



Kern County, California
Aimee X. Espinoza
Auditor-Controller-County Clerk

ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2024



**Auditor-Controller-County Clerk
1115 Truxtun Avenue, 2nd Floor
Bakersfield, California 93301**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2024**



COUNTY OF KERN

Supervisor Phillip Peters.....First District
Supervisor Chris Parlier Second District
Supervisor Jeff FloresThird District
Supervisor David Couch..... Fourth District
Supervisor Leticia PerezFifth District
Nancy Anderson – Chief Administrative Officer

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

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INTRODUCTORY SECTION



January 28, 2025

To the Honorable Board of Supervisors and the Citizens of Kern County:

The Annual Comprehensive Financial Report (ACFR) of the County of Kern (County) for the fiscal year ended June 30, 2024, 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, 2024, 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, 2024, 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 44 percent of the County's total population of 916,108 while approximately 33 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.

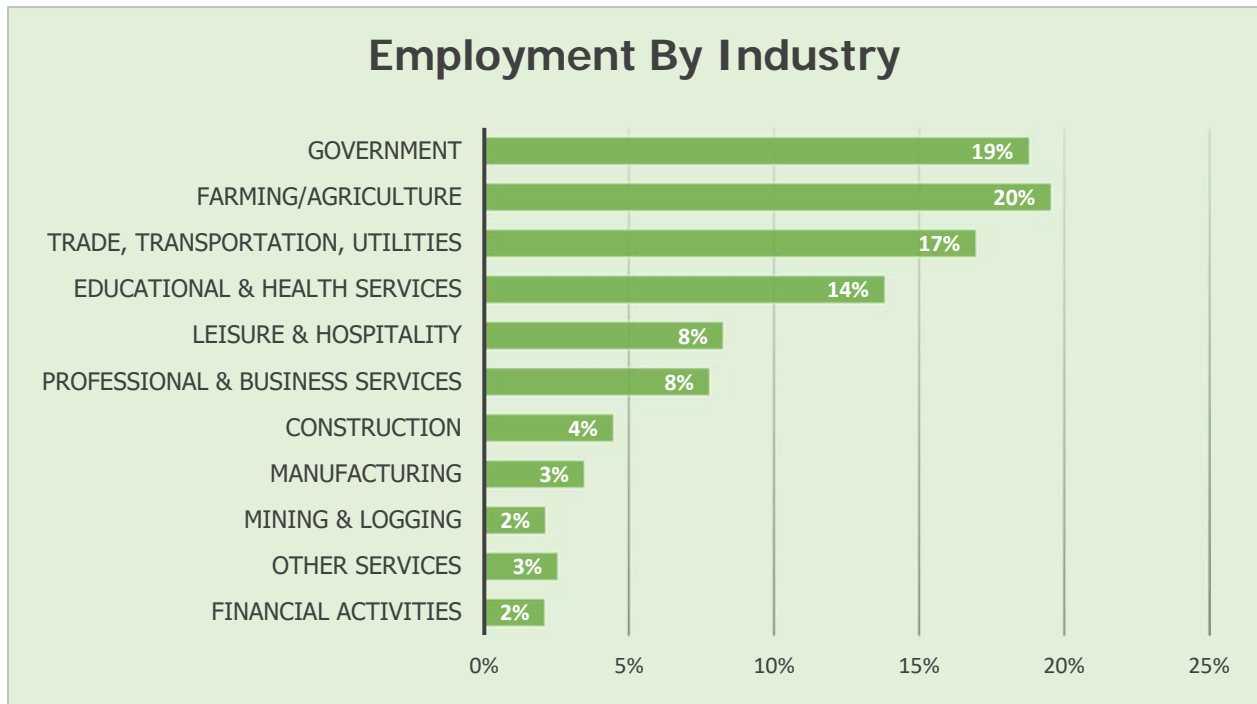
Long-Term Financial Planning

The fiscal year 2024-25 budget includes \$1.4 billion of investments in our community. The cost of providing services is expected to increase in the five-year horizon. The strong economy of the last three years has generated significant pressures on expenditures but has also propelled residential and commercial property taxes and sales tax collections to levels not seen in over a decade. 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 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.

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. It is anticipated that future deficits will need to be addressed through a combination of program cost reductions, increases in revenue and the strategic use of the available one-time resources including, the retirement designation.

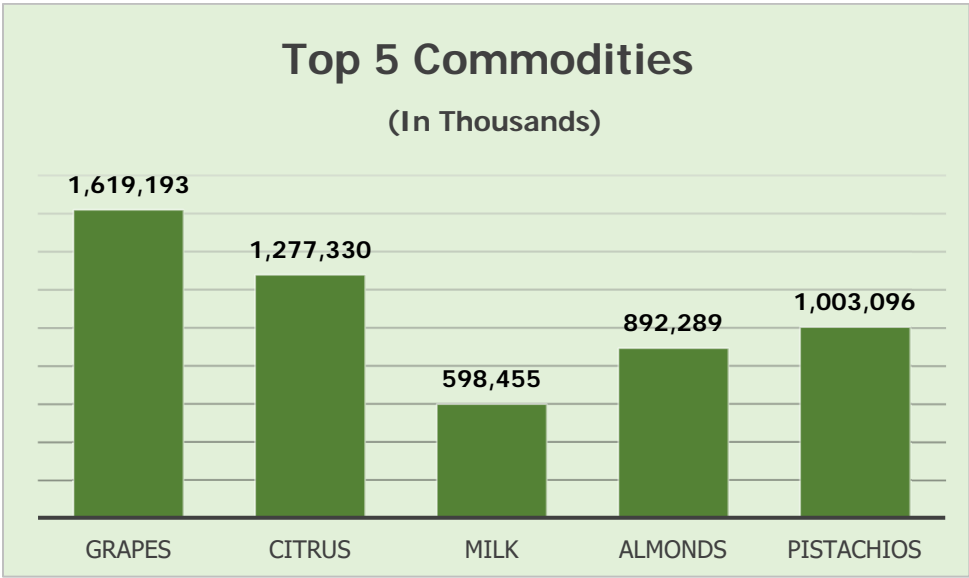
Local Economy

According to the California Employment Development Department, as of August 2024 approximately 365,400 residents of the County were employed, resulting in an unemployment rate of 9%. This was an increase over the August 2023 rate of 8%.



Source: State of California EDD

Kern County is fortunate to be rich in natural resources. It remains the largest oil-producing County in the State of California, producing approximately 76% 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 – 2023

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

As we emerge from the global pandemic, there has been a rise in inflation and change in labor market, resulting in a need for compensation restructure. The County paid off the 1995 Pension Obligation Bonds during fiscal year 2021-22 which decreased retirement cost and allowed the County to reform its compensation structure. The County approved a 2.5% cost of living adjustment for our workforce in fiscal year 2022-23 and more steady salary increases during the employees’ career. To attract and retain qualified personnel, including public safety and nursing personnel, the County has provided salary increases ranging from 5% to 22% for some classifications. The growth in salaries has a direct impact on benefits, particularly retirement costs. The County’s pension contribution rate continues to rise because of a decrease in the investment rate of return adopted by the Kern County Employees’ Retirement Association (KCERA). To mitigate the increase in the contribution rate, the County established a retirement designation to pay for annual increases.

Measure K was approved by voters in unincorporated areas during fiscal year 2022-23 which comprised of a one percentage point sales tax increase. Measure K funding allows for significant investments in public safety, education, homelessness, and economic development. Continued spending across the County and the State has fueled growth in this category; however, this revenue is sensitive to economic factors, therefore, forecasted revenue is conservative. Aided by State and Federal funds the upcoming budget allocates funds to renovate libraries, improve parks, replace the Regional Public Safety

Communication System, to finalize the construction of a new Sheriff's substation, and to finalize improvements of a new property and evidence room.

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, 2023. This was the twenty-sixth consecutive year that the County of Kern has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Sincerely,

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

Aimee X. Espinoza
Auditor-Controller-County Clerk

**COUNTY OF KERN
DIRECTORY OF COUNTY OFFICIALS**

ELECTED

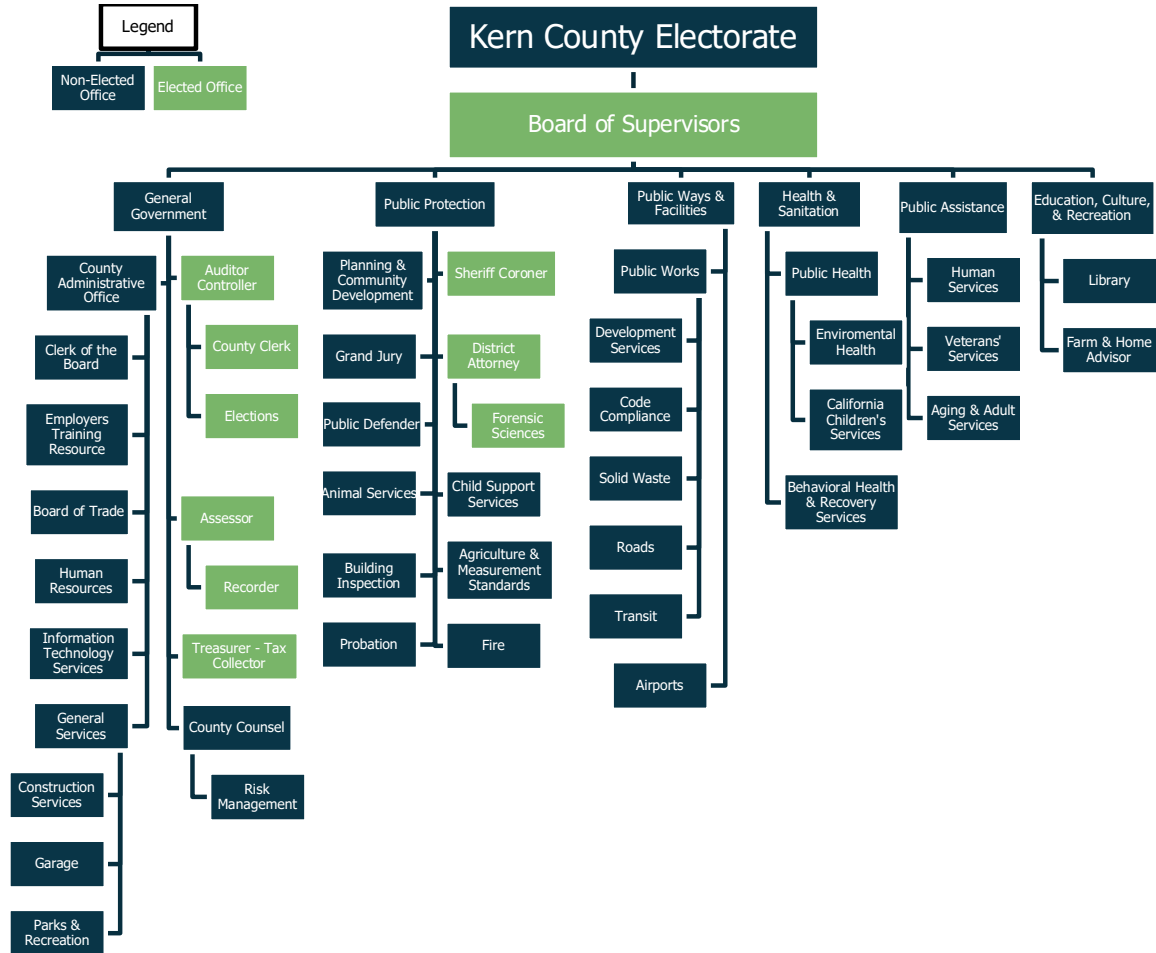
COUNTY SUPERVISOR, FIRST DISTRICT.....PHILLIP PETERS
COUNTY SUPERVISOR, SECOND DISTRICT.....CHRIS PARLIER
COUNTY SUPERVISOR, THIRD DISTRICT..... JEFF FLORES
COUNTY SUPERVISOR, FOURTH DISTRICT..... DAVID COUCH
COUNTY SUPERVISOR, FIFTH DISTRICT..... LETICIA PEREZ
ASSESSOR-RECORDER..... LAURA AVILA
AUDITOR-CONTROLLER-COUNTY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

COUNTY OF KERN
DIRECTORY OF COUNTY OFFICIALS
(CONTINUED)

APPOINTED

AGING AND ADULT SERVICES	JEREMY OLIVER
AGRICULTURAL COMMISSIONER/SEALER	GLENN FANKHAUSER
AIRPORTS.....	MICHAEL MUSCA (INTERIM)
ANIMAL SERVICES.....	NICHOLAS CULLEN
CLERK OF THE BOARD.....	KATHLEEN KRAUSE
CHILD SUPPORT SERVICES.....	TONI KENDRICK
COMMUNITY AND ECONOMIC DEVELOPMENT	LORELEI OVIATT
CHIEF ADMINISTRATIVE OFFICER	NANCY ANDERSON
BOARD OF TRADE	
EMPLOYERS' TRAINING RESOURCE	
GENERAL SERVICES	
GROUP HEALTH	
HUMAN RESOURCES	
INFORMATION TECHNOLOGY SERVICES	
RETIREE GROUP HEALTH	
UNEMPLOYMENT	
COUNTY COUNSEL	MARGO RAISON
DEVELOPMENT SERVICES AGENCY.....	LORELEI OVIATT
EMERGENCY MEDICAL SERVICES	BRYNN CARRIGAN
ENVIRONMENTAL HEALTH.....	JEFFREY MARSHALL
FARM AND HOME ADVISOR	BRIAN MARSH
FIRE DEPARTMENT.....	AARON DUNCAN
HUMAN SERVICES	LITO MORILLO
LIBRARY.....	ANDREA SULLIVAN
BEHAVIORAL HEALTH & RECOVERY SERVICES	ALISON BURROWES
PLANNING.....	LORELEI OVIATT
PROBATION	WILLIAM DICKINSON
PUBLIC DEFENDER	PETER KANG
PUBLIC HEALTH	BRYNN CARRIGAN
PUBLIC WORKS	JOSHUA CHAMPLIN
ENGINEERING & SURVEY SERVICES	
ROADS	
WASTE MANAGEMENT	
VETERANS' SERVICES.....	JOSE LOPEZ

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, 2023

Christopher P. Morill

Executive Director/CEO





FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Kern
Bakersfield, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Kern, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County of Kern's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Kern, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of First 5 Kern, Kern County Hospital Authority and Tejon Ranch Public Facilities Financing Authority, which represent 100 percent of the assets, net position and revenues of the discretely presented component units as of and for the fiscal year ended June 30, 2024. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for First 5 Kern, Kern County Hospital Authority and Tejon Ranch Public Facilities Financing Authority are based solely on the reports of the other auditors.

Basis for Opinions

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

Emphasis of Matter

Error Correction

As described in Note 19 to the financial statements, the County restated the governmental activities beginning net position and the Department of Human Services and the Behavioral Health & Recovery Services beginning fund balances. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Kern's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

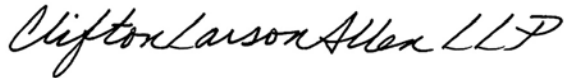
Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not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

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

Board of Supervisors
County of Kern

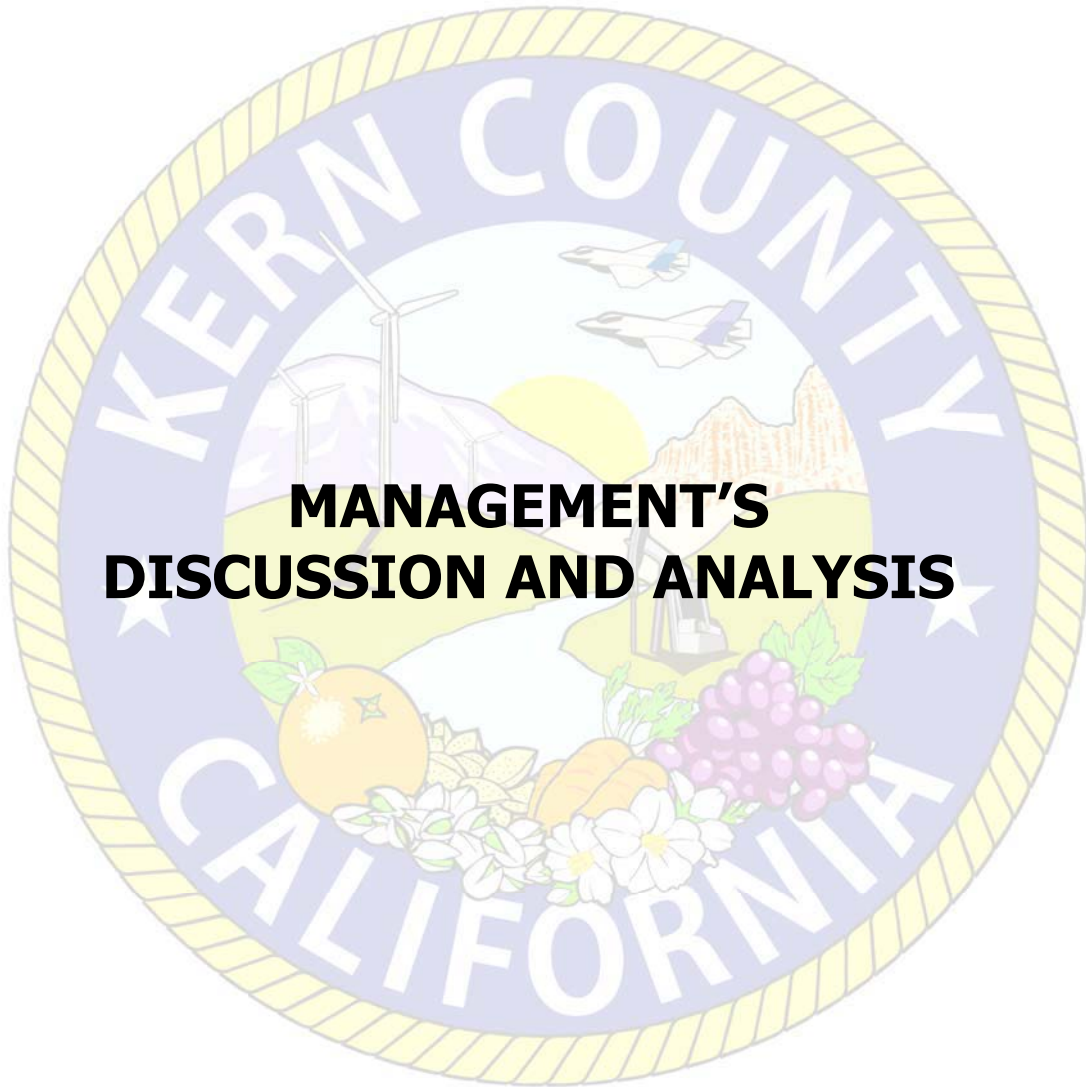
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2025, on our consideration of the County of Kern's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Kern's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Kern's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Irvine, California
January 28, 2025



**MANAGEMENT'S
DISCUSSION AND ANALYSIS**



**COUNTY OF KERN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
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, 2024. 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, 2024, the County's total net position was \$2,498,868. Of this total net position, \$2,307,329 is attributed to net investment in capital assets, and \$874,191 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 \$682,652 representing the unrestricted net position.
- During the current fiscal year, the County's net position increased by \$425,333. The County's net position increased by \$385,613 for governmental activities and increased \$39,720 for business-type activities.
- At June 30, 2024, the County's governmental funds reported total ending fund balance of 1,623,255, an increase of 15.97% compared to prior year's total ending fund balance. Approximately \$1,607,229 or 99.01% 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, 2024, the spendable fund balance for the General Fund was \$588,744 or 98.43% of the total fund balance of the General Fund.

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 Statements

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

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

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

Both the *Statement of Net Position* and the *Statement of Activities* distinguish between activities that are primarily financed with taxes and intergovernmental revenues (governmental activities) and those that are intended to recover all or a significant portion of their costs through user fees and charges for services (business-type activities). The County's governmental activities include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and culture and recreation services. The County's business-type activities include the operation of seven airports, two sanitation districts, public transportation, three golf courses, solid waste disposal, and activities associated with waste pick-up for the more densely populated unincorporated areas of Bakersfield, Mojave, Rosamond, Buttonwillow, Lost Hills, 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 27 through 29 of the ACFR.

Fund Financial Statements

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

- Governmental funds
- Proprietary funds
- Fiduciary funds

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

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

The County reports 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 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 32 through 37 of the ACFR.

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

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

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

The proprietary funds basic financial statements are presented on pages 38 through 42 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 43 and 44 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 47 of the ACFR.

Government-Wide Financial Analysis

Table 1 - County of Kern's Net Position

	Governmental Activities		Business-type Activities		Primary Government		Total change
	2024	2023	2024	2023	2024	2023	
Current and other assets*	\$ 2,156,501	\$ 1,975,909	\$ 154,972	\$ 135,851	\$ 2,311,473	\$ 2,111,760	\$ 199,713
Non current assets	25,715	-	3,473	-	29,188	-	29,188
Capital assets	2,300,785	2,235,761	264,082	250,487	2,564,867	2,486,248	78,619
Total assets	4,483,001	4,211,670	422,527	386,338	4,905,528	4,598,008	307,520
Total deferred outflows of resources	589,416	454,079	12,751	10,305	602,167	464,384	137,783
Current liabilities	260,888	296,017	12,816	13,880	273,704	309,897	(36,193)
Long-term liabilities	2,494,657	2,462,072	110,936	110,467	2,605,593	2,572,539	33,054
Total liabilities	2,755,545	2,758,089	123,752	124,347	2,879,297	2,882,436	(3,139)
Total deferred inflows of resources*	113,255	89,656	16,275	16,765	129,530	106,421	23,109
Net position							
Net investment in capital assets	2,049,326	1,976,880	258,003	248,035	2,307,329	2,224,915	86,032
Restricted*	870,823	835,390	3,368	2,870	874,191	838,260	35,931
Unrestricted (deficit)	(716,532)	(994,266)	33,880	4,626	(682,652)	(989,640)	303,370
Total net position, as restated*	\$ 2,203,617	\$ 1,818,004	\$ 295,251	\$ 255,531	\$ 2,498,868	\$ 2,073,535	\$ 425,333

*During fiscal year 2024, the County identified revenue related amounts that were improperly recorded on prior fiscal year 2023 financial statements. The Department of Human Services overstated their accrued revenue by \$7,828, due to the way 1991 realignment revenue was being recorded. Behavioral Health & Recovery Services had non-exchange revenue that was being recorded as exchange revenue resulting in deferred inflows of resources to be understated by \$17,855. Total restricted net position for governmental activities has been restated by \$10,027 for fiscal year ended June 30, 2023, as a result of these errors. Further details are disclosed in Note 19 of the financial statements.

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. At June 30, 2024, the County's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$2,498,868.

Net Investment in Capital Assets

The County's largest portion of total net position is the net investment in capital assets of \$2,307,329. 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 \$82,414, or 3.70%, was the result of capital acquisitions, disposals, depreciation and amortization, and retirement of related long-term debt. In most cases, the disposals of capital assets have no effect on the change in net investment in capital assets, since assets are not typically disposed of until the end of their useful life and would carry no book value when net of associated depreciation or amortization. The largest increase in capital asset activity was in construction in progress. The increase was primarily due to the Psychiatric Health Facility construction, the purchase of Fire Engines that are in the process of being outfitted, and various Roads infrastructure projects. Depreciation and Amortization of \$95,926 was the biggest reduction to net investment in capital assets.

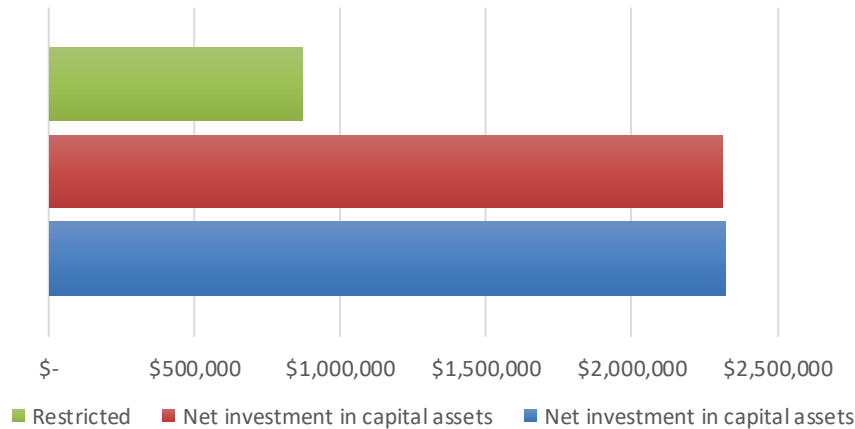
Restricted Net Position

Of the County's total net position, \$874,191 is restricted, which represents external restrictions on how these resources may be used. The major portion of the restricted resources, \$698,285 is reserved for public protection, public assistance, and health & sanitation. The total restricted balance increased by \$35,931, predominantly from the increase of \$26,148 for the restricted portion of the net OPEB asset. Historically, the County has had a net OPEB liability.

Unrestricted Net Position

The remaining balance of net position represents the unrestricted resources, which has a deficit balance of \$682,652. This deficit balance is largely due to the inclusion of the long-term debt specifically for the unfunded portions of the pension liability. In the current fiscal year, unrestricted net position increased by \$306,988, or 31.02%; this change is due to the current year debt payments and the reductions of the net liabilities from the pension and OPEB actuarial reports.

Net Position



The table below shows a summary of the governmental and business-type activities for the Statement of Activities.

Summary of Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Primary Government</u>		Total Change
	2024	2023	2024	2023	2024	2023	
Revenues							
Program revenues:							
Charges for services	\$ 364,030	\$ 381,096	\$ 137,645	\$ 128,016	\$ 501,675	\$ 509,112	\$ (7,437)
Operating grants & contributions	1,405,102	1,288,670	7,689	7,358	1,412,791	1,296,028	116,763
Capital grants & contributions	14,807	9,125	1,713	2,399	16,520	11,524	4,996
General revenue:							
Property taxes	339,900	328,211	-	2	339,900	328,213	11,687
Aircraft taxes	176	95	-	-	176	95	81
Sales and uses taxes	174,571	99,019	-	-	174,571	99,019	75,552
Transient occupancy taxes	3,704	3,455	-	-	3,704	3,455	249
Transfer taxes	4,306	4,775	-	-	4,306	4,775	(469)
Other taxes	1,145	1,280	-	-	1,145	1,280	(135)
Property taxes in lieu of motor vehicle taxes	133,097	124,330	-	-	133,097	124,330	8,767
Unrestricted investment earnings	64,061	27,455	5,019	1,250	69,080	28,705	40,375
Miscellaneous	8,077	15,871	-	-	8,077	15,871	(7,794)
Total revenues	2,512,976	2,283,382	152,066	139,025	2,665,042	2,422,407	242,635

	Governmental Activities		Business-type Activities		Primary Government		Total Change
	2024	2023	2024	2023	2024	2023	
Expenses							
General government	163,753	156,043	-	-	163,753	156,043	7,710
Public protection	754,825	679,141	-	-	754,825	679,141	75,684
Public ways and facilities	43,994	87,595	-	-	43,994	87,595	(43,601)
Health and sanitation	422,214	328,314	-	-	422,214	328,314	93,900
Public assistance	703,461	655,991	-	-	703,461	655,991	47,470
Education	10,808	8,933	-	-	10,808	8,933	1,875
Culture and recreation services	887	947	-	-	887	947	(60)
Interest on short and long-term debt	27,069	18,461	-	-	27,069	18,461	8,608
Airport	-	-	10,388	10,203	10,388	10,203	185
County sanitation districts	-	-	4,604	4,805	4,604	4,805	(201)
Golf courses	-	-	400	458	400	458	(58)
Public transportation	-	-	7,078	12,753	7,078	12,753	(5,675)
Universal collection	-	-	24,732	20,192	24,732	20,192	4,540
Waste management	-	-	65,926	58,731	65,926	58,731	7,195
Total expenses	<u>2,127,011</u>	<u>1,935,425</u>	<u>113,128</u>	<u>107,142</u>	<u>2,240,139</u>	<u>2,042,567</u>	<u>197,572</u>
Excess (deficiency) over (Under) expenses before transfers	<u>385,965</u>	<u>347,957</u>	<u>38,938</u>	<u>31,883</u>	<u>424,903</u>	<u>379,840</u>	<u>45,063</u>
Transfers	(782)	(696)	782	696	-	-	-
Gain from sale of capital assets	<u>430</u>	<u>1,132</u>	<u>-</u>	<u>5</u>	<u>430</u>	<u>1,137</u>	<u>(707)</u>
Change in net position	385,613	348,393	39,720	32,584	425,333	380,977	44,356
Beginning net position	<u>1,818,004</u>	<u>1,459,584</u>	<u>255,531</u>	<u>222,947</u>	<u>2,073,535</u>	<u>1,682,531</u>	<u>391,004</u>
Restatement due to error correction*	-	10,027	-	-	-	10,027	(10,027)
Beginning net position, as restated	<u>1,818,004</u>	<u>1,469,611</u>	<u>255,531</u>	<u>222,947</u>	<u>2,073,535</u>	<u>1,692,558</u>	<u>380,977</u>
Ending net position	<u>\$2,203,617</u>	<u>\$1,818,004</u>	<u>\$ 295,251</u>	<u>\$ 255,531</u>	<u>\$ 2,498,868</u>	<u>\$ 2,073,535</u>	<u>\$ 425,333</u>

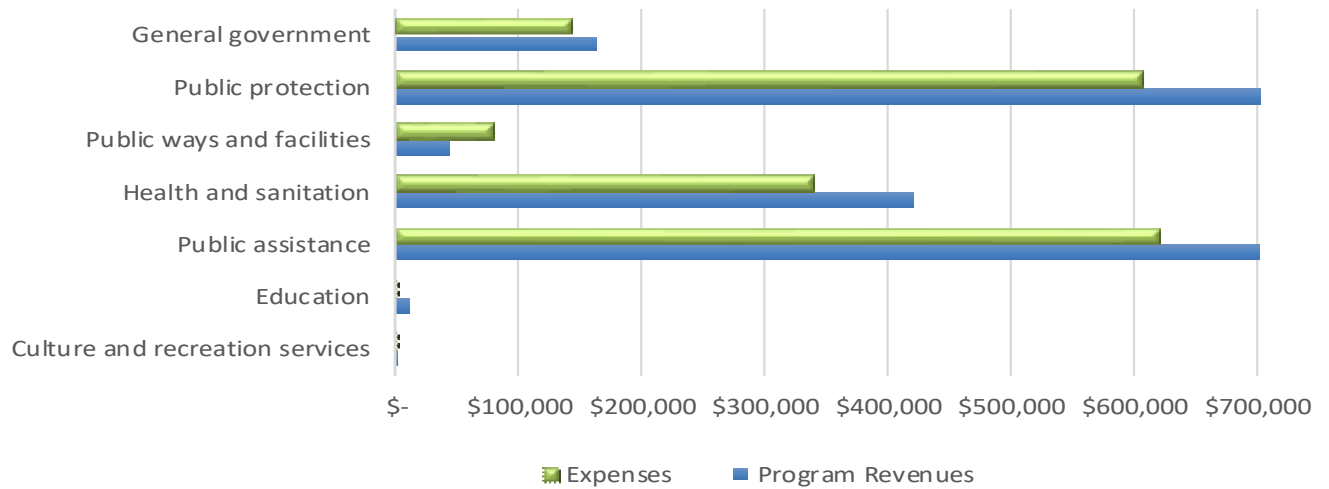
*See page 16 for explanation

Governmental Activities

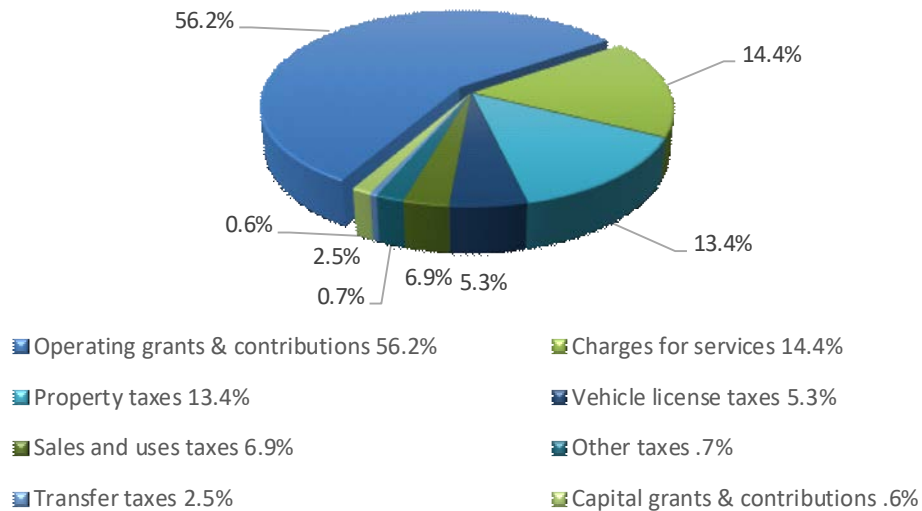
The Governmental activities increased the County's net position by \$385,613 for the year ended June 30, 2024:

- Total revenues increased by \$229,594, or 10.05%; the largest increase in revenues of \$116,432 was from program revenues for operating grants and contributions.
- As an arm of the State government, operating grants and contributions serve multiple programs, representing 55.91% 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 9.04% 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 \$11,689, or 3.56%, from prior year due to an increase in property values.
 - Investment Earnings revenues increased by \$36,606, or 133.33%, from prior year due to an increase in interest rates.
- Total expenses increased by \$191,586, or 9.90%, 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. The increase in Health & Sanitation came from additional expenses for Behavioral Health & Recovery Services. The increase in Public Protection resulted primarily from an increase in salaries and wages.

Program Revenues and Expenses



Revenues by Source

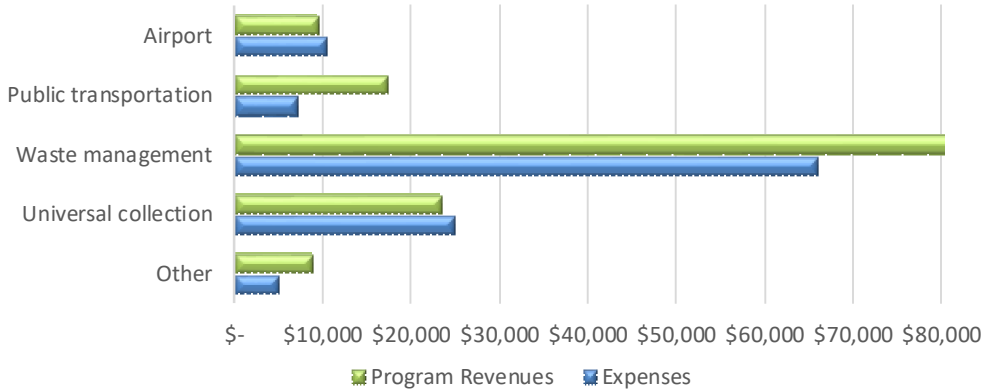


Business-type Activities

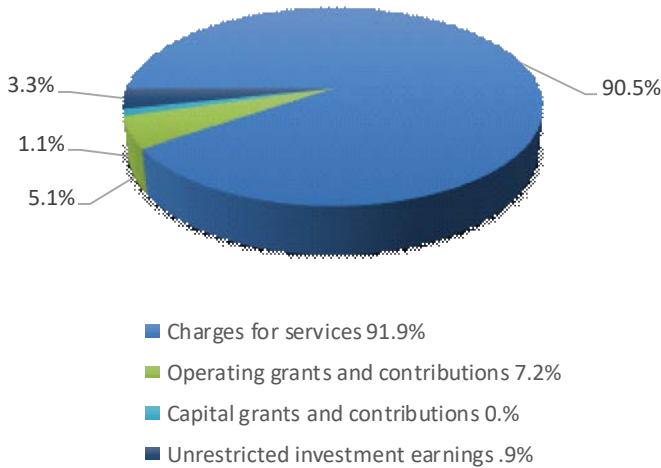
Business-type activities' total net position increased the County's net position by \$39,720. Charges for Services increased by \$9,629 due to higher sewer and universal collection fees, higher bin fees and gate fees. Expenses in the government-wide business-type activities increased \$5,986, or 5.59% due to increase in services and supplies from Waste, Universal Collection, and Public Transportation. In addition, Waste, County Sanitation

Districts, and Airports had increases in depreciation expense.

Program Revenues and Expenses



Revenues by Source



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 non-spendable portion may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

At June 30, 2024, the County's governmental funds reported total fund balances of \$1,623,255, an increase of 15.97% compared to prior year's total ending fund balance. Approximately \$1,607,229, or 99.01%, of total fund

balance is spendable fund balance, which is a useful measure of the County's resources available for spending in subsequent periods. Spendable fund balance is broken out into the following categories: Restricted, Committed, Assigned, and Unassigned. These categories identify allowable usage of fund balance. The remaining balance of fund balance is non-spendable. Non-spendable fund balance indicates that it is not available for spending because it is either not in spendable form or legally or contractually required to be maintained intact.

The General Fund is the chief operating fund of the County. At June 30, 2024, spendable fund balance of the General Fund was \$588,744. 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 71.12% of total General Fund expenditures, while total fund balance represents 72.25% of total General Fund expenditures.

The fund balances for other governmental funds increased by \$72,107, or 7.57% compared to prior year's total ending fund balances. The following major governmental funds had significant changes in fund balance:

- Community Development – Fund balance increased by \$409, or 269.08%, to a total of \$5,178. The increase is due to a decrease in COVID-19 related expenditures.
- Coronavirus Relief – Fund balance increased by \$6,112, or 654.39%. The increase in fund balance is mainly due to a significant decrease in expenses compared to previous year related to the Emergency Rental Assistance program.
- County Local Revenue Fund – Fund balance increased by \$23,140 or 13.61%. The increase is due to an increase of state aid for mental health and public protection.
- Structural Fire – Fund balance increased by \$4,592, or 6.51%, to a total of \$75,101. The increase is due to an increase in property tax revenue and transfer in related to reimbursements from the American Rescue Plan fund for fire equipment.

