



Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2021 Kern County, California

Mary B. Bedard, CPA
Auditor-Controller-County Clerk



The photo on the front cover of this publication is from the opening ceremony of the Avenue of Flags at the Bakersfield National Cemetery on December 8, 2021. The photo is compliments of Mr. Mark Duffel who is a proud Kern County Veteran of the United States Marine Corps. Thank you, Mr. Duffel, for your service.

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



COUNTY OF KERN

Supervisor Phillip Peters.....First District
Supervisor Zach Scrivner Second District
Supervisor Mike MaggardThird District
Supervisor David Couch..... Fourth District
Supervisor Leticia PerezFifth District
Ryan Alsop – Chief Administrative Officer

Prepared by the Office of Mary B. Bedard, Auditor-Controller-County Clerk

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INTRODUCTORY SECTION



Mary B. Bedard, CPA
Auditor-Controller-County Clerk

KERN COUNTY AUDITOR-CONTROLLER-COUNTY CLERK

1115 Truxtun Avenue, 1st and 2nd Floor • Bakersfield, CA 93301-4639

May 23, 2022

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

Honorable Board Members:

The Annual Comprehensive Financial Report (ACFR) of the County of Kern (County) for the fiscal year ended June 30, 2021 is hereby submitted in compliance with Section 25253 of the Government Code of the State of California and Board of Supervisors' Resolution No. 69-58, dated January 28, 1969. The accompanying financial statements were prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) and audited by a firm of certified public accountants in accordance with auditing standards generally accepted in the United States of America as well as the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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

As the County's goal is to provide reasonable assurance that its financial statements for the fiscal year ended June 30, 2021 are free of material misstatement, the financial statements have been audited by CliftonLarsonAllen LLP, a firm of certified public accountants. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion which states the County's financial statements for the fiscal year ended June 30, 2021 are fairly presented in all material respects in conformity with GAAP. As such, the independent auditors' report is presented as the first component of the financial section of this report.

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

Additionally, GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Please note that this letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The County of Kern was organized April 2, 1866, from portions of Los Angeles and Tulare Counties, making it the southernmost county of California's San Joaquin Valley and spans 8,132 square miles. Kern County is organized as a general law county under California law, and is divided into five supervisorial districts. These five supervisorial districts contain 11 incorporated cities. Bakersfield, the County seat, is home to approximately 43 percent of the County's total population of 914,193 while approximately 35 percent of Kern County residents reside in unincorporated areas.

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

Budgetary and Internal Controls

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

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

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

Factors Affecting Financial Condition

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

Long-Term Financial Planning

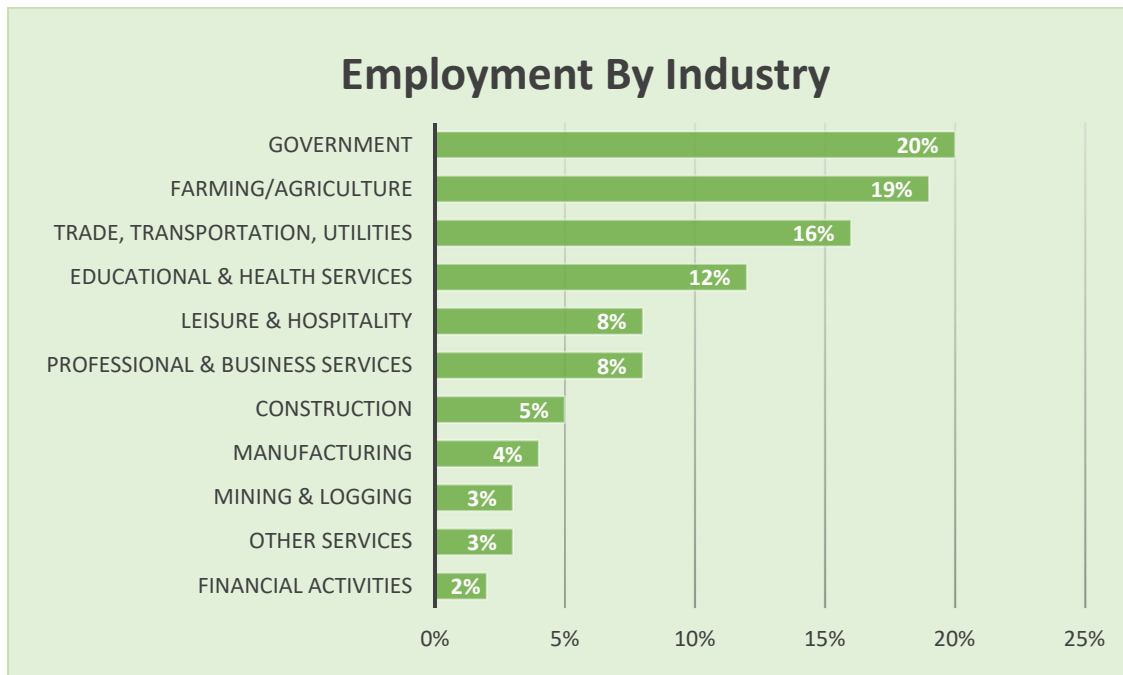
The County cannot predict the fiscal outcome of future State budget negotiations, the impact that such budgets will have on County finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. There can be no assurances that actions taken by the State will not materially adversely affect the financial condition of the County. Current and future State budgets will be affected by national and State economic conditions and other factors, over which the County has no control. Volatility of the local assessed

value of the oil & gas roll in recent years has impacted the County recently and the State has begun implementing stricter regulation over the industry. The State's goal of achieving carbon neutrality by 2045 includes managing the elimination of the transportation-related fossil fuel supply in the State. If accomplished, this would have a direct impact on the Kern County economy. Current financial planning for future major outlays is considered on a case-by-case basis by the Board of Supervisors and the County Administrative Office. In the short-term, the County Administrative Office evaluates the necessity for mid-year budgetary adjustments to be made for known shortfalls in budgeted revenue.

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

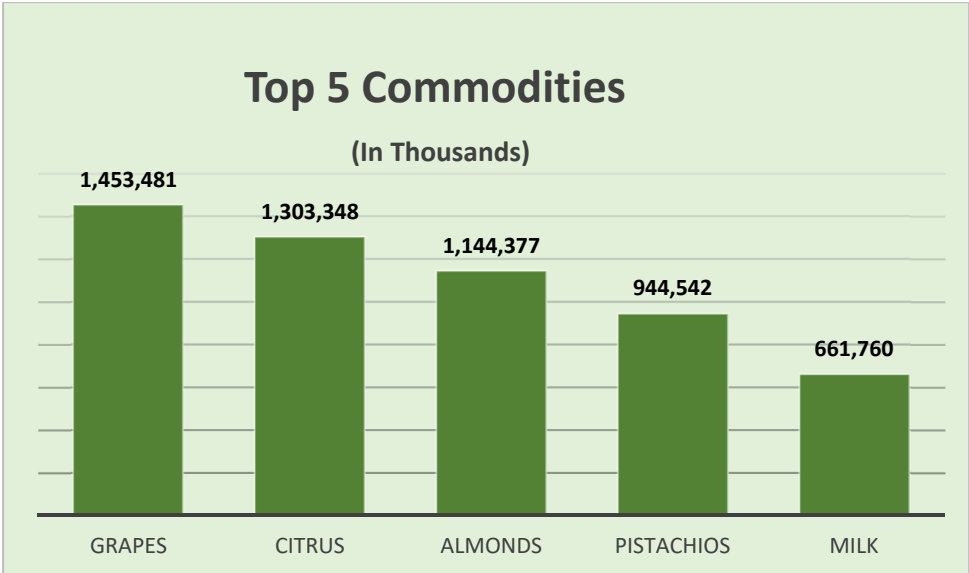
Local Economy

According to the California Employment Development Department, as of October 2021 approximately 357,600 residents of the County were employed, resulting in an unemployment rate of 8.3%. This was an improvement over the May 2021 rate of 10%. The unemployment rate as of October 2019, prior to the pandemic, was 6.5%.



Source: State of California EDD

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



Source: Kern Agricultural Crop Report – 2020

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

Major Initiatives

County Fiscal Plan

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

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

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Kern for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the twenty-fourth consecutive year that the County of Kern has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Sincerely,

A handwritten signature in cursive script that reads "Mary B. Bedard". The signature is written in black ink and is positioned above the printed name and title.

Mary B. Bedard, CPA
Auditor-Controller-County Clerk

**COUNTY OF KERN
DIRECTORY OF COUNTY OFFICIALS**

ELECTED

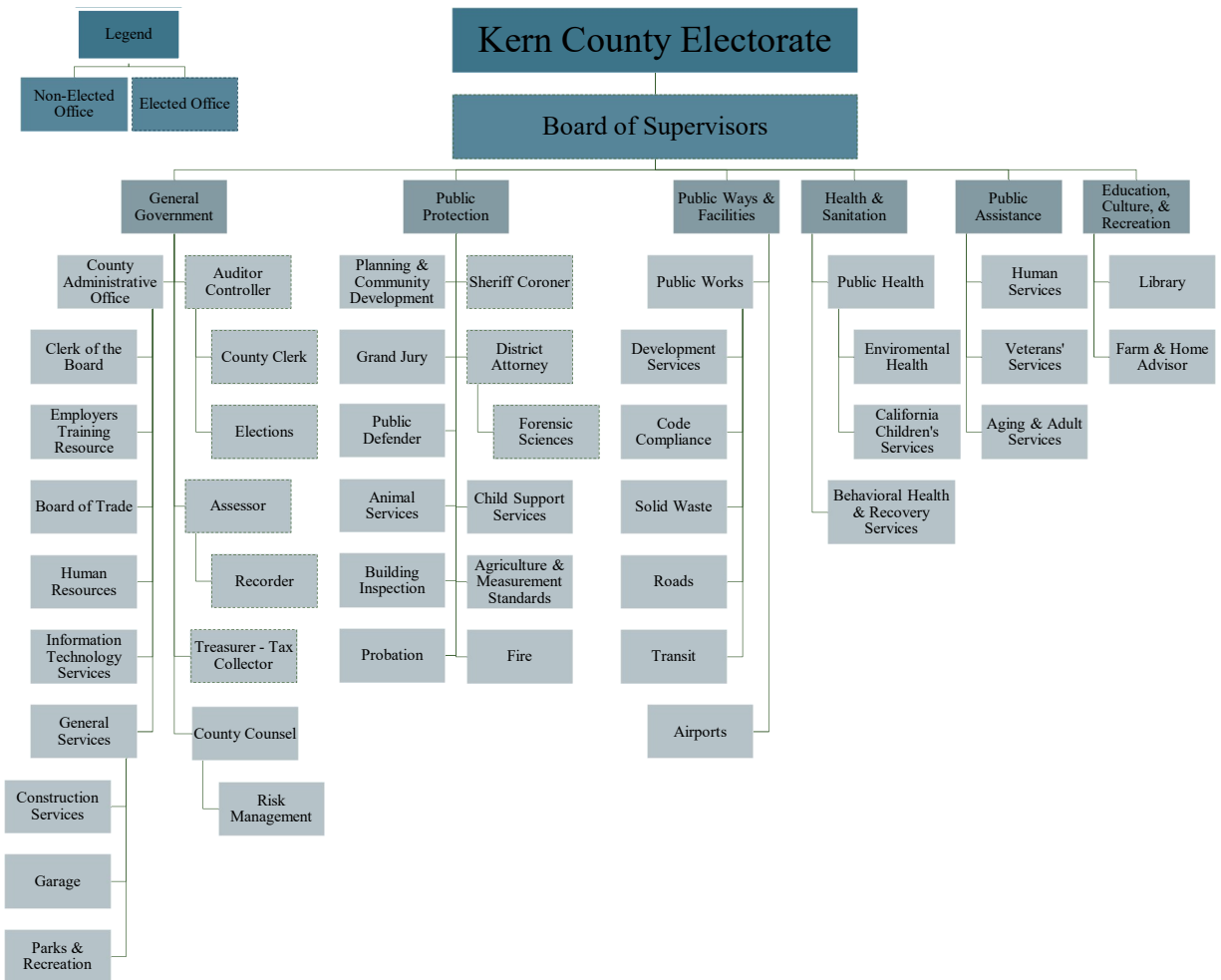
COUNTY SUPERVISOR, FIRST DISTRICT PHILLIP PETERS
COUNTY SUPERVISOR, SECOND DISTRICT..... ZACH SCRIVNER
COUNTY SUPERVISOR, THIRD DISTRICT MIKE MAGGARD
COUNTY SUPERVISOR, FOURTH DISTRICT.....DAVID COUCH
COUNTY SUPERVISOR, FIFTH DISTRICT LETICIA PEREZ
ASSESSOR-RECORDER..... JON LIFQUIST
AUDITOR-CONTROLLER-COUNTY CLERK..... MARY B. BEDARD
DISTRICT ATTORNEYCYNTHIA ZIMMER
SHERIFF-CORONER-PUBLIC ADMINISTRATOR..... DONNY YOUNGBLOOD
TREASURER-TAX COLLECTOR JORDAN KAUFMAN

COUNTY OF KERN
DIRECTORY OF COUNTY OFFICIALS
(CONTINUED)

APPOINTED

AGING AND ADULT SERVICES	LITO MORILLO
AGRICULTURAL COMMISSIONER/SEALER	GLENN FANKHAUSER
AIRPORTS	MARK WITSOE
ANIMAL SERVICES	NICHOLAS CULLEN
CLERK OF THE BOARD	KATHLEEN KRAUSE
CHILD SUPPORT SERVICES	ELIZABETH CHAVEZ
COMMUNITY AND ECONOMIC DEVELOPMENT	LORELEI OVIATT
CHIEF ADMINISTRATIVE OFFICER.....	RYAN ALSOP
BOARD OF TRADE	
EMPLOYERS' TRAINING RESOURCE	
GENERAL SERVICES	
GROUP HEALTH	
HUMAN RESOURCES	
INFORMATION TECHNOLOGY SERVICES	
RETIREE GROUP HEALTH	
UNEMPLOYMENT	
COUNTY COUNSEL.....	MARGO RAISON
DEVELOPMENT SERVICES AGENCY	LORELEI OVIATT
EMERGENCY MEDICAL SERVICES	BRYNN CARRIGAN
ENVIRONMENTAL HEALTH	BRYNN CARRIGAN
FARM AND HOME ADVISOR.....	BRIAN MARSH
FIRE DEPARTMENT	AARON DUNCAN
HUMAN SERVICES	DENA MURPHY
LIBRARY.....	ANDREA SULLIVAN
BEHAVIORAL HEALTH & RECOVERY SERVICES.....	STACY KUWAHARA
PLANNING.....	LORELEI OVIATT
PROBATION.....	T.R. MERICKEL
PUBLIC DEFENDER	PAM SINGH
PUBLIC HEALTH.....	BRYNN CARRIGAN
PUBLIC WORKS	CRAIG POPE
ENGINEERING & SURVEY SERVICES	
ROADS	
WASTE MANAGEMENT	
VETERANS' SERVICES	JOSH DHANENS

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





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Kern
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO





FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Kern
Bakersfield, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Kern, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of First 5 Kern, Kern County Hospital Authority and Tejon Ranch Public Facilities Financing Authority, which represent 100 percent of the assets, net position and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for First 5 Kern, Kern County Hospital Authority and Tejon Ranch Public Facilities Financing Authority are based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Kern as of June 30, 2021, 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.

Emphasis of Matter

Restatements of Fund Balance and Net Position

As disclosed in Note 2 to the financial statements, the County of Kern adopted GASB Statement No. 84 Fiduciary Activities. As a result of the implementation of this standard, the County of Kern reported a restatement for the change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, budgetary comparison schedules, schedule of the County's proportionate share of the net pension liability and the County's contributions, and schedule of the County's proportionate share of the net OPEB liability and the County's contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

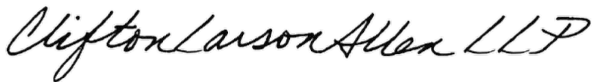
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Kern's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Board of Supervisors
County of Kern

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



CliftonLarsonAllen LLP

Roseville, California
May 23, 2022





**MANAGEMENT'S
DISCUSSION AND ANALYSIS**

COUNTY OF KERN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
UNAUDITED

The management's discussion and analysis section of the County of Kern's (County) Annual Comprehensive Financial Report (ACFR) presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2021. Users of these financial statements should read this section in conjunction with the transmittal letter at the front of the ACFR and the County's basic financial statements following this section. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- At June 30, 2021, the County's total net position was \$1,279,805. Of this total net position, \$2,153,230 is attributed to net investment in capital assets, and \$654,302, is restricted, which may be used for the County's ongoing obligations with external restrictions. (For additional information on Restricted Net Position see Note 17. B.) The remaining balance of the total net position is a deficit balance of \$1,527,727 representing the unrestricted net position.
- During the current fiscal year, the County's net position increased by \$324,737. The County's net position increased by \$309,705 for governmental activities and increased \$15,032 for business-type activities. There was an additional increase of \$54,666 in net position due to the implementation of GASB 84 which resulted in increases of \$54,552 in governmental activities and \$114 in business-type activities.
- At June 30, 2021, the County's governmental funds reported total ending fund balance of \$985,774, an increase of 30.76% compared to prior year's total ending fund balance. Approximately \$963,240 or 97.71% is considered spendable fund balance. See further discussion in the Financial Analysis of the County's Governmental Funds section on page 19.
- At June 30, 2021, the spendable fund balance for the General Fund was \$392,936 or 60.62% of total General Fund expenditures.

Overview of the Basic Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components:

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

Government-Wide Financial Statements

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

The *Statement of Net Position* presents information on all of the County's assets and deferred outflows of resources less liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *Statement of Activities* presents information illustrating how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event takes place regardless of when cash is received or paid. Thus, some revenues and expenses are reported in the ACFR for some items that will only result in cash inflows and outflows in future fiscal years.

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

The government-wide financial statements are presented on pages 24 and 25 of the ACFR.

Fund Financial Statements

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

- Governmental funds
- Proprietary funds
- Fiduciary funds

Governmental funds are used to account for activities that are similar in nature to the governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be used in evaluating Kern County's future financing requirements and available resources.

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

The County reports nine major individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for each of the major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located in the *Combining and Individual Fund Statements and Schedules* section.

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

The basic governmental fund financial statements are presented on pages 26 through 31 of the ACFR.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds' financial statements provide separate information for Airports and Waste Management, which are considered to be major funds of the County. For presentation, all other enterprise funds

are combined into a single, aggregated column, as well as the internal service funds. Individual fund data for the non-major enterprise funds and the internal service funds is provided in the combining statements of the ACFR.

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

The proprietary funds basic financial statements are presented on pages 32 through 35 of the ACFR.

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

The fiduciary fund basic financial statements are presented on pages 36 and 37 of the ACFR.

Notes to the Financial Statements

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

The notes to the financial statements are presented starting on page 40 of the ACFR.

Government-Wide Financial Analysis

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

	Governmental Activities		Business-Type Activities		Total		Total Change	Percent Change
	2021	2020	2021	2020	2021	2020		
Current and Other Assets	\$ 1,469,838	\$ 1,192,220	\$ 90,918	\$ 94,892	\$ 1,560,756	\$ 1,287,112	\$ 273,644	21.26%
Capital Assets	2,018,817	1,950,175	237,300	224,463	2,256,117	2,174,638	81,479	3.75%
Total Assets	3,488,655	3,142,395	328,218	319,355	3,816,873	3,461,750	355,123	10.26%
Total Deferred Outflows of Resources	468,822	345,069	10,916	7,910	479,738	352,979	126,759	35.91%
Current and Other Liabilities	360,916	345,171	14,788	15,255	375,704	360,426	15,278	4.24%
Long-Term Liabilities	2,376,496	2,272,612	111,651	114,253	2,488,147	2,386,865	101,282	4.24%
Total Liabilities	2,737,412	2,617,783	126,439	129,508	2,863,851	2,747,291	116,560	4.24%
Total Deferred Inflows of Resources	149,414	163,257	3,541	3,749	152,955	167,006	(14,051)	(8.41%)
Net Position								
Net Investment in Capital Assets	1,919,459	1,849,934	233,771	220,244	2,153,230	2,070,178	83,052	4.01%
Restricted	651,515	488,536	2,787	2,680	654,302	491,216	163,086	33.20%
Unrestricted	(1,500,323)	(1,632,046)	(27,404)	(28,916)	(1,527,727)	(1,660,962)	133,235	8.02%
Total Net Position	\$ 1,070,651	\$ 706,424	\$ 209,154	\$ 194,008	\$ 1,279,805	\$ 900,432	\$ 379,373	42.13%

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. At June 30, 2021, the County's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$1,279,805.

Net Investment in Capital Assets

The County's largest portion of total net position is the net investment in capital assets of \$2,153,230. The net investment in capital assets includes land, buildings and improvements, roads, machinery and equipment, intangibles, and construction in progress, less accumulated depreciation and amortization and any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens, and, as a result, these assets are not available for future spending. Because the net investment in capital

assets is reported net of related debt, and since the capital assets themselves cannot be used to liquidate the debt liabilities, it should be noted that the resources needed to repay this debt must be provided from other sources.

The increase in net investment in capital assets of \$83,052, or 4.01%, was the result of the current fiscal year capital acquisitions, disposals, depreciation and amortization, and retirement of related long-term debt. In most cases, the disposals of capital assets have no effect on the change in net investment in capital assets, since assets are not typically disposed of until the end of their useful life and would carry no book value when net of associated depreciation or amortization. The largest increase in capital asset activity was in Infrastructure. The \$60,575 change, shown in Table 3 on page 21, was a result of liners for the County’s landfills being reclassified to infrastructure. Depreciation and Amortization of \$62,239 was the biggest reduction to net investment in capital assets.

Restricted Net Position

Of the County’s total net position, \$654,302 is restricted, which represents external restrictions on how these resources may be used. The major portion of the restricted resources, \$511,508, is reserved for public protection, public assistance, and health & sanitation. The total restricted balance increased by \$163,086, or 33.20%, predominantly from the increase of \$116,217 to public assistance, which is mostly made up of restricted state revenue associated with 1991 Realignment.

Unrestricted Net Position

The remaining balance of net position represents the unrestricted resources, which has a deficit balance of \$1,527,727. This deficit balance is largely due to the inclusion of the long-term debt specifically for the unfunded portions of the pension and Other Post-Employment Benefit (OPEB) liabilities. In the current fiscal year, unrestricted net position decreased by \$133,235, or 8.02%; this change is due to the current year debt payments and the reductions of the net liabilities from the pension and OPEB actuarial reports.

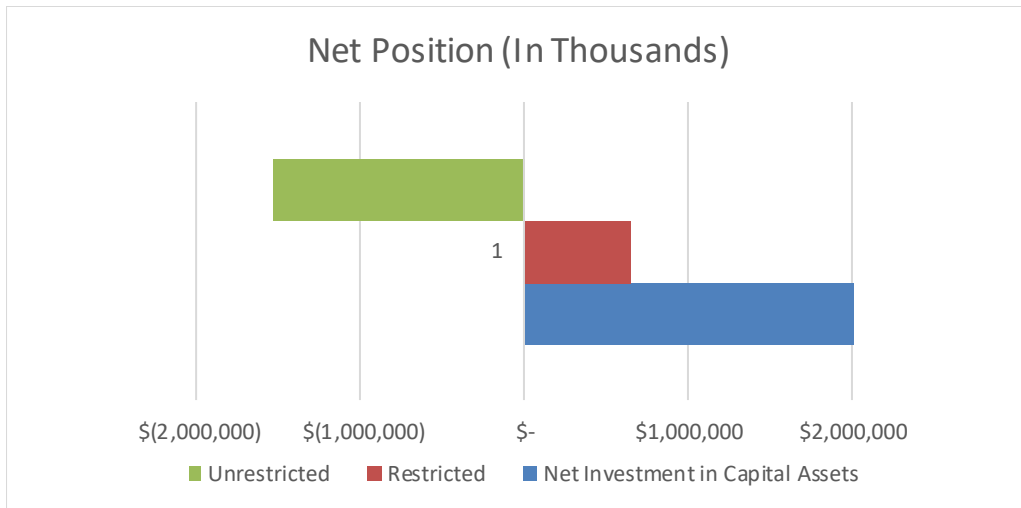


Table 2 - County of Kern's Changes in Net Position (In Thousands)

	Governmental Activities		Business-Type Activities		Total		Total Change
	2021	2020	2021	2020	2021	2020	
Revenues							
Program Revenues							
Charges for Services	\$ 380,518	\$ 326,683	\$ 88,766	\$ 88,550	\$ 469,284	\$ 415,233	\$ 54,051
Operating Grants & Contributions	1,151,366	923,221	12,625	1,301	1,163,991	924,522	239,469
Capital Grants & Contributions	9,423	29,778	2,956	2,954	12,379	32,732	(20,353)
General Revenues							
Property Taxes	293,159	267,250	-	-	293,159	267,250	25,909
Aircraft Taxes	162	176	-	-	162	176	(14)
Sales & Use Taxes	50,028	44,914	-	-	50,028	44,914	5,114
Transient Occupancy Tax	3,117	2,492	-	-	3,117	2,492	625
Transfer Tax	4,961	4,110	-	-	4,961	4,110	851
Other Taxes	1,050	1,237	-	-	1,050	1,237	(187)
Vehicle License Taxes	110,505	107,421	-	-	110,505	107,421	3,084
Investment Earnings	5,495	31,946	60	3,716	5,555	35,662	(30,107)
Miscellaneous	-	12,492	-	-	-	12,492	(12,492)
Total Revenues	2,009,784	1,751,720	104,407	96,521	2,114,191	1,848,241	265,950
Expenses							
General Government	125,627	125,107	-	-	125,627	125,107	520
Public Protection	578,401	623,722	-	-	578,401	623,722	(45,321)
Public Ways & Facilities	65,488	69,698	-	-	65,488	69,698	(4,210)
Health & Sanitation	389,283	364,610	-	-	389,283	364,610	24,673
Public Assistance	514,074	539,287	-	-	514,074	539,287	(25,213)
Education	6,543	7,379	-	-	6,543	7,379	(836)
Culture & Recreation Services	913	988	-	-	913	988	(75)
Interest on Short & Long-Term Debt	18,935	23,794	-	-	18,935	23,794	(4,859)
Airports	-	-	10,244	8,373	10,244	8,373	1,871
County Sanitation Districts	-	-	4,445	4,063	4,445	4,063	382
Golf Courses	-	-	642	835	642	835	(193)
Public Transportation	-	-	10,987	11,642	10,987	11,642	(655)
Universal Collection	-	-	17,756	17,409	17,756	17,409	347
Waste Management	-	-	46,123	48,469	46,123	48,469	(2,346)
Total Expenses	1,699,264	1,754,585	90,197	90,791	1,789,461	1,845,376	(55,915)
Excess of Revenues Over Expenses Before Transfers	310,520	(2,865)	14,210	5,730	324,730	2,865	321,865
Transfers	(815)	(436)	815	436	-	-	-
Gain on Sale of Capital Assets	-	-	7	-	7	3,897	(3,890)
Increase in Net Position	309,705	(3,301)	15,032	6,166	324,737	6,762	317,975
Net Position at Beginning of Year*	760,946	709,725	194,122	187,842	955,068	897,567	57,501
Net Position at End of Year	\$ 1,070,651	\$ 706,424	\$ 209,154	\$ 194,008	\$ 1,279,805	\$ 904,329	\$ 375,476

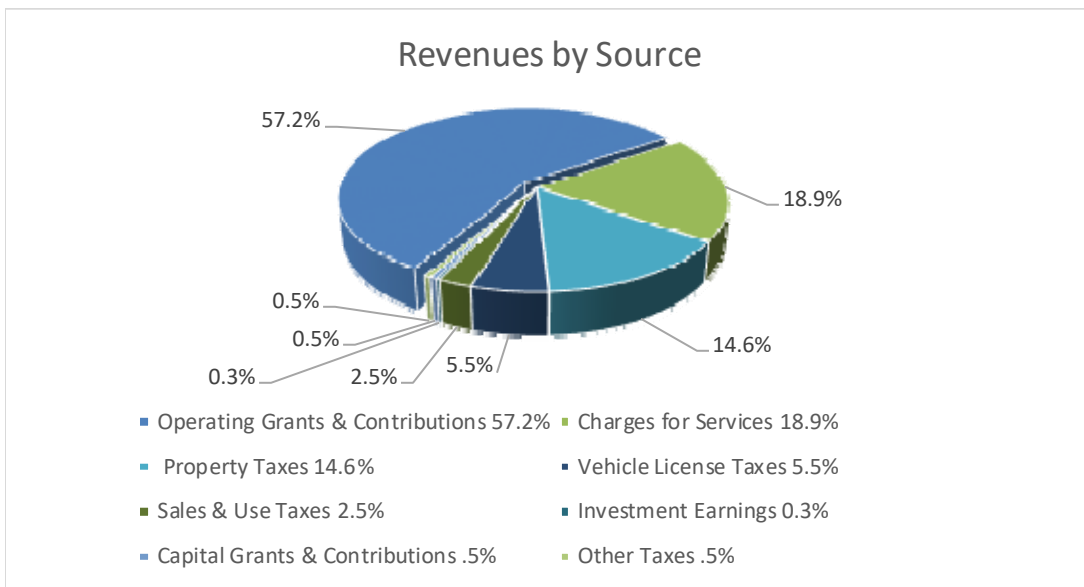
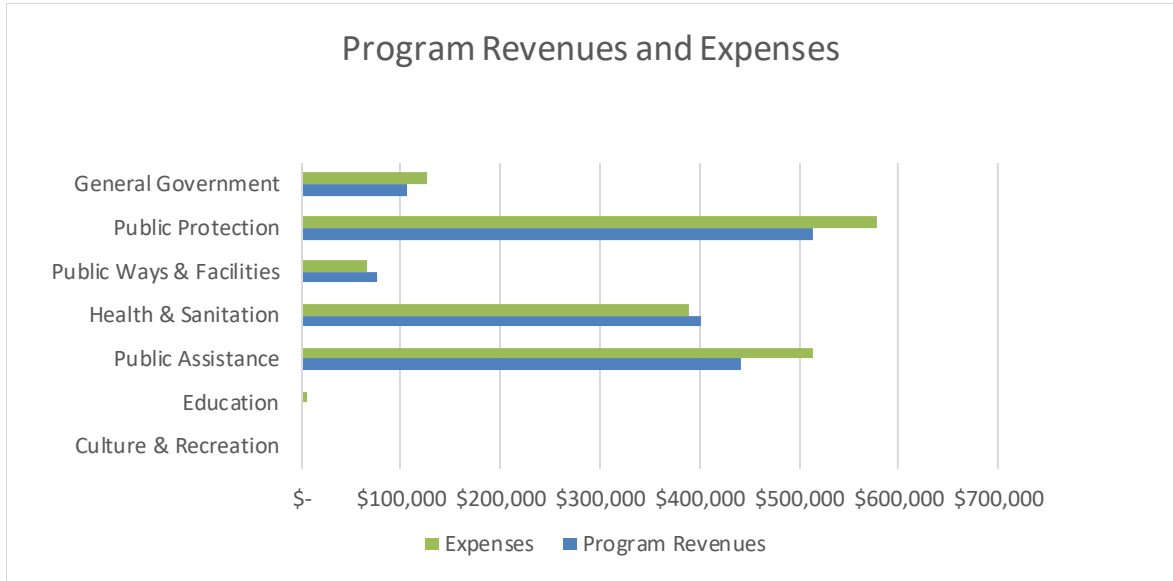
* As restated. See Note II. A.

Governmental Activities

The Governmental activities increased the County's net position by \$309,705 for the year ended June 30, 2021:

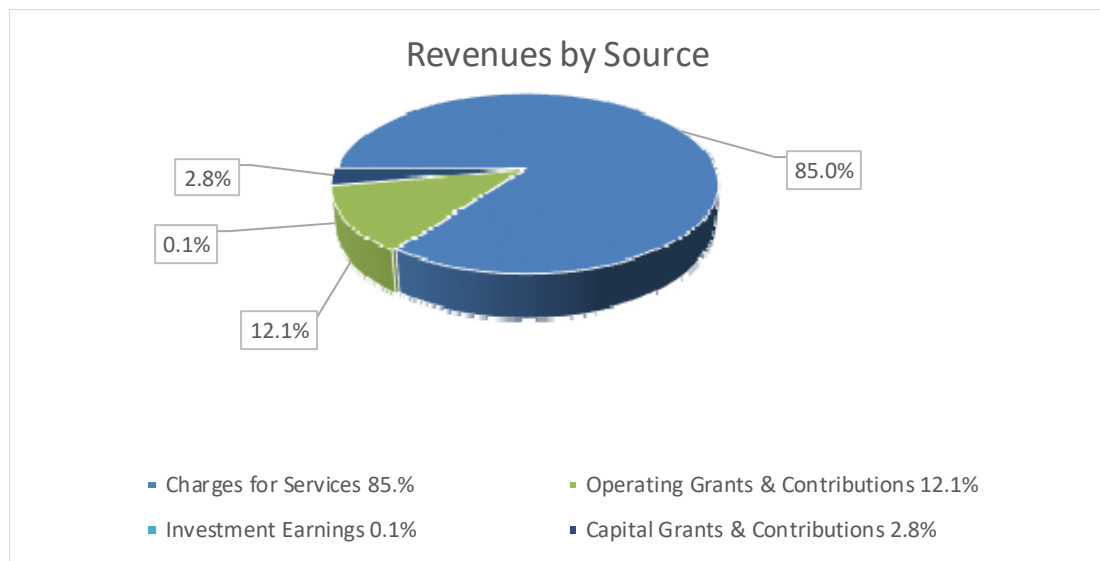
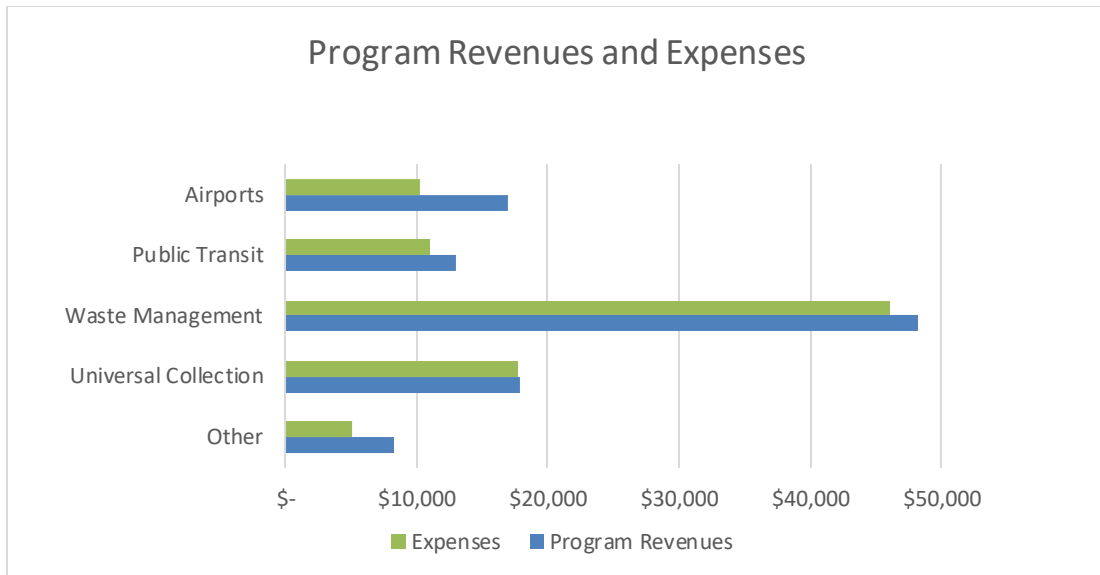
- Total revenues increased by \$258,064, or 14.73%; the largest increase in revenues of \$228,145 was from program revenues for operating grants and contributions.
- As an arm of the State government, operating grants and contributions serve multiple programs, representing 57.29% of the County's total revenue for governmental activities, and are tied to the mandated services such as public assistance, public health, and mental health. Funding levels for these revenue sources increased by 24.71% from the prior year.
- Taxes and investment earnings that are generated locally provide the Board of Supervisors (Board) with most of its discretionary spending power. The changes are primarily due to the following:
 - Property Tax* revenues increased by \$25,909, or 9.69%, from prior year due to an increase in property values and oil prices.
 - Investment Earnings* revenues decreased by \$26,451, or 82.80%, from prior year due to a decrease in interest rates which was offset with the change in fair value of investments at year-end.
- Total expenses decreased by \$55,321, or 3.15%, from prior year largely due to the increase to the governmental portion of the net pension liability, which gets allocated to functional expenses at the government-wide level. Although the total pension allocation was a reduction, personnel changes caused an increase in costs for Health & Sanitation. The remaining increase in Health & Sanitation came from

additional expenses for Behavioral Health & Recovery Services. The decrease in Public Assistance resulted primarily from a reduction in benefit payments made by Human Services.



Business-type Activities

Business-type activities' total net position increased the County's net position by \$15,032, or 7.74%. Charges for Services increased by \$216 due to higher sewer and universal collection fees. Expenses in the government-wide business-type activities remained relatively consistent with a slight increase in Airports expenses due to additional depreciation from the recently completed construction projects and Universal Collections due to additional costs for services provided. Waste Management had a decrease in current year expenses due to a reduction in services and supplies.



Financial Analysis of the County's Funds

Governmental Funds

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

At June 30, 2021, the County's governmental funds reported total fund balances of \$985,774, an increase of 30.76% compared to prior year's total ending fund balance. Approximately \$963,240, or 97.71%, of total fund balance is spendable fund balance, which is a useful measure of the County's resources available for spending in subsequent periods. Spendable fund balance is broken out into the following categories: Restricted, Committed, Assigned, and Unassigned. These categories identify allowable usage of fund balance. The remaining balance of fund balance is nonspendable. Nonspendable fund balance indicates that it is not available for spending because it is either not in spendable form or legally or contractually required to be maintained intact.

The General Fund is the chief operating fund of the County. At June 30, 2021, spendable fund balance of the General Fund was \$392,963. As a measure of the General Fund's liquidity, it may be helpful to compare both spendable fund balance and total fund balance to total fund expenditures. Spendable fund balance represents

60.62% of total General Fund expenditures, while total fund balance represents 63.20% of total General Fund expenditures.

