



INTEROFFICE MEMORANDUM

Oscar J. Garcia, CPA

Auditor-Controller/Treasurer-Tax Collector

Enedina Garcia

Deputy Auditor-Controller

Frank Gomez

Deputy Treasurer-Tax Collector

DATE: January 10, 2024
TO: Audit Committee Members
FROM: Supervisor Nathan Magsig, Audit Committee Chairman
SUBJECT: Audit Committee Meeting

This will confirm the next Audit Committee meeting scheduled on **January 10, 2024 at 10:00 a.m.** in the Board of Supervisors Chambers - Room 301 of the Hall of Records. The following is the agenda for the meeting:

AGENDA

- 1) **Roll Call**
- 2) **Pledge of Allegiance**
- 3) **Approve Agenda**
- 4) **Public Presentations**
This portion of the meeting is reserved for persons desiring to address the Audit Committee briefly on any matter not on this agenda within the Committee's subject matter jurisdiction.
- 5) **Appointment of the Audit Committee Vice-Chairman for Calendar year 2025**
- 6) **Approval of the December 10, 2024 Audit Committee Meeting Minutes**
- 7) **Consent Items**
 - a. Approve Quarterly Fraud Report covering October 1, 2024 to December 31, 2024.
- 8) **Discussion and Action Items**
 - a. Review and accept the 2023-2024 County of Fresno Annual Comprehensive Financial Report.
 - b. Review and approve the Department of Public Health Emergency Medical Services Authority (EMSA) Report for fiscal year ended June 30, 2024
 - c. Review and receive the 2023-2024 Children and Families Commission of Fresno County Financial Statements.

9) Staff Updates

10) Adjournment

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Enclosures

Audit Committee Members:

Supervisor Nathan Magsig, Audit Committee Chairman

Supervisor Brian Pacheco

Daniel C. Cederborg, County Counsel

Paul Nerland, County Administrative Officer

Kari Gilbert, Department Heads Council Member

Manuel Vilanova, Public Member

Kulwinder Brar, Public Member

Next meeting scheduled on April 11, 2025.

**County of Fresno
Auditor-Controller/Treasurer-Tax Collector
Audit Committee Minutes
Board of Supervisors' Chambers
December 10, 2024 – 10:00 a.m.**

MEMBERS PRESENT:

Supervisor Nathan Magsig, Audit Committee Chairman
Supervisor Sal Quintero, Audit Committee Vice-Chairman
Daniel C. Cederborg, County Counsel
Paul Nerland, County Administrative Officer
Kari Gilbert, Department Heads Council Member
Manuel Vilanova, Public Member
Kulwinder Brar, Public Member

Call to Order: Chairman Magsig called to order the regular meeting of the Audit Committee (Committee) on December 10, 2024, at 10:00 a.m. in the Board of Supervisors' Chambers.

1. Roll Call

- Pai Her, Accounting & Financial Manager, Financial Reporting & Audits Division, took roll call.

2. Pledge of Allegiance

- Supervisor Nathan Magsig, Audit Committee Chairman, led all in attendance with the Pledge of Allegiance.

3. Approve Agenda

- A motion was made by Daniel Cederborg, seconded by Sal Quintero, and carried 7-0 to approve the December 10, 2024 agenda.

4. Public Presentations

- This portion of the meeting is reserved for persons desiring to address the Audit Committee briefly on any matter not on this agenda within the Committee's subject matter jurisdiction.
- There being none, the Committee proceeded to hear the next item on the agenda.

5. Approval of August 9, 2024 Audit Committee Meeting Minutes

- There being no public comments, a motion was made by Kari Gilbert, seconded by Paul Nerland, and carried 7-0 to approve the August 9, 2024 Audit Committee Meeting Minutes.

6. Consent Items

a) Approve Quarterly Fraud Report covering July 1, 2024 to September 30, 2024.

- There being no public comments, a motion was made by Vice-Chairman Quintero, seconded by Kulwinder Brar, and carried 7-0 to approve agenda item 6a.

7. Discussion and Action Items

a) Review and approve the Compliance Audits for the periods ranging from July 1, 2018, through October 10, 2023 for:

I. Internal Services Department

- Pai Her, Accounting & Financial Manager, Financial Reporting & Audits Division, introduced and presented the item.
- Manuel Vilanova recused himself as the Internal Services Department (ISD) is the department where he works.
- Chairman Magsig asked what the cost of the audit for ISD was.
- Pai Her responded that she does not have the exact cost with her at the moment.
- Chairman Magsig inquired if contracts were improperly signed or exceeded the purchasing manager's authority, leading to financial commitments. Also, if ISD has been consulted and whether these issues will be presented to the Board of Supervisors for retroactive approval, as the contracts likely can't be resolved otherwise.
- Daniel Cederborg responded that each situation must be reviewed individually. While the purchasing agent can approve amounts up to \$200,000 under a master agreement, standalone contracts exceeding this limit require proper authorization, as the purchasing agent's authority is capped at \$200,000.
- Paul Nerland asked Edward Hill, Interim Director of Internal Services – Chief Information Officer, if there were any unexpected findings in this audit related to previously identified issues.
- Edward Hill responded there were no unexpected findings in the audit and did not dispute any of the findings. ISD had anticipated these types of results. Since Edward Hill's appointment as interim in May, ISD has already addressed many of these issues prior to the audit report being issued.
- Paul Nerland inquired about the cost of the audit.
- Edward Hill stated that the department has been billed \$74,000 for the ISD audit to date.
- Chairman Magsig requested further elaboration on the findings, specifically asking if the department is taking corrective actions to address the identified challenges.
- Edward Hill responded that ISD was required to submit a response within 30 days, and did so, agreeing with all the findings. ISD did not dispute any of the findings or the recommended actions and is taking steps to address all of them, except for those that have already been rectified.
- Daniel Cederborg commented on the contract compliance issues, wondering if some of the non-compliance stems from necessary contract modifications made during negotiations, where his office or the department was involved. For example, they are currently facing challenges with their technical exhibit, which is newer for the computer companies, who are reluctant to comply. The question being, what types of variances in contracts are contributing to these issues?
- Edward Hill mentioned the purchasing manual needs updating, which they are addressing with their new purchasing manager. Additionally, the department is strengthening internal controls to ensure forms and communications are properly managed, as they were missed in these instances.
- Paul Nerland stated that ISD was able to get contracts completed during COVID. The department was granted certain authority through an emergency which may have resulted in some of the contracts during this time. With the findings and recommendations, the department should be able to put the procedures back in place.
- There being no public comments, a motion was made by Kari Gilbert, seconded by Paul Nerland, and carried 6-0 to approve agenda item 7a.I. The motion carried by the following vote:
Ayes: 6 – Chairman Magsig, Vice-chairman Quintero, Daniel Cederborg, Paul Nerland, Kari Gilbert, and Kulwinder Brar
Recuse: 1 – Manuel Vilanova

II. Probation Department

- Pai Her, Accounting & Financial Manager, Financial Reporting & Audits Division, introduced and presented the item.
- Chairman Magsig inquired about the cost of the audit and the approval process in which the CAO authorized the replacement of a washer/dryer and HVAC/UVC purification system in 2021, exceeding the CAO's approval limits. Chairman Magsig questioned if the items were presented to the Board for retroactive approval. Chairman Magsig stated that it seems the items were not part of the regular budget, and the CAO acted due to urgent needs and budget savings.
- Kirk Haynes, Chief Probation Officer, responded that the Probation Department often requests approval from the CAO's office to use unexpended year-end funds for one-time projects, rather than returning the funds to the County. These items were part of that request, not a Board item. The funding was already in the department's budget and it sought authorization from the CAO to allocate it for these specific needs.
- Paul Nerland stated that they may be addressing two separate issues: the authority to spend unexpended budget funds and contracting authority. If the total exceeded the limit, it would need to be brought back to the Board for approval, similar to the ISD situation.
- Daniel Cederborg inquired if the washers/dryers cost over \$200,000 and if there were any contracts involved.
- Kirk Haynes responded that the washers/dryers cost \$450,000 and may have gone through Grainger for the purchase.
- Chairman Magsig asked ISD for clarification regarding the Grainger contract in 2001. Chairman Magsig inquired if the Board of Supervisors authorized a relationship with Grainger and the execution date.
- Daniel Cederborg inquired if this contract was of a piggyback contract.
- Bryan Burton, Deputy Director, Internal Services Department, responded that the department has had contracts with Grainger for the past 17 to 18 years.
- Paul Nerland asked if the Board approved the original contract when it was established. Paul Nerland stated that if it was a board-approved contract, and the purchases fell within the contract's limits then no additional contract would be required.
- Daniel Cederborg stated that the County has overarching contracts with suppliers like Grainger and Office Depot. Daniel detailed that, within the budget, a contract is approved, and departments use these contracts to make purchases.
- Chairman Magsig stated that these issues came up for both department audits. Chairman Magsig wanted to make sure that the contracts were in place and appropriate for the washers/dryers and that the spending authority limits were not exceeded.
- Kirk Haynes reported over the past two years, they have made a concerted effort to strengthen their administrative support and implemented multiple checks and balances to improve oversight.
- Chairman Magsig asked the Financial Reporting and Audits division to confirm if the Grainger contract allows purchases to be made through Grainger. Also, did the CAO have the authority to approve \$450,000 under the contract?
- Rochelle Garcia, Accounting and Financial Division Chief, Financial Reporting & Audits Division, reported that they did not have specific details on that question. However, the division did identify some issues with the Grainger contract being a piggyback contract, but does not have further details on the authority to approve \$450,000.
- Daniel Cederborg commented that if the piggyback contract followed a proper competitive process, the state contracting code would allow its use without requiring a full RFP. This ensures we receive the lowest rate available under the piggyback agreement.
- Rochelle Garcia responded by highlighting concerns that the piggyback contract does not always align with the original contract terms, despite board approval.

- Chairman Magsig asked if the piggyback contract follows what the Board of Supervisors approved.
- Rochelle Garcia confirmed it was approved but clarified that while it is presented with the original contract's terms, it does not always adhere to those terms during the year.
- Chairman Magsig stated that if the piggyback contract does not guarantee the lowest price as outlined, then it is not a valid contract, as contracts should define pricing. He emphasized that the terms must be followed, and if not, purchases are being made without a contract.
- Rochelle Garcia agreed, acknowledging that one of the findings was that the details of the original contract were not followed.
- Yussel Zalapa, Deputy Chief Probation Administration Officer, Probation Department, reported that the County did use a piggyback contract with Grainger, but it was intended for specific items or limitations. Grainger, being a multinational company, offers access to a wide range of resources which led to some items being ordered. These may not have been part of the original scope presented to the Board and may not have aligned with the intended boundaries.
- Edward Hill also clarified that the Grainger piggyback agreement is a procurement agreement, not a Board agreement. According to policy, it covers supplies with no spending limit, if the department has budgeted for it.
- Chairman Magsig clarified that the piggyback contract was used under the emergency authority.
- Daniel Cederborg explained that the procurement contracts do not have the same \$200,000 limit as service contracts and are controlled through a budgetary process, but there have been issues with tracking purchase orders.
- Chairman Magsig raised a concern that if a piggyback contract did not specify pricing and purchases were made from a catalog, it was unclear how the lowest price guarantee was maintained.
- Edward Hill acknowledged that the piggyback contract was used under the emergency umbrella, but also noted that the terms and conditions were flagged in an audit finding, and that ISD would address it going forward.
- Paul Nerland asked the Financial Reporting and Audits Division for clarification on the exceptions noted for expenditures.
- Pai Her responded when the Financial Reporting and Audits Division reviewed the supporting documentation, the documentation did not include explanations for the expenditures. The division reached out to the departments with the preliminary findings and requested additional support for the work orders but did not receive any further clarification.
- Paul Nerland asked if the missing information might have included the rationale behind the costs.
- Pai Her confirmed that the audit documentation simply did not support the costs as presented.
- Paul Nerland inquired about the cost of this audit.
- Yussel Zalapa reported \$1,466.30.
- Chairman Magsig stated that there is a big difference between \$74,000 and \$1,400, assuming the ISD audit was much more in-depth.
- Oscar J. Garcia, Auditor-Controller/Treasurer-Tax Collector, reported that before the audit began, Oscar met with the CAO's office and attempted to contract external auditors. The external audit team was initially set to charge around \$100,000, but withdrew at the last minute. However, the ISD portion of the audit was more costly due to its complexity.
- Chairman Magsig also asked Oscar J. Garcia if based on the audit had his team seen enough information to suggest that something comprehensive needs to be brought back to the Board, addressing both ISD and Probation.
- Oscar J. Garcia responded one of his biggest concerns is the Grainger contract. There was not enough competition, as many vendors were excluded without being given a chance to bid. Thus, we may not be getting the best rate or value, and whether other vendors could fulfill the contract as effectively as Grainger.
- Chairman Magsig asked if the comments made were included in the audit findings.

- Oscar J. Garcia stated that they were not included.
- Chairman Magsig emphasized that these concerns should be reflected in both the ISD and Probation audit findings.
- Oscar J. Garcia acknowledged that while the issue of not following policy regarding PD forms was addressed, it was discussed in general terms, not specifically.
- Paul Nerland also commented that they had tried to bring in outside auditors, and initially, the outside auditors agreed, but then withdrew.
- Vice-Chairman Quintero inquired if when issuing the RFPs for the supplies, Grainger was the only company that responded.
- Oscar J. Garcia stated that he did not issue an RFP, and he thinks ISD did not either. The contract was piggybacked off an existing contract and no competitive process was conducted to see who else could provide these services.
- Vice-Chairman Quintero asked for clarification about the process for acquiring products like washers and dryers, noting that these items were not put out for competitive bidding.
- Oscar J. Garcia agreed, stating that it was not, and in his opinion, should have been.
- Vice-Chairman Quintero pointed out that a local company, Ventura TV, supplies major stores and other businesses, offering a wide range of industrial and commercial products.
- Oscar J. Garcia responded that he had been informed that the intention was to move away from smaller stores and consolidate purchases with one supplier.
- Vice-Chairman Quintero commented stating Ventura TV is not a “mom and pop” store.
- Oscar J. Garcia mentioned that Grainger was said to be able to supply everything, adding that Edward Hill may be able to provide further details.
- Edward Hill reported that he was not with the County when the Grainger contract was executed, but staff may be able to provide more details. For clarity, the department’s purchasing policies allow piggyback contracts, which are commonly used throughout the County. The Grainger contract followed this process, though the terms were not exact, leading to an audit finding. Edward also mentioned they will need to review and update their policies moving forward.
- There being no public comments, a motion was made by Daniel Cederborg, seconded by Paul Nerland, and carried 7-0 to approve agenda item 7a.II.

b) Review and approve the Department of Social Services Cash Receipts Compliance Audit for fiscal year 2023.

- Rochelle Garcia, Accounting and Financial Reporting Division Chief, Financial Reporting & Audits Division, introduced and presented the item.
- Paul Nerland commented that the Department of Social Services (DSS) disagreed with the second finding and asked if they could clarify.
- Bruna Chavez, DSS Deputy Director, stated that the disagreement stemmed from how they understood the finding. The department realized that the contract terms and tracking forms that were used were not clearly conveying the intended information, as the auditor pointed out. They have then since updated their forms to ensure there is no confusion about the dates being tracked. She also mentioned while they did not view it as a finding, they recognized the importance of clarity in tracking.
- Kulwinder Brar asked DSS if the log date was recorded, and were the deposits being handled based on the policy in section 2.2 as outlined. For instance, if it was over \$100,000 it should have been deposited the same day.
- Bruna Chavez responded that the issue arises from inconsistencies in how they recorded deposit dates in the logs. While the deposits themselves were made accurately, their tracking system and logs did not align, leading to inaccurate reporting. This discrepancy is the root cause of the disagreement. The logs did not reflect timely deposits, which is the correct finding.

- Daniel Cederborg stated that most of them indicated that they were making deposits, but the log did not record the deposit date.
- Kulwinder Brar further inquired if the finding was accurate and if the policy was not being followed.
- Bruna Chavez reported that the discrepancy arises from inconsistent use of logs and forms to track deposits. While the actual deposits were timely, the log entries did not accurately reflect the deposit dates. She also stated that the logs were not created to comply with procedures.
- Kari Gilbert commented that from her understanding, the policy was followed, but the logs were unclear. This means that DSS was depositing on a timely basis, but the logs did not demonstrate they were deposited in a timely manner.
- Kulwinder Brar commented that the findings must be based on the records that were followed. Therefore, the auditors are focusing on the records, which are unclear.
- Chairman Magsig emphasized the need to clarify DSS' findings; actual deposit receipts confirmed the timely processing of larger deposits, despite audit log indications.
- Rochelle Garcia commented for 15 of the 42 transactions, the exact receipt date is unclear due to the lack of missing information in the log entries. While the date log is typically used to indicate receipt, this may not accurately reflect the actual receipt date in these cases.
- Chairman Magsig noted that there was no backup for the log entries, emphasizing that each log should be supported by a receipt or some form of verification. However, it appeared that such documentation was missing for some receipts.
- Rochelle Garcia confirmed that what had been approved were the logs, but there was no supporting documentation for certain receipts.
- Chairman Magsig expressed concern, stating that without any supporting evidence, they were left with only the word of those involved.
- Bruna Chavez indicated the disagreement was not specifically with the actual deposits.
- There being no public comments, a motion was made by Kulwinder Brar, seconded by Kari Gilbert, and carried 7-0 to approve agenda item 7b.

c) Review and approve the Department of Social Services Food and Nutrition Services (FNS)-209 Report for the quarter ended June 30, 2024.

- Pai Her, Accounting & Financial Manager, Financial Reporting & Audits Division, introduced and presented the item.
- There being no public comments, a motion was made by Kari Gilbert, seconded by Kulwinder Brar, and carried 7-0 to approve agenda item 7c.

d) Review and receive the Fresno County In-Home Supportive Services Public Authority Independent Auditor's Reports and Financial Statements for the year ended June 30, 2022.

- Bruna Chavez, DSS Deputy Director, introduced and presented the item.
- Chairman Magsig asked for clarification if the realignment revenue is only from the 1991 Realignment or if it also includes funds from the 2011 Realignment program.
- Bruna Chavez reported they did not receive any 2011 Realignment for the program.
- Chairman Magsig further asked to confirm if the Realignment revenue is strictly from the 1991 Realignment. Regarding the county contribution referring to net county cost or net county revenue and clarification on "other revenue."
- Bruna Chavez responded that this reflects only the 1991 Realignment contribution for the Public Authority and IHSS programs. The "other revenue" represents internal charges between the Public

Authority and the Department of Social Services. This occurs when staff from one organization perform functions for the other, and the costs are reimbursed through internal charges.

- Chairman Magsig asked for clarification regarding the audit, specifically if the auditor reviewed the approved County budget for the 2021-2022 fiscal year and compared it to the expenditures outlined in the audit.
- Bruna Chavez confirmed that the information typically originates from the adopted budgets, as they are still bound by the authority granted when those budgets are approved.
- Chairman Magsig asked whether the Realignment revenue had been identified, specifically if the total amount of the 1991 Realignment revenue had been received annually.
- Bruna Chavez confirmed that this only reflects the contributions from the 1991 Realignment revenue for the Public Authority (PA) and In-Home Supportive Services (IHSS).
- Chairman Magsig inquired about the excess revenue at the end of the year, where is it allocated or identified, and how is it handled.
- Bruna Chavez reported that both IHSS 6420 and 5611 are part of the general fund. Therefore, any net position would be reflected in the general fund.
- Chairman Magsig asked for clarification about the net position ending at \$301,000, whether the amount was composed of federal funds, state funds, or net county cost (NCC), or a combination. Also, how is the net position allocated across the different revenue sources?
- Bruna Chavez responded that the \$301,000 net position reflects a mix of cash and accrual accounting. It is not available for immediate use but shows year-end accounting adjustments. For example, activities from quarter 4 may not be claimed until quarter 1 of the next year, ensuring accurate reporting of budgeted funds and county contributions.
- Chairman Magsig further asked if there is a way to work with the auditors to ensure the \$301,000 is recognized as unspent NCC, to the extent allowed by law.
- Rochelle Garcia commented that the exact amount can be identified from federal funding and the remaining NCC balance.
- Chairman Magsig asked whether the \$301,000 at the end of the year must be returned to the treasury pool, as the treasury holds all cash.
- Bruna Chavez responded that the funds are managed within the budget, ensuring they do not exceed cash inflow or NCC limits. The timing of transactions may affect how they are reflected in the documents but is not viewed as a surplus issue.
- Chairman Magsig highlighted that county revenues, especially from state and federal sources, are often restricted, emphasizing that the NCC is the most flexible cash source and should be used last after restricted funds are spent.
- Daniel Cederborg commented that the \$301,000 is an accounting mechanism to track claims and revenues, not actual cash sitting in the system. If they were to break it down into federal, state, and county portions, and return it to the system, we may not be able to fully utilize it without adding more NCC to draw that money.
- Bruna Chavez responded that they would need to include more than just the current year's data, and the \$172,364 Due to the County, which has been consistently reported but requires backup documentation to remove, would need to be revisited.

- Paul Nerland suggested that any additional or leftover revenue could also be due to the timing of when revenues are received. He further clarified that revenue from federal or state sources is only received once the County pays its share of the net county cost. For discretionary funding, including net county cost and 1991 Realignment, the process is standard across the county. However, within this program, there are specific percentage allocations.
- Bruna Chavez acknowledged Paul Nerland's point, confirming that the timing of revenue receipts is indeed a factor.
- Chairman Magsig inquired if the 35 million hours authorized in 2022 to the IHSS program were reached in provider time. The MOE requires a contribution of 8% of the total program cost, therefore, any unused hours would need to be reflected in the calculation.
- Bruna Chavez reported that the budget and reimbursements are based solely on paid hours and not authorized hours, as outlined in the MOE. The total cost is determined by the actual payments made, not the authorized hours.
- Enedina Garcia, Deputy Auditor-Controller, mentioned that the fund balance shown is unassigned, which means it is technically NCC. To clarify Bruna's point, if these funds are intended for use in the following fiscal year, the funds would have already been allocated. But as of June 30, 2022, these are unassigned funds, representing NCC.
- Chairman Magsig asked Paige Benavides for confirmation if what was described was correct and if there were any surprises.
- Paige Benavides, County Budget Director, County Administrative Office, confirms that there are no surprises.
- There being no public comments, a motion was made by Kulwinder Brar, seconded by Manuel Vilanova, and carried 7-0 to approve agenda item 7d.

e) Review and receive the Fresno County In-Home Supportive Services Public Authority Independent Auditor's Reports and Financial Statements for the year ended June 30, 2023.

- Bruna Chavez DSS Deputy Director mentioned the presentation for item 7e was also included in item 7d.
- There being no public comments, a motion was made by Kari Gilbert, seconded by Manuel Vilanova, and carried 7-0 to approve agenda item 7e.

f) Review and approve the 2025 Audit Committee Meeting Dates.

- There being no public comments, a motion was made by Manuel Vilanova, seconded by Paul Nerland, and carried 7-0 to approve agenda item 7f.

8. Staff Updates

- There being no updates, the Committee proceeded to the next item on the agenda.

9. Adjournment

- A motion was made by Kari Gilbert, seconded by Manuel Vilanova, and was carried 7-0 to adjourn the meeting at 11:14 a.m.

Audit Committee Members:

Supervisor Nathan Magsig, Audit Committee Chairman

Supervisor Sal Quintero, Audit Committee Vice-Chairman

Daniel C. Cederborg, County Counsel

Paul Nerland, County Administrative Officer

Kari Gilbert, Department Heads Council Member

Manuel Vilanova, Public Member

Kulwinder Brar, Public Member



COUNTY OF FRESNO
FRAUD HOTLINE QUARTERLY REPORT

Administered by the Auditor-Controller/Treasurer-Tax Collector

For the Quarter Ended December 31, 2024

Director: Oscar J. Garcia, CPA
Accounting & Financial Manager: Pai Her
Hotline Staff: Raulalonso Corchado



INTEROFFICE MEMORANDUM

Oscar J. Garcia, CPA

Auditor-Controller/Treasurer-Tax Collector

Enedina Garcia

Deputy Auditor-Controller

Frank Gomez

Deputy Treasurer-Tax Collector

DATE: January 10, 2025

TO: Audit Committee Members

FROM: Oscar J. Garcia, CPA – Auditor-Controller/Treasurer-Tax Collector

SUBJECT: Fraud Hotline Quarterly Activity Report for the Quarter Ended December 31, 2024

In accordance with the provisions of California Government Code Section 53087.6, the County of Fresno Fraud Hotline serves as a means to discover, investigate, and remediate acts of fraud, waste, or abuse involving County employees, as defined by the statute.

We have completed our quarterly report concerning the operation of the County of Fresno Fraud Hotline. This report is for the three-month period of October 1, 2024 through December 31, 2024.

We would like to acknowledge the professionalism and cooperation extended to us by the management of the various County agencies/departments during our Hotline investigation process. As always, I remain available to answer any questions you may have. Please contact me directly or Pai Her, Accounting & Financial Division Manager at (559) 600-1378 or Raulalonso Corchado, Accountant at (559) 600-1370 if we can be of any assistance.

Attachments

COUNTY OF FRESNO
FRAUD HOTLINE QUARTERLY REPORT
Administered by the Auditor-Controller/Treasurer-Tax Collector
For the Quarter Ended December 31, 2024

Below is the County of Fresno Fraud Hotline activity for the period of October 1, 2024 through December 31, 2024.

1. Statistical Summary

The Financial Reporting and Audits Division received 90 Hotline allegations, complaints, or other contacts during the reporting period. Of these reports, 69 were made anonymously while 21 reports were made by individuals who identified themselves. The Hotline received 57 reports via telephone, 27 reports by email and 6 reports by mail. These reports are categorized in Table 1.

Table 1 Statistical Summary	
Actionable Items	10
Referred Items	75
Non-Actionable Items	5
Total Allegations/Complaints	90

2. Types of Allegations/Complaints

Cases opened during the period involved various complaints and allegations such as: 1) improper use of government benefits, 2) fraudulent check alterations, and 3) management improprieties.

Actionable – County

Allegations involving individuals employed by the County and/or other related parties (i.e., vendors, contractors, etc.).

Actionable – Non-County

Allegations involving individuals and/or other entities with no known relation to the County.

Referral – County

Allegations involving issues primarily handled by other County Departments via established fraud-reporting methodologies.

COUNTY OF FRESNO
FRAUD HOTLINE QUARTERLY REPORT
Administered by the Auditor-Controller/Treasurer-Tax Collector
For the Quarter Ended December 31, 2024

Referral – Non-County

Allegations involving issues beyond the responsibilities of the County of Fresno are referred to appropriate non-County agencies.

Non-Actionable Items

These include insufficient information and not applicable issues. Examples include failure to state sufficient facts on which to base any investigation, inquiries regarding the status of other investigations, requests for information, and wrong numbers.

Table 2 identifies the total number of cases opened during this period and detail complaint type.

Table 2 Types of New Allegations/Complaints	
Actionable – County:	1
Management Improprieties	1
Actionable – Non-County:	9
Forged/Altered Check	8
Non-County - Other	1
Referral – County:	47
Welfare Fraud	44
County - Other	3
Referral – Non-County:	28
Various	28
Non-Actionable Items:	5
Various	5
Total	90

COUNTY OF FRESNO
FRAUD HOTLINE QUARTERLY REPORT
Administered by the Auditor-Controller/Treasurer-Tax Collector
For the Quarter Ended December 31, 2024

3. Status of Complaints

The complaints processed by the County of Fresno Fraud Hotline include alleged behavior by an employee and/or client (i.e., timecard abuse, misuse of county assets, management improprieties, conflict of interest, and misuse of program funds). As of the end of the reporting period, there was 1 closed investigation by the County of Fresno Fraud Hotline. (See summary below)

Table 3						
Status of Complaints						
Actionable Calls	Investigation			Closed Findings		
	Ongoing	New	Closed	Substantiated	Unsubstantiated	Referral
Management			1		1	
Employee						
Client						
Unknown						
Total	-	-	1		1	-



COUNTY OF FRESNO ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR
2023-24



COMPILED UNDER THE OFFICE OF:
Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector
Fresno, California

County of Fresno
Annual Comprehensive Financial Report
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For Fiscal Year Ended June 30, 2024

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County of Fresno
Annual Comprehensive Financial Report
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For Fiscal Year Ended June 30, 2024

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- List of Principal Officials



County of Fresno
Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector

December 27, 2024

The Honorable Board of Supervisors and
Citizens of the County of Fresno, California

Members of the Board and Citizens of the County of Fresno:

The Annual Comprehensive Financial Report (ACFR) of the County of Fresno (County) for the fiscal year ended June 30, 2024, is hereby submitted in accordance with the provisions of Sections 25250 and 25253 of the Government Code of the State of California. All dollar amounts are actuals unless otherwise indicated.

The report contains financial statements that have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) prescribed for governmental entities. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the County's management. An established comprehensive framework of internal controls has been designed to provide reasonable assurance that the enclosed data is accurate in all material respects and that its presentation fairly depicts the financial position and changes in financial position of County funds. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls is designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements.

The County's financial statements have been audited by the certified public accounting firm of Brown Armstrong Accountancy Corporation. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2024, are free of material misstatement. The independent certified public accounting firm has issued an unmodified ("clean") opinion on the County's financial statements as of and for the fiscal year ended June 30, 2024. The auditor's report is located at the beginning of the financial section of this report.

This letter of transmittal is designed to complement, and should be read in conjunction with, Management's Discussion and Analysis (MD&A), and the included financial statements and financial statement notes. MD&A provides a narrative introduction, overview, and analysis of the financial statements and can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The County was created from parts of Merced, Tulare, and Mariposa counties in 1856 and is a political subdivision chartered by the State of California (the State). It is the sixth largest county in the State in terms of area, occupying over 6,000 square miles in the heart of the San Joaquin Valley and has a population of

1,017,431 as of January 1, 2024. There are 15 incorporated cities within the County: Fresno, Clovis, Sanger, Reedley, Selma, Coalinga, Parlier, Kerman, Kingsburg, Mendota, Orange Cove, Firebaugh, Huron, Fowler, and San Joaquin. The largest employment categories include public administration, retail trade, transportation, accommodation & food services, education & health services, administrative services, agriculture, and manufacturing.

Policy making and legislative authority are vested in the County Board of Supervisors (Board), which consists of an elected supervisor from each of five districts. The Board is responsible for, among other things, passing ordinances, adopting budgets, appointing committees, and appointing the County Administrative Officer (CAO). The CAO, in turn, appoints the non-elected department heads that are not otherwise appointed by law. The County has five elected department heads responsible for the offices of Assessor-Recorder, Auditor-Controller/Treasurer-Tax Collector, County Clerk/Registrar of Voters, District Attorney, and Sheriff-Coroner-Public Administrator. The following organizational chart reflects the various functional categories reported in the government-wide Statement of Activities and identifies principal officials in each area.

Board of Supervisors

Brian Pacheco District 1	Steve Brandau District 2	Sal Quintero District 3	Buddy Mendes District 4	Nathan Magsig District 5
-----------------------------	-----------------------------	----------------------------	----------------------------	-----------------------------

Paul Nerland
County Administrative Officer

Daniel C. Cederborg
County Counsel

Public Protection	Health & Public Assistance	Public Ways & Facilities	Education	Culture & Recreation	General Government
John Zaroni Sheriff-Coroner Public Administrator	Sanja Bugay Director Social Services	Stephen E. White Director/Public Works & Planning	Sally Gomez County Librarian	Steven E. White Director/Public Works & Planning	Paul Dictos, CPA Assessor-Recorder
Lisa A. Smittcamp District Attorney	David F. Luchini Director Public Health	Melissa Cregan Agricultural Commissioner/Sealer of Weights & Measures	Karmjot Randhawa Cooperative Extension		Oscar J. Garcia, CPA Auditor-Controller/ Treasurer-Tax Collector
Kirk Haynes Chief Probation Officer	Susan Holt Director Behavioral Health Public Guardian				Hollis Magill Director Human Resources
Antoinette Taillac Public Defender	Kari Gilbert Director Child Support Services				Edward Hill Interim Director of Internal Services- Chief Information Officer
					James A. Kus County Clerk/Registrar of Voters

The County, with an average of 7,417 full-time equivalent employees, provides a full range of services to its residents as the above organizational chart depicts. Included in reported operations are various component units that provide specific services County-wide or to distinct geographic areas within the County. They include, among others, County Service Areas (CSAs), Fresno County Financing Authority (FCFA), Fresno County Tobacco Funding Corporation, and San Joaquin Valley Insurance Authority. While these entities are legally separate from the County, the County has some financial accountability for them, their governing bodies are substantially the same as the County's Board, and in most cases, provide services exclusively to the County.

For financial planning and control, the Board adopts an annual appropriated budget for the County. Activities of the General Fund, Special Revenue Funds, Capital Projects Fund, and the Debt Service Fund are included in the annual budget. Budgetary control is exercised at the department level in both the General and Special Revenue Funds. The legal level of control is at the object level except for capital assets, which are controlled at the sub-object level. Project-length financial plans are adopted for capital improvements. Budget-to-actual comparisons are provided in this report for each major governmental fund and each nonmajor special revenue fund for which an appropriated annual budget has been adopted.

The County of Fresno internet site at <http://www.co.fresno.ca.us> provides extensive information about the County government and its services to the citizens of Fresno County and to those who visit. The County's website includes information about the Board, including how to contact the Board, and provides Board Agendas, County job listings, bid solicitations, County directories, information on how to appeal assessments, voter information, County permits and forms, and financial information such as the County tax rate book, the annual budget, and recent Financial Reports. The site also provides several online services, including the ability to view both live and archived Board meetings, look up election results and polling places, and pay property taxes.

ECONOMIC OVERVIEW

The County of Fresno serves as a financial, trade, commercial and educational center for central California. The County is one of eight counties in the San Joaquin Valley that routinely account for one-half of California's agricultural production. In addition to an extensive highway and road system, several motor freight carriers and a railway network, the County is also home to Fresno Yosemite International Airport, which provides both passenger and cargo services.

California has the largest labor market in the United States with a labor force of 19,293,300 persons as of June 30, 2024. The employed labor force at June 30, 2024, was 18,265,300 persons on a seasonally adjusted basis. This number demonstrates a decrease in the California labor market compared to the prior year. The State-wide unemployment rate is 5.3% or 1,028,000 persons. The County of Fresno continues to address its persistent unemployment challenges, which slightly increased by 0.2% over the past year, reaching 7.7% as of June 30, 2024. This increase reflects ongoing economic pressures, including sector-specific challenges such as seasonal fluctuations in agriculture and a slower recovery in certain industries following the pandemic. Despite these challenges, the County is actively pursuing initiatives to stimulate job growth and economic stability. The County of Fresno labor force consisted of 459,400 persons as of June 30, 2024.

The County's economy shows mixed trends. The net assessed value of the Property Tax Secured Roll increased to \$104,509,881,202 in the 2023-2024 fiscal year. Property tax revenues increased by 8.07% from fiscal year 2022-2023 to fiscal year 2023-2024, indicating stability in the property market. However,

an 8.13% decline in sales tax revenue highlights potential challenges in consumer spending or retail activity. Inflation continues to be a factor, limiting discretionary spending for consumers.

The housing market in the County has shown an increase in home prices. The median home price within the County was up to \$430,000 during the month of September 2024; this represents an increase of \$20,000 or 4.89%, as compared to the median home prices in September 2023 of \$410,000. Furthermore, housing sales decreased by 6.69% in September compared to the same period last year due to high mortgage rates. The current Unsold Inventory Index, which is a measure in number of months, of current housing inventory based on current sales volume was at 3.4 months in September 2024 compared to 3.3 in September 2023. A six to seven-month supply is considered typical in a normal market.

The County remained one of the leading agricultural counties in the State and nation. Total gross agricultural production in 2023 increased by 6.1% from 2022. This is largely due to an increase in the value of livestock and poultry products along with an increase in field and seed crops, apiary, nursery products, and vegetables. The number one crop in value was grapes (\$1,339,412,000) followed by almonds (\$1,023,658,000). Fruit and nut crops provide 55.37% (\$4,755,759,000) of the gross agricultural production value followed by vegetables at 17.90% (\$1,537,441,000) and livestock, et al. at 19.69% (\$1,691,185,000).

While agriculture currently accounts for 9.41% of wage and salary employment, other important sources of employment include: government 17.66%; educational and health services trade 20.11%; transportation and utilities 17.64%; leisure and hospitality services 8.93%; professional and business services 7.65%; manufacturing 6.25%; mining, logging, and construction 5.52%; and other 6.83%.

MAJOR INITIATIVES, SERVICE EFFORTS AND ACCOMPLISHMENTS

Current Financial Planning

The County maintains the largest road system in the State covering over 3,474 miles of roads. The fiscal year 2024-2025 Road Fund adopted budget totals \$163.7 million, which reflects a decrease of 7% from the prior year adopted budget. The fiscal year 2024-2025 road paving and maintenance programs include \$31.3 million dedicated to paving projects; maintenance activities; joint County and City road paving; traffic signals and highway lighting maintenance; Job Order Contracts (JOC); and preventative maintenance projects funded by the Senate Bill 1 Road Repair and Accountability Act of 2017. The contract construction budget includes \$82.5 million for road reconstruction, bridge constructions, shoulder paving, traffic signals and pedestrian projects. Over \$186 million is programmed in the 2023 Federal Transportation Improvement Program for projects currently being designed for delivery by fiscal year 2026-2027.

In April 2006, the County issued subordinate Tobacco Settlement Asset-Backed Bonds in the amount of \$39,015,131 to fund future capital projects. As of June 30, 2023, all bond proceeds were allocated to future capital expenditures. The West Annex Jail, a three-story facility with 300 medium/maximum security beds, has been completed. Located adjacent to the North Annex Jail, this modern facility replaces outdated linear cells with new-generation pods that enhance observation and supervision of inmates. It also provides program space designed to support the needs of special populations, including inmates with behavioral health issues. Groundbreaking on this project occurred on January 25, 2018, and a grand opening is expected by the end of 2024.

Long-Term Financial Planning

The County provides property tax abatements through the California Land Conservation (Williamson) Act of 1965. Land enrolled in the program is restricted to agricultural or qualified recreational uses in

exchange for reduced property tax assessments. The Williamson Act Program benefits local agriculture by assessing the land at a rate consistent with its actual use, rather than the market value of the property. Agriculture plays a large part in the local economy, and the tax abatement encourage owners of land to continue using it for agricultural purposes. For the fiscal year ended June 30, 2024, the Williamson Act Program tax abatements were \$67,649.

The County's budget is strongly influenced by the State economy and local economic conditions along with the State's fiscal budget. The State passed the fiscal year 2024-2025 budget of \$295.5 billion (not including Bond Funds) on June 26, 2024, a decrease of 4% over the prior year adopted budget. The budget reflects a total reserve balance of \$22.2 billion which includes \$17.6 billion in the Budget Stabilization Account (BSA), \$3.5 billion in the Special Fund for Economic Uncertainties (SFEU), and \$1.1 billion in the Public School System Stabilization Account.

The County's fiscal year 2024-2025 adopted budget is \$5.2 billion, which is \$373.5 million greater than the prior year. The budget included \$90 million in carryover fund balance due to greater than budgeted countywide revenues and projected unused appropriations.

RELEVANT FINANCIAL POLICIES

Investments

The County manages the Treasury Investment Pool (Pool). The Pool is comprised of all County and agency funds that are deposited in the County Treasury for operating purposes. A formal investment policy is administered by staff to ensure that investments satisfy legal guidelines, provide liquidity to meet the daily demands upon the Treasury, and provide the highest interest earnings within these constraints. A Treasury Oversight Committee is responsible for regulatory oversight.

Investments authorized under this policy include U.S. Treasury and agency obligations, bankers' acceptances, commercial paper, certificates of deposit, repurchase agreements, medium-term notes, the State's Local Agency Investment Fund (LAIF), mutual funds, and mortgage-backed securities. The policy further restricts investments such that the average weighted maturity of the Pool cannot exceed 1,278 days or 3½ years unless an investment is matched to a specific cash flow.

General Fund, Fund Balance Classifications

During budget preparations, the County establishes various Commitments and Assignments of fund balance within the General Fund to provide for unforeseen expenditures or emergencies that may arise during the course of the fiscal year, and to accumulate funds in the General Fund for designated uses. General Fund Assignments differ from Commitments in that the Board can transfer Assignments during the fiscal year to finance unanticipated expenditures, while Commitments can only be used for the specific purpose for which they were established and are not available to finance current year expenditures except in cases where the Board declares an emergency as defined by Government Code 29127. The Board can approve increases to Commitments and Assignments during the fiscal year.

As part of the County's debt policy, a "pay-as-you-go" financing policy has been deemed an acceptable use of unassigned fund balance to provide a cushion in the event of unanticipated revenue downturns and emergency situations. The County continues to develop fiscal policies for departmental reserve minimums and constraints that will guard against future deficits created by a dependency on fund balance and reserves during times of economic uncertainty.

Budget

Under State law, the County is required to approve an adopted budget by resolution for the County and dependent Special Districts no later than October 2 of each year. The budget includes the operations of the County and other agencies whose affairs and finances are under the supervision and control of the Board of Supervisors. Before adopting by resolution, the Board holds a public hearing at which anyone may appear and testify on any item in the proposed budget.

Appropriations within the adopted budget will be controlled by the Board at the object level, except for capital assets. Transfers of appropriations between funds and departments require approval from the Board. Transfers of appropriations between expenditure objects, e.g., Salaries and Employee Benefits, Services and Supplies, Other Charges, and Capital Assets, within a department are permitted with the approval of the County Administrative Officer.

