

SAN BENITO COUNTY AUDIT COMMITTEE AGENDA

Dom Zanger **Ignacio Velazquez**
Board of Supervisor - Board of Supervisor -
District I District V

*San Benito County Administration Building
Board of Supervisors Chambers
481 Fourth Street, Hollister, California*

AUDIT COMMITTEE MEETING **April 8, 2025** **8:00 AM**

Written Comments & Email Public Comment

Members of the public may submit comments via email by 5:00 PM on the Monday prior to the meeting to the auditor's office at audit@sanbenitocountyca.gov

Public Comment Guidelines

- A. The Committee welcomes your comments.
- B. Each individual speaker will be limited to a presentation total of three (3) minutes or some other time as may be designed by the Chair.
- C. Please keep your comments brief, and to the point, and do not repeat prior testimony, so that as many people as possible can be heard. Your cooperation is appreciated.

If you have any questions, please contact the auditor's office, at (831) 636-4090, or email audit@sanbenitocountyca.gov

The Audit Committee welcomes you to this meeting and encourages your participation.

- If you wish to speak on a matter that does not appear on the agenda, you may do so during the Public Comment period at the beginning of the meeting. Except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. When addressing the Committee, please state your name for the record. Please address the Committee as a whole through the Chair.
- If you wish to speak on an item contained in the agenda, please seek recognition from the Chairman prior to consideration of the item.

8:00 A.M. CALL TO ORDER

1 ROLL CALL

2 ACKNOWLEDGE THE CERTIFICATE OF POSTING

2.a. [Acknowledge Certificate of Posting](#)

*Agenda posted on public billboard outside of the administration building by Friday
4/4/25 5:00 PM*

3 PUBLIC COMMENT: Opportunity to address the Committee on items of interest not appearing on the agenda. No action may be taken unless provided by Govt—code Section 54954.2.

4 REGULAR AGENDA

4.a. Approve minutes of the January 28, 2025 Audit Committee meeting.

01.28.25 Minutes – Audit Committee

4.b. Update on completion of FY23/24 audit

Provide an update on the completion of the audit for FY23/24 and review any findings

4.c. Finalize schedule for Audit Committee meetings through calendar year 2025

Discuss with committee members the best dates and times to meet for Audit Committee meetings to create a schedule for calendar year 2025.

FUTURE AGENDA ITEMS., No discussion of these items shall occur, but the Committee may direct any reports to be agendized for a future meeting.

Introduction of Brown Armstrong audit firm and review and discuss FY24/25 end of year schedule.

ADJOURNMENT

Next meeting to be determined during April 8th meeting.

SAN BENITO COUNTY
AUDIT COMMITTEE

CERTIFICATE OF POSTING

Pursuant to Government Code Section 59454.2(a), the agenda for the San Benito County Audit Committee meeting of February 8, 2025, was posted on the February 4, 2025 at the following location, freely accessible to the public:

The San Benito County website (cosb.us) under the events calendar

and

The bulletin board outside the front entrance of the San Benito County Administration Building, 481 Fourth Street, Hollister, CA

I, Kelsey MacIsaac, certify under penalty of perjury, that the foregoing is true and correct.

KELSEY

MACISAAC

AUDITOR-ACCOUNTANT
COUNTY OF SAN BENITO



**SAN BENITO COUNTY
AUDIT COMMITTEE
AGENDA ITEM
TRANSMITTAL FORM**

Dom Zanger
Board of Supervisor
District #1

Ignacio Velazquez
Board of Supervisor
District #5

Item Number: 4.a

MEETING DATE: 04/08/2025
DEPARTMENT: AUDITOR
AGENDA ITEM PREPARER: Kelsey Maclsaac

SUBJECT:

Approve minutes of the January 28, 2025 Audit Committee meeting.

AGENDA SECTION:

REGULAR AGENDA

BACKGROUND/SUMMARY:

See attached minutes.

STAFF RECOMMENDATION:

Approve minutes of the January 28, 2025 Audit Committee meeting.

ATTACHMENTS:

- Minutes of the January 28, 2025 Audit Committee meeting



County of San Benito Audit Committee

Meeting Minutes

January 28th, 2025

Attendees: Supervisor Ignacio Velazquez, District V
Supervisor Dom Zanger, District I
Joe Paul Gonzalez, Auditor-Controller
Leann Godinez, Assistant Auditor
Debbie Brown, Auditor-Accountant
Hye-Weon Kim, Auditor-Accountant
Kelsey MacIsaac, Auditor-Accountant
Chelsea Norris, Auditor-Accountant
Raymond Xieu, Auditor Accountant
Henie Ring, Deputy County Administrative Officer

Meeting called to order at approximately 8:01 AM

1. Roll Call

Joe Paul: We have two members of the board and the CAO present for this meeting along with the Auditor's office. Normally the external auditor is present but they were omitted from this meeting to avoid any conflict of interest with the RFPs for an external audit firm since our current external auditor is one of the RFP respondents.

2. Acknowledge Certificate of Posting

M/Velazquez S/Zanger V/Unanimous

3. Public Comment

No public comment – no members of the public present at this time.

4.a. Adopt minutes from 6/23/23 Audit Committee Meetings

M/Velazquez S/Zanger V/Unanimous

4.b. Audit Committee Background

Joe Paul gave some general background information on the purpose of the Audit Committee and why it was created.

Joe Paul: The Audit Committee provides a practical means for the governing board to provide independent oversight of the government's financial reporting processes, and it helps hold departments accountable for the financial work they need to complete. It is a place where questions can be asked pertaining to financial policies, the financial statements, the single audit, etc. The Audit Committee is comprised of three main groups: the governing body, financial management and the independent external auditors. At the next meeting we will discuss the outcome of that external audit and single audit with the external auditors here to initiate and lead the discussion.

Agenda item 4.b transmittal has more information and was distributed at the meeting.

4.c. Recommendation of Selection of External Audit Firm providing professional audit services beginning fiscal year 24/25 from responding RFP

Joe Paul: There were four respondents to the RFPs and three members of the audit staff reviewed each of the RFP responses. All reviewers felt that the lowest bidder was not adequately qualified to audit the County since they only had one California County client currently, Del Norte County. Del Norte has not received the GFOA award for financial excellence which San Benito County has. The reviewers felt the other three respondents were adequately qualified to audit the County. The criteria used for reviewing was comprised of sixty percent technical/qualitative aspects and forty percent cost driven.

Dom: Who were the reviewers?

Joe Paul: Leann, the Assistant Auditor, and two highly qualified auditor accountants. Brown Armstrong was ranked as the top firm by two reviewers and the third reviewer ranked them second place by 0.2 percent. The Auditor's recommendation is to accept Brown Armstrong Accountancy Corporation's 5-year contract proposal. The Audit Committee can decide to take this to the whole Board of Supervisors for discussion or schedule a subsequent Audit Committee meeting to discuss the RFPs further.

Ignacio: Financial statements and audits are extremely important items. I believe the discussion should be brought to the whole Board of Supervisors to be a complete board decision. Who audits our finances is one of the most important things in my opinion.

Brown Armstrong Accountancy Corporation recommendation from Auditor's Office acceptance

M/Velazquez S/Zanger V/Unanimous

5. Future Agenda Items

Joe Paul: Eide Bailly, LLP will present the ACFR and Single Audit at the next Audit Committee meeting. The Audit Committee will be able to ask questions of the external auditors.

Ignacio: Where do they work?

Joe Paul: Previously the external auditors used to come to the County and do their work onsite, but since COVID most work is now performed remotely. They do some onsite work at departments for the Single Audit.

No questions

The next Audit Committee meeting is scheduled for April 8th 2025.

6. Adjournment

Meeting adjourned at 8:30 AM



**SAN BENITO COUNTY
AUDIT COMMITTEE
AGENDA ITEM
TRANSMITTAL FORM**

Dom Zanger
Board of Supervisor
District #1

Ignacio Velazquez
Board of Supervisor
District #5

Item Number: 4.b

MEETING DATE: 04/08/2025

DEPARTMENT: AUDITOR-CONTROLLER

AGENDA ITEM PREPARER: Leann Godinez

SUBJECT:

Update on completion of FY23/24 external audit

AGENDA SECTION:

REGULAR AGENDA

BACKGROUND/SUMMARY:

On December 30, 2024, the external auditors, Eide Bailly, issued the Independent Auditor's Report on the audit of the financial statements for fiscal year 2023/2024. The Auditor's Opinion is unmodified, signifying that the financial statements are presented fairly, in all material respects, the financial position of the County of San Benito as of June 30, 2024. The Auditors identified a material weakness over financial reports; the contributing condition is a result of specific adjustments made to present the financial statements in accordance with generally accepted accounting principles for governmental entities. The County Auditor-Controller issued the Summary Schedule of Prior Year Audit Findings and Corrective Action Plan as of June 30, 2024 in response to the material weakness over financial reporting identified by the external auditors.

On March 26, 2025, the external auditors issued the Independent Auditor's Report on Compliance for each Major Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Reported by the Uniform Guidance. The Auditor's Opinion is unmodified and did not identify any material weaknesses on internal controls over major programs, did not identify any significant deficiencies not considered to be material weaknesses, and did not identify any audit findings for the major programs audited.

STAFF RECOMMENDATION: None

ATTACHMENTS:

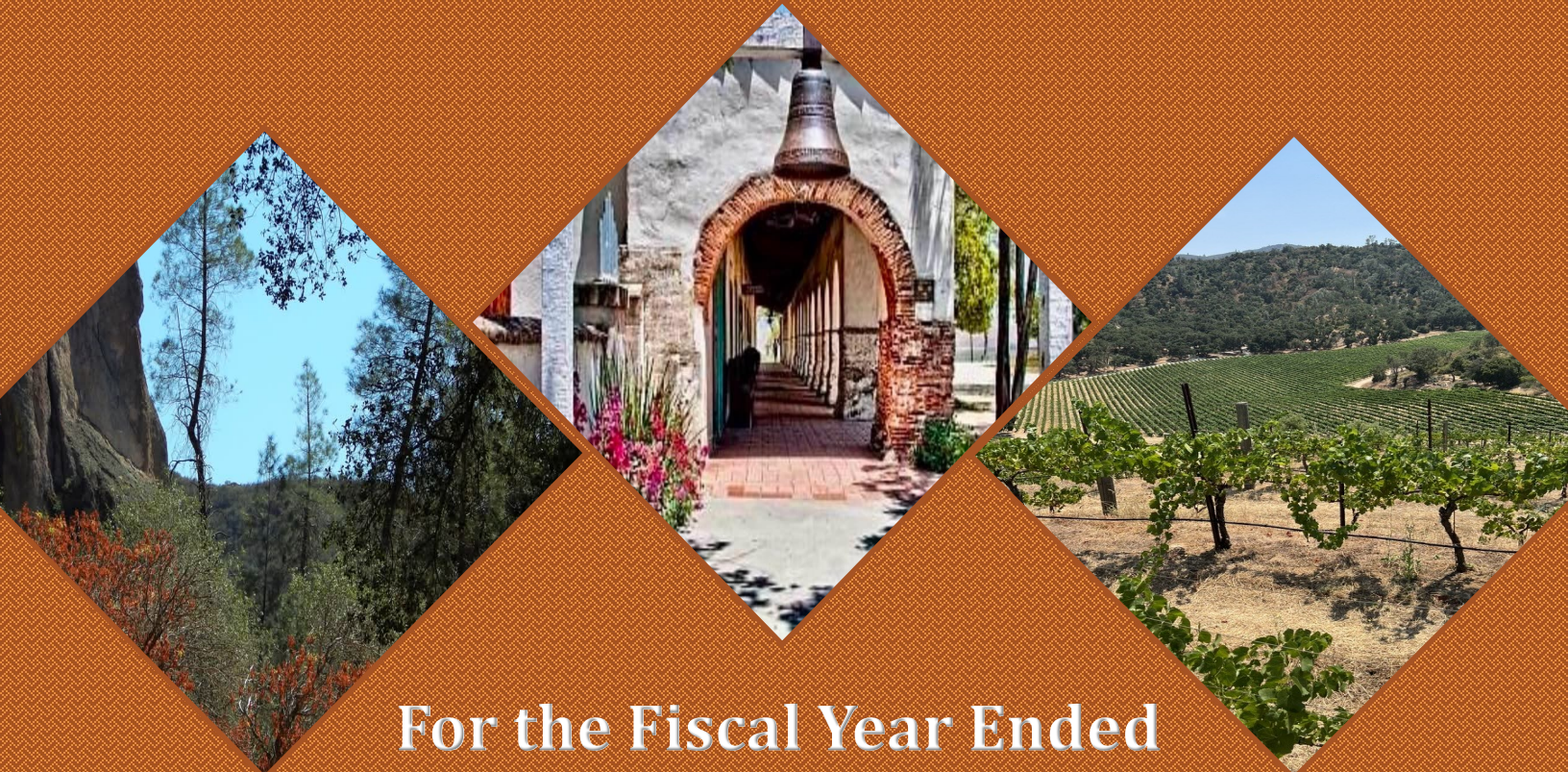
- FY 2023/2024 ACFR, including the Independent Auditor's Report
- FY 2023/2024 Single Audit Report
- Summary of Prior Year Audit Findings and Corrective Action Plan
- Final Communication Letter to the Board of Supervisors



COUNTY OF SAN BENITO

STATE OF CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT



For the Fiscal Year Ended

June 30, 2024

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

COUNTY OF SAN BENITO | ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024

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COUNTY OF SAN BENITO | ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2024

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COUNTY OF SAN BENITO

JOE PAUL GONZALEZ

AUDITOR-CONTROLLER

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Telephone: (831) 636-4090

E-Mail: jgonzalez@sanbenitocountyca.gov

December 31, 2024

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

I am pleased to present this fiscal year 2023-2024 Annual Comprehensive Financial Report (ACFR) for the County of San Benito. This ACFR is intended to present information above and beyond what is required by generally accepted accounting principles or State Law.

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

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

The County of San Benito's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants, who have issued an unmodified ("clean") opinion on the County's financial statements for the fiscal year ended June 30, 2024. The auditors have concluded, based on their audit that the financial statements combined with the accompanying Notes, present fairly, in all material respects, the financial condition of San Benito County as of June 30, 2024. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County of San Benito includes the broader, federally mandated annual single audit, in conformity with the provisions of the Single Audit Act of 1984 (amended 1996) and U.S. Office of Management and Budget (OMB) Uniform Guidance, the OMB Circular. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls

and legal requirements involving the administration of federal awards. These reports will be available in the County of San Benito's separately issued Single Audit Report.

FINANCIAL INFORMATION

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

The ACFR is organized into three sections:

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

PROFILE OF THE COUNTY OF SAN BENITO

Overview of the County

San Benito County is located in the northwestern part of the State of California and is located approximately 85 miles south of San Francisco. The County of San Benito currently occupies over 1,396 square miles and serves a population of 68,175. Open space and agricultural land account for a great majority of this area. San Benito County was formed in 1874 from a portion of Monterey County. Thirteen years later, the state legislature expanded the county to include land in Fresno and Merced counties. Territorially, it has remained unchanged since 1887.

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

San Benito County government is comprised of eleven publicly elected officials including a five-member Board of Supervisors, the County Auditor-Controller, the Clerk-Recorder-Registrar of Voters, the Assessor, the District Attorney, the Sheriff-Coroner and the Treasurer-Tax Collector-Public Administrator. A County Administrative Officer (CAO) is appointed by the Board of Supervisors and functions as the Chief Executive. Averaging 500 full time equivalent employees, the County government provides a full range of public services including public safety, roads and facilities, social services, administrative services, health services, sanitation, library, parks and recreational facilities and a variety of other general governmental services. Every resident of the County, directly or indirectly, benefits from these services. Most services performed by the County are provided for all residents, regardless of whether those residents live in cities or unincorporated areas.

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

FACTORS AFFECTING FINANCIAL CONDITIONS

Local Economy

The County of San Benito's economy has continued to experience increases in housing construction. Attracting homebuyers from the northern bay area with the lower housing costs. The net assessed value of taxable property, along with the total taxes levied, have increased to \$12.7 billion. Due to rising interest rates, home sales and housing prices have decreased over the past year. Median sale prices of single family residential homes in San Benito County decreased to \$865,000¹, increasing by 14% over the previous year-end.

The unemployment rate in the County increased from 5.4% in June 2023 to 6.0% in June 2024, and is higher than the State's June 2024 average of 5.2%. All of these factors will impact the County's revenue and tax base.

The leading sources of revenue for the County's General Fund are property taxes and sales taxes. These revenues are critical for funding public services, including public protection and road and infrastructure improvements. Public officials continue to explore ideas for generating new revenue sources, and maximizing current sources, in order to meet the demands of providing public services and improving public infrastructure for the community.

Long-term Financial Planning

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

¹ source: redfin.com

efficiencies and addressing long standing infrastructure issues remain at the forefront of the fiscal year 2024/2025 budget, which dedicates resources to facilities, road infrastructure and staffing. Emergencies such as the building fire that displaced county departments, have emphasized the need to increase operational efficiency and leveraging technology. The Board of Supervisors has adopted a robust multi-year plan to repair roads in the unincorporated area and expressed commitment to invest approximately \$30 million for this purpose over the next five to seven years. Overall, the County's fiscal year 2024/2025 budget remained relatively similar to the previous year's budget. However, while salaries and benefits costs increased by approximately \$10 million over the previous year's budget, services and supplies is budgeted at \$15 million less than the previous fiscal year. The decreases are attributed by one-time projects that occurred in prior fiscal year's which are no longer active in next year's budget.

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

Acknowledgments

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

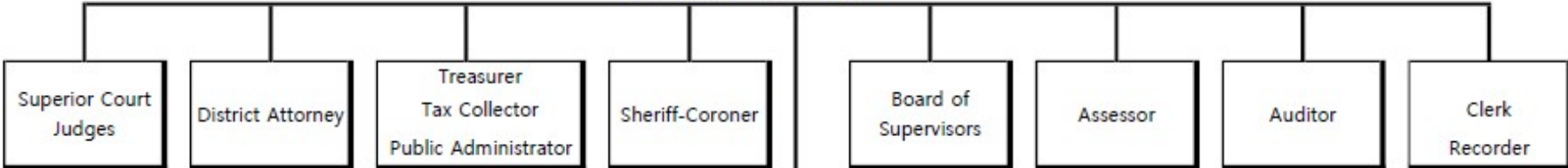
Respectfully submitted,

DocuSigned by:

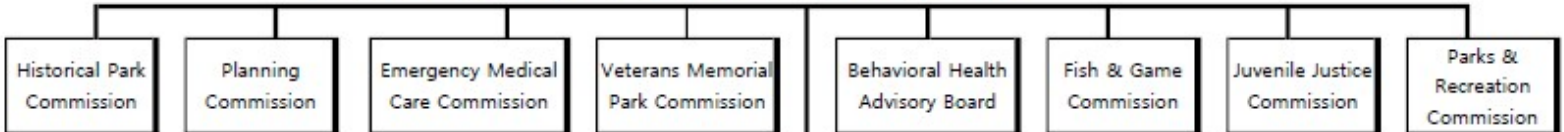
38552448852E4BA...
Joe Paul Gonzalez
County Auditor-Controller

People of San Benito County, California

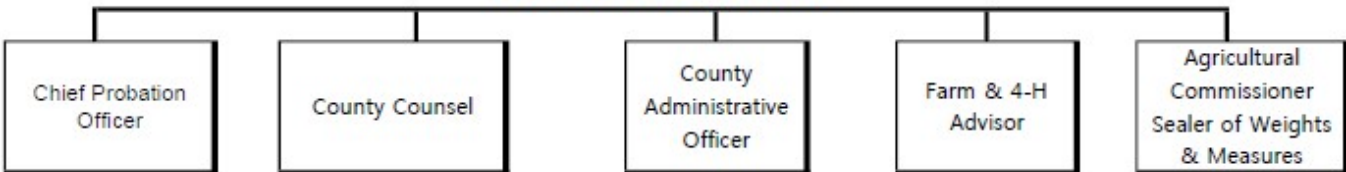
ELECTED OFFICIALS



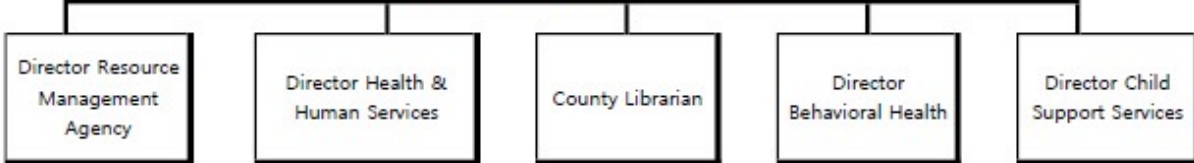
APPOINTED COMMISSIONS AND COMMITTEES



APPOINTED OFFICIALS



DEPARTMENT HEADS



San Benito County Elected and Appointed Officials

Elected Officials

Board of Supervisors:

District 1	Dom Zanger
District 2	Kollin Kosmicki
District 3	Mindy Sotelo
District 4	Angela Curro
District 5	Bea Gonzalez
Assessor	Tom Slavich
Auditor-Controller	Joe Paul Gonzalez
Clerk, Recorder, Registrar of Voters	Francisco Diaz
District Attorney	Joel Buckingham
Sheriff - Coroner	Eric Taylor
Treasurer, Tax Collector, Public Administrator	Melinda Casillas

Appointed Officials

County Administrative Officer	Ray Espinosa
Agricultural Commissioner – Sealer of Weights & Measures	vacant
Chief Probation Officer	Ashlyn Canez
County Counsel	David Prentice
County Health Officer	Cheryl Scott
Director - Child Support Services	Jamie Murray
Director - County Library	Austin Curtis
Director - Health & Human Services Agency	Tracey Belton
Director - Mental Health Services	Dana Edgull
Director - Resource Management Agency	vacant
Director - U.C. Cooperative Ext. Service	Devii Roa



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of San Benito
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, aggregate discretely presented component unit, each major fund, and aggregate remaining fund information of the County of San Benito, California, 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.

Basis for Opinions

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

Change within the Financial Reporting Entity

As discussed in Note 19 to the financial statements, during fiscal year 2024, there was a change within the financial reporting entity which resulted in the Migrant Labor Camp fund being reported as a nonmajor fund instead of as a major fund. As a result, fund balance of the Migrant Labor Camp fund, which was previously reported in the Migrant Labor Camp fund column is now reported in the nonmajor fund column and the nonmajor fund beginning fund balance has been adjusted to restate beginning fund balance. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison schedules of the general fund, human services agency fund, road fund, and mental health fund, schedule of changes in the net pension liability and related ratios, schedule of the proportionate share of the net pension liability, schedule of contributions, schedule of changes in the other postemployment benefits liability and related ratios, and schedule of other postemployment benefits contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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's basic financial statements. The nonmajor governmental funds combining balance sheets, nonmajor governmental funds combining statements of revenues, expenditures, and changes in fund balances, budgetary comparison schedules, combining statements of fiduciary net position, and combining statements of changes in fiduciary net position, as 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 nonmajor governmental funds combining balance sheets, nonmajor governmental funds combining statements of revenues, expenditures, and changes in fund balances, budgetary comparison schedules, combining statements of fiduciary net position, and combining statements of changes in fiduciary net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, professional style.

Menlo Park, California
December 30, 2024

COUNTY OF SAN BENITO
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2024

As management of the County of San Benito, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County of San Benito for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report and the County's financial statements which follow this section.

I. FINANCIAL HIGHLIGHTS

- In September 2023, a County facility was impacted by a fire which displaced three County departments, the Assessor, the Treasurer/Tax Collector/Public Administrator, and the Clerk/Recorder/Registrar of Voters. The fire increased current year expenditures associated with facility leases, operational and capital equipment and supply replenishments, as well as remediation costs associated with the impacted building.
- In October 2022, the County was awarded a Building Forward Library Infrastructure Grant for \$9.9 million that is dedicated towards the expansion of the county library building; during the current fiscal year, construction management consultants were secured and pre-renovation and design work was completed.
- During the winter months of January through March 2023, severe storms caused significant flooding to the unincorporated area of the County. The County continues to dedicate financial resources towards storm damaged road repairs and permanent improvements for storm damaged culverts which includes \$3.3 million transfer from proprietary funds and a loan of \$1.6 million to Pacheco Storm Water District for repairs of the levees and debris cleanup. Additionally, the County received \$663 thousand from federal disaster relief fund for the 2023 storms.
- The unincorporated area's sales tax gross receipts, excluding reporting aberrations, from April through June were 7.6% lower than the same quarter of the previous year. Statewide deflation in the building-construction group significantly impacted the unincorporated area; contractor category was down 27%. Net of aberrations, taxable sales for all of San Benito County declined 2.1% over the comparable time period of the previous year.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$163.6 million, an increase of \$16.3 million in comparison to the ending fund balance in the previous fiscal year. Approximately \$14.7 million, or 9%, is available for spending at the government's discretion (unassigned fund balance).

II. OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County’s finances, in a manner similar to a private-sector business.

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

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

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

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

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

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

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

The County maintains 37 individual governmental funds. For financial reporting purposes, information is presented separately for major funds: General Fund, Human Services Agency Fund, Road Fund, and Mental Health Fund. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for these four funds. Information for the remaining 33 governmental funds is combined into the presentation of Other Governmental Funds. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located under the Supplementary Information section in this report, starting on page 117. The governmental funds financial statements can be found on pages 28-31 of this report.

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

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

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

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

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

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

Combining and Individual Fund Statements and Schedules. The financial statements of the County's non-major funds are represented here. It includes all other non-major special revenue funds, the capital improvement projects fund, developer projects fund, and the County's debt service fund, and can be found beginning on page 117 of this report. Additional budget-to-actual comparison schedules are presented for all individual non-major special revenue funds for which annual budgets are legally adopted. The financial statements of investment trust and custodial fiduciary funds are presented in separate combining statements beginning on page 160.

III. GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

The net position over time may serve as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$287 million at the close of the most recent fiscal year.

Statement of Net Position (condensed)							
(in thousands)							
	Governmental Activities		Business-type Activities		Total		Percent Change
	2024	2023	2024	2023	2024	2023	
Assets:							
Current and other assets	\$ 206,461	\$ 177,282	\$ 4,106	\$ 6,469	\$ 210,567	\$ 183,752	14.6 %
Capital assets, net	196,529	165,320	461	509	196,990	165,830	18.8 %
Leased assets, net	1,593	1,811	2	3	1,595	1,814	(12.1)%
Subscription assets, net	3,887	2,526	—	—	3,887	—	— %
Total assets	<u>408,470</u>	<u>346,939</u>	<u>4,569</u>	<u>6,981</u>	<u>413,039</u>	<u>351,396</u>	17.5 %
Deferred outflows or resources:	<u>38,064</u>	<u>36,531</u>	<u>72</u>	<u>163</u>	<u>38,136</u>	<u>36,694</u>	3.9 %
Liabilities:							
Current and other liabilities	28,671	17,695	238	136	28,910	17,832	62.1 %
Long-term liabilities	125,325	110,068	1,150	1,108	126,475	111,176	13.8 %
Total liabilities	<u>153,996</u>	<u>127,763</u>	<u>1,388</u>	<u>1,244</u>	<u>155,385</u>	<u>129,008</u>	20.4 %
Deferred inflows of resources:	<u>8,449</u>	<u>10,667</u>	<u>36</u>	<u>104</u>	<u>8,486</u>	<u>10,771</u>	(21.2)%
Net Position:							
Net investment in capital assets	171,959	141,902	441	509	172,400	142,411	21.1 %
Restricted	119,481	107,880	—	—	119,481	107,880	10.8 %
Unrestricted	(7,351)	(4,740)	2,502	5,288	(4,849)	548	(985.2)%
Total net position	<u>\$ 284,089</u>	<u>\$ 245,042</u>	<u>\$ 2,943</u>	<u>\$ 5,797</u>	<u>\$ 287,032</u>	<u>\$ 250,838</u>	14.4 %

Current and other assets increased by \$29.2 million of which \$11.1 million was an increase in road related receivables from the California Department of Transportation (Caltrans) for the County's Union Road Bridge project. The largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, infrastructure, and right-to-use assets), less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total government-wide (governmental and business-type activities) net position increased by \$36.2 million, an increase of 14.4% over the previous year's net position. The change for current and other assets of \$26.8 million, or 14.6%, is attributed to an increase in cash and investments of \$17.9 million and an increase of \$11.1 million in due from Caltrans. Net investment in capital assets increased by

approximately \$31.2 million over the previous year, in large part due to construction in progress additions of \$36.6 million in which \$25.3 million and \$3.2 million were for Union Road Bridge and New Idria Road, respectively. Construction in progress for infrastructure projects (roads, bridges, culverts) and facility construction projects are anticipated to be completed in subsequent fiscal years. The \$26.4 million increase to total liabilities is attributed to the combined increase of \$11 million in net pension and net OPEB liabilities and a \$5 million increase in public ways and facilities related accrued liabilities for the Union Road Bridge project (\$3.5 million) and debris removal related to recent storms (\$970 thousand).

Governmental Activities. During the current fiscal year, net position for governmental activities increased by \$39 million from the prior fiscal year's net position which resulted in an ending balance of \$284.1 million at June 30, 2024. The basis for the change in governmental activities, which comprises most of the primary government, is the net change in cash and investments, capital assets, and long-term liabilities related to post-employment benefits. Increases to construction in progress of \$36.6 million, in governmental activities for roads, bridges and other infrastructure assets, contributed to the increase in capital assets, net of accumulated depreciation. Long-term liabilities related to pension increased by \$5.1 million, while liabilities for other post-employment benefits increased by \$6 million.

Business-type Activities. Business-type activities are represented by the County's Landfill-Solid Waste operations. Total assets decreased by \$2.5 million primarily in cash and investments due to a \$3.3 million transfer to Road fund for storm damaged roads and bridges repair which occurred during the year. The increases in accounts payable of \$371 thousand and in deferred inflows of \$202 thousand minimized the impact to total assets, as these liabilities will reduce total assets in the subsequent period. Deferred outflows of resources decreased by \$82 thousand primarily due to OPEB related costs. The postclosure liability exceeded the restricted cash held for postclosure at June 30, 2024 therefore no restricted net position is reported.

Changes in Net Position							
(in thousands)							
	Governmental Activities		Business-type Activities		Total		Percent Change
	2024	2023	2024	2023	2024	2023	
Revenues:							
Program revenues:							
Fees, fines and charges for services	\$ 21,542	\$ 15,557	\$ 2,225	\$ 2,249	\$ 23,767	\$ 17,806	33 %
Operating grants and contributions	79,461	84,847	133	94	79,594	84,941	(6) %
Capital grants and contributions	31,480	4,356	—	—	31,480	4,356	623 %
General revenues:							
Property taxes	26,367	24,603	—	—	26,367	24,603	7 %
Other taxes	9,638	10,033	—	—	9,638	10,033	(4) %
Interest and investment earnings	7,075	2,869	227	110	7,302	2,980	145 %
Other revenue	10,585	1,968	55	29	10,640	1,997	433 %
Total revenues	<u>\$ 186,147</u>	<u>\$ 144,233</u>	<u>\$ 2,640</u>	<u>\$ 2,482</u>	<u>\$ 188,788</u>	<u>\$ 146,716</u>	<u>29 %</u>
Expenses:							
General government	\$ 35,366	\$ 9,072	\$ —	\$ —	\$ 35,366	\$ 9,072	290 %
Public protection	45,228	43,731	—	—	45,228	43,731	3 %
Public ways and facilities	12,481	15,025	—	—	12,481	15,025	(17) %
Health and sanitation	20,813	17,157	—	—	20,813	17,157	21 %
Public assistance	28,873	31,057	—	—	28,873	31,057	(7) %
Education	6,367	10,083	—	—	6,367	10,083	(37) %
Recreation and culture	309	704	—	—	309	704	(56) %
Interest on long-term debt	963	897	—	—	963	897	7 %
Solid waste	—	—	2,194	1,854	2,194	1,854	18 %
Total expenses	<u>\$ 150,400</u>	<u>\$ 127,726</u>	<u>\$ 2,194</u>	<u>\$ 1,854</u>	<u>\$ 152,594</u>	<u>\$ 129,580</u>	<u>18 %</u>
Excess (deficiency) of revenues over expenditures	35,747	16,507	446	628	36,194	17,136	111 %
Transfers in (out)	3,300	—	(3,300)	—	—	—	— %
Change in net position	<u>39,047</u>	<u>16,507</u>	<u>(2,854)</u>	<u>628</u>	<u>36,194</u>	<u>17,136</u>	<u>—</u>
Net position, as previously stated	245,042	228,340	5,797	5,169	250,839	233,509	7 %
Restatement due to new GASB standards	—	194	—	—	—	194	(100) %
Net position, beginning, as restated	<u>245,042</u>	<u>228,534</u>	<u>5,797</u>	<u>5,169</u>	<u>250,839</u>	<u>233,703</u>	<u>7 %</u>
Net position, ending	<u>\$ 284,089</u>	<u>\$ 245,041</u>	<u>\$ 2,943</u>	<u>\$ 5,798</u>	<u>\$ 287,033</u>	<u>\$ 250,839</u>	<u>14 %</u>

*not restated for the effects of GASB 96

Changes in Net Position. *Governmental activities* program revenue, which includes charges for services (service charges, fines and fees) and grants for operations and capital acquisitions, had a combined net increase of \$27.7 million over the previous fiscal year. The increase was primarily in grants and contributions for capital related acquisitions in public ways and facilities for road and other infrastructure related projects. Increases in general revenues, which includes property taxes, sales and other taxes, investment income, and other revenues, totaled \$14.2 million. Property taxes increased by \$2.4 million, attributed to the new residential construction that continues to develop within the County. Interest and investment income increased by \$4 million primarily due to rising interest rates in the bond market; as lower yielding securities matured, the County purchased securities with higher yielding rates. Expenses increased by 18%, or \$22.7 million, primarily under the function of general

government, which included costs associated with remediation for a county facility impacted by a fire and operational costs for the displaced county departments.

Business-type activities (Landfill-Solid Waste) experienced a \$158 thousand increase in total revenues, primarily due to an increase of \$172 thousand in charges for services and other revenues. Fees, fines and charges for services revenue decreased by \$131 thousand attributed to a decrease in solid waste collected by the franchised hauler, as the revenues are based on a percentage of the solid waste tonnage being handled by the franchised hauler. In the current year total interest and investing income increased by \$117 thousand over the previous year. Expenses increased by approximately \$340 thousand, a result of filling vacant positions, an increase in inflation adjusted post closure costs, and an increase in indirect costs. Additionally, there was a \$3.3 million transfer to governmental activities for storm damaged roads and bridges repair which largely contributed to the decrease in net position during the year.

IV. FINANCIAL ANALYSIS OF COUNTY FUNDS

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

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

As of the end of the fiscal year, the County's governmental funds reported total fund balance of \$163.6 million, an increase of \$16.3 million from the previous year's fund balance, which is largely attributed to the net change in fund balances for Human Services Agency (HSA) and Road. The 34% increase to fund balance in HSA fund of \$3.4 million is primarily driven by the increase in various revenue streams. The State funding for public assistance programs such as MediCal, CalFresh, and Work Incentive Nutritional Supplement (WINS) funds increased by a total of \$1.9 million. CalWORKS also increased by \$267 thousand while the State's apportionment for Local Health and Welfare Realignment for CalWORKS Maintenance of Effort (MOE) and Protective Services Subaccount - 2011 Realignment increased by \$470 thousand and \$305 thousand, respectively. The HSA fund's share in interest allocation from the investment pool also increased by \$253 thousand. The fund balance increase of \$4.6 million in the Road fund is due to a transfer from the proprietary fund and unspent federal assistance for storm damaged road and bridge repairs. Additionally, the Board authorized a transfer of \$2.7 million from the Traffic Impact fund for road project expenditures, mostly incurred during the previous fiscal year but completed in fiscal year 2024.

Other Governmental Funds combined for an increase in fund balance of \$7.5 million contributed by the CSWD Fund, Migrant Labor Camp Fund, and Public Health Fund. CSWD's fund balance increased by \$2.5 million or by 366% mainly due to \$976 thousand Permanent Local Housing Allocation (PLHA) funding and \$2.4 million Homekey funding received in 2024. The Homekey fund is used to finance the

Tiny Homes Phase 2 project of which \$265 thousand was used for current year project expenditures. Public Health's fund balance increased by \$2 million or by 45% attributed to aid from other government revenues for the ELC expansion program, while revenues for two new programs, the Future of Public Health (FoPH) and the federal program Opioid Public Health Institute (PHI), was also received during the year. Use of money or property revenue increased by \$149 thousand, and other financing sources increased by \$85 thousand due to the Opioid Settlement Fund (OSF) transfer requested from Behavioral Health. Migrant Labor Camp fund balance increased by \$2.1 million primarily due to \$2.5 million in aid from other government as reimbursement for the Migrant Camp Rehabilitation project, which included reimbursements that were classified as unavailable in the prior year.

The governmental funds combined unassigned fund balance of \$14.7 million represents the County's resources that are not classified in the other categories and are considered available for current and future needs. The restricted fund balance of \$119.5 million are amounts with constraints placed on their use by those external to the County, largely found in the County's major and nonmajor special revenue funds. Major governmental funds' restricted fund balances includes amounts collected and regulated by state statute or state and federal granting agencies, including \$6.7 million restricted by the American Rescue Plan Act of 2021. In addition, restricted fund balance includes amounts held at PARS for the County's pension obligations and revenues generated from impact fees established by the County Board of Supervisors through ordinance or resolution. The assigned fund balance of \$28.6 million is earmarked to meet the County's current and future needs, which includes designations for future capital improvement projects and future self-insurance liabilities, as well as amounts held for future emergencies and other operational needs. The nonspendable fund balance of \$846 thousand represents a balance of inventories and prepaid expenditures, which cannot be spent because of their form (see the Fund Balance section of Note 1 - Summary of Significant Accounting Policies). The major activities in the County's governmental funds are highlighted in the next section.

General Fund. The General Fund is the chief operating fund of the County. All County activities not included in a separate fund are included in the General Fund. At June 30, 2024, unassigned fund balance totaled \$14.8 million, while the total fund balance totaled \$62.2 million. As a measure of the General Fund's liquidity, it is useful to note that the unassigned fund balance represents 19% of the fund's total expenditures. The General Fund experienced a \$7.6 million, or 10.5%, increase in total revenues over the previous year. Taxes revenue increased by approximately \$1 million primarily attributed to increases in property taxes current secured taxes which increased by \$934 thousand and property taxes in-lieu of VLF which increased by \$778 thousand. Charges for services increased by \$7.1 million from the previous year primarily due to a one-time payment of \$6 million received from community benefit fees. Other revenue increased by \$7.7 million primarily resulting from insurance recoveries received for costs associated with the fire on September 6, 2023 at a county facility. General Fund expenditures experienced an \$11.1 million, or 16.4%, increase over the previous fiscal year. Salary and benefits increased by \$1.7 million, or 5.3%, of which \$1.4 million was a result of a combined increase in regular salaries for three departments: Administration, Sheriff and Probation. Other charges expenditures includes a one-time loan issued to a special district by the County Board of Supervisors to a special district, Pacheco Storm Water District, for repairs to infrastructure for damages caused by 2023 storms which resulted in flooding and breach of the levee. Services and supplies increased by \$4.3 million which is attributed to remediation costs of \$5 million for the county facility fire. Capital

outlay increased by \$2.3 million for the recognition of right-to-use lease and subscription capital assets for agreements executed during the fiscal year. Debt service expenditures in the General Fund included costs associated with leases of buildings, infrastructure, equipment, and subscription assets. Capital expenditures, unrelated to lease or subscriptions, totaled \$5 million, while the capital expenditures related to leases totaled \$628 thousand, and related to subscriptions totaled \$2.1 million.

Human Services Agency. The Human Services Agency (HSA) fund's primary revenue sources are derived from state and federal agencies, which establish restrictions on its uses. Total revenues in the current year increased by \$1.7 million, or 7%, of which \$1.4 million is attributed to an increase in aid from other governments and \$253 thousand to an increase in use of money or property. Total aid from other governments increased by \$1.9 million for public assistance programs, such as Medical and CalFresh. The State's apportionment for CalWORKS MOE and Protective Services Subaccount-2011 Realignment increased by \$470 thousand and \$305 thousand, respectively. WINS and CalWORKS also increased by \$286 thousand and \$267 thousand, respectively. Total expenditures increased by only 1% or \$277 thousand. Total indirect costs increased by \$448 thousand due to cost plan indirect costs. Total services and supplies increased by \$320 thousand of which \$194 thousand is attributed to contracts for the MediCal program services and \$239 thousand is attributed to a reimbursement to the Mental Health fund for Family Urgent Response System (FURS) program for foster youth. At June 30, 2024, the fund balance was \$13.5 million.

Road Fund. The Road Fund, in which all road and infrastructure projects are recorded, experienced a net increase in fund balance of \$4.39 million. Revenues and other financing sources increased by \$28.7 million over the previous year. Aid from other governments increased by \$15.6 million, which represents state and federal funding for various road capital project expenditures that have already been realized as revenues are received on a reimbursement basis. The primary reason for the increase in aid from other governments revenue is a \$16.9 million reimbursement for the Union Road Bridge project. Additionally, there was an increase of \$166 thousand in Measure G funding received for local street and road rehabilitation. Expenditures in the Road Fund increased by approximately \$25.4 million. A net increase of \$3.3 million in noncapital expenditures resulted from continued repairs and maintenance of storm damaged roads, bridges, and storm drains incurred during the current fiscal year. Lastly, an increase of \$22.1 million in road capital project expenditures was mainly attributed to one project, Union Road Bridge.