The fund balances for other governmental funds increased by \$150,296, or 35.30% compared to prior year's total ending fund balances. The following major governmental funds had significant changes in fund balance:

- Behavioral Health & Recovery Services – Fund balance increased by \$4,827 or 4.00%, to a total of \$125,538 due to increases in staffing costs and services provided.
- Community Development – Fund balance decreased by \$315, or 19.70%, to a total of \$1,284. The decrease is due to an increase in community development grant funded projects during the year.
- Coronavirus Relief – Fund balance decreased by \$305, or 12.98%. The decrease is due to a nominal change in revenue and expenditures related to federal and state assistance received and spent to assist in the local response to the pandemic.
- County Local Revenue Fund – Fund balance increased by \$47,587 or 100.72%. The increase is due higher than anticipated state collections of sales tax revenue as a result of the recovery from the pandemic.
- Human Services – Fund balance decreased by \$3,312, or 16.18%, to a total of \$17,156. The decrease is related to a decrease in revenue allocations and an increase in expenditures as a result of the COVID-19 pandemic.
- Kern Tobacco Funding Corp. – Fund balance increased by \$110, or 1.13%. The increase is due to interest earned on cash with trustee and a reduction in the annual debt service payment.
- Roads - Fund balance increased by \$7,035, or 12.39%. The increase was primarily due to additional charges for services as well as an increase in federal aid for construction.
- Structural Fire – Fund balance increased by \$42,190, or 318.17%, to a total of \$55,450. The increase is due to primarily to significant increases in Taxes and Charges for Services revenue.

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

- Child Support Services – Fund balance decreased by \$1,015, or 53.20%, to a total of \$893. Changes are a result of an increase in liabilities from prior years due to other funds, and a reduction in revenues received to combat the effects of the coronavirus pandemic on the most vulnerable populations.
- Environmental Health Services – Fund balance increased by \$1,626, or 54.64%, to a total of \$4,602. The increase is a result of a reimbursement of designations and funds received for COVID-19 relief.
- Recorder – Fund balance increased by \$1,800, or 92.21%, to a total of \$3,752. The increase was due to an increase in recording fee revenues and a decrease in salaries and wages.

Proprietary Funds

The proprietary funds provide similar information to the government-wide financial statements, but in more detail. The enterprise funds' total net position increased by \$15,548. The net position of Airports increased by \$7,254, Waste Management increased by \$2,129, and the non-major enterprise funds increased by \$6,165. Operating revenues and expenses remained consistent with prior year for Airports, Waste Management, and non-major enterprise funds.

The internal service funds had an increase in net position of \$7,287. The General Liability Fund's net position increased \$2,622 due to an increase in charges for current services. The General Services-Garage Fund had a decrease in net position of \$657 as a result of the current year reduction in deferred outflows of resources related to pensions and disposal of equipment. The Group Health Fund increased net position by \$3,522 due to lower than anticipated claims costs and costs savings from programmatic changes. The Public Works Fund had a slight decrease in net position of \$993 as a result of a slight decrease in operating revenues. The Retiree Group Health Fund increased net position by \$636 due to an increase in charges for current services and the Unemployment Compensation Fund also had an increase to net position of \$1,606 as a result of increases in claims incurred. Workers' Compensation Fund remained fairly consistent with prior year with a small increase of \$551.

General Fund Budgetary Variances

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

- Increase in total General Government appropriations of \$29,160 includes prior year appropriations that consisted of major maintenance and capital projects as well as appropriations transferred from contingencies and reserves.
- Increase in total Public Protection appropriations of \$9,356 includes additional appropriations for capital assets for the Probation's department as well as an increase in appropriations for salaries & benefits and professional services for the Sheriff's department.
- Increase in total Health and Sanitation appropriations of \$39,120 are due to appropriations associated to the COVID-19 pandemic.
- Miscellaneous increases in appropriations for normal operations in other budgetary functions of the General Fund.

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

- Aid from Other Governmental Agencies was higher than anticipated due to a reduction in state aid for public assistance and other various programs.
- General Government excess appropriations are the result of multi-year capital projects and major maintenance projects not completed this year.
- Public Protection excess appropriations are the result unspent funds in District Attorney, Probation, Public Defender, Sheriff, and Planning, with small unspent funds in all other Public Protection departments.

Capital Assets and Debt Administration

Capital Assets

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

	Governmental Activities		Business - Type Activities		Total		Total Change
	2021	2020	2021	2020	2021	2020	
Land	\$ 34,250	\$ 33,307	\$ 36,605	\$ 34,672	\$ 70,855	\$ 67,979	\$ 2,876
Land Improvements	-	-	69,267	67,221	69,267	67,221	2,046
Land Acquisition in Progress	-	-	86	98	86	98	(12)
Construction in Progress	26,840	9,861	14,068	5,748	40,908	15,609	25,299
Works of Arts	60	60	198	198	258	258	-
Infrastructure	810,737	754,933	130,791	125,838	941,528	880,771	60,757
Structures and Improvements	617,948	606,123	89,831	89,144	707,779	695,267	12,512
Equipment	217,479	212,879	46,654	39,200	264,133	252,079	12,054
Intangibles	1,180,232	1,159,424	1,109	1,109	1,181,341	1,160,533	20,808
Total	\$ 2,887,546	\$ 2,776,587	\$ 388,609	\$ 363,228	\$ 3,276,155	\$ 3,139,815	\$ 136,340

The County's gross capital assets total \$3,276,155 at June 30, 2021 as illustrated in Table 3. Total net capital assets which include land, land improvements, land acquisition in progress, construction in progress, works of art, infrastructure, structures and improvements, equipment, intangibles, depreciation, and amortization is \$2,256,117 as detailed in Note 7 in the Notes to the Financial Statements.

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

- Construction in Progress – Roads construction increased by \$23,987 and a full year of an ERP Implementation was recognized in the amount of \$4,692.
- Infrastructure – The Roads Department had several completed infrastructure projects in the current fiscal year. The total infrastructure additions by Roads were \$58,625.
- Structures and Improvements – An increase of \$9,367 is attributable to a Navigation Center being completed during the year along with various renovations to existing County structures. Improvements in the amount of \$2,459 were also made during the year.
- Equipment – The Sheriff added \$5,611 in equipment related to a new capital lease. The Roads Department also added \$3,524 in new equipment. The remaining additions of \$1,564 were added to various other departments.
- Intangibles – Right of way easements, in the amount of \$20,546 were recorded for new roads that will be maintained by the County.

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

Long-Term Debt

At June 30, 2021, the County’s long-term debt is \$2,462,968, which is mainly comprised of Certificates of Participation (COP) (secured by the County’s lease rental payments), tobacco asset backed bonds, net pension liability, and Pension Obligation Bonds. The remaining long-term liabilities include other bonds payable, capital leases, various loans payable, closure/post closure liabilities, compensated absences, and net OPEB liability.

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

Additional information regarding the County’s long-term debt can be found in Note 9 of the Notes to the Financial Statements.

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

	Governmental Activities		Business - Type Activities		Total		Total Change
	2021	2020	2021	2020	2021	2020	
Compensated Absences	\$ 87,768	\$ 92,321	\$ 2,702	\$ 2,784	\$ 90,470	\$ 95,105	\$ (4,635)
Lease Purchase Agreements	24,424	21,079	-	-	24,424	21,079	3,345
Certificates of Participation	71,063	74,721	-	-	71,063	74,721	(3,658)
Tobacco - Asset Backed Bonds	69,820	76,306	-	-	69,820	76,306	(6,486)
Bonds Payable	1,659	1,970	-	-	1,659	1,970	(311)
Loans Payable	8,519	9,437	3,529	4,072	12,048	13,509	(1,461)
Pension Obligation Bonds	127,111	151,729	2,053	2,455	129,164	154,184	(25,020)
Pollution Remediation	-	-	7,713	6,349	7,713	6,349	1,364
Landfill Closure Liability	-	-	30,387	32,611	30,387	32,611	(2,224)
Post Closure Liability	-	-	23,121	29,510	23,121	29,510	(6,389)
Net OPEB Liability	17,991	41,728	410	951	18,401	42,679	(24,278)
Net Pension Liability	1,939,652	1,765,252	45,046	38,913	1,984,698	1,804,165	180,533
Total	\$ 2,348,007	\$ 2,234,543	\$ 114,961	\$ 117,645	\$ 2,462,968	\$ 2,352,188	\$ 110,780

Economic Factors and Next Year’s Budgets and Rates

The Economy plays a significant role in the County’s ability to provide services to the public. There are several factors that the County considers and monitors to ensure that a balanced budget is adopted, including employment levels, housing market and the state and national economy. The Fiscal Year 2021-22 adopted budget reflects the County’s ongoing recovery and strategic response to the COVID-19 Pandemic. While the \$3.5 billion adopted budget is built on a leaner baseline established last fiscal year due to stagnant growth in discretionary revenues, fiscal measures including reduction of costs and cautious spending of one-time fund balances, pandemic related

financial support from the federal government have enable the County to respond to a global crisis while continuing to deliver essential public services to Kern County residents.

The following factors were considered in developing the FY 2021-22 Adopted Budget:

- Property tax roll value of \$103.5 billion. This is an increase of 902.9 million, or 0.9% from FY 2020-21 which is significantly less than the 3.1% growth the previous year. Oil and gas properties reflect a 24% decline resulting from oil values, market uncertainty and increased regulatory hurdles. This decrease is offset with a 3.83% increase in other rolls, including 4.8% increased in secured properties including residential, commercial and agriculture properties. The adopted budget includes an overall \$292.6 in property tax related revenue, an increase of \$6.9 million more than FY 2020-21 adopted budget.
- The federal government has provided significant aid to the U.S. economy including funding under the Coronavirus Aid, Relief and Economic Security act, also known as CARES act and the Coronavirus State and Local Fiscal Recovery Funds, as part of the American Rescue Plan (ARPA). Both funding sources have provided \$157 million and 174.8 million respectively. The additional funding has afforded the County the opportunity to respond to the ongoing public health emergency, backfill lost revenue and aid in better meeting the needs of our community through investments in critical infrastructure.
- For FY 2021-22, Sales and Use Tax is increasing by \$4.4 million more than FY 2020-21 Adopted Budget. While Sales and Use Tax was impacted by the financial and economic effects of COVID-19, the impact was less than originally estimated, and collections continue to improve.
- While fiscal constrains continue to govern County programs, most departments will receive approximately the same level in Discretionary Resources (NGFC -Net General Fund Cost) as FY 2020-21. Previous year reductions of 7.5% in NGFC were restored for Libraries, Park and Recreation, the Assessor-Recorder, Information Technology Services, Public Defender and Animal Services. The funding is intended to increase service levels in libraries, prevent further maintenance level declines for County Parks and facilities, fund additional positions at the Public Defender's Office and to ensure that sufficient staff can support the implementation of the new enterprise resource planning system for replacement of Human Resources, Payroll and Finance systems.
- Approximately \$3.3 million of the fund balance is being used toward operations in the FY 2020-21 adopted budget.

Requests for Information

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

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





**BASIC FINANCIAL
STATEMENTS**

Government-Wide Financial Statements

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

	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Totals	
ASSETS				
Pooled Cash and Investments	\$ 1,116,047	\$ 104,116	\$ 1,220,163	\$ 17,596
Other Cash and Investments	-	-	-	104,261
Revolving Fund Cash	479	11	490	6
Restricted Cash and Investments	44,564	-	44,564	-
Receivables, Net	193,418	8,943	202,361	148,788
Due from Other Agencies	1,620	-	1,620	-
Inventories	7,273	-	7,273	4,195
Prepaid Expenses	-	-	-	4,399
Housing Loans Receivable	61,868	-	61,868	-
Housing Loans Interest Receivable	17,975	-	17,975	-
Deposits with Others	1,655	-	1,655	-
Internal Balances	24,939	(24,939)	-	-
Investment in Joint Venture	-	2,787	2,787	-
Capital Assets:				
Nondepreciable	1,225,562	50,959	1,276,521	10,393
Depreciable, Net	793,255	186,341	979,596	87,847
Total Assets	<u>3,488,655</u>	<u>328,218</u>	<u>3,816,873</u>	<u>377,485</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	7,414	61	7,475	370
Deferred OPEB	3,016	72	3,088	960
Deferred Pensions	458,392	10,783	469,175	120,485
Total Deferred Outflows of Resources	<u>468,822</u>	<u>10,916</u>	<u>479,738</u>	<u>121,815</u>
LIABILITIES				
Accounts Payable	49,429	8,797	58,226	50,838
Salaries and Employee Benefits Payable	26,041	63	26,104	9,957
Due to Other Agencies	664	-	664	-
Accrued Interest Payable	21,539	379	21,918	4,939
Unearned Revenue	138,044	1,519	139,563	-
Long-Term Liabilities:				
Due Within One Year:				
Long-Term Debt	32,458	945	33,403	4,854
Capital Leases	4,731	-	4,731	56
Compensated Absences	59,579	2,000	61,579	15,700
Closure, Post Closure, & Pollution Remediation Liability for Self-Insurance	-	1,085	1,085	-
Due After One Year:				
Certificates of Participation	67,483	-	67,483	-
Bonds and Notes Payable	170,655	1,662	172,317	94,070
Other Long-Term Liabilities	-	-	-	13,144
Loans Payable	7,576	2,974	10,550	-
Accrued Interest	44,751	721	45,472	5,707
Capital Leases	19,693	-	19,693	-
Compensated Absences	28,188	703	28,891	3,938
Liability for Pollution Remediation	-	7,049	7,049	-
Accrued Landfill Closure/Post Closure Costs	-	53,087	53,087	-
Liability for Self-Insurance	80,507	-	80,507	9,819
Net OPEB Liability	17,991	409	18,400	1,654
Net Pension Liability	1,939,652	45,046	1,984,698	381,153
Total Liabilities	<u>2,737,412</u>	<u>126,439</u>	<u>2,863,851</u>	<u>599,952</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Housing Payments	1,088	-	1,088	-
Deferred OPEB	30,471	695	31,166	3,530
Deferred Pensions	117,855	2,846	120,701	26,602
Total Deferred Inflows of Resources	<u>149,414</u>	<u>3,541</u>	<u>152,955</u>	<u>30,132</u>
NET POSITION				
Net Investment in Capital Assets	1,919,649	233,771	2,153,420	98,240
Restricted (Note 17. B):				
Capital Projects	34,560	-	34,560	-
General Government	22,930	-	22,930	-
Public Protection	108,775	-	108,775	-
Public Ways & Facilities	81,025	-	81,025	-
Health and Sanitation	157,991	-	157,991	-
Public Assistance	244,742	-	244,742	-
Education	434	-	434	-
Culture & Recreation Services	1,058	-	1,058	-
Other Purposes	-	2,787	2,787	8,959
Unrestricted (Deficits)	(1,500,513)	(27,404)	(1,527,917)	(237,984)
Total Net Position	<u>\$ 1,070,651</u>	<u>\$ 209,154</u>	<u>\$ 1,279,805</u>	<u>\$ (130,785)</u>

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

**COUNTY OF KERN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Business-Type Activities	Total	Discretely Presented Component Units
Governmental Activities:								
General Government	\$ 125,627	\$ 82,636	\$ 23,930	\$ 102	\$ (18,959)	\$ -	\$ (18,959)	
Public Protection	578,401	142,003	372,541	-	(63,857)	-	(63,857)	
Public Ways and Facilities	65,488	15,798	60,507	-	10,817	-	10,817	
Health and Sanitation	389,283	119,760	272,720	9,321	12,518	-	12,518	
Public Assistance	514,074	20,088	421,668	-	(72,318)	-	(72,318)	
Education	6,543	206	-	-	(6,337)	-	(6,337)	
Culture and Recreation Services	913	27	-	-	(886)	-	(886)	
Interest on Short and Long-term Debt	18,935	-	-	-	(18,935)	-	(18,935)	
Total Governmental Activities	<u>1,699,264</u>	<u>380,518</u>	<u>1,151,366</u>	<u>9,423</u>	<u>(157,957)</u>	<u>-</u>	<u>(157,957)</u>	
Business-type Activities:								
Airports	10,244	5,063	9,692	2,227	-	6,738	6,738	
County Sanitation Districts	4,445	7,918	-	-	-	3,473	3,473	
Golf Courses	642	332	-	-	-	(310)	(310)	
Public Transportation	10,987	9,654	2,659	729	-	2,055	2,055	
Universal Collection	17,756	17,910	-	-	-	154	154	
Waste Management	46,123	47,889	274	-	-	2,040	2,040	
Total Business-type Activities	<u>90,197</u>	<u>88,766</u>	<u>12,625</u>	<u>2,956</u>	<u>-</u>	<u>14,150</u>	<u>14,150</u>	
Total Primary Government	<u>1,789,461</u>	<u>469,284</u>	<u>1,163,991</u>	<u>12,379</u>	<u>(157,957)</u>	<u>14,150</u>	<u>(143,807)</u>	
Discretely Presented Component Units	\$ 481,666	\$ 254,596	\$ 269,641	\$ -			\$ 42,571	
General Revenues:								
Taxes:								
Property Taxes					293,159		293,159	
Aircraft Taxes					162		162	
Sales and Use Taxes					50,028		50,028	
Transient Occupancy Tax					3,117		3,117	
Special Taxes					-		-	
Transfer Taxes					4,961		4,961	
Other Taxes					1,050		1,050	5,538
Property Taxes in Lieu of Motor Vehicle License Fees					110,505		110,505	
Grants and Contributions not Restricted to Specific Programs:								
Unrestricted Investment Earnings					5,495	60	5,555	266
Miscellaneous					-	7	-	-
Gain on Sale of Capital Assets					-	815	-	-
Transfers					(815)	882	468,544	5,804
Total General Revenues, Special Item, and Transfers					<u>467,662</u>	<u>882</u>	<u>468,544</u>	<u>5,804</u>
Change in Net Position					<u>309,705</u>	<u>15,032</u>	<u>324,737</u>	<u>48,375</u>
Net Position--beginning, restated					<u>760,946</u>	<u>194,122</u>	<u>955,068</u>	<u>(179,160)</u>
Net Position--ending					<u>1,070,651</u>	<u>209,154</u>	<u>1,279,805</u>	<u>(130,785)</u>

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



**BASIC FINANCIAL
STATEMENTS**

Fund Financial Statements



**COUNTY OF KERN
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021 (IN THOUSANDS)**

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	CORONAVIRUS RELIEF	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Pooled Cash and Investments	\$ 397,210	\$ 127,147	\$ 1,328	\$ 114,246	\$ 80,649	\$ 12,088
Revolving Fund Cash	349	1	-	-	-	101
Cash and Investments Deposited with Trustee	-	-	-	-	-	-
Interest Receivable	1,488	311	4	194	-	102
Taxes Receivable	33,895	-	-	-	-	-
Accounts Receivable, Net	1,949	412	-	-	-	1,862
Accrued Revenue	22,761	17,252	1,527	-	18,137	27,190
Due from Other Funds	4,000	5,657	-	-	-	3,041
Due from Other Agencies	660	357	-	-	-	-
Housing Loans Receivable	-	-	46,294	-	-	-
Housing Loans Interest Receivable	-	-	15,293	-	-	-
Deposits with Others	136	-	-	-	-	-
Inventory - Materials and Supplies	1,126	-	-	-	-	-
Total Assets	<u>463,574</u>	<u>151,137</u>	<u>64,446</u>	<u>114,440</u>	<u>98,786</u>	<u>44,384</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 463,574</u>	<u>\$ 151,137</u>	<u>\$ 64,446</u>	<u>\$ 114,440</u>	<u>\$ 98,786</u>	<u>\$ 44,384</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 14,609	\$ 15,496	\$ 1,174	\$ -	\$ 174	\$ 2,827
Salaries and Employee Benefits Payable	12,702	2,812	-	-	-	4,115
Due to Other Funds	11,638	-	618	32	3,776	544
Unearned Revenue	-	-	-	112,364	-	18,073
Due to Other Agencies	-	664	-	-	-	-
Advances from Grantors and Third Parties	7,242	-	-	-	-	-
Total Liabilities	<u>46,191</u>	<u>18,972</u>	<u>1,792</u>	<u>112,396</u>	<u>3,950</u>	<u>25,559</u>
Deferred Inflows of Resources:						
Deferred Housing Loan Payments	-	-	61,370	-	-	-
Unavailable Revenue - Property Taxes	5,346	-	-	-	-	-
Unavailable Revenue - Reimbursements	-	6,627	-	-	-	-
Unavailable Revenue - Other	2,367	-	-	-	-	1,669
Total Deferred Inflows of Resources	<u>7,713</u>	<u>6,627</u>	<u>61,370</u>	<u>-</u>	<u>-</u>	<u>1,669</u>
Fund Balances:						
Nonspendable	16,734	1	-	-	-	101
Restricted	41,898	125,537	1,284	2,044	94,836	17,055
Committed	34,891	-	-	-	-	-
Assigned	191,965	-	-	-	-	-
Unassigned	124,182	-	-	-	-	-
Total Fund Balances	<u>409,670</u>	<u>125,538</u>	<u>1,284</u>	<u>2,044</u>	<u>94,836</u>	<u>17,156</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 463,574</u>	<u>\$ 151,137</u>	<u>\$ 64,446</u>	<u>\$ 114,440</u>	<u>\$ 98,786</u>	<u>\$ 44,384</u>

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

KERN COUNTY TOBACCO FUNDING CORP.	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL	
					ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
					Assets:
\$ -	\$ 49,520	\$ 44,293	\$ 152,924	\$ 979,405	Pooled Cash and Investments
-	-	3	25	479	Revolving Fund Cash
9,813	-	-	34,751	44,564	Cash and Investments Deposited with Trustee
-	130	125	211	2,565	Interest Receivable
-	-	3,289	395	37,579	Taxes Receivable
-	318	-	6,193	10,734	Accounts Receivable, Net
-	16,987	12,209	20,866	136,929	Accrued Revenue
-	489	1,809	1,116	16,112	Due from Other Funds
-	-	-	601	1,618	Due from Other Agencies
-	-	-	15,574	61,868	Housing Loans Receivable
-	-	-	2,682	17,975	Housing Loans Interest Receivable
-	-	-	-	136	Deposits with Others
-	4,507	1,163	-	6,796	Inventory - Materials and Supplies
9,813	71,951	62,891	235,338	1,316,760	Total Assets
\$ 9,813	\$ 71,951	\$ 62,891	\$ 235,338	\$ 1,316,760	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
					Liabilities:
\$ -	\$ 7,952	\$ 1,014	\$ 5,641	\$ 48,887	Accounts Payable
-	-	3,702	1,208	24,539	Salaries and Employee Benefits Payable
-	179	-	3,705	20,492	Due to Other Funds
-	-	-	365	130,802	Unearned Revenue
-	-	-	-	664	Due to Other Agencies
-	-	-	-	7,242	Advances from Grantors and Third Parties
-	8,131	4,716	10,919	232,626	Total Liabilities
					Deferred Inflows of Resources:
-	-	-	18,256	79,626	Deferred Housing Loan Payments
-	-	2,725	-	8,071	Unavailable Revenue - Property Taxes
-	-	-	-	6,627	Unavailable Revenue - Reimbursements
-	-	-	-	4,036	Unavailable Revenue - Other
-	-	2,725	18,256	98,360	Total Deferred Inflows of Resources
					Fund Balances:
-	4,507	1,166	25	22,534	Nonspendable
9,813	59,313	53,488	171,813	577,081	Restricted
-	-	-	27,326	62,217	Committed
-	-	796	6,999	199,760	Assigned
-	-	-	-	124,182	Unassigned
9,813	63,820	55,450	206,163	985,774	Total Fund Balances
\$ 9,813	\$ 71,951	\$ 62,891	\$ 235,338	\$ 1,316,760	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

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

**COUNTY OF KERN
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT-WIDE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2021 (IN THOUSANDS)**

Fund Balances - Total Governmental Funds:		\$	985,774
Capital assets used in governmental activities are not current financial resources; therefore, the capital assets are not reported in the governmental funds.			2,014,015
Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized when earned in governmental activities.			97,272
Deferred outflows and inflows of resources are reported in the Statement of Net Position, but are not recognized in the governmental funds:			
Deferred charge on refunding	\$	7,414	
Deferred OPEB - outflows		3,009	
Deferred OPEB - inflows		(30,398)	
Deferred pensions - outflows		458,013	
Deferred pensions - inflows		<u>(117,747)</u>	320,291
Internal service funds are used by management to charge the costs of management of fleet maintenance, employee benefits, personal injury, and retiree health insurance benefits to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Position.			65,593
Accrued interest expense does not require the use of current financial resources; therefore, it is not accrued as a liability in the governmental funds.			(66,198)
Long-term liabilities applicable to the governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position:			
Pension Obligation Bonds	\$	(126,993)	
Bonds Payable		(71,479)	
Certificates of Participation		(67,690)	
Net Unamortized Premium/Discount on Long-term Debt		(3,374)	
Capital Leases		(24,424)	
Loan Payable		(8,519)	
Compensated Absences		(87,735)	
Net OPEB Liability		(17,948)	
Net Pension Liability		<u>(1,937,934)</u>	<u>(2,346,096)</u>
Net Position of Governmental Activities		\$	<u><u>1,070,651</u></u>



COUNTY OF KERN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	CORONAVIRUS RELIEF	COUNTY LOCAL REVENUE FUND	HUMAN SERVICES
REVENUES:						
Taxes	\$ 348,856	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	12,149	-	-	-	-	-
Fines, Forfeitures and Penalties	17,008	-	-	-	-	-
Revenues from Use of Money and Property	4,095	144	(9)	(269)	(380)	375
Aid from Other Governmental Agencies	176,576	79,692	7,221	130,405	234,515	290,198
Charges for Current Services	101,966	81,794	-	-	-	424
Other Revenues	16,330	364	-	-	-	2,787
Total Revenues	676,980	161,994	7,212	130,136	234,135	293,784
EXPENDITURES:						
Current:						
General Government	117,583	-	-	-	-	-
Public Protection	405,840	-	-	-	2,849	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	86,426	221,738	-	-	-	-
Public Assistance	17,409	-	4,844	64,959	-	460,918
Education	6,331	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Capital Outlay	9,000	-	-	-	-	-
Debt Service:						
Principal	5,386	-	-	-	-	-
Interest	188	-	-	-	-	-
Total Expenditures	648,163	221,738	4,844	64,959	2,849	460,918
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,817	(59,744)	2,368	65,177	231,286	(167,134)
OTHER FINANCING SOURCES (USES):						
Transfers In	213,233	68,386	-	-	-	170,927
Transfers Out	(199,446)	(3,815)	(2,683)	(65,482)	(183,699)	(7,832)
Inceptions of Capital Leases	9,000	-	-	-	-	-
Total Other Financing Sources (Uses)	22,787	64,571	(2,683)	(65,482)	(183,699)	163,095
Net Changes in Fund Balances	51,604	4,827	(315)	(305)	47,587	(4,039)
Fund Balances, July 1, 2020	328,063	120,711	1,599	2,349	47,249	20,468
Prior Period Adjustments	30,003	-	-	-	-	727
Fund Balances, June 30, 2021	\$ 409,670	\$ 125,538	\$ 1,284	\$ 2,044	\$ 94,836	\$ 17,156

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

KERN COUNTY TOBACCO FUNDING CORP.	ROADS	STRUCTURAL FIRE	OTHER GOVERNMENTAL FUNDS	TOTAL	
\$ -	\$ 668	\$ 108,437	\$ 3,847	\$ 461,808	REVENUES:
-	2,897	2,616	15,230	32,892	Taxes
-	-	89	8,279	25,376	Licenses, Permits and Franchises
446	(9)	270	185	4,848	Fines, Forfeitures and Penalties
-	60,507	6,999	140,817	1,126,930	Revenues from Use of Money and Property
-	11,732	50,991	22,227	269,134	Aid from Other Governmental Agencies
9,321	154	3,427	21,117	53,500	Charges for Current Services
					Other Revenues
9,767	75,949	172,829	211,702	1,974,488	Total Revenues
-	-	-	1,841	119,424	EXPENDITURES:
-	-	152,830	35,049	596,568	Current:
-	74,682	-	2,643	77,325	General Government
-	-	-	10,350	318,514	Public Protection
-	-	-	43,065	591,195	Public Ways and Facilities
-	-	-	-	6,331	Health and Sanitation
-	-	-	2	2	Public Assistance
-	-	-	-	9,000	Education
6,220	-	-	29,488	41,094	Culture and Recreation Services
3,437	-	-	42,118	45,743	Capital Outlay
9,657	74,682	152,830	164,556	1,805,196	Debt Service:
110	1,267	19,999	47,146	169,292	Principal
-	6,967	32,665	94,715	586,893	Interest
-	(1,203)	(11,808)	(111,836)	(587,804)	Total Expenditures
-	-	-	-	9,000	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	5,764	20,857	(17,121)	8,089	OTHER FINANCING SOURCES (USES):
110	7,031	40,856	30,025	177,381	Transfers In
9,703	56,785	13,260	153,684	753,871	Transfers Out
	4	1,334	22,454	54,522	Inceptions of Capital Leases
\$ 9,813	\$ 63,820	\$ 55,450	\$ 206,163	\$ 985,774	Total Other Financing Sources (Uses)
					Net Changes in Fund Balances
					Fund Balances, July 1, 2020
					Prior Period Adjustments
					Fund Balances, June 30, 2021

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

**COUNTY OF KERN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF
ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

Net Changes in Fund Balances - Total Governmental Funds: \$ 177,381

Amounts Reported for Governmental Activities in the Statement of Activities:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense:

Expenditures for capital assets and other related capital asset adjustments	\$ 62,927	
Less: current year depreciation	(49,837)	
Retirement of capital assets	<u>1,859</u>	14,949

Capital contributions of capital assets are not reported on governmental funds but recorded at fair value on the Statement of Net Position. 53,866

Issuance of long-term debt provides current resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Inceptions of capital leases (9,000)

Governmental fund revenues that do not provide current financial resources are not reported as revenue in the funds. Revenue in the Statement of Activities is not limited by availability and has been included in the Statement of Activities:

Change in unavailable property tax revenues	\$ 1,179	
Change in unavailable reimbursements and other revenues	<u>3,662</u>	4,841

Repayments of debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Principal repayments:		
Pension Obligation Bonds	\$ 24,586	
Certificates of Participation	3,405	
Capital Leases	5,655	
Tobacco - Asset Backed Bonds	6,219	
Bonds Payable	311	
Loans Payable	<u>918</u>	41,094

Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds:

Change in accrued interest payable	\$ 26,808	
Change in compensated absences	4,494	
Change in Other Post-Employment Benefits obligation	8,069	
Change in pension expense	<u>(20,533)</u>	18,838

Premiums, discounts, and losses associated with the issuance of long-term debt are included in governmental funds, but deferred and amortized in the Statement of Activities:

Amortization of bond premiums	\$ 520	
Amortization of losses on refunding	<u>(516)</u>	4

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported within governmental activities. 7,732

Change in Net Position of Governmental Activities \$ 309,705



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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES
	AIRPORTS	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets:					
Pooled Cash and Investments	\$ 7,449	\$ 62,263	\$ 34,404	\$ 104,116	\$ 136,642
Revolving Fund Cash	1	10	-	11	-
Interest Receivable	19	174	82	275	350
Accounts Receivable, Net	808	1,676	142	2,626	5
Accrued Revenue	1,275	721	325	2,321	5,256
Due from Other Funds	-	338	66	404	4,098
Inventory - Materials and Supplies	-	-	-	-	477
Total Current Assets	<u>9,552</u>	<u>65,182</u>	<u>35,019</u>	<u>109,753</u>	<u>146,828</u>
Non-current Assets:					
Taxes Receivable	-	1,714	2,007	3,721	-
Deposits with Others	-	-	-	-	1,519
Investment in Joint Venture	-	-	2,787	2,787	-
Capital Assets:					
Non-depreciable:					
Land	10,601	25,150	855	36,606	-
Land Acquisition in Progress	-	86	-	86	-
Works of Art	198	-	-	198	-
Construction in Progress	9,322	2,641	2,106	14,069	-
Depreciable:					
Structures and Improvements	59,228	14,039	16,564	89,831	-
Land Improvements	-	69,267	-	69,267	-
Equipment	2,480	23,818	20,355	46,653	8,172
Intangible	-	825	284	1,109	1,807
Infrastructure	91,769	24,804	14,219	130,792	-
Accumulated Depreciation and Amortization	(60,905)	(61,074)	(29,332)	(151,311)	(5,177)
Total Non-current Assets	<u>112,693</u>	<u>101,270</u>	<u>29,845</u>	<u>243,808</u>	<u>6,321</u>
Total Assets	<u>122,245</u>	<u>166,452</u>	<u>64,864</u>	<u>353,561</u>	<u>153,149</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amount on Refunding	61	-	-	61	-
Deferred OPEB	9	50	13	72	7
Deferred Pensions	901	8,195	1,687	10,783	379
Total Deferred Outflows of Resources	<u>971</u>	<u>8,245</u>	<u>1,700</u>	<u>10,916</u>	<u>386</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	1,539	4,219	3,039	8,797	542
Salaries and Employee Benefits Payable	63	-	-	63	1,501
Due to Other Funds	-	88	35	123	-
Current Portion of Long-Term Debt	609	275	61	945	27
Interest Payable - Current	99	225	55	379	51
Current Portion of Compensated Absences	227	1,485	288	2,000	22
Current Portion of Closure, Post Closure, & Pollution Liabilities	-	1,085	-	1,085	-
Current Portion of Liability for Self-Insurance	-	-	-	-	28,431
Advances from Grantors and Third Parties	-	83	1,436	1,519	-
Total Current Liabilities	<u>2,537</u>	<u>7,460</u>	<u>4,914</u>	<u>14,911</u>	<u>30,574</u>
Non-current Liabilities:					
Loans Payable	2,974	-	-	2,974	-
Compensated Absences Payable	80	522	101	703	10
Long-Term Liability for Self-Insurance	-	-	-	-	80,507
Long-Term Debt - Pension Obligation Bonds	214	1,186	262	1,662	91
Long-Term - Interest Payable	93	515	113	721	40
Pollution Remediation Obligation	-	7,049	-	7,049	-
Closure Liability	-	30,387	-	30,387	-
Post Closure Liability	-	22,700	-	22,700	-
Net OPEB Liability	52	295	62	409	43
Net Pension Liability	3,751	33,959	7,336	45,046	1,718
Total Non-current Liabilities	<u>7,164</u>	<u>96,613</u>	<u>7,874</u>	<u>111,651</u>	<u>82,409</u>
Total Liabilities	<u>9,701</u>	<u>104,073</u>	<u>12,788</u>	<u>126,562</u>	<u>112,983</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred OPEB	89	501	105	695	73
Deferred Pensions	237	2,145	464	2,846	108
Total Deferred Inflows of Resources	<u>326</u>	<u>2,646</u>	<u>569</u>	<u>3,541</u>	<u>181</u>
NET POSITION					
Net Investment in Capital Assets	109,164	99,556	25,051	233,771	4,801
Restricted:					
Deposits	-	-	-	-	1,519
Inventory	-	-	-	-	477
Investment in Joint Venture	-	-	2,787	2,787	-
Unrestricted (Deficit)	4,027	(31,578)	25,369	(2,182)	33,574
Total Net Position	<u>\$ 113,191</u>	<u>\$ 67,978</u>	<u>\$ 53,207</u>	<u>\$ 234,376</u>	<u>\$ 40,371</u>
Cumulative adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				(25,222)	
Net Position of Business-Type Activities				<u>\$ 209,154</u>	

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

**COUNTY OF KERN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL
	AIRPORTS	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
OPERATING REVENUES:					
Charges for Current Services	\$ 675	\$ 46,272	\$ 26,317	\$ 73,264	\$ 247,611
Revenues from Use of Property	3,537	102	194	3,833	-
Other Operating Revenues	4	1,261	-	1,265	-
Total Operating Revenues	4,216	47,635	26,511	78,362	247,611
OPERATING EXPENSES:					
Salaries and Employee Benefits	1,964	-	-	1,964	60,164
Services and Supplies	2,842	40,632	30,910	74,384	29,385
Claims Incurred	-	-	-	-	147,309
Other Charges	166	139	138	443	4,642
Depreciation and Amortization	5,073	5,377	2,176	12,626	664
Total Operating Expenses	10,045	46,148	33,224	89,417	242,164
Operating Income (Loss)	(5,829)	1,487	(6,713)	(11,055)	5,447
NON-OPERATING REVENUES (EXPENSES):					
Taxes and Assessments	686	-	8,970	9,656	-
Fines, Forfeitures and Penalties	1	253	313	567	-
Licenses, Permits and Franchises	-	-	3	3	-
Interest on Bank Deposits and Investments	187	(111)	164	240	139
Aid from Other Governmental Agencies	1,454	267	3,389	5,110	740
Other Revenues	40	7	-	47	859
Interest Expense	(122)	(118)	(27)	(267)	-
Gain (Loss) on Disposal of Capital Assets	1	6	-	7	6
Total Non-Operating Revenues, Net	2,247	304	12,812	15,363	1,744
Income (Loss) before Contributions and Transfers	(3,582)	1,791	6,099	4,308	7,191
Capital Contributions	10,425	-	-	10,425	-
Transfers In	411	338	66	815	7,317
Transfers Out	-	-	-	-	(7,221)
Changes in Net Position	7,254	2,129	6,165	15,548	7,287
Net Position, July 1, 2020	105,840	65,832	47,042	-	33,084
Prior Period Adjustments	97	17	-	-	-
Net Position, June 30, 2021	\$ 113,191	\$ 67,978	\$ 53,207		\$ 40,371
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				(516)	
Change in Net Position - Business-Type Activities				\$ 15,032	