The County Administrative Officer supervises and directs the preparation of the annual budget of the County for the Board and is responsible for its administration after adoption.

Debt Limitations

The County abides by California Constitution Article XVI, Section 18, which limits the amount of debt that the County may lawfully incur without approval of 2/3 of the qualified electorate: “(a) No county... shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two-thirds of the voters of the public entity voting at an election to be held for that purpose.”

The County will evaluate legal limitations and affordability of debt prior to any new financing or refinancing. It is important for the County to consider its current debt levels as well as legal restrictions imposed by statute or by existing bond covenants. The County will employ specialized legal and financial advisors, as necessary, to assist in the evaluation of additional debt.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its ACFR for the fiscal year ended June 30, 2023. The County has received this prestigious award for over thirty years. In order to be awarded a Certificate of Achievement, the County is required to publish an easily readable and efficiently organized ACFR that satisfies both GAAP and applicable legal requirements.

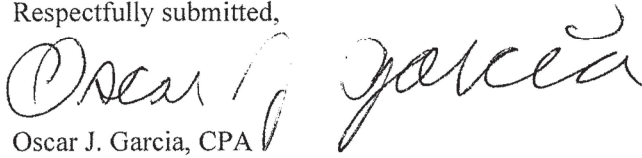
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate.

Acknowledgments

I wish to express my appreciation to the staff of the Auditor-Controller/Treasurer-Tax Collector's Office, whose hard work, professionalism, and dedication are responsible for the timely preparation of this report, and to Brown Armstrong Accountancy Corporation for their professional assistance.

Finally, I would like to thank the Board and members of the Audit Committee for their continued efforts in planning and conducting the County's financial operations in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Oscar J. Garcia". The signature is written in black ink and is positioned above the printed name and title.

Oscar J. Garcia, CPA
Auditor-Controller/Treasurer-Tax Collector



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

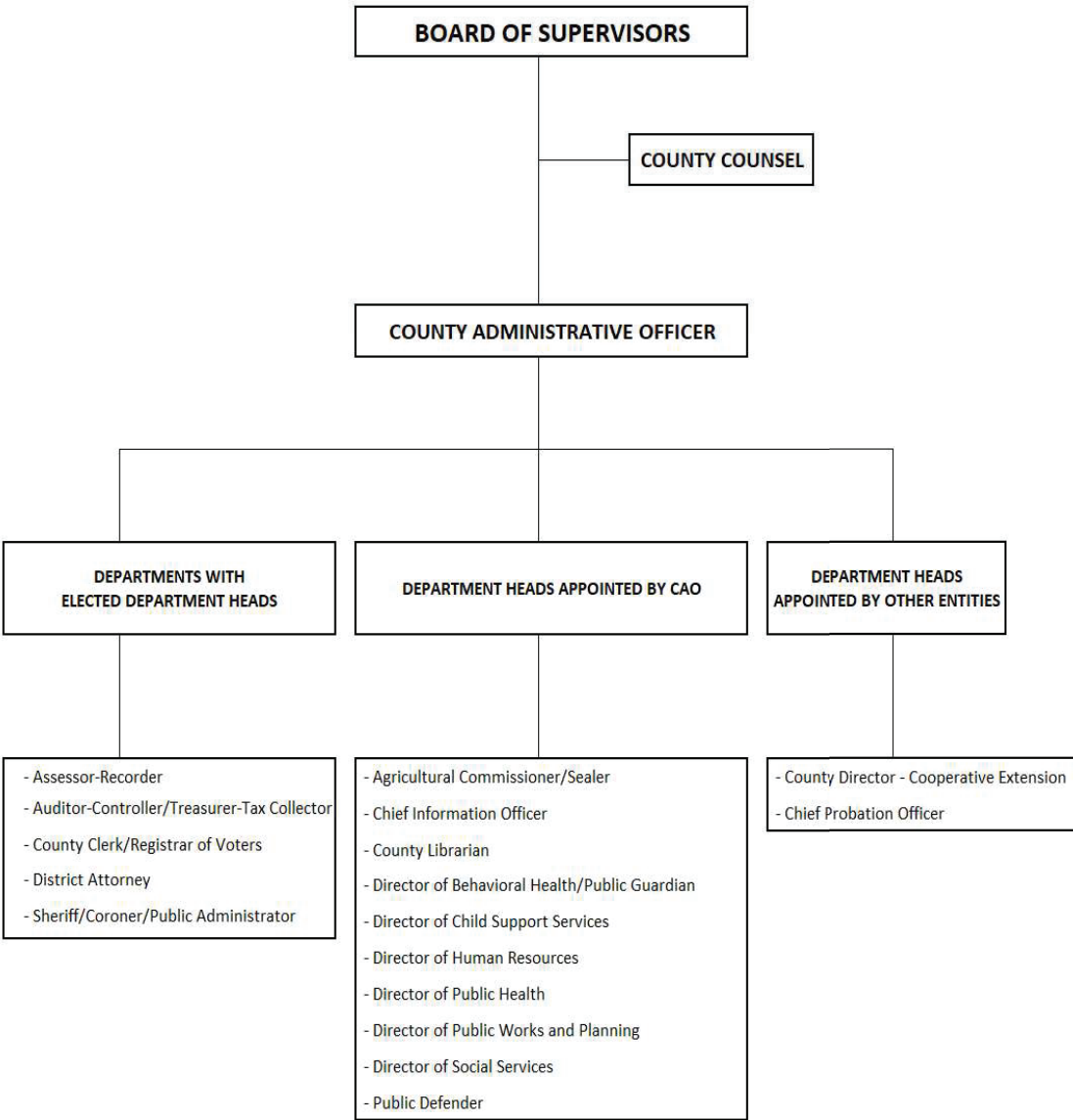
Presented to

**County of Fresno
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

COUNTY OF FRESNO ORGANIZATIONAL CHART



**County of Fresno
List of Principal Officials
June 30, 2024**

ELECTED OFFICIALS

Board of Supervisors:

Supervisor, District 1	Brian Pacheco
Supervisor, District 2	Steve Brandau
Supervisor, District 3	Sal Quintero
Vice-Chairman Supervisor, District 4.....	Buddy Mendes
Chairman Supervisor, District 5	Nathan Magsig
Assessor-Recorder	Paul Dictos, CPA
Auditor-Controller/Treasurer-Tax Collector	Oscar J. Garcia, CPA
County Clerk/Registrar of Voters	James A. Kus
District Attorney	Lisa A. Smittcamp
Sheriff/Coroner/Public Administrator	John Zanoni

APPOINTED OFFICIALS

County Administrative Officer	Paul Nerland
County Counsel.....	Daniel C. Cederborg



FINANCIAL SECTION

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Basic Financial Statements
- Required Supplementary Information

INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Supervisors
County of Fresno
Fresno, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Fresno, California (the County), as of and for the fiscal 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of and for the fiscal year ended 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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.

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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America 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 the Management's Discussion and Analysis; the Fresno County Employees' Retirement Association Schedule of the County's Proportionate Share of the Net Pension Liability; the Fresno County Employees' Retirement Association Schedule of the County's Contributions; and the respective budgetary comparison information for the General Fund, Disaster Claiming Fund, Local Health and Welfare Fund, and 2011 Realignment Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

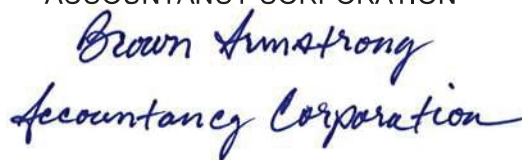
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover 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 27, 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.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
December 27, 2024

County of Fresno
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(amounts expressed in thousands)

The County of Fresno's (County) management's discussion and analysis is designed to present a narrative overview of the financial activities of the County and an analysis of the County's financial performance for the fiscal year ended June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- At the close of the 2023-2024 fiscal year, the assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources of the County by \$1,079,614. The residual of this difference is referred to as "net position." The County has an unrestricted net position of \$225,666. The County's net position also includes restricted net position of \$1,618 representing assets that may only be used for specific purposes, and \$852,330 representing the County's net investment in capital assets.
- The County's long-term liabilities decreased by \$50,468. Long-term liabilities totaled \$2,245,947 at June 30, 2024.
- The County's total net position increased to \$1,079,614. The governmental activities net position is \$976,287 and business-type activities net position is \$103,327.
- As of June 30, 2024, the County's governmental funds reported combined ending fund balances of \$1,056,205, which is an increase of \$92,637 in comparison to the prior year. Approximately 89.35% of combined fund balances, or \$943,734, is either nonspendable, restricted, or committed for specific uses; 10.65%, or \$112,471, is unassigned to meet the County's current and future uses.
- The total fund balance in the County's primary operating fund, the General Fund, at year-end was \$488,709. Approximately \$376,238 is either nonspendable, restricted, or committed for specific uses. The remaining \$112,471, which approximates to 5.44% of the General Fund's total expenditures for the year, is unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following narrative is an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) **Government-wide** financial statements, 2) **Fund** financial statements and 3) **Notes** to the basic financial statements. Required supplementary information is included in addition to the basic financial statements.

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. Therefore, the statements are reported using the accrual basis of accounting. Please refer to *Note 2, section (B)* on page 29 for further information on the accrual basis of accounting.

The *Statement of Net Position* presents information on all County assets and liabilities, as well as deferred inflows and outflows of resources, with the residual of these elements being 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.

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The Statement of Activities presents information showing how 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 in this statement for some items that will result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by intergovernmental revenues and property and sales taxes (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government; public protection; public ways and facilities; health, sanitation, and public assistance; education; and culture and recreation. The business-type activities of the County include the Fresno County Solid Waste Enterprise (Landfills) and the County Service Areas (CSAs).

Component units are included in our basic financial statements and can be blended or discretely presented. Blended component units consist of legally separate entities for which the County is financially accountable and have substantially the same governing board as the County or provide services entirely to the County. The County's blended component units include the CSAs, the Fresno County Tobacco Funding Corporation, and the Fresno County Financing Authority. Discretely presented component units are legally separate entities, which have some financial accountability to the County Board of Supervisors (Board), though the entity's governing board is substantially different from the County Board. As of June 30, 2024, the County had no discretely presented component units.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund Financial Statements present the County's financial activities in a traditional fund format. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. The fund financial statements are reported using the modified accrual basis of accounting. See *Note 2, section (B)* on page 29, which explains the modified accrual basis of accounting. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 funds 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 evaluating the County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains thirteen individual governmental funds, five of which are considered to be major governmental funds. Information for the General Fund, Disaster Claiming, Debt Service, Local Health and Welfare, and 2011 Realignment Funds is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances. Data for the other, nonmajor governmental funds are combined into a single, aggregated

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presentation. Summary fund data by fund type and individual fund data for these nonmajor governmental funds is provided as other supplementary information in the form of *combining statements and schedules* found on pages 81-94 of this report.

The County adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement is provided for the General Fund and other governmental funds to demonstrate compliance with this budget. The County's General Fund, Disaster Claiming, Debt Service, Local Health and Welfare, and 2011 Realignment Fund budgetary comparison schedules are presented as Required Supplementary Information.

The governmental funds financial statements can be found on pages 16-19 of this report.

Proprietary funds are generally used to account for services provided by the County where fees are charged for these services. The County maintains two different types of proprietary funds – enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Landfills' and CSAs' operations whose revenues are collected from external user fees. Internal service funds are used to report activities that provide supplies and services for certain County programs and activities. The County uses internal service funds to account for its fleet, information technology, risk management, PeopleSoft software operations, facility services, and security services. Substantially all of the revenues for the County's internal service funds come from other internal County departments. Because these services predominantly benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements; however, information is provided in more detail and includes cash flow statements. The Landfills' and CSAs' operations are considered to be major funds of the County. The County's six internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided as supplementary information in the form of combining statements which can be found on pages 96-99 of this report.

The proprietary funds financial statements can be found on pages 20-23 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. The accounting used for fiduciary funds, except for the agency funds, is much like that used for proprietary funds. Individual fund data for agency funds is provided as supplementary information in the form of combining statements. These statements can be found on page 101-102 of this report.

The fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them. The notes can be found on pages 26-73 of this report.

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Required Supplementary Information includes the Budgetary Comparison Schedules for the General Fund, Disaster Claiming, Local Health and Welfare, and 2011 Realignment Fund. Additionally, this section includes the Fresno County Employees' Retirement Association (FCERA) Schedule of the County's Proportionate Share of the Net Pension Liability, which provides information regarding the County's portion of the net pension liability, along with the Schedule of County Contributions, which provides information on the actuarially determined contribution amounts for the last 10 fiscal years. Required supplementary information can be found on pages 74-80 of this report.

The combining and individual fund statements and schedules referred to earlier provide information for major and nonmajor governmental funds, internal service funds, and fiduciary funds, and are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 81-102 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time 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 \$1,079,614 at June 30, 2024.

Summary of Net Position June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Assets:						
Current and other assets	\$ 1,735,416	\$ 1,540,682	\$ 88,932	\$ 94,284	\$ 1,824,348	\$ 1,634,966
Capital assets	1,316,345	1,312,317	96,701	95,099	1,413,046	1,407,416
Total assets	3,051,761	2,852,999	185,633	189,383	3,237,394	3,042,382
Deferred Outflows of Resources:						
Deferred pensions	558,257	674,592	4,454	5,331	562,711	679,923
Total deferred outflows of resources	558,257	674,592	4,454	5,331	562,711	679,923
Liabilities:						
Other liabilities	392,911	345,320	10,806	7,759	403,717	353,079
Long-term liabilities	2,171,328	2,224,215	74,619	72,200	2,245,947	2,296,415
Total liabilities	2,564,239	2,569,535	85,425	79,959	2,649,664	2,649,494
Deferred Inflows of Resources:						
Lease proceeds	53	-	781	-	834	-
Deferred pensions	69,439	104,622	554	826	69,993	105,448
Total deferred inflows of resources	69,492	104,622	1,335	826	70,827	105,448
Net Position:						
Net investment in capital assets	755,720	776,988	96,610	94,980	852,330	871,968
Restricted	-	-	1,618	1,582	1,618	1,582
Unrestricted	220,567	76,446	5,099	17,367	225,666	93,813
Total net position	\$ 976,287	\$ 853,434	\$ 103,327	\$ 113,929	\$ 1,079,614	\$ 967,363

The largest portion of the County's net position, \$852,330, represents its investment in capital assets (e.g., land, land improvements, buildings, equipment, infrastructure, intangible assets, construction in progress), less any outstanding debt used to acquire those assets. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the County uses these capital assets to provide

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services to citizens. Restricted net position balance of \$1,618 represents resources that are subject to external restrictions on how they may be used.

Current and other assets increased from \$1,634,966 to \$1,824,348 or 11.58%. This increase is primarily due to an increase in taxes receivable to the County along with an increase in receivables due from other governmental units and an increase to cash and investments.

Capital assets increased by \$5,630 from \$1,407,416 to \$1,413,046, or 0.40% from the prior year. The increase was primarily due to the increase in infrastructure, a depreciable asset, and land, a non-depreciable asset.

Long-term liabilities decreased by \$50,468, from \$2,296,415 to \$2,245,947, or 2.20% from the prior year. This is primarily due to a decrease of Net Pension Liability by the amount of \$67,675.

The following table indicates the changes in net position for governmental and business-type activities:

Summary of Changes in Net Position
For the Fiscal Years Ended June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Revenues:						
Program revenues:						
Charges for services	\$ 143,858	\$ 151,871	\$ 28,611	\$ 32,279	\$ 172,469	\$ 184,150
Operating grants and contributions	1,456,445	1,338,174	723	514	1,457,168	1,338,688
General revenues:						
Property taxes	350,458	323,734	974	907	351,432	324,641
Sales taxes	88,913	71,039	-	-	88,913	71,039
Motor vehicle in-lieu taxes	309,434	317,081	-	-	309,434	317,081
Franchise taxes	13,994	14,837	-	-	13,994	14,837
Investment earnings (losses)	42,499	10,646	4,532	2,423	47,031	13,069
Miscellaneous	6,039	6,780	6,976	12,025	13,015	18,805
Total revenues	<u>2,411,640</u>	<u>2,234,162</u>	<u>41,816</u>	<u>48,148</u>	<u>2,453,456</u>	<u>2,282,310</u>
Expenses:						
General government	361,387	317,527	-	-	361,387	317,527
Public protection	492,250	467,639	-	-	492,250	467,639
Public ways and facilities	113,003	101,909	-	-	113,003	101,909
Health, sanitation & public assistance	1,187,896	1,116,654	-	-	1,187,896	1,116,654
Education	30,527	29,731	-	-	30,527	29,731
Culture and recreation	3,761	3,520	-	-	3,761	3,520
Interest on long-term debt	25,578	24,706	-	-	25,578	24,706
County Service Areas, other	-	-	14,192	14,799	14,192	14,799
Landfills	-	-	27,225	26,709	27,225	26,709
Total expenses	<u>2,214,402</u>	<u>2,061,686</u>	<u>41,417</u>	<u>41,508</u>	<u>2,255,819</u>	<u>2,103,194</u>
Increase (decrease) in net position before transfers	197,238	172,476	399	6,640	197,637	179,117
Transfers	(28)	54	28	(54)	-	-
Increase (decrease) in net position	197,210	172,531	427	6,586	197,637	179,117
Net position - beginning, as previously reported	853,434	714,689	113,929	107,343	967,363	822,032
Restatement for error correction	(74,357)	(33,786)	(11,029)	-	(85,386)	(33,786)
Net position - beginning, as restated	<u>779,077</u>	<u>680,903</u>	<u>102,900</u>	<u>107,343</u>	<u>881,977</u>	<u>788,246</u>
Net position end of year	<u>\$ 976,287</u>	<u>\$ 853,434</u>	<u>\$ 103,327</u>	<u>\$ 113,929</u>	<u>\$ 1,079,614</u>	<u>\$ 967,363</u>

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Governmental activities. Governmental activities increased the County's net position by \$197,210, which accounts for most of the total increase in net position of the County. Revenue related to charges for services slightly decreased by \$8,013 due to a decrease in service levels. Operating grant revenue increased by \$118,271, primarily driven by higher State Welfare Assistance funding, which includes Medi-Cal, CalWorks, CalFresh, and IHSS Administration. Notably, CalWorks received more state revenue due to the State allowing offset of the State share of cost with the State General Fund. Unlike the prior year, the State share of the cost is offset by Realignment. The Mental Health Services Act program also saw a significant increase in funding, which is allocated based on population. The funding comes from California income tax returns, with the County of Fresno receiving approximately 2.50% of the statewide total. Property taxes increased by \$26,724, reflecting higher assessed property values. Sales tax revenue increased by \$17,874, driven by the receipt of the Local Transportation Fund sales tax apportionment for fiscal years 2023 and 2024. However, Motor Vehicle in-Lieu of Taxes decreased by \$7,647 due to a decline in Healthcare Sales Tax revenue. Finally, Investment earnings increased by \$31,853 reflecting improvements in the investment market.

Overall, governmental activities expenses increased across all functions due to the approval of a 5-step salary range structure for all classifications within the Senior Management and Department Head units. Previously, the County used a Senior Management Compensations Plan with salary bands that provided a flat salary upon hire and adjustments only for cost-of-living increases, as approved. The transition to a 5-step salary range aligns with the County's compensation system for other classifications and represents a strategic move to enhance internal equity, improve competitiveness in the local labor market, ensure transparency in compensation practices, incentivize performance management, and reward experience. Additionally, Health, Sanitation, and Public Assistance expenses saw a significant increase due to a retroactive correction of fiscal year 2023-2024 CalWorks Assistance expenses.

One point to keep in mind when analyzing the increases/decreases noted above is the application of the accrual basis of accounting for the County's governmental activities. Governmental activities budget and subsequently issue fund financial statements that reflect their budget and accounting practices under the modified accrual basis of accounting. Under this approach, capital asset purchases and debt principal payments are expensed. Further, revenues are accrued if measurable and available within the County's availability period (established at 60 days for general revenue or 180 days for grant revenue). In contrast, the Statement of Activities (summarized here as "Summary of Changes in Net Position") is reported under the full accrual basis of accounting, which capitalizes capital asset purchases, reduces liabilities by principal payments and recognizes revenues regardless of if they are available within the 60 to 180 day period. See the reconciliation on page 17, which further explains the difference between changes in the County's fund balance under the modified accrual basis and changes in net position under the accrual basis of accounting.

Business-type activities. Business-type activities increased the County's net position by \$427, which is attributable to an increase in operating revenues and restatement for error corrections decreasing the net position by \$11,029.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The general government functions are reported in the General, Special Revenue, Debt Service, and Capital Projects Funds. The focus of the County's governmental funds is to provide

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information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2024, the County's governmental funds reported combined ending fund balances of \$1,056,205, an increase of \$92,637 in comparison with the prior fiscal year. Approximately 10.65% of this total amount, or \$112,471, constitutes fund balance that is available for appropriation in the upcoming year. The remainder of the fund balance, totaling \$943,734, is restricted or committed; this includes \$22,214 "not in spendable form" for items that are not expected to be converted into cash, such as long-term receivables and imprest cash balances, that are long-term in nature and thus do not represent available spendable resources. The remainder of the fund balance also includes \$921,520 restricted or committed for programs at various levels.

General Fund. The General Fund is the chief operating fund of the County. At June 30, 2024, unassigned fund balance of the General Fund was \$112,471, while total fund balance was \$488,709. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 5.44% of total fund expenditures less transfers, while total fund balance represents 23.62% of that same amount.

The fund balance of the County's General Fund increased \$19,672 during the current fiscal year primarily due to the increase in revenues related to the taxes.

Revenues for the General Fund, excluding transfers totaled \$1,587,317, which represents an 8.86% increase compared to fiscal year 2022-2023. Overall revenue increased by \$129,181 during the current fiscal year, primarily driven by a 30% increase in revenue from the State of Welfare Assistance and Mental Health Services, a 25.16% increase in sales tax revenue, an 8.25% increase in revenue received from secured property tax collections, and a 108% increase in interest income due to improved investment performance.

Expenditures without other financing sources (uses) for the General Fund totaled \$2,068,721 in fiscal year 2023-2024, which represents an increase of 8.40% from fiscal year 2022-2023. The primary cause for the increase is related to spending associated with CalWORKs and specialized services within the Department of Public Works and Planning, as well as the Department of Behavioral Health, which accounts for a combined total of 28.10% of all General Fund expenditures. Other increases were seen in expenditures for salaries of public safety employees, with a combined increase of 7.45% from fiscal year 2022-2023.

Disaster Claiming Fund. The Disaster Claiming Fund was established during fiscal year 2019-20 to help track funds received that are related to local disaster relief. Revenues for the Disaster Claiming Fund during fiscal year 2023-2024 totaled \$31,941, with \$7,026 in disbursements along with \$20,523 in transfer out to other funds.

Debt Service Fund. The Debt Service Fund is a major governmental fund. Fund balance increased by \$3,830 from \$67,683 to \$71,513, or 5.66%. The increase is due to a reduction of principal on bonds during fiscal year 2023-2024 and an increase in interest revenue.

Local Health and Welfare Fund. The Local Health and Welfare Fund was created pursuant to Assembly Bill 1288 of 1991. This fund received \$313,502 in revenues along with \$11,360 in transfers in and distributed \$307,375 to the General Fund which, when combined with the \$104,896 in restricted fund

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balance from the prior year, resulted in \$122,383 in restricted fund balance for fiscal year 2023-2024. The change was due to an increase in interest and healthcare vehicle license fee revenue.

2011 Realignment Fund. The 2011 Realignment Fund was established in fiscal year 2011-2012. This fund was created pursuant to Assembly Bill 118, which realigned Public Safety and Health programs. This fund received \$244,701 in revenues and distributed \$264,180 to the General Fund which, when combined with the \$135,949 in restricted fund balance from the prior year, resulted in \$116,470 in restricted fund balance for fiscal year 2023-2024. This change is due to an increase of State aid funding.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, except in more detail.

Landfills have \$76,000 in net position on June 30, 2024, and the CSAs have \$27,327. The Landfills' and CSAs' unrestricted net positions are \$12,011 and \$(6,912), respectively; this comprises 15.80% and (25.29)%, respectively, of their total net positions. Landfills had a decrease in revenues, notably in charges for services which had a decrease of 18.45% from prior year. CSAs had increase in revenues, notably in other revenues. Overall, net position decreased by \$10,602 for the combined Landfills and CSAs funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

The total change in fund balance between the original budget and the final amended budget was a decrease of \$28,721. The difference between the original budget and the final amended budget is primarily due to an increase in appropriations for various services and supplies for the Sheriff-Coroner-Public Administrator, as well as an increase in appropriations for State and Federal Welfare revenue for the Department of Social Services.

The actual General Fund revenue balance of \$1,587,317 was \$12,171, or 0.77%, more than what was expected. The revenue increased primarily due to more than anticipated property tax revenues. Actual General Fund expenditures fell below the total budget estimates by \$327,837, or 15.85%. The savings were achieved by an array of continuous efforts to manage the County's budget effectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

As of June 30, 2024, the County's investment in capital assets for its governmental and business-type activities was \$1,413,046. This investment in capital assets includes infrastructure, infrastructure in progress, land, land easements, buildings and improvements, equipment, intangible assets, intangible in progress, construction in progress, tenant improvements, right to use lease assets, and right to use subscription assets. The total increase in the County's investment in capital assets for the current period was \$5,630.

Capital asset projects during the current fiscal year included the following:

- Construction of road projects.
- Construction of the West Annex Jail.
- Various improvement projects.

For government-wide financial statement presentation, all depreciable/amortizable capital assets except land, right-of-way, infrastructure in progress and construction in progress, were depreciated/amortized

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from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures.

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

County of Fresno's Capital Assets
(Net of depreciation/amortization)
As of June 30, 2024, and 2023

	Governmental		Business-Type		Total	
	Activities		Activities			
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Assets:						
Infrastructure	\$ 363,385	\$ 338,503	\$ -	\$ -	\$ 363,385	\$ 338,503
Infrastructure in progress	66,204	65,054	-	-	66,204	65,054
Land	23,568	16,878	9,183	9,183	32,751	26,061
Land easements	41,838	41,838	-	-	41,838	41,838
Buildings and improvements	305,810	347,197	64,100	50,520	369,910	397,717
Equipment	39,019	38,963	7,640	6,155	46,659	45,118
Construction in progress	137,525	141,981	15,678	29,125	153,203	171,106
Intangible assets	23	50	-	-	23	50
Tenant improvements	106,109	75,396	-	-	106,109	75,396.00
Right to use lease assets	218,611	226,774	-	-	218,611	226,774
Right to use subscription assets	14,253	19,683	100	116	14,353	19,799
	<u>\$ 1,316,345</u>	<u>\$ 1,312,317</u>	<u>\$ 96,701</u>	<u>\$ 95,099</u>	<u>\$ 1,413,046</u>	<u>\$ 1,407,416</u>

For more detailed information on capital asset activity, refer to the relevant disclosures (Note 8) in the notes to the basic financial statements.

Infrastructure Assets

The County capitalizes and depreciates the value of bridges, streets, and traffic lights using the straight-line depreciation method. Right-of-way is treated as a non-depreciable asset, labeled as land easements. During fiscal year 2023-2024, the County added infrastructure totaling \$36,044. Accumulated depreciation for infrastructure increased by \$11,162.

Long-term Liabilities

At June 30, 2024, the County had total long-term liabilities outstanding of \$2,245,947, compared to \$2,296,415 for the prior fiscal year. This amount includes \$2,171,328 from governmental activities, which was comprised of \$63,340 in compensated absences; \$229,618 in lease obligations; \$11,555 in subscription obligations; \$119,351 in liability for tenant improvements; \$100,206 in liability for self-insurance; \$267,454 in bonds payable; \$308,038 from accreted interest; and \$1,071,766 in net pension liability. This combined with \$74,619 from business-type activities, which was comprised of \$524 in compensated absences; \$91 in subscription obligations; \$1,435 in bonds payable; \$4,249 in loans payable; \$59,770 in closure and post-closure care liability; and \$8,550 in net pension liability. Please refer to Note 9 to Note 13 on pages 47 through 69 and Note 16 on page 71 for further information on the County's long-term liabilities.

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Economic Factors and Next Year's Budget and Rates

- The economy has shown signs of slowing since 2022. The Gross Domestic Product saw slight growth in the first and second quarters of 2024, which was lower than the growth in the first and second quarters of the prior year. Inflation has slowed to slightly under 3 percent as interest rates were cut in September 2024. Average 2024 housing prices in the County are slightly up from the prior year as of October. National unemployment has remained relatively low since the significant increases during the pandemic; however, it has increased during the latter half of fiscal year 2023-2024. The state unemployment rate continues to see slight increases as well.
- Due to the County being heavily dependent on agriculture, it experiences chronically high unemployment, which places continual pressure on the County to provide adequate social and medical services. In addition, certain types of crime are considered high profile and public protection is a high priority to citizens.
- To address the negative economic impacts of COVID-19, the County received a total amount of \$194 million under the American Rescue Plan Act (ARPA). As of September 2024, approximately \$98.4 million has been expended. According to the fiscal year 2024-2025 adopted budget, the ARPA funds are being expended on a variety of projects including funding assistance for construction of affordable homes, necessary water infrastructure improvements, and the enhancement of homelessness initiatives.
- Realignment funds support the County's public safety, social services, health, and mental health programs. These are comprised of vehicle license fees and sales taxes. Realignment funds increased significantly pursuant to Assembly Bill 118, which realigned additional programs and reassigned responsibility of overseeing and providing core services to local governments. Although Realignment funds have shown significant increases in recent prior years, the decline in sales and use tax has left these funds short of their base allocations for fiscal year 2023-2024. The 2024-2025 adopted budget includes estimated usage of fund balance to fund realigned programs.

To the extent these factors were known, or could be estimated, they were considered in preparing the County's budget for fiscal year 2024-2025. The County will adjust its budget as necessary to deal with further expected State budget actions.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Auditor-Controller/Treasurer-Tax Collector, 2281 Tulare Street, Fresno, CA 93721.

County of Fresno
Statement of Net Position
June 30, 2024
(\$ amounts expressed in thousands)

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS			
Cash and investments	\$ 1,197,165	\$ 32,342	\$ 1,229,507
Restricted cash and investments	15,570	52,217	67,787
Receivables, net:			
Accounts	4,631	3,569	8,200
Taxes	88,420	-	88,420
Interest	8,737	610	9,347
Loans	44,044	-	44,044
Leases	55	808	863
Internal balances	614	(614)	-
Due from other governmental units	354,659	-	354,659
Prepaid items	21,521	-	21,521
Capital Assets, net:			
Land	23,568	9,183	32,751
Land easements	41,838	-	41,838
Buildings and improvements	305,810	64,100	369,910
Equipment	39,019	7,640	46,659
Construction in progress	137,525	15,678	153,203
Infrastructure	363,385	-	363,385
Infrastructure in progress	66,204	-	66,204
Intangible	23	-	23
Tenant improvements, net of amortization	106,109	-	106,109
Right to use lease assets, net of amortization	218,611	-	218,611
Right to use subscription assets, net of amortization	14,253	100	14,353
Total assets	<u>3,051,761</u>	<u>185,633</u>	<u>3,237,394</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pensions	<u>558,257</u>	<u>4,454</u>	<u>562,711</u>
Total deferred outflows of resources	<u>558,257</u>	<u>4,454</u>	<u>562,711</u>
LIABILITIES			
Cash overdraft	8,225	-	8,225
Accounts payable	143,323	1,720	145,043
Salaries and benefits payable	55,779	70	55,849
Interest payable	1,906	80	1,986
Due to other governmental units	37,359	-	37,359
Deposits and other liabilities	10,982	8,936	19,918
Unearned revenue	135,337	-	135,337
Noncurrent liabilities:			
Due within one year	100,045	815	100,860
Due beyond one year	<u>2,071,283</u>	<u>73,804</u>	<u>2,145,087</u>
Total liabilities	<u>2,564,239</u>	<u>85,425</u>	<u>2,649,664</u>
DEFERRED INFLOWS OF RESOURCES			
Lease proceeds	53	781	834
Deferred pensions	<u>69,439</u>	<u>554</u>	<u>69,993</u>
Total deferred inflows of resources	<u>69,492</u>	<u>1,335</u>	<u>70,827</u>
NET POSITION			
Net investment in capital assets	755,720	96,610	852,330
Restricted for:			
Debt service	-	1,618	1,618
Unrestricted	<u>220,567</u>	<u>5,099</u>	<u>225,666</u>
Total net position	<u>\$ 976,287</u>	<u>\$ 103,327</u>	<u>\$ 1,079,614</u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Activities
For Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

Functions / Programs:	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 361,433	\$ 42,553	\$ 183,702	\$ (135,178)	\$ -	\$ (135,178)
Public protection	492,250	24,939	279,402	(187,909)	-	(187,909)
Public ways and facilities	113,003	38,707	73,826	(470)	-	(470)
Health, sanitation and public assistance	1,187,896	34,690	918,933	(234,273)	-	(234,273)
Education	30,527	1,903	582	(28,042)	-	(28,042)
Culture and recreation	3,761	1,066	-	(2,695)	-	(2,695)
Interest expense	<u>25,532</u>	<u>-</u>	<u>-</u>	<u>(25,532)</u>	<u>-</u>	<u>(25,532)</u>
Total governmental activities	<u>2,214,402</u>	<u>143,858</u>	<u>1,456,445</u>	<u>(614,099)</u>	<u>-</u>	<u>(614,099)</u>
Business-type activities:						
Water/Sewer services	14,192	9,636	-	-	(4,556)	(4,556)
Landfills	<u>27,225</u>	<u>18,975</u>	<u>723</u>	<u>-</u>	<u>(7,527)</u>	<u>(7,527)</u>
Total business-type activities	<u>41,417</u>	<u>28,611</u>	<u>723</u>	<u>-</u>	<u>(12,083)</u>	<u>(12,083)</u>
Total primary government	<u>\$ 2,255,819</u>	<u>\$ 172,469</u>	<u>\$ 1,457,168</u>	<u>(614,099)</u>	<u>(12,083)</u>	<u>(626,182)</u>
General revenues:						
Property tax				350,458	974	351,432
Sales tax				88,913	-	88,913
Franchise tax				13,994	-	13,994
Unrestricted motor vehicle in-lieu taxes				309,434	-	309,434
Other				6,039	6,976	13,015
Unrestricted investment earnings				42,499	4,532	47,031
Transfers in (out)				<u>(28)</u>	<u>28</u>	<u>-</u>
Total general revenues and transfers				<u>811,309</u>	<u>12,510</u>	<u>823,819</u>
Change in net position				<u>197,210</u>	<u>427</u>	<u>197,637</u>
Net position - beginning, as previously reported				853,434	113,929	967,363
Restatement for error correction				<u>(74,357)</u>	<u>(11,029)</u>	<u>(85,386)</u>
Net position - beginning, as restated				<u>779,077</u>	<u>102,900</u>	<u>881,977</u>
Net position - ending				<u>\$ 976,287</u>	<u>\$ 103,327</u>	<u>\$ 1,079,614</u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Balance Sheet
Governmental Funds
June 30, 2024
(\$ amounts expressed in thousands)

	General Fund	Disaster Claiming	Debt Service	Local Health and Welfare	2011 Realignment	Other Governmental Funds	Total Governmental Funds
ASSETS & DEFERRED OUTFLOWS OF RESOURCES							
Assets							
Cash and investments	\$ 380,832	\$ 112,782	\$ 59,227	\$ 124,610	\$ 110,359	\$ 245,764	\$ 1,033,574
Restricted cash and investments	60	-	11,661	-	-	216	11,937
Receivables, net:							
Accounts	4,111	-	-	-	-	191	4,302
Taxes	88,420	-	-	-	-	-	88,420
Interest	3,208	913	409	970	932	1,117	7,549
Loans	44,044	-	-	-	-	-	44,044
Due from other funds	44,981	-	-	2,585	5,720	493	53,779
Due from other governmental units	281,439	-	227	14,711	21,122	28,289	345,788
Advances to other funds	233	-	-	-	-	-	233
Prepaid items	21,424	-	-	-	-	97	21,521
Total assets	<u>868,752</u>	<u>113,695</u>	<u>71,524</u>	<u>142,876</u>	<u>138,133</u>	<u>276,167</u>	<u>1,611,147</u>
Deferred outflows of resources							
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 868,752</u>	<u>\$ 113,695</u>	<u>\$ 71,524</u>	<u>\$ 142,876</u>	<u>\$ 138,133</u>	<u>\$ 276,167</u>	<u>\$ 1,611,147</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCES							
Liabilities							
Accounts payable	\$ 113,605	\$ 111	\$ 11	\$ -	\$ -	\$ 12,182	\$ 125,909
Salaries and benefits payable	51,487	-	-	-	-	3,096	54,583
Due to other governmental units	32,348	-	-	-	-	1	32,349
Due to other funds	18,844	4,211	-	20,493	21,663	1,778	66,989
Deposits and other liabilities	9,797	-	-	-	-	315	10,112
Unearned revenue	24,257	104,981	-	-	-	6,057	135,295
Total liabilities	<u>250,338</u>	<u>109,303</u>	<u>11</u>	<u>20,493</u>	<u>21,663</u>	<u>23,429</u>	<u>425,237</u>
Deferred inflows of resources							
Unavailable property taxes	85,661	-	-	-	-	-	85,661
Unavailable HARP loan	44,044	-	-	-	-	-	44,044
Total deferred inflows of resources	<u>129,705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,705</u>
Fund balances							
Nonspendable	22,214	-	-	-	-	-	22,214
Restricted	269,856	4,392	71,513	122,383	116,470	252,738	837,352
Committed	84,168	-	-	-	-	-	84,168
Unassigned	112,471	-	-	-	-	-	112,471
Total fund balances	<u>488,709</u>	<u>4,392</u>	<u>71,513</u>	<u>122,383</u>	<u>116,470</u>	<u>252,738</u>	<u>1,056,205</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 868,752</u>	<u>\$ 113,695</u>	<u>\$ 71,524</u>	<u>\$ 142,876</u>	<u>\$ 138,133</u>	<u>\$ 276,167</u>	<u>\$ 1,611,147</u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2024
(\$ amounts expressed in thousands)

Fund balances - total governmental funds	\$ 1,056,205
Amounts reported for net position of governmental activities are different because:	
Capital assets are not recorded in the governmental funds statements but are recorded in government-wide statements to conform with generally accepted accounting principles.	881,969
Deferred outflows of resources are not recorded in the governmental funds statements but are recorded in the government-wide statements.	530,372
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds. This amount is net of internal service fund activity.	(1,642,779)
Unmatured interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. This amount is net of internal service fund activity.	(1,906)
Deferred inflows of resources are not recorded in the governmental funds statements but are recorded in the government-wide statements.	(65,970)
Because the focus of governmental funds is not short-term financing, some assets will not be available to pay current period expenditures. Those assets are offset by deferred revenues in the governmental funds. This amount is net of internal service fund activity.	129,705
Internal service funds are used by management to charge the cost of fleet services, information systems, printing and mailing services, facility services, security, risk management and communications to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in the statement of net position.	88,691
Net position of governmental activities	<u>\$ 976,287</u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	General Fund	Disaster Claiming	Debt Service	Local Health and Welfare	2011 Realignment	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 369,731	\$ -	\$ -	\$ -	\$ -	\$ 69,640	\$ 439,371
Licenses and permits	13,132	-	-	-	-	862	13,994
Fines, forfeitures and penalties	5,586	-	-	-	-	416	6,002
Use of money and property	17,813	6,343	2,547	5,113	5,888	4,795	42,499
Aid from other governmental agencies:							
State	562,928	-	-	308,389	238,813	60,183	1,170,313
Federal	515,116	25,598	-	-	-	7,510	548,224
Other	6,890	-	2,087	-	-	29	9,006
Charges for services	73,461	-	-	-	-	36,426	109,887
Other revenues	22,660	-	10,613	-	-	698	33,971
Total revenues	<u>1,587,317</u>	<u>31,941</u>	<u>15,247</u>	<u>313,502</u>	<u>244,701</u>	<u>180,559</u>	<u>2,373,267</u>
Expenditures							
General government	43,466	-	1	-	-	915	44,382
Public protection	556,935	-	-	-	-	-	556,935
Public ways and facilities	7,118	-	-	-	-	111,910	119,028
Health, sanitation, and public assistance	1,352,077	7,026	-	-	-	271	1,359,374
Education	266	-	-	-	-	33,050	33,316
Culture and recreation	4,370	-	-	-	-	-	4,370
Capital outlay	66,281	-	-	-	-	8,810	75,091
Debt service:							
Principal	24,258	-	42,689	-	-	997	67,944
Interest and fiscal charges	13,950	-	7,162	-	-	43	21,155
Total expenditures	<u>2,068,721</u>	<u>7,026</u>	<u>49,852</u>	<u>-</u>	<u>-</u>	<u>155,996</u>	<u>2,281,595</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(481,404)</u>	<u>24,915</u>	<u>(34,605)</u>	<u>313,502</u>	<u>244,701</u>	<u>24,563</u>	<u>91,672</u>
Other Financing Sources (Uses)							
Proceeds from sale of capital assets	151	-	-	-	-	-	151
Insurance recoveries	2	-	-	-	-	-	2
Transfers in	573,035	-	40,629	11,360	-	48,078	673,102
Transfers (out)	(78,370)	(20,523)	(2,194)	(307,375)	(264,180)	(6,434)	(679,076)
Lease liabilities issued	6,258	-	-	-	-	528	6,786
Total other financing sources (uses)	<u>501,076</u>	<u>(20,523)</u>	<u>38,435</u>	<u>(296,015)</u>	<u>(264,180)</u>	<u>42,172</u>	<u>965</u>
Net change in fund balances	19,672	4,392	3,830	17,487	(19,479)	66,735	92,637
Fund balances - beginning	<u>469,037</u>	<u>-</u>	<u>67,683</u>	<u>104,896</u>	<u>135,949</u>	<u>186,003</u>	<u>963,568</u>
Fund balances - ending	<u>\$ 488,709</u>	<u>\$ 4,392</u>	<u>\$ 71,513</u>	<u>\$ 122,383</u>	<u>\$ 116,470</u>	<u>\$ 252,738</u>	<u>\$ 1,056,205</u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