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

- Aging and Adult Services – Fund balance increased by \$2,180, or 268.14%, to a total of \$1,367. The increase in fund balance is due to an increase revenue for community services block grant, additionally there was an increase in state aid for the in-home support services program.
- Environmental Health Services – Fund balance decreased by \$1,633 or 30.74%. The decrease was due to a decrease in revenue for food permits and an increase in expenditures related to salaries and benefits.
- Judicial – Fund balance decreased by \$12,354 or 25.72% due to transfers out related to funding of a communication project and reimbursements to General and Fire fund for expenditures incurred as part of Prop 172.
- Capital Projects – Fund balance increased by \$40,285 or 29.67% due to a decrease in capital outlay expenditures and an increase in revenue.

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 \$37,607, or 13.35%. The net position of Airports increased by \$220, Waste Management increased by \$23,824, and the non-major enterprise funds increased by \$13,563, or 19.12%. Operating revenues and expenses remained consistent with prior year for Airports and non-major enterprise funds.

Internal service funds had a increase in net position of \$1,360, or 5.82%. The General Liability Fund's net position increased \$3,901 due to charges for services exceeding total expenses. The General Services-Garage Fund had an increase in net position of \$971 as a result of an increase in charges for services. The Group Health Fund decrease in net position by \$3,602 due to a decrease in charges for services and an increase in claims incurred. The Public Works Fund had an increase in net position of \$6,114 as a result of charges for services. The Retiree Group Health Fund increased net position by \$27 due to charges for current services exceeding total operating expenses. The Unemployment Compensation Fund had an decrease to net position of \$336 as a decrease in charges for services and an increase in claims incurred. Workers' Compensation had a decrease in

net position of \$5,715 as a result of an increase in claims incurred.

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, except for Contingencies and Reserves, came in under budget due to various reasons, with the core reason being departments’ conservative spending. Significant variances are briefly summarized as follows:

- Increase in total General Government appropriations of \$108,721 includes prior year appropriations that consisted of major maintenance and capital projects. Additionally, appropriations increased to release the tax litigation reserve and fund a grant to improve water systems for the benefit of the residents.
- Increase in total Public Protection appropriations of \$15,855 includes additional appropriations for capital assets for the Sheriff and 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 \$6,260 are due to unanticipated revenue related to the California Home Visting program, and major maintenance projects.

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

- Aid from Other Governmental Agencies was lower than anticipated due to a decrease in state aid and federal aid for various programs for department of human services and public health, and a decrease in aid for construction to general major maintenance department.
- Tax revenue was higher than expected due to an increase in taxes collected from the 1% local sales tax, and Measure K sales tax.
- Charges for services revenue was lower than expected due to a decrease of services provided from various departments for services to other governmental agencies.

Capital Assets and Debt Administration

CAPITAL ASSETS

Table 3 - The County's Gross Capital Assets

	Governmental Activities		Business-type Activities		Total Primary Government		Total Change
	2024	2023	2024	2023	2024	2023	
Land	\$ 34,088	\$ 34,088	\$ 37,020	\$ 36,938	\$ 71,108	\$ 71,026	\$ 82
Land improvements	-	-	76,965	69,767	76,965	69,767	7,198
Land acquisition in progress	-	-	86	86	86	86	-
Construction in progress	132,040	86,612	27,168	16,545	159,208	103,157	56,051
Works of art	60	60	198	198	258	258	-
Infrastructure	897,207	853,004	155,039	153,706	1,052,246	1,006,710	45,536
Structures and improvements	645,376	641,908	92,776	91,854	738,152	733,762	4,390
Equipment	268,467	237,997	58,433	51,099	326,900	289,096	37,804
Intangible	1,180,191	1,179,156	8,903	8,830	1,189,094	1,187,986	1,108
Subscription assets	39,285	35,902	271	-	39,556	35,902	3,654
Lease assets	165,750	156,799	178	178	165,928	156,977	8,951
Total	\$ 3,362,464	\$ 3,225,526	\$ 457,037	\$ 429,201	\$ 3,819,501	\$ 3,654,727	\$ 164,774

The County's gross capital assets total \$3,819,501 at June 30, 2024 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, subscription assets, lease assets, depreciation, and amortization is \$2,564,867 as detailed in Note 6 in the Notes to the Financial Statements.

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

- Construction in Progress – Road’s construction increased by \$42,750 and completed projects to the amount of \$43,706. In addition, there was an increase of \$12,002 related to the Psychiatric Health Facility construction project.
- Infrastructure – The Roads Department had several completed infrastructure projects in the current fiscal year. The total infrastructure additions by Roads were \$43,271 and by Waste fund were \$1,333.
- Lease and Subscription assets - There was an increase in lease assets of 8,951 and an increase in subscription assets of 3,654.

Additional information regarding the County’s capital assets is reported in Note 6 of the Notes to the Financial Statements.

Long-Term Debt

At June 30, 2024, the County’s long-term debt is \$2,426,610, which is mainly comprised of Certificates of Participation (COP) (secured by the County’s lease rental payments), tobacco asset backed bonds, net pension liability, and Pension Obligation Bonds. The remaining long-term liabilities include other bonds payable, finance purchase agreements, lease liabilities, SBITA liabilities, various loans payable, pollution remediation obligations, 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

	Governmental Activities		Business-type Activities		Total Primary Government		Total Change
	2024	2023	2024	2023	2024	2023	
Compensated absences	\$ 87,962	\$ 87,137	\$ 2,805	\$ 2,663	\$ 90,767	\$ 89,800	\$ 967
Finance purchase	18,191	21,841	-	-	18,191	-	18,191
Certificates of participation	58,994	63,212	-	-	58,994	-	58,994
Tobacco - asset backed bonds	49,219	55,266	-	-	49,219	-	49,219
Bonds payable - Energy conservation bonds	685	1,017	-	-	685	1,017	(332)
Loans payable	31,023	33,131	1,825	2,406	32,848	33,131	(283)
Pension obligation bonds (2003)	22,115	37,734	356	608	22,471	-	-
Pension obligation bonds (2008)	42,285	42,285	682	682	42,967	42,967	-
Lease liability	123,832	129,150	9	50	123,841	129,200	(5,359)
SBITA liability	20,892	26,952	169	-	21,061	-	21,061
Pollution remediation	-	-	8,196	7,806	8,196	-	8,196
Landfill closure liability	-	-	35,485	33,448	35,485	33,448	2,037
Post-closure liability	-	-	19,594	19,414	19,594	19,414	180
Net OPEB liability	-	62,280	-	1,129	-	63,409	(63,409)
Net pension liability	1,861,381	1,731,291	40,910	41,410	1,902,291	1,772,701	129,590
Total	\$ 2,316,579	\$ 2,291,296	\$ 110,031	\$ 109,616	\$ 2,426,610	\$ 2,185,087	\$ 241,523

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 2024-25 \$4.4 billion adopted budget invests in public safety, park improvements, education through libraries, and economic development. Services continued to be enhanced for residents in unincorporated communities with Measure K funds, making significant investments in public safety and infrastructure. With the use of State and Federal funds, the budget allocated funds to improve roads, enhance behavioral health and substance abuse use services, and provide increased social services and support to the most vulnerable County residents.

The following factors were considered in developing the FY 2024-25 Adopted Budget:

- The County's FY 2024-25 estimated total net assessed value is \$126 billion, an increase of \$3.5 billion, or 1.8% from FY 2023-24. Since 2014, the County's total assessed valuation has increased 26.6%, or 2.70% per year.
- This year's budget invests in public safety to reduce mandatory overtime and staffing detention facilities with detention personnel allowing deputy sheriffs to move out of detention facilities and into patrol assignments, providing additional public safety services to residents in unincorporated areas of the County. Funds will be utilized in FY 2024-25 to secure a new substation in the community of Taft.
- The Fire Department will continue to enhance the level of medical care within unincorporated areas of the County by providing Safety Squads and Medical Units capable of providing advanced life support intervention. The Fire Department is also purchasing additional helicopters to ensure the necessary equipment is available when wildfires occur.
- The County continues to focus on homelessness through the M street Navigation Center, the Safe Camping and Parking Project, and the development of a non-congregate housing facility with wraparound services. This facility consists of 50 tiny homes with community rooms and shared bathrooms. The county will continue to invest in strategies and partnerships to address this complex issue impacting our community
- For FY 2024-25, Sales and Use Tax is budgeted at \$9 million more or 6.2% higher than the FY 2023-24 Adopted Budget. Actual collections in FY 2023-24 totaled \$94.1 million, which was \$19.1 million more than anticipated. The additional collections include one-time use tax receipts from improvements made around utility projects, several long-awaited payments that were received, and economic activity.
- In FY 2024-25, the estimated oil and gas property assessments account for just 10% of the tax roll despite the 2.2 billion increases in assessed value of real property. The uncertainty and increased regulatory hurdles imposed by the State continue to be a financial challenge. Oil and gas value now accounts for only 10% of the total assessed valuation compared to a high of 35.1% in FY 2012-13.
- The allocation of Net General Fund Cost (NGFC) reflects a strategy to manage County resources while maintaining a prudent level of reserves. This year's NGFC allocation also includes enhancement of services for residents of unincorporated communities using Measure K funds. Investments are in the categories of public safety, education, homelessness and economic development. The total countywide costs reflect a net county cost increase of 107.6 million. This amount includes the allocation of \$58.1 million of Measure K. Additionally, one-time year-end fund balance carryforward is allocated to Capital and Major Maintenance Projects, Appropriations for Contingencies and reserves, and reserves and designations for budget FY 2024-25.

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 Ms. Aimee X. Espinoza, Kern County Auditor-Controller-County Clerk at 1115 Truxtun Avenue, Bakersfield, California 93301, (661) 868-3599 or visit the website at www.auditor.co.kern.ca.us.

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, 2024 (IN THOUSANDS)

	PRIMARY GOVERNMENT			DISCRETELY PRESENTED COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
ASSETS				
Current and other assets				
Cash and investments	\$ 1,667,854	\$ 151,313	\$ 1,819,167	\$ 17,128
Other cash and investments	-	-	-	69,850
Revolving fund cash	469	14	483	3
Restricted cash and investments	43,470	-	43,470	-
Receivables, net	305,607	13,467	319,074	274,460
Housing loans receivable	66,262	-	66,262	-
Housing loans interest receivable	21,398	-	21,398	-
Prepaid expenses	-	-	-	6,951
Deposits with others	8,471	-	8,471	-
Inventories	8,342	-	8,342	1,453
Due from other agencies	6,718	-	6,718	-
Internal balances	24,186	(24,186)	-	-
Lease receivables	3,724	14,364	18,088	-
Investment in joint venture	-	3,040	3,040	-
Net OPEB asset	25,715	433	26,148	4,641
Capital assets not being depreciated	1,333,072	72,556	1,405,628	-
Capital assets, net of accumulated depreciation/amortization	967,713	191,526	1,159,239	99,546
Total assets	4,483,001	422,527	4,905,528	474,032
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	5,777	28	5,805	217
Deferred pension	553,900	12,221	566,121	116,361
Deferred OPEB	29,739	502	30,241	2,325
Total deferred outflows of resources	589,416	12,751	602,167	118,903

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

	PRIMARY GOVERNMENT			DISCRETELY PRESENTED COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
LIABILITIES				
Current Liabilities				
Accounts payable	82,758	11,076	93,834	36,759
Accrued interest payable	7,587	129	7,716	2,182
Unearned revenue	111,287	1,341	112,628	-
Deposits from others	-	147	147	-
Salaries and employee benefits payable	48,887	123	49,010	17,892
Due to other agencies	10,369	-	10,369	-
Long-term liabilities:				
Due within one year:				
Long-term debt	18,216	728	18,944	3,317
Lease liability	12,859	9	12,868	3,480
SBITA liability	8,731	60	8,791	754
Compensated absences	53,657	1,879	55,536	7,320
Closure, post closure, pollution remediation	-	946	946	-
Liability for self insurance	27,384	-	27,384	3,287
Due after one year:				
Certificates of participation	54,834	-	54,834	-
Bonds and notes	105,635	905	106,540	-
Other long-term liabilities	-	-	-	94,903
Loans payable	43,827	1,230	45,057	-
Accrued interest	56,076	905	56,981	7,152
Lease liability	110,973	-	110,973	8,815
SBITA liability	12,161	109	12,270	1,593
Compensated absences	34,305	926	35,231	16,779
Closure, post closure, pollution remediation	-	62,329	62,329	-
Liability for self insurance	94,618	-	94,618	7,787
Net pension liability	1,861,381	40,910	1,902,291	344,447
Total liabilities	2,755,545	123,752	2,879,297	556,467
DEFERRED INFLOWS OF RESOURCES				
Deferred housing payments	448	-	448	-
Deferred pension	66,095	1,496	67,591	31,879
Deferred OPEB	43,105	728	43,833	4,191
Deferred inflows - lease inflows	3,607	14,051	17,658	-
Total deferred inflows of resources	113,255	16,275	129,530	36,070
NET POSITION				
Net investment in capital assets	2,049,326	258,003	2,307,329	95,415
Restricted(Note 17 B):				
Capital projects	34,014	-	34,014	-
General government	28,725	-	28,725	-
Public protection	352,075	-	352,075	-
Public ways & facilities	82,059	-	82,059	-
Health and sanitation	249,373	-	249,373	-
Public assistance	96,837	-	96,837	-
Education	479	-	479	-
Culture and recreation services	1,546	-	1,546	-
Net OPEB asset	25,715	433	26,148	1,453
Other purposes	-	-	-	8,789
Investment in Joint Venture	-	2,935	2,935	-
Unrestricted (deficit)	(716,532)	33,880	(682,652)	(95,207)
Total net position	\$ 2,203,617	\$ 295,251	\$ 2,498,868	\$ 10,450

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, 2024 (IN THOUSANDS)**

FUNCTION/PROGRAMS	PROGRAM REVENUES				NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION			DISCRETELY PRESENTED COMPONENT UNITS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
Primary Government:								
Governmental activities:								
General government	\$ 163,753	\$ 98,713	\$ 36,801	\$ 6,897	\$ (21,342)		\$ (21,342)	
Public protection	754,825	134,102	471,173	-	(149,550)		(149,550)	
Public ways and facilities	43,994	3,330	75,167	-	34,503		34,503	
Health and sanitation	422,214	118,324	212,283	7,910	(83,697)		(83,697)	
Public assistance	703,461	8,793	609,678	-	(84,990)		(84,990)	
Education	10,808	697	-	-	(10,111)		(10,111)	
Culture and recreation services	887	71	-	-	(816)		(816)	
Interest on short and long-term debt	27,069	-	-	-	(27,069)		(27,069)	
Total governmental activities	<u>2,127,011</u>	<u>364,030</u>	<u>1,405,102</u>	<u>14,807</u>	<u>(343,072)</u>		<u>(343,072)</u>	
Business-type activities:								
Airport	10,388	7,195	522	1,713		(958)	(958)	
County sanitation districts	4,604	8,346	108	-		3,850	3,850	
Golf courses	400	288	-	-		(112)	(112)	
Public transportation	7,078	11,890	5,344	-		10,156	10,156	
Universal collection	24,732	23,324	-	-		(1,408)	(1,408)	
Solid waste	65,926	86,602	1,715	-		22,391	22,391	
Total business-type activities	<u>113,128</u>	<u>137,645</u>	<u>7,689</u>	<u>1,713</u>		<u>33,919</u>	<u>33,919</u>	
Total primary government	<u>\$ 2,240,139</u>	<u>\$ 501,675</u>	<u>\$ 1,412,791</u>	<u>\$ 16,520</u>	<u>\$ (343,072)</u>	<u>\$ 33,919</u>	<u>\$ (309,153)</u>	
COMPONENT UNITS:								
Discretely presented component units	<u>\$ 560,185</u>	<u>\$ 291,829</u>	<u>\$ 266,791</u>	<u>\$ -</u>				<u>\$ (1,565)</u>

General revenue:

Taxes:

Property taxes		\$ 339,900	\$ -	\$ 339,900	\$ -
Aircraft taxes		176	-	176	-
Sales and uses taxes		174,571	-	174,571	-
Transient occupancy taxes		3,704	-	3,704	-
Transfer taxes		4,306	-	4,306	-
Other taxes		1,145	-	1,145	6,238
Property taxes in lieu of motor vehicle taxes		133,097	-	133,097	-
Other governmental revenue					
Unrestricted investment earnings		64,061	5,019	69,080	1,659
Miscellaneous		8,077	-	8,077	390
Gain from sale of capital assets		430	-	430	-
Transfers		(782)	782	-	-
Special items		-	-	-	(3,309)
Total general revenues, transfers and special item		<u>728,685</u>	<u>5,801</u>	<u>734,486</u>	<u>4,978</u>
Change in net position		<u>385,613</u>	<u>39,720</u>	<u>425,333</u>	<u>3,413</u>
Net position, July 1, 2023, as restated - Note 19		<u>1,818,004</u>	<u>255,531</u>	<u>2,073,535</u>	<u>7,037</u>
Net position, June 30, 2024		<u>\$ 2,203,617</u>	<u>\$ 295,251</u>	<u>\$ 2,498,868</u>	<u>\$ 10,450</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, 2024 (IN THOUSANDS)

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	CORONAVIRUS RELIEF	COUNTY LOCAL REVENUE FUND
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled cash and investments	\$ 534,944	\$ 165,466	\$ 584	\$ 97,398	\$ 158,198
Revolving fund cash	336	3	-	-	-
Cash and investments deposited with trustee	-	-	-	-	-
Interest receivable	6,952	1,742	4	1,055	-
Taxes receivable	31,115	-	-	-	-
Lease receivables	3,715	-	-	-	-
Accounts receivable, net	1,492	157	-	-	-
Accrued revenue	60,650	40,870	1,230	-	44,651
Due from other funds	37,944	-	-	-	-
Due from other agencies	505	357	-	-	-
Housing loans receivable	-	-	50,688	-	-
Housing loans interest receivable	-	-	17,587	-	-
Deposits with others	2,136	4,496	-	-	-
Inventory - materials and supplies	1,084	-	-	-	-
Total assets	<u>\$ 680,873</u>	<u>\$ 213,091</u>	<u>\$ 70,093</u>	<u>\$ 98,453</u>	<u>\$ 202,849</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 27,884	\$ 19,626	\$ 805	\$ 1,206	\$ -
Salaries and employee benefits payable	22,029	4,813	-	-	-
Due to other funds	-	17	427	282	9,665
Unearned revenue	9,257	-	-	91,787	-
Due to other agencies	9,025	664	-	-	-
Total liabilities	<u>68,195</u>	<u>25,120</u>	<u>1,232</u>	<u>93,275</u>	<u>9,665</u>
Deferred inflows of resources:					
Deferred housing loan payments	-	-	68,300	-	-
Deferred lease proceeds	3,598	-	-	-	-
Unavailable revenue - property tax	6,245	-	-	-	-
Unavailable revenue - other	4,720	-	-	-	-
Total deferred inflows of resources	<u>14,563</u>	<u>-</u>	<u>68,300</u>	<u>-</u>	<u>-</u>
Fund balances:					
Nonspendable	9,371	-	-	-	-
Restricted	27,206	187,971	561	5,178	193,184
Committed	45,965	-	-	-	-
Assigned	298,224	-	-	-	-
Unassigned	217,349	-	-	-	-
Total fund balances	<u>598,115</u>	<u>187,971</u>	<u>561</u>	<u>5,178</u>	<u>193,184</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 680,873</u>	<u>\$ 213,091</u>	<u>\$ 70,093</u>	<u>\$ 98,453</u>	<u>\$ 202,849</u>

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

	DEPARTMENT OF HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP.	STRUCTURAL FIRE	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled cash and investments	\$ 48,368	\$ -	\$ 83,691	\$ 432,799	\$ 1,521,448
Revolving fund cash	101	-	3	25	468
Cash and investments deposited with trustee	-	9,025	-	34,445	43,470
Interest receivable	399	-	642	2,627	13,421
Taxes receivable	-	-	3,585	171	34,871
Lease receivables	-	-	9	-	3,724
Accounts receivable, net	88	-	6,980	727	9,444
Accrued revenue	49,027	-	4,189	44,360	244,977
Due from other funds	5,708	-	906	9,314	53,872
Due from other agencies	5,035	-	-	821	6,718
Housing loans receivable	-	-	-	15,574	66,262
Housing loans interest receivable	-	-	-	3,811	21,398
Deposits with others	-	-	-	-	6,632
Inventory - materials and supplies	-	-	1,552	5,103	7,739
Total assets	<u>\$ 108,726</u>	<u>\$ 9,025</u>	<u>\$ 101,557</u>	<u>\$ 549,777</u>	<u>\$ 2,034,444</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 4,879	\$ -	\$ 9,397	\$ 13,963	\$ 77,760
Salaries and employee benefits payable	7,355	-	9,849	2,229	46,275
Due to other funds	18,575	-	-	25,081	54,047
Unearned revenue	9,957	-	-	289	111,290
Due to other agencies	-	-	-	680	10,369
Total liabilities	<u>40,766</u>	<u>-</u>	<u>19,246</u>	<u>42,242</u>	<u>299,741</u>
Deferred inflows of resources:					
Deferred housing loan payments	-	-	-	19,385	87,685
Deferred lease proceeds	-	-	9	-	3,607
Unavailable revenue - property tax	-	-	3,153	154	9,552
Unavailable revenue - other	1,836	-	4,048	-	10,604
Total deferred inflows of resources	<u>1,836</u>	<u>-</u>	<u>7,210</u>	<u>19,539</u>	<u>111,448</u>
Fund balances:					
Nonspendable	-	-	1,552	5,103	16,026
Restricted	66,124	9,025	72,247	309,509	871,005
Committed	-	-	-	29,147	75,112
Assigned	-	-	1,302	144,754	444,280
Unassigned	-	-	-	(517)	216,832
Total fund balances	<u>66,124</u>	<u>9,025</u>	<u>75,101</u>	<u>487,996</u>	<u>1,623,255</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 108,726</u>	<u>\$ 9,025</u>	<u>\$ 101,557</u>	<u>\$ 549,777</u>	<u>\$ 2,034,444</u>

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 STATEMENT OF NET POSITION
JUNE 30, 2024 (IN THOUSANDS)

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$ 1,623,255
The OPEB asset recorded in governmental activities is not current financial resources; therefore, the OPEB asset is not reported in the governmental funds.	25,666
Capital assets used in governmental activities are not current financial resources; therefore, the capital assets are not reported in the governmental funds.	2,297,393
Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized when earned in governmental activities.	107,399
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	5,777
Deferred OPEB - Outflow	29,682
Deferred OPEB - Inflow	(43,023)
Deferred Pension - Outflow	553,539
Deferred Pension - Inflow	<u>(66,050)</u>
	479,925
Internal service funds are used by management to charge the cost of fleet maintenance, employee benefits, personal injury, and retiree health insurance benefits to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Net Position.	48,796
Accrued interest expense does not require the use of current financial resources; therefore, it is not accrued as a liability in the governmental funds.	(63,607)
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	(64,344)
Bonds payables	(45,641)
Certificate of participation	(56,380)
Net unamort. premium/discount on LTD	(6,878)
Finance purchases	(18,191)
Lease liability	(123,832)
SBITA liability	(20,878)
Loans payable	(31,024)
Compensated absences	(87,895)
Net pension liability	<u>(1,860,147)</u>
	<u>(2,315,210)</u>
Net position of governmental activities	<u>\$ 2,203,617</u>



COUNTY OF KERN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	GENERAL FUND	BEHAVIORAL HEALTH & RECOVERY SERVICES	COMMUNITY DEVELOPMENT	CORONAVIRUS RELIEF	COUNTY LOCAL REVENUE FUND
Revenues:					
Taxes	\$ 530,569	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	17,599	-	-	-	-
Fines, forfeitures, and penalties	16,726	-	-	-	-
Revenue from use of money and property	28,368	7,259	-	5,830	694
Aid from other governmental agencies	283,956	140,849	8,524	7,609	287,913
Charges for current services	109,614	93,410	-	-	-
Other revenues	7,343	1,187	-	-	-
Total revenues	994,175	242,705	8,524	13,439	288,607
Expenditures:					
General government	156,736	-	-	-	-
Public protection	504,272	-	-	-	3,410
Public ways and facilities	-	-	-	-	-
Health and sanitation	86,705	320,971	-	-	-
Public assistance	18,878	-	6,038	7,286	-
Education	10,514	-	-	-	-
Capital outlay	31,766	1,499	-	-	-
Debt service:					
Principal	16,737	3,331	-	-	-
Interest	2,207	320	-	-	-
Total expenditures	827,815	326,121	6,038	7,286	3,410
Excess (deficiency) of revenues over expenditures	166,360	(83,416)	2,486	6,153	285,197
Other financing sources (uses):					
Transfers in	235,417	92,196	35	-	-
Transfers out	(254,274)	(4,643)	(2,112)	(41)	(262,057)
Leases Issued	3,022	1,285	-	-	-
SBITAS Issued	870	-	-	-	-
Total other financing sources (uses)	(14,965)	88,838	(2,077)	(41)	(262,057)
Net change in fund balances	151,395	5,422	409	6,112	23,140
Fund balances, July 1, 2023, as restated - Note 19	446,720	182,549	152	(934)	170,044
Fund balances, June 30, 2024	\$ 598,115	\$ 187,971	\$ 561	\$ 5,178	\$ 193,184

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

	DEPARTMENT OF HUMAN SERVICES	KERN COUNTY TOBACCO FUNDING CORP.	STRUCTURAL FIRE	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Taxes	\$ -	\$ -	\$ 123,676	\$ 4,259	\$ 658,504
Licenses, permits, and franchises	-	-	2,863	19,586	40,048
Fines, forfeitures, and penalties	-	-	145	6,616	23,487
Revenue from use of money and property	1,392	366	1,750	13,604	59,263
Aid from other governmental agencies	414,817	-	12,876	275,551	1,432,095
Charges for current services	497	-	57,897	21,237	282,655
Other revenues	3,166	7,910	3,137	13,367	36,110
Total revenues	419,872	8,276	202,344	354,220	2,532,162
Expenditures:					
General government	-	12	-	6,949	163,697
Public protection	-	-	194,564	48,024	750,270
Public ways and facilities	-	-	-	20,636	20,636
Health and sanitation	-	-	-	28,917	436,593
Public assistance	623,287	-	-	56,377	711,866
Education	-	-	-	-	10,514
Capital outlay	3,392	-	21,422	87,287	145,366
Debt service:					
Principal	5,738	5,780	466	21,990	54,042
Interest	1,284	2,525	28	14,219	20,583
Total expenditures	633,701	8,317	216,480	284,399	2,313,567
Excess (deficiency) of revenues over expenditures	(213,829)	(41)	(14,136)	69,821	218,595
Other financing sources (uses):					
Transfers in	220,470	-	24,796	123,970	696,884
Transfers out	(3,928)	-	(6,545)	(164,235)	(697,835)
Leases Issued	-	-	241	62	4,610
SBITAS Issued	-	-	236	142	1,248
Total other financing sources (uses)	216,542	-	18,728	(40,061)	4,907
Net change in fund balances	2,713	(41)	4,592	29,760	223,502
Fund balances, July 1, 2023, as restated - Note 19	63,411	9,066	70,509	458,236	1,399,753
Fund balances, June 30, 2024	\$ 66,124	\$ 9,025	\$ 75,101	\$ 487,996	\$ 1,623,255

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 STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

Net changes in fund balances - total governmental funds	\$	223,502	
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense:			
Expenditures for capital assets, right-to-use, and other related capital asset adjustments		145,366	
Less: current year depreciation and amortization		(80,772)	
Retirement of capital assets		<u>(948)</u>	63,646
Capital contributions of capital assets are not reported on governmental funds but recorded at fair value on the Statement of Net Position.			1,769
Issuance of long-term debt provides current resources to governmental funds, but issuing debt increased long-term liabilities in the Government-wide Statement of Net Position.			
Leases Issued		(4,611)	
SBITAS Issued		<u>(1,247)</u>	(5,858)
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:			
Changes in unavailable property tax revenue		(1,605)	
Change in unavailable reimbursement and other revenue		<u>(23,653)</u>	(25,258)
Repayment of debt principal are expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:			
Principal repayments:			
Pension obligation bonds		15,605	
Certificates of participation		3,965	
Finance Purchases		3,650	
Lease Principal Payments		9,930	
Tobacco - asset backed bonds		5,780	
SBITA Principal Payments		7,320	
Bonds Payable		332	
Loans Payable		<u>2,108</u>	48,690
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		(6,470)	
Change in compensated absences		(827)	
Change in other post-employment benefits oblig.		57,033	
Change in pension expense		<u>30,169</u>	79,905
Premiums, discounts, and losses and 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>(554)</u>	(34)
Internal service funds are used by management to charge the cost of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported within governmental activities.			
			<u>(749)</u>
Change in net position of governmental activities			<u>\$ 385,613</u>



COUNTY OF KERN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024 (IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL
	AIRPORTS	SOLID WASTE	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
ASSETS					
Current assets:					
Pooled cash and investments	\$ 17,256	\$ 88,354	\$ 45,703	\$ 151,313	\$ 146,406
Revolving fund cash	1	13	-	14	1
Interest receivable	129	840	396	1,365	1,304
Accounts receivable, net	412	2,849	80	3,341	64
Accrued revenue	22	1,706	2,145	3,873	1,526
Lease receivables	14,081	93	190	14,364	-
Due from other funds	-	44	29	73	366
Inventory - materials and supplies	-	-	-	-	603
Total current assets	<u>31,901</u>	<u>93,899</u>	<u>48,543</u>	<u>174,343</u>	<u>150,270</u>
Noncurrent assets:					
Taxes receivable	-	2,620	2,268	4,888	-
Deposits with others	-	-	-	-	1,839
Investment in joint ventures	-	-	3,040	3,040	-
Net OPEB asset	78	292	63	433	49
Capital and Lease Assets:					
Non-depreciable					
Land	10,907	25,258	855	37,020	-
Land acquisition in progress	-	86	-	86	-
Works of art	198	-	-	198	-
Construction in progress	2,681	14,529	9,958	27,168	123
Intangibles	-	8,084	-	8,084	-
Depreciable					
Structures and improvements	59,379	15,428	17,969	92,776	-
Land improvements	-	76,965	-	76,965	-
Buildings - rights to use	-	178	-	178	-
Equipment	2,794	34,190	21,449	58,433	7,652
Intangible	-	535	284	819	1,807
Infrastructure	102,597	27,413	25,029	155,039	-
Subscription Assets	-	120	151	271	26
Accumulated depreciation and amortization	<u>(77,212)</u>	<u>(79,094)</u>	<u>(36,649)</u>	<u>(192,955)</u>	<u>(6,214)</u>
Total noncurrent assets	<u>101,422</u>	<u>126,604</u>	<u>44,417</u>	<u>272,443</u>	<u>5,282</u>
Total assets	<u>133,323</u>	<u>220,503</u>	<u>92,960</u>	<u>446,786</u>	<u>155,552</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding	28	-	-	28	-
Deferred pensions	966	4,912	6,343	12,221	361
Deferred OPEB	91	338	73	502	57
Total deferred outflows of resources	<u>1,085</u>	<u>5,250</u>	<u>6,416</u>	<u>12,751</u>	<u>418</u>

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

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL
	AIRPORTS	SOLID WASTE	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 978	\$ 7,439	\$ 2,663	\$ 11,080	\$ 4,998
Salaries and employee benefits payable	123	-	-	123	2,611
Deposits from Others	-	-	147	147	-
Due to other funds	-	94	107	201	63
Current portion of long-term debt	611	96	21	728	7
Lease liability	-	9	-	9	-
SBITA liability	-	23	37	60	14
Interest payable - current	34	78	17	129	6
Current portion of compensated absences	232	1,352	295	1,879	41
Current portion of closures, post closure, & pollution liabilities	-	946	-	946	-
Current portion of liability for self-insurance	-	-	-	-	27,384
Unearned revenue	-	46	1,295	1,341	-
Total current liabilities	1,978	10,083	4,582	16,643	35,124
Non current liabilities:					
Loans payable	1,230	-	-	1,230	-
Compensated absences payable	114	666	146	926	26
Long-term liability for self insurance	-	-	-	-	94,618
Long-term debt - pension obligation bonds	117	645	143	905	49
Long-term - interest payable	117	645	143	905	50
SBITA liability	-	71	38	109	-
Pollution remediation obligation	-	7,896	-	7,896	-
Post closure liability	-	19,098	-	19,098	-
Closure liability	-	35,335	-	35,335	-
Net pension liabilities	2,927	28,787	9,196	40,910	1,234
Total non current liabilities	4,505	93,143	9,666	107,314	95,977
Total liabilities	6,483	103,226	14,248	123,957	131,101
DEFERRED INFLOWS OF RESOURCES					
Deferred lease proceeds	13,756	96	199	14,051	-
Deferred pensions	107	1,053	336	1,496	45
Deferred OPEB	131	490	107	728	82
Total deferred inflows of resources	13,994	1,639	642	16,275	127
NET POSITION					
Net investment in capital assets	98,606	120,428	38,969	258,003	3,380
Restricted					
Deposits - ISF	-	-	-	-	1,454
Investment in joint ventures	-	-	2,935	2,935	-
OPEB asset	78	292	63	433	49
Unrestricted (deficit)	15,247	168	42,519	57,934	19,859
Total net position	\$ 113,931	\$ 120,888	\$ 84,486	\$ 319,305	\$ 24,742
Cumulative adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				(24,054)	
Net position - business-type activities				<u>\$ 295,251</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, 2024 (IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL
	AIRPORTS	SOLID WASTE	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
Operating revenues:					
Charges for current services	\$ 813	\$ 85,311	\$ 32,213	\$ 118,337	\$ 277,629
Revenue from use of money and property	4,911	71	210	5,192	-
Other revenues	6	828	236	1,070	271
Total operating revenues	<u>5,730</u>	<u>86,210</u>	<u>32,659</u>	<u>124,599</u>	<u>277,900</u>
Operating expenses:					
Salaries and employee benefits	1,709	-	-	1,709	70,669
Services and supplies	2,936	60,442	34,846	98,224	38,379
Claims Incurred	-	-	-	-	168,235
Other charges	171	212	104	487	4,435
Depreciation and amortization	5,496	6,792	2,183	14,471	691
Total operating expenses	<u>10,312</u>	<u>67,446</u>	<u>37,133</u>	<u>114,891</u>	<u>282,409</u>
Operating income (loss)	<u>(4,582)</u>	<u>18,764</u>	<u>(4,474)</u>	<u>9,708</u>	<u>(4,509)</u>
Non-operating revenues (expenses):					
Taxes and assessments	1,461	-	10,764	12,225	-
Fines, forfeitures and penalties	4	328	361	693	-
Licenses, permits and franchises	-	-	21	21	-
Interest on bank deposits and investments	425	3,222	1,477	5,124	5,417
Aid from other governmental agencies	522	1,715	5,452	7,689	308
Other revenues	-	-	-	-	155
Interest expense	(94)	(205)	(49)	(348)	(16)
Gain (loss) on sale of capital assets	-	-	-	-	(197)
Total non-operating revenues (expenses), Net	<u>2,318</u>	<u>5,060</u>	<u>18,026</u>	<u>25,404</u>	<u>5,667</u>
Income (loss) before contributions and transfers	<u>(2,264)</u>	<u>23,824</u>	<u>13,552</u>	<u>35,112</u>	<u>1,158</u>
Capital contributions	1,713	-	-	1,713	33
Transfers in	771	-	11	782	6,621
Transfers out	-	-	-	-	(6,452)
Change in net position	220	23,824	13,563	37,607	1,360
Net position, July 1, 2023	113,711	97,064	70,923		23,382
Net position, June 30, 2024	<u>\$ 113,931</u>	<u>\$ 120,888</u>	<u>\$ 84,486</u>		<u>\$ 24,742</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				<u>2,113</u>	
Change in net position - business-type activities				<u>39,720</u>	



COUNTY OF KERN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL
					ACTIVITIES
	AIRPORTS	SOLID WASTE	NON-MAJOR ENTERPRISE FUNDS	TOTAL	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received for current services	\$ 1,747	\$ 83,573	\$ 32,946	\$ 118,266	\$ 277,924
Cash received for use of property	4,912	71	210	5,193	-
Cash received for other operations	6	828	236	1,070	271
Cash paid for services and supplies	(2,758)	(55,699)	(41,082)	(99,539)	(37,854)
Cash paid for other charges	(165)	(212)	(102)	(479)	(4,431)
Cash paid for salaries and benefits	(2,419)	-	-	(2,419)	(70,195)
Cash paid for reported claims	-	-	-	-	(164,205)
Net cash provided (used) by operating activities	<u>1,323</u>	<u>28,561</u>	<u>(7,792)</u>	<u>22,092</u>	<u>1,510</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Cash received from licenses and permits	-	-	21	21	-
Cash received from taxes and special assessments	1,461	-	10,764	12,226	-
Cash received from other funds	771	-	11	782	169
Aid from other governmental agencies	522	1,725	4,400	6,647	463
Fines, Forfeitures and penalties	4	324	361	689	-
Principal paid on pension obligation bonds	(31)	(180)	(40)	(252)	(14)
Interest paid on pension obligation bonds	(34)	(130)	(32)	(196)	(10)
Net cash provided (used) by noncapital financing activities	<u>2,693</u>	<u>1,739</u>	<u>15,485</u>	<u>19,917</u>	<u>608</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition or construction of capital assets	(1,121)	(23,672)	(3,283)	(28,076)	(1,010)
Principal paid on capital debt	(582)	(41)	-	(623)	-
Interest paid on capital debt	(41)	-	-	(41)	-
Proceeds from sale/disposition of assets	-	-	-	-	555
Cash capital contributions	1,713	-	-	1,713	-
Net cash provided (used) by capital and related financing activities	<u>(31)</u>	<u>(23,713)</u>	<u>(3,283)</u>	<u>(27,027)</u>	<u>(455)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on bank deposits and investments	370	2,922	1,370	4,662	5,064
Investment in Joint Venture	-	-	(105)	(105)	-
Net cash provided (used) by investing activities	<u>370</u>	<u>2,922</u>	<u>1,265</u>	<u>4,557</u>	<u>5,064</u>
Net increase (decrease) in cash and investments	4,355	9,509	5,675	19,539	6,727
Cash and investments, July 1, 2023	<u>12,901</u>	<u>78,845</u>	<u>40,028</u>	<u>131,774</u>	<u>139,679</u>
Cash and investments, June 30, 2024	<u>17,256</u>	<u>88,354</u>	<u>45,703</u>	<u>151,313</u>	<u>146,406</u>

