<b>Expenditures:</b>				
Current:				
Salaries and benefits	248,808	246,664	178,117	68,547
Services and supplies	56,550	56,550	20,453	36,097
Other charges	221,787	221,787	186,458	35,329
Indirect costs	9,730	11,874	9,730	2,144
Total Expenditures	536,875	536,875	394,758	142,117
Excess (deficiency) of revenues over expenditures	(236,875)	(236,875)	(22,556)	214,319
<b>Other Financing Sources (Uses):</b>				
Transfers in	216,239	216,239	—	(216,239)
Total other financing sources (uses)	216,239	216,239	—	(216,239)
<b>Net change in fund balance</b>	(20,636)	(20,636)	(22,556)	(1,920)
Fund balance - beginning of year	255,570	255,570	255,570	—
Fund balance - end of year	\$ 234,934	\$ 234,934	\$ 233,014	\$ (1,920)

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
County Service Areas (CSAs) Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 130,900	\$ 130,900	\$ 150,041	\$ 19,141
Aid from other governments	—	—	822	822
Use of money or property	28,920	28,920	(38,844)	(67,764)
Charges for services	643,541	643,541	693,550	50,009
Total Revenues	803,361	803,361	805,569	2,208
<b>Expenditures:</b>				
Current:				
Salaries and benefits	186,049	184,977	124,930	60,047
Services and supplies	1,515,855	1,515,855	603,342	912,513
Other charges	41,024	41,024	26,064	14,960
Indirect costs	98,966	100,038	98,982	1,056
Total Expenditures	1,841,894	1,841,894	853,318	988,576
Excess (deficiency) of revenues over expenditures	(1,038,533)	(1,038,533)	(47,749)	990,784
<b>Other Financing Sources (Uses):</b>				
Transfers in	—	—	5	5
Total other financing sources (uses)	—	—	5	5
<b>Net change in fund balance</b>	(1,038,533)	(1,038,533)	(47,744)	990,789
Fund balance - beginning of year	2,273,599	2,273,599	2,273,599	—
Fund balance - end of year	<u>\$ 1,235,066</u>	<u>\$ 1,235,066</u>	<u>\$ 2,225,855</u>	<u>\$ 990,789</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Community Facilities Districts (CFDs) Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ —	\$ —	\$ (29,728)	\$ (29,728)
Charges for services	280,800	280,800	821,800	541,000
Total Revenues	280,800	280,800	792,072	511,272
<b>Expenditures:</b>				
Current:				
Salaries and benefits	25,785	25,785	10,426	15,359
Services and supplies	45,020	45,020	65,215	(20,195)
Other charges	20,000	20,000	2,910	17,090
Indirect costs	3,770	3,770	3,770	—
Total Expenditures	94,575	94,575	82,321	12,254
Excess (deficiency) of revenues over expenditures	186,225	186,225	709,751	523,526
<b>Net change in fund balance</b>	186,225	186,225	709,751	523,526
Fund balance - beginning of year	1,211,069	1,211,069	1,211,069	—
Fund balance - end of year	\$ 1,211,069	\$ 1,211,069	\$ 1,920,820	\$ 709,751

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Substance Abuse Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 1,576,700	\$ 1,576,700	\$ 1,374,773	\$ (201,927)
Use of money or property	—	—	(3,041)	(3,041)
Fines, forfeits and penalties	—	—	7,300	7,300
Charges for services	12,000	12,000	3,400	(8,600)
Other revenue	8,000	8,000	—	(8,000)
Total Revenues	1,596,700	1,596,700	1,382,432	(214,268)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	1,367,296	1,355,504	1,250,088	105,416
Services and supplies	272,050	272,050	280,223	(8,173)
Other charges	525,827	525,827	276,249	249,578
Indirect costs	47,428	59,220	47,428	11,792
Total Expenditures	2,212,601	2,212,601	1,853,988	358,613
Excess (deficiency) of revenues over expenditures	(615,901)	(615,901)	(471,556)	144,345
<b>Other Financing Sources (Uses):</b>				
Transfers in	647,064	647,064	600,000	(47,064)
Transfers out	(101,931)	(101,931)	(102,044)	(113)
Total other financing sources (uses)	545,133	545,133	497,956	(47,177)
<b>Net change in fund balance</b>	(70,768)	(70,768)	26,400	97,168
Fund balance - beginning of year	633,541	633,541	633,541	—
Fund balance - end of year	\$ 562,773	\$ 562,773	\$ 659,941	\$ 97,168

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule Public Health Special Revenue Fund For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 6,747,565	\$ 8,287,411	\$ 5,709,745	\$ (2,577,666)
Use of money or property	—	—	(46,439)	(46,439)
Fines, forfeits and penalties	1,000	1,000	574	(426)
Charges for services	792,000	792,000	641,699	(150,301)
Other revenue	50,000	50,000	14,909	(35,091)
Total Revenues	7,590,565	9,130,411	6,320,488	(2,809,923)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	5,508,813	6,543,111	3,558,498	2,984,613
Services and supplies	2,628,788	3,086,294	1,244,257	1,842,037
Other charges	247,447	262,968	305,592	(42,624)
Capital assets	310,000	325,000	349,429	(24,429)
Indirect costs	574,590	626,094	286,130	339,964
Total Expenditures	9,269,638	10,843,467	5,743,906	5,099,561
Excess (deficiency) of revenues over expenditures	(1,679,073)	(1,713,056)	576,582	2,289,638
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,722,909	1,722,909	2,357	(1,720,552)
Transfers out	(771,200)	(771,200)	(7,961)	763,239
Leases issued	—	—	319,536	319,536
Total other financing sources (uses)	951,709	951,709	313,932	(637,777)
<b>Net change in fund balance</b>	(727,364)	(761,347)	890,514	1,651,861
Fund balance - beginning of year	2,093,832	2,093,832	2,093,832	—
Fund balance - end of year	\$ 1,366,468	\$ 1,332,485	\$ 2,984,346	\$ 1,651,861

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Public Safety Realignment Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 2,025,674	\$ 2,025,674	\$ 4,003,623	\$ 1,977,949
Use of money or property	20,000	20,000	(169,311)	(189,311)
Total Revenues	2,045,674	2,045,674	3,834,312	1,788,638
<b>Expenditures:</b>				
Current:				
Services and supplies	—	—	280,760	(280,760)
Capital assets	—	—	100,143	(100,143)
Indirect costs	4,458	4,458	4,458	—
Total Expenditures	4,458	4,458	385,361	(380,903)
Excess (deficiency) of revenues over expenditures	2,041,216	2,041,216	3,438,655	1,397,439
<b>Other Financing Sources (Uses):</b>				
Transfers out	(2,610,473)	(2,975,723)	(1,933,749)	1,041,974
Leases issued	—	—	66,421	66,421
Total other financing sources (uses)	(2,610,473)	(2,975,723)	(1,867,328)	1,108,395
<b>Net change in fund balance</b>	(569,257)	(934,507)	1,571,327	2,505,834
Fund balance - beginning of year	7,910,020	7,910,020	7,910,020	—
Fund balance - end of year	\$ 7,340,763	\$ 6,975,513	\$ 9,481,347	\$ 2,505,834

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Cal Fire Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,240,000	\$ 1,240,000	\$ 1,375,190	\$ 135,190
Aid from other governments	7,500	7,500	7,384	(116)
Use of money or property	—	—	591	591
Total Revenues	<u>1,247,500</u>	<u>1,247,500</u>	<u>1,383,165</u>	<u>135,665</u>
<b>Expenditures:</b>				
Current:				
Services and supplies	2,083,164	2,083,164	2,083,163	1
Capital assets	40,000	40,000	—	40,000
Indirect costs	(66,282)	(66,282)	(66,282)	—
Total Expenditures	<u>2,056,882</u>	<u>2,056,882</u>	<u>2,016,881</u>	<u>40,001</u>
Excess (deficiency) of revenues over expenditures	<u>(809,382)</u>	<u>(809,382)</u>	<u>(633,716)</u>	<u>175,666</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	<u>809,382</u>	<u>809,382</u>	<u>874,776</u>	<u>65,394</u>
Total other financing sources (uses)	<u>809,382</u>	<u>809,382</u>	<u>874,776</u>	<u>65,394</u>
<b>Net change in fund balance</b>	<u>—</u>	<u>—</u>	<u>241,060</u>	<u>241,060</u>
Fund balance - beginning of year	<u>(651,462)</u>	<u>(651,462)</u>	<u>(651,462)</u>	<u>—</u>
Fund balance - end of year	<u>\$ (651,462)</u>	<u>\$ (651,462)</u>	<u>\$ (410,402)</u>	<u>\$ 241,060</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Family Support Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 1,620,445	\$ 1,620,445	\$ 1,894,502	\$ 274,057
Total Revenues	1,620,445	1,620,445	1,894,502	274,057
<b>Expenditures:</b>				
Current:				
Salaries and benefits	1,227,848	1,149,624	1,029,168	120,456
Services and supplies	300,665	300,665	178,928	121,737
Other charges	21,187	21,187	36,326	(15,139)
Indirect costs	70,745	88,969	70,745	18,224
Total Expenditures	1,620,445	1,560,445	1,315,167	245,278
Excess (deficiency) of revenues over expenditures	—	60,000	579,335	519,335
<b>Other Financing Sources (Uses):</b>				
Transfers out	—	(60,000)	(42,172)	17,828
Total other financing sources (uses)	—	(60,000)	(42,172)	17,828
<b>Net change in fund balance</b>	—	—	537,163	537,163
Fund balance - beginning of year	(508,213)	(508,213)	(508,213)	—
Fund balance - end of year	<u>\$ (508,213)</u>	<u>\$ (508,213)</u>	<u>\$ 28,950</u>	<u>\$ 537,163</u>



# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule County Fire Impact Fee Special Revenue Funds For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 8,000	\$ 8,000	\$ (25,082)	\$ (33,082)
Charges for services	252,000	252,000	138,363	(113,637)
Total Revenues	260,000	260,000	113,281	(146,719)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	260,000	260,000	113,281	(146,719)
<b>Other Financing Sources (Uses):</b>				
Transfers out	—	—	(92,674)	(92,674)
Total other financing sources (uses)	—	—	(92,674)	(92,674)
<b>Net change in fund balance</b>	260,000	260,000	20,607	(239,393)
Fund balance - beginning of year	1,609,901	1,609,901	1,609,901	—
Fund balance - end of year	\$ 1,869,901	\$ 1,869,901	\$ 1,630,508	\$ (239,393)

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Law Enforcement Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 2,000	\$ 2,000	\$ (13,450)	\$ (15,450)
Charges for services	230,000	230,000	135,031	(94,969)
Total Revenues	232,000	232,000	121,581	(110,419)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	232,000	232,000	121,581	(110,419)
<b>Other Financing Sources (Uses):</b>				
Transfers out	(207,000)	(220,000)	—	220,000
Total other financing sources (uses)	(207,000)	(220,000)	—	220,000
<b>Net change in fund balance</b>	25,000	12,000	121,581	109,581
Fund balance - beginning of year	767,818	767,818	767,818	—
Fund balance - end of year	<u>\$ 792,818</u>	<u>\$ 779,818</u>	<u>\$ 889,399</u>	<u>\$ 109,581</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Jail & Juvenile Hall Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ —	\$ —	\$ (10,821)	\$ (10,821)
Charges for services	598,000	598,000	199,222	(398,778)
Total Revenues	598,000	598,000	188,401	(409,599)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	598,000	598,000	188,401	(409,599)
<b>Other Financing Sources (Uses):</b>				
Transfers out	(161,000)	(307,016)	(157,520)	149,496
Total other financing sources (uses)	(161,000)	(307,016)	(157,520)	149,496
<b>Net change in fund balance</b>	437,000	290,984	30,881	(260,103)
Fund balance - beginning of year	714,157	714,157	714,157	—
Fund balance - end of year	<u>\$ 1,151,157</u>	<u>\$ 1,005,141</u>	<u>\$ 745,038</u>	<u>\$ (260,103)</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Habitat Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 4,000	\$ 4,000	\$ (20,837)	\$ (24,837)
Charges for services	40,900	40,900	33,201	(7,699)
Total Revenues	44,900	44,900	12,364	(32,536)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	44,900	44,900	12,364	(32,536)
<b>Other Financing Sources (Uses):</b>				
Transfers in	—	—	420	420
Total other financing sources (uses)	—	—	420	420
<b>Net change in fund balance</b>	44,900	44,900	12,784	(32,116)
Fund balance - beginning of year	1,325,495	1,325,495	1,325,495	—
Fund balance - end of year	<u>\$ 1,370,395</u>	<u>\$ 1,370,395</u>	<u>\$ 1,338,279</u>	<u>\$ (32,116)</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Road Equipment Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 3,000	\$ 3,000	\$ (12,292)	\$ (15,292)
Charges for services	175,000	175,000	119,243	(55,757)
Total Revenues	178,000	178,000	106,951	(71,049)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	178,000	178,000	106,951	(71,049)
<b>Other Financing Sources (Uses):</b>				
Transfers out	(200,000)	(200,000)	—	200,000
Total other financing sources (uses)	(200,000)	(200,000)	—	200,000
<b>Net change in fund balance</b>	(22,000)	(22,000)	106,951	128,951
Fund balance - beginning of year	686,829	686,829	686,829	—
Fund balance - end of year	<u>\$ 664,829</u>	<u>\$ 664,829</u>	<u>\$ 793,780</u>	<u>\$ 128,951</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Parks & Rec Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 80,000	\$ 80,000	\$ (66,105)	\$ (146,105)
Charges for services	495,000	495,000	650,933	155,933
Total Revenues	575,000	575,000	584,828	9,828
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	575,000	575,000	584,828	9,828
<b>Other Financing Sources (Uses):</b>				
Transfers in	—	—	23,170	23,170
Transfers out	(3,130,000)	(3,700,000)	(203,304)	3,496,696
Total other financing sources (uses)	(3,130,000)	(3,700,000)	(180,134)	3,519,866
<b>Net change in fund balance</b>	(2,555,000)	(3,125,000)	404,694	3,529,694
Fund balance - beginning of year	3,957,016	3,957,016	3,957,016	—
Fund balance - end of year	<u>\$ 1,402,016</u>	<u>\$ 832,016</u>	<u>\$ 4,361,710</u>	<u>\$ 3,529,694</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
 Santa Ana Storm Drain Impact Fee Special Revenue Funds  
 For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 30,000	\$ 30,000	\$ (24,370)	\$ (54,370)
Charges for services	197,000	197,000	83,944	(113,056)
Total Revenues	227,000	227,000	59,574	(167,426)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	227,000	227,000	59,574	(167,426)
<b>Other Financing Sources (Uses):</b>				
Transfers out	—	(361,539)	(536,271)	(174,732)
Total other financing sources (uses)	—	(361,539)	(536,271)	(174,732)
<b>Net change in fund balance</b>	227,000	(134,539)	(476,697)	(342,158)
Fund balance - beginning of year	1,415,141	1,415,141	1,415,141	—
Fund balance - end of year	<u>\$ 1,642,141</u>	<u>\$ 1,280,602</u>	<u>\$ 938,444</u>	<u>\$ (342,158)</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Traffic Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 200,000	\$ 200,000	\$ (198,143)	\$ (398,143)
Charges for services	942,000	942,000	819,351	(122,649)
Total Revenues	<u>1,142,000</u>	<u>1,142,000</u>	<u>621,208</u>	<u>(520,792)</u>
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Excess (deficiency) of revenues over expenditures	<u>1,142,000</u>	<u>1,142,000</u>	<u>621,208</u>	<u>(520,792)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	—	—	69,084	69,084
Transfers out	<u>(659,720)</u>	<u>(659,720)</u>	<u>—</u>	<u>659,720</u>
Total other financing sources (uses)	<u>(659,720)</u>	<u>(659,720)</u>	<u>69,084</u>	<u>728,804</u>
<b>Net change in fund balance</b>	482,280	482,280	690,292	208,012
Fund balance - beginning of year	<u>12,291,924</u>	<u>12,291,924</u>	<u>12,291,924</u>	<u>—</u>
Fund balance - end of year	<u>\$ 12,774,204</u>	<u>\$ 12,774,204</u>	<u>\$ 12,982,216</u>	<u>\$ 208,012</u>



**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Library Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ —	\$ —	\$ (17,618)	\$ (17,618)
Charges for services	100,000	100,000	57,072	(42,928)
Total Revenues	100,000	100,000	39,454	(60,546)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	100,000	100,000	39,454	(60,546)
<b>Net change in fund balance</b>	100,000	100,000	39,454	(60,546)
Fund balance - beginning of year	1,106,345	1,106,345	1,106,345	—
Fund balance - end of year	<u>\$ 1,206,345</u>	<u>\$ 1,206,345</u>	<u>\$ 1,145,799</u>	<u>\$ (60,546)</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Information Technology Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ —	\$ —	\$ (1,647)	\$ (1,647)
Charges for services	34,000	34,000	12,624	(21,376)
Total Revenues	34,000	34,000	10,977	(23,023)
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	34,000	34,000	10,977	(23,023)
<b>Net change in fund balance</b>	34,000	34,000	10,977	(23,023)
Fund balance - beginning of year	99,911	99,911	99,911	—
Fund balance - end of year	<u>\$ 133,911</u>	<u>\$ 133,911</u>	<u>\$ 110,888</u>	<u>\$ (23,023)</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
General Government Impact Fee Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ —	\$ —	\$ (16,569)	\$ (16,569)
Charges for services	96,000	96,000	119,943	23,943
Total Revenues	96,000	96,000	103,374	7,374
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	96,000	96,000	103,374	7,374
<b>Net change in fund balance</b>	96,000	96,000	103,374	7,374
Fund balance - beginning of year	1,009,307	1,009,307	1,009,307	—
Fund balance - end of year	<u>\$ 1,105,307</u>	<u>\$ 1,105,307</u>	<u>\$ 1,112,681</u>	<u>\$ 7,374</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Inclusionary Housing Special Revenue Funds  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ 10,000	\$ 10,000	\$ (15,124)	\$ (25,124)
Charges for services	—	—	58,500	58,500
Total Revenues	10,000	10,000	43,376	33,376
<b>Expenditures:</b>				
Current:				
Services and supplies	25,000	51,620	25,172	26,448
Indirect costs	179	179	179	—
Total Expenditures	25,179	51,799	25,351	26,448
Excess (deficiency) of revenues over expenditures	(15,179)	(41,799)	18,025	59,824
<b>Other Financing Sources (Uses):</b>				
Transfers out	—	(150,000)	(150,000)	—
Total other financing sources (uses)	—	(150,000)	(150,000)	—
<b>Net change in fund balance</b>	(15,179)	(191,799)	(131,975)	59,824
Fund balance - beginning of year	1,146,372	1,146,372	1,146,372	—
Fund balance - end of year	<u>\$ 1,131,193</u>	<u>\$ 954,573</u>	<u>\$ 1,014,397</u>	<u>\$ 59,824</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
HOME Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Aid from other governments	\$ 1,100,000	\$ 1,100,000	\$ —	\$ (1,100,000)
Use of money or property	7,100	7,100	7,636	536
Other revenue	—	—	9,478	9,478
Total Revenues	1,107,100	1,107,100	17,114	(1,089,986)
<b>Expenditures:</b>				
Current:				
Indirect costs	(611)	(611)	(611)	—
Total Expenditures	(611)	(611)	(611)	—
Excess (deficiency) of revenues over expenditures	1,107,711	1,107,711	17,725	(1,089,986)
<b>Other Financing Sources (Uses):</b>				
Transfers out	—	—	(32,854)	(32,854)
Total other financing sources (uses)	—	—	(32,854)	(32,854)
<b>Net change in fund balance</b>	1,107,711	1,107,711	(15,129)	(1,122,840)
Fund balance - beginning of year	1,752,734	1,752,734	1,752,734	—
Fund balance - end of year	\$ 2,860,445	\$ 2,860,445	\$ 1,737,605	\$ (1,122,840)