Net change in fund balances - total governmental funds	\$	92,637
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for general capital assets, infrastructure, other related capital asset adjustments, right to use lease assets, and subscription assets	75,091	
Less - current year depreciation and amortization expense	(43,122)	31,969

Interest is expended in the governmental funds when paid, while interest on long-term debt is accrued in the Statement of Net Position. This is the amount by which the current year accrued interest decreased from the prior year's reported total.	59
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This amount is net of internal service fund activity.	(35,187)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This amount is net of internal service fund activity.	(9,840)
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Certain revenues are deferred because they are not available within the County's 180 day availability period. However, they are recognized in the government-wide financial statements. Amounts at the beginning of the fiscal year are netted with those at the end of the fiscal year. This amount is net of internal service fund activity.	38,336
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect in the treatment of long-term debt and related items.		
New long-term debt issued	(6,786)	
Principal payments on long-term debt	67,944	61,158

Internal service funds are used by management to charge the cost of fleet services, information systems, printing and mailing services, facility services, security, risk management and communications to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities.	18,078
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Change in net position of governmental activities	\$	197,210
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The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Net Position
Proprietary Funds
June 30, 2024
(\$ amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	County Service			Internal Service
	Solid Waste	Areas, Other	Total	Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 31,975	\$ 367	\$ 32,342	\$ 163,591
Restricted cash and cash equivalents	50,599	1,618	52,217	3,633
Accounts receivable (net of allowance)	2,296	1,273	3,569	135
Interest receivable	605	5	610	1,188
Lease receivable	808	-	808	55
Due from other funds	566	3	569	22,064
Due from other governmental units	-	-	-	8,871
Total current assets	<u>86,849</u>	<u>3,266</u>	<u>90,115</u>	<u>199,537</u>
Noncurrent assets:				
Accounts receivable	-	-	-	194
Non-depreciable/non-amortizable:				
Land	7,956	1,227	9,183	-
Construction in progress	6,996	8,682	15,678	3,995
Depreciable/amortizable:				
Buildings and improvements, net	45,354	18,746	64,100	28,665
Equipment, net	3,674	3,966	7,640	30,540
Right to use lease assets, net	-	-	-	6,397
Right to use subscription assets, net	100	-	100	4,255
Total noncurrent assets	<u>64,080</u>	<u>32,621</u>	<u>96,701</u>	<u>74,046</u>
Total assets	<u>150,929</u>	<u>35,887</u>	<u>186,816</u>	<u>273,583</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pensions	<u>3,105</u>	<u>1,349</u>	<u>4,454</u>	<u>27,885</u>
Total deferred outflows of resources	<u>3,105</u>	<u>1,349</u>	<u>4,454</u>	<u>27,885</u>
LIABILITIES				
Current liabilities:				
Cash overdraft	-	-	-	8,225
Accounts payable	860	860	1,720	17,414
Salaries and benefits payable	35	35	70	1,196
Due to other funds	837	113	950	8,473
Due to other governmental units	-	-	-	5,010
Advances from other funds	-	233	233	-
Liability for self-insurance	-	-	-	21,198
Interest payable	-	80	80	-
Deposits and other liabilities	8,914	22	8,936	870
Loans payable	-	143	143	-
General obligation bonds payable	-	325	325	-
Unearned revenue	-	-	-	42
Compensated leave and absences	241	78	319	1,861
Lease obligations	<u>28</u>	<u>-</u>	<u>28</u>	<u>4,103</u>
Total current liabilities	<u>10,915</u>	<u>1,889</u>	<u>12,804</u>	<u>68,392</u>
Noncurrent liabilities:				
Liability for self-insurance	-	-	-	79,008
Compensated leave and absences	158	47	205	2,149
General obligation bonds payable	-	1,110	1,110	-
Loans payable	-	4,106	4,106	-
Accrued closure/post-closure liability	59,770	-	59,770	-
Lease obligations	63	-	63	6,172
Net pension liability	<u>5,961</u>	<u>2,589</u>	<u>8,550</u>	<u>53,534</u>
Total noncurrent liabilities	<u>65,952</u>	<u>7,852</u>	<u>73,804</u>	<u>140,863</u>
Total liabilities	<u>76,867</u>	<u>9,741</u>	<u>86,608</u>	<u>209,255</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pensions	386	168	554	3,469
Deferred lease proceeds	<u>781</u>	<u>-</u>	<u>781</u>	<u>53</u>
Total deferred inflows of resources	<u>1,167</u>	<u>168</u>	<u>1,335</u>	<u>3,522</u>
NET POSITION				
Net investment in capital assets	63,989	32,621	96,610	63,577
Restricted for:				
Debt service	-	1,618	1,618	-
Unrestricted	<u>12,011</u>	<u>(6,912)</u>	<u>5,099</u>	<u>25,114</u>
Total net position	<u>\$ 76,000</u>	<u>\$ 27,327</u>	<u>\$ 103,327</u>	<u>\$ 88,691</u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	County Service Areas, Other	Total	Internal Service Funds
Operating revenues				
Charges for services	\$ 18,975	\$ 9,636	\$ 28,611	\$ 312,098
Other revenues	2,338	4,638	6,976	1,467
Total operating revenues	21,313	14,274	35,587	313,565
Operating expenses				
Salaries and benefits	5,478	2,463	7,941	48,031
Insurance	619	299	918	143,105
Professional services	4,999	3,981	8,980	24,254
General and administrative	2,714	5,079	7,793	31,189
Repairs and maintenance	2,167	1,452	3,619	9,629
Rents and leases	191	1	192	8,658
Parts and supplies	335	3	338	8,514
Accrued closure/post-closure costs	3,509	-	3,509	-
Utilities	204	1,343	1,547	19,424
Depreciation	3,996	1,108	5,104	8,446
Amortization	30	-	30	8,922
Total operating expenses	24,242	15,729	39,971	310,172
Operating income (loss)	(2,929)	(1,455)	(4,384)	3,393
Non-operating revenues (expenses)				
Gain (Loss) on sale of capital assets	(3,209)	1,694	(1,515)	153
Use of money and property	3,917	615	4,532	5,668
Interest expense	(4)	(157)	(161)	(344)
Tax revenues	-	974	974	-
Insurance recoveries	-	-	-	3,227
Closure/post-closure expense/fees	230	-	230	-
Grants and other revenues	723	-	723	35
Total non-operating revenues (expenses)	1,657	3,126	4,783	8,739
Net income (loss) before transfers	(1,272)	1,671	399	12,132
Transfers in (out)				
Transfers in	377	19	396	7,949
Transfers (out)	(265)	(103)	(368)	(2,003)
Total transfers in (out)	112	(84)	28	5,946
Change in net position	(1,160)	1,587	427	18,078
Net position - beginning, as previously reported	85,789	28,140	113,929	70,613
Restatement for error Correction	(8,629)	(2,400)	(11,029)	-
Net position - beginning, as restated	77,160	25,740	102,900	70,613
Net position - ending	\$ 76,000	\$ 27,327	\$ 103,327	\$ 88,691

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	County Service Areas,			Internal Service
	Solid Waste	Other	Total	Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from users	\$ 24,397	\$ 14,137	\$ 38,534	\$ 309,843
Cash paid to suppliers	4,636	(13,786)	(9,150)	(215,257)
Cash paid to employees	(5,354)	(2,369)	(7,723)	(43,576)
Cash paid for claims	-	-	-	(22,867)
Net cash provided by (used in) operating activities	<u>23,679</u>	<u>(2,018)</u>	<u>21,661</u>	<u>28,143</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Tax revenues	-	974	974	-
Grant revenues	724	-	724	35
Transfers from other funds	377	19	396	7,949
Transfers to other funds	(265)	(103)	(368)	(2,003)
Advances paid to/returned to other funds	-	(172)	(172)	-
Net cash provided by noncapital financing activities	<u>836</u>	<u>718</u>	<u>1,554</u>	<u>5,981</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(32,026)	(686)	(32,712)	(10,496)
Acquisition of right-to-use assets via leases	(42)	-	(42)	(9,758)
Insurance recoveries	-	-	-	3,227
Interest paid on capital debt	(4)	(157)	(161)	(344)
Net cash (used in) capital and related financing activities	<u>(32,072)</u>	<u>(843)</u>	<u>(32,915)</u>	<u>(17,371)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Use of money and property received	<u>3,910</u>	<u>215</u>	<u>4,125</u>	<u>5,483</u>
Net cash provided by investing activities	<u>3,910</u>	<u>215</u>	<u>4,125</u>	<u>5,483</u>
Net increase (decrease) in cash and cash equivalents	(3,647)	(1,928)	(5,575)	22,236
Cash and cash equivalents - beginning	<u>86,221</u>	<u>3,913</u>	<u>90,134</u>	<u>144,988</u>
Cash and cash equivalents - ending	<u><u>\$ 82,574</u></u>	<u><u>\$ 1,985</u></u>	<u><u>\$ 84,559</u></u>	<u><u>\$ 167,224</u></u>
Reconciliation of cash and cash equivalents to the statement of net position:				
Cash and cash equivalents	\$ 31,975	\$ 367	\$ 32,342	\$ 163,591
Restricted cash and investments	<u>50,599</u>	<u>1,618</u>	<u>52,217</u>	<u>3,633</u>
Total	<u><u>\$ 82,574</u></u>	<u><u>\$ 1,985</u></u>	<u><u>\$ 84,559</u></u>	<u><u>\$ 167,224</u></u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	County			Internal Service
	Solid Waste	Other	Total	Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (2,929)	\$ (1,455)	\$ (4,384)	\$ 3,393
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Landfill closure and post-closure costs	3,509	-	3,509	-
Pension expense	77	34	111	698
Depreciation/amortization expense	4,026	1,108	5,134	17,368
Decrease (increase) in accounts receivable	556	(177)	379	383
Decrease (increase) in lease receivable	(808)	-	(808)	(55)
Decrease (increase) in due from other funds	367	40	407	(3,468)
Decrease (increase) in due from other governmental units	-	-	-	(549)
Decrease (increase) in inventory of supplies	15,576	(2,129)	13,447	(375)
(Decrease) increase in accounts payable	519	452	971	4,902
(Decrease) increase in salaries and benefits payable	(73)	24	(49)	221
(Decrease) increase in unearned revenue	2,188	-	2,188	(71)
(Decrease) increase in deposits held for others	-	-	-	(15)
(Decrease) increase in due to other funds	(230)	49	(181)	1,700
(Decrease) increase in due to other governmental units	-	-	-	3,573
(Decrease) increase in deferred outflows pensions	598	279	877	5,848
(Decrease) increase in deferred inflows pensions	(188)	(84)	(272)	(1,762)
(Decrease) increase in deferred lease proceeds	781	-	781	53
(Decrease) increase in net pension liability	(290)	(159)	(449)	(3,420)
(Decrease) increase in liabilities for self-insurance	-	-	-	(281)
Total adjustments	26,608	(563)	26,045	24,750
Net cash provided by (used in) operating activities	<u>\$ 23,679</u>	<u>\$ (2,018)</u>	<u>\$ 21,661</u>	<u>\$ 28,143</u>

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024
(\$ amounts expressed in thousands)

		Custodial Funds	
		External Investment	Other Custodial
	Pension Trust	Pool	Funds
ASSETS & DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and investments	\$ 378,550	\$ 5,892,389	\$ 224,988
Receivables, net:			
Accounts	74,188	-	4,916
Taxes	-	196	1
Interest	20,379	-	2,390
Loans	-	654	-
Due from other governmental units		1,915	535
Prepaid expense	85	93	-
Property held by public administrator	-	-	4,037
Investments, at fair value	6,433,380	-	-
Capital assets, net	10,718	-	-
Total assets	6,917,300	5,895,247	236,867
Deferred outflows of resources			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	\$ 6,917,300	\$ 5,895,247	\$ 236,867
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & NET POSITION			
Liabilities			
Accounts payable	\$ 266,447	\$ -	\$ 819
Due to other governmental units	-	-	8,510
Total liabilities	266,447	-	9,329
Deferred inflows of resources			
Total deferred inflows of resources	-	-	-
Net Position			
Restricted for:			
Pensions	6,650,853	-	-
Pool participants	-	5,895,247	-
Individuals & other governments	-	-	227,538
Total net position	6,650,853	5,895,247	227,538
Total liabilities, deferred inflows of resources, and fund balances	\$ 6,917,300	\$ 5,895,247	\$ 236,867

The notes to the basic financial statements are an integral part of this statement.

County of Fresno
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

		Custodial Funds	
	Pension Trust	External Investment Pool	Other Custodial Funds
ADDITIONS			
Contributions:			
Employers	\$ 243,868	\$ -	\$ -
Plan members	50,473	-	-
Contributions to pooled investments	-	22,406,432	-
Total contributions	294,341	22,406,432	-
Investment income (loss):			
Net investment income (loss), before securities lending	624,278	-	-
Net income from securities lending activities	569	-	-
Net increase (decrease) in fair value of investments	-	201,770	16,762
Net investment income (loss)	624,847	201,770	16,762
Property tax collections	-	-	1,525,512
Other tax collections	-	-	32
Custodial fund collections	-	-	3,187,220
Total additions	919,188	22,608,202	4,729,526
DEDUCTIONS			
Benefits paid to plan members and beneficiaries	356,336	-	-
Refunds of member contributions	3,823	-	-
Administrative expenses	7,049	-	-
Distributions from pooled investments	-	22,411,643	-
Property & other tax distributions	-	-	1,533,530
Custodial fund distributions	-	-	3,179,451
Other	152	-	-
Total deductions	367,360	22,411,643	4,712,981
Change in fiduciary net position	551,828	196,559	16,545
Fiduciary net position - beginning	6,099,025	5,698,688	210,993
Fiduciary net position - ending	\$ 6,650,853	\$ 5,895,247	\$ 227,538

The notes to the basic financial statements are an integral part of this statement.

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County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

NOTE 1 - The Financial Reporting Entity

The County of Fresno (County) is a political subdivision chartered by the State of California (State) and, as such, can exercise the powers specified by the Constitution and laws of the State. The County operates under its Charter and is governed by an elected, five-member Board of Supervisors (Board). The Board is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including law and justice; education; detention; social; health; road construction; road maintenance; park and recreation facilities; elections and records; communications; planning; zoning; and tax collection.

The governmental reporting entity consists of the County (primary government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The following circumstances set forth a primary government's financial accountability for a legally separate organization (from Governmental Accounting Standards Board (GASB) Statement No. 61):

- a. The primary government is financially accountable if it appoints a voting majority of the organization's governing body *and* (1) it is able to impose its will on that organization *or* (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.
- b. The primary government is financially accountable if an organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

The basic financial statements include blended component units. The blended component units, although legally separate entities in substance, are part of the County's operations and data from these units is combined with data of the primary government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statements of the individual component units may be obtained by making a request to the County of Fresno, Auditor-Controller/Treasurer-Tax Collector's Office, 2281 Tulare Street, Room 105, Fresno, California 93721.

Blended Component Units: The following organizations are included in the County's financial statements as blended components.

County Service Areas, Other (CSAs), which include Lighting Districts, Maintenance Districts, and Waterworks Districts, are blended as Special Revenue funds and Enterprise funds since they are an integral part of the County, their governing bodies are comprised of the Board, and there is potential that the organizations can provide specific financial benefits or impose financial burdens on the County.

The Fresno County Financing Authority (FCFA) was formed to finance the construction, installation, and equipping of the County facilities. The bonds issued by the FCFA are recorded

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

in the County's Debt Service Fund. The FCFA and the County have a financial and operational relationship (FCFA is financially accountable to the County), which requires that the FCFA's financial statements be blended into the County's financial statements. A five-member board, appointed by the Board, determines the FCFA's policies.

The Fresno County Tobacco Funding Corporation (FCTFC) is reported in the County's Debt Service Fund. The FCTFC was formed for the purpose of securitizing the payments to be received by the County from the nation-wide Tobacco Settlement Agreement (the Payments) for such purposes as, but not limited to, the issuance, sale, execution, and delivery of bonds secured by those Payments or the lending of money based on thereof, or to securitize, sell, purchase or otherwise dispose of some or all of such Payments of the County. The FCTFC's board consists of members of the Board or members appointed by the Board. The FCTFC provides services only to the County. A separate financial report can be reviewed at the Auditor-Controller/Treasurer-Tax Collector's office.

Discretely Presented Component Unit: Discretely presented component units are legally separate entities, which have some financial accountability to the Board, though the entities' governing boards are substantially different from the Board. As of June 30, 2024, the County had no discretely presented component units.

NOTE 2 - Summary of Significant Accounting Policies

(A) Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. 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 inter-governmental 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 direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and therefore are clearly identifiable to a particular function. 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. When both restricted and unrestricted net position are available for use, restricted resources are used prior to depleting unrestricted resources.

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

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. These funds are each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and combined into one column for reporting as nonmajor funds in the fund financial statements.

Proprietary funds distinguish *operating* revenues, such as charges for services, which result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Non-operating* revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The County reports five major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out the basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes the following services: public protection; public ways and facilities; health and sanitation; public assistance; education; and culture and recreation.
- The *Disaster Claiming Fund* accounts for revenues and expenditures from Federal and State funding used in providing relief to County citizens and businesses as a result of any ongoing or preceding catastrophic events (such as the Creek Fire or the COVID-19 pandemic).
- The *Debt Service Fund* accounts for all activities involving the issuance and payment of debt. This includes receipt of bond issuance proceeds, the distribution of those proceeds, along with the payment of principal and interest to extinguish the debt.
- The *Local Health and Welfare Fund* is used to account for proceeds of sales tax and vehicle license fees designated for State and local programs that were realigned to counties in 1991 (1991 Realignment). In addition, the fund is used to deposit County General Fund revenues to satisfy the mandated Maintenance of Effort (MOE) county contribution for mental health and health programs.
- The *2011 Realignment Fund* is utilized to account for revenues provided by the State pursuant to Assembly Bill 118, which required counties to use County Local Revenue Fund 2011 exclusively for specific public safety services related to appropriate rehabilitative, housing, and supervision services to youth offenders.

The County reports both of its enterprise activities as major proprietary funds:

- The *Solid Waste Enterprise Fund* is used to account for the County's operation of one transfer station, three disposal sites located in various areas of the County, one planning joint powers agreement, and one administrative fund.

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

- The *County Service Areas, Other Fund* is used to account for special districts, governed by the Board, which include County Service Areas (CSAs), Lighting Districts, Waterworks Districts, and one administrative fund.

The County reports the following additional fund types:

Internal Service Funds account for the financing of goods or services provided by one County department to another County department on a cost reimbursement basis. Internal service funds account for the activities of fleet maintenance, information services, the County's financial software, centralized facility services, and security. In addition, the County's Risk Management Fund accounts for the County's self-insurance programs – worker's compensation; long-term disability; employee benefits; personal injury; and property damage – on a cost-reimbursement basis.

Pension Trust Fund accounts for resources held in trust for the members and beneficiaries of a defined benefit pension plan. Refer to Note 12 for more information on Fresno County Employees' Retirement Association (FCERA).

Custodial Funds account for assets held by the County in a custodial capacity for various local governments. These include the External Investment Pool, Property Tax Collection, Public Administrator-Guardian, and San Joaquin Valley Insurance Authority. The remaining Custodial Funds are combined in Other Custodial Funds. The External Investment Pool accounts for the investments of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts; other special districts governed by local boards; regional boards; and authorities. The External Investment Pool also accounts for tax collections passed through to cities within the County.

(B) Basis of Accounting

The Government-Wide, Proprietary, and Internal Service Funds are reported using the economic resources measurement focus and the accrual basis of accounting. The Investment Trust Fund and other Custodial Funds use the economic resources measurement focus. 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. Using the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax 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 measurable and available. Property taxes are accrued when their receipt is within sixty days after the end of the accounting period, to be both measurable and available. Sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within one hundred eighty days after the end of the accounting period. Expenditures are generally recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the County's enterprise funds and the various other funds of the County.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating*. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

(C) Budgeting

In accordance with the provisions of Sections 29000 through 29144 and Section 30200 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and legally adopts a final balanced budget on or before October 2 for each fiscal year. Until the adoption of this final balanced budget, the appropriations are based on the budget of the preceding year as allowed per California Government Code 29124. The final adopted budget (County Budget) is available for review in the Auditor-Controller/Treasurer-Tax Collector's office.

A balanced operating budget is adopted each fiscal year for the General and Special Revenue Funds and the Debt Service Fund on the modified accrual basis of accounting with some exceptions. The FCTFC is an exception, because it has no adopted budget. A budget is not adopted for the Capital Projects Fund. Public hearings are conducted on the proposed budget to review all appropriations and the source of financing. Because the final budget must be balanced, any shortfall in revenue requires an equal reduction in appropriations.

Budgetary control is exercised at the department level in both the General and Special Revenue Funds. Some Special Revenue Funds benefit multiple departments, while most operate under a single department. The legal level of control is at the object level except for capital assets, which are controlled at the sub-object level. All amendments, expenditures that exceed appropriations and transfers of appropriations between levels within the same department, or between departments, within any fund are authorized by the County Administrative Office and must be approved by the Board. The Board must also approve supplemental appropriations financed by unanticipated revenues.

The General, Disaster Claiming, Local Health and Welfare, and 2011 Realignment Funds' Budgetary Comparison Schedules are part of Required Supplementary Information on pages 74-77.

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

(D) Cash and Cash Equivalents

Cash and cash equivalents, as reported in the Statement of Cash Flows, consist of cash and short-term, highly liquid investments that are readily convertible to known amounts of cash and have an original maturity of three months or less.

(E) Restricted Cash and Investments

The County reports restricted cash and investments in the General Fund, Debt Service Fund, Capital Projects Fund, and the Enterprise Funds. Amounts reported in the Debt Service Fund and CSA, Other Enterprise Fund are restricted for debt service payments. Amounts reported in the Capital Projects Fund are restricted for future projects. The amount reported in the Solid Waste Enterprise Fund is money set aside based on estimates to cover closure costs and thirty years of post-closure maintenance costs to provide financial assurance once the landfills are closed.

(F) Investments

Statutes authorize the County to invest its surplus cash (excluding cash belonging to the FCERA) in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds rated P-1 by Standard & Poor's Corporation (S&P) or A-1 by Moody's Investor Service (Moody's), bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State Local Agency Investment Fund (LAIF). Gains and losses are recognized based upon the specific identification method. All pooled investments are reported at fair value. The fair values of equity and fixed income securities are derived from quoted market prices. The fair values of private market investments are estimated from fair values provided by the real estate investment funds, futures investment managers, and alternative investment managers.

(G) Receivables

The County accrues revenues at fiscal year-end in both the governmental and government-wide statements. Certain receivables have an element of uncertainty in their ability to be collected; as such, County receivables are reported net of uncollectible accounts.

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the school and special districts within the County. The Board levies property taxes as of September 1, on property values certified on July 1. Secured property tax payments are due in two equal installments. The first is generally due November 1 and delinquent with penalties after December 10 and the second is generally due on February 1 and delinquent with penalties after April 10. Secured property taxes become a lien on the property on January 1. Property taxes on the unsecured roll are due upon receipt of the tax bill and become delinquent if unpaid on August 31. Property taxes are accounted for in the Property Tax Collection fund, a Custodial fund, until apportionment and disbursement to taxing jurisdictions.

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Code along with Revenue and Taxation Code. Pursuant to Article XIII A (known as Proposition 13) of the State Constitution, the County is permitted to

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

levy a maximum tax of 1 percent of full cash value. For fiscal year 2023-24, the County recorded \$350,458 in property taxes that were used to finance general governmental services.

Teeter Plan - The County elected the alternative property tax treatment (Teeter Plan) effective July 1, 1993, whereby the County, through the Property Tax Collection fund, purchases the current secured unpaid taxes remaining at year-end from participating agencies. In return, the Property Tax Collection fund records tax receivable and receives the delinquent penalties and redemption interest accruing to delinquent collections related to participating agencies. The participating agencies, including the County, special districts, and school districts, in turn, receive their full tax distribution with no liability for uncollected taxes to the Property Tax Collection fund. Therefore, for participating agencies, revenue is measurable and available and is recorded in the period the payment of current secured unpaid taxes is received.

(H) Prepaid Items

Prepaid items consist primarily of cash aid provided by social services programs for various public support and care needs, such as Electronic Benefit Transfers (EBTs). Issuances are calculated at fiscal month end and recorded as prepaid items for the following period.

(I) Capital Assets

Capital assets, including infrastructure, are recorded at historical cost, or at estimated historical cost, if the actual cost is not available. Capital assets received by the County in a service concession arrangement, and donated capital assets, including works of arts and similar items, are recorded at the estimated acquisition value at the date of donation.

The County defines capital assets as assets with an initial, individual, cost of more than \$5 for equipment and \$100 for buildings, infrastructure and intangible assets. Capital assets also have an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized using the straight-line method over the asset's estimated life in the government-wide financial statements and proprietary fund financial statements. Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities, or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation or amortization are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Depreciation/amortization on capital assets is taken over the following estimated lives:

<u>Type of Asset</u>	<u>Estimated Useful Life in Years</u>
Land	0
Buildings and improvements	20-50
Equipment	3-15
Infrastructure	40
Intangible	5-15

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

(J) Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the County recognizes deferred outflows and inflows of resources on the face of its financial statements.

In addition to assets, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources represents a consumption of net assets by the government that is applicable to a future reporting period.

In addition to liabilities, the Statement of Net Position or Balance Sheet will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources represents an acquisition of net assets by the government that is applicable to a future reporting period.

(K) Liability for Earned Compensated Absences

The County reports a liability for compensated absences attributable to services already rendered as of the Statement of Net Position date. This liability is based on the probability that the County will eventually compensate employees for these benefits through paid time off or some other means, such as annual leave cash-outs or cash payments at termination or retirement. The liability is calculated based on pay or salary rates in effect at the Statement of Net Position date and includes amounts for salary-related payments, such as Social Security and Medicare taxes. The County has included the liability within the government-wide financial statements and the proprietary fund financial statements.

(L) Allocation of Pension and Net Pension Liability

The County reports a net pension liability in its proprietary and government-wide financial statements, resulting from the application of GASB Statement No. 68. The County has allocated this liability amongst the governmental and business-type activities based on calculated shares of pension contributions as of the first year of implementation (fiscal year 2015). For the sake of comparability and consistency, the County has elected to utilize that basis to allocate; should there be a material operational shift (wherein projected contributions from the various funds change substantially), the allocation methodology will be updated, and an accounting estimate adjustment will be made and disclosed.

(M) Leases

Lessee: The County is a lessee for noncancellable leases of buildings and equipment. It recognizes a lease liability and an intangible right to use asset (lease asset) in the government-wide financial statements. It recognizes lease liabilities with an initial, individual value of \$10 or more annually.

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 shorter of the lease term or the useful life of the underlying asset.

County of Fresno
Notes to the Basic Financial Statements
June 30, 2024
(\$ amounts expressed in thousands)

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

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County uses 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.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

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

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

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

- The County uses 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 if certain changes occur that are expected to significantly affect the amount of the lease receivable.

(N) Subscription-Based Information Technology Arrangements (SBITA)

The County has a policy to recognize a subscription liability and a right to use subscription asset (subscription asset) in the government-wide financial statements and proprietary fund financial statements. It recognizes subscription liabilities with an initial, individual value of \$10 or more with a subscription term greater than one year.

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At the commencement of an SBITA, the County initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

Subscription assets are recorded at the amount of the initial measurement of the subscription liabilities, adjusted for any payments made to the SBITA vendor before the commencement of the subscription term, and capitalizable initial implementation cost, less any incentives received from the SBITA vendor at or before the commencement of the subscription term.

Costs associated with an SBITA, other than subscription payments, are accounted for as follows:

- **Preliminary Project Stage:** Outlays are expensed as incurred.
- **Initial Implementation Stage:** Outlays are capitalized as an addition to the subscription asset.
- **Operation and Additional Implementation Stage:** Outlays are expensed as incurred unless they meet specific capitalization criteria.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the Statement of Net Position.

Subscription assets are amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT asset, unless the subscription contains a purchase option that the County has determined is reasonably certain of being exercised. In this case, the subscription asset is amortized over the useful life of the underlying IT asset.

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

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

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

(O) Bond Issuance Costs and Discounts

In the government-wide financial statements and the proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund Statement of Net Position. Bond discounts, as well as issuance costs, due to the implementation of GASB Statement No. 65, are expensed in the period in which they are incurred. Bonds payable are reported net of the applicable bond discount or premium.

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

(P) Fund Balance

In the fund financial statements, in accordance with GASB Statement No. 54, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the County is bound to constraints on how specific amounts can be spent. The Board, the County's highest decision-making authority, establishes, modifies, or rescinds fund balance commitments by passage of an ordinance or resolution. Ordinances and resolutions are considered of equal authority with respect to fund balance. Please refer to Note 14 for more information on fund balance.

(Q) Special Assessments

The total amount of special assessments for special districts collected for the year ended June 30, 2024, was \$86,642. Special assessments take many forms and are authorized to exist under various State codes such as Streets and Highways, Government, Health and Safety, Water, Public Utilities, and others. Certain special assessments may be authorized to be bonded. They can include both debt collection activity and fees for services provided by the special district. The County is not liable for this. Rather, the County acts solely as an agent for the special district, which is liable for the debt or providing the services. Accordingly, this liability is not reflected in these financial statements. The assessments are added to the tax bill in accordance with several State codes as mentioned herein such as Proposition 218.

(R) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period.

(S) Recently Issued Accounting Pronouncements

During the fiscal year ended June 30, 2024, the County implemented the following GASB Statements:

The GASB has issued Statement No.100 – *Accounting Changes and Error Corrections-an Amendment of GASB Statement No. 62*. The requirements of this statement are effective fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The following GASB Statements will be implemented and are currently being analyzed to determine the potential impact on the County's future financial statements:

The GASB has issued Statement No. 101 – *Compensated Absences*. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

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The GASB has issued Statement No. 102 – *Certain Risk Disclosures*. The requirements of this statement are effective for reporting periods beginning after June 15, 2024, and all reporting periods thereafter.

The GASB has issued Statement No. 103 – *Financial Reporting Model Improvements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, and all reporting periods thereafter.

The GASB has issued Statement No. 104 – *Disclosure of Certain Capital Assets*. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, and all reporting periods thereafter.

NOTE 3 - Cash and Investments

Cash and investments as of June 30, 2024, are classified in the accompanying basic financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 1,229,507
Restricted cash and investments	67,787
Fiduciary Funds, excluding the Pension Trust Fund:	
Cash and investments	6,117,377
Total cash and investments	<u>\$ 7,414,671</u>

See the Pension Trust Fund’s cash and investment disclosures at Fresno County Employees’ Retirement Association’s (FCERA) stand-alone financial report. FCERA’s stand-alone financial report can be reviewed at the FCERA website: <https://fresnocountyretirement.org/financial/> or FCERA’s office, located at 7772 North Palm Avenue, Fresno CA 93711.

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

Cash on hand	\$ 5	
Imprest cash	126	
Postage funds	637	
Total cash and cash equivalents	<u>768</u>	\$ 768
Deposits with financial institutions	47,777	
Investments (pooled)	7,329,844	
Total pooled cash and investments	<u>7,378,389</u>	
Debt investments (fiscal agents)	12,122	
External investments (fiscal agents)	24,160	
Total cash, investments, and investments with fiscal agents	<u>\$ 7,414,671</u>	

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The following represents a condensed statement of net position for the Treasury Investment Pool as of June 30, 2024.

Cash and investments	\$ 7,468,164
Less: transitory items/warrants payable	(89,775)
Net position held in trust for pool participants	<u>\$ 7,378,389</u>
Equity of internal pool participants	\$ 1,261,012
Equity of external pool participants (voluntary and involuntary)	6,117,377
	<u>\$ 7,378,389</u>

The following represents a condensed statement of changes in net position for the Treasury Investment Pool as of June 30, 2024.

Statement of Changes in Net Position

Net position at July 1, 2023	\$ 7,089,052
Net change in investments by pool participants	289,337
Net position held in trust for pool participants at June 30, 2024	<u>\$ 7,378,389</u>

Investments Authorized by the California Government Code (CGC) and the County of Fresno Treasury Investment Pool Investment Policy (IP)

The following table identifies the investment types that are authorized for the County by CGC, or the IP, where more restrictive. The table also identifies the more restrictive provisions of the CGC or the IP that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investment of debt proceeds held by bond trustees that are governed by the provisions of the County's debt agreements, rather than the general provisions of either the CGC or the IP.

<u>Authorized Investment Types</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Maturity</u>
U.S. Treasury Bills, Notes and Bonds	100%	5 Years
U.S. Government Agency Obligations	100%	5 Years
Bankers' Acceptances	40%	180 Days
Commercial Paper	40%	270 Days
Negotiable Certificates of Deposit	30%	13 Months
Non-Negotiable Certificates of Deposit	50%	13 Months
Repurchase Agreements	15%	Overnight/Weekend
Local Agency Investment Fund	\$75,000	Daily Liquidity
Medium-Term Notes	30%	5 Years
Mutual Funds	20%	Daily Liquidity
Mortgage-Backed Securities	10%	5 Years

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Investment Authorized by Debt Agreements

The County and its component units have \$12,122 in investments held by bond trustees pledged to the payment or security of certain debt issues. These funds are invested in accordance with bond covenants and are pledged for payment of principal, interest, and specified capital improvements.

Interest Rate Risk

Interest rate risk is the possibility that the fair value of an investment will be adversely affected as the result of an unexpected change in market interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity is of its fair value to changes in market interest rates. A way the County manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments as well as timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

Information about the sensitivity of the fair values of the County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

Pooled Investments in County Treasury:

		Remaining Maturity (in months)			
	<u>Totals</u>	<u>12 months or less</u>	<u>13 to 24 months</u>	<u>25 to 36 months</u>	<u>37 to 60 months</u>
U.S. Government Agency Obligations	\$ 2,486,228	\$ 665,509	\$ 563,446	\$ 435,116	\$ 822,157
Medium-Term Corporate Notes	1,371,745	227,902	198,422	222,199	723,222
U.S. Treasury Notes	2,295,658	195,148	354,503	924,827	821,180
U.S. Treasury Bills	198,146	198,146	-	-	-
Municipal Bonds	338,610	56,990	58,833	82,943	139,844
Mutual Funds	570,000	570,000	-	-	-
Certificates of Deposit	10,000	10,000	-	-	-
Money Market Funds	197,777	197,777	-	-	-
Total	<u>\$ 7,468,164</u>	<u>\$ 2,121,472</u>	<u>\$ 1,175,204</u>	<u>\$ 1,665,085</u>	<u>\$ 2,506,403</u>
Less: Outstanding Warrants Still Invested	(89,775)				
Total Financial Statement Pooled Investments	<u>\$ 7,378,389</u>				

Investments with Fiscal Agents:

Cash Balance	\$ 3,569	\$ 3,569	\$ -	\$ -	\$ -
Federated Government Obligation Fund	467	467	-	-	-
Money Market Mutual Funds	8,086	8,086	-	-	-
Total	<u>\$ 12,122</u>	<u>\$ 12,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented in the following schedule is the minimum rating required by the CGC, the IP, or debt agreements, and the actual rating as of year-end for each investment type.

Pooled Investments in County Treasury:

Investment Type	Total	Minimum Legal Rating	Exempt from Disclosure	Ratings as of the Year-End 6/30/2024			
				A1/P1			
				A-AAA	B-BBB	C-CCC	Not Rated
U.S. Government Agency Obligations	\$ 2,486,228	N/A	\$ -	\$ 2,486,228	\$ -	\$ -	\$ -
Medium-Term Corporate Notes	1,371,745	A3	-	1,371,745	-	-	-
U.S. Treasury Notes	2,295,658	N/A	-	2,295,658	-	-	-
U.S. Treasury Bills	198,146	N/A	-	198,146	-	-	-
Municipal Bonds	338,610	N/A	-	338,610	-	-	-
Mutual Funds	570,000	N/A	-	570,000	-	-	-
Certificates of Deposit	10,000	N/A	-	-	-	-	10,000
Money Market Funds	197,777	N/A	-	-	-	-	197,777
Total	\$ 7,468,164		\$ -	\$ 7,260,387	\$ -	\$ -	\$ 207,777

Investments with Fiscal Agents:

Investment Type	Total	Minimum Legal Rating	Exempt from Disclosure	Ratings as of the Year-End 6/30/2024			
				A1/P1			
				A-AAA	B-BBB	C-CCC	Not Rated
Cash Balance	\$ 3,569	N/A	\$ -	\$ 3,569	\$ -	\$ -	\$ -
Federated Government Obligation Fund	467	N/A	-	467	-	-	-
Money Market Mutual Funds	8,086	N/A	-	8,086	-	-	-
Total	\$ 12,122		\$ -	\$ 12,122	\$ -	\$ -	\$ -

Concentration of Credit Risk

The IP does not limit the amount that can be invested in any one issuer beyond the limitations stipulated by the CGC. Investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represent 5% or more of the County's total investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
Federal Farm Credit Bank	Federal Agency Securities	\$ 950,050
Federal Home Loan Bank	Federal Agency Securities	673,422
Federal National Mortgage Association	Federal Agency Securities	661,948

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Custodial Credit Risk

Custodial credit risk for deposits is the risk that the County will not be able to recover its deposits or will not be able to recover collateral securities in the possession of an outside party if a depository institution fails. The custodial credit risk for *investments* is the risk that the County will not be able to recover the value of its investment or collateral securities held by another party if the counterparty (e.g., broker-dealer) to a transaction fails. The CGC and IP do not contain legal or policy requirements that would limit exposure to custodial credit risk for deposits or investments, other than the following provision applicable to *deposits*: to guarantee the safety of the public funds, any deposits must be collateralized in accordance with CGC Section 53652 et.al.

As of June 30, 2024, all of the County's deposits with financial institutions in excess of Federal Depository Insurance Corporation (FDIC) limits were held in fully collateralized accounts, as permitted by the CGC. As of June 30, 2024, all of the County's investments were held with the County's custodian or by a broker-dealer (counterparty) other than the broker-dealer used by the County to purchase the securities.

Investment in State Investment Pool

The County is a voluntary participant in the LAIF that is regulated by the CGC under the oversight of the Treasurer of the State. The fair value of the County's investments in this pool is reported in the accompanying financial statements at amounts based upon the County's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawals is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis, which is different from the fair value of the County's position in the LAIF pool. A copy of the most recent annual report of the State's Pooled Money Investment Board, which manages the LAIF pool, is available at the following link: <http://www.treasurer.ca.gov/pmia-laif/reports/annual.asp>.

GASB Statement No. 79 established specific criteria used to determine whether a qualifying external investment pool might elect to use an amortized cost exception to fair value measurement. Those criteria will provide qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. The statement also establishes additional note disclosures for qualifying investment pools. There was no material impact on the County's financial statements due to the implementation of GASB Statement No. 79.

Fair Value Measurements

In fiscal year 2016, the County implemented GASB Statement No. 72, *Fair Value Measurement and Application*. The statement provides guidance on fair value measurements under accounting principles generally accepted in the United States of America (GAAP) and recognizes them within 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; and,
- Level 3: Investments reflect prices based upon unobservable sources.

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The County judges its investment pricing based upon Interactive Data with the exception of Commercial Paper, which is priced from the US Bank statement. Both entities use evaluated pricing models to determine values.

The County's pooled investments have the following recurring fair value measurements as of June 30, 2024:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
U.S. Government Agency Obligations	\$ 2,486,228	\$ -	\$ 2,486,228	\$ -
Medium-Term Corporate Notes	1,371,745	-	1,371,745	-
U.S. Treasury Notes	2,295,658	-	2,295,658	-
U.S. Treasury Bills	198,146	-	198,146	-
Municipal Bonds	338,610	-	338,610	-
	<u>\$ 6,690,387</u>	<u>\$ -</u>	<u>\$ 6,690,387</u>	<u>\$ -</u>

Investments at Net Asset Value:

Mutual Funds	\$ 570,000
Certificates of Deposit	10,000
Money Market Funds	197,777
	<u>\$ 7,468,164</u>

NOTE 4 - Restricted Cash and Investments

Cash and investments are restricted for various purposes in the funds that comprise governmental and business-type activities. Restricted cash and investments consist of the following:

Governmental activities:	
General Fund:	
EBT/other social services accounts	\$ 60
Debt Service:	
Bond repayment	11,661
Capital Projects:	216
Internal Service Funds:	3,633
Total	<u>\$ 15,570</u>
Business-type activities:	
Enterprise funds:	
Solid Waste Enterprise:	
American Avenue post-closure care - other	\$ 3
Corrective action	50,596
Subtotal	<u>50,599</u>
CSAs:	
Bond repayment/construction	1,618
Subtotal	<u>1,618</u>
Total	<u>\$ 52,217</u>

County of Fresno
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NOTE 5 – Receivables

Taxes and accounts receivable balances for the General, Debt Service, Nonmajor Governmental, Internal Service, and Proprietary Funds are stated net of allowances for uncollectible accounts.