Mental Health Fund. The Mental Health (MH) fund receives its funding from state and federal agencies, making its fund balance restricted. Total revenues increased by \$3.9 million over the previous fiscal year as aid from governments increased by \$3.6 million and interest income on investments increased by \$407 thousand. The increase in aid from other governments is attributable to a \$3 million annual adjustment to Mental Health Services Act (MHSA) fund by the State in 2024. MHSA fund supports the following programs: Community Services and Support (CSS), Prevention and Early Intervention (PEI), and Innovation (INN). Generally, the MHSA revenue is driven by the 1% surcharge on taxpayer's taxable income above \$1 million. Total expenditures increased by \$2.9 million of which \$1.3 million is attributed to increases in services and supplies, \$945 thousand is attributable to increases salaries and benefits, and \$1 million to increases in cost plan indirect costs. Services and supplies increased by \$572 thousand in external services for the Mental Health Student Services Act (MHSSA) program, \$308 thousand for contracted mental health services, and \$184 thousand for telepsychiatry

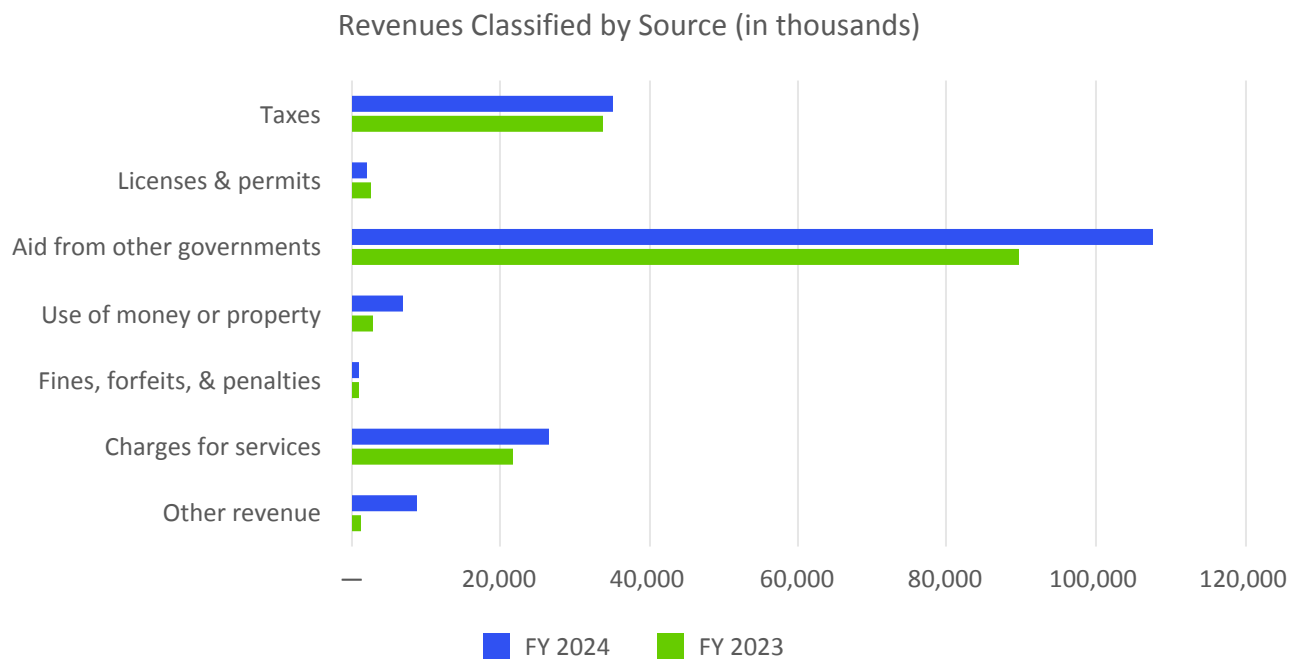
services which became available in the current year through contracted services with a telehealth medical company. Salaries and benefits increased for two primary reasons, twenty eight vacancies were filled in the current year and all employees received negotiated pay increases during the year. Total revenues exceeded total expenditures by \$443 thousand during the year, resulting in fund balance increase of \$447 thousand or 3%. At June 30, 2024, fund balance was \$15.4 million.

Other Governmental Funds. Other Governmental Funds provide specific services for the benefit of County constituents. Included are the County's impact fee funds, and blended component units, as well as various protective and health service funds. The sum of the restricted, committed, assigned and unassigned fund balances of the remaining governmental funds increased by approximately \$7.5 million; the operating expenditures of the funds were less than the revenues collected during the year by \$12.7 million. Combined, other governmental funds experienced an increase in aid from other governments of \$7 million. This includes a \$2.1 million increase specifically attributed to the recognition of prior year's unavailable revenue in the Migrant Labor Camp fund for a reimbursement from the Office of Migrant Services. The Migrant Labor Camp fund changed from a major fund in the previous fiscal year to a nonmajor fund in the current year. The other governmental funds contributing to the remaining \$5 million increase in aid from other governments are the Public Health fund and CSWD fund which increased by \$2 million and \$2.5 million, respectively. Public Health aid from governments increased by \$1.2 million attributed to the ELC expansion federal revenues which increased by \$521 thousand. Additionally, two new program funds totaling \$591 thousand were received for the state program Future of Public Health (FoPH) and the federal program Opioid Public Health Institute (PHI). In 2024, CSWD received aid from other governments of \$3.4 million under the new programs PLHA and HomeKey. Other governmental funds experienced the most significant decrease in total expenditures over the previous fiscal year primarily due to a one-time contribution in the previous year to the San Benito Council of Governments for Highway 156 improvements. Alternatively, other financing uses, transfer-out increased over the previous fiscal year by \$5.9 million due to transfers to the Road fund from the Traffic Impact fund.

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

Revenues classified by Source
(in thousands)

	FY 2024		FY 2023		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Taxes	\$ 35,246	18.6 %	\$ 33,910 *	22.1 %	\$ 1,336	3.9 %
Licenses and permits	2,283	1.2 %	2,606	1.7 %	\$ (323)	(12.4)%
Aid from other governments	107,941	57.1 %	89,983 *	58.6 %	\$ 17,958	20.0 %
Use of money or property	7,045	3.7 %	2,838	1.8 %	\$ 4,207	148.2 %
Fines, forfeits, and penalties	1,079	0.6 %	1,201	0.8 %	\$ (122)	(10.2)%
Charges for services	26,665	14.1 %	21,776	14.2 %	\$ 4,889	22.5 %
Other revenue	8,890	4.7 %	1,276	0.9 %	\$ 7,614	596.7 %
Total	\$ 189,150	100 %	\$ 153,590	100 %	\$ 35,559	23.2 %



Revenue reported in governmental funds increased by \$35.6 million or 23.2%. The largest increases are in aid from other governments, use of money or property, charges for services, and other revenue. Taxes revenue increased by a relatively small percentage of 3.9% or 1.3 million. Licenses and permits and fines, forfeits, and penalties experienced a combined \$445 thousand decrease over the previous year.

Aid from other governments increased by \$18.0 million over the previous fiscal year. The largest increase attributable to increases in the road fund of \$15.6 million which includes a reimbursement for federally funded Caltrans road and bridge projects of \$14 million and \$544 thousand of federal disaster relief fund. HHSA fund's aid from other governments increased by \$1.4 million attributable to increases in CalWORKS MOE and Protective Services (2011 Realignment) funds of \$470 thousand and \$305 thousand, respectively. State public assistance revenues increased primarily due to allocation increases for MediCal program administration of \$1.2 million, an increase of \$408 thousand for higher service levels under the CalFresh program; WINS increased by \$286 thousand due to California Food Assistance Program (CFAP), and CalWorks increased by \$267 due to increase in State funding for the Housing Support Program (HSP). Migrant Labor Camp fund received \$2.5 million reimbursements from the Office of Migrant Services (OMS), which includes \$1.9 million in reimbursements for Migrant Camp Rehabilitation project expenditures incurred in 2023. The CSWD fund received revenues under two new programs, PLHA and HomeKey, for \$976 thousand and \$2.4 million, respectively. The Mental Health fund revenues increased by \$3.6 million primarily due to State increases for MHSA allocations of \$3 million and Federal MediCal revenue increases of \$593 thousand.

Other revenue increased by \$7.6 million, of which \$6.7 million is from one-time insurance recoveries related to a fire at a county facility impacting the County Assessor, Treasurer/Tax Collector, and Clerk/Recorder/Registrar of Voters who were relocated to leased facilities during the year.

Charges for services had a net increase of \$4.9 million, attributed to a one-time \$6.1 million community benefits fee received in the current fiscal year, while it experienced a decrease of \$1.5 million in impact fees and other revenues related to new developments in the County.

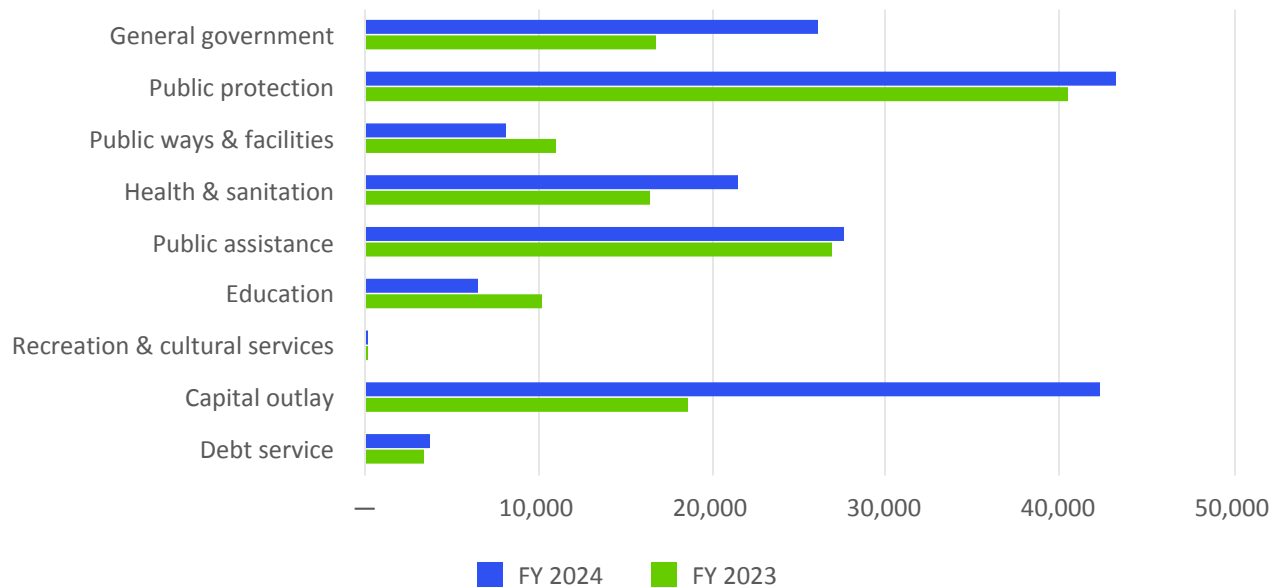
Use of money or property revenue increased by \$4.2 million primarily due to rising interest rates in the bond market. As securities matured, the County purchased securities with higher yielding investment earnings.

Tax revenues account for 18.6% of all revenues received by governmental funds of the County. The increase in tax revenue over the previous fiscal year of \$1.3 million which is attributed to increases in current secured, current unsecured and in-lieu of VLF revenues totaling \$1.9 million across all governmental funds. Building and development continue to increase in the County resulting in additional property tax revenue and increasing assessed values.

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

Expenditures classified by Function (in thousands)						
	FY 2024		FY 2023		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
General government	\$ 26,178	14.6 %	\$ 16,807	11.6 %	\$ 9,371	55.8 %
Public protection	43,359	24.1 %	40,500	28.1 %	2,860	7.1 %
Public ways and facilities	8,161	4.5 %	11,088	7.7 %	(2,927)	(26.4)%
Health and sanitation	21,585	12.0 %	16,505	11.4 %	5,080	30.8 %
Public assistance	27,676	15.4 %	26,931	18.7 %	745	2.8 %
Education	6,567	3.7 %	10,240	7.1 %	(3,674)	(35.9)%
Recreation and cultural services	225	0.1 %	190	0.1 %	35	18.4 %
Capital outlay	42,405	23.6 %	18,664	12.9 %	23,742	127.2 %
Debt service	3,751	2.1 %	3,454	2.4 %	297	8.6 %
Total	\$ 179,908	100 %	\$ 144,379	100 %	\$ 35,529	24.6 %

Expenditures Classified by Function (in thousands)



Expenditures reported in governmental funds increased by \$35.5 million, or 24.6%. The largest increases being in capital outlay which increased by \$23.7 million, in general government which increased by \$9.4 million, in health and sanitation which increased by \$5.1 million, and in public protection which increased by \$2.9 million, while public ways and facilities and education experienced decreases of \$2.9 million and \$3.7 million, respectively.

Capital outlay expenditures increased by \$23.7 million over the previous fiscal year primarily attributable to increases in construction in progress for various capital projects and road and bridge construction projects which totaled \$21.7 million. Additionally, current year acquisition of equipment in the amount of \$985 thousand and amortized assets, including leases and subscriptions, in the amount of \$996 thousand contributed to the increase.

General government expenditures increased by \$9.4 million primarily due to \$5.3 million in contracted services for remediation services at the county building impacted by a fire. A one-time loan of \$1.6 million from the General Fund to the Pacheco Storm Water District (PSWD) is also included in the increase. A net increase of \$672 thousand in salaries and benefits, primarily due to negotiated pay increases and related labor costs. Outside services related to the San Benito Health Care District operations and fiscal sustainability and increases in self-insurance costs also contributed to the increase.

Health and sanitation expenditures increased by \$5.1 million mainly because expenditures in the Mental Health Fund increased by 38% or \$3.6 million in salaries and benefits, services and supplies, and indirect costs. Services and supplies increased by \$1.3 million resulting from telepsychiatry services which became available through outside contracts. Salaries and benefits increased by \$946 thousand due to negotiated salary increases and twenty eight vacancies were filled in the current year. Public Health expenditures increased by 25% or \$1.1 million due to \$762 thousand increase in salaries and benefits from negotiated salary increases, \$200 thousand increase in administrative indirect costs for central services, and \$131 thousand increase in services and supplies from various annual conferences and training attended by Public Health personnel and purchases of software, hardware, and office furniture for the new program California Strengthening Public Health (CASPHI) and Future of Public Health (FoPH). Consulting costs also increased as nurse and physical therapist services were outsourced in the current year.

Public protection expenditures increased by \$2.9 million, of which \$1.4 million was for salaries and benefits for public safety departments resulting from negotiated salary increases and related labor costs, \$345 thousand resulting from software related costs for the acquisition of a new body camera system, and \$764 thousand resulting from contracted services for environmental reviews.

Public ways and facilities expenditure decrease of \$2.9 million is primarily attributed to a one-time contribution of \$5.3 million in the previous fiscal year from the traffic impact fund for State Route 156 road improvement project, while the current year experienced an increase of \$3.3 million for repairs and maintenance costs for roads, bridges, and storm drains in Road fund.

Education expenditures decreased by \$3.7 million due to a one-time Emergency Connectivity Fund program which was largely expensed in the previous fiscal year for public library services.

Proprietary Fund. The County has a proprietary fund, the John Smith Landfill (Landfill-Solid Waste Fund). The operating income for the current year compared to the previous year decreased by \$182 thousand. The change in net position for the current year is a decrease of \$2.9 million, whereas the change in net position in the previous year was an increase of \$629 thousand. The decrease in net position is attributable to a one-time \$3.3 million transfer to Road fund, a \$107 thousand increase in

charges for services, a \$195 thousand increase in salaries and benefits due to filling vacant positions, and \$283 thousand increase for increased contracts and supplies costs. Total assets in the proprietary fund decreased by \$2.4 million mainly due to a transfer of \$3.3 million and an increase of \$149 thousand in liabilities.

V. GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues for the fiscal year were budgeted at \$68.6 million and actual revenues recognized were \$80.3 million. The revenues for taxes and use of money and property, which had the most significant budget to actual variances, are historically budgeted conservatively. Tax revenues were budgeted at \$25.2 million and actual taxes recognized was \$29 million. Current Secured Property taxes was \$1.1 million more than anticipated and in-lieu of VLF revenues was \$2.1 million more than anticipated. In addition, management maintained a conservative budget estimate for use of money or property, which was budgeted at \$518 thousand, while actual revenue for the year was \$3.1 million. Rising interest rates in the bond market generated higher investment income; as previously held securities matured, securities with higher yielding interest rates are purchased resulting in higher investment income. Aid from other governments was budgeted at \$19.3 million but actual revenue recognized was \$17 million, the primary reason contributing to the variance is from zoning and development grant revenues which did not materialize as related consultant expenditures were not incurred. There was also a grant program for housing from the State Housing Community Development department for \$1 million that was not utilized as planned. The County's Probation department anticipated revenues from the CalAIM Providing Access and Transforming Health grant, but less than expected was spent and reimbursed during the fiscal year, having a negative impact of \$1 million in both aid from other governments revenue as well as current expenditures.

General Fund expenditures for the fiscal year were budgeted at \$98 million while actual expenditures were \$79.1 million, a difference of \$18.9 million. The primary reason for the difference was due to lower than expected salary and benefits expenditures of \$4.8 million. A total of ten divisions within the General Fund contributed to the lower than expected salaries and benefit expenditures; averaging about \$248 thousand lower actuals than was budgeted, for a total variance of \$3.5 million. Unfilled vacancies are the main contributor to the lower actuals in the salaries and benefits expenditure classification. Services and supplies expenditures were \$10.9 million lower than anticipated in General Fund departments. In the services and supplies classification, Community Development budgeted consultant services higher than actual work performed resulting in \$3.3 million variance for zoning and planning services. Additionally, American Rescue Plan Act (ARPA) projects of approximately \$1 million were budgeted during the year and did not materialize; it is anticipated that these funds will be spent in the subsequent fiscal year. Lastly, other charges in the General Fund were \$5.4 million lower than anticipated, which the County Board of Supervisors reserved as potential contributions to the San Benito County Health Care District's during its recent financial struggles.

VI. CAPITAL ASSETS AND LONG-TERM LIABILITIES ADMINISTRATION

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

separately in this report.

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

Assets classified as equipment are either individual or grouped assets that have a cost of \$5 thousand or more. These assets are grouped as vehicles, computers, or furniture and equipment on the schedules. All assets in this class are depreciated at 3 or 5 years using the straight line method. Software is depreciated at a 5 year minimum using the straight line method. Right-to-use assets are amortized over the lease or subscription term or the estimated remaining life of the asset, whichever is shorter.

The original cost of County infrastructure assets, at June 30, 2024, is \$214.7 million, an increase of \$9.1 million due to the transfer from construction in progress to depreciable infrastructure for the completion of roads for Rosa Morada to McCloskey, roads to Anderson Homes projects, and other various road and bridge projects. Infrastructure has accumulated depreciation of \$135.6 million, including the addition of \$4 million of depreciation expense for the current year. The net asset value, or unrecovered cost of infrastructure, is \$79.1 million.

Original cost of property and improvements, at June 30, 2024, is \$82.1 million, an increase of \$3.3 million for projects completed during the year. The majority of the total amount transferred to depreciable property was for the completion of Migrant Camp improvement and ADA bathroom improvement for historical park projects. Property improvements depreciation expense was \$2.5 million for the year, bringing total accumulated depreciation to \$27.7 million. Unrecovered cost at the end of the year is \$54.4 million.

A total of \$2.8 million was added in capital asset equipment, bringing total original cost to \$27.3 million at fiscal year end. Included in the total additions for the year, is a total of \$713 thousand for an aggregated new voting system, \$745 thousand for financed purchase of body camera system, \$177 thousand for jail boiler system, \$363 thousand for purchase of multiple vehicles and vehicle equipment, and \$342 thousand for computers and related equipment and system. Equipment, including vehicles, in the original amount of \$213 thousand retired during the fiscal year. Accumulated depreciation totaled \$22.9 million, including \$1.8 million in depreciation expense for the current fiscal year. Unrecovered cost at the end of the year is \$4.4 million.

A total of \$828 thousand was added in right-to-use lease assets, deletion of \$2 million, bringing total original cost to \$2.5 million at fiscal year end. Total value of right-to-use infrastructure, which included

a radio tower leased by the Sheriff's division, was \$647 thousand at fiscal year end, with ending accumulated amortization of \$81 thousand. Total value of right-to-use buildings deleted during the year is \$1.86 million due to lease term expirations, resulted in a fiscal year-end value to \$886 thousand for right-to-use buildings. Right-to-use buildings' accumulated amortization totaled \$303 thousand at fiscal year end. Total value of right-to-use equipment, which included vehicles, copiers, and other office equipment, totaled \$928 thousand, which includes an addition of \$160 thousand during the current year. Total current year right-to-use equipment accumulated amortization, deletions, and adjustments to accumulated amortization during the year of \$94 thousand, resulted in an ending accumulated amortization of \$483 thousand.

Subscription-based information technology arrangement (subscription) assets recognized as of June 30, 2024 was \$5.2 million. A total of \$2.3 million was recognized as additions in the current year, with deletions of \$133 thousand. SBITA accumulated amortization additions for the current year was \$893 thousand, with deletions of \$119 thousand, bringing the ending accumulated amortization balance to 1.4 million.

Significant highlights to capital assets in fiscal year 2023/2024 included:

- Infrastructure construction in progress (CIP) of \$9.1 million was transferred to depreciable infrastructure which includes \$2.7 million for roads between Rosa Morada and McCloskey, \$2.2 million for roads to Anderson Homes, \$2.7 million for various roads, and \$1.6 million for various storm drain projects.
- Capital projects CIP of \$3.3 million was transferred to depreciable buildings and improvements which includes \$2.3 million for Migrant Camp improvements, \$339 thousand for Child Support Services leasehold improvements, and \$225 thousand for Historical Park ADA bathroom improvement projects.
- The acquisition of an aggregated new voting system, totaled \$713 thousand.
- \$745 thousand for financed purchase of body camera system.
- \$363 thousand for various vehicles and safety equipment.
- \$342 thousand for computers and related equipment and system.
- \$177 thousand for jail boiler system.

More information on the primary government's capital assets reported for governmental activities and business-type activities can be found in Note 5 (capital assets), Note 6 (leases), and Note 7 (SBITAs).

Long-Term Liabilities. The County's long-term debt balance decreased by \$838 thousand during the fiscal year as a result of principal payments made for, the two certificates of participation (COPs) issued by the San Benito County Financing Corporation for the behavioral health facility project in the amount of \$10.2 million and adult detention facility in the amount of \$7.5 million, capital financing and loans payable. Capital financing debt is reported as \$7.3 million for energy conservation measures project and \$680 thousand for equipment. A new long-term debt is added in the current fiscal year for body camera system of \$745 thousand. The long-term debt also includes direct borrowings, PG&E on-bill financing loans in the amount of \$298 thousand to finance costs for the solar improvement projects. The County covenants to include all debt payments due in the operating budget for each fiscal year and to make annual appropriations; more information can be found in Note 8.

The primary government also recognizes long-term liabilities for pension and other post-employment benefits for health care. The primary government's net pension liability increased by \$5.1 million, and reported a net OPEB liability of \$6 million. The County continues to prefund its post-employment liabilities through its investments with the Public Agency Retirement Services (PARS) trust; more information about the primary government's pension and other post-employment benefit long-term liabilities can be found in Note 13 and Note 14.

VII. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The County continues to prioritize the Strategic Planning process to aid in successfully advancing the County's vision and priorities. The Strategic Plan will ensure maximum alignment between the County's resources and the Board of Supervisors' policy, countywide organizational culture, employee and stakeholder interest, and customer service expectations. The commitment to improving operational efficiencies and addressing long standing infrastructure issues remain at the forefront of the fiscal year 2024/2025 budget, which dedicates resources to facilities, road infrastructure and staffing. Emergencies such as the building fire that displaced county departments, have emphasized the need to increase operational efficiency and leveraging technology. The Board of Supervisors has adopted a robust multi-year plan to repair roads in the unincorporated area and expressed commitment to invest approximately \$30 million for this purpose over the next five to seven years, including investment in a software system that provides updates on roadway conditions and tracks maintenance of existing infrastructure.

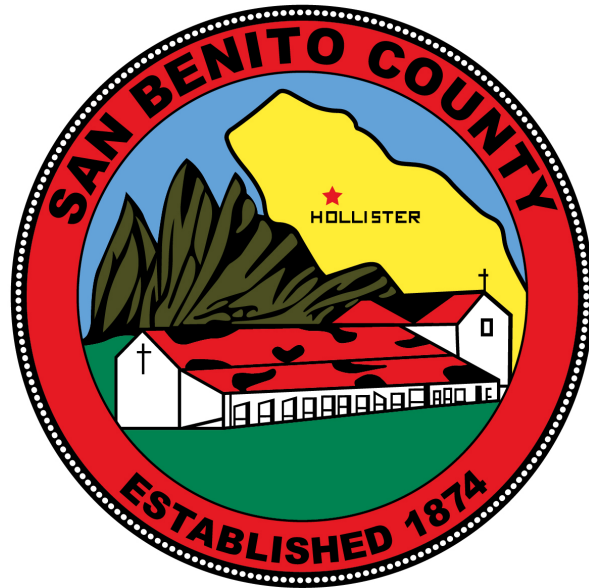
Overall, the County's fiscal year 2024/2025 budget remained relatively similar to the previous year's budget. However, while salaries and benefits costs increased by approximately \$10 million over the previous year's budget, services and supplies is budgeted at \$15 million less than the previous fiscal year. The decreases are attributed by one-time projects that occurred in prior fiscal year's which are no longer active in next year's budget.

VIII. REQUEST FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS



COUNTY OF SAN BENITO

Statement of Net Position June 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	First 5 of San Benito
Assets				
Cash and investments:				
Held in County treasury	\$ 153,003,270	\$ 1,882,484	\$ 154,885,754	\$ —
Other bank accounts - restricted	5,353,297	817,992	6,171,289	—
Other bank accounts	10,935,354	—	10,935,354	409,840
Imprest cash	5,343	—	5,343	—
Receivables	5,679,803	453,809	6,133,612	2,332,353
Due from other governments	26,383,902	951,286	27,335,188	—
Loan receivable	4,237,829	—	4,237,829	—
Prepaid expenses and inventories	862,588	—	862,588	31,415
Net OPEB asset	—	—	—	168,349
Capital assets, nondepreciable	58,589,719	313,079	58,902,798	—
Capital assets, depreciable/amortized, net	143,419,323	150,801	143,570,124	769,601
Total Assets	408,470,428	4,569,451	413,039,879	3,711,558
Deferred Outflows of Resources				
Related to pension	27,416,429	49,800	27,466,229	112,355
Related to OPEB	10,647,452	22,526	10,669,978	121,029
Total Deferred Outflows of Resources	38,063,881	72,326	38,136,207	233,384
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities	18,926,457	237,558	19,164,015	2,137,649
Due to other agencies	722,117	—	722,117	—
Deposits from others	3,870,139	—	3,870,139	—
Unearned revenues	362,785	269,157	631,942	—
Accrued interest on outstanding debt	326,209	—	326,209	—
Current portion of lease obligations	364,482	729	365,211	140,724
Current portion of subscription obligations	732,170	—	732,170	—
Current portion of other long-term debt	335,924	—	335,924	—
Current portion of compensated absences	683,253	5,046	688,299	48,524
Current portion of liability for unpaid claims	1,911,096	—	1,911,096	—
Current portion of loan payable	16,882	—	16,882	—
Current portion of certificate of participation	419,707	—	419,707	—
Noncurrent Liabilities				
Closure/post-closure liability	—	934,643	934,643	—
Lease obligations	1,229,723	1,705	1,231,428	277,738
Subscription obligations	2,391,910	—	2,391,910	—
Other long-term debt	7,629,824	—	7,629,824	—
Compensated absences	3,416,261	25,227	3,441,488	—
Liability for unpaid claims	7,644,384	—	7,644,384	—
Loan payable	36,583	—	36,583	—
Certificate of participation	16,564,978	—	16,564,978	—
Net pension liability	80,411,042	175,834	80,586,876	366,448
Net OPEB liability	6,000,021	12,690	6,012,711	—
Total Liabilities	153,995,947	1,662,589	155,658,536	2,971,083
Deferred Inflows of Resources				
Lease related	327,636	20,718	348,354	—
Deferred pension adjustments	1,181,936	931	1,182,867	1,929
Deferred OPEB adjustments	6,939,679	14,680	6,954,359	71,510
Total Deferred Inflows of Resources	8,449,251	36,329	8,485,580	73,439
Net Position				
Net investment in capital assets	171,959,223	440,728	172,399,951	351,139
Restricted (Note 17)				
General government	15,619,401	—	15,619,401	—
Public protection	25,140,738	—	25,140,738	—
Public ways & facilities	27,973,596	—	27,973,596	—
Health services	25,539,727	—	25,539,727	—
Public assistance services	18,765,693	—	18,765,693	10,368
Parks & recreation services	6,441,708	—	6,441,708	—
For other post employment benefits	—	—	—	168,349
Unrestricted	(7,350,975)	2,502,131	(4,848,844)	370,564
Total Net Position	\$ 284,089,111	\$ 2,942,859	\$ 287,031,970	\$ 900,420

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

COUNTY OF SAN BENITO

Statement of Activities

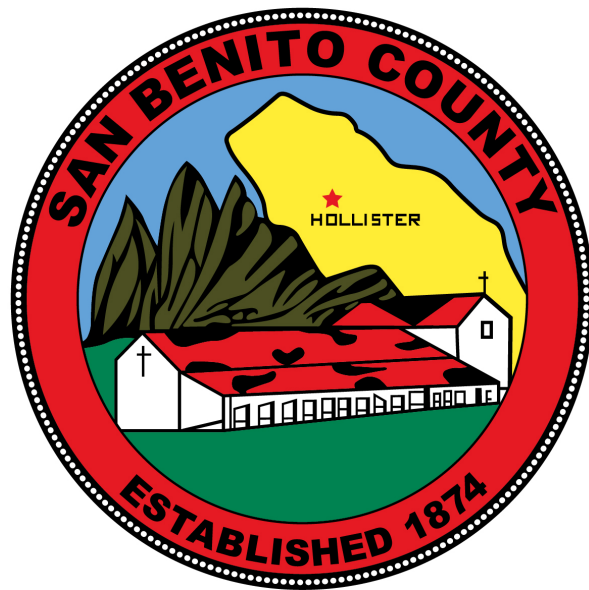
For the Fiscal Year Ended June 30, 2024

Functions/ Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	First 5 of San Benito
Primary Government:								
Governmental Activities:								
General government	\$ 35,365,774	\$ 9,962,971	\$ 5,701,157	\$ —	\$ (19,701,646)	\$ —	\$ (19,701,646)	\$ —
Public protection	45,228,429	5,246,785	11,572,086	—	(28,409,558)	—	(28,409,558)	—
Public ways and facilities	12,481,109	4,138,611	91,055	31,479,724	23,228,281	—	23,228,281	—
Health and sanitation	20,812,972	1,224,168	22,333,815	—	2,745,011	—	2,745,011	—
Public assistance	28,872,897	224,177	34,429,502	—	5,780,782	—	5,780,782	—
Education	6,366,843	352,125	5,333,198	—	(681,520)	—	(681,520)	—
Recreation and culture	308,779	392,836	—	—	84,057	—	84,057	—
Interest and debt service costs	963,205	—	—	—	(963,205)	—	(963,205)	—
Total Governmental Activities	<u>150,400,008</u>	<u>21,541,673</u>	<u>79,460,813</u>	<u>31,479,724</u>	<u>(17,917,798)</u>	<u>—</u>	<u>(17,917,798)</u>	<u>—</u>
Business-type Activities:								
Solid Waste	2,193,937	2,224,757	133,077	—	—	163,897	163,897	—
Total Primary Government	<u>152,593,945</u>	<u>23,766,430</u>	<u>79,593,890</u>	<u>31,479,724</u>	<u>(17,917,798)</u>	<u>163,897</u>	<u>(17,753,901)</u>	<u>—</u>
Component Unit:								
First Five of San Benito	<u>6,501,006</u>	<u>—</u>	<u>6,518,585</u>	<u>—</u>				<u>17,579</u>
General Revenues:								
Property taxes					26,366,922	—	26,366,922	—
Sales and use taxes					7,314,821	—	7,314,821	—
Franchise taxes					759,475	—	759,475	—
Other taxes					1,563,817	—	1,563,817	—
Interest and investment earnings					7,075,493	226,562	7,302,055	36,144
Miscellaneous					10,584,654	55,172	10,639,826	3,870
Transfers					3,300,000	(3,300,000)	—	—
Total General Revenues					<u>56,965,182</u>	<u>(3,018,266)</u>	<u>53,946,916</u>	<u>40,014</u>
Change in Net Position					39,047,384	(2,854,369)	36,193,015	57,593
Net Position - July 1, as previously reported					245,041,727	5,797,228	250,838,955	736,513
Adjustment -					—	—	—	106,314
Net Position - July 1, as restated					245,041,727	5,797,228	250,838,955	842,827
Net Position - June 30, 2024					<u>\$ 284,089,111</u>	<u>\$ 2,942,859</u>	<u>\$ 287,031,970</u>	<u>\$ 900,420</u>

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

BASIC FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS



COUNTY OF SAN BENITO

**Balance Sheet
Governmental Funds
June 30, 2024**

	General	Human Services Agency	Road	Mental Health	Other Governmental Funds	Total
Assets						
Cash and investments:						
Held in County treasury	\$ 48,955,112	\$12,861,875	\$13,980,995	\$ 16,437,598	\$ 60,767,690	\$ 153,003,270
Other banks - restricted	4,434,277	—	—	—	919,020	5,353,297
Other banks	10,935,354	—	—	—	—	10,935,354
Imprest cash	1,643	200	—	3,450	50	5,343
Accounts Receivable	4,339,586	109,199	49,322	118,664	1,063,032	5,679,803
Long-term receivable	1,611,027	—	—	—	2,626,802	4,237,829
Due from other funds	306,853	349,034	—	—	499,997	1,155,884
Due from other governments	3,852,871	1,608,817	12,288,269	1,710,570	6,923,375	26,383,902
Inventory and prepaids	635,373	71,315	59,340	5,973	90,587	862,588
Total Assets	75,072,096	15,000,440	26,377,926	18,276,255	72,890,553	207,617,270
Liabilities						
Accounts payable and accrued liabilities	4,963,481	705,242	8,539,672	1,809,458	2,908,604	18,926,458
Due to other funds	—	—	—	—	1,155,884	1,155,884
Due to other governments	318,911	76,211	—	—	326,995	722,117
Deposits from others	948,273	833	—	1,460	2,919,573	3,870,139
Unearned revenues	193,612	168,596	—	—	577	362,785
Total Liabilities	6,424,277	950,882	8,539,672	1,810,918	7,311,633	25,037,383
Deferred Inflows of Resources						
Lease related	302,093	25,543	—	—	—	327,636
Deferred impact fees	11,027	—	—	—	562,500	573,527
Unavailable revenues	6,113,142	544,779	6,327,826	1,099,689	3,968,632	18,054,068
Total Deferred Inflows of Resources	6,426,262	570,322	6,327,826	1,099,689	4,531,132	18,955,231
Fund Balances						
Nonspendable	635,373	71,315	59,340	5,973	74,406	846,407
Restricted	18,844,093	13,407,921	11,451,088	15,359,675	60,418,086	119,480,863
Assigned	27,923,085	—	—	—	650,125	28,573,210
Unassigned	14,819,006	—	—	—	(94,829)	14,724,177
Total Fund Balances	\$ 62,221,557	\$13,479,236	\$11,510,428	\$ 15,365,648	\$ 61,047,788	\$ 163,624,657
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 75,072,096	\$15,000,440	\$26,377,926	\$ 18,276,255	\$ 72,890,553	\$ 207,617,271

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

COUNTY OF SAN BENITO

Reconciliation of the Balance Sheet - Governmental Funds
to the Government-Wide Statement of Net Position
June 30, 2024

Fund Balance - Total governmental funds		\$ 163,624,657
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds.		202,009,042
Other assets are not available to pay for current period expenditures and therefore, are deferred in the governmental funds.		18,627,595
Deferred outflows of resources related to pension and other post-employment benefits are applicable to future periods, and therefore, are not reported in the governmental funds.		38,063,881
Deferred inflows of resources related to pension and other post-employment benefits are applicable to future periods, and therefore, are not reported in the governmental funds.		(8,121,615)
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds.		
Interest on outstanding debt	(326,209)	
Right to use lease obligations	(1,594,205)	
Subscription obligations	(3,124,080)	
Other long term debt	(7,965,748)	
Loan payable	(53,465)	
Certificate of participation	(16,984,685)	
Net OPEB asset	(6,000,021)	
Liability for unpaid claims	(9,555,480)	
Compensated absences	(4,099,514)	
Net pension liability	(80,411,042)	(130,114,449)
Net position of governmental activities		\$ 284,089,111

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

COUNTY OF SAN BENITO

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General	Human Services Agency	Road	Mental Health	(Formerly major) Migrant Labor Camp	Other Governmental Funds	Total
Revenues							
Taxes	\$ 29,069,876	\$ —	\$ 4,161,525	\$ —	\$ —	\$ 2,014,160	\$ 35,245,561
Licenses, permits and franchises	2,277,381	—	—	—	—	6,072	2,283,453
Aid from other governments	17,201,376	26,324,963	26,226,544	12,776,926	—	25,411,184	107,940,993
Use of money or property	3,051,846	443,295	322,016	759,080	—	2,469,258	7,045,495
Fines, forfeits and penalties	1,044,964	—	—	—	—	34,382	1,079,346
Charges for services	19,348,546	5,340	395,953	16,856	—	6,898,246	26,664,941
Other revenue	8,263,885	140,782	200,000	5,786	—	279,886	8,890,339
Total Revenues	80,257,874	26,914,380	31,306,038	13,558,648	—	37,113,188	189,150,128
Expenditures							
Current							
General government	26,129,638	—	—	—	—	48,395	26,178,033
Public protection	39,320,276	—	—	—	—	4,039,153	43,359,429
Public ways and facilities	—	—	6,588,807	—	—	1,572,314	8,161,121
Health and sanitation	—	—	—	12,953,585	—	8,631,815	21,585,400
Public assistance	632,287	22,649,063	—	—	—	4,394,870	27,676,220
Education	6,563,820	—	—	—	—	2,752	6,566,572
Recreation and culture	224,666	—	—	—	—	—	224,666
Debt Service:							
Principal	1,128,947	582,189	22,136	149,752	—	921,654	2,804,678
Interest and debt service costs	99,244	8,853	200	7,301	—	830,912	946,510
Capital outlay							
General government	2,146,450	—	—	—	—	262,492	2,408,942
Public protection	2,867,266	—	—	—	—	890,951	3,758,217
Public ways and facilities	—	—	33,294,119	—	—	—	33,294,119
Health and sanitation	—	—	—	5,456	—	167,743	173,199
Public assistance	—	72,721	—	—	—	1,611,238	1,683,959
Education	—	—	—	—	—	341,758	341,758
Recreation and culture	—	—	—	—	—	745,288	745,288
Total Expenditures	79,112,594	23,312,826	39,905,262	13,116,094	—	24,461,335	179,908,111
Excess (deficiency) of revenues over expenditures	1,145,280	3,601,554	(8,599,224)	442,554	—	12,651,853	9,242,017
Other Financing Sources/(Uses)							
Capital financing	744,505	—	—	—	—	—	744,505
Transfers in	2,407,530	—	12,916,862	—	—	6,380,322	21,704,714
Transfers out	(6,496,080)	(206,494)	—	(1,227)	—	(11,700,913)	(18,404,714)
Leases issued	627,970	25,655	—	5,456	—	85,734	744,815
Subscriptions	2,060,260	—	77,312	—	—	92,762	2,230,334
Total other financing sources/(uses)	(655,815)	(180,839)	12,994,174	4,229	—	(5,142,095)	7,019,654
Net change in fund balances	489,465	3,420,715	4,394,950	446,783	—	7,509,758	16,261,671
Fund balances - July 1, as previously reported	61,732,092	10,058,521	7,115,478	14,918,865	(1,429,523)	54,967,553	147,362,986
Adjustment - changes from major fund to nonmajor fund	—	—	—	—	1,429,523	(1,429,523)	—
Fund balances - July 1, as adjusted	61,732,092	10,058,521	7,115,478	14,918,865	—	53,538,030	147,362,986
Fund balances - June 30,	<u>\$ 62,221,557</u>	<u>\$ 13,479,236</u>	<u>\$ 11,510,428</u>	<u>\$ 15,365,648</u>	<u>\$ —</u>	<u>\$ 61,047,788</u>	<u>\$ 163,624,657</u>