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

**COUNTY OF KERN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

Page 1 of 2

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES
	AIRPORTS	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received for Current Services	\$ (920)	\$ 48,301	\$ 26,773	\$ 74,154	\$ 243,456
Cash Received for Use of Property	3,537	133	210	3,880	-
Cash Received for Interfund Services Provided	-	-	-	-	610
Cash Received for Other Operations	4	7	-	11	418
Cash Received for Fines, Forfeitures, and Penalties	1	253	312	566	-
Cash Paid for Salaries and Benefits	(1,807)	-	-	(1,807)	(59,960)
Cash Paid for Services and Supplies	(1,857)	(46,407)	(28,753)	(77,017)	(29,247)
Cash Paid for Reported Claims	-	-	-	-	(147,163)
Cash Paid for Other Charges	(166)	(139)	(143)	(448)	(4,408)
Net Cash Provided (Used) by Operating Activities	(1,208)	2,148	(1,601)	(661)	3,706
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Cash Received from Other Funds	411	17	-	428	7,860
Cash Received for Other Non-Operations	40	-	-	40	-
Cash Received for Taxes and Special Assessments	686	-	11,202	11,888	-
Cash Received for Licenses, Permits & Franchises	-	-	3	3	-
Cash Paid to Other Funds	-	-	-	-	(7,304)
Aid from Other Governmental Agencies	2,307	266	4,113	6,686	846
Payment of Long-Term Debt - Pension Obligation Bonds	(601)	(281)	(64)	(946)	(32)
Interest Paid on Pension Obligation Bonds	(217)	(420)	(102)	(739)	(77)
Net Cash Provided (Used) by Non-Capital Financing Activities	2,627	(418)	15,152	17,361	1,293
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Loss on Sale of Capital Assets	-	-	-	-	7
Proceeds from Sale of Capital Assets	-	6	-	6	-
Capital Contributions	10,425	-	-	10,425	-
Acquisition or Construction of Capital Assets	(9,377)	(16,024)	(2,937)	(28,338)	(289)
Principal Paid on Capital Debt	(93)	-	-	(93)	-
Interest Paid on Capital Debt	(601)	-	-	(601)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	354	(16,018)	(2,937)	(18,601)	(282)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on Bank Deposits and Investments	32	136	186	354	460
Net Cash Provided by Investing Activities	32	136	186	354	460
Net Increase (Decrease) in Cash and Investments	1,805	(14,152)	10,800	(1,547)	5,177
Cash and Investments, July 1, 2020	5,645	76,425	23,604	105,674	131,465
Cash and Investments, June 30, 2021	\$ 7,450	\$ 62,273	\$ 34,404	\$ 104,127	\$ 136,642

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

**COUNTY OF KERN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

Page 2 of 2

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES
	AIRPORTS	WASTE MANAGEMENT	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (5,829)	\$ 1,487	\$ (6,713)	\$ (11,055)	\$ 5,447
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	5,073	5,377	2,177	12,627	664
Non-Operating Revenue	1	7	312	320	59
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:					
(Increase) Decrease in Accounts Receivable	(400)	(31)	225	(206)	34
(Increase) Decrease in Accrued Expenses	-	180	1,300	1,480	-
(Increase) Decrease in Inventory	-	-	-	-	(33)
(Increase) Decrease in Special Assessment Receivable	-	158	238	396	-
(Increase) Decrease in Accrued Revenue	(1,197)	745	14	(438)	(242)
(Increase) Decrease in Due from Others	2	69	80	151	399
(Increase) Decrease in Deferred Outflows of Resources	(246)	(2,315)	(461)	(3,022)	(76)
(Increase) Decrease in Investment in Joint Venture	-	-	(106)	(106)	-
Increase (Decrease) in Accounts Payable	1,185	-	-	1,185	217
Increase (Decrease) in Salaries & Benefits Payable	11	-	-	11	193
Increase (Decrease) in Due to Others	(199)	74	35	(90)	(3,929)
Increase (Decrease) in Unearned Revenue	-	34	-	34	-
Increase (Decrease) in Deferred Inflows of Resources	(10)	(199)	-	(209)	8
Increase (Decrease) in Compensated Absences Payable	29	(55)	(56)	(82)	(60)
Increase (Decrease) in Provision for Liability Claims	-	-	-	-	888
Increase (Decrease) in Pollution Remediation	-	1,364	-	1,364	-
Increase (Decrease) in Closure/Post Closure Liability	-	(8,613)	-	(8,613)	-
Increase (Decrease) in Net OPEB Liability	(69)	(390)	(81)	(540)	(57)
Increase (Decrease) in Net Pension Liability	441	4,256	1,435	6,132	194
Total Adjustments	4,621	661	5,112	10,394	(1,741)
Net Cash Provided (Used) by Operating Activities	\$ (1,208)	\$ 2,148	\$ (1,601)	\$ (661)	\$ 3,706
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Capital Contributions - Revenue Recognized	\$ 10,425	\$ -	\$ -	\$ 10,425	\$ 152

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

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

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	PENSION TRUST FUND	INVESTMENT TRUST FUND	PRIVATE-PURPOSE TRUST FUND	CUSTODIAL FUNDS
Cash and Cash Equivalents Held in the Pool	\$ 10,945	\$ 3,002,270	\$ 8,527	\$ 115,626
Total Cash and Cash Equivalents	10,945	3,002,270	8,527	115,626
Receivables:				
Employee Contributions	3,127	-	-	-
Employer Contributions	11,349	-	-	-
Taxes for other Governments	-	-	-	50,508
Interest and Dividends	7,956	6,648	21	210
Sale of Investments	33,460	-	-	-
Other	619	276	-	-
Total Receivables	56,511	6,924	21	50,718
Investments at Fair Value:				
Short-term Investments	425,488	-	-	-
Debt Securities and Bonds	1,199,785	-	-	-
Equities	1,891,166	-	-	-
Real Estate Investments	390,499	-	-	-
Alternative Investments	1,173,685	-	-	-
Commodities	345,848	-	-	-
Collateral Held for Securites Lending	181,519	-	-	-
Total Investments	5,607,990	-	-	-
Due from Other Agencies	-	-	-	790
Prepaid Expenses	165	-	-	-
Intangible Assets, Net of Accumulated Amortization	1,053	-	-	-
Capital Assets, Net of Accumulated Depreciation	640	-	-	-
Total Assets	5,677,304	3,009,194	8,548	167,134
Deferred Outflows of Resources - Pensions	-	741	-	-
Total Assets and Deferred Outflows of Resources	5,677,304	3,009,935	8,548	167,134
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Accounts Payable	-	-	-	467
Due to Other Agencies	-	15,741	-	51,368
Securities Purchased	77,248	-	-	-
Collateral Held for Securities Lent	181,519	-	-	-
Net Pension Liabilities	-	188	-	-
Other Long-term Liabilities	1,024	-	-	-
Total Liabilities	259,791	15,929	-	51,835
Deferred Inflows of Resources - Pensions	-	187	-	-
Total Liabilities and Deferred Inflows of Resources	-	187	-	-
NET POSITION				
Pensions	5,417,513	-	-	-
Pool Participants	-	2,993,819	-	-
Individuals, organizations, and other governments	-	-	8,548	115,299
Total Net Position	\$ 5,417,513	\$ 2,993,819	\$ 8,548	\$ 115,299

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

**COUNTY OF KERN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS	INVESTMENT TRUST FUND	PRIVATE-PURPOSE TRUST FUND	CUSTODIAL FUNDS
ADDITIONS:				
Property Tax Collections	\$ -	\$ 1,079,907	\$ -	\$ 162,023
Other Taxes and Fees Collected for Other Governments	-	40,971	-	18,477
Contributions:				
Employer	268,625	-	-	-
Plan Member	53,789	-	-	-
Private Contributions	-	5,682,328	4,139	250,084
Total Contributions	<u>322,414</u>	<u>5,682,328</u>	<u>4,139</u>	<u>250,084</u>
Investment Earnings:				
Net Increase (Decrease) in Fair Value of Investments	1,038,614	530,988	3,104	27,079
Interest, Dividends, and Other	66,337	9,860	197	7,679
Total Investments Earnings	<u>1,104,951</u>	<u>540,848</u>	<u>3,301</u>	<u>34,758</u>
Less Investment Costs:				
Investment Activity Costs	<u>61,590</u>	<u>1,045</u>	<u>6</u>	<u>53</u>
Net Investment Earnings	<u>1,043,361</u>	<u>539,803</u>	<u>3,295</u>	<u>34,705</u>
Total Additions	<u>1,365,775</u>	<u>7,343,009</u>	<u>7,434</u>	<u>465,289</u>
DEDUCTIONS:				
Benefits Paid to Participants or Beneficiaries	380,996	-	-	-
Administrative Expenses	6,061	696	5	35
Distributions from Pooled Investments	-	5,670,158	7,699	277,099
Property Tax Distributions	-	1,081,902	-	179,525
Payments of Taxes and Fees to Other Governments	-	43,259	-	20,473
Total Deductions	<u>387,057</u>	<u>6,796,015</u>	<u>7,704</u>	<u>477,132</u>
Change in Net Position	978,718	546,994	(270)	(11,843)
Net Position, July 1, 2020	-	2,314,404	-	-
Prior Period Adjustment (Note 2)	4,438,795	132,421	8,818	127,142
Net Position, July 1, 2020, as Restated	<u>4,438,795</u>	<u>2,446,825</u>	<u>8,818</u>	<u>127,142</u>
Net Position, June 30, 2021	<u>\$ 5,417,513</u>	<u>\$ 2,993,819</u>	<u>\$ 8,548</u>	<u>\$ 115,299</u>

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

**COUNTY OF KERN
STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2021 (IN THOUSANDS)**

ASSETS	FIRST 5 KERN	KERN COUNTY HOSPITAL AUTHORITY	TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY	Totals
Pooled Cash and Investments	\$ 17,596	\$ -	\$ -	\$ 17,596
Other Cash and Investments	1,917	75,200	27,144	104,261
Revolving Fund Cash	-	6	-	6
Receivables, Net	1,630	147,158	-	148,788
Inventories	-	4,195	-	4,195
Prepaid Expenses	56	4,343	-	4,399
Capital Assets:				
Nondepreciable	-	10,393	-	10,393
Depreciable, Net	3	87,844	-	87,847
Total Assets	21,202	329,139	27,144	377,485
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	-	-	370	370
Deferred OPEB	-	960	-	960
Deferred Pensions	-	120,485	-	120,485
Total Deferred Outflows of Resources	-	121,445	370	121,815
LIABILITIES				
Accounts Payable	1,983	48,659	196	50,838
Salaries and Employee Benefits Payable	41	9,916	-	9,957
Long-Term Liabilities:				
Due Within One Year:				
Interest Payable	-	3,442	1,497	4,939
Compensated Absences	87	15,613	-	15,700
Capital Leases	-	56	-	56
Self-Insurance	-	4,123	-	4,123
Long-Term Debt	-	3,209	1,645	4,854
Due After One Year:				
Interest Payable	-	5,707	-	5,707
Compensated Absences	108	3,830	-	3,938
Self-Insurance	-	9,819	-	9,819
Long-Term Debt	-	-	94,070	94,070
Bonds and Notes Payable	-	13,144	-	13,144
Net OPEB Liability	-	1,654	-	1,654
Net Pension Liability	-	381,153	-	381,153
Total Liabilities	2,219	500,325	97,408	599,952
DEFERRED INFLOWS OF RESOURCES				
Deferred OPEB	-	3,530	-	3,530
Deferred Pensions	-	26,602	-	26,602
Total Deferred Inflows of Resources	-	30,132	-	30,132
NET POSITION				
Net Investment in Capital Assets	3	98,237	-	98,240
Restricted:				
Other Purposes	8,959	-	-	8,959
Unrestricted (Deficits)	10,020	(178,110)	(69,894)	(237,984)
Total Net Position	\$ 18,982	\$ (79,873)	\$ (69,894)	\$ (130,785)

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

**COUNTY OF KERN
STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>FIRST 5 KERN</u>	<u>KERN COUNTY HOSPITAL AUTHORITY</u>	<u>TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY</u>	<u>Totals</u>
Program (Expenses) Revenues:				
Expenses	\$ (9,109)	\$ (463,502)	\$ (9,055)	\$ (481,666)
Program Revenues:				
Charges for Services	-	254,596	-	254,596
Operating Grants and Contributions	<u>10,136</u>	<u>259,505</u>	<u>-</u>	<u>269,641</u>
Net Program (Expenses) Revenues	<u>1,027</u>	<u>50,599</u>	<u>(9,055)</u>	<u>42,571</u>
General Revenues:				
Special Assessments	-	-	5,538	5,538
Unrestricted Investment Earnings	<u>215</u>	<u>48</u>	<u>3</u>	<u>266</u>
Total General Revenues	<u>215</u>	<u>48</u>	<u>5,541</u>	<u>5,804</u>
Change in Net Position	1,242	50,647	(3,514)	48,375
Net Position, July 1, 2020	<u>17,740</u>	<u>(130,520)</u>	<u>(66,380)</u>	<u>(179,160)</u>
Net Position, June 30, 2021	<u>\$ 18,982</u>	<u>\$ (79,873)</u>	<u>\$ (69,894)</u>	<u>\$ (130,785)</u>

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





**NOTES TO THE FINANCIAL
STATEMENTS**

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

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

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

B. BLENDED COMPONENT UNITS

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

County Service Areas (CSAs)

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

Sanitation Districts

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

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

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

Kern County Tobacco Funding Corporation (the Corporation)

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

Kern Public Services Financing Authority

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

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

C. DISCRETELY PRESENTED COMPONENT UNITS

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

First 5 Kern

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

Kern County Hospital Authority (Hospital Authority) – Kern Medical

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

Tejon Ranch Public Facilities Financing Authority (Authority)

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

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

D. FIDUCIARY COMPONENT UNIT

Kern County Employee's Retirement Association – KCERA

The County pension plan is administered by the Kern County Employee's Retirement Association (KCERA), which was established on January 1, 1945, and is administered by the Board of Retirement to provide service retirement, disability, death, and survivor benefits for employees of the County and participating districts. The Kern County Board of Supervisors and the governing boards of the participating districts adopt resolution, as permitted by the California State Government Code Section 31450 (County Employees' Retirement Law (CERL)), which affect the benefits of the KCERA members. KCERA is governed by the California Constitution; CERL; and the bylaws, policies and procedures adopted by the KCERA Board of Retirement. KCERA is reported in the Pension Trust Fund on the Statement of Fiduciary Net Position – Fiduciary Funds of the basic financial statements and has been included because there is a financial benefit or burden relationship and the County appoints a voting majority of the Board. KCERA issues its own Annual Comprehensive Financial Report (ACFR) that may be obtained online at KCERA.org or by writing to: KCERA at 11125 River Run Blvd., Bakersfield, California 93311. See note 10 for further disclosures related to the pension plan.

E. RELATED ORGANIZATION

Housing Authority of the County of Kern (Housing Authority)

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

F. BASIS OF PRESENTATION

Government-Wide Financial Statements

Information relating to the primary government is displayed in the Statement of Net Position and Statement of Activities on page 24 and 25, respectively. These statements include information regarding the financial statements, excluding the fiduciary activities. These statements distinguish between governmental activities and business-type activities of the County. Governmental activities are primarily supported by taxes and business-type activities strongly depend upon fees charged to external parties. Each type is presented separately.

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

A comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities are presented in the Statement of Activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses are allocated

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

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

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

Fund Financial Statements

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

The County reports the following major governmental funds:

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

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

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

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

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

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

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

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

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

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

The County reports the following major enterprise funds:

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

The County has opted to report the following enterprise fund as a major fund:

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

The County reports the following additional fund types:

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

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

The County reports the following fiduciary funds:

Pension (and Other Employee Benefit) Trust Funds account for the activities of KCERA pension plan which accumulate resources for pension benefit payments to qualified beneficiaries and the County deferred compensation plans available to eligible employees which are discussed further in Note 18.

The **Investment Trust Funds** are made up of funds for school districts, self-governed special districts, state trial court and other investment trusts. The County schools' operating and debt service funds are

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

grouped in this fund. The County is responsible for numerous self-governed special districts. Cash and investments are administered by the County Treasurer, and the Auditor-Controller-County Clerk makes disbursements upon the request of the responsible district officers.

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

Custodial Funds are funds held by the County in a custodial capacity for individuals or other government units and are included in the County of Kern Investment Pool.

G. BASIS OF ACCOUNTING

The government-wide and proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The fiduciary funds are recorded on the accrual basis of accounting and are custodial in nature and do not involve measurement of results of operations. Revenues are recorded when they are earned, and expenditures are recorded when they are incurred, regardless of when the cash is collected. Non-exchange transactions occur when an entity gives or receives value without giving or receiving the same value in return. An example of a non-exchange transaction would be property and sales taxes, grants, entitlements, and donations. On an accrual basis of accounting, property tax revenue is recognized in the fiscal year the taxes are levied. Revenues from donations, entitlements, and grants are recognized in the fiscal year in which all eligible requirements have been fulfilled.

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

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

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

Cash and Cash Equivalents

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

Investments

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

Interfund Receivables and Payables

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

Property Tax

All jurisdictions within the State derive their taxing authority from the State Constitution and various legislative provisions contained in the California Government Code and Revenue and Taxation Code. Property is assessed at 100% of full cash or market value (with some exceptions) pursuant to Article XIII of the California State Constitution and statutory provisions by the County Assessor and the State Board of Equalization. The total 2020 - 2021 net assessed valuation of the County was \$101,878,317. The property tax levy to support general operations of the various jurisdictions is limited to one percent (1%) of full cash value and is distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt are excluded from this limitation and are calculated separately and levied each fiscal year. The rates are formally adopted by the Board after approval of city councils or the governing boards of special districts, where applicable. Property taxes are levied on both real and personal property. Secured property taxes are levied on or before the first business day of September of each year and become a lien on real property on March 1 proceeding the fiscal year for which taxes are levied. These tax payments can be made in two equal installments; the first is due on November 1 and delinquent with penalties after December 10; the second is due on February 1 and delinquent with penalties after April 10.

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

Inventory - Materials and Supplies

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

Capital Assets

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

life and will vary by item. All purchased capital assets are valued at cost, and donated capital assets are valued at their estimated acquisition value on the date donated.

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

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

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statements No. 63 and No. 65, the County recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of fund balance or net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of fund balance or net position by the government that is applicable to a future reporting period.

Compensated Absences

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

Long-Term Obligations

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

Pension Plan

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

Other Post-Employment Benefits

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

this purpose, the OPEB Plan recognized benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Equity

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

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

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

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

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

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

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

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

I. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of certain assets and deferred outflows of resources, liabilities and deferred inflows of resources, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

J. NEW ACCOUNTING PRONOUNCEMENTS

The County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities, which has resulted in a restatement of net position and fund balance as described in Note 2 to the financial statements.

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

NOTE 2 – RESTATEMENTS OF FUND BALANCE AND NET POSITION

A. RESTATEMENT OF EQUITY

The County's beginning fund balance and net position have been restated to reflect the implementation of GASB Statement No. 84, *Fiduciary Activities*. A summary of the restatements as of June 30, 2021 is as follows:

	Governmental Funds	Proprietary Funds	Governmental Activities	Business-type Activities
Net Position/Fund Balance at June 30, 2020, as previously reported	\$ 753,871	\$ 218,714	\$ 706,424	\$ 194,008
Prior Period Adjustment - Implementation of GASB 84:				
Reclassification of Investment Trust	3,512	-	3,512	-
Reclassification of Agency Funds	51,010	114	51,010	114
Net Position/Fund Balance as Restated at June 30, 2020	<u>\$ 808,393</u>	<u>\$ 218,828</u>	<u>\$ 760,946</u>	<u>\$ 194,122</u>

	Pension Trust	Investment Trust	Private Purpose Trust	Custodial
Net Position/Fund Balance at June 30, 2020, as previously reported	\$ -	\$ 2,314,404	\$ -	\$ -
Prior Period Adjustment - Implementation of GASB 84:				
Reclassification of Investment Trust		(40,268)	-	2,276
Reclassification of Agency Funds	4,438,795	172,689	8,818	124,866
Net Position/Fund Balance as Restated at June 30, 2020	<u>\$ 4,438,795</u>	<u>\$ 2,446,825</u>	<u>\$ 8,818</u>	<u>\$ 127,142</u>

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. DEFICIT NET POSITION

The following funds have a deficit net position as of June 30, 2021:

Proprietary Funds	
General Liability	(19,381)
Workers' Compensation	(49,028)
	<u>\$ (68,409)</u>

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

NOTE 4 - CASH AND INVESTMENTS

A. TOTAL CASH AND INVESTMENTS

Cash and investments at June 30, 2021 consist of the following:

Cash and Investments in County Pool:	
Cash	\$ 52,877
Investments	4,383,611
Subtotal	<u>4,436,488</u>
Less: Outstanding Warrants and Other Reconciling Items	<u>(61,361)</u>
Total Cash and Investments in County Pool	4,375,127
Cash and Investments Outside County Pool:	
Cash with Trustee	44,564
Primary Government Revolving Cash	490
Discretely Presented Component Unit Cash	104,267
Investments of KCERA	5,607,990
Total Cash and Investments Outside County Pool	<u>5,757,311</u>
Total Cash and Investments	<u>\$ 10,132,438</u>

B. DEPOSITS

Cash and Deposits

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

C. CASH AND INVESTMENTS DEPOSITED WITH TRUSTEE

At June 30, 2021, the balance for Cash and Investments Deposited with Trustee consists of the following:

Cash	\$ 110
Commercial Paper	8,956
Money Market Account	1,240
Governmental Agency Bond/Notes	<u>34,258</u>
Total Cash and Investments Deposited with Trustee	<u>\$ 44,564</u>

Of the \$44,559 total cash and investments deposited with the trustee, \$34,530 is in the Tobacco Securitization Proceeds Fund to be utilized for capital projects. \$9,808 is with the Corporation being held in trust for debt service reserves. The remaining \$221 is in the Pension Obligation Bond Trustee Debt Service Fund used to service debt payments related to the County's Pension Obligation Bonds. The funds are currently held by Wells Fargo Bank and U.S. Bank.

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

C. INVESTMENTS

Interest Rate Risk

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

Credit Risk, Concentration and Rating

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

The County of Kern Investment Pool (the Pool) is subject to regulatory oversight by the Treasury Oversight Committee, as required by California Government Code Section 27143. The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2021, to support the value of the shares in the Pool. Management believes that the investments in the Pool are of high quality and that the risk of participation in the Pool is negligible. The Pool will not invest more than 6% of its assets in the Eligible Securities of a single institution, other than U.S. government and agency securities.

Investment	Rating		Weighted Average Maturity (Years)
	Moody's	Standard & Poor's (S&P)	
Commercial Paper	P-1	A-1	0.23
Negotiable Certificates of Deposit	P-1	A-1	0.73
U.S. Treasury Securities	Aaa	AA	2.57
Corporate Notes	A, Aa, Aaa	A, AA, AAA	1.79
Federal Agencies	Aaa	AA	2.18
Municipal Bonds	Aa, Aaa	AA	1.49
Supranationals	Aaa	AAA	2.04
Portfolio Weighted Average Maturity			1.01

Custodial Credit Risk – Deposits

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

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Pool will not be able to recover collateral securities that are in possession of an outside party. This risk is mitigated in that of the County's total bank balance, \$250 is insured by the Federal Depository Insurance Corporation. The remaining amount on deposit, \$52,487, is collateralized with securities held by the pledging financial institution's agent.

Custodial Credit Risk – Investments

The County minimizes its exposure by purchasing securities with the highest credit rating from Moody's, S&P, and Fitch and by limiting the exposure to any one issuer as required by state law. Certain agencies outside of the County reporting entity participate in the Pool. The participation of these agencies is externally mandated. The participants reported under the Investment Trust Fund are schools, special districts, and special assessments. The County Pool does not issue separate financial statements. Participants may withdraw up to the amortized cost of their respective share. In accordance with this statement, the fair value of the County's combined pool is determined annually and is based on current market prices received from the securities custodian, except for governmental securities and bankers acceptances, which are carried at amortized cost plus accrued interest.

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

The Local Investment Advisory Board has oversight responsibility for LAIF. The Local Investment Advisory Board consists of five members designated by state statute. The County's investment in the LAIF is \$74,670.

The CAMP is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services directed by a seven-member Board of Trustees. The County's investment in the CAMP is \$218,806.

CalTRUST is a Joint Powers Authority created by public agencies in 2005 to provide a convenient method for public agencies to pool their assets for investment purposes. CalTRUST is governed by a nine-member Board of Trustees made up of experienced local agency treasurers and investment officers. The County's investment in CalTRUST is \$11,571.

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

Investment	Fair Value	Principal	Maturity Range
State Treasury's Pool (LAIF)	\$ 74,670	\$ 74,670	On Demand
California Asset Management Program (CAMP)	218,806	218,806	On Demand
Investment Trust of California (CalTRUST)	11,571	11,571	On Demand
FDIC Insured Cash Sweep	15,084	15,084	On Demand
Commercial Paper	319,887	319,789	07/30/2021-02/10/2022
Negotiable Certificates of Deposit	199,929	200,000	09/07/2021-07/12/2022
U.S. Treasury Securities	1,383,500	1,382,404	07/15/2021-02/15/2026
Corporate Notes	665,315	649,908	08/08/2021-05/13/2026
Federal Agencies	1,173,987	1,164,419	07/01/2021-05/26/2026
Municipal Bonds	59,290	58,307	11/01/2021-08/01/2023
Supranationals	261,572	261,299	07/20/2021-10/28/2025
Total Investments	<u>\$ 4,383,611</u>	<u>\$ 4,356,257</u>	
Cash on Hand	140		
Cash in Banks	52,737		
Less Warrants in Transit	<u>(61,361)</u>		
Total Cash and Investments	<u>\$ 4,375,127</u>		

COUNTY OF KERN
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The following represents a condensed statement of net position and changes in net position for the Pool as of June 30, 2021:

Statement of Net Position:	
Total Assets Held for Pool Participants	<u>\$ 4,375,127</u>
Equity of Internal Pool Participants	\$ 1,372,857
Equity of External Pool Participants (Voluntary & Involuntary)	3,002,270
Total Equity	<u>\$ 4,375,127</u>
Statement of Changes in Net Position:	
Net Position at July 1, 2020	\$ 3,554,026
Net Changes in Investments by Pool Participants	821,101
Net Position at June 30, 2021	<u>\$ 4,375,127</u>

D. DEPOSITS WITH OTHERS

The County has total deposits with others of \$1,655. The General Fund has deposited \$136 with the City of Bakersfield for the construction of an overpass on Bakersfield Union Avenue pursuant to a joint agency agreement between the County, the City of Bakersfield, and the Greater Bakersfield Separation of Grade District. The remaining balance of \$1,519 represents deposits by the Group Health Internal Service Fund with its designated claim administrators. This amount has been determined by claim administrators to be representative of one month's billings.

E. FAIR VALUE MEASUREMENTS

The Pool categorizes its fair value measurement within the fair value hierarchy established by GASB Statement No. 72. The Pool has the following recurring fair value measurements as of June 30, 2021:

Investments by Fair Value Level	6/30/2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
Commercial Paper	\$ 319,887	\$ -	\$ 319,887	\$ -
Corporate Notes	665,315	-	665,315	-
Federal Agencies	1,173,987	-	1,173,987	-
Municipal Bonds	59,290	-	59,290	-
Negotiable Certificates of Deposit	199,929	-	199,929	-
Supranationals	261,572	-	261,572	-
U.S. Treasury Securities	1,383,500	-	1,383,500	-
Total Investments by Fair Value Level	4,063,480	<u>\$ -</u>	<u>\$ 4,063,480</u>	<u>\$ -</u>
Investments Measured at Amortized Cost				
State Treasury's Pool (LAIF)	74,670			
California Asset Management Program (CAMP)	218,806			
Investment Trust of California (CalTRUST)	11,571			
FDIC Insured Cash Sweep	15,084			
Total Investments Measured at Amortized Cost	<u>320,131</u>			
Total Investments Measured at Fair Value	<u>\$ 4,383,611</u>			

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

NOTE 5 - RECEIVABLES

A. RECEIVABLES

The County's net receivables for the year ended June 30, 2021 for the individual major funds, non-major funds, and internal service funds are as follows:

Governmental Activities:	Interest	Taxes	Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	\$ 1,488	\$ 33,895	\$ 1,982	\$ 22,761	\$ (33)	\$ 60,093
Behavior Health & Recovery Services	311	-	412	17,252	-	17,975
Community Development	4	-	-	1,527	-	1,531
Coronavirus Relief	194	-	-	-	-	194
County Local Revenue Fund	-	-	-	18,137	-	18,137
Human Services	102	-	1,862	27,190	-	29,154
Roads	130	-	472	16,987	(154)	17,435
Structural Fire	125	3,289	-	12,209	-	15,623
Other Non-major Governmental Funds	211	395	7,084	20,866	(891)	27,665
Internal Service Funds	350	-	5	5,256	-	5,611
Total Governmental Activities	\$ 2,915	\$ 37,579	\$ 11,817	\$ 142,185	\$ (1,078)	\$ 193,418

The receivables category classified as "Other" is composed of receivables from the State and other sources. The total amount of taxes receivable not expected to be collected within one-year totals \$8,071. Of this amount, \$5,346 is recorded in the General Fund and \$2,725 in the Structural Fire.

The County's net receivables for the year ended June 30, 2021 for the enterprise funds are as follows:

Business-type Activities:	Interest	Taxes	Accounts	Other	Allowance for Uncollectibles	Net Receivables
Airports	\$ 19	\$ -	\$ 817	\$ 1,275	\$ (9)	\$ 2,102
Waste Management	174	1,714	1,755	721	(79)	4,285
Non-major Enterprise Funds	82	2,007	142	325	-	2,556
Total Business-type Activities	\$ 275	\$ 3,721	\$ 2,714	\$ 2,321	\$ (88)	\$ 8,943

Housing Loans Receivable and Housing Loans Interest Receivable

A total of \$61,868 was recorded as housing loans receivable and a total of \$17,975 was recorded as housing loans interest receivable at June 30, 2021. These represent low or no interest mortgage notes and related accrued interest to finance multi-family and single-family construction and rehabilitation projects, as well as homebuyer assistance for low income families, as part of the County's affordable housing program with loan terms ranging from 5 to 55 years. The County's primary sources of funding for these loans come from grants from the federal HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) programs. The HOME and CDBG grants contain monitoring requirements, reflected in the loan agreements, to ensure grant compliance. Due to the terms of the loans, offsetting deferred inflows of resources of \$79,626 have been established in the Governmental Funds Balance Sheet for the housing loan principal and interest payments. Additionally, \$1,088 of deferred inflows of resources remain in the Government-wide Statement of Net Position for the principal and interest balance of loans with a forgiveness clause since these types of loans are more likely not to be repaid to the County.

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

NOTE 6 - INTERFUND TRANSACTIONS

A. DUE FROM/TO OTHER FUNDS

Due From and Due To Other Funds amounts will be repaid in the following fiscal year. Due From and Due To Other Funds at June 30, 2021 are as follows:

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Community Development	\$ 520	Expenditure Adjustment
	Coronavirus Relief Fund	32	Expenditure Reimbursement
	Non-major Governmental Funds	2,904	Expenditure Reimbursement, Proposition 172 Revenue, Cash Flow
	Human Services	<u>544</u>	Realignment
		<u>4,000</u>	
Behavioral Health & Recovery Services	County Local Revenue Fund	3,776	Realignment
	General Fund	<u>1,881</u>	Expenditure Adjustment
		<u>5,657</u>	
Human Services	General Fund	2,677	Expenditure Adjustment
	Non-major Governmental Funds	<u>365</u>	Expenditure Reimbursement
		<u>3,042</u>	
Roads	Community Development	98	Services Provided
	General Fund	<u>391</u>	Expenditure Adjustment
		<u>489</u>	
Structural Fire	Non-major Governmental Funds	147	Proposition 172 Revenue
	General Fund	<u>1,662</u>	Expenditure Reimbursement
		<u>1,809</u>	
Waste Management	General Fund	<u>338</u>	Expenditure Reimbursement,
		<u>338</u>	Expenditure Adjustment
Non-major Governmental Funds	General Fund	896	Realignment
	Non-major Governmental Funds	<u>220</u>	Expenditure Reimbursement
		<u>1,116</u>	
Non-major Enterprise Funds	General Fund	<u>66</u>	Expenditure Adjustment
Internal Service Funds	Roads	179	Services Provided
	Waste	88	Services Provided
	Non-major Governmental Funds	69	Services Provided
	Non-Major Enterprise Funds	35	Expenditure Reimbursement
	General Fund	<u>3,727</u>	Expenditure Adjustment
		<u>4,098</u>	
Total		<u>\$ 20,615</u>	

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

Transfers are used to move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them. Transfers also include debt service payments required to be paid out of debt service funds. Other transfers include unrestricted amounts in the General Fund transferred to finance various programs accounted for in other funds as per budgetary authorizations. Transfers out/in for the year ended June 30, 2021 are as follows:

Transfers Out	Transfers In	Amount
General Fund	Airports	\$ 395
	Behavioral Health & Recovery Services	6,827
	Human Services	116,520
	Structural Fire	9,017
	Non-Major Governmental Funds	58,784
	Internal Service Fund - Public Works	6,953
	Roads	546
	Waste	338
	Non-Major Enterprise	66
		<u>199,446</u>
Behavioral Health & Recovery Services	General Fund	578
	Non-Major Governmental Funds	3,237
		<u>3,815</u>
Community Development	General Fund	<u>2,683</u>
Coronavirus Relief Fund	Airports	16
	General Fund	44,271
	Behavioral Health & Recovery Services	876
	Human Services	2,221
	Structural Fire	16,463
	Non-Major Governmental Funds	1,271
	Internal Service Fund - Public Works	247
	Internal Service Fund - Group Health	115
	Internal Service Fund - Garage	2
		<u>65,482</u>
County Local Revenue Fund	General Fund	63,908
	Human Services	52,084
	Behavioral Health & Recovery Services	60,557
	Non-Major Governmental Funds	7,150
		<u>183,699</u>
Human Services	Non-Major Governmental Funds	<u>7,832</u>
Roads	Non-Major Governmental Funds	<u>1,203</u>
Structural Fire	Non-Major Governmental Funds	<u>11,808</u>
Non-Major Governmental Funds	General Fund	100,993
	Behavioral Health & Recovery Services	126
	Human Services	102
	Structural Fire	7,185
	Non-Major Governmental Funds	3,430
		<u>111,836</u>
Internal Service Fund - Public Works	Roads	<u>6,421</u>
Internal Service Fund - Garage	General Fund	<u>800</u>
Total		<u>\$ 595,025</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

NOTE 7 - CAPITAL ASSETS

A. GOVERNMENTAL CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Transfers & Adjustments	Ending Balance
Governmental Activities:					
Capital Assets, not being depreciated:					
Land and Easement	\$ 33,307	\$ 943	\$ -	\$ -	\$ 34,250
Construction in Progress	9,861	30,559	-	(13,580)	26,840
Intangibles	1,143,867	20,545	-	-	1,164,412
Works of Art	60	-	-	-	60
Total Capital Assets, not being depreciated	1,187,095	52,047	-	(13,580)	1,225,562
Capital Assets, being depreciated and amortized:					
Infrastructure	754,860	49,227	2,749	9,399	810,737
Structures and Improvements	606,123	7,645	-	4,181	617,949
Equipment	212,879	12,749	8,149	-	217,479
Intangibles	15,557	300	38	-	15,819
Total Capital Assets, being depreciated and amortized	1,589,419	69,921	10,936	13,580	1,661,984
Less: Accumulated Depreciation and Amortization for:					
Infrastructure	418,173	29,881	2,749	(11)	445,294
Structures and Improvements	241,959	8,782	-	(4)	250,737
Equipment	160,544	10,050	4,459	-	166,135
Intangibles	5,663	900	-	-	6,563
Total Accumulated Depreciation and Amortization	826,339	49,613	7,208	(15)	868,729
Total Capital Assets, being depreciated and amortized, net	763,080	20,308	3,728	13,595	793,255
Capital Assets, net	\$ 1,950,175	\$ 72,355	\$ 3,728	\$ 15	\$ 2,018,817

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

B. ENTERPRISE AND COMPONENT UNIT CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Transfers & Adjustments	Ending Balance
Business-type Activities:					
Capital Assets, not being depreciated:					
Land	\$ 34,672	\$ 187	\$ -	\$ 1,746	\$ 36,605
Land Acquisition in Progress	98	1,734	-	(1,746)	86
Construction in Progress	5,748	15,823	7,501	-	14,070
Works of Art	198	-	-	-	198
Total Capital Assets, not being depreciated	40,716	17,744	7,501	-	50,959
Capital Assets, being depreciated and amortized:					
Structures and Improvements	89,144	687	-	-	89,831
Land Improvements	67,221	2,046	-	-	69,267
Equipment	39,200	7,632	178	-	46,654
Intangibles	1,109	-	-	-	1,109
Infrastructure	125,838	4,951	-	-	130,789
Total Capital Assets, being depreciated and amortized	322,512	15,316	178	-	337,650
Less: Accumulated Depreciation and Amortization for:					
Structures and Improvements	38,753	2,703	-	-	41,456
Land Improvements	29,639	2,654	-	-	32,293
Equipment	19,860	2,915	82	-	22,693
Intangibles	369	38	-	-	407
Infrastructure	50,144	4,316	-	-	54,460
Total Accumulated Depreciation and Amortization	138,765	12,626	82	-	151,309
Total Capital Assets, being depreciated and amortized, net	183,747	2,690	96	-	186,341
Capital Assets, net	\$ 224,463	\$ 20,434	\$ 7,597	\$ -	\$ 237,300

Discretely Presented Component Unit – Hospital Authority

A summary of capital asset activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2021, were as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Hospital Authority Component Unit Activities:					
Capital Assets, not being depreciated:					
Land	\$ 1,809	\$ 45	\$ -	\$ -	\$ 1,854
Construction in Progress	16,456	9,708	-	(17,625)	8,539
Total Capital Assets, not being depreciated	18,265	9,753	-	(17,625)	10,393
Capital Assets, being depreciated:					
Equipment	54,626	1,425	-	11,274	67,325
Structures and Improvements	91,803	-	-	6,351	98,154
Intangibles	48,585	-	-	-	48,585
Total Capital Assets, being depreciated and amortized	195,014	1,425	-	17,625	214,064
Less: Accumulated Depreciation	(116,182)	(10,038)	-	-	(126,220)
Total Capital Assets, being depreciated and amortized, net	78,832	(8,613)	-	17,625	87,844
Capital Assets, net	\$ 97,097	\$ 1,140	\$ -	\$ -	\$ 98,237

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

C. DEPRECIATION

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

Governmental Activities:	
General	\$ 4,355
Public Protection	10,776
Public Ways and Facilities	30,547
Health and Sanitation	1,202
Public Assistance	481
Education	677
Culture and Recreation Services	911
Depreciation on Capital Assets Held by the County's Internal Service Funds are charged to various functions based on usage of the assets	664
Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 49,613</u>
Business-type Activities:	
Airports	\$ 5,073
Waste Management	5,377
County Sanitation Districts	502
Golf Course	148
Public Transportation	1,526
Total Depreciation and Amortization Expense - Business-type Activities	<u>\$ 12,626</u>

D. CONSTRUCTION IN PROGRESS

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

NOTE 8 - LEASES

A. LONG-TERM OPERATING LEASES

The County has entered into various long-term lease agreements for buildings and land, which have been classified as operating leases. None of the leases convey rights of ownership or are of a duration approximating useful economic life. The total costs for operating leases for the fiscal year ended June 30, 2021, amounted to \$14,598. The following is a schedule of future minimum long-term operating lease payments for the Governmental Funds:

Year Ended June 30,	Amount
2022	\$ 15,736
2023	13,508
2024	12,220
2025	11,461
2026	11,021
2027 - 2031	31,204
2032 - 2036	11,374
2037 - 2041	573
2042	249
Total	<u>\$ 107,346</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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B. CAPITAL LEASES

The County has entered into several long-term lease purchase agreements for certain major pieces of equipment during the fiscal year ended June 30, 2021. At the end of the lease, when all terms have been met, the related equipment will become property of the County.