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
CAsp Certification and Training Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses, permits and franchises	\$ —	\$ —	\$ 2,323	\$ 2,323
Use of money or property	—	—	(19)	(19)
Total Revenues	—	—	2,304	2,304
<b>Expenditures:</b>				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	—	—	2,304	2,304
<b>Net change in fund balance</b>	—	—	2,304	2,304
Fund balance - beginning of year	—	—	—	—
Fund balance - end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,304</u>	<u>\$ 2,304</u>

**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Debt Service Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ —	\$ —	\$ 4	\$ 4
Charges for services	—	—	563,883	563,883
Total Revenues	—	—	563,887	563,887
<b>Expenditures:</b>				
Current:				
Services and supplies	57,500	57,500	39,166	18,334
Other charges	1,415,501	1,415,501	1,474,176	(58,675)
Total Expenditures	1,473,001	1,473,001	1,513,342	(40,341)
Excess (deficiency) of revenues over expenditures	(1,473,001)	(1,473,001)	(949,455)	523,546
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,473,001	1,473,001	918,499	(554,502)
Total other financing sources (uses)	1,473,001	1,473,001	918,499	(554,502)
<b>Net change in fund balance</b>	—	—	(30,956)	(30,956)
Fund balance - beginning of year	(10,193)	(10,193)	(10,193)	—
Fund balance - end of year	<u>\$ (10,193)</u>	<u>\$ (10,193)</u>	<u>\$ (41,149)</u>	<u>\$ (30,956)</u>

# COUNTY OF SAN BENITO

## Budgetary Comparison Schedule Capital Improvement Projects Fund For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money or property	\$ —	\$ —	\$ 158,155	\$ 158,155
Charges for services	2,912,000	2,912,000	—	(2,912,000)
Other revenue	—	—	124,770	124,770
Total Revenues	2,912,000	2,912,000	282,925	(2,629,075)
<b>Expenditures:</b>				
Current:				
General government	250,000	250,000	(13,095)	263,095
Public protection	—	—	10,734	(10,734)
Public ways and facilities	—	—	248	(248)
Health and sanitation	—	—	10,271	(10,271)
Public assistance	—	—	3,917	(3,917)
Education	—	—	2,462	(2,462)
Recreation and culture	—	—	835	(835)
Capital outlay:				
General government	6,969,791	8,934,188	36,054	8,898,134
Public protection	—	—	241,951	(241,951)
Public ways and facilities	—	—	66,074	(66,074)
Health and sanitation	—	—	2,210,401	(2,210,401)
Public assistance	—	—	234,988	(234,988)
Education	—	—	93,470	(93,470)
Recreation and culture	—	—	256,535	(256,535)
Total Expenditures	7,219,791	9,184,188	3,154,845	6,029,343
Excess (deficiency) of revenues over expenditures	(4,307,791)	(6,272,188)	(2,871,920)	3,400,268
<b>Other Financing Sources (Uses):</b>				
Transfers In	4,335,080	5,519,477	1,903,700	(3,615,777)
Total other financing sources (uses)	4,335,080	5,519,477	1,903,700	(3,615,777)
<b>Net change in fund balance</b>	27,289	(752,711)	(968,220)	(215,509)
Fund balance - beginning of year	2,940,873	2,940,873	2,940,873	—
Fund balance - end of year	\$ 2,968,162	\$ 2,188,162	\$ 1,972,653	\$ (215,509)



**COUNTY OF SAN BENITO**

Budgetary Comparison Schedule  
Solid Waste Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating Revenues:</b>				
Licenses and permits	\$ 355,000	\$ 355,000	\$ 375,460	\$ 20,460
Aid from other governmental agencies	69,900	114,900	155,422	40,522
Charges for services	1,867,700	1,867,700	1,937,855	70,155
Other revenue	25,000	71,090	—	(71,090)
Total Operating Revenues	<u>2,317,600</u>	<u>2,408,690</u>	<u>2,468,737</u>	<u>60,047</u>
<b>Operating Expenses:</b>				
Salaries & Benefits	434,944	432,800	287,969	144,831
Services & Supplies	1,354,700	1,445,790	886,188	559,602
Other Charges	6,000	6,000	8,900	(2,900)
Depreciation	—	—	47,632	(47,632)
Indirect Costs	33,847	35,991	20,067	15,924
Total Operating Expense	<u>1,829,491</u>	<u>1,920,581</u>	<u>1,250,756</u>	<u>669,825</u>
Net Operating Income	<u>488,109</u>	<u>488,109</u>	<u>1,217,981</u>	<u>729,872</u>
<b>Non-operating Revenues (Expense):</b>				
Interest Income	53,000	53,000	(58,238)	(111,238)
Total Non-Operating Revenues (Expenses)	<u>53,000</u>	<u>53,000</u>	<u>(58,238)</u>	<u>(111,238)</u>
<b>Income Before Transfers</b>	<u>541,109</u>	<u>541,109</u>	<u>1,159,743</u>	<u>618,634</u>
Transfers In (Out)	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>—</u>	<u>1,000,000</u>
<b>Change in Net Position</b>	<u>(458,891)</u>	<u>(458,891)</u>	<u>1,159,743</u>	<u>1,618,634</u>
Net Position - Beginning of year	<u>4,008,913</u>	<u>4,008,913</u>	<u>4,008,913</u>	<u>—</u>
Net Position - End of Year	<u>\$ 3,550,022</u>	<u>\$ 3,550,022</u>	<u>\$ 5,168,656</u>	<u>\$ 1,618,634</u>

## Fiduciary Funds

## Investment Trust Funds

<u>San Juan Cemetery District</u>	This fund accounts for assets of the San Juan Bautista Cemetery District, a dependent district of the County. The District prepares its own financial statements.
<u>Resource Conservation District</u>	This fund accounts for assets of the Resource Conservation District, a dependent district of the County. The District prepares its own financial statements.
<u>San Benito LAFCo</u>	This fund accounts for assets of the San Benito County Local Agency Formation Commission.
<u>San Benito Council of Governments</u>	This fund accounts for assets of the San Benito County Council of Governments. The agency prepares its own financial statements and undergoes its own independent audit.
<u>San Benito County Office of Education &amp; Districts</u>	This fund accounts for assets of the San Benito County Office of Education and school districts. The Office of Education and Districts prepare its own financial statements and undergo its own independent audit.

## Custodial Funds

<u>Held for beneficiaries</u>	This fund accounts for amounts held on behalf of individuals or other governments in where the County controls the assets and is not a beneficiary. The County holds the assets in a custodial capacity.
<u>Unremitted collections</u>	This fund accounts for child support payments, court fines and penalties, that have been collected and are payable to other governments or agencies.
<u>Unapportioned property taxes</u>	This fund accounts for property taxes receivable (secured and unsecured) pending apportionment.

**COUNTY OF SAN BENITO**  
Combining Statement of Fiduciary Net Position  
Investment Trust Funds  
June 30, 2022

	San Juan Cemetery District	Resource Conservation District	San Benito LAFCo	San Benito Council of Governments	San Benito County Office of Education and Districts	Total
<b>Assets</b>						
Cash and investments	\$ 557,300	\$ 63,083	\$ 99,173	\$ 25,191,807	\$ 117,417,470	\$ 143,328,833
Receivables:						
Interest receivable	911	106	90	—	—	1,107
Due from other funds	—	—	—	688,838	—	688,838
Due from other governments	—	—	2,140	4,662,991	—	4,665,131
Inventories and other assets	3,311	—	—	—	—	3,311
Nondepreciable capital assets	2,248	—	—	—	—	2,248
Depreciable capital assets, net	37,830	—	—	1,070,092	—	1,107,922
<b>Total Assets</b>	<b>601,600</b>	<b>63,189</b>	<b>101,403</b>	<b>31,613,728</b>	<b>117,417,470</b>	<b>149,797,390</b>
<b>Liabilities</b>						
Accounts payable and other liabilities	15,781	810	15,126	1,283,466	(8)	1,315,175
Due to other funds	—	—	—	688,603	—	688,603
Due to other governments	—	—	—	109,712	—	109,712
Unearned revenue	—	—	—	3,105	—	3,105
<b>Total Liabilities</b>	<b>15,781</b>	<b>810</b>	<b>15,126</b>	<b>2,084,886</b>	<b>(8)</b>	<b>2,116,595</b>
<b>Net Position</b>						
Restricted for individuals, organizations and other governments	585,819	62,379	86,277	29,528,842	117,417,478	147,680,795
<b>Total Net Position</b>	<b>\$ 585,819</b>	<b>\$ 62,379</b>	<b>\$ 86,277</b>	<b>\$ 29,528,842</b>	<b>\$ 117,417,478</b>	<b>\$ 147,680,795</b>