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

COUNTY OF SAN BENITO

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2024

Net change in fund balances- total governmental funds		\$ 16,261,671
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.</p>		
Expenditures for capital assets, right to use assets, retirements, transfers and adjustments.	42,558,792	
Less current year depreciation/amortization	<u>(10,207,525)</u>	32,351,267
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		5,354,440
<p>Revenues included in the governmental funds related to long-term debt proceeds that are not reported as revenues in the statement of activities.</p>		
		(3,719,654)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in compensated absences	(525,449)	
Change in liability for unpaid claims	(3,724,575)	
Current year long-term debt principal payments	2,804,678	
Current year accrued long-term debt interest expense	(16,694)	
Current year OPEB cost difference	(4,490,058)	
Current year pension cost difference	<u>(5,248,242)</u>	(11,200,340)
Change in net position of governmental activities		<u>\$ 39,047,384</u>

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

COUNTY OF SAN BENITO

Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities Solid Waste Fund
Assets	
Current Assets:	
Cash and investments	\$ 1,882,484
Accounts receivable	453,809
Due from other governments	951,286
Total Current Assets	3,287,579
Noncurrent Assets:	
Restricted Assets	
Cash and investments	817,992
Capital Assets (nondepreciable)	
Land	313,079
Capital Assets (depreciated/amortized)	
Structures and improvements	876,710
Equipment	74,145
Less: accumulated depreciation	(802,436)
Right-to-use lease asset	3,784
Less: accumulated amortization	(1,402)
Total Noncurrent Assets	1,281,872
Total Assets	4,569,451
Deferred Outflows of Resources	
Related to pension	49,800
Related to OPEB	22,526
Total Deferred Outflows of Resources	72,326
Liabilities	
Current Liabilities:	
Accounts payable and accrued liabilities	238,287
Unearned revenues	269,157
Compensated absences	5,046
Noncurrent Liabilities:	
Closure/post-closure liability	934,643
Compensated absences	25,227
Lease payable	1,705
Net pension liability	175,834
Net OPEB liability	12,690
Total Noncurrent Liabilities	1,150,099
Total Liabilities	1,662,589
Deferred Inflows of Resources	
Deferred lease financing	20,718
Deferred pension adjustments	931
Deferred OPEB adjustments	14,680
Total Deferred Inflows of Resources	36,329
Net Position	
Investment in capital assets	440,728
Unrestricted	2,502,131
Total Net Position of Proprietary Funds	\$ 2,942,859

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

COUNTY OF SAN BENITO

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2024

	Business-type Activities
	Solid Waste Fund
Operating Revenues:	
Licenses, permits and franchises	\$ 854,185
Aid from other governmental units	133,077
Charges for services	1,370,572
Other revenue	55,172
Total Operating Revenues	2,413,006
Operating Expenses:	
Salaries, wages and employee benefits	636,567
Services and supplies	1,398,409
Other charges	17,908
Depreciation	48,353
Indirect Costs	92,700
Total Operating Expense	2,193,937
Operating income (loss)	219,069
Non-Operating Revenues (Expenses)	
Interest income (expense)	226,562
Total Non-Operating Revenues (Expenses)	226,562
Income Before Transfers	445,631
Transfers In (Out)	(3,300,000)
Change in Net Position	(2,854,369)
Net position - beginning of year	5,797,228
Net position - end of year	\$ 2,942,859

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

COUNTY OF SAN BENITO
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-type Activities
	Solid Waste Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 2,582,701
Payments to suppliers for goods and services	(1,390,694)
Payments to employees for salaries and benefits	(615,830)
Net cash provided by operating activities	576,177
Cash Flows from Non-Capital Financing Activities	
Transfers (out)	(3,300,000)
Cash Flows from Capital and Related Financing Activities	
Lessor receipts	5,982
Cash Flows from Investing Activities	
Interest received	260,718
Net change in Cash and Cash Equivalents	(2,457,123)
Cash and cash equivalents, July 1	5,157,599
Cash and cash equivalents, June 30	\$ 2,700,476
Reconciliation of cash and investments to the Statement of Net Position	
Current assets - cash and investments	\$ 1,882,484
Restricted assets - cash and investments	817,992
	\$ 2,700,476
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income	\$ 219,069
Adjustments to reconcile operating income to net cash provided by operating activities:	
Effects of changes in assets and deferred outflows:	
Receivables	72,427
Due from other agencies	(171,889)
PERS contributions	(4,624)
Deferred pension adjustment	4,591
OPEB contributions	29,293
Deferred OPEB adjustment	57,185
Depreciation	47,624
Effects of changes in liabilities and deferred inflows:	
Payables	102,088
Other liabilities	9
Compensated absences	4,546
Net Pension liability	2,851
Net OPEB liability	31,947
Unearned revenues	269,157
Deferred inflows - pension adjustments	(1,239)
Deferred inflows - OPEB adjustments	(86,858)
Total adjustments	357,108
Net cash provided by operating activities	\$ 576,177
Non cash capital, financing, and investing activities	\$ —

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

COUNTY OF SAN BENITO

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Investment Trust Funds	Custodial Funds
Assets		
Cash and investments	\$ 225,435,879	\$ 23,049,386
Receivables:		
Interest receivable	1,565,914	323,132
Taxes for other governments	—	7,760,134
Accounts receivable	—	32,985
Due from other	451,926	—
Due from other governments	4,442,534	—
Inventories and other assets	6,420	—
Nondepreciable capital assets	2,248	—
Depreciable capital assets, net	1,208,662	—
Total Assets	233,113,583	31,165,637
Deferred Outflows of Resources		
Deferred outflows of resources	—	1,600,000
	—	1,600,000
Liabilities		
Accounts payable and other liabilities	1,858,786	4,560,517
Due to other	451,691	—
Due to other governments	109,712	608,559
Deposits	—	492,274
Unearned revenue	3,105	—
Total Liabilities	2,423,294	5,661,350
Net Position		
Restricted for pool participants	230,690,289	—
Restricted for individuals, organizations and other governments	—	27,104,287
Total Net Position	\$ 230,690,289	\$ 27,104,287

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

COUNTY OF SAN BENITO

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024

	Investment Trust Funds	Custodial Funds
Additions		
Contributions to pooled investments	\$ —	\$ 3,044,526
Taxes	90,100,528	91,588,184
Aid from other governments	162,626,980	318,819
Charges for services	165,120	568,523
Fines, forfeitures and penalties	2,994,166	593,690
Other revenue	9,596,955	1,602,465
Net investment earnings	—	16,711,761
Total Additions	265,483,749	114,427,968
Deductions		
Distributions from pooled investments	—	108,696,675
Operating expenses	238,138,556	1,626,046
Other charges	13,050,256	684,240
Depreciation expense	255,898	—
Total Deductions	251,444,710	111,006,961
Net increase (decrease) in fiduciary net position	14,039,039	3,421,007
Net position - beginning of year	216,651,250	23,683,280
Net position - end of year	\$ 230,690,289	\$ 27,104,287

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

COUNTY OF SAN BENITO
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FOR THE YEAR ENDED June 30, 2024

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COUNTY OF SAN BENITO
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED June 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

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

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

Blended Component Units

County Service Areas (CSA)

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

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

Community Facilities Districts (CFD)

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

CFD - Santana Ranch

CFD - Brigantino-Sunnyside Estates (zone 1)

CFD - Fay-Bennet Ranch (zone 2)

CFD - Bluffs (zone 3)

San Benito County Financing Corporation (SBCFC)

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

Discretely Presented Component Units

First 5 San Benito

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

B. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

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

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

The Statement of Activities presents a comparison between program expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

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

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

The County reports the following major governmental funds:

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

improvement projects.

- The *Mental Health fund* is used to account for mandated community health services under the California Mental Health Act including a mandated responsibility to “guarantee and protect public safety.” Revenue sources are primarily charges for services, sales tax revenue and state and federal grants.

The County reports the following enterprise fund:

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

The County reports the following fiduciary fund types:

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

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

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they have been earned and they are both measurable and available. The County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease and subscription liabilities, as well as expenditures related to compensated absences, and claims and judgments, and post-employment benefits are recorded only when payment is due. General capital assets acquisitions, including right to use leased assets and subscription based information technology agreements, are reported as expenditures in governmental funds. Proceeds of general long-term debt, and financing for leases and subscriptions, are reported as other financing sources.

C. Cash and Investments

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

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

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

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

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

D. Inventories and Prepaid Items

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

when purchased.

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

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

E. Capital Assets

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

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

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

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

The estimated useful lives are as follows:

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

F. Receivables

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

G. Deferred Outflows/Inflows of Resources

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

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

H. Unearned Revenue

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

I. Compensated Absences

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

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

During the fiscal year ended June 30, 2024, changes to compensated absences were as follows:

	Balance			Balance	Due within
	June 30, 2023	Increases	Decreases	June 30, 2024	one year
Governmental Activities	\$ 3,574,065	\$ 3,191,465	\$ (2,666,016)	\$ 4,099,514	\$ 683,253
Business-type Activities	\$ 25,728	\$ 34,071	\$ (29,526)	\$ 30,273	\$ 5,046

J. Other Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligation are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Long-term debt premiums and discounts are deferred and amortized over the life of the debt using a

method that approximates the effective interest method. Long-term debt issuance costs are reported as expenses in the period incurred. Debt payables are reported net of the applicable premium or discount. Gains or losses from advance refunding are deferred and amortized as interest expense over the life of the new refunding debt.

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

K. Property Taxes

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

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

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

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

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

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

L. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are

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

M. Estimates

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

N. Net Position

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

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

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

O. Fund Balances

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

The County reports the following classifications:

- *Nonspendable fund balance* - This category represents amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact.
- *Restricted fund balance* - This category represents amounts with constraints placed on their use by those external to the County, including creditors, grantors, contributors or laws and regulations of other governments. It also includes constraints imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* - This category represents amounts that can only be used for specific purposes determined by formal action (ordinance) of the County's highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action (ordinance) that imposed the limitation needs to occur no later than the close of the reporting period.
- *Assigned fund balance* - This category represents amounts that are constrained by the County Administrative Officer intent to be used for specific purposes. The assigned fund balance and the purpose of the assignment is presented to the highest level of decision making, the County Board of Supervisors, on an annual basis.
- *Unassigned fund balance* - This category represents the residual classification that includes amounts not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

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

Fund Balance Policy:

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

The purpose of the County's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue

shortfalls or unpredicted one-time expenditures. The County believes that sound financial management principles require that sufficient funds be retained by the County to provide a stable financial base at all times. To retain this stable financial base, the County needs to maintain unrestricted fund balance in its county funds sufficient to fund cash flows of the County and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

P. Leases

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

For agreements wherein the County is a *lessee*, a lease liability and an intangible right-to-use lease asset (lease asset) are recognized in the government-wide financial statements. The County recognized lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the useful life of the lease asset.

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

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

For agreements wherein the County is a *lessor*, a lease receivable and a deferred inflow of resources is recognized in the government-wide and governmental fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the useful life of the lease term.

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

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

Q. Subscriptions

The County of San Benito is a government end user of subscription-based information technology arrangements (SBITAs). A SBITA is defined as a contract that conveys control of the right to use another party's information technology software. A SBITA results in the recognition of a right to use subscription asset - an intangible asset - and a corresponding subscription liability in the government-wide financial statements.

The subscription asset is initially measured as the sum of (1) the initial amount of the subscription liability, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the subscription asset is amortized on a straight-line basis over the useful life of the subscription asset.

The County recognizes subscription liabilities with an initial, individual value of \$5,000 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. Future subscription payments are discounted using the interest rate the SBITA vendor charges, which may be implicit, or the County's incremental borrowing rate if the interest rate is not readily determinable. Subsequently, the subscription liability is reduced by the principal portion of payments made.

The County monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. SBITA assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

R. Pensions

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

Services Agency Fund, the Road Fund, and the Mental Health Fund. Investments are reported at fair value.

S. Postemployment Benefits Other Than Pensions (OPEB)

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

T. Effects of New Pronouncements

As of July 1, 2023, the County adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. A change to or within the Financial Reporting Entity from the Migrant Labor Camp fund adjustment from major fund to a nonmajor fund can be found in Note 19. For a list of pronouncements that the County will implement in the coming years, see Note 18.

NOTE 2. CASH AND INVESTMENTS

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

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

The following is a summary of investments held by the County as of June 30, 2024:

Investment	Fair Value
Treasurer's pooled investments	
CAMP	\$ 60,198,246
LAIF	43,300,000
Money Market Funds	1,206,757
U.S. Treasury Obligations	81,704,446
Medium Term Notes	103,004,449
U.S. Federal Agency Securities	77,404,407
Asset Secured Indebtedness	8,543,805
Collateralized Mortgage Obligations	27,233,630
Total pooled investments	<u>402,595,740</u>
Cash and investments held with fiscal agents	17,516,483
<i>Cash and investments held with fiscal agents for component unit</i>	409,840
<i>Total investments</i>	<u>\$ 420,112,223</u>
Cash in banks	9,869,050
Imprest cash	5,343
Outstanding checks/deposits in transit	(9,093,771)
<i>Total cash</i>	<u>\$ 780,622</u>
<i>Total cash and investments</i>	<u>\$ 420,892,845</u>
Total unrestricted cash and investments	301,411,982
Total restricted cash and investments	119,480,863
<i>Total cash and investments</i>	<u>\$ 420,892,845</u>
Total cash and investments summary:	
Total governmental activities	169,297,264
Total business-type activities	2,700,476
Total fiduciary funds	248,485,265
Total component unit	409,840
<i>Total cash and investments</i>	<u>\$ 420,892,845</u>

NOTE 2. CASH AND INVESTMENTS (Continued)

The following is a reconciliation between cash and investments and the Net Position of the Treasurer's investment pool as of June 30, 2024:

<i>Total cash and investments</i>	\$	420,892,845
Less: investments held with fiscal agents		(17,106,643)
Less: imprest cash		(5,343)
Less: deposits in transit		(19,195)
Add: outstanding checks/deposits		9,112,966
<i>Total pooled cash and investments</i>	<u>\$</u>	<u>412,874,630</u>

The following represents a condensed Statement of Net Position and Changes in Net Position for the Treasurer's investment pool as of June 30, 2024:

Statement of Net Position	
Net position held in trust	<u>\$ 412,874,630</u>
Equity of internal pool	<u>\$ 187,438,751</u>
Equity of external pool participants	<u>225,435,879</u>
Total equity	<u><u>\$ 412,874,630</u></u>
Statement of Changes in Net Position	
Net position held for pool participants, July 1, 2023	\$ 380,289,912
Net change in investments by pool	<u>32,584,718</u>
Net position held for pool participants, June 30, 2024	<u><u>\$ 412,874,630</u></u>

Investment income consisted of the following for the year ended June 30, 2024:

Investment earnings	\$	14,960,961
Less: net change in fair value of investments		4,649,758
Less: administrative expenses		600,009
Net investment income	<u>\$</u>	<u>9,711,194</u>

Custodial Credit Risk Related to Deposits

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Pool will not be able to recover deposits nor be able to recover collateral securities that are in possession of an outside party. At year-end, the balance of deposits at the County's banking institution was \$9,869,050. Any difference between the carrying amount of the County's deposits and the bank balance is a result of transactions in transit. Of the bank balance, \$250,000 was covered by federal depository insurance and \$9,619,050 was covered by collateral pledged by the financial institution. Per Government Code Section 53652, the depository is required to maintain a fair value of at least 110% of the pledged collateral.

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

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments

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

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

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

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

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

NOTE 2. CASH AND INVESTMENTS (Continued)

Credit Risk and Concentration of Credit Risk

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

As of June 30, 2024, the County of San Benito’s investments were rated by Standard & Poor’s investment rating system as follows:

Investment Type	Fair Value	S&P Rating
U.S. Treasury Notes	81,704,446	AA+
Medium Term Notes	20,407,696	AAA *
Medium Term Notes	12,419,285	AA+
Medium Term Notes	378,109	AA
Medium Term Notes	4,803,173	AA-
Medium Term Notes	20,257,838	A+
Medium Term Notes	36,137,061	A
Medium Term Notes	8,601,288	A-
U.S. Federal Agency Securities	77,404,407	AA+
Asset Secured Indebtedness	8,543,805	AAA
Collateralized Mortgage Obligations	25,383,455	AA+
Collateralized Mortgage Obligations	1,850,175	NR **
Money Market Funds	1,206,757	AAA
CAMP	60,198,246	NR
LAIF	43,300,000	NR
Total	\$ 402,595,741	

* Includes \$1,635,439 from two securities which did not receive ratings from S&P, but were rated AAA by Fitch.

** One security issued by FHLMC which was rated AAA by Fitch.

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

Instruments in any one issuer that represent 5% or more the County's investments as of June 30, 2024, are as follows (excluding investment pools and debt explicitly guaranteed by the U.S. government):

Issuer	Fair Value	Percentage of Portfolio
Treasurer's Pooled Investments:		
Government of United States	81,704,464	27.36 %
Federal Home Loan Bank	42,191,331	14.13 %
Federal Farm Credit Bank	32,783,473	10.98 %
Federal Home Loan Mortgage Corp	2,429,504	9.93 %
		62.4 %

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

Custodial Credit Risk Related to Investments

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

Interest Rate Risk

In accordance with its investment policy, the County manages its interest rate risk by limiting the weighted average maturity of its investment portfolio to three years or less. No security, at the time of purchase, shall have a maturity exceeding five (5) years. As of June 30, 2024 the County Treasurer's investment pool consisted of the following:

Type of Investment	Maturities			Total
	Less Than One Year	One to Three Years	Three to Five Years	
U.S. Treasury Notes	\$ 16,712,656	\$ 40,144,261	\$ 24,847,529	\$ 81,704,446
California Asset Management Program	60,198,246	—	—	60,198,246
Medium Term Notes	4,589,437	73,045,143	25,369,869	103,004,449
U.S. Federal Agency Securities	9,751,376	49,887,989	17,765,042	77,404,407
Asset secured indebtedness	—	5,932,500	2,611,305	8,543,805
Collateralized Mortgage obligations	2,347,830	6,868,212	18,017,588	27,233,630
Mutual funds/money market mutual funds	1,206,757	—	—	1,206,757
Local Agency Investment Fund (LAIF)	43,300,000	—	—	43,300,000
Total pooled investments	\$ 138,106,302	\$ 175,878,105	\$ 88,611,333	\$ 402,595,740

Local Agency Investment Fund – The County participates in the Local Agency Investment Fund (LAIF) which, under the oversight of the Treasury of the State of California, is regulated by California Government Code Section 16429. LAIF management calculates the fair value and cost of the entire LAIF pool. The Authority adjusts its cost basis invested in LAIF to fair value based on this ratio. The fair value of the County's position in the pool is the same as the value of the pool share. The balance available for withdrawal on demand is based on accounting records maintained by LAIF, which are recorded on an amortized cost basis. At June 30, 2024 LAIF had a weighted average maturity of 311 days.

NOTE 2. CASH AND INVESTMENTS (Continued)

The amount in the Local Agency Investment Fund (LAIF) was \$43.3 million at June 30, 2024. The state pools these funds with those of other local agencies in the state and invests the cash as prescribed by the California Government Code. Interest earned is deposited quarterly into participating funds. Any investment gains/losses are shared proportionately by all funds in the pool. Funds are accessible and transferable to the County's bank accounts on the same day for amounts under \$10,000,000 and require a twenty-four (24) hour notice for larger amounts. The Local Agency Investment Fund has a very diversified and regulated investment portfolio; the fund is not insured by either the State of California or the Federal Government.

California Asset Management Program – The County is a voluntary participant in the California Asset Management Program (CAMP) which is under the oversight of CAMP's governing board. CAMP is an investment pool offered by the California Asset Management Trust (Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "Act") for the purpose of exercising the common power of its participants to invest certain proceeds of debt issues and surplus funds. Funds are accessible and transferable to the County's bank accounts on

demand. The County's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The County reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. On June 30, 2024, CAMP had a weighted average maturity of not more than 60 days.

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

Fair Value Measurements

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

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

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

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

NOTE 2. CASH AND INVESTMENTS (Continued)

The following table presents fair value of investments held within the Pool as of June 30, 2024:

Investments by fair value level	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities:			
U.S. Treasury Obligations	\$ 81,704,446	\$ —	\$ 81,704,446
Medium Term Notes	103,004,449	—	103,004,449
U.S. Federal Agency Securities	77,404,407	—	77,404,407
Asset Secured Indebtedness	8,543,805	—	8,543,805
Collateralized Mortgage Obligations	27,233,630	—	27,233,630
Total investments by fair value hierarchy	297,890,737	\$ —	\$ 297,890,737
Investments not subject to fair value hierarchy:			
CAMP	60,198,246		
LAIF	43,300,000		
Money Market Funds	1,206,757		
Total investments not subject to fair value hierarchy	104,705,003		
Total investments measured at fair value	\$ 402,595,740		

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

Deposits and withdrawals in the Local Agency Investment Fund and California Asset Management Program are made on the basis of \$1 and not fair value. Accordingly, the Authority’s proportionate share of investments in those funds at June 30, 2024 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

Restricted Cash and Investments

Cash and Investments at June 30, 2024 that are restricted by legal or contractual requirements are comprised of the following:

Governmental Activities	
PARS trust - pension	\$ 4,434,277
Other Governmental Funds	919,020
Total restricted cash and investments	\$ 5,353,297

NOTE 3. INTERFUND TRANSACTIONS

Interfund Receivables/Payable

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

The composition of interfund balances as of June 30, 2024 is as follows:

Receivable Fund	Payable Fund	Amount	Purpose
Due to/from other funds:			
Health Services Agency	Migrant Labor Camp	\$ 349,034	Interfund borrowing
General Fund	Non-major governmental fund	306,853	Interfund borrowing
Non-major governmental fund	Non-major governmental fund	499,997	Interfund borrowing
	Total interfund balances	<u><u>\$ 1,155,884</u></u>	

Transfers

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

Transfer From	Transfer To	Amount	Purpose
General Fund	Road Fund	\$ 3,785,075	Funding for capital outlay
General Fund	Non-major Governmental Fund	962,692	Funding for operations
General Fund	Other Governmental Fund	266,530	Funding for operations
General Fund	Other Governmental Fund	1,481,783	Funding for capital outlay
Health Services Agency	Other Governmental Fund	206,494	Funding for capital outlay
Mental Health Fund	Other Governmental Fund	1,227	Funding for debt service
Other Governmental Fund	General Fund	2,407,530	Funding for operations
Other Governmental Fund	Other Governmental Fund	1,080,957	Funding for debt service
Non-major Governmental Fund	Other Governmental Fund	405,803	Funding for debt service
Non-major Governmental Fund	Other Governmental Fund	1,883,836	Funding for capital outlay
Non-major Governmental Fund	Non-major Governmental Fund	91,000	Funding for operations
Non-major Governmental Fund	Road Fund	5,831,787	Funding for capital outlay
		<u>\$ 18,404,714</u>	
Solid Waste Fund (Proprietary)	Road Fund	3,300,000	Funding for capital outlay
	Total transfers	<u><u>\$ 21,704,714</u></u>	

NOTE 4. RECEIVABLES

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

Panoche Valley Solar Project Receivable

In 2010, a development agreement was entered into between the County and Solargen Energy, Inc. (Solargen). In 2011, Solargen assigned its interests to PV2 Energy, LLC (PV2) and again in 2012 PV2 assigned its interests to Panoche Valley Solar, LLC (PVS). One of the terms of the agreement was for the developer to provide the County 0.14% of the assessed value of the property for a period of twenty years, on the value of the solar energy improvements which would otherwise be exempt from taxation pursuant to California Revenue and Taxation Code Section 73. When the amended agreement was approved in 2018, the principal's net present value of \$4,259,238 with discount rate of 3% was recorded in the General Fund. The current portion of the receivable is \$291,736 and non-current portion is \$2,138,589 at June 30, 2024.

Housing Loans Receivable

A total of \$2,064,302, a net decrease of \$4 thousand over the previous year, is reported as housing loans receivable under other governmental funds at June 30, 2024. These loan receivables represent low or zero interest mortgage notes and related accrued interest to finance multi-family and single family construction and rehabilitation projects, as well as home-buyer assistance for low income families, as part of the County's affordable housing program. Loan terms range from 15 to 55 years with interest rates from 0% to 6%. The County's primary sources of funding for these loans come from grants from the federal HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) programs. The HOME and CDBG grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements.

Pacheco Storm Water District (PSWD)

On August 22, 2023, the Board of Supervisors approved a \$1.6 million loan to PSWD using General Fund reserves. The board appropriated the funds to be used for capital improvement project of PSWD infrastructure, specifically the levee system. This project aims to benefit the PSWD and residents in San Benito County. The loan proceeds were transferred to the revolving fund of the capital project, "PSWD Improvements" where interest shall accrue on the loan immediately upon transfer from that revolving fund. The interest rate shall be the same as the rate the County earns on its temporary idle funds as determined by the County Treasurer. Repayment shall occur no later than June 30, 2028 with PSWD having an option to accelerate repayment of the loan and any accrued interest.

Deferred Impact Fee Receivable

In June 2020, the County was awarded a HOME grant up to \$1.1 million for 24 units of first-time homebuyer new construction project. Ten applicants out of 24 total applicants met the requirements of the HOME grant and awarded the grant in October 2021 and February 2022 that ranges from \$15 thousand to \$80 thousand, a total of \$493 thousand which is included in aforementioned housing loans receivable of \$2 million. To proceed with the new housing construction project for low income new homebuyers, the County has determined to defer various impact fees which would have been imposed to new construction projects. The total amount of deferred impact fee receivable is \$574 thousand and the term is 33 years or 38 years with zero interest.

NOTE 4. RECEIVABLES (continued)

Other Receivable

Other receivables as of June 30, 2024 for the County’s individual major, nonmajor and enterprise fund include receivables that are expected to be collected within the next fiscal year and in subsequent fiscal years as follows:

Governmental Funds:	<u>General</u>	<u>Human Services Agency</u>	<u>Road</u>	<u>Mental Health</u>	<u>Migrant Labor Camp</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
Accounts Receivable:							
PV Solar receivable (LT & ST)	\$ 2,430,325	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,430,325
From customers	<u>1,909,261</u>	<u>109,199</u>	<u>49,322</u>	<u>118,664</u>	<u>—</u>	<u>1,063,032</u>	<u>3,249,478</u>
Total accounts receivable	<u>\$ 4,339,586</u>	<u>\$ 109,199</u>	<u>\$ 49,322</u>	<u>\$ 118,664</u>	<u>\$ —</u>	<u>\$ 1,063,032</u>	<u>\$ 5,679,803</u>
Loan Receivable:							
Pacheco Storm Water District (LT)	\$ 1,600,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,600,000
Housing loan receivable	—	—	—	—	—	2,064,302	2,064,302
Deferred impact fee receivable	<u>11,027</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>562,500</u>	<u>573,527</u>
Total loan receivable	<u>\$ 1,611,027</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,626,802</u>	<u>\$ 4,237,829</u>
Proprietary Fund:	<u>Solid Waste</u>						
Accounts receivable	\$ 453,809						
Due from other governments	<u>951,286</u>						
Totals	<u>\$ 1,405,095</u>						

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Balance June 30, 2023	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2024
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 2,582,554	\$ —	\$ —	\$ —	\$ 2,582,554
Construction in progress	31,841,710	36,648,488	—	(12,483,033)	56,007,165
Total capital assets not being depreciated	34,424,264	36,648,488	—	(12,483,033)	58,589,719
Capital assets, being depreciated:					
Infrastructure	205,605,571	—	—	9,133,864	214,739,435
Buildings & Improvements	78,775,443	—	—	3,349,169	82,124,612
Equipment	24,688,260	2,829,389	(213,027)	—	27,304,622
Total capital assets being depreciated	309,069,274	2,829,389	(213,027)	12,483,033	324,168,669
Less: accumulated depreciation					
Infrastructure	(131,624,230)	(3,971,001)	—	—	(135,595,231)
Buildings & Improvements	(25,160,852)	(2,530,914)	—	—	(27,691,766)
Equipment	(21,387,957)	(1,767,272)	213,027	—	(22,942,202)
Total accumulated depreciation	(178,173,039)	(8,269,187)	213,027	—	(186,229,199)
Total capital assets being depreciated, net	130,896,235	(5,439,798)	—	12,483,033	137,939,470
Capital assets, being amortized:					
Right to use leased assets	3,619,450	827,711	(1,986,766)	\$ —	2,460,395
Subscription assets	3,103,654	2,267,894	(133,192)	—	5,238,356
Total capital assets being amortized	6,723,104	3,095,605	(2,119,958)	—	7,698,751
Less: accumulated amortization					
Right to use leased assets*	(1,808,650)	(1,045,171)	1,986,764	—	(867,057)
Subscription assets**	(577,178)	(893,167)	118,504	—	(1,351,841)
Total accumulated amortization	(2,385,828)	(1,938,338)	2,105,268	—	(2,218,898)
Total capital assets being amortized, net	4,337,276	1,157,267	(14,690)	—	5,479,853
Governmental Activities, capital assets, net	\$ 169,657,775	\$ 32,365,957	\$ (14,690)	\$ —	\$ 202,009,042

*Note 6 provides a breakout of right to use leased assets by major asset type

**Note 7 provides a breakout of subscription assets by major asset type

NOTE 5. CAPITAL ASSETS (continued)

	Balance June 30, 2023	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2024
Business - Type Activities					
Capital assets not being depreciated:					
Land	\$ 313,079	\$ —	\$ —	\$ —	\$ 313,079
Total capital assets not being depreciated	313,079	—	—	—	313,079
Capital assets being depreciated:					
Improvements	876,710	—	—	—	876,710
Equipment	74,145	—	—	—	74,145
Total capital assets being depreciated	950,855	—	—	—	950,855
Less: accumulated depreciation					
Buildings & Improvements	(680,659)	(47,632)			(728,291)
Equipment	(74,145)				(74,145)
Total accumulated depreciation	(754,804)	(47,632)	—	—	(802,436)
Total capital assets, being depreciated, net	196,051	(47,632)	—	—	148,419
Amortized assets:					
Right to use leased assets	3,784		—	—	3,784
Total capital assets being amortized	3,784	—	—	—	3,784
Less: accumulated amortization					
Right to use leased assets	(681)	(721)	—	—	(1,402)
Total accumulated amortization	(681)	(721)	—	—	(1,402)
Total capital assets, being amortized, net	3,103	(721)	—	—	2,382
Business-type activities, capital assets, net	\$ 512,233	\$ (48,353)	\$ —	\$ —	\$ 463,880

Depreciation/Amortization

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

Governmental Activities:

General government	\$ 1,126,359
Public protection	2,496,995
Public ways and facilities	4,577,403
Health and sanitation	1,020,435
Public assistance	858,584
Education	20,156
Recreation and cultural services	107,593
Total Governmental Activities Depreciation/Amortization Expense	<u>\$ 10,207,525</u>

Business-Type Activities:

Solid Waste - County Landfill	<u>\$ 48,353</u>
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NOTE 6. LEASES

Under GASB Statement No. 87, *Leases*, a lessee is required to recognize a lease liability and an intangible right to use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Lease receivable

The County of San Benito has two agreements as lessor for an office space and tower. The CAO tower is being leased for a term of 135 months to Verizon with an initial lease receivable of \$396,955. As of June 30, 2024, the value of the lease receivable was \$291,309. The lessee is required to make monthly fixed payments of \$2,570. The lease has an interest rate of 0.3870%. San Benito County recognized lease revenue of \$35,215 during the fiscal year. The lessee has two extension option(s), each for 60 months, and such period is included in the 135-month term of the lease.

Suite 109 at the HHSA 1111 San Felipe Road building is being subleased for a term of 48 months to the Santa Cruz-Monterey-Merced-San Benito-Mariposa Managed Medical Care Commission, a California public entity, doing business as Central California Alliance for Health (CCAH). An initial lease receivable was recorded in the amount of \$32,265.

The future principal and interest receivables as of June 30, 2024, were as follows:

June 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 40,222	\$ 1,745	\$ 41,967
2026	41,575	1,395	42,970
2027	42,969	1,035	44,004
2028	37,237	738	37,975
2029	37,060	592	37,652
2030-2034	132,792	893	133,685
	<u>\$ 331,855</u>	<u>\$ 6,398</u>	<u>\$ 338,253</u>

NOTE 6. LEASES (continued)

Lease payable

Through the implementation of GASB No. 87, the County recognized lease liabilities for infrastructure, buildings, and equipment including vehicles. At June 30, 2024, the County of San Benito had 72 agreements as lessee for assets classified as infrastructure (1), buildings and office space (13), and equipment including vehicles (58) with a combined lease liability of \$1,885,947, with an increase of \$744,815 and a decrease of \$1,036,557 during the year. The lease liability is broken out by asset type as follows:

	Balance				Balance	Due Within
	June 30, 2023	Increases	Decreases	Adjustments	June 30, 2024	One Year
Governmental Activities:						
Infrastructure	\$ 628,050	\$ —	\$ (10,089)	\$ —	\$ 617,961	\$ 11,306
Buildings	739,105	584,704	(804,343)	—	519,466	169,191
Equipment	518,792	160,111	(222,125)	—	456,778	183,983
Lease payable	<u>\$ 1,885,947</u>	<u>\$ 744,815</u>	<u>\$ (1,036,557)</u>	<u>\$ —</u>	<u>\$ 1,594,205</u>	<u>\$ 364,480</u>
Business-Type Activities:						
Equipment	\$ 3,146	\$ —	\$ (712)	\$ —	\$ 2,434	\$ 729
Lease payable	<u>\$ 3,146</u>	<u>\$ —</u>	<u>\$ (712)</u>	<u>\$ —</u>	<u>\$ 2,434</u>	<u>\$ 729</u>

As of June 30, 2024, the value of the lease liability was \$1,594,207. The County of San Benito is required to make fixed principal and interest payments for these leases either on a monthly, quarterly, or annual basis. The lease interest rates are between 0.3150% and 11.2640%.

The future principal and interest lease payments as of June 30, 2024, were as follows:

June 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 364,482	\$ 46,825	\$ 411,307	\$ 729	\$ 50	\$ 779
2026	279,924	36,132	316,056	747	32	779
2027	243,839	26,651	270,490	764	14	778
2028	121,188	19,792	140,980	194	—	194
2029	36,861	17,641	54,502	—	—	—
2030-2034	109,546	77,488	187,034	—	—	—
2035-2039	160,106	56,718	216,824	—	—	—
2040-2044	224,290	27,069	251,359	—	—	—
2045-2046	53,971	915	54,886	—	—	—
	<u>\$ 1,594,207</u>	<u>\$ 309,231</u>	<u>\$ 1,903,438</u>	<u>\$ 2,434</u>	<u>\$ 96</u>	<u>\$ 2,530</u>

NOTE 6. LEASES (continued)

Lease asset

The estimated useful life of buildings is 30 years, infrastructure is 25 years, and equipment and vehicles is 5 years. As of June 30, 2024, five building leases had been expired and one building lease was executed for the County Clerk, Recorder, Elections department which had to relocate due to a building fire occurring at their previous office location. The equipment and vehicle remaining useful life ranges between one year and five years from lease commencement date.

The value of the right to use asset as of June 30, 2024 was \$2,460,395, with an accumulated amortization of \$867,057, broken out by asset type in the table found below:

	Balance		Transfers &		Balance
	June 30, 2023	Additions	Deletions	Adjustments	June 30, 2024
Governmental Activities					
Right to use assets being amortized:					
Infrastructure	\$ 646,500	\$ —	\$ —	\$ —	\$ 646,500
Buildings	2,073,436	667,525	(1,855,180)	—	885,781
Equipment	899,514	160,186	(131,586)	—	928,114
Total right to use assets	3,619,450	827,711	(1,986,766)	—	2,460,395
Less: accum amortization of right to use assets					
Infrastructure	(53,874)	(26,938)	—	—	(80,812)
Buildings	(1,365,013)	(793,062)	1,855,180	—	(302,895)
Equipment	(389,763)	(225,171)	131,584	—	(483,350)
Total accumulated amortization	(1,808,650)	(1,045,171)	1,986,764	—	(867,057)
Governmental Activities right to use assets, net	\$ 1,810,800	\$ (217,460)	\$ (2)	\$ —	\$ 1,593,338
Business-Type Activities					
Right to use assets being amortized:					
Equipment	\$ 3,784	\$ —	\$ —	\$ —	\$ 3,784
Less: accum amortization of right to use assets					
Equipment	\$ (681)	\$ (721)	\$ —	\$ —	\$ (1,402)
Business-Type Activities right to use assets, net	\$ 3,103	\$ (721)	\$ —	\$ —	\$ 2,382

NOTE 7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Under GASB No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset (a capital asset which the GASB referred to as subscription asset).

Subscription payable

The County recognized a subscription liability for the thirty two (32) subscription agreements at the beginning of the year for a total subscription payable of \$1,853,297, added nine subscriptions during the year for a liability increase of \$2,230,334, and eleven subscriptions ended during the year for a decrease of \$959,551.

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Subscription Payable	\$ 1,853,297	\$ 2,230,334	\$ (959,551)	\$ 3,124,080	\$ 732,171
Total	\$ 1,853,297	\$ 2,230,334	\$ (959,551)	\$ 3,124,080	\$ 732,171

As of June 30, 2024, the value of subscription liability was \$3,124,080. The County of San Benito is required to make fixed principal and interest payments for these subscriptions on a monthly and annual basis. The subscription interest rates are between 1.71% and 3.31%.

The future principal and interest subscription payments as of June 30, 2024 , were as follows:

June 30	Governmental Activities		
	Principal	Interest	Total
2025	\$ 732,171	\$ 80,346	\$ 812,517
2026	720,416	61,840	782,256
2027	559,237	43,683	602,920
2028	307,933	29,238	337,171
2029	186,040	21,512	207,552
2030-2034	618,283	43,242	661,525
	\$ 3,124,080	\$ 279,861	\$ 3,403,941

Subscription asset

The value of the right to use asset as of June 30, 2024 was \$5,238,356 with an accumulated amortization of \$893,167.

	Balance June 30, 2023	Additions	Deletions	Transfers & Adjustments	Balance June 30, 2024
Governmental Activities					
Subscriptions (SBITAs) being amortized					
Subscription Asset	\$ 3,103,654	\$ 2,267,894	\$ (133,192)	\$ —	\$ 5,238,356
Total right to use assets	3,103,654	2,267,894	(133,192)	—	5,238,356
Less: accum. amortization of right to use assets					
Subscription Asset	(577,178)	(893,167)	118,504	—	(1,351,841)
Total accumulated amortization	(577,178)	(893,167)	118,504	—	(1,351,841)
Governmental Activities right to use assets, net	\$ 2,526,476	\$ 1,374,727	\$ (14,688)	\$ —	\$ 3,886,515

NOTE 8: LONG-TERM LIABILITIES

Summary of Long-Term Liabilities

The following is a summary of long-term liability transactions for the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Capital financing	\$ 7,634,001	\$ 744,505	\$ (412,758)	\$ 7,965,748	\$ 335,924
Loans payable (direct borrowings)	79,277	—	(25,812)	53,465	16,882
2019 Certificates of Participation (COP)	6,950,000	—	(155,000)	6,795,000	165,000
Unamortized premium on COP	241,322	—	(9,464)	231,858	9,464
Subtotal 2019 COP	7,191,322	—	(164,464)	7,026,858	174,464
2020 Certificates of Participation (COP)	9,660,000	—	(215,000)	9,445,000	225,000
Unamortized premium on COP	533,070	—	(20,243)	512,827	20,243
Subtotal 2020 COP	10,193,070	—	(235,243)	9,957,827	245,243
Total Governmental Activities LT Liabilities	\$ 25,097,670	\$ 744,505	\$ (838,277)	\$ 25,003,898	\$ 772,513

Capital financing - 2019 Equipment Lease/Purchase Agreement

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

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

June 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 335,924	\$ 291,985	\$ 627,909
2026	363,165	279,122	642,287
2027	390,483	265,242	655,725
2028	422,880	250,250	673,130
2029	450,358	234,142	684,500
2030-2034	2,687,938	885,997	3,573,935
2035-2039	3,315,000	327,590	3,642,590
	\$ 7,965,748	\$ 2,534,328	\$ 10,500,076

NOTE 8. LONG-TERM LIABILITIES (continued)

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

In addition to the lease/purchase agreement for the above referenced Energy Conservation Measures Project, the County executed a total of eight on-bill financing loan agreements with Pacific, Gas, and Electric Company (PG&E) in fiscal year 2018/2019 totaling \$51,022 and additional \$246,888 in fiscal year 2019/2020 in loan proceeds. Loan proceeds are disbursed to the County after work has been completed at each County facility, and a post installation inspection and project verification has been conducted. As of June 30, 2022, eight loans had been executed and a loan payable was recognized. As of June 30, 2024, five out of eight loans are paid off. Each loan carries zero percent interest rate, and payment terms range from 27 to 94 months.

2019 and 2020 Certificates of Participation

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

2019 Certificates of Participation

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

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

2020 Certificates of Participation

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

adjacent to the existing County behavioral health facility located at 1131 San Felipe Road in Hollister, CA to the San Benito County Financing Corporation (the "Corporation"). The lease agreement terminates on October 1, 2049. The Corporation then subleases the leased property back to the County under the lease agreement. The County has the option to prepay the principal component of the lease payments, in whole or in part, on any date on or after October 1, 2029. Under the lease agreement the County pays semiannual lease payments as the rental for the use and occupancy of the leased property. The County is obligated to deposit with Wells Fargo Bank, N.A. (the "Trustee") the full amount of the lease payment.