The following is a schedule of future minimum lease payments for capital leases:

Year Ended June 30,	Governmental Activities
2022	\$ 5,262
2023	3,831
2024	3,159
2025	2,678
2026	1,277
2027 - 2031	5,899
2032 - 2036	3,988
2037 - 2039	2,396
Total Minimum Lease Payments	28,490
Less: Amount Representing Interest	(4,066)
Present Value of Minimum Lease Payments	\$ 24,424

Interest expense for capital leases in Governmental Activities for the current fiscal year was \$588. The interest expense is reported as direct expense in each function.

Capital assets under capital leases by major classes at June 30, 2021 are as follows:

	Governmental Activities
Equipment	\$ 27,288
Structure	11,690
	\$ 38,978

NOTE 9 - LONG-TERM DEBT

A. LONG-TERM LIABILITIES

The County is not obligated in any manner for outstanding special assessment debt. However, the County acts in an agency capacity for property owners in collecting overlapping tax and assessment debt, which totals \$1,770,999. These amounts do not appear in the accompanying Financial Statements.

As indicated in Notes 1.H., 8.A., 8.B., 9.B., 9.C., 9.D., and 9.E., the County has recognized a long-term liability for compensated absences, lease purchase agreements, certificates of participation, facility lease, loans payable, bonds payable, and pension obligation bonds.

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

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

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The following is a summary of long-term liabilities and corresponding activity for the year ended June 30, 2021:

	Beginning Balance	Additions	Deletions	June 30, 2021	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 92,321	\$ 48,338	\$ 52,891	87,768	\$ 59,579
Capital Lease	21,079	9,000	5,655	24,424	4,731
Certificates of Participation (COP)	71,095	-	3,405	67,690	3,580
COP - Unamortized Premium	3,626	-	253	3,373	-
Tobacco - Asset Backed Bonds	70,975	-	6,219	64,756	3,565
Tobacco - Unamortized Bond Premium	5,331	-	267	5,064	-
Bonds Payable - Qualified Energy Conservation Bonds	1,970	-	311	1,659	318
Loans Payable - I Bank	3,057	-	403	2,654	413
Direct Borrowing - Kern Public Services	6,380	-	515	5,865	530
Pension Obligation Bonds (1995)	9,505	-	6,135	3,370	3,370
Pension Obligation Bonds (2003)	99,939	-	18,483	81,456	20,682
Pension Obligation Bonds (2008)	42,285	-	-	42,285	-
Net OPEB Liability	41,728	-	23,737	17,991	-
Net Pension Liability	1,765,252	174,400	-	1,939,652	-
Total Governmental Activities	<u>2,234,543</u>	<u>231,738</u>	<u>118,274</u>	<u>2,348,007</u>	<u>96,768</u>
	Beginning Balance	Additions	Deletions	June 30, 2021	Due Within One Year
Business-type Activities:					
Compensated Absences	2,784	1,435	1,517	2,702	2,000
Direct Borrowing - Airport	4,072	-	543	3,529	554
Pension Obligation Bonds (1995)	162	-	104	58	58
Pension Obligation Bonds (2003)	1,611	-	298	1,313	333
Pension Obligation Bonds (2008)	682	-	-	682	-
Pollution Remediation	6,349	1,364	-	7,713	664
Closure Liability	32,611	-	2,224	30,387	-
Post-Closure Liability	29,510	-	6,389	23,121	421
Net OPEB Liability	951	-	541	410	-
Net Pension Liability	38,913	6,133	-	45,046	-
Total Business-type Activities	<u>117,645</u>	<u>8,932</u>	<u>11,616</u>	<u>114,961</u>	<u>4,030</u>
Total Government-wide Long-Term Liabilities	<u>\$2,352,188</u>	<u>\$ 240,670</u>	<u>\$ 129,890</u>	<u>\$2,462,968</u>	<u>\$ 100,798</u>

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Discretely Presented Component Unit – Hospital Authority

Long-term obligations and corresponding activity for the Hospital Authority, a discretely presented component unit, for the year ended June 30, 2021, was as follows:

	Beginning Balance	Additions	Deletions	June 30, 2021	Due Within One Year
Compensated Absences	\$ 17,299	\$ 2,144	\$ -	\$ 19,443	\$ 15,613
Capital Lease	2,213	-	2,157	56	56
Pension Obligation Bonds	19,749	-	3,397	16,352	3,209
Net OPEB Liability	3,753	-	2,099	1,654	-
Net Pension Liability	322,104	59,049	-	381,153	-
Line of Credit	20,000	-	20,000	-	-
Total	\$ 385,118	\$ 61,193	\$ 27,653	\$ 418,658	\$ 18,878

B. CERTIFICATES OF PARTICIPATION

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

The County has outstanding COPs totaling \$67,690 at fixed interest rates. The proceeds of the COPs are being used for the acquisition of equipment, construction, and renovation of certain public facilities within the County. The COPs have been delivered to the trustee, U.S. Bank, for investment and disbursement subject to the terms and conditions of the trust agreements.

The obligation of the County to make base rental payments does not constitute a general obligation of the County for which the County is obligated to levy or pledge any form of taxation. A portion of the 2011 Refunding is being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding activity for the debt in Note 8.A. The rest of the 2011 Refunding COP and the 2016 Refunding Capital Improvement Projects COP are paid by the Kern Asset Leasing Corporation. A description of each COP and the corresponding schedules of future minimum payments owed by the primary government are as follows:

2016 Refunding COP, Series A

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

Year Ended June 30,	Principal	Interest	Total
2022	3,580	2,672	6,252
2023	3,765	2,489	6,254
2024	3,965	2,295	6,260
2025	4,160	2,092	6,252
2026	4,380	1,879	6,259
2027 - 2031	24,690	6,583	31,273
2032 - 2035	23,150	1,865	25,015
Total	\$ 67,690	\$ 19,875	\$ 87,565

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C. LOANS PAYABLE

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

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

Year Ended June 30,	Principal	Interest	Total
2022	\$ 530	\$ 128	\$ 658
2023	540	117	657
2024	555	105	660
2025	565	93	658
2026	580	80	660
2027 - 2031	3,095	206	3,301
Total	\$ 5,865	\$ 729	\$ 6,594

2017 Refunding Loan – Airports (Direct Borrowing)

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

Year Ended June 30,	Principal	Interest	Total
2022	554	77	631
2023	568	65	633
2024	581	52	633
2025	594	38	632
2026	608	25	633
2027	624	11	635
Total	\$ 3,529	\$ 268	\$ 3,797

Fifth District Curb and Gutter Project

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

Year Ended June 30,	Principal	Interest	Total
2022	\$ 413	\$ 73	\$ 486
2023	425	61	486
2024	436	48	484
2025	448	35	483
2026	460	21	481
2027	472	8	480
Total	\$ 2,654	\$ 246	\$ 2,900

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D. BONDS PAYABLE

Tobacco Settlement Asset-Backed Refunding Bonds

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

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

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

Year Ended June 30,	Principal	Interest	Total
2022	\$ 3,565	\$ 3,158	\$ 6,723
2023	3,600	2,979	6,579
2024	3,840	2,799	6,639
2025	1,490	2,607	4,097
2026	1,545	2,548	4,093
2027-2031	12,180	11,662	23,842
2032-2036	21,020	7,462	28,482
2037-2040	17,516	2,243	19,759
Total	\$ 64,756	\$ 35,458	\$ 100,214

2010 Lease Revenue Refunding

On December 16, 2010, the County issued Lease Revenue Refunding Bonds, 2010 Series in the principal amount of \$11,250. The proceeds of the bonds were used to redeem the 2002 Series A Lease Revenue Refunding Bonds. The maturity date of the bonds is March 1, 2032. The bonds have interest rates that range from 3.00% to 5.75%. On November 19, 2019, the County's Board adopted a resolution to authorize the refunding of the Lease Revenue Refunding Bonds, 2010 Series by issuing the 2019 Lease Revenue Refunding Private Placement Loan as discussed in note 8.C. As result, the Lease Revenue Refunding Bonds, 2010 Series is considered defeased and the liability for those bonds has been removed from the County's long-term debt liabilities.

2011 Qualified Energy Conservation Bonds

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

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The Qualified Energy Conservation Bonds debt schedule is as follows:

Year Ended June 30,	Principal	Interest	Total
2022	\$ 318	\$ 94	\$ 412
2023	325	75	400
2024	332	55	387
2025	339	36	375
2026	345	15	360
Total	\$ 1,659	\$ 275	\$ 1,934

E. PENSION OBLIGATION BONDS

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

1995 Pension Obligation Bond

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

At June 30, 2021, the amount of bonds included, as a component of the County's pension liability, was \$3,428. Of this amount, \$3,370 has been recorded in the governmental activities, and \$58 has been recorded in the proprietary fund types. Debt service for the amount recorded in the governmental activities is reflected in the debt service fund entitled Pension Obligation Bond Trustee Non-Major Governmental Fund. A portion of the 1995 Pension Obligation Bond is being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding debt activity in Note 8.A.

The Capital Appreciation Bonds have various maturity dates between 2016 and 2022 and the interest ranges from 7.560% to 7.610%. For the year ended June 30, 2021, interest payments related to the bonds were \$33,276. Of this amount, \$32,720 was paid out of governmental funds and \$556 was paid out of enterprise funds. The following is a summary of the County's total funding requirements of the bonds:

Year Ended June 30,	Principal	Interest	Total
2022	\$ 3,428	\$ 19,963	\$ 23,391
Total	\$ 3,428	\$ 19,963	\$ 23,391

2003 & 2008 Pension Obligation Bonds

The County's Board adopted a resolution to authorize the issuance of the County pension obligation debenture in order to finance the County's share of the unfunded actuarial accrued liability of the KCERA. The actuarial accrued liability of participating special districts was excluded from this funding source. The Taxable Pension Obligation Bonds have been issued at \$288,177, of which \$238,177 was issued as 2003 Series A Bonds and \$50,000 was issued as 2003 Series B Bonds. The 2003 Series A Bonds were issued as Current Interest Bonds and Capital Appreciation Bonds; the 2003 Series B Bonds were refunded as Adjustable Rate Bonds in August 2008. The bonds have various maturity dates ranging from 2006 to 2023 for Current Interest Bonds and from 2023 to 2028 for Capital Appreciation Bonds. The 2003 Series A has fixed interest rates that range from 2.33% to 4.88% for the Current Interest Bonds

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and 5.50% to 5.57% for the Capital Appreciation Bonds. A portion of the 2003 & 2008 Pension Obligation Bonds are being paid for by the Hospital Authority, a discretely presented component unit; see the corresponding activity for the debt in Note 8.A.

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

At June 30, 2021, the amount of bonds included as a component of the County's pension liability was \$125,737. The following is a summary of the County's total funding requirements of the 2003 Series A bonds:

Year Ended June 30,	Principal	Interest	Total
2022	\$ 21,016	\$ 2,200	\$ 23,216
2023	23,413	1,116	24,529
2024	15,871	9,645	25,516
2025	8,464	18,460	26,924
2026	8,431	1,953	10,384
2027	5,574	14,386	19,960
Total	<u>\$ 82,769</u>	<u>\$ 47,760</u>	<u>\$ 130,529</u>

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

Year Ended June 30,	Principal	Interest	Total
2022	\$ -	\$ 1,798	\$ 1,798
2023	-	1,798	1,798
2024	-	1,798	1,798
2025	-	1,798	1,798
2026	-	1,798	1,798
2027-2028	42,967	1,670	44,637
Total	<u>\$ 42,967</u>	<u>\$ 10,660</u>	<u>\$ 53,627</u>

NOTE 10 - PENSION PLAN

PLAN DESCRIPTION

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

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

Prior to January 1, 1996, the Kern County Treasurer-Tax Collector was responsible for financial reporting and accounting for all investments as required by California Government Code Section 31596; thereafter, responsibility for financial reporting and accounting is vested with the Board of Retirement as required by Government Code Section 31596 et seq., as amended. On January 11, 1987, the Board of Retirement

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authorized the retirement fund to incur an administrative expense and hire an Administrator to serve at the Board of Retirement's pleasure. The Administrator is responsible for the processing and computing of applications for retirement benefits, refunds, beneficiary allowances, death benefits, reciprocity, and any other duties the Board of Retirement may assign. The Administrator also acts as Secretary for all Board of Retirement and Committee meetings and performs other activities as directed by the Board of Retirement. The KCERA Pension Plan (the Plan) provides for retirement, disability, death, beneficiary and cost-of-living benefits.

BENEFITS PROVIDED

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

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

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

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

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

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

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

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

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

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

The total members included in the Plan as of June 30, 2021 are as follows;

	General	Safety	Total
Active Employees	7,382	1,690	9,072
Terminated Employees	2,569	241	2,810
Retirees and Beneficiaries			
Currently Receiving Benefits	6,746	2,089	8,835
	16,697	4,020	20,717

The Memorandum of Understanding (MOU) adopted March 2012 between the County and its general employees' states that all general members hired prior to the first day of payroll period 2004-16 shall start to pay, in the second year of the agreement, one-sixth of the employee's normal contribution to retirement. In the third year, the employee's normal contribution will increase to one-third. All general members hired on or after the first day of payroll period 2004-16 shall pay 100% of the new employees' normal contribution to retirement. The MOUs adopted in March 2012 between the County and its safety employees state that all safety members, depending on MOU, hired before the range March 2007 – October 2007, will contribute one-sixth of the employee's normal contribution to retirement in the second year of the agreement. In the third year, the employee's normal contribution will increase to one-third.

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

BASIS OF ACCOUNTING

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

CONTRIBUTIONS

As a condition of participation under the provisions of the County Employees' Retirement Law of 1937 (CERL), members are required to contribute to KCERA a percentage of their salaries. Member contributions for fiscal year ended 2020 totaled \$273,909 and were applied to the member's base pay plus compensable special pay. For general members hired prior to 2013, contribution rates were determined by benefit tier and KCERA entry age. For safety members hired prior to 2013, contribution rates were determined by benefit tier and each safety-represented bargaining unit's applicable MOU. Some safety member rates were based on age of entry, whereas other safety members contribute at a flat, average rate. The contribution rates of general and safety members who first joined KCERA, on or after January 1, 2013, are at least 50% of the normal cost rate. Furthermore, the rate of members integrated with Social Security is reduced by one-third on the first \$350 of monthly salary.

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

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

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

At June 30, 2021, the County reported net pension liabilities for its proportionate shares of the Net Pension Liability (NPL) of each Plan as follows:

Net Pension Liability	\$	1,987,666
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The NPL was measured as of June 30, 2020, and the Total Pension Liability (TPL) used to calculate the NPL was determined by rolling forward the TPL from the actuarial valuation as of June 30, 2019.

The NPL for each membership class is the TPL minus the Plan's Fiduciary Net Position (Plan's FNP). The TPL for each membership class is obtained from internal valuation results based on the actual participants in each membership class. The Plan's FNP for each membership was estimated by adjusting the valuation value of assets for each membership class by the ratio of the total KCERA Plan's FNP (excluding the SRBR) to total KCERA valuation value of assets. Based on this methodology, any non-valuation reserves are allocated amongst the membership classes based on each membership class' valuation value of assets. At the June 30, 2020 measurement date, the County's proportion was 72.30%, which was a decrease of 0.54% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$234,922. Pension expense represents the change in the NPL during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions or other inputs	\$ 122,618	\$ -
Changes in proportion and differences between County contributions and proportionate share of contributions	3,462	40,686
County contributions subsequent to the measurement date	211,831	-
Net difference between projected and actual earnings on retirement plan investments	132,006	-
Differences between expected and actual experience in the Total Pension Liability	-	80,202
	\$ 469,917	\$ 120,888

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Deferred outflows of resources and deferred inflows of resources in the previous schedule represent the unamortized portion of changes to NPL to be recognized in future periods in a systematic and rational manner. \$211,831 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ending June 30, 2022.

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

Year Ended June 30,		
2022	\$	20,714
2023		31,925
2024		42,639
2025		40,834
2026		1,086
	<u>\$</u>	<u>137,198</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Pension Liability
Governmental Activities	\$ 458,392	\$ 117,855	\$ 1,939,652
Business-Type Activities	10,783	2,846	45,046
Investment Trust Fiduciary Fund	742	187	2,968
Total	<u>\$ 469,917</u>	<u>\$ 120,888</u>	<u>\$ 1,987,666</u>

FAIR VALUATION OF INVESTMENTS

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

Publicly traded stocks	Most recent exchange closing price. International securities reflect currency exchange rates in effect at June 30, 2021 and 2020.
Short-term investments and bonds	Institutional evaluations or priced at par.
Over the Counter securities	Evaluations based on good faith opinion as to what a buyer in the marketplace would pay for a security.
Commingled funds	Net asset value provided by the investment manager.
Alternative investments	Net asset value provided by the Fund manager based on the underlying financial statements and fair value of the Fund.
Private equity real estate investments	Estimated based on the price that would be received to sell an asset in an orderly transaction between marketplace participants at the measurement date. Investments without a public market are valued based on assumptions made and multiple valuation techniques used by the investment manager.

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ACTUARIAL ASSUMPTIONS

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

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

Inflation	2.75%
Projected Salary Increases	General: 4.00% to 8.75% and Safety: 3.75% to 12.00%. Varies by service, including inflation.
Investment Rate of Return	7.25%, net of pension plan investment expenses, including inflation.
Administrative Expenses	0.90% of payroll allocated to both the employer and member based on the components of the total average contribution rate (before expenses) for the employer and member.
Other Assumptions	Same as those used in the June 30, 2020 funding valuation. These assumptions were developed in the analysis of actuarial experience for the period July 1, 2016 through June 30, 2019.

The Entry Age Normal Actuarial Cost method used in KCERA's annual actuarial valuation has also been applied in measuring the service cost and TPL with one exception. For purposes of measuring the service cost and TPL, KCERA has reflected the same plan provisions used in determining the member's actuarial present value of projected benefits. This is different from the version of this method applied in KCERA's annual funding valuation, where the normal cost and actuarial accrued liability are determined as if the current benefit accrual rate had always been in effect.

The long-term expected rate of return on pension plan investments (7.25%) was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

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

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DISCOUNT RATE

The discount rate used to measure the TPL was 7.25% as of June 30, 2020. The projection of cash flows used to determine the discount rates assumed member contributions would be made at the current contribution rate and that employer contributions would be made at rates equal to the actuarially determined contribution rates.

For this purpose, only employee and employer contributions intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of the measurement year.

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

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

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

	1% Decrease 6.25%	Current Rate 7.25%	1% Increase 8.25%
County's Proportionate Share of the Net Pension Liability	\$ 2,695,077	\$ 1,987,666	\$ 1,412,873

PENSION FUND FIDUCIARY NET POSITION

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

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. GENERAL INFORMATION ABOUT THE OPEB PLAN

Plan Description

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

Benefits Provided

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

1. The Retiree Health Premium Supplement Program (RHPS) provides benefits to employees who: 1) elected to participate or were required to participate, 2) retire on or after July 1, 1990, 3) are between the ages of 50 and 64, and 4) have at least 20 years of continuous County service as a permanent employee. The supplement amount is permanently fixed once determined and,

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depending on years of service, is equal to 50-100% of the active employee monthly health premium for a single individual at the time of retirement.

2. The Retiree Health Stipend (RHS) provides a stipend to employees who choose continuous County health coverage upon retirement. The monthly stipend paid on behalf of each retiree is a maximum of \$39.75 for single coverage, \$53.69 for two-party coverage and \$61.50 for family coverage, limited to the cost of the plan selected.

During the fiscal year 2015-2016, the County gave a one-time offer to the Service Employees International Union (SEIU) represented employees and Management, Mid-Management, and Confidential employees to opt out of the postretirement health care benefits. By opting out of the plan: the employee will be ineligible to receive the RHPSP supplement upon retirement, including service connected disability retirement; be ineligible to receive the RHS upon retirement; upon active retirement from the County, the employee will be eligible to receive an employer contribution to a Health Reimbursement Arrangement in the following manner (a lump sum contribution equivalent to all of the employee's RHPSP deductions from payroll period August 11-24, 2012, up to the final pay period that the employee contributed to the RHPSP; Employees retiring at or after age 70 will not receive any contribution); the change will be effective the first biweekly pay period following receipt of the form by County Human Resources- Health Benefits; and the County will no longer deduct 2.12% of the employee's salary for participating in the RHPSP.

Contributions

The County's Actuarially Determined Contribution (ADC) rate is based off an employer portion and employee portion with the County contributing all of the RHS portion. The County contributed a flat \$46 per eligible employee per pay period for the plan year ending June 30, 2021 (\$52 per pay period for plan year beginning July 1, 2021). The employer contribution is not legally or contractually determined. The employee contribution for the RHPSP is 2.12% of covered payroll for a majority of the employee union contracts. Contributions to the OPEB plan from the County were \$9,193 for the year ended June 30, 2021.

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

At June 30, 2021, the County reported a liability of \$18,400 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability was based on the proportion of total OPEB liability for each group, calculated according to classification in census data. At June 30, 2021, the County's proportion was 91.75 percent, which was a decrease of 0.16% from its proportion measured as of June 30, 2020.

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For the year ended June 30, 2021, the County recognized an OPEB revenue of \$8,272. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between County contributions and proportionate share of contributions	\$ 797	\$ 755
Changes in assumptions or other inputs	2,291	6,011
Net excess of actual over projected earnings on OPEB plan investments	-	11,170
Differences between expected and actual experience in the Total OPEB Liability	-	13,230
	<u>\$ 3,088</u>	<u>\$ 31,166</u>

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

<u>Year ended June 30,</u>	
2022	\$ (7,052)
2023	(7,007)
2024	(6,707)
2025	(5,614)
2026	(1,440)
2027	(258)
	<u>\$ (28,078)</u>

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Actuarial Methods and Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Payroll Growth	Inflation of 2.75% per year plus "across the board" real salary increases of .50% per year.
Discount Rate	6.50% based on asset allocation in PARS OPEB Trust and understanding that the County of Kern is contributing \$52 per pay period per eligible employee for the plan year ending June 30, 2022 and the eligible employees are contributing 2.12% of payroll for the Supplement (RHPSP).
Trend Rates:	
Supplement	Bargaining Units 1-6, J, M, D, & X: 0.00% to 2021/2022, 3.37% to 2022/2023, then 6.75% to 2023/2024 grading down by 0.25% per year to an ultimate rate of 4.50%. Bargaining Units (All others): 2.30% to 2021/2022, then 1.31% to 2022/2023, then 6.75% to 2023/2024 grading down by 0.25% per year to an ultimate rate of 4.50%
Stipend	-
Kern Legacy Classic Choice (POS) Premiums	The Retiree POS premiums are expected to be fully unblended by calendar year 2021 and thus are not trended.
Mortality Rates:	
Pre-retirement	General: Pub-2010 General Employee Headcount-Weighted Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2019. Safety: Safety Employee Headcount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2019
Post-retirement	General and Safety: Pub-2010 General Contingent Survivor Headcount-Weighted Mortality Table with rates increased by 10% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2019.

The non-health demographic actuarial assumptions used in the June 30, 2021 valuation were based on the KCERA Experience Study dated August 3, 2020 for the period July 1, 2016 through June 20, 2019. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the table on the following page:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity-Large Cap Core	30%	7.04%
Equity-Mid Cap Core	5%	7.04%
Equity-Small Cap Core	10%	7.04%
Equity-International	10%	7.79%
Fixed Income-Intermediate Term Bond	36%	0.89%
Alternatives	8%	2.94%
Cash	1%	0.29%
Total	100%	

Discount rate

The discount rate used to measure the Total OPEB Liability (TOL) was 6.50% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at a flat \$52 per eligible employee per pay period. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the OPEB Plan Fiduciary Net Position (FNP) was projected to be sufficient to make projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on OPEB plan investments (6.50%) was applied to all periods of projected benefit payments to determine the TOL as of June 30, 2021.

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

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ 29,023	\$ 18,400	\$ 8,867

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

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

	1% Decrease	Current Healthcare Trend Rates*	1% Increase
Net OPEB Liability	\$ 12,808	\$ 18,400	\$ 24,680

*See assumption table for current trend rate

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NOTE 12 - RISK MANAGEMENT

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

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

The liabilities for self-insurance included in the General Liability and Workers' Compensation Internal Service Funds are based upon the results of actuarial studies and include amounts for claims incurred but not reported (IBNR). The liability for self-insurance included in the Group Health Internal Service Fund is based upon historical trend analysis and includes amounts on the IBNR. The liability for self-insurance included in the Unemployment Compensation Internal Service Fund represents unpaid claims incurred as of June 30, 2021.

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

Financial activity of the self-insurance programs is accounted for in separate internal service funds. Internal service funds are maintained for General Liability, Group Health, Retiree Group Health, Unemployment Compensation, and Workers' Compensation. Changes in the Self-Insurance Fund claims liabilities during the fiscal year ended June 30, 2021 are as follows:

	July 1, 2020	Claims & Changes in Estimates	Claims Payments	June 30, 2021	Due Within One Year
General Liability	\$ 36,962	\$ 374	\$ 245	\$ 37,091	\$ 122
Group Health	9,975	131,967	129,568	12,374	12,374
Unemployment Compensation	2,028	573	2,350	251	251
Workers' Compensation	59,086	14,395	14,259	59,222	15,684
Total	\$ 108,051	\$ 147,309	\$ 146,422	\$ 108,938	\$ 28,431

	July 1, 2019	Claims & Changes in Estimates	Claims Payments	June 30, 2020
General Liability	\$ 40,321	\$ (2,962)	\$ 397	\$ 36,962
Group Health	11,542	123,029	124,596	9,975
Unemployment Compensation	1,012	3,228	2,212	2,028
Workers' Compensation	61,495	12,540	14,949	59,086
Total	\$ 114,370	\$ 135,835	\$ 142,154	\$ 108,051

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Federal and State Grant Programs

The County participates in a number of federal and state grant programs, which are subject to audit. Audit requirements for most Federal grants will be met by the completion of the County's "Single Audit"

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as required by Public Law 98-502. For the most part, state grants will be audited by the State in the future. The amount of any disallowed expenditures by grantor agencies, if any, as a result of the audit cannot be determined at this time. The County believes that such disallowance, if any, would not have a material effect on the financial statements.

Mental Health Department Medicare and Medi-Cal Revenues

The County receives Medicare and Medi-Cal payments for certain Mental Health services that are provided directly by the County as well as by contracted providers. Revenues received under these programs are subject to periodic review by Medicare, Medi-Cal and their agents. Periodically, as a result of these outside reviews, revisions to claimed costs and services may be required. As a result of these revisions, the County can be required to return a portion of the revenue received from Medicare and/or Medi-Cal. The timing of such reviews and the amounts of potential repayments are not known, but such potential repayments are not considered material to these financial statements.

Contingent Property Tax Liability

At June 30, 2021, assessment appeals are pending before the County Assessment Appeals Board (AAB). The following is a summary of the estimated contingent tax liability as of June 30, 2021:

	Principal	Interest	Impounds	Net Contingent Liability
Contingent Tax Liability:	\$ 166,863	\$ 4,080	\$ (63,011)	\$ 107,932
Total Pending AAB Matters	\$ 166,863	\$ 4,080	\$ (63,011)	\$ 107,932

The County's share of the estimated contingent tax liability is \$46,680. The County and other agencies accumulate and maintain tax impound reserves for disputed property taxes. As of June 30, 2021, the County had a total of \$5,765 accumulated in its tax reserve in the General Fund. The result is a net contingent tax liability of \$20,850 for the General Fund and \$20,066 for the Structural Fire fund.

The disputed assessments involved numerous individual cases. A significant portion of assessment appeals are attributable to oil and gas activity. If all cases were settled at one point in time against the County, the County would fund the \$40,915 liability through a combination of future reserves and the abatement of property tax revenue. The effect on the County would be a reduction in appropriations.

Other Litigation

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

Outstanding Encumbrances

Outstanding encumbrances can carryover. As of June 30, 2021, the County reported significant encumbrances of \$41,274. These encumbrances included \$9,979 of funds that are already restricted and \$23,459 of funds that are assigned. The remaining \$7,836 are part of the unrestricted balance of the enterprise funds statement. The following is a list of significant encumbrances by fund:

	General Fund	Behavioral Health and Recovery Services	Roads	Airports	Waste Management	Total
Restricted		\$ 6,230	\$ 3,749			\$ 9,979
Assigned	\$ 23,459					\$ 23,459
Unrestricted				\$ 1,818	\$ 6,018	\$ 7,836

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Coronavirus (COVID-19) Pandemic

On March 11, 2020, the World Health Organization declared the spread of the novel Coronavirus (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the County, COVID-19 may impact various areas of operations and financial results including, but not limited to, costs for emergency preparedness and shortages of personnel. Management believes the County is taking appropriate actions to mitigate the negative impact, however, it is not able to reasonably quantify any negative effects the pandemic may have on future financial statements.

NOTE 14 - LANDFILLS

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

State Financial Assurance Mechanism regulations require landfill operators to set aside funds, or provide alternative funding mechanisms, to fund the closure expense and post closure maintenance of landfills. In response, the County established a designated reserve account to fund closure expense and a pledge of future revenue to fund post closure maintenance. As of June 30, 2021, the Solid Waste Management Enterprise Fund had designations of \$27,400 for closure expenses. Estimated closure and post closure maintenance costs are based on the most recent preliminary closure and post closure plans approved by the State. State regulations require the County to prepare detailed preliminary closure and post closure plans for each landfill. For closure expense, the engineer's cost estimate includes closure design, construction of final cover, construction of monitoring systems and other related activities. For post closure maintenance expense, the engineer's cost estimate includes monitoring and erosion control. If, at some future date, these closure and post closure plans and cost estimates change (due to changes in inflation, deflation, technology, regulations, etc.), the County is required to make corresponding changes in the estimated total closure costs and post closure maintenance costs. The liabilities for closure and post closure maintenance are recognized based on the percent of the landfill capacity used to date.

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

Estimated closure and post closure liabilities as of June 30, 2021, are \$61,226 and \$41,827, respectively. The County's landfills are listed on the following page, along with their estimated remaining useful lives, total capacity and percentage of capacity used:

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Facility Name	Remaining Useful Lives	Capacity in Cubic Yards	Percent Incurred
Arvin ¹	0	N/A	100%
Bena I ¹	0	N/A	100%
Bena II A	24	39,202,594	30%
Boron	23	1,027,000	83%
Buttonwillow ¹	0	N/A	100%
China Grade ¹	0	N/A	100%
Glennville ¹	0	N/A	100%
Kern Valley ¹	0	N/A	100%
Lebec ¹	0	N/A	100%
Lost Hills ¹	0	N/A	100%
McFarland/Delano ¹	0	N/A	100%
Mojave/Rosamond	10	2,569,533	77%
Ridgecrest	28	10,344,165	62%
Shafter/Wasco	33	21,895,179	42%
Taft	17	10,224,114	34%
Tehachapi	10	3,732,287	93%
Total		<u>88,994,872</u>	

¹Site is closed.

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

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

Each year a portion of the landfill's estimated closure and post closure liabilities are recognized as an expense and liability based on the capacity used to date. As of June 30, 2021, the landfill closure liability is \$30,387 and the post closure liability is \$23,121 as recorded in the liabilities of the Solid Waste Management Enterprise Fund. These represent the cumulative liabilities to date. The remaining \$30,739 and \$18,706 anticipated closure and post closure liabilities, respectively, will be recognized in future years.

NOTE 15 - POLLUTION REMEDIATION

The Solid Waste Management Enterprise Fund has the following pollution remediation liability for the remediation of 25 burn dumps that were either owned or operated by the County prior to 1971. The County intends to follow the guidelines set forth by the California Integrated Waste Management Board's Local Enforcement Agency (LEA) Advisory #56, dated November 4, 1998, to remediate each burn dump. Site Characterization and Environmental Assessments have been conducted for 23 of the 25 burn dumps. Based on the Site Characterization and Environmental Assessments, a remediation plan has been developed for each burn dump. Costs are based on the remediation plan for each site and on our experience with similar sites, which the Solid Waste Management Enterprise Fund has previously remediated. The Solid Waste Management Enterprise Fund does not anticipate any recoveries regarding these burn dumps. The amount accrued at June 30, 2021 was \$7,713.

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NOTE 16 - DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES/ADVANCES FROM OTHERS

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

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

For information about the deferred outflows and inflows of resources relating to deferred pensions and other post employment benefits, see Note 9 and Note 10, respectively.