**COUNTY OF SAN BENITO**  
Combining Statement of Changes in Fiduciary Net Position  
Investment Trust Funds  
For the Fiscal Year Ended June 30, 2022

	San Juan Cemetery District	Resource Conservation District	San Benito LAFCo	San Benito Council of Governments	San Benito County Office of Education and Districts	Total
<b>Additions</b>						
Taxes	\$ 197,308	\$ —	\$ —	\$ 12,690,000	\$ 58,387,553	\$ 71,274,861
Aid from other governments	1,066	69,184	88,655	4,862,187	155,201,536	160,222,628
Charges for services	40,641	—	4,160	113,995	—	158,796
Other revenue	45,530	173	—	19,760	—	65,463
Net investment earnings	(8,687)	(1,034)	(822)	(390,211)	(1,960,092)	(2,360,846)
<b>Total Additions</b>	<u>275,858</u>	<u>68,323</u>	<u>91,993</u>	<u>17,295,731</u>	<u>211,628,997</u>	<u>229,360,902</u>
<b>Deductions</b>						
Operating expenses	188,500	12,774	62,196	3,338,373	178,775,838	182,377,681
Other charges	—	—	33,621	14,946,361	—	14,979,982
Depreciation expense	5,269	—	—	411,578	—	416,847
<b>Total Deductions</b>	<u>193,769</u>	<u>12,774</u>	<u>95,817</u>	<u>18,696,312</u>	<u>178,775,838</u>	<u>197,774,510</u>
<b>Net increase (decrease) in fiduciary net position</b>	82,089	55,549	(3,824)	(1,400,581)	32,853,159	31,586,392
Net position - beginning of year	503,730	6,830	90,101	30,929,423	84,564,319	116,094,403
Net position - end of year	<u>\$ 585,819</u>	<u>\$ 62,379</u>	<u>\$ 86,277</u>	<u>\$ 29,528,842</u>	<u>\$ 117,417,478</u>	<u>\$ 147,680,795</u>

**COUNTY OF SAN BENITO**  
Combining Statement of Fiduciary Net Position  
Custodial Funds  
June 30, 2022

	Held for beneficiaries	Unremitted collections	Unapportioned taxes	Total
<b>Assets</b>				
Cash and investments	\$ 2,234,716	\$ 870,104	\$ 16,062,165	\$ 19,166,985
Receivables:				
Interest receivable	273,923	1,314	55,920	331,157
Taxes for other governments	—	—	5,873,845	5,873,845
Accounts receivable	24,761	—	—	24,761
<b>Total Assets</b>	<u>2,533,400</u>	<u>871,418</u>	<u>21,991,930</u>	<u>25,396,748</u>
<b>Liabilities</b>				
Accounts payable and other liabilities	126,178	4,671	2,767,204	2,898,053
Due to other governments	—	218,804	1,213,192	1,431,996
Deposits	55,000	—	455,963	510,963
<b>Total Liabilities</b>	<u>181,178</u>	<u>223,475</u>	<u>4,436,359</u>	<u>4,841,012</u>
<b>Net Position</b>				
Restricted for individuals, organizations and other governments	2,352,222	647,943	17,555,571	20,555,736
<b>Total Net Position</b>	<u>\$ 2,352,222</u>	<u>\$ 647,943</u>	<u>\$ 17,555,571</u>	<u>\$ 20,555,736</u>

**COUNTY OF SAN BENITO**  
Combining Statement of Changes in Fiduciary Net Position  
Custodial Funds  
For the Fiscal Year Ended June 30, 2022

	Held for beneficiaries	Unremitted collections	Unapportioned property taxes	Total
<b>Additions</b>				
Contributions to pooled investments	\$ 3,330,045	\$ 773,789	\$ 68,654,277	\$ 72,758,111
Taxes	—	—	10,018,494	10,018,494
Aid from other governments	47,706	—	561,801	609,507
Charges for services	77,733	—	413,424	491,157
Fines, forfeitures and penalties	—	—	602,149	602,149
Other revenue	—	—	—	—
Net investment earnings	(37,512)	(12,382)	(545,661)	(595,555)
<b>Total Additions</b>	<b>3,417,972</b>	<b>761,407</b>	<b>79,704,484</b>	<b>83,883,863</b>
<b>Deductions</b>				
Distributions from pooled investments	3,337,811	695,827	70,090,736	74,124,374
Operating expenses	15,915	—	441,276	457,191
Other charges	14,724	—	—	14,724
Benefit payments	—	—	9,621,520	9,621,520
<b>Total Deductions</b>	<b>3,368,450</b>	<b>695,827</b>	<b>80,153,532</b>	<b>84,217,809</b>
<b>Net increase (decrease) in fiduciary net position</b>	<b>49,522</b>	<b>65,580</b>	<b>(449,048)</b>	<b>(333,946)</b>
Net position - beginning of year	2,302,700	582,363	18,004,619	20,889,682
Net position - end of year	<u>\$ 2,352,222</u>	<u>\$ 647,943</u>	<u>\$ 17,555,571</u>	<u>\$ 20,555,736</u>

## STATISTICAL SECTION

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the comprehensive financial report.

### **Financial Trends**

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

### **Revenue Capacity**

These schedules contain information to help the reader assess the County's most significant local revenue sources, property tax and sales tax.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

### **Operating Information**

These schedule contains information on government employees for each function and detailed by department.





**COUNTY OF SAN BENITO**

Net Position by Component  
Last Ten Years  
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 131,814,314	\$ 131,870,201	\$ 118,970,464	\$ 109,578,889	\$ 98,439,135	\$ 90,827,410	\$ 92,364,711	\$ 93,870,818	\$ 94,119,963	\$ 92,067,037
Restricted	96,969,255	90,769,941	73,439,411	47,455,029	42,549,306	37,667,368	26,080,558	—	—	—
Unrestricted	(443,983)	(34,194,035)	(38,328,791)	(9,460,037)	(2,901,358)	(4,444,297)	(6,156,652)	(8,761,171)	32,472,292	29,140,032
Total governmental activities net position	<u>228,339,586</u>	<u>188,446,107</u>	<u>154,081,084</u>	<u>147,573,881</u>	<u>138,087,083</u>	<u>124,050,481</u>	<u>112,288,617</u>	<u>85,109,647</u>	<u>126,592,255</u>	<u>121,207,069</u>
Business-type activities										
Net investment in capital assets	556,762	604,394	647,508	690,721	733,933	777,162	824,901	876,192	947,300	907,172
Restricted	751,586	750,922	750,607	739,857	724,566	—	131,691	—	—	—
Unrestricted	3,860,308	2,653,597	6,466,201	5,437,714	4,369,808	4,734,924	4,841,667	4,522,364	4,712,390	4,291,455
Total business-type activities net position	<u>5,168,656</u>	<u>4,008,913</u>	<u>7,864,316</u>	<u>6,868,292</u>	<u>5,828,307</u>	<u>5,512,086</u>	<u>5,798,259</u>	<u>5,398,556</u>	<u>5,659,690</u>	<u>5,198,627</u>
Primary government										
Net investment in capital assets	132,371,076	132,474,595	119,617,972	110,269,610	99,173,068	91,604,572	93,189,612	94,747,010	95,067,263	92,974,209
Restricted	97,720,841	91,520,863	74,190,018	48,194,886	43,273,872	37,667,368	26,212,249	—	—	—
Unrestricted	3,416,325	(31,540,438)	(31,862,590)	(4,022,323)	1,468,450	290,627	(1,314,985)	(4,238,807)	37,184,682	33,431,487
Total primary government net position	<u>\$ 233,508,242</u>	<u>\$ 192,455,020</u>	<u>\$ 161,945,400</u>	<u>\$ 154,442,173</u>	<u>\$ 143,915,390</u>	<u>\$ 129,562,567</u>	<u>\$ 118,086,876</u>	<u>\$ 90,508,203</u>	<u>\$ 132,251,945</u>	<u>\$ 126,405,696</u>

Notes:

(1) Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net assets are considered restricted when 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

Source:

San Benito County Clerk, Auditor and Recorder

**COUNTY OF SAN BENITO**

Changes in Net Position  
Last Ten Years (accrual basis of accounting)  
For the Fiscal Year Ended June 30,