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

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

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

The following is a schedule of total COP debt service obligations to maturity as of June 30, 2024:

Year Ending June 30	2019 Certificates of Participation		2020 Certificates of Participation	
	Principal	Interest	Principal	Interest
2025	\$ 165,000	\$ 243,144	\$ 225,000	\$ 282,413
2026	170,000	234,769	235,000	270,913
2027	180,000	226,019	245,000	258,913
2028	190,000	216,769	260,000	246,288
2029	200,000	207,019	275,000	232,913
2030-2034	1,135,000	895,294	1,575,000	959,188
2035-2039	1,335,000	698,147	1,795,000	736,569
2040-2044	1,560,000	464,131	2,025,000	502,081
2045-2049	1,860,000	167,475	2,310,000	220,238
2050			500,000	6,563
Sub-total	6,795,000	3,352,767	9,445,000	3,716,079
Unamortized Premium	231,858		512,827	
Total COP debt	<u>\$ 7,026,858</u>	<u>\$ 3,352,767</u>	<u>\$ 9,957,827</u>	<u>\$ 3,716,079</u>

NOTE 9. CONTINGENCIES

County Building Fire

On September 6, 2023, a County building was severely damaged by a fire. The fire impacted three departments, County Assessor, County Treasurer/Tax Collector/Public Administrator and the County Clerk/Recorder/Registrar of Voters. The carrying value of the building and related equipment that was destroyed, as of June 30, 2024, was approximately \$500 thousand. The County is preparing a cost estimate and filing an insurance claim, although remediation of the facility impacted the County's ability to access the impacted area which has delayed finalizing the final value of assets to be surplus/destroyed.

Litigation

The County is involved in various litigation arising from the normal course of business. Some of the lawsuits have been filed solely against the County, while in others, the County is one of a group of defendants. In the opinion of management, the disposition of all litigation pending is not expected to have a material effect on the overall financial position of the County on June 30, 2024.

Grants

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. The County participates in other federal and state programs where County costs are recovered on a reimbursement basis. Grant expenditures and reimbursements are subject to audit by the appropriate grantor government. If, after an audit is performed, expenditures are disallowed due to noncompliance with the relevant regulations, the County may be required to reimburse the appropriate governmental agency. As of June 30, 2024, significant amounts of grant expenditures and records relating to reimbursements have not been audited, but the County believes that disallowed expenditures or reimbursements, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

NOTE 10. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL DEPARTMENTS/FUNDS

The following fund(s), or individual department within a fund, reported an excess of expenditures over appropriations for the fiscal year ended June 30, 2024:

Fund	Department	Amount in Excess
General Fund:		
	Elections	\$ 172,945
	Sheriff - Operations	\$ 2,439,091
	Animal Control & Veterinarian Services	\$ 56,759
	Climate Action Planing	\$ 25,004
	Veteran Services	\$ 585
	First 5 San Benito	\$ 57,874
	Historical & San Justo Reservoir Parts	\$ 13,411
County Fire Impact Fee Special Revenue Fund		\$ 36,566
Inclusionary Housing Special Revenue Fund		\$ 769
Home Special Revenue Fund		\$ 50,997
Debt Service Special Revenue Fund		\$ 51,404

NOTE 11. DEFICIT FUND BALANCES

The special revenue fund *Victim Witness* had a deficit of \$94,829 at fiscal year end. Victim Witness is solely funded through Federal and State grants. The deficit was caused by the timing of grant reimbursements. As grant reimbursements are received in the following fiscal year the deficit will be resolved.

NOTE 12. CLOSURE AND POSTCLOSURE CARE COSTS

The County owns the John Smith Landfill, a Class III facility. Approximately 90 acres are for solid waste disposal. An additional five acres of the landfill are for Class I operations that ceased in 1983, with closure activities completed in 1992. Ownership of the hazardous waste Class I site was transferred to the City of Hollister in 1984. As part of a 1994 agreement, the County shares 50 percent of the postclosure costs with the City of Hollister for the Class I hazardous waste site.

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

The total postclosure cost of the Class I site has been estimated and verified by the Department of Toxic Substance Control at \$1.4 million in 2016. Per the 1994 agreement with the City of Hollister, and as the California law requires to have financial assurance for postclosure care, the County's share of the Class I postclosure costs is \$935 thousand, as of June 30, 2024. A liability is recognized for the postclosure obligation, and is restricted as net position in the Solid Waste Fund.

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

NOTE 13. PENSION PLANS

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

A. Plan Description

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

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

The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous		Safety	
	Prior to	On or after	Prior to	On or after
Hire Date	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Benefit Formula	2.0% @ 55	2.0% @ 62	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50-55	52-62	50	50-57
Monthly benefits, as a % of eligible compensation	2.0% to 2.418%	1.0% to 2.5%	3.0%	2.0% to 2.7%
Required employee contribution rates	7%	8.25%	9.0%	14.5%
Required employer contribution rates	9.73%	9.73%	24.79%	14.5%
Required employer contribution for unfunded liability (prepayment option)	\$4,373,554	\$—	\$1,947,130	\$—

Employees Covered - At June 30, 2024, the following employees were covered by the benefit terms for the Miscellaneous Plan and Safety Plan.

	Miscellaneous	Safety	Safety (PEPRA)
Active employees	418	41	45
Inactive employees entitled to but not yet receiving benefits	599	64	11
Inactive employees or beneficiaries currently receiving benefits	571	112	—
Total	1,588	217	56

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

B. Net Pension Liability

The County’s net pension liability for each plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each plan is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions - The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry - Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	6.9%	6.90%
Inflation	2.30%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return	7.00%	7.00%
Mortality	Derived using CalPERS' Membership Data for all Funds	

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period 1997 to 2015. Further details of the Experience study can be found on the CalPERS website under Forms and Publications.

Discount Rate - The discount rate used to measure the total pension liability was 6.9% for each plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS performed stress test on plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.9% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.9% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from CalPERS' website under the GASB No. 68 section.

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

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

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

Asset Class	Assumed Asset	
	Allocation	Real Return(a)(b)
Global Equity - cap-weighted	30%	4.54%
Global Fixed - non-cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	(5)%	(0.59)%
Total	100%	

(a) An expected inflation of 2.00% used for this period
 (b) An are based on the 2021 Asset Liability Management study

C. Changes in the Net Pension Liability

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

Miscellaneous Plan:			
Primary Government	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2022, measurement date	\$ 196,521,542	\$ 141,763,830	\$ 54,757,712
Changes in the year:			
Service Cost	4,732,562	—	4,732,562
Interest on the Total Pension Liability	13,123,950	—	13,123,950
Changes of Benefit Terms	333,968	—	333,968
Changes of Assumptions	—	—	—
Differences between Expected and Actual Experience	2,477,092	—	2,477,092
Plan to Plan Resource Movement	—	—	—
Contributions - Employer	—	6,808,504	(6,808,504)
Contributions - Employees	—	2,221,492	(2,221,492)
Net Investment Income	—	8,490,916	(8,490,916)
Benefit Payments, including Refunds of Employee Contributions	9,894,035	9,894,035	—
Administrative Expense	—	(176,421)	176,421
Net Changes	30,561,607	27,238,526	3,323,081
Balance at June 30, 2023, measurement date	\$ 227,083,149	\$ 169,002,356	\$ 58,080,793
Component Unit			
Balance at June 30, 2022, measurement date	\$ 1,111,065	\$ 723,346	\$ 387,719
Changes in the year:			
Service Cost	29,865	—	29,865
Interest on the Total Pension Liability	82,819	—	82,819
Changes of Benefit Terms	2,108	—	2,108
Changes of Assumptions	—	—	—
Differences between Expected and Actual Experience	15,632	—	15,632
Plan to Plan Resource Movement	—	—	—
Contributions - Employer	—	42,965	(42,965)
Contributions - Employees	—	14,019	(14,019)
Net Investment Income	—	53,582	(53,582)
Benefit Payments, including Refunds of Employee Contributions	62,437	62,437	—
Administrative Expense	—	41,129	(41,129)
Net Changes	192,861	214,132	(21,271)
Balance at June 30, 2023, measurement date	\$ 1,303,926	\$ 937,478	\$ 366,448

The above schedule excludes the Courts' share of the Miscellaneous Plan determined at June 30, 2024 to be 7.51 percent of the plans total pension liability.

As of June 30, 2024, the County reported net pension liabilities of \$22,506,083 for its proportionate share of the net pension liability of the Safety Plan. The County’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023, using standard update procedures. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The County’s proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

	Safety
Proportion - June 30, 2022	0.31092%
Proportion - June 30, 2023	0.3125%
Change - Increase (Decrease)	0.001580%

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

The following presents the net pension liability of the County’s Plans as of the measurement date, calculated using the discount rate of 6.9%, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9%) or 1 percentage-point higher (7.9%) than the current rate:

	Miscellaneous	Safety
1% Decrease	5.9 %	5.9 %
Net Pension Liability	\$ 84,460,753	\$ 35,259,172
Current Discount Rate	6.9 %	6.9 %
Net Pension Liability	\$ 58,080,793	\$ 22,506,083
1% Increase	7.9 %	7.9 %
Net Pension Liability/(Asset)	\$ 36,129,722	\$ 12,079,526

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

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

For the year ended June 30, 2024, the primary government recognized total pension expense of \$15,550,996, of which \$10,467,982 is for the Miscellaneous Plan and \$5,083,014 for the Safety Plan. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government						Component Unit	
	Miscellaneous Plan		Safety Plan		Total Primary Govt		Miscellaneous Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,905,484	\$ —	\$ 3,583,588	\$ —	\$10,489,072	\$ —	\$ 52,779	\$ —
Difference in proportion	—	—	1,130,740	(95,603)	1,130,740	(95,603)	—	—
Changes in assumptions	1,559,158	—	1,355,379	(41,894)	2,914,537	(41,894)	9,839	—
Differences between actual and expected experience	1,559,650	(305,765)	1,510,901	—	3,070,551	(305,765)	9,842	(1,929)
Difference between employer's contribution and employer's proportionate share of contributions	—	—	459,370	(739,605)	459,370	(739,605)	—	—
Net differences between projected and actual investment earnings	6,322,009	—	3,079,950	—	9,401,959	—	39,895	—
Total	\$16,346,301	\$ (305,765)	\$11,119,928	\$ (877,102)	\$27,466,229	\$ (1,182,867)	\$ 112,355	\$ (1,929)

The primary government reports a combined \$10,489,072, and its component unit reports \$52,779, as deferred outflows of resources related to pension contributions made subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows/(inflows) of resources, related to pensions, will be recognized as pension expense as follows:

Fiscal Year Ended June 30	Primary Government			Component Unit
	Miscellaneous Plan	Safety Plan	Total	Miscellaneous Plan
	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources
2025	\$ 3,299,297	\$ 2,384,841	\$ 5,684,138	\$ 20,820
2026	1,282,233	1,765,959	3,048,192	8,092
2027	4,397,690	2,405,821	6,803,511	27,752
2028	155,832	102,617	258,449	983
	\$ 9,135,052	\$ 6,659,238	\$ 15,794,290	\$ 57,647

At June 30, 2024 the Primary Government reported the following balances for the pension plans:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Miscellaneous Plan	\$ 58,080,793	\$ 16,346,301	\$ (305,765)	\$ 10,467,982
Safety Plan	22,506,083	11,119,928	(877,102)	5,083,014
Total Primary Government	\$ 80,586,876	\$ 27,466,229	\$ (1,182,867)	\$ 15,550,996

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

A. Plan Description

The County of San Benito prefunds a single-employer defined benefit other postemployment benefits (OPEB) plan through a PARS Section 115 Public Agencies Post-Employment Benefits irrevocable trust, as defined by Government Accounting Standards Board (GASB). The County Board of Supervisors delegated the authority to the County Auditor as Plan Administrator. Public Agency Retirement System (PARS) serves as Trust Administrator, and U.S. Bank, N.A. serves as Trustee. The County's Retiree Healthcare Plan (Plan) provides healthcare insurance benefits to eligible retirees.

The County participates in the CalPERS healthcare program as provided through the Public Employee's Medical and Hospital and Care Act (PEMHCA). The County provides post-employment healthcare benefits to all employees who retire through CalPERS from the County on or after attaining age 50 with at least five years of service. The surviving spouse of an eligible retiree is eligible for the employer contribution upon the death of the retiree. Under the Plan, the premium rates are the same for both active and retired employees covered under the same medical plan. The premium contributions of the plan members and the County are established and may be amended by the County. The County's contribution is based on the retiree's elected family coverage category and whether the retiree is Medicare eligible. Currently, 247 retirees meet those eligibility requirements.

Employees Covered - At the OPEB liability measurement date of June 30, 2023, the following employees were covered by the benefit terms:

	<u>Primary Government</u>	<u>Component Unit</u>
Inactive plan members or beneficiaries currently receiving benefits	247	3
Inactive plan members entitled to but not receiving benefits	—	—
Active plan members	489	7
	<u>736</u>	<u>10</u>

Contributions - An actuarial valuation determines the County's actuarially determined contribution (ADC) for OPEB. The ADC is a target or recommended contribution to a defined contribution OPEB plan, determined in accordance with the parameters and in conformity with Actuarial Standards of Practice. For the fiscal year ended June 30, 2024, the County's employer contribution was \$2,408,345, and the component unit contributed \$27,139.

B. Net OPEB Liability

The net OPEB asset measured as of June 30, 2023, including its discretely presented component unit, was reported as \$5,844,362.

	Fiscal Year Ending		Fiscal Year Ending	
	2024	2023	2024	2023
Measurement Date	(2023)	(2022)	(2023)	(2022)
	Primary Government		Component Unit	
Total OPEB Liability (TOL)	\$35,192,192	\$29,976,544	\$ 406,118	\$ 383,909
Fiduciary Net Position (FNP)	29,179,481	32,415,960	574,467	539,957
Net OPEB Liability (Asset)	\$6,012,711	\$(2,439,416)	\$ (168,349)	\$ (156,048)
Funded Status (FNP/TOL)	82.91 %	108.14 %	141.45 %	140.65 %

Actuarial Assumptions - The total OPEB liability measured as of June 30, 2023 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	June 30, 2023					
Contribution Policy	actuarially determined contribution					
Discount Rate	6.5%					
Expected Long-term Rate of Return on Investments	6.5%; determined based on 10-year historical returns as provided in the PARS Quarterly report and future expectations consistent with the 2022 Horizon Survey average return.					
Inflation	2.5% per year					
Salary Increases	2.8%					
Pre-retirement turnover	assumptions are set to reflect general population trends based upon the 2021 CalPERS experience study					
Medical trend rates	medical costs are adjusted in future years by the following trends:					
	Year	Pre-65	Post-65	Year	Pre-65	Post-65
	2024	8.00%	6.50%	2032	6.00%	4.50%
	2025	7.75%	6.25%	2033	5.75%	4.75%
	2026	7.50%	6.00%	2034	5.50%	4.50%
	2027	7.25%	5.75%	2035	5.25%	4.50%
	2028	7.00%	5.50%	2036	5.00%	4.50%
	2029	6.75%	5.25%	2037	4.75%	4.50%
	2030	6.50%	5.00%	2038+	4.50%	4.50%
	2031	6.25%	4.75%			

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing them based on the target asset allocation percentage and adding in expected inflation (2.30%). The best estimates of real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2023 as summarized in the following table:

Asset class	PARS	
	Target allocation	Long-term expected real rate of return
Equity	75%	—
Fixed Income	20%	—
Cash	5%	—
	100%	6.50%

Discount Rate - The discount rate used to measure the total OPEB liability is 6.50%. This discount rate assumes the County contributes the recommended actuarially determined contribution towards its retiree health benefits and makes disbursements from the assets held with PARS, under its investment allocation strategy 1. The rate is a determined based off of 10-year historical returns as provided in the PARS Quarterly Report and future expectations consistent with the 2022 Horizon Survey average return.

C. Changes in the Net OPEB Liability

The table below shows the changes in the Total OPEB liability, the Plan Fiduciary Net Position, and the Net OPEB liability during the measurement period ending on June 30, 2023 for the County's proportionate share, including its discretely presented component unit:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
<u>Primary Government</u>			
Balances at June 30, 2022, measurement date	\$ 29,976,544	\$ 32,415,960	\$ (2,439,416)
Changes in the year:			
Service cost	696,146	—	696,146
Interest	1,637,673	—	1,637,673
Changes in benefit terms	6,506,233	—	6,506,233
Differences between expected and actual experience	3,125,398	—	3,125,398
Changes of assumptions	(244,189)	—	(244,189)
Contributions - employer	—	2,025,902	(2,025,902)
Net investment income	—	1,299,326	(1,299,326)
Benefit payments, including refunds of member contributions	(2,023,925)	(2,023,925)	—
Administrative expense	—	(56,094)	56,094
Other expense	(4,481,688)	(4,481,688)	—
Net changes	5,215,648	(3,236,479)	8,452,127
Balance at June 30, 2023, measurement date	\$ 35,192,192	\$ 29,179,481	\$ 6,012,711
<u>Component Unit</u>			
Balances at June 30, 2022, measurement date	\$ 383,909	\$ 539,957	\$ (156,048)
Changes in the year:			
Service cost	9,640	—	9,640
Interest	24,950	—	24,950
Expected investment interest	—	36,442	(36,442)
Actual benefit payments from employer	—	23,921	(23,921)
Benefit payments, including refunds of member contributions	(23,921)	(23,921)	—
Changes of assumptions	(5,924)	—	(5,924)
Changes in benefit terms	—	—	—
Expected minus actual benefit payments	(3,431)	—	(3,431)
Administrative expense	—	(157)	157
Investment gains/losses	—	(1,775)	1,775
Experience gains/losses	20,895	—	20,895
Net changes	22,209	34,510	(12,301)
Balance at June 30, 2023, measurement date	\$ 406,118	\$ 574,467	\$ (168,349)

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate - The following presents the Net OPEB Asset of the County, calculated using the discount rate of 6.50%, as well as what the County's Net OPEB Asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
<u>Primary Government</u>			
Net OPEB Liability/(Asset)	\$9,210,969	\$6,012,711	\$3,239,130
	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
<u>Component Unit</u>			
Net OPEB Liability/(Asset)	\$(127,842)	\$(168,349)	\$(202,553)

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

	1% Decrease 7.00% decreasing to 3.50%	Current Healthcare Cost Trend Rates 8.00% decreasing to 4.50%	1% Increase 9.00% decreasing to 5.50%
<u>Primary Government</u>			
Net OPEB Liability/(Asset)	\$2,945,628	\$6,012,711	\$9,553,102
	1% Decrease 3.00%	Current Healthcare Cost Trend Rates 4.00%	1% Increase 5.00%
<u>Component Unit</u>			
Net OPEB Liability/(Asset)	\$(182,417)	\$(168,349)	\$(153,746)

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

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

For the year ended June 30, 2024, the County recognized OPEB expense of \$6,929,969, and its component unit recognized OPEB expense of \$6,258. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2024, the County, including its discretely presented component unit, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		Component Unit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
County contributions subsequent to the measurement date	\$ 2,408,345	\$ —	\$ 27,139	\$ —
Differences between expected and actual experience	3,148,565	(3,070,154)	50,302	(65,921)
Changes of assumptions	3,825,054	(3,884,205)	3,658	(5,589)
Net difference between projected and actual investment earnings	1,288,014		39,930	—
	<u>\$ 10,669,978</u>	<u>\$ (6,954,359)</u>	<u>\$ 121,029</u>	<u>\$ (71,510)</u>

For the primary government and its component unit, \$2,408,345 and \$27,139, respectively, is reported as deferred outflows of resources, related to contributions subsequent to the measurement date, and will be recognized as OPEB expense in the fiscal year ended June 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources	
	Primary Government	Component Unit
2025	\$ (190,274)	\$ 7,214
2026	(104,205)	3,942
2027	1,276,587	23,986
2028	(1,193,364)	(1,121)
2029	307,603	(1,476)
Thereafter	1,210,927	(10,165)
	<u>\$ 1,307,274</u>	<u>\$ 22,380</u>

NOTE 15. RISK MANAGEMENT

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

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

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

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

NOTE 15. RISK MANAGEMENT (continued)

The actuarial expected claims liability for the total amount of workers compensation, general liability, property liability, and medical malpractice at June 30, 2024 is \$9,555,480.

Fiscal Year Ending,	Beginning Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Balance Due within One Year
2024	\$ 5,830,905	\$ 11,483,702	\$ (7,759,127)	\$ 9,555,480	\$ 1,911,096
2023	\$ 4,167,419	\$ 2,433,268	\$ (769,782)	\$ 5,830,905	\$ 1,166,181

The actuarial expected claims liability for workers compensation at June 30, 2024 is \$8,056,447.

Fiscal Year Ending,	Beginning Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Balance Due within One Year
2024	\$ 4,813,654	\$ 4,035,791	\$ (792,998)	\$ 8,056,447	\$ 1,611,289
2023	\$ 3,454,304	\$ 1,993,402	\$ (634,052)	\$ 4,813,654	\$ 962,731

The actuarial expected claims liability for general liability at June 30, 2024 is \$1,381,777.

Fiscal Year Ending,	Beginning Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Balance Due within One Year
2024	\$ 897,194	\$ 654,378	\$ (169,795)	\$ 1,381,777	\$ 276,355
2023	\$ 659,651	\$ 360,060	\$ (122,517)	\$ 897,194	\$ 179,439

The actuarial expected claims liability for property liability at June 30, 2024 is \$87,075.

Fiscal Year Ending,	Beginning Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Balance Due within One Year
2024	\$ 89,876	\$ 6,792,433	\$ (6,795,234)	\$ 87,075	\$ 17,415
2023	\$ 42,734	\$ 60,355	\$ (13,213)	\$ 89,876	\$ 17,975

The actuarial expected claims liability for medical malpractice at June 30, 2024 is \$30,181.

Fiscal Year Ending,	Beginning Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End	Balance Due within One Year
2024	\$ 30,181	\$ 1,100	\$ (1,100)	\$ 30,181	\$ 6,036
2023	\$ 10,730	\$ 19,451	\$ —	\$ 30,181	\$ 6,036

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

NOTE 16. TAX ABATEMENT

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

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

No other commitments were made by the County as part of the Williamson Act contracts. For the fiscal year ended June 30, 2024, the County tax abatements under the Williamson Act totaled \$3,488,753.

NOTE 17. FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). Presented below is a detailed schedule of fund balances, for major and nonmajor governmental funds, at June 30, 2024.

	General	Human Services Agency	Road	Mental Health	Other Governmental	Total
Nonspendable:						
Inventory	\$ —	\$ —	\$ 59,340	\$ —	\$ —	\$ 59,340
Prepays	635,373	71,315	—	5,973	74,406	787,067
Total nonspendable fund balance	635,373	71,315	59,340	5,973	74,406	846,407
Restricted:						
General government						
Assessor - SCAPAP	330,202	—	—	—	—	330,202
PARS - pension	4,434,277	—	—	—	—	4,434,277
ARPA (American Rescue Plan Act of 2021)	6,737,007	—	—	—	—	6,737,007
Debt Service	—	—	—	—	633,253	633,253
General government impact fees	—	—	—	—	3,484,662	3,484,662
Public protection						
Sheriff programs	4,479,574	—	—	—	—	4,479,574
Recorder programs	1,355,818	—	—	—	—	1,355,818
District attorney programs	197,065	—	—	—	—	197,065
Public defender programs	76,960	—	—	—	—	76,960
Juvenile probation programs	1,043,066	—	—	—	—	1,043,066
Probation programs	172,124	—	—	—	—	172,124
Public safety realignment	—	—	—	—	12,389,494	12,389,494
Pipeline safety initiative	18,000	—	—	—	—	18,000
Fish and game programs	—	—	—	—	4,790	4,790
Public protection impact fees	—	—	—	—	5,132,287	5,132,287
CASp training fund	—	—	—	—	8,023	8,023
Family Support	—	—	—	—	172,924	172,924
Fire protection services	—	—	—	—	90,613	90,613
Public ways and facilities						
Purpose of fund	—	—	11,451,088	—	—	11,451,088
Development projects	—	—	—	—	3,380,087	3,380,087
Public ways and facilities impact fees	—	—	—	—	7,680,867	7,680,867
Health and sanitation						
Substance abuse programs	—	—	—	—	2,451,592	2,451,592
Public health programs	—	—	—	—	6,542,721	6,542,721
Emergency medical services	—	—	—	—	1,185,739	1,185,739
Purpose of fund	—	—	—	15,359,675	—	15,359,675
Public assistance						
Community services workforce development	—	—	—	—	1,787,225	1,787,225
Migrant labor camp	—	—	—	—	690,091	690,091
Opioid settlement	—	—	—	—	322,768	322,768
Housing assistance programs	—	—	—	—	1,750,644	1,750,644
Public authority	—	—	—	—	312,504	312,504
Public assistance programs	—	13,407,921	—	—	—	13,407,921
Inclusionary housing impact fees	—	—	—	—	494,540	494,540
Recreation and culture						
Parks and recreation impact fees	—	—	—	—	6,441,708	6,441,708
County Service Areas	—	—	—	—	1,907,811	1,907,811
Community Facilities District	—	—	—	—	3,553,743	3,553,743
Total restricted fund balance	18,844,093	13,407,921	11,451,088	15,359,675	60,418,086	119,480,863
Assigned:						
General government						
Operational contingency	10,700,676	—	—	—	—	10,700,676
Emergency contingency	5,350,338	—	—	—	—	5,350,338
Disaster contingency	500,000	—	—	—	—	500,000
Insurance and general liability	8,782,597	—	—	—	—	8,782,597
River City	614,416	—	—	—	—	614,416
Public Ways and Facilities						
Capital Improvement Projects	1,975,058	—	—	—	438,169	2,413,227
Public Protection						
Mosquito Abatement	—	—	—	—	211,956	211,956
Total assigned fund balance	27,923,085	—	—	—	650,125	28,573,210
Unassigned	14,819,006	—	—	—	(94,829)	14,724,177
Total Fund Balances	\$ 62,221,557	\$ 13,479,236	\$ 11,510,428	\$ 15,365,648	\$ 61,047,788	\$ 163,624,657

NOTE 18. AUTHORITATIVE PRONOUNCEMENTS ISSUED BUT NOT YET IMPLEMENTED

GASB Statements effective in future fiscal years:

GASB Statement No. 101, Compensated Absences	The requirements of this Statement are effective for fiscal years beginning after December 15, 2023 (FY 2024/25), and all reporting periods thereafter. Earlier application is encouraged.
GASB Statement No. 102, Certain Risk Disclosures	The requirements of this Statement are effective for fiscal years beginning after June 15, 2024 (FY 2024/25), and all reporting periods thereafter. Earlier application is encouraged.
GASB Statement No. 103, Financial Reporting Model Improvements	The requirements of this Statement are effective for fiscal years beginning after June 15, 2025 (FY 2025/26), and all reporting periods thereafter. Earlier application is encouraged.
GASB Statement No. 104, Disclosure of Certain Capital Assets	The requirements of this Statement are effective for fiscal years beginning after June 15, 2025 (FY 2025/26), and all reporting periods thereafter. Earlier application is encouraged.

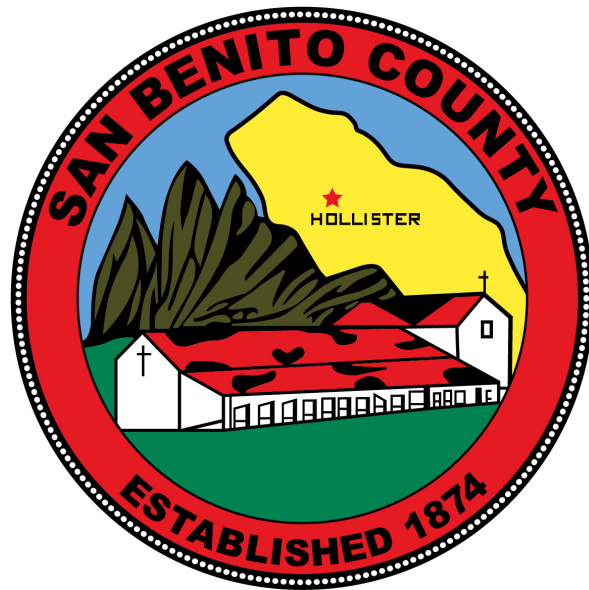
NOTE 19. PRIOR PERIOD ADJUSTMENTS

During fiscal year 2024, there was a change within the financial reporting entity which resulted in the Migrant Labor Camp fund being reported as a nonmajor fund instead of a major fund. As a result, fund balance of the Migrant Labor Camp fund of \$1,429,523 which was previously reported in the Migrant Labor Camp fund column is now reported as part of Other Governmental Funds column.

This resulted in adjustments to and restatements of beginning fund balance to Other Governmental Funds as follows:

	Migrant Labor Camp	Other Governmental Funds
Fund Balance, beginning of year, as previously reported	\$ (1,429,523)	\$ 54,967,553
Adjustment - change from major fund to nonmajor fund	1,429,523	(1,429,523)
Fund Balance, beginning of year, as adjusted	\$ —	\$ 53,538,030

REQUIRED SUPPLEMENTARY INFORMATION



COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES				
Taxes	\$ 25,185,000	\$ 25,185,000	\$ 29,069,876	\$ 3,884,876
Licenses, permits and franchises	1,975,433	1,975,433	2,277,381	301,948
Aid from other governments	17,963,931	19,348,931	17,201,376	(2,147,555)
Use of money or property	517,500	517,500	3,051,846	2,534,346
Fines, forfeits and penalties	694,170	694,170	1,044,964	350,794
Charges for services	12,241,029	12,783,029	19,348,546	6,565,517
Other revenue	1,393,602	8,110,743	8,263,885	153,142
Total Revenues	59,970,665	68,614,806	80,257,874	11,643,068
EXPENDITURES				
CURRENT:				
General Government				
Non-Departmental				
Services & Supplies	1,482,000	6,602,309	5,784,344	817,965
Other Charges	5,897,324	7,418,324	2,777,158	4,641,166
Indirect Cost	4,781	4,781	4,781	—
Total	7,384,105	14,025,414	8,566,283	5,459,131
Board of Supervisors				
Salaries & Benefits	663,340	663,340	650,022	13,318
Services & Supplies	125,300	125,300	83,193	42,107
Other Charges	22,875	22,875	16,797	6,078
Indirect Cost	334,156	334,156	334,156	—
Total	1,145,671	1,145,671	1,084,168	61,503
Clerk of the Board of Supervisors				
Salaries & Benefits	209,006	209,006	219,503	(10,497)
Services & Supplies	104,450	96,450	70,224	26,226
Other Charges	1,787	1,787	1,721	66
Indirect Cost	66,112	66,112	66,112	—
Total	381,355	373,355	357,560	15,795

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Fund (continued)
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Administrative Officer				
Salaries & Benefits	1,215,687	1,215,687	1,044,671	171,016
Services & Supplies	284,460	292,460	231,781	60,679
Other Charges	5,361	5,361	5,164	197
Capital Assets	—	31,838	51,851	(20,013)
Total	1,505,508	1,545,346	1,333,467	211,879
Census 2020				
Indirect Cost	(965)	(965)	(965)	—
Total	(965)	(965)	(965)	—
Information Technology				
Salaries & Benefits	1,030,915	1,030,915	728,067	302,848
Services & Supplies	651,500	649,936	30,839	619,097
Other Charges	5,361	6,925	6,757	168
Capital Assets	40,000	40,000	—	40,000
Total	1,727,776	1,727,776	765,663	962,113
Geographical Information Systems				
Salaries & Benefits	258,651	258,651	192,376	66,275
Services & Supplies	73,750	73,750	56,777	16,973
Other Charges	894	894	861	33
Indirect Cost	9,428	9,428	9,428	—
Total	342,723	342,723	259,442	83,281
Internal Services				
Salaries & Benefits	823,386	823,386	753,021	70,365
Services & Supplies	282,850	265,176	263,946	1,230
Other Charges	4,467	4,303	4,303	—
Total	1,110,703	1,092,865	1,021,270	71,595
Elections				
Salaries & Benefits	492,120	492,120	502,322	(10,202)
Services & Supplies	717,150	1,220,332	731,431	488,901
Other Charges	3,887	8,887	5,040	3,847
Capital Assets	207,000	910,263	1,470,839	(560,576)
Indirect Cost	419,389	419,389	419,389	—
Total	1,839,546	3,050,991	3,129,021	(78,030)

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
County Auditor-Controller				
Salaries & Benefits	1,967,002	1,967,002	1,696,921	270,081
Services & Supplies	529,464	529,464	402,406	127,058
Other Charges	11,525	11,525	15,337	(3,812)
Capital Assets	—	—	42,119	(42,119)
Total	2,507,991	2,507,991	2,156,783	351,208
County Treasurer				
Salaries & Benefits	352,505	352,505	347,751	4,754
Services & Supplies	148,550	155,550	144,042	11,508
Other Charges	2,681	2,681	1,979	702
Capital Assets	—	43,000	18,467	24,533
Indirect Cost	9,559	9,559	49,682	(40,123)
Total	513,295	563,295	561,921	1,374
Tax Collector				
Salaries & Benefits	494,604	494,604	431,188	63,416
Services & Supplies	86,600	96,129	85,291	10,838
Other Charges	3,574	4,045	4,045	—
Capital Assets	—	35,000	27,275	7,725
Indirect Cost	53,293	53,293	93,944	(40,651)
Total	638,071	683,071	641,743	41,328
County Assessor				
Salaries & Benefits	2,726,548	2,661,548	2,432,748	228,800
Services & Supplies	289,300	370,878	328,831	42,047
Other Charges	18,761	18,761	16,351	2,410
Capital Assets	—	157,799	174,941	(17,142)
Indirect Cost	310,545	310,545	310,545	—
Total	3,345,154	3,519,531	3,263,416	256,115
County Counsel				
Salaries & Benefits	1,032,463	1,032,463	823,456	209,007
Services & Supplies	1,248,413	1,248,413	916,957	331,456
Other Charges	5,361	5,361	5,164	197
Capital Assets	—	—	228,532	(228,532)
Total	2,286,237	2,286,237	1,974,109	312,128
Risk Management				
Salaries & Benefits	(1,493,218)	(1,493,218)	(1,493,218)	—
Other Charges	3,362,811	3,362,811	3,186,614	176,197
Total	1,869,593	1,869,593	1,693,396	176,197

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Fund (continued)
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Maintenance - Buildings & Grounds				
Salaries & Benefits	972,225	972,225	776,137	196,088
Services & Supplies	549,981	539,981	539,004	977
Other Charges	9,800	9,800	21,244	(11,444)
Capital Assets	60,000	145,000	132,426	12,574
Total	1,592,006	1,667,006	1,468,811	198,195
Total General Government	28,188,769	36,399,900	28,276,088	8,123,812
Public Protection				
Grand Jury				
Services & Supplies	49,520	49,520	17,981	31,539
Indirect Cost	57,104	57,104	57,104	—
Total	106,624	106,624	75,085	31,539
District Attorney				
Salaries & Benefits	2,668,056	2,668,056	2,539,716	128,340
Services & Supplies	197,550	195,850	92,599	103,251
Other Charges	12,507	14,207	13,989	218
Capital Assets	—	—	7,230	(7,230)
Indirect Cost	283,299	283,299	283,299	—
Total	3,161,412	3,161,412	2,936,833	224,579
Public Defender				
Services & Supplies	1,018,000	1,162,000	1,151,269	10,731
Indirect Cost	43,996	43,996	43,996	—
Total	1,061,996	1,205,996	1,195,265	10,731
Sheriff - Operations				
Salaries & Benefits	6,618,712	6,618,712	7,148,608	(529,896)
Services & Supplies	933,690	906,546	867,415	39,131
Other Charges	26,801	26,801	27,108	(307)
Capital Assets	359,090	346,234	2,294,313	(1,948,079)
Indirect Cost	810,983	810,983	810,923	60
Total	8,749,276	8,709,276	11,148,367	(2,439,091)
911 Communications				
Salaries & Benefits	111,629	111,629	122,777	(11,148)
Services & Supplies	779,470	779,470	658,581	120,889
Other Charges	894	894	861	33
Indirect Cost	33,343	33,343	33,343	—
Total	925,336	925,336	815,562	109,774

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Fund (continued)
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
UNET Anti-Drug Task Force				
Salaries & Benefits	100,243	100,243	1,399	98,844
Services & Supplies	128,985	128,985	—	128,985
Other Charges	447	447	430	17
Indirect Cost	10,492	10,492	10,492	—
Total	240,167	240,167	12,321	227,846
Sheriff's Grant				
Salaries & Benefits	719,744	719,744	342,707	377,037
Services & Supplies	30,700	27,450	21,987	5,463
Other Charges	1,340	1,340	1,291	49
Capital Assets	15,000	18,250	10,000	8,250
Indirect Cost	7,923	7,923	7,923	—
Total	774,707	774,707	383,908	390,799
Corrections Division - Jail				
Salaries & Benefits	5,291,169	5,291,169	4,524,836	766,333
Services & Supplies	3,121,125	3,089,125	2,786,394	302,731
Other Charges	148,673	148,673	213,303	(64,630)
Capital Assets	257,500	257,500	—	257,500
Indirect Cost	850,051	850,051	850,051	—
Total	9,668,518	9,636,518	8,374,584	1,261,934
Probation				
Salaries & Benefits	3,906,445	3,906,445	3,105,273	801,172
Services & Supplies	534,750	526,085	497,633	28,452
Other Charges	26,014	34,679	33,706	973
Capital Assets	50,000	50,000	64,017	(14,017)
Indirect Cost	529,999	529,999	529,999	—
Total	5,047,208	5,047,208	4,230,628	816,580
Juvenile Detention Facility				
Salaries & Benefits	1,275,028	1,728,578	1,616,312	112,266
Services & Supplies	830,654	1,599,251	639,942	959,309
Other Charges	50,221	370,394	15,086	355,308
Capital Assets	49,000	34,532	34,532	—
Indirect Cost	155,860	156,558	156,558	—
Total	2,360,763	3,889,313	2,462,429	1,426,883

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Agricultural Commissioner				
Salaries & Benefits	1,074,583	933,583	932,646	937
Services & Supplies	106,700	82,120	69,134	12,986
Other Charges	8,487	26,487	22,464	4,023
Capital Assets	37,500	—	—	—
Indirect Cost	185,320	185,320	185,320	—
Total	1,412,590	1,227,510	1,209,564	17,946
Public Works - Administration & Engineering				
Salaries & Benefits	1,760,166	1,760,166	1,266,996	493,170
Services & Supplies	165,500	194,500	129,130	65,370
Other Charges	15,000	15,000	21,683	(6,683)
Capital Assets	—	34,000	187,546	(153,546)
Indirect Cost	401,505	401,505	401,533	(28)
Total	2,342,171	2,405,171	2,006,888	398,283
County Clerk				
Salaries & Benefits	274,277	274,277	211,707	62,570
Services & Supplies	81,150	80,868	61,009	19,859
Other Charges	1,698	1,980	1,979	1
Indirect Cost	113,147	113,147	113,147	—
Total	470,272	470,272	387,842	82,430
County Recorder				
Salaries & Benefits	484,349	484,349	342,959	141,390
Services & Supplies	142,900	142,900	80,920	61,980
Other Charges	3,440	3,440	3,399	41
Indirect Cost	82,183	82,183	82,183	—
Total	712,872	712,872	509,461	203,411
Coroner				
Services & Supplies	110,000	170,000	111,371	58,629
Other Charges	10,000	10,000	6,716	3,284
Capital Assets	—	—	5,149	(5,149)
Indirect Cost	2,924	2,924	2,924	—
Total	122,924	182,924	126,160	56,764
Public Administrator				
Services & Supplies	9,560	9,560	2,972	6,588
Indirect Cost	(2,687)	(2,687)	(1,763)	(924)
Total	6,873	6,873	1,209	5,664
Disaster Recovery				
Salaries & Benefits	102,000	102,000	10,919	91,081
Services & Supplies	1,787,388	1,588,733	558,856	1,029,877
Other Charges	—	448,655	324,623	124,032
Capital Assets	2,900,000	1,868,310	256,989	1,611,321
Indirect Cost	5,188	5,188	5,188	15,564
Total	4,794,576	4,012,886	1,156,575	2,871,875

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
General Fund (continued)
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Office of Emergency Services				
Salaries & Benefits	400,377	481,377	449,969	31,408
Services & Supplies	918,153	847,153	97,836	749,317
Other Charges	51,787	51,787	12,451	39,336
Capital Assets	—	—	7,490	(7,490)
Indirect Cost	158,253	158,253	158,253	—
Total	1,528,570	1,538,570	725,999	812,571
Planning and Zoning				
Salaries & Benefits	1,726,552	1,726,552	1,453,303	273,249
Services & Supplies	4,731,200	4,605,012	1,239,061	3,365,951
Other Charges	11,000	11,188	26,618	(15,430)
Indirect Cost	63,425	63,425	63,425	—
Total	6,532,177	6,406,177	2,782,407	3,623,770
Animal Control & Veterinarian Services				
Services & Supplies	500,000	500,000	556,759	(56,759)
Indirect Cost	1,229	1,229	1,229	—
Total	501,229	501,229	557,988	(56,759)
Housing				
Salaries & Benefits	49,970	60,970	56,343	4,627
Services & Supplies	1,000,000	1,000,000	—	1,000,000
Indirect Cost	1,125	1,125	1,125	—
Total	1,051,095	1,062,095	57,468	1,004,627
Economic Development				
Services & Supplies	—	—	1,000	(1,000)
Other Charges	150,000	150,000	105,990	44,010
Indirect Cost	2,830	2,830	2,830	—
Total	152,830	152,830	109,820	43,010
Land Development Projects				
Services & Supplies	400,000	900,000	770,403	129,597
Indirect Cost	25,811	25,811	25,811	—
Total	425,811	925,811	796,214	129,597
Climate Action Planning				
Services & Supplies	—	100,000	125,004	(25,004)
Total	—	100,000	125,004	(25,004)
Cannabis				
Indirect Cost	—	—	(40)	40
Total	—	—	(40)	40
Total Public Protection	52,149,997	53,401,777	42,187,542	11,214,235