COUNTY OF KERN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES			TOTAL	GOVERNMENTAL
	AIRPORTS	SOLID WASTE	NON-MAJOR ENTERPRISE FUNDS		INTERNAL SERVICE FUNDS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	(4,582)	18,764	(4,474)	9,708	(4,509)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	5,496	6,792	2,183	14,471	691
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	349	(867)	(30)	(548)	(33)
(Increase) decrease in inventory	-	-	-	-	(34)
(Increase) decrease in special assessment receivable	-	(351)	1,166	815	-
(Increase) decrease in accrued revenue	142	(499)	(226)	(583)	322
(Increase) decrease in lease receivable	443	(21)	(178)	244	-
(Increase) decrease in due from others	-	28	30	58	(64)
(Increase) decrease in net OPEB asset	(78)	(291)	(63)	(432)	-
(Increase) decrease in deferred outflows of resources	(219)	1,964	(4,202)	(2,457)	(69)
(Increase) decrease in deposits with others	-	2	-	2	66
Increase (decrease) in accounts payable	857	958	(1,936)	(121)	887
Increase (decrease) in salaries & benefits payable	52	-	-	52	548
Increase (decrease) in due to others	(32)	21	89	78	(333)
Increase (decrease) in subscription liability	-	97	75	172	14
Increase (decrease) in unearned revenue	-	2	-	2	-
Increase (decrease) in deferred inflows of resources	(548)	(55)	114	(489)	34
Increase (decrease) in compensated absences payable	59	188	(105)	142	(3)
Increase (decrease) in provision for liability claims	-	-	-	-	4,029
Increase (decrease) in pollution remediation	-	390	-	390	-
Increase (decrease) in closure/post closure liability	-	2,219	-	2,219	-
Increase (decrease) in net OPEB liability	(182)	(730)	(218)	(1,130)	(162)
Increase (decrease) in net pension liability	(434)	(50)	(17)	(501)	126
Total adjustments	5,905	9,797	(3,318)	12,384	6,019
Net cash provided (used) by operating activities	\$ 1,323	\$ 28,561	\$ (7,792)	\$ 22,092	\$ 1,510

COUNTY OF KERN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024 (IN THOUSANDS)

	PENSION TRUST FUND	INVESTMENT TRUST FUND	PRIVATE- PURPOSE TRUST FUND	CUSTODIAL FUND
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Cash and cash equivalents held in the pool	\$ 16,103	\$ 4,810,281	\$ 12,006	\$ 95,391
Receivables:				
Employee and employer contribution	20,823	-	-	-
Taxes for other governments	-	-	-	76,545
Interest and dividends	12,364	42,102	105	542
Sale of investments	62,556	-	-	-
Total receivables	<u>95,743</u>	<u>42,102</u>	<u>105</u>	<u>77,087</u>
Investments at fair value:				
Short-Term investment	727,978	-	-	-
Debt securities and bonds	916,530	-	-	-
Equities	2,184,079	-	-	-
Real estate investments	424,060	-	-	-
Alternative investments	1,606,480	-	-	-
Commodities	37,694	-	-	-
Collateral held for securities lending	174,736	-	-	-
Total Investments	<u>6,071,557</u>	<u>-</u>	<u>-</u>	<u>-</u>
Due from other agencies	-	-	-	7
Prepaid expenses	349	-	-	-
Capital assets, net of accumulated depreciation	5,880	-	-	-
Total assets	<u>6,189,632</u>	<u>4,852,383</u>	<u>12,111</u>	<u>172,485</u>
Deferred outflows of resources - pensions	-	880	-	-
Total assets and deferred outflow of resources	<u>6,189,632</u>	<u>4,853,263</u>	<u>12,111</u>	<u>172,485</u>
LIABILITIES AND DEFERRED INFLOW OF RESOURCES				
Due to other agencies	-	19,640	-	45,733
Securities purchased	138,866	-	-	-
Collateral held for securities lent	174,736	-	-	-
Net pension liabilities	-	3,022	-	-
Other long-term liabilities	3,642	-	-	-
Total liabilities	<u>317,244</u>	<u>22,662</u>	<u>-</u>	<u>45,733</u>
Deferred inflows of resources - pensions	-	111	-	-
Total liabilities and deferred inflows of resources	<u>317,244</u>	<u>22,773</u>	<u>-</u>	<u>45,733</u>
NET POSITION				
Pensions	5,872,388	-	-	-
Pool participants	-	4,830,490	-	-
Individuals, organizations, and other governments	-	-	12,111	126,752
Total net position	<u>\$ 5,872,388</u>	<u>\$ 4,830,490</u>	<u>\$ 12,111</u>	<u>\$ 126,752</u>

COUNTY OF KERN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	PENSION TRUST FUND	INVESTMENT TRUST FUND	PRIVATE- PURPOSE TRUST FUND	CUSTODIAL FUND
ADDITIONS:				
Property tax collections	\$ -	\$ 1,280,771	\$ -	\$ 216,505
Other taxes and fees collected for other governments	-	63,256	-	11,648
Contributions:				
Employer	358,108	-	-	-
Plan member	65,087	-	-	-
Private contribution	-	7,341,511	5,038	232,605
Total contributions	<u>423,195</u>	<u>7,341,511</u>	<u>5,038</u>	<u>232,605</u>
Investment earnings:				
Net increase (decrease) in fair value of investments	483,290	240,318	641	7,711
Interest, dividends, and other	108,084	174,597	420	138,907
Total investment earnings	<u>591,374</u>	<u>414,915</u>	<u>1,061</u>	<u>146,618</u>
Less investment cost:				
Investment activity costs	88,187	1,300	4	26
Net investment earnings	<u>503,187</u>	<u>413,615</u>	<u>1,057</u>	<u>146,592</u>
Total additions	<u>926,382</u>	<u>9,099,153</u>	<u>6,095</u>	<u>607,350</u>
DEDUCTIONS:				
Benefits paid to participants or beneficiaries	432,353	-	-	-
Administrative expenses	8,222	866	2	18
Distributions from pooled investments	-	7,186,742	4,812	353,065
Property tax distributions	-	1,471,091	-	222,889
Payments of taxes and fees to other governments	-	51,683	-	22,567
Total deductions	<u>440,575</u>	<u>8,710,382</u>	<u>4,814</u>	<u>598,539</u>
Change in net position	485,807	388,771	1,281	8,811
Net position, July 1, 2023	<u>5,386,581</u>	<u>4,441,719</u>	<u>10,830</u>	<u>117,941</u>
Net position, June 30, 2024	<u>\$ 5,872,388</u>	<u>\$ 4,830,490</u>	<u>\$ 12,111</u>	<u>\$ 126,752</u>

COUNTY OF KERN
COMBINING BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2024 (IN THOUSANDS)

	<u>FIRST 5 KERN</u>	<u>KERN COUNTY HOSPITAL AUTHORITY</u>	<u>TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY</u>	<u>TOTAL DISCRETELY PRESENTED COMPONENT UNITS</u>
ASSETS AND DEFERRED				
<u>OUTFLOWS OF RESOURCES</u>				
Assets:				
Pooled cash and investments	\$ 17,128	\$ -	\$ -	\$ 17,128
Other cash and investments	290	50,429	19,131	69,850
Revolving fund cash	-	3	-	3
Receivables, net	1,363	273,097	-	274,460
Prepaid expenses	54	6,897	-	6,951
Inventories	-	4,641	-	4,641
Net OPEB asset	-	1,453	-	1,453
Capital assets, not depreciated	-	10,052	-	10,052
Capital assets, net of accumulated depreciation/amortization	299	99,247	-	99,546
Total assets	<u>19,134</u>	<u>445,819</u>	<u>19,131</u>	<u>484,084</u>
Deferred outflows of resources:				
Deferred charge on refunding	-	-	217	217
Deferred pension	-	116,361	-	116,361
Deferred OPEB	-	2,325	-	2,325
Total deferred outflows of resources	<u>-</u>	<u>118,686</u>	<u>217</u>	<u>118,903</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</u>				
Current liabilities:				
Accounts payable	\$ 1,702	\$ 35,056	\$ 1	\$ 36,759
Interest payable - current	-	884	1,298	2,182
Salaries and employee benefits payable	53	17,839	-	17,892
Long-term liabilities:				
Due within one year:				
Long-term debt	-	1,062	2,255	3,317
Lease liability	30	3,450	-	3,480
SBITA liability	-	754	-	754
Compensated absences	129	7,191	-	7,320
Self insurance liability	-	3,287	-	3,287
Due after one year:				
Long-term debt	-	7,150	87,753	94,903
Interest payable	-	7,152	-	7,152
Lease liability	222	8,593	-	8,815
SBITA liability	-	1,593	-	1,593
Compensated absences	-	16,779	-	16,779
Self insurance liability	-	7,787	-	7,787
Net pension liability	-	344,447	-	344,447
Total liabilities	<u>2,136</u>	<u>463,024</u>	<u>91,307</u>	<u>556,467</u>
Deferred inflows of resources:				
Deferred pension	-	31,879	-	31,879
Deferred OPEB	-	4,191	-	4,191
Total deferred inflows of resources	<u>-</u>	<u>36,070</u>	<u>-</u>	<u>36,070</u>
Net position:				
Net investment in capital assets	47	95,368	-	95,415
Restricted:				
Net OPEB asset	-	1,453	-	1,453
Other Purposes	8,789	-	-	8,789
Unrestricted (deficit)	<u>8,162</u>	<u>(31,410)</u>	<u>(71,959)</u>	<u>(95,207)</u>
Total net position	<u>\$ 16,998</u>	<u>\$ 65,411</u>	<u>\$ (71,959)</u>	<u>\$ 10,450</u>

COUNTY OF KERN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>FIRST 5 KERN</u>	<u>KERN COUNTY HOSPITAL AUTHORITY</u>	<u>TEJON RANCH PUBLIC FACILITIES FINANCING AUTHORITY</u>	<u>TOTAL DISCRETELY PRESENTED COMPONENT UNITS</u>
Program (expenses) revenues:				
Expenses	\$ (10,243)	\$ (545,919)	\$ (4,023)	\$ (560,185)
Program revenue				
Charges for current services	-	291,829	-	291,829
Operating grants and contributions	8,414	258,377	-	266,791
	<u>(1,829)</u>	<u>4,287</u>	<u>(4,023)</u>	<u>(1,565)</u>
Net program (expenses) revenues				
General Revenues:				
Special Assessments	-	-	6,238	6,238
Unrestricted Investment Earnings	512	241	906	1,659
Other Revenue	2	388	-	390
	<u>514</u>	<u>629</u>	<u>7,144</u>	<u>8,287</u>
Total general revenues				
Excess (deficiency) of revenues over expenditures	<u>(1,315)</u>	<u>4,916</u>	<u>3,121</u>	<u>6,722</u>
Fund Distribution	<u>-</u>	<u>-</u>	<u>(3,309)</u>	<u>(3,309)</u>
Net change in fund balances	(1,315)	4,916	(188)	3,413
Fund balances, July 1, 2023	<u>18,313</u>	<u>60,495</u>	<u>(71,771)</u>	<u>7,037</u>
Fund balances, June 30, 2024	<u>\$ 16,998</u>	<u>\$ 65,411</u>	<u>\$ (71,959)</u>	<u>\$ 10,450</u>





**NOTES TO THE FINANCIAL
STATEMENTS**

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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 9.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 18.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, 2024 (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 could impose its will upon the Authority; however, the Authority does not provide services to the County, qualifying the Authority to be discretely presented. The Authority was formed to establish Community Facilities Districts, the West District and the East District, and issue special tax bonds on behalf of those Districts. The Authority distributes funds to Tejon Industrial Corporation ("TIC") in certain years for reimbursement of planning, design, and construction costs for TIC's commercial project in Kern County. Fund distributions for fiscal year ended June 30, 2024, amounted to \$3,309. Financial statement requests can be made to the Authority's

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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 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

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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) and American Rescue Plan Act (ARPA) established to battle the coronavirus disease and its economic impacts. CRF revenues and necessary expenditures incurred due to the public health emergency are recorded in this fund. Additionally, this fund also receives interest revenue.

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.

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

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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

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

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

The County reports the following major enterprise funds:

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.

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

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 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.

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

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

G. BASIS OF ACCOUNTING

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

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

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.

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 Taxes

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 2023 - 2024 net assessed valuation of the County was \$123,087,347. 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

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt are excluded from this limitation and are calculated separately and levied each fiscal year. The rates are formally adopted by the Board after approval of city councils or the governing boards of special districts, where applicable. Property taxes are levied on both real and personal property. Secured property taxes are levied on or before the first business day of September of each year and become a lien on real property on March 1 proceeding the fiscal year for which taxes are levied. These tax payments can be made in two equal installments; the first is due on November 1 and delinquent with penalties after December 10; the second is due on February 1 and delinquent with penalties after April 10.

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

Inventory - Materials and Supplies

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

Capital Assets

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

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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, bike paths, other improvements)	5 - 50 years
Structures and Improvements	20 - 60 years
Lease Assets	2 - 54 years
Subscription Assets	2 - 23 years

Deferred Outflows/Inflows of Resources

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

Compensated Absences

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

Subscription-Based Information Technology Arrangements

The County has entered into various subscription-based information technology arrangements (SBITAs). The County recognizes a subscription liability and a subscription asset in the government-wide financial statements. The County recognizes subscription liabilities with an initial, individual value of \$5 or more.

At the commencement of a SBITA, the County initially measures the subscription liability at the present value of subscription payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made to the SBITA vendor at the commencement of the subscription term, plus capitalizable initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the useful life of the underlying information technology asset.

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

The County uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the County uses the State and Local Government Series daily rate as the incremental borrowing rate established by the US Treasury as the discount rate for SBITAs.

The subscription term includes the period during which the County has a noncancellable right-to-use the underlying information technology assets. Subscription payments included in the measurement of the subscription liability are composed of fixed payments, payments for penalties for terminating the SBITA, and any other payment to the SBITA vendor associated with the SBITA contract that are reasonably certain of being required based on assessment of all relevant factors.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

significantly affect the amount of the subscription liability.

Subscription assets are reported with capital assets, net of accumulated depreciation/amortization and subscription liabilities are reported with long-term debt on the statement of net position.

Leases

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

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

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

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County uses the State and Local Government Series daily rate as the incremental borrowing rate established by the US Treasury as the discount rate for leases.

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

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

Lease assets are reported with capital assets, net of accumulated depreciation/amortization and lease liabilities are reported with long-term debt on the statement of net position.

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

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

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

The County uses the State and Local Government Series daily rate as the incremental borrowing rate established by the US Treasury as the discount rate for leases.

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

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

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

Fund Equity

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

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

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

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

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

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

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

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

I. ESTIMATES

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

J. ADOPTION OF NEW ACCOUNTING STANDARDS

In June 2022, the GASB issued GASB Statement No. 100, Accounting Changes and Error Corrections. This standard enhances accounting and financial reporting requirements for accounting changes and error corrections. Included in the category of accounting changes is changes to or within the financial reporting entity, which results from a change in the fund’s presentation as major or nonmajor. The County adopted the requirements of the guidance effective July 1, 2023 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard did not have an impact on the current year financial statements as major and nonmajor fund presentations did not change from June 30, 2023. The County did have an error correction in the current year which is disclosed in Note 19.

2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. DEFICIT NET POSITION

The following funds have a deficit fund balance as of June 30, 2024:

Governmental Funds	
ARPA Projects	\$ (195)
Psychiatric Health Facility Construction	(110)
Child Support Services	(212)
	<u>\$ (517)</u>

ARPA projects had a negative fund balance at 6/30/2023 primarily due to expenditure accruals for supportive services. Current year net income decreased the deficit from \$603 at 6/30/2023 to \$195 at 6/30/2024. Psychiatric Health Facilities Construction deficit fund balance is related to timing as expenses were accrued before construction drawdowns were completed. Child Support Services negative fund balance is primarily due to expenditure accruals for salaries and wages and security system upgrades.

The following funds have a deficit fund net position as of June 30, 2024:

Internal Service Funds	
General Liability	\$ (9,815)
Workers Compensation	(64,401)
	<u>\$ (74,216)</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, 2024 (IN THOUSANDS)**

3 - CASH AND INVESTMENTS

A. TOTAL CASH AND INVESTMENTS

Cash and investments at June 30, 2024 consist of the following:

Cash and Investments in County Pool:

Cash	\$ 63,611
Investments	6,787,190
Subtotal	<u>6,850,801</u>
Less: outstanding warrants and other reconciliation items	<u>(80,725)</u>
Total cash and investments in county pool	<u>6,770,076</u>

Cash and Investments Outside County Pool

Cash with trustee	43,470
Primary government revolving cash	483
Discretely presented component unit other cash	69,853
Investments of KCERA	<u>6,071,557</u>
Total cash and investments outside county pool	<u>6,185,363</u>
Total cash and investments	<u>\$ 12,955,439</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, 2024, the balance for Cash and Investments Deposited with Trustee consists of the following:

Cash	\$ 1,453
Commercial paper	7,171
Money market account	3,710
Governmental agency bond/notes	<u>31,136</u>
Total cash and investments deposited with trustee	<u>\$ 43,470</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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Of the \$43,470 total cash and investments deposited with the trustee, \$34,094 is in the Tobacco Securitization Proceeds Fund to be utilized for capital projects. The \$9,025 is with the Corporation being held in trust for debt service reserves. The remaining \$351 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.

D. INVESTMENTS

Interest Rate Risk

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

Credit Risk, Concentration and Rating

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

The County of Kern Investment Pool (the Pool) is subject to regulatory oversight by the Treasury Oversight Committee, as required by California Government Code Section 27143. The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2024, 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. The Pools ratings and weighted average maturity as of June 30, 2024, is as follows:

Investments	Rating		Weighted Average Maturity (Years)
	Moody's	Standard and Poor's (S&P)	
Commercial paper	P-1	A-1, A-1+	0.17
Negotiable Certificates of Deposit	P-1	A-1	0.22
U.S. Treasury Securities	Aaa	AA+	2.11
Corporate notes	A, Aa3, Aa2, Aa1, Aaa	A+, AA-, AA, AA+	1.39
Federal Agencies	Aaa, P-1	A-1+, AA+	1.49
Municipal bonds	Aa2, Aaa	AA-, AAA	2.12
Supranational's	Aaa	AAA	3.20
Portfolio Weighted Average Maturity	N/A	N/A	1.67

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, \$63,361, 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

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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.

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 is 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 \$1,465.

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 \$418,733.

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 \$34,487.

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

Investment	Fair Value	Principal	Maturity Range
State Treasury's Pool (LAIF)	1,465	1,465	On demand
Money market mutual funds	98,901	98,901	On demand
California Asset Management Program (CAMP)	418,733	418,733	On demand
Investment Trust of California (CalTRUST)	34,487	34,487	On demand
FDIC insured cash sweep	20,993	20,993	On demand
Commercial paper	148,598	147,680	07/03/2023 - 07/31/2023
Negotiable certificates of deposit	165,887	165,668	07/05/2024 - 02/07/2025
U.S. treasury securities	3,588,341	3,689,994	07/15/2023 - 02/15/2028
Corporate notes	232,734	240,776	07/24/2023 - 06/30/2027
Federal agencies	1,787,582	1,803,259	07/10/2023 - 06/09/2028
Municipal bonds	41,417	43,594	08/01/2023 - 11/01/2025
Supranational's	248,052	264,314	07/31/2023 - 03/03/2028
Total investments	\$ 6,787,190	\$ 6,929,864	
Cash on hand	107		
Cash in banks	63,504		
Less warrants in transit	(80,725)		
Total cash and investments	6,770,076		

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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, 2024:

Statement of Net Position:

Total assets held for pool participants	<u>\$ 6,770,076</u>
Equity of internal pool participants	\$ 1,819,167
Equity of external pool participants (voluntary & involuntary)	<u>4,950,909</u>
Total equity	<u>\$ 6,770,076</u>

Statement of Changes in Net Position:

Net position at July 1, 2023	\$ 6,222,017
Net changes in investments by pool participants	<u>548,059</u>
	<u>\$ 6,770,076</u>

E. DEPOSITS WITH OTHERS

The County has total deposits with others of \$8,471. 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 General Fund has made an initial deposit of \$2,000 with McMurtrey Investments, LLC for the purchase of real property related to the located at 34970 McMurtrey Avenue which is planned to be developed by the County as an Animal Services Facility. The total purchase price is \$30,475. Behavioral Health and Recovery Services (BHRS) has deposited \$4,495 with the Department of Health Care Services (DCHS) under the California Advancing and Innovating Medi-Cal (CalAIM) initiative pursuant to Welfare and Institutions Code, Section 14184.403(b). CalAIM was initiated during fiscal year 2023/24 to reform the way BHRS is reimbursed for Medi-Cal costs. This reform requires BHRS to deposit these funds with DCHS. Group Health Internal Service Fund has a balance of \$1,454 with its designated claim administrators, and the remaining amount of \$385 from Workers Compensation Internal Service Fund for an escrow account with Corvel third party administrator for worker's compensation payments. This amount has been determined by claim administrators to be representative of one month's billings.

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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F. FAIR VALUE MEASUREMENT

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, 2024:

Investments by fair value level	6/30/2024	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	\$ 148,598	\$ -	\$ 148,598	\$ -
Negotiable certificates of deposit	165,887	-	165,887	-
Corporate Notes	232,734	-	232,734	-
Federal agencies	1,787,582	-	1,787,582	-
Municipal bonds	41,417	-	41,417	-
Supranational's	248,052	-	248,052	-
U.S. treasury securities	3,588,341	-	3,588,341	-
Total investments by fair value level	6,212,611	\$ -	\$ 6,212,611	\$ -
Investments measured at amortized cost				
State Treasury's Pool (LAIF)	1,465			
Money market mutual funds	98,901			
California Asset Management Program (CAMP)	418,733			
Investment Trust of California (CalTRUST)	34,487			
FDIC insured cash sweep	20,993			
Total investments measured at amortized cost	574,579			
Total investments measured at fair value	\$ 6,787,190			

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.

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

4 - RECEIVABLES

A. RECEIVABLES

The County’s net receivables for the year ended June 30, 2024, for the individual major funds, non-major funds, and internal service funds are as follows:

	Interest	Taxes	Accounts	Lease	Other	Allowance for Uncollectible	Net Receivables
General Fund	\$ 6,952	\$ 31,115	\$ 1,936	\$ 3,715	\$ 60,650	\$ (444)	\$ 103,924
Behavioral Health & Recovery Services	1,742	-	157	-	40,870	-	42,769
Community Development	4	-	-	-	1,230	-	1,234
Coronavirus Relief	1,055	-	-	-	-	-	1,055
County Local Revenue Fund	-	-	-	-	44,651	-	44,651
Department of Human Services	399	-	88	-	49,027	-	49,514
Structural Fire	642	3,585	6,980	9	4,189	-	15,405
Non-Major Governmental Funds	2,627	171	1,445	-	44,360	(718)	47,885
Internal Service Funds	1,304	-	64	-	1,526	-	2,894
Total governmental activities	<u>\$ 14,725</u>	<u>\$ 34,871</u>	<u>\$ 10,670</u>	<u>\$ 3,724</u>	<u>\$ 246,503</u>	<u>\$ (1,162)</u>	<u>\$ 309,331</u>

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 \$9,552. Of this amount, \$6,245 is recorded in the General Fund, \$3,153 in Structural Fire, and \$154 in Non-Major Governmental Funds.

The County’s net receivables for the year ended June 30, 2024, for the enterprise funds are as follows:

	Interest	Taxes	Accounts	Lease	Other	Allowance for Uncollectible	Net Receivables
Airports	\$ 129	\$ -	\$ 453	\$ 14,081	\$ 22	\$ (41)	\$ 14,644
Solid Waste	840	2,620	2,933	93	1,706	(84)	8,108
Non-Major Enterprise Funds	396	2,268	80	190	2,145	-	5,079
Total business-type activities	<u>\$ 1,365</u>	<u>\$ 4,888</u>	<u>\$ 3,466</u>	<u>\$ 14,364</u>	<u>\$ 3,873</u>	<u>\$ (125)</u>	<u>\$ 27,831</u>

Housing Loans Receivable and Housing Loans Interest Receivable

A total of \$66,262 was recorded as housing loans receivable and a total of \$21,398 was recorded as housing loans interest receivable at June 30, 2024. 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 \$87,685 have been established in the Governmental Funds Balance Sheet for the housing loan principal and interest payments. Additionally, \$448 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
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5 - INTERFUND TRANSACTIONS

A. DUE FROM/TO OTHER FUNDS

Due From and Due To Other Funds amounts will be repaid in the following fiscal year. Due From and Due To Other Funds at June 30, 2024 are as follows:

<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Non-Major Governmental Funds	\$ 15,749	Expenditure Reimbursement
	Behavioral Health & Recovery	17	Expenditure Reimbursement
	Department of Human Services	18,575	Expenditure Reimbursement
	Community Development	427	Expenditure Reimbursement
	County Local Revenue Fund	3,161	Realignment
	Public Works - ISF	15	Expenditure Reimbursement
		<u>37,944</u>	
Department of Human Services	County Local Revenue Fund	5,708	Realignment
Structural Fire	Non-Major Governmental Funds	906	Prop 172
Non-Major Governmental Funds	Coronavirus Relief	199	Services Provided
	Non-Major Governmental Funds	8,268	Expenditure Reimbursement
	Non-Major Enterprise Funds	2	Services Provided
	Public Works ISF	47	Expenditure Reimbursement
	Solid Waste	2	Expenditure Reimbursement
	County Local Revenue Fund	796	Realignment
		<u>9,314</u>	
Public Works ISF	Solid Waste	92	Services Provided
	Non-Major Enterprise Funds	100	Services Provided
	Coronavirus Relief	21	Services Provided
	Non-Major Governmental Funds	153	Services Provided
		<u>366</u>	
Solid Waste	Coronavirus Relief	40	Services Provided
	Non-Major Governmental Funds	4	Services Provided
		<u>44</u>	
Non-Major Enterprise Funds	Coronavirus Relief	22	Services Provided
	Non-Major Governmental Funds	1	Expenditure Reimbursement
	Non-Major Enterprise Funds	5	Expenditure Reimbursement
	Public Works ISF	1	Expenditure Reimbursement
		<u>29</u>	
Total		<u>\$ 54,311</u>	

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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B. TRANSFERS

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, 2024 are as follows:

Transfers Out	Transfers In	Amount
General Fund	Airports	\$ 771
	Behavioral Health & Recovery	11,188
	Department of Human Services	141,189
	Non-Major Governmental Funds	80,907
	Public Works ISF	6,621
	Structural Fire	13,598
		<u>254,274</u>
Behavioral Health & Recovery	General Fund	3,170
	Non-Major Governmental Funds	1,473
		<u>4,643</u>
County Local Revenue Fund	General Fund	90,025
	Behavioral Health & Recovery	80,132
	Department of Human Services	79,181
	Non-Major Governmental Funds	12,251
	Structural Fire	468
		<u>262,057</u>
Community Development	General Fund	2,112
Department of Human Services	General Fund	238
	Behavioral Health & Recovery	368
	Non-Major Governmental Funds	3,322
		<u>3,928</u>
Coronavirus Relief	Non-Major Governmental Funds	30
	Non-Major Enterprise Funds	11
		<u>41</u>
Public Works ISF	Non-Major Governmental Funds	6,421
Structural Fire	General Fund	496
	Non-Major Governmental Funds	6,049
		<u>6,545</u>
Garage ISF	General Fund	31
Non-Major Governmental	General Fund	139,345
	Behavioral Health & Recovery	508
	Department of Human Services	100
	Structural Fire	10,730
	Community Development	35
	Non-Major Governmental	13,517
		<u>164,235</u>
Total		<u>\$ 704,287</u>

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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6 - CAPITAL ASSETS

A. GOVERNMENTAL CAPITAL ASSETS

Capital asset governmental activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Deletions	Transfers & Adjustments	Ending Balance
Governmental Activities:					
Capital Assets, not depreciated:					
Land	\$ 34,088	\$ -	\$ -	\$ -	\$ 34,088
Construction in progress	86,612	106,363	598	(60,337)	132,040
Intangible	1,162,899	847	-	3,138	1,166,884
Works of art	60	-	-	-	60
Total capital assets, not depreciated	<u>1,283,659</u>	<u>107,210</u>	<u>598</u>	<u>(57,199)</u>	<u>1,333,072</u>
Capital Assets, depreciated and amortized:					
Infrastructure	853,004	931	-	43,272	897,207
Structures and improvements	641,908	3,468	-	-	645,376
Equipment	237,997	23,543	10,139	17,066	268,467
Intangibles	16,257	188	-	(3,138)	13,307
Lease land	3,059	835	-	-	3,894
Lease structures	147,389	3,639	-	-	151,028
Lease equipment	6,351	4,520	43	-	10,828
Subscription assets	35,902	3,383	-	-	39,285
Total capital assets depreciated and amortized	<u>1,941,867</u>	<u>40,507</u>	<u>10,182</u>	<u>57,200</u>	<u>2,029,392</u>
Less: Accumulated depreciation/amortization:					
Infrastructure	497,006	28,066	-	-	525,072
Structures and improvements	268,564	12,240	-	-	280,804
Equipment	177,465	15,218	9,550	9	183,142
Intangibles	8,344	447	-	-	8,791
Lease land	913	927	-	-	1,840
Lease structures	26,348	13,255	-	-	39,603
Lease equipment	3,955	1,805	-	-	5,760
Subscription assets	7,170	9,497	-	-	16,667
Total accumulated depreciation and amortization	<u>989,765</u>	<u>81,455</u>	<u>9,550</u>	<u>9</u>	<u>1,061,679</u>
Total capital assets depreciated and amortized, net	<u>952,102</u>	<u>(40,948)</u>	<u>632</u>	<u>57,191</u>	<u>967,713</u>
Capital assets, net	<u>\$ 2,235,761</u>	<u>\$ 66,262</u>	<u>\$ 1,230</u>	<u>\$ (8)</u>	<u>\$ 2,300,785</u>

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

B. ENTERPRISE AND COMPONENT UNIT CAPITAL ASSETS

Capital asset business-type activity for the year ended June 30, 2024 is as follows:

	Beginning Balance	Additions	Deletions	Transfers & Adjustments	Ending Balance
Business-type Activities:					
Capital Assets, not depreciated:					
Land	\$ 36,938	\$ 82	\$ -	\$ -	\$ 37,020
Land acquisition in progress	86	-	-	-	86
Construction in progress	16,545	21,125	1,096	(9,406)	27,168
Intangible	8,011	73	-	-	8,084
Works of art	198	-	-	-	198
Total capital assets, not depreciated	<u>61,778</u>	<u>21,280</u>	<u>1,096</u>	<u>(9,406)</u>	<u>72,556</u>
Capital Assets, depreciated and amortized:					
Structures and improvements	91,854	407	164	679	92,776
Land improvements	69,767	-	-	7,198	76,965
Equipment	51,099	7,354	216	196	58,433
Intangibles	819	-	-	-	819
Infrastructure	153,706	-	-	1,333	155,039
Lease Structure	178	-	-	-	178
Subscription Assets	-	271	-	-	271
Total capital assets depreciated and amortized	<u>367,423</u>	<u>8,032</u>	<u>380</u>	<u>9,406</u>	<u>384,481</u>
Less: Accumulated depreciation/amortization:					
Structures and improvements	46,871	2,782	146	-	49,507
Land improvements	37,908	2,845	-	-	40,753
Equipment	26,895	3,399	84	-	30,210
Intangible assets	526	59	-	-	585
Infrastructure	66,386	5,253	-	-	71,639
Lease Structure	128	46	-	-	174
Subscription Assets	-	87	-	-	87
Total accumulated depreciation and amortization	<u>178,714</u>	<u>14,471</u>	<u>230</u>	<u>-</u>	<u>192,955</u>
Total capital assets depreciated and amortized, net	<u>188,709</u>	<u>(6,439)</u>	<u>150</u>	<u>9,406</u>	<u>191,526</u>
Capital assets, net	<u>\$ 250,487</u>	<u>\$ 14,841</u>	<u>\$ 1,246</u>	<u>\$ -</u>	<u>\$ 264,082</u>

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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, 2024, were as follows:

	Beginning Balance	Additions	Deletions	Transfers & Adjustments	Ending Balance
Hospital Authority					
Component Unit Activities:					
Capital Assets, not depreciated:					
Land	\$ 1,854	\$ -	\$ -	\$ -	\$ 1,854
Intangible	8,501	6,784	-	(7,087)	8,198
Total capital assets, not depreciated	<u>10,355</u>	<u>6,784</u>	<u>-</u>	<u>(7,087)</u>	<u>10,052</u>
Capital Assets, depreciated and amortized:					
Structures and improvements	100,612	20	-	3,331	103,963
Intangibles	57,626	-	-	-	57,626
Equipment	77,372	4,402	-	3,756	85,530
Lease assets	13,214	7,887	214	-	20,887
Subscription assets	3,978	-	-	-	3,978
Total capital assets, being depreciated and amortized	<u>252,802</u>	<u>12,309</u>	<u>-</u>	<u>7,087</u>	<u>271,984</u>
Less: Accumulated depreciation/amortization					
Structures and improvements	67,970	2,397	-	-	70,367
Intangibles	24,012	3,396	-	-	27,408
Equipment	58,045	5,983	-	-	64,028
Lease assets	6,118	3,304	213	-	9,209
Subscription assets	952	773	-	-	1,725
Total accumulated depreciation and amortization	<u>157,097</u>	<u>15,853</u>	<u>-</u>	<u>-</u>	<u>172,737</u>
Total capital assets, being depreciated and amortized, net	<u>95,705</u>	<u>(3,544)</u>	<u>-</u>	<u>7,087</u>	<u>99,247</u>
Capital assets, net	<u>\$ 106,060</u>	<u>\$ 3,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109,299</u>

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

C. DEPRECIATION

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

Governmental activities:

General	\$ 17,057
Public protection	18,114
Public ways and facilities	29,432
Health and sanitation	5,714
Public assistance	8,644
Education	924
Culture and recreation services	887
Depreciation on Capital Assets held by the County's Internal Service Funds are charged to various functions based on usage of the assets	683
Total depreciation and amortization expense - governmental activities	<u>\$ 81,455</u>

Business-type activities:

Airports	\$ 5,496
Solid Waste	6,792
County sanitation districts	736
Golf course	148
Public transportation	1,299
Total depreciation and amortization expense - business-type activities	<u>\$ 14,471</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.

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

7 - LEASES

A. LEASE RECEIVABLES

The County has entered into fifty-six lease agreements as a lessor for right-to-use Land, and eighty-two lease agreements as a lessor for right-to-use Buildings. For lessor leases, the County is utilizing an incremental borrowing rate between 0.20 - 4.2%. The leases include a range of options to extend the lease term for a period of 47 years with the final extension period ending December 16, 2070.

B. LEASE PAYABLES

The County has entered into one-hundred and forty-nine lease agreements as lessee for right-to-use fourteen land, sixty-one buildings, seventy-four equipment leases.

The leases include a range of options to extend the lease term for a period of 45 years with the final extension period ending July 9, 2068. The County is required to make annual principal and interest payments between \$8,750 and \$30,294, subject to annual rent increases ranging from 1.5 to 13.40%. The County is utilizing a range of incremental borrowing rates between 0.20 - 4.5%.

As of June 30, 2024, the value of the lease liability for governmental activities was \$123,832. The difference of \$5,318 from the beginning balance represents (1) the reduction of the principal portion of the lease payments in the current year of \$13,600 and (2) new lease agreements entered into during the current fiscal year amounting to \$8,282.

As of June 30, 2024, the value of the lease liability for business-type activities was \$9. The difference of \$41 from the beginning balance represents the reduction of the principal portion of the lease payments in the current year.

The following is a schedule of future principal and interest lease payments as of June 30, 2024:

Year Ended June 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 12,859	\$ 1,803	\$ 14,662
2026	12,482	1,632	14,114
2027	10,904	1,462	12,366
2028	8,544	1,309	9,853
2029	7,386	1,166	8,552
2030-2034	21,996	4,524	26,520
2035-2039	17,672	3,088	20,760
2040-2044	19,711	1,686	21,397
2045-2049	12,278	279	12,557
Total Leases	\$ 123,832	\$ 16,949	\$ 140,781

Year Ended June 30,	Business-type Activities		
	Principal	Interest	Total
2025	\$ 9	\$ -	\$ 9
Total Leases	\$ 9	\$ -	\$ 9

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

8 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

As of June 30, 2024, the County's Subscription-Based Information Technology Arrangements (SBITA) totaled \$20,892 in governmental-type subscriptions. The County has entered into fifty-seven SBITAs. These arrangements include term ranges from over twelve months to forty-eight months or June 30, 2028. Due to the nature of these arrangements, there are no options to extend as they are subscription-based arrangements. The County is utilizing a range of incremental borrowing rates between 0.36 – 4.51% for governmental activities.

As of June 30, 2024, the County entered into three subscription-based arrangements for business-type activities totaling \$169. These arrangements include term ranges from twenty-four to sixty months or March 31, 2029. The County is utilizing a range of incremental borrowing rates between 3 – 4.16% for business-type activities.

The following is a schedule of future principal and interest SBITA commitments for as of June 30, 2024:

Year Ended June 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 8,731	\$ 663	\$ 9,394
2026	6,010	362	6,372
2027	5,975	181	6,156
2028	176	3	179
Total SBITAs	20,892	1,209	22,101

Year Ended June 30,	Business-Type Activities		
	Principal	Interest	Total
2025	60	6	66
2026	59	4	63
2027	24	2	26
2028	26	1	27
Total SBITAs	\$ 169	\$ 13	\$ 182

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 \$1,940,460. These amounts do not appear in the accompanying Financial Statements.

As indicated in Notes 1.H., 7.B., 8., 9.B., 9.C., 9.D., and 9.E., the County has recognized a long-term liability for compensated absences, finance purchases, leases, SBITAs, certificates of participation, loans payable, bonds payable, and pension obligation bonds.