Expenses (by function)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
General government	\$ 14,424,408	\$ 13,200,523	\$ 12,435,263	\$ 15,171,369	\$ 7,162,158	\$ 4,390,182	\$ 4,820,901	\$ 6,913,665	\$ 2,872,536	\$ 3,682,386
Public protection	32,859,389	43,327,067	35,789,289	32,564,040	32,902,965	28,401,251	26,361,016	27,914,449	24,900,347	25,516,934
Public ways and facilities	9,682,835	6,343,017	9,594,177	8,166,811	5,926,687	7,361,125	7,491,909	5,867,005	6,324,848	6,655,356
Health and sanitation	12,728,837	15,581,942	15,957,259	12,108,200	10,939,507	9,459,400	10,509,822	9,576,959	9,513,485	9,926,853
Public assistance	24,721,053	26,956,169	25,499,007	23,480,217	23,462,549	21,653,802	21,563,780	20,714,730	19,623,809	16,677,671
Education	1,617,662	1,421,142	1,301,853	1,020,962	1,129,743	1,059,094	929,498	1,063,203	1,006,320	820,203
Recreation and culture	14,010	285,187	217,788	193,340	310,166	(1,682)	138,641	220,421	182,163	179,184
Debt Service:										
Interest	969,352	787,010	708,218	373,817	—	—	—	1,877	2,924	5,299
Total governmental activities expenses	97,017,546	107,902,057	101,502,854	93,078,756	81,833,775	72,323,172	71,815,567	72,272,309	64,426,432	63,463,886
Business-type activities:										
Solid waste	1,250,756	985,634	778,654	749,309	1,107,482	1,512,811	752,368	(4,428,282)	1,230,478	1,208,059
Total business-type activities expenses	1,250,756	985,634	778,654	749,309	1,107,482	1,512,811	752,368	(4,428,282)	1,230,478	1,208,059
Total Primary Government Expenses	98,268,302	108,887,691	102,281,508	93,828,065	82,941,257	73,835,983	72,567,935	67,844,027	65,656,910	64,671,945
Program Revenues (by function)										
Governmental activities										
Fees, fines and charges for services:										
General government	15,999,888	3,227,993	2,887,786	3,544,313	6,791,954	4,462,502	3,736,463	4,341,391	1,135,198	2,400,487
Public protection	5,154,096	7,119,185	6,225,722	4,630,309	5,469,848	4,575,111	5,020,426	4,886,764	8,593,707	5,683,470
Public ways and facilities	3,444,927	4,062,420	4,566,572	3,616,509	2,073,848	1,554,749	1,429,875	1,161,336	3,800,870	1,145,966
Health and sanitation	1,380,590	1,312,058	1,339,807	1,367,280	1,382,783	1,037,176	842,388	761,028	590,513	611,245
Public assistance	241,175	599,551	773,656	325,077	157,622	35,146	30,532	9,255	88,761	16,086
Education	393,987	774,160	245,279	160,672	45,156	27,371	31,299	254,356	42,402	31,554
Recreation and culture	811,358	630,042	597,813	597,895	675,090	384,454	628,097	264,138	178,408	116,590
Operating grants and contributions	72,061,293	76,892,004	57,954,185	50,378,930	49,591,273	46,707,783	48,757,219	43,858,372	34,169,280	36,862,728
Capital grants and contributions	11,884,592	14,529,166	6,590,453	10,284,717	9,329,005	608,538	783,949	1,016,997	5,381,065	3,448,335
Total governmental activities program revenues	111,371,906	109,146,579	81,181,273	74,905,702	75,516,579	59,392,830	61,260,248	56,553,637	53,980,204	50,316,461
Business-type activities:										
Solid Waste										
Charges for services	2,313,315	2,153,708	1,924,516	1,609,564	1,248,606	1,147,041	1,113,071	960,135	1,650,139	1,300,126
Operating grants and contributions	155,422	45,575	51,037	49,430	105,547	41,969	144,683	—	—	—
Total Business-type activities revenue	2,468,737	2,199,283	1,975,553	1,658,994	1,354,153	1,189,010	1,257,754	960,135	1,650,139	1,300,126
Total Primary Government Program Revenues	113,840,643	111,345,862	83,156,826	76,564,696	76,870,732	60,581,840	62,518,002	57,513,772	55,630,343	51,616,587

Source: San Benito County Clerk, Auditor and Recorder

**COUNTY OF SAN BENITO**  
Changes in Net Position  
Last Ten Years (accrual basis of accounting)  
For the Fiscal Year Ended June 30,

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net (Expenses)/Revenue										
Governmental activities	14,359,502	1,244,522	(20,321,581)	(18,173,054)	(6,317,196)	(12,930,342)	(10,555,319)	(15,718,672)	(10,446,228)	(13,147,425)
Business-type activities	1,217,981	1,213,649	1,196,899	909,685	246,671	(323,801)	505,386	5,388,417	419,661	92,067
Total Primary Net (Expenses)/Revenue	<u>15,577,483</u>	<u>2,458,171</u>	<u>(19,124,682)</u>	<u>(17,263,369)</u>	<u>(6,070,525)</u>	<u>(13,254,143)</u>	<u>(10,049,933)</u>	<u>(10,330,255)</u>	<u>(10,026,567)</u>	<u>(13,055,358)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Property taxes	22,246,015	20,858,444	19,370,463	18,063,692	16,947,363	15,895,467	14,904,105	14,163,226	12,451,983	11,987,365
Sales and use taxes	2,438,356	2,643,469	2,198,828	5,683,346	5,998,871	2,456,622	1,641,346	1,500,211	1,390,428	1,517,488
Franchise taxes	782,155	816,561	713,095	696,166	460,374	518,959	527,120	440,703	488,469	421,712
Other taxes	1,678,926	2,048,681	1,072,431	877,702	778,007	1,820,181	1,439,178	751,435	764,008	360,818
Unrestricted interest and investment earnings	(1,713,373)	720,805	2,443,159	2,130,361	1,345,174	584,998	385,480	222,370	185,960	203,534
Miscellaneous	71,899	92,694	689,323	202,391	487,498	1,094,458	1,149,886	2,241,644	550,567	450,045
Transfers	—	5,096,883	341,485	6,110	—	1,345	2,359	5,567,077	—	—
Total governmental activities	<u>25,503,978</u>	<u>32,277,537</u>	<u>26,828,784</u>	<u>27,659,768</u>	<u>26,017,287</u>	<u>22,372,030</u>	<u>20,049,474</u>	<u>24,886,666</u>	<u>15,831,415</u>	<u>14,940,962</u>
Business-type activities:										
Other taxes	—	—	—	—	—	—	—	—	—	—
Transfers	—	(5,096,883)	(341,485)	(6,110)	—	(1,345)	(2,359)	(5,567,077)	—	—
Unrestricted interest and investment earnings	(58,238)	27,831	140,610	136,410	79,168	38,973	18,010	30,198	41,400	57,362
Miscellaneous	—	—	—	—	90	—	—	—	—	—
Total business-type activities	<u>(58,238)</u>	<u>(5,069,052)</u>	<u>(200,875)</u>	<u>130,300</u>	<u>79,258</u>	<u>37,628</u>	<u>15,651</u>	<u>(5,536,879)</u>	<u>41,400</u>	<u>57,362</u>
Total Primary Government	<u>25,445,740</u>	<u>27,208,485</u>	<u>26,627,909</u>	<u>27,790,068</u>	<u>26,096,545</u>	<u>22,409,658</u>	<u>20,065,125</u>	<u>19,349,787</u>	<u>15,872,815</u>	<u>14,998,324</u>
Change in Net Position										
Governmental activities	39,893,479	33,686,600	6,507,203	9,486,798	19,700,091	9,441,688	9,494,155	9,167,994	5,385,187	1,793,537
Business-type activities	1,159,743	(3,855,403)	996,024	1,039,985	325,929	(286,173)	521,037	(148,462)	461,061	149,429
Total Primary Government	<u>\$41,053,222</u>	<u>\$ 29,831,197</u>	<u>\$ 7,503,227</u>	<u>\$ 10,526,783</u>	<u>\$ 20,026,020</u>	<u>\$ 9,155,515</u>	<u>\$ 10,015,192</u>	<u>\$ 9,019,532</u>	<u>\$ 5,846,248</u>	<u>\$ 1,942,966</u>

Source: San Benito County Clerk, Auditor and Recorder

# COUNTY OF SAN BENITO

## Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 440,940	\$ 468,859	\$ 430,410	\$ 266,256	\$ 207,380	\$ 188,314	\$ 200,245	\$ 126,980	\$ 166,047	\$ 8,583
Restricted	20,306,643	16,108,544	8,304,895	3,666,652	2,621,709	2,621,709	2,288,857	—	—	—
Committed	—	—	—	3,449,921	3,000,000	3,000,000	—	—	—	—
Assigned	11,123,694	11,298,216	9,963,602	6,896,074	8,084,194	7,520,751	5,861,125	—	—	1,629,420
Unassigned	23,229,593	11,002,962	8,826,693	12,793,467	16,534,377	15,578,209	18,986,948	21,724,081	16,342,158	11,599,259
Subtotal General Fund	55,100,870	38,878,581	27,525,600	27,072,370	30,447,660	28,908,983	27,337,175	21,851,061	16,508,205	13,237,262
All Other Governmental Funds										
Nonspendable	337,387	253,100	173,912	164,229	149,720	1,611,936	1,114,335	52,511	63,644	111,752
Restricted	81,537,142	81,691,998	74,010,119	43,198,769	39,927,597	33,388,341	23,791,701	8,560,596	6,669,584	—
Committed	—	—	—	16,600,558	13,278,063	—	—	—	—	—
Assigned	1,014,879	153,692	85,131	2,482,114	773,218	12,415,017	16,983,721	19,022,253	16,160,602	24,172,212
Unassigned	(1,342,018)	(1,559,050)	(471,657)	(541,305)	(2,678,906)	(1,519,639)	(944,534)	(914,430)	(995,944)	(924,913)
Subtotal all other governmental funds	81,547,390	80,539,740	73,797,505	61,904,365	51,449,692	45,895,655	40,945,223	26,720,930	21,897,886	23,359,051
Total governmental fund balances	<u>\$136,648,260</u>	<u>\$119,418,321</u>	<u>\$101,323,105</u>	<u>\$ 88,976,735</u>	<u>\$ 81,897,352</u>	<u>\$ 74,804,638</u>	<u>\$ 68,282,398</u>	<u>\$ 48,571,991</u>	<u>\$ 38,406,091</u>	<u>\$ 36,596,313</u>

Note: the increase in Restricted Fund Balance for the General Fund resulted from unspent American Rescue Plan Act (ARPA) funds. Other factors contributing to significant increases and decreases in fund balance are explained in the Management's Discussion and Analysis (MD&A).