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Fund (continued)
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Public Assistance				
Aid to Indigents				
Other Charges	425,000	425,000	353,915	71,085
Total	425,000	425,000	353,915	71,085
Contributions to Community Organizations				
Other Charges	94,760	94,760	37,153	57,607
Indirect Cost	24,159	24,159	24,159	—
Total	118,919	118,919	61,312	57,607
Veteran Services				
Salaries & Benefits	19,670	19,670	21,044	(1,374)
Services & Supplies	128,500	128,500	127,711	789
Indirect Cost	10,431	10,431	10,431	—
Total	158,601	158,601	159,186	(585)
First 5 San Benito				
Salaries & Benefits	—	—	30,735	(30,735)
Other Charges	—	—	27,139	(27,139)
Total	—	—	57,874	(57,874)
Total Public Assistance	702,520	702,520	632,287	128,107
Education				
County Library				
Salaries & Benefits	1,182,680	1,182,680	788,755	393,925
Services & Supplies	5,568,620	5,567,120	5,403,551	163,569
Other Charges	8,608	10,108	10,973	(865)
Indirect Cost	267,381	267,381	267,381	—
Total	7,027,289	7,027,289	6,470,660	556,629
Agricultural Extension				
Services & Supplies	112,184	110,184	98,549	11,635
Other Charges	5,000	7,000	1,049	5,951
Indirect Cost	(6,438)	(6,438)	(6,438)	—
Total	110,746	110,746	93,160	17,586
Total Education	7,138,035	7,138,035	6,563,820	574,215

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Fund (continued)
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Parks and Recreation				
Veterans Memorial Park				
Salaries & Benefits	104,243	104,243	29,343	74,900
Services & Supplies	61,500	61,500	14,979	46,521
Other Charges	—	—	4,791	(4,791)
Indirect Cost	428	428	428	—
Total	166,171	166,171	49,542	116,630
Historical & San Justo Reservoir Parks				
Salaries & Benefits	57,737	116,737	120,878	(4,141)
Services & Supplies	10,350	11,174	12,190	(1,016)
Other Charges	900	1,076	9,330	(8,254)
Indirect Cost	32,727	32,727	32,727	—
Total	101,714	161,714	175,125	(13,411)
Sunnyside Park				
Services & Supplies	20,000	20,000	—	20,000
Total	20,000	20,000	—	20,000
Total Parks and Recreation	287,885	347,885	224,667	123,219

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Fund (continued)
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
DEBT SERVICE:				
Principal	—	—	1,128,947	(1,128,947)
Interest	—	—	99,244	(99,244)
Total Debt Service	—	—	1,228,191	(1,228,191)
Total Expenditures	88,467,206	97,990,117	79,112,594	18,877,523
Excess of Revenue Over (Under) Expenditures	(28,496,541)	(29,375,311)	1,145,280	30,520,591
Other Financing Sources (Uses):				
Capital financing	—	—	744,505	744,505
Transfers in	5,874,139	6,127,689	2,407,530	(3,720,159)
Transfers out	(18,559,553)	(19,764,323)	(6,496,080)	13,268,243
Leases issued	—	—	627,970	627,970
Subscriptions	—	—	2,060,260	2,060,260
Total other financing sources (uses)	(12,685,414)	(13,636,634)	(655,815)	12,980,819
Net Change in Fund Balance	(41,181,955)	(43,011,945)	489,465	43,501,410
Fund balance - beginning of year	61,732,092	61,732,092	61,732,092	—
Fund balance - end of year	\$ 20,550,137	\$ 18,720,147	\$ 62,221,557	\$ 43,501,410

(Concluded)

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Human Services Agency Fund Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Aid from other governments	\$ 27,969,827	\$ 30,185,827	\$ 26,324,963	\$ (3,860,864)
Use of money or property	92,000	92,000	443,295	351,295
Charges for services	—	—	5,340	5,340
Other revenue	530,000	530,000	140,782	(389,218)
Total Revenues	<u>28,591,827</u>	<u>30,807,827</u>	<u>26,914,380</u>	<u>(3,893,447)</u>
Expenditures:				
Current:				
Salaries & Benefits	14,798,239	14,993,672	10,552,558	4,441,114
Services & Supplies	3,051,550	5,447,925	2,266,783	3,181,142
Other Charges	10,386,057	10,386,057	9,554,536	831,521
Capital Assets	50,000	50,000	72,721	(22,721)
Indirect Costs	275,182	275,182	275,186	(4)
Debt Service:				
Principal	—	—	582,189	(582,189)
Interest	—	—	8,853	(8,853)
Total Expenditures	<u>28,561,028</u>	<u>31,152,836</u>	<u>23,312,826</u>	<u>7,840,010</u>
Excess (deficiency) of revenues over expenditures	<u>30,799</u>	<u>(345,009)</u>	<u>3,601,554</u>	<u>3,946,563</u>
Other Financing Sources (Uses):				
Transfers in	2,003,000	2,003,000	—	(2,003,000)
Transfers out	(200,000)	(200,000)	(206,494)	6,494
Leases issued	—	—	25,655	25,655
Total other financing sources (uses)	<u>1,803,000</u>	<u>1,803,000</u>	<u>(180,839)</u>	<u>(1,970,851)</u>
Net change in fund balance	<u>1,833,799</u>	<u>1,457,991</u>	<u>3,420,715</u>	<u>1,962,724</u>
Fund balance - beginning of year	<u>10,058,521</u>	<u>10,058,521</u>	<u>10,058,521</u>	<u>—</u>
Fund balance - end of year	<u>\$ 11,892,320</u>	<u>\$ 11,516,512</u>	<u>\$ 13,479,236</u>	<u>\$ 1,962,724</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Road Fund Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Taxes	\$ —	\$ —	\$ 4,161,525	\$ 4,161,525
Aid from other governments	22,322,352	37,662,352	26,226,544	(11,435,808)
Use of money or property	—	—	322,016	322,016
Charges for services	—	—	395,953	395,953
Other revenue	—	—	200,000	200,000
Total Revenues	22,322,352	37,662,352	31,306,038	(6,356,314)
Expenditures:				
Current:				
Salaries & Benefits	2,249,620	1,999,620	1,408,645	590,975
Services & Supplies	957,900	4,002,752	4,852,287	(849,535)
Other Charges	15,000	15,491	43,450	(27,959)
Capital Assets	53,663,765	71,868,422	33,294,119	38,574,303
Indirect Costs	599,115	599,115	284,425	314,690
Debt service:				
Principal	—	—	22,136	(22,136)
Interest	—	—	200	(200)
Total Expenditures	57,485,400	78,485,400	39,905,262	38,580,138
Excess (deficiency) of revenues over expenditures	(35,163,048)	(40,823,048)	(8,599,224)	32,223,824
Other Financing Sources (Uses):				
Transfers in	30,098,864	36,745,598	12,916,862	(23,828,736)
Transfers out	(4,101,975)	(2,783,879)	—	(2,783,879)
Subscriptions	—	—	77,312	77,312
Total other financing sources (uses)	25,996,889	33,961,719	12,994,174	(26,535,303)
Net change in fund balance	(9,166,159)	(6,861,329)	4,394,950	11,256,279
Fund balance - beginning of year	7,115,478	7,115,478	7,115,478	—
Fund balance - end of year	\$ (2,050,681)	\$ 254,149	\$ 11,510,428	\$ 11,256,279

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Mental Health Fund Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Aid from other governments	\$ 10,509,600	\$ 10,735,241	\$ 12,776,926	\$ 2,041,685
Use of money or property	—	—	759,080	759,080
Charges for services	85,000	85,000	16,856	(68,144)
Other revenue	—	—	5,786	5,786
Total Revenues	10,594,600	10,820,241	13,558,648	2,738,407
Expenditures:				
Current:				
Salaries & Benefits	8,420,630	8,646,271	5,833,923	2,812,348
Services & Supplies	6,397,380	6,382,447	4,246,707	2,135,740
Other Charges	1,012,435	1,027,368	1,125,227	(97,859)
Capital Assets	—	—	5,456	(5,456)
Indirect Costs	1,747,728	1,747,728	1,747,728	—
Debt Service:				
Principal	—	—	149,752	(149,752)
Interest	—	—	7,301	(7,301)
Total Expenditures	17,578,173	17,803,814	13,116,094	4,687,720
Excess (deficiency) of revenues over expenditures	(6,983,573)	(6,983,573)	442,554	7,426,127
Other Financing Sources (Uses):				
Transfer in	1,490,557	1,490,557	—	(1,490,557)
Transfer out	(407,200)	(407,200)	(1,227)	405,973
Leases issued	—	—	5,456	5,456
Total other financing sources (uses)	1,083,357	1,083,357	4,229	(1,079,128)
Net change in fund balance	(5,900,216)	(5,900,216)	446,783	6,346,999
Fund balance - beginning of year	14,918,865	14,918,865	14,918,865	—
Fund balance - end of year	<u>\$ 9,018,649</u>	<u>\$ 9,018,649</u>	<u>\$ 15,365,648</u>	<u>\$ 6,346,999</u>

COUNTY OF SAN BENITO

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

Reporting Fiscal Year (Measurement Period)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total Pension Liability										
Service Cost	\$ 4,732,562	\$ 4,430,605	\$ 3,968,502	\$ 3,437,102	\$ 3,244,088	\$ 3,231,619	\$ 2,995,157	\$ 2,601,753	\$ 2,669,215	\$ 2,807,691
Interest on Total Pension Liability	13,123,950	12,396,844	11,982,798	11,424,781	10,883,604	10,218,985	9,798,018	9,519,074	9,982,906	9,676,904
Changes in Benefits	333,968	—	—	—	—	—	—	—	—	—
Changes in Assumptions	—	5,450,520	—	—	—	(786,892)	8,085,676	—	(2,443,007)	—
Differences between Expected and Actual Experience	2,477,092	(1,068,898)	850,967	1,126,755	2,892,787	(161,111)	(1,463,872)	(450,028)	(2,370,448)	—
Benefit Payments, Including Refunds of Employee Contributions	9,894,035	(9,064,077)	(8,305,225)	(8,079,840)	(7,238,413)	(6,870,097.8104)	(7,064,583)	(6,802,297)	(6,375,115)	(5,888,439)
Proportional Difference between County and Courts Share	—	—	—	—	—	—	—	—	(116,765)	(3,171,456)
Net Change in Total Pension Liability	30,561,607	12,144,994	8,497,042	7,908,798	9,782,066	5,632,503.1896	12,350,396	4,868,502	1,346,786	3,424,700
Total Pension Liability - Beginning	196,521,542	184,376,548	175,879,506	167,970,708	158,188,642	152,556,139	140,205,743	135,337,241	133,990,455	130,565,755
Total Pension Liability - Ending (a)	\$ 227,083,149	\$ 196,521,542	\$ 184,376,548	\$ 175,879,506	\$ 167,970,708	\$ 158,188,642.18	\$ 152,556,139	\$ 140,205,743	\$ 135,337,241	\$ 133,990,455
Plan Fiduciary Net Position										
Plan to Plan Resource Movement	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 86,268	\$ (1,723)	\$ 147	\$ 12,552	\$ —
Contributions - Employer	6,808,504	6,168,427	5,563,809	5,010,850	4,435,281	3,893,261	3,318,269	3,349,688	2,643,107	2,335,003
Contributions - Employee	2,221,492	1,926,283	1,828,237	1,739,433	1,564,693	1,570,462	1,319,054	1,307,237	1,282,053	1,317,844
Net Investment Income	8,490,916	(11,089,794)	27,311,561	5,801,522	7,198,449	8,681,388	10,496,935	496,432	2,363,317	15,669,334
Administrative Expense	(176,421)	(124,752)	(125,825)	(130,019)	(65,447)	(296,150)	(139,492)	(58,279)	(129,721)	—
Benefit Payments	9,894,035	(9,064,077)	(8,305,225)	(8,079,840)	(7,238,413)	(6,870,098)	(7,064,583)	(6,802,297)	(6,375,115)	(5,888,439)
Net Change in Plan Fiduciary Net Position	27,238,526	(12,183,913)	26,272,557	4,341,946	5,894,563	7,065,131	7,928,460	(1,707,072)	(203,807)	13,433,742
Plan Fiduciary Net Position - Beginning	141,763,830	153,947,743	127,675,186	123,333,240	117,438,677	110,373,546	102,445,086	104,152,158	104,355,965	90,922,223
Plan Fiduciary Net Position - Ending (b)	169,002,356	141,763,830	153,947,743	127,675,186	123,333,240	117,438,677	110,373,546	102,445,086	104,152,158	104,355,965
Net Pension Liability - Ending [(a) - (b)]	\$ 58,080,793	\$ 54,757,712	\$ 30,428,805	\$ 48,204,320	\$ 44,637,468	\$ 40,749,965.189	\$ 42,182,593	\$ 37,760,657	\$ 31,185,083	\$ 29,634,490
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.4 %	72.1 %	83.5 %	72.6 %	73.4 %	74.2 %	72.3 %	73.1 %	77.0 %	77.9 %
Covered Payroll	\$ 29,720,103	\$ 27,597,576	\$ 26,346,195	\$ 24,473,579	\$ 20,294,993	\$ 21,656,716	\$ 19,535,316	\$ 18,698,111	\$ 16,887,977	\$ 16,609,778
Net Pension Liability as a Percentage of Covered Payroll	195.4 %	198.4 %	115.5 %	197.0 %	219.9 %	188.2 %	215.9 %	201.9 %	184.7 %	178.4 %

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

Changes in benefits - The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary. In 2022, SB1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or before July 1, 2023. The impact, if any, is included in the changes of benefit terms.

Changes of assumptions - No assumption changes in 2023. Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

COUNTY OF SAN BENITO

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

	Reporting Fiscal Year									
	(Measurement Period)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Proportion of the net pension liability	0.301087 %	0.302218 %	0.253899 %	0.277524 %	0.275818 %	0.278882 %	0.28129 %	0.29129 %	0.282413 %	0.204400 %
Proportionate share of the net pension liability	\$22,506,083	\$20,767,143	\$8,910,539	\$18,489,611	\$17,218,033	\$16,363,570	\$16,807,744	\$15,056,206	\$12,283,792	\$12,718,583
Covered Payroll	\$7,563,294	\$7,229,665	\$7,289,649	\$6,930,972	\$6,273,888	\$6,464,677	\$6,127,371	\$5,712,124	\$5,032,565	\$4,639,083
Proportionate share of the net pension liability as percentage of covered payroll	297.57 %	287.25 %	122.24 %	266.77 %	274.44 %	253.12 %	274.31 %	263.58 %	244.09 %	274.16 %
Plan's fiduciary net position as a percentage of total pension liability	75.79 %	76.21 %	89.03 %	75.85 %	75.99 %	75.51 %	73.05 %	72.73 %	76.31 %	74.65 %

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

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

Benefit changes - There were no changes to benefit terms that applied to all members of the Safety plan. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2022 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes). In 2022, SB1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023. For pooled plans this is a Class 3 benefit and there is no normal cost surcharge. The impact on the unfunded liability is included in the pool's differences between expected and actual experience.

Changes of assumptions - No assumption changes in 2023. Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.9%. None in 2019 and 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes of assumptions. In 2015, the discount rate changed from 7.5% (net of administrative expense) to 7.65% to correct for an adjustment to exclude administrative expense.

COUNTY OF SAN BENITO

Schedule of Contributions - Miscellaneous Plan
Last 10 years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contributions	\$6,905,484	\$6,601,663	\$6,168,427	\$5,563,809	\$5,010,850	\$4,435,281	\$3,893,261	\$3,318,269	\$3,349,688	\$2,643,107
Contributions in Relation to the Actuarially Determined Contributions	(6,905,484)	(6,601,663)	(6,168,427)	(5,563,809)	(5,010,850)	(4,435,281)	(3,893,261)	(3,318,269)	(2,643,107)	(2,335,003)
Contribution Deficiency (Excess)	—	—	—	—	—	—	—	—	706,581	308,104
Covered Payroll	\$32,269,425	\$29,720,103	\$27,597,576	\$26,346,195	\$24,473,579	\$20,294,993	\$21,656,716	\$19,535,316	\$18,698,111	\$16,887,977.1
Contributions as a Percentage of Covered Payroll	21.40 %	22.21 %	22.35 %	21.12 %	20.47 %	21.85 %	17.98 %	16.99 %	14.14 %	13.83 %

*The amounts presented were determined as of June 30

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022/23 were derived from the June 30, 2020 funding valuation report.

Actuarial Cost Method	Entry age normal
Amortization Method/Period	For details, see June 30, 2020 Funding Valuation Report
Asset valuation method	Fair Value of Assets. For details, see June 30, 2020 Funding Valuation Report
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment rate of return	7.00%, net of pension plan investment and administrative expenses, including inflation
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

COUNTY OF SAN BENITO

Schedule of Contributions - Safety Plan
Last 10 years*

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$3,583,588	\$3,397,235	\$3,193,452	\$3,110,909	\$2,905,823	\$2,607,926	\$2,425,269	\$2,218,718	\$2,000,014	\$1,614,663
Contribution in relation to the actuarially determined contributions	\$(3,583,588)	\$(3,397,235)	\$(3,193,452)	\$(3,110,909)	\$(2,905,823)	\$(2,607,926)	\$(2,425,269)	\$(2,000,014)	\$(1,614,663)	\$(1,614,663)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 218,704		
Covered Payroll	\$8,328,468	\$7,229,666	\$7,289,649	\$6,930,972	\$6,273,888	\$6,464,677	\$6,127,371	\$5,712,124	\$5,032,565	\$4,650,125
Contributions as a percentage of covered payroll	43.03 %	46.99 %	43.81 %	44.88 %	46.32 %	40.34 %	39.58 %	38.84 %	39.74 %	34.72 %

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

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022/23 were derived from the June 30, 2020 funding valuation report.

Actuarial Cost Method	Entry age normal cost method
Amortization Method/Period	For details, see June 30, 2020 Funding Valuation Report
Asset valuation method	Market Value of Assets. For details, see June 30, 2020 Funding Valuation Report
Inflation	2.5%
Salary increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment rate of return	7.00%, net of pension plan investment and administrative expenses, including inflation
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

COUNTY OF SAN BENITO

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

	Reporting Fiscal Year						
	(Measurement Period)						
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB Liability							
Service Cost	\$ 696,146	\$ 668,567	\$ 1,048,251	\$ 622,814	\$ 726,910	\$ 704,029	\$ 657,971
Interest	1,637,673	1,643,235	1,519,359	1,942,483	1,916,269	1,924,449	1,881,943
Changes of benefit terms	6,506,233	—	—	—	—	—	—
Differences between expected and actual experience	3,125,398	(133,426)	(5,140,811)	(60,215)	1,174,966	(386,064)	—
Changes of assumptions	(244,189)	328,246	(6,086,521)	8,312,402	(652,473)	—	—
Benefit payments, including refunds of member contributions	(2,023,925)	(2,073,623)	(2,953,132)	(2,497,179)	(2,919,250)	(1,845,051)	(2,112,439)
Net change in Total OPEB Liability	9,697,336	432,999	(11,612,854)	8,320,305	246,422	397,363	427,475
Total OPEB Liability - Beginning	25,494,860	25,061,861	36,674,715	28,354,410	28,107,988	27,710,625	27,283,150
Total OPEB Liability - Ending (a)	<u>\$ 35,192,196</u>	<u>\$25,494,860</u>	<u>\$25,061,861</u>	<u>\$ 36,674,715</u>	<u>\$ 28,354,410</u>	<u>\$ 28,107,988</u>	<u>\$ 27,710,625</u>
Plan Fiduciary Net Position							
Contributions - employer	2,025,902	1,434,473	500,000	2,422,635	2,919,250	1,845,051	806,487
Contributions - employee	—	—	—	—	—	—	—
Net investment income	1,299,326	(4,288,919)	8,978,889	2,135,278	1,418,940	1,697,805	2,105,057
Benefit payments, including refunds of member contributions	(2,023,925)	(2,073,623)	(2,953,132)	(2,497,179)	(2,919,250)	(1,845,051)	(2,112,439)
Administrative expense	(56,094)	(59,342)	(41,621)	(31,260)	(4,925)	(11,371)	(10,790)
Other expense	—	—	—	—	—	(28,220)	—
Net change in Plan Fiduciary Net Position	1,245,209	(4,987,411)	6,484,136	2,029,474	1,414,015	1,686,434	788,315
Plan Fiduciary Net Position - Beginning	27,934,276	32,921,687	26,437,551	24,408,077	22,994,062	21,335,848	20,547,533
Plan Fiduciary Net Position - Ending (b)	<u>\$ 29,179,485</u>	<u>\$27,934,276</u>	<u>\$32,921,687</u>	<u>\$ 26,437,551</u>	<u>\$ 24,408,077</u>	<u>\$ 23,022,282</u>	<u>\$ 21,335,848</u>
Net OPEB Liability - Ending [(a) - (b)]	<u>\$ 6,012,711</u>	<u>\$(2,439,416)</u>	<u>\$(7,859,826)</u>	<u>\$ 10,237,164</u>	<u>\$ 3,946,333</u>	<u>\$ 5,085,706</u>	<u>\$ 6,374,777</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	82.91 %	109.57 %	131.36 %	72.09 %	86.08 %	81.91 %	77.00 %
Covered-Employee Payroll	\$44,871,970	\$39,135,542	\$36,324,548	\$33,995,335	\$31,811,023	\$29,739,194	\$28,000,717
Net OPEB Liability as a Percentage of Covered-Employee Payroll	13.40 %	(6.23)%	(21.64)%	30.11 %	12.41 %	17.10 %	22.77 %

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

COUNTY OF SAN BENITO

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

	Fiscal Year							
	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 1,424,537	\$ 1,502,680	\$ —	\$ —	\$ 1,009,960	\$ 991,673	\$ 1,413,606	\$ 775,313
Contribution in relation to the actuarially determined contributions	2,408,345	2,025,902	1,434,473	500,000	2,422,636	2,919,250	1,845,052	806,487
Contribution deficiency (excess)	(983,808)	(523,222)	(1,434,473)	(500,000)	(1,412,676)	(1,927,577)	(431,446)	(31,174)
Covered-Employee Payroll	\$ 43,328,459	\$ 44,871,970	\$ 39,135,542	\$ 36,324,548	\$ 33,995,335	\$ 31,811,023	\$ 29,739,194	\$ 28,000,717
Contributions as a Percentage of Covered-Employee Payroll	5.56 %	4.51 %	3.67 %	1.38 %	7.13 %	9.18 %	6.20 %	2.88 %

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

Notes to Schedule of Contributions (OPEB):

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

Valuation Date	June 30, 2023
Actuarial Cost Method	The actuarial cost method used to determine the allocation of the retiree health actuarial liability to the past (accrued), current and future periods is the Entry Age Normal (EAN) cost method. The EAN cost method is a projected benefit cost method which means the "cost" is based on the projected benefit expected to be paid at retirement.
Expected average remaining service lifetime	4 years
Asset Valuation Method	Investment gains and losses are amortized over a 5-year period
Discount Rate	6.5%

Notes to Required Supplementary Information

Budgetary Principles

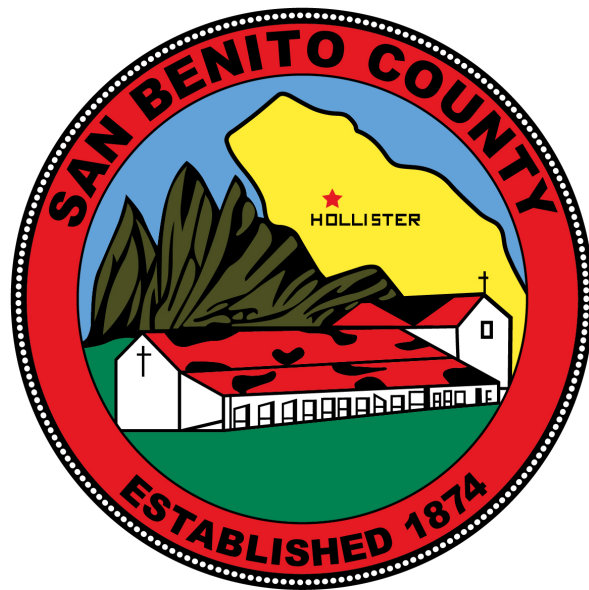
In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County adopts a budget for each fiscal year on or before October 2. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

An operating budget is adopted each fiscal year for most Governmental Funds and the County's Proprietary Funds; excluded is the County's other governmental funds: Tobacco Securitization fund and Developer Projects fund. The adopted budget is prepared on the modified accrual basis for governmental funds and on an accrual basis for proprietary funds, consistent with generally accepted accounting principles (GAAP). Expenditures are controlled at the object level within budget units for the County. The object level within a budget unit is the level at which expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between object levels within the same budget unit or between departments or funds are authorized by the County Administrator's office and must be approved by the Board of Supervisors. Supplementary appropriations normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Pursuant to Board Resolution, the County Administrative Officer and/or appointed department head are authorized to approve transfers and revisions of appropriations under \$50,000 within a single budget unit as deemed necessary and appropriate, unless it is to a capital asset object. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and are amended during the fiscal year by resolutions approved by the Board of Supervisors.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary accounting in the General and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities. Encumbrances at year end are rebudgeted in the new year. For the fiscal year ending June 30, 2024, there were no recorded encumbrances outstanding at year end for any of the Governmental Funds.

SUPPLEMENTARY INFORMATION



Nonmajor Governmental Funds

Non-major Governmental Funds

Capital Improvement Projects Fund

This fund includes activity for all County capital improvement projects, primarily related to building improvements. Primary source of revenue are transfers from other governmental funds.

Developer Projects Fund

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

Debt Service Fund

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

COUNTY OF SAN BENITO

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2024

	Special Revenue Funds	Capital Improvement Projects Fund	Developer Projects Fund	Debt Service Fund	Total Other Governmental Funds
Assets					
Cash and investments in Treasury	\$ 53,075,087	\$ 1,394,184	\$ 6,298,419	\$ —	\$ 60,767,690
Restricted assets - cash with fiscal agent	282,351	—	—	636,669	919,020
Imprest cash	50	—	—	—	50
Receivables	693,687	48,905	320,440	—	1,063,032
Loan receivables	2,626,802	—	—	—	2,626,802
Due from other funds	499,997	—	—	—	499,997
Due from other governments	6,867,029	—	56,346	—	6,923,375
Inventories and other assets	74,406	—	—	16,181	90,587
Total Assets	64,119,409	1,443,089	6,675,205	652,850	72,890,553
Liabilities					
Accounts payable and accrued liabilities	1,794,698	949,553	164,353	—	2,908,604
Due to other funds	1,136,287	—	—	19,597	1,155,884
Due to other agencies	326,995	—	—	—	326,995
Deposits from others	34,261	—	2,885,312	—	2,919,573
Unearned revenues	577	—	—	—	577
Total Liabilities	3,292,818	949,553	3,049,665	19,597	7,311,633
Deferred Inflows of Resources					
Deferred impact fees	562,500	—	—	—	562,500
Unavailable revenues	3,667,812	55,367	245,453	—	3,968,632
Total Deferred Inflows of Resources	4,230,312	55,367	245,453	—	4,531,132
Fund Balances					
Nonspendable	74,406	—	—	—	74,406
Restricted	56,404,746	—	3,380,087	633,253	60,418,086
Assigned	211,956	438,169	—	—	650,125
Unassigned	(94,829)	—	—	—	(94,829)
Total Fund Balances	56,596,279	438,169	3,380,087	633,253	61,047,788
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 64,119,409	\$ 1,443,089	\$ 6,675,205	\$ 652,850	\$ 72,890,553

COUNTY OF SAN BENITO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended June 30, 2024

	Special Revenue Funds	Capital Improvement Projects Fund	Developer Projects Fund	General Debt Service Fund	Total Other Governmental Funds
Revenues:					
Taxes	\$ 2,014,160	\$ —	\$ —	\$ —	\$ 2,014,160
Licenses and permits	6,072	—	—	—	6,072
Aid from other governmental agencies	25,320,893	—	90,291	—	25,411,184
Use of money or property	2,423,159	3,477	(207)	42,829	2,469,258
Fines, forfeitures and penalties	34,382	—	—	—	34,382
Charges for services	5,811,442	—	509,112	577,692	6,898,246
Other revenue	279,886	—	—	—	279,886
Total Revenues	35,889,994	3,477	599,196	620,521	37,113,188
Expenditures:					
Current:					
General government	—	48,395	—	—	48,395
Public protection	4,002,044	37,109	—	—	4,039,153
Public ways and facilities	1,152,492	(84,673)	484,377	20,118	1,572,314
Health and sanitation	8,631,815	—	—	—	8,631,815
Public assistance	4,388,369	6,501	—	—	4,394,870
Education	—	2,752	—	—	2,752
Debt Service:					
Principal	275,843	—	—	645,811	921,654
Interest and debt service costs	7,740	—	—	823,172	830,912
Capital outlay:					
General government	—	262,492	—	—	262,492
Public protection	4,275	886,676	—	—	890,951
Health and sanitation	167,743	—	—	—	167,743
Public assistance	10,801	1,600,437	—	—	1,611,238
Education	—	341,758	—	—	341,758
Recreation and culture	—	745,288	—	—	745,288
Total Expenditures	18,641,122	3,846,735	484,377	1,489,101	24,461,335
Excess (deficiency) of revenues over expenditures	17,248,872	(3,843,258)	114,819	(868,580)	12,651,853
Other Financing Sources (uses):					
Transfers in	1,053,692	3,572,113	266,530	1,487,987	6,380,322
Transfers out	(10,467,616)	(1,080,957)	(152,340)	—	(11,700,913)
Leases issued	85,734	—	—	—	85,734
Subscriptions	92,762	—	—	—	92,762
Total other financing sources (uses)	(9,235,428)	2,491,156	114,190	1,487,987	(5,142,095)
Net change in fund balances	8,013,444	(1,352,102)	229,009	619,407	7,509,758
Fund balances - July 1, as previously reported	50,012,358	1,790,271	3,151,078	13,846	54,967,553
Adjustment - changes from major fund to nonmajor fund	(1,429,523)	—	—	—	(1,429,523)
Fund balances - July 1, as adjusted	48,582,835	1,790,271	3,151,078	13,846	53,538,030
Fund balances - June 30	\$ 56,596,279	\$ 438,169	\$ 3,380,087	\$ 633,253	\$ 61,047,788

Non-major Special Revenue Funds

<u>Fish and Game Fund</u>	This Fund is financed through the collection of fines of violation of the California Fish and Game Code within the County. An advisory committee provides recommendations for the use of funding for expenditures related to protecting, conserving, propagating, and preserving fish and wildlife.
<u>Victim Witness Fund</u>	This Fund focuses on advocacy, victim compensation claims, and restitution. Services for the community include, crisis support and counseling, guidance navigating the criminal justice system, relocation and transportation assistance. Revenues derive from state and federal sources.
<u>Emergency Medical Services Fund</u>	This Fund provides health and safety services to the residents of the County. Revenues derive from special assessment fees, and other fees authorized through state law.
<u>Opioid Settlement Fund</u>	The purpose of this Fund is to report the revenues received from the national opioid settlements and expenditures are associated with the abatement of the opioid epidemic within the County.
<u>CSWD Fund</u>	This Fund provides a collection of services that includes temporary and short-term housing assistance and other services aimed at removing barriers to seeking and securing permanent community employment for all able-bodied adults. Revenues derive from state and federal sources.
<u>Migrant Labor Camp</u>	This Fund is used for operations of 70 habitable housing units, which house season farm-working families from April-December. During the Winter months, the units are used by Community Services and Workforce Development for the Winter Shelter Housing Program. Funding comes from the State Department Office of Migrant Services.
<u>Mosquito Abatement Fund</u>	The purpose of this Fund is to respond to the impacts of the West Nile Virus and enhancing the quality of life for the community by providing effective and environmentally sound mosquito control and disease prevention through timely and efficient surveillance, control and public awareness programs.
<u>Public Authority Fund</u>	This Fund enhances the availability and quality of In-Home Supportive Services (IHSS) and personal assistance services.
<u>County Service Areas Fund</u>	This Fund is comprised of county service areas within the unincorporated area of the County. Revenues are generated through direct charges to property owners which are used to fund general public services within the respective areas.
<u>Community Facilities Districts Fund</u>	Revenues are generated through assessment fees to property owners which are used to fund public improvements and services, such as police, fire, water, sewage, parks, within the established districts in the unincorporated area of the County.
<u>Substance Abuse Fund</u>	This Fund receives state and federal revenues to provide continuum of care encompassing prevention, intervention, and treatment services. Outpatient treatment is available through school-based and community-focused programs.
<u>Public Health Fund</u>	This Fund receives state and federal revenues to help residents navigate access to quality physical and mental health services, protect the community from health hazards by preparing and responding to public health emergencies, and manage various protection services within the food service facilities.
<u>Public Safety Realignment Fund</u>	This Fund receives Assembly Bill (AB) 109 revenues, designated to create a substantial change in the criminal justice system. Realignment revenues received from the State are used to fund the supervision of lower-risk inmates and parolees from the California Dept of Corrections and Rehabilitation.
<u>Cal Fire Fund</u>	A special property tax assessment funds the fire services within the unincorporated area of the County, for which the County contracts with the City of Hollister to carry out services to the community.

Non-major Special Revenue Funds (continued)

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

COUNTY OF SAN BENITO

Combining Balance Sheet - Nonmajor Special Revenue Funds

June 30, 2024

	Fish and Game	Victim Witness	Emergency Medical Services	Opioid Settlement	CSWD	Migrant Labor Camp	Mosquito Abatement	Public Authority
Assets								
Cash and investments in Treasury	\$ 4,757	\$ —	\$ 1,182,685	\$ 320,669	\$ 1,664,018	\$ 614,902	\$ 221,510	\$ 239,555
Restricted assets - cash with fiscal agent	—	—	—	—	—	282,351	—	—
Imprest cash	—	—	—	—	—	—	—	—
Receivables	33	(1,469)	33,151	2,099	6,530	(779)	1,578	1,690
Due from other funds	—	—	—	—	—	—	—	—
Due from other governments	—	77,972	—	—	1,438,267	298,748	—	133,042
Inventories and other assets	—	—	—	—	19,691	95	—	7,310
Total Assets	4,790	76,503	1,215,836	322,768	3,128,506	1,195,317	223,088	381,597
Liabilities								
Accounts payable and accrued liabilities	—	12,302	4,990	—	193,449	71,200	11,132	26,720
Due to other funds	—	106,462	—	—	—	349,034	—	—
Due to other agencies	—	—	169	—	—	18,745	—	—
Deposits from others	—	—	—	—	13,365	16,580	—	—
Total Liabilities	—	118,764	5,159	—	206,813	455,559	11,132	26,720
Deferred Inflows of Resources								
Deferred impact fees	—	—	—	—	—	—	—	—
Unavailable revenues	—	52,568	24,938	—	1,114,776	49,572	—	35,063
Total Deferred Inflows of Resources	—	52,568	24,938	—	1,114,776	49,572	—	35,063
Fund Balances								
Nonspendable	—	—	—	—	19,691	95	—	7,310
Restricted	4,790	—	1,185,739	322,768	1,787,225	690,091	—	312,504
Assigned	—	—	—	—	—	—	211,956	—
Unassigned	—	(94,829)	—	—	—	—	—	—
Total Fund Balances	4,790	(94,829)	1,185,739	322,768	1,806,916	690,186	211,956	319,814
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,790	\$ 76,503	\$ 1,215,836	\$ 322,768	\$ 3,128,505	\$ 1,195,317	\$ 223,088	\$ 381,597

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

COUNTY OF SAN BENITO

Combining Balance Sheet - Nonmajor Special Revenue Funds

June 30, 2024

	County Service Areas	Community Facilities Districts	Substance Abuse	Public Health	Public Safety Realignment	Cal Fire	Family Support
Assets							
Cash and investments in Treasury	\$ 1,999,011	\$ 3,541,255	\$ 2,685,831	\$ 4,976,724	\$ 12,096,375	\$ 645,962	\$ —
Imprest cash	—	—	—	50	—	—	—
Receivables	13,742	23,872	14,689	40,162	94,398	5,338	(1,916)
Due from other funds	—	—	—	—	—	—	—
Due from other governments	—	—	742,754	2,144,121	230,398	—	416,912
Inventories and other assets	—	—	95	31,607	15,608	—	—
Total Assets	2,012,753	3,565,127	3,443,369	7,192,664	12,436,779	651,300	414,996
Liabilities							
Accounts payable and accrued liabilities	93,726	11,384	258,776	309,775	31,677	560,687	42,048
Due to other funds	6,900	—	—	—	—	—	180,794
Due to other agencies	—	—	308,081	—	—	—	—
Deposits from others	4,316	—	—	—	—	—	—
Unearned revenues	—	—	—	—	—	—	—
Total Liabilities	104,942	11,384	566,857	309,775	31,677	560,687	222,842
Deferred Inflows of Resources							
Deferred impact fees	—	—	—	—	—	—	—
Unavailable revenues	—	—	424,825	308,561	—	—	19,230
Total Deferred Inflows of Resources	—	—	424,825	308,561	—	—	19,230
Fund Balances							
Nonspendable	—	—	95	31,607	15,608	—	—
Restricted	1,907,811	3,553,743	2,451,592	6,542,721	12,389,494	90,613	172,924
Assigned	—	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—	—
Total Fund Balances	1,907,811	3,553,743	2,451,687	6,574,328	12,405,102	90,613	172,924
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,012,753	\$ 3,565,127	\$ 3,443,369	\$ 7,192,664	\$ 12,436,779	\$ 651,300	\$ 414,996

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

COUNTY OF SAN BENITO

Combining Balance Sheet - Nonmajor Special Revenue Funds

June 30, 2024

	County Fire Impact	Law Enforcement Impact	Jail & Juvenile Impact	Habitat Impact	Road Equip Impr Impact	Parks & Rec Impact	Santa Ana Storm Drain	Inclusionary Housing
Assets								
Cash and investments in Treasury	\$ 1,960,183	\$ 1,312,385	\$ 1,824,333	\$ 1,496,233	\$ 1,194,616	\$ 4,943,408	\$ 1,119,735	\$ 193
Imprest cash	—	—	—	—	—	—	—	—
Receivables	24,718	8,792	13,293	10,235	7,968	37,064	9,436	1,250
Loan receivable	31,994	29,222	50,320	3,999	11,512	89,205	—	—
Due from other funds	—	—	—	—	—	—	—	493,097
Due from other governments	—	—	563,735	—	—	—	—	—
Inventories and other assets	—	—	—	—	—	—	—	—
Total Assets	2,016,895	1,350,399	2,451,681	1,510,467	1,214,096	5,069,677	1,129,171	494,540
Liabilities								
Accounts payable and accrued liabilities	—	—	—	3,479	—	41,753	121,600	—
Due to other funds	—	—	—	—	—	—	—	—
Due to other agencies	—	—	—	—	—	—	—	—
Deposits from others	—	—	—	—	—	—	—	—
Unearned revenues	—	—	—	—	—	—	—	—
Total Liabilities	—	—	—	3,479	—	41,753	121,600	—
Deferred Inflows of Resources								
Deferred impact fees	31,994	29,222	50,320	3,999	11,512	89,205	—	—
Unavailable revenues	11,417	—	563,735	—	—	—	—	—
Total Deferred Inflows of Resources	43,411	29,222	614,055	3,999	11,512	89,205	—	—
Fund Balances								
Nonspendable	—	—	—	—	—	—	—	—
Restricted	1,973,484	1,321,177	1,837,626	1,502,989	1,202,584	4,938,719	1,007,571	494,540
Assigned	—	—	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—	—	—
Total Fund Balances	1,973,484	1,321,177	1,837,626	1,502,989	1,202,584	4,938,719	1,007,571	494,540
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,016,895	\$ 1,350,399	\$ 2,451,681	\$ 1,510,467	\$ 1,214,096	\$ 5,069,677	\$ 1,129,171	\$ 494,540