The various components of deferred outflows, deferred inflows, and advances from grantors and third parties reported at June 30, 2021 are as follows:

	<u>Deferred Inflows of Resources</u>	<u>Advances From Grantors and Third Parties</u>
Governmental Fund Activities:		
Delinquent Property Taxes Receivable		
General Fund	\$ 5,346	\$ -
Structural Fire	2,725	-
Other Long-term Receivables		
General Fund	2,367	-
Human Services	1,669	-
Deferred Housing Loan Payments		
Community Development	61,370	-
Non-major Governmental Fund	18,256	-
Reimbursements		
Behavioral Health & Recovery Services	6,627	-
Advanced Funds		
General Fund	-	7,242
Total Governmental Activities	<u>\$ 98,360</u>	<u>\$ 7,242</u>

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Government-Wide Activities:		
Governmental Activities:		
Deferred OPEB	\$ 3,016	\$ 30,471
Deferred Pensions	458,392	117,855
Deferred Charge on Refunding		
2014 Tobacco Refunding	917	-
2016 Advanced Refunding COP	6,470	-
2020 Kern Public Services	27	-
Deferred Housing Loan Payments	-	1,088
Total Governmental Activities	<u>468,822</u>	<u>149,414</u>
Business-Type Activities:		
Deferred OPEB		
Airports	9	89
Waste Management	50	501
Non-major Enterprise Funds	13	105
Deferred Pensions		
Airports	901	237
Waste Management	8,195	2,145
Non-major Enterprise Funds	1,687	464
Deferred Charge on Refunding		
Airports	61	-
Total Business-Type Activities	<u>10,916</u>	<u>3,541</u>
Total Government-Wide Activities	<u>\$ 479,738</u>	<u>\$ 152,955</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

NOTE 17 - FUND BALANCES/NET POSITION

A. FUND BALANCE

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1.H. for a description of these categories). Fund balances for all the major and non-major governmental funds as of June 30, 2021, were distributed as follows:

	General	Behavioral Health & Recovery Services	Community Development	Coronavirus Relief	County Local Revenue Fund	Human Services	Kern County Tobacco Funding Corp.	Roads	Structural Fire	Other Governmental Funds	Total
Nonspendable:											
Receivables/Advances	\$ 15,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,259
Deposits/Revolving Cash	349	1	-	-	-	101	-	-	3	25	479
Inventory	1,126	-	-	-	-	-	-	4,507	1,163	-	6,796
Total Nonspendable Fund Balance	16,734	1	-	-	-	101	-	4,507	1,166	25	22,534
Restricted for:											
Animal Service Programs	-	-	-	-	-	-	-	-	-	51	51
Apparatus Replacement	-	-	-	-	-	-	-	-	3,585	-	3,585
Assessor/Recorder Programs	84	-	-	-	-	-	-	-	-	4,823	4,907
Automated Fingerprint	-	-	-	-	-	-	-	-	-	1,134	1,134
Automated Warrant System	-	-	-	-	-	-	-	-	-	142	142
Bakersfield Mitigation	-	-	-	-	-	-	-	2,148	-	-	2,148
Capital Improvement - Fire Stations	-	-	-	-	-	-	-	-	1,586	-	1,586
Capital Projects	-	-	-	-	-	-	-	-	-	34,560	34,560
CCP Community Recidivism	-	-	-	-	-	-	-	-	-	4,805	4,805
Child Support Enforcement	-	-	-	-	-	-	-	-	-	893	893
Comm Corr. Performance Incentive	-	-	-	-	-	-	-	-	-	457	457
Community Development	13,559	-	1,284	-	-	-	-	-	-	42	14,885
Coronavirus Relief	-	-	-	2,044	-	-	-	-	-	-	2,044
County Clerk Activities	-	-	-	-	-	-	-	-	-	46	46
Criminal Justice Facility	-	-	-	-	-	-	-	-	-	3,003	3,003
Criminalistics Lab	-	-	-	-	-	-	-	-	-	39	39
CSAs - Health & Sanitation	-	-	-	-	-	-	-	-	-	1,664	1,664
CSAs - Public Protection	-	-	-	-	-	-	-	-	-	443	443
CSAs - Public Ways	-	-	-	-	-	-	-	-	-	4,753	4,753
DA Court Ordered Penalties	-	-	-	-	-	-	-	-	-	500	500
Debt Service	12,121	-	-	-	-	-	9,813	-	-	2,842	24,776
DHS- Wraparound	-	-	-	-	-	-	-	-	-	19,956	19,956
District Attorney Equipment	-	-	-	-	-	-	-	-	-	145	145
DNA Fund	-	-	-	-	-	-	-	-	-	82	82
Domestic Violence	-	-	-	-	-	-	-	-	-	126	126
Emergency Medical Services	-	-	-	-	-	-	-	-	-	4,823	4,823
Environmental Health	2	-	-	-	-	-	-	-	-	4,603	4,605
Fire Activity	-	-	-	-	-	-	-	-	47,616	2	47,618
Fire Hazard Reduction	-	-	-	-	-	-	-	-	669	-	669
Fire Prevention Activities	-	-	-	-	-	-	-	-	21	-	21
Forfeitures	-	-	-	-	-	-	-	-	-	1,047	1,047
Human Services	-	-	-	-	-	17,055	-	-	-	7,600	24,655
IHSS Public Authority	-	-	-	-	-	-	-	-	-	806	806
Industrial Fire Fighting Vehicle	-	-	-	-	-	-	-	-	11	-	11
Juvenile Inmate Welfare	-	-	-	-	-	-	-	-	-	203	203
Kern County Childrens Fund	-	-	-	-	-	-	-	-	-	1,056	1,056
Library Books	-	-	-	-	-	-	-	-	-	434	434
Local Emergency Relief	2,514	-	-	-	-	-	-	-	-	-	2,514
Local Public Safety	-	-	-	-	-	-	-	-	-	15,044	15,044
Mental Health - Alcohol Abuse	-	-	-	-	-	-	-	-	-	133	133
Mental Health - Drug Program	-	-	-	-	-	-	-	-	-	18	18
Mental Health - Prudent Reserve	-	10,828	-	-	-	-	-	-	-	-	10,828
Mental Health Programs	-	114,709	-	-	-	-	-	-	-	9,374	124,083
Off Highway Motor Vehicle License	-	-	-	-	-	-	-	-	-	894	894
Oil & Gas Programs	-	-	-	-	-	-	-	-	-	12,951	12,951
Oildale Revitalization	-	-	-	-	-	-	-	-	-	5	5
Parks Services	-	-	-	-	-	-	-	-	-	42	42
Probation Programs	-	-	-	-	-	-	-	-	-	315	315
Probation Realignment	-	-	-	-	-	-	-	-	-	973	973
Project Impact Mitigation	-	-	-	-	-	-	-	-	-	132	132
Public Health Programs	-	-	-	-	-	-	-	-	-	1,984	1,984

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	General	Behavioral Health & Recovery Services	Community Development	Coronavirus Relief	County Local Revenue Fund	Human Services	Kern County Tobacco Funding Corp.	Roads	Structural Fire	Other Governmental Funds	Total
Range Improvement	-	-	-	-	-	-	-	-	-	110	110
Realignment	-	-	-	-	94,836	-	-	-	-	-	94,836
Resource Management Agency	-	-	-	-	-	-	-	-	-	2,506	2,506
Risk Management	541	-	-	-	-	-	-	-	-	-	541
Roads - Construction Projects	-	-	-	-	-	-	-	34,661	-	-	34,661
Roads - Maintenance	-	-	-	-	-	-	-	-	-	2,154	2,154
Roads - Metro Bakersfield Impact	-	-	-	-	-	-	-	21,320	-	11,659	32,979
Roads - Rosamond Impact	-	-	-	-	-	-	-	1,184	-	-	1,184
Roads - Tehachapi Impact	-	-	-	-	-	-	-	-	-	4,924	4,924
Rural Crime	-	-	-	-	-	-	-	-	-	1,325	1,325
Shelter Care	-	-	-	-	-	-	-	-	-	174	174
Sheriff Programs	-	-	-	-	-	-	-	-	-	1,781	1,781
Teeter %	10,464	-	-	-	-	-	-	-	-	-	10,464
Veterans Services	-	-	-	-	-	-	-	-	-	561	561
Vital Health	-	-	-	-	-	-	-	-	-	712	712
Wildlife Resources	-	-	-	-	-	-	-	-	-	12	12
Workforce Investment Act	2,613	-	-	-	-	-	-	-	-	2,949	5,562
Total Restricted Fund Balance	41,898	125,537	1,284	2,044	94,836	17,055	9,813	59,313	53,488	171,812	577,080
Committed to:											
Aging and Adult Services	-	-	-	-	-	-	-	-	-	3,030	3,030
Code Compliance	-	-	-	-	-	-	-	-	-	1,014	1,014
Building Inspection	-	-	-	-	-	-	-	-	-	14,248	14,248
Planning Programs	-	-	-	-	-	-	-	-	-	9,022	9,022
Sheriff Sidearm Conversion	-	-	-	-	-	-	-	-	-	12	12
Teeter Buyout	34,891	-	-	-	-	-	-	-	-	-	34,891
Total Committed Fund Balance	34,891	-	-	-	-	-	-	-	-	27,326	62,217
Assigned to:											
Board of Trade	-	-	-	-	-	-	-	-	-	219	219
Capital Projects	6,621	-	-	-	-	-	-	-	-	2,798	9,419
Coroner Facility	29,142	-	-	-	-	-	-	-	-	-	29,142
DVCA Franchise Fee	-	-	-	-	-	-	-	-	-	1,951	1,951
EH Program Enhancements	1,733	-	-	-	-	-	-	-	-	-	1,733
F/B Health Benefit	22	-	-	-	-	-	-	-	-	-	22
Fire Department Capital	-	-	-	-	-	-	-	-	796	-	796
Fire Station Replacement	355	-	-	-	-	-	-	-	-	-	355
Fiscal Stability	57	-	-	-	-	-	-	-	-	-	57
General Government	6,948	-	-	-	-	-	-	-	-	-	6,948
Health	239	-	-	-	-	-	-	-	-	-	239
Human Services	26,453	-	-	-	-	-	-	-	-	-	26,453
Information Technology Projects	5,178	-	-	-	-	-	-	-	-	-	5,178
Infrastructure Replacement	34,762	-	-	-	-	-	-	-	-	-	34,762
Jail Operations	963	-	-	-	-	-	-	-	-	-	963
Kern Medical Working Capital	19,823	-	-	-	-	-	-	-	-	-	19,823
General Gov't - Major Maint	10,369	-	-	-	-	-	-	-	-	-	10,369
Park Improvements	370	-	-	-	-	-	-	-	-	-	370
PILT/TARP	2,400	-	-	-	-	-	-	-	-	-	2,400
Probation	1,068	-	-	-	-	-	-	-	-	-	1,068
Pubic Protection	45	-	-	-	-	-	-	-	-	-	45
Redemption Systems	-	-	-	-	-	-	-	-	-	2,032	2,032
Retirement	26,534	-	-	-	-	-	-	-	-	-	26,534
Safety Retirement	1,895	-	-	-	-	-	-	-	-	-	1,895
Sheriff	1,169	-	-	-	-	-	-	-	-	-	1,169
Sheriff Equipment	6,931	-	-	-	-	-	-	-	-	-	6,931
Stategic Work FRC Plan	1,311	-	-	-	-	-	-	-	-	-	1,311
Tax Litigation	6,427	-	-	-	-	-	-	-	-	-	6,427
WESTARZ	1,150	-	-	-	-	-	-	-	-	-	1,150
Total Assigned Fund Balance	191,965	-	-	-	-	-	-	796	-	7,000	199,761
Unassigned Fund Balance:	124,182	-	-	-	-	-	-	-	-	-	124,182
Total Fund Balances	\$ 409,670	\$ 125,538	\$ 1,284	\$ 2,044	\$ 94,836	\$ 17,156	\$ 9,813	\$ 63,820	\$ 55,450	\$ 206,163	\$ 985,774

B. RESTRICTED RESOURCES

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

NOTE 18 - OTHER INFORMATION

A. DEFERRED COMPENSATION PLAN

The County has made available two deferred compensation plans to its eligible employees under the terms of Section 457 of the Internal Revenue Code. Of the two deferred compensation plans,

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

one covers full-time employees and the other covers part-time, seasonal, and temporary employees. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Amounts accumulated under the plan have been invested in several investment options at the direction of the employees.

The Small Business Job Protection Act of 1996 changed the Internal Revenue Code Section 457 to protect participant assets from the creditors of a bankrupt or financially troubled public jurisdiction. The County has complied with the provisions of this act. As of June 30, 2020, the Deferred Compensation Plans reported a net position of \$581,861 for the full-time employee plan and \$11,196 for the part-time, seasonal, and temporary employee plan. Complete Financial Statements for the Deferred Compensation Plans may be obtained from the office of the Kern County Treasurer Tax Collector located at 1115 Truxtun Avenue, Second Floor, Bakersfield, California 93301.

B. JOINT VENTURES

In accordance with the Joint Exercise of Powers agreement between the County's blended component unit Ford City – Taft Heights Sanitation District (the District) and the City of Taft (the City) dated May 29, 1950, and amended March 7, 1966, April 24, 1972, and August 20, 1991, the City acts on its own behalf and on behalf of the District to operate and maintain a Wastewater Treatment Plant. Costs to operate and maintain the facility are apportioned 52% to the City and 48% to the District. The District's investment in the Wastewater Treatment Plant increased by \$107 from \$2,680 to \$2,787 as of their most recent financial statements issued.

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

C. SECURITIZATION OF TOBACCO SETTLEMENT REVENUES

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

The County elected to participate in a Joint Powers Agreement made in accordance with Chapter 5 of Division 7 of Title I of the Government Code of the State of California dated as of November 15, 2000, by and among the County of Stanislaus, the County of Merced, and the County of Sonoma to form the Agency. Since then, the County of Marin, the County of Placer, and the County of Fresno were added on May 31, 2002, and the County of Alameda and the County of Los Angeles were added on August 15, 2002 and January 24, 2006, respectively. The Agency is an entity that is separate from each of the member Counties. The debts, liabilities, and obligations of the Agency, including any bonds, do not constitute debts, liabilities or obligation of any of the member Counties.

The Agency has the power to issue bonds secured by the MSA payment of one or more members, the proceeds of which will be used directly or indirectly to purchase all or a portion of the MSA payments.

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

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

The bonds are limited obligations of the Agency payable solely from loan payments made by the Corporation. The Corporation funds the loan payments with the tobacco settlement payment purchased from the County. For the year ended June 30, 2021, \$9,321 of tobacco settlement payments was recorded as Other Revenues in the Kern County Tobacco Funding Corporation debt service fund. The bonds do not constitute a charge against the general credit of the Agency or the County and neither the Agency (except from loan payments by the Corporation) nor the County will be obligated to pay the interest on or principal of these bonds. These bonds do not constitute a legal debt, liability or obligation of the County.

D. TAX ABATEMENTS

The County provides property tax abatements through the California Land Conservation Act of 1965, commonly referred to as the Williamson Act, which includes the Farmland Security Zone (FSZ) program. Under the Williamson Act, the County's Planning and Natural Resources Department enrolls land in Williamson Act and/or FSZ contracts to restrict the uses of agricultural and open space lands to farming and ranching uses in exchange for reduced property tax assessments. The contracts for the Williamson Act and FSZ are for a minimum of 10 years and 20 years, respectively.

Under the provisions of these contracts, land parcels and living improvements are assessed based on the capitalization of income method of the California Revenue and Taxation Code Section 423. For the fiscal year ended June 30, 2021, the reductions in property tax assessments equaled approximately \$15,074 of property tax revenues under the Williamson Act. Of this total, \$9,857 was attributable to the General Fund and \$5,217 to Structural Fire.





**REQUIRED
SUPPLEMENTARY
INFORMATION**

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes	\$ 330,933	\$ 330,933	\$ 348,856	\$ 17,923
Licenses, Permits, and Franchises	11,487	11,487	12,149	662
Fines, Forfeitures and Penalties	12,432	12,432	17,008	4,576
Revenues from Use of Money and Property	4,352	4,352	4,095	(257)
Aid from Other Governmental Agencies	198,001	198,001	176,576	(21,425)
Charges for Current Services	104,253	104,253	101,966	(2,287)
Other Revenues	<u>7,529</u>	<u>7,529</u>	<u>16,330</u>	<u>8,801</u>
Total Revenues	<u>668,987</u>	<u>668,987</u>	<u>676,980</u>	<u>7,993</u>
EXPENDITURES:				
General Government	126,957	156,117	138,489	17,628
Public Protection	445,472	454,828	408,121	46,707
Health and Sanitation	74,347	113,467	86,665	26,802
Public Assistance	22,793	22,955	17,409	5,546
Education	6,821	6,952	6,331	621
Debt Service - General Fund	11,826	11,826	5,606	6,220
Contingencies and Reserves	<u>9,064</u>	<u>9,561</u>	<u>-</u>	<u>9,561</u>
Total Expenditures	<u>697,280</u>	<u>775,706</u>	<u>662,621</u>	<u>113,085</u>
Deficiency of Revenues Under Expenditures	<u>(28,293)</u>	<u>(106,719)</u>	<u>14,359</u>	<u>121,078</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	227,848	227,848	213,233	(14,615)
Transfers Out	(172,173)	(172,115)	(199,446)	(27,331)
Inception of Capital Lease	<u>-</u>	<u>-</u>	<u>9,000</u>	<u>9,000</u>
Total Other Financing Sources (Uses)	<u>55,675</u>	<u>55,733</u>	<u>22,787</u>	<u>(32,946)</u>
Net Change in Fund Balance	27,382	(50,986)	37,146	88,132
Fund Balance, July 1, 2020 (as previously reported)	328,063	328,063	328,063	-
Prior Period Adjustments	<u>-</u>	<u>-</u>	<u>30,003</u>	<u>30,003</u>
Fund Balance, June 30, 2021	<u>\$ 355,445</u>	<u>\$ 277,077</u>	<u>\$ 395,212</u>	<u>\$ 118,135</u>

Note: The Fund Balance at July 1, 2020 for Budgetary Basis is recorded on the modified accrual basis of accounting, excluding prior year encumbrances.

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

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 662,621
Differences - Budget to GAAP	
Encumbrances for supplies and services ordered but not received within the recognition period	(23,458)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	<u>9,000</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 648,163</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 BEHAVIORAL HEALTH & RECOVERY SERVICES (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 925	\$ 925	\$ 144	\$ (781)
Aid from Other Governmental Agencies	66,987	66,987	79,692	12,705
Charges for Current Services	89,414	89,414	81,794	(7,620)
Other Revenues	235	235	364	129
Total Revenues	<u>157,561</u>	<u>157,561</u>	<u>161,994</u>	<u>4,433</u>
EXPENDITURES:				
Health and Sanitation	254,819	259,254	227,968	31,286
Total Expenditures	<u>254,819</u>	<u>259,254</u>	<u>227,968</u>	<u>31,286</u>
Deficiency of Revenues Under Expenditures	(97,258)	(101,693)	(65,974)	35,719
OTHER FINANCING SOURCES (USES):				
Transfers In	137,282	137,282	68,386	(68,896)
Transfers Out	(71,685)	(72,263)	(3,815)	68,448
Total Other Financing Sources (Uses)	<u>65,597</u>	<u>65,019</u>	<u>64,571</u>	<u>(448)</u>
Net Change in Fund Balance	(31,661)	(36,674)	(1,403)	35,271
Fund Balance, July 1, 2020	120,711	120,711	120,711	-
Fund Balance, June 30, 2021	<u>\$ 89,050</u>	<u>\$ 84,037</u>	<u>\$ 119,308</u>	<u>\$ 35,271</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 227,968
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(6,230)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 221,738</u>

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

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ -	\$ -	\$ (9)	\$ (9)
Aid from Other Governmental Agencies	34,197	34,197	7,221	(26,976)
Total Revenues	<u>34,197</u>	<u>34,197</u>	<u>7,212</u>	<u>(26,985)</u>
EXPENDITURES:				
Public Assistance	18,985	31,495	4,844	26,651
Total Expenditures	<u>18,985</u>	<u>31,495</u>	<u>4,844</u>	<u>26,651</u>
Excess of Revenues Over Expenditures	15,212	2,702	2,368	(334)
OTHER FINANCING SOURCES (USES):				
Transfers In	10	10	-	(10)
Transfers Out	(2,963)	(3,988)	(2,683)	1,305
Total Other Financing Sources (Uses)	<u>(2,953)</u>	<u>(3,978)</u>	<u>(2,683)</u>	<u>1,295</u>
Net Change in Fund Balance	12,259	(1,276)	(315)	961
Fund Balance, July 1, 2020	1,599	1,599	1,599	-
Fund Balance, June 30, 2021	<u>\$ 13,858</u>	<u>\$ 323</u>	<u>\$ 1,284</u>	<u>\$ 961</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 CORONAVIRUS RELIEF
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 147	\$ 147	\$ (269)	\$ (416)
Aid from Other Governmental Agencies	<u>41,733</u>	<u>41,733</u>	<u>130,405</u>	<u>88,672</u>
Total Revenues	<u>41,880</u>	<u>41,880</u>	<u>130,136</u>	<u>88,256</u>
EXPENDITURES:				
Public Assistance	<u>106,016</u>	<u>80,113</u>	<u>65,771</u>	<u>14,342</u>
Total Expenditures	<u>106,016</u>	<u>80,113</u>	<u>65,771</u>	<u>14,342</u>
Excess of Revenues Over Expenditures	<u>(64,136)</u>	<u>(38,233)</u>	<u>64,365</u>	<u>102,598</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	<u>(638)</u>	<u>(68,890)</u>	<u>(65,482)</u>	<u>3,408</u>
Total Other Financing Sources (Uses)	<u>(638)</u>	<u>(68,890)</u>	<u>(65,482)</u>	<u>3,408</u>
Net Change in Fund Balance	(64,774)	(107,123)	(1,117)	106,006
Fund Balance, July 1, 2020	<u>2,349</u>	<u>2,349</u>	<u>2,349</u>	<u>-</u>
Fund Balance, June 30, 2021	<u>\$ (62,425)</u>	<u>\$ (104,774)</u>	<u>\$ 1,232</u>	<u>\$ 106,006</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 65,771
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(812)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 64,959</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE
 COUNTY LOCAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property			(380)	(380)
Aid from Other Governmental Agencies	\$ 191,303	\$ 191,303	\$ 234,515	\$ 43,212
Total Revenues	<u>191,303</u>	<u>191,303</u>	<u>234,135</u>	<u>42,832</u>
EXPENDITURES:				
Public Protection	<u>1,790</u>	<u>2,850</u>	<u>2,849</u>	<u>1</u>
Total Expenditures	<u>1,790</u>	<u>2,850</u>	<u>2,849</u>	<u>1</u>
Excess of Revenues Over Expenditures	<u>189,513</u>	<u>188,453</u>	<u>231,286</u>	<u>42,833</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	<u>(195,476)</u>	<u>(196,671)</u>	<u>(183,699)</u>	<u>12,972</u>
Total Other Financing Sources (Uses)	<u>(195,476)</u>	<u>(196,671)</u>	<u>(183,699)</u>	<u>12,972</u>
Net Change in Fund Balance	(5,963)	(8,218)	47,587	55,805
Fund Balance, July 1, 2020	<u>47,249</u>	<u>47,249</u>	<u>47,249</u>	<u>-</u>
Fund Balance, June 30, 2021	<u>\$ 41,286</u>	<u>\$ 39,031</u>	<u>\$ 94,836</u>	<u>\$ 55,805</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)
 HUMAN SERVICES
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Revenues from Use of Money and Property	\$ 61	\$ 61	\$ 375	\$ 314
Aid from Other Governmental Agencies	323,396	323,396	290,198	(33,198)
Charges for Current Services	434	434	424	(10)
Other Revenues	<u>1,153</u>	<u>1,153</u>	<u>2,787</u>	<u>1,634</u>
Total Revenues	<u>325,044</u>	<u>325,044</u>	<u>293,784</u>	<u>(31,260)</u>
EXPENDITURES:				
Public Assistance	<u>1,014</u>	<u>489,970</u>	<u>461,193</u>	<u>28,777</u>
Total Expenditures	<u>1,014</u>	<u>489,970</u>	<u>461,193</u>	<u>28,777</u>
Deficiency of Revenues Under Expenditures	<u>324,030</u>	<u>(164,926)</u>	<u>(167,409)</u>	<u>(2,483)</u>
OTHER FINANCING SOURCES:				
Transfers In	187,185	187,185	170,927	(16,258)
Transfers Out	<u>-</u>	<u>-</u>	<u>(7,832)</u>	<u>(7,832)</u>
Total Other Financing Sources	<u>187,185</u>	<u>187,185</u>	<u>163,095</u>	<u>(24,090)</u>
Net Change in Fund Balance	511,215	22,259	(4,314)	(26,573)
Fund Balance, July 1, 2020	<u>20,468</u>	<u>20,468</u>	<u>20,468</u>	<u>-</u>
Prior Period Adjustments	<u>-</u>	<u>-</u>	<u>727</u>	<u>727</u>
Fund Balance, June 30, 2021	<u>\$ 531,683</u>	<u>\$ 42,727</u>	<u>\$ 16,881</u>	<u>\$ (25,846)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 461,193
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(275)
Debt Service payments for Pension Obligation Bonds are Transfers Out for financial reporting purposes	<u>460,918</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 460,918</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)
ROADS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes	\$ 430	\$ 430	\$ 668	\$ 238
Licenses, Permits and Franchises	-	-	2,897	2,897
Revenues from Use of Money and Property	200	200	(9)	(209)
Aid from Other Governmental Agencies	69,447	69,447	60,507	(8,940)
Charges for Current Services	2,561	1,561	11,732	10,171
Other Revenues	6	6	154	148
Total Revenues	<u>72,644</u>	<u>71,644</u>	<u>75,949</u>	<u>4,305</u>
EXPENDITURES:				
Public Ways and Facilities	<u>90,061</u>	<u>107,274</u>	<u>78,431</u>	<u>28,843</u>
Total Expenditures	<u>90,061</u>	<u>107,274</u>	<u>78,431</u>	<u>28,843</u>
Deficiency of Revenues Under Expenditures	<u>(17,417)</u>	<u>(35,630)</u>	<u>(2,482)</u>	<u>33,148</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	9,808	9,808	6,967	(2,841)
Transfers Out	<u>(3,000)</u>	<u>(3,000)</u>	<u>(1,203)</u>	<u>1,797</u>
Total Other Financing Sources (Uses)	<u>6,808</u>	<u>6,808</u>	<u>5,764</u>	<u>(1,044)</u>
Net Change in Fund Balance	6,808	(28,822)	3,282	32,104
Fund Balance, July 1, 2020	<u>56,785</u>	<u>56,785</u>	<u>56,785</u>	<u>-</u>
Prior Period Adjustments	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Fund Balance, June 30, 2021	<u>\$ 63,593</u>	<u>\$ 27,963</u>	<u>\$ 60,071</u>	<u>\$ 32,108</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Expenditures

Actual amount budgetary basis from the budgetary comparison schedule	\$ 78,431
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(3,749)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 74,682</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)
STRUCTURAL FIRE
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes	\$ 103,660	\$ 103,660	\$ 108,437	\$ 4,777
Licenses, Permits and Franchises	1,885	1,885	2,616	731
Fines, Forfeitures and Penalties	85	85	89	4
Revenues from Use of Money and Property	-	-	270	270
Aid from Other Governmental Agencies	7,495	7,495	6,999	(496)
Charges for Current Services	49,287	49,287	50,991	1,704
Other Revenues	332	332	3,427	3,095
Total Revenues	<u>162,744</u>	<u>162,744</u>	<u>172,829</u>	<u>10,085</u>
EXPENDITURES:				
Current:				
Public Protection	145,840	177,151	162,809	14,342
Total Expenditures	<u>145,840</u>	<u>177,151</u>	<u>162,809</u>	<u>14,342</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>16,904</u>	<u>(14,407)</u>	<u>10,020</u>	<u>24,427</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	32,666	32,666	32,665	(1)
Transfers Out	(1,965)	(2,552)	(11,808)	(9,256)
Total Other Financing Sources (Uses)	<u>30,701</u>	<u>30,114</u>	<u>20,857</u>	<u>(9,257)</u>
Net Change in Fund Balance	47,605	15,707	30,877	15,170
Fund Balance, July 1, 2020	<u>13,260</u>	<u>13,260</u>	<u>13,260</u>	-
Prior Period Adjustments	-	-	1,334	1,334
Fund Balance, June 30, 2021	<u>\$ 60,865</u>	<u>\$ 28,967</u>	<u>\$ 45,471</u>	<u>\$ 16,504</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 162,809
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	
Debt Service payments for Pension Obligation Bonds are Transfers Out for financial reporting purposes	(9,979)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 152,830</u>

**COUNTY OF KERN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

I. BUDGETARY BASIS OF ACCOUNTING

A. BUDGETARY INFORMATION

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

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

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

**COUNTY OF KERN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

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

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund, department, and major object level, with more stringent control over capital assets and expenditure transfers and reimbursements for all budgeted funds. The dollar amount limitation effectively lowers the legal level of budgetary control to the object level. Presentation of the Budgetary Comparison Schedules at the legal level is not feasible due to excessive length; therefore, the Budgetary Comparison Schedules have been aggregated by function and presented by activity for non-major special revenue funds. Groupings by activity can be found on page 116. The County also prepares a separate Final Budget document at the object level, which is available to the public on the Auditor-Controller-County Clerk's website at <https://www.auditor.co.kern.ca.us/budget/2020-21AdoptedBudget.pdf>

There were no material excess expenditures over the related appropriations in any object level within any fund. Final budget amounts, as reported, represent adjusted figures at year-end. The Board must approve transfers of appropriations between departments. The Board must also approve supplemental appropriations necessary and normally financed by unanticipated revenue during the year. Unanticipated revenues of \$85,344 were added to appropriations in the General Fund during the fiscal year.

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

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

**COUNTY OF KERN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

B. RECONCILIATION OF BUDGETARY BASIS TO GAAP

The annual County budget is prepared, approved and adopted in accordance with provisions of the County Budget Act. In preparing the budget, the County utilizes a basis of accounting which is different from the basis prescribed by generally accepted accounting principles (GAAP).

	Fund Balances (Budgetary Basis)	Basis Differences		Fund Balances (Modified Accrual Basis of Accounting)
		Capital Leases Capital Outlay	Outstanding Encumbrances for Budgeted Funds	
General Fund	\$ 395,212	\$ (9,000)	\$ 23,458	\$ 409,670
Behavior Health & Recovery Services	119,308		6,230	125,538
Coronavirus Relief	1,232		812	2,044
Human Services	16,881		275	17,156
Roads	60,071		3,749	63,820
Structural Fire	45,471		9,979	55,450
Child Support	875		18	893
Detention and Correction	9,402		597	9,999
Health	34,600		77	34,677
Other Public Protection	23,931		324	24,255
Public Assistance Administration	25,225		182	25,407
Public Ways	12,676		39	12,715
Total	<u>\$ 744,884</u>	<u>\$ (9,000)</u>	<u>\$ 45,740</u>	<u>\$ 781,624</u>

**COUNTY OF KERN
KERN COUNTY EMPLOYEES' RETIREMENT ASSOCIATION - PENSION SCHEDULES
FOR THE YEAR ENDING JUNE 30, 2021 (IN THOUSANDS)**

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

Last 10 Fiscal Years*

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

Notes to Schedule:

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

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

Last 10 Fiscal Years*

Fiscal Year of Contribution	Actuarially Determined Contribution	County's Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2014	\$ 201,221	\$ 201,221	\$ -	\$ 482,159	41.73%
6/30/2015	194,907	194,907	-	477,224	40.84%
6/30/2016	198,049	198,049	-	479,889	41.27%
6/30/2017	174,267	174,267	-	407,334	42.78%
6/30/2018	188,408	188,408	-	422,276	44.62%
6/30/2019	198,221	198,221	-	418,431	47.37%
6/30/2020	206,270	206,270	-	460,888	44.75%
6/30/2021‡	211,831	211,831	-	451,252	46.94%

Notes to Schedule:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Remaining Amortization Period	15.5 years as of June 30, 2020
Asset Valuation Method	Fair value basis, recognized over a five year-period
Inflation	2.75%
Projected Salary Increase	General: 4.00% to 8.75% and Safety: 3.75% to 12%, varying by service, including inflation
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Retirement Age	General Age: 57, Safety Age: 53
Mortality	RP-2014 Combined Healthy Annuitant Mortality Table projected with MP-2016 scale

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

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

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

**COUNTY OF KERN
OTHER POST-EMPLOYMENT BENEFITS
FOR THE YEAR ENDING JUNE 30, 2021 (IN THOUSANDS)**

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

Last 4 Fiscal Years*

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

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

SCHEDULE OF OPEB CONTRIBUTIONS

Last 4 Fiscal Years*

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

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation Date	Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported
Actuarial Cost Method	Entry Age Cost Method level percentage of salary
Amortization Method	20-Year Closed Amortization; level dollar starting on June 30, 2018.
Remaining Amortization Period	17 years
Asset Valuation Method	Fair value basis
Investment Rate of Return	6.50%, net of pension plan investment expense
Price Inflation	2.75% per year plus "across the board" real salary increases of .50% per year.
Projected Salary Increase	General: 5.50% to 8.75% and Safety: 3.75% to 12.00%, varying by service, including inflation
Trend Rates:	
Supplement	Bargaining Units 1-6, J, M, D, X: 0.0% to 2021/2022, then 3.37% to 2022/2023, then 6.75% to 2023/2024 grading down by 0.25% per year to an ultimate rate of 4.50% Bargaining Units (All others): 2.30% to 2021/2022, then 1.31% to 2022/2023, then 6.75% to 2023/2024 grading down by 0.25% per year to an ultimate rate of 4.50%
Stipend	0.00%
Mortality Rate	Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table

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





**OTHER
SUPPLEMENTARY
INFORMATION**



**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND
SCHEDULES**



**NON-MAJOR
GOVERNMENTAL FUNDS**



**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021 (IN THOUSANDS)**

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled Cash and Investments	\$ 147,487	\$ 2,821	\$ 2,616	\$ 152,924
Revolving Fund Cash	25	-	-	25
Cash and Investments Deposited with Trustee	-	34,530	221	34,751
Interest Receivable	197	7	7	211
Taxes Receivable	395	-	-	395
Accounts Receivable	6,193	-	-	6,193
Accrued Revenue	20,857	-	9	20,866
Due from Other Funds	1,116	-	-	1,116
Due from Other Agencies	601	-	-	601
Housing Loans Receivable	15,574	-	-	15,574
Housing Loans Interest Receivable	2,682	-	-	2,682
Total Assets	<u>195,127</u>	<u>37,358</u>	<u>2,853</u>	<u>235,338</u>
Total Assets and Deferred Outflows of Resources	\$ <u>195,127</u>	\$ <u>37,358</u>	\$ <u>2,853</u>	\$ <u>235,338</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 5,630	\$ -	\$ 11	\$ 5,641
Salaries and Employee Benefits Payable	1,208	-	-	1,208
Due to Other Funds	3,705	-	-	3,705
Unearned Revenue	365	-	-	365
Total Liabilities	<u>10,908</u>	<u>-</u>	<u>11</u>	<u>10,919</u>
Deferred Inflows of Resources:				
Deferred Housing Loan Payments	<u>18,256</u>	<u>-</u>	<u>-</u>	<u>18,256</u>
Total Deferred Inflows of Resources	<u>18,256</u>	<u>-</u>	<u>-</u>	<u>18,256</u>
Fund Balances:				
Nonspendable	25	-	-	25
Restricted	134,411	34,560	2,842	171,813
Committed	27,326	-	-	27,326
Assigned	4,201	2,798	-	6,999
Total Fund Balances	<u>165,963</u>	<u>37,358</u>	<u>2,842</u>	<u>206,163</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ <u>195,127</u>	\$ <u>37,358</u>	\$ <u>2,853</u>	\$ <u>235,338</u>

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
REVENUES:				
Taxes	\$ 3,847	\$ -	\$ -	\$ 3,847
Licenses, Permits and Franchises	15,230	-	-	15,230
Fines, Forfeitures and Penalties	8,279	-	-	8,279
Revenues from Use of Money and Property	(136)	321	-	185
Aid from Other Governmental Agencies	140,817	-	-	140,817
Charges for Current Services	22,227	-	-	22,227
Other Revenues	17,741	-	3,376	21,117
Total Revenues	208,005	321	3,376	211,702
EXPENDITURES:				
Current:				
General Government	1,766	-	75	1,841
Public Protection	35,049	-	-	35,049
Public Ways and Facilities	2,643	-	-	2,643
Health and Sanitation	10,350	-	-	10,350
Public Assistance	43,065	-	-	43,065
Culture and Recreation Services	2	-	-	2
Debt Service:				
Principal	-	-	29,488	29,488
Interest	-	-	42,118	42,118
Total Expenditures	92,875	-	71,681	164,556
Excess (Deficiency) of Revenues over (under) Expenditures	115,130	321	(68,305)	47,146
OTHER FINANCING SOURCES (USES):				
Transfers In	26,584	-	68,131	94,715
Transfers Out	(111,836)	-	-	(111,836)
Total Other Financing Sources (Uses)	(85,252)	-	68,131	(17,121)
Net Changes in Fund Balances	29,878	321	(174)	30,025
Fund Balances, July 1, 2020	116,079	37,037	568	153,684
Prior Period Adjustment	20,006	-	2,448	22,454
Fund Balances, June 30, 2021	<u>\$ 165,963</u>	<u>\$ 37,358</u>	<u>\$ 2,842</u>	<u>\$ 206,163</u>

NON-MAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUND DESCRIPTIONS

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

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

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

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

Detention and Corrections:

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

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

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

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

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

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

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

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

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

Education:

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

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

Finance:

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

**NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUND DESCRIPTIONS (Continued)**

Health:

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

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

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

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

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

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

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

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

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

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

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

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

Hospital Care:

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

Judicial:

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

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

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

**NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUND DESCRIPTIONS (Continued)**

laws.

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

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

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

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

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

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

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

Other Public Protection:

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

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

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

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

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

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

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

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

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

**NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUND DESCRIPTIONS (Continued)**

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

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

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

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

Plant Acquisition:

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

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

Police Protection:

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

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

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

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

Sheriff Civil Automated – This fund allocates a portion of fees obtained from the service of Civil Process for the exclusive use of the Sheriff's Civil Division for implementation, maintenance, and purchase of auxiliary equipment for automated systems.