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

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

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

The following is a summary of long-term liabilities and corresponding activity for the year ended June 30, 2024:

	Beginning Balance	Additions	Deletions	June 30, 2024	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 87,137	\$ 60,366	\$ 59,541	\$ 87,962	\$ 53,657
Financed purchase	21,841	-	3,650	18,191	3,231
Lease liability	129,150	8,282	13,600	123,832	12,859
SBITA liability	26,952	2,995	9,055	20,892	8,731
Certificates of participation	60,345	-	3,965	56,380	4,160
COP - unamortized premium	2,867	-	253	2,614	-
Tobacco - asset backed bonds	50,735	-	5,780	44,955	-
Tobacco - unamortized bond premium	4,531	-	267	4,264	-
Bonds payable - qualified energy conservation bonds	1,017	-	332	685	339
Loans payable - I Bank	1,815	-	436	1,379	448
Loans payable Kern psychiatric facility	26,521	-	1,117	25,404	1,144
Direct borrowing - Kern Public Services	4,795	-	555	4,240	565
Pension obligation bonds (2003)	37,734	-	15,619	22,115	8,329
Pension obligation bonds (2008)	42,285	-	-	42,285	-
Net OPEB liability	62,280	-	62,280	-	-
Net pension liability	1,731,291	130,090	-	1,861,381	-
Total governmental activities	<u>\$ 2,291,296</u>	<u>\$ 201,733</u>	<u>\$ 176,450</u>	<u>\$ 2,316,579</u>	<u>\$ 93,463</u>
Business-type Activities:					
Compensated absences	\$ 2,663	\$ 1,782	\$ 1,640	\$ 2,805	\$ 1,879
Lease liability	50	-	41	9	9
SBITA liability	-	231	62	169	60
Direct borrowing - airport	2,406	-	581	1,825	594
Pension obligation bonds (2003)	608	-	252	356	134
Pension obligation bonds (2008)	682	-	-	682	-
Pollution remediation	7,806	390	-	8,196	300
Closure liability	33,448	2,037	-	35,485	150
Post-closure liability	19,414	180	-	19,594	496
Net OPEB liability	1,129	-	1,129	-	-
Net pension liability	41,410	-	500	40,910	-
Total business-type activities	<u>109,616</u>	<u>4,620</u>	<u>4,205</u>	<u>110,031</u>	<u>3,622</u>
Total government-wide long-term liabilities	<u>\$ 2,400,912</u>	<u>\$ 206,353</u>	<u>\$ 180,655</u>	<u>\$ 2,426,610</u>	<u>\$ -</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

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, 2024, was as follows:

	Beginning Balance, as Restated	Additions	Deletions	June 30, 2024	Due Within One Year
Hospital Authority					
Compensated absences	\$ 20,547	\$ 3,842	\$ 419	\$ 23,970	\$ 7,191
Lease liability	7,375	7,758	3,090	12,043	3,450
Subscription liability	3,095	5	753	2,347	754
Pension obligation bonds	10,205	-	1,993	8,212	1,062
Net OPEB liability	7,075	-	7,075	-	-
Net pension liability	345,399	-	952	344,447	-
Total	<u>\$ 393,696</u>	<u>\$ 11,605</u>	<u>\$ 14,282</u>	<u>\$ 391,019</u>	<u>\$ 12,457</u>

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 \$56,380 at fixed interest rates. The proceeds of the COPs are being used for the acquisition of equipment, construction, and renovation of certain public facilities within the County. The COPs have been delivered to the trustee, U.S. Bank, for investment and disbursement subject to the terms and conditions of the trust agreements.

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

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

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
2025	4,160	2,092	6,252
2026	4,380	1,879	6,259
2027	4,600	1,654	6,254
2028	4,785	1,468	6,253
2029	4,935	1,319	6,254
2030-2034	27,390	3,884	31,274
2034-2036	6,130	123	6,253
Total	\$ 56,380	\$ 12,419	\$ 68,799

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
2025	565	93	658
2026	580	80	660
2027	595	68	663
2028	605	55	660
2029	620	42	662
2030-2032	1,275	42	1,317
Total	\$ 4,240	\$ 380	\$ 4,620

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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2017 Refunding Loan - Airports (Direct Borrowing)

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

Year Ended June 30,	Principal	Interest	Total
2025	594	38	632
2026	608	25	633
2027	623	11	634
Total	\$ 1,825	\$ 74	\$ 1,899

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
2025	448	35	483
2026	460	21	481
2027	471	8	479
Total	\$ 1,379	\$ 64	\$ 1,443

2021 Private Placement Loan

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

Year Ended June 30,	Principal	Interest	Total
2025	1,144	591	1,735
2026	1,172	563	1,735
2027	1,200	535	1,735
2028	1,229	506	1,735
2029	1,258	477	1,735
2030-2034	6,761	1,914	8,675
2035-2039	7,616	1,060	8,676
2040-2043	5,024	181	5,205
Total	\$ 25,404	\$ 5,827	\$ 31,231

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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
2025	-	2,333	2,333
2026	-	2,325	2,325
2027	-	2,316	2,316
2028	-	2,306	2,306
2029	-	2,297	2,297
2030-2034	19,805	9,532	29,337
2035-2039	20,490	4,339	24,829
2040-2041	4,660	233	4,893
Total	\$ 44,955	\$ 25,681	\$ 70,636

2011 Qualified Energy Conservation Bonds

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

The Qualified Energy Conservation Bonds debt schedule is as follows:

Year Ended June 30,	Principal	Interest	Total
2025	339	36	375
2026	346	15	361
Total	\$ 685	\$ 51	\$ 736

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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.

2003 & 2008 Pension Obligation Bonds

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

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

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
2025	\$ 8,463	\$ 18,460	\$ 26,923
2026	8,431	19,953	28,384
2027	5,577	14,386	19,963
Total	\$ 22,471	\$ 52,799	\$ 75,270

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
2025	\$ -	\$ 1,798	\$ 1,798
2026	-	1,798	1,798
2027	10,213	1,442	11,655
2028	32,754	229	32,983
Total	\$ 42,967	\$ 5,267	\$ 48,234

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F. FINANCED PURCHASES

The County has entered into several long-term financed purchase agreements for certain pieces of equipment during the fiscal year ended June 30, 2024. At the end of the financed purchase, when all terms have been met, the related equipment will become property of the County.

The following is a summary of the County’s future minimum payments for financed purchases:

Year Ended June 30,					
2025	\$	3,231	\$	427	3,658
2026		1,878		378	2,256
2027		1,916		339	2,255
2028		1,954		298	2,252
2029		1,998		257	2,255
2030-2034		3,578		889	4,467
2035-2039		3,636		356	3,992
Total	\$	18,191	\$	2,944	\$ 21,135

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 based on actuarial valuations and controls investment of assets.

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

COUNTY OF KERN
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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 considered for 2022 for members with membership dates on or after July 1, 1996, but before January 1, 2013 is \$305,000. For General Tier III members who joined KCERA on or after January 1, 2013, the maximum pensionable compensation that can be considered for 2022 is \$134,974 for those enrolled in Social Security. These limits are adjusted on an annual basis. Members are exempt from paying member contributions and employers are exempt from paying employer contributions on compensation in excess of the annual cap.

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

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

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The total members included in the Plan as of June 30, 2024, are as follows:

	General	Safety	Total
Active employees	5,574	1,874	7,448
Terminated employees	2,750	517	3,267
Retirees and beneficiaries currently receiving benefits	5,967	2,253	8,220
	14,291	4,644	18,935

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 June 30, 2024, ranged from 4.72% to 19.29% and were applied to the member's base pay plus compensable special pay. For general members hired prior to 2013, contribution rates were determined by benefit tier and KCERA entry age. For safety members hired prior to 2013, contribution rates were determined by benefit tier and each safety-represented bargaining unit's applicable MOU. Some safety member rates were based on age of entry, whereas other safety members contribute at a flat, average rate. The contribution rates of general and safety members who first joined KCERA, on or after January 1, 2013, are at least 50% of the normal cost rate. Furthermore, the rate of members integrated with Social Security is reduced by one-third on the first \$350 of monthly salary.

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

Each year, an actuarial valuation is performed for the purpose of determining the funded ratio of the retirement plan and the employer contributions that are necessary to pay benefits accruing to KCERA members that were

**COUNTY OF KERN
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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, 2024, the County reported net pension liability of \$1,902,291 for its proportionate share of the Net Pension Liability (NPL). The NPL was measured as of June 30, 2023, 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, 2022. 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 classes valuation value of assets. At the June 30, 2023, measurement date, the County’s proportion was 71.54%, which was a decrease of 3.07% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the County recognized pension expense of \$248,515. 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, 2024, 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 of other inputs	\$ 134,521	\$ -
Changes in proportion and differences between County contributions and proportionate share of contributions	23,339	8,355
County contributions subsequent to the measurement date	282,289	-
Net difference between projected and actual earnings on retirement plan investments	125,972	-
Differences between expected and actual experience in the total pension liability	-	59,236
	<u>\$ 566,121</u>	<u>\$ 67,591</u>

Deferred outflows of resources and deferred inflows of resources in the previous schedule represent the unamortized portion of changes to NPL to be recognized in future periods in a systematic and rational manner. Deferred outflows of resources reported \$282,289 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, 2025.

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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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,	
2025	50,928
2026	11,058
2027	124,911
2028	29,344
Total	<u>\$ 216,241</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.
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.
Commodities and Swap/Options	Listed market prices are used to report the fair values for derivative instruments, if available. If listed market prices are not available for derivative instruments, the price used may be from a vendor, an investment manager or a counterparty.

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ACTUARIAL ASSUMPTIONS

The TPL as reported at June 30, 2024 was measured on June 30, 2023. The actuarial assumptions used were based on the results of an experience study for the period July 1, 2019 through June 30, 2022.

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

Inflation	2.50%
Salary increases	General: 3.70% to 8.00% and Safety: 4.00% to 10.00%. Varies by service, including inflation and real across-the-board salary increase of 0.50%.
Cost of living adjustment	Retiree COLA increase due to CPI are assumed to be 2.50%.
Discount rate	
Investment rate of return	7.00% net of pension plan investment expenses, including inflation.
Administrative expenses	0.95% 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 the member.
Retirement age	General Non-Reciprocal Retirement Age: 56 General Reciprocal Retirement Age: 60 Safety Retirement Age: 51

COUNTY OF KERN
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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 (7.00%) 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%	7.05%
Core fixed income	14%	1.97%
High yield corporate credit	6%	4.63%
Emerging market debt (hard)	2%	4.72%
Emerging market debt (local)	2%	4.53%
Commodities	4%	4.21%
Core real estate	5%	3.86%
Value added real estate	5%	6.70%
Midstream	5%	8.00%
Capital efficiency alpha pool	8%	3.10%
Hedge fund	10%	3.10%
Private equity	5%	10.27%
Private credit	5%	6.97%
Cash	-8%	0.63%
Total	<u>100%</u>	

**COUNTY OF KERN
 NOTES TO THE FINANCIAL STATEMENTS
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DISCOUNT RATE

The discount rate used to measure the TPL was 7.00% as of June 30, 2023, which is a decrease of 0.25% from the last discount rate used to measure the TPL of 7.25% as of June 30, 2022. 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 7.00%, and what the NPL would be if it were calculated using a discount rate that is one point lower (6.00%) or one point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
Net Pension Liability	2,682,986	1,902,291	1,260,692

PENSION FUND FIDUCIARY NET POSITION

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

11 - OTHER POST EMPLOYMENT BENEFITS

A. GENERAL INFORMATION ABOUT THE OPEB PLAN

Plan Description

In addition to the pension benefits described in Note 10, 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 Public Agencies Post-Retirement Health Care Plan Trust that holds the OPEB plan's net position may be obtained at PARS, 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

COUNTY OF KERN
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ages of 50 and 64, and 4) have at least 20 years of continuous County service as a permanent employee. The supplement amount is permanently fixed once determined and, depending on years of service, is equal to 50-100% of the active employee monthly health premium for a single individual at the time of retirement.

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

During the fiscal year 2015-2016, the County gave a one-time offer to the Service Employees International Union (SEIU) represented employees and Management, Mid-Management, and Confidential employees to opt-out of the postretirement health care benefits. During the fiscal year 2021-2022, sheriffs, probation officers, probation managers, detention officers, and law enforcement had the option 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. During fiscal year ended June 30, 2024, the County increased the retiree premiums for fiscal years ended June 30, 2024 and June 30, 2025 in an effort to reduce the plan’s implicit subsidies.

Plan Membership

At June 30, 2023, County OPEB plan membership consisted of the following:

Retired members or beneficiaries currently receiving benefits ¹	2,133
Active members ²	<u>8,735</u>
Total	10,868

¹ Excludes 499 married spouses receiving benefits

² Includes 4,883 members that are only eligible for implicit subsidy (i.e.,not eligible for Supplement of Stipend subsidy and 996 members that received a cash-out).

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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Contributions

The County's contribution rate is based off an employer portion and employee portion with the County contributing all of the RHS portion. The County contributed \$70 (\$15 stipend contribution and \$55 supplement contribution) per eligible employee per pay period for the plan year ending June 30, 2024. 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 \$9,989 for the year ended June 30, 2024. Of this amount, \$4,120 originated from employee contributions, \$4,258 from employer contributions, and \$1,611 from the implicit subsidy.

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

At June 30, 2024, the County reported \$(26,148) for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of June 30, 2024, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2023. The County's proportion of the net OPEB liability (asset) was based on the proportion of total OPEB liability (asset) for each group, calculated according to classification in census data. At June 30, 2024, the County's proportion was 94.74 percent, which was an increase of 4.78% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the County recognized an OPEB expense (income) of \$(53,901). At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between County contributions and proportionate share of contributions	\$ 1,797	\$ 745
Changes in assumptions or other inputs	27,816	18,100
Net excess of actual over projected earnings on OPEB plan investments	-	676
Differences between expected and actual experience in the total OPEB liability	628	24,312
	<u>\$ 30,241</u>	<u>\$ 43,833</u>

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

Year Ended June 30,	Amount
2025	\$ (2,347)
2026	1,960
2027	(934)
2028	(4,521)
2029	(4,557)
Thereafter	(3,193)
Total	<u>\$ (13,592)</u>

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Actuarial Methods and Assumptions

The total OPEB liability (asset) in the June 30, 2024 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Inflation of 2.50% 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 \$70 per pay period per eligible employee for the plan year ending July 1, 2023 and the eligible employees are contributing 2.12% of payroll for the Supplement (RHPSP).
Trend rates:	
Supplement	Bargaining Units 7, F, O, Q, T, V, Y: 7.50% to 2024/2025 grading down by 0.25% per year to an ultimate rate of 4.50%. Supplement is fixed for all other bargaining units.
Stipend	0.00%
Retiree claims	7.50% to 2024/2025, then 3.90% to 2025/2026, then 7.00% to 2026/2027 grading down by 0.25% per year to an ultimate rate of 4.50%.
Retiree contributions	7.50% to 2024/2025, then 9.20% to 2025/2026, then 7.00% to 2026/2027 grading down by 0.25% per year to an ultimate rate of 4.50%.
Mortality Rates:	
Pre-retirement:	<p>General: Pub-2010 General Employee Headcount-Weighted Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021.</p> <p>Safety: Safety Employee Headcount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021</p>
Post-retirement Healthy	<p>General: Pub-2010 General Healthy Headcount-Weighted Mortality Table with rates increased by 15% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.</p> <p>Safety: Pub-2010 Safety Healthy Headcount-Weighted Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021.</p>

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Disabled

General: Pub-2010 Non-Safety Disabled Retiree Headcount-Weighted Mortality Table with rates decreased by 5% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Safety: Pub-2010 Safety Disabled Retiree Headcount-Weighted Mortality Table, with rates increased by 5% for males and females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

Beneficiaries

General and Safety: Pub-2010 General Contingent Survivor Headcount-Weighted Mortality Table with rates increased by 10% for males and 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.

The non-health demographic actuarial assumptions used in the June 30, 2024, valuation were based on the KCERA Experience Study dated May 24, 2023 for the period July 1, 2019 through June 20, 2022.

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 following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity-large cap core	29.09%	6.72%
Equity-mid cap core	4.38%	6.72%
Equity-small cap core	9.41%	6.72%
Equity-international	5.58%	7.12%
Equity emerging market	3.01%	8.82%
Real Estate	2.00%	4.22%
Fixed income intermediate term bond	37.02%	0.72%
Alternatives	5.05%	3.07%
Cash	4.46%	0.22%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total OPEB Liability (TOL) was 6.50% as of June 30, 2024. 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 \$70 per eligible employee per pay period. For this purpose, only employee and employer contributions that are intended to fund benefits

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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 was applied to all periods of projected benefit payments to determine the TOL as of June 30, 2024.

Benefit Changes

In 2024 and 2025 retiree premium increases to reduce the plan's implicit subsidies.

Benefits clarifications related to future increases to the Supplement for certain bargaining units, as well as clarifications regarding which employee have opted out of the Supplement and Stipend benefits in lieu of a cash-out of their employee contributions at retirement. Input additional text here.

Changes of Assumptions

The participation assumptions were updated based on the plan's recent experience. The main changes include (1) a change to the participation rate from 100% to 80% for non-Medicare retirees who are eligible for a Supplement and Stipend, (2) a change to the participation rate from 70% to 80% for non-Medicare retirees not eligible for a Supplement, and (3) the addition of a 33% discontinuance assumption at age 65 for retirees who were participating in the plan prior to age 65. The updates to the participation assumptions decreases the TOL.

Trend assumption to project future medical costs were updated. The update to the trend assumption increased the TOL.

The actuarial factors used to estimate individual retiree and spouse costs by age and by gender were updated. The new factors are based on a review of historical claims experience by age, gender, and status (active vs retired) from actuarial's claims data warehouse. The update to the age utilization factor increased the TOL.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the County's proportionate share of the net OPEB liability(asset), as well as what the County's proportionate share of the net OPEB liability(asset) 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	\$(19,037)	\$(26,148)	\$(32,563)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease	Current Healthcare Trend Rates*	1% Increase
Net OPEB Liability	\$(31,074)	\$(26,148)	\$(20,439)

*See assumption table for current trend rate

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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, 2024.

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 since July 1, 2022 resulted from the following:

	July 1, 2023	Claims & Changes in Estimates	Claims Payments	June 30, 2024	Due Within One Year
General Liability	\$ 35,522	\$ (1,140)	\$ 141	\$ 34,241	\$ 260
Group Health	10,968	146,037	146,308	10,697	10,697
Unemployment Compensation	407	1,579	1,298	688	688
Workers' Compensation	71,099	20,966	15,689	76,376	15,739
Total	<u>\$ 117,996</u>	<u>\$ 167,442</u>	<u>\$ 163,436</u>	<u>\$ 122,002</u>	<u>\$ 27,384</u>

	July 1, 2022	Claims & Changes in Estimates	Claims Payments	June 30, 2023
General Liability	\$ 37,304	\$ (1,407)	\$ 375	\$ 35,522
Group Health	13,670	131,465	134,167	10,968
Unemployment Compensation	766	844	1,203	407
Workers Compensation	64,458	21,629	14,988	71,099
Total	<u>\$ 116,198</u>	<u>\$ 152,531</u>	<u>\$ 150,733</u>	<u>\$ 117,996</u>

**COUNTY OF KERN
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

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" 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, 2024, 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, 2024:

	Principal	Interest	Impounds	Net Contingent Liability
Contingent tax liability:	\$ 257,267	\$ 6,301	\$ (82,854)	\$ 180,714

The County's share of the estimated contingent tax liability is \$75,214. The County and other agencies accumulate and maintain tax impound reserves for disputed property taxes. As of June 30, 2023, the County had a total of \$8,820 accumulated in its tax reserve in the General Fund. The result is a net contingent tax liability of \$34,464 for the General Fund and \$32,431 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 \$66,895 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, 2024, the County reported significant encumbrances of \$119,933. These encumbrances included \$26,956 of funds that are already restricted and \$69,915 of funds that are assigned. The remaining \$23,062 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 & Recovery Services	Roads	Airports	Solid Waste	Total
Restricted	\$ -	\$ 16,106	\$ 10,850	\$ -	\$ -	\$ 26,956
Assigned	\$ 69,915	\$ -	\$ -	\$ -	\$ -	\$ 69,915
Unrestricted (deficit)	\$ -	\$ -	\$ -	\$ 2,045	\$ 21,017	\$ 23,062

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

14 - LANDFILLS

Prior to fiscal year 1988-1989, Kern County Solid Waste 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 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 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, 2024, the Solid Waste Enterprise Fund had designations of \$35,845 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, 2024, are \$65,665 and \$35,939, respectively. The County's landfills are listed on the following page, along with their estimated remaining useful lives, total capacity and percentage of capacity used:

Facility Name	Remaining Useful Lives	Capacity in Cubic Yards	Percent Incurred
Arvin ¹	-	-	100%
Bena I ¹	-	-	100%
Bena II A	20	39,202,594	37%
Boron	5	1,057,000	85%
Buttonwillow ¹	-	-	100%
China Grade ¹	-	-	100%
Glennville ¹	-	-	100%
Kern Valley ¹	-	-	100%
Lebec ¹	-	-	100%
Lost Hills ¹	-	-	100%
McFarland/Delano ¹	-	-	100%
Mojave/Rosamond	5	2,569,533	87%
Ridgecrest	31	10,344,165	67%
Shafter/Wasco	20	21,895,179	46%
Taft	48	10,224,114	35%
Tehachapi	4	3,732,287	96%
Total		<u>\$ 89,024,872</u>	

¹Site is closed.

COUNTY OF KERN
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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 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 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, 2024, the landfill closure liability is \$ 35,485 and the post closure liability is \$ 19,594 as recorded in the liabilities of the Solid Waste Management Enterprise Fund. These represent the cumulative liabilities to date. The remaining \$30,331 and \$16,840 anticipated closure and post closure liabilities, respectively, will be recognized in future years.

15 - POLLUTION REMEDIATION

The Solid Waste 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 Enterprise Fund has previously remediated. The Solid Waste Enterprise Fund does not anticipate any recoveries regarding these burn dumps. The amount accrued at June 30, 2024 was \$8,196.

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 10 and Note 11, respectively.

The various components of deferred outflows, deferred inflows, and advances from grantors and third parties reported at June 30, 2024 are as follows:

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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	Deferred Inflows of Resources	Advances From Grantors and Third Parties
Governmental Funds Activities:		
Deferred housing loan payments		
Community Development	\$ 68,300	\$ -
Non-major Governmental Fund	19,385	-
Deferred lease revenue		
General Fund	3,598	-
Structural Fire	9	-
Delinquent property taxes receivable		
General Fund	6,245	-
Structural Fire	3,153	-
Non-major Governmental Fund	154	-
Reimbursements		
Other long-term receivables		
General Fund	4,720	-
Human Services	1,836	-
Structural Fire	4,048	-
Total governmental funds	<u>\$ 111,448</u>	<u>\$ -</u>

	Deferred Outflows of Resources	Deferred Inflows of Resources
Government-Wide Activities		
Governmental Activities:		
Deferred OPEB	\$ 29,739	\$ 43,105
Deferred pensions	553,900	66,095
Deferred charge on refunding		
2014 Tobacco Refunding	772	-
2016 Advanced Refunding COP	4,986	-
2020 Kern Public Services	19	-
Deferred housing loan payments	-	448
Deferred lease revenue	-	3,607
Total governmental activities	<u>\$ 589,416</u>	<u>\$ 113,255</u>

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

Government-Wide Activities	Deferred Outflows of Resources	Deferred Inflows of Resources
Business-Type Activities:		
Deferred OPEB		
Airports	\$ 91	\$ 131
Solid waste	338	490
Non-major Enterprise Funds	73	107
Deferred pensions		
Airports	966	107
Solid waste	4,912	1,053
Non-major Enterprise Funds	6,343	336
Deferred lease proceeds		
Airports	-	13,756
Solid waste	-	96
Non-major enterprise funds	-	199
Deferred charge on refunding		
Airports	28	-
Total business-type activities	\$ 12,751	\$ 16,275

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, 2024, were distributed as follows:

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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	General Fund	Behavioral Health & Recovery Services	Community Development	Coronavirus Relief	County Local Revenue Fund	Department of Human Services	Kern County Tobacco Funding Corp.	Structural Fire	All other governmental funds	Total
Nonspendable:										
Receivables/advances	\$ 8,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ -	\$ 8,289
Inventory	1,084	-	-	-	-	-	-	1,552	5,104	7,740
Total nonspendable fund balance	9,371	-	-	-	-	-	-	1,554	5,104	16,029
Restricted for:										
1% Teeter (Fund 00264)	10,464	-	-	-	-	-	-	-	-	10,464
Gasb 84 Reclassed Funds	16,742	-	-	-	-	-	-	-	-	16,742
Mental Health Programs	-	187,971	-	-	-	-	-	-	-	187,971
Community Development	-	-	561	-	-	-	-	-	-	561
Coronavirus Relief	-	-	-	5,178	-	-	-	-	-	5,178
Realignment	-	-	-	-	193,184	-	-	-	-	193,184
Human Services	-	-	-	-	-	73,952	-	-	-	73,952
Structural Fire	-	-	-	-	-	-	-	64,325	-	64,325
Vehicle/Apparatus	-	-	-	-	-	-	-	4,727	-	4,727
Fireworks Violations	-	-	-	-	-	-	-	8	-	8
Industrial Firefighting Vehicle	-	-	-	-	-	-	-	10	-	10
Fire Dept Donations	-	-	-	-	-	-	-	34	-	34
State Fire	-	-	-	-	-	-	-	1,922	-	1,922
Fire Hazard Reduction	-	-	-	-	-	-	-	1,068	-	1,068
Flood Disaster	-	-	-	-	-	-	-	151	-	151
CSAs - Health & Sanitation	-	-	-	-	-	-	-	-	2,181	2,181
CSAs - Public Protection	-	-	-	-	-	-	-	-	459	459
CSAs - Public Ways	-	-	-	-	-	-	-	-	5,258	5,258
Finance	-	-	-	-	-	-	-	-	2,532	2,532
County Clerk	-	-	-	-	-	-	-	-	912	912
Detention & Correction	-	-	-	-	-	-	-	-	25,795	25,795
Education	-	-	-	-	-	-	-	-	479	479
Environmental & Health	-	-	-	-	-	-	-	-	3,679	3,679
Health	-	-	-	-	-	-	-	-	71,180	71,180
Hospital Care	-	-	-	-	-	-	-	-	5,564	5,564
Judicial	-	-	-	-	-	-	-	-	35,685	35,685
Other Public Protection	-	-	-	-	-	-	-	-	6,416	6,416
Plant Acquisition	-	-	-	-	-	-	-	-	1,330	1,330
Police Protection	-	-	-	-	-	-	-	-	9,996	9,996
Public Assistance Administration	-	-	-	-	-	-	-	-	22,425	22,425
Public Ways	-	-	-	-	-	-	-	-	9,456	9,456
Recorder	-	-	-	-	-	-	-	-	4,588	4,588
Recreation facilities	-	-	-	-	-	-	-	-	1,546	1,546
Roads	-	-	-	-	-	-	-	-	62,869	62,869
Debt Service	-	-	-	-	-	-	9,025	-	3,034	12,059
Capital Projects	-	-	-	-	-	-	-	-	34,124	34,124
Total restricted	27,206	187,971	561	5,178	193,184	73,952	9,025	72,245	309,508	878,830
Committed to:										
Tax and Resources Loss	45,965	-	-	-	-	-	-	-	-	45,965
Other Public Protection	-	-	-	-	-	-	-	-	19,438	19,438
Plant Acquisition	-	-	-	-	-	-	-	-	5,607	5,607
Aging & Adult	-	-	-	-	-	-	-	-	1,367	1,367
Police Protection	-	-	-	-	-	-	-	-	27	27
Property Management	-	-	-	-	-	-	-	-	2,708	2,708
Total committed	45,965	-	-	-	-	-	-	-	29,147	75,112
Assigned to:										
Encumbrances	69,915	-	-	-	-	-	-	-	-	69,915
Tax Litigation	8,820	-	-	-	-	-	-	-	-	8,820
Human Services	26,453	-	-	-	-	-	-	-	-	26,453
Safety	1,164	-	-	-	-	-	-	-	-	1,164
Salary & Benefits Adj.	150	-	-	-	-	-	-	-	-	150
Retirement	68,529	-	-	-	-	-	-	-	-	68,529
Parks Improvements	3,500	-	-	-	-	-	-	-	-	3,500
Fire Station Replacement	355	-	-	-	-	-	-	-	-	355
PILT/TARP	3,500	-	-	-	-	-	-	-	-	3,500
Tax Litigation Reserve	1,781	-	-	-	-	-	-	-	-	1,781
Strategic WorkFRC Plan	1,441	-	-	-	-	-	-	-	-	1,441
KMC Working Capital	9,000	-	-	-	-	-	-	-	-	9,000

**COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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	General Fund	Behavioral Health & Recovery Services	Community Development	Coronavirus Relief	County Local Revenue Fund	Department of Human Services	Kern County Tobacco Funding Corp.	Structural Fire	All other governmental funds	Total
Info technology Projects	5,178	-	-	-	-	-	-	-	-	5,178
Sheriffs Aircraft	1,698	-	-	-	-	-	-	-	-	1,698
Employee Retention	12,571	-	-	-	-	-	-	-	-	12,571
F/B health Benefit	1,547	-	-	-	-	-	-	-	-	1,547
WESTARZ	1,830	-	-	-	-	-	-	-	-	1,830
Jail Operations	963	-	-	-	-	-	-	-	-	963
Capital Projects	26,613	-	-	-	-	-	-	-	142,249	168,862
Coroner Facility	3,200	-	-	-	-	-	-	-	-	3,200
Infrastructure replacement	48,784	-	-	-	-	-	-	-	-	48,784
Fire-Helicopter Operations	-	-	-	-	-	-	1,299	-	-	1,299
Mobile Fire Kitchen	-	-	-	-	-	-	3	-	-	3
Promotion	-	-	-	-	-	-	-	-	136	136
Property Management	-	-	-	-	-	-	-	-	2,369	2,369
Fiscal Stability	1,232	-	-	-	-	-	-	-	-	1,232
Total assigned:	298,224	-	-	-	-	-	1,302	144,754	444,280	
Unassigned:										
General reserve	217,349	-	-	-	-	-	-	-	-	217,349
Child Support Services	-	-	-	-	-	-	-	-	(212)	(212)
Psychiatric Health Facility Construction	-	-	-	-	-	-	-	-	(305)	(305)
Total unassigned:	217,349	-	-	-	-	-	-	(517)	216,832	
Total fund balance	\$ 598,115	\$ 187,971	\$ 561	\$ 5,178	\$ 193,184	\$ 73,952	\$ 9,025	\$ 75,101	\$ 487,996	\$ 1,631,083

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.

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, one covers full-time employees (Plan I) and the other covers part-time, seasonal, and temporary employees (Plan II). 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.

Plan I participants specify the dollar amount or percentage of compensation to be deferred each pay period. The deferred amount per pay period may not exceed the lesser of a dollar amount limit adjusted in accordance with Internal Revenue Code Section 457(e)(15) providing for cost-of-living adjustments or 100% of the participants compensation for that pay period. Additional contributions more than the amounts described above called "Limited Catch-Up" are allowed under Plan I for a participant's last three taxable years ending before the attainment of normal retirement age. Plan I provides an employer match equal to 100% of an employee's contribution per pay period, up to a maximum of 6% of an employee's compensation for the same bi-weekly pay period for certain eligible employees. Employer contributions for fiscal year ended June 30, 2023 (the most recent year reported) were \$9,112 for Plan I.

Plan II participants are required to defer 7.5% of their compensation each pay period. The employee may not

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
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defer more than the lesser of a dollar limit adjusted in accordance with the Internal Revenue Code Section 457(e)(15) providing for cost-of-living adjustments, 100% of the participants income that pay period, or an amount equal to 7.5% of the base wage for Social Security during the year of the contribution. All employee contributions are invested in the Guaranteed Investment Contract. Plan II does not provide an employer match.

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.

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 \$65 from \$2,870 to \$2,935 as of their most recent financial statements issued.

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

C. SECURITIZATION OF TOBACCO SETTLEMENT REVENUES

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

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

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

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

The bonds are limited obligations of the Agency payable solely from loan payments made by the Corporation. The Corporation funds the loan payments with the tobacco settlement payment purchased from the County. For the year ended June 30, 2024, \$7,910 of tobacco settlement payments was recorded as Other Revenues in the

COUNTY OF KERN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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, 2024, the reductions in property tax assessments equaled approximately \$18,963 of property tax revenues under the Williamson Act. Of this total, \$12,402 was attributable to the General Fund and \$6,561 to Structural Fire.

19 - ACCOUNTING CHANGES AND ERROR CORRECTIONS

CORRECTION OF AN ERROR IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS

Department of Human Services accrued revenue and revenue were overstated by \$7,828 for the fiscal year ended June 30, 2023, due to the way 1991 realignment revenue was being recorded at year-end. There should not be an accrual for the realignment revenue as the revenue was received in a different fund as of June 30, 2024. During fiscal year 2024, the County determined that non-exchange revenue received by Behavioral Health & Recovery Services was reported as exchange-like revenue in the prior year. Non-exchange revenue has an availability period of nine months and exchange-like revenue has an availability period of three months. As a result, Behavioral Health & Recovery Services Governmental fund deferred inflows of resources was overstated by \$17,855 and aid from other governmental agencies was understated by \$17,855 for the fiscal year ended June 30, 2023. The effect of correcting these errors to beginning fund balance and beginning net position is shown in the table below.