At June 30, 2024, the General Fund had a HARP loans allowance of \$899, while the Internal Services Risk Management Fund had an allowance of \$157, and American Avenue Solid Waste Fund had an allowance of \$1. The total allowance for uncollectible accounts was \$1,057.

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. The detail of receivable balances not expected to be collected within the next fiscal year is as follows:

Loans Receivable

The County engages in affordable housing programs and housing assistance rehabilitation programs designed to encourage construction or improvement of housing for persons with low to moderate incomes. Under these programs, loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with County terms. Since the County does not expect to collect these loans in the near term, they have been offset by deferred inflows of resources in the fund financials statements. The amount not expected to be collected within the next fiscal year is \$44,044.

The County established a County Service Area (CSA) Revolving Fund to provide temporary financial assistance to CSAs that have or are projected to have short-term financial deficits.

NOTE 6 - Interfund Transactions and Balances

Loans reported as receivables and payables are referred to as either “due to/from other funds” (the current portion of interfund loans) or “advances to/from other funds” (the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund. 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 financial statement presentation.

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

<u>Payable Fund</u>	<u>Receivable Fund</u>									
	General Fund	Disaster Claiming	Debt Service	Local Health and Welfare	2011 Realignment	Nonmajor Governmental	Solid Waste	CSAs	Internal Service	Total
General Fund	\$ -	\$ -	\$ -	\$ 2,585	\$ 5,720	\$ -	\$ 6	\$ 1	\$ 10,532	\$ 18,844
Debt Service	-	-	-	-	-	-	-	-	-	-
Disaster Claiming	1,638	-	-	-	-	456	-	-	2,117	4,211
Local Health and Welfare	20,493	-	-	-	-	-	-	-	-	20,493
2011 Realignment Fund	21,663	-	-	-	-	-	-	-	-	21,663
Nonmajor Governmental	420	-	-	-	-	-	-	2	1,356	1,778
Solid Waste Enterprise	117	-	-	-	-	2	560	-	158	837
CSAs	-	-	-	-	-	-	-	-	113	113
Internal Service Funds	650	-	-	-	-	35	-	-	7,788	8,473
Totals	<u>\$ 44,981</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,585</u>	<u>\$ 5,720</u>	<u>\$ 493</u>	<u>\$ 566</u>	<u>\$ 3</u>	<u>\$ 22,064</u>	<u>\$ 76,412</u>

The following schedule briefly summarizes the County's transfer activity for the fiscal year ended June 30, 2024:

<u>Transfers From</u>	<u>Transfers To</u>									
	General Fund	Disaster Claiming	Debt Service	Local Health and Welfare	2011 Realignment	Nonmajor Governmental	Solid Waste	CSAs	Internal Service	Total
General Fund	\$ -	\$ -	\$36,247	\$ 11,360	\$ -	\$ 29,620	\$ 377	\$ 2	\$ 764	\$ 78,370
Debt Service	2,194	-	-	-	-	-	-	-	-	2,194
Disaster Claiming	16,403	-	-	-	-	456	-	-	3,664	20,523
Local Health and Welfare	307,375	-	-	-	-	-	-	-	-	307,375
2011 Realignment Fund	246,180	-	-	-	-	18,000	-	-	-	264,180
Nonmajor Governmental	864	-	2,049	-	-	-	-	-	3,521	6,434
Solid Waste Enterprise	19	-	227	-	-	2	-	17	-	265
CSAs	-	-	103	-	-	-	-	-	-	103
Internal Service Funds	-	-	2,003	-	-	-	-	-	-	2,003
Totals	<u>\$ 573,035</u>	<u>\$ -</u>	<u>\$40,629</u>	<u>\$ 11,360</u>	<u>\$ -</u>	<u>\$ 48,078</u>	<u>\$ 377</u>	<u>\$ 19</u>	<u>\$ 7,949</u>	<u>\$ 681,447</u>

Transfers are comprised principally of transfers between the General Fund and special revenue funds and are related to State/Local Program Realignment (Assembly Bill 1288), Vehicle License Fees, and to debt service transfers to pay principal and interest payments on pension obligation bonds. In addition, significant transfers occurred between the various special revenue funds and the General Fund due to the County's budgetary practice of receiving revenues in the special revenue funds but budgeting for and spending expenditures in the General Fund. Resources are subsequently transferred to reimburse the General Fund.

The following schedule briefly summarizes the County's advances between funds for the fiscal year ended June 30, 2024:

	<u>To Other Funds</u>	<u>From Other Funds</u>
General Fund	\$ 233	\$ -
CSAs	-	233
	<u>\$ 233</u>	<u>\$ 233</u>

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Advances from the General Fund to the CSAs are specifically for construction projects, wherein the County has entered into grant agreements with the State to fund specific projects and is spending funding upfront with reimbursement trailing from the grant agreements. While the expenditures and expected revenue are budgeted for and spent out of the General Fund, they are truly construction expenditures of the CSAs and therefore are reported in that fund, with advances representing the amount owed to the General Fund.

NOTE 7 – Tax Abatements

The County provides property tax abatements through the California Land Conservation (Williamson) Act of 1965. The program enrolls land in Williamson Act or Farmland Security Zone contracts within established agricultural preserves whereby the land is restricted to agricultural or qualified recreational uses in exchange for reduced property tax assessments. Participation in the program is voluntary. Enrollment of new land in the Williamson Act or the Farmland Security Zone programs has been placed on hold until such time that the State of California re-instates full subvention payment for partial replacement of local property tax revenue foregone resulting from the participation in the Williamson Act Program. The Williamson Act Program is administered according to the statute and the County of Fresno's Interim Program Guidelines adopted by the Board of Supervisors. The Development Services Division of the Public Works and Planning Department is responsible for administering the County's Williamson Act Program.

The Fresno County Assessor administers the property tax reduction that parcels enrolled in the program receive. Parcels enrolled in the Williamson Act Program are assessed for property tax purposes at a rate consistent with their actual use, rather than the market value of the property. The minimum contract term for the Williamson Act is ten years and for the Farmland Security Zone is twenty years. Both the Williamson Act and the Farmland Security Zone contracts automatically renew until a notice of non-renewal or a certificate of cancellation is recorded. Under the non-renewal process, the annual tax assessment gradually increases over a defined period until the assessment reflects the market value of the property. Under the cancellation process, a one-time cancellation fee is assessed based upon a certain percentage of the unrestricted, current fair market value of the property.

No other commitments were made by the County as part of the Williamson Act or Farmland Security Zone contracts. For the fiscal year ended June 30, 2024, the Williamson Act Program tax abatements were \$67,649.

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NOTE 8 - Capital Assets

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

	<u>Balance July</u> <u>1, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments/</u> <u>Reclass</u>	<u>Balance</u> <u>June 30, 2024</u>
Governmental activities					
Capital assets, not being depreciated/amortized					
Land	\$ 16,878	\$ 3,093	\$ -	\$ 3,597	\$ 23,568
Land easements	41,838	-	-	-	41,838
Construction in progress	141,981	9,980	-	(14,436)	137,525
Infrastructure in progress	<u>65,054</u>	<u>37,195</u>	<u>-</u>	<u>(36,045)</u>	<u>66,204</u>
Total capital assets, not being depreciated/amortized	<u>265,751</u>	<u>50,268</u>	<u>-</u>	<u>(46,884)</u>	<u>269,135</u>
Capital assets, being depreciated/amortized					
Buildings and improvements ¹	565,933	7,041	-	10,816	583,790
Equipment	133,462	10,459	(4,459)	501	139,963
Infrastructure	698,597	-	-	36,044	734,641
Intangible	45,861	-	-	-	45,861
Tenant improvements ¹	132,388	-	-	-	132,388
Right to use lease assets ²	267,018	8,597	(302)	-	275,313
Right to use subscription assets	<u>34,741</u>	<u>5,866</u>	<u>(3,768)</u>	<u>-</u>	<u>36,839</u>
Total capital assets, being depreciated/amortized	<u>1,878,000</u>	<u>31,963</u>	<u>(8,529)</u>	<u>47,361</u>	<u>1,948,795</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements ¹	(267,685)	(12,871)	-	2,576	(277,980)
Equipment	(94,499)	(10,507)	4,429	(367)	(100,944)
Infrastructure	(360,094)	(11,162)	-	-	(371,256)
Intangible	(45,811)	(27)	-	-	(45,838)
Tenant improvements (amortization) ¹	(19,363)	(6,916)	-	-	(26,279)
Right to use lease assets (amortization) ²	(36,225)	(20,779)	302	-	(56,702)
Right to use subscription assets (amortization)	<u>(15,058)</u>	<u>(13,491)</u>	<u>3,768</u>	<u>2,195</u>	<u>(22,586)</u>
Total accumulated depreciation/amortization	<u>(838,735)</u>	<u>(75,753)</u>	<u>8,499</u>	<u>4,404</u>	<u>(901,585)</u>
Total capital assets, being depreciated/amortized, net	<u>1,039,265</u>	<u>(43,790)</u>	<u>(30)</u>	<u>51,765</u>	<u>1,047,210</u>
Governmental activities capital assets, net	<u>\$ 1,305,016</u>	<u>\$ 6,478</u>	<u>\$ (30)</u>	<u>\$ 4,881</u>	<u>\$ 1,316,345</u>
Business-type activities					
Capital assets, not being depreciated/amortized					
Land	\$ 9,183	\$ -	\$ -	\$ -	\$ 9,183
Construction in progress ¹	<u>32,035</u>	<u>10,688</u>	<u>(23)</u>	<u>(27,022)</u>	<u>15,678</u>
Total capital assets, not being depreciated/amortized	<u>41,218</u>	<u>10,688</u>	<u>(23)</u>	<u>(27,022)</u>	<u>24,861</u>
Capital assets, being depreciated/amortized					
Buildings and improvements ¹	110,805	-	-	27,477	138,282
Equipment ¹	24,814	2,174	(1,298)	(21)	25,669
Right to use subscription assets	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150</u>
Total capital assets, being depreciated/amortized	<u>135,769</u>	<u>2,174</u>	<u>(1,298)</u>	<u>27,456</u>	<u>164,101</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements ¹	(69,827)	(4,258)	-	(97)	(74,182)
Equipment ¹	(18,311)	(846)	1,083	45	(18,029)
Right to use subscription assets (amortization)	<u>(34)</u>	<u>(30)</u>	<u>-</u>	<u>14</u>	<u>(50)</u>
Total accumulated depreciation/amortization	<u>(88,172)</u>	<u>(5,134)</u>	<u>1,083</u>	<u>(38)</u>	<u>(92,261)</u>
Total capital assets being depreciated/amortized, net	<u>47,597</u>	<u>(2,960)</u>	<u>(215)</u>	<u>27,418</u>	<u>71,840</u>
Business-type activities capital assets, net	<u>\$ 88,815</u>	<u>\$ 7,728</u>	<u>\$ (238)</u>	<u>\$ 396</u>	<u>\$ 96,701</u>

¹Restated beginning balance related to error corrections of capital assets.

²Restated beginning balance related to adjustments and reflected in government-wide statement.

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Depreciation/Amortization

Depreciation and amortization expense was charged to governmental functions as follows:

General government	\$ 10,401
Public protection	11,716
Public ways and facilities	11,304
Health, sanitation, and public assistance	22,950
Education	2,003
Culture and recreation	11
Depreciation/amortization on capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>17,368</u>
Total depreciation/amortization expense - governmental functions	<u><u>\$ 75,753</u></u>

Depreciation and amortization expense was charged to business-type functions as follows:

Solid waste enterprise	
Depreciation	\$ 3,996
Amortization	<u>30</u>
Total Solid Waste enterprise Depreciation/Amortization	<u>\$ 4,026</u>
County service areas, other	
Depreciation	\$ 1,108
Amortization	<u>-</u>
Total County service areas, other Depreciation/Amortization	<u>\$ 1,108</u>
Total depreciation/amortization expense - business-type functions	<u><u>\$ 5,134</u></u>

NOTE 9 – Lease

GASB Statement No. 87, *Leases*, establishes as its primary objective to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right to use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Lease Payable

As of June 30, 2024, the County of Fresno has 40 building, 5 infrastructure, 4 equipment, and 117 vehicle leases that are material to report under GASB Statement No. 87. The current year lease financing principal and interest expense totaled \$17,184 and \$3,693, respectively. For additional information, refer to the tables below.

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Buildings

Lease Asset	Lease Liability 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Lease Liability 6/30/2024	Annual Payments	Interest Rate	Value of the Right to Use 6/30/2024	Accumulated Amortization
L-027	\$ 85	\$ -	\$ (42)	\$ 43	\$ 42	0.315%	\$ 125	\$ 94
L-339	2,623	-	(111)	2,512	149	1.485%	2,835	449
L-306	31	75	(74)	32	74	0.218%	248	217
L-025	27	113	(54)	86	54	0.315%	241	157
L-312	671	-	(161)	510	165	0.560%	972	486
L-042	23	-	(11)	12	11	0.457%	45	34
L-289	69	288	(140)	217	141	0.411%	625	408
L-084	-	28	(14)	14	14	2.354%	42	28
L-041	806	-	(218)	588	222	0.686%	1,105	534
L-208	371	-	(212)	159	213	0.457%	779	632
L-073	24	-	(24)	-	24	0.411%	-	-
L-073	-	66	(3)	63	3	3.159%	66	3
L-321	-	243	(87)	156	92	2.503%	265	111
L-061	19	-	(3)	16	3	0.218%	25	8
L-335	3,584	-	(152)	3,432	204	1.485%	3,870	590
L-083	162	220	(217)	165	219	1.902%	644	479
L-260	4,111	-	(621)	3,490	656	0.947%	5,323	1,916
L-116	-	122	(55)	67	57	3.158%	122	56
L-308	188	-	(62)	126	64	0.815%	311	170
L-334	-	223	(39)	184	53	2.876%	223	43
L-065	-	642	(122)	520	124	0.308%	880	368
A-19-331	28,837	-	(1,187)	27,650	1,650	1.635%	31,196	4,947
L-289	68	283	(138)	213	138	0.411%	616	403
L-327	27,099	-	(1,216)	25,883	1,644	1.612%	29,418	4,858
L-347	48,289	-	(1,592)	46,697	2,370	1.635%	50,670	6,888
L-337	4,260	-	(184)	4,076	252	1.612%	4,612	744
L-128	71	-	(65)	6	65	0.411%	195	189
L-003	-	73	(11)	62	11	0.308%	94	34
A-22-059	22,176	-	(2,366)	19,810	2,640	1.305%	25,309	5,905
L-267	700	-	(270)	430	273	0.577%	1,236	814
L-356	-	131	(48)	83	52	3.378%	167	85
L-316	-	1,198	(437)	761	440	0.308%	2,036	1,289
L-324	37,362	-	(1,910)	35,452	2,485	1.577%	41,001	7,344
L-320	-	1,039	(421)	618	423	0.245%	1,846	1,242
L-326	47,679	-	(2,219)	45,460	2,972	1.612%	51,911	8,774
L-333	6	-	(6)	-	6	0.308%	-	-
A-23-365	-	1,219	(146)	1,073	176	2.856%	1,217	166
L-286	313	-	(96)	217	97	0.687%	495	288
L-263	412	-	(87)	325	91	0.947%	579	266
L-261	955	1,904	(953)	1,906	957	0.411%	4,727	2,858

Infrastructure

Lease Asset	Lease Liability 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Lease Liability 6/30/2024	Annual Payments	Interest Rate	Value of the Right to Use 6/30/2024	Accumulated Amortization
A-23-319	\$ -	\$ 1,458	\$ (249)	\$ 1,210	\$ 284	2.876%	\$ 1,459	\$ 292
D-23-383	-	175	(30)	144	34	2.876%	175	32
L-015	95	-	(42)	54	42	0.457%	175	123
Agreement No. 17-635	1,908	-	(418)	1,488	432	0.833%	2,735	1,262
L-023	13	-	(8)	4	8	0.457%	29	25

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Equipment

Lease Asset	Lease Liability 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Lease Liability 6/30/2024	Annual Payments	Interest Rate	Value of the Right to Use 6/30/2024	Accumulated Amortization
Canon imagePRESS C810 Color Production Printer	\$ 54	\$ -	\$ (9)	\$ 45	\$ 37	57.069%	\$ 59	\$ 37
High Speed Digital Copiers	41	-	(27)	14	27	0.32%	94	82
PITNEY BOWES	8	-	(8)	-	8	0.26%	-	-
PITNEY BOWES (New)	-	125	(19)	106	20	3.65%	125	15
Vehicle - 20 Chev Silverado 1500 #02301	12	-	(8)	4	9	0.41%	28	24
Vehicle - 20 Chrysler Voyager #01701	10	-	(6)	4	6	0.56%	22	18
Vehicle - 20 Chrysler Voyager #01702	10	-	(6)	4	6	0.56%	22	18
Vehicle - 20 Chrysler Voyager #01703	10	-	(6)	4	6	0.56%	22	18
Vehicle - 20 Chrysler Voyager #01704	10	-	(6)	4	6	0.56%	22	18
Vehicle - 20 Chrysler Voyager #01705	10	-	(6)	4	6	0.56%	22	18
Vehicle - 20 Ford Explorer #01720	11	-	(6)	5	7	0.56%	23	18
Vehicle - 20 Ford Explorer #02308	13	-	(7)	6	7	0.56%	26	20
Vehicle - 20 Toyota Tacoma #02001	9	-	(5)	4	5	0.56%	19	15
Vehicle - 20 Toyota Tacoma #02002	9	-	(5)	4	5	0.56%	19	15
Vehicle - 21 Ford Explorer #11725	-	28	(9)	19	9	0.71%	42	23
Vehicle - 21 Ford Explorer #11726	-	24	(7)	17	8	0.71%	36	19
Vehicle - 21 Ford Explorer #11727	-	25	(8)	17	8	0.71%	37	19
Vehicle - 21 Ford Explorer #11728	-	31	(9)	22	10	0.71%	45	23
Vehicle - 21 Ford Explorer #11729	-	28	(8)	20	9	0.71%	41	21
Vehicle - 21 Ford Explorer #12335	-	28	(9)	19	10	0.69%	44	24
Vehicle - 22 Chevrolet Malibu #21307	21	-	(5)	16	6	2.86%	26	10
Vehicle - 22 Chevrolet Malibu #21308	21	-	(5)	16	6	2.86%	26	10
Vehicle - 22 Chevrolet Malibu #21309	23	-	(5)	18	6	2.86%	27	10
Vehicle - 22 Chevrolet Malibu #21310	24	-	(5)	19	6	4.00%	27	8
Vehicle - 22 Chevrolet Malibu #21311	25	-	(5)	20	6	3.25%	27	7
Vehicle - 22 Ford Explorer #21721	35	-	(9)	26	10	2.61%	46	20
Vehicle - 22 Ford Explorer #22360	25	-	(6)	19	7	2.86%	31	12
Vehicle - 22 Ford Explorer #22361	25	-	(6)	19	7	2.86%	31	12
Vehicle - 22 Ford Explorer #22362	31	-	(7)	24	7	3.25%	34	10
Vehicle - 22 Ford Explorer #22386	34	-	(7)	27	8	3.25%	36	10
Vehicle - 22 Ford F-150 #22150	-	27	(7)	20	8	0.74%	37	17
Vehicle - 22 Ford F-150 #22180	24	-	(5)	19	6	4.00%	27	9
Vehicle - 22 Ford F-150 #22181	27	-	(6)	21	7	4.00%	30	10
Vehicle - 22 Ford F-150 #22182	27	-	(6)	21	7	4.00%	31	10
Vehicle - 22 Ford F-150 #22183	27	-	(5)	22	7	4.00%	30	9
Vehicle - 22 Ford F-150 #22184	27	-	(5)	22	7	4.00%	30	9
Vehicle - 22 Ford F-150 #22185	26	-	(5)	21	7	4.00%	30	9
Vehicle - 22 Ford F-150 #22186	27	-	(6)	21	7	4.00%	30	9
Vehicle - 22 Ford F-150 #22187	27	-	(6)	21	7	4.00%	30	9
Vehicle - 22 Ford F-150 #22188	29	-	(6)	23	7	3.25%	31	8
Vehicle - 22 Ford F-150 #22317	29	-	(6)	23	7	4.00%	32	10
Vehicle - 22 Ford F-150 #22318	32	-	(7)	25	8	3.25%	35	10
Vehicle - 22 Ford F-150 #22321	55	-	(11)	44	13	3.25%	60	17
Vehicle - 22 Ford Ranger #22070	22	-	(5)	17	6	2.86%	26	9
Vehicle - 23 Chevrolet Malibu #31370	-	29	(5)	24	7	2.45%	30	7
Vehicle - 23 Chevrolet Malibu #31371	-	29	(6)	23	7	2.45%	30	7
Vehicle - 23 Chevrolet Malibu #31372	-	29	(6)	23	7	2.45%	30	7
Vehicle - 23 Chevrolet Malibu #31373	-	29	(6)	23	7	2.45%	30	7
Vehicle - 23 Dodge Charger #31930	-	38	(8)	30	9	2.45%	40	10
Vehicle - 23 Dodge Charger #31931	-	38	(7)	31	9	2.45%	39	9
Vehicle - 23 Dodge Charger #31932	-	38	(7)	31	9	2.45%	39	9

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Lease Asset	Lease Liability 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Lease Liability 6/30/2024	Annual Payments	Interest Rate	Value of the Right to Use 6/30/2024	Accumulated Amortization
Vehicle - 23 Ford F-150 #32123	-	33	(3)	30	8	2.43%	33	3
Vehicle - 23 Ford F-150 #32170	-	43	(2)	41	3	2.77%	43	2
Vehicle - 23 Ford F-150 #32171	-	43	(2)	41	2	2.77%	43	2
Vehicle - 23 Ford F-150 #32364	-	43	(9)	34	11	2.85%	47	13
Vehicle - 23 Ford F-150 #32365	-	44	(10)	34	11	2.82%	47	13
Vehicle - 23 Ford F-150 #32366	-	42	(9)	33	10	2.82%	45	12
Vehicle - 23 Ford F-150 #32367	-	41	(8)	33	10	2.82%	44	11
Vehicle - 23 Ford F-150 #32368	-	41	(8)	33	10	2.82%	44	11
Vehicle - 23 Ford F-150 #32369	-	43	(8)	35	10	2.45%	44	9
Vehicle - 23 Ford F-150 #32370	-	49	(8)	41	10	2.88%	49	8
Vehicle - 23 Ford F-150 #32371	-	43	(4)	39	5	2.43%	43	4
Vehicle - 23 Ford F-150 #32372	-	43	(3)	40	3	2.43%	43	2
Vehicle - 23 Ford F-150 #32373	-	40	(2)	38	3	2.43%	40	3
Vehicle - 23 Ford F-250 #32404	-	52	(7)	45	8	3.65%	52	6
Vehicle - 23 Ford F-150 #32121	33	-	(7)	26	8	3.25%	35	9
Vehicle - 23 Ford F-150 #32122	35	-	(7)	28	8	3.25%	38	10
Vehicle - 23 Ford F-150 #32360	43	-	(9)	34	10	3.25%	47	14
Vehicle - 23 Ford F-150 #32361	43	-	(9)	34	10	3.25%	47	14
Vehicle - 23 Ford F-150 #32362	47	-	(10)	37	11	3.25%	51	14
Vehicle - 23 Ford F-150 #32363	46	-	(9)	37	11	3.25%	50	14
Vehicle - 23 Ford Transit-250 Cargo #32604	-	55	(4)	51	4	2.43%	55	3
Vehicle - 23 Ford Transit-350 Cargo #32602	-	53	(9)	44	11	2.88%	53	10
Vehicle - 23 Ford Transit-350 Cargo #32603	-	53	(9)	44	11	2.88%	53	10
Vehicle - 23 Ford Transit-350 Cargo #32694	-	53	(9)	44	11	2.88%	53	10
Vehicle - 23 Jeep Grand Cherokee #31705	45	-	(9)	36	10	2.80%	47	11
Vehicle - 23 Toyota Tacoma # 32032	-	28	(4)	24	6	2.88%	29	5
Vehicle - 23 Toyota Tacoma #32030	-	28	(4)	24	6	2.88%	29	5
Vehicle - 23 Toyota Tacoma #32031	-	28	(4)	24	6	2.88%	29	5
Vehicle - 23 Toyota Tacoma #32033	-	28	(5)	23	6	2.88%	28	5
Vehicle - 23 Toyota Tacoma #32034	-	28	(5)	23	6	2.88%	28	5
Vehicle - 23 Toyota Tacoma #32390	-	32	(6)	26	7	2.88%	32	5
Vehicle - 23 Transit Connect #31730	-	38	(4)	34	4	2.43%	38	3
Vehicle - 24 Chevrolet Malibu #41302	-	26	(1)	25	2	2.43%	26	1
Vehicle - 24 Chevrolet Malibu #41303	-	26	(1)	25	2	2.43%	26	1
Vehicle - 24 Chevrolet Malibu #41304	-	27	(2)	25	2	2.43%	27	1
Vehicle - 24 Chevrolet Malibu #41305	-	27	(2)	25	2	2.43%	27	1
Vehicle - 24 Chevrolet Malibu #41306	-	27	(2)	25	2	2.43%	27	1
Vehicle - 24 Chevrolet Malibu #41307	-	27	(2)	25	2	2.43%	27	1
Vehicle - 24 Chevrolet Malibu #41308	-	27	(2)	25	2	2.43%	27	1
Vehicle - 24 Chevrolet Malibu #41309	-	27	(2)	25	2	2.43%	27	1
Vehicle - 24 Chevrolet Traverse #41750	-	42	-	42	1	2.77%	42	1
Vehicle - 24 Dodge Durango #42360	-	54	(3)	51	4	2.43%	54	3
Vehicle - 24 Dodge Durango #42361	-	54	(3)	51	4	2.43%	54	3
Vehicle - 24 Dodge Durango #42362	-	54	(3)	51	4	2.43%	54	3
Vehicle - 24 Dodge Durango #42363	-	54	(3)	51	4	2.43%	54	3
Vehicle - 24 Dodge Durango #42364	-	54	(3)	51	4	2.43%	54	3
Vehicle - 24 Dodge Durango #42365	-	54	(3)	51	4	2.43%	54	3
Vehicle - 24 Dodge Durango #42366	-	54	(3)	51	4	2.43%	54	3
Vehicle - 24 Dodge Durango #42370	-	50	(4)	46	4	2.43%	50	3
Vehicle - 24 Dodge Durango #42371	-	50	(4)	46	4	2.43%	50	3
Vehicle - 24 Dodge Durango #42372	-	50	(4)	46	4	2.43%	50	3
Vehicle - 24 Ford Explorer #41760	-	39	(2)	37	3	2.43%	39	3
Vehicle - 24 Ford Explorer #41761	-	40	(2)	38	3	2.43%	40	3

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Lease Asset	Lease Liability 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Lease Liability 6/30/2024	Annual Payments	Interest Rate	Value of the Right to Use 6/30/2024	Accumulated Amortization
Vehicle - 24 Ford Explorer #41762	-	40	(2)	38	3	2.43%	40	3
Vehicle - 24 Ford Explorer #41763	-	39	(2)	37	3	2.43%	39	3
Vehicle - 24 Ford Explorer #42330	-	42	(2)	40	3	2.43%	42	3
Vehicle - 24 Ford Explorer #42331	-	42	(2)	40	3	2.43%	42	3
Vehicle - 24 Ford Explorer #42332	-	42	(2)	40	3	2.43%	42	3
Vehicle - 24 Ford Explorer #42333	-	42	(2)	40	3	2.43%	42	3
Vehicle - 24 Ford F-150 #42101	-	53	(3)	50	3	2.77%	53	2
Vehicle - 24 Ford F-250 #42440	-	56	(3)	53	3	2.77%	56	2
Vehicle - 24 Ford F-250 #42441	-	56	(3)	53	3	2.77%	56	2
Vehicle - 24 Ford F-250 #42442	-	56	(3)	53	3	2.77%	56	2
Vehicle - 24 Ford F-250 #42443	-	56	(3)	53	3	2.77%	56	2
Vehicle - 24 Nissan Altima #41401	-	28	(3)	25	3	2.43%	28	3
Vehicle - 24 Nissan Altima #41402	-	28	(3)	25	3	2.43%	28	3
Vehicle - 24 Nissan Altima #41403	-	28	(3)	25	3	2.43%	28	3
Vehicle - 24 Nissan Altima #41404	-	28	(3)	25	3	2.43%	28	3
Vehicle - 24 Nissan Altima #41405	-	28	(1)	27	1	2.77%	28	-
Vehicle - 24 Nissan Altima #41406	-	28	(1)	27	1	2.77%	28	-

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

Governmental Activities Fiscal Year Ended June 30	Total Payments	Imputed Interest	Net Present Value of Minimum Lease Payments
2025	\$ 21,250	\$ 3,508	\$ 17,742
2026	20,391	3,244	17,147
2027	18,474	2,992	15,482
2028	18,080	2,745	15,335
2029	17,111	2,507	14,604
2030 - 2034	78,538	9,195	69,343
2035 - 2039	74,175	3,592	70,583
2040 - 2041	9,488	106	9,382
Total	<u>\$ 257,507</u>	<u>\$ 27,889</u>	<u>\$ 229,618</u>

Lease Receivable

As of June 30, 2024, the County of Fresno has 3 buildings that are material to report under GASB Statement No. 87. The leases have receipts that range from \$2 to \$70 and interest rates that range from 1.47% to 2.54%. The current year combined value of lease receivable, short-term lease receivable, and deferred inflow of resources totaled \$863, \$80, and \$834, respectively. For additional information, refer to the tables below.

Governmental Activities

Lease Asset	Lease Receivable 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Lease Receivable 6/30/2024
A-22-250	\$ -	\$ 72	\$ 17	\$ 55

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Business-Type Activities

Lease Asset	Lease Receivable 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Lease Receivable 6/30/2024
A-15-031	\$ -	\$ 36	\$ 2	\$ 34
A-10-443	\$ -	\$ 832	\$ 58	\$ 774

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

Governmental Activities Fiscal Year Ended June 30	Total Payments	Imputed Interest	Net Present Value of Minimum Lease Payments
2025	\$ 19	\$ 1	\$ 18
2026	19	1	18
2027	20	1	19
Total	<u>\$ 58</u>	<u>\$ 3</u>	<u>\$ 55</u>

Business-Type Activities Fiscal Year Ended June 30	Total Payments	Imputed Interest	Net Present Value of Minimum Lease Payments
2025	\$ 74	\$ 12	\$ 62
2026	74	11	63
2027	75	10	65
2028	75	8	67
2029	77	8	69
2030 - 2034	393	23	370
2035 - 2039	112	2	110
2040	<u>2</u>	<u>-</u>	<u>2</u>
Total	<u>\$ 882</u>	<u>\$ 74</u>	<u>\$ 808</u>

NOTE 10 – Subscription Liability

The County has entered into subscription-based information technology arrangements (SBITAs) for various administrative and operational purposes. These subscriptions include services related to cloud-based software applications, data storage, and management services.

As of June 30, 2024, the County of Fresno has a total of 60 subscription-based assets, 46 existing and 14 new. The current year SBITA financing principal and interest expense totaled \$12,985 and \$409, respectively. For additional information, refer to the tables below.

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Governmental Activities

Subscription Asset	Subscription Liability 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Subscription Liability 6/30/2024	Annual Payments	Interest Rate	Value of the Right to Use 6/30/2024	Accumulated Amortization
A-18-709	\$ 984	\$ -	\$ (178)	\$ 806	\$ 195	1.710%	\$ 1,165	\$ 363
P-21-284	6	-	(6)	-	6	2.194%	11	11
A-19-270	148	-	(84)	64	86	2.024%	231	168
P-23-096	-	29	(10)	19	10	3.764%	29	7
A-19-313	140	-	(69)	71	72	2.024%	212	209
A-21-262	276	-	(90)	186	96	2.024%	403	200
P-20-522	18	40	(18)	40	18	2.024%	76	46
P-23-233	-	72	(25)	47	27	2.796%	81	36
P-22-091	-	1	(1)	-	1	2.024%	3	2
P-22-240	36	32	(32)	36	33	1.710%	97	62
A-23-037	55	-	(13)	42	14	2.184%	75	30
A-21-034	294	-	(141)	153	147	2.024%	429	238
P-21-324	13	-	(12)	1	13	2.194%	28	28
A-22-056	250	-	(128)	122	133	2.194%	380	221
A-24-057	-	349	-	349	-	3.041%	349	116
P-24-117	-	82	(41)	41	41	2.680%	82	17
A-24-216	-	546	(265)	281	279	2.503%	825	303
A-17-458	720	-	(332)	388	346	2.024%	1,062	966
A-19-736	50	-	(50)	-	51	2.024%	99	79
A-23-552	-	299	(99)	200	100	3.764%	299	75
A-19-521	4,901	-	(4,902)	(1)	5,000	2.024%	8,893	8,712
P-19-355	16	-	(16)	-	16	1.710%	-	-
P-22-498	26	-	(13)	13	14	3.238%	40	22
A-21-261	72	-	(72)	-	73	2.024%	728	717
P-22-122	6	-	(6)	-	6	2.184%	12	8
A-23-413	-	537	(183)	354	183	3.041%	537	149
A-24-125	-	270	(92)	178	92	2.533%	270	24
A-19-735	81	-	(81)	-	83	1.710%	160	131
P-20-248	2,086	-	(1,009)	1,077	1,055	2.184%	2,835	1,890
A-24-050	-	1,068	(503)	565	503	3.158%	1,068	502
A-22-231	2,494	-	(1,874)	620	1,925	2.024%	4,416	1,767
P-24-004	-	44	(14)	30	15	2.533%	44	6
A-14-055	-	-	-	-	-	2.024%	-	-
P-24-214	-	142	(28)	114	28	2.432%	142	12
P-22-413	15	-	(7)	8	8	2.184%	21	12
A-19-191	-	-	-	-	-	2.024%	-	-
P-21-280	110	-	(34)	76	36	2.024%	144	69
A-20-153	39	-	(39)	-	40	2.024%	114	83
P-20-077	6	-	(6)	-	6	1.710%	20	19
A-20-156	-	956	(473)	483	493	2.194%	1,452	703
P-22-328	40	-	(39)	1	40	2.024%	-	-
A-17-576	5,443	-	(1,246)	4,197	1,338	1.710%	7,900	3,759
P-23-004	81	-	(18)	63	20	2.656%	100	30
P-22-520	63	-	(63)	-	65	3.207%	128	106
A-21-325	115	-	(38)	77	39	2.024%	162	81
P-20-001	32	-	(16)	16	17	2.024%	49	28
P-23-025	55	-	(17)	38	19	2.656%	74	28
P-23-519	-	156	(54)	102	54	3.764%	156	39
A-20-229	89	-	(43)	46	45	2.184%	132	88
P-22-019	63	-	(63)	-	64	2.184%	126	101
A-24-269	-	947	(314)	633	314	2.533%	946	142
P-21-392	38	-	(33)	5	33	2.024%	62	56
A-22-013	56	-	(56)	-	57	2.184%	112	89
P-22-387	25	-	(11)	14	12	2.184%	60	37

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Business-Type Activities

Subscription Asset	Subscription Liability 7/1/2023	Additions/ Adjustments	Reductions/ Adjustments	Subscription Liability 6/30/2024	Annual Payments	Interest Rate	Value of the Right to Use 6/30/2024	Accumulated Amortization
A-22-493	\$ 119	\$ -	\$ (28)	\$ 91	31	3.238%	\$ 150	\$ 50

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

Governmental Activities Fiscal Year Ended June 30	Total Payments	Imputed Interest	Net Present Value of Minimum Lease Payments
2025	\$ 6,543	\$ 246	\$ 6,297
2026	3,184	105	3,079
2027	1,971	39	1,932
2028	251	4	247
Total	<u>\$ 11,949</u>	<u>\$ 394</u>	<u>\$ 11,555</u>

Business-Type Activities Fiscal Year Ended June 30	Total Payments	Imputed Interest	Net Present Value of Minimum Lease Payments
2025	\$ 31	\$ 3	\$ 28
2026	31	2	29
2027	35	1	34
Total	<u>\$ 97</u>	<u>\$ 6</u>	<u>\$ 91</u>

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NOTE 11 - Long-Term Liabilities

Long-term obligations of the County consist of bonds, post-closure care costs of landfills, earned compensated absences, adverse judgments, a liability for self-insurance, and the County's proportionate share of net pension liability.

Compensated absences typically have been liquidated in the General, Other Governmental, Enterprise, and Internal Service Funds.

The following is a schedule of long-term liabilities for governmental and business-type activities for the fiscal year ended June 30, 2024:

	Balance	Additions/	Deductions/	Balance	Amounts
	<u>July 1, 2023</u>	<u>Adjustments</u>	<u>Adjustments</u>	<u>June 30, 2024</u>	<u>due within</u>
Governmental activities					<u>one year</u>
Earned compensated absences	\$ 58,570	\$ 62,540	\$ (57,770)	\$ 63,340	\$ 35,857
Lease obligations (Note 9)	234,176	12,626	(17,184)	229,618	17,742
Subscription obligations (Note 10)	18,942	5,570	(12,957)	11,555	6,297
Lease tenant improvements ¹	123,187	-	(3,836)	119,351	4,169
Liability for self-insurance (Note 13)	100,487	22,586	(22,867)	100,206	21,198
Adverse judgment (Note 16)	-	-	-	-	-
Bonds payable	287,686	-	(20,232)	267,454	14,782
Accreted interest	303,900	27,074	(22,936)	308,038	-
Net pension liability (Note 12)	1,138,992	-	(67,226)	1,071,766	-
Total governmental activities	<u>\$ 2,265,940</u>	<u>\$ 130,396</u>	<u>\$ (225,008)</u>	<u>\$ 2,171,328</u>	<u>\$ 100,045</u>
Business-type activities	<u>Balance</u>	<u>Additions/</u>	<u>Deductions/</u>	<u>Balance</u>	<u>Amounts</u>
	<u>July 1, 2023</u>	<u>Adjustments</u>	<u>Adjustments</u>	<u>June 30, 2024</u>	<u>due within</u>
Earned compensated absences	\$ 461	\$ 813	\$ (750)	\$ 524	\$ 319
Subscription obligations (Note 10)	119	-	(28)	91	28
Bonds	1,740	-	(305)	1,435	325
Loans	4,391	-	(142)	4,249	143
Closure and post-closure	56,490	3,280	-	59,770	-
Net pension liability	8,999	-	(449)	8,550	-
Total business-type activities	<u>\$ 72,200</u>	<u>\$ 4,093</u>	<u>\$ (1,674)</u>	<u>\$ 74,619</u>	<u>\$ 815</u>
Totals	<u>\$ 2,338,140</u>	<u>\$ 134,489</u>	<u>\$ (226,682)</u>	<u>\$ 2,245,947</u>	<u>\$ 100,860</u>

¹Beginning balances as restated.

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The following is a schedule of future bonds payable requirements for governmental activities:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2025	\$ 14,782	\$ 6,678	\$ 21,460
2026	14,864	6,540	21,404
2027	15,020	6,395	21,415
2028	15,063	6,243	21,306
2029	15,253	6,083	21,336
2030-2034	123,012	26,697	149,709
2035-2039	28,080	5,107	33,187
2040-2044	-	-	-
2045-2049	19,496	-	19,496
2050-2054	-	-	-
2055-2057	19,519	-	19,519
Subtotal	265,089	63,743	328,832
Less: Original issue premium	2,726	-	2,726
Original issue discount	(361)	-	(361)
Total	<u>\$ 267,454</u>	<u>\$ 63,743</u>	<u>\$ 331,197</u>

The following is a schedule of future tenant improvements liability for governmental activities:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2025	\$ 4,169	\$ 9,849	\$ 14,018
2026	4,531	9,486	14,017
2027	4,925	9,093	14,018
2028	5,177	8,671	13,848
2029	5,627	8,220	13,847
2030-2034	36,398	32,840	69,238
2035-2039	51,815	14,063	65,878
2040-2042	6,709	411	7,120
Total	<u>\$ 119,351</u>	<u>\$ 92,633</u>	<u>\$ 211,984</u>

Pension Obligation Bonds

In March 2002, the County issued \$117,055 in Taxable Pension Obligation Bonds; Refunding Series 2002 to advance refund a portion of the County's Taxable Pension Obligation Bonds, Series 1998. The 1998 Series bonds were originally issued in March 1998 in the amount of \$184,910. The proceeds of the refunding issue were used to purchase U.S. Government Securities and to provide cash, which was placed into an irrevocable escrow account with a trustee bank. The purpose of the escrow account is to provide resources to service a portion of the 1998 Series when the respective bonds come due between August 2002 and August 2008. As a result, the refunded bonds are considered defeased and the liability is not reported in the governmental activities column of the Statement of Net Position. This advance refunding was undertaken to reduce the debt service requirements for the next six fiscal years by extending the overall payments by eleven years and resulted in a net present value loss of \$7,704.

The portion of the County's taxable Pension Obligation Bonds, Series 1998 that were not refunded have various maturity dates between 2002 and 2008. The interest rates range from 6.01% to 6.26%. The County's taxable Pension Obligation Bonds, Refunding Series 2002 include both serial and term bonds.

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The serial bonds have various maturity dates between 2009 and 2014 with interest rates ranging between 6.06% and 6.45%. The term bonds matured in 2018 with an interest rate of 6.67% and a mandatory sinking fund redemption commencing in 2016. The 1998 Pension obligation bonds that were refunded in 2002 have matured.