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

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

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

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

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

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

**NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUND DESCRIPTIONS (Continued)**

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

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

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

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

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

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

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

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

Promotion:

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

Property Management:

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

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

Public Assistance Administration:

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

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

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

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

**NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUND DESCRIPTIONS (Continued)**

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

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

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

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

Public Ways:

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

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

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

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

Recreation Facilities:

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

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

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
JUNE 30, 2021 (IN THOUSANDS)**

Page 1 of 2

	<u>TOTAL</u>	<u>AGING & ADULT SERVICES</u>	<u>CHILD SUPPORT SERVICES</u>	<u>COUNTY CLERK</u>	<u>DETENTION AND CORRECTIONS</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 147,487	\$ 103	\$ 944	\$ 55	\$ 10,058
Revolving Fund Cash	25	5	2	3	-
Interest Receivable	197	1	6	-	11
Taxes Receivable	395	-	-	-	-
Accounts Receivable, Net	6,193	1,973	-	-	-
Accrued Revenue	20,857	2,977	555	-	-
Due from Other Funds	1,116	252	386	-	-
Due from Other Agencies	601	-	-	-	165
Housing Loans Receivable	15,574	-	-	-	-
Housing Loans Interest Receivable	2,682	-	-	-	-
Total Assets	<u>195,127</u>	<u>5,311</u>	<u>1,893</u>	<u>58</u>	<u>10,234</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 195,127</u>	<u>\$ 5,311</u>	<u>\$ 1,893</u>	<u>\$ 58</u>	<u>\$ 10,234</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 5,630	\$ 705	\$ 64	\$ -	\$ 235
Salaries and Employee Benefits Payable	1,208	416	571	9	-
Due to Other Funds	3,705	1,155	365	-	-
Unearned Revenue	365	-	-	-	-
Total Liabilities	<u>10,908</u>	<u>2,276</u>	<u>1,000</u>	<u>9</u>	<u>235</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments	<u>18,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>18,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Nonspendable	25	5	2	3	-
Restricted	134,411	-	891	46	9,999
Committed	27,326	3,030	-	-	-
Assigned	4,201	-	-	-	-
Total Fund Balances	<u>165,963</u>	<u>3,035</u>	<u>893</u>	<u>49</u>	<u>9,999</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 195,127</u>	<u>\$ 5,311</u>	<u>\$ 1,893</u>	<u>\$ 58</u>	<u>\$ 10,234</u>

	EDUCATION	ENVIRONMENTAL HEALTH SERVICES	FINANCE	HEALTH	HOSPITAL CARE	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
\$	433	\$ 4,664	\$ 2,032	\$ 28,876	\$ 4,637	Pooled Cash and Investments
	-	-	-	-	-	Revolving Fund Cash
	1	15	-	10	11	Interest Receivable
	-	-	-	249	-	Taxes Receivable
	-	-	-	-	-	Accounts Receivable, Net
	-	-	-	5,763	-	Accrued Revenue
	-	114	-	-	-	Due from Other Funds
	-	-	-	12	175	Due from Other Agencies
	-	-	-	-	-	Housing Loans Receivable
	-	-	-	-	-	Housing Loans Interest Receivable
	<u>434</u>	<u>4,793</u>	<u>2,032</u>	<u>34,910</u>	<u>4,823</u>	Total Assets
\$	<u>434</u>	<u>\$ 4,793</u>	<u>\$ 2,032</u>	<u>\$ 34,910</u>	<u>\$ 4,823</u>	Total Assets and Deferred Outflows of Resources
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
\$	-	\$ 30	-	\$ 2	-	Accounts Payable
	-	161	-	-	-	Salaries and Employee Benefits Payable
	-	-	-	-	-	Due to Other Funds
	-	-	-	231	-	Unearned Revenue
	<u>-</u>	<u>191</u>	<u>-</u>	<u>233</u>	<u>-</u>	Total Liabilities
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Deferred Inflows of Resources:
	-	-	-	-	-	Deferred Housing Loan Payments
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total Deferred Inflows of Resources
	-	-	-	-	-	Fund Balances:
	434	4,602	-	34,677	4,823	Nonspendable
	-	-	-	-	-	Restricted
	-	-	2,032	-	-	Committed
	<u>434</u>	<u>4,602</u>	<u>2,032</u>	<u>34,677</u>	<u>4,823</u>	Assigned
	<u>434</u>	<u>4,602</u>	<u>2,032</u>	<u>34,677</u>	<u>4,823</u>	Total Fund Balances
\$	<u>434</u>	<u>\$ 4,793</u>	<u>\$ 2,032</u>	<u>\$ 34,910</u>	<u>\$ 4,823</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
JUNE 30, 2021 (IN THOUSANDS)**

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	<u>JUDICIAL</u>	<u>OTHER PUBLIC PROTECTION</u>	<u>PLANT ACQUISITION</u>	<u>POLICE PROTECTION</u>	<u>PROMOTION</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled Cash and Investments	\$ 8,392	\$ 23,660	\$ 6,420	\$ 9,839	218
Revolving Fund Cash	-	11	-	-	-
Interest Receivable	6	46	16	21	1
Taxes Receivable	-	-	-	8	-
Accounts Receivable, Net	-	271	-	-	-
Accrued Revenue	11,205	-	-	-	-
Due from Other Funds	-	338	-	-	-
Due from Other Agencies	33	200	-	16	-
Housing Loans Receivable	-	-	-	-	-
Housing Loans Interest Receivable	-	-	-	-	-
Total Assets	<u>19,636</u>	<u>24,526</u>	<u>6,436</u>	<u>9,884</u>	<u>219</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 19,636</u>	<u>\$ 24,526</u>	<u>\$ 6,436</u>	<u>\$ 9,884</u>	<u>\$ 219</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 11	\$ -	\$ 1	-
Salaries and Employee Benefits Payable	-	-	-	-	-
Due to Other Funds	1,520	260	-	-	-
Unearned Revenue	-	-	-	8	-
Total Liabilities	<u>1,520</u>	<u>271</u>	<u>-</u>	<u>9</u>	<u>-</u>
Deferred Inflows of Resources:					
Deferred Housing Loan Payments	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Nonspendable	-	11	-	-	-
Restricted	18,116	6,422	1,400	9,863	-
Committed	-	17,822	5,036	12	-
Assigned	-	-	-	-	219
Total Fund Balances	<u>18,116</u>	<u>24,255</u>	<u>6,436</u>	<u>9,875</u>	<u>219</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,636</u>	<u>\$ 24,526</u>	<u>\$ 6,436</u>	<u>\$ 9,884</u>	<u>\$ 219</u>

PROPERTY MANAGEMENT	PUBLIC ASSISTANCE ADMINISTRATION	PUBLIC WAYS	RECORDER	RECREATION FACILITIES	
\$ 3,322	\$ 25,916	\$ 12,862	\$ 3,789	\$ 1,267	ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
-	-	-	4	-	Assets:
8	12	23	8	1	Pooled Cash and Investments
-	-	138	-	-	Revolving Fund Cash
12	3,927	-	10	-	Interest Receivable
12	291	-	54	-	Taxes Receivable
26	-	-	-	-	Accounts Receivable, Net
-	-	-	-	-	Accrued Revenue
-	15,574	-	-	-	Due from Other Funds
-	2,682	-	-	-	Due from Other Agencies
-	-	-	-	-	Housing Loans Receivable
-	-	-	-	-	Housing Loans Interest Receivable
<u>3,380</u>	<u>48,402</u>	<u>13,023</u>	<u>3,865</u>	<u>1,268</u>	Total Assets
\$ <u>3,380</u>	\$ <u>48,402</u>	\$ <u>13,023</u>	\$ <u>3,865</u>	\$ <u>1,268</u>	Total Assets and Deferred Outflows of Resources
					LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES
\$ -	\$ 4,357	\$ 163	\$ 62	\$ -	Liabilities:
-	-	-	51	-	Accounts Payable
4	382	19	-	-	Salaries and Employee Benefits Payable
-	-	126	-	-	Due to Other Funds
-	-	-	-	-	Unearned Revenue
<u>4</u>	<u>4,739</u>	<u>308</u>	<u>113</u>	<u>-</u>	Total Liabilities
-	18,256	-	-	-	Deferred Inflows of Resources:
-	18,256	-	-	-	Deferred Housing Loan Payments
-	-	-	-	-	Total Deferred Inflows of Resources
-	-	-	4	-	Fund Balances:
-	25,407	12,715	3,748	1,268	Nonspendable
1,426	-	-	-	-	Restricted
1,950	-	-	-	-	Committed
-	-	-	-	-	Assigned
<u>3,376</u>	<u>25,407</u>	<u>12,715</u>	<u>3,752</u>	<u>1,268</u>	Total Fund Balances
\$ <u>3,380</u>	\$ <u>48,402</u>	\$ <u>13,023</u>	\$ <u>3,865</u>	\$ <u>1,268</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

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	TOTAL	AGING & ADULT SERVICES	CHILD SUPPORT SERVICES	COUNTY CLERK	DETENTION AND CORRECTIONS
REVENUES:					
Taxes	\$ 3,847	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	15,230	-	-	221	-
Fines, Forfeitures and Penalties	8,279	-	-	-	1,978
Revenues from Use of Money and Property	(136)	68	-	(1)	(30)
Aid from Other Governmental Agencies	140,817	13,953	21,754	-	559
Charges for Current Services	22,227	2,386	6	343	-
Other Revenues	17,741	196	2	1	-
Total Revenues	208,005	16,603	21,762	564	2,507
EXPENDITURES:					
General Government	1,766	-	-	-	-
Public Protection	35,049	-	22,185	546	1,452
Public Ways and Facilities	2,643	-	-	-	-
Health and Sanitation	10,350	-	-	-	-
Public Assistance	43,065	19,819	-	-	-
Culture and Recreation Services	2	-	-	-	-
Total Expenditures	92,875	19,819	22,185	546	1,452
Excess (Deficiency) of Revenues Over (Under) Expenditures	115,130	(3,216)	(423)	18	1,055
OTHER FINANCING SOURCES (USES):					
Transfers In	26,584	3,553	760	19	5,045
Transfers Out	(111,836)	(492)	(1,352)	(26)	(5,723)
Total Other Financing Sources (Uses)	(85,252)	3,061	(592)	(7)	(678)
Net Changes in Fund Balances	29,878	(155)	(1,015)	11	377
Fund Balances, July 1, 2020	116,079	3,089	1,908	18	9,622
Prior Period Adjustment	20,006	101	-	20	-
Fund Balances, June 30, 2021	\$ 165,963	\$ 3,035	\$ 893	\$ 49	\$ 9,999

	ENVIRONMENTAL HEALTH SERVICES	FINANCE	HEALTH	HOSPITAL CARE	
EDUCATION					
\$ -	\$ -	\$ -	\$ 852	\$ -	REVENUES:
-	4,589	-	-	-	Taxes
-	116	270	715	2,085	Licenses, Permits and Franchises
3	38	(22)	(24)	9	Fines, Forfeitures and Penalties
-	60	-	-	-	Revenues from Use of Money and Property
-	4,365	-	1,257	-	Aid from Other Governmental Agencies
-	1	-	9,383	-	Charges for Current Services
95	1	-	-	-	Other Revenues
98	9,169	248	12,183	2,094	Total Revenues
-	-	-	-	-	EXPENDITURES:
-	-	-	-	-	General Government
-	-	-	-	-	Public Protection
-	-	-	-	-	Public Ways and Facilities
-	7,829	-	1,374	1,147	Health and Sanitation
-	-	-	-	-	Public Assistance
-	-	-	-	-	Culture and Recreation Services
-	7,829	-	1,374	1,147	Total Expenditures
98	1,340	248	10,809	947	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	691	-	-	-	OTHER FINANCING SOURCES (USES):
(94)	(405)	(144)	(828)	(213)	Transfers In
(94)	286	(144)	(828)	(213)	Transfers Out
4	1,626	104	9,981	734	Total Other Financing Sources (Uses)
430	2,976	1,928	4,968	4,089	Net Changes in Fund Balances
-	-	-	19,728	-	Fund Balances, July 1, 2020
434	4,602	2,032	34,677	4,823	Prior Period Adjustment
					Fund Balances, June 30, 2021

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

Page 2 of 2

	JUDICIAL	OTHER PUBLIC PROTECTION	PLANT ACQUISITION	POLICE PROTECTION	PROMOTION
REVENUES:					
Taxes	\$ -	\$ 196	\$ -	\$ 34	\$ -
Licenses, Permits and Franchises	87	9,289	27	-	-
Fines, Forfeitures and Penalties	1,185	50	-	1,860	-
Revenues from Use of Money and Property	(47)	(46)	14	(13)	-
Aid from Other Governmental Agencies	85,033	8	-	-	-
Charges for Current Services	1,519	2,769	123	549	-
Other Revenues	32	32	-	2,303	-
Total Revenues	87,809	12,298	164	4,733	-
EXPENDITURES:					
General Government	-	-	18	-	-
Public Protection	-	7,828	-	29	-
Public Ways and Facilities	-	-	-	-	-
Health and Sanitation	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-
Total Expenditures	-	7,828	18	29	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	87,809	4,470	146	4,704	-
OTHER FINANCING SOURCES (USES):					
Transfers In	-	1,590	-	-	-
Transfers Out	(77,259)	(5,772)	-	(6,453)	(25)
Total Other Financing Sources (Uses)	(77,259)	(4,182)	-	(6,453)	(25)
Net Changes in Fund Balances	10,550	288	146	(1,749)	(25)
Fund Balances, July 1, 2020	7,438	23,967	6,290	11,599	244
Prior Period Adjustment	128	-	-	25	-
Fund Balances, June 30, 2021	\$ 18,116	\$ 24,255	\$ 6,436	\$ 9,875	\$ 219

PROPERTY MANAGEMENT	PUBLIC ASSISTANCE ADMINISTRATION	PUBLIC WAYS	RECORDER	RECREATION FACILITIES	
\$ -	\$ -	\$ 2,765	\$ -	\$ -	REVENUES:
383	-	631	3	-	Taxes
-	-	20	-	-	Licenses, Permits and Franchises
13	(106)	(3)	19	(8)	Fines, Forfeitures and Penalties
-	19,325	-	-	125	Revenues from Use of Money and Property
910	4,495	245	3,237	23	Aid from Other Governmental Agencies
-	5,610	-	83	3	Charges for Current Services
<u>1,306</u>	<u>29,324</u>	<u>3,658</u>	<u>3,342</u>	<u>143</u>	Other Revenues
					Total Revenues
1,748	-	-	-	-	EXPENDITURES:
-	-	-	3,009	-	General Government
-	-	2,643	-	-	Public Protection
-	-	-	-	-	Public Ways and Facilities
-	23,246	-	-	-	Health and Sanitation
-	-	-	-	-	Public Assistance
-	-	-	-	2	Culture and Recreation Services
<u>1,748</u>	<u>23,246</u>	<u>2,643</u>	<u>3,009</u>	<u>2</u>	Total Expenditures
<u>(442)</u>	<u>6,078</u>	<u>1,015</u>	<u>333</u>	<u>141</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
1,501	11,826	-	1,599	-	OTHER FINANCING SOURCES (USES):
(50)	(12,816)	-	(136)	(48)	Transfers In
<u>1,451</u>	<u>(990)</u>	<u>-</u>	<u>1,463</u>	<u>(48)</u>	Transfers Out
					Total Other Financing Sources (Uses)
1,009	5,088	1,015	1,796	93	Net Changes in Fund Balances
2,367	20,319	11,700	1,952	1,175	Fund Balances, July 1, 2020
-	-	-	4	-	Prior Period Adjustment
<u>\$ 3,376</u>	<u>\$ 25,407</u>	<u>\$ 12,715</u>	<u>\$ 3,752</u>	<u>\$ 1,268</u>	Fund Balances, June 30, 2021

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	AGING AND ADULT SERVICES			CHILD SUPPORT SERVICES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	-	-	-
Fines, Forfeitures and Penalties	-	-	-	-	-	-
Revenues from Use of Money and Property	47	68	21	28	-	(28)
Aid from Other Governmental Agencies	14,707	13,953	(754)	26,180	21,754	(4,426)
Charges for Current Services	2,621	2,386	(235)	-	6	6
Other Revenues	379	196	(183)	1	2	1
Total Revenues	<u>17,754</u>	<u>16,603</u>	<u>(1,151)</u>	<u>26,209</u>	<u>21,762</u>	<u>(4,447)</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	26,234	22,203	4,031
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	21,409	19,819	1,590	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	<u>21,409</u>	<u>19,819</u>	<u>1,590</u>	<u>26,234</u>	<u>22,203</u>	<u>4,031</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(3,655)	439	(25)	(441)	(416)
OTHER FINANCING SOURCES (USES):						
Transfers In	2,989	3,553	564	-	760	760
Transfers Out	-	(492)	(492)	-	(1,352)	(1,352)
Total Other Financing Sources (Uses)	<u>2,989</u>	<u>3,061</u>	<u>72</u>	<u>-</u>	<u>(592)</u>	<u>(592)</u>
Net Changes in Fund Balances	-	(666)	511	(25)	(1,033)	(1,008)
Fund Balances, July 1, 2020	3,089	3,089	-	1,908	1,908	-
Prior Period Adjustment	-	101	101	-	-	-
Fund Balances, June 30, 2021	<u>\$ 2,423</u>	<u>\$ 3,035</u>	<u>\$ 612</u>	<u>\$ 1,883</u>	<u>\$ 875</u>	<u>\$ (1,008)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 22,203
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(18)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 22,185</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	COUNTY CLERK			DETENTION AND CORRECTIONS		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	250	221	(29)	-	-	-
Fines, Forfeitures and Penalties	-	-	-	1,993	1,978	(15)
Revenues from Use of Money and Property	3	(1)	(4)	74	(30)	(104)
Aid from Other Governmental Agencies	-	-	-	406	559	153
Charges for Current Services	355	343	(12)	-	-	-
Other Revenues	-	1	1	-	-	-
Total Revenues	<u>608</u>	<u>564</u>	<u>(44)</u>	<u>2,473</u>	<u>2,507</u>	<u>34</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	583	546	37	5,056	2,049	3,007
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	<u>583</u>	<u>546</u>	<u>37</u>	<u>5,056</u>	<u>2,049</u>	<u>3,007</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>25</u>	<u>18</u>	<u>(7)</u>	<u>(2,583)</u>	<u>458</u>	<u>3,041</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	3	19	16	5,101	5,045	(56)
Transfers Out	-	(26)	(26)	(6,647)	(5,723)	924
Total Other Financing Sources (Uses)	<u>3</u>	<u>(7)</u>	<u>(10)</u>	<u>(1,546)</u>	<u>(678)</u>	<u>868</u>
Net Changes in Fund Balances	28	11	(17)	(4,129)	(220)	3,909
Fund Balances, July 1, 2020	18	18	-	9,622	9,622	-
Prior Period Adjustment	-	20	20	-	-	-
Fund Balances, June 30, 2021	<u>\$ 46</u>	<u>\$ 49</u>	<u>\$ 3</u>	<u>\$ 5,493</u>	<u>\$ 9,402</u>	<u>\$ 3,909</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 2,049
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(597)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 1,452</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	EDUCATION			ENVIROMENTAL HEALTH SERVICES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	4,766	4,589	(177)
Fines, Forfeitures and Penalties	-	-	-	150	116	(34)
Revenues from Use of Money and Property	9	3	(6)	80	38	(42)
Aid from Other Governmental Agencies	-	-	-	35	60	25
Charges for Current Services	-	-	-	4,241	4,365	124
Other Revenues	100	95	(5)	-	1	1
Total Revenues	109	98	(11)	9,272	9,169	(103)
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	11,171	7,829	3,342
Public Assistance	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	-	-	-	11,171	7,829	3,342
Excess (Deficiency) of Revenues Over (Under) Expenditures	109	98	(11)	(1,899)	1,340	3,239
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	987	691	(296)
Transfers Out	(98)	(94)	4	(160)	(405)	(245)
Total Other Financing Sources (Uses)	(98)	(94)	4	827	286	(541)
Net Changes in Fund Balances	11	4	(7)	(1,072)	1,626	2,698
Fund Balances, July 1, 2020	430	430	-	2,976	2,976	-
Prior Period Adjustment	-	-	-	-	-	-
Fund Balances, June 30, 2021	\$ 441	\$ 434	\$ (7)	\$ 1,904	\$ 4,602	\$ 2,698

Explanation of differences between budgetary expenditures and GAAP expenditures:

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

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	FINANCE			HEALTH		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ 805	\$ 852	\$ 47
Licenses, Permits and Franchises	-	-	-	-	-	-
Fines, Forfeitures and Penalties	200	270	70	142	715	573
Revenues from Use of Money and Property	-	(22)	(22)	28	(24)	(52)
Aid from Other Governmental Agencies	-	-	-	662	-	(662)
Charges for Current Services	-	-	-	109	1,257	1,148
Other Revenues	-	-	-	75	9,383	9,308
Total Revenues	<u>200</u>	<u>248</u>	<u>48</u>	<u>1,821</u>	<u>12,183</u>	<u>10,362</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	1,010	1,451	441
Public Assistance	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,010</u>	<u>1,451</u>	<u>441</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>200</u>	<u>248</u>	<u>48</u>	<u>811</u>	<u>10,732</u>	<u>9,921</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	54	-	(54)
Transfers Out	(488)	(144)	344	(2,022)	(828)	1,194
Total Other Financing Sources (Uses)	<u>(488)</u>	<u>(144)</u>	<u>344</u>	<u>(1,968)</u>	<u>(828)</u>	<u>1,140</u>
Net Changes in Fund Balances	(288)	104	392	(1,157)	9,904	11,061
Fund Balances, July 1, 2020	1,928	1,928	-	4,968	4,968	-
Prior Period Adjustment	-	-	-	-	19,728	19,728
Fund Balances, June 30, 2021	<u>\$ 1,640</u>	<u>\$ 2,032</u>	<u>\$ 392</u>	<u>\$ 3,811</u>	<u>\$ 34,600</u>	<u>\$ 30,789</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 1,451
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(77)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 1,374</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	HOSPITAL CARE			JUDICIAL		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-	95	87	(8)
Fines, Forfeitures and Penalties	1,995	2,085	90	1,471	1,185	(286)
Revenues from Use of Money and Property	50	9	(41)	18	(47)	(65)
Aid from Other Governmental Agencies	-	-	-	74,689	85,033	10,344
Charges for Current Services	-	-	-	1,326	1,519	193
Other Revenues	-	-	-	-	32	32
Total Revenues	<u>2,045</u>	<u>2,094</u>	<u>49</u>	<u>77,599</u>	<u>87,809</u>	<u>10,210</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	150	-	150
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	1,739	1,147	592	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	<u>1,739</u>	<u>1,147</u>	<u>592</u>	<u>150</u>	<u>-</u>	<u>150</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>306</u>	<u>947</u>	<u>641</u>	<u>77,449</u>	<u>87,809</u>	<u>10,360</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	-	-	-
Transfers Out	(255)	(213)	42	(77,640)	(77,259)	381
Total Other Financing Sources (Uses)	<u>(255)</u>	<u>(213)</u>	<u>42</u>	<u>(77,640)</u>	<u>(77,259)</u>	<u>381</u>
Net Changes in Fund Balances	51	734	683	(191)	10,550	10,741
Fund Balances, July 1, 2020	4,089	4,089	-	7,438	7,438	-
Prior Period Adjustment	-	-	-	-	128	128
Fund Balances, June 30, 2021	<u>\$ 4,140</u>	<u>\$ 4,823</u>	<u>\$ 683</u>	<u>\$ 7,247</u>	<u>\$ 18,116</u>	<u>\$ 10,869</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

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

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	OTHER PUBLIC PROTECTION			PLANT ACQUISITION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ 70	\$ 196	\$ 126	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	5,726	9,289	3,563	8	27	19
Fines, Forfeitures and Penalties	13	50	37	-	-	-
Revenues from Use of Money and Property	218	(46)	(264)	25	14	(11)
Aid from Other Governmental Agencies	6	8	2	-	-	-
Charges for Current Services	1,475	2,769	1,294	-	123	123
Other Revenues	7	32	25	-	-	-
Total Revenues	<u>7,515</u>	<u>12,298</u>	<u>4,783</u>	<u>33</u>	<u>164</u>	<u>131</u>
EXPENDITURES:						
General Government	-	-	-	20	18	(2)
Public Protection	11,283	8,152	3,131	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	<u>11,283</u>	<u>8,152</u>	<u>3,131</u>	<u>20</u>	<u>18</u>	<u>38</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,768)</u>	<u>4,146</u>	<u>7,914</u>	<u>13</u>	<u>146</u>	<u>133</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	1,496	1,590	94	-	-	-
Transfers Out	(8,340)	(5,772)	2,568	-	-	-
Total Other Financing Sources (Uses)	<u>(6,844)</u>	<u>(4,182)</u>	<u>2,662</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	(10,612)	(36)	10,576	13	146	133
Fund Balances, July 1, 2020	23,967	23,967	-	6,290	6,290	-
Prior Period Adjustment	-	-	-	-	-	-
Fund Balances, June 30, 2021	<u>\$ 13,355</u>	<u>\$ 23,931</u>	<u>\$ 10,576</u>	<u>\$ 6,303</u>	<u>\$ 6,436</u>	<u>\$ 133</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 8,152
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(324)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 7,828</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	POLICE PROTECTION			PROMOTION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ 30	\$ 34	\$ 4	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	1,801	-	(1,801)	-	-	-
Fines, Forfeitures and Penalties	139	1,860	1,721	-	-	-
Revenues from Use of Money and Property	-	(13)	(13)	3	-	(3)
Aid from Other Governmental Agencies	-	-	-	-	-	-
Charges for Current Services	1,972	549	(1,423)	-	-	-
Other Revenues	2,330	2,303	(27)	-	-	-
Total Revenues	6,272	4,733	(1,539)	3	-	(3)
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	178	29	149	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	178	29	149	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,094	4,704	(1,390)	3	-	(3)
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	-	-	-
Transfers Out	(9,671)	(6,453)	3,218	(50)	(25)	25
Total Other Financing Sources (Uses)	(9,671)	(6,453)	3,218	(50)	(25)	25
Net Changes in Fund Balances	(3,577)	(1,749)	1,828	(47)	(25)	22
Fund Balances, July 1, 2020	11,599	11,599	-	244	244	-
Prior Period Adjustment	-	25	25	-	-	-
Fund Balances, June 30, 2021	\$ 8,022	\$ 9,875	\$ 1,853	\$ 197	\$ 219	\$ 22

Explanation of differences between budgetary expenditures and GAAP expenditures:

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

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	PROPERTY MANAGEMENT			PUBLIC ASSISTANCE ADMINISTRATION		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	300	383	83	-	-	-
Fines, Forfeitures and Penalties	-	-	-	-	-	-
Revenues from Use of Money and Property	23	13	(10)	86	(106)	(192)
Aid from Other Governmental Agencies	-	-	-	32,395	19,325	(13,070)
Charges for Current Services	614	910	296	6,771	4,495	(2,276)
Other Revenues	-	-	-	5,956	5,610	(346)
Total Revenues	<u>937</u>	<u>1,306</u>	<u>369</u>	<u>45,208</u>	<u>29,324</u>	<u>(15,884)</u>
EXPENDITURES:						
General Government	2,175	1,748	427	-	-	-
Public Protection	-	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	37,478	23,428	(14,050)
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	<u>2,175</u>	<u>1,748</u>	<u>427</u>	<u>37,478</u>	<u>23,428</u>	<u>(14,050)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,238)</u>	<u>(442)</u>	<u>796</u>	<u>7,730</u>	<u>5,896</u>	<u>(1,834)</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	1,475	1,501	26	12,115	11,826	(289)
Transfers Out	(395)	(50)	345	(25,874)	(12,816)	13,058
Total Other Financing Sources (Uses)	<u>1,080</u>	<u>1,451</u>	<u>371</u>	<u>(13,759)</u>	<u>(990)</u>	<u>12,769</u>
Net Changes in Fund Balances	(158)	1,009	1,167	(6,029)	4,906	10,935
Fund Balances, July 1, 2020	2,367	2,367	-	20,319	20,319	-
Prior Period Adjustment	-	-	-	-	-	-
Fund Balances, June 30, 2021	<u>\$ 2,209</u>	<u>\$ 3,376</u>	<u>\$ 1,167</u>	<u>\$ 14,290</u>	<u>\$ 25,225</u>	<u>\$ 10,935</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 23,428
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(182)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 23,246</u>

**COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	PUBLIC WAYS			RECORDER		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:						
Taxes	\$ 2,613	\$ 2,765	\$ 152	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	631	631	3	3	-
Fines, Forfeitures and Penalties	-	20	20	-	-	-
Revenues from Use of Money and Property	61	(3)	(64)	20	19	(1)
Aid from Other Governmental Agencies	-	-	-	-	-	-
Charges for Current Services	3,310	245	(3,065)	2,031	3,237	1,206
Other Revenues	-	-	-	1	83	82
Total Revenues	<u>5,984</u>	<u>3,658</u>	<u>(2,326)</u>	<u>2,055</u>	<u>3,342</u>	<u>1,287</u>
EXPENDITURES:						
General Government	-	-	-	-	-	-
Public Protection	-	-	-	3,353	3,009	344
Public Ways and Facilities	3,633	2,682	951	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation Services	-	-	-	-	-	-
Total Expenditures	<u>3,633</u>	<u>2,682</u>	<u>951</u>	<u>3,353</u>	<u>3,009</u>	<u>344</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,351</u>	<u>976</u>	<u>(1,375)</u>	<u>(1,298)</u>	<u>333</u>	<u>1,631</u>
OTHER FINANCING SOURCES (USES):						
Transfers In	23	-	(23)	1,558	1,599	41
Transfers Out	-	-	-	-	(136)	(136)
Total Other Financing Sources (Uses)	<u>23</u>	<u>-</u>	<u>(23)</u>	<u>1,558</u>	<u>1,463</u>	<u>(95)</u>
Net Changes in Fund Balances	2,374	976	(1,398)	- 260	- 1,796	- 1,536
Fund Balances, July 1, 2020	11,700	11,700	-	1,952	1,952	-
Prior Period Adjustment	-	-	-	-	4	4
Fund Balances, June 30, 2021	<u>\$ 14,074</u>	<u>\$ 12,676</u>	<u>\$ (1,398)</u>	<u>\$ 2,212</u>	<u>\$ 3,752</u>	<u>\$ 1,540</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual amount budgetary basis from the budgetary comparison schedule	\$ 2,682
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(39)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 2,643</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
 CERTAIN NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	RECREATION FACILITIES		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Taxes	\$ -	\$ -	\$ -
Licenses, Permits and Franchises	-	-	-
Fines, Forfeitures and Penalties	-	-	-
Revenues from Use of Money and Property	5	(8)	(13)
Aid from Other Governmental Agencies	126	125	(1)
Charges for Current Services	-	23	23
Other Revenues	-	3	3
Total Revenues	131	143	12
EXPENDITURES:			
General Government	-	-	-
Public Protection	-	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	-	-
Culture and Recreation Services	134	2	132
Total Expenditures	134	2	132
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3)	141	144
OTHER FINANCING SOURCES (USES):			
Transfers In	-	-	-
Transfers Out	(308)	(48)	260
Total Other Financing Sources (Uses)	(308)	(48)	260
Net Changes in Fund Balances	(311)	93	404
Fund Balances, July 1, 2020	1,175	1,175	-
Prior Period Adjustment	-	-	-
Fund Balances, June 30, 2021	\$ 864	\$ 1,268	\$ 404

Explanation of differences between budgetary expenditures and GAAP expenditures:

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



NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS DESCRIPTIONS

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

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

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

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>ACCUMULATED CAPITAL OUTLAY FIRE</u>	<u>ACCUMULATED CAPITAL OUTLAY GENERAL</u>	<u>TOBACCO SECURITIZATION PROCEEDS</u>
ASSETS				
Assets:				
Pooled Cash and Investments	\$ 2,821	\$ 300	\$ 2,491	\$ 30
Cash and Investments Deposited with Trustee	34,530	-	-	34,530
Interest Receivable	7	1	6	-
Total Assets	<u>37,358</u>	<u>301</u>	<u>2,497</u>	<u>34,560</u>
Total Assets	\$ <u>37,358</u>	\$ <u>301</u>	\$ <u>2,497</u>	\$ <u>34,560</u>
FUND BALANCES				
Fund Balances:				
Restricted	34,560	-	-	34,560
Assigned	<u>2,798</u>	<u>301</u>	<u>2,497</u>	<u>-</u>
Total Fund Balances	<u>37,358</u>	<u>301</u>	<u>2,497</u>	<u>34,560</u>
Total Fund Balances	\$ <u>37,358</u>	\$ <u>301</u>	\$ <u>2,497</u>	\$ <u>34,560</u>

**COUNTY OF KERN
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>ACCUMULATED CAPITAL OUTLAY FIRE</u>	<u>ACCUMULATED CAPITAL OUTLAY GENERAL</u>	<u>TOBACCO SECURITIZATION PROCEEDS</u>
REVENUES:				
Revenues From Use of Money and Property	\$ 321	\$ 1	\$ 1	\$ 319
Total Revenues	<u>321</u>	<u>1</u>	<u>1</u>	<u>319</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>321</u>	<u>1</u>	<u>1</u>	<u>319</u>
Net Changes in Fund Balances	321	1	1	319
Fund Balances, July 1, 2020	<u>37,037</u>	<u>300</u>	<u>2,496</u>	<u>34,241</u>
Fund Balances, June 30, 2021	<u>\$ 37,358</u>	<u>\$ 301</u>	<u>\$ 2,497</u>	<u>\$ 34,560</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	ACCUMULATED CAPITAL OUTLAY FIRE		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ 4	\$ 1	\$ (3)
Total Revenues	<u>4</u>	<u>1</u>	<u>(3)</u>
Excess of Revenues Over Expenditures	<u>4</u>	<u>1</u>	<u>(3)</u>
Net Change in Fund Balance	4	1	(3)
Fund Balance, July 1, 2020	<u>300</u>	<u>300</u>	<u>-</u>
Fund Balance (Deficit), June 30, 2021	<u>\$ 304</u>	<u>\$ 301</u>	<u>\$ (3)</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	ACCUMULATED CAPITAL OUTLAY GENERAL		
	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ 10	\$ 1	\$ (9)
Total Revenues	<u>10</u>	<u>1</u>	<u>(9)</u>
Excess of Revenues Over Expenditures	<u>10</u>	<u>1</u>	<u>(9)</u>
Net Change in Fund Balance	10	1	(9)
Fund Balance, July 1, 2020	<u>2,496</u>	<u>2,496</u>	<u>-</u>
Fund Balance (Deficit), June 30, 2021	<u>\$ 2,506</u>	<u>\$ 2,497</u>	<u>\$ (9)</u>

**COUNTY OF KERN
 BUDGETARY COMPARISON SCHEDULE (NON-GAAP BUDGETARY BASIS)
 CERTAIN NON-MAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

TOBACCO SECURITIZATION PROCEEDS

	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
REVENUES:			
Revenues From Use of Money and Property	\$ 400	\$ 319	\$ (81)
Total Revenues	<u>400</u>	<u>319</u>	<u>(81)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>400</u>	<u>319</u>	<u>(81)</u>
OTHER FINANCING SOURCES			
Transfers Out	<u>(400)</u>	<u>-</u>	<u>400</u>
Total Other Financing Sources	<u>(400)</u>	<u>-</u>	<u>400</u>
Net Change in Fund Balance	-	319	319
Fund Balance, July 1, 2020	<u>34,241</u>	<u>34,241</u>	<u>-</u>
Fund Balance (Deficit), June 30, 2021	<u>\$ 34,241</u>	<u>\$ 34,560</u>	<u>\$ 319</u>

NON-MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS DESCRIPTIONS

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

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

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

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

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled Cash and Investments	\$ 2,616	\$ -	\$ -	\$ 2,616
Cash and Investments Deposited with Trustee	221	-	221	-
Interest Receivable	7	-	-	7
Accrued Revenue	9	-	-	9
Total Assets	<u>2,853</u>	<u>-</u>	<u>221</u>	<u>2,632</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,853</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ 2,632</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 11	\$ -	\$ -	\$ 11
Total Liabilities	<u>11</u>	<u>-</u>	<u>-</u>	<u>11</u>
Fund Balances:				
Restricted	<u>2,842</u>	<u>-</u>	<u>221</u>	<u>2,621</u>
Total Fund Balances	<u>2,842</u>	<u>-</u>	<u>221</u>	<u>2,621</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,853</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ 2,632</u>

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>
REVENUES:				
Other Revenues	\$ 3,376	\$ -	\$ 2,713	\$ 663
Total Revenues	<u>3,376</u>	<u>-</u>	<u>2,713</u>	<u>663</u>
EXPENDITURES:				
General Government	75	-	-	75
Debt Service:				
Principal	29,488	3,405	25,568	515
Interest	42,118	2,847	39,131	140
Total Expenditures	<u>71,681</u>	<u>6,252</u>	<u>64,699</u>	<u>730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(68,305)</u>	<u>(6,252)</u>	<u>(61,986)</u>	<u>(67)</u>
OTHER FINANCING SOURCES:				
Transfers In	68,131	6,251	61,880	-
Total Other Financing Sources	<u>68,131</u>	<u>6,251</u>	<u>61,880</u>	<u>-</u>
Net Changes in Fund Balances	(174)	(1)	(106)	(67)
Fund Balances, July 1, 2020	568	1	327	240
Prior Period Adjustment	2,448	-	-	2,448
Fund Balances, June 30, 2021	<u>\$ 2,842</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ 2,621</u>





**NON-MAJOR
ENTERPRISE FUNDS**

NON-MAJOR ENTERPRISE FUNDS

FUNDS DESCRIPTIONS

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

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

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

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

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

**COUNTY OF KERN
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	COUNTY SANITATION DISTRICTS	GOLF COURSES	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION
ASSETS					
Current Assets:					
Pooled Cash and Investments	\$ 34,404	\$ 22,403	\$ 1,028	\$ 7,606	\$ 3,367
Interest Receivable	82	55	3	18	6
Accounts Receivable - Net	142	142	-	-	-
Accrued Revenue	325	-	-	325	-
Due from Other Funds	66	41	-	25	-
Total Current Assets	35,019	22,641	1,031	7,974	3,373
Non-Current Assets:					
Taxes Receivable	2,007	703	-	-	1,304
Investment in Joint Venture	2,787	2,787	-	-	-
Capital Assets:					
Non-Depreciable:					
Land	855	603	65	187	-
Construction in Progress	2,106	418	-	1,688	-
Depreciable:					
Structures and Improvements	16,564	9,163	6,483	918	-
Equipment	20,355	2,086	-	18,269	-
Intangible Assets	284	36	-	248	-
Infrastructure	14,219	14,219	-	-	-
Accumulated Depreciation and Amortization	(29,332)	(13,249)	(3,964)	(12,119)	-
Total Non-Current Assets	29,845	16,766	2,584	9,191	1,304
Total Assets	64,864	39,407	3,615	17,165	4,677
DEFERRED OUTFLOWS OF RESOURCES					
Deferred OPEB	13	6	-	7	-
Deferred Pensions	1,687	1,006	-	681	-
Total Deferred Outflows of Resources	1,700	1,012	-	688	-
LIABILITIES					
Current Liabilities:					
Accounts Payable	3,039	729	-	848	1,462
Due to Other Funds	35	14	-	21	-
Current Portion of Long-Term Debt	61	47	-	14	-
Interest Payable - Current	55	42	-	13	-
Current Portion of Compensated Absences	288	179	-	109	-
Advances from Grantors and Third Parties	1,436	159	-	1,277	-
Total Current Liabilities	4,914	1,170	-	2,282	1,462
Non-Current Liabilities:					
Compensated Absences Payable	101	63	-	38	-
Long-Term Debt - Pension Obligation Bonds	262	201	-	61	-
Long-Term - Interest Payable	113	87	-	26	-
Net OPEB Liability	62	38	-	24	-
Net Pension Liability	7,336	4,224	-	3,112	-
Total Non-Current Liabilities	7,874	4,613	-	3,261	-
Total Liabilities	12,788	5,783	-	5,543	1,462
DEFERRED INFLOWS OF RESOURCES					
Deferred OPEB	105	65	-	40	-
Deferred Pensions	464	267	-	197	-
Total Deferred Inflows of Resources	569	332	-	237	-
NET POSITION					
Net Investment in Capital Assets	25,051	13,276	2,584	9,191	-
Restricted	2,787	2,787	-	-	-
Unrestricted	25,369	18,241	1,031	2,882	3,215
Total Net Position	\$ 53,207	\$ 34,304	\$ 3,615	\$ 12,073	\$ 3,215

COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)

	<u>TOTAL</u>	<u>COUNTY SANITATION DISTRICTS</u>	<u>GOLF COURSES</u>	<u>PUBLIC TRANSPORTATION</u>	<u>UNIVERSAL COLLECTION</u>
OPERATING REVENUES:					
Charges for Current Services	\$ 26,317	\$ 7,672	\$ 332	\$ 628	\$ 17,685
Revenues from Use of Property	194	145	-	56	(7)
Total Operating Revenues	<u>26,511</u>	<u>7,817</u>	<u>332</u>	<u>684</u>	<u>17,678</u>
OPERATING EXPENSES:					
Services and Supplies	30,910	3,929	455	8,777	17,749
Other Charges	138	(3)	39	96	6
Depreciation and Amortization	2,176	502	148	1,526	-
Total Operating Expenses	<u>33,224</u>	<u>4,428</u>	<u>642</u>	<u>10,399</u>	<u>17,755</u>
Operating Income (Loss)	<u>(6,713)</u>	<u>3,389</u>	<u>(310)</u>	<u>(9,715)</u>	<u>(77)</u>
NON-OPERATING REVENUES (EXPENSES):					
Taxes and Assessments	8,970	-	-	8,970	-
Fines, Forfeitures and Penalties	313	100	-	-	213
Licenses, Permits and Franchises	3	3	-	-	-
Interest on Bank Deposits and Investments	164	41	(3)	110	16
Aid from Other Governmental Agencies	3,389	-	-	3,389	-
Interest Expense	(27)	(21)	-	(6)	-
Total Non-Operating Revenues, Net	<u>12,812</u>	<u>123</u>	<u>(3)</u>	<u>12,463</u>	<u>229</u>
Income (Loss) before Contributions	<u>6,099</u>	<u>3,512</u>	<u>(313)</u>	<u>2,748</u>	<u>152</u>
Operating Transfers In	<u>66</u>	<u>41</u>	<u>-</u>	<u>25</u>	<u>-</u>
Changes in Net Position	<u>6,165</u>	<u>3,553</u>	<u>(313)</u>	<u>2,773</u>	<u>152</u>
Net Position, July 1, 2020	<u>47,042</u>	<u>30,751</u>	<u>3,928</u>	<u>9,300</u>	<u>3,063</u>
Net Position, June 30, 2021	<u>\$ 53,207</u>	<u>\$ 34,304</u>	<u>\$ 3,615</u>	<u>\$ 12,073</u>	<u>\$ 3,215</u>