	Governmental Funds		Government Wide
	Department of Human Services	Behavioral Health & Recovery Services	Governmental Activities
June 30, 2023, As previously reported	\$ 71,239	\$ 164,694	\$ 1,807,977
Error correction	(7,828)	17,855	10,027
June 30, 2023, As restated	\$ 63,411	\$ 182,549	\$ 1,818,004



**REQUIRED
SUPPLEMENTARY
INFORMATION**

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Taxes	\$ 494,225	\$ 494,225	\$ 530,569	\$ 36,344
Licenses, permits, and franchises	13,498	13,498	17,599	4,101
Fines, forfeitures, and penalties	13,923	13,923	16,726	2,803
Revenue from use of money and property	17,203	17,203	28,368	11,165
Aid from other governmental agencies	294,808	294,808	283,956	(10,852)
Charges for current services	116,332	116,332	109,614	(6,718)
Other revenues	11,131	11,131	7,343	(3,788)
Total revenues	961,120	961,120	994,175	33,055
Expenditures:				
General government	209,704	318,425	201,625	116,800
Public protection	556,427	572,282	528,088	44,194
Health and sanitation	100,788	107,048	88,548	18,500
Public assistance	24,330	24,357	19,257	5,100
Education	12,314	12,862	10,667	2,195
Debt service	18,964	18,964	18,944	20
Contingencies and reserves	14,851	34,612	-	34,612
Total expenditures	937,378	1,088,550	867,129	221,421
Excess (deficiency) of revenues over (under) expenses	23,742	(127,430)	127,046	254,476
Other financing sources (uses):				
Transfers in	292,757	292,757	235,417	(57,340)
Transfers out	(279,827)	(276,501)	(238,556)	37,945
Total other financing sources (uses)	12,930	16,256	(3,139)	(19,395)
Net change in fund balances	36,672	(111,174)	123,907	235,072
Fund balances, July 1, 2023	446,720	446,720	446,720	-
Fund balances, June 30, 2024	<u>\$ 483,392</u>	<u>\$ 335,546</u>	<u>\$ 570,627</u>	<u>\$ 235,081</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 867,129
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(27,488)
Capital outlay for leases and SBITAs issued are expenditures for financial reporting purposes but are not outflows of budgetary resources	3,892
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	(15,718)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>827,815</u>
Actual other financing sources amount budgetary basis from the budgetary comparison schedule	(3,139)
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	3,022
Inception of SBITAs issued are financing sources for financial reporting purposes but not inflows of budgetary resources	870
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	(15,718)
Total other financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ (14,965)</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
BEHAVIORAL HEALTH & RECOVERY SERVICES
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:				
Revenue from use of money and property	\$ 3,313	\$ 3,313	\$ 7,259	\$ 3,946
Aid from other governmental agencies	215,713	215,713	140,849	(74,864)
Charges for current services	123,658	123,658	93,410	(30,248)
Other revenues	2,241	2,241	1,187	(1,054)
Total revenues	344,925	344,925	242,705	(102,220)
Expenditures:				
Health and sanitation	395,150	431,094	338,091	93,003
Debt service	3,651	3,651	3,651	-
Contingencies and reserves	5,230	5,230	-	5,230
Total expenditures	404,031	439,975	341,742	98,233
Excess (deficiency) of revenues over (under) expenses	(59,106)	(95,050)	(99,037)	(3,987)
Other financing sources (uses):				
Transfers in	195,552	195,552	92,196	(103,356)
Transfers out	(98,380)	(98,879)	(3,170)	95,709
Total other financing sources (uses)	97,172	96,673	89,026	(7,647)
Net change in fund balances	38,066	1,623	(10,011)	(11,634)
Fund balances, July 1, 2023	164,694	164,694	164,694	-
Fund balances, June 30, 2024	<u>\$ 202,760</u>	<u>\$ 166,317</u>	<u>\$ 154,683</u>	<u>\$ (11,634)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 341,742
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(15,433)
Capital outlay for leases issued are expenditures for financial reporting purposes but are not outflows of budgetary resources	1,285
Debt service payments for pension obligation bonds are transfers out for financial purposes	(1,473)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	326,121
Actual other financing sources amount budgetary basis from the budgetary comparison schedule	89,026
Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	1,285
Debt service payments for pension obligation bonds are transfers out for financial purposes	(1,473)
Total financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 88,838

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:				
Aid from other governmental agencies	\$ 36,931	\$ 36,931	\$ 8,524	\$ (28,407)
Total revenues	<u>36,931</u>	<u>36,931</u>	<u>8,524</u>	<u>(28,407)</u>
Expenditures:				
Public assistance	<u>33,590</u>	<u>33,626</u>	<u>6,038</u>	<u>27,588</u>
Total expenditures	<u>33,590</u>	<u>33,626</u>	<u>6,038</u>	<u>27,588</u>
Excess (deficiency) of revenues over (under) expenses	<u>3,341</u>	<u>3,305</u>	<u>2,486</u>	<u>(819)</u>
Other financing sources (uses):				
Transfers in	36	36	35	(1)
Transfers out	<u>(3,328)</u>	<u>(3,328)</u>	<u>(2,112)</u>	<u>1,216</u>
Total other financing sources (uses)	<u>(3,292)</u>	<u>(3,292)</u>	<u>(2,077)</u>	<u>1,215</u>
Net change in fund balances	49	13	409	396
Fund balances, July 1, 2023	<u>152</u>	<u>152</u>	<u>152</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 201</u>	<u>\$ 165</u>	<u>\$ 561</u>	<u>\$ 396</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CORONAVIRUS RELIEF
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:				
Revenue from use of money and property	\$ 1,215	\$ 1,215	\$ 5,830	\$ 4,615
Aid from other governmental agencies	-	-	7,609	7,609
Total revenues	<u>1,215</u>	<u>1,215</u>	<u>13,439</u>	<u>12,224</u>
Expenditures:				
Public assistance	<u>74,313</u>	<u>75,057</u>	<u>8,854</u>	<u>66,203</u>
Total expenditures	<u>74,313</u>	<u>75,057</u>	<u>8,854</u>	<u>66,203</u>
Excess (deficiency) of revenues over (under) expenses	<u>(73,098)</u>	<u>(73,842)</u>	<u>4,585</u>	<u>78,427</u>
Other financing sources (uses):				
Transfers out	<u>(58,095)</u>	<u>(58,125)</u>	<u>(41)</u>	<u>58,084</u>
Total other financing sources (uses)	<u>(58,095)</u>	<u>(58,125)</u>	<u>(41)</u>	<u>58,084</u>
Net change in fund balances	(131,193)	(131,967)	4,544	136,511
Fund balances, July 1, 2023	<u>(934)</u>	<u>(934)</u>	<u>(934)</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ (132,127)</u>	<u>\$ (132,901)</u>	<u>\$ 3,610</u>	<u>\$ 136,511</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:			
Actual expenditure amount budgetary basis from the budgetary comparison schedule			\$ 8,854
Differences - Budget to GAAP			
Encumbrances for goods and/or services ordered but not received within the recognition period			<u>(1,568)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances			<u>\$ 7,286</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
COUNTY LOCAL REVENUE FUND
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:				
Revenue from use of money and property	\$ -	\$ -	\$ 694	\$ 694
Aid from other governmental agencies	266,288	266,288	287,913	21,625
Total revenues	<u>266,288</u>	<u>266,288</u>	<u>288,607</u>	<u>22,319</u>
Expenditures:				
Public protection	4,429	4,889	3,410	1,479
Total expenditures	<u>4,429</u>	<u>4,889</u>	<u>3,410</u>	<u>1,479</u>
Excess (deficiency) of revenues over (under) expenses	<u>261,859</u>	<u>261,399</u>	<u>285,197</u>	<u>23,798</u>
Other financing sources (uses):				
Transfers out	(276,001)	(280,768)	(262,057)	18,711
Total other financing sources (uses)	<u>(276,001)</u>	<u>(280,768)</u>	<u>(262,057)</u>	<u>18,711</u>
Net change in fund balances	(14,142)	(19,369)	23,140	42,509
Fund balances, July 1, 2023	<u>170,044</u>	<u>170,044</u>	<u>170,044</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 155,902</u>	<u>\$ 150,675</u>	<u>\$ 193,184</u>	<u>\$ 42,509</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
DEPARTMENT OF HUMAN SERVICES
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:				
Revenue from use of money and property	\$ 200	\$ 200	\$ 1,392	\$ 1,192
Aid from other governmental agencies	400,775	400,775	414,817	14,042
Charges for current services	275	275	497	222
Other revenues	2,493	2,493	3,166	673
Total revenues	403,743	403,743	419,872	16,129
Expenditures:				
Public assistance	621,449	643,234	630,877	12,357
Debt service	7,454	7,454	7,022	432
Total expenditures	628,903	650,688	637,899	12,789
Excess (deficiency) of revenues over (under) expenses	(225,160)	(246,945)	(218,027)	28,918
Other financing sources (uses):				
Transfers in	244,640	244,640	220,470	(24,170)
Transfers out	-	-	(605)	(605)
Total other financing sources (uses)	244,640	244,640	219,865	(24,775)
Net change in fund balances	19,480	(2,305)	1,838	4,143
Fund balances, July 1, 2023	71,239	71,239	71,239	-
Fund balances, June 30, 2024	\$ 90,719	\$ 68,934	\$ 73,077	\$ 4,143

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 637,899
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(875)
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	(3,323)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 633,701
Actual other financing sources amount budgetary basis from the budgetary comparison schedule	219,865
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	(3,323)
Total financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ 216,542

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
STRUCTURAL FIRE
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:				
Taxes	\$ 120,677	\$ 120,677	\$ 123,676	\$ 2,999
Licenses, permits, and franchises	2,500	2,500	2,863	363
Fines, forfeitures, and penalties	82	82	145	63
Revenue from use of money and property	171	171	1,750	1,579
Aid from other governmental agencies	7,409	7,409	12,876	5,467
Charges for current services	53,389	53,389	57,897	4,508
Other revenues	2,009	2,009	3,137	1,128
Total revenues	186,237	186,237	202,344	16,107
Expenditures:				
Public protection	215,690	234,051	220,740	13,311
Debt service	494	494	494	-
Total expenditures	216,184	234,545	221,234	13,311
Excess (deficiency) of revenues over (under) expenses	(29,947)	(48,308)	(18,890)	29,418
Other financing sources (uses):				
Transfers in	43,870	43,870	24,796	(19,074)
Transfers out	(8,188)	(10,439)	(2,079)	8,360
Total other financing sources (uses)	35,682	33,431	22,717	(10,714)
Net change in fund balances	5,735	(14,877)	3,827	18,704
Fund balances, July 1, 2023	70,509	70,509	70,509	-
Fund balances, June 30, 2024	\$ 76,244	\$ 55,632	\$ 74,336	\$ 18,704
Explanation of differences between budgetary expenditures and GAAP expenditures:				
Actual expenditure amount budgetary basis from the budgetary comparison schedule				\$ 221,234
Differences - Budget to GAAP				
Encumbrance for goods and/or services ordered but not received within the recognition period				(765)
Capital outlay for Inception of SBITAs are expenditures for financial reporting purposes but are not outflows of budgetary resources				477
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes				(4,466)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances				216,480
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule				22,717
Inception of SBITAs issued are financing sources for financial reporting purposes but not inflows of budgetary resources				236
Inception of Leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources				241
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes				(4,466)
Total Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances				\$ 18,728



COUNTY OF KERN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

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 lease 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, Department of 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.

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.

COUNTY OF KERN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

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. 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/cafr/>

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 \$63,143 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
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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

Last 10 Fiscal Years*

Reporting Fiscal Years	Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2015	6/30/2014	91.914%	\$ 1,901,916	\$ 390,175	487.45%	63.49%
6/30/2016	6/30/2015	91.290%	2,011,197	405,150	496.41%	62.36%
6/30/2017	6/30/2016	90.800%	2,191,581	395,299	554.41%	59.82%
6/30/2018	6/30/2017	77.683%	1,836,402	401,455	457.44%	62.97%
6/30/2019†	6/30/2018	76.586%	1,785,079	407,334	438.23%	64.67%
6/30/2020	6/30/2019	75.842%	1,806,945	422,275	427.91%	65.04%
6/30/2021	6/30/2020	74.671%	1,987,666	418,437	475.02%	63.13%
6/30/2022	6/30/2021	74.316%	1,404,104	433,696	323.75%	74.66%
6/30/2023	6/30/2022	74.612%	1,775,600	429,104	413.79%	68.84%
6/30/2024	6/30/2023	75.718%	1,902,291	484,327	392.77%	69.31%

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*

Reporting Fiscal Years	Actuarially Determined Contribution	County's Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2015	\$ 194,907	\$ 194,907	\$ -	\$ 405,150	48.11%
6/30/2016	198,049	198,049	-	395,299	50.10%
6/30/2017	174,267	174,267	-	401,455	43.41%
6/30/2018	188,408	188,408	-	407,334	46.25%
6/30/2019	198,221	198,221	-	422,275	46.94%
6/30/2020	206,270	206,270	-	418,437	49.30%
6/30/2021	211,831	211,831	-	433,696	48.84%
6/30/2022	233,481	233,481	-	429,104	54.41%
6/30/2023	256,579	256,579	-	436,143	58.83%
6/30/2024‡	282,706	282,706	-	484,327	58.37%

Notes to Schedule:

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

Valuation date:

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Entry Age Normal

Remaining amortization period

12.5 years as of June 30, 2023

Remaining amortization period

Market value basis, less unrecognized returns over each of the last five years

Inflation

2.75%

Projected salary increase

General: 4.00% to 8.75% and Safety: 3.75% to 12.00%, varying by service, including cost of living adjustments limited to 2.50%.

Investment rate of return

7.25%, net of pension plan investment expense, including inflation

Retirement age

General Age Non-Reciprocal: 56, General Age Reciprocal: 60, Safety Age: 51

* 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

YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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

Last 6 Fiscal Years*

Reporting Fiscal Years	Measurement Date	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Payroll†	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
6/30/2018	6/30/2018	92.763%	55,195	356,748	15.47%	56.56%
6/30/2019	6/30/2019	92.493%	46,482	369,234	12.59%	62.67%
6/30/2020	6/30/2020	91.917%	42,679	221,937	19.23%	66.03%
6/30/2021	6/30/2021	91.754%	18,400	215,167	8.55%	84.90%
6/30/2022	6/30/2022	90.219%	66,567	203,766	32.67%	57.54%
6/30/2023	6/30/2023	89.962%	63,409	203,846	31.11%	60.54%
6/30/2024	6/30/2024	94.737%	(26,148)	194,338	(13.45)%	128.92%

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

SCHEDULE OF OPEB CONTRIBUTIONS

Last 6 Fiscal Years*

Reporting Fiscal Years	Actuarially Determined Contribution	County's Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2018	\$ 11,921	9,725	2,196	\$ 404,925	2.40%
6/30/2019	9,838	10,078	(240)	419,097	2.40%
6/30/2020	8,853	10,748	(1,895)	249,328	4.31%
6/30/2021	9,801	9,193	608	241,340	3.81%
6/30/2022	-	9,242	(9,242)	227,687	4.06%
6/30/2023	N/A	8,921	N/A	203,846	4.38%
6/30/2024	N/A	9,989	N/A	194,338	5.14%

Notes to schedule:

Methods and assumptions used to determine contribution rates:

Valuation date:	June 30, 2024
Actuarial cost method:	Entry Age Normal, level percentage of compensation
Asset valuation method:	Market value basis
Discount rate:	6.50% based on asset allocation in PARS OPEB Trust and County contributions of \$70 per pay period per eligible employee and the eligible employees contributing 2.12% of payroll for the Supplement
Payroll growth:	Inflation of 2.50% per year plus "across the board" real salary increases of .50% per year.
Projected salary increase;	General: 0.70% to 5.25% and Safety: 1.00% to 8.00%, varying by service, including inflation (actual increases contingent upon CPI increases with a 2.50 % maximum)
Trend rates:	
Supplement	Bargaining Units 7,F,O,Q,T,V,Y: 7.50% to 2024/25 grading down by 0.25% per year to an ultimate rate of 4.50%. Supplement is fixed for all other bargaining units.
Mortality rate	Headcount-Weighted Mortality Tables
Benefit changes:	2024 and 2025 retiree premium increases to reduce the plan's implicit subsidies Benefit clarifications related to future increases to the Supplement for certain bargaining units, as well as clarifications regarding which employees have opted out of the Supplement and Stipend benefits in lieu of a cash-out of their employee contributions at retirement.

COUNTY OF KERN

YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

Notes to schedule continued:

Changes of assumptions:

The participation assumptions were updated based on the plan's recent experience. The main changes include (1) a change to the participation rate from 100% to 80% for non-Medicare retirees who are eligible for a Supplement and Stipend, (2) a change to the participation rate from 70% to 80% for non-Medicare retirees not eligible for a Supplement, and (3) the addition of a 33% discontinuance assumption at age 65 for retirees who were participating in the plan prior to age 65. The updates to the participation assumptions decreases the TOL. The actuarial factors used to estimate individual retiree and spouse costs by age and by gender were updated. The new factors are based on a review of historical claims experience by age, gender, and status (active vs retired) from actuarial's claims data warehouse. The update to the age utilization factor increased the TOL.

**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, 2024 (IN THOUSANDS)**

	NON-MAJOR SPECIAL REVENUE FUNDS	NON-MAJOR CAPITAL PROJECTS FUNDS	NON-MAJOR DEBT SERVICE FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled cash and investments	\$ 287,395	\$ 142,710	\$ 2,694	\$ 432,799
Revolving fund cash	25	-	-	25
Cash and investments deposited with trustee	-	34,094	351	34,445
Interest receivable	1,519	1,078	30	2,627
Taxes receivable	171	-	-	171
Accounts receivable, net	727	-	-	727
Accrued revenue	44,360	-	-	44,360
Due from other funds	9,314	-	-	9,314
Due from other agencies	821	-	-	821
Housing loans receivable	15,574	-	-	15,574
Housing loans interest receivable	3,811	-	-	3,811
Inventory - materials and supplies	5,103	-	-	5,103
Total assets	<u>\$ 368,820</u>	<u>\$ 177,882</u>	<u>\$ 3,075</u>	<u>\$ 549,777</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 12,108	\$ 1,814	\$ 41	\$ 13,963
Salaries and employee benefits payable	2,229	-	-	2,229
Due to other funds	25,081	-	-	25,081
Unearned revenue	289	-	-	289
Due to other agencies	680	-	-	680
Total liabilities	<u>40,387</u>	<u>1,814</u>	<u>41</u>	<u>42,242</u>
Deferred inflows of resources:				
Deferred housing loan payments	19,385	-	-	19,385
Unavailable revenue - property tax	154	-	-	154
Total deferred inflows of resources	<u>19,539</u>	<u>-</u>	<u>-</u>	<u>19,539</u>
Fund balances:				
Nonspendable	5,103	-	-	5,103
Restricted	272,351	34,124	3,034	309,509
Committed	29,147	-	-	29,147
Assigned	2,505	142,249	-	144,754
Unassigned	(212)	(305)	-	(517)
Total fund balances	<u>308,894</u>	<u>176,068</u>	<u>3,034</u>	<u>487,996</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 368,820</u>	<u>\$ 177,882</u>	<u>\$ 3,075</u>	<u>\$ 549,777</u>

COUNTY OF KERN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	NON-MAJOR SPECIAL REVENUE FUNDS	NON-MAJOR CAPITAL PROJECTS FUNDS	NON-MAJOR DEBT SERVICE FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 4,259	\$ -	\$ -	\$ 4,259
Licenses, permits, and franchises	19,586	-	-	19,586
Fines, forfeitures, and penalties	6,616	-	-	6,616
Revenue from use of money and property	7,927	4,593	1,084	13,604
Aid from other governmental agencies	271,777	3,774	-	275,551
Charges for current services	21,237	-	-	21,237
Other revenues	12,234	-	1,133	13,367
Total revenues	<u>343,636</u>	<u>8,367</u>	<u>2,217</u>	<u>354,220</u>
Expenditures:				
General government	5,761	-	1,188	6,949
Public protection	48,024	-	-	48,024
Public ways and facilities	20,636	-	-	20,636
Health and sanitation	28,917	-	-	28,917
Public assistance	56,377	-	-	56,377
Capital outlay	68,614	18,673	-	87,287
Debt service:				
Principal	1,865	-	20,125	21,990
Interest	131	-	14,088	14,219
Total expenditures	<u>230,325</u>	<u>18,673</u>	<u>35,401</u>	<u>284,399</u>
Excess (deficiency) of revenues over expenditures	<u>113,311</u>	<u>(10,306)</u>	<u>(33,184)</u>	<u>69,821</u>
Other financing sources (uses):				
Transfers in	40,262	50,591	33,117	123,970
Transfers out	(164,235)	-	-	(164,235)
Leases Issued	62	-	-	62
SBITAS Issued	142	-	-	142
Total other financing sources (uses)	<u>(123,769)</u>	<u>50,591</u>	<u>33,117</u>	<u>(40,061)</u>
Net change in fund balances	(10,458)	40,285	(67)	29,760
Fund balances, July 1, 2023	<u>319,352</u>	<u>135,783</u>	<u>3,101</u>	<u>458,236</u>
Fund balances, June 30, 2024	<u>\$ 308,894</u>	<u>\$ 176,068</u>	<u>\$ 3,034</u>	<u>\$ 487,996</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.

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.

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.

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.

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

Finance:

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

Health:

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

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

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

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

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

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

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

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

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

Opioid Settlement Fund - This fund accounts for monies received from the settlement of the litigation of Opioid's. Funds are limited for the specific uses of creating new or expanded SUD treatment, and interventions to prevent drug addiction in vulnerable youth.

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.

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

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

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

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.

Vital & Health Stat-Co. Clerk - To retain 50% of the \$2 VRIP surcharge (SB 1535 Chapter 1594, Statutes of 1988) collected by the County of Kern to be used for local automation for reimbursement to the County Clerk for allowable expenditures.

Hospital Care:

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

Judicial:

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

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

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

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

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

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

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

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

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

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

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

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

Other Public Protection:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

BSCC - Officer Wellness and Mental Health Grant - This fund accounts for monies received for the Officer Wellness and Mental Health Grant Program, established in the 2022 Budget Act (Assembly Bill 178, Ch. 45, Statutes of 2022). This will provide \$50 million for City and County law enforcement agencies for the purpose of improving officer wellness and expanding mental health resources.

Promotion:

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

Property Management:

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

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

Public Assistance Administration:

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

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

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

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

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

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

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

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

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

CD-NSP 3 Grant - This fund accounts for grant funds awarded to mitigate the negative impact of the nation's economic decline and housing market collapse. Funds are restricted and regulated to help stabilize and revitalize communities hit the hardest as a result of abandoned and foreclosed residential properties. Half of funds are to be expended within two years; and all funds are to be expended within three years.

Public Ways:

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

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

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

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

Recreation Facilities:

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

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

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

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
JUNE 30, 2024 (IN THOUSANDS)**

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	<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	\$ 1,484	\$ 876	\$ 859	\$ 25,454
Revolving fund cash	5	2	3	-
Interest receivable	4	22	6	62
Taxes receivable	-	-	-	-
Accounts receivable, net	-	-	-	-
Accrued revenue	7,784	876	54	-
Due from other funds	312	-	-	322
Due from other agencies	-	-	-	257
Housing loans receivable	-	-	-	-
Housing loans interest receivable	-	-	-	-
Inventory - materials and supplies	-	-	-	-
Total assets	<u>\$ 9,589</u>	<u>\$ 1,776</u>	<u>\$ 922</u>	<u>\$ 26,095</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,024	\$ 291	\$ -	\$ 300
Salaries and employee benefits payable	834	1,017	10	-
Due to other funds	6,338	-	-	-
Unearned revenue	26	-	-	-
Due to other agencies	-	680	-	-
Total liabilities	<u>8,222</u>	<u>1,988</u>	<u>10</u>	<u>300</u>
Deferred inflows of resources	-	-	-	-
Deferred housing loan payments	-	-	-	-
Unavailable revenue - property tax	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	-	912	25,795
Committed	1,367	-	-	-
Assigned	-	-	-	-
Unassigned	-	(212)	-	-
Total fund balances	<u>1,367</u>	<u>(212)</u>	<u>912</u>	<u>25,795</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,589</u>	<u>\$ 1,776</u>	<u>\$ 922</u>	<u>\$ 26,095</u>

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 JUNE 30, 2024 (IN THOUSANDS)**

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	<u>EDUCATION</u>	<u>ENVIRONMENTAL HEALTH SERVICES</u>	<u>FINANCE</u>	<u>HEALTH</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled cash and investments	\$ 474	\$ 4,239	\$ 2,532	\$ 67,051
Revolving fund cash	-	-	-	-
Interest receivable	5	72	-	131
Taxes receivable	-	-	-	21
Accounts receivable, net	-	-	-	-
Accrued revenue	-	-	-	6,239
Due from other funds	-	-	-	8,276
Due from other agencies	-	-	-	11
Housing loans receivable	-	-	-	-
Housing loans interest receivable	-	-	-	-
Inventory - materials and supplies	-	-	-	-
Total assets	<u>\$ 479</u>	<u>\$ 4,311</u>	<u>\$ 2,532</u>	<u>\$ 81,729</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 336	\$ -	\$ 90
Salaries and employee benefits payable	-	296	-	-
Due to other funds	-	-	-	8,266
Unearned revenue	-	-	-	-
Due to other agencies	-	-	-	-
Total liabilities	<u>-</u>	<u>632</u>	<u>-</u>	<u>8,356</u>
Deferred inflows of resources	-	-	-	-
Deferred housing loan payments	-	-	-	-
Unavailable revenue - property tax	-	-	-	12
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	479	3,679	2,532	73,361
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>479</u>	<u>3,679</u>	<u>2,532</u>	<u>73,361</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 479</u>	<u>\$ 4,311</u>	<u>\$ 2,532</u>	<u>\$ 81,729</u>

	<u>HOSPITAL CARE</u>	<u>JUDICIAL</u>	<u>OTHER PUBLIC PROTECTION</u>	<u>PLANT ACQUISITION</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled cash and investments	\$ 5,348	\$ 30,801	\$ 25,415	\$ 6,874
Revolving fund cash	-	-	11	-
Interest receivable	51	31	183	63
Taxes receivable	-	-	2	-
Accounts receivable, net	-	-	670	-
Accrued revenue	-	14,485	-	-
Due from other funds	-	-	30	-
Due from other agencies	282	46	200	-
Housing loans receivable	-	-	-	-
Housing loans interest receivable	-	-	-	-
Inventory - materials and supplies	-	-	-	-
Total assets	<u>\$ 5,681</u>	<u>\$ 45,363</u>	<u>\$ 26,511</u>	<u>\$ 6,937</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 117	\$ -	\$ 184	\$ -
Salaries and employee benefits payable	-	-	-	-
Due to other funds	-	9,415	12	-
Unearned revenue	-	263	-	-
Due to other agencies	-	-	-	-
Total liabilities	<u>117</u>	<u>9,678</u>	<u>196</u>	<u>-</u>
Deferred inflows of resources	-	-	-	-
Deferred housing loan payments	-	-	-	-
Unavailable revenue - property tax	-	-	2	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	5,564	35,685	6,875	1,330
Committed	-	-	19,438	5,607
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>5,564</u>	<u>35,685</u>	<u>26,313</u>	<u>6,937</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,681</u>	<u>\$ 45,363</u>	<u>\$ 26,511</u>	<u>\$ 6,937</u>

**COUNTY OF KERN
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 JUNE 30, 2024 (IN THOUSANDS)**

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	<u>POLICE PROTECTION</u>	<u>PROMOTION</u>	<u>PROPERTY MANAGEMENT</u>	<u>PUBLIC ASSISTANCE ADMINISTRATION</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Pooled cash and investments	\$ 9,901	\$ 135	\$ 4,989	\$ 22,738
Revolving fund cash	-	-	-	-
Interest receivable	92	1	49	68
Taxes receivable	-	-	-	-
Accounts receivable, net	-	-	39	-
Accrued revenue	-	-	-	2,347
Due from other funds	-	-	-	163
Due from other agencies	25	-	-	-
Housing loans receivable	-	-	-	15,574
Housing loans interest receivable	-	-	-	3,811
Inventory - materials and supplies	-	-	-	-
Total assets	<u>\$ 10,018</u>	<u>\$ 136</u>	<u>\$ 5,077</u>	<u>\$ 44,701</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ (5)	\$ -	\$ -	\$ 1,989
Salaries and employee benefits payable	-	-	-	-
Due to other funds	-	-	-	902
Unearned revenue	-	-	-	-
Due to other agencies	-	-	-	-
Total liabilities	<u>(5)</u>	<u>-</u>	<u>-</u>	<u>2,891</u>
Deferred inflows of resources	-	-	-	-
Deferred housing loan payments	-	-	-	19,385
Unavailable revenue - property tax	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,385</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	9,996	-	-	22,425
Committed	27	-	2,708	-
Assigned	-	136	2,369	-
Unassigned	-	-	-	-
Total fund balances	<u>10,023</u>	<u>136</u>	<u>5,077</u>	<u>22,425</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,018</u>	<u>\$ 136</u>	<u>\$ 5,077</u>	<u>\$ 44,701</u>

	<u>PUBLIC WAYS</u>	<u>RECORDER</u>	<u>RECREATION FACILITIES</u>	<u>ROADS</u>	<u>TOTAL NON-MAJOR SPECIAL REVENUE FUNDS</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
Assets:					
Pooled cash and investments	\$ 14,967	\$ 4,676	\$ 1,543	\$ 57,039	\$ 287,395
Revolving fund cash	-	4	-	-	25
Interest receivable	100	43	3	533	1,519
Taxes receivable	148	-	-	-	171
Accounts receivable, net	-	15	-	3	727
Accrued revenue	-	-	-	12,575	44,360
Due from other funds	11	-	-	200	9,314
Due from other agencies	-	-	-	-	821
Housing loans receivable	-	-	-	-	15,574
Housing loans interest receivable	-	-	-	-	3,811
Inventory - materials and supplies	-	-	-	5,103	5,103
Total assets	<u>\$ 15,226</u>	<u>\$ 4,738</u>	<u>\$ 1,546</u>	<u>\$ 75,453</u>	<u>\$ 368,820</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 329	\$ 78	\$ -	\$ 7,375	\$ 12,108
Salaries and employee benefits payable	-	72	-	-	2,229
Due to other funds	43	-	-	105	25,081
Unearned revenue	-	-	-	-	289
Due to other agencies	-	-	-	-	680
Total liabilities	<u>372</u>	<u>150</u>	<u>-</u>	<u>7,480</u>	<u>40,387</u>
Deferred inflows of resources	-	-	-	-	19,385
Deferred housing loan payments	-	-	-	-	154
Unavailable revenue - property tax	140	-	-	-	154
Total deferred inflows of resources	<u>140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,539</u>
Fund balances:					
Nonspendable	-	-	-	5,103	5,103
Restricted	14,714	4,588	1,546	62,870	272,351
Committed	-	-	-	-	29,147
Assigned	-	-	-	-	2,505
Unassigned	-	-	-	-	(212)
Total fund balances	<u>14,714</u>	<u>4,588</u>	<u>1,546</u>	<u>67,973</u>	<u>308,894</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,226</u>	<u>\$ 4,738</u>	<u>\$ 1,546</u>	<u>\$ 75,453</u>	<u>\$ 368,820</u>



COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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	AGING & ADULT SERVICES	CHILD SUPPORT SERVICES	COUNTY CLERK	DETENTION AND CORRECTIONS
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	299	-
Fines, forfeitures, and penalties	-	-	-	1,660
Revenue from use of money and property	(56)	139	20	268
Aid from other governmental agencies	27,009	28,698	-	9,201
Charges for current services	2,385	-	422	-
Other revenues	527	7	56	-
Total revenues	29,865	28,844	797	11,129
Expenditures:				
General government	-	-	-	-
Public protection	-	27,536	492	2,752
Public ways and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	30,114	-	-	-
Capital outlay	417	219	-	-
Debt service:				
Principal	598	1,023	-	-
Interest	32	67	-	-
Total expenditures	31,161	28,845	492	2,752
Excess (deficiency) of revenues over expenditures	(1,296)	(1)	305	8,377
Other financing sources (uses):				
Transfers in	3,588	26	3	8,118
Transfers out	(261)	(762)	(6)	(13,536)
Leases Issued	62	-	-	-
SBITAS Issued	87	47	-	-
Total other financing sources (uses)	3,476	(689)	(3)	(5,418)
Net change in fund balances	2,180	(690)	302	2,959
Fund balances, July 1, 2023	(813)	478	610	22,836
Fund balances, June 30, 2024	<u>\$ 1,367</u>	<u>\$ (212)</u>	<u>\$ 912</u>	<u>\$ 25,795</u>

COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

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	EDUCATION	ENVIRONMENTAL HEALTH SERVICES	FINANCE	HEALTH
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 878
Licenses, permits, and franchises	-	4,584	-	-
Fines, forfeitures, and penalties	-	141	231	312
Revenue from use of money and property	24	368	15	1,212
Aid from other governmental agencies	-	68	-	378
Charges for current services	-	3,981	-	785
Other revenues	-	-	-	9,361
Total revenues	<u>24</u>	<u>9,142</u>	<u>246</u>	<u>12,926</u>
Expenditures:				
General government	-	-	-	-
Public protection	-	-	-	-
Public ways and facilities	-	-	-	-
Health and sanitation	-	10,219	-	17,469
Public assistance	-	-	-	-
Capital outlay	-	333	-	170
Debt service:				
Principal	-	159	-	-
Interest	-	28	-	-
Total expenditures	<u>-</u>	<u>10,739</u>	<u>-</u>	<u>17,639</u>
Excess (deficiency) of revenues over expenditures	<u>24</u>	<u>(1,597)</u>	<u>246</u>	<u>(4,713)</u>
Other financing sources (uses):				
Transfers in	-	136	-	-
Transfers out	(86)	(172)	(110)	(1,164)
Leases Issued	-	-	-	-
SBITAS Issued	-	-	-	-
Total other financing sources (uses)	<u>(86)</u>	<u>(36)</u>	<u>(110)</u>	<u>(1,164)</u>
Net change in fund balances	(62)	(1,633)	136	(5,877)
Fund balances, July 1, 2023	<u>541</u>	<u>5,312</u>	<u>2,396</u>	<u>79,238</u>
Fund balances, June 30, 2024	<u>\$ 479</u>	<u>\$ 3,679</u>	<u>\$ 2,532</u>	<u>\$ 73,361</u>

	HOSPITAL CARE	JUDICIAL	OTHER PUBLIC PROTECTION	PLANT ACQUISITION
Revenues:				
Taxes	\$ -	\$ -	\$ 480	\$ -
Licenses, permits, and franchises	-	85	11,335	-
Fines, forfeitures, and penalties	1,614	683	151	-
Revenue from use of money and property	211	575	796	264
Aid from other governmental agencies	-	110,819	-	-
Charges for current services	-	632	2,343	135
Other revenues	-	30	2	-
Total revenues	1,825	112,824	15,107	399
Expenditures:				
General government	-	-	-	-
Public protection	-	3,669	13,577	-
Public ways and facilities	-	-	-	-
Health and sanitation	1,229	-	-	-
Public assistance	-	-	-	-
Capital outlay	-	-	194	-
Debt service:				
Principal	-	-	44	-
Interest	-	-	-	-
Total expenditures	1,229	3,669	13,815	-
Excess (deficiency) of revenues over expenditures	596	109,155	1,292	399
Other financing sources (uses):				
Transfers in	-	-	3,253	-
Transfers out	(328)	(121,509)	(2,028)	-
Leases Issued	-	-	-	-
SBITAS Issued	-	-	-	-
Total other financing sources (uses)	(328)	(121,509)	1,225	-
Net change in fund balances	268	(12,354)	2,517	399
Fund balances, July 1, 2023	5,296	48,039	23,796	6,538
Fund balances, June 30, 2024	\$ 5,564	\$ 35,685	\$ 26,313	\$ 6,937

COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

Page 3 of 3

	POLICE PROTECTION	PROMOTION	PROPERTY MANAGEMENT	PUBLIC ASSISTANCE ADMINISTRATION
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	326	-
Fines, forfeitures, and penalties	1,807	-	-	-
Revenue from use of money and property	419	8	190	505
Aid from other governmental agencies	311	-	-	20,353
Charges for current services	507	-	732	6,048
Other revenues	2,000	-	-	98
Total revenues	<u>5,044</u>	<u>8</u>	<u>1,248</u>	<u>27,004</u>
Expenditures:				
General government	-	-	1,808	-
Public protection	-	-	-	-
Public ways and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	26,263
Capital outlay	-	-	161	-
Debt service:				
Principal	-	-	18	-
Interest	-	-	4	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,991</u>	<u>26,263</u>
Excess (deficiency) of revenues over expenditures	<u>5,044</u>	<u>8</u>	<u>(743)</u>	<u>741</u>
Other financing sources (uses):				
Transfers in	-	-	1,475	14,062
Transfers out	(5,873)	(31)	(226)	(17,516)
Leases Issued	-	-	-	-
SBITAS Issued	-	-	-	-
Total other financing sources (uses)	<u>(5,873)</u>	<u>(31)</u>	<u>1,249</u>	<u>(3,454)</u>
Net change in fund balances	(829)	(23)	506	(2,713)
Fund balances, July 1, 2023	<u>10,852</u>	<u>159</u>	<u>4,571</u>	<u>25,138</u>
Fund balances, June 30, 2024	<u>\$ 10,023</u>	<u>\$ 136</u>	<u>\$ 5,077</u>	<u>\$ 22,425</u>

	PUBLIC WAYS	RECORDER	RECREATION FACILITIES	ROADS	TOTAL NON- MAJOR SPECIAL REVENUE FUNDS
Revenues:					
Taxes	\$ 2,896	\$ -	\$ -	\$ 5	\$ 4,259
Licenses, permits, and franchises	214	3	-	2,740	19,586
Fines, forfeitures, and penalties	17	-	-	-	6,616
Revenue from use of money and property	430	203	14	2,322	7,927
Aid from other governmental agencies	-	-	114	74,826	271,777
Charges for current services	2	2,196	71	998	21,237
Other revenues	-	7	1	145	12,234
Total revenues	3,559	2,409	200	81,036	343,636
Expenditures:					
General government	-	3,951	-	-	5,759
Public protection	-	-	-	-	48,026
Public ways and facilities	2,911	-	-	17,725	20,636
Health and sanitation	-	-	-	-	28,917
Public assistance	-	-	-	-	56,377
Capital outlay	-	18	-	67,102	68,614
Debt service:					
Principal	-	-	-	23	1,865
Interest	-	-	-	-	131
Total expenditures	2,911	3,969	-	84,850	230,325
Excess (deficiency) of revenues over expenditures	648	(1,560)	200	(3,814)	113,311
Other financing sources (uses):					
Transfers in	100	1,466	-	8,035	40,262
Transfers out	-	(106)	(3)	(518)	(164,235)
Leases Issued	-	-	-	-	62
SBITAS Issued	-	-	-	8	142
Total other financing sources (uses)	100	1,360	(3)	7,525	(123,769)
Net change in fund balances	748	(200)	197	3,711	(10,458)
Fund balances, July 1, 2023	13,966	4,788	1,349	64,262	319,352
Fund balances, June 30, 2024	\$ 14,714	\$ 4,588	\$ 1,546	\$ 67,973	\$ 308,894

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
AGING & ADULT SERVICES
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 3	\$ 3	\$ (56)	\$ (59)
Aid from other governmental agencies	26,531	26,531	27,009	478
Charges for current services	3,208	3,208	2,385	(823)
Other revenues	403	403	527	124
Total revenues	<u>30,145</u>	<u>30,145</u>	<u>29,865</u>	<u>(280)</u>
Expenditures:				
Public assistance	33,105	33,546	30,643	2,903
Debt service	630	630	630	-
Total expenditures	<u>33,735</u>	<u>34,176</u>	<u>31,273</u>	<u>2,903</u>
Excess (deficiency) of revenues over (under) expenses	<u>(3,590)</u>	<u>(4,031)</u>	<u>(1,408)</u>	<u>2,623</u>
Other financing sources (uses):				
Transfers in	<u>3,588</u>	<u>3,588</u>	<u>3,588</u>	<u>-</u>
Total other financing sources (uses)	<u>3,588</u>	<u>3,588</u>	<u>3,588</u>	<u>-</u>
Net change in fund balances	(2)	(443)	2,180	2,623
Fund balances, July 1, 2023	<u>(813)</u>	<u>(813)</u>	<u>(813)</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ (815)</u>	<u>\$ (1,256)</u>	<u>\$ 1,367</u>	<u>\$ 2,623</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 31,273
Differences - budget to GAAP	
Capital outlay for leases and SBITAs are expenditures for financial reporting purposes but are not outflows of budgetary resources	149
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	(261)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>31,161</u>

Actual other financing sources amount budgetary basis from the budgetary comparison schedule