In March 2004, the County issued Series 2004A and 2004B Pension Obligation Bonds for \$327,898 and \$75,000, respectively. These were issued to fund a portion of the County's unfunded accrued actuarial liability in the retirement system. The Series 2004A Pension Obligation Bonds include current interest bonds, term bonds, and capital appreciation bonds. The Series 2004B bonds were issued as auction rate bonds. The debt matures between 2005 and 2033. In September 2006, the Series 2004B Pension Obligation Bonds were converted from auction rate to fixed rate securities. The Series 2004A Pension Obligation Bonds (Fixed Rate Bonds) maturing in August 2019 (totaling \$26,765) were refunded from the issuance of Series 2015A Taxable Pension Obligation Refunding Bonds.

In September 2015, the County issued \$27,255 in Series 2015A Taxable Pension Obligation Refunding Bonds, maturing in fiscal year 2020. The Taxable Pension Obligation Refunding Bonds generated a net present value savings (net of all costs) of \$2,018 or 7.5% of the refunded bond par amount. This financing refunded, on a current basis, a portion of the Series 2004A Pension Obligation Bonds totaling \$26,765.

The Debt Service Fund is utilized to pay for pension obligation bonds. Payments for pension obligation bonds for the current year are shown as transfers-out in the General, Special Revenue, Enterprise and Internal Service Funds and as transfers-in in the Debt Service Fund.

Lease Revenue Bonds

In February 2004 the FCFA, which was established to provide for the acquisition, disposition and/or financing of capital improvements and/or working capital for the County, issued \$26,000 in lease revenue bonds for the Juvenile Justice Campus. These bonds were refunded from the issuance of Series 2012A Refunding Lease Revenue Bonds.

The FCFA issued \$14,375 of lease revenue bonds October 1, 2004 to fund the County's Energy Project. The majority of the debt issued was to fund a gas energy generating plant, which will produce energy for the County Jail and other facilities. The remaining portion was used to upgrade lighting and electrical fixtures. These bonds were refunded from the issuance of Series 2012A Refunding Lease Revenue Bonds.

On April 16, 2007, the FCFA issued \$55,350 in lease revenue bonds for the construction of a juvenile court and offices for joint occupancy and use by the County and the County of Fresno Superior Court. The Series 2007 Bonds consist of \$25,605 in serial bonds maturing between 2010 and 2021 with interest rates ranging from 4.0% to 4.125%, and \$29,745 in term bonds maturing between 2023 and 2030 with interest rates ranging between 4.3% and 4.75%. These bonds were refunded from the issuance of Series 2016 Lease Revenue Refunding Bonds.

In September 2012, the County issued \$22,425 in Series 2012A Refunding Lease Revenue Bonds, maturing between 2013 and 2022. The Series 2012A Refunding Lease Revenue Bonds generated present value savings (net of all costs) of \$2,790 or 10.66% of the refunded bond par amount. This financing

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refunded, on a current basis, all outstanding maturities of the County's Series 2004 and 2004B Lease Revenue Bonds.

In June 2016, the County issued \$37,270 in Series 2016 Lease Revenue Refunding Bonds, maturing between 2017 and 2030, with interest rates ranging from 3.0% to 5.0%. The Series 2016 Lease Revenue Refunding Bonds generated present value savings (net of all costs) of \$5,946 or 14.2% of the refunded par amount. This was an advance, in-substance defeasance of the Series 2007 Lease Revenue Bonds, refunding that bond series in its entirety.

Tobacco Settlement Asset-Backed Bonds

In July 2002, the California County Tobacco Securitization Agency (the Agency) issued \$9,925 in Series 2002 asset-backed serial maturities and \$83,030 in Series 2002 asset-backed term bonds. These bonds mature between 2005 and 2038. The interest rates for the asset-backed serial maturities range from 3% to 5%. The interest rates for the asset-backed term bonds range from 5.63% to 6.13%.

In April of 2006, the Agency issued the Tobacco Settlement Asset-Backed Bonds, Subordinate Series 2006 for \$39,015. The FCTFC entered into a loan agreement with the Agency to borrow the bond proceeds and to secure the loan with County Tobacco Assets consisting of seventy-five percent of its rights to future tobacco settlement revenues. The 2006 Tobacco Bonds are turbo capital appreciation bonds, issued in four series and maturing in 2046 through 2055. The interest rates on the bonds range from 6.50% to 7.75%.

Capital Appreciation and Series Bonds

The County has issued two series of capital appreciation bonds. The first series is the Series 2004 A Pension Obligation Bonds for \$327,898. The second is the Series 2006 Tobacco Settlement Asset-Backed Bonds. Capital appreciation bonds are debt securities on which the investment return on an initial principal amount is reinvested at a stated compounded rate until maturity, at which time the investor receives a single payment (the "maturity value") representing both the initial principal amount and the total investment return.

The following schedule represents the capital appreciation bonds issued by the County and the California County Tobacco Securitization Agency:

Pension Obligation Bonds

<u>Series</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Initial Principal Amount</u>	<u>Accreted Value June 30, 2024</u>	<u>Accreted Value at Maturity</u>
2004A	August 15, 2032	1.3% to 5.67%	\$ 327,898	\$ 619,353	\$ 711,250
			Less principal	(327,898)	
			Less interest	(79,607)	
			Accreted interest	\$ 211,848	

Tobacco Securitization Tax Bonds

<u>Series</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Initial Principal Amount</u>	<u>Accreted Value June 30, 2024</u>	<u>Accreted Value at Maturity</u>
2006A	June 1, 2046	6.50%	\$ 16,606	\$ 52,982	\$ 216,420
2006B	June 1, 2046	6.65%	2,890	9,465	39,920
2006C	June 1, 2055	7.00%	9,757	33,983	286,800
2006D	June 1, 2055	7.75%	9,762	38,775	409,500
	Total		\$ 39,015	\$ 135,205	\$ 952,640
			Less principal	(39,015)	
			Accreted interest	\$ 96,190	
			Total accreted	\$ 308,038	

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Limited Obligation Improvement Bonds

In September of 1997, the FCFA issued \$5,392 limited obligation improvement bonds reported in the CSAs fund with an average interest rate of 5.92% payable semi-annually to purchase infrastructure improvements for Quail Lake, a planned community. The bonds are payable from assessments on the property owners within the special district and are not payable from any funds of the County.

The following is a schedule of future debt service requirements for business-type activities bonds:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2025	\$ 325	\$ 85	\$ 410
2026	345	63	408
2027	370	39	409
2028	<u>395</u>	<u>13</u>	<u>408</u>
Total	<u>\$ 1,435</u>	<u>\$ 200</u>	<u>\$ 1,635</u>

Loans Payable

CSA No. 49, as part of funding for a Surface Water Treatment Plant, received a \$80 loan payable from the California Department of Public Health. The note is to be repaid in semi-annual installments beginning in fiscal year 2015. As of June 30, 2024, the special district's unpaid loan balance was \$51.

Waterworks District No. 38 was issued a loan of \$599 from the State Water Resources Control Board Revolving Fund. In addition, loans payable in the amount of \$4,158 were issued to County Service Area No. 44 from the State Water Resources Control Board Revolving Fund. Both loans are to be repaid over a period of thirty (30) years in yearly payments, with interest. As of June 30, 2024, the special districts' unpaid loan balances were \$531 and \$3,667, respectively.

Landfill Closure and Post-Closure Costs

The County accounts for all solid waste landfill closure and post-closure costs based on the provisions of GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs*. State and federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure costs as an operating expense and liability in each period based on landfill capacity used as of each balance sheet date.

The County owns a solid waste landfill which is currently operating, the American Avenue Disposal Site, as well as two landfills which ceased accepting waste in fiscal years 1991 and 2010, the Southeast Regional Disposal Site and the Coalinga Disposal Site, respectively. Southeast Regional was certified closed in January 2000 and began post-closure activities, which are still ongoing as of June 30, 2024. Coalinga completed its closure activities during fiscal year 2017 and began post-closure activities in fiscal year 2018.

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The \$59,770 reported as landfill closure and post-closure care liability at June 30, 2024, represents the cumulative amount reported to date based on the landfill capacity used to date. The County will recognize the remaining estimated cost of closure and post-closure care of \$32,703 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all remaining closure and post-closure care as of June 30, 2024. The total current cost of landfill closure and post-closure care is an estimate and subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

The percentage of landfill capacity used to date, the estimated remaining landfill life, the liability for closure and post-closure care at the Balance Sheet date, and the estimated remaining local closure and post-closure costs to be recognized for the three landfills are as follows:

<u>Landfill</u>	<u>Capacity used at June 30, 2024</u>	<u>Estimated Years Remaining</u>	<u>Total Estimated Liability June 30, 2024</u>	<u>Liability Recognized June 30, 2024</u>	<u>Remaining Liability to be Recognized</u>
American Avenue	62.30%	30	\$ 86,738	\$ 54,035	\$ 32,703
Coalinga	49.30%	-	3,511	3,511	-
Southeast Regional	100.00%	-	2,224	2,224	-
Total			<u>\$ 92,473</u>	<u>\$ 59,770</u>	<u>\$ 32,703</u>

The increase from fiscal year 2022-2023 in the closure and post-closure care liability for American Avenue was reported as an operating expense in 2023-2024. Closure and post-closure costs for Southeast Regional and Coalinga Disposal Sites are reported as non-operating expenses. The County is required by state and federal laws to finance closure and post-closure care. Amounts collected from current users for these costs are reported in restricted cash and investments. Regarding the American Avenue Site, the County expects that future user fees and interest earnings over the remaining landfill life will fund the closure and post-closure liabilities. Regarding the Southeast Regional and Coalinga Disposal Sites, the County expects any ongoing costs to be funded from interest earnings and from quarterly payments from waste haulers and cities by agreement.

Additionally, Title 22 of the California Code of Regulations (CFR) requires that counties finance certain closure and post-closure maintenance and monitoring activities for their hazardous waste disposal sites. Post-closure activities are required for a minimum of 30 years after closure. The County's Blue Hills Hazardous Waste Disposal Site closed in the fiscal year 1992-93.

The County is further required by 40 CFR 264.144 to establish a financial assurance for post-closure care in accordance with the approved post-closure plan for the facility 60 days prior to the initial receipts of hazardous waste or the effective date of the regulation, whichever was later. The County used the financial test under 40 CFR 264.145(f) for over twenty years to provide financial assurance before being informed in 2008 by the California Department of Toxic Substances Control that this financial test was unusable by local governments to provide financial assurance. The County changed financial assurance options in April 2012 changing to a Post-Closure letter of credit as allowed under 40 CFR 264.145(d). The Irrevocable Standby Letter of Credit was established for \$1,468 in favor of the Department of Toxic Substances Control.

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Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the County performed calculations of excess investment earnings on various bonds, and at June 30, 2024, does not expect to incur a liability.

NOTE 12 - Pensions

Plan Description - The County of Fresno provides pension benefits to eligible employees through a cost sharing multiple-employer defined benefit pension plan (pension plan) administered by the Fresno County Employees' Retirement Association (FCERA). FCERA is governed by the Board of Retirement under the County Employees Retirement Law of 1937 (CERL). Readers should refer to CERL for more complete information. Members of the pension plans include all permanent employees working full-time or at least 50% part-time for the County and the following entities: Superior Court of California-County of Fresno, Clovis Veterans Memorial District, Fresno Mosquito and Vector Control District, and Fresno/Madera Area Agency on Aging (FMAAA). Employees become eligible for membership commencing with the pay period following the date of employment in a permanent position.

FCERA is a contributory defined pension plan established on January 1, 1945 under the provisions of CERL and provides service retirement, disability, death, and survivor benefits for employees of the County of Fresno and participating entities. The County of Fresno Board of Supervisors and governing boards of participating entities adopt resolutions, as permitted by State of California Government Code 31450 (County Employees Retirement Law of 1937 (CERL)), which affect the benefits of FCERA members. FCERA is governed by the California Constitution, CERL, and the bylaws, policies and procedures adopted by FCERA Board of Retirement.

FCERA issues a stand-alone Annual Comprehensive Financial Report (ACFR) that can be reviewed at the FCERA website: <https://fresnocountyretirement.org/financial/> or FCERA's office, located at 7772 North Palm Avenue, Fresno, CA 93711.

FCERA administers nine (9) pension tiers for General and Safety members. Due to the passage of the Public Employee Pension Reform Act (PEPRA), the County established two (2) new tiers for General and Safety members: General Tier V and Safety Tier V. PEPRA changed the benefits that may be offered to employees hired on or after January 1, 2013 including increasing the minimum retirement age, increasing the percentage for member contributions, and excluding certain types of compensation as pensionable. PEPRA also created limits on pensionable compensation. The cumulative effect of PEPRA changes will reduce the County's long-term retirement costs.

County of Fresno
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Summary of Pension Plans and Eligible Participants

General Members

- | | |
|----------|---|
| Tier I | General members hired on or before June 30, 2005 and General members of certain bargaining units hired after June 30, 2005. |
| Tier II | General Members of certain bargaining units hired after June 30, 2005 and General Tier I members hired on or before June 30, 2005 who elect to transfer to Tier II. |
| Tier III | General Members of certain bargaining units hired after December 17, 2007 and eligible Tier II members hired on or before December 17, 2007 who elect to transfer to Tier III per elective bargaining agreements. |
| Tier IV | General Members hired on or after June 11, 2012. |
| Tier V | General Members hired on or after January 1, 2013. |

Safety Members

- | | |
|----------|---|
| Tier I | Safety members hired on or before June 30, 2005 and Safety members of certain bargaining units hired after June 30, 2005. |
| Tier II | Safety members of certain bargaining units hired after June 30, 2005 and Safety Tier I members hired on or before June 30, 2005 who elect to transfer to Tier II. |
| Tier III | Not offered. |
| Tier IV | Safety members hired on or after June 11, 2012. |
| Tier V | Safety members hired on or after January 1, 2013. |

Benefits Provided

All pension tiers provide benefits in accordance with CERL or PEPRA regulations upon retirement, disability, or death of members. Retirement benefits are based upon years of service, final average compensation, and retirement age. Employees terminating before accruing five (5) years of service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another eligible public agency within the prescribed time period. Non-vested employees who terminate service are entitled to withdraw their accumulated contribution plus accrued interest. Employees who terminate service after earning five (5) years of retirement service credit, may leave their contributions on deposit and elect to take a deferred retirement. The difference between expected and actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

Service-related disability benefits are based upon final average compensation or retirement benefits (if eligible). Non-service-related disability benefits are based upon (1) years of service and final average

County of Fresno
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compensation or (2) retirement benefits (if eligible). Death benefits are based upon a variety of factors including whether the employee was retired or not.

Annual cost-of-living adjustments (COLA) after retirement are provided to General Member Tiers I, II, and III and Safety Member Tiers I and II. General and Safety Member Tiers IV and V are not eligible for COLA increases. COLAs are granted to eligible retired members effective in April of each year based upon the Bureau of Labor statistics Consumer Price Index, West Region as of the preceding January 1 and is subject to an annual maximum of three percent (3%).

Specific details for retirement, disability, or death benefit calculations and COLA information are available in the FCERA ACFR available at <https://fresnocountyretirement.org/financial/>.

Contributions

The FCERA Board of Retirement is authorized under Article 16 of the Constitution of the State to establish and amend retirement contributions for active employees and participating employers. Contributions are made by the members and the employers at rates recommended by FCERA's independent actuary and approved by the Board of Retirement and the County of Fresno Board of Supervisors. Employee contribution rates vary according to age and classification (safety or general) and, depending on Tier, are designed to provide funding for approximately one-fourth to one-half of the regular retirement benefits and one-half of all cost of living benefits. Members are required to contribute between 8.56% and 15.97% of their annual covered salary. Employee contribution rates are established and may be amended pursuant to Articles 6 and 6.8 of CERL. Employer contribution rates are determined pursuant to Section 31453 of CERL and are designed to provide funding for the remaining regular retirement and cost-of-living benefits, as well as all regular disability and survivor's benefits.

Employer and employee contributions and active members are as follows:

<u>Retirement Plan</u>	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Active Members</u>
General Tier I	54.17%	10.56%	1,828
General Tier II	51.59%	7.33%	78
General Tier III	51.80%	8.58%	434
General Tier IV	43.41%	7.80%	209
General Tier V	41.44%	7.95%	4,142
Safety Tier I	72.07%	13.95%	303
Safety Tier II	72.15%	12.25%	38
Safety Tier IV	59.40%	11.10%	54
Safety Tier V	55.08%	13.09%	564
All Categories	49.26%	9.58%	7,650

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Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the County reported a pension liability of \$1,080,316 for its proportionate share of the net pension liability (NPL). The NPL was measured as of June 30, 2023, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date. The County's proportion of the NPL was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan (FCERA) participants, actuarially determined.

For the fiscal year ended June 30, 2024, the County recognized an increase to pension expense of \$14,079. Pension expense represents the change in the NPL during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions of methods, and plan benefits. At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 46,156	\$ 56,400
Experience changes in assumptions	153,124	9,974
Net difference between projected and actual earnings on retirement plan investments	133,764	-
Changes in proportion and differences between County contributions and proportionate share of contributions	765	3,619
Contributions by County subsequent to the actuarial measurement date	228,902	-
	<u>\$ 562,711</u>	<u>\$ 69,993</u>

Deferred outflows of resources of \$562,711, and deferred inflows of resources of \$69,993 above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

\$228,902 reported as deferred outflows of resources related to contributions subsequent to the measurement date 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 of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30	Amount
2025	\$ 89,675
2026	7,729
2027	191,752
2028	(25,339)
Thereafter	-
	<u>\$ 263,817</u>

County of Fresno
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Actuarial Assumptions

The total pension liability as of June 30, 2024, based on an actuarial valuation in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-Amendment of GASB Statement No. 27*, was based on the June 30, 2023 measurement date, and determined using the following actuarial assumptions. Total pension liability represents the portion of the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

Inflation	2.50% per year.
Employee Contribution Crediting Rate	2.75% compounded semi-annually.
Administrative Expenses	1.30% of payroll allocated to both the employer and member based on the components of the total contribution rate (before expenses) for the employer and member.
Salary Increases	General Members: 4.10% to 12.00%; and Safety Members: 4.50% to 11.50%, varying by service, including inflation.
COLA Increases	Investment rate of return 3.00% maximum for retiree COLA increase applicable to General Member Tiers I, II and III and Safety Member Tiers I and II.
Post-Retirement Mortality: <i>Healthy</i>	<p>For General Members and all Beneficiaries: Pub-2010 General Healthy Retiree Amount-Weighted Above Median Mortality Table with rates increased by 5% for males and increased by 10% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.</p> <p>For Safety Members: Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for male and females) with rates increased by 5% for males, projected generationally with the two-dimensional mortality improvement scale MP-2021.</p>
<i>Disabled</i>	<p>For General Members: Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table with rates increased by 5% for males and decreased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.</p> <p>For Safety Members: Pub-2010 Safety Disabled Retiree Amount-Weighted Mortality Table with rates increased by 5% for females, projected generationally with the two-dimensional mortality improvement scale MP-2021.</p>

County of Fresno
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Contribution Rates

For General Members and all Beneficiaries: Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 5% for males and increased by 10% for females, projected 30 years with the two-dimensional mortality improvement scale MP-2021, weighted 35% male and 65% female.

For Safety Members: Pub-2010 Safety Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 5% for males, projected 30 years with the two-dimensional mortality improvement scale MP-2021, weighted 80% male and 20% female

Actuarial Cost Method

Entry Age Cost Method. Entry Age is age at the member's hire date. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are based on costs allocated as a level percentage of compensation, with Normal Cost determined as if the current benefit formula for each individual has always been in effect (i.e., "replacement life within a tier").

Expected Remaining Service Lives

- Average expected service lives of all employees is determined by:
- Calculating each active employee's expected remaining service life as the present value of \$1 per year of future services at zero percent interest.
 - Setting remaining service life to zero for each nonactive or retired member.
 - Dividing the sum of the above amounts by the total number of active employees, nonactive and retired members.

The information and analysis used in selecting each assumption that has a significant effect on the actuarial valuation is shown in the Review of Economic Actuarial Assumptions report dated July 11, 2023 and the July 1, 2018 through June 30, 2021 Analysis of Demographic Actuarial Experience dated April 12, 2022. Unless otherwise noted, all actuarial assumptions and methods shown apply to members for all tiers.

The long-term expected rate of return on pension plan investments (6.50%) was determined using a building-block method in which expected arithmetic real rates of return (expected returns, net of inflation and, beginning with June 30, 2023, any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return for the portfolio by weighting the expected arithmetic real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses (beginning with June 30, 2023 including only investment consulting fees, custodian fees and other miscellaneous investment expenses) and a risk margin. Beginning with June 30, 2023 this portfolio return is also adjusted to an expected geometric real rate of return for the portfolio. The target allocation and projected arithmetic real rates of return for each major asset class (after deducting inflation) are shown in the following table:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	23.00%	6.00%
Small Cap U.S. Equity	6.00%	6.65%
Developed International Equity	15.00%	7.01%
Emerging Markets Equity	6.00%	8.80%
U.S. Core Fixed Income	12.00%	1.97%
High Yield Bond	4.00%	4.63%
Bank Loan	4.00%	4.07%
Emerging Market Debt	2.00%	4.72%
Real Estate	4.00%	3.86%
Value Added Real Estate	2.00%	6.70%
Opportunistic Real Estate	2.00%	8.60%
Infrastructure	4.00%	7.30%
Private Credit	8.00%	6.75%
Private Equity	8.00%	9.98%
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability (TPL) was 6.50%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and employer contributions will be made at the rates equal to the actuarially determined contribution rates. Employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based upon these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. The long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the TPL as of both June 30, 2023 and 2022.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the County's proportionate share of the NPL of FCERA, as of June 30, 2024, which is allocated to all employers and is calculated using the discount rate of 6.50%. Additionally, the table reflects the County's proportionate share of net pension liability should it be calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate.

	5.50%	6.50%	7.50%
County's proportionate share of the NPL	\$ 1,998,505	\$ 1,080,316	\$ 328,033

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Pension Fund Fiduciary Net Position

Detailed information about the pension fund's fiduciary net position is available in the separately issued FCERA GASB 68 Actuarial Valuation Report.

NOTE 13 - 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 has established a Risk Management Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss. The fund is also used to account for the unemployment benefits program and for employee medical coverage provided through contracts with various health maintenance organizations.

The Risk Management Fund provides coverage of the general liability, workers' compensation, medical malpractice, and property-other programs. Property-other consists of fire, bond, and miscellaneous insurance and damaged vehicle loss programs. General liability coverage is self-insured up to a maximum of \$750 per claim. Coverage above \$750, up to a maximum amount of \$25,000, is provided through a risk pool agreement with the Public Risk Innovation Solutions and Management ("PRISM") Program. PRISM was formerly known as the California State Association of Counties Excess Insurance Authority (the "CSAC-EIA"). The risk pool is reinsured through commercial companies from \$5,000 to \$25,000 per claim.

Master Crime bond coverage is self-insured up to a maximum of \$2.5 per occurrence and excess coverage of \$15,000 per occurrence is provided through a risk pool agreement with PRISM.

Pollution liability coverage is self-insured for \$250 per claim and excess coverage up to a maximum of \$10,000 is provided through a risk pool agreement with PRISM.

Workers' compensation claims are self-insured up to a maximum of \$500 per claim. Excess coverage up to a statutory amount per claim is provided through a risk pool agreement with PRISM.

Medical malpractice claims are self-insured up to a maximum of \$1,000 per claim. Excess coverage up to a maximum of \$21,500 is provided through a risk pool agreement with PRISM.

Property-other is self-insured up to a deductible of \$25 per claim with a maximum of \$600,000 in All Risk excess coverage per annual occurrence, and \$225,000 in Flood limits per annual occurrence.

Earthquake coverage has maximums in excess insurance of \$25,000. Excess insurance is provided through a risk pool agreement with PRISM.

Cyber liability coverage is self-insured up to a maximum of \$250 per claim. Coverage above \$250, up to \$12,000, is provided through a risk pool agreement with PRISM. Policy limits vary based on the type of loss.

Aircraft coverage has a maximum limit in excess insurance of \$25,000 provided through a risk pool agreement with PRISM.

Watercraft coverage is self-insured up to a deductible of \$1, up to \$750.

County of Fresno
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County departmental contributions to the workers' compensation, general liability, and medical malpractice programs are based on actuarial recommendations. The reported actuarial liabilities for workers' compensation, general liability, and medical malpractice assume a long-term annual rate of return of 2.3 percent. The undiscounted actuarial liability for these programs is \$98,682. Reserves for self-insurance for these programs include estimated liability amounts for claims filed against the County for their programs, as well as the estimated amount of claims incurred but not reported, as computed by the actuary. Contributions to the property damage, unemployment, and vehicle damage programs are based on actual historical claim loss experience.

The claims liability of \$100,206 reported in the Risk Management Fund at June 30, 2024 is based on the requirement that claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The claims liability includes all allocated loss adjustment expenses. While the ultimate amount of claims is dependent on future developments, management is of the opinion that the claims liability at June 30, 2024 is adequate to cover such claims. Changes in the Risk Management Fund's claims liability amount during the last two fiscal years were as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Beginning of fiscal year liability	\$ 100,487	\$ 90,976
Current year claims provision and changes in estimates	22,586	29,461
Claim payments	<u>(22,867)</u>	<u>(19,950)</u>
Balance at fiscal year-end	<u>\$ 100,206</u>	<u>\$ 100,487</u>

NOTE 14 – Fund Balance

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2024, fund balance for governmental funds is made up of the following:

- **Nonspendable Fund Balance** – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, such as prepaid items and amounts available for loans.
- **Restricted Fund Balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- **Committed Fund Balance** – includes amounts that can only be used for the specific purposes determined by a formal action of the County's highest level of decision-making authority, the County's Board. Commitments may be changed or lifted only by the County taking the same formal action that imposed the constraint originally, which is achieved by the County's Board approving the commitment with a 4/5 majority vote.

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- Assigned Fund Balance – comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the County’s Board or (b) a body (for example, a budget or finance committee) or official to which the County’s Board has delegated the authority to assign amounts to be used for specific purposes. The County Administrative Officer (CAO) has been delegated this authority for the County of Fresno.
- Unassigned Fund Balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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.

Fund balances for all the major and nonmajor governmental funds as of June 30, 2024, were distributed as follows:

	<u>General Fund</u>	<u>Disaster Claiming</u>	<u>Debt Service</u>	<u>Local Health and Welfare</u>	<u>2011 Realignment</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:							
Postage/imprest cash	\$ 557	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557
Prepaid items	21,424	-	-	-	-	-	21,424
CSA loans	233	-	-	-	-	-	233
Subtotal	<u>22,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,214</u>
Restricted for:							
General government	47,799	4,392	-	-	-	146	52,337
Public protection	43,974	-	-	-	116,470	12,832	173,276
Rowell lease	18,000	-	-	-	-	-	18,000
Public ways and facilities	22,974	-	-	-	-	30,950	53,924
Health, sanitation and public assistance	137,109	-	-	122,383	-	126	259,618
Education	-	-	-	-	-	88,768	88,768
Capital projects	-	-	-	-	-	119,916	119,916
Debt service	-	-	71,513	-	-	-	71,513
Subtotal	<u>269,856</u>	<u>4,392</u>	<u>71,513</u>	<u>122,383</u>	<u>116,470</u>	<u>252,738</u>	<u>837,352</u>
Committed to:							
General government:							
Reserve	80,000	-	-	-	-	-	80,000
SJVIA	3,000	-	-	-	-	-	3,000
Public protection:							
Sheriff vehicle replacement	600	-	-	-	-	-	600
Eagle 2 replacement	200	-	-	-	-	-	200
CSA revolving fund	368	-	-	-	-	-	368
Subtotal	<u>84,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,168</u>
Unassigned	<u>112,471</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,471</u>
Total	<u>\$ 488,709</u>	<u>\$ 4,392</u>	<u>\$ 71,513</u>	<u>\$ 122,383</u>	<u>\$ 116,470</u>	<u>\$ 252,738</u>	<u>\$ 1,056,205</u>

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NOTE 15 – Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- Net Investment in Capital Assets groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation/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 reflects net position that is subject to constraints either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable enabling legislation restriction is one that a party external to a government – such as citizens, public interest groups, or the judiciary – can compel a government to honor.
- Unrestricted Net Position represents net position of the County that is not restricted for any project or purpose.

NOTE 16 - Contingent Liabilities and Commitments

The County of Fresno is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of County operations. Together, these claims can seek monetary damages in significant amounts. Under GAAP, contingent liabilities must be reported in the financial statements if it is possible to estimate their value and if the liability has more than a 50% chance of being realized. The outcome of litigations has not been determined and the probability of it being unfavorable for the County cannot be expressed. The County intends to vigorously defend itself against these lawsuits. This represents the County's best estimate and therefore is not accrued in the government-wide Statement of Net Position. Refer to Note 11 for more information on these and other long-term liabilities.

The County participates in many state and federal-assisted grant programs, which are subject to program compliance audits by the grantors or their representatives. The amounts, if any, of current or previous expenditures, which may be disallowed upon future audits by the grantors, cannot be determined until such an audit occurs. The County expects such amounts, if any, will not be material to its financial statements. Amounts have been accrued for disallowed expenditures resulting from completed audits.

County of Fresno
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NOTE 17 – Deficit Fund Equity

The County has internal service funds with a deficit net position caused by presenting their proportionate share of net pension liability due to the implementation of GASB Statement No. 68.

Internal Service Funds	Deficit Net Position
Security Services	\$2,778

NOTE 18 – Joint Venture

A joint venture is defined by GASB Statement No. 14, *The Financial Reporting Entity*, as “a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain either (a) an ongoing financial interest, or (b) an ongoing financial responsibility.” The County participates in the following joint venture:

San Joaquin Valley Insurance Authority (SJVIA) - On September 29, 2009, the Counties of Tulare and Fresno entered into a Joint Exercise of Powers Agreement by which they created the SJVIA as a separate public agency charged with the responsibility of providing health and medical benefits for over 9,000 Fresno and Tulare County employees. Independently audited financial statements can be obtained from the Fresno County Auditor-Controller’s Office, 2281 Tulare Street #105, Fresno, California 93721.

NOTE 19 – Restatements for Error Correction

The County restated its June 30, 2023, governmental activities net position. An error correction, decreasing net position by \$74,357, was made to account for lease tenant improvements that were either not reported or incorrectly classified as building and improvements in prior years. Payments for these obligations were made, and expenditures were reported in prior years, so no restatement is required for the fund statement.

The following table outlines the change in net position affected by restatements for error correction in the government-wide financial statements:

	Reporting Unit Affected by Adjustments to and Restatements of Beginning Balances
	Government-Wide Governmental Activities
June 30, 2023, as previously reported	\$ 853,434
Error Correction - change in lease tenant improvements	<u>(74,357)</u>
Net position, restated at June 30, 2023	779,077
Changes in net position	<u>197,210</u>
Net position at June 30, 2024	<u><u>\$ 976,287</u></u>

County of Fresno
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The County restated its June 30, 2023, business-type activities net position. Error corrections were made for Solid Waste funds, decreasing net position by \$8,448 and \$181 for American Avenue and Southeast Regional, respectively. In addition, an error correction was made to County Service Areas, Other fund, decreasing net position by \$2,400. Combined, these adjustments total \$11,029.

The adjustments to the enterprise funds were created to reconcile the fiscal year 2023 ending net position, capital assets, and accumulated depreciation in their audited financial statements with the amounts reported by the County. Due to delays in the audits of these entities over the past few years, management decided to make prior period adjustments on an ongoing basis until the audits are brought up to date.

The following table outlines the change in net position affected by restatements for error correction in the government-wide financial statements:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances		
	Solid Waste Fund	County Service Areas, Other Fund	Government-Wide Business-Type Activities
Net position, stated at June 30, 2023	\$ 85,789	\$ 28,140	\$ 113,929
ending net position	-	(2,400)	(2,400)
Solid waste - American Avenue reconciliation to prior year audited ending net position, capital assets, and accumulated depreciation	(8,448)	-	(8,448)
Solid waste - Southeast Regional reconciliation to prior year audited ending net position, capital assets, and accumulated depreciation	(181)	-	(181)
Net position, restated at June 30, 2023	77,160	25,740	102,900
Changes in net position	(1,160)	1,587	427
Net position at June 30, 2024	\$ 76,000	\$ 27,327	\$ 103,327

NOTE 20 – Service Concession Arrangements (SCA)

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements (SCA)* defines an SCA as a type of public-private or public-public partnership. As used in GASB Statement No. 60, an SCA is an arrangement between a government (the transferor) and an operator in which all of the following criteria are met:

- A. The transferor conveys to the operator the right and related obligation to provide public services through the use and operation of a capital asset (referred to in the statement as a “facility”) in exchange for significant consideration, such as an up-front payment, installment payments, a new facility, or improvements to an existing facility.
- B. The operator collects and is compensated by fees from third parties.
- C. The transferor determines or has the ability to modify or approve what services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services.

The County has determined that it has no arrangements that meet the criteria set forth above.

NOTE 21 - Subsequent Events

In accordance with accounting standards generally accepted in the United States, subsequent events have been evaluated through December 27, 2024, the date in which the financial statements have been issued.

During the week of September 16, 2024, the County’s recommended budget for the fiscal year 2024-2025 was submitted to the Board and was approved.

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**Required Supplementary Information
(Other than MD&A)**

County of Fresno
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Resources (inflows):				
Taxes	\$ 337,678	\$ 337,678	\$ 369,731	\$ 32,053
Licenses and permits	11,562	11,562	13,132	1,570
Fines, forfeitures and penalties	5,074	5,074	5,586	512
Use of money and property	7,648	7,648	17,813	10,165
Aid from other governmental agencies:				
State	554,712	558,303	562,928	4,625
Federal	525,765	527,958	515,116	(12,842)
Other	9,166	10,261	6,890	(3,371)
Charges for services	72,042	72,591	73,461	870
Other revenues	34,866	44,071	22,660	(21,411)
Total resources	<u>1,558,513</u>	<u>1,575,146</u>	<u>1,587,317</u>	<u>12,171</u>
Charges to appropriations (outflows):				
General government -				
Salaries and benefits	47,593	47,631	42,803	4,828
Services and supplies	39,520	39,755	8,739	31,016
Other charges	5,056	5,056	3,699	1,357
Capital assets	45	19,062	(11,775)	30,837
Approp for contingencies	61,000	61,000	-	61,000
Public protection -				
Salaries and benefits	400,981	405,805	378,488	27,317
Services and supplies	177,995	185,577	163,486	22,091
Other charges	15,119	15,049	14,961	88
Capital assets	4,783	5,663	-	5,663
Public ways and facilities -				
Salaries and benefits	4,680	4,680	4,102	578
Services and supplies	6,682	6,682	3,016	3,666
Health, sanitation and public assistance -				
Salaries and benefits	451,908	452,387	393,823	58,564
Services and supplies	511,840	537,496	415,818	121,678
Other charges	577,949	581,594	542,436	39,158
Capital assets	20,038	23,458	-	23,458
Education -				
Salaries and benefits	297	297	266	31
Culture and recreation -				
Salaries and benefits	2,563	2,563	2,326	237
Services and supplies	2,629	2,629	2,042	587
Other charges	2	2	2	-
Capital assets	172	172	-	172
Capital outlay	-	-	66,281	(66,281)
Debt service:				
Principal	-	-	24,258	(24,258)
Interest and fiscal charges	-	-	13,950	(13,950)
Total charges to appropriations	<u>2,330,852</u>	<u>2,396,558</u>	<u>2,068,721</u>	<u>327,837</u>
Excess (deficiency) of resources over (under) charges to appropriations	<u>(772,339)</u>	<u>(821,412)</u>	<u>(481,404)</u>	<u>340,008</u>
Other financing sources (uses)				
Proceeds from sale of capital assets	300	300	151	(149)
Insurance recoveries	-	-	2	2
Transfers in	1,514,847	1,592,071	573,035	(1,019,036)
Transfers (out)	(924,584)	(981,456)	(78,370)	903,086
Lease liabilities issued	-	-	6,258	6,258
Total other financing sources (uses)	<u>590,563</u>	<u>610,915</u>	<u>501,076</u>	<u>(109,839)</u>
Net change in fund balance	(181,776)	(210,497)	19,672	230,169
Fund balance - beginning	469,037	469,037	469,037	-
Fund balance - ending	<u>\$ 287,261</u>	<u>\$ 258,540</u>	<u>\$ 488,709</u>	<u>\$ 230,169</u>

See accompanying notes to budgetary comparison schedules.

County of Fresno
Budgetary Comparison Schedule
Disaster Claiming Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Use of money and property	\$ -	\$ -	\$ 6,343	\$ 6,343
Intergovernmental revenues	<u>132,890</u>	<u>132,890</u>	<u>25,598</u>	<u>(107,292)</u>
Total revenues	<u>132,890</u>	<u>132,890</u>	<u>31,941</u>	<u>(100,949)</u>
Expenditures				
Health, sanitation and public assistance -				
Other charges	<u>45,000</u>	<u>45,000</u>	<u>7,026</u>	<u>37,974</u>
Total expenditures	<u>45,000</u>	<u>45,000</u>	<u>7,026</u>	<u>37,974</u>
Excess (deficiency) of revenues over (under) expenditures	<u>87,890</u>	<u>87,890</u>	<u>24,915</u>	<u>(62,975)</u>
Other Financing Sources (Uses)				
Transfers (out)	<u>(76,000)</u>	<u>(79,409)</u>	<u>(20,523)</u>	<u>58,886</u>
Total other financing sources (uses)	<u>(76,000)</u>	<u>(79,409)</u>	<u>(20,523)</u>	<u>58,886</u>
Net change in fund balance	11,890	8,481	4,392	(4,089)
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ 11,890</u>	<u>\$ 8,481</u>	<u>\$ 4,392</u>	<u>\$ (4,089)</u>

See accompanying notes to budgetary comparison schedules.

County of Fresno
Budgetary Comparison Schedule
Local Health and Welfare Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Use of money and property	\$ 530	\$ 530	\$ 5,113	\$ 4,583
Intergovernmental revenues	<u>285,170</u>	<u>285,281</u>	<u>308,389</u>	<u>23,108</u>
Total revenues	<u>285,700</u>	<u>285,811</u>	<u>313,502</u>	<u>27,691</u>
Excess (deficiency) of revenues over (under) expenditures	<u>285,700</u>	<u>285,811</u>	<u>313,502</u>	<u>27,691</u>
Other Financing Sources (Uses)				
Transfers in	11,360	11,360	11,360	-
Transfers (out)	<u>(333,966)</u>	<u>(320,888)</u>	<u>(307,375)</u>	<u>13,513</u>
Total other financing sources (uses)	<u>(322,606)</u>	<u>(309,528)</u>	<u>(296,015)</u>	<u>13,513</u>
Net change in fund balance	(36,906)	(23,717)	17,487	41,204
Fund balance - beginning	<u>104,896</u>	<u>104,896</u>	<u>104,896</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 67,990</u></u>	<u><u>\$ 81,179</u></u>	<u><u>\$ 122,383</u></u>	<u><u>\$ 41,204</u></u>

See accompanying notes to budgetary comparison schedules.

County of Fresno
Budgetary Comparison Schedule
2011 Realignment Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Use of money and property	\$ -	\$ -	\$ 5,888	\$ 5,888
Intergovernmental revenues	<u>217,122</u>	<u>217,986</u>	<u>238,813</u>	<u>20,827</u>
Total revenues	<u>217,122</u>	<u>217,986</u>	<u>244,701</u>	<u>26,715</u>
Excess (deficiency) of revenues over (under) expenditures	<u>217,122</u>	<u>217,986</u>	<u>244,701</u>	<u>26,715</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers (out)	<u>(261,557)</u>	<u>(287,504)</u>	<u>(264,180)</u>	<u>23,324</u>
Total other financing sources (uses)	<u>(261,557)</u>	<u>(287,504)</u>	<u>(264,180)</u>	<u>23,324</u>
Net change in fund balance	(44,435)	(69,518)	(19,479)	50,039
Fund balance - beginning	<u>135,949</u>	<u>135,949</u>	<u>135,949</u>	<u>-</u>
Fund balance - ending	<u>\$ 91,514</u>	<u>\$ 66,431</u>	<u>\$ 116,470</u>	<u>\$ 50,039</u>

See accompanying notes to budgetary comparison schedules.

County of Fresno
Notes to the Budgetary Comparison Schedules
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

BUDGETARY BASIS OF ACCOUNTING

In accordance with the provisions of Sections 29000 through 29143 and Section 30200 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County of Fresno (County) is required to prepare a balanced budget for each fiscal year on or before October 2. Budgeted expenditures are enacted into law through the passage of a resolution of adoption. The resolution of adoption specifies the maximum authorized expenditures for each budget unit for that fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County Board of Supervisors (Board).

In June of each year, the County Administrative Officer (CAO) prepares and submits a temporary recommended budget document to the County Board. In September of that year, the CAO submits the recommended budget to the Board, and public hearings are held at that time to provide the general public with an opportunity to speak on any budget items before the Board. The recommended budget, once adopted, is uploaded to the County's financial system in late September so that budget monitoring for the new fiscal year can begin. After fiscal year-end closing activities are completed and the State Budget is approved, the CAO presents quarterly budget updates to the Board for adjustments to the recommended budget, as necessary, as a result of State Budget adjustments or other unforeseen changes.

An operating budget is adopted each fiscal year for governmental funds and proprietary funds. Governmental funds that are budgeted include the General Fund, special revenue funds, and the debt service fund but do not include the capital projects fund. Proprietary funds include the enterprise funds. Expenditures are controlled at the object level within each budget unit of the County except for capital assets, which are controlled at the sub-object level. The object level (sub-object level for capital assets) within a budget unit is the legal level of budgetary control at which the County's management may not reallocate resources without special approval. Any amendments or transfers of appropriations between object levels (sub-object level for capital assets) within the same budget unit, or between budget units or funds, must be authorized by the CAO and approved by the Board. Supplemental appropriations, normally financed by unanticipated revenues during the year, require the Board's approval as well. Pursuant to Government Code Section 29092, the CAO is authorized to approve transfers and revision of appropriations within a single budget unit as deemed necessary and appropriate. Budgeted amounts in the budgetary comparison schedules are reported as originally adopted and as amended during the fiscal year.