**COUNTY OF SAN BENITO**

**Changes in Fund Balance - Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

Fiscal Year Ended June 30,

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Revenues:</b>										
Taxes	\$ 26,363,297	\$ 25,550,593	\$ 22,641,722	\$ 25,056,988	\$ 23,700,680	\$ 18,817,375	\$ 17,173,324	\$ 16,855,575	\$ 15,685,513	\$ 15,207,822
Licenses and permits	2,309,673	3,227,591	3,171,602	1,913,968	1,598,127	1,294,916	1,757,688	759,936	988,892	874,270
Aid from other governments	80,787,955	90,636,842	61,750,298	61,522,652	56,157,066	44,205,957	45,379,095	45,484,109	40,239,368	39,942,184
Use of money or property	(1,713,373)	733,298	2,443,159	2,130,361	1,345,174	584,998	385,480	222,370	362,084	398,684
Fines, forfeits and penalties	947,521	866,290	795,669	1,296,516	1,314,162	3,502,470	2,469,281	2,959,499	1,014,266	1,315,372
Charges for services	29,678,171	21,597,394	18,444,203	11,801,582	9,232,526	8,952,217	8,840,711	7,958,833	8,760,820	6,796,601
Other revenue	1,474,587	1,058,159	1,011,840	683,460	1,102,244	1,214,385	1,561,943	2,241,644	680,371	722,489
<b>Total Revenues</b>	<b>139,847,831</b>	<b>143,670,167</b>	<b>110,258,493</b>	<b>104,405,527</b>	<b>94,449,979</b>	<b>78,572,318</b>	<b>77,567,522</b>	<b>76,481,966</b>	<b>67,731,314</b>	<b>65,257,422</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	15,131,065	12,803,558	12,578,217	9,774,811	6,085,212	4,118,060	4,555,064	5,967,509	2,863,529	3,750,873
Public protection	39,284,474	41,759,992	35,734,428	32,102,869	31,194,175	29,832,391	27,722,110	27,225,640	24,273,597	25,674,417
Public ways and facilities	3,249,823	3,195,305	4,916,436	3,081,569	2,213,792	2,408,497	2,556,868	2,341,139	2,860,539	4,367,858
Health and sanitation	16,350,063	15,360,095	13,973,677	12,928,640	10,782,934	9,926,197	10,221,039	9,498,738	9,482,653	9,930,586
Public assistance	27,226,344	27,349,667	27,183,828	25,399,738	23,102,274	21,953,883	22,191,427	20,653,942	19,533,009	18,439,911
Education	1,918,526	1,477,115	1,306,230	1,126,439	1,050,265	991,421	904,665	1,045,146	985,158	812,642
Recreation and culture	228,406	215,444	143,261	135,949	251,366	162,256	142,257	138,010	125,063	581,967
Capital outlay	16,831,573	27,655,196	14,116,827	20,449,431	12,677,247	3,270,659	3,541,440	4,289,142	5,434,064	2,895,373
<b>Debt Service:</b>										
Principal	1,900,641	634,764	148,013	—	—	—	—	722,000	361,000	361,000
Interest	969,352	915,948	477,576	—	—	—	—	1,877	2,924	5,299
<b>Total Expenditures</b>	<b>123,090,267</b>	<b>131,367,084</b>	<b>110,578,493</b>	<b>104,999,446</b>	<b>87,357,265</b>	<b>72,663,364</b>	<b>71,834,870</b>	<b>71,883,143</b>	<b>65,921,536</b>	<b>66,819,926</b>
<b>over expenditures</b>	<b>16,757,564</b>	<b>12,303,083</b>	<b>(320,000)</b>	<b>(593,919)</b>	<b>7,092,714</b>	<b>5,908,954</b>	<b>5,732,652</b>	<b>4,598,823</b>	<b>1,809,778</b>	<b>(1,562,504)</b>
<b>Other Financing Sources (Uses):</b>										
Issuance of LTD - principal	—	—	10,436,888	7,480,000	—	—	—	—	—	—
Issuance of LTD - interest	—	—	607,294	279,887	—	—	—	—	—	—
Transfers in	7,858,135	15,867,785	8,098,385	9,478,659	5,804,321	5,494,600	4,923,670	9,923,805	4,881,133	2,363,061
Transfers out	(7,858,135)	(10,770,902)	(6,831,759)	(9,576,593)	(5,804,321)	(5,493,255)	(4,921,311)	(4,356,728)	(4,881,133)	(2,363,061)
Proceeds from borrowing	—	—	—	—	—	—	—	—	—	—
Capital leases	472,375	16,827	355,562	11,349	—	25,211	—	—	—	—
<b>Total other financing sources (uses)</b>	<b>472,375</b>	<b>5,113,710</b>	<b>12,666,370</b>	<b>7,673,302</b>	<b>—</b>	<b>26,556</b>	<b>2,359</b>	<b>5,567,077</b>	<b>—</b>	<b>—</b>
<b>Net change in fund balances</b>	<b>17,229,939</b>	<b>17,416,793</b>	<b>12,346,370</b>	<b>7,079,383</b>	<b>7,092,714</b>	<b>5,935,510</b>	<b>5,735,011</b>	<b>10,165,900</b>	<b>1,809,778</b>	<b>(1,562,504)</b>
<b>Fund balances, beginning of year</b>	<b>119,418,321</b>	<b>102,001,528</b>	<b>88,976,735</b>	<b>81,897,352</b>	<b>74,804,638</b>	<b>68,869,128</b>	<b>62,547,387</b>	<b>247,274</b>	<b>(1,562,504)</b>	<b>—</b>
<b>Fund balances, end of year</b>	<b>\$136,648,260</b>	<b>\$119,418,321</b>	<b>\$101,323,105</b>	<b>\$ 88,976,735</b>	<b>\$ 81,897,352</b>	<b>\$ 74,804,638</b>	<b>\$ 68,282,398</b>	<b>\$ 10,413,174</b>	<b>\$ 247,274</b>	<b>\$ (1,562,504)</b>
<b>Debt service as a percentage of noncapital expenditures:</b>	<b>2.80 %</b>	<b>1.52 %</b>	<b>0.66 %</b>	<b>— %</b>	<b>— %</b>	<b>— %</b>	<b>— %</b>	<b>1.08 %</b>	<b>0.61 %</b>	<b>0.58 %</b>

## COUNTY OF SAN BENITO

### Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years (in thousands)

Fiscal Year End June 30	Gross Assessed Value					Net Assessed Taxable Value <sup>e</sup>	Total Direct Tax Rate
	Secured <sup>a</sup>	Unsecured <sup>b</sup>	Utility <sup>c</sup>	Total	Exempt <sup>d</sup>		
2022	10,109,782	470,092	234,450	10,814,324	264,325	10,549,999	1.00 %
2021	9,469,113	465,430	185,223	10,119,766	250,330	9,869,436	1.00 %
2020	8,821,940	460,747	182,832	9,465,519	224,885	9,240,634	1.00 %
2019	8,119,329	435,612	180,717	8,735,658	184,123	8,551,535	1.00 %
2018	7,540,336	416,732	158,659	8,115,727	178,094	7,937,633	1.00 %
2017	6,970,102	417,587	147,464	7,535,153	171,727	7,363,426	1.00 %
2016	6,522,864	360,571	141,922	7,025,357	163,969	6,861,388	1.00 %
2015	6,104,580	362,446	129,807	6,596,833	163,555	6,433,278	1.00 %
2014	5,662,510	323,416	126,599	6,112,525	161,736	5,950,789	1.00 %
2013	5,357,366	281,741	120,244	5,759,351	160,959	5,598,392	1.00 %

- a. Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines.
- b. Unsecured property is generally personal property including machinery, equipment, tools and supplies.
- c. State regulated utility property. These are assessed by the State Board of Equalization
- d. Exempt properties include full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.
- e. Due to the 1978 passage of the property tax initiative Proposition 13, the County does not track the estimated actual value of all county properties. Under Prop. 13 property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the CPI on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date 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.

Data Source: San Benito County Assessor's Annual Reports

# COUNTY OF SAN BENITO

## Property Tax Levies and Collections Last Ten Fiscal Years

Year Ending 6/30:	Taxes Levied (1)	Collections Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	136,337,669	135,093,034	99 %	NA	135,093,034	99 %
2021	127,598,490	125,690,688	99 %	851,825	126,542,514	99 %
2020	117,092,874	115,360,954	99 %	795,947	116,156,900	99 %
2019	107,495,697	105,821,950	98 %	1,094,852	106,916,802	99 %
2018	100,683,281	99,144,108	98 %	1,050,197	100,194,305	100 %
2017	90,443,837	89,172,281	99 %	1,227,930	90,400,211	100 %
2016	84,064,227	82,906,000	99 %	1,037,941	83,943,941	100 %
2015	77,259,690	76,200,565	99 %	976,544	77,177,109	100 %
2014	71,540,713	70,535,083	99 %	953,328	71,488,411	100 %
2013	67,648,211	66,400,726	98 %	1,111,049	67,531,672	100 %

Taxes Levied includes the Secured, Unsecured and Unitary Tax levy for the County and school districts, cities and special districts under the supervision of independent governing boards.