**COUNTY OF KERN
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	COUNTY SANITATION DISTRICTS	GOLF COURSES	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received for Current Services	\$ 26,773	\$ 7,921	\$ 359	\$ 650	\$ 17,843
Cash Received for Use of Property	210	141	-	56	13
Cash Received for Fines, Forfeitures, and Penalties	312	100	-	-	212
Cash Paid for Services and Supplies	(28,753)	(3,876)	(498)	(8,093)	(16,286)
Cash Paid for Other Charges	(143)	(2)	(39)	(96)	(6)
Net Cash Provided (Used) by Operating Activities	<u>(1,601)</u>	<u>4,284</u>	<u>(178)</u>	<u>(7,483)</u>	<u>1,776</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Aid from Other Governmental Agencies	4,113	-	-	4,113	-
Licenses & Franchises	3	3	-	-	-
Cash Received from Taxes	11,202	-	-	11,202	-
Payment of Long-Term Debt - Pension Obligation Bonds	(64)	(49)	-	(15)	-
Interest Paid on Pension Obligation Bonds	(102)	(78)	-	(24)	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>15,152</u>	<u>(124)</u>	<u>-</u>	<u>15,276</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition or Construction of Capital Assets	(2,937)	(1,453)	-	(1,484)	-
Net Cash Used by Capital and Related Financing Activities	<u>(2,937)</u>	<u>(1,453)</u>	<u>-</u>	<u>(1,484)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on Bank Deposits and Investments	186	83	2	104	(3)
Net Cash Provided (Used) by Investing Activities	<u>186</u>	<u>83</u>	<u>2</u>	<u>104</u>	<u>(3)</u>
Net Increase (Decrease) in Cash and Investments	10,800	2,790	(176)	6,413	1,773
Cash and Investments, July 1, 2020	23,604	19,613	1,204	1,193	1,594
Cash and Investments, June 30, 2021	<u>\$ 34,404</u>	<u>\$ 22,403</u>	<u>\$ 1,028</u>	<u>\$ 7,606</u>	<u>\$ 3,367</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (6,713)	\$ 3,389	\$ (310)	\$ (9,715)	\$ (77)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	2,177	503	148	1,526	-
Other Non-Operating Revenue	312	100	-	-	212
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows:					
(Increase) Decrease in Accounts Receivable	225	191	27	7	-
(Increase) Decrease in Accrued Expenses	1,300	(313)	(43)	194	1,462
(Increase) Decrease in Accrued Revenue	14	-	-	14	-
(Increase) Decrease in Due from Other Funds	80	44	-	36	-
(Increase) Decrease in Deferred Outflows of Resources	(461)	(293)	-	(168)	-
(Increase) Decrease in Investment in Joint Venture	(106)	(106)	-	-	-
(Increase) Decrease in Special Assessment Receivable	238	59	-	-	179
Increase (Decrease) in Due to Other Funds	35	14	-	21	-
Increase (Decrease) in Deferred Inflows of Resources	-	(4)	-	4	-
Increase (Decrease) in Compensated Absences Payable	(56)	(14)	-	(42)	-
Increase (Decrease) in Net OPEB Liability	(81)	(50)	-	(31)	-
Increase (Decrease) in Net Pension Liability	1,435	764	-	671	-
Total Adjustments	<u>5,112</u>	<u>895</u>	<u>132</u>	<u>2,232</u>	<u>1,853</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,601)</u>	<u>\$ 4,284</u>	<u>\$ (178)</u>	<u>\$ (7,483)</u>	<u>\$ 1,776</u>



INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS DESCRIPTIONS

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

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

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

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

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

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

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

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

**COUNTY OF KERN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	GENERAL LIABILITY	GENERAL SERVICES- GARAGE	GROUP HEALTH
ASSETS				
Current Assets:				
Pooled Cash and Investments	\$ 136,642	\$ 17,664	\$ 7,250	\$ 90,772
Interest Receivable	350	46	18	233
Accounts Receivable	5	-	5	-
Accrued Revenue	5,256	-	-	4,094
Due from Other Funds	4,098	-	-	3,727
Inventory- Materials and Supplies	477	-	56	-
Total Current Assets	<u>146,828</u>	<u>17,710</u>	<u>7,329</u>	<u>98,826</u>
Non-Current Assets:				
Deposits with Others	1,519	-	-	1,519
Equipment	8,172	-	7,635	-
Intangible Assets	1,807	-	37	1,752
Accumulated Depreciation and Amortization	(5,177)	-	(4,422)	(642)
Total Non-Current Assets	<u>6,321</u>	<u>-</u>	<u>3,250</u>	<u>2,629</u>
Total Assets	<u>153,149</u>	<u>17,710</u>	<u>10,579</u>	<u>101,455</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred OPEB	7	-	7	-
Deferred Pensions	379	-	379	-
Total Deferred Outflows of Resources	<u>386</u>	<u>-</u>	<u>386</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	542	-	155	70
Salaries and Employee Benefits Payable	1,501	-	17	-
Current Portion of Long-Term Debt	27	-	27	-
Interest Payable - Current	51	-	51	-
Current Portion of Compensated Absences	22	-	22	-
Current Portion of Liability for Self-Insurance	28,431	122	-	12,374
Total Current Liabilities	<u>30,574</u>	<u>122</u>	<u>272</u>	<u>12,444</u>
Non-Current Liabilities				
Compensated Absences Payable	10	-	10	-
Long-Term Liability for Self-Insurance	80,507	36,969	-	-
Long-Term Debt - Pension Obligation Bonds	91	-	91	-
Long-Term - Interest Payable	40	-	40	-
Net OPEB Liability	43	-	43	-
Net Pension Liability	1,718	-	1,718	-
Total Non-Current Liabilities	<u>82,409</u>	<u>36,969</u>	<u>1,902</u>	<u>-</u>
Total Liabilities	<u>112,983</u>	<u>37,091</u>	<u>2,174</u>	<u>12,444</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred OPEB	73	-	73	-
Deferred Pensions	108	-	108	-
Total Deferred Inflows of Resources	<u>181</u>	<u>-</u>	<u>181</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	4,801	-	3,250	1,110
Restricted:				
Deposits	1,519	-	-	1,519
Inventory	477	-	56	-
Unrestricted (Deficit)	33,574	(19,381)	5,304	86,382
Total Net Position	<u>\$ 40,371</u>	<u>\$ (19,381)</u>	<u>\$ 8,610</u>	<u>\$ 89,011</u>

	PUBLIC WORKS	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS' COMPENSATION	
					ASSETS
\$	7,242	\$ 3,185	\$ 1,372	\$ 9,157	Current Assets:
	14	5	3	31	Pooled Cash and Investments
	-	-	-	-	Interest Receivable
	108	-	-	1,054	Accounts Receivable
	371	-	-	-	Accrued Revenue
	421	-	-	-	Due from Other Funds
	<u>8,156</u>	<u>3,190</u>	<u>1,375</u>	<u>10,242</u>	Inventory- Materials and Supplies
					Total Current Assets
	-	-	-	-	Non-Current Assets:
	537	-	-	-	Deposits with Others
	18	-	-	-	Equipment
	(113)	-	-	-	Intangible Assets
	<u>442</u>	<u>-</u>	<u>-</u>	<u>-</u>	Accumulated Depreciation and Amortization
					Total Non-Current Assets
	<u>8,598</u>	<u>3,190</u>	<u>1,375</u>	<u>10,242</u>	Total Assets
					DEFERRED OUTFLOWS OF RESOURCES
	-	-	-	-	Deferred OPEB
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Deferred Pensions
					Total Deferred Outflows of Resources
					LIABILITIES
	269	-	-	48	Current Liabilities:
	1,484	-	-	-	Accounts Payable
	-	-	-	-	Salaries and Employee Benefits Payable
	-	-	-	-	Current Portion of Long-Term Debt
	-	-	-	-	Interest Payable - Current
	-	-	251	-	Current Portion of Compensated Absences
	-	-	-	15,684	Current Portion of Liability for Self-Insurance
	<u>1,753</u>	<u>-</u>	<u>251</u>	<u>15,732</u>	Total Current Liabilities
					Non-Current Liabilities
	-	-	-	-	Compensated Absences Payable
	-	-	-	43,538	Long-Term Liability for Self-Insurance
	-	-	-	-	Long-Term Debt - Pension Obligation Bonds
	-	-	-	-	Long-Term - Interest Payable
	-	-	-	-	Net OPEB Liability
	-	-	-	-	Net Pension Liability
	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,538</u>	Total Non-Current Liabilities
	<u>1,753</u>	<u>-</u>	<u>251</u>	<u>59,270</u>	Total Liabilities
					DEFERRED INFLOWS OF RESOURCES
	-	-	-	-	Deferred OPEB
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Deferred Pensions
					Total Deferred Inflows of Resources
					NET POSITION
	441	-	-	-	Net Investment in Capital Assets
	-	-	-	-	Restricted:
	421	-	-	-	Deposits
	5,983	3,190	1,124	(49,028)	Inventory
	<u>6,845</u>	<u>3,190</u>	<u>1,124</u>	<u>(49,028)</u>	Unrestricted (Deficit)
\$					Total Net Position

**COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	TOTAL	GENERAL LIABILITY	GENERAL SERVICES- GARAGE	GROUP HEALTH
OPERATING REVENUES:				
Charges for Current Services	\$ 247,611	\$ 10,949	\$ 2,400	\$ 143,626
Total Operating Revenues	<u>247,611</u>	<u>10,949</u>	<u>2,400</u>	<u>143,626</u>
OPERATING EXPENSES:				
Salaries and Employee Benefits	60,164	-	770	-
Services and Supplies	29,385	5,644	915	7,656
Claims Incurred	147,309	374	-	131,967
Other Charges	4,642	2,354	118	661
Depreciation and Amortization	664	-	512	117
Total Operating Expenses	<u>242,164</u>	<u>8,372</u>	<u>2,315</u>	<u>140,401</u>
Operating Income	<u>5,447</u>	<u>2,577</u>	<u>85</u>	<u>3,225</u>
NON-OPERATING REVENUES (EXPENSES):				
Interest on Bank Deposits and Investments	139	42	1	93
Aid from Other Governmental Agencies	740	-	-	89
Other Revenues	859	3	49	-
Loss on Disposal of Capital Assets	6	-	6	-
Total Non-Operating Revenues, Net	<u>1,744</u>	<u>45</u>	<u>56</u>	<u>182</u>
Income before Contributions and Transfers	<u>7,191</u>	<u>2,622</u>	<u>141</u>	<u>3,407</u>
Transfers In	7,317	-	2	115
Transfers Out	<u>(7,221)</u>	<u>-</u>	<u>(800)</u>	<u>-</u>
Changes in Net Position	7,287	2,622	(657)	3,522
Net Position, July 1, 2020	<u>33,084</u>	<u>(22,003)</u>	<u>9,267</u>	<u>85,489</u>
Net Position, June 30, 2021	<u>\$ 40,371</u>	<u>\$ (19,381)</u>	<u>\$ 8,610</u>	<u>\$ 89,011</u>

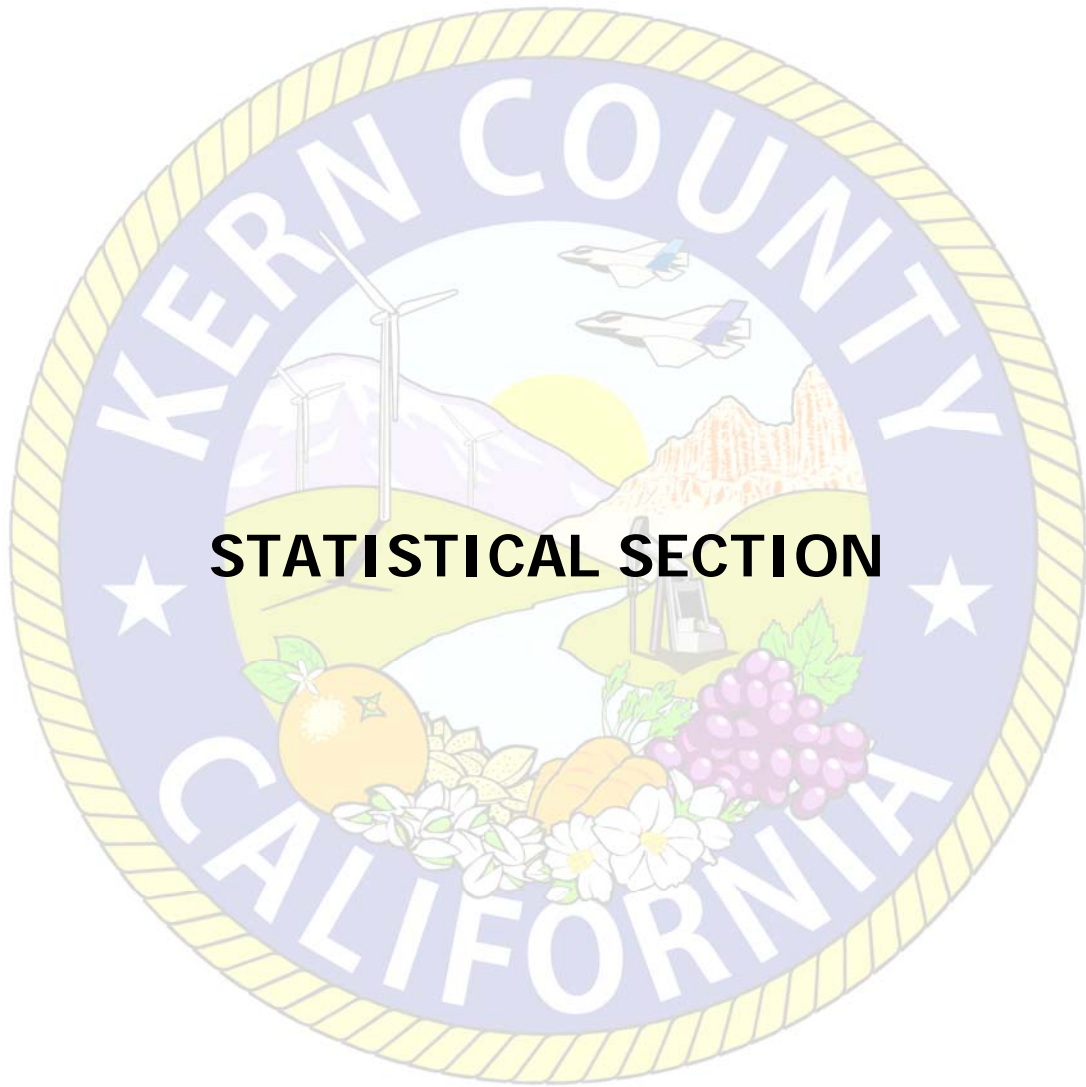
PUBLIC WORKS	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS' COMPENSATION	
\$ 59,121	\$ 9,474	\$ 2,204	\$ 19,837	OPERATING REVENUES:
				Charges for Current Services
<u>59,121</u>	<u>9,474</u>	<u>2,204</u>	<u>19,837</u>	Total Operating Revenues
				OPERATING EXPENSES:
50,778	8,616	-	-	Salaries and Employee Benefits
9,525	233	15	5,397	Services and Supplies
-	-	573	14,395	Claims Incurred
1,191	(9)	1	326	Other Charges
35	-	-	-	Depreciation and Amortization
<u>61,529</u>	<u>8,840</u>	<u>589</u>	<u>20,118</u>	Total Operating Expenses
<u>(2,408)</u>	<u>634</u>	<u>1,615</u>	<u>(281)</u>	Operating Income
				NON-OPERATING REVENUES (EXPENSES):
(24)	2	(9)	34	Interest on Bank Deposits and Investments
651	-	-	-	Aid from Other Governmental Agencies
9	-	-	798	Other Revenues
-	-	-	-	Loss on Disposal of Capital Assets
<u>636</u>	<u>2</u>	<u>(9)</u>	<u>832</u>	Total Non-Operating Revenues, Net
<u>(1,772)</u>	<u>636</u>	<u>1,606</u>	<u>551</u>	Income before Contributions and Transfers
7,200	-	-	-	Transfers In
<u>(6,421)</u>	<u>-</u>	<u>-</u>	<u>-</u>	Transfers Out
(993)	636	1,606	551	Changes in Net Position
<u>7,838</u>	<u>2,554</u>	<u>(482)</u>	<u>(49,579)</u>	Net Position, July 1, 2020
<u>\$ 6,845</u>	<u>\$ 3,190</u>	<u>\$ 1,124</u>	<u>\$ (49,028)</u>	Net Position, June 30, 2021

**COUNTY OF KERN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021 (IN THOUSANDS)**

	<u>TOTAL</u>	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES- GARAGE</u>	<u>GROUP HEALTH</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received for Current Services	\$ 243,456	\$ 10,946	\$ 2,410	\$ 139,224
Cash Received for Interfund Services Provided	610	3	22	537
Cash Received from Others	418	-	50	-
Cash Paid for Salaries and Benefits	(59,960)	-	(764)	-
Cash Paid for Services and Supplies	(29,247)	(5,644)	(827)	(7,648)
Cash Paid for Reported Claims	(147,163)	(244)	-	(129,569)
Cash Paid for Other Charges	(4,408)	(2,354)	(59)	(660)
Net Cash Provided (Used) by Operating Activities	<u>3,706</u>	<u>2,707</u>	<u>832</u>	<u>1,884</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Cash Received from Other Funds	7,860	3	(254)	115
Cash Paid to Other Funds	(7,304)	-	(883)	-
Aid from Other Governmental Agencies	846	-	26	90
Payment of Long-Term Debt - Pension Obligation Bonds	(32)	-	(32)	-
Interest Paid on Pension Obligation Bonds	(77)	-	(77)	-
Net Cash Provided by Non-Capital Financing Activities	<u>1,293</u>	<u>3</u>	<u>(1,220)</u>	<u>205</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from Sale of Capital Assets	7	-	7	-
Acquisition or Construction of Capital Assets	(289)	-	-	-
Net Cash Used by Capital and Related Financing Activities	<u>(282)</u>	<u>-</u>	<u>7</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on Bank Deposits and Investments	460	83	21	300
Net Increase (Decrease) in Cash and Investments	5,177	2,793	(360)	2,389
Beginning Cash and Investments at July 1, 2020	<u>131,465</u>	<u>14,871</u>	<u>7,610</u>	<u>88,383</u>
Ending Cash and Investments at June 30, 2021	<u>\$ 136,642</u>	<u>\$ 17,664</u>	<u>\$ 7,250</u>	<u>\$ 90,772</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income	\$ 5,447	\$ 2,577	\$ 85	\$ 3,225
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	664	-	512	117
Other Non-Operating Revenue	59	-	50	-
Changes in Assets, Deferred Outflows, Liabilities, and Differed Inflows:				
(Increase) Decrease in Inventory	(33)	-	11	-
(Increase) Decrease in Accounts Receivable	34	-	32	-
(Increase) Decrease in Accrued Revenue	(242)	-	-	(137)
(Increase) Decrease in Due from Others	399	-	-	-
(Increase) Decrease in Deferred Outflows of Resources	(76)	-	(76)	-
Increase (Decrease) in Accounts Payable	217	-	137	9
Increase (Decrease) in Due to Others	(3,929)	-	-	(3,729)
Increase (Decrease) in Salaries & Benefits Payable	193	-	(4)	-
Increase (Decrease) in Deferred Inflows of Resources	8	-	8	-
Increase (Decrease) in Compensated Absences Payable	(60)	-	(60)	-
Increase (Decrease) in Provision for Liability Claims	888	130	-	2,399
Increase (Decrease) in Net OPEB Liability	(57)	-	(57)	-
Increase (Decrease) in Net Pension Liability	194	-	194	-
Total Adjustments	<u>(1,741)</u>	<u>130</u>	<u>747</u>	<u>(1,341)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,706</u>	<u>\$ 2,707</u>	<u>\$ 832</u>	<u>\$ 1,884</u>
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Capital Contributions - Transfer of Capital Assets	\$ 152	-	\$ 152	-

	PUBLIC WORKS	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS' COMPENSATION	
	CASH FLOWS FROM OPERATING ACTIVITIES:				
\$	59,321	\$ 9,464	\$ 2,284	\$ 19,807	Cash Received for Current Services
	-	10	9	29	Cash Received for Interfund Services Provided
	9	9	-	350	Cash Received from Others
	(50,580)	(8,616)	-	-	Cash Paid for Salaries and Benefits
	(9,480)	(233)	(16)	(5,399)	Cash Paid for Services and Supplies
	-	-	(2,207)	(15,143)	Cash Paid for Reported Claims
	(1,191)	-	(144)	-	Cash Paid for Other Charges
	<u>(1,921)</u>	<u>634</u>	<u>(74)</u>	<u>(356)</u>	Net Cash Provided (Used) by Operating Activities
	CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
	7,198	-	-	798	Cash Received from Other Funds
	(6,421)	-	-	-	Cash Paid to Other Funds
	730	-	-	-	Aid from Other Governmental Agencies
	-	-	-	-	Payment of Long-Term Debt - Pension Obligation Bonds
	-	-	-	-	Interest Paid on Pension Obligation Bonds
	<u>1,507</u>	<u>-</u>	<u>-</u>	<u>798</u>	Net Cash Provided by Non-Capital Financing Activities
	CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
	-	-	-	-	Proceeds from Sale of Capital Assets
	(289)	-	-	-	Acquisition or Construction of Capital Assets
	<u>(289)</u>	<u>-</u>	<u>-</u>	<u>-</u>	Net Cash Used by Capital and Related Financing Activities
	CASH FLOWS FROM INVESTING ACTIVITIES:				
	(19)	10	(5)	70	Interest on Bank Deposits and Investments
	<u>(722)</u>	<u>644</u>	<u>(79)</u>	<u>512</u>	Net Increase (Decrease) in Cash and Investments
	<u>7,964</u>	<u>2,541</u>	<u>1,451</u>	<u>8,645</u>	Beginning Cash and Investments at July 1, 2020
\$	<u>7,242</u>	<u>3,185</u>	<u>1,372</u>	<u>9,157</u>	Ending Cash and Investments at June 30, 2021
	RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
\$	(2,408)	\$ 634	\$ 1,615	\$ (281)	Operating Income
	Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
	35	-	-	-	Depreciation
	9	-	-	-	Other Revenue
	-	-	-	-	Changes in Assets, Deferred Outflows, Liabilities, and Differed Inflows:
	(44)	-	-	-	(Increase) Decrease in Inventory
	2	-	-	-	(Increase) Decrease in Accounts Receivable
	-	-	88	(193)	(Increase) Decrease in Accrued Revenue
	399	-	-	-	(Increase) Decrease in Due from Others
	-	-	-	-	(Increase) Decrease in Deferred Outflows of Resources
	89	-	-	(18)	Increase (Decrease) in Accounts Payable
	(200)	-	-	-	Increase (Decrease) in Due to Others
	197	-	-	-	Increase (Decrease) in Salaries & Benefits Payable
	-	-	-	-	Increase (Decrease) in Deferred Inflows of Resources
	-	-	-	-	Increase (Decrease) in Compensated Absences Payable
	-	-	(1,777)	136	Increase (Decrease) in Provision for Liability Claims
	-	-	-	-	Increase (Decrease) in Net OPEB Liability
	-	-	-	-	Increase (Decrease) in Net Pension Liability
	<u>487</u>	<u>-</u>	<u>(1,689)</u>	<u>(75)</u>	Total Adjustments
\$	<u>(1,921)</u>	<u>634</u>	<u>(74)</u>	<u>(356)</u>	Net Cash Provided (Used) by Operating Activities
	NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
\$	-	-	-	-	Capital Contributions - Transfer of Capital Assets





STATISTICAL SECTION

STATISTICAL SECTION

CONTENTS

Financial Trends

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

Revenue Capacity

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

Debt Capacity

The debt capacity schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. Information is provided to give users an idea of the burden of debt on the taxpayers, both the direct burden and the portion of debt issued by other governmental entities for which the County's taxpayers are responsible.

Demographic and Economic Information

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

Operating Information

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

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

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

	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental Activities:					
Net Investment in Capital Assets	\$ 1,672,915	\$ 1,711,461	\$ 1,726,834	\$ 1,750,564	\$ 1,770,797
Restricted	335,190	363,662	347,207	375,293	381,142
Unrestricted (Deficit)	(266,157)	(262,932)	(294,565)	(1,805,642)	(1,708,445)
Total Governmental Activities Net Position	<u>\$ 1,741,948</u>	<u>\$ 1,812,191</u>	<u>\$ 1,779,476</u>	<u>\$ 320,215</u>	<u>\$ 443,494</u>
Business-type Activities:					
Net Investment in Capital Assets	\$ 170,984	\$ 166,895	\$ 180,025	\$ 198,605	\$ 204,567
Restricted	2,022	15,671	15,231	10,601	8,567
Unrestricted (Deficit)	(96,878)	(125,371)	(114,309)	(450,784)	(405,360)
Total Business-type Activities Net Position	<u>\$ 76,128</u>	<u>\$ 57,195</u>	<u>\$ 80,947</u>	<u>\$ (241,578)</u>	<u>\$ (192,226)</u>
Primary Government:					
Net Investment in Capital Assets	\$ 1,843,899	\$ 1,878,356	\$ 1,906,859	\$ 1,949,169	\$ 1,975,364
Restricted	337,212	379,333	362,438	385,894	389,709
Unrestricted (Deficit)	(363,035)	(388,303)	(408,874)	(2,256,426)	(2,113,805)
Total Primary Government Net Position	<u>\$ 1,818,076</u>	<u>\$ 1,869,386</u>	<u>\$ 1,860,423</u>	<u>\$ 78,637</u>	<u>\$ 251,268</u>

Fiscal Year					
2017	2018	2019	2020	2021	
					Governmental Activities:
\$ 1,840,822	\$ 1,875,532	\$ 1,852,704	\$ 1,849,934	\$ 1,919,459	Net Investment in Capital Assets
397,190	405,102	443,866	488,536	651,515	Restricted
(1,713,301)	(1,689,857)	(1,586,845)	(1,632,046)	(1,500,323)	Unrestricted (Deficit)
<u>\$ 524,711</u>	<u>\$ 590,777</u>	<u>\$ 709,725</u>	<u>\$ 706,424</u>	<u>\$ 1,070,651</u>	Total Governmental Activities Net Position
					Business-type Activities:
\$ 184,012	\$ 192,196	\$ 208,752	\$ 220,244	\$ 233,771	Net Investment in Capital Assets
	2,402	2,274	2,680	2,787	Restricted
(27,323)	(16,973)	(23,184)	(28,916)	(27,404)	Unrestricted (Deficit)
<u>\$ 156,689</u>	<u>\$ 177,625</u>	<u>\$ 187,842</u>	<u>\$ 194,008</u>	<u>\$ 209,154</u>	Total Business-type Activities Net Position
					Primary Government:
\$ 2,024,834	\$ 2,067,728	\$ 2,061,456	\$ 2,070,178	\$ 2,153,230	Net Investment in Capital Assets
397,190	407,504	446,140	491,216	654,302	Restricted
(1,740,624)	(1,706,830)	(1,610,029)	(1,660,962)	(1,527,727)	Unrestricted (Deficit)
<u>\$ 681,400</u>	<u>\$ 768,402</u>	<u>\$ 897,567</u>	<u>\$ 900,432</u>	<u>\$ 1,279,805</u>	Total Primary Government Net Position

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

Page 1 of 2

	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental Activities:					
Expenses:					
General Government	\$ 93,530	\$ 94,901	\$ 85,816	\$ 92,981	\$ 86,975
Public Protection	516,877	547,416	558,228	593,634	631,913
Public Ways and Facilities	63,955	69,153	122,567	63,111	48,945
Health and Sanitation	154,322	156,302	157,183	146,941	165,023
Public Assistance	396,670	391,318	411,182	425,161	466,599
Education	1,984	8,153	8,600	8,229	8,874
Culture and Recreation Services	14,690	14,319	14,565	13,604	11,586
Interest on Short and Long-term Debt	42,670	41,161	37,679	37,914	46,805
Total Expenses	<u>1,284,698</u>	<u>1,322,723</u>	<u>1,395,820</u>	<u>1,381,575</u>	<u>1,466,720</u>
Program Revenues:					
Charges for Services:					
General Government	58,153	58,620	58,908	65,900	63,550
Public Protection	90,771	84,355	106,151	93,559	99,788
Health and Sanitation	46,539	45,590	39,080	61,195	67,699
Other	13,472	16,790	23,222	23,441	22,382
Operating Grants and Contributions	688,523	741,506	703,323	724,439	762,670
Capital Grants and Contributions	20,560	18,936	44,419	47,657	53,269
Total Program Revenues	<u>918,018</u>	<u>965,797</u>	<u>975,103</u>	<u>1,016,191</u>	<u>1,069,358</u>
Total Governmental Activities, Net Program Expenses	<u>(366,680)</u>	<u>(356,926)</u>	<u>(420,717)</u>	<u>(365,384)</u>	<u>(397,362)</u>
General Revenues:					
Taxes:					
Property Taxes	256,744	271,564	270,406	270,191	265,638
Vehicle License Taxes ^a	92,660	99,756	101,645	107,308	96,965
Aircraft Taxes	85	151	113	120	256
Sales and Use Taxes	57,915	55,718	52,240	58,683	45,554
Transient Occupancy Tax	1,732	1,845	1,772	2,721	2,437
Special Assessments	2,888	2,807	2,717	2,710	3,022
Transfer Taxes	2,556	2,961	2,942	3,183	3,888
Other Taxes	1,318	1,435	1,440	1,664	1,444
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	18,338	16,870	17,307	12,785	29,511
Miscellaneous	7,591	22,356	3,369	11,822	9,372
Special Items	-	-	-	-	-
Transfers	<u>(37,681)</u>	<u>(37,735)</u>	<u>(65,949)</u>	<u>(42,916)</u>	<u>(33,407)</u>
Total General Revenues and Transfers	<u>404,146</u>	<u>437,728</u>	<u>388,002</u>	<u>428,271</u>	<u>424,680</u>
Total Governmental Activities Change in Net Position	<u>\$ 37,466</u>	<u>\$ 80,802</u>	<u>\$ (32,715)</u>	<u>\$ 62,887</u>	<u>\$ 27,318</u>

Notes:

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

		Fiscal Year								
		2017	2018	2019	2020	2021				
							Governmental Activities:			
							Expenses:			
\$	108,559	\$	97,224	\$	117,969	\$	125,107	\$	125,627	General Government
	597,476		564,490		583,013		623,722		578,401	Public Protection
	60,666		51,826		53,158		69,698		65,488	Public Ways and Facilities
	206,660		240,493		268,994		364,610		389,283	Health and Sanitation
	466,736		471,462		482,731		539,287		514,074	Public Assistance
	8,403		7,789		6,335		7,379		6,543	Education
	777		920		902		988		913	Culture and Recreation Services
	35,566		28,423		24,839		23,794		18,935	Interest on Short and Long-term Debt
	<u>1,484,843</u>		<u>1,462,627</u>		<u>1,537,941</u>		<u>1,754,585</u>		<u>1,699,264</u>	Total Expenses
							Program Revenues:			
							Charges for Services:			
	65,439		64,126		70,009		69,266		82,636	General Government
	104,186		107,854		110,116		114,449		142,003	Public Protection
	78,007		78,668		72,788		107,855		119,760	Health and Sanitation
	21,248		19,435		28,270		35,113		36,119	Other
	814,087		831,071		864,539		923,221		1,151,366	Operating Grants and Contributions
	<u>87,051</u>		<u>37,551</u>		<u>18,290</u>		<u>29,778</u>		<u>9,423</u>	Capital Grants and Contributions
	<u>1,170,018</u>		<u>1,138,705</u>		<u>1,164,012</u>		<u>1,279,682</u>		<u>1,541,307</u>	Total Program Revenues
	<u>(314,825)</u>		<u>(323,922)</u>		<u>(373,929)</u>		<u>(474,903)</u>		<u>(157,957)</u>	Total Governmental Activities, Net Program Expenses
							General Revenues:			
							Taxes:			
	248,903		256,436		264,690		267,250		293,159	Property Taxes
	93,082		98,609		102,935		107,421		110,505	Vehicle License Taxes ^a
	271		195		155		176		162	Aircraft Taxes
	44,699		41,872		53,153		44,914		50,028	Sales and Use Taxes
	2,403		2,700		2,901		2,492		3,117	Transient Occupancy Tax
	3,265		3,780		3,828					Special Assessments
	3,607		4,489		4,606		4,110		4,961	Transfer Taxes
	1,544		1,673		1,770		1,237		1,050	Other Taxes
							Grants and Contributions not Restricted to Specific Programs:			
	10,514		5,659		29,608		31,946		5,495	Unrestricted Investment Earnings
	8,519		6,190		6,073		12,492		-	Miscellaneous
	7,748		-		-		-		-	Special Items
	<u>(328)</u>		<u>(305)</u>		<u>(396)</u>		<u>(436)</u>		<u>(815)</u>	Transfers
	<u>424,227</u>		<u>421,298</u>		<u>469,323</u>		<u>471,602</u>		<u>467,662</u>	Total General Revenues and Transfers
\$	<u>109,402</u>	\$	<u>97,376</u>	\$	<u>95,394</u>	\$	<u>(3,301)</u>	\$	<u>309,705</u>	Total Governmental Activities Change in Net Position

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

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	Fiscal Year				
	2012	2013	2014	2015	2016
Business-type Activities:					
Expenses:					
Airports	\$ 7,089	\$ 8,330	\$ 7,312	\$ 8,255	\$ 7,040
County Sanitation Districts	3,620	3,707	4,248	3,807	4,156
Golf Courses	391	779	456	509	216
Kern Medical	287,972	302,694	297,570	281,624	311,695
Public Transportation	8,319	8,367	8,817	9,099	10,101
Universal Collection	10,573	10,867	12,800	12,862	13,132
Waste Management	31,404	32,080	30,385	33,352	32,138
Total Expenses	<u>349,368</u>	<u>366,824</u>	<u>361,588</u>	<u>349,508</u>	<u>378,478</u>
Revenues:					
Charges for Services:					
Airports	4,136	4,095	4,395	4,066	4,027
County Sanitation Districts	4,007	4,081	4,162	4,368	4,827
Golf Courses	492	474	462	282	199
Kern Medical	118,038	114,264	134,888	183,547	185,544
Public Transportation	6,634	5,896	6,677	6,929	6,779
Universal Collection	10,806	9,817	12,922	12,963	13,291
Waste Management	36,137	38,787	39,892	40,661	40,568
Operating Grants and Contributions	78,973	112,218	99,819	83,151	135,960
Capital Grants and Contributions	3,811	16,316	15,267	8,120	5,720
Total Revenues	<u>263,034</u>	<u>305,948</u>	<u>318,484</u>	<u>344,087</u>	<u>396,915</u>
Total Business-type Activities, Net Program Expenses	<u>(86,334)</u>	<u>(60,876)</u>	<u>(43,104)</u>	<u>(5,421)</u>	<u>18,437</u>
General Revenues:					
Grants and Contributions not Restricted to Specific Programs:					
Unrestricted Investment Earnings	598	181	907	634	1,401
Miscellaneous	2,770				
Gain (Loss) on Sale of Capital Assets					
Special Item - Transfer of Operations					
Transfers	37,681	37,735	65,949	42,916	33,407
Total General Revenues and Transfers	<u>41,049</u>	<u>37,916</u>	<u>66,856</u>	<u>43,550</u>	<u>34,808</u>
Total Business-type Activities Change in Net Position	<u>\$ (45,285)</u>	<u>\$ (22,960)</u>	<u>\$ 23,752</u>	<u>\$ 38,129</u>	<u>\$ 53,245</u>
Total Primary Government Change in Net Position	<u>\$ (7,819)</u>	<u>\$ 57,842</u>	<u>\$ (8,963)</u>	<u>\$ 101,016</u>	<u>\$ 80,563</u>

Fiscal Year					
2017	2018	2019	2020	2021	
					Business-type Activities:
					Expenses:
\$ 7,320	\$ 8,630	\$ 8,198	\$ 8,373	\$ 10,244	Airports
4,255	4,772	5,074	4,063	4,445	County Sanitation Districts
217	331	312	835	642	Golf Courses
-	-	-	-	-	Kern Medical
10,621	10,362	10,660	11,627	10,956	Public Transportation
13,305	16,026	16,218	17,409	17,756	Universal Collection
37,626	33,265	52,539	48,469	46,123	Waste Management
<u>73,344</u>	<u>73,386</u>	<u>93,001</u>	<u>90,776</u>	<u>90,166</u>	Total Expenses
					Revenues:
					Charges for Services:
4,198	4,225	4,555	5,281	5,063	Airports
5,330	7,515	7,763	7,359	7,918	County Sanitation Districts
190	200	188	257	332	Golf Courses
				-	Kern Medical
7,453	7,696	8,109	11,413	9,654	Public Transportation
13,341	15,706	16,783	17,536	17,910	Universal Collection
42,710	42,941	46,015	46,704	47,888	Waste Management
2,974	3,387	3,067	1,301	12,625	Operating Grants and Contributions
25,291	10,344	8,331	2,954	2,956	Capital Grants and Contributions
<u>101,487</u>	<u>92,014</u>	<u>94,811</u>	<u>92,805</u>	<u>104,346</u>	Total Revenues
28,143	18,628	1,810	2,029	14,180	Total Business-type Activities, Net Program Expenses
					General Revenues:
					Grants and Contributions not Restricted to Specific Programs:
432	716	4,114	3,716	60	Unrestricted Investment Earnings
					Miscellaneous
		3,897	(15)	7	Gain (Loss) on Sale of Capital Assets
282,147					Special Item - Transfer of Operations
328	305	396	436	815	Transfers
<u>282,907</u>	<u>1,021</u>	<u>8,407</u>	<u>4,137</u>	<u>882</u>	Total General Revenues and Transfers
<u>\$ 311,050</u>	<u>\$ 19,649</u>	<u>\$ 10,217</u>	<u>\$ 6,166</u>	<u>\$ 15,062</u>	Total Business-type Activities Change in Net Position
<u>\$ 420,452</u>	<u>\$ 117,025</u>	<u>\$ 105,611</u>	<u>\$ 2,865</u>	<u>\$ 324,767</u>	Total Primary Government Change in Net Position

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

	Fiscal Year				
	2012	2013	2014	2015	2016
General Fund Balances:					
Nonspendable	\$ 21,357	\$ 34,005	\$ 42,785	\$ 18,088	\$ 22,035
Restricted	7,806	9,557	9,718	10,867	11,471
Committed		130	16		37,301
Assigned	75,828	106,528	100,909	156,780	147,459
Unassigned	100,220	99,865	72,898	115,098	74,508
Total General Fund Balances	<u>\$ 205,211</u>	<u>\$ 250,085</u>	<u>\$ 226,326</u>	<u>\$ 300,833</u>	<u>\$ 292,774</u>
All Other Governmental Fund Balances:					
Nonspendable	\$ 9,349	\$ 7,415	\$ 3,515	\$ 3,645	\$ 2,511
Restricted	291,862	307,781	298,854	333,275	339,633
Committed	17,000	18,474	21,602	26,075	27,981
Assigned	19,970	30,039	23,239	18,709	11,020
Unassigned	(169)	(48)		(20,744)	-
Total All Other Governmental Fund Balances	<u>\$ 338,012</u>	<u>\$ 363,661</u>	<u>\$ 347,210</u>	<u>\$ 360,960</u>	<u>\$ 381,145</u>

¹ GASB Statement No. 54 was implemented as of June 30, 2011.