The budget approved by the Board for the General Fund includes budgeted expenditures and reimbursements for amounts disbursed on behalf of other governmental funds. In the accompanying budgetary comparison schedules, actual reimbursements for these items have been eliminated from the resources and related expenditures have been eliminated from the charges to appropriations to provide a meaningful comparison of actual and budgeted results of operations.

The budgets for governmental funds may include an account known as "Intrafund Revenue." This account is used by the County to show reimbursements between operations within the same fund (an example would be charges by one budget unit to another budget unit within the General Fund).

The amounts reported on the budgetary basis differ from the basis used to present the basic financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). Annual budgets are prepared using the modified accrual basis of accounting; reimbursements for amounts disbursed on behalf of other governmental funds are reported as resources and related expenditures as charges to the appropriation; certain transactions are accounted for in different periods

County of Fresno
Notes to the Budgetary Comparison Schedules
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

between budgetary and GAAP reporting basis; and securities lending activities and transactions from sub-funds reclassified from County Custodial funds are reported in GAAP reporting basis.

County of Fresno
Required Supplementary Information
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

Fresno County Employees' Retirement Association – Schedule of the County's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2015</u>
County's portion of the net pension liability (asset)	92.515%	92.896%	93.451%	93.200%	93.330%	93.145%	92.747%	92.992%	93.078%	92.930%
County's proportionate share of the net pension liability (asset)	\$ 1,080,316	\$ 1,147,991	\$ 436,078	\$ 1,296,105	\$ 1,054,510	\$ 1,100,961	\$ 1,211,572	\$ 1,425,569	\$ 1,010,008	\$ 815,975
County's covered payroll	\$ 451,993	\$ 430,396	\$ 423,529	\$ 419,772	\$ 393,997	\$ 373,992	\$ 357,538	\$ 343,435	\$ 325,382	\$ 324,102
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	239.01%	266.73%	102.96%	308.76%	267.64%	294.38%	338.87%	415.09%	310.41%	251.760%
Plan fiduciary net position as a percentage of the total pension liability	83.97%	82.01%	93.08%	78.01%	81.35%	79.87%	77.11%	72.31%	78.77%	82.14%

*Amounts presented above were determined as of 6/30.

Fresno County Employee's Retirement System – Schedule of County Contributions

Last 10 Fiscal Years*

	<u>FY 2024</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2016</u>	<u>FY 2015</u>
Actuarially determined contribution	\$ 224,091	\$ 233,850	\$ 256,031	\$ 230,646	\$ 210,452	\$ 196,103	\$ 184,077	\$ 178,107	\$ 171,462	\$ 153,622
Contributions in relation to actuarially determined contribution	225,119	234,533	256,035	231,058	210,712	196,073	184,317	178,220	171,577	153,542
Contribution deficiency (excess)	\$ (1,028)	\$ (683)	\$ (4)	\$ (412)	\$ (260)	\$ 30	\$ (240)	\$ (113)	\$ (115)	\$ 80
County's covered payroll	\$ 451,993	\$ 430,396	\$ 423,529	\$ 419,772	\$ 393,997	\$ 373,992	\$ 357,538	\$ 343,435	\$ 325,382	\$ 324,102
Contributions as a percentage of covered payroll	49.81%	54.49%	60.45%	55.04%	53.48%	52.43%	51.55%	51.89%	52.73%	47.37%

*Amounts presented above were determined as of 6/30.

**Combining and Individual
Fund Financial Statements and Schedules**

County of Fresno

Nonmajor Governmental Funds

Capital Projects Fund

The Capital Projects Fund is used to account for the acquisition and construction of major facilities other than those financed by Proprietary and certain Trust Funds. Budgets are adopted in the General Fund at the beginning of projects and are periodically modified by the Board of Supervisors during the course of construction as circumstances require. Transfers are made from the General Fund to the Capital Projects Fund to finance capital expenditures. There are no combining statements because the County uses one Capital Projects Fund, which is reported on the nonmajor combining financial statements.

Special Revenue Funds

Special Revenue Funds are established to finance particular governmental activities and are funded by receipts of specific taxes or other earmarked revenues. Such funds are authorized by statutory or charter provisions to pay for certain activities of a continuing nature.

Road Fund

The Road Fund is used to finance operations to provide maintenance, rehabilitation, and reconstruction of County roads, bridges, and attendant facilities as authorized by California Streets and Highways Code and to provide for traffic safety.

County Administrative Office (CAO) Indian Gaming

The CAO Indian Gaming Fund, established pursuant to Government Code Sections 12710-12718, is used to account for funding and administrative costs for Indian Gaming activities.

County Free Library

The Fresno County Free Library is a Special District, under the governance of the Board of Supervisors, which provides informational, cultural, and recreational services to the public through 37 library outlets.

Fish and Game

This fund was established to receive the County's share of fines levied for violations of fish and game laws within its boundaries. Expenditures are made from time to time for purposes of improving the habitat for wildlife propagation and for incidental administrative matters.

Off-Highway License

The Off-Highway Vehicle Law of 1971 requires users of trail bikes, dune buggies, and similar vehicles designed for off-highway use to purchase an identification certificate. This fund can only be used to account for acquisition and development of off-road recreation areas. Such expenditures include feasibility studies, planning studies, and environmental impact reports.

Emergency Medical Services (EMS)

The EMS Fund was established in 1989-90 to receive deposits associated with Senate Bill (SB) 12 and Proposition 99 monies. Disbursements from this fund must be in accordance with Health & Safety Code Section 1797.98a and Assembly Bill (AB) 75. Such expenditures include reimbursing physicians and hospitals for emergency treatment performed on individuals who are unable to pay.

County of Fresno
Nonmajor Governmental Funds

County Service Areas, Other

These special districts, governed by the Fresno County Board of Supervisors, include County Service Areas and Lighting and Maintenance Districts. These districts were established to provide services such as road, park, and lighting maintenance to specific areas in the County. They are financed by ad valorem property taxes in the area benefited, or by special assessments levied on specific properties.

County of Fresno
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024
(\$ amounts expressed in thousands)

	Capital Projects Fund	Special Revenue Funds	Total
ASSETS & DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and investments	\$ 117,153	\$ 128,611	\$ 245,764
Restricted cash and investments	216	-	216
Receivables, net:			
Accounts	-	191	191
Interest	101	1,016	1,117
Due from other funds	487	6	493
Due from other governmental units	3,960	24,329	28,289
Prepaid items	-	97	97
Total assets	<u>121,917</u>	<u>154,250</u>	<u>276,167</u>
Deferred outflows of resources			
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 121,917</u>	<u>\$ 154,250</u>	<u>\$ 276,167</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCES			
Liabilities			
Accounts payable	\$ 1,971	\$ 10,211	\$ 12,182
Salaries and benefits payable	-	3,096	3,096
Due to other governmental units	-	1	1
Due to other funds	30	1,748	1,778
Deposits and other liabilities	-	315	315
Unearned revenue	-	6,057	6,057
Total liabilities	<u>2,001</u>	<u>21,428</u>	<u>23,429</u>
Deferred inflows of resources			
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances			
Restricted	<u>119,916</u>	<u>132,822</u>	<u>252,738</u>
Total fund balances	<u>119,916</u>	<u>132,822</u>	<u>252,738</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 121,917</u>	<u>\$ 154,250</u>	<u>\$ 276,167</u>

County of Fresno
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Capital Projects Fund	Special Revenue Funds	Total
REVENUES			
Taxes	\$ -	\$ 69,640	\$ 69,640
Licenses and permits	-	862	862
Fines, forfeitures and penalties	-	416	416
Use of money and property	258	4,537	4,795
Aid from other governmental agencies:			
State	-	60,183	60,183
Federal	-	7,510	7,510
Other	-	29	29
Charges for services	-	36,426	36,426
Other revenues	111	587	698
Total revenues	<u>369</u>	<u>180,190</u>	<u>180,559</u>
Expenditures			
General government	764	151	915
Public ways and facilities	-	111,910	111,910
Health, sanitation, and public assistance	-	271	271
Education	-	33,050	33,050
Capital outlay	7,524	1,286	8,810
Debt service:			
Principal	-	997	997
Interest and fiscal charges	-	43	43
Total expenditures	<u>8,288</u>	<u>147,708</u>	<u>155,996</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,919)</u>	<u>32,482</u>	<u>24,563</u>
Other Financing Sources (Uses)			
Transfers in	47,907	171	48,078
Transfers (out)	(800)	(5,634)	(6,434)
Lease liabilities issued	-	528	528
Total other financing sources (uses)	<u>47,107</u>	<u>(4,935)</u>	<u>42,172</u>
Net change in fund balances	39,188	27,547	66,735
Fund balances - beginning	<u>80,728</u>	<u>105,275</u>	<u>186,003</u>
Fund balances - ending	<u>\$ 119,916</u>	<u>\$ 132,822</u>	<u>\$ 252,738</u>

County of Fresno
Combining Balance Sheet
Nonmajor Special Revenue Funds
For June 30, 2024
(\$ amounts expressed in thousands)

	Road Fund	CAO Indian Gaming	County Free Library	Fish and Game	Off-Highway License	Emergency Medical Services	County Service Areas, Other	Total Special Revenue Funds
ASSETS & DEFERRED OUTFLOWS OF RESOURCES								
Assets								
Cash and investments	\$ 27,841	\$ 145	\$ 87,211	\$ 9	\$ 117	\$ 372	\$ 12,916	\$ 128,611
Receivables, net:								
Accounts	1	-	188	-	-	2	-	191
Interest	285	1	634	-	1	3	92	1,016
Due from other funds	6	-	-	-	-	-	-	6
Due from other governmental units	19,592	-	4,732	-	5	-	-	24,329
Prepaid items	-	-	97	-	-	-	-	97
Total assets	<u>47,725</u>	<u>146</u>	<u>92,862</u>	<u>9</u>	<u>123</u>	<u>377</u>	<u>13,008</u>	<u>154,250</u>
Deferred outflows of resources								
Total deferred outflows of resources	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 47,725</u>	<u>\$ 146</u>	<u>\$ 92,862</u>	<u>\$ 9</u>	<u>\$ 123</u>	<u>\$ 377</u>	<u>\$ 13,008</u>	<u>\$ 154,250</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & FUND BALANCES								
Liabilities								
Accounts payable	\$ 9,733	\$ -	\$ 379	\$ -	\$ -	\$ 63	\$ 36	\$ 10,211
Salaries and benefits payable	1,808	-	1,288	-	-	-	-	3,096
Due to other governmental units	-	-	1	-	-	-	-	1
Due to other funds	1,130	-	551	-	-	64	3	1,748
Deposits and other liabilities	136	-	-	-	-	124	55	315
Unearned revenue	<u>4,100</u>	<u>-</u>	<u>1,957</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,057</u>
Total liabilities	<u>16,907</u>	<u>-</u>	<u>4,176</u>	<u>-</u>	<u>-</u>	<u>251</u>	<u>94</u>	<u>21,428</u>
Deferred inflows of resources								
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balances								
Restricted	<u>30,818</u>	<u>146</u>	<u>88,686</u>	<u>9</u>	<u>123</u>	<u>126</u>	<u>12,914</u>	<u>132,822</u>
Total fund balances	<u>30,818</u>	<u>146</u>	<u>88,686</u>	<u>9</u>	<u>123</u>	<u>126</u>	<u>12,914</u>	<u>132,822</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 47,725</u>	<u>\$ 146</u>	<u>\$ 92,862</u>	<u>\$ 9</u>	<u>\$ 123</u>	<u>\$ 377</u>	<u>\$ 13,008</u>	<u>\$ 154,250</u>

County of Fresno
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Road Fund	CAO Indian Gaming	County Free Library	Fish and Game	Off-Highway License	Emergency Medical Services	County Service Areas, Other	Total Special Revenue Funds
Revenues								
Taxes	\$ 26,219	\$ -	\$ 43,355	\$ -	\$ -	\$ -	\$ 66	\$ 69,640
Licenses and permits	862	-	-	-	-	-	-	862
Fines, forfeitures and penalties	-	-	-	9	-	407	-	416
Use of money and property	1,068	6	2,959	-	4	13	487	4,537
Aid from other governmental agencies:								
State	59,604	-	571	-	8	-	-	60,183
Federal	7,499	-	11	-	-	-	-	7,510
Other	29	-	-	-	-	-	-	29
Charges for services	32,935	-	1,742	-	-	-	1,749	36,426
Other revenues	330	-	161	-	-	-	96	587
Total revenues	<u>128,546</u>	<u>6</u>	<u>48,799</u>	<u>9</u>	<u>12</u>	<u>420</u>	<u>2,398</u>	<u>180,190</u>
Expenditures								
General government	81	-	67	3	-	-	-	151
Public ways and facilities	110,633	-	-	-	-	-	1,277	111,910
Health, sanitation, and public assistance	-	-	20	-	-	251	-	271
Education	-	-	33,050	-	-	-	-	33,050
Capital outlay	15	-	1,271	-	-	-	-	1,286
Debt service:								
Principal	56	-	941	-	-	-	-	997
Interest and fiscal charges	1	-	42	-	-	-	-	43
Total expenditures	<u>110,786</u>	<u>-</u>	<u>35,391</u>	<u>3</u>	<u>-</u>	<u>251</u>	<u>1,277</u>	<u>147,708</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,760</u>	<u>6</u>	<u>13,408</u>	<u>6</u>	<u>12</u>	<u>169</u>	<u>1,121</u>	<u>32,482</u>
Other Financing Sources (Uses)								
Transfers in	33	-	138	-	-	-	-	171
Transfers (out)	(4,163)	-	(1,407)	-	-	(64)	-	(5,634)
Lease liabilities issued	-	-	528	-	-	-	-	528
Total other financing sources (uses)	<u>(4,130)</u>	<u>-</u>	<u>(741)</u>	<u>-</u>	<u>-</u>	<u>(64)</u>	<u>-</u>	<u>(4,935)</u>
Net change in fund balances	13,630	6	12,667	6	12	105	1,121	27,547
Fund balances - beginning	<u>17,188</u>	<u>140</u>	<u>76,019</u>	<u>3</u>	<u>111</u>	<u>21</u>	<u>11,793</u>	<u>105,275</u>
Fund balances - ending	<u>\$ 30,818</u>	<u>\$ 146</u>	<u>\$ 88,686</u>	<u>\$ 9</u>	<u>\$ 123</u>	<u>\$ 126</u>	<u>\$ 12,914</u>	<u>\$ 132,822</u>

County of Fresno
Budgetary Comparison Schedule
Road Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Taxes	\$ 12,908	\$ 12,908	\$ 26,219	\$ 13,311
Licenses and permits	720	720	862	142
Use of money and property	150	150	1,068	918
Intergovernmental revenues	111,569	111,569	67,132	(44,437)
Charges for services	34,817	34,817	32,935	(1,882)
Other revenues	118	118	330	212
Total revenues	<u>160,282</u>	<u>160,282</u>	<u>128,546</u>	<u>(31,736)</u>
 General government -				
Salaries and benefits	49	49	81	(32)
Public ways and facilities -				
Salaries and benefits	34,723	34,723	28,001	6,722
Services and supplies	135,499	134,975	82,204	52,771
Capital assets	1,363	1,387	428	959
Capital outlay	550	1,050	15	1,035
Debt service:				
Principal	-	-	56	(56)
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>1</u>	<u>(1)</u>
Total expenditures	<u>172,184</u>	<u>172,184</u>	<u>110,786</u>	<u>61,398</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,902)</u>	<u>(11,902)</u>	<u>17,760</u>	<u>29,662</u>
 Transfers in	1,652	1,652	33	(1,619)
Transfers (out)	<u>(4,311)</u>	<u>(4,311)</u>	<u>(4,163)</u>	<u>148</u>
Total other financing sources (uses)	<u>(2,659)</u>	<u>(2,659)</u>	<u>(4,130)</u>	<u>(1,471)</u>
 Net change in fund balance	(14,561)	(14,561)	13,630	28,191
 Fund balance - beginning	<u>17,188</u>	<u>17,188</u>	<u>17,188</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,627</u>	<u>\$ 2,627</u>	<u>\$ 30,818</u>	<u>\$ 28,191</u>

County of Fresno
Budgetary Comparison Schedule
CAO Indian Gaming Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Use of money and property	\$ -	\$ -	\$ 6	\$ 6
Total revenues	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
Expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
Net change in fund balance	-	-	6	6
Fund balance - beginning	<u>140</u>	<u>140</u>	<u>140</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 140</u></u>	<u><u>\$ 140</u></u>	<u><u>\$ 146</u></u>	<u><u>\$ 6</u></u>

County of Fresno
Budgetary Comparison Schedule
County Free Library Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Taxes	\$ 41,198	\$ 41,198	\$ 43,355	\$ 2,157
Use of money and property	542	542	2,959	2,417
Intergovernmental revenues	245	4,480	582	(3,898)
Charges for services	1,922	1,922	1,742	(180)
Other revenues	320	320	161	(159)
Total revenues	<u>44,227</u>	<u>48,462</u>	<u>48,799</u>	<u>337</u>
Expenditures				
General government -				
Salaries and benefits	88	88	60	28
Services and supplies	8	8	7	1
Health, sanitation, and public assistance -				
Services and supplies	20	20	20	-
Education -				
Salaries and benefits	23,623	23,623	20,290	3,333
Services and supplies	19,300	28,920	12,499	16,421
Other charges	234	234	234	-
Capital assets	21	30	27	3
Capital outlay	6,975	7,535	1,271	6,264
Debt Service:				
Principal	-	-	941	(941)
Interest and fiscal charges	-	-	42	(42)
Total expenditures	<u>50,269</u>	<u>60,458</u>	<u>35,391</u>	<u>25,067</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,042)</u>	<u>(11,996)</u>	<u>13,408</u>	<u>25,404</u>
Other Financing Sources (Uses)				
Transfers in	158	158	138	(20)
Transfers (out)	(27,625)	(27,625)	(1,407)	26,218
Lease liabilities issued	-	-	528	528
Total other financing sources (uses)	<u>(27,467)</u>	<u>(27,467)</u>	<u>(741)</u>	<u>26,726</u>
Net change in fund balance	(33,509)	(39,463)	12,667	52,130
Fund balance - beginning	<u>76,019</u>	<u>76,019</u>	<u>76,019</u>	<u>-</u>
Fund balance - ending	<u>\$ 42,510</u>	<u>\$ 36,556</u>	<u>\$ 88,686</u>	<u>\$ 52,130</u>

County of Fresno
Budgetary Comparison Schedule
Fish & Game Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Fines, forfeitures and penalties	\$ 2	\$ 2	\$ 9	\$ 7
Total revenues	<u>2</u>	<u>2</u>	<u>9</u>	<u>7</u>
Expenditures				
General government -				
Services and supplies	4	4	3	1
Total expenditures	<u>4</u>	<u>4</u>	<u>3</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2)</u>	<u>(2)</u>	<u>6</u>	<u>8</u>
Net change in fund balance	(2)	(2)	6	8
Fund balance - beginning	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>
Fund balance - ending	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 8</u>

County of Fresno
Budgetary Comparison Schedule
Off-Highway License Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Use of money and property	\$ 1	\$ 1	\$ 4	\$ 3
Intergovernmental revenues	<u>4</u>	<u>4</u>	<u>8</u>	<u>4</u>
Total revenues	<u>5</u>	<u>5</u>	<u>12</u>	<u>7</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>5</u>	 <u>5</u>	 <u>12</u>	 <u>7</u>
 Net change in fund balance	 5	 5	 12	 7
 Fund balance - beginning	 <u>111</u>	 <u>111</u>	 <u>111</u>	 <u>-</u>
Fund balance - ending	<u><u>\$ 116</u></u>	<u><u>\$ 116</u></u>	<u><u>\$ 123</u></u>	<u><u>\$ 7</u></u>

County of Fresno
Budgetary Comparison Schedule
Emergency Medical Services Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Fines, forfeitures and penalties	\$ 399	\$ 399	\$ 407	\$ 8
Use of money and property	9	9	13	4
Total revenues	<u>408</u>	<u>408</u>	<u>420</u>	<u>12</u>
Expenditures				
Health, sanitation, and public assistance -				
Services and supplies	<u>407</u>	<u>407</u>	<u>251</u>	<u>156</u>
Total expenditures	<u>407</u>	<u>407</u>	<u>251</u>	<u>156</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1</u>	<u>1</u>	<u>169</u>	<u>168</u>
Other Financing Sources (Uses)				
Transfers (out)	<u>(65)</u>	<u>(65)</u>	<u>(64)</u>	<u>1</u>
Total other financing sources (uses)	<u>(65)</u>	<u>(65)</u>	<u>(64)</u>	<u>1</u>
Net change in fund balance	(64)	(64)	105	169
Fund balance - beginning	<u>21</u>	<u>21</u>	<u>21</u>	<u>-</u>
Fund balance - ending	<u><u>\$ (43)</u></u>	<u><u>\$ (43)</u></u>	<u><u>\$ 126</u></u>	<u><u>\$ 169</u></u>

County of Fresno
Budgetary Comparison Schedule
County Service Areas, Other
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget
Revenues				
Taxes	\$ -	\$ 59	\$ 66	\$ 7
Use of money and property	-	110	487	377
Charges for services	-	1,741	1,749	8
Other revenues	-	100	96	(4)
Total revenues	-	2,010	2,398	388
Expenditures				
Public ways and facilities -				
Services and supplies	-	6,258	1,277	4,981
Total expenditures	-	6,258	1,277	4,981
Excess (deficiency) of revenues over (under) expenditures	-	(4,248)	1,121	5,369
Net change in fund balance	-	(4,248)	1,121	5,369
Fund balance - beginning	11,793	11,793	11,793	-
Fund balance - ending	<u>\$ 11,793</u>	<u>\$ 7,545</u>	<u>\$ 12,914</u>	<u>\$ 5,369</u>

County of Fresno
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Resources (inflows):				
Use of money and property	\$ -	\$ -	\$ 2,547	\$ 2,547
Intergovernmental revenues	2,087	2,087	2,087	-
Other revenues	-	-	10,613	10,613
Total resources	<u>2,087</u>	<u>2,087</u>	<u>15,247</u>	<u>13,160</u>
Charges to appropriations (outflows):				
General government -				
Services and supplies	4	4	1	3
Debt service:				
Principal	37,680	37,680	42,689	(5,009)
Interest and fiscal charges	<u>5,109</u>	<u>9,174</u>	<u>7,162</u>	<u>2,012</u>
Total charges to appropriations	<u>42,793</u>	<u>46,858</u>	<u>49,852</u>	<u>(2,994)</u>
Excess (deficiency) of resources over (under) charges to appropriations	<u>(40,706)</u>	<u>(44,771)</u>	<u>(34,605)</u>	<u>10,166</u>
Other financing sources (uses)				
Transfers in	40,695	40,695	40,629	(66)
Transfers (out)	<u>-</u>	<u>(3,000)</u>	<u>(2,194)</u>	<u>806</u>
Total other financing sources (uses)	<u>40,695</u>	<u>37,695</u>	<u>38,435</u>	<u>740</u>
Net change in fund balance	(11)	(7,076)	3,830	10,906
Fund balance - beginning	<u>67,683</u>	<u>67,683</u>	<u>67,683</u>	<u>-</u>
Fund balance - ending	<u>\$ 67,672</u>	<u>\$ 60,607</u>	<u>\$ 71,513</u>	<u>\$ 10,906</u>

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County of Fresno Internal Service Funds

Internal Service Funds

Internal Service Funds (ISF) are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County and to other governmental units on a cost reimbursement basis.

Fleet Services

Fleet Services is responsible for management of the County's vehicle and heavy equipment fleet, including fleet planning, acquisition, maintenance, operation, and sale of surplus equipment. Fleet Services also maintains radio communications for law enforcement and other departments with field operations.

Information Technology Services

Information Technology Services (ITS) provides a wide range of data processing services to County departments and other agencies. The scope of department activities includes computer programming, systems and programming support, on-line teleprocessing services via remote terminal devices, and data entry. As of June 30, 2017, the operations of Graphic Communications Services and Communications were absorbed into this ISF. Therefore, ITS provides printing, duplicating, and mailing services along with the administration, design, installation, and maintenance of the County's telephone system.

Facility Services

Facility Services provides mechanical, electrical, structural and janitorial services to County departments. This includes routine and preventive maintenance, remodeling and modifications, computer cabling, and furniture moves.

Security Services

Security Services is responsible for the physical security of most County facilities and employees. Security Services also administers the County parking program, which includes enforcement of parking regulations in all County parking areas.

Risk Management

Risk Management provides the mechanism to finance all County insurance and self-insurance programs. Financing for the health and dental plans covering County employees and retirees is also maintained by Risk Management, including the cost of administering these benefits. Other activities include coordination of the County safety program, and the recovery of damages to County employees and property from responsible third parties.

PeopleSoft Operations

PeopleSoft Operations provides services and support for the financial accounting system software used by the County. The components financed through this internal service fund include the financial accounting system and the payroll system. Charges for this internal service fund support both the purchasing of software and the provision of technical support for the software.

County of Fresno
Combining Statement of Net Position
Internal Service Funds
June 30, 2024
(\$ amounts expressed in thousands)

	Fleet Services	Information Technology Services	Facility Services	Security Services	Risk Management	PeopleSoft Operations	Total
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 25,582	\$ 11,006	\$ 177	\$ 1,072	\$ 123,390	\$ 2,364	\$ 163,591
Restricted cash and cash equivalents	-	-	-	-	3,633	-	3,633
Accounts receivable (net of allowance)	63	28	8	13	23	-	135
Interest receivable	171	31	-	6	965	15	1,188
Lease receivable	-	-	55	-	-	-	55
Due from other funds	1,949	6,117	12,959	745	17	277	22,064
Due from other governmental units	-	35	1	2	8,831	2	8,871
Total current assets	27,765	17,217	13,200	1,838	136,859	2,658	199,537
Noncurrent assets:							
Accounts receivable	-	-	-	-	194	-	194
Non-depreciable/non-amortizable:							
Construction in progress	6	-	3,989	-	-	-	3,995
Depreciable/amortizable:							
Buildings and improvements, net	-	2,218	26,447	-	-	-	28,665
Equipment, net	18,755	8,361	3,413	11	-	-	30,540
Right to use lease assets, net	3,437	122	2,782	56	-	-	6,397
Right to use subscription assets, net	49	3,834	285	42	45	-	4,255
Total noncurrent assets	22,247	14,535	36,916	109	239	-	74,046
Total assets	50,012	31,752	50,116	1,947	137,098	2,658	273,583
DEFERRED OUTFLOWS OF RESOURCES							
Deferred pensions	2,259	12,798	6,590	3,556	2,682	-	27,885
Total deferred outflows of resources	2,259	12,798	6,590	3,556	2,682	-	27,885
LIABILITIES							
Current liabilities:							
Cash overdraft	-	-	8,225	-	-	-	8,225
Accounts payable	1,642	7,211	2,841	19	5,701	-	17,414
Salaries and benefits payable	98	283	358	314	118	25	1,196
Due to other funds	89	255	169	100	6,135	1,725	8,473
Due to other governmental units	-	-	-	60	4,950	-	5,010
Liability for self-insurance	-	-	-	-	21,198	-	21,198
Deposits and other liabilities	3	36	5	-	826	-	870
Unearned revenue	-	-	20	-	22	-	42
Compensated leave and absences	147	873	478	191	172	-	1,861
Lease obligations	890	2,211	916	72	14	-	4,103
Total current liabilities	2,869	10,869	13,012	756	39,136	1,750	68,392
Noncurrent liabilities:							
Liability for self-insurance	-	-	-	-	79,008	-	79,008
Compensated leave and absences	157	1,257	282	245	208	-	2,149
Lease obligations	2,585	1,425	2,122	12	28	-	6,172
Net pension liability	4,338	24,570	12,651	6,826	5,149	-	53,534
Total noncurrent liabilities	7,080	27,252	15,055	7,083	84,393	-	140,863
Total liabilities	9,949	38,121	28,067	7,839	123,529	1,750	209,255
DEFERRED INFLOWS OF RESOURCES							
Deferred pensions	281	1,592	820	442	334	-	3,469
Deferred lease proceeds	-	-	53	-	-	-	53
Total deferred inflows of resources	281	1,592	873	442	334	-	3,522
NET POSITION							
Net investment in capital assets	18,772	10,899	33,878	25	3	-	63,577
Unrestricted	23,269	(6,062)	(6,112)	(2,803)	15,914	908	25,114
Total net position	\$ 42,041	\$ 4,837	\$ 27,766	\$ (2,778)	\$ 15,917	\$ 908	\$ 88,691

County of Fresno
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Fleet Services	Information Technology Services	Facility Services	Security Services	Risk Management	PeopleSoft Operations	Total
Operating revenues							
Charges for services	\$ 22,228	\$ 66,888	\$ 57,921	\$ 9,990	\$ 151,901	\$ 3,170	\$ 312,098
Other revenues	162	251	912	41	101	-	1,467
Total operating revenues	<u>22,390</u>	<u>67,139</u>	<u>58,833</u>	<u>10,031</u>	<u>152,002</u>	<u>3,170</u>	<u>313,565</u>
Operating expenses							
Salaries and benefits	3,857	20,384	12,289	6,895	4,606	-	48,031
Insurance	24	149	1,497	196	141,239	-	143,105
Professional services	229	3,329	13,228	626	3,602	3,240	24,254
General and administrative	2,631	21,576	4,796	728	709	749	31,189
Repairs and maintenance	2,641	1,663	4,726	242	357	-	9,629
Rents and leases	167	7,700	655	133	3	-	8,658
Parts and supplies	6,988	1,311	98	117	-	-	8,514
Utilities	109	590	18,645	27	53	-	19,424
Depreciation	4,892	1,740	1,811	3	-	-	8,446
Amortization	669	7,210	946	82	15	-	8,922
Total operating expenses	<u>22,207</u>	<u>65,652</u>	<u>58,691</u>	<u>9,049</u>	<u>150,584</u>	<u>3,989</u>	<u>310,172</u>
Operating income (loss)	<u>183</u>	<u>1,487</u>	<u>142</u>	<u>982</u>	<u>1,418</u>	<u>(819)</u>	<u>3,393</u>
Non-operating revenues (expenses)							
Gain (loss) on sale of capital assets	103	-	50	-	-	-	153
Insurance recoveries	-	-	-	-	3,227	-	3,227
Use of money and property	876	92	(230)	(7)	4,898	39	5,668
Interest expense	(62)	(161)	(61)	(1)	(59)	-	(344)
Grants and other revenues	-	-	35	-	-	-	35
Total non-operating revenues (expenses)	<u>917</u>	<u>(69)</u>	<u>(206)</u>	<u>(8)</u>	<u>8,066</u>	<u>39</u>	<u>8,739</u>
Net income (loss) before transfers	<u>1,100</u>	<u>1,418</u>	<u>(64)</u>	<u>974</u>	<u>9,484</u>	<u>(780)</u>	<u>12,132</u>
Transfers in (out)							
Transfers in	3,924	923	2,741	-	-	361	7,949
Transfers (out)	(161)	(849)	(513)	(288)	(192)	-	(2,003)
Total transfers in (out)	<u>3,763</u>	<u>74</u>	<u>2,228</u>	<u>(288)</u>	<u>(192)</u>	<u>361</u>	<u>5,946</u>
Change in net position	<u>4,863</u>	<u>1,492</u>	<u>2,164</u>	<u>686</u>	<u>9,292</u>	<u>(419)</u>	<u>18,078</u>
Net position - beginning	<u>37,178</u>	<u>3,345</u>	<u>25,602</u>	<u>(3,464)</u>	<u>6,625</u>	<u>1,327</u>	<u>70,613</u>
Net position - ending	<u>\$ 42,041</u>	<u>\$ 4,837</u>	<u>\$ 27,766</u>	<u>\$ (2,778)</u>	<u>\$ 15,917</u>	<u>\$ 908</u>	<u>\$ 88,691</u>

County of Fresno
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Information						
	Fleet	Technology	Facility	Security	Risk	PeopleSoft	Total Internal
	Services	Services	Services	Services	Management	Operations	Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from users	\$ 22,698	\$ 66,382	\$ 55,968	\$ 10,050	\$ 151,593	\$ 3,152	\$ 309,843
Cash paid to suppliers	(12,320)	(32,547)	(44,399)	(2,131)	(121,376)	(2,484)	(215,257)
Cash paid to employees	(3,634)	(19,906)	(9,042)	(6,634)	(4,360)	-	(43,576)
Cash paid for claims	-	-	-	-	(22,867)	-	(22,867)
Net cash provided by (used in) operating activities	<u>6,744</u>	<u>13,929</u>	<u>2,527</u>	<u>1,285</u>	<u>2,990</u>	<u>668</u>	<u>28,143</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Grant revenues	-	-	35	-	-	-	35
Transfers from other funds	3,924	923	2,741	-	-	361	7,949
Transfers to other funds	(161)	(849)	(513)	(288)	(192)	-	(2,003)
Net cash provided by (used in) noncapital financing activities	<u>3,763</u>	<u>74</u>	<u>2,263</u>	<u>(288)</u>	<u>(192)</u>	<u>361</u>	<u>5,981</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Purchases of capital assets	(5,967)	(1,036)	(3,331)	(95)	(67)	-	(10,496)
Acquisition of right-to-use assets via leases	(705)	(7,949)	(991)	(90)	(23)	-	(9,758)
Insurance recoveries	-	-	-	-	3,227	-	3,227
Interest paid on capital debt	(62)	(161)	(61)	(1)	(59)	-	(344)
Net cash provided by (used in) capital and related financing activities	<u>(6,734)</u>	<u>(9,146)</u>	<u>(4,383)</u>	<u>(186)</u>	<u>3,078</u>	<u>-</u>	<u>(17,371)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Use of money and property received	<u>850</u>	<u>105</u>	<u>(230)</u>	<u>(13)</u>	<u>4,737</u>	<u>34</u>	<u>5,483</u>
Net cash provided by (used in) investing activities	<u>850</u>	<u>105</u>	<u>(230)</u>	<u>(13)</u>	<u>4,737</u>	<u>34</u>	<u>5,483</u>
Net increase (decrease) in cash and cash equivalents	4,623	4,962	177	798	10,613	1,063	22,236
Cash and cash equivalents - beginning	<u>20,959</u>	<u>6,044</u>	<u>-</u>	<u>274</u>	<u>116,410</u>	<u>1,301</u>	<u>144,988</u>
Cash and cash equivalents - ending	<u>\$ 25,582</u>	<u>\$ 11,006</u>	<u>\$ 177</u>	<u>\$ 1,072</u>	<u>\$ 127,023</u>	<u>\$ 2,364</u>	<u>\$ 167,224</u>
Reconciliation of cash and cash equivalents to the statement of net position:							
Cash and cash equivalents	\$ 25,582	\$ 11,006	\$ 177	\$ 1,072	\$ 123,390	\$ 2,364	\$ 163,591
Restricted cash and investments	-	-	-	-	3,633	-	3,633
Total	<u>\$ 25,582</u>	<u>\$ 11,006</u>	<u>\$ 177</u>	<u>\$ 1,072</u>	<u>\$ 127,023</u>	<u>\$ 2,364</u>	<u>\$ 167,224</u>

County of Fresno
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Fleet	Information Technology Services	Facility Services	Security Services	Risk Management	PeopleSoft Operations	Total Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	<u>\$ 183</u>	<u>\$ 1,487</u>	<u>\$ 142</u>	<u>\$ 982</u>	<u>\$ 1,418</u>	<u>\$ (819)</u>	<u>\$ 3,393</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Pension expense	57	320	165	89	67	-	698
Depreciation/amortization expense	5,561	8,950	2,757	85	15	-	17,368
Decrease (increase) in accounts receivable	273	10	(8)	(8)	115	1	383
Decrease (increase) in lease receivable	-	-	(55)	-	-	-	(55)
Decrease (increase) in due from other funds	30	(732)	(2,854)	28	77	(17)	(3,468)
Decrease (increase) in due from other governmental units	5	(35)	(1)	(1)	(515)	(2)	(549)
Decrease (increase) in inventory of supplies	(6)	-	(369)	-	-	-	(375)
(Decrease) increase in accounts payable	467	3,660	(390)	(40)	1,205	-	4,902
(Decrease) increase in salaries and benefits payable	19	74	45	45	38	-	221
(Decrease) increase in unearned revenue	-	-	-	-	(71)	-	(71)
(Decrease) increase in deposits held for others	-	-	-	-	(15)	-	(15)
(Decrease) increase in due to other funds	8	111	5	(21)	92	1,505	1,700
(Decrease) increase in due to other governmental units	-	-	2,870	(1)	704	-	3,573
(Decrease) increase in deferred outflows pensions	365	2,946	1,369	695	473	-	5,848
(Decrease) increase in deferred inflows pensions	(126)	(850)	(414)	(217)	(155)	-	(1,762)
(Decrease) increase in deferred lease proceeds	-	-	53	-	-	-	53
(Decrease) increase in net pension liability	(92)	(2,012)	(788)	(351)	(177)	-	(3,420)
(Decrease) increase in liabilities for self-insurance	-	-	-	-	(281)	-	(281)
Total adjustments	<u>6,561</u>	<u>12,442</u>	<u>2,385</u>	<u>303</u>	<u>1,572</u>	<u>1,487</u>	<u>24,750</u>
Net cash provided by (used in) operating activities	<u>\$ 6,744</u>	<u>\$ 13,929</u>	<u>\$ 2,527</u>	<u>\$ 1,285</u>	<u>\$ 2,990</u>	<u>\$ 668</u>	<u>\$ 28,143</u>

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County of Fresno Custodial Funds

Custodial Funds

The County, in a fiduciary capacity, maintains various custodial funds that are used to account for assets held for others by the County. These funds include County funds which are segregated from other County funds for purposes of control, external investment pool used to account for the investments made by the County, property taxes collected on behalf of other governmental units, monies held by the Public Administrator-Guardian, San Joaquin Valley Insurance Authority, and other custodial funds.

External Investment Pool

This fund is used to account for the investments made by the County on behalf of the schools and special districts.

Property Tax Collection

This fund is used by the County in its role as Tax Collector to record property tax receipts awaiting apportionment to other governmental units and recipient County funds and their periodic distribution.

Public Administrator-Guardian

This fund is used for the accounting and recording of all Public Administrator-Guardian monies held by the County in a custodial capacity.

San Joaquin Valley Insurance Authority

The San Joaquin Valley Insurance Authority was established as a multi-entity authority with the express goal of negotiating, purchasing, or otherwise providing funding for health, vision, dental and life insurance for the employees of the various entities in the authority (including the County of Fresno). This fund is used for the accounting and recording of all San Joaquin Valley Insurance Authority monies held by the County in a custodial capacity.

Other Custodial Funds

These funds are under the control of various County officials and agencies and are used to accumulate resources for specific purposes.

County of Fresno
Combining Statement of Fiduciary Net Position
Other Custodial Funds
June 30, 2024
(\$ amounts expressed in thousands)

	Property Tax Collection	Public Administrator - Guardian	San Joaquin Valley Insurance Authority	Other Custodial	Total Other Custodial Funds
ASSETS & DEFERRED OUTFLOWS OF RESOURCES					
Assets					
Cash and investments	\$ 90,517	\$ 18,186	\$ 45,291	\$ 70,994	\$ 224,988
Receivables, net:					
Accounts	5	-	4,810	101	4,916
Taxes	1	-	-	-	1
Interest	1,826	-	314	250	2,390
Due from other governmental units	532	-	-	3	535
Property held by public administrator	-	4,037	-	-	4,037
Total assets	92,881	22,223	50,415	71,348	236,867
Deferred outflows of resources					
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 92,881	\$ 22,223	\$ 50,415	\$ 71,348	\$ 236,867
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & NET POSITION					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 819	\$ -	\$ 819
Due to other governmental units	-	-	8,510	-	8,510
Total liabilities	-	-	9,329	-	9,329
Deferred inflows of resources					
Total deferred inflows of resources	-	-	-	-	-
Net Position					
Restricted for:					
Individuals & other governments	92,881	22,223	41,086	71,348	227,538
Total net position	92,881	22,223	41,086	71,348	227,538
Total liabilities, deferred inflows of resources, and fund balances	\$ 92,881	\$ 22,223	\$ 50,415	\$ 71,348	\$ 236,867

County of Fresno
Combining Statement of Changes in Fiduciary Net Position
Other Custodial Funds
For the Fiscal Year Ended June 30, 2024
(\$ amounts expressed in thousands)

	Property Tax Collection	Public Administrator - Guardian	San Joaquin Valley Insurance Authority	Other Custodial	Total Other Custodial Funds
ADDITIONS					
Investment income:					
Net increase in fair value of investments	\$ 12,947	\$ -	\$ 1,285	\$ 2,530	\$ 16,762
Net investment income	12,947	-	1,285	2,530	16,762
 Property tax collections	1,525,512	-	-	-	1,525,512
Other tax collections	32	-	-	-	32
Custodial fund collections	-	18,233	135,975	3,033,012	3,187,220
Total additions	<u>1,538,491</u>	<u>18,233</u>	<u>137,260</u>	<u>3,035,542</u>	<u>4,729,526</u>
 DEDUCTIONS					
Property & other tax distributions	1,533,530	-	-	-	1,533,530
Custodial fund distributions	-	17,189	129,664	3,032,598	3,179,451
Total deductions	<u>1,533,530</u>	<u>17,189</u>	<u>129,664</u>	<u>3,032,598</u>	<u>4,712,981</u>
 Change in fiduciary net position	4,961	1,044	7,596	2,944	16,545
 Fiduciary net position - beginning	<u>87,920</u>	<u>21,179</u>	<u>33,490</u>	<u>68,404</u>	<u>210,993</u>
Fiduciary net position - ending	<u>\$ 92,881</u>	<u>\$ 22,223</u>	<u>\$ 41,086</u>	<u>\$ 71,348</u>	<u>\$ 227,538</u>

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STATISTICAL SECTION

**County of Fresno
Statistical Section**

Statistical Section

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 source.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and help the reader assess 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 schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and activities it performs.