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

COUNTY OF SAN BENITO
Combining Balance Sheet - Nonmajor Special Revenue Funds

June 30, 2024

	Traffic Impact	Library Impact	Information Technology Impact	County Facilities Impact	Tobacco Securitization	HOME	CASp Certification & Training	Total Special Revenue Funds
Assets								
Cash and investments in Treasury	\$ 5,389,510	\$ 1,813,013	\$ 150,066	\$ 1,497,867	\$ —	\$ 172,940	\$ 7,351	\$ 53,075,087
Restricted assets - cash with fiscal agent	—	—	—	—	—	—	—	282,351
Imprest cash	—	—	—	—	—	—	—	50
Receivables	74,302	12,474	1,023	10,219	—	249,123	672	693,687
Loan receivable	265,974	24,833	5,121	50,320	—	2,064,302	—	2,626,802
Due from other funds	6,900	—	—	—	—	—	—	499,997
Due from other governments	—	277,983	—	—	—	543,097	—	6,867,029
Inventories and other assets	—	—	—	—	—	—	—	74,406
Total Assets	5,736,686	2,128,303	156,210	1,558,406	—	3,029,462	8,023	64,119,409
Liabilities								
Accounts payable and accrued liabilities	—	—	—	—	—	—	—	1,794,698
Due to other funds	—	—	—	—	—	493,097	—	1,136,287
Due to other agencies	—	—	—	—	—	—	—	326,995
Deposits from others	—	—	—	—	—	—	—	34,261
Unearned revenues	—	—	—	—	—	577	—	577
Total Liabilities	—	—	—	—	—	493,674	—	3,292,818
Deferred Inflows of Resources								
Lease related	—	—	—	—	—	—	—	—
Deferred impact fees	265,974	24,833	5,121	50,320	—	—	—	562,500
Unavailable revenues	—	277,983	—	—	—	785,144	—	3,667,812
Total Deferred Inflows of Resources	265,974	302,816	5,121	50,320	—	785,144	—	4,230,312
Fund Balances								
Nonspendable	—	—	—	—	—	—	—	74,406
Restricted	5,470,712	1,825,487	151,089	1,508,086	—	1,750,644	8,023	56,404,746
Assigned	—	—	—	—	—	—	—	211,956
Unassigned	—	—	—	—	—	—	—	(94,829)
Total Fund Balances	5,470,712	1,825,487	151,089	1,508,086	—	1,750,644	8,023	56,596,279
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 5,736,686	\$ 2,128,303	\$ 156,210	\$ 1,558,406	\$ —	\$ 3,029,462	\$ 8,023	\$ 64,119,409

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

COUNTY OF SAN BENITO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended June 30, 2024

	Fish and Game	Victim Witness	Emergency Medical Services	Opioid Settlement	CSWD	Migrant Labor Camp	Mosquito Abatement	Public Authority
Revenues:								
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 288,238	\$ —
Licenses, Permits and Franchises	—	—	3,205	—	—	—	—	—
Aid from other governments	—	428,058	32,198	—	6,423,524	2,942,735	—	585,126
Use of money and property	217	(13,817)	56,177	12,801	31,299	(22,331)	8,207	4,571
Fines, forfeitures and penalties	20	—	25,387	—	—	—	—	—
Charges for services	—	9,108	561,855	—	—	119,334	(1)	—
Other revenue	—	—	56	154,653	55,641	—	—	—
Total Revenues	237	423,349	678,878	167,454	6,510,464	3,039,738	296,444	589,697
Expenditures:								
Current:								
Public protection	15	375,556	—	—	—	—	—	—
Public ways and facilities	—	—	—	—	—	—	—	—
Health and sanitation	—	—	639,189	—	—	—	258,367	—
Public assistance	—	—	—	—	3,374,222	534,116	—	427,158
Debt Service:								
Principal	—	374	—	—	5,975	249	—	4,054.18
Interest	—	26	—	—	1,170	13	—	80.97
Capital outlay:								
Health and sanitation	—	—	—	—	—	—	—	—
Public assistance	—	—	—	—	10,801	—	—	—
Total Expenditures	15	375,956	639,189	—	3,392,168	534,378	258,367	431,293
Excess (deficiency) of revenues over expenditures	222	47,393	39,689	167,454	3,118,296	2,505,360	38,077	158,404
Other Financing Sources (uses):								
Transfers in	—	—	6,000	—	—	—	—	—
Transfers out	—	—	(104,902)	(85,000)	(643,365)	(385,651)	—	—
Leases issued	—	—	—	—	10,776	—	—	—
Subscriptions	—	—	—	—	—	—	—	—
Total other financing sources (uses)	—	—	(98,902)	(85,000)	(632,589)	(385,651)	—	—
Net Change in Fund Balances	222	47,393	(59,213)	82,454	2,485,707	2,119,709	38,077	158,404
Fund balances - July 1, as previously reported	4,568	(142,222)	1,244,952	240,314	(678,791)	—	173,879	161,410
Adjustment - changes from major fund to nonmajor fund	—	—	—	—	—	(1,429,523)	—	—
Fund balances - July 1, as adjusted	4,568	(142,222)	1,244,952	240,314	(678,791)	(1,429,523)	173,879	161,410
Fund balances - June 30	\$ 4,790	\$ (94,829)	\$ 1,185,739	\$ 322,768	\$ 1,806,916	\$ 690,186	\$ 211,956	\$ 319,814

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

COUNTY OF SAN BENITO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended June 30, 2024

	County Service Areas	Community Facilities Districts	Substance Abuse	Public Health	Public Safety Realignment	Cal Fire	Family Support
Revenues:							
Taxes	\$ 162,407	\$ —	\$ —	\$ —	\$ —	\$ 1,563,515	\$ —
Licenses and permits	—	—	—	—	—	—	—
Aid from other governments	764	—	2,883,082	6,715,802	3,770,308	7,332	1,531,964
Use of money and property	91,501	129,250	83,618	205,072	566,343	2,559	—
Fines, forfeitures and penalties	—	—	8,145	830	—	—	—
Charges for services	708,597	970,679	20	609,897	—	—	—
Other revenue	—	40,007	100	8,400	—	—	—
Total Revenues	963,269	1,139,936	2,974,965	7,540,001	4,336,651	1,573,406	1,531,964
Expenditures:							
Current:							
Public protection	—	—	—	—	201,304	2,283,541	1,105,062
Public ways and facilities	934,307	218,185	—	—	—	—	—
Health and sanitation	—	—	2,357,761	5,376,498	—	—	—
Public assistance	—	—	—	—	—	—	—
Debt Service:							
Principal	6,071	1,518	19,210	206,424	29,715	—	2,253
Interest	643	161	1,662	2,951	781	—	252
Capital outlay:							
Public protection	—	—	—	—	4,275	—	—
Public ways and facilities	—	—	—	—	—	—	—
Health and sanitation	—	—	1,364	166,379	—	—	—
Public assistance	—	—	—	—	—	—	—
Total Expenditures	941,021	219,864	2,379,997	5,752,252	236,075	2,283,541	1,107,567
Excess (deficiency) of revenues over expenditures	22,248	920,072	594,968	1,787,749	4,100,576	(710,135)	424,397
Other Financing Sources (uses):							
Transfers in	—	—	—	85,000	1,021	961,671	—
Transfers out	—	—	—	(6,000)	(2,400,288)	—	—
Leases issued	—	—	1,364	73,594	—	—	—
Subscriptions	—	—	—	92,762	—	—	—
Total other financing sources (uses)	—	—	1,364	245,356	(2,399,267)	961,671	—
Net Change in Fund Balances	22,248	920,072	596,332	2,033,105	1,701,309	251,536	424,397
Fund balances - July 1, as previously reported	1,885,563	2,633,671	1,855,355	4,541,223	10,703,793	(160,923)	(251,473)
Fund balances - June 30	\$ 1,907,811	\$ 3,553,743	\$ 2,451,687	\$ 6,574,328	\$ 12,405,102	\$ 90,613	\$ 172,924

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

COUNTY OF SAN BENITO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended June 30, 2024

	County Fire Impact	Law Enforcement Impact	Jail & Juvenile Impact	Habitat Impact	Road Equip. Impr. Impact	Parks/Rec Impact	Santa Ana Storm Drain	Inclusionary Housing
Revenues:								
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Licenses and permits	—	—	—	—	—	—	—	—
Aid from other governments	—	—	—	—	—	—	—	—
Use of money and property	84,736	52,075	76,408	66,562	47,132	238,378	60,817	10,027
Fines, forfeitures and penalties	—	—	—	—	—	—	—	—
Charges for services	145,491	174,106	266,316	37,952	166,668	335,447	52,559	153,000
Other revenue	—	—	—	—	—	—	—	—
Total Revenues	230,227	226,181	342,724	104,514	213,800	573,825	113,376	163,027
Expenditures:								
Current:								
Public protection	36,566	—	—	—	—	—	—	—
Public ways and facilities	—	—	—	—	—	—	—	—
Health and sanitation	—	—	—	—	—	—	—	—
Public assistance	—	—	—	—	—	—	—	1,876
Debt Service:								
Principal	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—
Capital outlay:								
Public protection	—	—	—	—	—	—	—	—
Public ways and facilities	—	—	—	—	—	—	—	—
Health and sanitation	—	—	—	—	—	—	—	—
Public assistance	—	—	—	—	—	—	—	—
Total Expenditures	36,566	—	—	—	—	—	—	1,876
Excess (deficiency) of revenues over expenditures	193,661	226,181	342,724	104,514	213,800	573,825	113,376	161,151
Other Financing Sources (uses):								
Transfers in	—	—	—	—	—	—	—	—
Transfers out	—	—	(306,150)	—	—	(497,453)	(260,692)	(207,020)
Leases issued	—	—	—	—	—	—	—	—
Subscriptions	—	—	—	—	—	—	—	—
Total other financing sources (uses)	—	—	(306,150)	—	—	(497,453)	(260,692)	(207,020)
Net Change in Fund Balances	193,661	226,181	36,574	104,514	213,800	76,372	(147,316)	(45,869)
Fund balances - July 1, as previously reported	1,779,823	1,094,996	1,801,052	1,398,475	988,784	4,862,347	1,154,887	540,409
Fund balances - June 30	\$ 1,973,484	\$ 1,321,177	\$ 1,837,626	\$ 1,502,989	\$ 1,202,584	\$ 4,938,719	\$ 1,007,571	\$ 494,540

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

COUNTY OF SAN BENITO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds

For the Year Ended June 30, 2024

	Traffic Impact	Library Impact	Information Technology Impact	County Facilities Impact	H.O.M.E	CASp Certification & Training Fund	Total Special Revenue Funds
Revenues:							
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,014,160
Licenses and permits	—	—	—	—	—	2,867	6,072
Aid from other governments	—	—	—	—	—	—	25,320,893
Use of money and property	476,142	75,639	6,164	61,550	11,838	224	2,423,159
Fines, forfeitures and penalties	—	—	—	—	—	—	34,382
Charges for services	1,266,552	69,346	15,035	149,481	—	—	5,811,442
Other revenue	—	—	—	—	21,029	—	279,886
Total Revenues	1,742,694	144,985	21,199	211,031	32,867	3,091	35,889,994
Expenditures:							
Current:							
Public protection	—	—	—	—	—	—	4,002,044
Public ways and facilities	—	—	—	—	—	—	1,152,492
Health and sanitation	—	—	—	—	—	—	8,631,815
Public assistance	—	—	—	—	50,997	—	4,388,369
Debt Service:							
Principal	—	—	—	—	—	—	275,843
Interest	—	—	—	—	—	—	7,740
Capital outlay:							
Public protection	—	—	—	—	—	—	4,275
Health and sanitation	—	—	—	—	—	—	167,743
Public assistance	—	—	—	—	—	—	10,801
Total Expenditures	—	—	—	—	50,997	—	18,641,122
Excess (deficiency) of revenues over expenditures	1,742,694	144,985	21,199	211,031	(18,130)	3,091	17,248,872
Other Financing Sources (uses):							
Transfers in	—	—	—	—	—	—	1,053,692
Transfers out	(5,571,095)	—	—	—	—	—	(10,467,616)
Leases issued	—	—	—	—	—	—	85,734
Subscriptions	—	—	—	—	—	—	92,762
Total other financing sources (uses)	(5,571,095)	—	—	—	—	—	(9,235,428)
Net Change in Fund Balances	(3,828,401)	144,985	21,199	211,031	(18,130)	3,091	8,013,444
Fund balances - July 1, as previously reported	9,299,113	1,680,502	129,890	1,297,055	1,768,774	4,932	50,012,358
Adjustment - changes from major fund to nonmajor fund	—	—	—	—	—	—	(1,429,523)
Fund balances - July 1, as adjusted	9,299,113	1,680,502	129,890	1,297,055	1,768,774	4,932	48,582,835
Fund balances - June 30	\$ 5,470,712	\$ 1,825,487	\$ 151,089	\$ 1,508,086	\$ 1,750,644	\$ 8,023	\$ 56,596,279

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

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Fish and Game Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Use of money or property	\$ 50	\$ 50	\$ 217	\$ 167
Fines, forfeits and penalties	250	250	20	(230)
Total Revenues	<u>300</u>	<u>300</u>	<u>237</u>	<u>(63)</u>
Expenditures:				
Current:				
Services and supplies	1,000	1,000	—	1,000
Indirect costs	15	15	15	—
Total Expenditures	<u>1,015</u>	<u>1,015</u>	<u>15</u>	<u>1,000</u>
Excess (deficiency) of revenues over expenditures	<u>(715)</u>	<u>(715)</u>	<u>222</u>	<u>937</u>
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	(715)	(715)	222	937
Fund balance - beginning of year	<u>4,568</u>	<u>4,568</u>	<u>4,568</u>	<u>—</u>
Fund balance - end of year	<u>\$ 3,853</u>	<u>\$ 3,853</u>	<u>\$ 4,790</u>	<u>\$ 937</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Victim Witness Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Aid from other governments	\$ 447,882	\$ 447,882	\$ 428,058	\$ (19,824)
Use of money or property	—	—	(13,817)	(13,817)
Charges for services	11,615	11,615	9,108	(2,507)
Total Revenues	459,497	459,497	423,349	(36,148)
Expenditures:				
Current:				
Salaries and benefits	390,672	390,672	329,921	60,751
Services and supplies	37,825	37,475	17,012	20,463
Other charges	16,073	16,423	8,850	7,573
Indirect costs	19,773	19,773	19,773	—
Debt service:				
Principal	—	—	374	(374)
Interest	—	—	26	(26)
Total Expenditures	464,343	464,343	375,956	88,387
Excess (deficiency) of revenues over expenditures	(4,846)	(4,846)	47,393	52,239
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	(4,846)	(4,846)	47,393	52,239
Fund balance - beginning of year	(142,222)	(142,222)	(142,222)	—
Fund balance - end of year	<u>\$ (147,068)</u>	<u>\$ (147,068)</u>	<u>\$ (94,829)</u>	<u>\$ 52,239</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Emergency Medical Services Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Licenses, permits and franchises	\$ 5,000	\$ 5,000	\$ 3,205	\$ (1,795)
Aid from other governments	—	—	32,198	32,198
Use of money or property	9,000	9,000	56,177	47,177
Fines, forfeits and penalties	6,000	6,000	25,387	19,387
Charges for services	722,230	722,230	561,855	(160,375)
Other revenue	1,000	33,198	56	(33,142)
Total Revenues	743,230	775,428	678,878	(96,550)
Expenditures:				
Current:				
Salaries and benefits	189,550	212,371	119,038	93,333
Services and supplies	599,540	513,087	511,568	1,519
Other charges	1,787	1,722	8,467	(6,745)
Indirect costs	7,896	116	116	—
Total Expenditures	798,773	727,296	639,189	88,107
Excess (deficiency) of revenues over expenditures	(55,543)	48,132	39,689	(8,443)
Other Financing Sources (Uses):				
Transfers in	56,770	56,770	6,000	(50,770)
Transfers out	(1,227)	(104,902)	(104,902)	—
Total other financing sources (uses)	55,543	(48,132)	(98,902)	(50,770)
Net change in fund balance	—	—	(59,213)	(59,213)
Fund balance - beginning of year	1,244,952	1,244,952	1,244,952	—
Fund balance - end of year	<u>\$ 1,244,952</u>	<u>\$ 1,244,952</u>	<u>\$ 1,185,739</u>	<u>\$ (59,213)</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Opioid Settlement Special Revenue Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Use of money or property	\$ —	\$ —	\$ 12,801	\$ 12,801
Other revenue	—	—	154,653	154,653
Total Revenues	—	—	167,454	167,454
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	—	—	—	—
Other Financing Sources (Uses):				
Transfers out	—	(85,000)	(85,000)	—
Total other financing sources (uses)	—	(85,000)	(85,000)	—
Net change in fund balance	—	(170,000)	(170,000)	—
Fund balance - beginning of year	240,314	240,314	240,314	—
Fund balance - end of year	\$ 240,314	\$ 70,314	\$ 70,314	\$ —

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Community Services Workforce Development (CSWD) Special Revenue Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Aid from other governments	\$ 6,699,005	\$ 7,322,738	\$ 6,423,524	\$ (899,214)
Use of money or property	—	—	31,299	31,299
Other revenue	332,989	332,989	55,641	(277,348)
Total Revenues	7,031,994	7,655,727	6,510,464	(1,145,263)
Expenditures:				
Current:				
Salaries and benefits	2,190,874	2,235,967	1,760,374	475,593
Services and supplies	1,529,591	1,605,773	845,475	760,298
Other charges	545,447	636,973	593,949	43,024
Capital assets	—	—	10,801	(10,801)
Indirect costs	358,216	358,966	174,424	184,542
Debt service:				
Principal	—	—	5,975	(5,975)
Interest	—	—	1,170	(1,170)
Total Expenditures	4,624,128	4,837,679	3,392,168	1,445,512
Excess (deficiency) of revenues over expenditures	2,407,866	2,818,048	3,118,296	300,248
Other Financing Sources (Uses):				
Transfers in	558,930	558,930	—	(558,930)
Transfers out	(2,301,239)	(2,740,921)	(643,365)	2,097,556
Leases issued	—	—	10,776	10,776
Total other financing sources (uses)	(1,742,309)	(2,181,991)	(632,589)	1,549,402
Net change in fund balance	665,557	636,057	2,485,707	1,849,650
Fund balance - beginning of year	(678,791)	(678,791)	(678,791)	—
Fund balance - end of year	\$ (13,234)	\$ (42,734)	\$ 1,806,916	\$ 1,849,650

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Migrant Labor Camp Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Aid from other governments	\$ 1,911,223	\$ 2,717,919	\$ 2,942,735	\$ 224,816
Use of money or property	—	—	(22,331)	(22,331)
Charges for services	—	—	119,334	119,334
Total Revenues	1,911,223	2,717,919	3,039,738	321,819
Expenditures:				
Current:				
Salaries and benefits	375,957	375,957	312,063	63,894
Services and supplies	1,451,145	1,451,145	189,374	1,261,771
Other charges	4,725	811,421	3,422	807,999
Capital assets	67,000	67,000	—	67,000
Indirect costs	29,264	29,264	29,257	7
Debt service:				
Principal	—	—	249	(249)
Interest	—	—	13	(13)
Total Expenditures	1,928,091	2,734,787	534,378	2,200,409
Excess (deficiency) of revenues over expenditures	(16,868)	(16,868)	2,505,360	2,522,228
Other Financing Sources (Uses):				
Transfers in	16,868	16,868	—	(16,868)
Transfers out	—	—	(385,651)	(385,651)
Total other financing sources (uses)	16,868	16,868	(385,651)	(402,519)
Net change in fund balance	—	—	2,119,709	2,119,709
Fund balance - beginning of year	(1,429,523)	(1,429,523)	(1,429,523)	—
Fund balance - end of year	\$ (1,429,523)	\$ (1,429,523)	\$ 690,186	\$ 2,119,709

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Mosquito Abatement Special Revenue Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Taxes	\$ 244,166	\$ 244,166	\$ 288,238	\$ 44,072
Use of money or property	—	—	8,207	8,207
Charges for services	5,000	5,000	(1)	(5,001)
Total Revenues	<u>249,166</u>	<u>249,166</u>	<u>296,444</u>	<u>47,278</u>
Expenditures:				
Current:				
Salaries and benefits	189,695	189,695	187,614	2,081
Services and supplies	61,500	55,800	51,379	4,421
Other charges	10,000	15,700	10,312	5,388
Indirect costs	9,062	9,062	9,062	—
Total Expenditures	<u>270,257</u>	<u>270,257</u>	<u>258,367</u>	<u>11,889</u>
Excess (deficiency) of revenues over expenditures	<u>(21,091)</u>	<u>(21,091)</u>	<u>38,077</u>	<u>59,168</u>
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	(21,091)	(21,091)	38,077	59,168
Fund balance - beginning of year	<u>173,879</u>	<u>173,879</u>	<u>173,879</u>	<u>—</u>
Fund balance - end of year	<u>\$ 152,788</u>	<u>\$ 152,788</u>	<u>\$ 211,956</u>	<u>\$ 59,168</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Public Authority Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Aid from other governments	\$ 400,000	\$ 400,000	\$ 585,126	\$ 185,126
Use of money or property	—	—	4,571	4,571
Other revenue	1,000	1,000	—	(1,000)
Total Revenues	401,000	401,000	589,697	188,697
Expenditures:				
Current:				
Salaries and benefits	273,467	273,467	183,336	90,131
Services and supplies	37,400	37,400	17,122	20,278
Other charges	221,100	221,100	227,890	(6,790)
Indirect costs	(1,190)	(1,190)	(1,190)	—
Debt service:				
Principal	—	—	4,054	(4,054)
Interest	—	—	81	(81)
Total Expenditures	530,777	530,777	431,293	103,619
Excess (deficiency) of revenues over expenditures	(129,777)	(129,777)	158,404	288,181
Other Financing Sources (Uses):				
Transfers in	129,776	129,776	—	(129,776)
Transfers out	—	—	—	—
Total other financing sources (uses)	129,776	129,776	—	(129,776)
Net change in fund balance	(1)	(1)	158,404	158,405
Fund balance - beginning of year	161,410	161,410	161,410	—
Fund balance - end of year	<u>\$ 161,409</u>	<u>\$ 161,409</u>	<u>\$ 319,814</u>	<u>\$ 158,405</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 County Service Areas (CSAs) Special Revenue Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 149,300	\$ 149,300	\$ 162,407	\$ 13,107
Aid from other governments	55	55	764	709
Use of money or property	15,074	15,074	91,501	76,427
Charges for services	667,082	667,082	708,597	41,515
Total Revenues	831,511	831,511	963,269	131,758
Expenditures:				
Current:				
Salaries and benefits	220,814	220,814	172,648	48,166
Services and supplies	912,244	935,244	746,106	189,138
Other charges	(11,037)	(8,637)	25,964	(34,601)
Capital assets	121,200	121,200	—	121,200
Indirect costs	21,500	21,500	(10,411)	31,911
Debt service:				
Principal	—	—	6,071	(6,071)
Interest	—	—	643	(643)
Total Expenditures	1,264,721	1,290,121	941,021	349,100
Excess (deficiency) of revenues over expenditures	(433,210)	(458,610)	22,248	480,858
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	(433,210)	(458,610)	22,248	480,858
Fund balance - beginning of year	1,885,563	1,885,563	1,885,563	—
Fund balance - end of year	\$ 1,452,353	\$ 1,426,953	\$ 1,907,811	\$ 480,858

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Community Facilities Districts (CFDs) Special Revenue Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Use of money or property	\$ —	\$ —	\$ 129,250	\$ 129,250
Charges for services	894,000	894,000	970,679	76,679
Other revenue	—	—	40,007	40,007
Total Revenues	894,000	894,000	1,139,936	245,936
Expenditures:				
Current:				
Salaries and benefits	105,537	105,537	18,562	86,975
Services and supplies	113,597	194,597	186,608	7,989
Other charges	5,730	6,330	5,721	609
Indirect costs	—	—	7,294	(7,294)
Debt service:				
Principal	—	—	1,518	(1,518)
Interest	—	—	161	(161)
Total Expenditures	224,864	306,464	219,864	86,600
Excess (deficiency) of revenues over expenditures	669,136	587,536	920,072	332,536
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	669,136	587,536	920,072	332,536
Fund balance - beginning of year	2,633,671	2,633,671	2,633,671	—
Fund balance - end of year	<u>\$ 3,302,807</u>	<u>\$ 3,221,207</u>	<u>\$ 3,553,743</u>	<u>\$ 332,536</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Substance Abuse Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Aid from other governments	\$ 2,726,850	\$ 2,726,850	\$ 2,883,082	\$ 156,232
Use of money or property	—	—	83,618	83,618
Fines, forfeits and penalties	—	—	8,145	8,145
Charges for services	5,900	5,900	20	(5,880)
Other revenue	131,440	131,440	100	(131,340)
Total Revenues	2,864,190	2,864,190	2,974,965	110,775
Expenditures:				
Current:				
Salaries and benefits	1,870,145	1,870,145	1,345,730	524,414
Services and supplies	527,650	525,057	252,604	272,453
Other charges	1,113,845	1,116,438	707,326	409,112
Capital assets	—	—	1,364	(1,364)
Indirect costs	57,763	57,763	52,101	5,662
Debt service:				
Principal	—	—	19,210	(19,210)
Interest	—	—	1,662	(1,662)
Total Expenditures	3,569,403	3,569,403	2,379,997	1,189,406
Excess (deficiency) of revenues over expenditures	(705,213)	(705,213)	594,968	1,300,181
Other Financing Sources (Uses):				
Transfers out	(101,800)	(101,800)	—	101,800
Leases issued	—	—	1,364	1,364
Total other financing sources (uses)	(101,800)	(101,800)	1,364	103,164
Net change in fund balance	(807,013)	(807,013)	596,332	1,403,345
Fund balance - beginning of year	1,855,355	1,855,355	1,855,355	—
Fund balance - end of year	<u>\$ 1,048,342</u>	<u>\$ 1,048,342</u>	<u>\$ 2,451,687</u>	<u>\$ 1,403,345</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Public Health Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final		(Negative)
Revenues:				
Aid from other governments	\$ 9,104,925	\$ 9,547,627	\$ 6,715,802	\$ (2,831,825)
Use of money or property	—	—	205,072	205,072
Fines, forfeits and penalties	1,000	1,000	830	(170)
Charges for services	757,050	757,050	609,897	(147,153)
Other revenue	50,000	50,000	8,400	(41,600)
Total Revenues	9,912,975	10,355,677	7,540,001	(2,815,676)
Expenditures:				
Current:				
Salaries and benefits	7,526,477	7,805,477	4,169,559	3,635,918
Services and supplies	1,882,981	2,102,594	716,793	1,385,801
Other charges	384,872	427,259	141,010	286,249
Capital assets	80,000	80,000	166,379	(86,379)
Indirect costs	745,432	762,134	337,046	425,088
Debt service:				
Principal	—	—	218,514	(218,514)
Interest	—	—	2,951	(2,951)
Total Expenditures	10,619,762	11,177,464	5,752,252	5,425,212
Excess (deficiency) of revenues over expenditures	(706,787)	(821,787)	1,787,749	2,609,536
Other Financing Sources (Uses):				
Transfers in	1,957,942	2,042,942	85,000	(1,957,942)
Transfers out	(1,028,054)	(998,054)	(6,000)	992,054
Leases issued	—	—	73,594	73,594
Subscriptions	—	—	92,762	92,762
Total other financing sources (uses)	929,888	1,044,888	245,356	(799,532)
Net change in fund balance	223,101	223,101	2,033,105	1,810,004
Fund balance - beginning of year	4,541,223	4,541,223	4,541,223	—
Fund balance - end of year	\$ 4,764,324	\$ 4,764,324	\$ 6,574,328	\$ 1,810,004

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Public Safety Realignment Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Aid from other governments	\$ 3,277,391	\$ 3,483,584	\$ 3,770,308	\$ 286,724
Use of money or property	40,000	40,000	566,343	526,343
Total Revenues	<u>3,317,391</u>	<u>3,523,584</u>	<u>4,336,651</u>	<u>813,067</u>
Expenditures:				
Current:				
Services and supplies	397,500	392,500	191,413	201,087
Capital assets	—	5,000	4,275	725
Indirect costs	9,891	9,891	9,891	—
Debt service:				
Principal	—	—	29,715	(29,715)
Interest	—	—	781	(781)
Total Expenditures	<u>407,391</u>	<u>407,391</u>	<u>236,075</u>	<u>171,316</u>
Excess (deficiency) of revenues over expenditures	<u>2,910,000</u>	<u>3,116,193</u>	<u>4,100,576</u>	<u>984,383</u>
Other Financing Sources (Uses):				
Transfers in	—	—	1,021	1,021
Transfers out	(2,910,000)	(2,987,000)	(2,400,288)	586,712
Total other financing sources (uses)	<u>(2,910,000)</u>	<u>(2,987,000)</u>	<u>(2,399,267)</u>	<u>587,733</u>
Net change in fund balance	—	129,193	1,701,309	1,572,116
Fund balance - beginning of year	<u>10,703,793</u>	<u>10,703,793</u>	<u>10,703,793</u>	<u>—</u>
Fund balance - end of year	<u>\$ 10,703,793</u>	<u>\$ 10,832,986</u>	<u>\$ 12,405,102</u>	<u>\$ 1,572,116</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Cal Fire Special Revenue Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,354,370	\$ 1,354,370	\$ 1,563,515	\$ 209,145
Aid from other governments	7,500	7,500	7,332	(168)
Use of money or property	—	—	2,559	2,559
Total Revenues	1,361,870	1,361,870	1,573,406	211,536
Expenditures:				
Current:				
Services and supplies	2,210,028	2,210,028	2,210,028	1
Capital assets	40,000	40,000	—	40,000
Indirect costs	73,513	73,513	73,513	—
Total Expenditures	2,323,541	2,323,541	2,283,541	40,001
Excess (deficiency) of revenues over expenditures	(961,671)	(961,671)	(710,135)	251,536
Other Financing Sources (Uses):				
Transfers in	961,671	961,671	961,671	—
Transfers out	—	—	—	—
Total other financing sources (uses)	961,671	961,671	961,671	—
Net change in fund balance	—	—	251,536	251,536
Fund balance - beginning of year	(160,923)	(160,923)	(160,923)	—
Fund balance - end of year	\$ (160,923)	\$ (160,923)	\$ 90,613	\$ 251,536

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Family Support Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Aid from other governments	\$ 1,620,445	\$ 1,620,445	\$ 1,531,964	\$ (88,481)
Total Revenues	1,620,445	1,620,445	1,531,964	(88,481)
Expenditures:				
Current:				
Salaries and benefits	1,181,736	1,181,736	903,343	278,393
Services and supplies	360,889	339,887	119,798	220,089
Other charges	21,187	41,187	24,286	16,901
Indirect costs	56,633	57,635	57,635	—
Debt service:				
Principal	—	—	2,253	(2,253)
Interest	—	—	252	(252)
Total Expenditures	1,620,445	1,620,445	1,107,567	512,878
Excess (deficiency) of revenues over expenditures	—	—	424,397	424,397
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	—	—	424,397	424,397
Fund balance - beginning of year	(251,473)	(251,473)	(251,473)	—
Fund balance - end of year	\$ (251,473)	\$ (251,473)	\$ 172,924	\$ 424,397

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 County Fire Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Use of money or property	\$ 5,000	\$ 5,000	\$ 84,736	\$ 79,736
Charges for services	120,000	120,000	145,491	25,491
Total Revenues	125,000	125,000	230,227	105,227
Expenditures:				
Current:				
Other charges	—	—	36,566	(36,566)
Total Expenditures	—	—	36,566	(36,566)
Excess (deficiency) of revenues over expenditures	125,000	125,000	193,661	68,661
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	125,000	125,000	193,661	68,661
Fund balance - beginning of year	1,779,823	1,779,823	1,779,823	—
Fund balance - end of year	\$ 1,904,823	\$ 1,904,823	\$ 1,973,484	\$ 68,661

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Law Enforcement Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money or property	\$ —	\$ —	\$ 52,075	\$ 52,075
Charges for services	130,000	130,000	174,106	44,106
Total Revenues	130,000	130,000	226,181	96,181
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	130,000	130,000	226,181	96,181
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	(120,000)	(120,000)	—	120,000
Total other financing sources (uses)	(120,000)	(120,000)	—	120,000
Net change in fund balance	10,000	10,000	226,181	216,181
Fund balance - beginning of year	1,094,996	1,094,996	1,094,996	—
Fund balance - end of year	<u>\$ 1,104,996</u>	<u>\$ 1,104,996</u>	<u>\$ 1,321,177</u>	<u>\$ 216,181</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Jail & Juvenile Hall Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money or property	\$ —	\$ —	\$ 76,408	\$ 76,408
Charges for services	190,000	190,000	266,316	76,316
Total Revenues	190,000	190,000	342,724	152,724
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	190,000	190,000	342,724	152,724
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	(614,000)	(614,000)	(306,150)	307,850
Total other financing sources (uses)	(614,000)	(614,000)	(306,150)	307,850
Net change in fund balance	(424,000)	(424,000)	36,574	460,574
Fund balance - beginning of year	1,801,052	1,801,052	1,801,052	—
Fund balance - end of year	<u>\$ 1,377,052</u>	<u>\$ 1,377,052</u>	<u>\$ 1,837,626</u>	<u>\$ 460,574</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Habitat Impact Fee Special Revenue Funds
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Use of money or property	\$ —	\$ —	\$ 66,562	\$ 66,562
Charges for services	14,000	14,000	37,952	23,952
Total Revenues	14,000	14,000	104,514	90,514
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	14,000	14,000	104,514	90,514
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	14,000	14,000	104,514	90,514
Fund balance - beginning of year	1,398,475	1,398,475	1,398,475	—
Fund balance - end of year	<u>\$ 1,412,475</u>	<u>\$ 1,412,475</u>	<u>\$ 1,502,989</u>	<u>\$ 90,514</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Road Equipment Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Use of money or property	\$ —	\$ —	\$ 47,132	\$ 47,132
Charges for services	120,000	120,000	166,668	46,668
Total Revenues	120,000	120,000	213,800	93,800
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	120,000	120,000	213,800	93,800
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	(780,000)	(780,000)	—	780,000
Total other financing sources (uses)	(780,000)	(780,000)	—	780,000
Net change in fund balance	(660,000)	(660,000)	213,800	873,800
Fund balance - beginning of year	988,784	988,784	988,784	—
Fund balance - end of year	\$ 328,784	\$ 328,784	\$ 1,202,584	\$ 873,800

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Parks & Rec Impact Fee Special Revenue Funds
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money or property	\$ 10,000	\$ 10,000	\$ 238,378	\$ 228,378
Charges for services	690,000	690,000	335,447	(354,553)
Total Revenues	<u>700,000</u>	<u>700,000</u>	<u>573,825</u>	<u>(126,175)</u>
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Excess (deficiency) of revenues over expenditures	<u>700,000</u>	<u>700,000</u>	<u>573,825</u>	<u>(126,175)</u>
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	<u>(3,711,000)</u>	<u>(3,711,000)</u>	<u>(497,453)</u>	<u>3,213,547</u>
Total other financing sources (uses)	<u>(3,711,000)</u>	<u>(3,711,000)</u>	<u>(497,453)</u>	<u>3,213,547</u>
Net change in fund balance	(3,011,000)	(3,011,000)	76,372	3,087,372
Fund balance - beginning of year	<u>4,862,347</u>	<u>4,862,347</u>	<u>4,862,347</u>	<u>—</u>
Fund balance - end of year	<u>\$ 1,851,347</u>	<u>\$ 1,851,347</u>	<u>\$ 4,938,719</u>	<u>\$ 3,087,372</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Santa Ana Storm Drain Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Use of money or property	\$ 2,000	\$ 2,000	\$ 60,817	\$ 58,817
Charges for services	100,000	100,000	52,559	(47,441)
Total Revenues	102,000	102,000	113,376	11,376
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	102,000	102,000	113,376	11,376
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	(600,000)	(600,000)	(260,692)	339,308
Total other financing sources (uses)	(600,000)	(600,000)	(260,692)	339,308
Net change in fund balance	(498,000)	(498,000)	(147,316)	350,684
Fund balance - beginning of year	1,154,887	1,154,887	1,154,887	—
Fund balance - end of year	\$ 656,887	\$ 656,887	\$ 1,007,571	\$ 350,684

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Traffic Impact Fee Special Revenue Funds
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Use of money or property	\$ 10,000	\$ 10,000	\$ 476,142	\$ 466,142
Charges for services	650,000	650,000	1,266,552	616,552
Total Revenues	660,000	660,000	1,742,694	1,082,694
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	660,000	660,000	1,742,694	1,082,694
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	(4,387,877)	(7,734,611)	(5,571,095)	2,163,516
Total other financing sources (uses)	(4,387,877)	(7,734,611)	(5,571,095)	2,163,516
Net change in fund balance	(3,727,877)	(7,074,611)	(3,828,401)	3,246,210
Fund balance - beginning of year	9,299,113	9,299,113	9,299,113	—
Fund balance - end of year	<u>\$ 5,571,236</u>	<u>\$ 2,224,502</u>	<u>\$ 5,470,712</u>	<u>\$ 3,246,210</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Library Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money or property	\$ —	\$ —	\$ 75,639	\$ 75,639
Charges for services	50,000	50,000	69,346	19,346
Total Revenues	50,000	50,000	144,985	94,985
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	50,000	50,000	144,985	94,985
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	50,000	50,000	144,985	94,985
Fund balance - beginning of year	1,680,502	1,680,502	1,680,502	—
Fund balance - end of year	<u>\$ 1,730,502</u>	<u>\$ 1,730,502</u>	<u>\$ 1,825,487</u>	<u>\$ 94,985</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 Information Technology Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Use of money or property	\$ —	\$ —	\$ 6,164	\$ 6,164
Charges for services	14,000	14,000	15,035	1,035
Total Revenues	14,000	14,000	21,199	7,199
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	14,000	14,000	21,199	7,199
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	14,000	14,000	21,199	7,199
Fund balance - beginning of year	129,890	129,890	129,890	—
Fund balance - end of year	\$ 143,890	\$ 143,890	\$ 151,089	\$ 7,199

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 General Government Impact Fee Special Revenue Funds
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money or property	\$ —	\$ —	\$ 61,550	\$ 61,550
Charges for services	100,000	100,000	149,481	49,481
Total Revenues	100,000	100,000	211,031	111,031
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	100,000	100,000	211,031	111,031
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	100,000	100,000	211,031	111,031
Fund balance - beginning of year	1,297,055	1,297,055	1,297,055	—
Fund balance - end of year	<u>\$ 1,397,055</u>	<u>\$ 1,397,055</u>	<u>\$ 1,508,086</u>	<u>\$ 111,031</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Inclusionary Housing Special Revenue Funds
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Use of money or property	\$ 1,000	\$ 1,000	\$ 10,027	\$ 9,027
Charges for services	30,000	30,000	153,000	123,000
Total Revenues	<u>31,000</u>	<u>31,000</u>	<u>163,027</u>	<u>132,027</u>
Expenditures:				
Current:				
Services and supplies	—	—	769	(769)
Indirect costs	1,107	1,107	1,107	—
Total Expenditures	<u>1,107</u>	<u>1,107</u>	<u>1,876</u>	<u>(769)</u>
Excess (deficiency) of revenues over expenditures	<u>29,893</u>	<u>29,893</u>	<u>161,151</u>	<u>131,258</u>
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	<u>(25,000)</u>	<u>(241,020)</u>	<u>(207,020)</u>	<u>34,000</u>
Total other financing sources (uses)	<u>(25,000)</u>	<u>(241,020)</u>	<u>(207,020)</u>	<u>34,000</u>
Net change in fund balance	4,893	(211,127)	(45,869)	165,258
Fund balance - beginning of year	<u>540,409</u>	<u>540,409</u>	<u>540,409</u>	<u>—</u>
Fund balance - end of year	<u>\$ 545,302</u>	<u>\$ 329,282</u>	<u>\$ 494,540</u>	<u>\$ 165,258</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
HOME Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Aid from other governments	\$ 1,100,000	\$ 1,100,000	\$ —	\$ (1,100,000)
Use of money or property	7,100	7,100	11,838	4,738
Other revenue	—	—	21,029	21,029
Total Revenues	<u>1,107,100</u>	<u>1,107,100</u>	<u>32,867</u>	<u>(1,074,233)</u>
Expenditures:				
Current:				
Other charges	—	—	50,997	(50,997)
Total Expenditures	<u>—</u>	<u>—</u>	<u>50,997</u>	<u>(50,997)</u>
Excess (deficiency) of revenues over expenditures	<u>1,107,100</u>	<u>1,107,100</u>	<u>(18,130)</u>	<u>(1,125,230)</u>
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	1,107,100	1,107,100	(18,130)	(1,125,230)
Fund balance - beginning of year	<u>1,768,774</u>	<u>1,768,774</u>	<u>1,768,774</u>	<u>—</u>
Fund balance - end of year	<u>\$ 2,875,874</u>	<u>\$ 2,875,874</u>	<u>\$ 1,750,644</u>	<u>\$ (1,125,230)</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
 CASp Certification and Training Fund
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Licenses, permits and franchises	\$ —	\$ —	\$ 2,867	\$ 2,867
Use of money or property	—	—	224	224
Total Revenues	—	—	3,091	3,091
Expenditures:				
Current:				
Salaries and benefits	—	—	—	—
Services and supplies	—	—	—	—
Total Expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	—	—	3,091	3,091
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Total other financing sources (uses)	—	—	—	—
Net change in fund balance	—	—	3,091	3,091
Fund balance - beginning of year	4,932	4,932	4,932	—
Fund balance - end of year	<u>\$ 4,932</u>	<u>\$ 4,932</u>	<u>\$ 8,023</u>	<u>\$ 3,091</u>