Inception of leases issued are financing sources for financial reporting purposes but not inflows of budgetary resources	62
Inception of SBITAs issued are financing sources for financial reporting purposes but not inflows of budgetary resources	87
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	(261)
Total other financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 3,476</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
CHILD SUPPORT SERVICES
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 31	\$ 31	\$ 139	\$ 108
Aid from other governmental agencies	34,662	34,662	28,698	(5,964)
Other revenues	1	1	7	6
Total revenues	<u>34,694</u>	<u>34,694</u>	<u>28,844</u>	<u>(5,850)</u>
Expenditures:				
Public protection	33,632	33,851	28,483	5,368
Debt service	1,090	1,090	1,090	-
Total expenditures	<u>34,722</u>	<u>34,941</u>	<u>29,573</u>	<u>5,368</u>
Excess (deficiency) of revenues over (under) expenses	<u>(28)</u>	<u>(247)</u>	<u>(729)</u>	<u>(482)</u>
Other financing sources (uses):				
Transfers in	27	27	26	(1)
Total other financing sources (uses)	<u>27</u>	<u>27</u>	<u>26</u>	<u>(1)</u>
Net change in fund balances	(1)	(220)	(703)	(483)
Fund balances, July 1, 2023	478	478	478	-
Fund balances, June 30, 2024	<u>\$ 477</u>	<u>\$ 258</u>	<u>\$ (225)</u>	<u>\$ (483)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 29,573
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(13)
Capital outlay are expenditures for financial reporting purposes but are not outflows of budgetary resources	47
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(762)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>28,845</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	26
Inception of SBITAs issued are financing sources for financial reporting purposes but not inflows of budgetary resources	47
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(762)</u>
Total Other Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ (689)</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
COUNTY CLERK
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Licenses, permits, and franchises	\$ 340	\$ 340	\$ 299	\$ (41)
Revenue from use of money and property	4	4	20	16
Charges for current services	401	401	422	21
Other revenues	-	-	56	56
Total revenues	<u>745</u>	<u>745</u>	<u>797</u>	<u>52</u>
Expenditures:				
Public protection	<u>827</u>	<u>827</u>	<u>498</u>	<u>329</u>
Total expenditures	<u>827</u>	<u>827</u>	<u>498</u>	<u>329</u>
Excess (deficiency) of revenues over (under) expenses	<u>(82)</u>	<u>(82)</u>	<u>299</u>	<u>381</u>
Other financing sources (uses):				
Transfers in	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>
Total other financing sources (uses):	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>
Net change in fund balances	(79)	(79)	302	381
Fund balances, July 1, 2023	<u>610</u>	<u>610</u>	<u>610</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 531</u>	<u>\$ 531</u>	<u>\$ 912</u>	<u>\$ 381</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount on budgetary basis from the budgetary comparison schedule	\$ 498
Differences - Budget to GAAP	
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(6)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>492</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule	3
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(6)</u>
Total other financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ (3)</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
DETENTION AND CORRECTIONS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Fines, forfeitures, and penalties	\$ 1,415	\$ 1,415	\$ 1,660	\$ 245
Revenue from use of money and property	49	49	268	219
Aid from other governmental agencies	<u>1,212</u>	<u>1,212</u>	<u>9,201</u>	<u>7,989</u>
Total revenues	<u>2,676</u>	<u>2,676</u>	<u>11,129</u>	<u>8,453</u>
Expenditures:				
Public protection	<u>1,685</u>	<u>8,288</u>	<u>2,883</u>	<u>5,405</u>
Total expenditures	<u>1,685</u>	<u>8,288</u>	<u>2,883</u>	<u>5,405</u>
Excess (deficiency) of revenues over (under) expenses	<u>991</u>	<u>(5,612)</u>	<u>8,246</u>	<u>13,858</u>
Other financing sources (uses):				
Transfers in	8,049	8,049	8,118	69
Transfers out	<u>(15,818)</u>	<u>(16,379)</u>	<u>(13,536)</u>	<u>2,843</u>
Total other financing sources (uses)	<u>(7,769)</u>	<u>(8,330)</u>	<u>(5,418)</u>	<u>2,912</u>
Net change in fund balances	(6,778)	(13,942)	2,828	16,770
Fund balances, July 1, 2023	<u>22,836</u>	<u>22,836</u>	<u>22,836</u>	-
Fund balances, June 30, 2024	<u>\$ 16,058</u>	<u>\$ 8,894</u>	<u>\$ 25,664</u>	<u>\$ 16,770</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 2,883
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(131)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 2,752</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
EDUCATION
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 8	\$ 8	\$ 24	\$ 16
Other revenues	120	120	-	(120)
Total revenues	<u>128</u>	<u>128</u>	<u>24</u>	<u>(104)</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenses	<u>128</u>	<u>128</u>	<u>24</u>	<u>(104)</u>
Other financing sources (uses):				
Transfers out	<u>(235)</u>	<u>(235)</u>	<u>(86)</u>	<u>149</u>
Total other financing sources (uses)	<u>(235)</u>	<u>(235)</u>	<u>(86)</u>	<u>149</u>
Net change in fund balances	(107)	(107)	(62)	45
Fund balances, July 1, 2023	<u>541</u>	<u>541</u>	<u>541</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 434</u>	<u>\$ 434</u>	<u>\$ 479</u>	<u>\$ 45</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
ENVIRONMENTAL HEALTH SERVICES
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Licenses, permits, and franchises	\$ 4,553	\$ 4,553	\$ 4,584	\$ 31
Fines, forfeitures, and penalties	100	100	141	41
Revenue from use of money and property	60	60	368	308
Aid from other governmental agencies	35	35	68	33
Charges for current services	4,793	4,793	3,981	(812)
Other revenues	5	5	-	(5)
Total revenues	<u>9,546</u>	<u>9,546</u>	<u>9,142</u>	<u>(404)</u>
Expenditures:				
Health and sanitation	11,212	11,221	10,724	497
Debt service	187	187	187	-
Total expenditures	<u>11,399</u>	<u>11,408</u>	<u>10,911</u>	<u>497</u>
Excess (deficiency) of revenues over (under) expenses	<u>(1,853)</u>	<u>(1,862)</u>	<u>(1,769)</u>	<u>93</u>
Other financing sources (uses):				
Transfers in	487	487	136	(351)
Total other financing sources (uses)	<u>487</u>	<u>487</u>	<u>136</u>	<u>(351)</u>
Net change in fund balances	(1,366)	(1,375)	(1,633)	(258)
Fund balances, July 1, 2023	<u>5,312</u>	<u>5,312</u>	<u>5,312</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 3,946</u>	<u>\$ 3,937</u>	<u>\$ 3,679</u>	<u>\$ (258)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 10,911
Differences - Budget to GAAP	
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(172)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>10,739</u>
Actual other financing sources amount on budgetary basis from the budgetary comparison schedule	136
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(172)</u>
Total other financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ (36)</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
FINANCE
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Fines, forfeitures, and penalties	\$ 200	\$ 200	\$ 231	\$ 31
Revenue from use of money and property	-	-	15	15
Total revenues	<u>200</u>	<u>200</u>	<u>246</u>	<u>46</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenses	<u>200</u>	<u>200</u>	<u>246</u>	<u>46</u>
Other financing sources (uses):				
Transfers out	<u>(574)</u>	<u>(574)</u>	<u>(110)</u>	<u>464</u>
Total other financing sources (uses)	<u>(574)</u>	<u>(574)</u>	<u>(110)</u>	<u>464</u>
Net change in fund balances	(374)	(374)	136	510
Fund balances, July 1, 2023	<u>2,396</u>	<u>2,396</u>	<u>2,396</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 2,022</u>	<u>\$ 2,022</u>	<u>\$ 2,532</u>	<u>\$ 510</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
HEALTH
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Taxes	\$ 882	\$ 882	\$ 878	\$ (4)
Fines, forfeitures, and penalties	195	195	312	117
Revenue from use of money and property	56	56	1,212	1,156
Aid from other governmental agencies	482	482	378	(104)
Charges for current services	238	238	785	547
Other revenues	-	-	9,361	9,361
Total revenues	<u>1,853</u>	<u>1,853</u>	<u>12,926</u>	<u>11,073</u>
Expenditures:				
Health and sanitation	<u>895</u>	<u>1,023</u>	<u>17,639</u>	<u>(16,616)</u>
Total expenditures	<u>895</u>	<u>1,023</u>	<u>17,639</u>	<u>(16,616)</u>
Excess (deficiency) of revenues over (under) expenses	<u>958</u>	<u>830</u>	<u>(4,713)</u>	<u>(5,543)</u>
Other financing sources (uses):				
Transfers in	29	29	-	(29)
Transfers out	<u>(4,229)</u>	<u>(4,229)</u>	<u>(1,164)</u>	<u>3,065</u>
Total other financing sources (uses)	<u>(4,200)</u>	<u>(4,200)</u>	<u>(1,164)</u>	<u>3,036</u>
Net change in fund balances	(3,242)	(3,370)	(5,877)	(2,507)
Fund balances, July 1, 2023	<u>79,238</u>	<u>79,238</u>	<u>79,238</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 75,996</u>	<u>\$ 75,868</u>	<u>\$ 73,361</u>	<u>\$ (2,507)</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
HOSPITAL CARE
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Fines, forfeitures, and penalties	\$ 1,600	\$ 1,600	\$ 1,614	\$ 14
Revenue from use of money and property	40	40	211	171
Total revenues	<u>1,640</u>	<u>1,640</u>	<u>1,825</u>	<u>185</u>
Expenditures:				
Health and sanitation	<u>648</u>	<u>1,439</u>	<u>1,229</u>	<u>210</u>
Total expenditures	<u>648</u>	<u>1,439</u>	<u>1,229</u>	<u>210</u>
Excess (deficiency) of revenues over (under) expenses	<u>992</u>	<u>201</u>	<u>596</u>	<u>395</u>
Other financing sources (uses):				
Transfers out	<u>(317)</u>	<u>(366)</u>	<u>(328)</u>	<u>38</u>
Total other financing sources (uses)	<u>(317)</u>	<u>(366)</u>	<u>(328)</u>	<u>38</u>
Net change in fund balances	675	(165)	268	433
Fund balances, July 1, 2023	<u>5,296</u>	<u>5,296</u>	<u>5,296</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 5,971</u>	<u>\$ 5,131</u>	<u>\$ 5,564</u>	<u>\$ 433</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
JUDICIAL
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Licenses, permits, and franchises	\$ 141	\$ 141	\$ 85	\$ (56)
Fines, forfeitures, and penalties	573	573	683	110
Revenue from use of money and property	28	28	575	547
Aid from other governmental agencies	105,868	105,868	110,819	4,951
Charges for current services	704	704	632	(72)
Other revenues	-	-	30	30
Total revenues	<u>107,314</u>	<u>107,314</u>	<u>112,824</u>	<u>5,510</u>
Expenditures:				
Public protection	<u>812</u>	<u>2</u>	<u>3,669</u>	<u>(3,667)</u>
Total expenditures	<u>812</u>	<u>2</u>	<u>3,669</u>	<u>(3,667)</u>
Excess (deficiency) of revenues over (under) expenses	<u>106,502</u>	<u>107,312</u>	<u>109,155</u>	<u>1,843</u>
Other financing sources (uses):				
Transfers out	<u>(120,832)</u>	<u>(121,642)</u>	<u>(121,509)</u>	<u>133</u>
Total other financing sources (uses)	<u>(120,832)</u>	<u>(121,642)</u>	<u>(121,509)</u>	<u>133</u>
Net change in fund balances	(14,330)	(14,330)	(12,354)	1,976
Fund balances, July 1, 2023	<u>48,039</u>	<u>48,039</u>	<u>48,039</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 33,709</u>	<u>\$ 33,709</u>	<u>\$ 35,685</u>	<u>\$ 1,976</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
OTHER PUBLIC PROTECTION
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Taxes	\$ 150	\$ 150	\$ 480	\$ 330
Licenses, permits, and franchises	8,590	8,590	11,335	2,745
Fines, forfeitures, and penalties	99	99	151	52
Revenue from use of money and property	229	229	796	567
Aid from other governmental agencies	391	391	-	(391)
Charges for current services	2,410	2,410	2,343	(67)
Other revenues	23	23	2	(21)
Total revenues	<u>11,892</u>	<u>11,892</u>	<u>15,107</u>	<u>3,215</u>
Expenditures:				
Public protection	13,367	15,357	13,974	1,383
Debt service payments	44	44	44	-
Total expenditures	<u>13,411</u>	<u>15,401</u>	<u>14,018</u>	<u>1,383</u>
Excess (deficiency) of revenues over (under) expenses	<u>(1,519)</u>	<u>(3,509)</u>	<u>1,089</u>	<u>4,598</u>
Other financing sources (uses):				
Transfers in	2,106	2,106	3,253	1,147
Transfers out	(4,810)	(5,260)	(1,916)	3,344
Total other financing sources (uses)	<u>(2,704)</u>	<u>(3,154)</u>	<u>1,337</u>	<u>4,491</u>
Net change in fund balances	(4,223)	(6,663)	2,426	9,089
Fund balances, July 1, 2023	<u>23,796</u>	<u>23,796</u>	<u>23,796</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 19,573</u>	<u>\$ 17,133</u>	<u>\$ 26,222</u>	<u>\$ 9,089</u>
Explanation of differences between budgetary expenditures and GAAP expenditures:				
Actual expenditure amount budgetary basis from the budgetary comparison schedule				\$ 14,018
Differences - Budget to GAAP				
Encumbrances for goods and/or services ordered but not received within the recognition period				(91)
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes				(112)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances				<u>13,815</u>
Actual Other Financing Sources amount budgetary basis from the budgetary comparison schedule				1,337
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes				(112)
Total Other Financing Sources (Uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances				<u>\$ 1,225</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
PLANT ACQUISITION
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ -	\$ -	\$ 264	\$ 264
Charges for current services	-	-	135	135
Total revenues	-	-	399	399
Expenditures:				
Excess (deficiency) of revenues over (under) expenses	-	-	399	399
Fund balances, July 1, 2023	6,538	6,538	6,538	-
Fund balances, June 30, 2024	<u>\$ 6,538</u>	<u>\$ 6,538</u>	<u>\$ 6,937</u>	<u>\$ 399</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
POLICE PROTECTION
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Fines, forfeitures, and penalties	\$ 1,975	\$ 1,975	\$ 1,807	\$ (168)
Revenue from use of money and property	164	164	419	255
Aid from other governmental agencies	-	-	311	311
Charges for current services	420	420	507	87
Other revenues	<u>1,827</u>	<u>1,827</u>	<u>2,000</u>	<u>173</u>
Total revenues	<u>4,386</u>	<u>4,386</u>	<u>5,044</u>	<u>658</u>
Expenditures:				
Excess (deficiency) of revenues over (under) expenses	<u>4,386</u>	<u>4,386</u>	<u>5,044</u>	<u>658</u>
Other financing sources (uses):				
Transfers out	<u>(7,335)</u>	<u>(7,446)</u>	<u>(5,873)</u>	<u>1,573</u>
Total other financing sources (uses)	<u>(7,335)</u>	<u>(7,446)</u>	<u>(5,873)</u>	<u>1,573</u>
Net change in fund balances	(2,949)	(3,060)	(829)	2,231
Fund balances, July 1, 2023	<u>10,852</u>	<u>10,852</u>	<u>10,852</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 7,903</u>	<u>\$ 7,792</u>	<u>\$ 10,023</u>	<u>\$ 2,231</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
PROMOTION
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 3	\$ 3	\$ 8	\$ 5
Total revenues	<u>3</u>	<u>3</u>	<u>8</u>	<u>5</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenses	<u>3</u>	<u>3</u>	<u>8</u>	<u>5</u>
Other financing sources (uses):				
Transfers out	<u>(30)</u>	<u>(31)</u>	<u>(31)</u>	<u>-</u>
Total other financing sources (uses)	<u>(30)</u>	<u>(31)</u>	<u>(31)</u>	<u>-</u>
Net change in fund balances	(27)	(28)	(23)	5
Fund balances, July 1, 2023	<u>159</u>	<u>159</u>	<u>159</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 132</u>	<u>\$ 131</u>	<u>\$ 136</u>	<u>\$ 5</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
PROPERTY MANAGEMENT
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Licenses, permits, and franchises	\$ 390	\$ 390	\$ 326	\$ (64)
Revenue from use of money and property	60	60	190	130
Aid from other governmental agencies	65	65	-	(65)
Charges for current services	496	496	732	236
Total revenues	<u>1,011</u>	<u>1,011</u>	<u>1,248</u>	<u>237</u>
Expenditures:				
General government	2,169	2,246	1,979	267
Debt service payments	22	22	22	-
Total expenditures	<u>2,191</u>	<u>2,268</u>	<u>2,001</u>	<u>267</u>
Excess (deficiency) of revenues over (under) expenses	<u>(1,180)</u>	<u>(1,257)</u>	<u>(753)</u>	<u>504</u>
Other financing sources (uses):				
Transfers in	1,475	1,475	1,475	-
Transfers out	(207)	(313)	(226)	87
Total other financing sources (uses)	<u>1,268</u>	<u>1,162</u>	<u>1,249</u>	<u>87</u>
Net change in fund balances	88	(95)	496	591
Fund balances, July 1, 2023	<u>4,571</u>	<u>4,571</u>	<u>4,571</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 4,659</u>	<u>\$ 4,476</u>	<u>\$ 5,067</u>	<u>\$ 591</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 2,001
Differences - budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(10)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 1,991</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
PUBLIC ASSISTANCE ADMINISTRATION
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 83	\$ 83	\$ 505	\$ 422
Aid from other governmental agencies	24,496	24,496	20,353	(4,143)
Charges for current services	7,225	7,225	6,048	(1,177)
Other revenues	3,043	3,043	98	(2,945)
Total revenues	<u>34,847</u>	<u>34,847</u>	<u>27,004</u>	<u>(7,843)</u>
Expenditures:				
Public assistance	<u>30,455</u>	<u>30,910</u>	<u>26,551</u>	<u>4,359</u>
Total expenditures	<u>30,455</u>	<u>30,910</u>	<u>26,551</u>	<u>4,359</u>
Excess (deficiency) of revenues over (under) expenses	<u>4,392</u>	<u>3,937</u>	<u>453</u>	<u>(3,484)</u>
Other financing sources (uses):				
Transfers in	14,048	14,048	14,062	14
Transfers out	<u>(28,936)</u>	<u>(29,452)</u>	<u>(17,516)</u>	<u>11,936</u>
Total other financing sources (uses)	<u>(14,888)</u>	<u>(15,404)</u>	<u>(3,454)</u>	<u>11,950</u>
Net change in fund balances	(10,496)	(11,467)	(3,001)	8,466
Fund balances, July 1, 2023	<u>25,138</u>	<u>25,138</u>	<u>25,138</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 14,642</u>	<u>\$ 13,671</u>	<u>\$ 22,137</u>	<u>\$ 8,466</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 26,551
Differences - budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(288)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 26,263</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
PUBLIC WAYS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	BUDGETED AMOUNTS		ACTUAL ON BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET		
Revenues:				
Taxes	\$ 2,850	\$ 2,850	\$ 2,896	\$ 46
Licenses, permits, and franchises	-	-	214	214
Fines, forfeitures, and penalties	17	17	17	-
Revenue from use of money and property	1	1	430	429
Charges for current services	9	9	2	(7)
Total revenues	<u>2,877</u>	<u>2,877</u>	<u>3,559</u>	<u>682</u>
Expenditures:				
Public ways and facilities	<u>3,149</u>	<u>3,547</u>	<u>2,911</u>	<u>636</u>
Total expenditures	<u>3,149</u>	<u>3,547</u>	<u>2,911</u>	<u>636</u>
Excess (deficiency) of revenues over (under) expenses	<u>(272)</u>	<u>(670)</u>	<u>648</u>	<u>1,318</u>
Other financing sources (uses):				
Transfers in	<u>71</u>	<u>71</u>	<u>100</u>	<u>29</u>
Total other financing sources (uses)	<u>71</u>	<u>71</u>	<u>100</u>	<u>29</u>
Net change in fund balances	(201)	(599)	748	1,347
Fund balances, July 1, 2023	<u>13,966</u>	<u>13,966</u>	<u>13,966</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 13,765</u>	<u>\$ 13,367</u>	<u>\$ 14,714</u>	<u>\$ 1,347</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
RECORDER
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Licenses, permits, and franchises	\$ 4	\$ 4	\$ 3	\$ (1)
Revenue from use of money and property	35	35	203	168
Charges for current services	1,929	1,929	2,196	267
Other revenues	1	1	7	6
Total revenues	<u>1,969</u>	<u>1,969</u>	<u>2,409</u>	<u>440</u>
Expenditures:				
General government	<u>7,111</u>	<u>7,124</u>	<u>4,015</u>	<u>3,109</u>
Total expenditures	<u>7,111</u>	<u>7,124</u>	<u>4,015</u>	<u>3,109</u>
Excess (deficiency) of revenues over (under) expenses	<u>(5,142)</u>	<u>(5,155)</u>	<u>(1,606)</u>	<u>3,549</u>
Other financing sources (uses):				
Transfers in	2,365	2,365	1,466	(899)
Transfers out	<u>(60)</u>	<u>(60)</u>	<u>(60)</u>	<u>-</u>
Total other financing sources (uses)	<u>2,305</u>	<u>2,305</u>	<u>1,406</u>	<u>(899)</u>
Net change in fund balances	(2,837)	(2,850)	(200)	2,650
Fund balances, July 1, 2023	<u>4,788</u>	<u>4,788</u>	<u>4,788</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 1,951</u>	<u>\$ 1,938</u>	<u>\$ 4,588</u>	<u>\$ 2,650</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount on budgetary basis from the budgetary comparison schedule	\$ 4,015
Differences - Budget to GAAP	
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(46)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 3,969</u>
Actual other financing sources amount on budgetary basis from the budgetary comparison schedule	1,406
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	<u>(46)</u>
Total other financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in fund Balances	<u>\$ 1,360</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
RECREATION FACILITIES
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 3	\$ 3	\$ 14	\$ 11
Aid from other governmental agencies	126	126	114	(12)
Charges for current services	10	10	71	61
Other revenues	1	1	1	-
Total revenues	<u>140</u>	<u>140</u>	<u>200</u>	<u>60</u>
Expenditures:				
Culture and recreation	<u>41</u>	<u>41</u>	<u>-</u>	<u>41</u>
Total expenditures	<u>41</u>	<u>41</u>	<u>-</u>	<u>41</u>
Excess (deficiency) of revenues over (under) expenses	<u>99</u>	<u>99</u>	<u>200</u>	<u>101</u>
Other financing sources (uses):				
Transfers out	<u>(72)</u>	<u>(72)</u>	<u>(3)</u>	<u>69</u>
Total other financing sources (uses):	<u>(72)</u>	<u>(72)</u>	<u>(3)</u>	<u>69</u>
Net change in fund balances	27	27	197	170
Fund balances, July 1, 2023	<u>1,349</u>	<u>1,349</u>	<u>1,349</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 1,376</u>	<u>\$ 1,376</u>	<u>\$ 1,546</u>	<u>\$ 170</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
ROADS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Taxes	\$ 15	\$ 15	\$ 5	\$ (10)
Licenses, permits, and franchises	1,730	1,730	2,740	1,010
Revenue from use of money and property	581	581	2,322	1,741
Aid from other governmental agencies	147,916	147,916	74,826	(73,090)
Charges for current services	2,657	2,657	998	(1,659)
Other revenues	127	127	145	18
Total revenues	<u>153,026</u>	<u>153,026</u>	<u>81,036</u>	<u>(71,990)</u>
Expenditures:				
Public ways and facilities	213,651	232,379	96,187	136,192
Debt service payments	23	23	23	-
Total expenditures	<u>213,674</u>	<u>232,402</u>	<u>96,210</u>	<u>136,192</u>
Excess (deficiency) of revenues over (under) expenses	<u>(60,648)</u>	<u>(79,376)</u>	<u>(15,174)</u>	<u>64,202</u>
Other financing sources (uses):				
Transfers in	45,663	45,663	8,035	(37,628)
Transfers out	(9,444)	(9,444)	-	9,444
Total other financing sources (uses)	<u>36,219</u>	<u>36,219</u>	<u>8,035</u>	<u>(28,184)</u>
Net change in fund balances	(24,429)	(43,157)	(7,139)	36,018
Fund balances, July 1, 2023	<u>64,262</u>	<u>64,262</u>	<u>64,262</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 39,833</u>	<u>\$ 21,105</u>	<u>\$ 57,123</u>	<u>\$ 36,018</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 96,210
Differences - budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	(10,850)
Capital outlay for leases and SBITAs issued are expenditures for financial reporting purposes but are not outflows of budgetary resources.	8
Debt Service payments for pension obligation bonds are transfers out for financial reporting purposes	(518)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>84,850</u>
Actual other financing sources amount budgetary basis from the budgetary comparison schedule	8,035
Inception of SBITAs issued are financing sources for financial reporting purposes but not inflows of budgetary resources	8
Debt service payments for pension obligation bonds are transfers out for financial reporting purposes	(518)
Total other financing sources (uses) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 7,525</u>

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS DESCRIPTIONS

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

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

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

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

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

**COUNTY OF KERN
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2024 (IN THOUSANDS)**

	ACCUMULATED CAPITAL OUTLAY - FIRE	ACCUMULATED CAPITAL OUTLAY - GENERAL	ARPA PROJECT FUNDS	PSYCHIATRIC HEALTH FACILITY CONSTRUCTION	TOBACCO SECURIZATION PROCEEDS	TOTAL NON- MAJOR CAPITAL PROJECTS FUNDS
ASSETS						
Assets:						
Pooled cash and investments	\$ 9,542	\$ 131,709	\$ 70	\$ 1,359	\$ 30	\$ 142,710
Cash and investments deposited with trustee	-	-	-	-	34,094	34,094
Interest receivable	3	1,046	-	29	-	1,078
Total assets	<u>9,545</u>	<u>132,755</u>	<u>70</u>	<u>1,388</u>	<u>34,124</u>	<u>177,882</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	-	51	265	1,498	-	1,814
Total liabilities	-	51	265	1,498	-	1,814
Fund balances:						
Restricted	-	-	-	-	34,124	34,124
Assigned	9,545	132,704	-	-	-	142,249
Unassigned	-	-	(195)	(110)	-	(305)
Total fund balances	<u>9,545</u>	<u>132,704</u>	<u>(195)</u>	<u>(110)</u>	<u>34,124</u>	<u>176,068</u>
Total liabilities and fund balances	<u>\$ 9,545</u>	<u>\$ 132,755</u>	<u>\$ 70</u>	<u>\$ 1,388</u>	<u>\$ 34,124</u>	<u>\$ 177,882</u>

COUNTY OF KERN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	ACCUMULATED CAPITAL OUTLAY - FIRE	ACCUMULATED CAPITAL OUTLAY - GENERAL	ARPA PROJECT FUNDS	PSYCHIATRIC HEALTH FACILITY CONSTRUCTION	TOBACCO SECURIZATION PROCEEDS	TOTAL NON- MAJOR CAPITAL PROJECTS FUNDS
Revenues:						
Revenue from use of money and property	\$ (253)	\$ 3,413	\$ 1	\$ 648	\$ 784	\$ 4,593
Aid from other governmental agencies	-	-	3,774	-	-	3,774
Total revenues	(253)	3,413	3,775	648	784	8,367
Expenditures:						
Capital outlay	-	3,304	3,367	12,002	-	18,673
Total expenditures	-	3,304	3,367	12,002	-	18,673
Excess (deficiency) of revenues over expenditures	(253)	109	408	(11,354)	784	(10,306)
Other financing sources (uses):						
Transfers in	9,500	39,946	-	1,145	-	50,591
Total other financing sources (uses)	9,500	39,946	-	1,145	-	50,591
Net change in fund balances	9,247	40,055	408	(10,209)	784	40,285
Fund balances, July 1, 2023	298	92,649	(603)	10,099	33,340	135,783
Fund balances, June 30, 2024	\$ 9,545	\$ 132,704	\$ (195)	\$ (110)	\$ 34,124	\$ 176,068

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
ACCUMULATED CAPITAL OUTLAY - FIRE
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 5	\$ 5	\$ (253)	\$ (258)
Total revenues	<u>5</u>	<u>5</u>	<u>(253)</u>	<u>(258)</u>
Expenditures:				
Capital outlay	<u>9,500</u>	<u>9,500</u>	<u>-</u>	<u>9,500</u>
Total expenditures	<u>9,500</u>	<u>9,500</u>	<u>-</u>	<u>9,500</u>
Excess (deficiency) of revenues over (under) expenses	(9,495)	(9,495)	(253)	9,242
Other financing sources (uses):				
Transfers in	<u>9,500</u>	<u>9,500</u>	<u>9,500</u>	<u>-</u>
Net change in fund balances	5	5	9,247	9,242
Fund balances, July 1, 2023	<u>298</u>	<u>298</u>	<u>298</u>	<u>-</u>
Fund balances, July 30, 2024	<u>\$ 303</u>	<u>\$ 303</u>	<u>\$ 9,545</u>	<u>\$ 9,242</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
ACCUMULATED CAPITAL OUTLAY - GENERAL
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 150	\$ 150	\$ 3,413	\$ 3,263
Total revenues	<u>150</u>	<u>150</u>	<u>3,413</u>	<u>3,263</u>
Expenditures:				
Capital outlay	<u>135,446</u>	<u>135,446</u>	<u>7,421</u>	<u>128,025</u>
Total expenditures	<u>135,446</u>	<u>135,446</u>	<u>7,421</u>	<u>128,025</u>
Excess (deficiency) of revenues over (under) expenses	<u>(135,296)</u>	<u>(135,296)</u>	<u>(4,008)</u>	<u>131,288</u>
Other financing sources (uses):				
Transfers in	<u>135,446</u>	<u>135,446</u>	<u>39,946</u>	<u>(95,500)</u>
Total other financing sources (uses)	<u>135,446</u>	<u>135,446</u>	<u>39,946</u>	<u>(95,500)</u>
Net change in fund balances	150	150	35,938	35,788
Fund balances, July 1, 2023	<u>92,649</u>	<u>92,649</u>	<u>92,649</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 92,799</u>	<u>\$ 92,799</u>	<u>\$ 128,587</u>	<u>\$ 35,788</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount on budgetary basis from the budgetary comparison schedule	\$ 7,421
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(4,117)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 3,304</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
ARPA PROJECTS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ -	\$ -	\$ 1	\$ 1
Aid from other governmental agencies	-	-	3,774	3,774
Total revenues	-	-	3,775	3,775
Expenditures:				
Capital outlay	-	33,975	4,127	29,848
Total expenditures	-	33,975	4,127	29,848
Excess (deficiency) of revenues over (under) expenses	-	(33,975)	(352)	33,623
Other financing sources (uses):				
Transfers in	33,974	33,974	-	(33,974)
Total other financing sources (uses)	33,974	33,974	-	(33,974)
Net change in fund balances	33,974	(1)	(352)	(351)
Fund balances, July 1, 2023	(603)	(603)	(603)	-
Fund balances, June 30, 2024	<u>\$ 33,371</u>	<u>\$ (604)</u>	<u>\$ (955)</u>	<u>\$ (351)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:		
Actual expenditure amount budgetary basis from the budgetary comparison schedule		\$ 4,127
Differences - Budget to GAAP		
Encumbrances for goods and/or services ordered but not received within the recognition period		(760)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances		<u>\$ 3,367</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
PSYCHIATRIC HEALTH FACILITY CONSTRUCTION
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ 712	\$ 712	\$ 648	\$ (64)
Total revenues	<u>712</u>	<u>712</u>	<u>648</u>	<u>(64)</u>
Expenditures:				
Capital outlay	-	30,944	12,201	18,743
Total expenditures	<u>-</u>	<u>30,944</u>	<u>12,201</u>	<u>18,743</u>
Excess (deficiency) of revenues over (under) expenses	<u>712</u>	<u>(30,232)</u>	<u>(11,553)</u>	<u>18,679</u>
Other financing sources (uses):				
Transfers in	2,620	2,620	1,145	(1,475)
Proceeds of long-term debt	27,612	27,612	-	(27,612)
Total other financing sources (uses)	<u>30,232</u>	<u>30,232</u>	<u>1,145</u>	<u>(29,087)</u>
Net change in fund balances	30,944	-	(10,408)	(10,408)
Fund balances, July 1, 2023	<u>10,099</u>	<u>10,099</u>	<u>10,099</u>	<u>-</u>
Fund balances, June 30, 2024	<u>\$ 41,043</u>	<u>\$ 10,099</u>	<u>\$ (309)</u>	<u>\$ (10,408)</u>

Explanation of differences between budgetary expenditures and GAAP expenditures:

Actual expenditure amount budgetary basis from the budgetary comparison schedule	\$ 12,201
Differences - Budget to GAAP	
Encumbrances for goods and/or services ordered but not received within the recognition period	<u>(199)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances	<u>\$ 12,002</u>

COUNTY OF KERN
BUDGETARY COMPARISON SCHEDULES (NON-GAAP BUDGETARY BASIS)
TOBACCO SECURIZATION PROCEEDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL ON BUDGETARY BASIS</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>		
Revenues:				
Revenue from use of money and property	\$ -	\$ -	\$ 784	\$ 784
Total revenues	-	-	784	784
Expenditures:				
Excess (deficiency) of revenues over (under) expenses	-	-	784	784
Net change in fund balances	-	-	784	784
Fund balances, July 1, 2023	33,340	33,340	33,340	-
Fund balances, June 30, 2024	<u>\$ 33,340</u>	<u>\$ 33,340</u>	<u>\$ 34,124</u>	<u>\$ 784</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, 2024 (IN THOUSANDS)**

	<u>KERN ASSET LEASING CORPORATION</u>	<u>PENSION OBLIGATION BOND TRUSTEE</u>	<u>PUBLIC SERVICES FINANCING AUTHORITY</u>	<u>TOTAL NON- MAJOR DEBT SERVICE FUNDS</u>
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>				
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ 2,694	\$ 2,694
Cash and investments deposited with trustee	-	351	-	351
Interest receivable	-	-	30	30
Total assets	<u>-</u>	<u>351</u>	<u>2,724</u>	<u>3,075</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	-	-	41	41
Total liabilities	<u>-</u>	<u>-</u>	<u>41</u>	<u>41</u>
Fund balances:				
Restricted	-	351	2,683	3,034
Total fund balances	<u>-</u>	<u>351</u>	<u>2,683</u>	<u>3,034</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 351</u>	<u>\$ 2,724</u>	<u>\$ 3,075</u>

COUNTY OF KERN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	KERN ASSET LEASING CORPORATION	PENSION OBLIGATION BOND TRUSTEE	PUBLIC SERVICES FINANCING AUTHORITY	TOTAL NON- MAJOR DEBT SERVICE FUNDS
Revenues:				
Revenue from use of money and property	\$ -	\$ 130	\$ 954	\$ 1,084
Other revenues	-	376	757	1,133
Total revenues	<u>-</u>	<u>506</u>	<u>1,711</u>	<u>2,217</u>
Expenditures:				
General government	-	-	1,188	1,188
Debt service:				
Principal	3,965	15,605	555	20,125
Interest	2,295	11,688	105	14,088
Total expenditures	<u>6,260</u>	<u>27,293</u>	<u>1,848</u>	<u>35,401</u>
Excess (deficiency) of revenues over expenditures	<u>(6,260)</u>	<u>(26,787)</u>	<u>(137)</u>	<u>(33,184)</u>
Other financing sources (uses) :				
Transfers in	6,260	26,857	-	33,117
Total other financing sources (uses)	<u>6,260</u>	<u>26,857</u>	<u>-</u>	<u>33,117</u>
Net change in fund balances	-	70	(137)	(67)
Fund balances, July 1, 2023	-	281	2,820	3,101
Fund balances, June 30, 2024	<u>\$ -</u>	<u>\$ 351</u>	<u>\$ 2,683</u>	<u>\$ 3,034</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, 2024 (IN THOUSANDS)

	COUNTY SANITATION DISTRICTS	GOLF COURSE	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION	TOTAL NON- MAJOR ENTERPRISE FUNDS
ASSETS					
Current assets:					
Pooled cash and investments	\$ 25,052	\$ 1,018	\$ 15,908	\$ 3,725	\$ 45,703
Interest receivable	223	10	137	26	396
Accounts receivable, net	53	-	27	-	80
Accrued revenue	-	-	2,145	-	2,145
Lease receivables	77	-	113	-	190
Due from other funds	29	-	-	-	29
Total current assets	<u>25,434</u>	<u>1,028</u>	<u>18,330</u>	<u>3,751</u>	<u>48,543</u>
Noncurrent assets:					
Taxes receivable	732	-	-	1,536	2,268
Investment in joint ventures	3,040	-	-	-	3,040
Net OPEB asset	31	-	32	-	63
Capital Assets:					
Non-depreciable					
Land	603	65	187	-	855
Construction in progress	8,186	-	1,772	-	9,958
Depreciable					
Structures and improvements	9,163	6,483	2,323	-	17,969
Equipment	2,087	-	19,362	-	21,449
Intangible	36	-	248	-	284
Infrastructure	25,029	-	-	-	25,029
Subscription Assets	-	-	151	-	151
Accumulated depreciation and amortization	<u>(17,348)</u>	<u>(4,408)</u>	<u>(14,893)</u>	<u>-</u>	<u>(36,649)</u>
Total noncurrent assets	<u>31,559</u>	<u>2,140</u>	<u>9,182</u>	<u>1,536</u>	<u>44,417</u>
Total assets	<u>56,993</u>	<u>3,168</u>	<u>27,512</u>	<u>5,287</u>	<u>92,960</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pensions	1,238	-	5,105	-	6,343
Deferred OPEB	36	-	37	-	73
Total deferred outflows of resources	<u>1,274</u>	<u>-</u>	<u>5,142</u>	<u>-</u>	<u>6,416</u>

	COUNTY SANITATION DISTRICTS	GOLF COURSE	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION	TOTAL NON- MAJOR ENTERPRISE FUNDS
LIABILITIES					
Current liabilities:					
Accounts payable	466	-	543	1,654	2,663
Deposits from Others	147	-	-	-	147
Due to other funds	24	-	83	-	107
SBITA liability	-	-	37	-	37
Current portion of long-term debt	16	-	5	-	21
Interest payable - current	13	-	4	-	17
Current portion of compensated absences	146	-	149	-	295
Unearned revenue	22	-	1,273	-	1,295
Total current liabilities	<u>834</u>	<u>-</u>	<u>2,094</u>	<u>1,654</u>	<u>4,582</u>
Non current liabilities:					
Compensated absences payable	72	-	74	-	146
Long-term debt - pension obligation bonds	110	-	33	-	143
Long-term - interest payable	110	-	33	-	143
SBITA liability	-	-	38	-	38
Net pension liabilities	4,936	-	4,260	-	9,196
Total non current liabilities	<u>5,228</u>	<u>-</u>	<u>4,438</u>	<u>-</u>	<u>9,666</u>
Total liabilities	<u>6,062</u>	<u>-</u>	<u>6,532</u>	<u>1,654</u>	<u>14,248</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred lease proceeds	87	-	112	-	199
Deferred pensions	180	-	156	-	336
Deferred OPEB	53	-	54	-	107
Total deferred inflows of resources	<u>320</u>	<u>-</u>	<u>322</u>	<u>-</u>	<u>642</u>
NET POSITION					
Net investment in capital assets Restricted	27,756	2,140	9,073	-	38,969
Investment in joint ventures	2,935	-	-	-	2,935
OPEB Asset	31	-	32	-	63
Unrestricted (deficit)	21,163	1,028	16,695	3,633	42,519
Total net position	<u>\$ 51,885</u>	<u>\$ 3,168</u>	<u>\$ 25,800</u>	<u>\$ 3,633</u>	<u>\$ 84,486</u>

COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	COUNTY SANITATION DISTRICTS	GOLF COURSE	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION	TOTAL NON- MAJOR ENTERPRISE FUNDS
Operating Revenues:					
Charges for current services	\$ 7,974	\$ 288	\$ 868	\$ 23,083	\$ 32,213
Revenue from use of money and property	145	-	65	-	210
Other revenues	43	-	193	-	236
Total operating revenues	<u>8,162</u>	<u>288</u>	<u>1,126</u>	<u>23,083</u>	<u>32,659</u>
Operating expenses:					
Services and supplies	3,968	219	5,943	24,716	34,846
Other charges	25	33	25	21	104
Depreciation and amortization	736	148	1,299	-	2,183
Total operating expenses	<u>4,729</u>	<u>400</u>	<u>7,267</u>	<u>24,737</u>	<u>37,133</u>
Operating income (loss)	<u>3,433</u>	<u>(112)</u>	<u>(6,141)</u>	<u>(1,654)</u>	<u>(4,474)</u>
Nonoperating Revenues (Expenditures):					
Taxes and assessments	-	-	10,764	-	10,764
Fines, forfeitures and penalties	153	-	-	208	361
Licenses, permits and franchises	21	-	-	-	21
Interest on bank deposits and investments	911	40	420	106	1,477
Aid from other governmental agencies	108	-	5,344	-	5,452
Interest expense	(35)	-	(14)	-	(49)
Total nonoperating revenues (expenditures)	<u>1,158</u>	<u>40</u>	<u>16,514</u>	<u>314</u>	<u>18,026</u>
Income (loss) before contributions and transfers	4,591	(72)	10,373	(1,340)	13,552
Transfers in	11	-	-	-	11
Change in net position	4,602	(72)	10,373	(1,340)	13,563
Net position, July 1, 2023	47,283	3,240	15,427	4,973	70,923
Net position, June 30, 2024	<u>\$ 51,885</u>	<u>\$ 3,168</u>	<u>\$ 25,800</u>	<u>\$ 3,633</u>	<u>\$ 84,486</u>

**COUNTY OF KERN
STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

Page 1 of 2

	COUNTY SANITATION DISTRICTS	GOLF COURSE	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION	TOTAL NON- MAJOR ENTERPRISE FUNDS
CASH FROM OPERATING ACTIVITIES:					
Cash received for current services	\$ 7,948	\$ 288	\$ 526	\$ 24,184	\$ 32,946
Cash received for use of property	145	-	65	-	210
Cash received for other operations	43	-	193	-	236
Cash paid for services and supplies	(6,079)	(219)	(10,091)	(24,693)	(41,082)
Cash paid for other charges	(26)	(33)	(22)	(21)	(102)
Net cash provided (used) by operating activities	<u>2,031</u>	<u>36</u>	<u>(9,329)</u>	<u>(530)</u>	<u>(7,792)</u>
CASH FROM NON-CAPITAL FINANCING ACTIVITIES:					
Cash received from licenses and permits	21	-	-	-	21
Cash received from taxes and special assessments	-	-	10,764	-	10,764
Cash received from other funds	11	-	-	-	11
Aid from other governmental agencies	108	-	4,292	-	4,400
Fines, forfeitures and penalties	153	-	-	208	361
Principal paid on pension obligation bonds	(31)	-	(9)	-	(40)
Interest paid on pension obligation bonds	(22)	-	(10)	-	(32)
Net cash provided (used) by non-capital financing activities	<u>240</u>	<u>-</u>	<u>15,037</u>	<u>208</u>	<u>15,485</u>
CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition or construction of capital assets	(953)	-	(2,330)	-	(3,283)
Net cash provided (used) by capital and related financing activities	<u>(953)</u>	<u>-</u>	<u>(2,330)</u>	<u>-</u>	<u>(3,283)</u>
CASH FROM INVESTING ACTIVITIES:					
Interest on bank deposits and investments	852	36	372	110	1,370
Investment in joint venture	(105)	-	-	-	(105)
Net cash provided (used) by investing activities	<u>747</u>	<u>36</u>	<u>372</u>	<u>110</u>	<u>1,265</u>
Net cash increase (decreases) in cash and cash equivalents	2,065	72	3,750	(212)	5,675
Cash and cash equivalents at beginning of period	<u>22,987</u>	<u>946</u>	<u>12,158</u>	<u>3,937</u>	<u>40,028</u>
Cash and cash equivalents at end of period	<u>25,052</u>	<u>1,018</u>	<u>15,908</u>	<u>3,725</u>	<u>45,703</u>

**COUNTY OF KERN
STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

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	COUNTY SANITATION DISTRICTS	GOLF COURSE	PUBLIC TRANSPORTATION	UNIVERSAL COLLECTION	TOTAL NON- MAJOR ENTERPRISE FUNDS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	3,433	(112)	(6,141)	(1,654)	(4,474)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and Amortization	736	148	1,299	-	2,183
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(28)	-	(2)	-	(30)
(Increase) decrease in special assessment receivable	65	-	-	1,101	1,166
(Increase) decrease in accrued revenue	-	-	(226)	-	(226)
(Increase) decrease in lease receivables	(65)	-	(113)	-	(178)
(Increase) decrease in due from others	-	-	30	-	30
(Increase) decrease in net OPEB asset	(31)	-	(32)	-	(63)
(Increase) decrease in deferred outflows of resources	227	-	(4,429)	-	(4,202)
Increase (decrease) in accounts payable	(1,957)	-	(2)	23	(1,936)
Increase (decrease) in due to others	16	-	73	-	89
Increase (decrease) in subscription liability	-	-	75	-	75
Increase (decrease) in deferred inflows of resources	12	-	102	-	114
Increase (decrease) in compensated absences payable	(201)	-	96	-	(105)
Increase (decrease) in net OPEB liability	(167)	-	(51)	-	(218)
Increase (decrease) in net pension liability	(9)	-	(8)	-	(17)
Total adjustments	<u>(1,402)</u>	<u>148</u>	<u>(3,188)</u>	<u>1,124</u>	<u>(3,318)</u>
Net cash provided (used) by operating activities	<u>\$ 2,031</u>	<u>\$ 36</u>	<u>\$ (9,329)</u>	<u>\$ (530)</u>	<u>\$ (7,792)</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, Solid Waste, 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, 2024 (IN THOUSANDS)**

Page 1 of 2

	<u>GENERAL LIABILITY</u>	<u>GENERAL SERVICES - GARAGE</u>	<u>GROUP HEALTH</u>	<u>PUBLIC WORKS</u>
ASSETS				
Current assets:				
Pooled cash and investments	\$ 24,240	\$ 10,434	\$ 76,387	\$ 15,527
Revolving fund cash	-	-	-	1
Interest receivable	227	91	696	69
Accounts receivable, net	-	43	-	21
Accrued revenue	-	-	769	136
Due from other funds	-	-	-	366
Inventory - materials and supplies	-	85	-	518
Total current assets	<u>24,467</u>	<u>10,653</u>	<u>77,852</u>	<u>16,638</u>
Noncurrent assets:				
Deposits with others	-	-	1,454	-
Net OPEB asset	-	49	-	-
Capital assets:				
Non-depreciable				
Construction in progress	-	-	-	123
Depreciable				
Equipment	-	6,647	11	994
Intangible	-	37	1,752	18
Subscription Assets	-	-	-	26
Accumulated depreciation and amortization	-	(4,832)	(993)	(389)
Total noncurrent assets	<u>-</u>	<u>1,901</u>	<u>2,224</u>	<u>772</u>
Total assets	<u>24,467</u>	<u>12,554</u>	<u>80,076</u>	<u>17,410</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pensions	-	361	-	-
Deferred OPEB	-	57	-	-
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ 418</u>	<u>\$ -</u>	<u>\$ -</u>

	GENERAL LIABILITY	GENERAL SERVICES - GARAGE	GROUP HEALTH	PUBLIC WORKS
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 41	\$ 3	\$ 3,448	\$ 306
Salaries and employee benefits payable	-	36	-	2,575
Due to other funds	-	-	-	63
Current portion of long-term debt	-	7	-	-
SBITA liability	-	-	-	14
Interest payable - current	-	6	-	-
Current portion of compensated absences	-	41	-	-
Current portion of liability for self-insurance	260	-	10,697	-
Total current liabilities	<u>301</u>	<u>93</u>	<u>14,145</u>	<u>2,958</u>
Non current liabilities:				
Compensated absences payable	-	26	-	-
Long-term liability for self insurance	33,981	-	-	-
Long-term debt - pension obligation bonds	-	49	-	-
Long-term - interest payable	-	50	-	-
Net pension liabilities	-	1,234	-	-
Total non current liabilities	<u>33,981</u>	<u>1,359</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>34,282</u>	<u>1,452</u>	<u>14,145</u>	<u>2,958</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pensions	-	45	-	-
Deferred OPEB	-	82	-	-
Total deferred inflows of resources	<u>-</u>	<u>127</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	-	1,852	770	758
Restricted				
Deposits - ISF	-	-	1,454	-
OPEB asset	-	49	-	-
Unrestricted (deficit)	<u>(9,815)</u>	<u>9,492</u>	<u>63,707</u>	<u>13,694</u>
Total net position	<u>\$ (9,815)</u>	<u>\$ 11,393</u>	<u>\$ 65,931</u>	<u>\$ 14,452</u>

**COUNTY OF KERN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2024 (IN THOUSANDS)**

Page 2 of 2

	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS COMPENSATION	TOTAL INTERNAL SERVICE FUNDS
ASSETS				
Current assets:				
Pooled cash and investments	\$ 3,298	\$ 4,893	\$ 11,627	\$ 146,406
Revolving fund cash	-	-	-	1
Interest receivable	25	51	145	1,304
Accounts receivable, net	-	-	-	64
Accrued revenue	-	-	621	1,526
Due from other funds	-	-	-	366
Inventory - materials and supplies	-	-	-	603
Total current assets	<u>3,323</u>	<u>4,944</u>	<u>12,393</u>	<u>150,270</u>
Noncurrent assets:				
Deposits with others	-	-	385	1,839
Net OPEB asset	-	-	-	49
Capital assets:				
Non-depreciable				
Construction in progress	-	-	-	123
Depreciable				
Equipment	-	-	-	7,652
Intangible	-	-	-	1,807
Subscription Assets	-	-	-	26
Accumulated depreciation and amortization	-	-	-	(6,214)
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>385</u>	<u>5,282</u>
Total assets	<u>3,323</u>	<u>4,944</u>	<u>12,778</u>	<u>155,552</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pensions	-	-	-	361
Deferred OPEB	-	-	-	57
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418</u>

	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS COMPENSATION	TOTAL INTERNAL SERVICE FUNDS
LIABILITIES				
Current liabilities:				
Accounts payable	\$ -	\$ 397	\$ 803	\$ 4,998
Salaries and employee benefits payable	-	-	-	2,611
Due to other funds	-	-	-	63
Current portion of long-term debt	-	-	-	7
SBITA liability	-	-	-	14
Interest payable - current	-	-	-	6
Current portion of compensated absences	-	-	-	41
Current portion of liability for self-insurance	-	688	15,739	27,384
Total current liabilities	-	1,085	16,542	35,124
Non current liabilities:				
Compensated absences payable	-	-	-	26
Long-term liability for self insurance	-	-	60,637	94,618
Long-term debt - pension obligation bonds	-	-	-	49
Long-term - interest payable	-	-	-	50
Net pension liabilities	-	-	-	1,234
Total non current liabilities	-	-	60,637	95,977
Total liabilities	-	1,085	77,179	131,101
DEFERRED INFLOWS OF RESOURCES				
Deferred pensions	-	-	-	45
Deferred OPEB	-	-	-	82
Total deferred inflows of resources	-	-	-	127
NET POSITION				
Net investment in capital assets	-	-	-	3,380
Restricted				
Deposits - ISF	-	-	-	1,454
OPEB asset	-	-	-	49
Unrestricted (deficit)	3,323	3,859	(64,401)	19,859
Total net position	\$ 3,323	\$ 3,859	\$ (64,401)	\$ 24,742

COUNTY OF KERN
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)

	GENERAL LIABILITY	GENERAL SERVICES - GARAGE	GROUP HEALTH	PUBLIC WORKS
Operating Revenues:				
Charges for current services	\$ 12,101	\$ 3,199	\$ 149,202	\$ 82,144
Other revenues	20	-	-	3
Total operating revenues	<u>12,121</u>	<u>3,199</u>	<u>149,202</u>	<u>82,147</u>
Operating expenses:				
Salaries and employee benefits	-	708	-	62,281
Services and supplies	8,180	1,256	9,047	13,129
Claims Incurred	(1,282)	-	146,355	-
Other charges	2,152	97	679	1,006
Depreciation and amortization	-	459	117	115
Total operating expenses	<u>9,050</u>	<u>2,520</u>	<u>156,198</u>	<u>76,531</u>
Operating income (loss)	<u>3,071</u>	<u>679</u>	<u>(6,996)</u>	<u>5,616</u>
Nonoperating Revenues (Expenditures):				
Interest on bank deposits and investments	830	348	3,230	154
Aid from other governmental agencies	-	-	164	144
Other revenues	-	155	-	-
Interest expense	-	(16)	-	-
Gain (loss) on sale of capital assets	-	(197)	-	-
Total nonoperating revenues (expenditures)	<u>830</u>	<u>290</u>	<u>3,394</u>	<u>298</u>
Income (loss) before contributions and transfers	3,901	969	(3,602)	5,914
Capital contributions	-	33	-	-
Transfers in	-	-	-	6,621
Transfers out	-	(31)	-	(6,421)
Change in net position	3,901	971	(3,602)	6,114
Net position, July 1, 2023	(13,716)	10,422	69,533	8,338
Net position, June 30, 2024	<u>\$ (9,815)</u>	<u>\$ 11,393</u>	<u>\$ 65,931</u>	<u>\$ 14,452</u>

	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS COMPENSATION	TOTAL INTERNAL SERVICE FUNDS
Operating Revenues:				
Charges for current services	\$ 7,857	\$ 1,467	\$ 21,659	\$ 277,629
Other revenues	-	-	248	271
Total operating revenues	<u>7,857</u>	<u>1,467</u>	<u>21,907</u>	<u>277,900</u>
Operating expenses:				
Salaries and employee benefits	7,680	-	-	70,669
Services and supplies	199	25	6,543	38,379
Claims Incurred	-	1,976	21,186	168,235
Other charges	68	2	431	4,435
Depreciation and amortization	-	-	-	691
Total operating expenses	<u>7,947</u>	<u>2,003</u>	<u>28,160</u>	<u>282,409</u>
Operating income (loss)	<u>(90)</u>	<u>(536)</u>	<u>(6,253)</u>	<u>(4,509)</u>
Nonoperating Revenues (Expenditures):				
Interest on bank deposits and investments	117	200	538	5,417
Aid from other governmental agencies	-	-	-	308
Other revenues	-	-	-	155
Interest expense	-	-	-	(16)
Gain (loss) on sale of capital assets	-	-	-	(197)
Total nonoperating revenues (expenditures)	<u>117</u>	<u>200</u>	<u>538</u>	<u>5,667</u>
Income (loss) before contributions and transfers	<u>27</u>	<u>(336)</u>	<u>(5,715)</u>	<u>1,158</u>
Capital contributions	-	-	-	33
Transfers in	-	-	-	6,621
Transfers out	-	-	-	(6,452)
Change in net position	<u>27</u>	<u>(336)</u>	<u>(5,715)</u>	<u>1,360</u>
Net position, July 1, 2023	<u>3,296</u>	<u>4,195</u>	<u>(58,686)</u>	<u>23,382</u>
Net position, June 30, 2024	<u>\$ 3,323</u>	<u>\$ 3,859</u>	<u>\$ (64,401)</u>	<u>\$ 24,742</u>

**COUNTY OF KERN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

Page 1 of 2

	GENERAL LIABILITY	GENERAL SERVICES - GARAGE	GROUP HEALTH	PUBLIC WORKS
CASH FROM OPERATING ACTIVITIES:				
Cash received for current services	\$ 12,101	\$ 3,156	\$ 149,633	\$ 82,052
Cash received for other operations	20	-	-	3
Cash paid for services and supplies	(8,138)	(1,292)	(9,093)	(13,194)
Cash paid for other charges	(2,152)	(93)	(681)	(1,007)
Cash paid for salaries and benefits	-	(775)	-	(61,741)
Cash paid for reported claims	-	-	(146,625)	-
Net cash provided (used) by operating activities	<u>1,831</u>	<u>996</u>	<u>(6,766)</u>	<u>6,113</u>
CASH FROM NONCAPITAL FINANCING ACTIVITIES:				
Net cash received from (paid to) other funds	-	(31)	-	200
Aid from other governmental agencies	-	155	164	144
Principal paid on pension obligation bonds	-	(14)	-	-
Interest paid on pension obligation bonds	-	(10)	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>100</u>	<u>164</u>	<u>344</u>
CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition or construction of capital assets	-	(589)	(11)	(410)
Proceeds from sale/disposition of assets	-	555	-	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(34)</u>	<u>(11)</u>	<u>(410)</u>
CASH FROM INVESTING ACTIVITIES:				
Interest on bank deposits and investments	760	317	3,072	131
Net cash provided (used) by investing activities	<u>760</u>	<u>317</u>	<u>3,072</u>	<u>131</u>
Net cash increase (decreases) in cash and cash equivalents	2,591	1,379	(3,541)	6,178
Cash and cash equivalents at beginning of period	<u>21,649</u>	<u>9,055</u>	<u>79,928</u>	<u>9,349</u>
Cash and cash equivalents at end of period	<u>24,240</u>	<u>10,434</u>	<u>76,387</u>	<u>15,527</u>

	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS COMPENSATION	TOTAL
CASH FROM OPERATING ACTIVITIES:				
Cash received for current services	\$ 7,856	\$ 1,468	\$ 21,658	\$ 277,924
Cash received for other operations	-	-	248	271
Cash paid for services and supplies	(200)	371	(6,308)	(37,854)
Cash paid for other charges	(67)	-	(431)	(4,431)
Cash paid for salaries and benefits	(7,679)	-	-	(70,195)
Cash paid for reported claims	-	(1,696)	(15,884)	(164,205)
Net cash provided (used) by operating activities	<u>(90)</u>	<u>143</u>	<u>(717)</u>	<u>1,510</u>
CASH FROM NONCAPITAL FINANCING ACTIVITIES:				
Net cash received from (paid to) other funds	-	-	-	169
Aid from other governmental agencies	-	-	-	463
Principal paid on pension obligation bonds	-	-	-	(14)
Interest paid on pension obligation bonds	-	-	-	(10)
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>608</u>
CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition or construction of capital assets	-	-	-	(1,010)
Proceeds from sale/disposition of assets	-	-	-	555
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(455)</u>
CASH FROM INVESTING ACTIVITIES:				
Interest on bank deposits and investments	<u>108</u>	<u>180</u>	<u>496</u>	<u>5,064</u>
Net cash provided (used) by investing activities	<u>108</u>	<u>180</u>	<u>496</u>	<u>5,064</u>
Net cash increase (decreases) in cash and cash equivalents	18	323	(221)	6,727
Cash and cash equivalents at beginning of period	<u>3,280</u>	<u>4,570</u>	<u>11,848</u>	<u>139,679</u>
Cash and cash equivalents at end of period	<u>3,298</u>	<u>4,893</u>	<u>11,627</u>	<u>146,406</u>

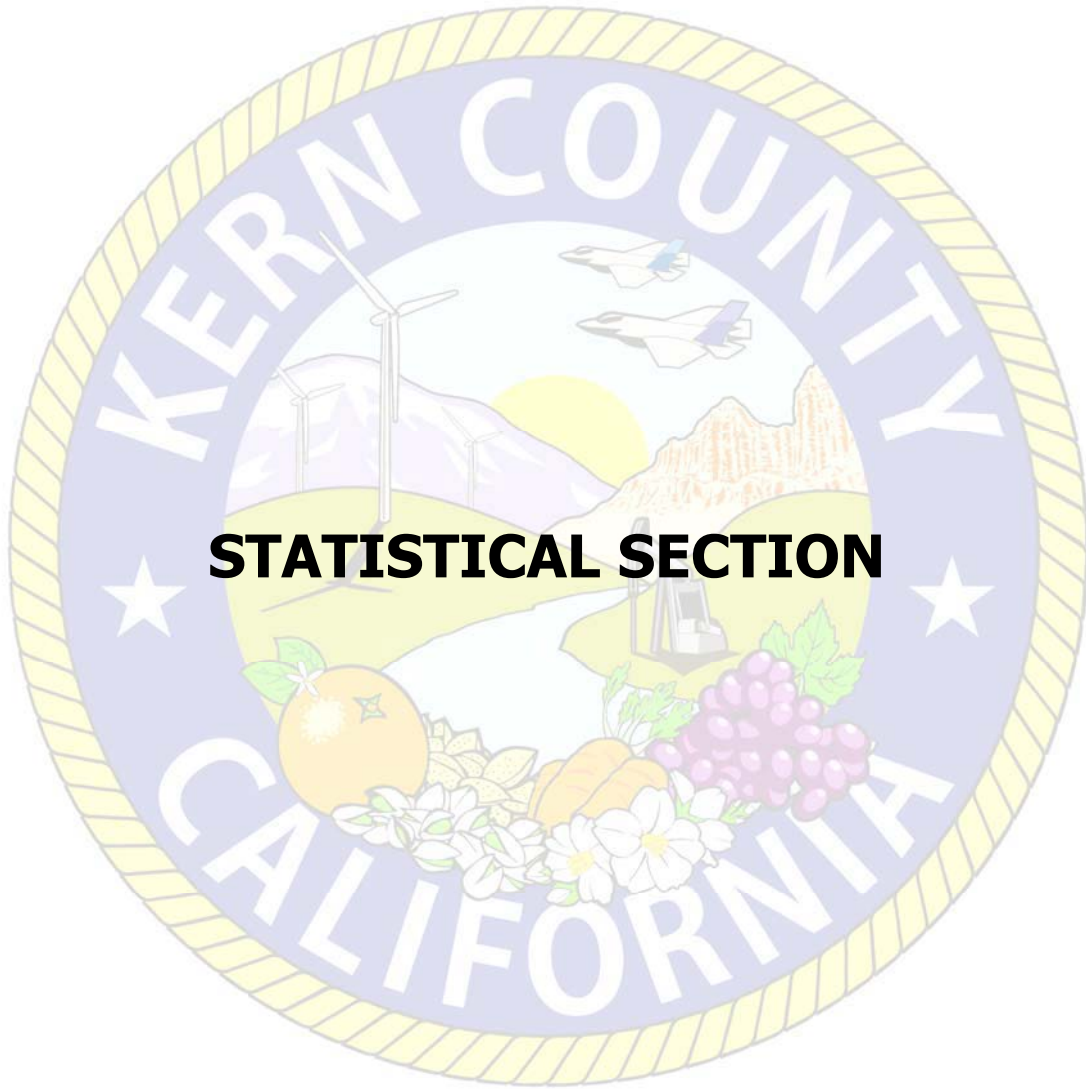
**STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

Page 2 of 2

	GENERAL LIABILITY	GENERAL SERVICES - GARAGE	GROUP HEALTH	PUBLIC WORKS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	3,071	679	(6,996)	5,616
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and Amortization	-	459	117	115
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	-	(43)	-	10
(Increase) decrease in inventory	-	-	-	(34)
(Increase) decrease in accrued revenue	-	-	361	(39)
(Increase) decrease in due from others	-	-	-	(64)
(Increase) decrease in deferred outflows of resources	-	(69)	-	-
(Increase) decrease in deposits with others	-	-	65	1
Increase (decrease) accounts payable	42	(36)	288	(40)
Increase (decrease) in salaries & benefits payable	-	11	-	537
Increase (decrease) in due to others	-	-	(330)	(3)
Increase (decrease) in subscription liability	-	-	-	14
Increase (decrease) in compensated absences payable	-	(3)	-	-
Increase (decrease) in provision for liability claims	(1,282)	-	(271)	-
Increase (decrease) in net OPEB liability	-	(162)	-	-
Increase (decrease) in net pension liability	-	126	-	-
Increase (decrease) in deferred inflows of resources	-	34	-	-
Total adjustments	<u>(1,240)</u>	<u>317</u>	<u>230</u>	<u>497</u>
Net cash provided (used) by operating activities:	<u>\$ 1,831</u>	<u>\$ 996</u>	<u>\$ (6,766)</u>	<u>\$ 6,113</u>

	RETIREE GROUP HEALTH	UNEMPLOYMENT COMPENSATION	WORKERS COMPENSATION	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	(90)	(536)	(6,253)	(4,509)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and Amortization	-	-	-	691
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	-	-	-	(33)
(Increase) decrease in inventory	-	-	-	(34)
(Increase) decrease in accrued revenue	-	-	-	322
(Increase) decrease in due from others	-	-	-	(64)
(Increase) decrease in deferred outflows of resources	-	-	-	(69)
(Increase) decrease in deposits with others	-	-	-	66
Increase (decrease) accounts payable	-	398	235	887
Increase (decrease) in salaries & benefits payable	-	-	-	548
Increase (decrease) in due to others	-	-	-	(333)
Increase (decrease) in subscription liability	-	-	-	14
Increase (decrease) in compensated absences payable	-	-	-	(3)
Increase (decrease) in provision for liability claims	-	281	5,301	4,029
Increase (decrease) in net OPEB liability	-	-	-	(162)
Increase (decrease) in net pension liability	-	-	-	126
Increase (decrease) in deferred inflows of resources	-	-	-	34
	-	-	-	34
Total adjustments	-	679	5,536	6,019
Net cash provided (used) by operating activities:	\$ (90)	\$ 143	\$ (717)	\$ 1,510





STATISTICAL SECTION

**COUNTY OF KERN
STATISTICAL SECTION
FOR THE YEAR ENDED JUNE 30, 2024 (IN THOUSANDS)**

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.

Source: 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 YEAR (IN THOUSANDS)
 (ACCRUAL BASIS OF ACCOUNTING)

	FISCAL YEAR				
	2015	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES					
Net investment in capital assets	\$ 1,750,564	\$ 1,770,797	\$ 1,840,822	\$ 1,875,532	\$ 1,852,704
Restricted	375,293	381,142	397,190	405,102	443,866
Unrestricted (deficit)	<u>(1,805,642)</u>	<u>(1,708,445)</u>	<u>(1,713,301)</u>	<u>(1,689,857)</u>	<u>(1,586,845)</u>
Total governmental activities net position	<u>\$ 320,215</u>	<u>\$ 443,494</u>	<u>\$ 524,711</u>	<u>\$ 590,777</u>	<u>\$ 709,725</u>
BUSINESS-TYPE ACTIVITIES					
Net investment in capital assets	\$ 198,605	\$ 204,567	\$ 184,012	\$ 192,196	\$ 208,752
Restricted	10,601	8,567	-	2,402	2,274
Unrestricted (deficit)	<u>(450,784)</u>	<u>(405,360)</u>	<u>(27,323)</u>	<u>(16,973)</u>	<u>(23,184)</u>
Total business-type activities net position	<u>(241,578)</u>	<u>(192,226)</u>	<u>156,689</u>	<u>177,625</u>	<u>187,842</u>
PRIMARY GOVERNMENT					
Net investment in capital assets	\$ 1,949,169	\$ 1,975,364	\$ 2,024,834	\$ 2,067,728	\$ 2,061,456
Restricted	385,894	389,709	397,190	407,504	446,140
Unrestricted (deficit)	<u>(2,256,426)</u>	<u>(2,113,805)</u>	<u>(1,740,624)</u>	<u>(1,706,830)</u>	<u>(1,610,029)</u>
Total primary government net position	<u>\$ 78,637</u>	<u>\$ 251,268</u>	<u>\$ 681,400</u>	<u>\$ 768,402</u>	<u>\$ 897,567</u>

	FISCAL YEAR				
	2020	2021	2022	2023	2024
GOVERNMENTAL ACTIVITIES					
Net investment in capital assets	\$ 1,849,934	\$ 1,919,459	\$ 1,954,070	\$ 1,976,880	\$ 2,052,944
Restricted	(1,244,015)	651,515	811,872	825,363	870,823
Unrestricted (deficit)	<u>100,505</u>	<u>(1,500,323)</u>	<u>(1,306,381)</u>	<u>(994,266)</u>	<u>(720,150)</u>
Total governmental activities net position	<u>\$ 706,424</u>	<u>\$ 1,070,651</u>	<u>\$ 1,459,561</u>	<u>\$ 1,807,977</u>	<u>\$ 2,203,617</u>
BUSINESS-TYPE ACTIVITIES					
Net investment in capital assets	\$ 525,117	\$ 233,771	\$ 242,888	\$ 248,035	\$ 258,003
Restricted	8,424	2,787	2,870	2,870	3,368
Unrestricted (deficit)	<u>912</u>	<u>(27,404)</u>	<u>(22,811)</u>	<u>4,623</u>	<u>33,880</u>
Total business-type activities net position	<u>534,453</u>	<u>209,154</u>	<u>222,947</u>	<u>255,528</u>	<u>295,251</u>
PRIMARY GOVERNMENT					
Net investment in capital assets	\$ 2,375,051	\$ 2,153,230	\$ 2,196,958	\$ 2,224,915	\$ 2,310,947
Restricted	(1,235,591)	654,302	814,742	828,233	874,191
Unrestricted (deficit)	<u>101,417</u>	<u>(1,527,727)</u>	<u>(1,329,192)</u>	<u>(989,643)</u>	<u>(686,270)</u>
Total primary government net position	<u>\$ 1,240,877</u>	<u>\$ 1,279,805</u>	<u>\$ 1,682,508</u>	<u>\$ 2,063,505</u>	<u>\$ 2,498,868</u>

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

Page 1 of 2

	FISCAL YEAR				
	2015	2016	2017	2018	2019
EXPENSES					
Governmental activities:					
General government	\$ 92,981	\$ 86,975	\$ 108,559	\$ 97,224	\$ 117,969
Public protection	593,634	631,913	597,476	564,490	583,013
Public ways and facilities	63,111	48,945	60,666	51,826	53,158
Health and sanitation	146,941	165,023	206,660	240,493	268,994
Public assistance	425,161	466,599	466,736	471,462	482,731
Education	8,229	8,874	8,403	7,789	6,335
Culture and recreation services	13,604	11,586	777	920	902
Interest on short and long-term debt	37,914	46,805	35,566	28,423	24,839
Total governmental activities	1,381,575	1,466,720	1,484,843	1,462,627	1,537,941
Business-type activities:					
Airport	7,312	8,255	7,040	7,320	8,630
County sanitation districts	4,248	3,807	4,156	4,255	4,772
Golf courses	456	509	216	217	331
Kern medical	297,570	281,624	311,695	-	-
Public transportation	8,817	9,099	10,101	10,621	10,362
Universal collection	12,800	12,862	13,132	13,305	16,026
Solid waste	30,385	33,352	32,138	37,626	33,265
Total business-type activities	361,588	349,508	378,478	73,344	73,386
Total primary government	\$ 1,743,163	\$ 1,816,228	\$ 1,863,321	\$ 1,535,971	\$ 1,611,327
PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
General government	\$ 65,900	\$ 63,550	\$ 65,439	\$ 64,126	\$ 70,009
Public protection	93,559	99,788	104,186	107,854	110,116
Health and sanitation	61,195	67,699	78,007	78,668	72,788
Other	-	-	-	-	-
Operating grants and contributions	47,657	53,269	87,051	37,551	18,290
Capital grants and contributions -	724,439	762,670	814,087	831,071	864,539
Total governmental activities	992,750	1,046,976	1,148,770	1,119,270	1,135,742
Business-type activities:					
Charges for services:					
Airport	4,395	4,066	4,027	4,198	4,225
County sanitation districts	4,162	4,368	4,827	5,330	7,515
Golf course	462	282	199	190	200
Public transportation	6,677	6,929	6,779	7,453	7,696
Universal collection	12,922	12,963	13,291	13,341	15,706
Solid waste	39,892	40,661	40,568	42,710	42,941
Operating grants and contributions	99,819	83,151	135,960	2,974	3,387
Capital grants and contributions	15,267	8,120	5,720	25,291	10,344
Total business-type activities	183,596	160,540	211,371	101,487	92,014
Total primary government program revenues	1,176,346	1,207,516	1,360,141	1,220,757	1,227,756
NET (EXPENSE)/REVENUE					
Governmental activities	\$ (388,825)	\$ (419,744)	\$ (336,073)	\$ (343,357)	\$ (402,199)
Business-type activities	(177,992)	(188,968)	(167,107)	28,143	18,628
Total primary government net expenses	\$ (566,817)	\$ (608,712)	\$ (503,180)	\$ (315,214)	\$ (383,571)

Notes:

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				
	2020	2021	2022	2023	2024
EXPENSES					
Governmental activities:					
General government	\$ 125,107	\$ 125,627	\$ 110,550	\$ 156,043	\$ 163,753
Public protection	623,722	578,401	539,067	679,141	754,825
Public ways and facilities	69,698	65,488	74,937	87,595	43,994
Health and sanitation	364,610	389,283	368,134	328,314	422,214
Public assistance	539,287	514,074	535,065	655,991	703,461
Education	7,379	6,543	8,364	8,933	10,808
Culture and recreation services	988	913	766	947	887
Interest on short and long-term debt	23,794	18,935	27,759	18,461	27,069
Total governmental activities	1,754,585	1,699,264	1,664,642	1,935,425	2,127,011
Business-type activities:					
Airport	8,198	10,244	9,768	10,203	10,388
County sanitation districts	5,074	4,445	5,825	4,805	4,604
Golf courses	312	642	572	458	400
Kern medical	-	-	-	-	-
Public transportation	10,660	10,956	10,527	12,753	7,078
Universal collection	16,218	17,756	19,111	20,192	24,732
Solid waste	52,539	46,123	50,161	58,731	65,926
Total business-type activities	93,001	90,166	95,964	107,142	113,128
Total primary government	\$ 1,847,586	\$ 1,789,430	\$ 1,760,606	\$ 2,042,567	\$ 2,240,139
PROGRAM REVENUES					
Governmental activities:					
Charges for services:					
General government	\$ 69,266	\$ 82,636	\$ 74,485	\$ 88,309	\$ 98,713
Public protection	114,449	142,003	133,124	136,150	134,102
Health and sanitation	107,855	119,760	130,086	134,103	118,324
Other	-	-	24,742	22,534	12,891
Operating grants and contributions	29,778	9,423	1,217,227	1,288,670	1,405,102
Capital grants and contributions -	923,221	1,151,366	10,472	9,125	14,807
Total governmental activities	1,244,569	1,505,188	1,590,136	1,678,891	1,783,939
Business-type activities:					
Charges for services:					
Airport	4,555	5,063	6,353	6,954	7,195
County sanitation districts	7,763	7,918	7,659	7,874	8,346
Golf course	188	332	348	316	288
Public transportation	8,109	9,654	10,356	10,330	11,890
Universal collection	16,783	17,910	19,269	21,909	23,324
Solid waste	46,015	47,888	57,205	80,631	86,602
Operating grants and contributions	3,067	12,625	3,804	7,358	7,689
Capital grants and contributions	8,331	2,956	82	2,399	1,713
Total business-type activities	94,811	104,346	105,076	137,771	147,047
Total primary government program revenues	1,339,380	1,609,534	1,695,212	1,816,662	1,930,986
NET (EXPENSE)/REVENUE					
Governmental activities	\$ (510,016)	\$ (194,076)	\$ (74,506)	\$ (256,534)	\$ (343,072)
Business-type activities	1,810	14,180	9,112	30,629	33,919
Total primary government net expenses	\$ (508,206)	\$ (179,896)	\$ (65,394)	\$ (225,905)	\$ (309,153)

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

Page 2 of 2

	FISCAL YEAR				
	2015	2016	2017	2018	2019
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
GOVERNMENTAL ACTIVITIES:					
Taxes:					
Property taxes	\$ 270,191	\$ 265,638	\$ 248,903	\$ 256,436	\$ 264,690
Property taxes in lieu of motor vehicle taxes	107,308	96,965	93,082	98,609	102,935
Aircraft taxes	120	256	271	195	155
Sales and uses taxes	58,683	45,554	44,699	41,872	53,153
Transient occupancy taxes	2,721	2,437	2,403	2,700	2,901
Special assessment	2,710	3,022	3,265	3,780	3,828
Transfer taxes	3,183	3,888	3,607	4,489	4,606
Other taxes	1,664	1,444	1,544	1,673	1,770
Other governmental revenue					
Unrestricted investment earnings	12,785	29,511	10,514	5,659	29,608
Miscellaneous	11,822	9,372	8,519	6,190	6,073
Gain from sale of capital assets	-	-	-	-	-
Transfers	(42,916)	(33,407)	(328)	(305)	(396)
Total governmental activities	<u>\$ 428,271</u>	<u>\$ 424,680</u>	<u>\$ 416,479</u>	<u>\$ 421,298</u>	<u>\$ 469,323</u>
BUSINESS-TYPE ACTIVITIES:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other governmental revenue					
Unrestricted investment earnings	907	634	1,401	432	716
Miscellaneous	-	-	-	-	-
Gain from sale of capital assets	-	-	-	-	-
Total business-type activities	<u>907</u>	<u>634</u>	<u>1,401</u>	<u>432</u>	<u>716</u>
Transfers	65,949	42,916	33,407	328	305
Total primary government	<u>66,856</u>	<u>43,550</u>	<u>34,808</u>	<u>760</u>	<u>1,021</u>
CHANGE IN NET POSITION					
Governmental activities	<u>39,446</u>	<u>4,936</u>	<u>80,406</u>	<u>77,941</u>	<u>67,124</u>
Business-type activities	<u>(177,085)</u>	<u>(188,334)</u>	<u>(165,706)</u>	<u>28,575</u>	<u>19,344</u>
Total primary government	<u>\$ (137,639)</u>	<u>\$ (183,398)</u>	<u>\$ (85,300)</u>	<u>\$ 106,516</u>	<u>\$ 86,468</u>

	FISCAL YEAR				
	2020	2021	2022	2023	2024
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
GOVERNMENTAL ACTIVITIES:					
Taxes:					
Property taxes	\$ 267,250	\$ 293,159	\$ 298,507	\$ 328,211	\$ 339,900
Property taxes in lieu of motor vehicle taxes	107,421	110,505	111,532	124,330	133,097
Aircraft taxes	176	162	180	95	176
Sales and uses taxes	44,914	50,028	66,214	99,019	174,571
Transient occupancy taxes	2,492	3,117	4,067	3,455	3,704
Special assessment	-	-	-	-	-
Transfer taxes	4,110	4,961	7,658	4,775	4,306
Other taxes	1,237	1,050	989	1,280	1,145
Other governmental revenue					
Unrestricted investment earnings	31,946	5,495	(40,939)	27,455	64,061
Miscellaneous	12,492	-	16,403	15,871	8,077
Gain from sale of capital assets	-	-	-	1,132	430
Transfers	(436)	(815)	(7,603)	(696)	(782)
Total governmental activities	\$ 471,602	\$ 467,662	\$ 457,008	\$ 604,927	\$ 728,685
BUSINESS-TYPE ACTIVITIES:					
Property taxes	\$ -	\$ -	\$ -	2 \$	-
Other governmental revenue					
Unrestricted investment earnings	4,114	60	(4,082)	1,250	5,019
Miscellaneous	3,897	7	-	-	-
Gain from sale of capital assets	-	-	-	5	-
Total business-type activities	8,011	67	(4,082)	1,257	5,019
Transfers	396	815	7,603	696	782
Total primary government	8,407	882	3,521	1,953	5,801
CHANGE IN NET POSITION					
Governmental activities	(38,414)	273,586	382,502	348,393	385,613
Business-type activities	9,821	14,247	5,030	31,886	39,720
Total primary government	\$ (28,593)	\$ 287,833	\$ 387,532	\$ 380,279	\$ 425,333