Note (1) Based on final levy after adjustments

Source: San Benito County Auditor

## COUNTY OF SAN BENITO

Property Tax Rates as % of Assessed Value  
Direct and Overlapping Governments  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	County of San Benito	Cities	Range of overlapping Rates (%):					
			Schools			Special Districts		
2022	1.000	n/a	0.0450	—	0.1680	—	—	0.2694
2021	1.000	n/a	0.0743	—	0.1536	—	—	0.2700
2020	1.000	n/a	0.0702	—	0.1567	—	—	0.2709
2019	1.000	n/a	0.0692	—	0.1661	—	—	0.2718
2018	1.000	n/a	0.0705	—	0.1514	—	—	0.2727
2017	1.000	n/a	0.0498	—	0.1330	—	—	0.2739
2016	1.000	n/a	0.0502	—	0.1068	—	—	0.2745
2015	1.000	n/a	0.0239	—	0.0962	0.0284	—	0.2784
2014	1.000	n/a	0.0248	—	0.0987	0.0300	—	0.2800
2013	1.000	n/a	0.0257	—	0.1107	0.0311	—	0.2811

Source: San Benito County Auditor



# COUNTY OF SAN BENITO

## Principal Property Taxpayers Last Ten Fiscal Years (unaudited)

Fiscal Year Ended June 30,  
(values in millions)

Taxpayer	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Pacific Gas & Electric Co.	174.4	163.0	156.0	153.7	129.3	119.7	115.2	105.6	100.1	94.8
Granite Rock Co.	137.4	114.7	100.5	87.7	77.5	73.3	69.4	62.8	99.6	57.3
Natural Selection Foods LLC	—	68.7	67.4	84.4	82.7	68.5	67.5	59.0	49.7	44.3
McCormick Selph Inc. A Calif Corp	36.2	33.7	33.7	30.9	30.0	28.9	27.6	27.5	26.7	23.9
Stone Canyon Ranch LLC	30.3	30.0	29.4	28.8	28.2	27.7	27.3	26.8	26.7	26.1
Property Reserve Inc.	—	—	26.2	—	—	—	—	29.8	29.8	28.6
Award Homes Inc. A CA Corp	—	22.5	22.0	21.6	21.1	20.8	20.4	15.6	—	—
Clearist Park Inc A Calif Corp	19.3	19.1	37.5	18.4	18.0	—	—	—	—	—
Northpointe Associates LLC	—	—	21.0	20.6	20.1	19.8	19.5	19.1	19.0	—
The Wine Group LLC	25.8	21.2	—	—	—	—	—	—	—	—
AGNL Salad LP	33.5	19.6	—	—	—	—	—	—	—	—
KB Home South Bay Inc A CA Corp	—	—	17.8	—	—	—	—	—	—	—
9351 Fairview LLC A CA LTD LIAB Co	—	19.2	—	19.0	24.8	—	—	—	—	—
TLF-SJB LLC A CALIF LTD LIAB Co	—	—	—	18.7	—	18.3	18.2	18.0	18.0	14.9
Delicato Vineyards A CA Corp	—	—	—	—	19.4	—	—	—	—	—
Diageo Chateau & Estate Wines Co A Cal Corp	—	—	—	—	—	17.2	—	—	—	14.4
Las Aguilas LLC a Cal LLC	—	—	—	—	—	16.9	15.3	14.7	—	—
Marich Confectionery Associates	—	—	—	—	—	—	14.1	—	—	—
AT&T California	45.7	—	—	—	—	—	—	—	15.6	15.4
1721 San Juan Highway LLC A Del LLC	58.3	—	—	—	—	—	—	—	—	—
El Rancho San Benito LLC a Delaware Ltd. Liab. Co.	—	—	—	—	—	—	—	—	15.1	—
Roberts, Janet P Family Trust	—	—	—	—	—	—	—	—	—	15.3
Bradford Way LLC	19.1	—	—	—	—	—	—	—	—	—

# COUNTY OF SAN BENITO

## Ratios of Net General Bonded Debt Outstanding Last Ten Fiscal Years (unaudited)

(In thousands, except Population and Per Capita)

Fiscal Year	General Bonded Debt	Restricted for Principal Repayment	Net Bonded Debt	Net Assessed Taxable Value of Property	Percentage of Taxable Value of Property	Population	Net Bonded Debt Per Capita
2021-22	—	—	—	10,549,999	0.00 %	66,677	—
2020-21	—	—	—	9,869,436	0.00 %	64,055	—
2019-20	—	—	—	9,240,634	0.00 %	62,808	—
2018-19	—	—	—	8,551,535	0.00 %	61,537	—
2017-18	—	—	—	7,937,633	0.00 %	60,310	—
2016-17	—	—	—	7,363,427	0.00 %	59,414	—
2015-16	—	—	—	6,861,388	0.00 %	58,792	—
2014-15	—	—	—	6,433,278	0.00 %	58,267	—
2013-14	—	—	—	5,950,789	0.00 %	57,594	—
2012-13	—	—	—	5,598,392	0.00 %	56,871	—

### Notes:

Debt information is derived from the San Benito County Audits. Taxable value of property is derived from the San Benito County Assessor's Annual Reports. The source for population figures for 2001-2005 is the California Bureau of Analysis. Population figures for 2006-2019 as of January 1 is estimated by the California Department of Finance.

# COUNTY OF SAN BENITO

## Ratio of Annual Debt Service Expenditures To Total General Governmental Expenditures Last Ten Fiscal Years (Unaudited)

Fiscal Year	Principal	Interest	Total Debt Service	Total General Government Expenditures	Ratio of Debt Service to General Government Expenditures
2021-22	1,900,641	969,352	2,869,993	15,638,185	18.35%
2020-21	634,764	915,948	1,550,712	12,859,562	12.06%
2019-20	148,013	477,576	625,589	12,578,217	4.97%
2018-19	—	—	—	15,171,369	0.00%
2017-18	—	—	—	7,162,158	0.00%
2016-17	—	—	—	4,390,182	0.00%
2015-16	—	—	—	4,820,901	0.00%
2014-15	—	—	—	6,913,665	0.00%
2013-14	—	—	—	2,872,536	0.00%
2012-13	—	—	—	3,682,386	0.00%

### Notes:

Total general government and debt service expenditures from the San Benito County Audits, Statement of Revenues, Expenditures and Changes in Fund Balances.

# COUNTY OF SAN BENITO

## Ratio of Outstanding Debt by Type Last Ten Fiscal Years (in thousands, except per capita)

	Fiscal Year									
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Governmental Activities:										
Bonds Payable	—	—	—	—	—	—	—	—	—	—
Leases	3,129	—	—	—	—	—	—	—	—	—
Capital Financing	7,917	8,179	8,407	8,222	105	—	—	—	—	—
Certificates of Participation	17,764	18,129	18,437	7,760	—	—	—	—	—	235
Loans Payable	115	178	260	50	—	—	—	—	—	—
Total Governmental Activities	28,925	26,486	27,104	16,032	105	—	—	—	—	235
Business-type Activities:										
Landfill Closure & Post-closure	—	—	—	—	—	—	5,032	4,818	4,521	4,304
Total Business-type Activities	—	—	—	—	—	—	5,032	4,818	4,521	4,304
Total Primary Government	28,925	26,486	27,104	16,032	105	—	5,032	4,818	4,521	4,539
Percentage of Personal Income	0.63 %	0.68 %	780.91 %	484.05 %	0.00 %	0.00 %	0.20 %	0.20 %	0.20 %	0.21 %
Per Capita	434	413	432	261	2	—	86	83	78	79
Personal Income (thousands) (for PPI)	4,591,936	3,894,963	3,470,822	3,312,046	3,096,482	2,756,362	2,565,863	2,417,263	2,239,632	2,163,948
Population (per capita)	66,677	64,055	62,808	61,537	60,310	59,414	58,792	58,267	57,993	57,146

### Notes:

Personal income source figures for PPI and population figures for Per Capita in years 2001-02 through 2004-05 are from the California Bureau of Economic Analysis. For years 2012-13 through 2021-22 figures are from the California Department of Finance (see "Demographics and Economic statistics"). Financial information derived from San Benito County annual audits.

# COUNTY OF SAN BENITO

## Legal Debt Margin Last Ten Fiscal Years (Unaudited)

(In thousands)

Fiscal Year	DEBT LIMIT		DEBT APPLICABLE TO LIMIT			Legal Debt Margin	Total Net Debt to the Debt Limit as a %
	Net Assessed Value	Debt Limit- 5% of Assessed Value	General Bonded Debt	Restricted for Principal Repayment	Total Net Debt		
2021-22	10,549,999	527,500	—	—	—	527,500	0.00 %
2020-21	9,869,436	493,472	—	—	—	493,472	0.00 %
2019-20	9,240,634	462,032	—	—	—	462,032	0.00 %
2018-19	8,551,535	427,577	—	—	—	427,577	0.00 %
2017-18	7,937,633	396,882	—	—	—	396,882	0.00 %
2016-17	7,363,427	368,171	—	—	—	368,171	0.00 %
2015-16	6,861,388	343,069	—	—	—	343,069	0.00 %
2014-15	6,433,278	321,664	—	—	—	321,664	0.00 %
2013-14	5,950,789	297,539	—	—	—	297,539	0.00 %
2012-13	5,598,392	279,920	—	—	—	279,920	0.00 %

### Notes:

Net assessed value (of property) is derived from the San Benito County Assessor's Annual Reports. Debt information is derived from the San Benito County Annual Audits. Legal Debt Margin is the Debt Limit less Total Net Debt.