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Developer Projects Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Aid from other governments	\$ —	\$ —	\$ 90,291	\$ 90,291
Use of money or property	—	—	(207)	(207)
Charges for services	2,515,000	2,558,000	509,112	(2,048,888)
Total Revenues	2,515,000	2,558,000	599,196	(1,958,804)
Expenditures:				
Current:				
Services and supplies	2,515,000	2,558,000	435,044	2,122,956
Other charges	—	—	49,333	(49,333)
Total Expenditures	2,515,000	2,558,000	484,377	2,073,623
Excess (deficiency) of revenues over expenditures	—	—	114,819	114,819
Other Financing Sources (Uses):				
Transfers in	—	—	266,530	266,530
Transfers out	—	—	(152,340)	152,340
Total other financing sources (uses)	—	—	114,190	418,870
Net change in fund balance	—	—	229,009	229,009
Fund balance - beginning of year	3,151,078	3,151,078	3,151,078	—
Fund balance - end of year	\$ 3,151,078	\$ 3,151,078	\$ 3,380,087	\$ 229,009

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Debt Service Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Use of money or property	\$ —	\$ —	\$ 42,829	\$ 42,829
Charges for services	517,640	517,640	577,692	60,052
Total Revenues	517,640	517,640	620,521	102,881
Expenditures:				
Current:				
Services and supplies	7,500	7,500	20,118	(12,618)
Debt service:				
Principal	580,000	580,000	645,811	(65,811)
Interest	850,197	850,197	823,172	27,025
Total Expenditures	1,437,697	1,437,697	1,489,101	(51,404)
Excess (deficiency) of revenues over expenditures	(920,057)	(920,057)	(868,580)	51,477
Other Financing Sources (Uses):				
Transfers in	920,057	920,057	1,487,987	567,930
Transfers out	—	—	—	—
Total other financing sources (uses)	920,057	920,057	1,487,987	567,930
Net change in fund balance	—	—	619,407	619,407
Fund balance - beginning of year	13,846	13,846	13,846	—
Fund balance - end of year	\$ 13,846	\$ 13,846	\$ 633,253	\$ 619,407

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Capital Improvement Projects Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Use of money or property	\$ —	\$ —	\$ 3,477	\$ 3,477
Total Revenues	—	—	3,477	3,477
Expenditures:				
Current:				
General government	—	—	48,395	(48,395)
Public protection	—	—	37,109	(37,109)
Public ways and facilities	—	—	(84,673)	84,673
Health and sanitation	250,000	250,000	—	250,000
Public assistance	—	2,400	6,501	(4,101)
Education	—	—	2,752	(2,752)
Capital outlay:				
General government	1,360,435	1,360,435	262,492	1,097,943
Public protection	5,384,671	5,445,671	886,676	4,558,995
Public assistance	3,050,000	3,663,620	1,600,437	2,063,183
Education	15,770,800	15,770,800	341,758	15,429,042
Recreation and culture	8,923,971	8,923,971	745,288	8,178,683
Total Expenditures	34,739,877	35,416,897	3,846,736	31,570,161
Excess (deficiency) of revenues over expenditures	(34,739,877)	(35,416,897)	(3,843,259)	31,573,638
Other Financing Sources (Uses):				
Transfers In	21,859,677	22,536,697	3,572,113	(18,964,584)
Transfers Out	—	—	(1,080,957)	(1,080,957)
Total other financing sources (uses)	21,859,677	22,536,697	2,491,156	(20,045,541)
Net change in fund balance	(12,880,200)	(12,880,200)	(1,352,103)	11,528,097
Fund balance - beginning of year	1,790,271	1,790,271	1,790,271	—
Fund balance - end of year	\$ (11,089,929)	\$ (11,089,929)	\$ 438,168	\$ 11,528,097

COUNTY OF SAN BENITO

Budgetary Comparison Schedule
Solid Waste Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Operating Revenues:				
Licenses and permits	\$ 810,000	\$ 810,000	\$ 854,185	\$ 44,185
Aid from other governmental agencies	97,700	177,700	133,077	(44,623)
Charges for services	1,626,475	1,626,475	1,370,572	(255,903)
Other revenue	31,800	31,800	55,172	23,372
Total Operating Revenues	<u>2,565,975</u>	<u>2,645,975</u>	<u>2,413,006</u>	<u>(232,969)</u>
Operating Expenses:				
Salaries & Benefits	605,804	625,804	636,567	(10,763)
Services & Supplies	1,605,900	1,857,700	1,398,409	459,291
Other Charges	7,500	7,500	17,908	(10,408)
Depreciation	—	—	48,353	(48,353)
Indirect Costs	92,574	92,574	92,700	(126)
Total Operating Expense	<u>2,311,778</u>	<u>2,583,578</u>	<u>2,193,937</u>	<u>389,641</u>
Net Operating Income	<u>254,197</u>	<u>62,397</u>	<u>219,069</u>	<u>156,672</u>
Non-operating Revenues (Expense):				
Use of money & property income	14,000	14,000	226,562	212,562
Total Non-Operating Revenues (Expenses)	<u>14,000</u>	<u>14,000</u>	<u>226,562</u>	<u>212,562</u>
Income Before Transfers	<u>268,197</u>	<u>76,397</u>	<u>445,631</u>	<u>369,234</u>
Transfers In (Out)	<u>—</u>	<u>(3,300,000)</u>	<u>(3,300,000)</u>	<u>—</u>
Change in Net Position	<u>268,197</u>	<u>(3,223,603)</u>	<u>(2,854,369)</u>	<u>369,234</u>
Net Position - Beginning of year	<u>5,797,228</u>	<u>5,797,228</u>	<u>5,797,228</u>	<u>—</u>
Net Position - End of Year	<u>\$ 6,065,425</u>	<u>\$ 2,573,625</u>	<u>\$ 2,942,859</u>	<u>\$ 369,234</u>

Fiduciary Funds

Investment Trust Funds

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

Custodial Funds

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

COUNTY OF SAN BENITO
Combining Statement of Fiduciary Net Position
Investment Trust Funds
June 30, 2024

	San Juan Bautista Cemetery District	Resource Conservation District	San Benito LAFCo	San Benito Council of Governments	San Benito County Office of Education and Districts	Total
Assets						
Cash and investments	\$ 786,120	\$ 31,329	\$ 79,223	\$ 39,055,971	\$ 185,483,236	\$ 225,435,879
Receivables:						
Interest receivable	5,304	297	705	277,153	1,282,455	1,565,914
Due from other funds	—	—	—	451,926	—	451,926
Due from other governments	—	—	117,784	4,324,750	—	4,442,534
Inventories and other assets	6,419	—	—	1	—	6,420
Nondepreciable capital assets	2,248	—	—	—	—	2,248
Depreciable capital assets, net	45,532	—	—	1,163,130	—	1,208,662
Total Assets	845,623	31,626	197,712	45,272,931	186,765,691	233,113,583
Liabilities						
Accounts payable and other liabilities	14,846	14,231	27,662	1,802,055	(8)	1,858,786
Due to other funds	—	—	—	451,691	—	451,691
Due to other governments	—	—	—	109,712	—	109,712
Unearned revenue	—	—	—	3,105	—	3,105
Total Liabilities	14,846	14,231	27,662	2,366,563	(8)	2,423,294
Net Position						
Restricted for individuals, organizations and other governments	830,777	17,395	170,050	42,906,368	186,765,699	230,690,289
Total Net Position	\$ 830,777	\$ 17,395	\$ 170,050	\$ 42,906,368	\$ 186,765,699	\$ 230,690,289

COUNTY OF SAN BENITO
Combining Statement of Changes in Fiduciary Net Position
Investment Trust Funds
For the Fiscal Year Ended June 30, 2024

	San Juan Bautista Cemetery District	Resource Conservation District	San Benito LAFCo	San Benito Council of Governments	San Benito County Office of Education and Districts	Total
Additions						
Taxes	\$ 224,941	\$ —	\$ —	\$ 13,092,331	\$ 76,783,256	\$ 90,100,528
Aid from other governments	1,050	28,819	247,164	6,219,058	156,130,889	162,626,980
Charges for services	43,600	—	—	121,520	—	165,120
Other revenue	39,315	7,500	2,120	2,945,231	—	2,994,166
Net investment earnings	30,980	2,637	4,904	1,604,632	7,953,802	9,596,955
Total Additions	339,886	38,956	254,188	23,982,772	240,867,947	265,483,749
Deductions						
Operating expenses	192,681	65,624	187,796	4,276,699	233,415,756	238,138,556
Other charges	18,134	748	18,252	13,013,122	—	13,050,256
Depreciation expense	6,248	—	—	249,650	—	255,898
Total Deductions	217,063	66,372	206,048	17,539,471	233,415,756	251,444,710
Net increase (decrease) in fiduciary net position	122,823	(27,416)	48,140	6,443,301	7,452,191	14,039,039
Net position - beginning of year	707,954	44,811	121,910	36,463,067	179,313,508	216,651,250
Net position - end of year	\$ 830,777	\$ 17,395	\$ 170,050	\$ 42,906,368	\$ 186,765,699	\$ 230,690,289

COUNTY OF SAN BENITO
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024

	Held for beneficiaries	Unremitted collections	Unapportioned taxes	Total
Assets				
Cash and investments	\$ 3,353,602	\$ 910,943	\$ 18,784,841	\$ 23,049,386
Receivables:				
Interest receivable	22,793	6,048	294,291	323,132
Taxes for other governments	—	—	7,760,134	7,760,134
Accounts receivable	33,074	(89)	—	32,985
Total Assets	3,409,469	916,902	26,839,266	31,165,637
Deferred outflows of resources				
Deferred outflow			1,600,000	1,600,000
Total Deferred outflows of resources	—	—	1,600,000	1,600,000
Liabilities				
Accounts payable and other liabilities	274,654	156,924	4,128,939	4,560,517
Due to other governments	—	82	608,477	608,559
Deposits	55,000	—	437,274	492,274
Total Liabilities	329,654	157,006	5,174,690	5,661,350
Net Position				
Restricted for individuals, organizations and other governments	3,079,815	759,896	23,264,576	27,104,287
Total Net Position	\$ 3,079,815	\$ 759,896	\$ 23,264,576	\$ 27,104,287

COUNTY OF SAN BENITO
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2024

	Held for beneficiaries	Unremitted collections	Unapportioned property taxes	Total
Additions				
Contributions to pooled investments	\$ 2,404,015	\$ 511,435	\$ 129,076	\$ 3,044,526
Taxes	—	—	91,588,184	91,588,184
Aid from other governments	—	—	318,819	318,819
Charges for services	64,572	—	503,951	568,523
Fines, forfeitures and penalties	—	—	593,690	593,690
Other revenue	2,465	—	1,600,000	1,602,465
Net investment earnings	15,100,950	38,171	1,572,640	16,711,761
Total Additions	17,572,002	549,606	96,306,360	114,427,968
Deductions				
Distributions from pooled investments	16,715,831	468,665	91,512,179	108,696,675
Operating expenses	602,608	4,348	1,019,090	1,626,046
Other charges	—	—	684,240	684,240
Total Deductions	17,318,439	473,013	93,215,509	111,006,961
Net increase (decrease) in fiduciary net position	253,563	76,593	3,090,851	3,421,007
Net position - beginning of year	2,826,252	683,303	20,173,725	23,683,280
Net position - end of year	\$ 3,079,815	\$ 759,896	\$ 23,264,576	\$ 27,104,287

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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



COUNTY OF SAN BENITO

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

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
Net investment in capital assets	\$ 171,959,223	\$ 141,901,818	\$ 131,814,314	\$ 131,870,201	\$ 118,970,464	\$ 109,578,889	\$ 98,439,135	\$ 90,827,410	\$ 92,364,711	\$ 93,870,818
Restricted	119,480,863	107,880,251	96,969,255	90,769,941	73,439,411	47,455,029	42,549,306	37,667,368	26,080,558	—
Unrestricted	(7,350,975)	(4,740,342)	(443,983)	(34,194,035)	(38,328,791)	(9,460,037)	(2,901,358)	(4,444,297)	(6,156,652)	(8,761,171)
Total governmental activities net position	284,089,111	245,041,727	228,339,586	188,446,107	154,081,084	147,573,881	138,087,083	124,050,481	112,288,617	85,109,647
Business-type activities										
Net investment in capital assets	440,728	509,087	556,762	604,394	647,508	690,721	733,933	777,162	824,901	876,192
Restricted	—	—	751,586	750,922	750,607	739,857	724,566	—	131,690.7	—
Unrestricted	2,502,131	5,288,141	3,860,308	2,653,597	6,466,201	5,437,714	4,369,808	4,734,924	4,841,667	4,522,364
Total business-type activities net position	2,942,859	5,797,228	5,168,656	4,008,913	7,864,316	6,868,292	5,828,307	5,512,086	5,798,258.7	5,398,556
Primary government										
Net investment in capital assets	172,399,951	142,410,905	132,371,076	132,474,595	119,617,972	110,269,610	99,173,068	91,604,572	93,189,612	94,747,010
Restricted	119,480,863	107,880,251	97,720,841	91,520,863	74,190,018	48,194,886	43,273,872	37,667,368	26,212,249	—
Unrestricted	(4,848,844)	547,799	3,416,325	(31,540,438)	(31,862,590)	(4,022,323)	1,468,450	290,627	(1,314,985)	(4,238,807)
Total primary government net position	\$ 287,031,970	\$ 250,838,955	\$ 233,508,242	\$ 192,455,020	\$ 161,945,400	\$ 154,442,173	\$ 143,915,390	\$ 129,562,567	\$ 118,086,876	\$ 90,508,203

Notes:

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

Source:

San Benito County Clerk, Auditor and Recorder

COUNTY OF SAN BENITO

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

Expenses (by function)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
General government	\$ 35,365,774	\$ 9,071,954	\$ 14,424,408	\$ 13,200,523	\$ 12,435,263	\$ 15,171,369	\$ 7,162,158	\$ 4,390,182	\$ 4,820,901	\$ 6,913,665
Public protection	45,228,429	43,731,475	32,859,389	43,327,067	35,789,289	32,564,040	32,902,965	28,401,251	26,361,016	27,914,449
Public ways and facilities	12,481,109	15,024,786	9,682,835	6,343,017	9,594,177	8,166,811	5,926,687	7,361,125	7,491,909	5,867,005
Health and sanitation	20,812,972	17,156,515	12,728,837	15,581,942	15,957,259	12,108,200	10,939,507	9,459,400	10,509,822	9,576,959
Public assistance	28,872,897	31,056,746	24,721,053	26,956,169	25,499,007	23,480,217	23,462,549	21,653,802	21,563,780	20,714,730
Education	6,366,843	10,083,355	1,617,662	1,421,142	1,301,853	1,020,962	1,129,743	1,059,094	929,498	1,063,203
Recreation and culture	308,779	703,669	14,010	285,187	217,788	193,340	310,166	(1,682)	138,641	220,421
Debt Service:										
Interest	963,205	897,258	969,352	787,010	708,218	373,817	—	—	—	1,877
Total governmental activities expenses	150,400,008	127,725,758	97,017,546	107,902,057	101,502,854	93,078,756	81,833,775	72,323,172	71,815,567	72,272,309
Business-type activities:										
Solid waste	2,193,937	1,853,601	1,250,756	985,634	778,654	749,309	1,107,482	1,512,811	752,368	(4,428,282)
Total business-type activities expenses	2,193,937	1,853,601	1,250,756	985,634	778,654	749,309	1,107,482	1,512,811	752,368	(4,428,282)
Total Primary Government Expenses	152,593,945	129,579,359	98,268,302	108,887,691	102,281,508	93,828,065	82,941,257	73,835,983	72,567,935	67,844,027
Program Revenues (by function)										
Governmental activities										
Fees, fines and charges for services:										
General government	9,962,971	3,157,697	15,999,888	3,227,993	2,887,786	3,544,313	6,791,954	4,462,502	3,736,463	4,341,391
Public protection	5,246,785	5,244,741	5,154,096	7,119,185	6,225,722	4,630,309	5,469,848	4,575,111	5,020,426	4,886,764
Public ways and facilities	4,138,611	4,553,787	3,444,927	4,062,420	4,566,572	3,616,509	2,073,848	1,554,749	1,429,875	1,161,336
Health and sanitation	1,224,168	1,249,656	1,380,590	1,312,058	1,339,807	1,367,280	1,382,783	1,037,176	842,388	761,028
Public assistance	224,177	157,454	241,175	599,551	773,656	325,077	157,622	35,146	30,532	9,255
Education	352,125	288,283	393,987	774,160	245,279	160,672	45,156	27,371	31,299	254,356
Recreation and culture	392,836	905,227	811,358	630,042	597,813	597,895	675,090	384,454	628,097	264,138
Operating grants and contributions	79,460,813	84,847,301	72,061,293	76,892,004	57,954,185	50,378,930	49,591,273	46,707,783	48,757,219	43,858,372
Capital grants and contributions	31,479,724	4,355,892	11,884,592	14,529,166	6,590,453	10,284,717	9,329,005	608,538	783,949	1,016,997
Total governmental activities program revenues	132,482,210	104,760,038	111,371,906	109,146,579	81,181,273	74,905,702	75,516,579	59,392,830	61,260,248	56,553,637
Business-type activities:										
Solid Waste										
Charges for services	2,224,757	2,248,791	2,313,315	2,153,708	1,924,516	1,609,564	1,248,606	1,147,041	1,113,071	960,135
Operating grants and contributions	133,077	94,379	155,422	45,575	51,037	49,430	105,547	41,969.00	144,683.00	—
Total Business-type activities revenue	2,357,834	2,343,170	2,468,737	2,199,283	1,975,553	1,658,994	1,354,153	1,189,010	1,257,754	960,135
Total Primary Government Program Revenues	134,840,044	107,103,208	113,840,643	111,345,862	83,156,826	76,564,696	76,870,732	60,581,840	62,518,002	57,513,772

Source: San Benito County Clerk, Auditor and Recorder

COUNTY OF SAN BENITO

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net (Expenses)/Revenue										
Governmental activities	(17,917,798)	(22,965,720)	14,359,502	1,244,522	(20,321,581)	(18,173,054)	(6,317,196)	(12,930,342)	(10,555,319)	(15,718,672)
Business-type activities	163,897	489,569	1,217,981	1,213,649	1,196,899	909,685	246,671	(323,801)	505,386	5,388,417
Total Primary Net (Expenses)/Revenue	(17,753,901)	(22,476,151)	15,577,483	2,458,171	(19,124,682)	(17,263,369)	(6,070,525)	(13,254,143)	(10,049,933)	(10,330,255)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes:										
Property taxes	26,366,922	24,603,200	22,246,015	20,858,444	19,370,463	18,063,692	16,947,363	15,895,467	14,904,105	14,163,226
Sales and use taxes	7,314,821	7,681,844	2,438,356	2,643,469	2,198,828	5,683,346	5,998,871	2,456,622	1,641,346	1,500,211
Franchise taxes	759,475	726,061	782,155	816,561	713,095	696,166	460,374	518,959	527,120	440,703
Other taxes	1,563,817	1,625,002	1,678,926	2,048,681	1,072,431	877,702	778,007	1,820,181	1,439,178	751,435
Unrestricted interest and investment earnings	7,075,493	2,869,458	(1,683,374)	720,805	2,443,159	2,130,361	1,345,174	584,998	385,480	222,370
Miscellaneous	10,584,654	1,967,867	71,899	92,694	689,323	202,391	487,498	1,094,458	1,149,886	2,241,644
Transfers	3,300,000	—	—	5,096,883	341,485	6,110	—	1,345	2,359	5,567,077
Total governmental activities	56,965,182	39,473,432	25,533,977	32,277,537	26,828,784	27,659,768	26,017,287	22,372,030	20,049,474	24,886,666
Business-type activities:										
Other taxes	—	—	—	—	—	—	—	—	—	—
Transfers	(3,300,000)	—	—	(5,096,883)	(341,485)	(6,110)	—	(1,345)	(2,359)	(5,567,077)
Unrestricted interest and investment earnings	226,562	110,408	(58,238)	27,831	140,610	136,410	79,168	38,973	18,010	30,198
Miscellaneous	55,172	28,595	—	—	—	—	90	—	—	—
Total business-type activities	(3,018,266)	139,003	(58,238)	(5,069,052)	(200,875)	130,300	79,258	37,628	15,651	(5,536,879)
Total Primary Government	53,946,916	39,612,435	25,475,739	27,208,485	26,627,909	27,790,068	26,096,545	22,409,658	20,065,125	19,349,787
Change in Net Position										
Governmental activities	39,047,384	16,507,712	39,893,479	33,686,600	6,507,203	9,486,798	19,700,091	9,441,688	9,494,155	9,167,994
Business-type activities	(2,854,369)	628,572	1,159,743	(3,855,403)	996,024	1,039,985	325,929	(286,173)	521,037	(148,462)
Total Primary Government	\$36,193,015	\$ 17,136,284	\$ 41,053,222	\$ 29,831,197	\$ 7,503,227	\$ 10,526,783	\$ 20,026,020	\$ 9,155,515	\$ 10,015,192	\$ 9,019,532

Source: San Benito County Clerk, Auditor and Recorder

COUNTY OF SAN BENITO

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

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	\$ 635,373	\$ 485,865	\$ 440,940	\$ 468,859	\$ 430,410	\$ 266,256	\$ 207,380	\$ 188,314	\$ 200,245	\$ 126,980
Restricted	18,844,093	19,512,327	20,306,643	16,108,544	8,304,895	3,666,652	2,621,709	2,621,709	2,288,857	—
Committed	—	—	—	—	—	3,449,921	3,000,000	3,000,000	—	—
Assigned	27,923,085	11,349,370	11,123,694	11,298,216	9,963,602	6,896,074	8,084,194	7,520,751	5,861,125	—
Unassigned	14,819,006	30,384,530	23,229,593	11,002,962	8,826,693	12,793,467	16,534,377	15,578,209	18,986,948	21,724,081
Subtotal General Fund	<u>62,221,557</u>	<u>61,732,092</u>	<u>55,100,870</u>	<u>38,878,581</u>	<u>27,525,600</u>	<u>27,072,370</u>	<u>30,447,660</u>	<u>28,908,983</u>	<u>27,337,175</u>	<u>21,851,061</u>
All Other Governmental Funds										
Nonspendable	211,034	159,688	337,387	253,100	173,912	164,229	149,720	1,611,936	1,114,335	52,511
Restricted	100,636,770	87,251,073	81,537,142	81,691,998	74,010,119	43,198,769	39,927,597	33,388,341	23,791,701	8,560,596
Committed	—	—	—	—	—	16,600,558	13,278,063	—	—	—
Assigned	650,125	897,039	1,014,879	153,692	85,131	2,482,114	773,218	12,415,017	16,983,721	19,022,253
Unassigned	(94,829)	(2,676,906)	(1,342,018)	(1,559,050)	(471,657)	(541,305)	(2,678,906)	(1,519,639)	(944,534)	(914,430)
Subtotal all other governmental funds	<u>101,403,100</u>	<u>85,630,894</u>	<u>81,547,390</u>	<u>80,539,740</u>	<u>73,797,505</u>	<u>61,904,365</u>	<u>51,449,692</u>	<u>45,895,655</u>	<u>40,945,223</u>	<u>26,720,930</u>
Total governmental fund balances	<u>\$163,624,657</u>	<u>\$147,362,986</u>	<u>\$136,648,260</u>	<u>\$119,418,321</u>	<u>\$101,323,105</u>	<u>\$ 88,976,735</u>	<u>\$ 81,897,352</u>	<u>\$ 74,804,638</u>	<u>\$ 68,282,398</u>	<u>\$ 48,571,991</u>

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

COUNTY OF SAN BENITO

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

Fiscal Year Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Taxes	\$ 35,245,561	\$ 33,910,046	\$ 26,363,297	\$ 25,550,593	\$ 22,641,722	\$ 25,056,988	\$ 23,700,680	\$ 18,817,375	\$ 17,173,324	\$ 16,855,575
Licenses and permits	2,283,453	2,606,364	2,309,673	3,227,591	3,171,602	1,913,968	1,598,127	1,294,916	1,757,688	759,936
Aid from other governments	107,940,993	89,983,144	80,787,955	90,636,842	61,750,298	61,522,652	56,157,066	44,205,957	45,379,095	45,484,109
Use of money or property	7,045,495	2,837,583	(1,713,373)	733,298	2,443,159	2,130,361	1,345,174	584,998	385,480	222,370
Fines, forfeits and penalties	1,079,346	1,201,132	947,521	866,290	795,669	1,296,516	1,314,162	3,502,470	2,469,281	2,959,499
Charges for services	26,664,941	21,776,016	29,678,171	21,597,394	18,444,203	11,801,582	9,232,526	8,952,217	8,840,711	7,958,833
Other revenue	8,890,339	1,276,079	1,474,587	1,058,159	1,011,840	683,460	1,102,244	1,214,385	1,561,943	2,241,644
Total Revenues	189,150,128	153,590,364	139,847,831	143,670,167	110,258,493	104,405,527	94,449,979	78,572,318	77,567,522	76,481,966
Expenditures:										
Current:										
General government	26,178,033	16,807,401	15,131,065	12,803,558	12,578,217	9,774,811	6,085,212	4,118,060	4,555,064	5,967,509
Public protection	43,359,429	40,499,593	39,284,474	41,759,992	35,734,428	32,102,869	31,194,175	29,832,391	27,722,110	27,225,640
Public ways and facilities	8,161,121	11,088,113	3,249,823	3,195,305	4,916,436	3,081,569	2,213,792	2,408,497	2,556,868	2,341,139
Health and sanitation	21,585,400	16,505,384	16,350,063	15,360,095	13,973,677	12,928,640	10,782,934	9,926,197	10,221,039	9,498,738
Public assistance	27,676,220	26,931,373	27,226,344	27,349,667	27,183,828	25,399,738	23,102,274	21,953,883	22,191,427	20,653,942
Education	6,566,572	10,240,272	1,918,526	1,477,115	1,306,230	1,126,439	1,050,265	991,421	904,665	1,045,146
Recreation and culture	224,666	189,595	228,406	215,444	143,261	135,949	251,366	162,256	142,257	138,010
Capital outlay	42,405,482	18,663,745	16,831,573	27,655,196	14,116,827	20,449,431	12,677,247	3,270,659	3,541,440	4,289,142
Debt Service:										
Principal	2,804,678	2,538,317	1,900,641	634,764	148,013	—	—	—	—	722,000
Interest	946,510	916,015	969,352	915,948	477,576	—	—	—	—	1,877
Total Expenditures	179,908,111	144,379,808	123,090,267	131,367,084	110,578,493	104,999,446	87,357,265	72,663,364	71,834,870	71,883,143
Excess (deficiency) of revenues over expenditures	9,242,017	9,210,556	16,757,564	12,303,083	(320,000)	(593,919)	7,092,714	5,908,954	5,732,652	4,598,823
Other Financing Sources (Uses):										
Issuance of LTD - principal	—	—	—	—	10,436,888	7,480,000	—	—	—	—
Issuance of LTD - interest	—	—	—	—	607,294	279,887	—	—	—	—
Transfers in	21,704,714	7,659,729	7,858,135	15,867,785	8,098,385	9,478,659	5,804,321	5,494,600	4,923,670	9,923,805
Transfers out	(18,404,714)	(7,659,729)	(7,858,135)	(10,770,902)	(6,831,759)	(9,576,593)	(5,804,321)	(5,493,255)	(4,921,311)	(4,356,728)
Capital Financing	744,505	—	—	—	—	—	—	—	—	—
Leases	744,815	153,710	472,375	16,827	355,562	11,349	—	25,211	—	—
Subscriptions	2,230,334	1,350,460	—	—	—	—	—	—	—	—
Total other financing sources (uses)	7,019,654	1,504,170	472,375	5,113,710	12,666,370	7,673,302	—	26,556	2,359	5,567,077
Net change in fund balances	16,261,671	10,714,726	17,229,939	17,416,793	12,346,370	7,079,383	7,092,714	5,935,510	5,735,011	10,165,900
Fund balances, beginning of year	147,362,986	136,648,260	119,418,321	102,001,528	88,976,735	81,897,352	74,804,638	68,869,128	62,547,387	38,406,091
Fund balances, end of year	\$163,624,657	\$147,362,986	\$136,648,260	\$119,418,321	\$101,323,105	\$ 88,976,735	\$ 81,897,352	\$ 74,804,638	\$ 68,282,398	\$ 48,571,991
Debt service as a percentage of noncapital expenditures:	2.73 %	2.75 %	3.10 %	1.52 %	0.66 %	— %	— %	— %	— %	1.08 %

COUNTY OF SAN BENITO

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

Fiscal Year End June 30	Gross Assessed Value				Exempt ^d	Net Assessed Taxable Value ^e	Total Direct Tax Rate
	Secured ^a	Unsecured ^b	Utility ^c	Total			
2024	12,087,972	659,223	254,892	13,002,087	300,371	12,701,716	1.00 %
2023	11,209,010	554,374	255,343	12,018,727	278,799	11,739,928	1.00 %
2022	10,109,782	470,092	234,450	10,814,324	264,325	10,549,999	1.00 %
2021	9,469,113	465,430	185,223	10,119,766	250,330	9,869,436	1.00 %
2020	8,821,940	460,747	182,832	9,465,519	224,885	9,240,634	1.00 %
2019	8,119,329	435,612	180,717	8,735,658	184,123	8,551,535	1.00 %
2018	7,540,336	416,732	158,659	8,115,727	178,094	7,937,633	1.00 %
2017	6,970,102	417,587	147,464	7,535,153	171,727	7,363,426	1.00 %
2016	6,522,864	360,571	141,922	7,025,357	163,969	6,861,388	1.00 %
2015	6,104,580	362,446	129,807	6,596,833	163,555	6,433,278	1.00 %

- a. Secured property is generally real property, defined as land, mines, minerals, timber and improvements such as buildings, structures, crops, trees and vines.
- b. Unsecured property is generally personal property including machinery, equipment, tools and supplies.
- c. State regulated utility property. These are assessed by the State Board of Equalization
- d. Exempt properties include full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.
- e. Due to the 1978 passage of the property tax initiative Proposition 13, the County does not track the estimated actual value of all county properties. Under Prop. 13 property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the CPI on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date of purchase. Additionally, Prop. 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter-approved bonds and special assessments.

Data Source: San Benito County Assessor's Annual Reports

COUNTY OF SAN BENITO

Property Tax Levies and Collections
Last Ten Fiscal Years

Year Ending 6/30:	Taxes Levied (1)	Collections Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2024	163,639,965	160,595,561	98 %	NA	160,595,561	98 %
2023	149,739,229	148,203,249	99 %	534,580	148,737,828	99 %
2022	136,337,669	135,093,034	99 %	747,523	135,840,557	100 %
2021	127,598,490	125,690,688	99 %	1,309,422	127,000,111	100 %
2020	117,092,874	115,360,954	99 %	1,089,812	116,450,766	99 %
2019	107,495,697	105,821,950	98 %	1,296,042	107,117,992	100 %
2018	100,683,281	99,144,108	98 %	1,152,428	100,296,536	100 %
2017	90,443,837	89,172,281	99 %	1,429,479	90,601,760	100 %
2016	84,064,227	82,906,000	99 %	1,071,713	83,977,713	100 %
2015	77,259,690	76,200,565	99 %	993,924	77,194,489	100 %

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

Note (1) Based on final levy after adjustments

Source: San Benito County Auditor

COUNTY OF SAN BENITO

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

Fiscal Year	County of San Benito	Cities	Range of overlapping Rates (%):					
			Schools		Special Districts			
2024	1.000	n/a	0.0611	—	0.1476	—	—	0.2670
2023	1.000	n/a	0.0786	—	0.1547	—	—	0.2679
2022	1.000	n/a	0.0450	—	0.1680	—	—	0.2694
2021	1.000	n/a	0.0743	—	0.1536	—	—	0.2700
2020	1.000	n/a	0.0702	—	0.1567	—	—	0.2709
2019	1.000	n/a	0.0692	—	0.1661	—	—	0.2718
2018	1.000	n/a	0.0705	—	0.1514	—	—	0.2727
2017	1.000	n/a	0.0498	—	0.1330	—	—	0.2739
2016	1.000	n/a	0.0502	—	0.1068	—	—	0.2745
2015	1.000	n/a	0.0239	—	0.0962	0.0284	—	0.2784

Source: San Benito County Auditor

COUNTY OF SAN BENITO

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

Fiscal Year Ended June 30,
(values in millions)

Taxpayer	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Pacific Gas & Electric Co.	211.8	194.2	174.4	163.0	156.0	153.7	129.3	119.7	115.2	105.6
Granite Rock Co.	128.3	131.2	137.4	114.7	100.5	87.7	77.5	73.3	69.4	62.8
Natural Selection Foods LLC	—	—	—	68.7	67.4	84.4	82.7	68.5	67.5	59.0
McCormick Selph Inc. A Calif Corp	40.7	38.4	36.2	33.7	33.7	30.9	30.0	28.9	27.6	27.5
Stone Canyon Ranch LLC	—	31.0	30.3	30.0	29.4	28.8	28.2	27.7	27.3	26.8
Property Reserve Inc.	—	—	—	—	26.2	—	—	—	—	29.8
Award Homes Inc. A CA Corp	—	—	—	22.5	22.0	21.6	21.1	20.8	20.4	15.6
Clearist Park Inc A Calif Corp	—	—	19.3	19.1	37.5	18.4	18.0	—	—	—
Northpointe Associates LLC	—	—	—	—	21.0	20.6	20.1	19.8	19.5	19.1
The Wine Group LLC	—	—	25.8	21.2	—	—	—	—	—	—
AGNL Salad LP	34.6	33.9	33.5	19.6	—	—	—	—	—	—
KB Home South Bay Inc A CA Corp	—	—	—	—	17.8	—	—	—	—	—
9351 Fairview LLC A CA LTD LIAB Co	—	—	—	19.2	—	19.0	24.8	—	—	—
TLF-SJB LLC A CALIF LTD LIAB Co	—	—	—	—	—	18.7	—	18.3	18.2	18.0
Delicato Vineyards A CA Corp	—	—	—	—	—	—	19.4	—	—	—
Diageo Chateau & Estate Wines Co A Cal Corp	—	—	—	—	—	—	—	17.2	—	—
Las Aguilas LLC a Cal LLC	—	—	—	—	—	—	—	16.9	15.3	14.7
Marich Confectionery Associates	—	—	—	—	—	—	—	—	14.1	—
AT&T California	—	46.9	45.7	—	—	—	—	—	—	—
1721 San Juan Highway LLC A Del LLC	60.7	59.5	58.3	—	—	—	—	—	—	—
El Rancho San Benito LLC a Delaware Ltd. Liab. Co.	—	—	—	—	—	—	—	—	—	—
KB Homes South Bay Inc	32.9	—	—	—	—	—	—	—	—	—
Lennar Homes of CA LLC	23.2	—	—	—	—	—	—	—	—	—
Bradford Way LLC	—	—	19.1	—	—	—	—	—	—	—
Hollister Gateway Hotel LP ETAL	10.2	0.7	—	—	—	—	—	—	—	—
ET Hollister LLC	82.7	81.1	—	—	—	—	—	—	—	—
San Juan Oaks Owner LLC	45.1	45.1	—	—	—	—	—	—	—	—

COUNTY OF SAN BENITO

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

(In thousands, except Population and Per Capita)

Fiscal Year	General Bonded Debt	Restricted for Principal Repayment	Net Bonded Debt	Net Assessed Taxable Value of Property	Percentage of Taxable Value of Property	Population	Net Bonded Debt Per Capita
2023-24	—	—	—	12,701,716	0.00 %	68,175	—
2022-23	—	—	—	11,739,928	0.00 %	67,579	—
2021-22	—	—	—	10,549,999	0.00 %	66,677	—
2020-21	—	—	—	9,869,436	0.00 %	64,055	—
2019-20	—	—	—	9,240,634	0.00 %	62,808	—
2018-19	—	—	—	8,551,535	0.00 %	61,537	—
2017-18	—	—	—	7,937,633	0.00 %	60,310	—
2016-17	—	—	—	7,363,427	0.00 %	59,414	—
2015-16	—	—	—	6,861,388	0.00 %	58,792	—
2014-15	—	—	—	6,433,278	0.00 %	58,267	—

Notes:

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

COUNTY OF SAN BENITO

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

Fiscal Year	Principal	Interest	Total Debt Service	Total General Government Expenditures	Ratio of Debt Service to General Government Expenditures
2023-24	2,804,678	946,510	3,751,188	28,586,975	13.12%
2022-23	2,538,317	916,015	3,454,332	17,922,654	19.27%
2021-22	1,900,641	969,352	2,869,993	15,638,185	18.35%
2020-21	634,764	915,948	1,550,712	12,859,562	12.06%
2019-20	148,013	477,576	625,589	12,578,217	4.97%
2018-19	—	—	—	15,171,369	0.00%
2017-18	—	—	—	7,162,158	0.00%
2016-17	—	—	—	4,390,182	0.00%
2015-16	—	—	—	4,820,901	0.00%
2014-15	—	—	—	6,913,665	0.00%

Notes:

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

COUNTY OF SAN BENITO

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

	Fiscal Year									
	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Governmental Activities:										
Leases	1,594	1,886	3,129	—	—	—	—	—	—	—
Subscriptions	3,124	1,853	1,120	—	—	—	—	—	—	—
Capital Financing	7,966	7,634	7,917	8,179	8,407	8,222	105	—	—	—
Certificates of Participation	16,985	17,384	17,764	18,129	18,437	7,760	—	—	—	—
Loans Payable	53	79	115	178	260	50	—	—	—	—
Total Governmental Activities	29,722	28,836	30,045	26,486	27,104	16,032	105	—	—	—
Business-type Activities:										
Leases	2	3	—	—	—	—	—	—	—	—
Capital Financing	—	—	—	—	—	—	—	—	—	—
Certificates of Participation	—	—	—	—	—	—	—	—	—	—
Landfill Closure & Post-closure	—	—	—	—	—	—	—	5,032	4,818	4,521
Pension Obligation Bonds	—	—	—	—	—	—	—	—	—	—
Total Business-type Activities	2	3	—	—	—	—	—	5,032	4,818	4,521
Total Primary Government	29,724	28,839	30,045	26,486	27,104	16,032	105	5,032	4,818	4,521
Percentage of Personal Income	0.66 %	0.63 %	771.37 %	763.07 %	818.36 %	517.83 %	3.81 %	0.20 %	0.20 %	0.20 %
Per Capita	436	433	469	422	440	266	2	86	83	78
Personal Income (thousands) (for PPI)	4,521	4,592	3,895	3,471	3,312	3,096	2,756	2,566	2,417	2,240
Population (per capita)	68,175	66,677	64,055	62,808	61,537	60,310	59,414	58,792	58,267	57,993

Notes:

Personal income source figures for PPI and population figures for Per Capita in years 2001-02 through 2004-05 are from the California Bureau of Economic Analysis. For years 2014-15 through 2023-24 figures are from the California Department of Finance (see "Demographics and Economic statistics"). Financial information derived from San Benito County annual audits.