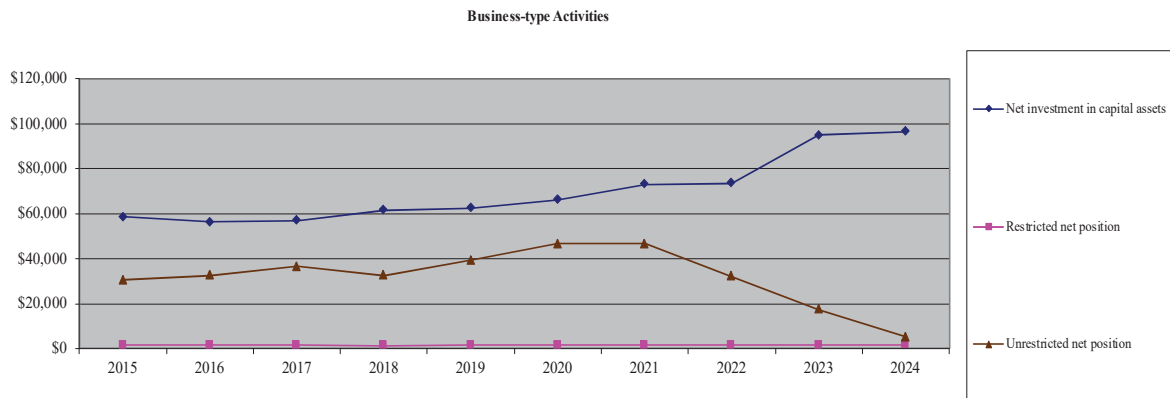
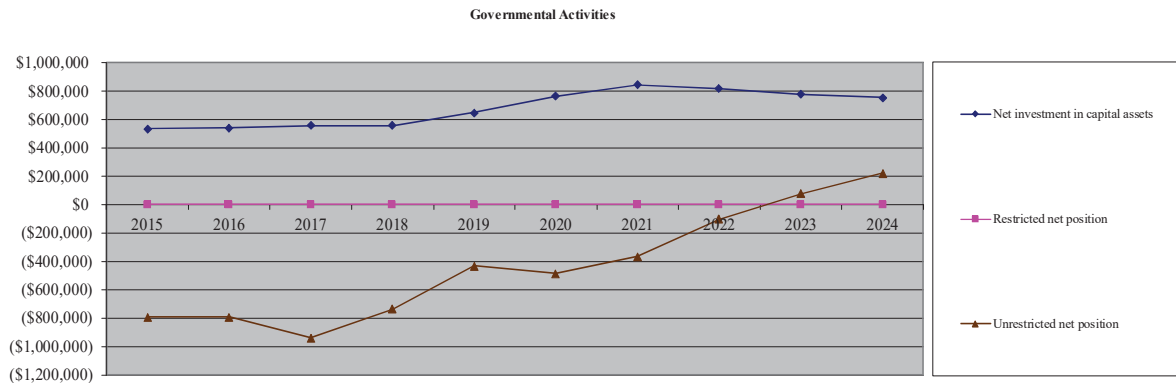
Sources:

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

County of Fresno
Net Position by Component
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 533,674	\$ 539,314	\$ 556,268	\$ 558,579	\$ 647,516	\$ 763,973	\$ 842,665	\$ 818,555	\$ 776,988	\$ 755,720
Restricted net position	-	-	-	-	-	-	-	-	-	-
Unrestricted net position	(793,620)	(795,311)	(939,690)	(735,368)	(434,745)	(488,332)	(367,826)	(103,866)	76,446	220,567
Total governmental activities net position	(259,946)	(255,997)	(383,422)	(176,789)	212,771	275,641	474,839	714,689	853,434	976,287
Business-type activities										
Net investment in capital assets	58,661	56,353	56,970	61,569	62,473	66,208	73,133	73,571	94,980	96,610
Restricted net position	1,588	1,588	1,589	1,178	1,596	1,590	1,582	1,582	1,582	1,618
Unrestricted net position	30,583	32,533	36,358	32,543	39,216	46,567	46,684	32,190	17,367	5,099
Total business-type activities net position	90,832	90,474	94,917	95,290	103,285	114,365	121,399	107,343	113,929	103,327
Primary government										
Net investment in capital assets	592,335	595,667	613,238	620,148	709,989	830,181	915,798	892,126	871,968	852,330
Restricted net position	1,588	1,588	1,589	1,178	1,596	1,590	1,582	1,582	1,582	1,618
Unrestricted net position	(763,037)	(762,778)	(903,332)	(702,825)	(395,529)	(441,765)	(321,142)	(71,676)	93,813	225,666
Total primary government net position	\$ (169,114)	\$ (165,523)	\$ (288,505)	\$ (81,499)	\$ 316,056	\$ 390,006	\$ 596,238	\$ 822,032	\$ 967,363	\$ 1,079,614

Note 1: Accrual basis of accounting



County of Fresno
Changes in Net Position
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 22,475	\$ 31,721	\$ 33,698	\$ 36,083	\$ 35,067	\$ 38,620	\$ 41,504	\$ 51,939	\$ 53,907	\$ 42,553
Public protection	26,476	23,462	19,745	27,462	27,279	26,556	32,134	33,851	34,037	24,939
Public ways and facilities	2,227	6,903	15,345	9,569	6,074	7,334	10,299	6,287	21,990	38,707
Health, sanitation and public assistance	20,771	16,329	18,669	29,412	16,716	24,994	82,951	28,708	39,235	34,690
Education	1,808	1,879	1,761	6,606	3,034	1,962	1,466	1,748	1,848	1,903
Culture and recreation	1,023	771	957	1,014	855	867	1,089	1,677	854	1,066
Operating grants and contributions	812,333	622,116	652,321	910,527	919,835	960,735	1,214,344	1,237,692	1,338,174	1,456,445
Subtotal governmental activities										
program revenues	887,113	703,181	742,496	1,020,673	1,008,860	1,061,068	1,383,787	1,361,902	1,490,045	1,600,303
Business-type activities:										
Charges for services										
Water and sewer	4,001	3,980	5,897	5,032	6,761	5,885	8,233	9,362	9,012	9,636
Landfills	16,379	15,337	13,615	14,037	18,278	15,997	20,303	18,727	23,267	18,975
Operating grants and contributions	494	304	-	452	367	485	542	258	514	723
Capital grants and contributions	-	509	336	-	-	-	-	39	-	-
Subtotal business-type activities										
program revenues	20,874	20,130	19,848	19,521	25,406	22,367	29,078	28,386	32,793	29,334
Total primary government program revenues	907,987	723,311	762,344	1,040,194	1,034,266	1,083,435	1,412,865	1,390,288	1,522,838	1,629,637
General Revenues										
Governmental activities:										
Taxes										
Property taxes	232,374	233,408	254,804	260,350	262,330	271,007	293,027	300,504	323,734	350,458
Sales taxes	186,747	216,434	195,316	51,043	58,264	62,561	67,670	78,617	71,039	88,913
Franchise taxes	22,736	17,946	17,558	10,756	16,192	17,110	15,231	15,820	14,837	13,994
Motor vehicle in-lieu taxes	58,964	230,264	223,883	215,224	258,594	265,955	255,054	290,144	317,081	309,434
Tobacco settlement proceeds	-	-	-	-	-	-	-	-	-	-
Other	13,970	23,531	7,066	(11,695)	2,934	8,474	10,169	7,215	6,780	6,039
Unrestricted investment earnings (loss)	9,344	14,407	2,804	561	32,538	33,511	3,473	(33,841)	10,646	42,499
Subtotal governmental activities										
general revenues	524,135	735,990	701,431	526,239	630,852	658,618	644,624	658,459	744,117	811,337
Business-type activities:										
Property taxes	711	744	773	765	796	819	855	896	907	974
Other	1,870	1,891	1,918	3,803	3,202	9,745	5,163	8,676	12,025	6,976
Gain/(loss) on sale of capital assets	-	-	145	(402)	(2,529)	-	-	-	-	-
Unrestricted investment earnings (loss)	638	1,837	316	172	4,007	4,614	431	(3,985)	2,423	4,532
Subtotal business-type activities general revenues	3,219	4,472	3,152	4,338	5,476	15,178	6,449	5,587	15,355	12,482
Total primary government general revenues	527,354	740,462	704,583	530,577	636,328	673,796	651,073	664,046	759,472	823,819
Total primary government revenues	\$ 1,435,341	\$ 1,463,773	\$ 1,466,927	\$ 1,570,771	\$ 1,670,594	\$ 1,757,231	\$ 2,063,938	\$ 2,054,334	\$ 2,282,310	\$ 2,453,456

Note 1: Accrual basis of accounting

County of Fresno
Changes in Net Position (Continued)
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 34,673	\$ 72,302	\$ 72,551	\$ 247,100	\$ 235,530	\$ 266,452	\$ 352,695	\$ 283,771	\$ 317,527	\$ 361,433
Public protection	291,148	343,711	362,779	253,532	266,178	403,010	426,547	373,108	467,639	492,250
Public ways and facilities	45,635	78,926	127,525	51,304	36,765	69,231	73,319	84,820	101,909	113,003
Health, sanitation, and public assistance	760,840	869,387	940,554	710,821	659,419	853,749	911,730	983,096	1,116,654	1,187,896
Education	23,918	26,510	27,342	27,565	18,288	26,118	26,029	26,916	29,731	30,527
Culture and recreation	2,380	2,868	3,370	3,450	2,122	2,818	2,858	2,860	3,520	3,761
Interest on long-term debt	40,219	41,782	36,571	36,402	35,302	35,820	35,695	16,787	24,706	25,532
Subtotal governmental activities expenses	<u>1,198,813</u>	<u>1,435,486</u>	<u>1,570,692</u>	<u>1,330,174</u>	<u>1,253,604</u>	<u>1,657,198</u>	<u>1,828,873</u>	<u>1,771,358</u>	<u>2,061,686</u>	<u>2,214,402</u>
Business-type activities:										
Solid waste enterprise	5,652	6,572	7,453	9,350	8,265	12,274	12,451	18,767	14,799	14,192
County service areas, other	21,451	17,402	16,722	17,219	14,726	18,260	15,009	24,162	26,709	27,225
Subtotal business-type activities expenses	<u>27,103</u>	<u>23,974</u>	<u>24,175</u>	<u>26,569</u>	<u>22,991</u>	<u>30,534</u>	<u>27,460</u>	<u>42,929</u>	<u>41,508</u>	<u>41,417</u>
Total primary government expenses	<u>1,225,916</u>	<u>1,459,460</u>	<u>1,594,867</u>	<u>1,356,743</u>	<u>1,276,595</u>	<u>1,687,732</u>	<u>1,856,333</u>	<u>1,814,287</u>	<u>2,103,194</u>	<u>2,255,819</u>
Excess (deficiency) before transfers										
- governmental activities	240,358	3,685	(126,765)	216,738	386,108	62,488	199,538	249,002	172,477	197,238
Transfers	(2,724)	297	(645)	240	252	15	11	(174)	54	(28)
Excess (deficiency) before transfers										
- business-type activities	(2,501)	628	(1,175)	(2,710)	7,891	7,011	8,067	(8,956)	6,640	399
Transfers	2,724	(297)	645	(240)	(252)	(15)	(11)	174	(54)	28
Change in net position										
Governmental activities	237,634	3,982	(127,410)	216,978	386,360	62,503	199,549	248,828	172,531	197,210
Business-type activities	<u>223</u>	<u>331</u>	<u>(530)</u>	<u>(2,950)</u>	<u>7,639</u>	<u>6,996</u>	<u>8,056</u>	<u>(8,782)</u>	<u>6,586</u>	<u>427</u>
Total primary government	<u>\$ 237,857</u>	<u>\$ 4,313</u>	<u>\$ (127,940)</u>	<u>\$ 214,028</u>	<u>\$ 393,999</u>	<u>\$ 69,499</u>	<u>\$ 207,605</u>	<u>\$ 240,046</u>	<u>\$ 179,117</u>	<u>\$ 197,637</u>

Note 1: Accrual basis of accounting

County of Fresno
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ 43,092	\$ 47,208	\$ 49,736	\$ 8,971	\$ 5,840
Restricted	4,985	9,398	4,255	-	6,205
Committed	18,724	21,024	63,602	68,410	91,380
Assigned	77,493	83,021	8,654	-	-
Unassigned	46,239	39,520	85,193	128,236	100,693
Total General Fund	<u>\$ 190,533</u>	<u>\$ 200,171</u>	<u>\$ 211,440</u>	<u>\$ 205,617</u>	<u>\$ 204,118</u>
Other Governmental Funds					
Nonspendable	\$ 736	\$ 816	\$ 702	\$ 816	\$ 36
Restricted	443,609	529,190	586,978	570,404	597,722
Committed	-	-	-	-	-
Assigned	37,009	36,560	-	-	-
Unassigned	-	-	-	-	-
Total other governmental funds	<u>\$ 481,354</u>	<u>\$ 566,566</u>	<u>\$ 587,680</u>	<u>\$ 571,220</u>	<u>\$ 597,758</u>
	Fiscal Year				
	2020	2021	2022	2023	2024
General Fund					
Nonspendable	\$ 5,803	\$ 5,780	\$ 14,506	\$ 17,846	\$ 22,214
Restricted	7,590	310,747	289,170	302,840	269,856
Committed	91,417	91,440	68,168	92,168	84,168
Assigned	-	-	-	-	-
Unassigned	92,976	63,366	98,225	56,183	112,471
Total General Fund	<u>\$ 197,786</u>	<u>\$ 471,333</u>	<u>\$ 470,069</u>	<u>\$ 469,037</u>	<u>\$ 488,709</u>
All Other Governmental Funds					
Nonspendable	\$ 36	\$ 36	\$ 36	\$ 114	\$ -
Restricted	558,996	355,271	403,130	494,417	567,496
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total other governmental funds	<u>\$ 559,032</u>	<u>\$ 355,307</u>	<u>\$ 403,166</u>	<u>\$ 494,531</u>	<u>\$ 567,496</u>

Note 1: Modified accrual basis of accounting

County of Fresno
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

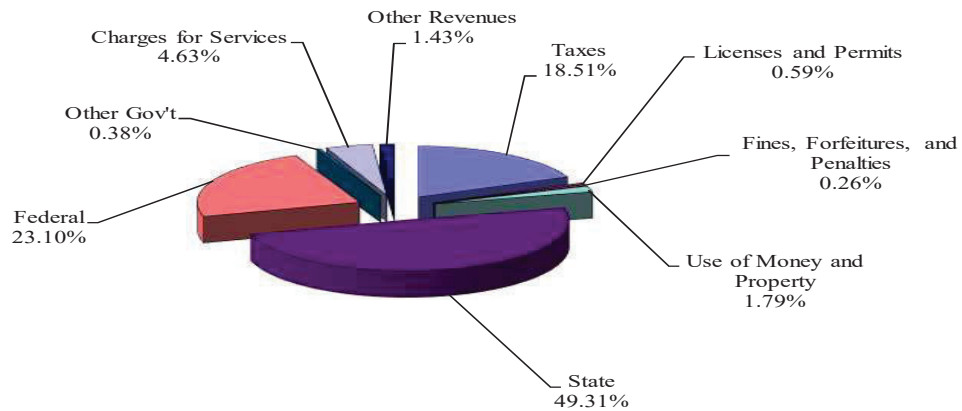
	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 422,029	\$ 449,842	\$ 450,120	\$ 311,405	\$ 320,594	\$ 331,781	\$ 360,697	\$ 379,121	\$ 394,773	\$ 439,371
Licenses and permits	17,272	17,946	17,558	10,756	16,192	18,896	15,231	15,820	14,837	13,994
Fines, forfeitures and penalties	13,866	13,015	11,944	10,061	10,408	8,473	9,368	7,201	6,795	6,002
Use of money and property	8,022	12,087	2,804	3,615	32,538	33,511	3,473	(33,841)	10,646	42,499
Aid from other governmental agencies	850,931	846,114	885,091	1,092,732	1,180,254	1,223,179	1,473,973	1,526,574	1,635,312	1,727,543
Charges for services	55,541	56,305	63,611	64,043	62,995	68,887	70,596	76,041	90,995	109,887
Other revenues	26,690	25,386	26,932	46,324	26,030	31,447	98,847	48,168	60,876	33,971
Total revenues	<u>1,394,351</u>	<u>1,420,695</u>	<u>1,458,060</u>	<u>1,538,936</u>	<u>1,649,011</u>	<u>1,716,174</u>	<u>2,032,185</u>	<u>2,019,084</u>	<u>2,214,234</u>	<u>2,373,267</u>
Expenditures										
General government	37,014	40,860	59,083	45,764	46,135	54,559	96,329	59,295	58,774	44,382
Public protection	324,104	340,802	359,422	383,305	431,489	467,157	502,148	514,358	534,786	556,935
Public ways and facilities	36,880	33,901	34,876	46,448	40,017	67,730	71,633	87,403	105,307	119,028
Health, sanitation, and public assistance	798,019	832,667	854,187	931,587	903,032	969,670	1,077,440	1,203,349	1,270,793	1,359,374
Education	25,152	25,350	26,205	25,881	27,818	28,870	28,932	30,024	32,241	33,316
Culture and recreation	2,596	2,688	2,898	4,453	2,998	3,250	3,371	3,712	4,098	4,370
Capital outlay	21,714	30,097	31,362	35,849	106,715	124,462	108,079	97,984	22,150	75,091
Debt service:										
Principal	32,655	36,585	40,035	44,505	47,690	29,314	38,635	48,204	71,278	67,944
Interest	20,960	19,221	15,318	13,584	11,132	9,307	8,615	8,294	18,317	21,155
Total expenditures	<u>1,299,094</u>	<u>1,362,171</u>	<u>1,423,386</u>	<u>1,531,376</u>	<u>1,617,026</u>	<u>1,754,319</u>	<u>1,935,182</u>	<u>2,052,623</u>	<u>2,117,744</u>	<u>2,281,595</u>
Excess (deficiency) of revenues over (under) expenditures	<u>95,257</u>	<u>58,524</u>	<u>34,674</u>	<u>7,560</u>	<u>31,985</u>	<u>(38,145)</u>	<u>97,003</u>	<u>(33,539)</u>	<u>96,490</u>	<u>91,672</u>
Other financing sources (uses):										
Bond proceeds	-	64,525	-	-	-	-	-	-	-	-
Bond premiums	-	6,360	-	-	-	-	-	-	-	-
Payment to escrow agent	-	(43,630)	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	16	248	227	121	199	10	253	156	151
Insurance recoveries	-	-	-	-	-	-	801	14	(15)	2
Transfers in	917,133	852,206	888,482	1,008,110	1,012,413	1,142,770	557,584	573,510	625,101	673,102
Transfers (out)	(920,117)	(855,814)	(891,006)	(1,010,824)	(1,013,551)	(1,149,882)	(585,576)	(586,278)	(637,064)	(679,076)
Refunded bond principal	-	(26,765)	-	-	-	-	-	-	-	-
Lease liabilities issued	-	-	-	-	-	-	-	76,474	228	6,786
Total other financing sources (uses)	<u>(2,984)</u>	<u>(3,102)</u>	<u>(2,276)</u>	<u>(2,487)</u>	<u>(1,017)</u>	<u>(6,913)</u>	<u>(27,181)</u>	<u>63,973</u>	<u>(11,594)</u>	<u>965</u>
Net change in fund balances	<u>\$ 92,273</u>	<u>\$ 55,422</u>	<u>\$ 32,398</u>	<u>\$ 5,073</u>	<u>\$ 30,968</u>	<u>\$ (45,058)</u>	<u>\$ 69,822</u>	<u>\$ 30,434</u>	<u>\$ 84,896</u>	<u>\$ 92,637</u>
Debt service as a percentage of non-capital expenditures	4.20%	4.19%	3.98%	3.88%	3.89%	2.37%	2.59%	2.89%	4.28%	4.04%

Note 1: Modified accrual basis of accounting

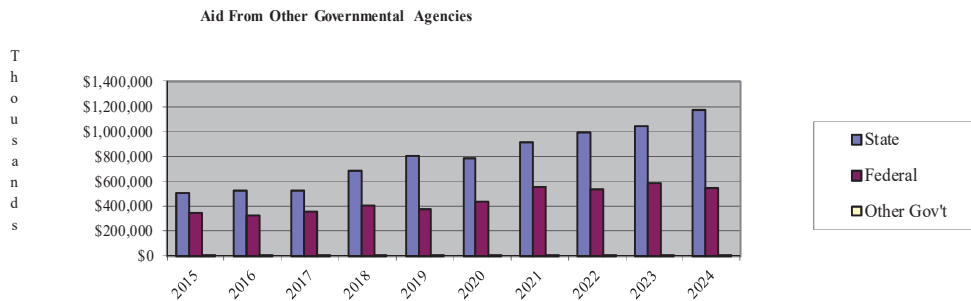
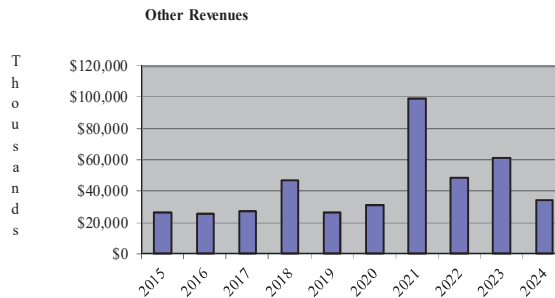
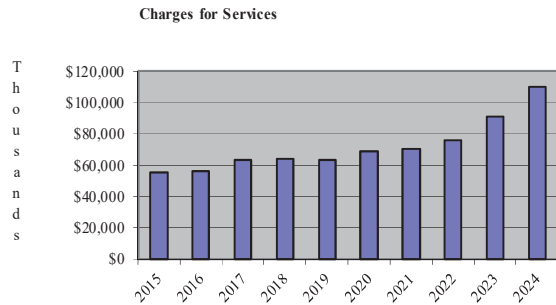
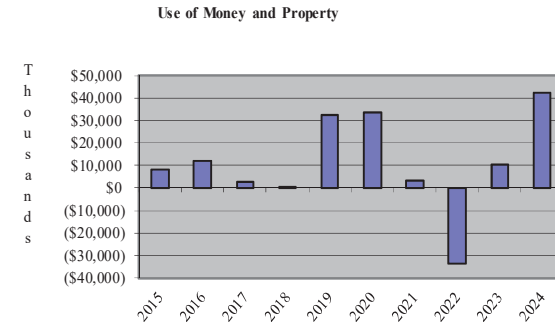
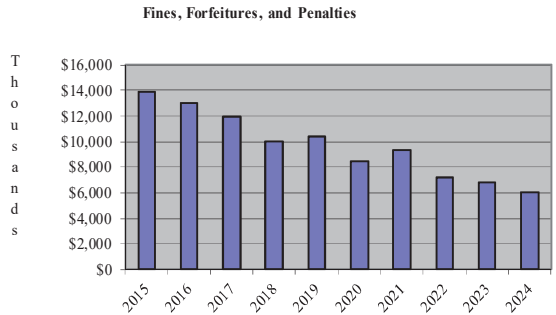
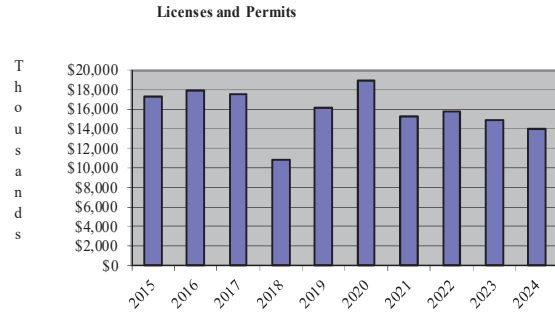
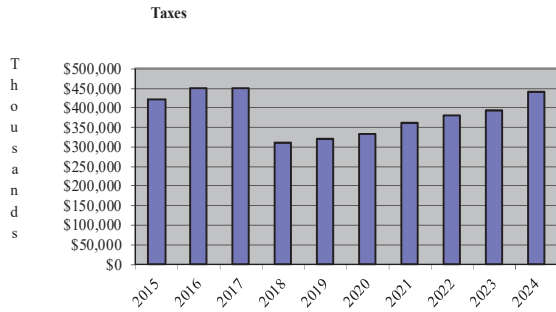
County of Fresno
Governmental Funds Revenue by Source
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

Fiscal Year	Aid From Other Governmental Agencies										
	Total Revenues	Taxes	Licenses and Permits	Fines, Forfeitures, and Penalties	Use of Money and Property	State	Federal	Other Gov't	Charges for Services	Other Revenues	
2015	\$ 1,394,351	\$ 422,029	\$ 17,272	\$ 13,866	\$ 8,022	\$ 505,053	\$ 342,554	\$ 3,324	\$ 55,541	\$ 26,690	
2016	1,420,695	449,842	17,946	13,015	12,087	520,137	322,977	3,000	56,305	25,386	
2017	1,458,060	450,120	17,558	11,944	2,804	525,324	355,934	3,833	63,611	26,932	
2018	1,536,075	311,393	10,756	10,049	561	681,841	407,703	3,188	64,043	46,541	
2019	1,649,011	320,594	16,192	10,408	32,538	804,151	372,680	3,423	62,995	26,030	
2020	1,716,174	331,781	18,896	8,473	33,511	778,589	439,783	4,807	68,887	31,447	
2021	2,032,185	360,697	15,231	9,368	3,473	913,382	554,813	5,778	70,596	98,847	
2022	2,019,084	379,121	15,820	7,201	(33,841)	987,930	530,467	8,177	76,041	48,168	
2023	2,214,234	394,773	14,837	6,795	10,646	1,043,175	587,243	4,894	90,995	60,876	
2024	2,373,267	439,371	13,994	6,002	42,499	1,170,313	548,224	9,006	109,887	33,971	

For Fiscal Year 2024



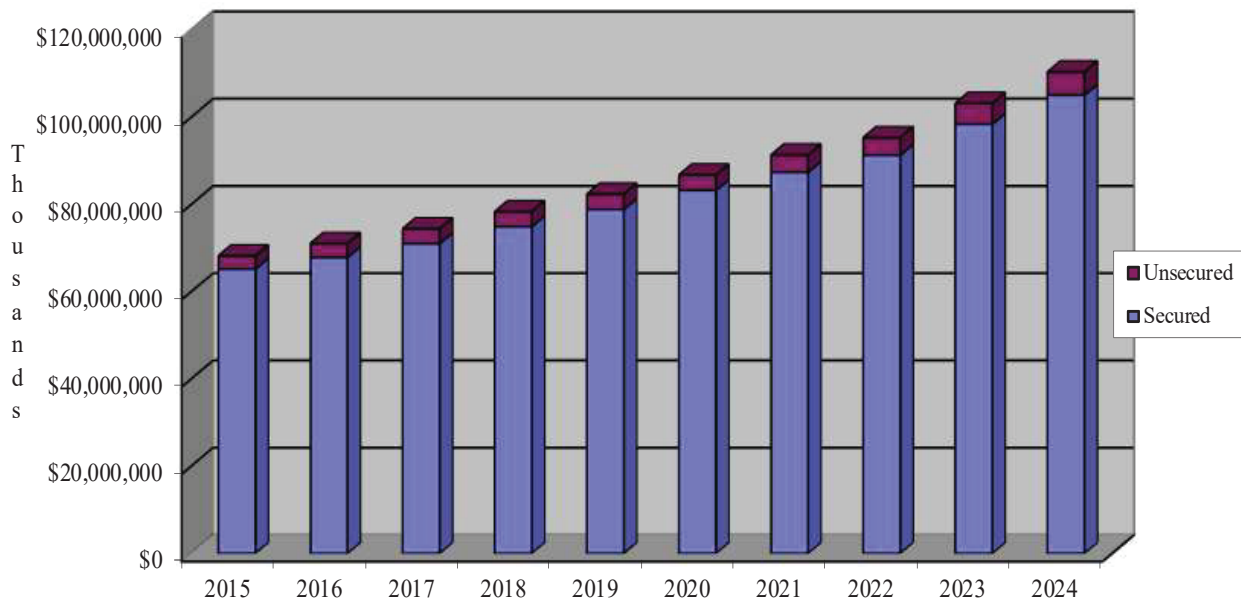
County of Fresno
Governmental Funds Revenue by Source (Continued)
Last Ten Fiscal Years
(\$ amounts expressed in thousands)



County of Fresno
Gross Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Secured</u> <u>Estimated</u> <u>Actual</u>	<u>Unsecured</u> <u>Estimated</u> <u>Actual</u>	<u>Total</u> <u>Estimated</u> <u>Actual</u>	<u>Ratio of</u> <u>Assessed to</u> <u>Estimated</u> <u>Actual</u>	<u>Total Direct Tax</u> <u>Rate</u>
2015	\$ 65,196,174	\$ 3,054,484	\$ 68,250,658	100%	1.00%
2016	67,898,181	3,190,135	71,088,316	100%	1.00%
2017	71,057,076	3,376,707	74,433,783	100%	1.00%
2018	74,950,077	3,432,862	78,382,939	100%	1.00%
2019	78,876,831	3,519,686	82,396,517	100%	1.00%
2020	83,267,031	3,520,780	86,787,811	100%	1.00%
2021	87,403,882	3,959,891	91,363,773	100%	1.00%
2022	91,304,647	4,027,211	95,331,858	100%	1.00%
2023	98,443,563	4,764,376	103,207,939	100%	1.00%
2024	105,111,640	5,296,954	110,408,594	100%	1.00%

Estimated Value of Taxable Property



Source: Auditor-Controller/Treasurer-Tax Collector, County of Fresno

Note: The estimated actual value of taxable property is the same as the gross assessed value.

County of Fresno
Property Tax Rates – Direct and Overlapping Governments
(% Per 100 of Assessed Value)
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

	<u>County Direct Rates</u>	<u>Overlapping Rates</u>		<u>Total Rates</u>
<u>Fiscal Year</u>	<u>Fresno County General</u>	<u>City of Fresno</u>	<u>School Districts</u>	
2014 - 2015	1.00000	0.032438	0.198168	1.230606
2015 - 2016	1.00000	0.032438	0.196924	1.229362
2016 - 2017	1.00000	0.032438	0.197344	1.229782
2017 - 2018	1.00000	0.032438	0.214798	1.247236
2018 - 2019	1.00000	0.032438	0.211830	1.244268
2019 - 2020	1.00000	0.032438	0.214650	1.247088
2020 - 2021	1.00000	0.032438	0.239536	1.271974
2021 - 2022	1.00000	0.032438	0.231952	1.264390
2022 - 2023	1.00000	0.032438	0.242334	1.274772
2023 - 2024	1.00000	0.032438	0.234784	1.267222

Notes:

(1) The above tax rates are for Tax Rate Area 005-001, which applies to most property within the City of Fresno.

(2) California voters, on June 6, 1978, approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the taxing power of California public agencies. Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that, notwithstanding any other law, local agencies may not levy any property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978, and that each County will levy the maximum tax permitted by Article XIII A of \$1 per \$100 of full cash value. Assessed value is equal to full cash value, pursuant to Senate Bill 1656, Statutes of 1978. □

□

Source:

Auditor-Controller/Treasurer-Tax Collector, County of Fresno

**County of Fresno
Principal Taxpayers
June 30, 2024
And June 30, 2015
(\$ amounts expressed in thousands)**

<u>Taxpayer</u>	2024			2015		
	<u>Assessed Value</u>	<u>Rank</u>	<u>% of Total County Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>% of Total County Assessed Value</u>
Pacific Gas & Electric Co.	\$ 3,386,500	1	3.07%	\$ 2,260,336	1	3.31%
Southern California Edison Co.	705,006	2	0.64%	561,473	2	0.82%
Chevron USA, Inc.	248,502	3	0.23%	400,779	3	0.59%
Gallo E & J Winery	222,961	4	0.20%	136,687	7	0.20%
Panoche Energy Center, LLC	191,000	5	0.17%	296,059	4	0.43%
Gap, Inc.	161,603	6	0.15%	110,293	10	0.16%
Macerich Fresno Limited Partnership	149,780	7	0.14%	142,747	8	0.21%
Meganova LP	144,100	8	0.13%	-	-	0.00%
Lennar Homes of California Inc	113,896	9	0.10%	-	-	0.00%
Pacific Bell Telephone Company	109,421	10	0.10%	179,225	6	0.26%
AERA Energy, LLC	-		N/A	180,746	5	0.26%
Donahue Schriber Realty Group LP	-		N/A	122,326	9	0.18%
Total	<u>\$ 5,432,769</u>		<u>4.93%</u>	<u>\$ 4,390,671</u>		<u>6.43%</u>

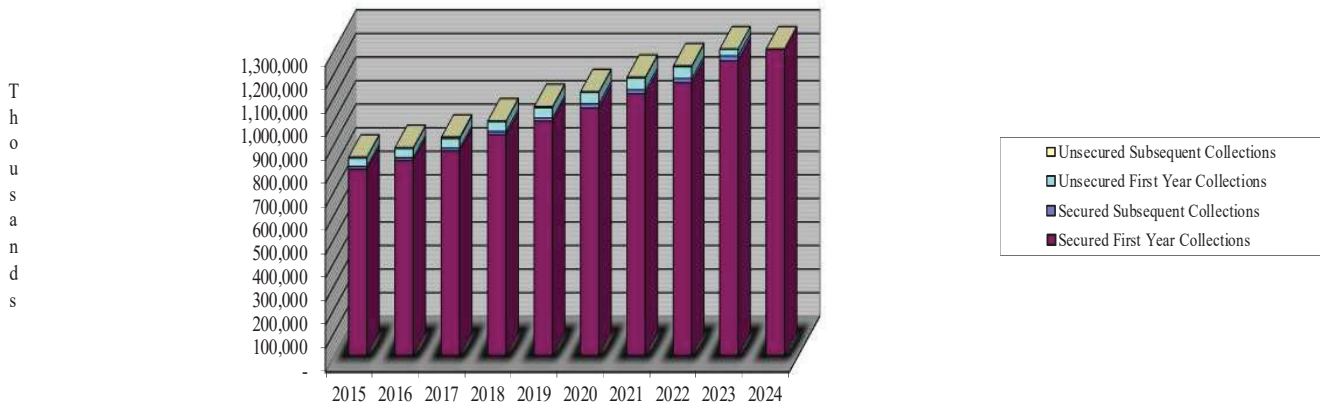
Source: Auditor-Controller/Treasurer-Tax Collector, County of Fresno

Note: Percentages based on estimated property values of \$110,408,594 in 2024 and \$68,250,658 in 2015.

County of Fresno
Property Tax Levies and Collections
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

Secured									Unsecured								
Fiscal Year	Tax Levies	Collections in Fiscal Year of Levy		Delinquency		Collection in Subsequent Years	Total Collection to Date		Tax Levies	Collections in Fiscal Year of Levy		Delinquency		Collection in Subsequent Years	Total Collection to Date		
		Amount	Percent	Amount	Percent	Amount	Amount	Percent		Amount	Percent	Amount	Amount	Percent			
2015	\$ 801,553	\$ 789,983	98.56%	\$ 11,550	1.44%	\$ 11,550	\$ 801,533	100.00%	\$ 38,950	\$ 36,263	93.10%	\$ 2,687	6.90%	\$ 2,687	\$ 38,950	100.00%	
2016	839,524	827,836	98.61%	11,688	1.39%	11,665	839,501	99.80%	41,729	38,931	93.29%	2,799	6.71%	2,793	41,724	99.80%	
2017	879,820	867,520	98.60%	12,299	1.40%	12,250	879,770	99.60%	45,719	40,764	89.16%	4,955	10.84%	4,935	45,699	99.60%	
2018	950,394	937,062	98.60%	13,332	1.40%	13,252	950,314	99.40%	44,286	41,949	94.72%	2,337	5.28%	2,323	44,272	99.40%	
2019	1,008,351	994,415	98.62%	13,937	1.38%	13,826	1,008,241	99.20%	46,957	43,515	92.67%	3,342	7.12%	3,315	46,830	99.20%	
2020	1,068,014	1,050,543	98.36%	17,471	1.64%	17,121	1,067,664	98.00%	50,925	48,611	95.46%	2,314	4.54%	2,268	50,879	98.00%	
2021	1,127,261	1,111,066	98.56%	16,195	1.44%	15,871	1,126,937	98.00%	52,822	50,074	94.80%	2,747	5.20%	2,692	52,766	98.00%	
2022	1,175,348	1,157,623	98.49%	17,725	1.51%	17,370	1,174,993	98.00%	53,046	50,376	94.97%	2,670	5.03%	2,617	52,993	98.00%	
2023	1,271,377	1,250,271	98.34%	21,106	1.66%	20,683	1,270,954	98.00%	59,664	55,970	93.81%	3,695	6.19%	3,621	59,591	98.00%	
2024	1,357,281	1,334,107	98.29%	23,174	1.71%	22,710	1,356,817	98.00%	66,575	62,103	93.28%	4,472	6.72%	4,382	66,485	98.00%	

Property Tax Levies



Note: The above represents total collections made by the County of Fresno for all appropriate taxing units.

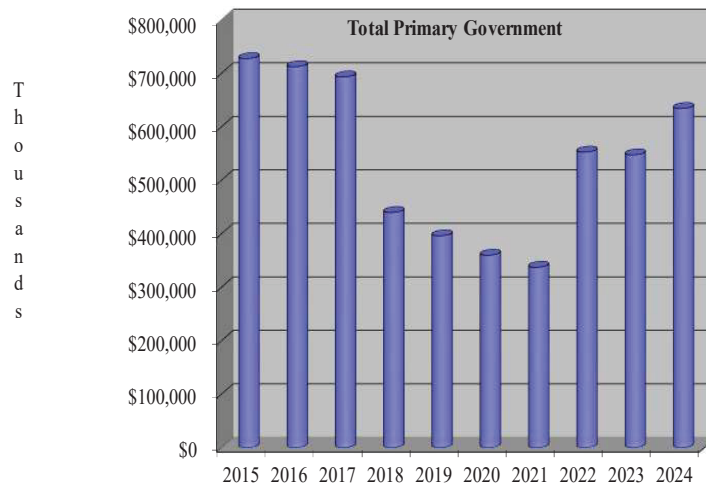
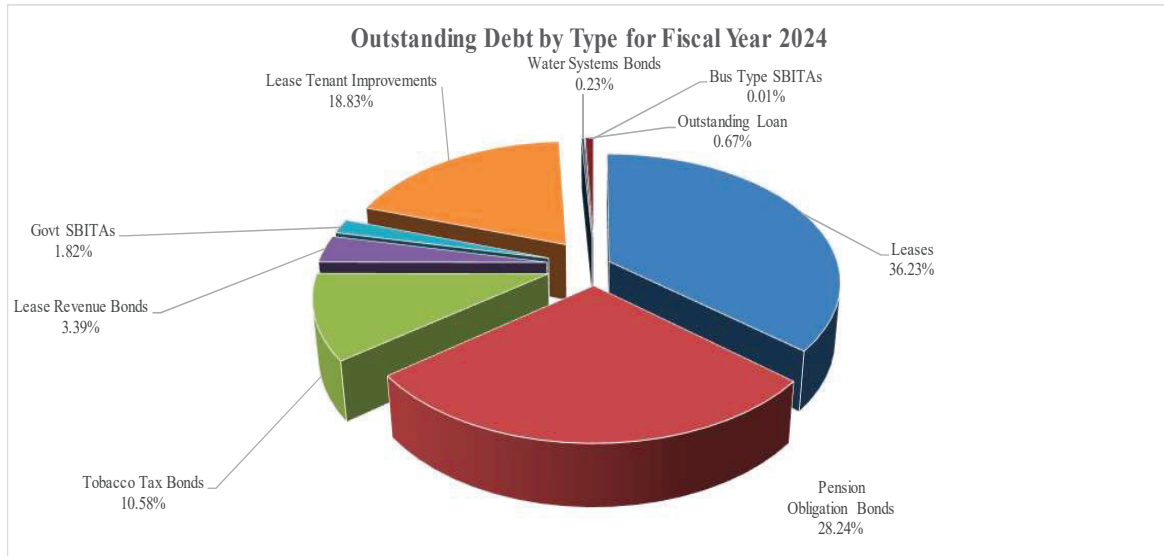
Source: County of Fresno Tax Rate Book

County of Fresno
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

Fiscal Year	Governmental Activities						Business-Type Activities					Percentage of Personal Income ^a
	Pension		Tobacco Tax	Lease Revenue	Govt SBITAs	Lease Tenant Improvements	Water Systems Bonds	Outstanding Loan	Bus Type SBITAs	Total Primary Government		
	Leases	Obligation Bonds										
2015	\$ 5,461	\$ 516,073	\$ 139,591	\$ 62,304	\$ -	\$ -	\$ 3,580	\$ 75	\$ -	\$ 727,084	NA	
2016	3,926	503,666	142,114	58,704	-	-	3,400	73	-	711,883	2.06%	
2017	2,934	488,331	145,048	52,916	-	-	3,205	370	-	692,804	1.85%	
2018	3,258	294,069	96,584	42,435	-	-	3,000	67	-	439,413	1.18%	
2019	3,154	254,825	92,573	42,435	-	-	2,780	62	-	395,829	1.01%	
2020	2,805	227,602	88,596	37,857	-	-	2,545	59	-	359,464	0.89%	
2021	2,705	215,367	83,384	33,179	-	-	2,295	56	-	336,986	0.74%	
2022	236,352	203,168	77,648	28,434	-	-	2,025	4,663	-	552,290	1.14%	
2023	234,176	191,038	72,093	24,555	18,942	-	1,740	4,391	119	547,054	1.05%	
2024	229,618	178,960	67,028	21,466	11,555	119,351	1,435	4,249	91	633,753	1.18%	

Note 1: Accrual basis of accounting

^a See Demographic and Economic Statistics schedule for personal income and population data. These ratios are calculated using personal income for the prior year.