# COUNTY OF SAN BENITO

## Demographics and Economic Statistics Last Ten Years

	For the Year Ending June 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Population (a)	66,677	64,055	62,808	61,537	60,310	59,414	58,792	58,267	57,594	56,871
Personal Income (In thousands) (a)	4,592	3,895	3,471	3,312	3,096	2,756	2,566	2,417	2,279	2,138
Per Capita Personal Income (a)	68,868	60,807	55,261	53,822	51,343	46,392	43,643	41,486	39,576	37,598
County Unemployment Rate (b)	5.6 %	8.4 %	7.9 %	5.8 %	6.1 %	6.4 %	7.6 %	9.3 %	11.1 %	13.1 %

### Notes:

(a) Source: U.S. Department of Commerce, Bureau of Economic Analysis, Local Area Personal Income, Revised as of 11-17-2020

(b) Source: U.S. Department of Labor, Bureau of Labor Statistics, Labor force data by county, annual averages.

## COUNTY OF SAN BENITO

### Construction and Building Activity Last Ten Years

Year	Residential Construction Valuation	Percent Change	Building Permits Issued	Percent Change
2021	106,432,610	(24.69)%	334	(30.99)%
2020	141,323,730	(44.20)%	484	(34.06)%
2019	253,251,096	118.14%	734	130.09%
2018	116,096,780	108.06%	319	78.10%
2017	60,706,055	(18.81)%	147	(26.57)%
2016	69,018,597	227.54%	274	248.78%
2015	55,716,190	11.51%	187	28.13%
2014	26,778,577	(10.34)%	105	(31.91)%
2013	32,983,998	(11.33)%	143	17.50%
2012	10,070,188	142.79%	41	110.53%

Source: U.S. Census Bureau (<http://census.gov/construction/bps/>).

**COUNTY OF SAN BENITO**

Full-time Equivalent County Government Employees by Department and by Function  
Last Ten Fiscal Years (Unaudited)

Fund/Dept/Div	Program/ Job Class Title	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13
<b>General Government</b>											
101.10.1000	Board of Supervisors	5	5	5	5	5	5	5	5	5	5
101.15.1005	Clerk of the Board of Supervisors	3	2	2	2	4	2	3	1.8	1.8	2
101.15.1010	County Administrative Officer	5	6	6	6	4	5	4	4	2.8	3.2
101.15.1065	Information Technology	6	6	6	4	5	5	5	5	4	5
101.15.1075	GIS	1	1	1	1	1	1	1	1	1	1
101.25.1210	County Counsel	7	6	6	6	5	3	4	3.8	3.7	6
101.20.1145	County Auditor	12	11	12	10	11	9	9.7	9.8	7.5	10.7
101.30.1155	Treasurer	3	3	3	3	3	3	3	2.8	2.8	2.8
101.35.1170	Assessor	18	18	19	21	17	17	13	10	10	15
101.30.1160	Tax Collector	4	3	3	3	3	3	5	3.3	2.8	3.3
101.15.1080	Internal Services	4	4	4	4	4	3	2	3.5	2.8	3.8
101.20.1115	Elections	4	4	5	3	3	2	0.9	2.8	2.8	3.3
101.70.1290	Buildings & Grounds Maintenance	10	4	4	4	4	2	1.8	1.8	3.4	4.5
101.20.1140	Risk Management	—	—	—	—	—	—	—	—	0.5	0.5
<b>Total General Government</b>		<b>82</b>	<b>73</b>	<b>76</b>	<b>72</b>	<b>69</b>	<b>60</b>	<b>57.4</b>	<b>54.6</b>	<b>50.9</b>	<b>66.1</b>
<b>Public Protection</b>											
101.45.1205	District Attorney	15	13	14	12	11	12	11	9	9	11
101.40.1175	Sheriff's Operations	31	32	28	31	32	34	27	23	21.5	30.3
101.15.1035	Marshal's Office	—	—	—	—	—	—	—	—	—	—
101.40.1180	Communications	1	1	—	—	—	—	1	—	—	14.8
101.40.1195	Jail	27	30	32	27	26	25	24	25.5	24.5	25.5
101.50.1215	Probation	30	28	28	24	24	22	19	18	18	17
101.50.1220	Juvenile Hall	7	12	12	13	11	12	9	12	12	13
101.50.1225	Gang Prevention Program	—	—	—	—	1	—	2	1.8	2	2
101.60.1250	Ag. Commissioner/Sealer of Weights & Measures	7	9	7	7	7	8	6	6.6	6.6	7
101.20.1120	County Clerk	3	2	2	1	—	1	3	0.5	0.2	1.2
101.20.1125	County Recorder	2	3	3	5	4	4	1.5	3	0.4	2.9
101.15.1045	Office of Emergency Services	2	2	2	2	2	2	2	1	1	1.5
101.65.1265	Planning	10	11	8	6	8	10	6	5	5	9
101.65.1270	Housing & Economic Development	—	—	—	—	—	—	—	1	1	1
101.15.1105	LAFCO	—	—	—	—	—	—	—	—	—	—
101.65.1275	Abandoned Vehicle Abatement	—	—	—	—	—	—	—	0.5	0.5	0.5
229.85.2530	Child Support Services	9	10	14	17	16	18	19	19	21	19
251.45.2980	Victim Witness Program	3	4	3	3	3	2	1	1	1	1



**COUNTY OF SAN BENITO**

Full-time Equivalent County Government Employees by Department and by Function  
Last Ten Fiscal Years (Unaudited)

<b>Fund/Dept/Div</b>	<b>Program/ Job Class Title</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2015/16</b>	<b>2014/15</b>	<b>2013/14</b>	<b>2012/13</b>
252.40.2990	UNET Anti-Drug Task Force	—	—	—	—	—	—	—	—	—	1
101.40.1190	Sheriff's State Grants	—	—	—	—	—	—	2	1.3	1	—
261.60.3050	Mosquito Abatement	—	—	—	—	1	1	2	1.5	1.4	1.4
	<b>Total Public Protection</b>	<b>147</b>	<b>157</b>	<b>153</b>	<b>148</b>	<b>146</b>	<b>151</b>	<b>135.5</b>	<b>129.7</b>	<b>126.1</b>	<b>159.1</b>
	<b>Public Ways and Facilities</b>										
101.70.1295	PW Administration & Engineering	10	13	10	13	9	9	7	5.3	4.5	5.5
210.70.2010	Road Maintenance	12	12	11	11	14	15	15	20.4	20.1	20.1
101.15.1090	Council of Governments (COG)	7	6	6	8	7	7	8	8	8	8
270.70.3080	CSA Maintenance & Operations	—	1	—	—	—	—	—	—	1.1	1.1
	<b>Total Public Ways and Facilities</b>	<b>29</b>	<b>32</b>	<b>27</b>	<b>32</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>33.7</b>	<b>33.7</b>	<b>34.7</b>
	<b>Health and Sanitation</b>										
228.90.2520	Mental Health	45	39	43	40	39	40	39	43.3	42.3	42.3
230.90.2540	Substance Abuse Treatment Program	7	7	6	7	7	7	10	11.8	11.8	11.8
224.80.2370	Public Health Programs	27	23	17	17	25	20	25	19.9	18.7	20.7
224.80.2410	Environmental Health	4	5	—	—	—	—	—	—	—	—
301.75.3800	Integrated Waste Management & Resource Recovery	4	2	1	1	1	1	—	2	2	2.3
	<b>Total Health and Sanitation</b>	<b>87</b>	<b>76</b>	<b>67</b>	<b>65</b>	<b>72</b>	<b>68</b>	<b>74</b>	<b>77</b>	<b>74.8</b>	<b>77.1</b>
	<b>Public Assistance</b>										
221.80.2285	Human Services Agency	112	115	87	83	124	111	98	81	70.5	71.5
222.80.2360	In-Home Supportive Services Public Authority	1	1	2	2	3	3	2	1	1	2
227.15.2475	Emergency Medical Services	1	2	2	2	2	2	3	3	3	3
240.80.2555	C.S.W.D. Department	11	10	11	12	9	10	23	8	8.3	10.3
256.80.3030	Migrant Labor Housing Center	3	2	2	2	2	3	4	3	3	3
101.15.1060	First 5	—	—	—	—	—	—	2	2	2	3
101.80.1310	Veteran Services	—	—	—	—	1	1	—	—	—	—
	<b>Total Public Assistance</b>	<b>128</b>	<b>130</b>	<b>104</b>	<b>101</b>	<b>141</b>	<b>130</b>	<b>132</b>	<b>98</b>	<b>87.8</b>	<b>92.8</b>
	<b>Education</b>										
101.55.1235	County Library	10	10	8	9	7	6	6	5	5	7.5
101.15.1110	Ag Extension / Farm Advisor	—	—	—	—	—	—	—	—	—	0.8
	<b>Total Education</b>	<b>10</b>	<b>10</b>	<b>8</b>	<b>9</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>8.3</b>
	<b>Recreation and Culture</b>										
101.70.1300	Veterans Memorial Park	1	1	1	1	0.5	0.5	0.6	0.7	0.9	0.9
101.70.1305	Parks	—	—	—	—	0.5	0.5	0.6	0.7	0.7	0.7
	<b>Total Recreation and Culture</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1.2</b>	<b>1.4</b>	<b>1.6</b>	<b>1.6</b>
	<b>Total Positions</b>	<b>484</b>	<b>478</b>	<b>429</b>	<b>416</b>	<b>454.4</b>	<b>441.6</b>	<b>429.6</b>	<b>410.9</b>	<b>399.6</b>	<b>444.5</b>