COUNTY OF SAN BENITO

Legal Debt Margin
Last Ten Fiscal Years
(Unaudited)

(In thousands)

Fiscal Year	DEBT LIMIT		DEBT APPLICABLE TO LIMIT			Legal Debt Margin	Total Net Debt to the Debt Limit as a %
	Net Assessed Value	Debt Limit- 5% of Assessed Value	General Bonded Debt	Restricted for Principal Repayment	Total Net Debt		
2023-24	12,702	635	—	—	—	635	0.00 %
2022-23	11,740	587	—	—	—	587	0.00 %
2021-22	10,550	528	—	—	—	528	0.00 %
2020-21	9,869	493	—	—	—	493	0.00 %
2019-20	9,241	462	—	—	—	462	0.00 %
2018-19	8,552	428	—	—	—	428	0.00 %
2017-18	7,938	397	—	—	—	397	0.00 %
2016-17	7,363	368	—	—	—	368	0.00 %
2015-16	6,861	343	—	—	—	343	0.00 %
2014-15	6,433	322	—	—	—	322	0.00 %

Notes:

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

COUNTY OF SAN BENITO

Demographics and Economic Statistics
Last Ten Years

	For the Year Ending June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Population (a)	68,175	67,579	66,677	64,055	62,808	61,537	60,310	59,414	58,792	58,267
Personal Income (In thousands) (a)	4,521	4,169	4,592	3,895	3,471	3,312	3,096	2,756	2,566	2,417
Per Capita Personal Income (a)	66,310	61,693	68,868	60,807	55,261	53,822	51,343	46,392	43,643	41,486
County Unemployment Rate (b)	6.0 %	5.4 %	5.6 %	8.4 %	7.9 %	5.8 %	6.1 %	6.4 %	7.6 %	9.3 %

Notes:

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

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

COUNTY OF SAN BENITO

Construction and Building Activity Last Ten Years

Year	Residential Construction Valuation	Percent Change	Building Permits Issued	Percent Change
2023	111,159,346	21.81%	270	1.89%
2022	91,258,562	(14.26)%	265	(20.66)%
2021	106,432,610	(24.69)%	334	(30.99)%
2020	141,323,730	(44.20)%	484	(34.06)%
2019	253,251,096	118.14%	734	130.09%
2018	116,096,780	91.24%	319	117.01%
2017	60,706,055	(12.04)%	147	(46.35)%
2016	69,018,597	23.88%	274	46.52%
2015	55,716,190	108.06%	187	78.10%
2014	26,778,577	(18.81)%	105	(26.57)%

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

COUNTY OF SAN BENITO

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

Fund/Dept/Div	Program/ Job Class Title	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
General Government											
101.10.1000	Board of Supervisors	5	5	5	5	5	5	5	5	5	5
101.15.1005	Clerk of the Board of Supervisors	2	2	3	2	2	2	4	2	3	1.8
101.15.1010	County Administrative Officer	7	6	5	6	6	6	4	5	4	4
101.15.1065	Information Technology	9	6	6	6	6	4	5	5	5	5
101.15.1075	GIS	1	1	1	1	1	1	1	1	1	1
101.25.1210	County Counsel	5	7	7	6	6	6	5	3	4	3.8
101.20.1145	County Auditor	13	10	12	11	12	10	11	9	9.7	9.8
101.30.1155	Treasurer	3	2	3	3	3	3	3	3	3	2.8
101.35.1170	Assessor	19	15	18	18	19	21	17	17	13	10
101.30.1160	Tax Collector	4	3	4	3	3	3	3	3	5	3.3
101.15.1080	Internal Services	7	4	4	4	4	4	4	3	2	3.5
101.20.1115	Elections	5	4	4	4	5	3	3	2	0.9	2.8
101.70.1290	Buildings & Grounds Maintenance	8	10	10	4	4	4	4	2	1.8	1.8
101.20.1140	Risk Management	—	—	—	—	—	—	—	—	—	—
Total General Government		88	75	82	73	76	72	69	60	57.4	54.6
Public Protection											
101.45.1205	District Attorney	15	13	15	13	14	12	11	12	11	9
101.40.1175	Sheriff's Operations	34	26	31	32	28	31	32	34	27	23
101.15.1035	Marshal's Office	—	—	—	—	—	—	—	—	—	—
101.40.1180	Communications	1	1	1	1	—	—	—	—	1	—
101.40.1195	Jail	27	15	27	30	32	27	26	25	24	25.5
101.50.1215	Probation	27	30	30	28	28	24	24	22	19	18
101.50.1220	Juvenile Hall	16	8	7	12	12	13	11	12	9	12
101.50.1225	Gang Prevention Program	—	—	—	—	—	—	1	—	2	1.8
101.60.1250	Ag. Commissioner/Sealer of Weights & Measures	8	7	7	9	7	7	7	8	6	6.6
101.20.1120	County Clerk	5	2	3	2	—	1	—	1	3	0.5
101.20.1125	County Recorder	8	2	2	3	3	5	4	4	1.5	3
101.15.1045	Office of Emergency Services	3	2	2	2	2	2	2	2	2	1
101.65.1265	Planning	12	12	10	11	8	6	8	10	6	5
101.65.1270	Housing & Economic Development	1	—	—	—	—	—	—	—	—	1
101.15.1105	LAFCO	—	—	—	—	—	—	—	—	—	—
101.65.1275	Abandoned Vehicle Abatement	—	—	—	—	—	—	—	—	—	0.5
229.85.2530	Child Support Services	9	9	9	10	14	17	16	18	19	19
251.45.2980	Victim Witness Program	3	3	3	4	3	3	3	2	1	1

COUNTY OF SAN BENITO

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

Fund/Dept/Div	Program/ Job Class Title	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15
252.40.2990	UNET Anti-Drug Task Force	—	—	—	—	—	—	—	—	—	—
101.40.1190	Sheriff's State Grants	2	—	—	—	—	—	—	—	2	1.3
261.60.3050	Mosquito Abatement	6	—	—	—	—	—	1	1	2	1.5
	Total Public Protection	177	130	147	157	153	148	146	151	135.5	129.7
	Public Ways and Facilities										
101.70.1295	PW Administration & Engineering	11	12	10	13	10	13	9	9	7	5.3
210.70.2010	Road Maintenance	15	9	12	12	11	11	14	15	15	20.4
101.15.1090	Council of Governments (COG)	7	7	7	6	6	8	7	7	8	8
270.70.3080	CSA Maintenance & Operations	2	—	—	1	—	—	—	—	—	—
	Total Public Ways and Facilities	35	28	29	32	27	32	30	31	30	33.7
	Health and Sanitation										
228.90.2520	Mental Health	53	42	45	39	43	40	39	40	39	43.3
230.90.2540	Substance Abuse Treatment Program	19	6	7	7	6	7	7	7	10	11.8
224.80.2370	Public Health Programs	26	28	27	23	17	17	25	20	25	19.9
224.80.2410	Environmental Health	4	4	4	5	—	—	—	—	—	—
301.75.3800	Integrated Waste Management & Resource Recovery	11	5	4	2	1	1	1	1	—	2
	Total Health and Sanitation	113	85	87	76	67	65	72	68	74	77
	Public Assistance										
221.80.2285	Human Services Agency	111	105	112	115	87	83	124	111	98	81
222.80.2360	In-Home Supportive Services Public Authority	2	1	1	1	2	2	3	3	2	1
227.15.2475	Emergency Medical Services	1	1	1	2	2	2	2	2	3	3
240.80.2555	C.S.W.D. Department	13	13	11	10	11	12	9	10	23	8
256.80.3030	Migrant Labor Housing Center	3	3	3	2	2	2	2	3	4	3
101.15.1060	First 5	—	—	—	—	—	—	—	—	2	2
101.80.1310	Veteran Services	—	—	—	—	—	—	1	1	—	—
	Total Public Assistance	130	123	128	130	104	101	141	130	132	98
	Education										
101.55.1235	County Library	7	8	10	10	8	9	7	6	6	5
101.15.1110	Ag Extension / Farm Advisor	—	—	—	—	—	—	—	—	—	—
	Total Education	7	8	10	10	8	9	7	6	6	5
	Recreation and Culture										
101.70.1300	Veterans Memorial Park	1	1	1	1	1	1	0.5	0.5	0.6	0.7
101.70.1305	Parks	1	—	—	—	—	—	0.5	0.5	0.6	0.7
	Total Recreation and Culture	2	1	1	1	1	1	1	1	1.2	1.4
	Total Positions	552	450	484	479	436	428	466	447	436.1	399.4



COUNTY OF SAN BENITO

Fiscal Year 2024 Auditor Communication



SCOPE OF THE AUDIT

- Audit of the County's financial statements
 - Amounts reported, accounting principles, estimates, notes
- Reporting on identified internal control deficiencies, if any
- Federal compliance single audit



SCOPE OF THE AUDIT

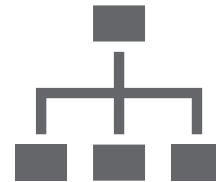


Auditor's responsibilities

Forming and expressing opinions based on the results of our audit of the **financial statements**, and audit of **compliance**.

Plan and perform the audit.

Consideration of internal control over financial reporting.



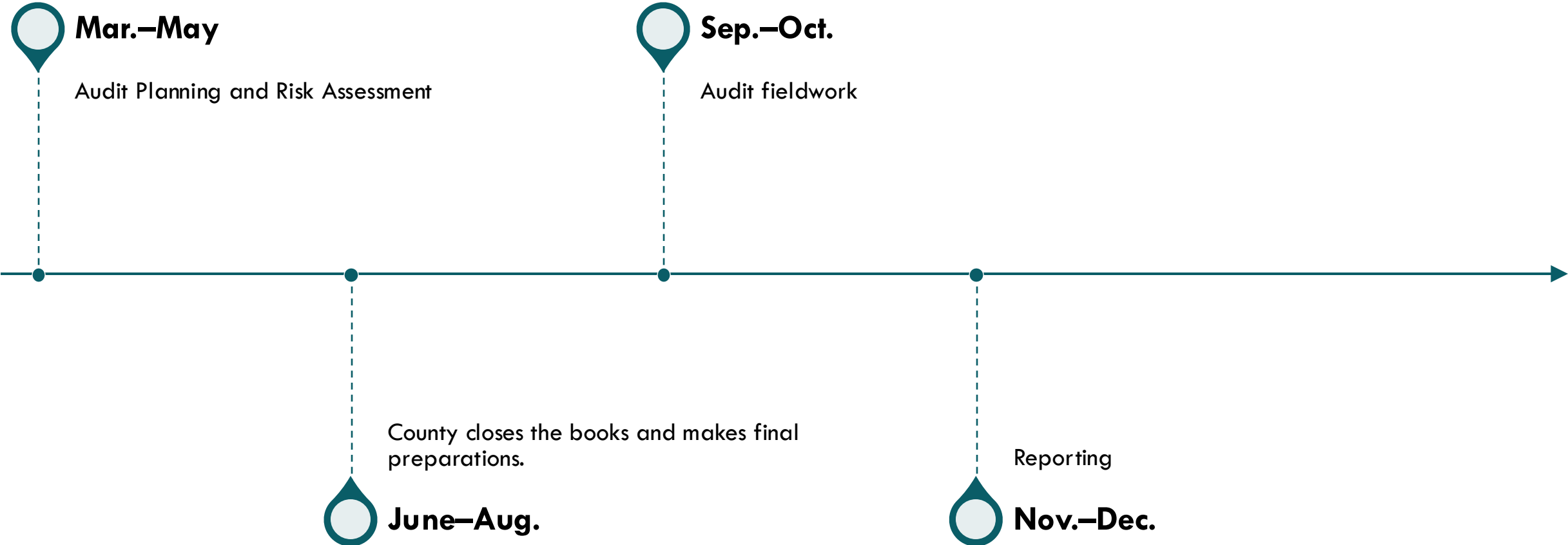
Management's Responsibilities

Completeness and accuracy of the financial statements, maintenance of internal control over financial reporting, and compliance with laws and regulations.

The County's management is responsible for preparing the financial information, design and implementation of internal control, and compliance.



TIMING



GFOA, CERTIFICATE OF EXCELLENCE



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of San Benito
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



1 **OPINION ON THE FINANCIAL STATEMENTS**

“...the financial statements present fairly, in all material respects, the financial position of the County...”

2 **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

2024-001 Specific adjustments were made to present the financial statements in accordance with generally accepted accounting principles for governmental entities.

3 **SINGLE AUDIT COMPLIANCE**

“In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.”



SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program: Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	None Reported

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing Number</u>
Highway Planning and Construction	20.205
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
Dollar threshold used to distinguish between type A and type B programs:	\$1,474,488
Auditee qualified as low-risk auditee?	No



AUDIT ADJUSTMENTS

The following summarizes uncorrected financial statement misstatement whose effects in the current and prior periods, as determined by management, is immaterial, both individually and in the aggregate, to the financial statements taken as a whole.



<u>Account Name</u>	<u>DR</u>	<u>CR</u>
<i>Human Services Agency Fund</i>		
1 Revenue	\$140,660	
Deferred Inflow of Resources- Unavailable Revenues		\$140,660

The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

<u>Account Name</u>	<u>DR</u>	<u>CR</u>
1 <i>Road Fund</i>		
Revenue	\$278,899	
Deferred inflows of resources, unavailable revenues		\$278,899

2024-001 MATERIAL WEAKNESS IN INTERNAL CONTROL OVER FINANCIAL REPORTING

Criteria: The County's management is responsible for preparing and fairly presenting its financial statements. This includes designing, implementing, and maintaining internal controls to ensure the statements are free from material misstatements, whether due to fraud or error.

Condition: Specific adjustments were made to present the financial statements in accordance with generally accepted accounting principles for governmental entities.

Cause: The County's limited size and staffing resources have made it challenging for management to provide adequate staffing in a cost-effective manner.

Effect: There is a higher risk of errors related to financial reporting.

Recommendation: We recommend that the County continually monitor its internal controls over financial reporting so they remain effective.

Views of Responsible Officials: The County's management agrees with this finding. See separately issued corrective action plan.



QUESTIONS?

This presentation is presented with the understanding that the information contained does not constitute legal, accounting or other professional advice. It is not intended to be responsive to any individual situation or concerns, as the contents of this presentation are intended for general information purposes only. Viewers are urged not to act upon the information contained in this presentation without first consulting competent legal, accounting or other professional advice regarding implications of a particular factual situation. Questions and additional information can be submitted to your Eide Bailly representative, or to the presenter of this session.



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March 26, 2025

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

We have audited the financial statements of the County of San Benito, California (County) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 30, 2024. We have also provided our communication in accordance with professional standards on the audit of the financial statements in our letter dated December 30, 2024. Professional standards require that we advise you of the following matters relating to our audit of compliance under the Uniform Guidance.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance

As communicated in our letter dated July 2, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the County complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal controls of the County solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of the County's major federal program compliance, is to express an opinion on the compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the County's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated December 30, 2024. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance March 26, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

As stated in our auditor's report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as "significant risks". We have identified the following as significant risks.

- *Management Override of Controls* – professional standards require auditors to address the possibility of management overriding controls. Accordingly, we considered the possibility that management of the organization may have the ability to override controls that the organization has implemented. Management may override the organization's controls in order to modify the financial records with the intent of manipulating the financial statements to overstate the organization's financial performance or with the intent of concealing fraudulent transactions. We are pleased to report that no such matters were identified during our audit.
- *Improper Revenue Recognition* – professional standards require auditors to presume that revenue recognition is a fraud risk. Therefore, improper revenue recognition was identified as a fraud risk due to possibility that revenue is not recorded in the proper period, in the incorrect amount, etc. either due to error or fraud. We are pleased to report that no actual instances were identified during our audit.
- *Estimates* – Generally Accepted Auditing Standards require a presumed risk of management bias when assumptions are used to calculate significant account balances, which for the Transportation Authority applies to pension and other post-employment benefits.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the County is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fiscal year, other than the implementation of GASB Statement No. 87, *Leases*. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are involving the incurred but not reported claims liability, lease accounting discount rates, and the valuations for pension and postemployment benefits as follows:

- Management's estimate of the claims incurred but not reported claims liability is based on actuarial valuations prepared in accordance with actuarial standards of practice.
- Management's estimate of the pension and postemployment benefits is based on actuarial valuations prepared in accordance with the methods prescribed by governmental accounting standards.

We evaluated the key factors and assumptions used to develop the management estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the County's financial statements relate to the following:

- **Note 13** describes the valuation of the County's net pension liability and related deferred outflows and inflows of resources. Such amounts are sensitive to the underlying actuarial assumptions used including, but not limited to, the investment rate of return and discount rate. As disclosed, a one percent increase or decrease in the discount rate has a material effect on the County's net pension liability.
- **Note 14** describes the County's other postemployment benefits (OPEB) liability and related deferred outflows and inflows of resources are sensitive to the underlying actuarial assumptions used including, but not limited to, the discount rate and healthcare cost trend rate. As disclosed, a one percent increase or decrease in the discount rate or the healthcare cost trend rate has a material effect on the County's post-employment benefits liability.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

The following summarizes uncorrected financial statement misstatement whose effects in the current and prior periods, as determined by management, is immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

<u>Account Name</u>	<u>DR</u>	<u>CR</u>
<i>Human Services Agency Fund</i>		
1 Revenue	\$140,660	
Deferred Inflow of Resources- Unavailable Revenues		\$140,660

The effect of these uncorrected immaterial misstatements, as of and for the year ended June 30, 2024, is the availability of the fund for recognizing a governmental revenue, which has immaterial impact on the ending fund balance.

The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

<u>Account Name</u>	<u>DR</u>	<u>CR</u>
1 <i>Road Fund</i>		
Revenue	\$278,899	
Deferred inflows of resources, unavailable revenues		\$278,899

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated December 30, 2024 for the basic financial statements and March 26, 2025 for the single audit.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the County, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the County's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in County's annual reports does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the other information, which includes the introductory and statistical sections, and considered whether a material inconsistency exists between the other information and the basic financial statements, or if 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.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

The County's financial statements include the financial statements of First 5 San Benito County Children and Families Commission, a discretely presented component unit of the County, which we considered to be significant component of the County's financial statements. Consistent with the audit of the County's financial statements as a whole, our audit included obtaining an understanding of the component unit. and their environment, including internal control, sufficient to assess the risks of material misstatement of the County's financial statements and completion of further audit procedures.

This report is intended solely for the information and use of the County Board of Supervisors, and management of the County and is not intended to be, and should not be, used by anyone other than these specified parties.

Eide Bailly LLP

Menlo Park, California



Federal Awards Reports in Accordance
with the Uniform Guidance
June 30, 2024

County of San Benito - Single Audit

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 1

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Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Supervisors
County of San Benito, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of San Benito, California (County), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements and have issued our report thereon dated December 30, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Menlo Park, California
December 30, 2024



Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Board of Supervisors
County of San Benito, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of San Benito’s (County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County’s major federal programs for the year ended June 30, 2024. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and report on Supplementary Schedules of Revenues and Expenditures

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of San Benito, California, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 30, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The supplementary schedules of revenues and expenditures (CSBG Discretionary Contract No. 22F-5034, ESLIHEAP Contract No. 23J-5733, CSBG Contract No. 23F-4034, LIHEAP 23B-5029, and SLIHEAP No. 23Q-5578) are presented for purposes of additional analysis as required by the grant agreements and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and supplementary schedules of revenues and expenditures (CSBG Discretionary Contract No. 22F-5034, ESLIHEAP Contract No. 23J-5733, CSBG Contract No. 23F-4034, LIHEAP 23B-5029, and SLIHEAP No. 23Q-5578) are fairly stated in all material respects in relation to the basic financial statements as a whole.

Eide Bailly LLP

Menlo Park, California
March 26, 2025

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed-Through to Subrecipients
U.S. Department of Agriculture				
Passed through the State Department of Food and Agriculture				
Plant and Animal Disease, Pest Control, and Animal Care	10.025	21-0517-035-SF	\$ 11,506	\$ -
Plant and Animal Disease, Pest Control, and Animal Care	10.025	22-0294-029-SF	11,813	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	22-1695-021-SF	9,531	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	22-1695-021-SF	13,005	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	22-1695-021-SF	46,321	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	22-1695-021-SF	3,310	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	23-0026-40-SF	47,303	-
Plant and Animal Disease, Pest Control, and Animal Care	10.025	23-0729-021-SF	20,808	-
Subtotal ALN 10.025			163,597	-
Passed through State Department of Public Health/County of Monterey				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		179,439	-
Passed through State Department of Social Services				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		510,005	-
Subtotal SNAP Cluster			689,444	-
Total U.S. Department of Agriculture			853,041	-
U.S. Department of Housing and Urban Development				
Direct Program				
Continuum of Care Program	14.267	CA1072L9T062210	240,979	-
Continuum of Care Program	14.267	CA1072L9T062311	117,497	-
Subtotal ALN 14.267			358,476	-
Home Investment Partnerships Program	14.239		2,115,299	-
Passed through State Department of Housing and Community Development				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-CDBG-CV2-3-00340	425,975	-
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-CDBG-CV1-00185	31,871	-
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-CDBG-12019	37,501	37,501
Subtotal State-Administered CDBG			495,347	37,501
Passed through City of San Jose				
Housing Opportunities for Persons with AIDS	14.241	HOP-23-001	149,995	-
Total U.S. Department of Housing and Urban Development			3,119,117	37,501

See Notes to Schedule of Expenditures of Federal Awards

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

U.S. Department of the Interior

Passed through California Department of Fish and Wildlife Cooperative Endangered Species Conservation	15.615	F21AP04151-00	430,506	-
Total U.S. Department of the Interior			430,506	-

U.S. Department of Justice

Direct Programs				
Domestic Cannabis Eradication/Suppression Program	16.000	2023-36	7,974	-
State Criminal Alien Assistance Program	16.606		155,906	-
Passed through State Office of Emergency Services				
Crime Victim Assistance	16.575	XC22 05 0350	63,768	-
Crime Victim Assistance	16.575	XC23 06 0350	50,058	-
Crime Victim Assistance	16.575	VW22 39 0350	57,838	-
Crime Victim Assistance	16.575	VW23 40 0350	168,581	-
Subtotal ALN 16.575			340,245	-
Violence Against Women Formula Grants	16.588	VW23 01 0350	102,184	-
Total U.S. Department of Justice			606,309	-

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

U.S. Department of Labor

Passed through State Employment Development Department

WIOA Adult Program	17.258	AA311029	73	-
WIOA Adult Program	17.258	AA411029	38,146	-
WIOA Adult Program	17.258	AA411029	155,807	-
Subtotal ALN 17.258			194,026	
WIOA Youth Activities	17.259	AA411029	84,627	-
WIOA Youth Activities	17.259	AA511029	36,490	-
Subtotal ALN 17.259			121,117	
WIOA Dislocated Worker Formula Grants	17.278	AA311029	10,237	-
WIOA Dislocated Worker Formula Grants	17.278	AA411029	43,133	-
WIOA Dislocated Worker Formula Grants	17.278	AA411029	156,874	-
WIOA Dislocated Worker Formula Grants	17.278	AA411029	22,476	-
WIOA Dislocated Worker Formula Grants	17.278	AA411029	81,744	-
WIOA Dislocated Worker Formula Grants	17.278	AA411029	18,693	-
Subtotal ALN 17.278			333,157	-
Subtotal WIOA Cluster			648,300	-
Total U.S. Department of Labor			648,300	-

U.S. Department of Transportation

Passed through State Department of Transportation

Highway Planning and Construction	20.205	BRLO-5943(063)	214,283	-
Highway Planning and Construction	20.205	BRLS-5943(043)	22,485,188	-
Highway Planning and Construction	20.205	BRLS-5943(054)	2,215	-
Highway Planning and Construction	20.205	BRLS-5943(062)	654	-
Highway Planning and Construction	20.205	BRLS-5943(056)	121,210	-
Highway Planning and Construction	20.205	BRLKS-NBIL (501)	19,589	-
Highway Planning and Construction	20.205	BRLS-5943 (055)	103,300	-
Highway Planning and Construction	20.205	BRLS-5943 (075)	229,002	-
Highway Planning and Construction	20.205	ER32LO(426)	118,170	-
Highway Planning and Construction	20.205	ER32LO(427)	76,424	-
Total ALN 20.205			23,370,035	-
Total U.S. Department of Transportation			23,370,035	-

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

<u>U.S. Department of Treasury</u>				
Direct Programs				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-5905	2,377,480	-
Total U.S. Department of Treasury			2,377,480	-
<u>Federal Communications Commission (FCC)</u>				
Passed through Universal Service Administrative Company				
Emergency Connectivity Fund Program	32.009	ECF202114718	3,080,000	-
Emergency Connectivity Fund Program	32.009	ECF202209667	2,185,333	-
Total Federal Communications Commission			5,265,333	-
<u>Environmental Protection Agency</u>				
Passed through County of Santa Clara				
Climate Pollution Reduction Grants	66.046	PO 4400008684	110,004	-
Total Environmental Protection Agency			110,004	-
<u>U. S. Department of Health and Human Services</u>				
Passed through the State Department of Social Services				
Guardianship Assistance	93.090		38,355	-
Guardianship Assistance	93.090		7,555	-
Subtotal ALN 93.090			45,910	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556		40,917	-
Temporary Assistance for Needy Families	93.558		663,243	-
Temporary Assistance for Needy Families	93.558		242,636	-
Temporary Assistance for Needy Families	93.558		1,859,665	-
Temporary Assistance for Needy Families	93.558		266,456	-
Temporary Assistance for Needy Families	93.558		57,983	-
Temporary Assistance for Needy Families	93.558		140,070	-
Subtotal ALN 93.558			3,230,053	-

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Community-Based Child Abuse Prevention Grants	93.590	15,406	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	43,172	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	17,198	-
Elder Abuse Prevention Interventions Program	93.747	1,352	-
Foster Care Title IV-E	93.658	242,031	-
Foster Care Title IV-E	93.658	400,086	-
Foster Care Title IV-E	93.658	25,303	-
Foster Care Title IV-E	93.658	88,392	-
Foster Care Title IV-E	93.658	101,272	-
Foster Care Title IV-E	93.658	25,411	-
Foster Care Title IV-E	93.658	102,269	-
Foster Care Title IV-E	93.658	4,984	-
Foster Care Title IV-E	93.658	2,327	-
Subtotal ALN 93.658		992,075	-
Adoption Assistance	93.659	877,915	-
Adoption Assistance	93.659	11,743	-
Subtotal ALN 93.659		889,658	-
Social Services Block Grant	93.667	4,293	-
Social Services Block Grant	93.667	92,568	-
Subtotal ALN 93.667		96,861	-

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Passed through the State Department of Public Health				
Public Health Emergency Preparedness	93.069	22-10674	5,991	-
Public Health Emergency Preparedness	93.069	22-10674	<u>80,162</u>	-
Subtotal ALN 93.069			86,153	-
Immunization Cooperative Agreements	93.268	22-10537	528,385	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COVID-19 ELC35	59,508	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	COVID-19 ELC93	<u>584,653</u>	-
Subtotal ALN 93.323			644,161	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis	93.354	CERI-21-23-31	69,382	-
National Bioterrorism Hospital Preparedness Program	93.889	22-10674	87,786	-
Maternal and Child Health Services Block Grant to the States	93.994	202335	101,100	-
Maternal and Child Health Services Block Grant to the States	93.994	202335	45,038	-
Maternal and Child Health Services Block Grant to the States	93.994	202335	<u>8,436</u>	-
Subtotal ALN 93.994			154,574	-
Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	CASPHI0031	114,839	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977		53,692	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		4,219	-
Passed through the State Department of Child Support Services				
Child Support Services	93.563		656,138	-
Child Support Services	93.563		<u>20,789</u>	-
Subtotal ALN 93.563			676,927	-

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Passed through State Community Services Development Department				
Low-Income Home Energy Assistance	93.568	23J-5733	36,778	-
Low-Income Home Energy Assistance	93.568	24B-2029	87,903	-
Low-Income Home Energy Assistance	93.568	23B-5029	5,465	-
Low-Income Home Energy Assistance	93.568	23Q-5578	2,491	-
Subtotal ALN 93.568			<u>132,637</u>	-
Community Services Block Grant	93.569	23F-4034	18,969	-
Community Services Block Grant	93.569	23F-4034	103,494	-
Community Services Block Grant	93.569	24F-3034	176,776	-
Subtotal ALN 93.569			<u>299,239</u>	-
Passed through the State Department of Health Care Services				
Children's Health Insurance Program	93.767		33	-
Children's Health Insurance Program	93.767		17,096	-
Children's Health Insurance Program	93.767		4,000	-
Children's Health Insurance Program	93.767		7,411	-
Children's Health Insurance Program	93.767		32,536	-
Subtotal ALN 93.767			<u>61,076</u>	-
Block Grants for Community Mental Health Services	93.958		6,546	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959		519,788	-
Medical Assistance Program	93.778		220,582	-
Medical Assistance Program	93.778		2,484,207	-
Subtotal Medicaid Cluster			<u>2,704,789</u>	-
Passed through the Public Health Institute				
Medical Assistance Program	93.788	H79TI085761	32,198	-
Medical Assistance Program	93.788	05578-AR67850	63,750	-
Medical Assistance Program	93.788	05885-AR71233	15,000	-
Subtotal ALN 93.788			<u>110,948</u>	-
Passed through Tulare County Office of Education				
Block Grants for Prevention and Treatment of Substance Abuse	93.959		19,000	-
Total U.S. Department of Health and Human Services			<u><u>11,646,743</u></u>	-

County of San Benito
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

<u>U.S. Department of Homeland Security</u>				
Passed through State Office of Emergency Services				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4683-DR-CA	185,320	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4683-DR-CA	207,647	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4683-DR-CA	205,538	-
Subtotal ALN 97.036			598,505	-
Emergency Management Performance Grants	97.042	2023-0006	37,758	-
Homeland Security Grant Program	97.067	2021-0081	841	-
Homeland Security Grant Program	97.067	2022-0043	49,813	-
Subtotal ALN 97.067			50,654	-
Passed through City and County of San Francisco				
Homeland Security Grant Program	97.067	UASI 2022-0043	35,803	-
Total U.S. Department of Homeland Security			722,720	-
Total Expenditures of Federal Awards			\$ 49,149,588	\$ 37,501

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the County of San Benito, California (County) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 - Summary of Significant Accounting Principles

Expenditures reported on the schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 3 - Federal Assistance Listing Number

The program titles and assistance listing numbers are provided by the federal or pass-through grantor. If a Federal Assistance Listing number is not assigned to a program, the two-digit federal agency identifier and the federal contract number will be utilized. In cases where there is no federal contract number, the two-digit federal agency identifier followed by the term “unknown” will be used.

Note 4 - Indirect Cost Rate

The County has elected to use the 10% de minimis indirect cost rate as covered in 2 CFR §200.414 for road projects, approved by the Department of Transportation. Otherwise, the de minimis indirect cost rate was not used.

Note 5 - Outstanding Loans of Federal Funds

Expenditures reported on the SEFA consist of the beginning of the year outstanding loan balances for which the granting agency imposes continuing compliance requirements, plus advances made during the current year, plus any interest subsidy, cash, or administrative costs allowance received, if any.

The outstanding balance at June 30, 2024 was \$2,064,302 under the HOME Investment Partnership Program (14.239).

Note 6 - Pass-through Entities' Identifying Number

When federal awards are received from a pass-through entity, the schedule of expenditures of federal awards includes the identifying number assigned by the pass-through entity, if available. If no identifying number is shown, it indicates that either no identifying number was assigned for the program, or the County was unable to obtain the identifying number from the pass-through entity.

Note 7 - Disaster Grants – Public Assistance

An agency is required to disclose expenditures that were incurred in a previous fiscal year but not approved by the Federal Emergency Management Agency (FEMA) until the current fiscal year. The table below displays the project expenditures incurred in prior fiscal years for projects that have been approved by FEMA in the current fiscal year:

Project Name	Project Worksheet Approved	Disaster Title	Expenditures incurred in prior fiscal year
PA-09-CA-4683-PW-00104 (220)	11/3/2023	FEMA-4482-DR-CA	\$132,959.70
PA-09-CA-4683-PW-00106 (71)	10/6/2023	FEMA-4482-DR-CA	\$34,980.00
PA-09-CA-4683-PW-00210 (155)	10/19/2023	FEMA-4482-DR-CA	\$26,844.12
PA-09-CA-4683-PW-00945 (496)	2/21/2024	FEMA-4482-DR-CA	\$6,080.35
PA-09-CA-4683-PW-01035 (534)	2/21/2024	FEMA-4482-DR-CA	\$4,674.03

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	None Reported

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing Number
Highway Planning and Construction	20.205
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
Dollar threshold used to distinguish between type A and type B programs:	\$1,474,488
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2024-001 Material Weakness in Internal Control Over Financial Reporting

Criteria: The County's management is responsible for preparing and fairly presenting its financial statements. This includes designing, implementing, and maintaining internal controls to ensure the statements are free from material misstatements, whether due to fraud or error.

Condition: Specific adjustments were made to present the financial statements in accordance with generally accepted accounting principles for governmental entities.

Cause: The County's limited size and staffing resources have made it challenging for management to provide adequate staffing in a cost-effective manner.

Effect: There is a higher risk of errors related to financial reporting.

Recommendation: We recommend that the County continually monitor its internal controls over financial reporting so they remain effective.

Views of Responsible Officials: The County's management agrees with this finding. See separately issued corrective action plan.

Section III – Federal Award Findings and Questioned Costs

None reported.

Prior Audit Finding

2023-001 Material Weakness in Internal Control Over Financial Reporting

Finding: Specific adjustments were made to present the financial statements in accordance with generally accepted accounting principles for governmental entities.

Current Status: See Finding 2024-001

County of San Benito
Supplementary Schedule of Revenues and Expenditures

Supplemental Statement of Revenues and Expenditures
CSBG Discretionary Contract No. 22F-5034
Federal Catalog No. 93.569
For the Period January 1, 2023 through May 31, 2024

	Jan 1, 2023 through June 30, 2023	July 1, 2023 through May 31, 2024	Total Audited Costs	Total Reported Expenses	Total Budget
Revenue					
Grant Revenue	\$ 7,031	\$ 18,969	\$ 26,000	\$ -	\$ 28,250
Total Revenue	<u>\$ 7,031</u>	<u>\$ 18,969</u>	<u>\$ 26,000</u>	<u>\$ -</u>	<u>\$ 28,250</u>
Expenditures					
Administration					
Salaries & Wages	\$ 1,087	\$ 998	\$ 2,085	\$ 2,085	\$ -
Fringe Benefits	412	509	921	921	-
Sub Total Administration Costs	<u>\$ 1,499</u>	<u>\$ 1,507</u>	<u>\$ 3,006</u>	<u>\$ 3,006</u>	<u>\$ -</u>
Program					
Salaries & Wages	\$ 4,568	\$ 12,592	\$ 17,160	\$ 17,160	\$ -
Fringe Benefits	963	4,870	5,833	5,833	-
Sub Total Personnel Costs	<u>\$ 5,532</u>	<u>\$ 17,462</u>	<u>\$ 22,994</u>	<u>\$ 22,994</u>	<u>\$ -</u>
Total All Costs	<u>\$ 7,031</u>	<u>\$ 18,969</u>	<u>\$ 26,000</u>	<u>\$ 26,000</u>	<u>\$ -</u>

County of San Benito
Supplementary Schedule of Revenues and Expenditures

County of San Benito
Supplemental Statement of Revenues & Expenditures
ESLIHEAP 23J-5733
Federal Catalog No. 93.569
For The Period April 15, 2023 - June 30, 2023

	Apr 15, 2023 through June 30, 2023	July 1, 2023 through June 30, 2024	July 1, 2023 through Sept 30, 2024	Total Audited Costs	Total Reported Expenses	Total Budget
Grant Revenue	\$ -	\$ 36,778	\$ -	\$ 36,778	\$ -	\$ 36,778
Total revenue	<u>\$ -</u>	<u>\$ 36,778</u>	<u>\$ -</u>	<u>\$ 36,778</u>	<u>\$ -</u>	<u>\$ 36,778</u>
Expenditures						
Assurance 16	\$ -	\$ 7,399	\$ -	\$ 7,399	\$ 7,399	\$ 7,521
Administration	-	7,521	-	7,521	7,521	7,521
Intake	-	10,229	-	10,229	10,229	10,229
Outreach	-	6,393	-	6,393	6,393	6,393
Training & Technical Assistance	-	2,556	-	2,556	2,556	2,557
Program Services	-	2,680	-	2,680	2,680	2,557
Total Program Expenditures	<u>\$ -</u>	<u>\$ 36,778</u>	<u>\$ -</u>	<u>\$ 36,778</u>	<u>\$ 36,778</u>	<u>\$ 36,778</u>
Total Expenses	<u>\$ -</u>	<u>\$ 36,778</u>	<u>\$ -</u>	<u>\$ 36,778</u>	<u>\$ 36,778</u>	<u>\$ 36,778</u>

County of San Benito
Supplementary Schedule of Revenues and Expenditures

Supplemental Statement of Revenues and Expenditures
CSBG Contract No. 23F-4034
Federal Catalog No. 93.569
For the Period January 1, 2023 through May 31, 2024

	Jan 1, 2023 through June 30, 2023	July 1, 2023 through May 31, 2024	Total Audited Costs	Total Reported Expenses	Total Budget
Revenue					
Grant Revenue	\$ 179,326	\$ 102,321	\$ 281,647	\$ -	\$ 281,647
Total Revenue	<u>\$ 179,326</u>	<u>\$ 102,321</u>	<u>\$ 281,647</u>	<u>\$ -</u>	<u>\$ 281,647</u>
Expenditures					
Administration					
Salaries & Wages	\$ 20,363	\$ 13,380	\$ 33,742	\$ 33,742	\$ 32,473
Fringe Benefits	9,149	5,720	14,868	14,868	15,543
Op. Expenses	19,236	13,016	32,251	32,251	37,217
Sub Total Administration Costs	<u>\$ 48,747</u>	<u>\$ 32,115</u>	<u>\$ 80,862</u>	<u>\$ 80,862</u>	<u>\$ 85,233</u>
Program					
Salaries & Wages	\$ 78,270	\$ 18,032	\$ 96,302	\$ 96,302	\$ 91,200
Fringe Benefits	28,317	5,741	34,059	34,059	37,998
Op. Expenses	20,469	21,338	41,808	41,808	40,216
Other Costs	3,673	24,944	28,617	28,617	27,000
Sub Total Personnel Costs	<u>\$ 130,730</u>	<u>\$ 70,055</u>	<u>\$ 200,785</u>	<u>\$ 200,785</u>	<u>\$ 196,414</u>
Total All Costs	<u>\$ 179,477</u>	<u>\$ 102,170</u>	<u>\$ 281,647</u>	<u>\$ 281,647</u>	<u>\$ 281,647</u>

County of San Benito
Supplementary Schedule of Revenues and Expenditures

County of San Benito
Supplemental Statement of Revenues & Expenditures
LIHEAP 23B-5029
Federal Catalog No. 93.569
For The Period November 1, 2022 - June 30, 2024

	Nov 1, 2022 through June 30, 2023	July 1, 2023 through June 30, 2024	Total Audited Costs	Total Reported Expenses	Total Budget
Grant Revenue	\$ 96,462	\$ 5,466	\$ 101,928	\$ -	\$ 101,928
Total revenue	<u>\$ 96,462</u>	<u>\$ 5,466</u>	<u>\$ 101,928</u>	<u>\$ -</u>	<u>\$ 101,928</u>
Expenditures					
Assurance 16	\$ 20,864	\$ -	\$ 20,864	\$ 20,864	\$ 20,865
Administration	18,967	1,054	20,021	20,021	20,865
Intake	27,892	-	27,892	27,892	28,328
Outreach	12,295	3,185	15,480	15,480	17,705
Training & Technical Assistance	7,082	-	7,082	7,082	7,082
Program Services	9,362	1,227	10,589	10,589	7,083
Total Program Expenditures	<u>\$ 96,462</u>	<u>\$ 5,466</u>	<u>\$ 101,928</u>	<u>\$ 101,928</u>	<u>\$ 101,928</u>
Total Expenses	<u>\$ 96,462</u>	<u>\$ 5,466</u>	<u>\$ 101,928</u>	<u>\$ 101,928</u>	<u>\$ 101,928</u>

County of San Benito
Supplementary Schedule of Revenues and Expenditures

County of San Benito
Supplemental Statement of Revenues & Expenditures
SLIHEAP 23Q-5578
Federal Catalog No. 93.569
For The Period May 1, 2023 - May 31, 2024

	May 1, 2023 through June 30, 2023	July 1, 2023 through May 31, 2024	Total Audited Costs	Total Reported Expenses	Total Budget
Grant Revenue	\$ -	\$ 2,491	\$ 2,491	\$ -	\$ 2,491
Total revenue	<u>\$ -</u>	<u>\$ 2,491</u>	<u>\$ 2,491</u>	<u>\$ -</u>	<u>\$ 2,491</u>
Expenditures					
Assurance 16	\$ -	\$ 530	\$ 530	\$ 530	\$ 530
Administration	-	530	530	530	530
Intake	-	763	763	763	763
Outreach	-	477	477	477	477
Training & Technical Assistance	-	191	191	191	191
Total Program Expenditures	<u>\$ -</u>	<u>\$ 2,491</u>	<u>\$ 2,491</u>	<u>\$ 2,491</u>	<u>\$ 2,491</u>
Total Expenses	<u>\$ -</u>	<u>\$ 2,491</u>	<u>\$ 2,491</u>	<u>\$ 2,491</u>	<u>\$ 2,491</u>



COUNTY OF SAN BENITO

JOE PAUL GONZALEZ
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Summary Schedule of Prior Audit Findings and Corrective Action Plan June 30, 2024

Prepared by Management of
County of San Benito

Summary Schedule of Prior Year Audit Findings

Financial Statement Findings

Finding 2023-001

Material Weakness in Internal Control Over Financial Reporting

Initial Fiscal Year Finding Occurred: 2023

Finding Summary:

Adjustments were necessary to present the financial statements according to generally accepted accounting principles for governmental entities.

Status:

Repeat finding 2024-001

Financial Statement Findings

Finding 2024-001

Material Weakness in Internal Control Over Financial Reporting

Finding Summary:

Adjustments were necessary to present the financial statements according to generally accepted accounting principles for governmental entities.

Corrective Action Plan:

The source of this material weakness is that key County departments do not have sufficiently qualified and competent fiscal and accounting staff needed to perform accurate and timely financial reporting. This condition places an unrealistic burden on the Auditor-Controller's staff to correct accounting and financial reporting deficiencies and errors in a timely manner. County Auditor-Controller management will continue to emphasize the importance of speedy recruitment and retention of qualified fiscal and accounting staff for the departments. Additionally, the Auditor-Controller's staff has developed additional resources to inform departmental fiscal staff of critical information and communicate the importance of adherence to the California State Controller's Accounting Standards and Procedures for Counties Manual.

Responsible Individuals:

Leann Godinez, Assistant Auditor-Controller; Joe Paul Gonzalez, County Auditor-Controller

Anticipated Completion Date: Ongoing



**SAN BENITO COUNTY
AUDIT COMMITTEE
AGENDA ITEM
TRANSMITTAL FORM**

Dom Zanger
Board of Supervisor
District #1

Ignacio Velazquez
Board of Supervisor
District #5

Item Number: 4.c

MEETING DATE: 04/08/2025
DEPARTMENT: AUDITOR
AGENDA ITEM PREPARER: Kelsey Maclsaac

SUBJECT:

Finalize schedule for Audit Committee meetings through calendar year 2025.

AGENDA SECTION:

REGULAR AGENDA

BACKGROUND/SUMMARY:

Discuss the best dates and times to meet for calendar year 2025 Audit Committee meetings.

STAFF RECOMMENDATION:

- May 20, 2025 meeting at 8:00 AM
 - Introduce the new external auditing firm Brown Armstrong
 - Review FY 2024/2025 year-end schedule
- October 14, 2025 or October 28, 2025 meeting at 8:00 AM
 - Provide a FY 2024/2025 year-end and ACFR preparation update

ATTACHMENTS:

- **No attachments for this item**