County of Fresno
Estimated Direct and Overlapping Bonded Debt
June 30, 2024
(\$ amounts expressed in thousands)

2023-24 Assessed Valuation: \$ 110,408,594 (includes unitary utility valuation)

Overlapping Tax and Assessment Debt:	Total Debt 6/30/24	% Applicable ¹	County's Share of Debt 6/30/24
Merced Community College District School Facilities Improvement District No. 2	\$ 2,672	2.73%	\$ 73
State Center Community College District	370,425	82.794	306,690
West Hills Community College District and School Facilities Improvement Districts	65,789	27.595 - 99.550	38,278
Central Unified School District	276,014	100	276,014
Clovis Unified School District	579,822	100	579,822
Fresno Unified School District	801,692	100	801,692
Kings Canyon Joint Unified School District	71,367	88.943	63,476
Sanger Unified School District	251,589	100	251,589
Other Unified School Districts	403,213	Various	359,870
High School and School Districts	57,695	Various	49,762
City of Selma	3,485	100	3,485
Hospital Districts	19,245	100	19,245
Coalinga-Huron Recreation and Park District	14,400	100	14,400
California Statewide Community Development Authority			
Community Facilities District No. 2022-08, I.A. No. 1	3,885	100	3,885
City Community Facilities Districts	2,130	100	2,130
1915 Act Bonds (Estimated)	2,073	100	2,073
Total Overlapping Tax and Assessment Debt			<u>\$ 2,772,484</u>
Direct and Overlapping General Fund Debt:			
Fresno County Lease Revenue Bonds	\$ 21,466	100%	\$ 21,466
Fresno County Pension Obligation Bonds	178,960	100	178,960
Tobacco Bonds	67,028	100	67,028
Community College District General Fund Obligations	11,220	63.568	7,132
Central Unified School District Certificates of Participation	47,989	100	47,989
Clovis Unified School District General Fund Obligations	163,087	100	163,087
Fresno Unified School District General Fund Obligations	4,935	100	4,935
Sanger Unified School District Certificates of Participation	115,965	100	115,965
Other School District General Fund Obligations	67,142	Various	31,441
City of Clovis General Fund Obligations	16,277	100	16,277
City of Fresno General Fund Obligations	117,707	100	117,707
City of Fresno Pension Obligation Bonds	67,190	100	67,190
Other City General Fund Obligations	36,396	100	36,396
Clovis Memorial Water District General Fund Obligations	3,470	100	3,470
Total Gross Overlapping General Fund Obligation Debt			<u>\$ 879,043</u>
Total Direct and Overlapping General Fund Debt			<u>\$ 3,651,527</u>
Overlapping Tax Increment Debt:			
Successor Agencies	\$ 33,255	100%	<u>\$ 33,255</u>
Total Direct Debt			<u>\$ 267,454</u>
Total Overlapping Debt			<u>3,417,328</u>
Combined Total Debt²			<u>\$ 3,684,782</u>
Ratios to 2023-24 Assessed Valuation:			
Total Overlapping Tax and Assessment Debt		2.51%	
Total Direct Debt (\$267,454)		0.24%	
Combined Total Debt		3.34%	
Ratios to Redevelopment Incremental Valuation (\$8,270,135):			
Total Overlapping Tax Increment Debt		0.40%	

¹ The percentage of overlapping debt applicable to the County is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the County divided by the district's total taxable assessed value.

² Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations (Lease Obligations, Subscription Obligations, and Lease Tenant Improvements). Qualified Zone Academy Bonds are included based on the principal amount due at maturity.

Source: California Municipal Statistics, Inc.

County of Fresno
Computation of Legal Debt Margin
Last Ten Fiscal Years
(\$ amounts expressed in thousands)

<u>Amount of Debt Applicable to Limit</u>							
<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Debt Limit Percentage</u>	<u>Debt Limit</u>	<u>Bonds Payable</u>	<u>Less Resources</u>	<u>Total Net</u>	<u>Legal Debt Margin</u>
					<u>Restricted to</u>	<u>Debt</u>	
					<u>Paying Principal</u>	<u>Applicable to Limit</u>	
2015	\$ 68,250,658	1.25%	\$ 853,133	\$ -	\$ -	\$ -	\$ 853,133
2016	71,088,316	1.25%	888,604	-	-	-	888,604
2017	74,433,783	1.25%	930,422	-	-	-	930,422
2018	78,382,939	1.25%	979,787	-	-	-	979,787
2019	82,396,517	1.25%	1,029,956	389,833	47,690	342,143	687,813
2020	86,787,811	1.25%	1,084,848	354,055	35,335	318,720	766,128
2021	91,363,773	1.25%	1,142,047	331,930	21,682	310,249	831,798
2022	95,331,858	1.25%	1,191,648	309,251	22,331	286,920	904,729
2023	103,207,939	1.25%	1,290,099	287,686	21,152	266,533	1,023,566
2024	110,408,594	1.25%	1,380,107	267,454	19,819	247,635	1,132,473

Note: California Government Code Section 29909 read in conjunction with Revenue and Taxation Code Section 135 imposes a legal debt limitation for General Obligation Bond indebtedness to 1.25 percent of total assessed value.

County of Fresno
General Bonded Debt Ratios
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Net General Bonded Debt per Capita*</u>	<u>Net General Bonded Debt to Assessed Value</u>	<u>General Debt Service to General Expenditures</u>
2015	\$ 594.86	0.85%	3.61%
2016	543.52	0.75%	3.55%
2017	543.43	0.73%	3.51%
2018	514.02	0.66%	3.18%
2019	347.71	0.43%	3.38%
2020	345.97	0.41%	0.78%
2021	323.30	0.36%	1.41%
2022	305.80	0.32%	1.35%
2023	264.41	0.26%	1.22%
2024	262.87	0.24%	1.09%

**Updated amounts based on the revised population estimates for 2024 from Department of Finance as released on July 1, 2024.*

County of Fresno
Pledged Revenue Coverage
For the Last Ten Fiscal Years

CSA 47 Water/Sewer Revenue Bonds

<u>Fiscal Year</u>			<u>Less: Operating</u>	<u>Net Available</u>	<u>Debt Service</u>		<u>Coverage</u>
					<u>Principal</u>	<u>Interest</u>	
2015	\$	1,326,035	\$ 823,055	\$ 502,980	\$ 170,000	\$ 245,555	121%
2016		1,321,276	821,220	500,056	180,000	233,830	121%
2017		1,379,703	834,824	544,879	195,000	221,268	131%
2018		1,315,000	899,000	416,000	205,000	207,868	101%
2019		1,697,000	882,000	815,000	220,000	193,630	197%
2020		1,697,142	1,034,570	662,572	235,000	178,388	160%
2021		1,841,042	1,012,727	828,315	250,000	162,140	201%
2022		1,244,053	1,211,260	32,793	270,000	144,720	8%
2023		1,606,328	1,668,372	(62,044)	285,000	126,128	-15%
2024		1,625,624	1,586,485	39,139	305,000	106,363	10%

County of Fresno
Demographic and Economic Statistics
For the Last Ten Calendar Years

<u>Year</u>	<u>Population</u>	<u>Personal Income*</u>	<u>Per Capita Personal Income</u>	<u>Median Family Income</u>	<u>Unemployment Rate</u>
2015	972,297	N/A	N/A	N/A	9.30%
2016	984,541	\$ 34,567	\$ 35,785	\$ 58,900	9.40%
2017	995,975	37,360	38,323	59,900	8.30%
2018	1,007,229	39,295	40,101	59,900	7.60%
2019	1,018,241	40,583	41,137	64,800	7.40%
2020	1,023,358	42,843	43,084	70,700	14.50%
2021	1,026,681	45,446	45,487	70,700	9.50%
2022	1,011,273	48,539	48,495	80,300	5.90%
2023	1,011,499	52,120	51,422	83,800	7.00%
2024	1,017,431	53,633	52,728	87,900	7.70%

Sources:

Population data provided by the California State Controller. Personal and Per Capita Personal Income data provided by the Bureau of Economic Analysis. Unemployment data provided by the California Employment Development Department. Median Family Income data provided by California Department of Housing and Community Development.

** Personal Income amounts in thousands*

**County of Fresno
Principal Employers
Comparison of 2024 and 2015**

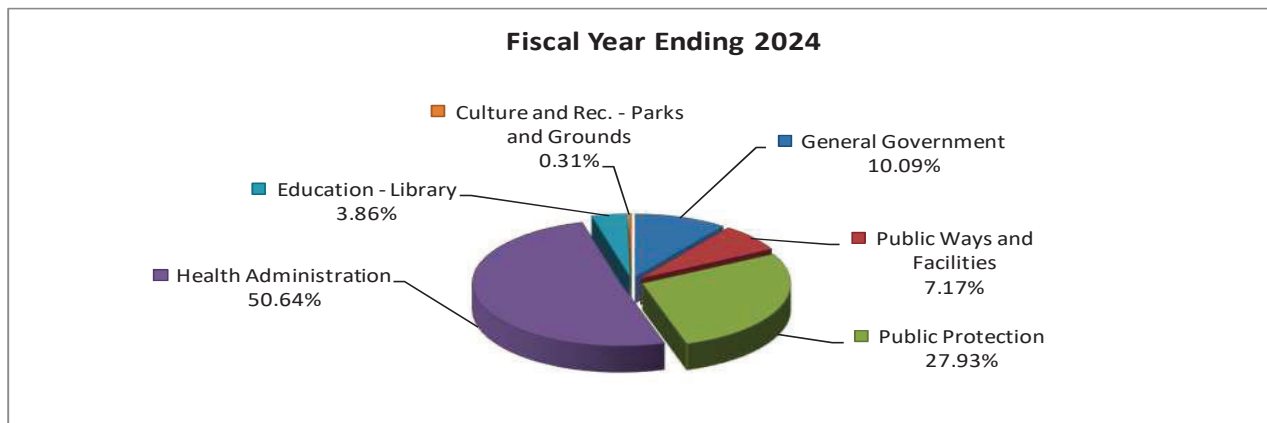
<u>Employer</u>	<u>2024</u>			<u>2015</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Fresno Unified School District	15,750	1	3.43%	11,162	1	2.49%
Community Medical Centers	10,219	2	2.23%	7,800	2	1.74%
County of Fresno	8,980	3	1.96%	7,120	3	1.59%
Clovis Unified School District	8,453	4	1.84%	3,892	4	0.87%
California State University Fresno	5,233	5	1.14%	2,191	9	0.49%
City of Fresno	5,015	6	1.09%	3,262	5	0.73%
State Center Community College District	4,469	7	0.97%	2,300	7	0.51%
Children's Hospital of Central CA	4,170	8	0.91%	-	-	-
Saint Agnes Medical	3,382	9	0.74%	2,500	6	0.56%
Kaiser Permanente Medical	2,950	10	0.64%	2,300	8	0.51%
Pelco by Schneider Electric	-		-	1,200	10	0.27%
Total	<u>68,621</u>		<u>14.95%</u>	<u>43,727</u>		<u>9.74%</u>

Source: The 2024 employee counts are obtained from various entity websites. The 2015 employee count was obtained from the 2015 County of Fresno Annual Comprehensive Financial Report.

Note: Percentages based on labor force of 459,000 in 2024 and 449,900 in 2015.

County of Fresno
Employees by Function/Program
For the Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Administration	57	62	62	62	61	61	62	69	69	71
County Counsel	32	32	32	33	34	36	34	40	42	42
Finance	225	237	238	233	231	231	243	245	246	244
Internal Service	374	383	383	408	418	447	454	460	461	460
Other	27	28	30	32	32	32	33	33	33	34
Total	715	742	745	768	776	807	826	847	851	851
Public Ways and Facilities										
Planning	120	137	144	159	161	166	166	192	195	199
Roads	196	203	206	223	246	247	247	265	276	281
Community Development	11	11	10	10	10	9	9	9	8	7
Solid Waste	21	15	15	16	16	17	20	22	23	23
Other	88	93	93	93	95	95	95	95	95	95
Total	436	459	468	501	528	534	537	583	597	605
Public Protection										
Sheriff - Coroner	1,071	1,139	1,182	1,231	1,254	1,247	1,247	1,257	1,274	1,275
Probation	585	639	641	650	659	660	642	654	655	658
District Attorney	254	260	255	247	252	249	252	250	251	252
Public Defender	105	111	112	120	144	162	162	170	171	171
Total	2,015	2,149	2,190	2,248	2,309	2,318	2,303	2,331	2,351	2,356
Health Administration										
Child and Family Services	239	239	239	224	224	278	278	307	308	308
Adult Services	542	584	584	616	641	742	747	746	753	753
Social Services	2,457	2,559	2,600	2,643	2,639	2,642	2,654	2,671	2,721	2,741
Community Health	368	394	394	404	405	409	446	450	449	449
In-Home Supportive Services	7	12	12	12	12	12	12	12	12	12
Veterans Services	6	6	7	7	7	7	7	7	7	9
Total	3,619	3,794	3,836	3,906	3,928	4,090	4,144	4,193	4,250	4,272
Education - Library	316	326	329	326	326	326	326	326	326	326
Culture and Rec. - Parks and Grounds	19	24	24	24	24	25	22	25	25	26
Grand Total	7,120	7,494	7,592	7,773	7,891	8,100	8,158	8,305	8,400	8,436



Source: 2024-2025 Recommended Budget

County of Fresno
Operating Indicators by Function/Program
For the Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Function/Program										
Public protection										
<i>Child Support Services</i>										
Number of child support cases opened	57,388	58,556	59,934	60,152	59,943	58,992	56,925	56,970	56,647	50,909
Child support collected (in thousands)	\$ 85,345	\$ 86,430	\$ 88,016	\$ 90,658	\$ 92,071	\$ 108,960	\$ 107,875	\$ 100,613	\$ 96,706	\$ 97,643
<hr/>										
<i>Sheriff</i>										
Zone offices	4	4	4	4	4	4	4	4	4	4
Dispatched calls	115,649	109,997	101,022	96,365	92,945	107,276	141,328	130,418	129,788	135,265
Physical arrests	4,658	4,985	6,338	4,978	4,888	3,979	4,347	3,601	3,530	3,443
Traffic citations	959	995	834	760	700	521	447	431	325	409
Stolen vehicles	644	809	711	695	779	799	1,025	1,202	1,142	1,096
Jail bookings	34,245	29,693	29,350	30,358	30,256	25,422	22,713	22,992	24,552	25,922
Avg. daily jail population	2,725	2,748	2,849	3,030	3,046	2,837	2,494	2,646	2,716	2,656
<hr/>										
Public ways and facilities										
Street miles maintained	3,508	3,507	3,505	3,496	3,488	3,485	3,481	3,479	3,480	3,471
<hr/>										
Health, sanitation, and public assistance										
<i>Emergency Medical Services (EMS)</i>										
Number of 9-1-1 medical calls	111,501	122,868	130,451	135,237	136,445	144,040	164,588	190,421	200,771	170,356
<i>Department of Social Services</i>										
Number of client months served	8,147,153	8,688,471	8,571,695	8,305,266	8,695,715	8,903,966	8,977,837	9,507,903	10,185,402	9,406,322
<hr/>										
Education										
<i>Library</i>										
Number of volumes	2,357,614	982,245	982,245	750,420	734,929	671,985	670,108	660,414	669,714	714,444
Volumes borrowed	4,175,236	3,882,699	3,508,508	3,295,783	2,547,469	1,893,902	1,208,513	1,648,225	1,773,486	3,143,744
<hr/>										
Culture and recreation										
<i>Parks and Grounds</i>										
Acreage	1,089	1,089	1,409	1,290	1,578	1,578	1,578	1,578	1,578	1,578
Park passes issued	18	20	20	91	265	232	446	346	250	289

Sources: Various county departments

County of Fresno
Capital Asset Statistics by Function/Program
For the Last Ten Fiscal Years

<u>Function/Program</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government										
Other buildings	4	4	4	4	4	4	4	4	4	6
Public protection										
<i>Sheriff</i>										
Patrol units	237	281	280	263	294	304	307	302	323	321
Aircrafts	3	3	3	3	4	4	4	4	4	4
Jail and detention facilities	3	3	3	3	3	3	3	3	3	3
Administration buildings	1	1	1	1	1	1	1	1	1	1
Public ways and facilities										
<i>Roads</i>										
Streetlights ¹	-	-	-	-	-	-	-	-	125	549
Heavy equipment	294	322	301	325	329	336	331	335	357	384
Bridges ¹	-	-	-	-	-	-	-	-	716	703
Health, sanitation, and public assistance										
Administration buildings	11	9	9	9	10	13	14	14	14	14
<i>Solid Waste</i>										
Landfill sites	4	4	4	4	4	4	4	4	4	4
Transfer stations	1	1	1	1	1	1	1	1	1	1
Education										
<i>Library</i>										
Number of branches	39	39	39	39	37	37	37	37	37	36
Culture and recreation										
Number of parks	12	12	12	12	12	12	12	12	12	12

Sources: Various county departments

¹ Information was only available starting with FY 2023, no available data for the prior years.

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Glossary

County of Fresno

Glossary for the Annual Comprehensive Financial Report

ACCOUNTS PAYABLE. A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government (but not including amounts due to other funds or other governments).

ACCOUNTS RECEIVABLE. An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

ACCRUAL BASIS OF ACCOUNTING. The recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

ACCUMULATED DEPRECIATION. A contra-asset account used to report the accumulation of periodic credits to reflect the expiration of the estimated service life of capital assets.

ACTIVE EMPLOYEES. Individuals employed at the end of the reporting or measurement period, as applicable.

ACTUARIAL VALUATION. The determination, as of a point in time (the actuarial valuation date), of the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions performed in conformity with Actuarial Standards of Practice unless otherwise specified by the GASB.

ACTUARIAL VALUATION DATE. The date as of which an actuarial valuation is performed.

ACTUARIALLY DETERMINED CONTRIBUTION. A target or recommended contribution to a defined benefit pension plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

ADVANCE FROM OTHER FUNDS. A liability account used to record noncurrent portions of a long-term loan from one fund to another fund within the same reporting entity. See DUE TO OTHER FUNDS and INTERFUND RECEIVABLE/PAYABLE.

ADVANCE TO OTHER FUNDS. An asset account used to record noncurrent portions of a long-term loan from one fund to another fund within the same reporting entity. See DUE FROM OTHER FUNDS and INTERFUND RECEIVABLE/PAYABLE.

AGENT MULTIPLE-EMPLOYER PLAN. Group of single-employer plans with pooled administrative and investment functions but separate actuarial valuations and contribution rates.

AMORTIZATION. The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR). A financial report that encompasses all funds and component units of the government. The Financial Report should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. The Financial Report is the governmental unit's official annual report and also should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data.

ANNUAL OPEB COST. An accrual-basis measure of the periodic cost of an employer's participation in a defined other postemployment benefit (OPEB) plan.

County of Fresno

Glossary for the Annual Comprehensive Financial Report

ANNUAL REQUIRED CONTRIBUTIONS (ARC). Term used in connection with other postemployment benefit plans to describe the amount an employer must contribute in a given year.

APPROPRIATION. A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

ASSESSED VALUATION. A valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSIGNED FUND BALANCE. Amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making authority, or by a body or an official designated for that purpose. This is also the classification for residual funds in the County's special revenue funds.

AUDITOR'S REPORT. In the context of a financial audit, a statement by the auditor describing the scope of the audit and the auditing standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with GAAP or some other comprehensive basis of accounting.

BALANCE SHEET. The financial statement disclosing the assets, liabilities and equity of an entity at a specified date in conformity with Generally Accepted Accounting Principles (GAAP).

BASIC FINANCIAL STATEMENTS (BFS). The minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP. Basic financial statements have three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

BASIS OF ACCOUNTING. A term used to refer to *when* revenues, expenditures, expenses, and transfers - and the related assets and liabilities - are recognized in the accounts and reported in the financial statements. Specifically, it relates to the *timing* of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual basis.

BUDGET. A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating governing body for adoption, and sometimes, the plan finally approved by that body.

BUDGETARY CONTROL. The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

BUSINESS-TYPE ACTIVITIES. One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. These activities are usually reported in enterprise funds.

CAPITAL ASSETS. Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Capital assets include buildings, equipment, and improvements other than buildings, land, intangible assets, and infrastructure. In the private sector, these assets are referred to most often as property, plant and equipment, and intangible assets.

CAPITAL EXPENDITURES. Expenditures resulting in the acquisition of or addition to the government's general capital assets.

County of Fresno

Glossary for the Annual Comprehensive Financial Report

CAPITALIZATION POLICY. The criteria used by a government to determine which outlays should be reported as capital assets.

CAPITAL PROJECTS FUND. A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

CASH BASIS OF ACCOUNTING. A basis of accounting under which transactions are recognized only when cash is received or disbursed.

CASH WITH FISCAL AGENT. An asset account reflecting deposits with fiscal agents, such as commercial banks, for the payment of bond principal and interest.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING PROGRAM. A voluntary program administered by the Government Finance Officers Association (GFOA) to encourage governments to publish efficiently organized and easily readable Financial Reports and to provide technical assistance and peer recognition to the finance officers preparing them.

CHANGE IN THE FAIR VALUE OF INVESTMENTS. The difference between the fair value of investments at the beginning of the year and at the end of the year, taking into consideration investment purchases, sales, and redemptions.

CLAIM. A demand for payment of damages or a policy benefit because of the occurrence of an event, such as the destruction or damage of property and related deaths or injuries.

CLOSED AMORTIZATION PERIOD. Term used in connection with the unfunded actuarial accrued liability associated with defined benefit pension and other postemployment benefit plans. A specific number of years that is counted from one date and, therefore, declines to zero with the passage of time. For example, if the amortization period is initially 30 years on a closed basis, 29 years remain after the first year, 28 years after the second year, and so forth.

COLLECTIVE DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS. Deferred outflows of resources and deferred inflows of resources related to pensions arising from certain changes in the collective net pension liability.

COLLECTIVE NET PENSION LIABILITY. The net pension liability for benefits provided through (1) a cost-sharing pension plan or (2) a single-employer or agent pension plan in circumstances in which there is a special funding situation.

COLLECTIVE PENSION EXPENSE. Pension expense arising from certain changes in the collective net pension liability.

COMMITTED FUND BALANCE. Amounts that can only be used for specific purposes determined by formal action 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 that imposed the limitation needs to occur no later than the close of the reporting period.

COMPENSATED ABSENCES. Absences, such as vacations, illness and holidays, for which it is expected employees will be paid. The term does not encompass severance or termination pay, postretirement benefits, deferred compensation or other long-term fringe benefits, such as group insurance, and long-term disability pay.

CONTINGENT LIABILITY. Items that may become liabilities as a result of conditions undetermined at a given date, such as guarantees, pending lawsuits, judgments under appeal, unsettled disputed claims, unfilled purchase orders and uncompleted contracts. Contingent liabilities should be disclosed within the financial statements (including the notes) when there is a reasonable possibility a loss may have been incurred. Guarantees, however, should be disclosed even though the possibility of loss may be remote.

CONTRIBUTION DEFICIENCIES. The difference between the annual required contributions (ARC) of the employer(s), and the employer's actual contributions in relation to the ARC.

County of Fresno

Glossary for the Annual Comprehensive Financial Report

CONTRIBUTIONS. Additions to a pension plan's fiduciary net position for amounts from employers, non-employer contributing entities (for example, state government contributions to a local government pension plan), or employees. Contributions can result from cash receipts by the pension plan or from recognition by the pension plan of a receivable from one of these sources.

COST-OF-LIVING ADJUSTMENTS. Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.

COST-SHARING MULTIPLE-EMPLOYER PLAN. A single plan with pooling (cost-sharing) arrangements for the participating employers. All risks, rewards, and costs, including benefit costs, are shared and are not attributed individually to the employers. A single actuarial valuation covers all plan members and the same contribution rate(s) applies for each employer.

COVERED PAYROLL. Term used in connection with defined benefit pension and other postemployment benefit plans to describe all elements of annual compensation paid to active employees on which contributions to a plan are based.

CREDIT RISK. The risk that an issuer or other counterparty to an investment will not fulfill its obligations.

CURRENT FINANCIAL RESOURCES MEASUREMENT FOCUS. Measurement focus according to which the aim of a set of financial statements is to report the near-term (current) inflows of resources, outflows of resources, and balances of expendable (spendable) financial resources. The current financial resources measurement focus is unique to accounting and financial reporting for state and local governments and is used solely for reporting the financial position and results of operations of governmental funds.

CUSTODIAL FUNDS. Funds which are used to report fiduciary activities that are not required to be reported in pension or OPEB trust funds, investment trust funds or private-purpose trust funds. The external portion of investment pools that are not held in a trust should be reported in a separate external investment pool fund column, under the custodial funds classification.

DEBT. An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, and notes.

DEBT SERVICE FUND. A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DEFERRED CHARGES. Expenditures that are not chargeable to the fiscal period in which they were made that are carried as an asset on the balance sheet, pending amortization or other disposition (e.g., bond issuance costs). Deferred charges differ from prepaid items in that they usually extend over a long period of time (more than five years) and are not regularly recurring costs of operation.

DEFERRED INFLOWS OF RESOURCES. An acquisition of net assets by the government that is applicable to a future reporting period.

DEFERRED OUTFLOWS OF RESOURCES. A consumption of net assets by the government that is applicable to a future reporting period.

DEFICIT. (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period or, in the case of proprietary funds, the excess of expenses over revenues during an accounting period.

DEFINED BENEFIT OPEB PLAN. Plan having terms that specify the amount of benefits to be provided at or after separation from employment. The benefits may be specified in dollars (for example, a flat dollar payment or an amount based on one or more factors such as age, years of service, and compensation), or as a type or level of coverage (for example, prescription drugs or a percentage of healthcare insurance premiums).

County of Fresno

Glossary for the Annual Comprehensive Financial Report

DEFINED BENEFIT PENSION PLAN. A pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service, and compensation.

DEPRECIATION. (1) Expiration in the service life of capital assets, other than wasting assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy and obsolescence. (2) The portion of the cost of a capital asset, other than a wasting asset, charged as an expense during a particular period. In accounting for depreciation, the cost of a capital asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

DISCOUNT RATE. The single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the following:

1. The actuarial present value of benefit payments projected to be made in future periods in which (a) the amount of the pension plan's fiduciary net position is projected to be greater than the benefit payments that are projected to be made in that period and (b) pension plan assets up to that point are expected to be invested using a strategy to achieve the long-term expected rate of return, calculated using the long-term expected rate of return on pension plan investments.
2. The actuarial present value of projected benefit payments not included in (1), calculated using the municipal bond rate.

DUE FROM OTHER FUNDS. An asset account used to indicate amounts owed to a particular fund by another fund for goods sold or services rendered. This account includes only short-term obligations on open account, not interfund loans.

DUE TO OTHER FUNDS. A liability account reflecting amounts owed by a particular fund to another fund for goods sold or services rendered. These amounts include only short-term obligations on open account, not interfund loans.

ECONOMIC RESOURCES MEASUREMENT FOCUS. Measurement focus under which the aim of a set of financial statements is to report all inflows of resources, outflows of resources, and balances affecting or reflecting an entity's net position. The economic resources measurement focus is used for proprietary and fiduciary funds, as well as for government-wide financial reporting. It is also used by business enterprises in the private sector.

EMPLOYER'S CONTRIBUTIONS. Term used in the context of pension and other postemployment benefits to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer. (Only amounts paid to trustees and outside parties qualify.)

ENCUMBRANCES. Commitments related to unperformed (executory) contracts for goods or services. Used in budgeting, encumbrances are not generally accepted accounting principles (GAAP) expenditures or liabilities, but represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed.

ENTERPRISE FUND. Proprietary fund type used to report an activity for which a fee is charged to external users for goods and services.

ENTRY AGE ACTUARIAL COST METHOD. A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is called the actuarial accrued liability.

EXCHANGE-LIKE TRANSACTION. Transaction in which there is an identifiable exchange between the reporting government and another party, but the values exchanged may not be quite equal or the direct benefits of the exchange may not be exclusively for the parties to the exchange.

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EXPENDITURES. Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of current net position, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues.

EXPENDITURE-DRIVEN GRANTS. Government-mandated or voluntary non-exchange transactions in which expenditure is the prime factor for determining eligibility. Also referred to as reimbursement grants.

EXPENSES. Outflows of resources or other using up of assets or incurrence of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations.

EXTERNAL AUDITORS. Independent auditors typically engaged to conduct an audit of a government's financial statements.

EXTERNAL INVESTMENT POOL. An arrangement that commingles (pools) the moneys of more than one legally separate entity and invests, on the participants' behalf, in an investment portfolio; one or more of the participants is not part of the sponsors reporting entity. An external investment pool can be sponsored by an individual government, jointly by more than one government, or by a nongovernmental entity. An investment pool that is sponsored by an individual state or local government is an external investment pool if it includes participation by a legally separate entity that is not part of the same reporting entity as the sponsoring government. If a government-sponsored pool includes only the primary government and its component units, it is an internal investment pool and not an external investment pool.

FAIR VALUE. The amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

FIDUCIARY FUNDS. The trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units and/or other funds.

FINANCIAL RESOURCES. Resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g., receivables, investments). Financial resources may also include inventories and prepaids (because they obviate the need to expend current available resources).

FISCAL AGENT. A fiduciary agent, usually a bank or county treasurer, who performs the function of paying debt principal and interest when due.

FUND. A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.

FUND BALANCE. Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

FUND FINANCIAL STATEMENTS. Basic financial statements presented on the basis of funds. Term used in contrast with *government-wide financial statements*.

FUND TYPE. Any one of seven categories into which all funds are classified in governmental accounting. The seven fund types are: general, special revenue, debt service, capital projects, enterprise, internal service, and trust and agency.

GENERAL FUND. The general fund is one of five governmental fund types and typically serves as the chief operating fund of the government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

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GENERAL REVENUES. All revenues that are not required to be reported as program revenues. All taxes, even those that are levied for a specific purpose, are general revenues and should be reported by type of tax - for example, property tax, sales tax, transient occupancy tax. All other nontax revenues (including interest, grants and contributions) that do not meet the criteria to be reported as program revenues should also be reported as general revenues.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP). The convention, rules, and procedures that serve as the norm for the fair presentation of financial statements. The various sources of GAAP for the state and local governments are set forth by SAS No. 69, *The Meaning of "Present Fairly in Conformity with Generally Accepted Accounting Principles"* in the Independent Auditor's Report.

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA). An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of GAAP for state and local governments since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946.

GOVERNMENTAL ACCOUNTING. The composite activity of analyzing, recording, summarizing, reporting and interpreting the financial transactions of governments.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB). The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the National Council on Governmental Accounting (NCGA).

GOVERNMENTAL ACTIVITIES. Activities generally financed through taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in governmental funds and internal service funds.

GOVERNMENTAL FUNDS. Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

GOVERNMENT-WIDE FINANCIAL STATEMENTS. Financial statements that incorporate all of a government's governmental and business-type activities, as well as its non-fiduciary component units. There are two basic government-wide financial statements: the statement of net position and the statement of activities. Both basic governmental financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

IMPROVEMENT. An addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change is added to the book value of the asset.

INACTIVE EMPLOYEES. Terminated individuals that have accumulated benefits but are not yet receiving them, and retirees or their beneficiaries currently receiving benefits.

INDIRECT EXPENSES. Expenses that cannot be specifically associated with a given service, program, or department and thus, cannot be clearly associated with a particular functional category.

INFRASTRUCTURE. Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

INTERFUND RECEIVABLE/PAYABLE. Short-term loans made by one fund to another fund or the current portion of an advance to or from another fund.

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INTERFUND TRANSFERS. Flow of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for payment.

INTERNAL SERVICE FUND. A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

JOINT VENTURE. A legal entity or other contractual arrangement in which a government participates as a separate and specific activity for the benefit of the public or service recipients and in which the government retains an ongoing financial interest.

LAPSE. As applied to appropriations, the automatic termination of an appropriation. Except for indeterminate appropriations and continuing appropriations, an appropriation is made for a certain period of time. At the end of this period, any unexpended or unencumbered balance thereof lapses, unless otherwise provided by law.

LEASE-PURCHASE AGREEMENTS. Contractual agreements that are termed leases, but that in substance are purchase contracts.

LEGAL LEVEL OF BUDGETARY CONTROL. The level at which spending in excess of budgeted amounts would be a violation of law.

LEVEL OF BUDGETARY CONTROL. The level at which a government's management may not reallocate resources without special approval from the legislative body.

LEVEL PERCENTAGE OF PROJECTED PAYROLL AMORTIZATION METHOD. Amortization payments are calculated so that they are a constant percentage of the projected payroll of active plan members over a given number of years. The dollar amount of the payments generally will increase over time as payroll increases due to inflation; in dollars adjusted for inflation, the payments can be expected to remain level.

LIABILITIES. Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

LOANS RECEIVABLE. An asset account reflecting amounts loaned to individuals or organizations external to a government, including notes taken as security for such loans. Loans to other funds and governments should be recorded and reported separately.

MAJOR FUND. A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. The general fund is always a major fund. Otherwise, major funds are those whose revenues/expenditures, assets or liabilities, are at least 10 percent of corresponding totals for all government or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same items. Any other government or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A). A component of required supplementary information used to introduce the basic financial statements and to provide an analytical overview of the government's financial activities.

MEASUREMENT FOCUS. A way of presenting an entity's financial performance and position by considering which *resources* are measured (financial or economic) and *when* the effects of transactions or events involving those resources are recognized (the basis of accounting). The measurement focus of government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements is economic resources. The measurement focus of governmental fund financial statements is current financial resources.

MEASUREMENT PERIOD. The period between the prior and the current measurement dates.

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MODIFIED ACCRUAL BASIS OF ACCOUNTING. The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g., bond issue proceeds) are recognized when they become susceptible to accrual; that is, when they become both "measurable" and "available to finance expenditures of the current period." "Available" means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Generally, expenditures are recognized when the fund liability is incurred. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

NET INVESTMENT IN CAPITAL ASSETS. One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of borrowings attributable to the acquisition, construction, or improvements of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets or related debt should also be included. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included.

NET OPEB OBLIGATION. In the context of defined benefit pension and Other Postemployment Benefit (OPEB) plans, the cumulative difference between annual pension cost and the employer's contributions to the plan, including the pension/OPEB liability (asset) at transition, if any, and excluding (a) short-term differences and (b) unpaid contributions that have been converted to pension-related/OPEB-related debt.

NET PENSION LIABILITY. The liability of employers and non-employer contributing entities to employees for benefits provided through a defined benefit pension plan.

NET POSITION. The residual of all other elements presented in a statement of financial position. It is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources.

NONSPENDABLE FUND BALANCE. The portion of fund balance of a governmental fund that cannot be spent either because the underlying resources are not in spendable form or because the government is legally or contractually required to maintain the resources intact.

OPERATING LEASE. A lease does not transfer ownership rights, risks, and rewards from the lessor to the lessee; the lease is called an operational lease and is similar to a rental.

OTHER FINANCING SOURCES. An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. The use of the other financing sources category is limited to items classified by GAAP.

OTHER FINANCING USES. A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the other financing uses category is limited to items so classified by GAAP.

OTHER POSTEMPLOYMENT BENEFITS (OPEB). Medical, dental, vision, and other health-related benefits provided to terminated employees, retired employees, dependents, and beneficiaries.

OVERLAPPING DEBT. The proportionate share property within which each government must bear of the debts of all local governments located wholly or in part within the geographic boundaries of the reporting government. Except for special assessment debt, the amount of debt of each unit applicable to the reporting unit is arrived at by (1) determining what percentage of the total assessed value of the overlapping jurisdiction lies within the limits of the reporting unit, and (2) applying this percentage to the total debt of the overlapping jurisdiction. Special assessment debt is allocated on the basis of the ratio of assessment receivable in each jurisdiction, which will be used wholly or in part to pay off the debt, to total assessments, which will be used wholly or in part for this purpose.

PAY-AS-YOU-GO. A method of financing a pension plan under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments and expenses becoming due.

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PAYROLL GROWTH RATE. An actuarial assumption with respect to future increases in total covered payroll attributable to inflation; used in applying the level percentage of projected payroll amortization method.

PENSION BENEFITS. Retirement income and all other benefits, including disability benefits, death benefits, life insurance, and other ancillary benefits, except healthcare benefits, that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or after retirement. Postemployment healthcare benefits are considered other postemployment benefits, whether they are provided through a defined benefit pension plan or another type of plan.

PENSION PLANS. Arrangements through which pensions are determined, assets dedicated for pensions are accumulated and managed, and benefits are paid as they come due.

PLAN MEMBERS. Individuals that are covered under the terms of a pension plan. Plan members generally include (a) employees in active service (active plan members) and (b) terminated employees who have accumulated benefits but are not yet receiving them and retirees or their beneficiaries currently receiving benefits (inactive plan members).

POSTEMPLOYMENT. Period following termination of employment, including the time between termination and retirement postemployment healthcare benefits.

PROGRAM REVENUES. Term used in connection with the government-wide statement of activities. Revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues.

PROJECTED BENEFIT PAYMENTS. All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service.

PROPRIETARY FUNDS. Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial positions, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

REAL RATE OF RETURN. The rate of return on an investment after adjustment to eliminate inflation.

REBATABLE ARBITRAGE. A term used in connection with the reinvestment of the proceeds of tax-exempt debt. A requirement to remit to the federal government interest revenue in excess of interest costs when the proceeds from the sale of tax-exempt securities are reinvested in a taxable money market instrument with a materially higher yield.

REPORTING ENTITY. The oversight unit and all of its component units, if any, that are combined in the Financial Report/BFS.

REQUIRED SUPPLEMENTARY INFORMATION. Consists of statements, schedules, statistical data, or other information which, according to the GASB, is necessary to supplement, although not required to be a part of the basic financial statements.

RESTRICTED ASSETS. Assets whose use is subject to constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

RESTRICTED FUND BALANCE. Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

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RESTRICTED NET POSITION. One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability or deferred inflow of resources relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability/deferred inflow of resources or if the liability will be liquidated with the restricted assets reported.

RETAINED EARNINGS. An equity account reflecting the accumulated earnings of an enterprise fund or internal service fund.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the enterprise fund's property.

RISK MANAGEMENT. All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

SELF-INSURANCE. A term often used to describe the retention by an entity of a risk of loss arising out of the ownership of property or from some other cause, instead of transferring the risk to an independent third party through the purchase of an insurance policy. It is sometimes accompanied by the setting aside of assets to fund any related losses. Because no insurance is involved, the term self-insurance is a misnomer.

SERVICE LIFE. The average remaining years of service of all members of the plan (both current employees and retirees).

SINGLE AUDIT. An audit performed in accordance with the Single Audit Act of 1997 and the United States' Office of Management and Budget's (OMB) Uniform Guidance Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of all federal agencies.

SPECIAL DISTRICT. An independent unit of local government organized to perform a single government function or a restricted number of related functions. Special districts usually have the power to incur debt and levy taxes; however, certain types of special districts are entirely dependent upon enterprise earnings and cannot impose taxes. Examples of special districts are water districts, drainage districts, flood control districts, hospital districts, fire protection districts, transit authorities, port authorities, and electric power authorities.

SPECIAL REVENUE FUND. A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

STATEMENT OF NET POSITION. A financial statement reporting all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. This statement reports the residual amount of all assets, deferred outflows of resources, liabilities, deferred inflows of resources as net position.

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA). A contract that conveys control of the right to use another party's (an SBITA vendor's) information technology (IT) software, along or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

SUBSTANTIVE PLAN. Terms of another postemployment benefits (OPEB) plan as understood by the employer(s) and plan members.

TAX AND REVENUE ANTICIPATION NOTES (TRANS). Notes issued in anticipation of the collection of taxes and revenues, usually retired only from tax collections, and frequently only from the proceeds of the tax and revenues levy whose collection they anticipate.

TERMINATION BENEFITS. Inducements offered by employers to active employees to hasten the termination of services, or payments made in consequence of the early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits.

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TOTAL PENSION LIABILITY. The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service.

UNASSIGNED FUND BALANCE. The residual classification for the County's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

UNEARNED REVENUES. Resource inflows that do not yet meet the criteria for revenue recognition. In governmental funds, earned amounts also are reported as unearned revenue until they are available to liquidate liabilities of the current period.

UNMODIFIED OPINION. An opinion rendered without reservation by the independent auditor that financial statements are fairly presented.

UNRESTRICTED NET POSITION. One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It is the difference between net position and its two other components (net investment in capital assets and restricted net position).

VARIABLE-RATE INVESTMENT. An investment with terms that provide for the adjustment of its interest rate (such as the last day of the month or a calendar quarter) and that, upon each adjustment until the final maturity of the instrument or the period remaining until the principal amount can be recovered through demand, can reasonably be expected to have a fair value that will be unaffected by interest rate charges.