Fiscal Year					
2017	2018	2019	2020	2021	
					General Fund Balances:
\$ 22,370	\$ 17,924	\$ 17,995	\$ 18,416	\$ 16,734	Nonspendable
11,915	9,753	10,650	13,892	41,898	Restricted
44,488	35,528	47,316	32,896	34,891	Committed
118,153	140,264	153,451	154,507	191,965	Assigned
91,217	80,804	88,191	108,352	124,182	Unassigned
<u>\$ 288,143</u>	<u>\$ 284,273</u>	<u>\$ 317,603</u>	<u>\$ 328,063</u>	<u>\$ 409,670</u>	Total General Fund Balances
					All Other Governmental Fund Balances:
\$ 2,109	\$ 2,535	\$ 4,447	\$ 5,148	\$ 5,800	Nonspendable
359,807	370,395	407,095	390,503	535,183	Restricted
26,728	25,242	25,787	26,271	27,326	Committed
6,634	4,929	4,325	3,886	7,795	Assigned
-	-	(4,786)	-	-	Unassigned
<u>\$ 395,278</u>	<u>\$ 403,101</u>	<u>\$ 436,868</u>	<u>\$ 425,808</u>	<u>\$ 576,104</u>	Total All Other Governmental Fund Balances

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

	Fiscal Year				
	2012	2013	2014	2015	2016
REVENUES:					
Taxes	\$ 415,273	\$ 443,342	\$ 425,124	\$ 473,579	\$ 418,682
Licenses, Permits and Franchises	24,706	23,363	37,957	25,642	26,807
Fines, Forfeitures and Penalties	23,255	24,865	23,574	22,983	21,211
Revenues from Use of Money and Property	17,774	16,130	16,777	12,343	28,876
Aid from Other Governmental Agencies	711,018	739,574	768,169	763,446	807,542
Charges for Current Services	150,515	145,223	152,546	180,449	188,698
Other Revenues	48,614	51,301	55,802	67,715	69,955
Total Revenues	1,391,155	1,443,798	1,479,949	1,546,157	1,561,771
EXPENDITURES:					
General Government	96,661	98,654	109,822	108,827	119,021
Public Protection	497,464	538,082	575,008	575,159	597,620
Health and Sanitation	153,265	156,409	114,488	152,244	164,076
Public Assistance	393,863	396,036	437,019	435,492	466,352
Education	7,740	7,744	12,391	7,919	8,034
Culture and Recreation Services	11,813	12,379	17,324	11,911	11,852
Public Ways and Facilities	53,615	54,147	69,496	50,682	45,376
Capital Outlay	29,331	16,010	59,887	22,708	31,266
Debt Service:					
Principal	27,094	35,731	36,241	41,021	24,546
Interest	31,359	28,458	24,155	21,612	52,725
Cost of Issuance	-	-	-	1,371	-
Total Expenditures	1,302,205	1,343,650	1,455,831	1,428,946	1,520,868
Excess (Deficiency) of Revenues Over (Under) Expenditures	88,950	100,148	24,118	117,211	40,903
Other Financing Sources (Uses):					
Transfers In	292,399	357,551	408,858	416,587	448,059
Transfers Out	(329,495)	(394,551)	(475,807)	(459,503)	(487,883)
Refunding Bonds Issued	-	-	-	95,860	-
Premium (Discount) on Bond Issuance	-	-	-	6,840	-
Payment for Defeasance of Debt	-	-	-	-	-
Payment to Refunded Bonds Escrow Agent	-	-	-	(82,445)	-
Proceeds from Long-term Debt	-	-	-	-	-
Inception of Capital Leases	3,920	7,375	2,150	15	106
Proceeds from Issuance of Certificates of Participation	-	-	-	-	-
Total Other Financing Sources (Uses)	(33,176)	(29,625)	(64,799)	(22,646)	(39,718)
Net Changes in Fund Balances (Deficits)	\$ 55,774	\$ 70,523	\$ (40,681)	\$ 94,565	\$ 1,185
Debt Service as a Percentage of Non-Capital Expenditures	4.72%	4.86%	4.31%	4.56%	5.32%

Fiscal Year					
2017	2018	2019	2020	2021	
					REVENUES:
\$ 397,468	\$ 409,734	\$ 431,070	\$ 433,790	\$ 461,808	Taxes
25,168	27,474	31,385	30,771	32,892	Licenses, Permits and Franchises
21,826	21,823	21,785	19,302	25,376	Fines, Forfeitures and Penalties
10,314	5,230	25,562	27,517	4,848	Revenues from Use of Money and Property
885,447	865,206	867,411	963,401	1,126,930	Aid from Other Governmental Agencies
204,358	205,172	207,675	229,664	269,134	Charges for Current Services
75,554	79,089	29,594	44,367	53,500	Other Revenues
<u>1,620,135</u>	<u>1,613,728</u>	<u>1,614,482</u>	<u>1,748,812</u>	<u>1,974,488</u>	Total Revenues
					EXPENDITURES:
127,674	123,469	111,433	123,795	119,424	General Government
591,876	612,013	572,965	577,006	596,568	Public Protection
51,775	62,177	41,559	329,133	318,514	Health and Sanitation
212,621	231,172	265,540	556,213	591,195	Public Assistance
473,512	485,450	490,272	6,964	6,331	Education
7,945	7,585	6,965	-	2	Culture and Recreation Services
23	5	-	72,058	77,325	Public Ways and Facilities
74,887	22,523	17,822	4,760	9,000	Capital Outlay
					Debt Service:
26,289	29,367	33,367	36,242	41,094	Principal
49,058	41,616	43,117	44,605	45,743	Interest
2,139	-	-	-	-	Cost of Issuance
<u>1,617,799</u>	<u>1,615,377</u>	<u>1,583,040</u>	<u>1,750,776</u>	<u>1,805,196</u>	Total Expenditures
<u>2,336</u>	<u>(1,649)</u>	<u>31,442</u>	<u>(1,964)</u>	<u>169,292</u>	Excess (Deficiency) of Revenues Over (Under) Expenditures
					Other Financing Sources (Uses):
424,776	463,434	531,413	565,056	586,893	Transfers In
(426,368)	(463,739)	(531,002)	(566,616)	(587,804)	Transfers Out
-	-	-	-	-	Refunding Bonds Issued
4,512	-	-	-	-	Premium (Discount) on Bond Issuance
-	-	-	(8,596)	-	Payment for Defeasance of Debt
(84,862)	-	-	-	-	Payment to Refunded Bonds Escrow Agent
-	-	-	6,885	-	Proceeds from Long-term Debt
7,338	6,300	11,690	4,635	9,000	Inception of Capital Leases
80,350	-	-	-	-	Proceeds from Issuance of Certificates of Participation
<u>5,746</u>	<u>5,995</u>	<u>12,101</u>	<u>1,364</u>	<u>8,089</u>	Total Other Financing Sources (Uses)
<u>\$ 8,082</u>	<u>\$ 4,346</u>	<u>\$ 43,543</u>	<u>\$ (600)</u>	<u>\$ 177,381</u>	Net Changes in Fund Balances (Deficits)
5.00%	4.63%	4.93%	4.73%	4.92%	Debt Service as a Percentage of Non-Capital Expenditures

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

	Fiscal Year				
	2012	2013	2014	2015	2016
County of Kern					
Total County Rate	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%
Range of Overlapping Rates					
Total City Rate					
City of Bakersfield	N/A	N/A	N/A	N/A	N/A
Total School District Rate	0% to .084810%	0% to .151517%	.01067% to .004545%	0% to .063958%	0% to .065744%
Total Special District Rate	.004433% to .121990%	.003285% to .070490%	.011248% to .016354%	0% to .070490%	0% to .070490%

Source: Auditor-Controller-County Clerk, County of Kern

Fiscal Year					
2017	2018	2019	2020	2021	
1.00000%	1.00000%	1.00000%	1.00000%	1.00000%	County of Kern Total County Rate
					Range of Overlapping Rates
N/A	N/A	N/A	N/A	N/A	Total City Rate
0% to .068085%	0% to .069500%	0% to .073749%	0% to .065541%	0% to .065541%	City of Bakersfield
0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%	Total School District Rate
					Total Special District Rate

**COUNTY OF KERN
 ASSESSED VALUE OF TAXABLE PROPERTY AND ACTUAL VALUE OF PROPERTY (UNAUDITED)
 LAST TEN FISCAL YEARS (IN THOUSANDS)**

Fiscal Year	Secured ^a	Unsecured ^b	Unitary ^c	Exempt ^d	Total Taxable Assessed Value ^e	Total Direct Tax Rate
2011 - 12	79,892,194	3,023,565	1,880,462	(769,539)	84,026,683	1.00000%
2012 - 13	85,881,074	3,155,489	1,880,462	(759,161)	90,157,864	1.00000%
2013 - 14	87,753,748	3,252,933	1,997,051	(739,715)	92,264,018	1.00000%
2014 - 15	93,210,470	3,397,078	1,899,707	(726,775)	97,780,480	1.00000%
2015 - 16	84,427,685	3,495,892	2,068,574	(748,489)	89,243,662	1.00000%
2016 - 17	80,574,940	3,356,283	2,235,440	(735,112)	85,431,551	1.00000%
2017 - 18	85,722,602	3,173,638	2,584,612	(725,054)	90,755,798	1.00000%
2018 - 19	88,994,738	3,762,481	2,634,392	(716,358)	94,675,253	1.00000%
2019 - 20	92,826,332	3,939,290	2,693,033	(707,238)	98,751,417	1.00000%
2020 - 21	95,765,618	3,896,525	2,915,611	(699,437)	101,878,317	1.00000%

Notes:

^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, office tools and supplies.

^c Unitary properties are railroads and utilities crossing the County and are assessed by the State Board of Equalization.

^d Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.

^e Due to 1978 passage of the property tax initiative Proposition 13 (Prop 13), the County does not track the estimated actual value of all County properties. Under Prop 13, property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the Consumer Price Index on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date of purchase. Additionally, Prop 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter-approved bonds and special assessments.

Source: Auditor-Controller-County Clerk, County of Kern

**COUNTY OF KERN
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO (IN THOUSANDS)**

TAXPAYER	2021				2012			
	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUE
Chevron USA Inc	\$ 4,683,895	1	53,328	4.74%	\$ 7,253,041	2	77,643	8.84%
*California Resources Elk Hills LLC	2,513,642	2	28,972	2.55%	8,675,168	1	92,541	10.58%
Aera Energy LLC	2,551,129	3	27,515	2.58%	6,208,869	3	64,468	7.57%
Southern California Edison Co	11,905,434	4	20,161	12.06%	412,973	8	5,706	0.50%
Pacific Gas & Electric Co	1,154,397	5	19,544	1.17%	692,628	6	9,571	0.84%
California Resources Petroleum Corp	1,415,452	6	16,277	1.43%				
Berry Petroleum Company LLC	1,035,284	7	11,596	1.05%	1,469,013	4	15,545	
Sentinel Peak Resources Cal LLC	946,577	8	10,111	0.96%				
US Borax Inc	815,582	9	9,374	0.83%				
Wonderful Nut Orchards, LLC	487,441	10	6,243	0.49%				
Nations Petroleum (California) LLC					518,790	10	5,556	0.63%
Plains Exploration Production Company					1,317,456	5	13,674	1.61%
Pastoria Energy Facility, LLC.								
Seneca Resouces Corporation					623,895	7	6,535	0.76%
Macpherson Oil Co					471,548	9	5,397	0.57%
Total	<u>\$ 27,508,833</u>		<u>\$ 203,121</u>	<u>27.86%</u>	<u>\$ 27,643,381</u>		<u>\$ 296,636</u>	<u>31.90%</u>

* Formerly Occidental of Elk Hills Inc

Source: The principal property taxpayers for June 30, 2012 were obtained from the 2012 CAFR. The 2021 information was obtained from the "2020-2021 Tax Rates and Assessed Valuations Report."

**COUNTY OF KERN
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS (IN THOUSANDS)**

	Fiscal Year				
	2012 ^a	2013 ^a	2014 ^a	2015 ^a	2016 ^a
Original Levy	\$ 1,109,525	\$ 1,181,437	\$ 1,228,246	\$ 1,300,154	\$ 1,232,638
Adjustments to Original Levy	17,931	7,100	9,424	(7,384)	1,695
Taxes Levied	1,127,456	1,188,537	1,237,670	1,292,770	1,234,333
Collected within the Fiscal Year of the Levy: ^b					
Amount	\$ 1,099,267	\$ 1,163,336	\$ 1,211,804	\$ 1,265,444	\$ 1,206,061
Percentage of Adjusted Levy	97.50%	97.88%	97.91%	97.89%	97.71%
Collections in subsequent years	23,278	22,263	22,917	19,671	19,418
Total Collections to Date:					
Amount	\$ 1,122,545	\$ 1,185,599	\$ 1,234,721	\$ 1,285,115	\$ 1,225,479
Percentage of Adjusted Levy	99.56%	99.75%	99.76%	99.41%	99.28%

Notes:

^a Denotes Secured, Unsecured and Supplemental Property Taxes.

^b The above amounts do not include any penalties collected or any penalties due with delinquency amount.

Source: Auditor-Controller-County Clerk, County of Kern

Fiscal Year										
	2017^a	2018^a	2019^a	2020^a	2021^a					
\$	1,230,570	\$	1,309,211	\$	1,363,339	\$	1,428,289	\$	1,479,020	Original Levy
	2,844		(3,523)		2,701		(437)		36,490	Adjustments to Original Levy
	1,233,414		1,305,688		1,366,040		1,427,852		1,515,510	Taxes Levied
Collected within the Fiscal Year of the Levy: ^b										
\$	1,202,759	\$	1,277,247	\$	1,334,142	\$	1,359,412	\$	1,472,898	Amount
	97.51%		97.82%		97.66%		95.21%		97.19%	Percentage of Adjusted Levy
	18,050		19,823		16,901		20,969		26,809	Collections in subsequent years
Total Collections to Date:										
\$	1,220,809	\$	1,297,070	\$	1,351,043	\$	1,380,381	\$	1,499,707	Amount
	98.98%		99.34%		98.90%		96.68%		98.96%	Percentage of Adjusted Levy

**COUNTY OF KERN
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS (IN THOUSANDS, EXCEPT PER CAPITA)**

	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental Activities:					
Capital Leases	\$ 12,669	\$ 14,704	\$ 12,798	\$ 8,552	\$ 5,005
Certificates of Participation	99,354	96,168	93,001	89,732	86,346
Bonds Payable	107,041	98,687	95,289	113,432	108,986
Loans Payable	6,345	5,266	5,266	4,922	4,568
Pension Obligation Bonds ⁽¹⁾	333,314	308,871	280,342	247,301	231,266
Total Governmental Activities	558,723	523,696	486,696	463,939	436,171
Business-type Activities:					
Capital Leases	11,582	9,545	8,044	750	2,453
Loans Payable	512	448	384	6,930	6,126
Certificates of Participation	16,402	14,512	11,894	9,172	6,339
Pension Obligation Bonds	52,379	48,075	43,060	37,256	34,682
Total Business-type Activities	80,875	72,580	63,382	54,108	49,600
Total Primary Government	\$ 639,598	\$ 596,276	\$ 550,078	\$ 518,047	\$ 485,771
Percentage of Personal Income ^a	2.17%	1.97%	1.72%	1.57%	1.46%
Per Capita Outstanding Debt ^b	\$ 739	\$ 682	\$ 624	\$ 584	\$ 543
General Bonded Debt	\$	\$	\$	\$	\$
General Bonded Debt Ratio ^c	0.00%	0.00%	0.00%	0.00%	0.00%
Per Capita General Bonded Debt ^b	\$	\$	\$	\$	\$

Notes:

⁽¹⁾ Under the original bond official statements, Kern County's Pension Obligation Bonds do not qualify as General Obligation Bonds.

^a Refer to the "Demographic and Economic Statistics" for the personal income figures.

^b Refer to the "Demographic and Economic Statistics" for the population figures. This ratio is calculated using the population for the latest calendar year for each corresponding fiscal year.

^c Refer to the "Assessed Value of Taxable Property and Actual Value of Property" for taxable property used in this ratio.

Source: Auditor-Controller-County Clerk, County of Kern

Fiscal Year					
2017	2018	2019	2020	2021	
					Governmental Activities:
\$ 8,400	\$ 11,340	\$ 20,091	\$ 21,079	\$ 24,424	Capital Leases
86,188	82,542	78,724	74,721	71,063	Certificates of Participation
104,403	98,185	92,017	78,276	71,479	Bonds Payable
4,205	3,832	3,450	9,437	8,519	Loans Payable
213,851	194,902	174,260	151,729	127,111	Pension Obligation Bonds ⁽¹⁾
<u>417,047</u>	<u>390,801</u>	<u>368,542</u>	<u>335,242</u>	<u>302,596</u>	Total Governmental Activities
					Business-type Activities:
					Capital Leases
5,302	5,250	4,667	4,072	3,529	Loans Payable
					Certificates of Participation
3,473	3,162	2,823	2,455	2,053	Pension Obligation Bonds
<u>8,775</u>	<u>8,412</u>	<u>7,490</u>	<u>6,527</u>	<u>5,582</u>	Total Business-type Activities
<u>\$ 425,822</u>	<u>\$ 399,213</u>	<u>376,032</u>	<u>\$ 341,769</u>	<u>\$ 308,178</u>	Total Primary Government
1.24%	1.13%	1.07%	0.98%	0.88%	Percentage of Personal Income ^a
\$ 476	\$ 446	420	\$ 382	\$ 344	Per Capita Outstanding Debt ^b
					General Bonded Debt
0.00%	0.00%	0.00%	0.00%	0.00%	General Bonded Debt Ratio ^c
\$	\$		\$	\$	Per Capita General Bonded Debt ^d

**COUNTY OF KERN
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2021 (IN THOUSANDS)**

2020 - 2021 Assessed Value (includes unitary utility valuation)	<u>\$ 101,878,317</u>	
	Debt 06/30/21	Percentage Applicable ^b
Overlapping Tax and Assessment Debt		
Kern Community College Safety, Repair and Improvement District	\$ 98,138	91.923
Kern Community College Safety, Repair and Improvement District No. 1	99,899	91.354
Antelope Valley Joint Community College District and West Kern Community College District	49,562	5.796-100
Mojave Unified School District School Facilities Improvement Districts No. 1 and No. 2	32,446	100
Southern Kern Unified School District	53,671	100
Other Unified School Districts	93,513	92.105-100
Kern High School District	376,036	100
Other Union High School District	56,897	0.011-100
Bakersfield School District	104,117	100
Delano Union School District	27,185	100
Fruitvale School District	35,282	100
Norris School District	31,397	100
Panama-Buena Vista School District	96,520	100
Taft School District	23,735	100
Other School Districts	260,382	64.229-100
Tehachapi Valley Healthcare District	56,975	100
Bear Valley Community Services District, I.D. No. 2	534	100
Buttonwillow Recreation and Park District	3,978	100
Community Facilities Districts	229,432	100
1915 Act Bonds (Estimated)	<u>41,300</u>	100
Total Overlapping Tax and Assessment Debt	<u>1,770,999</u>	
Overlapping General Fund Debt		
Kern County Board of Education Certificates of Participation	33,835	100
Community College District Certificates of Participation and Other Post-Employment Benefit Bonds	115,031	Various
Unified School District General Fund Obligations	21,543	Various
Antelope Valley Union High School District General Fund Obligations	1	0.011
School District General Fund Obligations	116,006	100
City of Arvin General Fund Obligations	4,090	100
City of Bakersfield General Fund Obligations	3,000	100
City of Delano Certificates of Participation	16,320	100
City of McFarland General Fund Obligations	5,155	100
City of Ridgecrest General Fund Obligations	18,655	100
Tehachapi Valley Recreation and Park General Fund Obligations	440	100
Total Overlapping General Fund Debt	<u>334,076</u>	
Total Overlapping Debt	<u>2,105,075</u>	
Direct General Fund Debt		
Kern County General Fund Obligations	175,485	
Kern County Pension Obligations	<u>127,111</u>	
Total Direct General Fund Debt	302,596	
Overlapping Tax Increment Debt	72,513	
Total Direct and Overlapping Debt	<u>\$ 2,480,184 ^a</u>	
Ratios to 2020 - 2021 Assessed Valuation:		
Total Overlapping Tax and Assessment Debt		1.73%
Ratios to Adjusted Assessed Valuation:		
Combined Direct Debt (\$335,242)		0.30%
Combined Total Debt		2.36%

Notes:

^a Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

^b Percentage of overlapping agency's assessed valuation located within the boundaries of the County.

Source: California Municipal Statistics, Inc.

**COUNTY OF KERN
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2021**

Legislation does not mandate a debt limit for County of Kern.

**COUNTY OF KERN
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2012	2013	2014	2015	2016
Population ^a	856,576	865,787	874,190	882,176	886,507
Personal Income (in Thousands) ^b	\$ 29,480,121	\$ 30,336,210	\$ 32,059,138	\$ 32,953,453	\$ 33,368,619
Per Capita Personal Income ^b	\$ 34,416	\$ 35,039	\$ 36,673	\$ 37,355	\$ 37,641
Unemployment Rate County of Kern ^c	13.3%	11.9%	10.3%	10.4%	10.8%
School Enrollment ^d	175,480	178,671	179,680	180,304	181,393

Notes:

^a 2021, 2020, 2019, 2018 & 2017 estimate from the California Department of Finance as of January 1. All other year's data from the U.S. Census Bureau midyear population estim

^b U.S. Department of Commerce, Bureau of Economic Analysis. 2020 information not available at time of issuance; estimate based on average change of previous three years.

^c State of California - Employment Development Department, Labor Market Information

^d Educational Demographics Unit, California Department of Education

Fiscal Year					
2017	2018	2019	2020	2021	
895,112	905,801	916,464	917,553	914,193	Population ^a
\$ 34,438,280	\$ 35,231,327	\$ 35,197,571	\$ 34,955,726	\$ 35,128,208	Personal Income (in Thousands) ^b
\$ 38,474	\$ 38,895	\$ 38,406	\$ 38,592	\$ 38,631	Per Capita Personal Income ^b
9.5%	8.7%	7.4%	17.5%	10.0%	Unemployment Rate County of Kern ^c
185,236	189,949	192,446	198,910	195,310	School Enrollment ^d

notes.

**COUNTY OF KERN
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

June 30, 2021

EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
Edwards Air Force Base	10,420	1	3.06%	Federal Government - National Security
County of Kern	6,658	2	1.95%	County Government
China Lake Naval Air Weapons Station	3,305	3	0.97%	Federal Government - National Security
Wasco State Prison Reception Center	2,200	4	0.65%	State Government
Adventist Health Bakersfield	1,928	5	0.57%	Health Care
Amazon	2,200	6	0.65%	Private Industry
City of Bakersfield	1,682	7	0.49%	Private Industry
Area Energy, LLC	1,091	8	0.32%	Oil and Gas
Bolthouse Farms	1,000	9	0.29%	Local Government
Sun Pacific	990	10	0.29%	Agriculture
Total	31,474		9.23%	

June 30, 2012

EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	INDUSTRY
Edwards Air Force Base	11,000	1	3.80%	Federal Government - National Security
County of Kern	8,868	2	3.07%	County Government
China Lake Naval Air Weapons Station	6,000	3	2.07%	Federal Government - National Security
Grimmway Farms	4,600	4	1.59%	Agriculture
Giumarra Vineyards	3,500	5	1.21%	Agriculture
William Bolthouse Farms, Inc.	2,350	6	0.81%	Agriculture
San Joaquin Community Hospital	1,600	7	0.55%	Health Care
Sun World	1,600	8	0.55%	Agriculture
City of Bakersfield	1,477	9	0.51%	Government
Mercy and Memorial Hospitals	1,474	10	0.51%	Health Care
Total	42,469		14.67%	

Sources:

State of California - Employment Development Department, Labor Market Information
Data for 2012 was obtained from the June 30, 2012 CAFR.

**COUNTY OF KERN
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

FULL-TIME EQUIVALENT EMPLOYEES AS OF JUNE 30											
Function / Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Function / Program
General Government:											General Government:
Assessor	95	97	98	93	98	95	86	81	76	77	Assessor
Information Technology	49	49	46	41	45	42	55	68	77	69	Information Technology
County Counsel	44	43	45	47	47	42	43	45	44	44	County Counsel
Other ^a	350	343	366	354	337	373	378	376	394	379	Other ^a
Public Protection:											Public Protection:
District Attorney	214	214	236	240	244	228	239	205	221	210	District Attorney
Public Defender	84	87	94	87	92	87	81	78	83	82	Public Defender
Sheriff - Coroner	1,136	1,210	1,199	1,182	1,173	1,141	1,177	1,155	1,125	1,102	Sheriff - Coroner
Probation	483	514	532	521	559	528	526	518	531	538	Probation
Fire Department	558	597	622	605	599	589	592	600	554	573	Fire Department
Other ^a	380	385	380	381	329	323	328	397	393	377	Other ^a
Public Ways & Facilities:											Public Ways & Facilities:
Roads ^a	173	180	188	181							Roads ^a
Health and Sanitation:											Health and Sanitation:
Public Health	233	228	195	183	175	180	183	180	185	172	Public Health
Behavioral Health & Recovery	400	444	440	450	517	606	667	796	810	794	Behavioral Health & Recovery
Other	142	111	112	99	126	95	96	78	76	69	Other
Public Assistance:											Public Assistance:
Human Services	1,201	1,358	1,457	1,518	1,515	1,510	1,502	1,483	1,461	1,428	Human Services
Other	173	173	183	183	190	194	200	218	238	238	Other
Education:											Education:
Library	54	50	52	47	50	46	40	42	38	35	Library
Other	3	4	4	4	4	4	4	4	4	4	Other
Culture & Recreation Services ^c	83	78	74	69	69						Culture & Recreation Services
Airports	17	17	19	21	22	21	18	20	18	19	Airports
Kern Medical ^b	1,393	1,326	1,274	1,273	1,276						Kern Medical ^b
Public Transportation ^a	3	3	4	4							Public Transportation ^a
Public Works ^a					348	338	357	422	422	448	Public Works ^a
Waste Management ^a	106	110	112	114							Waste Management ^a
Total Full-Time Employees	7,374	7,621	7,732	7,697	7,815	6,442	6,572	6,766	6,750	6,658	Total Full - Time Employees

Note:

^a In 2016, the Internal Service Fund - Public Works was created. The employees from Roads, Public Transportation, Waste Management, Engineering, Surveying and Permit Services, Building Inspection, and Code Compliance departments were consolidated into this new fund.

^b Kern Medical transferred operations on July 1, 2016 to a new special district (Hospital Authority)

^c In fiscal year 2016-17, the Parks and Recreation employees were moved to General Services located in General Government - Other.

Source: County Administrative Office - Human Resources Department

**COUNTY OF KERN
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

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Function / Program	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental Activities:					
General Government					
Assessor - Recorder					
Recorded documents	191,495	235,424	188,908	191,660	199,972
County Counsel					
Litigated & administrative hearings	10,444	9,804	6,667	9,241	7,882
Attorneys	27	29	28	29	30
Attorneys per capita	0.000032	0.000034	0.000032	0.000033	0.000034
Human Resources					
Applications received	16,199	21,977	22,688	26,520	38,118
County Clerk - Elections					
Marriage licenses	4,501	4,716	4,805	4,700	4,792
Fictitious business names	6,343	7,149	5,937	5,873	6,511
Public Protection					
District Attorney					
Misdemeanors cases filed	29,636	28,275	31,604	22,671	27,361
Felony cases filed	7,285	8,916	8,938	17,923	5,795
Felony information filed*	1,789	2,016	2,373	1,966	1,819
Felony cases with juries	167	149	160	210	189
Public Defender					
Public defense cases accepted/received	34,893	40,827	44,880	46,166	46,853
Public defense cases opened	19,636	21,994	21,725	20,984	20,530
Public defense cases closed	31,180	36,721	35,830	37,937	41,978
Public defense cases closed within 12 months	31,180	36,721	35,830	37,937	41,978
Sheriff - Coroner					
Dispatched calls for service	203,914	224,588	317,487	293,448	257,425
Violent crimes:	4,538	2,273	1,626	2,005	1,858
Homicide	25	21	28	35	42
Forcible rape	98	88	102	116	174
Robbery	415	495	335	354	405
Aggravated assault	1,389	1,669	1,161	1,500	1,237
Property crimes	10,907	11,472	9,806	4,783	6,628
Total larceny - theft	5,534	5,305	3,411	4,521	3,484
Bookings	16,806	19,486	18,430	14,730	14,749
Fingerprints	5,957	4,983	5,949	6,315	7,426
Fire Department					
Total incident calls	40,640	42,281	42,770	45,363	48,585
Fire calls	3,333	2,918	2,711	2,596	3,000
Overpressure, Ruptures, Explosion	236	186	173	126	119
Other type of incidents	635	736	543	499	751
EMS / rescue calls	23,079	24,356	24,371	25,882	26,317
Hazardous condition calls	1,711	1,726	1,776	1,772	1,678
Public service calls	1,859	2,004	2,089	2,129	2,692
False calls	1,606	1,646	1,739	1,982	2,082

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

^a Information was updated from prior year report.

Fiscal Year					Function / Program
2017	2018	2019	2020	2021	
Governmental Activities:					
General Government					
Assessor - Recorder					
206,612	195,708	181,238	194,767	277,578	Recorded documents
County Counsel					
8,585	8,654	8,713	9,578	10,021	Litigated & administrative hearings
26	25	27	26	26	Attorneys
0.000029	0.000028	0.000029	0.000028	0.000028	Attorneys per capita
Human Resources					
29,935	36,922	38,216	31,904	27,320	Applications received
County Clerk - Elections					
4,940	4,705	4,420	2,045	3,782	Marriage licenses
6,630	6,609	6,613	5,396	5,960	Fictitious business names
Public Protection					
District Attorney					
25,220	20,390	21,733	21,312	20,456	Misdemeanors cases filed
5,869	5,954	6,662	6,617	7,155	Felony cases filed
1,726	1,420	N/A	N/A	N/A	Felony information filed*
204	167	192	101	104	Felony cases with juries
Public Defender					
39,479	32,773	35,354	35,709	38,598	Public defense cases accepted/received
21,102	18,558	19,083	16,941	16,040	Public defense cases opened
36,366	30,575	31,838	31,755	32,485	Public defense cases closed
36,366	30,575	31,838	31,755	32,485	Public defense cases closed within 12 months
Sheriff - Coroner					
261,829	242,210	208,689	193,560	171,326	Dispatched calls for service
1,731	1,734	4,404	5,821	6,743	Violent crimes:
37	52	40	55	67	Homicide
170	156	151	180	187	Forcible rape
422	472	428	530	430	Robbery
1,102	1,054	1,020	1,204	1,556	Aggravated assault
6,636	6,307	2,579	6,566	8,501	Property crimes
3,257	3,257	3,192	3,387	2,872	Total larceny - theft
16,372	15,765	17,843	13,576	11,197	Bookings
7,797	5,795	5,516	4,005	3,662	Fingerprints
Fire Department					
50,262	52,922	53,722	54,639	52,075	Total incident calls
3,360	3,715	3,465	4,052	5,007	Fire calls
58	92	238	155	554	Overpressure, Ruptures, Explosion
1,401	1,592	1,930	1,825	353	Other type of incidents
26,033	27,935	29,082	29,732	35,711	EMS / rescue calls
1,486	1,503	1,380	1,485	1,322	Hazardous condition calls
2,849	2,895	2,857	3,175	3,276	Public service calls
2,093	2,073	1,965	1,979	1,520	False calls

**COUNTY OF KERN
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

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Function / Program	Fiscal Year		Fiscal Year		
	2012	2013	2014	2015	2016
Building Inspection					
Building permits issued	6,018	7,134	7,758	9,005	9,172
Animal Services					
Received calls for response	21,766	22,219	19,529	20,258	19,443
Animals impounded	31,433	29,200	18,406	16,521	17,551
Animals returned to owner^	1,276	1,217	717	742	796
Animals rescued+					
Animals adopted	2,695	3,691	3,774	3,228	5,097
Animals euthanized	20,062	20,428	8,302	7,211	5,893
Public Ways & Facilities					
Roads					
Maintained road lanes (in miles)	3,324	3,331	3,332	3,337	3,332
Health and Sanitation					
Mental Health Services					
Unique clients served	24,030	24,551	24,207	26,113	27,729
Unique clients served with outpatient services*	23,979	24,482	24,099	26,036	27,652
Unique clients served with intensive services	660	1,443	1,349	1,398	1,537
Public Assistance					
Aging & Adult Services					
Senior Nutrition participation:					
Congregate senior participants	3,267	3,351	3,218	3,228	3,010
Congregate meals	156,213	150,076	144,274	145,762	141,851
Home delivered senior participants	1,624	1,695	1,715	1,614	1,572
Home delivered meals	223,608	233,272	231,831	232,157	212,853
COVID19 Senior Participants					
COVID19 Meals					
Human Services					
Children Admitted to the Jamison Center:					
Protective Custody/New Intakes	1,981	1,320	1,418	1,463	1,634
Change of Placement	221	125	120	116	205
Children released from the Jamison Center	1,968	1,303	629	724	807
Average day stay in the Jamison Center	4	4	4	4	5
Admissions - Breakdown by Age:					
Newborn - 5 years	847	585	685	689	719
6 - 12 years	507	296	358	417	475
13 - 18 years	627	438	377	357	440
Over 18	-	-	-	-	-
Culture and Recreation Services & Education					
Parks & Recreation					
Annual Boat Permits	4,375	3,080	1,680	1,618	1,591
Day Use Boat Fees	17,092	14,579	11,742	10,895	10,409
Business-type Activities:					
Waste Management					
Landfill capacity in cubic yards	95,375,858	95,375,858	94,962,970	88,239,785	88,288,861

Source: Departments of the County of Kern

Notes:

N/A - Information was not available.

*In 2018, information for this activity was not available.

^As of 2019, Animal Services does not track "redeemed,"

they track "returned to owner," formally stated as redeemed.

+As of 2019, Animal Services is newly reporting "Animals rescued" as a new statistic.

2017	2018	2019	2020	2021	Function / Program
9,028	7,791	8,818	8,903	10,331	Building Inspection Building permits issued
					Animal Services
19,290	16,649	16,435	13,394	12,157	Received calls for response
17,444	15,567	13,859	12,810	8,296	Animals impounded
912	911	851	653	445	Animals returned to owner^
		2,360	2,213	1,418	Animals rescued+
5,394	5,813	5,316	3,793	2,408	Animals adopted
4,882	3,819	3,351	2,249	634	Animals euthanized
					Public Ways & Facilities
					Roads
3,319	3,324	3,327	3,331	3,329	Maintained road lanes (in miles)
					Health and Sanitation
					Behavioral Health & Recovery Services
28,356	30,540	32,227	31,554	32,317	Unique clients served
28,356		55,283	62,264	61,388	Unique clients served with outpatient services*
1,393	2,595	2,735	3,072	3,202	Unique clients served with intensive services
					Public Assistance
					Aging & Adult Services
					Senior Nutrition participation:
2,767	2,522	2,108	1,671	240	Congregate senior participants
134,465	129,694	115,083	73,221	4,756	Congregate meals
1,522	1,505	1,384	2,974	1,507	Home delivered senior participants
208,147	208,311	185,408	227,079	214,488	Home delivered meals
				1,870	COVID19 Senior Participants
				270,566	COVID19 Meals
					Human Services
1,687	1,577	1,433	1,340	1,472	Children Admitted to the Jamison Center:
1,492	1,383	1,279	1,123	1,224	Protective Custody/New Intakes
195	194	154	217	248	Change of Placement
1,492	1,399	1,556	1,372	1,443	Children released from the Jamison Center
3	4	3	3	4	Average day stay in the Jamison Center
					Admissions - Breakdown by Age:
657	581	529	510	628	Newborn - 5 years
436	424	399	403	445	6 - 12 years
399	378	351	427	399	13 - 18 years
-	-	-	-	-	Over 18
					Culture and Recreation Services & Education
					Parks & Recreation
2,699	2,870	2,711	3,235	2,613	Annual Boat Permits
12,358	12,236	10,785	12,457	13,586	Day Use Boat Fees
					Business-type Activities:
					Waste Management
88,288,861	88,288,940	88,309,205	88,572,485	89,024,872	Landfill capacity in cubic yards

**COUNTY OF KERN
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function / Program	Fiscal Year										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Education											
Public Library											
Main Library	1	1	1	1	1	1	1	1	1	1	
Branches	25	25	25	23	23	23	23	23	23	23	
Law Library	1	1	1	1	1	1	1	1	1	1	
Parks and Land Use											
Number of Neighborhood Parks	40	40	40	40	40	40	40	43	43	40	
Number of Regional Parks	8	8	8	8	8	8	7	8	8	8	
County Golf Courses	3	3	3	3	3	3	3	3	3	3	
Public Works											
Miles of County Roads	3,324	3,332	3,332	3,337	3,332	3,319	3,324	3,327	3,331	3,331	
Public Safety											
Number of Sheriff Stations	15	15	15	15	15	14	14	15	15	12	
Number of Fire Stations	46	46	46	47	47	47	47	47	47	47	
Airports											
Number of Runways	8	8	8	8	8	8	8	8	7	7	

Source: Departments of the County of Kern