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

	FISCAL YEAR				
	2015	2016	2017	2018	2019
GENERAL FUND BALANCES:					
Nonspendable	\$ 18,088	\$ 22,035	\$ 22,370	\$ 17,924	\$ 17,995
Restricted	10,867	11,471	11,915	9,753	10,650
Committed	-	37,301	44,488	35,528	47,316
Assigned	156,780	147,459	118,153	140,264	153,451
Unassigned	115,098	74,508	91,217	80,804	88,191
Total general fund balances	<u>\$ 300,833</u>	<u>\$ 292,774</u>	<u>\$ 288,143</u>	<u>\$ 284,273</u>	<u>\$ 317,603</u>
ALL OTHER GOVERNMENTAL FUNDS:					
Restricted	\$ 3,645	\$ 2,511	\$ 2,109	\$ 2,535	\$ 4,447
Nonspendable	333,275	339,633	359,807	370,395	407,095
Revolving fund cash	26,705	27,981	26,728	25,242	25,787
Assigned	18,709	11,020	6,634	4,929	4,325
Unassigned	(20,744)	-	-	-	(4,786)
Total all other governmental funds	<u>\$ 361,590</u>	<u>\$ 381,145</u>	<u>\$ 395,278</u>	<u>\$ 403,101</u>	<u>\$ 436,868</u>

	FISCAL YEAR				
	2020	2021	2022	2023	2024
GENERAL FUND BALANCES:					
Nonspendable	\$ 18,416	\$ 16,734	\$ 11,628	\$ 10,045	\$ 9,371
Restricted	100,505	41,898	21,318	32,044	27,206
Committed	494,775	34,891	39,056	44,562	45,965
Assigned	70,945	191,965	243,190	254,817	298,224
Unassigned	<u>349,545</u>	<u>124,182</u>	<u>126,651</u>	<u>105,252</u>	<u>217,349</u>
Total general fund balances	<u>\$ 1,034,186</u>	<u>\$ 409,670</u>	<u>\$ 441,843</u>	<u>\$ 446,720</u>	<u>\$ 598,115</u>
ALL OTHER GOVERNMENTAL FUNDS:					
Restricted	\$ 15,040	\$ 5,800	\$ 7,116	\$ 1,940	\$ 6,656
Nonspendable	303,890	535,183	696,671	819,296	843,798
Revolving fund cash	(435,608)	27,326	26,863	25,298	29,147
Assigned	87,448	7,795	17,130	98,827	146,056
Unassigned	<u>(241,193)</u>	<u>-</u>	<u>(4,808)</u>	<u>(2,355)</u>	<u>(517)</u>
Total all other governmental funds	<u>\$ (270,423)</u>	<u>\$ 576,104</u>	<u>\$ 742,972</u>	<u>\$ 943,006</u>	<u>\$ 1,025,140</u>

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

	FISCAL YEAR				
	2015	2016	2017	2018	2019
Revenues:					
Taxes	\$ 473,579	\$ 418,682	\$ 397,468	\$ 409,734	\$ 431,070
Licenses, permits, and franchises	25,642	26,807	25,168	27,474	31,385
Fines, forfeitures, and penalties	22,983	21,211	21,826	21,823	21,785
Revenue from use of money and property	12,343	28,876	10,314	5,230	25,562
Aid from other governmental agencies	763,446	807,542	885,447	865,206	867,411
Charges for current services	180,449	188,698	204,358	205,172	207,675
Other revenues	67,715	69,955	75,554	79,089	29,594
Total revenues	<u>1,546,157</u>	<u>1,561,771</u>	<u>1,620,135</u>	<u>1,613,728</u>	<u>1,614,482</u>
Expenditures:					
General government	108,827	119,021	127,674	123,469	111,433
Public protection	575,159	597,620	591,876	612,013	572,965
Public ways and facilities	50,682	45,376	23	5	-
Health and sanitation	152,244	164,076	51,775	62,177	41,559
Public assistance	435,492	466,352	212,621	231,172	265,540
Education	7,919	8,034	473,512	485,450	490,272
Culture and recreation	11,911	11,852	7,945	7,585	6,965
Capital outlay	22,708	31,266	74,887	22,523	17,822
Debt service:					
Principal	41,021	24,546	26,289	29,367	33,367
Interest	21,612	52,725	49,058	41,616	43,117
Bond issuance cost	1,371	-	2,139	-	-
Total Expenditures	<u>1,428,946</u>	<u>1,520,868</u>	<u>1,617,799</u>	<u>1,615,377</u>	<u>1,583,040</u>
Excess (deficiency) of revenues over expenditures	<u>117,211</u>	<u>40,903</u>	<u>2,336</u>	<u>(1,649)</u>	<u>31,442</u>
Other financing sources (uses):					
Transfers in	-	-	424,776	463,434	531,413
Transfers out	-	-	(426,368)	(463,739)	(531,002)
Settlement	-	-	-	-	-
Proceeds of long-term debt	-	-	-	-	-
Leases Issued	15	106	7,338	6,300	11,690
SBITAS Issued	-	-	-	-	-
Finance Purchase Issued	-	-	-	-	-
Total other financing sources (uses)	<u>15</u>	<u>106</u>	<u>5,746</u>	<u>5,995</u>	<u>12,101</u>
Net changes in fund balances (deficits)	<u>\$ 117,226</u>	<u>\$ 41,009</u>	<u>\$ 8,082</u>	<u>\$ 4,346</u>	<u>\$ 43,543</u>
Debt services as a percentage of non-capital expenditures	4.56 %	5.32 %	5.00 %	4.63 %	4.93 %

	FISCAL YEAR				
	2020	2021	2022	2023	2024
Revenues:					
Taxes	\$ 433,790	\$ 461,808	\$ 488,290	\$ 558,805	\$ 658,504
Licenses, permits, and franchises	30,771	100,505	34,077	42,673	40,048
Fines, forfeitures, and penalties	19,302	494,775	24,191	23,859	23,487
Revenue from use of money and property	27,517	70,945	(36,763)	25,430	59,263
Aid from other governmental agencies	963,401	349,545	1,225,912	1,267,427	1,432,095
Charges for current services	229,664	269,134	275,374	282,222	282,655
Other revenues	44,367	53,500	37,869	43,457	36,110
Total revenues	1,748,812	1,800,212	2,048,950	2,243,873	2,532,162
Expenditures:					
General government	123,795	119,424	140,705	140,608	163,697
Public protection	577,006	596,568	636,022	674,445	750,270
Public ways and facilities	72,058	77,325	60,813	45,264	20,636
Health and sanitation	329,133	318,514	329,256	339,009	436,593
Public assistance	556,213	591,195	594,015	662,311	711,866
Education	6,964	6,331	8,212	8,124	10,514
Culture and recreation	-	2	1	46	-
Capital outlay	4,760	9,000	148,292	148,476	145,366
Debt service:					
Principal	36,242	41,094	56,510	62,527	54,042
Interest	44,605	45,743	32,501	11,346	20,583
Bond issuance cost	-	-	-	-	-
Total Expenditures	1,750,776	1,805,196	2,006,327	2,092,156	2,313,567
Excess (deficiency) of revenues over expenditures	(1,964)	(4,984)	42,623	151,717	218,595
Other financing sources (uses):					
Transfers in	565,056	586,893	579,765	714,515	696,884
Transfers out	(566,616)	(587,804)	(580,635)	(715,761)	(697,835)
Settlement	-	-	-	1,600	-
Proceeds of long-term debt	6,885	-	27,612	-	-
Leases Issued	4,635	9,000	146,782	11,975	4,610
SBITAS Issued	-	-	-	34,458	1,248
Finance Purchase Issued	-	-	-	6,400	-
Total other financing sources (uses)	9,960	8,089	173,524	53,187	4,907
Net changes in fund balances (deficits)	\$ 7,996	\$ 3,105	\$ 216,147	\$ 204,904	\$ 223,502
Debt services as a percentage of non-capital expenditures	4.73 %	4.92 %	4.96 %	3.80 %	3.47 %

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

	FISCAL YEAR				
	2015	2016	2017	2018	2019
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	-	-	-	-	-
Total School District Rate	0% to .063958%	0% to .065744%	0% to .068085%	0% to .069500%	0% to .073749%
Total Special District Rate	0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%

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

	FISCAL YEAR				
	2020	2021	2022	2023	2024
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	-	-	-	-	-
Total School District Rate	0% to .065541%	0% to .065541%	0% to .075513%	0% to .060019%	0% to .060019%
Total Special District Rate	0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%	0% to .070490%

COUNTY OF KERN
ASSESSED VALUE OF TAXABLE PROPERTY AND ACTUAL VALUE OF TAXABLE PROPERTY
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
2014 - 15	\$ 93,210,470	\$ 3,397,078	\$ 1,899,707	\$ (726,775)	\$ 97,780,480	1.00000
2015 - 16	84,427,685	3,495,892	2,068,574	(748,489)	89,243,662	1.00000
2016 - 17	80,574,940	3,356,283	2,235,440	(735,112)	85,431,551	1.00000
2017 - 18	85,722,602	3,173,638	2,584,612	(725,054)	90,755,798	1.00000
2018 - 19	88,994,738	3,762,481	2,634,392	(716,358)	94,675,253	1.00000
2019 - 20	92,826,332	3,939,290	2,693,033	(707,238)	98,751,417	1.00000
2020 - 21	95,765,618	3,896,525	2,915,611	(699,437)	101,878,317	1.00000
2021 - 22	96,807,316	3,355,625	3,498,002	(674,437)	102,986,506	1.00000
2022 - 23	107,924,173	4,065,388	3,498,002	(674,613)	114,812,950	1.00000
2023 - 24	\$ 115,702,106	\$ 4,161,067	\$ 3,890,858	\$ (666,685)	\$ 123,087,346	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/exceptions 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 increases limited to the lesser of 2% or the Consumer Price Index on properties not involved in 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)**

TAX PAYER	2024				2015			
	TAXABLE ASSESSED VALUATION	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION	TAXABLE ASSESSED VALUATION	RANK	TOTAL TAX	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION
Chevron USA Inc	4,945,111	1	55,537	4.54	8,413,035	1	94,500	9.18
*California Resources Elk Hills LLC	3,943,901	2	43,892	18.58	7,802,593	2	84,166	24.53
Aera Energy LLC	2,566,354	3	27,529	11.65	6,643,209	3	68,940	20.10
Southern California Edison Co	1,600,277	4	27,164	11.50	794,134	8	11,178	3.26
Pacific Gas & Electric Co	1,524,038	5	25,864	10.95	790,267	9	11,124	3.24
Berry Petroleum Company LLC	1,333,514	6	14,579	6.17	1,990,742	5	21,290	6.21
Sentinel Peak Resources Cal LLC	1,251,563	7	13,348	5.65	-	-	-	-
Southern California Gas Co	599,410	8	10,171	4.30	-	-	-	-
Wonderful Nut Orchards, LLC	581,158	9	9,636	4.08	-	-	-	-
Wonderful Citrus	709,593	10	8,569	3.63	-	-	-	-
Freeport Mcmoran Oil & Gas LLC	-	-	-	-	2,180,792	4	22,627	6.60
Vintage Production Cal LLC	-	-	-	-	1,410,208	6	15,522	4.52
Seneca Resources Corporation	-	-	-	-	800,546	7	8,411	2.45
Paramount Farms International LLC	-	-	-	-	497,308	10	5,293	1.54
Total	19,054,919		236,289	100.00	31,322,834		343,051	100.00

*Formerly Occidental of Elk Hills Inc

Source: The principal property taxpayers for June 30, 2015 were obtained from the 2015 CAFR. The 2024 information was obtained from the "2023-2024 Tax Rates and Assessed Valuations Report."

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

	FISCAL YEAR				
	2015^a	2016^a	2017^a	2018^a	2019^a
Original Levy	\$ 1,300,154	\$ 1,232,638	\$ 1,230,570	\$ 1,309,211	\$ 1,363,339
Adjustments to Original Levy	(7,384)	1,695	2,844	(3,523)	2,701
Taxes Levied	1,292,770	1,234,333	1,233,414	1,305,688	1,366,040
Collected within the Fiscal Year of the Levy: ^b					
Amount	\$ 1,265,444	\$ 1,206,061	\$ 1,202,759	\$ 1,277,247	\$ 1,334,142
Percentage of Adjusted Levy	97.89 %	97.71 %	97.51 %	97.82 %	97.66 %
Collections in subsequent years	19,671	19,418	18,050	19,823	16,901
Total Collections to Date:					
Amount	\$ 1,285,115	\$ 1,225,479	\$ 1,220,809	\$ 1,297,070	\$ 1,351,043
Percentage of Adjusted Levy	99.41 %	99.28 %	98.98 %	99.34 %	98.90 %

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				
	2020^a	2021^a	2022^a	2023^a	2024^a
Original Levy	\$ 1,428,289	\$ 1,479,020	\$ 1,515,796,270	\$ 1,671,773,018	\$ 1,782,645,917
Adjustments to Original Levy	(437)	36,490	9,621,167	1,432,131	6,186,293
Taxes Levied	1,427,852	1,515,510	1,525,417,437	1,673,205,149	1,788,832,210
Collected within the Fiscal Year of the Levy:b					
Amount	\$ 1,359,412	\$ 1,472,898	\$ 1,478,747,804	\$ 1,626,554,719	\$ 1,738,588,504
Percentage of Adjusted Levy	95.21 %	97.19 %	96.94 %	97.21 %	97.19 %
Collections in subsequent years	20,969	26,809	27,680,703	26,715,447	31,663,733
Total Collections to Date:					
Amount	\$ 1,380,381	\$ 1,499,707	\$ 1,506,428,507	\$ 1,653,270,166	\$ 1,770,252,237
Percentage of Adjusted Levy	96.68 %	98.96 %	98.76 %	98.81 %	98.96 %

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

	FISCAL YEAR				
	2015	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES:					
Finance Purchase	\$ 8,552	\$ 5,005	\$ 8,400	\$ 11,340	\$ 20,091
Certificates of Participation	89,732	89,732	86,188	82,542	78,724
Bonds Payable	113,432	108,986	104,403	98,185	92,017
Loans Payable	4,922	4,568	4,205	3,832	3,450
Pension Obligation Bonds ⁽¹⁾	247,301	231,266	213,851	194,902	174,260
Lease Liability	-	-	-	-	-
Subscription Liability	-	-	-	-	-
Total governmental activities	<u>463,939</u>	<u>439,557</u>	<u>417,047</u>	<u>390,801</u>	<u>368,542</u>
BUSINESS-TYPE ACTIVITIES:					
Finance Purchased	750	2,453	-	-	-
Loans Payable	6,930	6,126	5,302	5,250	4,667
Certificates of Participation	9,172	6,339	-	-	-
Pension Obligation Bonds	37,256	34,682	3,473	3,162	2,823
Lease Liability	-	-	-	-	-
SBITA Liability	-	-	-	-	-
Total business-type activities	<u>54,108</u>	<u>49,600</u>	<u>8,775</u>	<u>8,412</u>	<u>7,490</u>
Total primary government	<u>\$ 518,047</u>	<u>\$ 489,157</u>	<u>\$ 425,822</u>	<u>\$ 399,213</u>	<u>\$ 376,032</u>
Percentage of personal income ^a	1.6 %	1.5 %	1.3 %	1.2 %	1.1 %
Per Capita Outstanding Debt ^b	\$ 593	\$ 551	\$ 480	\$ 446	\$ 415

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				
	2020	2021	2022	2023	2024
GOVERNMENTAL ACTIVITIES:					
Finance Purchase	\$ 21,079	\$ 24,424	\$ 19,693	\$ 21,841	\$ 18,191
Certificates of Participation	74,721	71,063	67,230	63,212	58,994
Bonds Payable	100,505	71,479	63,600	56,282	49,904
Loans Payable	494,775	8,519	35,187	33,131	31,023
Pension Obligation Bonds ⁽¹⁾	70,945	127,111	103,059	80,018	64,400
Lease Liability	-	-	130,896	129,150	123,832
Subscription Liability	-	-	1,444	26,953	20,892
Total governmental activities	<u>762,025</u>	<u>302,596</u>	<u>421,109</u>	<u>410,587</u>	<u>367,236</u>
BUSINESS-TYPE ACTIVITIES:					
Finance Purchased	-	-	-	-	-
Loans Payable	4,072	3,529	2,974	2,406	1,825
Certificates of Participation	-	-	-	-	-
Pension Obligation Bonds	2,455	2,053	1,661	1,290	1,038
Lease Liability	-	-	280	50	9
SBITA Liability	-	-	-	-	169
Total business-type activities	<u>6,527</u>	<u>5,582</u>	<u>4,915</u>	<u>3,746</u>	<u>3,041</u>
Total primary government	<u>\$ 768,552</u>	<u>\$ 308,178</u>	<u>\$ 426,024</u>	<u>\$ 414,333</u>	<u>\$ 370,277</u>
Percentage of personal income ^a	0.9 %	0.7 %	1.0 %	1.0 %	1.4 %
Per Capita Outstanding Debt ^b	\$ 389	\$ 336	\$ 466	\$ 446	\$ 407

**COUNTY OF KERN
ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2024 (IN THOUSANDS)**

2022 - 2023 Assessed value (includes unitary utility valuation)	123,087,346	
	Debt	Percentage
	06/30/24	Applicable^b
OVERLAPPING TAX AND ASSESSMENT DEBT		
Kern Community College Safety, Repair and Improvement District	\$ 76,467	92.289
Kern Community College Safety, Repair and Improvement District No. 1	346,647	91.737
Antelope Valley Joint Community College District and West Kern Community College District	25,779	6.103
West Kern Community College District	22,399	100
Mojave Unified School District School Facilities Improvement Districts No. 1 and No. 2	23,468	100
Southern Kern Unified School District	47,578	100
Other Unified School Districts	104,376	92.895-100
Kern High School District	371,616	100
Other Union High School District	48,449	100
Bakersfield School District	124,827	100
Delano Union School District	21,000	100
Fruitvale School District	32,232	100
Norris School District	32,720	100
Panama-Buena Vista School District	126,195	100
Taft School District	28,792	100
Other School Districts	249,346	65.005-100
Tehachapi Valley Healthcare District	56,785	100
Bear Valley Community Services District, I.D. No. 2	319	100
Buttonwillow Recreation and Park District	3,433	100
Community Facilities Districts	223,913	100
1915 Act Bonds (Estimated)	37,697	100
Total overlapping tax and assessment debt	2,004,038	
OVERLAPPING GENERAL FUND DEBT		
Kern County Board of Education Certificates of Participation	29,985	100
Community College District Certificates of Participation and Other Post-Employment Benefit Bonds	88,046	Various
Unified School District General Fund Obligations	15,159	Various
Antelope Valley Union High School District General Fund Obligations	1	0.011
Wasco Union High School District General Fund Obligation	5,360	100
School District General Fund Obligations	94,856	100
City of Arvin General Fund Obligations	3,450	100
City of Delano Certificates of Participation	12,225	100
City of McFarland General Fund Obligations	4,774	100

	Debt 06/30/24	Percentage Applicable^b
City of Ridgecrest General Fund Obligations	16,335	100
City of Taft General Fund Obligations	103	100
Tehachapi Valley Recreation and Park General Fund Obligations	643	100
Total overlapping general fund debt	<u>270,937</u>	
Total direct and overlapping debt	<u>2,274,975</u>	
DIRECT GENERAL FUND DEBT		
Kern County General Fund Obligations	302,836	
Kern County Pension Obligations	64,400	
Total direct general fund debt	<u>367,236</u>	
OVERLAPPING TAX INCREMENT DEBT	<u>\$ 59,439</u>	
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>2,701,650</u></u> ^a	
Ratios to 2022 - 2023 assessed valuation:		
Total overlapping tax and assessment debt	1.63 %	
Ratios to Adjusted Assessed Valuation:		
Combined direct debt (\$367,236)	0.30 % -	
Combined Total Debt	2.19 % -	

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
FOR THE YEAR ENDED JUNE 30, 2024**

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

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

FISCAL YEAR	POPULATION	PERSONAL INCOME	PER CAPITA INCOME	MEDIAN AGE	SCHOOL ENROLLMENT	UNEMPLOYMENT RATE
2015	882,176	\$ 32,953,453	\$ 37,355	-	180,304	10.4%
2016	886,507	33,368,619	37,641	-	181,393	10.8%
2017	895,112	32,852,879	36,783	-	185,236	9.5%
2018	905,801	33,980,966	37,743	-	189,949	8.7%
2019	916,464	35,784,162	39,477	-	192,446	7.4%
2020	917,553	40,097,301	44,063	-	198,910	17.5%
2021	914,193	42,177,029	45,961	-	195,310	10.0%
2022	929,851	39,352,831	43,167	-	196,030	6.7%
2023	909,813	40,542,387	44,397	-	197,042	8.8%
2024	910,300	\$ 26,647,060	\$ 44,508	-	198,315	9.0%

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

JUNE 30, 2024				JUNE 30, 2015			
EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF COUNTY TOTAL EMPLOYMENT	EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Government	69,500	1	17.80	China Lake Naval Air Weapon Station	9,700+	1	2.80
China Lake Naval Air Weapon Station	10,359	2	2.65	County of Kern Grimmway Farms	8,872	2	2.49
Edwards Air Force Base	9,754	3	2.50	Naval Air Warfare Center	5,000 - 9,000	3	1.40
Grimmway Farms	8,658	4	2.22	Navy Public Affairs Office	5,000 - 9,000	4	1.40
Amazon	5,547	5	1.42	Bolthouse Farms	1,700-4999	5	1.40
Wonderful Corp.	4,565	6	1.17	Chevron	1,000-4,999	6	0.28
Adventist Health	3,623	7	0.93	Kern County Superintendent of Schools	1,000-4,999	7	0.28
Dignity Health	3,516	8	0.90	State Farm	1,000-4,999	8	0.28
Kern Medical	2,300	9	0.59	Dignity Health	1,000-4,999	9	0.28
Bolthouse Farms	<u>1,913</u>	10	<u>0.49</u>			10	<u>0.28</u>
Total	<u><u>119,735</u></u>		<u><u>30.67</u></u>				

Sources:

State of California - Employment Development Department, Labor Market Information
Data for 2015 was obtained from the June 30, 2015 CAFR

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

Page 1 of 2

FUNCTION/PROGRAM	FULL-TIME EQUIVALENT EMPLOYEES AS OF JUNE 30,				
	2015	2016	2017	2018	2019
GENERAL GOVERNMENT:					
Assessor	93	98	95	86	81
Information Technology	41	45	42	55	68
County Counsel	47	47	42	43	45
Other ^a	354	337	373	378	376
PUBLIC PROTECTION:					
District Attorney	240	244	228	239	205
Public Defender	87	92	87	81	78
Sheriff - Coroner	1,182	1,173	1,141	1,177	1,155
Probation	521	559	528	526	518
Fire Department	605	599	589	592	600
Other ^a	381	329	323	328	397
PUBLIC WAYS & FACILITIES:					
Roads ^a	181	-	-	-	-
HEALTH AND SANITATION:					
Public Health	183	175	180	183	180
Behavioral Health & Recovery	450	517	606	667	796
Other	99	126	95	96	78
PUBLIC ASSISTANCE:					
Human Services	1,518	1,515	1,510	1,502	1,483
Other	183	190	194	200	218
EDUCATION:					
Library	47	50	46	40	42
Other	4	4	4	4	4
CULTURE & RECREATION SERVICES^c					
Airports	69	69	-	-	-
Kern Medical ^b	21	22	21	18	20
Public Transportation ^a	1,273	1,276	-	-	-
Public Works ^a	4	-	-	-	-
Solid waste ^a	-	348	338	357	422
	114	-	-	-	-
Total full-time employees	<u>7,697</u>	<u>7,815</u>	<u>6,442</u>	<u>6,572</u>	<u>6,766</u>

Note:

^a In 2016, the Internal Service Fund - Public Works was created. The employees from Roads, Public Transportation, Solid Waste, 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
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Page 2 of 2

FUNCTION/PROGRAM	FULL-TIME EQUIVALENT EMPLOYEES AS OF JUNE 30,				
	2020	2021	2022	2023	2024
GENERAL GOVERNMENT:					
Assessor	76	77	76	76	77
Information Technology	77	69	73	82	88
County Counsel	44	44	47	46	44
Other ^a	394	379	383	387	423
PUBLIC PROTECTION:					
District Attorney	221	210	210	200	218
Public Defender	83	82	82	83	83
Sheriff - Coroner	1,125	1,102	1,032	1,116	1,245
Probation	531	538	530	543	565
Fire Department	554	573	641	636	711
Other ^a	393	377	372	378	413
PUBLIC WAYS & FACILITIES:					
Roads ^a	-	-	-	-	-
HEALTH AND SANITATION:					
Public Health	185	172	178	201	215
Behavioral Health & Recovery	810	794	781	862	921
Other	76	69	76	92	92
PUBLIC ASSISTANCE:					
Human Services	1,461	1,428	1,435	1,539	1,594
Other	238	238	251	272	270
EDUCATION:					
Library	38	35	44	53	76
Other	4	4	4	4	3
CULTURE & RECREATION SERVICES^c					
Airports	18	19	18	18	22
Kern Medical ^b	-	-	-	-	-
Public Transportation ^a	-	-	-	-	-
Public Works ^a	422	448	449	474	499
Solid waste ^a	-	-	-	-	-
Total full-time employees	<u>6,750</u>	<u>6,658</u>	<u>6,682</u>	<u>7,062</u>	<u>7,559</u>

**COUNTY OF KERN
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

Page 1 of 3

FUNCTION/PROGRAM	FISCAL YEAR				
	2015	2016	2017	2018	2019
<u>GENERAL GOVERNMENT</u>					
Assessor - Recorder					
Recorded Documents	191,660	199,972	206,612	195,708	181,238
County Counsel					
Litigated & Administrative Hearings	9,241	7,882	8,585	8,654	8,713
Attorneys	29	30	26	25	27
Attorneys Per Capita	-	-	-	-	-
Human Resources					
Applications Received	26,520	38,118	29,935	36,922	38,216
County Clerk - Elections					
Marriage Licenses	4,700	4,792	4,940	4,705	4,420
Fictitious Business Names	5,873	6,511	6,630	6,609	6,613
<u>PUBLIC PROTECTION</u>					
District Attorney					
Misdemeanors Cases Filed	22,671	27,361	25,220	20,390	21,733
Felony Cases Filed	17,923	5,795	5,869	5,954	6,662
Felony Information Field	1,966	1,819	1,726	1,420	N/A
Felony Cases with Juries	210	189	204	167	192
Public Defender					
Public Defense Cases Accepted/Received	46,166	46,853	39,479	32,773	35,354
Public Defense Cases Opened	20,984	20,530	21,102	18,558	19,083
Public Defense Case Closed	37,937	41,978	36,366	30,575	31,838
Public Defense Cases Closed Within 12 Months	37,937	41,978	36,366	30,575	31,838
Sheriff - Coroner:					
Dispatched Calls for Service	293,448	257,425	261,829	242,210	208,689
Violent Crimes::	2,005	1,858	1,731	1,734	4,404
Homicide	35	42	37	52	40
Robbery	354	405	422	472	428
Aggravated Assault	1,500	1,237	1,102	1,054	1,020
Property Crimes	4,783	6,628	6,636	6,307	2,579
Total Larceny - Theft	4,521	3,484	3,257	3,257	3,192
Bookings	14,730	14,749	16,372	15,765	17,843
Fingerprints	6,315	7,426	7,797	5,795	5,516
Fire Department:					
Total Incident Calls	45,363	48,585	50,262	52,922	53,722
Fire Calls	2,596	3,000	3,360	3,715	3,465
Overpressure, Ruptures, Explosion	126	119	58	92	238
Other Type of Incidents	499	751	1,401	1,592	1,930
EMS / Rescue Calls	25,882	26,317	26,033	27,935	29,082
Hazardous Condition Calls	1,772	1,678	1,486	1,503	1,380
Public Service Calls	2,129	2,692	2,849	2,895	2,857
False Calls	1,982	2,082	2,093	2,073	1,965

Source: Ddepartments of the County of Kern

Notes: N/A - Information not available.

* Information was updated from prior year report.

**COUNTY OF KERN
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

Page 2 of 3

FUNCTION/PROGRAM	FISCAL YEAR				
	2020	2021	2022	2023	2024
<u>GENERAL GOVERNMENT</u>					
Assessor - Recorder					
Recorded Documents	194,767	277,578	250,055	177,770	168,012
County Counsel					
Litigated & Administrative Hearings	9,578	10,021	7,619	7,519	7,112
Attorneys	26	26	27	29	28
Attorneys Per Capita	-	-	-	-	-
Human Resources					
Applications Received	31,904	27,320	31,204	39,382	48,074
County Clerk - Elections					
Marriage Licenses	2,045	3,782	4,576	4,191	3,984
Fictitious Business Names	5,396	5,960	7,353	8,902	6,531
<u>PUBLIC PROTECTION</u>					
District Attorney					
Misdemeanors Cases Filed	21,312	20,456	18,257	19,682	17,507
Felony Cases Filed	6,617	7,155	6,954	6,751	6,123
Felony Information Field	N/A	N/A	N/A	1,571	1,278
Felony Cases with Juries	101	104	124	113	116
Public Defender					
Public Defense Cases Accepted/Received	35,709	38,598	32,746	36,452	36,435
Public Defense Cases Opened	16,941	16,040	32,746	29,247	33,123
Public Defense Case Closed	31,755	32,485	25,980	20,713	27,122
Public Defense Cases Closed Within 12 Months	31,755	32,485	32,746	20,713	27,122
Sheriff - Coroner:					
Dispatched Calls for Service	193,560	171,326	155,331	145,903	150,006
Violent Crimes::	5,821	6,743	5,988	5,147	5,599
Homicide	55	67	54	48	25
Robbery	530	430	496	468	377
Aggravated Assault	1,204	1,556	5,311	2,580	2,618
Property Crimes	6,566	8,501	9,281	5,228	2,409
Total Larceny - Theft	3,387	2,872	3,663	3,164	3,143
Bookings	13,576	11,197	10,902	11,580	12,948
Fingerprints	4,005	3,662	2,584	2,826	3,408
Fire Department:					
Total Incident Calls	54,639	52,075	63,581	61,744	57,943
Fire Calls	4,052	5,007	4,760	4,689	5,334
Overpressure, Ruptures, Explosion	155	554	280	234	213
Other Type of Incidents	1,825	353	76	78	74
EMS / Rescue Calls	29,732	35,711	40,759	39,422	34,884
Hazardous Condition Calls	1,485	1,322	1,424	1,435	1,334
Public Service Calls	3,175	3,276	3,473	3,681	3,872
False Calls	1,979	1,520	1,489	1,583	1,550

FUNCTION/PROGRAM	FISCAL YEAR				
	2015	2016	2017	2018	2019
Building Inspection					
Building Permits Issued	9,005	9,172	9,028	7,791	8,818
Animal services					
Received Calls for Response	20,258	19,443	19,290	16,649	16,435
Animals Impounded	16,521	17,551	17,444	15,567	13,859
Animals Returned to Owner^	742	796	912	911	851
Animals Rescued+	-	-	-	-	2,360
Animals Adopted	3,228	5,097	5,394	5,813	5,316
Animals Euthanized	7,211	5,893	4,882	3,819	3,351
PUBLIC WAYS & FACILITIES					
Roads					
Maintained Road Lanes (in miles)	3,337	3,332	3,319	3,324	3,327
HEALTH AND SANITATION					
Mental Health Services					
Unique Clients Served	26,113	27,729	28,356	30,540	32,227
Unique Clients Served with Outpatient Services*	26,036	27,652	28,356	-	55,283
Unique Clients Served with Intensive Services	1,398	1,537	1,393	2,595	2,735
PUBLIC ASSISTANCE					
Aging & Adult Services					
Senior Nutrition Participation::					
Congregate Senior Participants	3,228	3,010	2,767	2,522	2,108
Congregate Meals	145,762	141,851	134,465	129,694	115,083
Home Delivered Senior Participants	1,614	1,572	1,522	1,505	1,384
Home Delivered Meals	232,157	212,853	208,147	208,311	185,408
COVID19 Senior Participants	-	-	-	-	-
COVID19 Meals	-	-	-	-	-
Human Services					
Children Admitted to the Jamison Center:					
Protective Custody/New Intakes	1,579	1,839	1,687	1,577	1,433
Change of Placement	1,463	1,634	1,492	1,383	1,279
Children released from the Jamison Center	116	205	195	194	154
Average day stay in the Jamison Center	724	807	1,492	1,399	1,556
Admissions - Breakdown by Age::	4	5	3	4	3
Newborn - 5 years	689	719	657	581	529
6 - 12 years	417	475	436	424	399
13 - 18 years	357	440	399	378	351
CULTURE AND RECREATION SERVICES & EDUCATION					
Parks & Recreation					
Annual Boat Permits	1,618	1,591	2,699	2,870	2,711
Day Use Boat Fees	10,895	10,409	12,358	12,236	10,785
BUSINESS-TYPE ACTIVITIES:					
Solid Waste					
Landfill capacity in cubic yards	88,239,785	88,288,861	88,288,861	88,288,940	88,309,205

Source: Department of the County of Kern

Notes:

N/A - Information not available.

*In 2018, information for this activity 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.

COUNTY OF KERN
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

Page 3 of 3

FUNCTION/PROGRAM	FISCAL YEAR				
	2020	2021	2022	2023	2024
Building Inspection					
Building Permits Issued	8,903	10,331	9,755	11,150	8,962
Animal services					
Received Calls for Response	13,394	12,157	14,713	18,785	18,971
Animals Impounded	12,810	8,296	10,691	13,578	14,983
Animals Returned to Owner^	653	445	558	751	793
Animals Rescued+	2,213	1,418	1,280	2,350	2,897
Animals Adopted	3,793	2,408	3,665	5,011	4,970
Animals Euthanized	2,249	634	2,048	2,859	3,368
<u>PUBLIC WAYS & FACILITIES</u>					
Roads					
Maintained Road Lanes (in miles)	3,331	3,329	3,329	3,318	6,813
<u>HEALTH AND SANITATION</u>					
Mental Health Services					
Unique Clients Served	31,554	32,317	33,168	35,843	33,597
Unique Clients Served with Outpatient Services*	62,264	61,388	63,762	35,818	33,122
Unique Clients Served with Intensive Services	3,072	3,202	3,033	2,292	3,759
<u>PUBLIC ASSISTANCE</u>					
Aging & Adult Services					
Senior Nutrition Participation::					
Congregate Senior Participants	1,671	240	1,267	1,991	1,820
Congregate Meals	73,221	4,756	54,112	107,095	86,022
Home Delivered Senior Participants	2,974	1,507	2,546	2,917	3,039
Home Delivered Meals	227,079	214,488	357,893	412,022	553,633
COVID19 Senior Participants	-	1,870	1,340	623	-
COVID19 Meals	-	270,566	144,191	2,838	-
Human Services					
Children Admitted to the Jamison Center:					
Protective Custody/New Intakes	1,340	1,472	1,538	1,566	1,407
Change of Placement	1,123	1,224	1,281	1,334	1,234
Children released from the Jamison Center	217	248	257	232	173
Average day stay in the Jamison Center	1,372	1,443	1,550	1,339	1,254
Admissions - Breakdown by Age::	3	4	5	4	3
Newborn - 5 years	510	628	587	519	474
6 - 12 years	403	445	511	394	359
13 - 18 years	427	399	440	416	401
<u>CULTURE AND RECREATION SERVICES & EDUCATION</u>					
Parks & Recreation					
Annual Boat Permits	3,235	2,613	1,882	3,736	3,413
Day Use Boat Fees	12,457	13,586	9,700	19,844	8,068
<u>BUSINESS-TYPE ACTIVITIES:</u>					
Solid Waste					
Landfill capacity in cubic yards	88,872,485	89,024,872	89,024,872	88,762,230	96,324,525

COUNTY OF KERN
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

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FUNCTION/PROGRAM	FISCAL YEAR				
	2015	2016	2017	2018	2019
EDUCATION					
Public Library					
Main Library	1	1	1	1	1
Branches	23	23	23	23	23
Law Library	1	1	1	1	1
PARKS AND LAND USE					
Number of Neighborhood Parks	40	40	40	40	43
Number of Regional Parks	8	8	8	7	8
County Golf Courses	3	3	3	3	3
PUBLIC WORKS					
Miles of County Roads	3,337	3,332	3,319	3,324	3,327
PUBLIC SAFETY					
Number of Sheriff Stations	15	15	14	14	15
Number of Fire Stations	47	47	47	47	47
AIRPORTS					
Number of Runways	8	8	8	8	8

Source: Departments of the County of Kern

COUNTY OF KERN
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

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FUNCTION/PROGRAM	FISCAL YEAR				
	2020	2021	2022	2023	2024
EDUCATION					
Public Library					
Main Library	1	1	1	1	1
Branches	23	23	21	21	21
Law Library	1	1	1	1	1
PARKS AND LAND USE					
Number of Neighborhood Parks	43	40	40	40	38
Number of Regional Parks	8	8	8	8	9
County Golf Courses	3	3	3	3	3
PUBLIC WORKS					
Miles of County Roads	3,331	3,331	3,332	3,318	3,319
PUBLIC SAFETY					
Number of Sheriff Stations	15	12	12	12	12
Number of Fire Stations	47	47	47	47	47
AIRPORTS					
Number of Runways	7	7	7	7	7